



GCEDC Audit & Finance Committee Meeting
Tuesday, September 29, 2020
Locations: Electronically
8:30 a.m.

MINUTES

ATTENDANCE

Committee Members: A. Young, P. Zeliff, M. Gray
Staff: L. Farrell, M. Masse, L. Casey, P. Kennett, J. Krencik, S. Hyde, C. Suozzi
Guests: D. Cunningham (GGLDC Board Member), T. Bender (GGLDC/GCEDC Board Member), T. Felton (GGLDC Board Member), R. Gaenzle (Harris Beach)
Absent: P. Battaglia

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Gray called the meeting to order at 8:32 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 / video conference call instead of a public meeting open for the public to attend in person.

1a. Executive Session:

A. Young made a motion to enter executive session at 8:36 a.m. under the Public Officers Law, Article 7, Open Meetings Law Section 105 for the following reasons, seconded by P. Battaglia and approved by all members present:

1. Discussions regarding proposed, pending or current litigation.

1b. Re-Enter Public Session – P. Zeliff made a motion to enter back into public session at 8:44 a.m., seconded by A. Young and approved by all members present.

2. CHAIRMAN'S REPORT & ACTIVITIES:

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

2b. Minutes: September 1, 2020

P. Zeliff made a motion to approve the September 1, 2020 minutes; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
A. Young - Yes
P. Zeliff -Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS OF THE COMMITTEE:

3a. \$33M STAMP Grant Review YTD – The status of the \$33M ESD Grant has been provided in the packet for the Committee to review and track progress. GURF #27 was submitted and approved. L. Farrell also noted that the agency’s relationship with ESD remains positive.

3b. \$8M STAMP Grant Review YTD – The status of the \$8M ESD Grant has been provided in the packet for the Committee to review and track progress. GURF #8 was submitted and approved. L. Farrell also noted that the agency’s relationship with ESD remains positive.

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

- Restricted cash decreased for the STAMP imprest accounts for the \$33M and \$8M ESD grants, along with the County \$4M. Unearned revenue decreased as the \$33M and \$8M revenue is recognized when allowable expenditures are made.
- Most items on the balance sheet remained about the same as last month’s balances.
- On the operating fund, we collected fees from Darien Lake and V.J. Gautieri. We also collected an application fee from Neppalli Holdings.
- Most of the line items that were over budget early in the year are now starting to balance. Travel and Conferences and Meetings expenses are low due to conditions caused by COVID. Travel is only 15% of what was budgeted.
- On the real estate development fund, there was an unbudgeted item for stormwater infiltration testing done at Apple Tree Acres. Funds from miscellaneous repairs for the park were used.

A. Young made a motion to recommend to the full Board the approval of the August 2020 Financial Statements; the motion was seconded by P. Zeliff. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
A. Young - Yes
P. Zeliff - Yes

The item was approved as presented.

3d. Auditor Selection – L. Farrell discussed with the Committee about whether to go out to bid for auditing services this year. It is required that the audit partner on the engagement is changed every five years. The auditing firm does not need to change, only the audit partner. David Brownell with Mostert, Manzanero & Scott, LLC has been the engagement partner on the GCEDC’s audit for the last three years.

The Committee recommended that L. Farrell obtain an engagement letter from Mostert, Manzanero & Scott, LLC for 2020 auditing services. If there is not a significant increase in fees, the GCEDC will continue to use this firm and partner, David Brownell, for 2020 audit services.

The Committee also suggested that the staff should go out to bid for auditing services after David Brownell completes 5 years of audits as engagement partner.

3e. Insurance Renewal – In 2019 and 2020, the GCEDC did not go out to bid for the Agency’s insurance renewal. In 2018, Selective was the only company that submitted a proposal out of eleven insurance companies that were contacted.

The Committee recommended that the Agency should do an RFQ for insurance brokers. The selected broker will then request quotes from carriers for the January 1, 2021 insurance renewal.

R. Gaenzle left the meeting at 9:00 a.m.

3f. Land Lease Rates - M. Masse presented the land lease rates that were included in the Committee and Board packets. M. Masse stated that C. Yunker confirmed that the rates were still fair market rate.

P. Zelif made a motion to recommend to the full Board approval of the land lease rates as presented; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
A. Young - Yes
P. Zelif - Yes

The item was approved as presented.

3g. CPL Proposal for Apple Tree Acres Stormwater Pond – At the September 3 GCEDC Board meeting, the Board authorized the execution of a MOU and an indemnity agreement that divided up the scope of work regarding the filling in of an existing stormwater pond and the construction of a new stormwater pond. A copy of the fully executed MOU was included in the Committee and Board packets.

There is a contract with Clark Patterson Lee that is being brought forward for the Board’s consideration at this time. This contract will cover the scope of work outlined in the MOU for the GCEDC’s responsibilities.

There is a stipulation in the MOU that “The Parties shall use good faith efforts to commence its respective responsibilities on or before December 1, 2020.”

P. Zelif made a motion to recommend to the full Board authorization to execute the proposal for engineering services with Clark Patterson Lee not to exceed \$23,700; the motion was seconded by A. Young. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
A. Young - Yes
P. Zelif - Yes

The item was approved as presented.

3h. CPL Conceptual Planning & Marketing Services - In preparation for the next phase of marketing of the WNY STAMP site and the STAMP North and STAMP South campuses to companies, the GCEDC launched a project for conceptual planning and marketing services from Clark Patterson Lee.

This first phase of the project commenced in August 2020, and has advanced with the initial drone video and site mapping to be used for interactive conceptual site plans with two-dimensional and three-dimensional views of the STAMP South campus. The area covered can support more than 1 million square feet of facilities and utilize infrastructure that is currently at STAMP, or under construction in 2020 and 2021.

Additionally, initial drone video has been taken of the STAMP North campus, which can support more than 5 million square feet of facilities and utilize infrastructure that is currently in advanced design and engineering and can be constructed within project timelines.

Due to the progress of these initiatives, and active interest by projects and industries targeted for STAMP North's extensive infrastructure and site capacity, the GCEDC desires to expand on the initial plan and proceed with site mapping of the STAMP North Campus this autumn. This work was initially planned for spring 2021.

This project is intended to enhance STAMP's sales and marketing position as the GCEDC staff prepares delivery of site readiness, site infrastructure, project financing structures, and site marketing for a launch to market for projects at the shovel-ready 400-acre STAMP South campus and 850-acre STAMP North campus.

Based on the project proposal, the estimated cost of expanding these services would be within the GCEDC's 2020 marketing budget. National Grid has approved a grant for a 50% reimbursement on both the first phase of this project as well as the additional and expanded work now proposed.

Board Request: Authorization to contract with Clark Patterson Lee for a cost not to exceed \$5,000. National Grid reimbursement of 50% of project would be applied for a net cost of \$2,500 after reimbursement.

A. Young made a motion to recommend to the full Board authorization to execute the proposal for conceptual planning and marketing services with Clark Patterson Lee not to exceed \$5,000, with a net cost of \$2,500 after reimbursement from a National Grid grant; the motion was seconded by P. Zelif. Roll call resulted as follows:

P. Battaglia - Absent
M. Gray - Yes
A. Young - Yes
P. Zelif - Yes

The item was approved as presented.

4. ADJOURNMENT

As there was no further business, P. Zelif made a motion to adjourn at 9:08 a.m., seconded by A. Young and passed unanimously.