



GGLDC Audit & Finance Committee Meeting

Tuesday, November 29, 2022

Location – 99 MedTech Drive, Innovation Zone

8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: D. Cunningham, T. Felton, T. Bender (Video Conference*)
Staff: L. Farrell, M. Masse, L. Casey, J. Krencik, P. Kennett, C. Suozzi, S. Hyde
Guests: M. Gray (GCEDC Board Member), P. Zeff (GCEDC/GGLDC Board Member)
Absent: P. Battaglia

* Attending from physical location identified in meeting notice as open to the public.

1. CALL TO ORDER / ENTER PUBLIC SESSION

D. Cunningham called the meeting to order at 9:11 a.m. in the Innovation Zone.

2. CHAIRMAN'S REPORT & ACTIVITIES

2a. Agenda Additions / Other Business –

T. Felton made a motion to remove agenda item 3e. Insurance Renewal; the motion was seconded by T. Bender. Roll call resulted as follows:

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

2b. Minutes: October 25, 2022

T. Felton made a motion to recommend approval of the October 25, 2022 minutes; the motion was seconded by T. Bender. Roll call resulted as follows:

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

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:

3a. Genesee CARES Subrecipient Agreement Addendum – The New York State Office of Community Renewal (OCR) has approved Genesee County to receive \$587,000 of funding to cover grants and expenses for a second round of Genesee CARES grants. The approval also amends the grant period, which has been extended to July 31, 2023. This resolution accepts a series of amendments to the original subrecipient agreement between Genesee County and the Genesee Gateway Local Development Corporation. Approval enables the program to continue through this second round of funds to support small businesses negatively impacted by the COVID-19 pandemic.

T. Felton made a motion to recommend to the full Board the approval of the Genesee CARES Subrecipient Agreement Addendum as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

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

The item was approved as presented.

3b. CARES Grant Consulting Contract Extension – The GGLDC issued a Request for Proposal on 10/19/21 for technical consulting services in the areas of community and economic development. One proposal was received from H. Sicherman & Company, Inc. The team at H. Sicherman & Company, Inc. provides technical services in the areas of economic development, community development, management and administrative services related to the Community Development Block Grant (CDBG) Program.

The Board approved a contract with H. Sicherman & Company on 12/2/21 for an amount not to exceed \$125,000. The contract charges under this agreement are consistent with the CDBG CARES Act grant award for grant administration and program delivery, all of which will be reimbursed to the GGLDC.

The additional funding that is being awarded and the amended Subrecipient Agreement between the GGLDC and Genesee County will require additional services under this contract. Again, these changes will be reimbursed to the GGLDC. Staff is requesting an increase of \$55,000 to the original contract. Total charges under the amended agreement shall not exceed the sum of \$180,000.

T. Bender made a motion to recommend to the full Board the approval of the CARES Grant Consulting Contract Extension as presented; the motion was seconded by T. Felton. Roll call resulted as follows:

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

The item was approved as presented.

3c. Grant Consulting Services - 2023 – The GGLDC issued a Request for Proposal on 10/19/21 for technical consulting services in the areas of community and economic development. One proposal was

received from H. Sichertman & Company, Inc. The board approved a contract with H. Sichertman & Company, Inc. for 2022 services

We are requesting approval of a one-year extension to this contract with H. Sichertman & Company, Inc. for 2023 grant consulting services. The Office of Community Renewal (OCR) requires bidding for these services every three years.

The team at H. Sichertman & Company, Inc. provides technical services in the areas of economic development, community development, management and administrative services related to the Community Development Block (CDBG) Program.

Total contract charges for 2023 under the proposed agreement shall not exceed \$25,000.

Total contract charges for 2023 that are not reimbursable to the GGLDC from third-party sources shall not exceed \$15,000.

T. Felton made a motion to recommend to the full Board the approval of the 2023 Grant Consulting Services with H. Sichertman & Company, Inc as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

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

The item was approved as presented.

3d. October 2022 Financial Statements - L. Farrell reviewed with the Committee the significant items of the October 2022 long form financial statements.

- Accounts payable decreased. The MedTech Centre Property Management Fee and Economic Development Support Grant that is accrued monthly and paid quarterly was paid to the EDC in October.
- In the operating fund, approximately \$200,000 was recorded as CDBG/Genesee CARES grant revenue. Grant funds were disbursed to the participants and program delivery/administration fees were paid to H. Sichertman & Co.
- Regular monthly activity for MedTech Centre, which is on budget as expected.

T. Bender made a motion to recommend to the full Board the approval of the October 2022 Financial Statements as presented; the motion was seconded by T. Felton. Roll call resulted as follows:

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

The item was approved as presented.

3e. Insurance Renewal – Removed from the agenda.

3f. Audit Services – The GCEDC and its affiliated corporations issued a joint Request for Proposals (RFP) for Professional Auditing Services on October 17, 2022. The RFP requested services for three audit years from January 1, 2022 to December 31, 2024, with an option of contracting for an additional two years (2025-2026). Requesting for this length of time is customary.

The RFP was submitted directly to five accounting firms. These firms were chosen based on research and consultation with Laura Landers, former Freed Maxick government services director. A notice was also published in the Batavia Daily News stating that the GCEDC and affiliated corporations issued an RFP for these services. The RFP responses were due by November 16th. Three proposals were received.

Proposals were reviewed and evaluated by:

Lezlie Farrell, CFO
Mark Masse, Sr. VP of Operations
Penny Kennett, Operations Manager

The proposals were evaluated based on:

- 1) Qualifications and experience of the audit firm
- 2) Qualifications and experience of the partners and staff.
- 3) Quoted fee rates for each year of the potential five-year engagement.
- 4) Compliance with local, state, and federal statutes and regulations.
- 5) Anticipated potential audit problems (if any).

Mostert, Manzanero & Scott, LLP is the firm being recommended by staff. Along with the firm's experience with the GCEDC and affiliated entities, they have listed references including three other Industrial Development Agencies and a Local Development Corporation. The proposed fee schedule from Mostert, Manzanero & Scott, LLC was included with the meeting materials.

T. Felton made a motion to recommend to the full Board the approval of a 3-year engagement with Mostert, Manzanero & Scott, LLC for the 2022-2024 audits as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

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

The item was approved as presented.

3g. Additional Lighting Replacement for MedTech Centre – The GGLDC has previously awarded a bid to Gilligan Electric to replace lights within the GCEDC offices and Innovation Zone with LED lighting. Some of the old lights that were removed had emergency battery backup wired into them in case of a power outage. The LED lights do not have that capability. In order to comply with safety standards we need to replace 8 "Exit" signs with new ones that have LED backup light power to illuminate the ways out of the building.

Fund Commitment: \$1,950.

T. Bender made a motion to recommend to the full Board the approval of the Gilligan Electric contract for additional lighting replacement at MedTech Centre not to exceed \$1,950 as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

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

The item was approved as presented.

3h. MedTech Park PSA & Authorizing Resolution - The GGLDC has received a Purchase and Sale Agreement from a potential project to acquire approximately 14 acres of tax parcels 9.-1-216.21, 9.-1-215, 9.-1-214 and 9.-1-213 for \$200,000.

The Town of Batavia approved a change in zoning for this project only. If this project does not move forward, any future housing projects would have to be re-approved and re-zoned by the Town of Batavia.

Additionally, the Town and City of Batavia have approved the Batavia Home Fund Agreement. The agreement allows the GCEDC to utilize Host Benefit Agreements on housing projects, such as this one proposed at MedTech, to put money into the fund. At the November 1 Board meeting, the allowable uses of the funds were reviewed.

Fund Commitment: Legal fees to Harris Beach for the transaction as listed in the resolution, not to exceed \$10,000.

Resolution No. #12/2022 - 01

RESOLUTION OF THE GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION AUTHORIZING (I) THE SALE OF CERTAIN LANDS OWNED BY GENESEE GATEWAY LOCAL DEVELOPMENT COMPANY LLC TO REGAL PROPERTY HOLDING, LLC (THE "COMPANY") COMPRISING APPROXIMATELY 13.3 ACRES LOCATED IN THE TOWN OF BATAVIA, GENESEE COUNTY, NEW YORK, AND KNOWN AS TAX PARCELS 9.-1-216.21, 9.-1-215, 9.-1-214 AND 9.-1-213 (COLLECTIVELY, THE "LAND"), (II) THE PROVISION OF CERTAIN FINANCIAL INCENTIVES TO THE COMPANY, (III) THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT FOR THE CONVEYANCE OF THE LAND AND (IV) THE EXECUTION AND DELIVERY OF DOCUMENTS NECESSARY AND INCIDENTAL TO THE FOREGOING.

T. Bender made a motion to recommend to the full Board the approval of the PSA, Authorizing Resolution, and payment of legal fees not to exceed \$10,000 in connection with the closing; the motion was seconded by T. Felton. Roll call resulted as follows:

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

D. Cunningham - Yes

The item was approved as presented.

T. Felton left the meeting at 9:28 a.m. There was no longer a quorum for the meeting.

3i. Workforce Development Fund Update – C. Suozzi reviewed the sources and uses of the 2022-2023 Workforce Development Fund as outlined in the meeting materials.

3j. GLOW Works, Inc Funding Support – Creating new workforce development programs over the years has been very impactful. Programs like “GLOW with Your Hands” have been implemented by volunteers and require monthly planning meetings throughout the year and several weekly meetings in August and September. In year four, we have seen our volunteers getting fatigued. Replacing them on a volunteer basis is difficult. Thus, our challenge is to make the event sustainable. We would like to support GLOW Works, Inc., a 501(c)(3), the overarching entity that supports GLOW with Your Hands and this year’s new GLOW with Your Hands Healthcare workforce events.

Staff is requesting a contribution from the GGLDC in the amount of \$12,500 to support the sustainability of workforce development programs under GLOW Works, Inc. See Workforce Development Fund Update (item 3i). Funding from solar projects will be used.

No action was taken because there was no quorum.

4. ADJOURNMENT

The meeting ended at 9:32.