

**Watertown Industrial Center Local Development Corporation
Facility Committee Meeting
October 21, 2022
Minutes**

The Watertown Industrial Center Local Development Corporation held a Facility Committee meeting on Friday, October 21, 2022 at 9:00 a.m. in the Watertown Industrial Center board room, 800 Starbuck Avenue, Watertown, New York.

Present: Don Rutherford, J. Paul Morgan, Michelle Capone

Excused: None

Staff: Billy Soluri

Others Present:

Meeting was opened at 9:15 a.m.

Lighting Upgrade Incentive Package

B. Soluri stated the Board asked that he contact Joe Russo of National Grid to see if they were offering any programs to assist with lowering electrical expenses. B. Soluri stated that after speaking with Mr. Russo and reviewing the electrical accounts Mr. Russo contacted Rise Engineering (Rise) a National Grid approved firm to perform the site evaluation and to determine if the WIC qualifies for any energy reduction programs. B. Soluri discussed the proposal that was submitted by Rise to replace existing light fixtures.

B. Soluri noted that Rise was the same firm that performed the last lighting upgrade project with National Grid assistance back in 2008. B. Soluri discussed the cost of the project and the options to pay for the project. D. Rutherford noted the payback on the investment was under 2 years. B. Soluri noted even if Rise is off on the payback period because the fixture on - off rate the payback wouldn't be more than 3 years. B. Soluri noted the proposal has an annual savings of \$22,976 in electrical expenses. P. Morgan noted the proposal provided a substantial amount of information regarding current conditions, the proposed changes and energy savings.

P. Morgan questioned if National Grid had seen the proposal. M. Capone noted that National Grid provided the Customer Designed Project Summary in the proposal which detailed all the savings and energy efficiency measures.

D. Rutherford stated that this type of project has an immediate positive impact on helping to reduce energy expenses. M. Capone asked staff to see if motion sensors could be added to some of the fixtures to reduce energy usage further. B. Soluri stated he would. B. Soluri stated if the WIC wanted to go forward with the project, they could either pay for the project directly \$41,943 which included a \$4,660.00 discount or chose one of the financing options provided in the proposal. D. Rutherford stated the purpose of the

Capital Improvement Reserve Account (CIR) (savings account) is meant for projects such as this one. P. Morgan stated he would rather the WIC just pay for the project directly assuming we have adequate cash to cover operations. M. Capone noted the monthly CIR deposit is approximately \$3,300 that the WIC makes. P. Morgan asked staff to monitor the usage after the upgrade and report back in a year to see if the project did in fact reduce usage.

The committee recommends the Lighting Project be approved and supports the WIC paying for the project directly.

Brookfield Power Restroom Renovation

B. Soluri discussed the Restroom Renovation Project that Brookfield Power (BFP) is interested in having done. B. Soluri noted the current restrooms are outdated, undersized for usage and for the most part have not changed since the days of the JCJDC occupying the office.

B. Soluri stated the project cost based on the Aubertine and Curriers estimate is approximately \$151,000 to \$180,000 with contingencies. B. Soluri stated that BFP would like to move this project forward to the construction and bid phase but they would like to know how the WIC would assist with the project. B. Soluri stated that BFP has requested use of the Leasehold Improvement Fund (LHI) at 0% interest and a base rent reduction of \$1,000 per month over the remainder of the original term of the lease.

B. Soluri noted the request for base rent reduction and a LHI advance at 0% based on the investment of the tenant into their leased space is common and was how the JCLDC and Jain Projects were handled. B. Soluri noted both projects received a base rent reduction over the original term of the lease. P. Morgan asked if the credit expired at the end of the original term or if it would carry over to any option period. B. Soluri stated the credit does not carry over to any option period or new lease.

M. Capone stated she has no concerns with using the LHI to assist with the project but would like any base rent credit to be based on final project cost rather than just a general number. P. Morgan stated he supports the use of the LHI for this project but would prefer to see the WIC have a defined contribution based on the actual project cost. D. Rutherford stated that he is ok with the use of the LHI for this project with 0% interest and would support a base rent credit or defined contribution to the project based on the actual project cost.

B. Soluri stated he supports the project, the use of the LHI and either a base rent credit or a defined project contribution.

The committee recommends BFP be offered a LHI Advance of up to \$150,000, 0% for the remaining lease term. The committee recommends in addition to the LHI Advance they would be willing to consider a base rent credit and/or a defined project contribution based on actual project cost to lower the overall expense to BFP in lieu of the base rent credit.

Infrastructure Upgrade Side of A and Courtyard

B. Soluri stated the WIC board recommended he contact the County directly to discuss the next round of American Recovery and Reinvestment funds regarding infrastructure projects relating to flooding issues. B. Soluri stated that based on his conversation with the county he had been advised to work with the JCLDC and see if the project could be included in their project funding request. B. Soluri stated he had spoken with Dave Zembiec of the JCLDC and he was working on the request.

Meeting was adjourned at 10:20 a.m.