

**Cayuga County Industrial Development Agency
Special Meeting
Remote due to COVID
March 9th @ 12pm**

Chairman Lockwood called the meeting to order at 12:03pm, noting a quorum was present.

Roll Call:

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

Others Present: Tracy Verrier, Taylor Symes (CEDA), Riccardo Galbato (Galbato Law Firm), Chris Lewis (The Probst Group)

Review of Sewer Line Construction Bids:

Ms. Verrier stated that everyone received the bids to review. She asked Mr. Lewis to give an overview of the bids that were submitted. Mr. Lewis stated that we received 5 bids, but one did not include the first phase. Mr. Lewis stated that he received good questions from the bidders during the process. A pre-bid meeting was held and then issued two addendums based on questions that were asked. Mr. Lewis stated that Highlander was the lowest bidder overall at \$910k. The other bidders came in higher, but there was one that was lower on phase 1 but higher overall. Mr. Lewis asked if the board would be awarding the bids separately or together? Mr. Lewis stated that short term there would be a cost to awarding it to Highlander over Lane. For the long term aspect, working with one contractor would work better since we would be familiar and the contractor would know exactly how things were left off and constructed. Mr. Lewis stated that he would be there to provide any input if needed and to answer questions during the process. Mr. Marshall asked if Highlander would lower their phase one bid. Mr. Lewis stated that he would ask if they could save some cost if they are guaranteed both phases. Mr. Lewis stated that there is nothing wrong with asking a contractor to lower their bid if necessary. Mr. Galbato stated that negotiation should occur after awarding a bid. Mr. Vitale suggested awarding each phase separately.

Mr. Vitale made a motion to approve Highlander, seconded by Mr. Marshall.

Mr. Marshall asked if they were to be awarded, how close would Ms. Verrier be to securing financing? Ms. Verrier stated that phase one would be the only phase that would be awarded at that time so as not to jeopardize the application to the EDA. Ms. Verrier has been in contact with CNY Regional Planning and Development Board to submit the EDA application. Mr. Lockwood wanted to know if it would be only phase to be awarded? Ms. Verrier stated that was correct.

Mr. Vitale retracted his previous motion and would like to motion that Highlander be awarded phase one, seconded by Ms. Speno.

Mr. Galbato stated that only awarding one phase could cause issues since Highlander was not the lowest bidder for phase one and suggested that the motion reflect that they were the lowest bidder overall at a total cost of \$910,540 and explain why Lane construction would not be awarded. He recommended that the motion also reflect that the Executive Director recommended

only awarding phase 1 due to the funding sources for phase 2, but that it was anticipated that Highlander would also be awarded phase 2. Mr. Galbato asked for clarification about why the whole project couldn't be awarded at that time? Ms. Verrier stated that the EDA could potentially not fund the project due to the project being underway already, which would indicate that the project would continue without their funding.

Mr. Marshall asked if Ms. Verrier could review the schedule to approve phase two of the funding. Ms. Verrier stated that she would hope the application would be submitted in March and it could take a couple of months to get a funding decision. Ms. Verrier stated it could be summer time before an answer is given. Ms. Verrier asked if a motion could be made stating that both phases of the project could be awarded, but with phase 2 contingent on the funding? Mr. Galbato stated that would be a good way to clarify the situation, and that the motion should reflect what funding was being sought. Mr. Marshall wanted clarification if we already secured 20% of the funding. Ms. Verrier stated that was correct, 20% was awarded by ESD for the whole project, and that we were asking for 50% of phase 2 from the EDA. Mr. Marshall wanted to know if 50% included the 20% we already secured? Ms. Verrier explained that we would be asking for 50% in addition to the 20% already obtained.

Mr. Vitale withdrew his previous motion.

Mr. Galbato suggested the motion as follows: Based on the information provided by the Executive Director, the board makes a motion to award phases one and two of the sewer project to Highlander Construction at a cost of \$910,540 which was the overall lowest bid of the entire project. However, phase two is contingent on CCIDA receiving 50% of the overall phase two funding from the US EDA. Mr. Vitale made this motion, seconded by Mr. Rindfleisch.

Mr. Galbato stated if this motion passes, himself, the executive director and the engineer would be authorized to sign the necessary documents to effectuate phase one after the approval of the insurance documents. Phase two would not be authorized to sign the documents until funding is secured. Mr. Marshall asked how long the bid is good for, especially if phase two should be postponed. Mr. Lewis stated that the bid package included that phase two would commence at the end of the summer. He stated if the timeline is met then everything should be in good standing.

Mr. Galbato noted that the bid documents did not include any payment or performance bond requirements. Mr. Lattimore stated that he doesn't agree with that method and felt that the bonds should be required. Mr. Vitale stated that he does not agree that the bonds are necessary. Mr. Latanyshyn agreed with Mr. Lattimore pertaining to the performance bond. Ms. Verrier stated that she could inquire about the cost of the bond with Highlander Construction.

Mr. Galbato asked if there was an amendment to the existing motion to require Highlander to provide a payment and performance bond or just the bond? Mr. Lattimore said both would need to be provided. Mr. Marshall asked if the bond was not required in the original proposal, how could it be required now? Mr. Galbato stated that under the terms of the bid we were able to disregard any bids that were submitted. Mr. Marshall asked why the bids were not reviewed before this point in the meeting. Mr. Lewis stated that we should have the ability to ask for the

bond. Mr. Rindfleisch stated that he agreed with Mr. Vitale on not asking for a bond. Ms. Verrier stated that obtaining the bond should not put the project on hold. She stated that it is not unreasonable to ask for the bond, it might just add an additional cost. Mr. Lattimore stated that the bond would guarantee that the work would be completed. Mr. Vitale stated that typically on a project like this you can withhold a percentage of the payment for a year to ensure that the work is done correctly. He asked Mr. Galbato when was the last time he acted on collecting a performance bond? Mr. Galbato stated he never had to collect one.

Roll Call vote as followed on the motion without the performance bond requirement:

	Yes	No	Abstain	Absent
Ray Lockwood	X			
Andrew Rindfleisch	X			
Paul Lattimore		X		
Herb Marshall	X			
Ben Vitale	X			
Gina Speno	x			
John Latanyshyn		X		

A majority of members voted in favor; motion was carried.

Mr. Marshall asked if the IDA would be held responsible for the phase one payment minus the 20%? Ms. Verrier stated yes but we could chat at a later date about the local financing.

Mr. Marshall motioned to adjourn, seconded by Mr. Rindfleisch. All members voted in favor; motion was carried.

Respectfully submitted,

Taylor Symes