

**Cayuga County Industrial Development Agency
Regular Meeting
Remote due to COVID-19
May 19, 2020 at 4:00pm**

Chairman Lockwood called the meeting to order at 4:00pm, noting that a quorum was present.

ROLL CALL:

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

Excused:

Others Present: Tracy Verrier, Samantha Frugé (CEDA); Rick Galbato (Galbato Law Firm); Doug Kierst (Cayuga County Soil & Water); Jeanine Wilson (Cayuga County Water & Sewer Authority); Kevin Ellis, Keven Buckland, Tim Gaul (Cayuga Milk Ingredients)

MEETING MINUTES:

Mr. Marshall moved to approve the minutes of the April 21st Regular Meeting and April 21st Governance Committee Meeting, seconded by Mr. Rindfleisch. All members present voted in favor; the motion carried.

Mr. Lockwood noted that he wanted to move guests up on the meeting. He noted that he would like to start with Mr. Kierst to discuss the broken culvert over at the Industrial Park. Mr. Lockwood stated that several Board members visited the gravel road off of Eagle Drive (behind Home Depot) to look at a culvert that had caved in. It was discovered that the gates to the road were removed and missing and there appeared to be a dumping issue. Mr. Kierst advised that there is a 4x60 foot pipe that was split open along the length. He said that they started looking into the county bid pricing to see how much a replacement pipe would be and the materials alone were around \$6,000 with a total price of \$10,500 including labor. He added that they considered putting in a smaller pipe but were concerned with the capacity for rainfall. Mr. Lockwood asked if the price difference between the 4-foot pipe and a smaller pipe would be significant? Mr. Kierst said that it wouldn't be a significant price difference. Mr. Marshall asked if the outlet was sufficient? Mr. Kierst said that it was. Mr. Lockwood said that he discussed with Mr. Kierst to put a swale there instead of a culvert, however there could be a liability issue with how trafficked that road was. Ms. Verrier said that she was discussing with Ed Ide whether or not they could block access to the drive from both sides as the town has expressed a need to have access to maintain the sewer line that runs under the drive. Mr. Marshall asked if they would have to remove that pipe for the sewer upgrade at the Industrial Park? Ms. Verrier said that she would need to look at the maps for the sewer upgrade against where the culvert pipe was. Mr. Marshall said the he wanted to move forward with the culvert repair as long as it did not interfere with the sewer upgrade. Mr. Lockwood asked Mr. Kierst how soon the repair needed to be done? Mr. Kierst said that as long as they successfully barricade the road, they could take their time with the repair. The danger was the traffic on that road while there was a hole in the ground. Mr. Latanyshyn asked why there would be an issue with blocking off the other side of the road? Ms. Verrier said that the Town of Aurelius had a sewer line they needed access to. The Board agreed that the road needed to be barricaded so repairs could be made. Mr. Marshall motioned to make the repair to the culvert as long as it did not interfere with the sewer line expansion, seconded by

Mr. Latanyshyn. All members present voted in favor; motion carried. Mr. Marshall motioned to have barricades installed on the road, seconded by Mr. Rindfleisch. All members present voted in favor; motion carried. Mr. Lockwood asked Mr. Galbato if the IDA had any legal risk with barricading the road? Mr. Galbato asked if it was a public road? Ms. Verrier said that it was not and that the IDA owned that road. Mr. Galbato said that as long as they gave notice to the Town it should be fine to set up the barricades. Mr. Lockwood asked if they had any liability risk if someone were to trespass and hit one of the barricades? Mr. Galbato said that if they put up trespassing signage along the road that could help mitigate the risk. Mr. Kierst and Ms. Verrier discuss the wording of signs to be posted.

NEW BUSINESS

Initial Project Resolution: Cayuga Milk Ingredients: Ms. Verrier welcomed Kevin Ellis, Kevin Buckland, and explained that the initial project resolution on the agenda was for a sales and use tax exemption exceeding \$100,000 in benefits which requires a public hearing. If the initial resolution passed today they would set up a public hearing (held remotely) before the next scheduled meeting date. Mr. Ellis described the project, explaining that they were purchasing a new evaporator and hired GEA as their main equipment manufacturer who had made their other evaporator. The new evaporator would be producing the same products they currently have, but would allow the business to run 24 hours a day. Mr. Ellis discussed the timeframe for the project, noting they were looking to have contractors on site by the beginning of June and have the project mostly complete by April, 2021 for a total construction time around 219 days. Current conditions due to the pandemic have delayed their timeline such as getting building permits approved. The budget was just under \$25 million with \$15 million for the equipment, \$9 million for building renovations, and \$625,000 for wastewater. Mr. Ellis stated that they were currently in the process of obtaining their building permit and they were also addressing noise complaints from local residents which will likely require a noise study to mitigate the issue. He reviewed their bidding list and advised they would be doing their own general contracting instead of bidding that out. He pointed out that most of the equipment was specialized and being made in Wisconsin. Mr. Lockwood asked how many new positions this expansion would create? Ms. Verrier said that the application noted they would be creating one position. Mr. Ellis said that they are estimated around \$3.3 million of the budget is subject to sales tax which would have an estimated benefit of around \$270,000 and an agency fee of \$27,000 (10% of the benefit). Mr. Marshall asked if the public hearing was required before approving the project? Ms. Verrier explained that the Board would need to approve the project and close on documents before the business spends any of the costs that would be subject to sales tax. Ms. Verrier asked Mr. Ellis if the Town was doing the SEQR? Mr. Ellis said that this project would be covered under the short EAF. Mr. Marshall motioned to approve the initial resolution, seconded by Mr. Rindfleisch. Mr. Lockwood requested a roll call vote, which 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 carried.

Initial Resolution: Global Common Energy: Ms. Verrier reviewed the revised application for Global Common Energy and explained that the revised application no longer included the pipeline but would instead cover the installation at one dairy farm. The resulting project as presented was much smaller than the original and no longer required a PILOT. The project was seeking a sales & use and a mortgage recording exemption and required approval of a new initial resolution in order to schedule a public hearing. The total budget for the project was around \$8.3 million with an estimated benefit of \$240,000 for sales & use tax and \$50,000 in mortgage recording tax benefit. Mr. Rindfleisch motioned to approve the initial resolution, seconded by Mr. Marshall. Mr. Lockwood requested a roll call vote, which 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 carried.

BILLS AND COMMUNICATIONS:

Ms. Frugé presented the following bills: NYSEG for electric at the Industrial Park (\$121.62), the Probst Group for preliminary engineering study for the sewer line at the Industrial Park (\$813.44), and the Citizen for a public hearing notice (\$16.50). Mr. Latanyshyn moved to pay the bills, seconded by Mr. Rindfleisch. All members present voted in favor; the motion carried.

REPORT OF THE TREASURER

Ms. Frugé reviewed the budget report, noting that she received the interest statements for the CD accounts so the interest income figure now included interest from all investments totaling \$424.20. They also received the PILOT payment from Finger Lakes Railway that included a \$3,500 administrative fee. Ms. Frugé reviewed the PILOT invoice disbursement report noting that they received the final PILOT payments from Inns of Aurora Rowland House and Finger Lakes Railway. Ms. Verrier stated that it was a good time to discuss potentially diversifying the IDA bank accounts and CDs. She said that the current balances for the checking and savings could be found on the budget report. Ms. Frugé said that she emailed the Board a summary of rates and fees for local banks that she had been researching for their review. She advised that it appeared Chemung Canal Trust and Tompkins Trust banks both had multiple account options depending on how the IDA wanted to diversify. She added that she sent both of their annual reports to Mr. Latanyshyn to review. Mr. Latanyshyn agreed that it would be a good idea to diversify the accounts and that both Chemung Canal Trust and Tompkins Trust were good options. Ms. Verrier said that the savings account currently had around \$670,000 which was collateralized beyond the \$250,000 FDIC limit; did the Board want to bring down that balance to the FDIC level and split the remaining balance between Chemung and Tompkins? The Board was agreeable. Mr. Latanyshyn motioned to reduce the Generations savings account to \$250,000, and split the remaining funds between Chemung and Tompkins bank, seconded by Mr. Rindfleisch. All members present voted in favor; the motion carried. Mr. Rindfleisch moved to

accept the Treasurer's report, seconded by Mr. Latanyshyn. All members present voted in favor; the motion carried.

UNFINISHED BUSINESS

Performance Goals Discussion & Mission Statement Approval: Ms. Verrier said that the Governance Committee met last month and reviewed the 2017 mission statement to be reaffirmed by the full Board. Mr. Latanyshyn motioned to reaffirm the mission statement, seconded by Ms. Speno. All members present voted in favor; the motion carried. Ms. Verrier explained that one performance goal on the mission statement to be discussed was how to involve more municipal leaders at the meetings. One of the areas to focus on for outreach was where most of the solar projects were coming from such as Fleming, Port Byron, Conquest, and Ledyard. She asked that if any Board members had good connections in those areas to try to reach out to them and invite them to the meetings.

CEDA Staff Update: Ms. Verrier provided an update on CEDA activities, noting that CEDA staff have been working on responding to the needs of the business community. They have also been receiving inquiries about future expansions and what next steps businesses were looking to take. She noted that it was encouraging to see that businesses were thinking about growing in the area. She discussed an attraction plan that CEDA was putting together to market the area for future businesses. She also discussed the CEDA emergency micro-loan program, noting they have approved over \$96,000 in loans for local businesses and had a few more applications still in progress. She anticipated that they would receive another round of applications as businesses were looking to reopen and stock up on inventory. She added that the micro-loan secured an additional \$100,000 to recapitalize the program. Additionally, CEDA was also working with City of Auburn to establish a grant program for the CDBG small business funding they received. Mr. Marshall asked if they have heard from the DEC for the sewer line? He said that he thought there could be stimulus money for projects that were ready, which could be good for this project if it could get approved. Ms. Verrier said that she reached out to them today in regards to funds that they could potentially be eligible for, but she had not heard anything yet. Mr. Lockwood asked who was her contact at DEC? Ms. Verrier said that she's been working with Jennifer Smith, but there was a team of people working on it.

Upcoming Events: Ms. Verrier said that there is an online Q&A session the following day with the regional SBA representative to go over the Payment Protection Program and forgiveness guidance. The link to registration was on the Chamber website.

Motion to adjourn at 5:08pm by Mr. Marshall, seconded by Mr. Rindfleisch. All members present voted in favor; motion carried.

Respectfully submitted,
Samantha Frugé

Next regularly scheduled meeting: Tuesday, June 16th, 2020 @ 4pm