Minutes of the Meeting of the
Oneida County Industrial Development Agency
Held on March 18, 2011 at Mohawk Valley EDGE
584 Phoenix Drive, Rome NY

Members Present: E. Quadraro, D. Grow, M. Fitzgerald, F. Betrus
Absent: N. Brown, M. Valentine, S. Zogby
EDGE Staff Present: S. DiMeo, S. Papale, J. Cardone, J. Waters, M. Bonney
Press: none

Mr. Grow called the meeting to order at 8:00 AM.

A motion to enter Executive Session for the purpose of discussing potential contracts was made by Mr. Betrus seconded by Mr. Quadraro. Consensus to exit was achieved at 9:00 AM.

January 21, 2011 minutes, and February 18, 2011 minutes were approved on a motion made by F. Betrus seconded by M. Fitzgerald.

Ms. Cardone presented financials to the Board as of 2/28/2011. Members accepted the financials as presented. Ms. Cardone stated that the Audit Committee has recommended the acceptance of the audit and the submittal to the NYS Office of the State Comptroller. The audit was accepted on a motion made by M. Fitzgerald seconded by F. Betrus.

In other Agency business:

- A request to consider a resolution approving the acquisition of 55 ± acres in the Town of Marcy, and approving the form and execution of related documents a motion to approve the resolution granting legal counsel authority to proceed with the acquisition using eminent domain and schedule a public hearing, all subject to review by legal counsel, with the assurance that monies are available to complete the project and all expenses associated with the project will be paid for by EDGE was made by made by M. Fitzgerald seconded by E. Quadraro. The agency was advised by counsel that the initial notice was made as required by law. The agency considers the acquisition in furtherance of public purpose as essential to the advancement of the Marcy Nanocenter at SUNYIT Project. It was also noted that EDGE made several good faith attempts to purchase the Land with no success. The motion was carried.

Old Business:

- Representatives M. Bette (Burrstone Energy), S. Brown (Faxton-St. Luke’s), B. White (Utica College), P Goldman (Attorney- Burrstone Energy) met with the agency to discuss a request by Burrstone Energy Center, LLC to amend their PILOT agreement. Burrstone Energy, LLC has had an increased real property tax assessment due to the decision by the Assessor to assess the equipment, not just the land and building. The equipment was not included in the initial assessment and the assessment has increased from $785,000 in 2009 to $6,620,400 in 2010, an increase of $5,835,400. At the new tax rates, the full assessment results in approximately $250,000 in taxes; the company originally budgeted $25,000. Burrstone Energy LLC has passed along part of the tax increase to Utica College and the Hospital, but they are both over the caps in their leases. Burrstone Energy, LLC is currently contesting the assessment with the Town of New Hartford asserting the position that the
equipment is exempt from taxation. It was noted that the facility is constructed on land owned by Faxton-St. Luke’s, and but for the leases, it would be tax-exempt. Agency concerns include that the benefits of potentially amending the PILOT agreement flow to the customers of Burrstone Energy, LLC (Utica College and Faxton-St. Luke’s). Burrstone Energy, LLC is requesting the Agency amend the PILOT agreement to provide for a deviation involving either a fixed dollar payment arrangement or a PILOT based on the assessment from 2009. Burrstone Energy, LLC will provide their financials to staff for review and will work with staff and legal counsel to find the best way to amend the PILOT agreement so as to benefit Utica College and St. Luke’s while minimizing the hurt to the taxing jurisdictions. The Agency indicated that the results of the true-up meetings with Utica College and Faxton-St. Luke’s will be important to the Agency. (It was noted that two agency members are on the Utica College Board of Directors, E. Quadraro and M. Valentine.)

New Businesses
• A request to nominate Julianne Cardone to the position of Treasurer and Jennifer Waters to the position of Assistant Secretary for the agency a motion was made by M. Fitzgerald seconded by F. Betrus. The motion was carried.
• A request to designate Shawna Papale to serve as the authorized contact on a specific procurement, in accordance with Section 139-j(2)(a) of the State Finance Law, “The Procurement Lobbying Act” a motion was made by D. Grow seconded by M. Fitzgerald. The motion was carried.
• The agency requested to withhold payment of the Industrial Development Agency tax pending discussion with the full agency board of directors.
• A request to modify the Trust Indenture and certain other related documents relating to the Preswick Glen Inc. 2006 Civic Facility Revenue Bonds, a motion was made by M. Fitzgerald seconded by E. Quadraro to authorize the amendment of the Trust Indenture and other related documents and the execution of said amendment documents, subject to review by legal counsel. The motion was carried.

A motion to enter Executive Session for the purpose of discussing potential contracts was made by F. Betrus seconded by D. Grow. Consensus to exit was achieved at 9:51 AM.

There being no further business, the meeting was adjourned at 9:53 AM upon a motion made by M. Fitzgerald, seconded by F. Betrus.

Respectfully submitted,

Jennifer Waters