

**Cayuga County Industrial Development Authority**  
**Regular Meeting**  
**2 State St. Auburn NY 13021**  
**June 15<sup>th</sup> @ 4pm**

Mr. Lockwood called the meeting to order at 4:00pm, noting the presence of a quorum.

**ROLL CALL:**

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

Excused: Paul Lattimore, John Latanyshyn

Others Present: Tracy Verrier, Taylor Symes (CEDA), Riccardo Galbato (Galbato Law Firm), Justin Miller (Harris Beach), Jeanine Wilson (Cayuga County Water & Sewer Authority), Scott Kerner, Kirsten Simmons, Amy Vaughn, Olivia Spurviere, Amanda Zurla (Green Street Power Partners).

**MEETING MINUTES:**

Mr. Rindfleisch motioned to approve the May 18<sup>th</sup> Regular Meeting Minutes, seconded by Mr. Vitale. All members voted in favor; motion was carried.

**BILLS AND COMMUNICATION:**

Ms. Symes presented the following bill: Probst Group in the amount of \$3,270.00. Mr. Vitale motioned to pay the bill, seconded by Mr. Rindfleisch. All member voted in favor; motion was carried.

**REPORT OF THE TREASURER:**

Ms. Symes presented the May Profit and Loss Budget Report as follows: Total income of \$66,330.99 including Finger Lakes Railroad administrative fee of \$3,500, Project Fees of \$66,739.60, and bank interest in the amount of \$91.39. The only expense for the month was Facilities and Equipment in the amount of \$9,057.50 for engineering fees. The Net Income for the month of May was \$57,273.48.

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

**NEW BUSINESS:**

New business was moved up on the agenda.

*Omni Navitas Assignment Resolution:* Legal counsel Mr. Justin Miller stated that the project was approved last year and was submitted by Omni Navitas Holdings. The IDA was aware that Green Street Power Partners were involved but they were not on the application. Mr. Marshall pointed out in a previous meeting we would need to know the equity owners of these projects by the time the public hearing occurs. Legal counsel Mr. Miller stated this project is scheduled to close by the end of June. The resolution that's presented would allow the IDA to move forward with closing.

Mr. Scott Kerner stated that he is the CEO of Green Street Power Partners. He gave a background of the company itself. He stated that construction could start at the beginning of July. Mr. Kerner introduced his team and thanked the IDA for taking time to review their proposal.

Ms. Verrier gave a brief overview of the project to the board members stating that this project would be a little over 5MW and it is a community distribution project. Mr. Marshall asked if they had additional conversations with the town of Niles in regards to the change in ownership? Ms. Simmons stated yes that a conditional approval was in place and they have sent a few requests pertaining to the ownership change, and the town of Niles hasn't relayed any opposition. Ms. Simmons stated that as long as they followed the conditions that were outlined, the change in ownership would not raise any concerns. Mr. Miller added that from the towns perspective it's the same LLC and same site plan. The town wouldn't have any concern; the only difference would be the equity owners.

Mr. Vitale motioned to approve the Omni Navitas Assignment Resolution contingent upon Ms. Verrier getting confirmation that the town of Niles that they are not in opposition to the assignment, seconded by Mr. Rindfleisch. Roll call vote:

	Yea	Nay	Absent	Abstain
Ray Lockwood	X			
Herb Marshall	X			
Ben Vitale	X			
John Latanyshyn			X	
Paul Lattimore			X	
Gina Speno	X			
Andrew Rindfleisch	X			

All members present voted in favor; motion was carried.

#### **UNFINISHED BUISNESS:**

Update on Sewer Line: Ms. Verrier stated she wanted to discuss the financing of the project. She explained that Ms. Jeanine Wilson had been working with CCWSA's team to identify resources, and the only thing they found was a guaranty program through the USDA. However, the financing structure for that program conflicts with the US EDA grant funding structure because EDA takes a first lien on the facility, which would also be required by the bank working with USDA. This need for a shared first lien could become complicated and problematic. Ms. Verrier spoke with Mr. Miller and his idea was for CCIDA to get working capital financing collateralizing other land in the park they still own, which would leave the sewer facility un-liened for EDA. Ms. Verrier followed up with Mr. Latanyshyn and they determined that could be possible, and that talking to CCDC about a local loan may be the best course of action. This could work in conjunction with the repayment structure Mr. Doug Selby had outlined, accept CCIDA would enter the agreement with the tenants instead of CCWSA.

Ms. Verrier noted that there is a financing gap of about \$340k after considering grants and CCIDA's minimum required equity. The grants total around \$700k and are all reimbursable after completion of the project. Ms. Verrier stated that CCIDA could finance the project upfront prior

to reimbursement, but would need the loan for cash flow and to help cover some of the gap. Ms. Verrier stated that she needs a plan for the financing before the EDA application can be submitted.

Ms. Verrier noted a second issue to be addressed is that the construction company put a hold on some materials and they are at the point of either relinquishing their hold or purchasing the materials. The price of materials has increased since the time they put a hold on the materials and this could affect the budget of the project. Ms. Verrier stated that in order to purchase the materials, the construction company would need a written award of phase 2 from CCIDA, but awarding that contract could jeopardize the EDA funding. Furthermore, Ms. Verrier was just made aware that day that the project may need an additional would need more pipe than what was in the bid package. The contractor indicated that their field measurements came in about 1,120 feet longer than what was included in the budget, which is about a 25% increase over what was in the bid. Mr. Marshall wanted clarification on what caused this to occur. Ms. Verrier stated that she is waiting on an answer from the engineering firm to confirm the need for the additional pipe and, if so, what caused this discrepancy.

Mr. Marshall asked that we can't apply for additional funding until the financing is in place? Ms. Verrier confirmed and stated that the easiest solution would be CCDC. Ms. Verrier stated that if the board is amenable to going that direction, she could communicate with Mr. Steve Lynch about applying for CCDC funds. Ms. Verrier stated that the application fee for CCDC is \$500 and the legal fees range from \$1,000-2,000.

Mr. Vitale asked since the money would be reimbursed, why doesn't CCIDA just finance the entire project internally? Ms. Verrier stated that the project is over \$1m and CCIDA doesn't have enough funds to cover the whole amount. Ms. Verrier stated that the reimbursement process would happen at the completion of the project. Mr. Vitale asked how much funds were in the CCDC pot? Ms. Verrier stated that they had almost \$1m, but not enough to finance the whole project. Also, they likely wouldn't feel comfortable lending the entire amount for a single project. Ms. Speno wanted clarification on if they would be applying for some of the funding. Ms. Verrier stated that yes, it would be good to have \$300-500K as a cushion to maintain CCIDA cash flow while waiting for reimbursement. Ms. Speno asked if there was a chance of not receiving the EDA funding? Ms. Verrier stated that if we don't receive the funding we would be looking at a bigger gap to try to fill.

Mr. Marshall asked if phase one was started? Ms. Verrier stated that the town approved the project and phase one construction was planning to start in the beginning of July.

Mr. Marshall motioned that Ms. Verrier be authorized to apply for financing from CCDC in the amount of \$300-500k and be authorized to sign any related documentation for the loan, seconded by Mr. Rindfleisch. Roll Call Vote:

	Yea	Nay	Absent	Abstain
Ray Lockwood	X			
Herb Marshall	X			
Ben Vitale	X			

John Latanyshyn		X
Paul Lattimore		X
Gina Speno	X	
Andrew Rindfleisch	X	

All member voted in favor; motion was carried.

Ms. Verrier stated that if anything changes she will notify the board, but she has the clarification on what she is able to do and will proceed in the process.

Ms. Verrier explained that currently they have ordered \$100k worth of piping that is on hold. If the contractors have to relinquish the hold, it would add about 50% to the price. Ms. Verrier stated that she would try to see if she could save money in other parts of the projects including the pump stations. She explained that she would continue to work with the contractor to find a solution that would allow them to move forward without jeopardizing the EDA funding. Ms. Speno asked how confident Ms. Verrier was that the EDA funding would be approved. Ms. Verrier noted that they had expressed support of the project, but there are no guarantees until an award is in hand.

Mr. Marshall stated that no more payments should be made to the Probst Group until there is clarity on what is happening with the extra length of pipe, including the payments approved earlier in the meeting. Mr. Vitale motioned to hold all payments to The Probst Group until an answer is received, seconded by Mr. Rindfleisch. All members voted in favor; motion carried.

#### CEDA Staff Update:

Ms. Verrier stated that she received a phone call from a developer that wants to redevelop the Church Street Apartments in Port Byron. The apartments are in the old high school. They would build a new building next to the existing building and then would tear down the existing building. Then they would develop some public spaces and trails for the community. The developer as asked for a letter of support from the IDA to assist in the funding applications. Ms. Speno asked who the developer is? Ms. Verrier stated it was DePaul Properties based out of Rochester and that they have been trying to align their funding for a while now. Mr. Rindfleisch motioned to write the letter of support, seconded by Mr. Vitale. All members voted in favor; motion was carried.

Ms. Verrier stated that Ms. Javani Portipilo has started in the Communications Coordinator position and is settling into her position well. The CEDA/ Chamber staff are very happy to have her as a part of the team.

#### **UPCOMING EVENTS:**

Ms. Verrier reviewed the upcoming events.

#### **ADJOURNMENT:**

Mr. Lockwood moved to adjourn at 5:03pm, seconded by Mr. Vitale. All members voted in favor; motion was carried.

Respectfully Submitted,  
Taylor Symes