

**ALLEGANY COUNTY BOARD OF LEGISLATORS
COMMITTEE OF THE WHOLE**

January 12, 2015

**** APPROVED ****

CALL TO ORDER: The meeting was called to order at 3:23 p.m. by Chairman Curtis W. Crandall

LEGISLATORS PRESENT: Chairman C. Crandall, P. Curran, D. Decker, D. Fanton, K. Graves, D. Healy, T. Hopkins, C. Jessup, K. LaForge, T. O'Grady, D. Pullen, D. Root, N. Ungermann (Absent: S. Burt, A. McGraw)

OTHERS PRESENT: C. Abers (Cattaraugus County), M. Alger, T.E. Amidon (Applied Biorefinery Sciences) B. Budinger, R. Chamberlain, C. Clark (SUNY-Alfred), P. Cook, S. Decker, B. Dibble, D. Fanton, P. Gilbert (SUNY-ESF), L. Gridley, G. Hanchett, Jonathan Hollander (via teleconference) L. James, S. Labuhn (Cattaraugus County), J. Lynch, R. Lynch, P. McGlew, T. Miner, A. Ormond, B. Quinn, B. Riehle, T. Ross, J. Schmidt, B. Whitfield, C. Wood (Applied Biorefinery Sciences), J. Wood

INTRODUCTIONS:

Chairman Crandall noted that there were many organizations represented at the meeting and asked those in attendance to introduce themselves. Organizations and municipalities represented included: Applied Biorefinery Sciences, Allegany County Farm Bureau, Allegany County IDA, Allegany County Planning Board, Allegany Trails, Cattaraugus County, Congressman Reed, Greater Allegany County Chamber of Commerce, Senator Young, Seneca Trail RC&D, SUNY-ESF, SUNY Alfred, Town of Wellsville and Village of Wellsville

Biorefinery Research Center

Patrick McGlew, Executive Director of Seneca Trail Resource Conservation and Development was introduced. Mr. McGlew was instrumental in contacting Applied Biorefinery Sciences about the possibility of doing work in the Southern Tier of Western New York. Legislator Ungermann gave background on Resource Conservation and Development, saying that it used to piggyback with NRCS (Natural Resources Conservation Service). He thanked everyone for coming and expressed his pleasure for this project moving along. Mr. McGlew introduced the New Forest Economy Project saying he thought it was a good fit for Southwest New York State. Mr. McGlew invited Preston Gilbert, Research Fellow at SUNY College of Environmental Science and Forestry, Dr. Thomas E. Amidon, Co-founder of Applied Biorefinery Sciences, and Chris Wood, Co-founder of Applied Biorefinery Sciences and one of the inventors of the ABS core technology forward to present information regarding the project.

Mr. Gilbert stated that this project is a market responsive economic development strategy. He said the project is only possible because of the partnership with Alfred State. He presented statistics regarding mill closures and contractions. He stated that their approach is an alternative one, re-establishing the heritage supply chain of one hundred years ago into a modern context reclaiming underutilized sites and mills. They would access a different segment of the same market that the paper industry thrived on. He introduced "The New Forest Economy." The process consists of extracting chemicals from wood chips to create a wide variety of products. One product is a wood pellet that is able to reject water. These wood pellets wouldn't have to be packaged as they currently are in plastic bags. They could be sold in bulk and even stored outside. Additionally, the burning of the pellets is more efficient; the pellets burn hotter and make less ash. Electricity and heat would also be created during the process which could be used to heat greenhouses, villages,

industrial parks, or subdivisions. Mr. Gilbert went on to explain why Wellsville was chosen as a site to develop the research facility, and what Wellsville and the surrounding areas have to gain from the project. In its initial phase as a research facility, it will offer educational opportunities and promote industrial tourism. There are a multitude of reasons for choosing the Alfred State campus in Wellsville. Alfred State produces a great number of graduates with technical skills which could be utilized locally. Additionally, there would be the possibility for other sites in Wellsville, as well as commercial sites in Cattaraugus and Allegany counties.

Chris Wood further explained the process of turning raw wood material into higher quality wood pellets through an extraction process that removes chemicals, sugars, cellulose and other products from wood chips.

Dr. Thomas Amidon and Mr. Wood explained the resources needed to put this biorefinery in place. They also gave a projected return for the project.

Following the presentation, Chairman Crandall offered Julie Schmidt (representing Senator Young) an opportunity to speak. Ms. Schmidt stated that she would be delivering all of the information from the meeting to Senator Young. Chairman Crandall noted that the project had been getting a serious look as far as funding and support from Senator Young. Chairman Crandall then opened the floor for questions regarding the project.

Legislator Decker stated that he always heard that you're not supposed to burn willow (willow frequently being used in this process), and wondered how this was different than burning willow in a fireplace? Dr. Amidon responded that the reason you don't want to burn willow in the traditional manner is because it puts creosote into the chimney. With the water extraction, the pellets are just as dense as from other woods such as maple.

Legislator LaForge stated that seven hundred ton of wood per day was a lot. He was concerned about the ability to sustain production with just the native stock. Dr. Amidon indicated that they had not yet reached out to potential suppliers, but the willow they would be using takes three years to grow. Legislator LaForge asked about irrigation for growing willow. Dr. Amidon stated that no irrigation would be necessary.

Legislator Ungermann remarked that logging is a big business in this area, and he notices that there is a tremendous amount of waste between hollow trees and tree tops that are left behind. Dr. Amidon confirmed that about 40 percent is wasted.

Chairman Crandall wanted to clarify the quantity of wood that would be required for the research center saying that 700 ton would be the amount necessary for a commercial operation. He asked for an estimate of what would be needed for the research facility. Dr. Amidon stated that it would be around three tons of dry material, or six tons of green per day. Mr. Gilbert added that those 3-6 tons may come from other areas, not just local supply.

Legislator Fanton asked whether hemlock and pine could be used. Dr. Amidon indicated that they aren't preferred. Mr. Wood remarked that they have also studied the use of wood that has gone through a forest fire.

Legislator Ungermann asked if there would be an opportunity for a start-up business to build the equipment locally that is needed for the biorefinery. Dr. Amidon stated that it would take a while, but yes. He indicated that they aren't interested in building the equipment themselves.

Legislator Decker asked how this project might affect residents who sell firewood. Dr. Amidon and Mr. Wood agreed that there is actually more potential for jobs, and that instead of

selling firewood a little at a time, they could sell a larger quantity to the biorefinery. Dr. Amidon added that this process delivers more jobs per ton of wood.

Legislator Pullen asked what they were looking for from Allegany County. Mr. McGlew indicated that they were looking for financial and governmental support. He also noted that Cattaraugus County has offered its support with the expectation that something will come to Cattaraugus County. He added that because of the financial support of Cattaraugus County, they've had other recent successes. He also remarked that sites had been offered in Pennsylvania, but that Dr. Amidon is from New York and would like to see New York benefit from the project.

Cattaraugus County Legislator Sue Labuhn expressed her support of the project. She feels someone has got to start the process of supporting the project. The Cattaraugus County legislators realized that it might take a few years before they benefit, but they felt it was important to get the process started. Crystal J. Abers, Director of Economic Development, Planning & Tourism for Cattaraugus County remarked that she thinks it's a great project and hopefully a great opportunity for Cattaraugus County. She would like to see the local counties work together as a united force.

Legislator Healy asked why the private sector hadn't done a project like this. Dr. Amidon replied that the project they are doing at Alfred won't make a profit. It would have to be a larger production facility in order to make a profit, but as a research facility it's a great educational tool. Mr. Wood added that once this facility is up and going, it would open the door for commercial facilities which would be profitable.

Chairman Crandall made a final statement regarding how the local area would benefit in the initial phase of this project saying that it would promote industrial tourism which would benefit local businesses.

The project will be referred to the Resource Management Committee for further review and consideration.

ADJOURNMENT:

There being no further business to come before the committee, the meeting was adjourned at 5:07 p.m. following a motion made by Legislator Graves, seconded by Legislator Decker, and carried.

Respectfully submitted,

Sarah M. Decker, Deputy Clerk of the Board
Allegany County Board of Legislators