

**Cayuga County Industrial Development Agency
Regular Meeting
Aurelius Town Hall/ Remote due to COVID
March 16th @ 4pm**

Mr. Lattimore, Vice Chair, called the meeting to order at 4:06pm, noting the presence of a quorum.

ROLL CALL:

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

Others Present: Tracy Verrier, Taylor Symes, Danielle Szabo (CEDA), Riccardo Galbato (Galbato Law firm), Elaine Buffington (Buffington & Hoatland LLP.), Jeanine Wilson (Cayuga County Water and Sewer Authority), Kevin Ellis (CMI), Charlie Balko (Grober Nutrition), Keven Bucklin (CMI)

MEETING MINUTES:

Mr. Rindfleisch moved to approve the minutes of the February 16th Regular and Governance Committee Meeting, seconded by Ms. Speno. All members voted in favor; motion was carried.

BILLS AND COMMUNICATION:

Ms. Symes presented the following bills: NYSEG for the electric at the Industrial Park for the month of February in the amount of \$161.57, paid February 18th online; The Probst Group in the amount of \$9,048.75; PILOT Payments to Cayuga County in the amount of \$144,178.23, Town of Aurelius in the amount of \$16,755.28, Town of Brutus in the amount of \$2,390.44, Union Springs School District in the amount of \$47,925.51 and the Town of Ledyard in the amount of \$471.24.

Mr. Rindfleisch moved to accept the bills, seconded by Mr. Marshall. All members voted in favor; motion was carried.

REPORT OF THE TREASURER:

Ms. Symes presented the Profit and Loss Budget report and went over the activity in the accounts. In the month of February, CCIDA accrued interest on the savings account and CD in the amount of \$82.48 and had Gas lease revenue in the amount of \$32.37, providing total income of \$112.85. There was an expense under contract services totaling \$2,500, which was for the Annual Audit. Ms. Symes noted the total expense for the month being \$6,877.52, which included the NYSEG payment in the amount of \$161.57 and Facilities and equipment in the amount of \$4,328.80 which went to Probst Group.

Ms. Symes stated that all the PILOT payments have been received and disbursed. The final disbursement totaled \$211,720.70.

Mr. Rindfleisch moved to approve the Report of the Treasurer, seconded by Mr. Latanyshyn. All members voted in favor; motion was carried.

UNFINISHED BUSINESS:

Update on the Sewer line: Ms. Verrier explained that she is working with Mr. Lewis at Probst Group and Mr. Botar at the CNY Regional Planning and Development Board on the EDA application. Ms. Verrier received a quote from Probst Group in regards to construction engineering services for phase one and two, along with construction oversight. The IDA would like to hire a local construction company to do the oversight. For phase one it would be around \$130,000 for the construction and oversight. There is a \$100,000 gap to fill after considering the ESD funding. Phase two cost would be around \$950,000 and \$250,000 would need to fill the gap in financing. CCIDA had covered the financing so far totaling around \$100,000 with the intention to use it towards the equity injection of the ESD funding. CCIDA would be looking at an approximately \$350,000 gap after all grant and equity funding. Phase one would need to be approached soon, and that includes about \$100,000 that would need to be financed. Ms. Verrier stated that the EDA funding would be applied and for phase two and would include construction, engineering and oversight as part of the soft cost. Ms. Verrier reiterated that 70% of the funding for phase 2 would be awarded by grants. Ms. Verrier stated that if the application could be approved by summer time phase two would be able to stay on track. When the construction bids were delivered, it was indicated that phase two would commence around July or August and she would like to stay on track to meet that goal.

Ms. Verrier stated that phase one would tentatively begin in April as long as the financing was secured. Ms. Verrier stated that she was working with Mr. Galbato on the contract documents to provide Highlander.

Mr. Ellis asked what phase one and two include? Ms. Verrier stated phase one is the Eagle Drive component which will alleviate the most immediate pinch point for CMI. Phase two would consist of the force main pipe and pump station. Mr. Ellis asked how many gallons of capacity will it allow once this is completed? Mr. Ellis stated that right now they are producing as much as 450,000 gallons of waste, plus whatever Grober contributes. He would like to know if the new amount will be valuable. Ms. Verrier stated the new capacity by the end of phase two would be 2m gallons per day (gpd), but NYS DEC is only approving 1m gpd to start until additional flow studies can be completed. However, phase one would get them over the 500,000 gpd mark immediately. Ms. Verrier noted that the city has been involved in the process the entire time and is confident in their capacity at the wastewater treatment plant. Ms. Verrier stated that DEC was in the final stages of approving the initial 1m gpd. Ms. Verrier stated that additional approval from DEC will be needed to increase from 1m gpd to 2m gpd, but the lines will be built to the 2m gpd capacity. Mr. Balko wanted to know what the capacity is as of now. He stated that as of now his plant runs 24 hours a day and they only produce at the most 100,000 gpd. Mr. Marshall wanted to know if Grober's waste was included with the determining the capacity needed? Ms. Verrier stated it was and they have looked into how much they contribute compared to CMI. Ms. Verrier stated that once phase 1 is completed, the pinch point will become the gravity line. However the gravity line should be sufficient for the current anticipated needs of both CMI and Grober. Ms. Verrier stated that if the IDA would like to continue to cover the cost it would be around \$100,000.

Ms. Verrier stated that at Mr. Marshall's request, the tenants have been asked to join the meeting to discuss the gap finance. Ms. Verrier stated that if a bond was to go in place, they would need to work with the Water and Sewer Authority. Ms. Verrier stated that the oversight would be around \$33,000 according to the Probst quote, although a local firm might be less expensive, the construction would be around \$81,000. Mr. Galbato stated that it would be an engineer that would take care of the oversight. Mr. Rindfleisch wanted to know if the Water and Sewer Authority would take care of the oversight? Ms. Wilson said she would look into it knowing that they would also need an engineer, which they don't have on staff.

Mr. Latanyshyn asked if a vote was needed for the phase 1 financing. Ms. Verrier stated no, but the intention was to get everyone would be on the same page when it came to figuring out how to move forward. Mr. Marshall stated he would like for this to be handled fairly and to cut back on the oversight costs. He stated he would like a firm price on the oversight along with how much phase one would cost. Ms. Verrier stated she would send out info pertaining the oversight and then set up a special meeting to review everything.

Mr. Bucklin stated that they would be putting up the \$52,000 to cover their lateral portion from the road.

CEDA Staff Update and REDI Grant Update:

Ms. Symes stated that the REDI Grant Recipients applications that were submitted have been reviewed and there are some corrections that need to be made. She stated that we were still waiting on an application from the third recipient, but he has been difficult to reach. The third recipient holds two of the businesses that had been awarded. Ms. Symes stated that the other two have been in contact and are working on revising their application. Ms. Verrier stated that she would like to bring the applications to the April meeting regardless if the third recipient submits his application.

Ms. Verrier stated that the town of Aurelius would be reviewing the final engineering designs for the sewer line and they require a \$5000 deposit. The town would return any funds that aren't used during the review. The town uses B&L for their review. Mr. Galbato asked why the town would need to review the designs? Ms. Verrier stated that for phase one the Eagle Drive line will still connect to the Aurelius' gravity line until phase two is built.

Mr. Galbato stated that the board should include in the motion that they would like to review an itemized bill for the engineering services.

Mr. Latanyshyn motioned to approve the \$5000 deposit with stipulation of being able to review the expenses associated with the project, seconded by Mr. Marshall. All members voted in favor; motion was carried.

Ms. Verrier provided a heads up that Abundant would like to complete an assignment for their solar project on County House Road. They are working with Mr. Justin Miller to prepare the request. This will be brought to the board at next month's meeting.

NEW BUSINESS:

2020 Financial Audit Review: Ms. Buffington reviewed the Financial Audit with the entire board. She stated that the audit went smooth and gave thanks to Ms. Verrier and Ms. Symes for their cooperation. In the audit procedure they did not find any material weaknesses or any significant deficiencies based on the internal controls, and no items to report as findings. On the statement of financial position on page 6, Ms. Buffington noted that a new accounting standard was implemented this year. Looking at cash and cash equivalence, the significantly increased based on a CD that matured. The CD made up a difference in the balances. This past year CCIDA was very profitable based on the project fees that were collected. The total assets increased from \$1,569,000 to \$1,578,000 for the year. The cash beginning was \$760,000 and the end balance was \$881,000. The cash increased by \$121,000 for the year. The liabilities on the balance sheet showed accounts payable and grants payable with balances still outstanding. Ms. Buffington reviewed the Statement of Revenue Expenses, several new projects made the administrative fee income increase from \$86,000 to \$90,000. On page 7, the operating expenses decreased from \$58,000 to \$47,000 which resulted from the property taxes being reduced on the parcel that was placed on the exempt rolls. The non-operating expense totaled \$7,306 for a change of \$50,543. The agency reported a good year overall.

Mr. Lattimore asked if the audit needed to be reviewed in the same day since he didn't have a lot of time to review it. Ms. Verrier stated that the audit needed to be approved as it would need to be submitted for PARIS Reporting by the end of the month. Ms. Verrier stated that if he wasn't comfortable voting on the approval, a special meeting would need to be scheduled to do so. Mr. Lattimore stated that if this was the case he would have like to have received it 30 days in advance to be reviewed. Ms. Buffington stated that the draft was sent to Ms. Verrier at the beginning of March. Ms. Verrier stated that the Audit went out with the monthly packet. She asked if everyone would like for the Audit to be sent out prior to the packets or if two meeting would need to be held? Mr. Lattimore stated he would like it more than a week ahead of the meeting to have more time to review. Ms. Verrier stated that she would make note to bring this back to the board next January to discuss how to handle the audit review for 2021.

Ms. Buffington stated that the interest rates on the CD were down from 2018 and 2019, and that is why there is a difference in the investment income.

Mr. Marshall moved to accept the Annual Audit, seconded by Mr. Latanyshyn. All members voted in favor; motion was carried.

2020 PARIS Reporting Review and Report from the Audit Committee:

Mr. Lattimore stated that he would like more time to review the PARIS Reporting and the FY Audit next year due to it being only a few weeks prior to submission. Ms. Verrier stated that next year the documents would be delivered to them sooner.

Mr. Marshall moved to accept the PARIS reporting and FY2020 Audit, seconded my Mr. Latanyshyn. All members voted in favor; motion was carried.

EXECUTIVE SESSION:

Mr. Latanyshyn moved to enter an Executive Session at 5:05pm to discuss the proposed acquisition, sale or lease of real property, seconded by Ms. Speno. All members voted in favor; motion was carried.

Mr. Marshall moved to exit the Executive Session at 5:42pm, seconded by Mr. Latanyshyn. All members voted in favor; motion was carried

ADJOURNEMENT:

Mr. Marshall moved to adjourn at 5:43pm, seconded by Mr. Latanyshyn. All members voted in favor; motion was carried.

Respectfully Submitted,

Taylor Symes