

**Watertown Industrial Center Local Development Corporation
Board of Directors Meeting
October 25, 2022
Minutes**

The Watertown Industrial Center Local Development Corporation held its regular board meeting on Tuesday, October 25, 2022 in the board conference room, 800 Starbuck Avenue, Watertown, NY 13601.

Present: Michelle Capone, J. Paul Morgan, Robert Cantwell III, Don Rutherford, Paul Warneck, Mark Bellinger, Kent Burto

Staff: Billy Soluri

Others Present: Keith Caughlin (Schwerzmann & Wise PC), Liz Bush (Bowers & Co.)

- I. Call to Order:** The meeting was called to order at 8:30 AM.
- II. Meeting Minutes:** Motion by K. Burto and second by R. Cantwell III to accept the minutes from the August 30, 2022 meeting. All in favor; motion carried.
- III. Financial Report:** B. Soluri presented financials for August and September 2022. B. Soluri noted an adjusted operating profit of \$5,450.59 for August. He noted that under miscellaneous income there was a credit showing from National Grid. He also noted that common area maintenance was slightly higher as the quarterly fire sprinkler inspection was completed. He also noted that the equipment/tools line under maintenance was higher due to leasing a brush hog. On the balance sheet he noted work-in-progress included the Building D improvements due to the vehicle damage, and the Brookfield project. M. Capone had asked if these had been adjusted for year-end and B. Soluri answered yes. Modern Moving is current. B. Soluri noted an adjusted operating profit of \$6,887 for September. On a motion by P. Warneck and second by P. Morgan the financial statements for August 2022 were accepted. All in favor; motion carried. On a motion by K. Burto and second by R. Cantwell III, the financial statements for September 2022 were accepted. All in favor; motion carried.
- IV. Correspondence:**
 - i. B. Soluri noted that an estimate was received by our insurance carrier in the amount of \$20,762.77 for the Building D repairs. Aubertine & Currier provided an estimate for the repairs at \$21,149. B. Soluri is requesting 3 quotes from contractors to complete the work. D. Rutherford asked why the insurance carrier for the person at blame is not paying for the work. B. Soluri noted that our insurance carrier will pay and then collect from the other person's carrier. R. Cantwell III agreed that the WIC should be refunded the deductible.
 - ii. B. Soluri provided a premium recap of the WIC's insurance coverage. It is increasing from \$58,232 to \$61,510. He noted that the insurance is not for replacement value. He then asked if we should be looking at insurance at replacement value. The board discussed the merits of this and wondered if we needed replacement value on all buildings as some have more value than others. The cost for replacement value insurance is higher. It was agreed that a presentation to the board on our insurance coverage by the carrier would be helpful. B. Soluri will schedule this.

V. Committee Reports

- i. B. Soluri provided a verbal facilities report. There was nothing significant to report however he noted that 2 coils in the elevator had been replaced and the other coils are on back-order. As mentioned, the fire sprinkler inspection was completed and all performed well.
- ii. B. Soluri provided a verbal leases and prospects update. There was nothing new to report, however he did report there are 177 employees in the facility.
- iii. B. Soluri provided the minutes from the October 6, 2022 Audit Committee meeting, and the minutes from the October 21, 2022 Facility Committee meeting. B. Soluri noted that he reached out to R. Hagemann regarding the drainage project on the side of Building A to see if ARPA funds might be available. R. Hagemann thought that there was potential for the project to be funded. The project cost is approximately \$150,000.

VI. Unfinished Business:

- i. None

VII. New Business:

- i. L. Bush presented the fiscal year ending June 30, 2022 audit. A clean, unmodified opinion was provided. Net assets increased by \$97,115 in 2022. The WIC received a refundable advance of \$60,000 for satisfaction of conditions for an Empire State Development grant. There was one significant deficiency identified, as it is the same deficiency identified annually, for segregation of duties. The WIC has a small staff and is unable to segregate all financial controls as recommended. L. Bush was going to see if this deficiency might be able to be removed in the future. On a motion by P. Warneck and second by M. Bellinger, the board accepted the FYE 2022 audit. All in favor; motion carried.
- ii. B. Soluri provided a proposal from Rise Engineering for an energy efficiency project at the WIC. The estimated project cost is \$64,909.80 and National Grid would contribute \$18,305.77. The ROI to the WIC is 1.8 years. On a motion by R. Cantwell III and second by P. Morgan the board agreed to the project and to fund the lump-sum amount of \$41,943 out of the capital improvement reserve. All in favor; motion carried. The difference of \$4,000 is due to a discount in paying the lump-sum amount.
- iii. B. Soluri discussed the proposed Brookfield Power project with the board. B. Soluri is in the discussion stages with Brookfield regarding financing options. The board felt that the proposed project benefits the tenant more than the landlord, however recognizes the commitment of the tenant to the WIC as well it is its largest employer. On a motion by M. Bellinger and second by P. Warneck, the board proposed a \$150,000 LHI loan at 0% and a defined contribution of \$18,000 to the project. All in favor; motion carried. B. Soluri will share this with Brookfield Power.

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VIII. Adjournment: On a motion by M. Capone and second by M. Bellinger the meeting was adjourned at 9:30 AM.

The next regular meeting is scheduled for Tuesday, January 24, 2023.