

**PUBLIC HEARING
APRIL 5, 2011
11:00 a.m.
RAND MACHINE PRODUCTS, INC.
TOWN OF ELLICOTT
CHAUTAUQUA COUNTY
NEW YORK**

ATTENDANCE:

Carol Rasmussen, County of Chautauqua Industrial Development Agency
Herman C. Ruhlman, Rand Machine Products, Inc.

**PUBLIC HEARING PURSUANT TO
SECTION 859-a OF
THE GENERAL MUNICIPAL LAW
AND
SECTION 147(f) OF
THE INTERNAL REVENUE CODE**

Agency	County of Chautauqua Industrial Development Agency (the "Agency")
Project Beneficiary:	Rand Machine Products, Inc. (the "Company")
Project Location:	Town of Ellicott, Chautauqua County, New York
Hearing Date:	April 5, 2011
Hearing Time:	11:00 a.m.
Hearing Location:	the Town Hall located at 215 South Work Street in the Town of Ellicott, Chautauqua County, New York

Opening Remarks

Good morning.

My name is Carol Rasmussen, and I am the Project Manager of the County of Chautauqua Industrial Development Agency (the "Agency").

Today we are holding this Public Hearing to allow citizens to make a statement, for the record, relating to the sponsorship and involvement of the Agency with a project (the "Proposed Project") for the benefit of Rand Machine Products, Inc., a New York business corporation (the "Company").

The Proposed Project consists of the following: (A) (1) the acquisition of an interest in an approximately 2 acre parcel of land located at 2072 through, and including 2088 Allen Street Extension in the Town of Ellicott, Chautauqua County, New York (the "Land"), together with two (2) buildings containing in the aggregate approximately 36,540 square feet of space located thereon (collectively, the "Existing Facility"), (2) the construction on the Land of an approximately 22,250 square foot building and associated parking (collectively, the "Facility") and (3) the acquisition and installation of certain machinery and equipment (the "Equipment") therein and thereon, all of the foregoing to constitute a manufacturing facility (the Land, the Existing Facility, the Facility and the Equipment being collectively referred to as the "Project Facility"); (B) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be approximately \$6,000,000 and in any event not to exceed \$7,000,000 (the "Obligations"); (C) paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; (D) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively with the Obligations, the "Financial Assistance"); and (E) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

For clarification purposes, I would like to state that the Obligations of the Agency for the Proposed Project will not be obligations of the State of New York or any municipality thereof, including

County of Chautauqua, New York (the "County"), the municipality for whose benefit the Agency was created. In addition, the Obligations of the Agency will not be a general obligation of either the Agency or the County. **This means that if the holders of the Obligations are not paid by the Company, the holders of the Obligations will not be able to come back against the Agency or the County. The Obligations are not an obligation of the County or the taxpayers of the County.**

We intend to provide general information on the Agency's general authority and public purpose to provide assistance to this Proposed Project. I will then open the comment period to receive comments from all present who wish to comment on either the Proposed Project or the Financial Assistance contemplated by the Agency with respect to the Proposed Project.

Legal Authorization and Powers of the Agency

The provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York as amended, and Chapter 71 of the 1972 Laws of the State of New York, as amended, codified as Section 895-h of said General Municipal Law (collectively, the "Act"), authorize the Agency to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining and equipping and furnishing of **manufacturing facilities**, among others.

Purpose of this Public Hearing

Pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the "Act"), prior to the Agency providing any "financial assistance" (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project. Since the proposed "financial assistance" to be provided by the Agency with respect to the Proposed Project may exceed \$100,000, then prior to providing any "financial assistance" (as defined in the Act) of more than \$100,000 to the Proposed Project, the Agency must hold a public hearing on the nature and location of the Project Facility and the proposed "financial assistance" to be provided by the Agency with respect to the Proposed Project.

Pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), if any portion of the Obligations is intended to be issued as federally tax-exempt obligations (the interest on will be excludable from the gross income of the holders thereof for federal income tax purposes), then prior to issuing such portion of the Obligations, (A) the Agency must hold a public hearing on the nature and location of the Project Facility and the issuance of the Obligations, and (B) thereafter the County Executive of County of Chautauqua, New York must approve the issuance of the Obligations.

After consideration of the Application received from the Company, the members of the Agency adopted a resolution on March 15, 2011 (the "Preliminary Inducement Resolution") authorizing, among other things, the Administrative Director/Chief Executive Officer of the Agency to conduct this Public Hearing with respect to the Proposed Project pursuant to Section 147(f) of the Code and Section 859-a of the Act.

The Administrative Director/Chief Executive Officer of the Agency caused notice of this Public Hearing to be published on March 19, 2011 in The Post-Journal, a newspaper of general circulation available to the residents of Town of Ellicott, Chautauqua County, New York. In addition, the Administrative Director/Chief Executive Officer of the Agency caused notice of this Public Hearing to be (A) mailed on March 16, 2011 to the chief executive officers of the County, and of each city, town, village and school district in which the Proposed Project is or is to be located and (B) posted on March

17, 2011 on a bulletin board located in the Town Hall located at 215 South Work Street in the Town of Ellicott, Chautauqua County, New York.

Copies of the notice of this Public Hearing are available on the table.

Now, unless there is any objection, I am going to suggest waiving the full reading of the notice of this Public Hearing, and instead request that the full text of the notice of this Public Hearing be inserted into the record of this Public Hearing.

The comments received today at this Public Hearing will be presented to the members of the Agency at or prior to the meeting at which the members of the Agency will consider whether to approve the undertaking of the Project by the Agency, the granting by the Agency of any "financial assistance" in excess of \$100,000 with respect to the Project, and the issuance of the Obligations by the Agency.

The comments received today at this Public Hearing will also be presented to the County Executive of County of Chautauqua, New York.

Written Comments

The notice of this Public Hearing indicated that written comments could be addressed to: William J. Daly, the Administrative Director/Chief Executive Officer of the Agency. No written comments have been received by the Agency prior to this Public Hearing.

Remarks by the Company

A representative of the Company is present at this Public Hearing. I will now introduce Herman Ruhlman, who is appearing on behalf of the Company, and will describe the Proposed Project.

Herman C. Ruhlman, Rand Machine Products, Inc.

Hello, this is Herm Ruhlman; Rand Machine has been in business since 1949 and we moved to our present location in the Town of Ellicott in 1956. We have been there for just over 54 years. We have enjoyed having our business located here, and it has been a healthy business. We look to promote the area even more with additional manufacturing space. We are hopeful there will be no complaints or hindrances to that. We are certainly open to discussing anyone's concerns. I look forward to approval of the project and the beginning of the project as soon as possible. Thank you.

Carol Rasmussen, CCIDA

Again, that was Herman Ruhlman, President of Rand Machine Products, Inc. He spoke of the project for the record.

At this time, I open discussion for any public comments. There is no one from the public in attendance today.

I will conclude this Public Hearing. As indicated above, a record of this Public Hearing will be prepared and reviewed by the members of the Agency in connection with the Agency's consideration of the Proposed Project. Also as indicated above, a copy of the record of this Public Hearing will also be presented to the County Executive of County of Chautauqua, New York.

Again, the purpose of this Public Hearing is to solicit public comment. We are not here to answer questions. However, we will in the course of this Public Hearing consider questions if we have the information to answer the questions and there is sufficient time to consider such questions.

There is no one else in attendance at this time who wishes to comment on either the nature or location of the Project Facility or the proposed Financial Assistance being contemplated by the Agency with respect to the Proposed Project, including but not limited to the issuance of the Obligations for the purpose of assisting in financing the Proposed Project.

I will now close this Public Hearing at 11:22 o'clock, a.m. However, I will be here until 11:30 a.m. in case there is anyone else that may arrive.

Thank you.

Respectively,

A handwritten signature in black ink, appearing to read 'Carol Rasmussen', with a long horizontal flourish extending to the right.

Carol Rasmussen
Project Manager

Name

affiliation

1- Herman C. Ruhlman

Ramp Machine Prod Inc.

2- Carol Rasmussen

CCIDA