



**Thursday, May 5, 2016**  
**GCEDC – Innovation Zone**  
**Audit & Finance Committee Meeting**  
**12:30 p.m.**

**MINUTES**

**ATTENDANCE**

Committee Members: M. Gray, P. Battaglia (video conference), P. Zeliff  
Staff: L. Farrell, M. Masse, P. Kennett, S. Hyde  
Guests: T. Felton (GGLDC Board Chair), W. Hinchey (GGLDC Board Member), Rick Henry (Clark Patterson Lee), Tom Carpenter (Clark Patterson Lee)  
Absent: M. Davis

**1. CALL TO ORDER / ENTER PUBLIC SESSION**

M. Gray called the meeting to order at 12:35 p.m. in the Innovation Zone.

**2. Chairman's Report & Activities:**

**2a. Agenda Additions / Other Business** – Nothing at this time.

**2b. Minutes: March 24, 2016** –

**M. Gray made a motion to approve the March 24, 2016 Minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

P. Zeliff	- Yes
P. Battaglia	- Yes (Video Conference)
M. Gray	- Yes
M. Davis	- Absent

**The item was approved as presented.**

**3. Discussions / Official Recommendations to the Committee:**

**3a. Clark Patterson Lee Contract: Leroy SEQR \$63,000** – Rick Henry and Tom Carpenter from Clark Patterson Lee discussed an engineering contract to complete the SEQR process to enable approval of NYS funds for acquisition of the property in Leroy. The proposal includes completion of the environmental assessment, re-zoning and site plan/subdivision for the proposed Leroy Food and Tech Park as well as the preparation of a State Environmental Quality Review (SEQR) and Generic Environmental Impact Statement (GEIS). A National Grid Grant is expected to cover 50% of these engineering costs.

The proposed Leroy Food and Tech Park is an approximately 75 acre parcel of land located off of West Bergen Road in the Town of Leroy. The Town of Leroy has committed \$400,000 to co-invest in the park. NYS is requiring that SEQR be completed before any grant funds can be pulled down to reimburse for the land purchase cost. S. Hyde informed the board that the State has agreed to allow the GCEDC to submit for a draw on the grant funds once the land is purchased. He expects that the grant will cover the cost of the land in full, but that no other funds can be drawn down until the project is complete and the entire amount is expended under the grant.

Completing the engineering up front saves time and money when a company is ready to build and invest. It is expected that the land will be acquired by June 30<sup>th</sup> of this year.

It will take Clark Patterson approximately 6 months to complete the work. This means that the GCEDC will have to front the money to purchase the land and then the State will reimburse the expense once SEQR is complete.

L. Farrell explained that there are different options to internally borrow the funds to purchase the land and to pay for the CPL contract. She suggests borrowing from the defederalized revolving loan funds.

P. Zelif asked if any other bids were received for the engineering services.

S. Hyde explained that Clark Patterson has been a partner in this project and has invested time in advance knowing that if this project did not happen or if grant funds were not received that they would not get paid for any of the preliminary work. They did a lot of work at risk of never getting paid for it.

P. Zelif understood, but asked the staff to consider going out for bids whenever they can to ensure that they are getting a reasonable price.

M. Masse stated that he is looking at opportunities to bid as much as possible and has received three quotes for survey and phase 1 for the STAMP property.

P. Battaglia stated that the bidding process is an important step that helps the board make decisions and ensure that prices are fair.

M. Masse asked the board to approve a \$63,000 engineering contract with Clark Patterson Lee to complete the SEQR process at the proposed Leroy Food and Tech Park in the Town of Leroy.

**P. Battaglia made a motion to approve recommendation of the Clark Patterson Lee Contract for \$63,000; the motion was seconded by P. Zelif. Roll call resulted as follows:**

P. Zelif	- Yes
P. Battaglia	- Yes (Video Conference)
M. Gray	- Yes
M. Davis	- Absent

**The item was approved as presented.**

**3b. 1<sup>st</sup> Quarter Financial Statements** – L. Farrell presented the 1<sup>st</sup> Quarter Financial Statements to the board and noted the following:

- Unrestricted cash is at \$384K, we would like to see this at \$500K. L. Farrell anticipates that the funds will be replenished soon due to grant reimbursements currently in process.
- Grant receivable is at \$1.58M; L. Farrell expects to see \$1.4M of that very soon.
- Received project participation fees from Reinhart and Genesee County Chamber.
- Fringe benefit, unemployment, and HSA costs are front loaded at the beginning of the year.
- Dues and Subscriptions include Greater Rochester Enterprise (\$25K) and Buffalo Niagara Enterprise (\$12.5K).
- Allowance for Bad Debt is being increased by \$10K, to be recognized evenly throughout the year.
- The loan with Savage IO remains in collections.
- Received the County PIF payment dedicated to support development at the GVAB (pays annual principal and interest on the GGLDC bond).

- Received PIF funds from the Town of Bergen and the County supporting the Village of Bergen wastewater treatment plant expansion and AppleTree Acres infrastructure improvements.
- Unbudgeted expenses correspond to unbudgeted grant income.

**P. Battaglia made a motion to recommend approval of the 1<sup>st</sup> Quarter Financial Statements; the motion was seconded by P. Zeliff. Roll call resulted as follows:**

P. Zeliff - Yes  
 P. Battaglia - Yes (Video Conference)  
 M. Gray - Yes  
 M. Davis - Absent

**The item was approved as presented.**

**3c. Mowing Contract: Parks** – M. Masse presented the board with bids for mowing at the parks and recommended approval of Scalia’s Landscaping as they were the only one to present a complete bid and they came in at the lowest cost. The cost for mowing the parks owned by the GCEDC (Gateway I, STAMP and AppleTree Acres) is \$9,373. On a consolidated basis this is within budget, but individually AppleTree Acres mowing will cost \$70 more than budgeted.

**P. Zeliff made a motion to recommend approval of the Mowing Contract with Scalia’s Landscaping not to exceed \$10,000; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

P. Zeliff - Yes  
 P. Battaglia - Abstained (Video Conference)  
 M. Gray - Yes  
 M. Davis - Absent

**The item was approved as presented.**

P. Battaglia abstained from voting because his company has a business relationship with the landscaper.

**3d. AppleTree Acres Lease** – M. Masse explained that Charles Augello is looking to lease out and farm the unoccupied acreage at AppleTree Acres. Leasing out the property to be farmed helps to keep the property maintained and saves money on bush hogging / mowing. The lease agreement being used is the one that was previously approved by the Governance Committee and the lease rate is in agreement with what was set by the Audit & Finance Committee for similar farmland (\$60 / acre).

**P. Battaglia made a motion to recommend approval of the Mowing Contracts; the motion was seconded by M. Davis. Roll call resulted as follows:**

P. Zeliff - Yes  
 P. Battaglia - Yes (Video Conference)  
 M. Gray - Yes  
 M. Davis - Absent

**The item was approved as presented.**

**3e. RLF Update** – M. Masse noted the following:

- Pellegrino Auto Sales paid off their loan early in late 2015(\$43K).
- Alleghany Road Properties / Callahan Motion Control paid off its loan early in January 2016 (\$61K).
- The GGLDC paid off its loan in March 2016 (\$122K).
- Scofield and Batavia Hospitality made their final payments April 2016.
- George & Swede is expected to make its final payment in May 2016.
- Savage IO remains in collections.

M. Masse explained that he believes that low bank interest rates have caused a decline in loan activity. It was also mentioned that the GAIN Loan Fund is set up and is being actively marketed.

### **ADJOURNMENT**

As there was no further business, P. Zeliff made a motion to adjourn at 1:40 p.m., seconded by P. Battaglia and passed unanimously.