

**Cayuga County Industrial Development Agency
Special Meeting
First Floor Conference Room
2 State St.
Auburn, NY
August 1st, 2017 at 4:00pm**

Chairman Ray Lockwood called the meeting to order at 4:00pm, noting that a quorum was present.

ROLL CALL:

Present: Ray Lockwood, Paul Lattimore (Arrived at 4:15pm), Grant Kyle, Herb Marshall (Left at 5:10pm)

Excuse: Gina Speno, Andrew Rindfleisch

Others Present: Tracy Verrier (CEDA); Joe Sheppard (CEDA); Rick Galbato (Galbato Law Firm), Justin Miller (Via Phone) (Harris Beach)

UNFINISHED BUSINESS

Industrial Park Sewer:

Ms. Verrier discussed the Industrial Park stakeholder meeting that took place on July 24. She explained that in attendance were members of the IDA Staff, Mr. Lockwood, Mr. Lattimore and Mr. Marshall along with representatives from CMI, the Town of Aurelius, Cayuga County Water and Sewer Authority, and the City of Auburn. She explained that the CFA application was submitted on July 28 and that no specific funding was committed.

Mr. Miller asked if there was a sense of the total project and its cost. Ms. Verrier stated that the best estimate is approximately \$1.4 million. She continued explaining that the project would consist of the installation of approximately 5000 feet of a forced main system running parallel to the current system. She noted that a preliminary engineering study would need to be conducted to explore the type of system, potential routes, and estimate costs.

Mr. Galbato asked if CMI had shared the engineering study that they had conducted with the Board. Ms. Verrier stated that they had not and would reach out to them for a copy. She noted that O'Brien and Gere conducted the study to look at the foaming issue. Ms. Verrier continued, noting that it was still not determined at the meeting who would maintain ownership of the line, where the 30% match would come from, and who would pay for the initial engineering study.

The Board discussed the ownership of the current line, the path of the new line, and the potential ownership of the new line. Mr. Miller noted that it would make the most sense to use the path of the existing line and take advantage of the existing land easements. Mr. Lockwood noted that it would make the most sense for the Town to own the line because of the favorable sewage rates they receive from the City.

Ms. Verrier stated that Mr. Ellis had offered to purchase the two small parcels located to the south of their current facility, which would allow CMI to expand and would provide funding for the 30% local match. The Board then discussed the potential of the land, the likelihood of combining these two parcels with other parcels located in the park, and the presence of existing infrastructure including roads.

The Board discussed the capacity issues at the park and the foam coming from CMI. Ms. Verrier noted that in theory, the engineered capacity of the line should be sufficient without the presence of the foam, but in actuality, it is not, they are unable to reach the engineered capacity of the line immediately after jetting.

The Board discussed possible ways to fund the 30% local match and the parties who may be interested in providing the cash. It was noted that no one came forward at the meeting with an offer to provide cash directly. The only funding offer was via Mr. Ellis's offer to purchase land. Also discussed was the ownership of the land at the park, and the current easements and right of ways in the park. Mr. Galbato showed where the right of ways and easements existed on the property map.

The Board discussed possible ownership scenarios of the new line, questioning how Cayuga County Water and Sewer Authority (CCWSA) could be involved. Mr. Galbato explained that there would need to be an agreement reached between the Town and CCWSA for them to take ownership of both lines.

The Board discussed the costs that are being incurred by the Town for the maintenance of the existing line. Ms. Verrier noted that the fees are being charged back to both CMI and Grober. Mr. Lockwood stated that the main problem for the Town presently is labor capacity and that they do not have the employees to keep up with the additional work.

The Board discussed Mr. Ellis' offer to purchase the parcels south of the current CMI facility. Mr. Kyle stated that he was for selling the land and assisting with the growth of CMI and the expansion of the Industrial Park, but that CMI needed to assist with the expansion of the sewer line. Mr. Latanyshyn agreed, stating that he was also fine with selling the land, but that current tenants needed to help pay for expanded sewer capacity to meet their needs. Ms. Verrier noted that the land sale could serve as CCIDA's 10% Equity injection that was part of the ESD application.

The Board discussed the generation of an RFP for a preliminary engineering study. Mr. Lattimore noted that the project could not move forward without an engineering study. Ms. Verrier stated that we would work with CMI to find engineering firms with dairy experience.

The Board discussed telescoping the existing sewer line, testing capacity, schedule, and who would pay for it. Ms. Verrier explained that the City, Town and CMI were working together to determine schedule and costs. She continued, stating that she would follow up with all of the parties to see if everything had been scheduled.

The Board discussed the liability of the engineers of the current sewer line, funding of the new line, the involvement of the Town, and the potential path of the new line. Mr. Miller stated that there is no judgement that could be used to fund the project. He continued, stating that the Town would need to be involved with the planning of the project since they held easements on the land. Mr. Marshall stated that financially it would be better to place the new line on top of the existing line to eliminate the need to dig through bedrock. Mr. Miller explained that he felt that the Board deciding to spend money on an engineering study would be money worth spending. He continued, noting that it would be a good idea for CCIDA to take the lead on building the line since they could do it more efficiently and would not have some of the other costs that the other municipalities would.

Ms. Verrier stated that the next steps would be to follow up with the scheduling of the telegraphing of the existing line and that there would be an attempt to have the results for the next meeting. She continued, stating that there would be a draft RFP to review for the next meeting and that she will work on discussing the generation of matching funds with CMI and Grober. She then asked if the Board was open to the sale of the land.

The Board discussed the sale of the two land parcels to CMI as a source of cash injection and equity. Mr. Marshall stated that he felt an engineering study needed to be completed to have a better idea of the costs and the funding that needed to be generated. Mr. Kyle stated that the sale of land should be CCIDA's main investment into the sewer line. Mr. Lockwood noted that the sale of land was one issue, and the sewer another, and that the sale of land should not be tied to the construction of the sewer. Ms. Verrier stated that there needed to be a sense of how to cash flow the grant and that the sale of land could be one option, but that if the Board was uncomfortable

attaching it to the project it should be set aside. Mr. Kyle asked if the sale of the land could be contingent upon receiving the grant funding. Ms. Verrier stated that work could be begun that would allow for the sale of the land and that we could wait to finalize anything until December when the awards were announced.

Mr. Latanyshyn asked about paying for the RFP. Ms. Verrier explained that issuing the RFP would not cost the Board anything. She continued that the engineering study is estimated to cost approximately \$20,000 and that a draft RFP would be available for the next meeting.

Motion to adjourn made at 5:15pm by Mr. Kyle, seconded by Mr. Latanyshyn. All present voted in favor, motion passed.

Respectfully submitted,
Joseph Sheppard

Next regularly scheduled meeting: Tuesday, August 22, 2017 at 4:00pm.