

**Watertown Industrial Center Local Development Corporation
Board of Directors Meeting
September 28, 2017
Minutes**

The Watertown Industrial Center Local Development Corporation held its regular board meeting on Thursday, September 28, 2017 in the Watertown Industrial Center board room, 800 Starbuck Avenue, Watertown, New York.

Present: Michelle Capone, Mark Bellinger, J. Paul Morgan, Kent Burto, Don Rutherford, Carolyn Fitzpatrick

Excused: Francis Murray

Staff: Billy Soluri

Others Present: Keith Caughlin, Schwerzmann & Wise PC; Craig Fox, Watertown Daily Times; Patrick Currier and Robert Aiken, Aubertine & Currier; Brie Uhlinger, Bowers & Company

- I. Call to Order:** The meeting was called to order at 8:35 AM.
- II. Meeting Minutes:** Motion by C. Fitzpatrick and second by M. Bellinger to accept the minutes from the August 15, 2017 meeting. All in favor; motion carried.
- III. Financial Report:** B. Soluri presented financials for August 2017. B. Soluri noted an operating profit of \$11,443.66 prior to depreciation. Modern Moving is past due on their rents. B. Soluri noted on the comparative balance sheet that the June 30, 2017 information was prior to the year-end adjusting entries. On a motion by K. Burto and second by P. Morgan the financial statements for August 2017 were accepted. All in favor; motion carried.
- IV. Correspondence:**
 - i. B. Soluri noted that the Memorandum of Understanding between the WICLDC and Jain Irrigation was executed and the new project can begin. The targeted move-in date is April 1, 2018.
- V. Committee Reports**
 - i. B. Soluri reported on the water damage received from this summer's rain storm. Serv Pro had the most damage as they had to replace their laminate flooring. The cost to the WIC is \$5,500. D. Rutherford asked if insurance would cover this. B. Soluri noted that we have a \$5,000 deductible. Rather than go through insurance it would make sense to utilize our cash. The board agreed.
 - ii. Nothing new to report on leases and prospects.
- VI. Unfinished Business:**

- i. P. Currier provided a summary of the Building A renovation project for Jain Irrigation. The total budget is \$386,165 which includes a 10% contingency. The recommendation is to award demolition to Independent Commercial Contractors and the General Construction to Continental Construction. B. Soluri will begin coordinating with tenants and contractor to move electrical lines. There should be minor disruption to tenants. Part of the budget also includes costs to relocate the Railroad Club to Building B. D. Rutherford asked how the project was going to be financed. B. Soluri noted that we have sufficient cash to begin the project; however he will work with the bank and public lenders to pull together the permanent financing. K. Caughlin was directed to talk to Jain about whether they will be committing to a 5 or 10 year lease. On a motion by C. Fitzpatrick and second by M. Bellinger, the board accepted the project budget of \$386,165 awarding the demolition contract to Independent Commercial Contractors and the general construction contract to Continental Construction. All in favor; motion carried.

VII. New Business:

- i. R. Aiken presented the cost estimates for the replacement of windows on Building A. B. Soluri noted that the board had agreed to review the replacement of windows annually. Continental Construction provided a quote of \$18,560 to replace 14 windows on Building A. P. Morgan asked if they needed to be replaced. P. Currier noted that they were beyond their useful life. R. Aiken noted that the work could be completed by early December. On a motion by K. Burto and second by M. Bellinger the board agreed to spend \$18,560 on windows for Building A to be paid from the capital reserve. All in favor; motion carried.
- ii. B. Uhlinger presented the FYE June 30, 2017 audit. The WIC LDC received an unmodified opinion. She noted that staff does an excellent job in maintaining the books. The only significant deficiencies were related to the preparation of statements and segregation of duties which we know is an issue with a staff of two. She noted that the bad debt expense was for the write-off of lease payments due from Watertown AirSoft. The write-off of the leasehold improvement loan only affected the balance sheet. We discussed the need for an allowance for bad debts and the board determined that its current policy was sufficient. B. Soluri asked if there was an industry standard for determining profit-sharing. B. Uhlinger stated that there was not. On a motion by M. Bellinger and second by C. Fitzpatrick the FYE June 30, 2017 audit was accepted. All in favor; motion carried.
- iii. B. Soluri presented estimates to replace the heating and cooling system in Brookfield Power. The unit was installed in 1998 and rather than repair we should consider replacing. WIC staff would work with PSG to install the unit. The Fujitsu unit was slightly more expensive than the Comfort Star unit however B. Soluri noted that Fujitsu is more reliable and better quality than Comfort Star. On a motion by K. Burto and second by P. Morgan the board agreed to replace the heating and cooling system in Brookfield Power with the Fujitsu unit totaling \$2,406. All in favor; motion carried.

- ## **VIII. Adjournment:**
- On a motion by K. Burto and second by C. Fitzpatrick the meeting was adjourned at 9:31 AM.

Watertown Industrial Center Local Development Corporation

September 28, 2017

Page | 3

The next regular meeting scheduled for Tuesday, October 17, 2017 at 8:30 am.