



GGLDC Audit & Finance Committee Meeting

Tuesday, August 4, 2020

Location - Electronically

8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: D. Cunningham, P. Battaglia, T. Felton

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

Guests: A. Young (GCEDC Board Member), P. Zelif (GCEDC Board Member)

Absent: T. Bender

1. CALL TO ORDER / ENTER PUBLIC SESSION

D. Cunningham called the meeting to order at 9:34 a.m. via conference call / video conference.

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020 suspending the Open Meetings Law, this Meeting is being held electronically via conference call / video conference instead of a public meeting open for the public to attend in person.

2. CHAIRMAN'S REPORT & ACTIVITIES

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

2b. Minutes: June 30, 2020

T. Felton made a motion to recommend approval of the June 30, 2020 minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:

T. Felton - Yes

P. Battaglia - Yes

T. Bender - Absent

D. Cunningham - Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:

3a. June 2020 Financial Statements- L. Farrell reviewed with the Committee the significant items of the June 2020 long form financial statements and noted the following:

- On the Balance Sheet, unrestricted cash for MedTech Centre at the end of June is about \$356,000. These funds can be used to pay for expenses related to repairs to the building because of the water damage. We anticipate receiving reimbursement from the insurance company or the roofing company.

- Most balances on the Balance Sheet for the end of June are similar to balances at the end of May. There was an increase to Rent Received in Advance and Accounts Payable. The MedTech Centre Property Management Fee and Economic Development Support Grant is due to the EDC.
- In Buffalo East Tech Park, a payment was made from Community Benefit Agreement funds for the Corfu Wastewater Treatment Facility Construction Expansion.
- Monthly activity is as expected for MedTech Centre. Insurance is slightly over 50%; however, this is a front-loaded expense and should balance by the end of the year.

T. Felton made a motion to recommend to the full Board the approval of the June 2020 Financial Statements; the motion was seconded by P. Battaglia. Roll call resulted as follows:

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

The item was approved as presented.

3b. Strategic Investments Analysis – L. Farrell reviewed the Strategic Investments Analysis with the Committee. She noted the following:

- The Upstate Niagara Land Sale closed in May and is shown as a source in the amount of approximately \$323,000.
- Only actual numbers for the Genesee County Chamber of Commerce CDBG loan repayments received are shown in the analysis. We have received \$5,700 in 2020 to date.
- Batavia Micropolitan Area Community Redevelopment Funds were used to close on the Keister (Kego) Loan for \$120,000.
- The remaining balance of \$134,000 of the original \$500,000 that was dedicated / reserved to the Batavia Micropolitan Area Community Redevelopment Fund are available for future loans.
- The Economic Development Program Support Grant is included as a placeholder through 2022. The GGLDC Board needs to approve 2021 forward.
- Opportunities include, but are not limited to, land sales to Mega Properties, HP Hood, BETP, and Gateway GS, LLC.

3c. John Jakubowski Contract – John Jakubowski has provided a consulting agreement for the period of August 15, 2020 through August 14, 2021 to perform the following:

1. Perform consulting services to assist in the development and implementation of workforce development programs and training initiatives relative to the goals of the Company and its affiliates.
2. Consult with the VP of Business Development of the GCEDC and staff relative to the application, development and deployment of its workforce programs.
3. Consult with educational institutions who may serve as partners in the development, implementation and delivery of training programs. Specifically, interface with Genesee Community College and its BEST Center, other institutions of higher learning, the Genesee Valley Educational Partnership and local secondary schools as appropriate.
4. Provide consulting services as requested by the GCEDC.

This contract is not to exceed \$29,800 between the GGLDC and GCEDC and was included in the GGLDC budget to be paid by Strategic Investment funds.

T. Felton made a motion to recommend to the full Board the approval of the John Jakubowski Contract; the motion was seconded by P. Battaglia. Roll call resulted as follows:

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

The item was approved as presented.

3d. MTC – Adecco Lease Buyout – In March of 2020, the GGLDC entered into a three-year lease agreement with Adecco USA, Inc. to lease 820 square feet of office space within the MedTech Centre. As a result of Covid-19 and some corporate restructuring, they are requesting to cancel their lease with the GGLDC. Section 35 of the lease agreement states the following:

35. Termination, Modifications and Amendments – Landlord and Tenant agree not to terminate, materially modify or materially amend this Lease Agreement or any of the terms thereof, or to grant any concessions in connection therewith, either orally or in writing, or to accept a surrender thereof, without the prior written consent of the Landlord and Tenant. Any attempted termination, modification or amendment of this Lease Agreement without such written consent shall be null and void.

Adecco USA, Inc. has sent, via email, a written request for the GGLDC to terminate the lease. They have agreed to pay the GGLDC the full amount of the base rent (not including CAM charges), that would have been due over that three-year period. The base rent is \$15.50 per square foot, so the three-year total amounts to \$38,130.

Under Section 20 of the Lease, the GGLDC is entitled to any items in space that the Tenant leaves behind. They have offered the GGLDC any of the furniture in the space. Upon inspection, there are three desks, chairs, and filing cabinets that would be useful to have and create almost a turn-key office. If another tenant decides to lease the space and does not want the furniture, the GGLDC would have to remove it.

P. Battaglia made a motion to recommend to the full Board approval to terminate the lease agreement with Adecco, USA Inc. with payment of \$38,130; the motion was seconded by P. Battaglia. Roll call resulted as follows:

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

The item was approved as presented.

3e. Parking Lot Resealing and Restriping Contract – The GGLDC sealed and striped the parking lot in 2016. The GGLDC is trying to do this every three to four years. The GGLDC received three proposals for resealing and restriping the parking lot at the MedTech Centre. The amounts received were as follows:

1. Monroe Sealers - \$14,200.00
2. Yasses Trucking & Construction – did not respond to inquiry
3. Pro Seal - \$9,000.00

4. Western NY Sealing & Paving - \$9,397.00

The GGLDC had included a budget amount of \$17,750 in the 2020 budget for this work.

Fund commitment: \$9,000 from operational funds of MedTech Centre.

M. Masse will request a detailed estimate from Pro Seal to include prevailing wage. The Committee recommends awarding the contract to Pro Seal contingent upon receipt of a detailed estimate. If a detailed estimate is not provided by Pro Seal, or if there are changes when received, the Committee recommends proceeding with the second lowest bidder, Western NY Sealing & Paving, in an amount not to exceed \$9,400.00,

P. Battaglia made a motion to recommend to the full Board the approval of the parking lot resealing and restriping contract as presented above; the motion was seconded by T. Felton. Roll call resulted as follows:

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

The item was approved as presented.

4. ADJOURNMENT

P. Battaglia made a motion to adjourn at approximately 9:49 a.m., seconded by T. Felton and passed unanimously.