

**Cayuga County Industrial Development Agency Meeting
2 State St., Auburn, NY – First Floor Conference Room
March 17, 2015, 4 pm**

Ray Lockwood opened the CCIDA meeting at 4:00 pm, noting there was a quorum present.

ROLL CALL

Present: Ray Lockwood, John Latanyshyn, Joe Runkle, Gina Speno, Herb Marshall.

Excused: Carol Contiguglia

Others Present: Andrew Fish, Tracy Verrier (CEDA); Michelle Prego-Milewski (CSS); Rick Galbato (Galbato Law Firm); Ryan Deffenbaugh (The Citizen); Fran Hardy (Northeast Regional Council of Carpenters); Mary Beth Leeson (Cuddy & Ward).

MINUTES: Mr. Lockwood moved the Audit up on the agenda

AUDIT

Mary Beth Leeson reported that CCIDA received an Unmodified Opinion – the highest finding that an agency can receive. She passed out the financial statements and two letters, a Management Letter and the Audit Findings. Ms. Leeson reported that the financial statements that were submitted were clean and accurate. She noted that Ontario Realty was kept on the books for 2014 in the hope that CCIDA will be receiving payments, that Clarity Connect has more money in the deferred revenue line and that fees for service and legal fees showed a marked decrease with the absence of the CMI project. Profits & Loss met Ms. Leeson's expectations. She noted that Ms. Verrier did a good job and that the report was ready for PARIS reporting. Ms. Verrier will double-check the number of FTEs in the projects.

Motion to accept the 2014 audit by Mr. Latanyshyn, seconded by Mr. Runkle. All members present voted in favor, motion approved.

BILLS & COMMUNICATIONS

Mr. Fish spoke of the letter from the NYSEDC asking for support to lobby against Governor Cuomo's proposal to require additional approvals of IDA projects and operations at the State level. Mr. Fish said he received an email detailing that this provision has been removed from the Assembly and the Senate's budget. He said that the NYSEDC is still planning to hire a consultant. A subsequent email suggested writing a letter of support to state legislators asking them to continue to oppose the Governor's IDA proposal.

Mr. Marshall asked that the Board wait until next month's meeting to decide whether the Board will send a contribution. However, the Board agreed to send letters of support that Ms. Verrier will draft and either Mr. Fish or Mr. Lockwood will sign.

TREASURER'S REPORT:

Ms. Verrier stated that the D&W project will be closing shortly and CCIDA will receive a small project fee. She explained that she had closed out the CD at Cayuga Lake National Bank and transferred those funds to the Generations Bank savings account as the Board requested, which resulted in a \$20 wire transfer fee. She noted that the Generations Bank savings account had been collateralized and that there was excess capacity for additional funds before additional collateralization was needed. She added that Generations did not charge a fee for collateralization.

Ms. Verrier reviewed the Annual Operation & Accomplishments Report and the Measurement Report, which are part of annual reporting to the State, with the Board. She requested that Board members provide any feedback by the end of the following week.

Motion to accept the Treasurer's Report by Mr. Marshall, seconded by Mr. Latanyshyn. All members present voted in favor, motion passed.

UNFINISHED BUSINESS:

- a) Ms. Verrier noted that there had been a type in the D&W project resolution that ended the agent agreement on the wrong date. The resolution had been updated to reflect the appropriate expiration date.

NEW BUSINESS:

- a) Mr. Fish informed the Board that they will need to call a special meeting to review an application for a project at the Industrial Park. He noted that the meeting would need to occur by the end of the first full week of April in order to schedule a Public Hearing on April 21. He noted that the company will hear back from the State regarding funding during the following week, which would affect the structure of the PILOT. Mr. Fish stated that the Board may need to negotiate either on the PILOT or price of land depending upon the State's offer. He said that the total project cost is \$12 million and it will create 45 jobs over 5 years.
- b) Mr. Marshall suggested that the Board create a separate bank account for revenue derived from sale of property. He would like to see any income from property sales stay in a separate fund and be used for future property purchases and land development.
- c) The Audit and Finance Committee reported on their meeting with Ms. Leeson prior to the regular Board meeting.
- d) Mr. Fish explained that the CCIDA had received a bill from the City of Auburn for unpaid taxes related to a sidewalk improvement project on a Fingerlakes Railroad (FLRR) property in 2002-2003. He explained that the City stated that bills and notices of unpaid taxes had been sent annually since 2004. He confirmed that the current staff had not seen any notices until the current one was received, which could have resulted in a delay in changing the address of the CCIDA in the real property system. Mr. Latanyshyn recalled that CCIDA originally authorized the repair of the sidewalks due to a risk of injury with the intention of forwarding the bills to FLRR. The Board agreed that FLRR should pay the original amount owed for the sidewalks, but that the CCIDA should be responsible for the penalties that have accrued. The Board asked the staff to request that the City wave the penalty since they had never received the bills or notices and are now moving swiftly to correct the situation.
- e) Mr. Fish spoke to the Board about a new CEDA contract and introduced the idea of fee sharing. Mr. Lockwood asked what he would like to do, and Mr. Fish answered that his ideal would be to reduce CEDA's administrative costs by 50% and split the project fees 50% (not including proceeds from sale of land). The Board agreed to renew the existing contract and review a proposal for fee sharing with the following roll call vote:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Carol Contiguglia	[]	[]	[x]	[]
John Latanyshyn	[x]	[]	[]	[]
Paul Lattimore	[]	[]	[x]	[]
Raymond Lockwood	[x]	[]	[]	[]
Herb Marshall	[x]	[]	[]	[]
Joseph Runkle	[x]	[]	[]	[]
Gina Speno	[x]	[]	[]	[]

- f) Mr. Fish informed the Board of the upcoming NYSEDC Annual Meeting and asked if any Board members would be interested in attending.

g) Mr. Fish spoke to the Board about the upcoming URF competition, and said that CNY Regional Economic Development Council was looking to raise \$250,000 in funding to hire a consultant to update regional data and identify areas of opportunity. He noted that a CNY REDC committee member had suggested that IDAs each contribute \$25,000. Mr. Latanyshyn asked if there were any projects that Mr. Fish could see coming directly from this, and he answered that the county has two or three that could be included. Mr. Marshall asked if there was a way that CCIDA could distribute the expense to the projects, and Mr. Fish answered that they were already paying a project fee.

Motion to contribute 10% of the consultant’s fee not to exceed \$25,000 was approved by the following roll call vote:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Carol Contiguglia	[]	[]	[x]	[]
John Latanyshyn	[x]	[]	[]	[]
Paul Lattimore	[]	[]	[x]	[]
Raymond Lockwood	[x]	[]	[]	[]
Herb Marshall	[x]	[]	[]	[]
Joseph Runkle	[x]	[]	[]	[]
Gina Speno	[x]	[]	[]	[]

h) Mr. Fish reminded the board of the March 26 State of the City and County luncheon, and asked if anyone was interested in going. Mr. Lockwood, Mr. Marshall and Mr. Runkle would like to attend, Ms. Speno was unsure.

ADJOURNMENT OF CCIDA MEETING

Motion to adjourn the meeting by Mr. Marshall, seconded by Mr. Latanyshyn. All members present voted in favor, motion passed.

The next regularly scheduled CCIDA meeting will be the held on April 21 at 4 pm.

Respectfully submitted,
Michelle Prego-Milewski