

**Cayuga County Industrial Development Agency Meeting  
Chamber of Commerce, First Floor Conference Room  
Tuesday, October 20, 4 pm**

Mr. Lockwood called the meeting to order at 4:03 pm, noting that there was a quorum present.

**ROLL CALL**

Present: Paul Lattimore, Ray Lockwood, Gina Speno, Carol Contiguglia, Herb Marshall

Excused: Joe Runkle, John Latanyshyn

Others Present: Michelle Milewski (CEDA), Bruce Sherman (CEDA), Tracy Verrier (CEDA), Rick Galbato (Galbato Law Firm), Andrew Fish (CEDA)

**MINUTES**

Motion to approve the September 22, 2015 Regular Meeting minutes by Mr. Lattimore; seconded by Ms. Contiguglia. All members present voted in favor; motion passed.

Motion to approve the October 5, 2015 Special Meeting minutes by Ms. Speno; seconded by Ms. Contiguglia. All members present voted in favor; motion passed.

**BILLS AND COMMUNICATIONS**

Ms. Verrier presented a bill from Harris-Beach for legal services that was just over \$2,000, as well as the third quarter CEDA administrative services invoice.

Motion to approve the third quarter administrative services invoice and the Harris-Beach invoice by Mr. Lattimore; seconded by Ms. Contiguglia. All members present voted in favor; motion passed.

**BUDGET REPORT**

Ms. Verrier discussed the September budget report as well as the PILOT disbursement report. She noted that CCIDA received a small project fee from Owasco Marine and will receive another \$500 after closing.

Motion to approve the September 2015 budget report by Mr. Lattimore; seconded by Ms. Contiguglia.

**UNFINISHED BUSINESS**

Mr. Sherman presented the board with an update on his activities. He explained that he had conducted roughly 100 site visits year-to-date, covering 45 businesses. He helped several businesses through the CFA process for Excelsior Tax Credits. The Weedsport Speedway has made a significant investment, and he's helping them apply for a grant to connect their sewer and water to the town's infrastructure. He mentioned that the board had already seen the D&W and Owasco Marine projects, and that he is trying to ramp up visits to get more projects. Ms. Speno: Has anyone tried to talk to Joanne Fabrics? They're completely leaving the market. It's the same with Maurices. Maybe there is an opportunity in another location?

Mr. Sherman: Agreed to look into it.

Mr. Lattimore: Expressed an ongoing concern that the staff is hesitant to speak candidly with the board about "quasi-secret" activities, and feels that the board is not aware of what the larger economic development group is doing. He is concerned that the staff does not see the board as capable of keeping a secret. Mr. Lockwood agreed.

Mr. Fish: Explained that the CCIDA board generally knows more about ongoing projects than other boards. The only group that may know more is the CEDA executive committee. He explained that confidentiality is generally kept at the request of the business.

Mr. Lattimore: Questioned if even the CEDA and Chamber boards did not know more detail about projects.

Mr. Fish: Explained that those boards often know less than the CCIDA board and that confidentiality comes with the services CEDA provides. He explained that that standard protocol is to keep project details confidential unless told otherwise, especially when in initial discussions. The business decides when it is the right time to release details at a public meeting where it is recorded in public minutes.

Mr. Lattimore: Why isn't Mr. Sherman at every CCIDA meeting?

Mr. Fish: CEDA is retained to provide an executive director, acting secretary and acting treasurer. Ms. Riester and Mr. Sherman can come to meetings as well if desired. Ms. Milewski is the only staff that regularly goes to the CEDA meetings because she records the minutes.

Mr. Lattimore: Expressed a desire to start having Mr. Sherman and Ms. Riester come to meetings more regularly. The board having a better understanding of what is happening would improve morale. Concerned that the staff is making the assumption that anything shared with the board is going to be compromised.

Ms. Speno: Agreed with Mr. Lattimore, noting that the previous Executive Director was very open.

Mr. Fish: Explained that due to a history of issues of confidentiality within the community, although not necessarily with this board, the CEDA staff errs on the side of caution. The staff tries to balance transparency with the business needs so as not to lose a deal. At certain times even some of the staff doesn't know all of the details of a project. There is a process for sharing information and CEDA needs to be consistent.

Mr. Lockwood: This is a different structure than the board has had in the past. There was a one-man band with Steve Lynch, and now there is a staff. It's a good problem to have.

The board discussed having Mr. Sherman attend every meeting, and Mr. Fish agreed to start sharing the activity reports that are distributed to the CEDA board on a monthly basis.

## 2016 BUDGET

Ms. Verrier: This is the same draft that was presented last month; there are no changes except for the headings on the second page. There are two versions, one that aligns with the monthly reports and one that shows how it will look in PARIS. Changes can be made, but the budget must be approved at this meeting.

Ms. Contiguglia: Are there any major changes that should be highlighted?

Ms. Verrier: No. Legal fees associated with Ontario Realty were increased because Mr. Galbato intends to do some additional work to recoup the outstanding PILOT amounts.

Mr. Lockwood: So most of what we do with Harris-Beach is like a pass-through.

Mr. Galbato: Most of it.

Ms. Verrier: Most of the Harris Beach fees are charged to projects. The only things charged to the board are things like conference calls and non-project related research. We can always hope the project fees are higher.

Motion to approve the 2016 Draft CCIDA Budget by Mr. Lattimore; seconded by Ms. Speno. All members in favor; motion approved.

## DRAFT CEDA CONTRACT

Mr. Fish: A draft contract was included in the packet. There are two main changes compared to the existing contract. The first is the term, which would extend through December 2017 to align with the multi-year contract with the county rather than continuing with a one year contract. The second change is the addition of a project fee sharing section. This section relates only to project fees, and does not include land sales, investment earnings, leases, etc. - only project fees. Any project revenue received over the budgeted amount (\$43,700 for 2016) would be shared 50/50 between CCIDA and CEDA. This is the same contract being presented to AIDA. No action is required at this time, but feedback is welcome.

Mr. Lockwood: Preferred that more board members were present before voting.

Mr. Fish: Will reach out to the absent board members. Explained that a contract doesn't need to be approved until December or January.

Mr. Lattimore: Inquired about how discussions around merging the IDAs are going.

Mr. Fish: There is broad support on the CCIDA board, and some support on AIDA board. The AIDA board is likely to be more hesitant as they are the board that would be eliminated. A question was added to the self-evaluation forms to get a better sense of how much support there is on both boards. AIDA has seats that are atypical due to the different authorizing legislation, and there are two members in those seats that have expressed serious concern with eliminating AIDA. There is some questions as to whether or not there would need to be seats added to the CCIDA board if AIDA were eliminated. This would take an act of legislation, but isn't unheard of. If the number of CCIDA members were to stay at seven, some members would need to step down to make room for Auburn representation.

Ms. Contiguglia: We should lean on the legislature to make it equitable.

Mr. Fish: Stated that we are waiting on the responses from the surveys. Inquired if anyone had concerns with the draft CEDA contract.

Mr. Lattimore: Wanted to see the math and how it would work. Is more concerned with the AIDA/CCIDA discussion.

Mr. Lockwood: Asked what the additional shared fees would be used for.

Mr. Fish: Explained that use of those fees would probably be determined on a case by case basis, but would always be used to support the mission. Would like to see CEDA have a budget of \$600k-\$700k budget to improve success and further economic development.

Ms. Speno: Wanted more detail, such as whether the funds would be used to add staff or increase programming.

Mr. Fish: There will be a need for additional staff as some positions are reaching full capacity. The fees would likely not be enough to sustain staffing though. It would likely go toward more targeted marketing. There is also nothing to preclude CEDA from investing in the infrastructure at the industrial park.

Ms. Speno: Does CEDA have any profit left?

Mr. Fish: CEDA is a nonprofit organization. CEDA currently has about \$130k in reserve funds that have accumulated. However, there are still some concerns about the consistency of the county funding. If we aren't using the full amount of our regular funds, we risk seeing cuts. At that point we'd be losing core programming rather than expanding operations.

Mr. Lattimore: Have you thought of a capital acquisition fund?

Mr. Fish: As funds come in, the CEDA board would take action and reserve those for specific opportunities.

Mr. Marshall: Will CEDA have the funds to acquire land?

Mr. Fish: No, but possibly specific buildings and renovations of specific buildings. Also stressed that he is not willing to enter into different agreements with CCIDA and AIDA.

#### GROBER SUPPLEMENTAL PROJECT RESOLUTION

Ms. Verrier: Explained that this resolution extends the previously approved agreement to an additional business entity that Grober is using for the operation at the industrial park. The closing is scheduled for Tuesday.

#### RESOLUTION OF THE CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THEE "AGENCY") SUPPLEMENTING A CERTAIN PROJECT AUTHORIZJNG RESOLUTION ADOPTED ON OCTOBER 5, 2015 WITH RESPECT TO A CERTAIN PROJECT (AS FURTHER DESCRIBED HEREIN)

Motion to approve the resolution by Ms. Contiguglia; seconded by Mr. Lattimore. The motion was passed 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 ]	[ ]	[ ]	[ ]

The Resolution was thereupon declared duly adopted.

#### NEW BUSINESS

##### AIDA AUDIT

Ms. Verrier: The Auditors were impressed with AIDA's monitoring policy, and CCIDA might want to consider implementing something similar. Ms. Speno agreed, and Mr. Lattimore asked in CCIDA has the power to enforce such a policy.

Ms. Verrier: Companies are supposed to report to the IDA on an annual basis anyway, but we need to ensure that our agreements include claw backs.

Mr. Fish: Now companies sign AIDA's policy, and if they fail to comply the PILOT can be revoked.

Mr. Lattimore: Can we just copy it and change it to CCIDA?

Ms. Verrier: The same policy can be used and can be brought back next month. Explained additional findings from the audit. Staff will make sure information in PARIS aligns with project documents, and CEDA is exploring an online cost-benefit analysis tool to split between AIDA and CCIDA. Right now staff uses a spreadsheet for cost-benefit analyses.

#### BOARD EVALUATIONS

Ms. Verrier: Asked board to fill out the self-evaluations and turn them in by the end of the meeting. A second page was added to gauge interest in various options for collaboration between AIDA and CCIDA. The auditors recommended getting feedback on performance goals, so those were added as well. The Governance Committee will meet next month to review responses.

#### ANNUAL MEETING

The board agreed to go to the Springside Inn for its Annual Meeting. The meeting will be December 15 at 12pm.

#### UPCOMING EVENTS

Mr. Fish reviewed the upcoming events with the board.

#### CEDA UPDATE

Mr. Fish: Explained that the URI is submitted. The Greenhouse Project was included in the press release, but the location is still being kept confidential to avoid an increase in the land price. They have committed to 80 jobs and will probably have more than that. He has been speaking with other stakeholders within the county to ensure a successful project, but great care has been taken to ensure confidentiality.

Mr. Lattimore: Inquired how confident Mr. Fish is in CNY's chances of winning the URI.

Mr. Fish: Explained he reviewed the other plans and feels that CNY is among the best, so he is confident that CNY will be among the three winners.

#### ADJOURNMENT

Motion to adjourn by Mr. Lattimore at 5:25; seconded by Ms. Speno. All members voted in favor; meeting adjourned.

The next regularly scheduled CCIDA meeting will be held on November 17, 2015 at 5pm.

Respectfully submitted,  
Michelle Prego-Milewski

**Cayuga County Industrial Development Agency  
Audit and Finance Committee Meeting  
Chamber of Commerce, First Floor Conference Room  
Tuesday, October 20, following regular meeting**

Present: Herb Marshall, Ray Lockwood

Others Present: Michelle Prego-Milewski, Tracy Verrier

The meeting was called to order at 5:30 pm, a quorum was present.

Ms. Verrier: The charter requires an annual review of various policies. Last year, the policies were most reaffirmed, but there were a few minor changes.

**CHARTER & POLICY REVIEW**

Mr. Lockwood: Are there any issues with it?

Ms. Verrier: It seems appropriate for what the committee has been doing. The committee hasn't had to conduct a special investigation. The Procurement Policy is more or less what's required by law. There's not a ton of room to make changes. The investment policy also seems to be in good shape for what the board is doing.

Mr. Lockwood: Expressed satisfaction with the changes to internal controls that were made last year.

Ms. Verrier: Property Disposition hasn't changed much over time.

Mr. Marshall: Are there any places that you'd like to change?

Ms. Verrier: No. It's more or less what is required by law.

Motion to reinstate the existing policies without any changes by Mr. Marshall; seconded by Mr. Lockwood.

**INTERNAL AUDIT**

Ms. Verrier: The AIDA Audit Committee would like to know if the CCIDA committee is interested in a joint meeting to discuss conducting an internal audit. They thought it would be a good if both IDAs were involved to allow for some outside perspective on both sides. They would like to meet before the end of the year.

Mr. Lockwood and Mr. Marshall thought it was a good idea.

Motion to adjourn by Mr. Marshall at 5:45pm; seconded by Mr. Lockwood.

Respectfully submitted,  
Michelle Prego-Milewski