

Cayuga County Industrial Development Authority
Special Meeting
2 State St. Auburn NY 13021
April 5, 2022 @ 4:00pm

Present: Ray Lockwood, Paul Lattimore, Herb Marshall, John Latanyshyn, Andrew Rindfleisch, Gina Speno, Bob Shea

Others Present: Taylor Symes, Danielle Szabo (CEDA), Riccardo Galbato (Galbato Law Firm), Tracy Verrier (MRB Group), Brad Olin (Highlander Construction), Noah Siegel, Mark DiGuiseppe (Abundant Solar/True Green Capital), Aileen McNabb-Coleman (Cayuga County Legislator), Ben Vitale (Auburn Citizen), Mark Chambers (C&S Companies), John Patterson (Patterson Farms), Steve Lynch (Cayuga County Planning & Economic Development), Kevin Ellis (CMI),

Mr. Lockwood called the meeting to order at 4:02pm, noting the presence of a quorum. Mr. Lockwood requested each member give an introduction on who they are and where they are from.

NEW BUSINESS:

Discussion about the Cayuga County Industrial Development Agency Sanitary Sewer Project along Eagle Drive and such other business that may come before the board: Mr. Marshall stated that he was to make a motion to allow Highlander Construction to start construction. He said it has been over a year and they have made increased adjustments. He said the numbers he was given he sent over to March Chambers. Highlander projected an increase in material, gas, labor, maintenance on equipment. We should also see an increase in the pump prices. The estimated increase is around 190,000 which would bring the total to \$1,106,906. We have paid 88,400 for piping along with the completion of phase 1. Mr. Highlander stated that they have ordered the bill and will be providing a bill to CCIDA for the remaining pipe. Mr. Marshall stated that we have \$700,000 of funds in the bank accounts that can be used. Mr. Marshall stated that Ms. Szabo said that the County Legislature could potentially pass a resolution for 2 million dollars for the project. Mr. Marshall called Mr. Hans Petcher and asked if he needed to be in attendance for the meeting? Mr. Peter stated that there was no need since it was not on the agenda. Mr. Marshall called the planning department to ask about a CCDC loan. Mr. Marshall talked with Ms. Gauthier and Ms. Verrier applied for \$400,00 and she thought it was approved. It would not be available now due to it being too long. Mr. Marshall stated that Ms. Gauthier though it wouldn't be a problem for the application to be submitted again since it was done before. Mr. Lynch clarified that the application was generally prepared and presented but the application was not followed up with. At the time CCIDA was applying for the EDA Funds. It was not acted on by the board. Mr. Marshall apologized for the misunderstanding. Mr. Marshall asked how long would it take for this to be approved. Mr. Lynch stated that once the application was completed and submitted the board like 10 days to review it. Then they would work through the approval and closing. Ms. Szabo asked if it would be a conflict of interest for Ms. Verrier and Mr. Latanyshyn to have a vote on the CCDC Board if they are involved with the project? Mr. Lynch

stated that they both would have to recuse themselves from the process. Mr. Lockwood asked how many were on the board. Mr. Lynch stated that it would leave a 3-person quorum. Mr. Lockwood asked Mr. Marshall how would we pay the funds back. Mr. Marshall stated he would go ask the legislature for a loan. He stated that he spoke with the finance person from the CCWSA. Mr. Marshall stated that the project could potentially be started. Mr. Marshall stated that we should authorize Highlander to start construction. He said that 2 important people from the legislature and would like to ask for funds from ARPA. We would work with our Attorney and the County Attorney and ask for a loan. Once the grant comes in we would pay it back or ask for them to forgive the loan. Mr. Marshall stated that this is the biggest project besides CMI. He would go to the Ways and Means Committee and ask for funding.

Mr. Marshall motioned to authorize Highlander Construction a notice to proceed, seconded by Mr. Rindfleisch.

Mr. Marshall asked how long it would take to get the pumps in? Mr. Olin stated that it would take about 16 weeks to get them in.

Mr. Latanyshyn stated that he agrees with Mr. Marshall with the sense of urgency but has concern with how the funds are paid back. He stated we would be in a better position for a member of understanding. This would be for the users to pay CCIDA back at a certain rate of a certain amount of years. He said we do not have that right now. Option one would be to exhaust CCIDA funds and we would be left with nothing. We would need to do a few projects to build back the account balance. Mr. Latanyshyn stated his concern is what would happen if we have to use our funds and pay for the project and the County along with EDA do not come through. Mr. Latanyshyn stated that because some of the funding could potentially come from CCDC he will recuse himself from the vote on that along with recusing his vote on the CCDC Board.

Mr. Galbato stated that Mr. Selby compiled a funding packet of the Sewer. Ms. Verrier clarified how the funding structure was broken down. Mr. Marshall stated that Mr. Selby put together a system on how the funds would be paid back by the user. CCIDA approved this on March 3, 2021. Mr. Galbato stated that he could draft up a member of understanding for the board to approve. Mr. Ellis asked where was the money coming from. Mr. Marshall stated that CCIDA has \$800k in funds to expend. Mr. Latanyshyn recommended that we keep 100k in the account. Mr. Marshall stated then we would use CCDC funding also. If we get the grant that is asked for from the County. Mr. Marshall stated we have had to adjust our EDA Application multiple times due to having to add CCWSA to the application due to them being the owner after it was installed. Mr. Marshall stated that the vacant parcels would go into a formula that would result in a breakdown of how this would be paid.

Mr. Ellis stated that he met with ESD and they would be submitting an application due to it being more than they expected. Mr. Ellis asked could they add this project to their application to potentially gain more funding? Ms. Verrier stated that ESD already funding the Sewer Project so they would be hesitant to fund it twice. She stated the question could be asked Mr. Ellis stated that at the end of the day they are going to be the main user of the sewer. He stated that he does not want to pay this up front. Mr. Rindfleisch stated that if we do not secure the 80% grant we

could get CCDC Loan. Mr. Ellis asked who would be managing the sewer in the long run? Mr. Rindfleisch stated that it would be CCWSA. Mr. Latanyshyn stated that a long term loan would not be a lot. If there was an approach to CCD since it is a loan the question would be how would the loan be paid back. He stated that's why he brought up the agreement that needs to be created. Mr. Latanyshyn said he question is how would this in the end be paid since they will look at CCIDA for the payment. Mr. Marshall stated that Mr. Ellis is able to pay his portion over a long term agreement. Mr. Rindfleisch stated that Mr. Selby's proposal would need to be put in affect. Ms. Verrier there was a formula used to determine to repayment plan that Mr. Selby put together.

Mr. Rindfleisch stated that he amended Mr. Marshall's motion and would like to include Mr. Galbato putting together an agreement for the users to sign.

Mr. Lynch stated that if the IDA uses Mr. Marshalls theory the IDA would have a 230k gap that needs to be filled. CCDC could potentially fund that but the CCDC Board will ask how the loan will be repaid. Mr. Lynch stated that if Mr. Selby put together a formula package as to how this would be repaid by the principle user then that would help. He doesn't believe CCDC would want ot do a long term loan.

Ms. Verrier stated that the initial plan was to have to grant pay the CCDC loan back. The CCDC loan would be for 5 years. Mr. Rindfleisch asked if that would be acceptable? Mr. Lynch stated that the board

Abundant Solar Local Labor Waiver: Mr. Siegel stated that they are building a Solar Farm on Countyhouse Rd., behind the Sheriff's Office. He hopes to have the farm up and running by Fall 2022. Mr. Siegel wants to address the local labor and give an overview on where they are with subcontractors. There are four disciplines' they need to have a successful project. The first one being management. Management would be required to do many roles and they should know the intertwines of the project. This would be handled by the general contractor. Next would be Civil Work, which would be roadways and storm water management. They would be making sure the site is safe at all times. Electrical work which includes trench work, wiring of panels, wiring of inverters, coordination of utilities. Lastly would be Mechanical work which includes installing the racking and installing the solar panel to the racks. They have selected Psfister Energy for their general contractor and have worked with them over the years. They have two contracts that live in neighboring counties. Next would be the Civil contractors, they have posted jobs within the county. Civil contractors only would have about 2-3 employees and they are not every day. Mr. Siegel stated that they would be working with John Mills for their Electrical which he is from Chemung County. They are estimating 10 people from Cayuga County and an additional 5 from neighboring counties. Mr. Siegel sated the hard part would be the Mechanical Contractors. There are not many mechanical companies within New York State. He stated that this is normal to see that not everyone has the expertise in all racking. They would need to hire someone from outside of NYS to complete this work and they would use some local labor if possible. The racking is tracking system. This system would follow the sun and it is only their second one that they would be installing here within NYS. Mr. Siegel reiterated that the workforce is not here in NYS and would need to look outside of New York for this. Mr. Siegel stated that they have now

submitted their local labor waiver and would submit the required documents every 90 days or earlier.

Mr. Rindfleisch stated that the construction jobs would come from the county and once the project was completed, there would not be any jobs. Mr. Siegel clarified that they would have two employees from Tompkins County who would not be in site every day. Mr. Rindfleisch asked that once this project was completed, would there be jobs in Cayuga County? Mr. Siegel stated that the electrical work would be Cayuga County. Mr. DiGuiseppe clarified that there would be no jobs in Cayuga County once the project was completed. The idea of these projects would be self-sustaining. Mr. Marshall stated that if they are asking for a PILOT why would we grant a waiver? If they aren't able to hire within Cayuga County, then why would we accept the project? Mr. Siegel stated that with regards to long-term, they would be willing to work with the IDA to create a job posting for Cayuga County. Mr. Lockwood asked what they were looking for today? Ms. Szabo stated that they are asking for a local labor waiver. This would be just for the mechanical work. Ms. Szabo stated that every 90 days they are required to submit their local labor numbers to the IDA. Mr. Marshall asked if we approved the waiver for just the mechanical they would not come back for any additional waivers. Mr. DiGuiseppe explained that 10 employees would be within Cayuga County and the remainder 5 would be from adjacent counties.

Mr. Marshall motioned to approve the Mechanical Local Labor Waiver, seconded by Mr. Rindfleisch. All members present voted in favor; motion was carried.

Mr. Siegel stated that a waiver was submitted for the Civil Work also.

EXECUTIVE SESSION:

Mr. Marshall motioned to enter executive session at 3:37 for attorney client privileges and contract negotiations, seconded by Mr. Rindfleisch. All member present voted in favor; motion was carried.

Mr. Marshall motioned to exit the executive session at 4:38pm, seconded by Mr. Rindfleisch. All members present voted in favor; motion was carried.

ADJOURNMENT:

Mr. Rindfleisch moved to adjourn at 4:41pm seconded by Ms. Speno All members present voted in favor; motion was carried.

Respectfully Submitted,
Taylor Symes