

Watertown Industrial Center Local Development Corporation
Board of Directors Meeting
May 28, 2024
Minutes

The Watertown Industrial Center Local Development Corporation held its regular board meeting on Tuesday, May 28, 2024 in the Building A board room, 800 Starbuck Avenue, Watertown, NY 13601.

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

Absent: Robert Cantwell III

Staff: Billy Soluri

Others Present: Keith Caughlin, Kylee McGrath

- I. Call to Order:** The meeting was called to order at 8:33 AM.
- II. Meeting Minutes:** The minutes from the March 26, 2024, meeting were presented. On a motion by P. Morgan and second by K. Burto, the minutes from the March 26, 2024, meeting were accepted. All in favor; motion carried.
- III. Financial Report:** B. Soluri presented financials for March and April 2024. B. Soluri noted revenues for the month of March 2024 totaled \$47,542 an adjusted operating loss of \$531.95 for March. B. Soluri noted the unrestricted report which removes depreciation and loan revenue had a positive position of \$8,165 for the month of March. B. Soluri noted depreciation of \$13,795. B. Soluri noted Work in Process had gone up for the month of March by \$2,400, he stated this increase was related to design fees associated with the Brookfield Power renovation and WIC Infrastructure project plans.

B. Soluri noted revenues for the month of April 2024 were \$49,694, an adjusted operating loss of \$9,951. B. Soluri noted the \$3,115 under Misc. Income and Operations was received from SPX for electrical reimbursement for the SSD's systems. B. Soluri noted maintenance expenses of \$2,860 relating to the cost of having ABJ perform repair work on the fire sprinkler systems. B. Soluri noted the expense of \$6,500 listed under the line-item grounds was the second and final payment made to SWBG for Snow Plowing services. B. Soluri noted the LHI account balance is \$192,000, he stated majority of this money will be used for the Brookfield Power Renovation if they move forward with the project.

B. Soluri noted DocPPE and Modern Moving were both substantially behind on their rent. B. Soluri stated DocPPE owed \$13,910 and has made three payments since they began leasing at the WIC. B. Soluri stated their intentions were to take over the entire rear area that was once leased by Jain. B. Soluri stated DocPPE has had difficulty setting up their processing lines. B. Soluri stated DocPPE was to begin leasing the entire rear portion of the space on May 1. B. Soluri stated he has reservations regarding this as they are struggling to pay for the space that they are currently occupying. B. Soluri stated as of June 1 they would begin paying for the utilities. M. Capone asked if they were having operating cash issues. B. Soluri stated that based on his conversations with ownership he

felt that was the case as many of the assets were not liquid. D. Rutherford asked if they had made any progress with setting up their product lines or funding. B. Soluri said he does not know about funding request but they have made progress with the product lines. B. Soluri stated they are having trouble with the computer program communicating with the manufacturing line properly.

D. Rutherford asked if the tenant planned on staying current going forward and working on paying back the past due rent. B. Soluri stated the tenant planned to be fully paid back by June. K. Caughlin recommended we ask the tenant to agree to a Confession by Judgment on the past due rent. K. Caughlin stated the document would be put on file in the WIC office and in the event the tenant was to fall behind again then we would be able to file it with the courts, this document would be destroyed if the tenant were to become current. K. Caughlin asked if the manufacturing lines were able to be removed. B. Soluri stated they are easily removed. D. Rutherford suggested staff talk with the tenant regarding a timeline relating to their manufacturing line as this has been going on for a while now. B. Soluri stated that he does communicate with them regularly and he would ask them for a timeline relating to when they anticipate manufacturing operations to begin. B. Soluri stated what concerns him the most with DocPPE is the amount of space they want to take over.

M. Capone asked if they had borrowed money for their equipment. B. Soluri stated that he was not sure if they received a loan and that he knows ownership is paying for the equipment directly. M. Bellinger stated he would reach out to the owners and see if he could receive an update regarding their business and the status of their rental payments. P. Warneck stated he was opposed to letting the tenant expand into more space if they were not able to come current on their rent. B. Soluri stated his initial conversations with the tenant is that they wanted all of it and planned on having multiple shifts to fulfil the orders they have. B. Soluri stated the tenant would begin leasing a small section to set up the product lines and then in 6 months, or a year out they would take on additional space, to the point they would have the entire area. M. Capone stated we communicate with the tenant they have to come current on the rent before we allow them to take on any additional space. D. Rutherford agreed with this idea. B. Soluri said he would inform the tenant that they needed to be current by July 1, and that they would not be allowed to take on any additional space until they are current on the rent. B. Soluri stated he will inform the tenant that if they do not come current by July 1 then the WIC would move forward with a Judgment and eviction. K. Caughlin will hold off on moving forward with the Confession of Judgment until he had heard back from M. Bellinger and B. Soluri.

B. Soluri stated if he had not received a response from Modern Moving by the end of the week then the WIC should consider the same scenario regarding the Confession of Judgment and a repayment plan. B. Soluri stated Modern Moving owed \$14,328 without counting June. B. Soluri stated the tenant has made multiple payments and are starting to send extra money with each rent payment to begin paying down the balance. B. Soluri stated Modern Moving typically goes 60/90 days out but then comes current, but this time it had been different. B. Soluri stated he had spoken with the tenant and they stated this was the hardest time they can remember in over 25 years. B. Soluri stated the tenant informed him that Government contracts had slowed down but they hope to see it pick back up as the warmer months arrive.

On a motion by P. Warneck and second by P. Morgan, the financials for March and April 2024 were accepted. All in favor; motion carried.

IV. Correspondence: B. Soluri presented a letter received from Code Enforcement in regard to trash and miscellaneous items along the road going out towards Plaza Drive. B. Soluri noted the pictures referenced in the letter were not actually property owned by the WIC but belongs to SPX. B. Soluri stated the WIC does own property along Starbuck ave. across from the apartments where trash does accumulate as it blows out of the dumpsters located at the apartment complex. B. Soluri stated he had SWBG do the initial clean up and he had spoken with the management company of the apartments regarding the trash issue. B. Soluri stated the management company has agreed to relocate their dumpsters. B. Soluri presented the ABO certified budget report and notice to bidders for the Brookfield Power Restroom project and WIC Infrastructure project.

V. Committee Reports

- i. B. Soluri provided a verbal facilities report. B. Soluri stated ABJ Fire Protection had completed replacement of approximately 20 gauges on the sprinkler systems because of the age and had replaced 5 sprinkler heads. B. Soluri stated that staff and PSG had cleaned several air conditioning coils. B. Soluri noted staff would begin repairing damaged brick near the middle of Building A. B. Soluri noted this repair would be like how staff had repaired the brick above the Black Horse leased area. B. Soluri stated he would put together an RFP to install an entrance canopy in front of Building A like the one that was done in front of Building B.

VI. Unfinished Business: None

VII. New Business: None

B. Adjournment: On a motion by P. Morgan and second by M. Bellinger the meeting was adjourned at 9:06 AM.

The next regular meeting is scheduled for Tuesday, June 25, 2024.