

**Cayuga County Industrial Development Agency
Regular Meeting
Cayuga County Chamber of Commerce
2 State Street
Auburn, NY
November 19, 2019 at 4:00pm**

Chairman Lockwood called the meeting to order at 4:03pm, noting that a quorum was present.

ROLL CALL:

Present: Ray Lockwood, Herb Marshall, Gina Speno, Ben Vitale, John Latanyshyn, Andrew Rindfleisch

Excused: Paul Lattimore

Others Present: Tracy Verrier, Samantha Frugé (CEDA); Rick Galbato (Galbato Law Firm); Jeanine Wilson (Cayuga County Sewer & Water Authority); Bob Foxen (Global Common Energy via conference call)

MEETING MINUTES:

Mr. Marshall moved to approve the minutes of the October 15th Regular Meeting and the minutes of the October 15th Finance Meeting, seconded by Mr. Rindfleisch. All members present voted in favor; the motion carried.

BILLS AND COMMUNICATIONS:

Ms. Verrier presented the following bills: NYSEG for electric at the Industrial Park for November (\$140.02) and the Probst Group for preliminary engineering study for the sewer line at the Industrial Park (\$2,241.56). Mr. Vitale moved to pay the bills, seconded by Mr. Rindfleisch. All members present voted in favor; the motion carried.

REPORT OF THE TREASURER

Ms. Verrier reviewed the budget report, noting that project fees were received from Page Trucking in the amount of \$83,175.75. She added the project fee received from Page Trucking put them over their projected fee income for the year. Ms. Verrier noted that the tax bills for the two mall parcels were put under the wrong expense line item and would be moved to the expense line for taxes on property. Ms. Verrier pointed out that the restricted funds in the amount of \$72,049.41 were for a PILOT payment received from Johnston Paper that had not yet been disbursed. Mr. Rindfleisch moved to accept the report of the treasurer, seconded by Ms. Speno. All members present voted in favor; the motion carried.

UNFINISHED BUSINESS

Scheduling SunEast Public Hearings: Ms. Verrier advised that SunEast Solar received a negative declaration for the SEQR and were moving on to permitting with the Town. She added that the Town mostly seemed supportive of the project, and that she and Ms. Frugé would work to schedule the IDA schedule public hearing for the project. She explained it would likely be held in the Town of Ledyard within the first few weeks of January to coincide with when Mr. Beckner would be in town. If the public hearing could be scheduled within that timeframe, they could expect to vote on an Authorizing Resolution around February/March. Mr. Marshall asked if they

only needed one public hearing? Ms. Verrier confirmed the IDA would only need one public hearing.

Global Common SEQR Engineering Firm Selection: Ms. Verrier advised that the engineering quotes were included in the Board packet materials and were the same quotes as the previous meeting. Ms. Verrier noted that there could be a potential conflict with CPL as they are also engaged by a direct competitor to Global Common. The Board discussed the potential conflict, noting that professional firms like engineering firms often work with competing projects without issue. Mr. Marshall motioned to approve CPL as the engineering firm for the SEQR, seconded by Mr. Latanyshyn. Mr. Lockwood asked if there was any discussion. Ms. Verrier said that they should consider a secondary choice if the chosen firm was not agreeable to both the Board and the project given the potential conflict. She added that the Board had previously made note of their preference to use a NYS firm, and asked if that was still a preference? The Board agreed that it was. Ms. Verrier noted that, of the firms who placed a bid, both C&S and CPL were NYS-based firms whereas KIMA was located in Pennsylvania, although with experience working within NYS as well. Ms. Verrier asked that if CPL was not agreeable to all parties, would they consider C&S? The Board was agreeable. Ms. Verrier conference called Mr. Foxen to discuss the engineering firms. Ms. Verrier recapped the conversation for Mr. Foxen, noting the potential conflict with CPL and the Board's desire to use a NYS firm. She asked Mr. Foxen to discuss the concern about the potential conflict for CPL. Mr. Foxen said that his main concern was that CPL was working with one of Global Common Energy's direct competitors and worried that information could somehow be shared across clients. Ms. Verrier asked if Mr. Foxen had experienced an engineering firm share information with another client about his company? Mr. Foxen said that he was unaware if there had been, but was concerned with the possibility of that situation. Ms. Verrier said that her understanding was that engineering firms often worked with multiple clients within the same industry and there was a certain level of confidentiality built into the agreements. Mr. Galbato said that often the way this is handled is through a firewall, which would require different staff and filing of information working with the two different clients. Ms. Verrier asked Mr. Foxen if such an arrangement would work for him? Mr. Foxen said that would depend on the size of the staff working on the project and whether CPL had enough people with expertise to cover both clients independently. Mr. Lockwood asked if there was any other discussion? Mr. Vitale said that he did some research on CPL and noted that they are a great firm in the areas that they specialize, but did not have much experience with natural gas projects of this nature and thus might not have the staffing to sufficiently firewall the two clients. Mr. Rindfleisch asked if Mr. Vitale looked into the other firms as well? Mr. Vitale said that he has done a lot of work with C&S and believed they could do the job sufficiently. Ms. Verrier asked Mr. Foxen if he would be comfortable with engaging C&S? Mr. Foxen said that he thought their pricing wasn't competitive so he was unaware they were for consideration. Ms. Verrier said that C&S was not the low bid. Mr. Vitale noted that they can discuss the pricing with C&S to confirm what the real anticipated cost would be since the quote was a not to exceed. Ms. Verrier said that the Board desired to hire a NYS firm, and if C&S was not acceptable, they would need to get additional quotes from other firms. Mr. Lockwood called for a roll call vote for the original motion to engage CPL as the engineering firm, and was recorded as follows:

NAME	Yes	Nay	Absent	Abstain
BEN VITALE		X		
JOHN LATANYSHYN		X		
PAUL LATTIMORE			X	

RAYMOND LOCKWOOD				X
HERB MARSHALL	X			
ANDREW RINDFLEISCH		X		
GINA SPENO	X			

The motion did not pass.

Mr. Vitale said that if they were to go with C&S, they should obtain a realistic price for the cost before final approval. Mr. Vitale motioned to engage C&S subject to the Executive Director's approval of cost structure, seconded by Mr. Rindfleisch. A roll call vote was taken and recorded as follows:

NAME	Yes	Nay	Absent	Abstain
BEN VITALE	X			
JOHN LATANYSHYN	X			
PAUL LATTIMORE			X	
RAYMOND LOCKWOOD				X
HERB MARSHALL	X			
ANDREW RINDFLEISCH	X			
GINA SPENO	X			

The motion passed.

CEDA Staff Update: Ms. Verrier provided an update on the Aurelius Sewer Line, stating that the flow meters for the preliminary engineering study were put in the ground at the beginning of the month. She said that the meters would provide data to the Probst Group for the flow analysis and would be removed around the end of the month. Once all the data was received, the Probst Group would finalize their report to submit to NYS DEC. Mr. Marshall asked if they should have an answer from DEC by the December meeting? Ms. Verrier said that they likely won't have an answer from DEC by December, but the flow metering would be complete and the final report from the Probst Group should be close to complete, if not finished by then. Mr. Vitale stated that he would like to see some preliminary numbers from the flow metering by the next meeting, to see if the numbers were on track with the flow estimates. Mr. Marshall asked what DEC would be approving? Ms. Verrier said that they want to confirm the capacity of the conveyance system and water treatment plant to ensure that the additional flow coming from the line won't cause overflows. She added that they also ensure it won't push the treatment plant over their permitted treatment levels.

Ms. Verrier discussed a new solar project that submitted a draft application, noting CEDA staff had been working with the project to finalize their application before it came to the Board. She added that the application would likely be presented at the December meeting. She noted that the project was proposing a lower per MW payment for the PILOT than has been standard in the region, so CEDA staff would need to review the project's proformas to determine if the payment was appropriate for the size of their project. The project had also negotiated a separate payment directly to the town.

Ms. Verrier discussed a potential new solar project in Moravia that was currently going through a feasibility study. She added that she had an initial conversation with them but the project wasn't ready to submit an application yet.

Ms. Verrier shared that legal counsel Justin Miller had reached out to advise that there could be some complication for solar projects in agriculture districts. She said that certain types of

developments needed special approvals, and if the land use changed with a solar project the property owner could potentially be required to pay a penalty or have the agriculture tax abatements recaptured. She added that she was waiting on additional guidance from Mr. Miller. Mr. Lockwood asked if the owner would have to pay back the tax abatements or a penalty or if that would be covered by the project? Ms. Verrier said that would generally be worked out within the lease rather than the PILOT.

Ms. Verrier advised that CEDA hired Danielle Szabo to fill the Economic Development Specialist position. She added that Ms. Szabo's background was in workforce development but she was excited to expand into economic development.

NEW BUSINESS

Resolution: Ratifying prior-adopted policies, standards, and procedures: Ms. Verrier said that all of the policies had gone through the committee and the resolution before the Board was to restate the current policies, as there were no recommended changes.

Mr. Rindfleisch motioned to approve the Resolution, seconded by Mr. Latanyshyn. All members present voted in favor; motion carried.

Upcoming Events: Ms. Verrier discussed upcoming events, noting that SCORE started up their annual Simple Steps program which walks entrepreneurs through various topics related to starting a business. She also discussed upcoming tax training seminars focused on the 2020 tax season. She discussed the January 16th Economic Forecast Luncheon and noted the keynote speaker would be from Buffalo Federal Reserve. Ms. Verrier noted that the Chamber Holiday Party was on December 5th at the Pointe and everyone was welcome to attend.

Mr. Marshall asked if there were any Board members up for re-appointment? Ms. Verrier said that Mr. Lockwood, Mr. Lattimore, Mr. Latanyshyn, and Mr. Rindfleisch were up for re-appointment. Mr. Marshall motioned to re-appoint the current Board members, seconded by Mr. Vitale. All members present voted in favor; motion carried.

EXECUTIVE SESSION

Mr. Marshall motioned to enter executive session to discuss matters involving the proposed acquisition, sale, or lease of real property, seconded by Mr. Vitale. All members present voted in favor; the motion passed. The Board entered executive Session at 4:55pm.

Mr. Marshall motioned to exit executive session, seconded by Mr. Latanyshyn. All members present voted in favor; the motion passed. The Board exited executive session at 5:19pm.

Motion to adjourn at 5:20pm by Mr. Marshall, seconded by Mr. Latanyshyn. All members present voted in favor; motion carried.

Respectfully submitted,
Samantha Frugé

Next regularly scheduled meeting: Tuesday, December 17th, 2019 @ 12:00pm, Springside Inn