



Tuesday, January 8, 2019
GGLDC – Conference Room
Audit & Finance Committee Meeting
8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: T. Felton, P. Battaglia, T. Bender
Staff: L. Farrell, M. Masse, E. Richardson, P. Kennett, S. Hyde, J. Krencik
Guests: M. Gray (GCEDC Board Member), A. Young (GCEDC Board Member)
Absent: D. Cunningham

1. CALL TO ORDER / ENTER PUBLIC SESSION

1. Call to Order – Enter Public Session – T. Felton called the meeting to order at 9:11 a.m. in the GCEDC conference room.

2. CHAIRMAN'S REPORT & ACTIVITIES

2a. Agenda Additions / Other Business – T. Felton made a motion to add item 3g. Contract Modification for MedTech Centre Buildout to the agenda; the motion was seconded by P. Battaglia. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Yes
D. Cunningham - Absent

The item was approved as presented.

2b. Minutes: December 4, 2018

T. Bender made a motion to approve the December 4, 2018 Meeting Minutes as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Yes
D. Cunningham - Absent

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:

3a. November 2018 Financial Statements – L. Farrell presented the November 2018 Financial Statements to the Committee and noted the following:

- Cash decreased as a \$100K loan was issued to Rest & Revive in November. Loans Receivable Current and Noncurrent increased due to the issuance of the new loan.
- Accounts Payable includes the grant for continuing Economic Development Program Support and MedTech Centre Property Management.
- All other expenditures are in line with the budget except as noted.

P. Battaglia made a motion to recommend approval of the November 2018 financial Statements as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Yes
D. Cunningham - Absent

The item was approved as presented.

3b. D&O Insurance Renewal - L. Farrell shared that Lawley has provided us with a proposal for renewal of our current D&O Policy with Travelers. The renewal price reflects no increase in premiums compared to the current policy. The current policy expires on 2/23/19.

The cost of this policy would be split between GCEDC and GGLDC (\$5,230/entity) and is within each entity's budget for 2019.

P. Battaglia made a motion to recommend approval of the Director's & Officers Insurance Renewal as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Yes
D. Cunningham - Absent

The item was approved as presented.

3c. Committee Self Evaluation Process / Questionnaire – L. Farrell shared that Committee Self Evaluations are required to be done annually per the Charter. A draft questionnaire was provided to the Committee for their review. The Committee Self Evaluation process will be driven by the Governance & Nominating Committee. It is expected that the questionnaires will be distributed next month, and the Committee would then report back to the Governance Committee once the self-evaluation process has been completed.

3d. H. Sicherman 2019 Grant Consulting Services Contract – The GGLDC issued a Request for Proposal on 11/8/2018 for technical consulting services in the areas of community and economic development. One proposal was received from H. Sicherman & Company, Inc. We are requesting approval of a contract with H. Sicherman & Company, Inc. for 2019 services. Harry Sicherman provides technical services in the areas of economic development, community development, management and administrative services related to the Community Development Block Grant (CDBG) program. Total contract charges for 2019 under the proposed agreement shall not exceed \$25,000. Total contract charges for 2019 that are not reimbursable to the GGLDC from third party sources shall not exceed \$15,000. This expense is included in the 2019 budget.

T. Bender made a motion to recommend approval of the 2019 Grant Consulting Services Contract with H. Sicherman & Company, Inc. not to exceed \$25,000 as presented (Not to exceed \$15,000 unreimbursable); the motion was seconded by P. Battaglia. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Yes
D. Cunningham - Absent

The item was approved as presented.

3e. MedTech Centre Parking Lot Lights – The current parking lot lights are getting to a point where there will be significant ongoing maintenance costs due to their type of construction. There are currently nine lights that need to be repaired. This repair would more than likely only be a temporary fix as the type of construction will continue to cause issues due to the weather conditions experienced at the facility. One way to solve this issue is to replace all of the current light tops from a bulb construction to a LED lighting system which has no moving parts within it. The GGLDC solicited bids from three electrical companies, but only one submitted a bid. Humphrey Electric submitted a bid of \$15,161 that we anticipate being able to reduce by \$3,200 for a National Grid rebate program. It is also estimated that switching to an LED system will help reduce our lighting costs for the parking lot by approximately 66%. Included as a separate bid amount is \$1,125 to replace the exterior wall packs on the building. We do not feel that this is necessary at this time.

This expenditure is not included in the 2019 budget. MedTech Centre Operating Funds will be used.

P. Battaglia made a motion to recommend approval of the contract with Humphrey Electric & Security, Inc. to replace the MedTech Centre parking lot lights, not to exceed \$15,161; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Yes
D. Cunningham - Absent

3f. Ground Lease at Gateway II – The Board had previously approved a PSA with Mega Properties, Inc., (the owner of Koolatron at Gateway I) to purchase land at Gateway II for \$45,000 per acre on approximately 8.8 buildable acres. Total acres are estimated around 22.2 acres with 13.4 acres being

wetlands and unbuildable. The company would like to modify this PSA to a ground lease agreement similar to the one we signed with Gallina. This will enable the company to purchase the acreage as the need it instead of all at once.

The Committee voiced their concerns about selling the property one piece at a time. They don't want the Agency left with a small undevelopable or unmarketable piece of property because the company's plan to purchase the entire lot didn't work out.

The Committee decided it was in the Agency's best interest to instead extend the due diligence period to 365 days in the currently signed Purchase & Sale Agreement with Mega Properties. This will allow the company to maintain control over the property and have time to get its financing in place to allow the purchase of all 22.2 acres at once.

P. Battaglia made a motion to recommend approval of amending the due diligence period in the Purchase & Sale Agreement with Mega Properties to 365 days; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton - Yes
P. Battaglia - Yes
T. Bender - Yes
D. Cunningham - Absent

3g. MTC Build Out Contract Modification – M. Masse shared that the Board had previously approved a contract with Whitney East to build out the remaining space at MedTech Centre to make it more market ready. Construction has begun on that space.

The discussion about the need for additional space for filing/storage has come up again among the staff. M. Masse requested a change order from Whitney East to add a wall to close off approx. 220 sq. ft. of space from the remaining space at the end of the hall and to add a doorway into the hallway to use for GCEDC storage purposes.

The change order is an additional \$3,800 to the existing contract.

P. Battaglia asked if the Agency has a records retention policy and if the Agency foresees a need for additional space in the coming years.

L. Farrell shared that the Agency does have a records retention policy and does follow it. Given the nature of the Agency, there are certain types of files that are required to be maintained permanently. The staff is currently working towards an electronic filing system that may be able to help eliminate the need to physically keep some files. She believes that the new space will be adequate for the needs of the Agency going forward.

This expenditure is not included in the 2019 budget. MedTech Centre Reserved Funds will be used.

P. Battaglia made a motion to recommend approval of the change order with Whitney East for \$3,800 as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton - Yes

P. Battaglia - Yes
T. Bender - Yes
D. Cunningham - Absent

4. ADJOURNMENT

As there was no further business P. Battaglia made a motion to adjourn at approximately 9:55 a.m. seconded by T. Bender and passed unanimously.