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**GGLDC Audit & Finance Committee Meeting**

**Tuesday, November 30, 2021**

**Location - Innovation Zone & Electronically**

**8:30 a.m.**

**MINUTES**

**ATTENDANCE**

Committee Members: D. Cunningham, T. Felton, P. Battaglia (Video Conference), T. Bender (Video Conference)

Staff: L. Farrell, M. Masse, P. Kennett, L. Casey, J. Krencik, S. Hyde

Guests: J. Teresi (Tompkins Insurance), M. Gray (GCEDC Board Member), P. Zeliff (GCEDC/GGLDC Board Member)

Absent:

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

D. Cunningham called the meeting to order at 8:34 a.m. in the Innovation Zone.

**Presentation** – J. Teresi reviewed the results of going out to bid for the 2022 insurance renewal. Tompkins approached 14 carriers. Each carrier either declined to bid or provided no response. Due diligence has been completed and not much has changed within the marketplace since last year. J. Teresi recommends waiting a couple of years before going out to market again.

J. Teresi left the meeting at 8:43 a.m.

**1a. Executive Session:**

P. Battaglia made a motion to enter executive session at 8:44 a.m. under the Public Officers Law, Article 7, Open Meetings Law Section 105 for the following reasons, seconded by T. Bender and approved by all members present:

1. The medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.

P. Zeliff joined the meeting at 8:53 a.m.

M. Gray joined the meeting at 9:02 a.m.

**1b. Re-Enter Public Session** – P. Battaglia made a motion to enter back into public session at 9:13 a.m., seconded by T. Felton and approved by all members present.

**2. CHAIRMAN'S REPORT & ACTIVITIES**

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

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**2b. Minutes: October 26, 2021**

**T. Felton made a motion to recommend approval of the October 26, 2021 minutes; the motion was seconded by T. Bender. Roll call resulted as follows:**

- T. Felton - Yes
- P. Battaglia - Yes (Video Conference)
- T. Bender - Yes (Video Conference)
- D. Cunningham – Yes

**The item was approved as presented.**

**3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:**

**3a. October 2021 Financial Statements-** L. Farrell reviewed with the Committee the significant items of the October 2021 long form financial statements and noted the following:

- On the balance sheet in the Buffalo East Tech Park fund, restricted cash increased. We received the \$93,000 Community Benefit Agreement payment from Darien Lake. All funds are dedicated to the Corfu Wastewater Treatment Facility Construction Expansion. We will continue to receive payments through 2027.
- Grants receivable increased by \$10,000. We made a \$20,000 payment for the Cornell in High School Program, of which \$10,000 is reimbursable from the Workforce Development Institute if grant funds are available. This is also reflected as income in the operating fund.
- Land held for redevelopment and sale decreased. We closed on a land sale with Gateway GS at Gateway II. We have written off the cost of sales for that acreage.
- Accounts payable decreased. The MedTech Centre Property Management Fee and Economic Development Support Grant was paid to the EDC for the 3<sup>rd</sup> quarter.
- There is also \$232,000 in interfund revenue coming into the operating fund from the Gateway II land sale. We are “transferring/shifting” cash from Gateway II to strategic investments, which are held in the operating fund.
- In Gateway II, the total amount of the land sale to Gateway GS was approximately \$400,000. There was a site development credit related to Gateway GS from their first land purchase. They made improvements at the park and then had a credit applied to future land sales. The total cash received from the land sale was approximately \$232,000 rather than \$400,000. The improvements that Gateway GS made were for road and water infrastructure, which are not owned by the EDC. Therefore, the credit that was applied at closing was recorded as site development expense.
- In Ag Park, we made a \$10,000 payment related to the pond relocation.
- MedTech Centre is on budget. All line items are where we would expect them to be at this time.

**T. Felton made a motion to recommend to the full Board the approval of the October 2021 Financial Statements as presented; the motion was seconded by T. Bender. Roll call resulted as follows:**

- T. Felton - Yes
- P. Battaglia - Yes (Video Conference)
- T. Bender - Yes (Video Conference)

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D. Cunningham – Yes

**The item was approved as presented.**

**3b. Cleaning Services** - During 2019, staff reached out to four cleaning companies to obtain quotes for 2020 cleaning services. Commercial Cleaning Services of Western New York (CCS), the company currently being used, continues to offer the most competitive price and we continue to be satisfied with the services. New quotes were not obtained for 2021 or 2022 services. We anticipate getting quotes for cleaning services every three years.

Fund Commitment: Up to \$14,000, plus reimbursement for supplies; MedTech Centre site maintenance; included in the 2022 GGLDC Budget.

**P. Battaglia made a motion to recommend to the full Board the approval of 2022 Cleaning Services with CCS, not to exceed \$14,000; the motion was seconded by T. Bender. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Yes (Video Conference)  
T. Bender - Yes (Video Conference)  
D. Cunningham – Yes

**The item was approved as presented.**

**3c. Insurance Renewal** - L. Farrell stated that J. Teresi from Tompkins Insurance made a presentation at the beginning of the meeting. To summarize, Tompkins went out to market for the Agency's 2022 insurance renewal. Fourteen insurance companies were approached but they were unable to find another carrier that was able to meet the GCEDC & GGLDC's needs at an affordable rate. Selective continues to be the best carrier for the Agency's insurance needs.

The total premium proposed by Selective is within the amounts included in the EDC and LDC budgets. The cost is allocated between both entities.

**T. Bender made a motion to recommend to the full Board the approval of the 2022 Insurance Renewal with Selective as presented; the motion was seconded by T. Felton. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Yes (Video Conference)  
T. Bender - Yes (Video Conference)  
D. Cunningham – Yes

**The item was approved as presented.**

**3d. Grant Consulting Services-** The GGLDC issued a Request for Proposal on 10/19/21 for technical consulting services in the areas of community and economic development and contacted MWBEs per OCR requirements. One proposal was received from H. Sicherman & Company, Inc. Harry Sicherman and his team proved technical services in the areas of economic development, community development,

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management and administrative services related to the Community Development Block Grant (CDBG) Program. Staff requested approval of two separate agreements with H. Sicherman & Company, Inc.

Agreement #1 – Existing and Anticipated OCR Grants and General Services

Total contract charges for 2022 under the proposed agreement shall not exceed \$25,000.

Total contract charges for 2022 that are not reimbursable to the GGLDC from third-party sources shall not exceed \$15,000.

Agreement #2 – CARES Act Program

Total contract charges under the proposed agreement will be consistent with the CDBG Cares Act grant award for grant administration and program delivery and shall not exceed the sum of \$125,000, all of which will be reimbursed to the GGLDC.

H. Sicherman & Company, Inc. will market and administer the program on behalf of the GGLDC and make recommendations as to which businesses should be awarded grant funds (max of \$50,000 per business).

**T. Felton made a motion to recommend to the full Board the approval of Agreement #1 for Grant Consulting Services with H. Sicherman & Company, Inc. as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Yes (Video Conference)  
T. Bender - Yes (Video Conference)  
D. Cunningham – Yes

**The item was approved as presented.**

**P. Battaglia made a motion to recommend to the full Board the approval of Agreement #2 for Grant Consulting Services with H. Sicherman & Company, Inc. as presented; the motion was seconded by T. Bender. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Yes (Video Conference)  
T. Bender - Yes (Video Conference)  
D. Cunningham – Yes

**The item was approved as presented.**

**3e. County Mowing Contract--** The GGLDC Received a proposal for mowing of the stormwater ponds and vacant land at MedTech Centre and Ag Park for 2022. The proposal amount is from the same vendor as last year and the price has decreased due to the GGLDC not requiring any mowing at Gateway II. This is included in the 2022 GGLDC budget as presented to the Committee at our previous meeting.

Fund commitment: \$10,350 from strategic investment funds for MedTech Park and Ag Park.

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**P. Battaglia made a motion to recommend to the full Board authorization to accept the 2022 County Mowing Contract not to exceed \$10,350, the motion was seconded by T. Bender. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Yes (Video Conference)  
T. Bender - Yes (Video Conference)  
D. Cunningham – Yes

**The item was approved as presented.**

**3f. Ag Park Change Order-** After bidding and award, Victor Excavating conducted a field review and survey layout in the field. They took spot elevation shots at various locations throughout the project to verify elevations. The elevations that they took did not match the design plans or the as-builts that were on record. If the original design was kept as is, this would have resulted in ponding in the roadside swale and an ineffective design.

To avoid ponding and drainage issues for the project, Victor Excavating conducted a more thorough survey to confirm elevations. Based on this information, CPL revised their full design (at no additional cost) to provide positive drainage and minimize impact on the surrounding properties. This resulted in properly grading the ditch line to the proposed elevations and design plans from 2013 to establish the proper grades. Ultimately, this resulted in more earthwork needed from the contractor and as a result, the change order that is being presented. The contractor honored his unit prices for earthwork, and we feel it is a fair value for the work being conducted.

Fund commitment: \$27,385 from strategic investment funds.

**T. Bender made a motion to recommend to the full Board the approval of the Ag Park Change Order in the amount of \$27,385 with the condition that staff asks Clark Patterson Lee, the County and Town to share in the additional cost; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Yes (Video Conference)  
T. Bender - Yes (Video Conference)  
D. Cunningham – Yes

**The item was approved as presented.**

**3g. Rest & Revive Loan Settlement** - The Rest & Revive Float Center, LLC was approved for a \$100,000 loan from RLF #2 to support their project in 2018. They made approximately \$10,300 in principal payments before the Covid pandemic. During the pandemic their business took a serious decline. They had applied for, and were approved, for two three-month waivers of payments due to the pandemic. They have not made any payments since April of 2021 and are currently in default of their loan terms. They have received a purchase offer for their facility and are asking for a settlement on their loan in the amount of \$71,680.00. Their total outstanding principal and interest balance at December 31, 2021 is \$93,761.28, plus an additional \$1,311.31 in late fees.

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Fund Commitment: None.

No action was taken by the Committee.

**4. ADJOURNMENT**

P. Battaglia made a motion to adjourn at 9:41 a.m., seconded by T. Felton and passed unanimously.