



BOARD OF DIRECTORS MEETING

May 14, 2019

3:45 PM

NFE 2107

AGENDA

1. Call to order
2. Approval of Minutes of April 11, 2019 Meeting
3. Audit Committee
 - Approval of Annual Tax Filings
4. New Business
5. Public Comment
6. Next Board of Directors meeting: TBD
7. Adjournment



MINUTES

Fort Schuyler Management Corporation Meeting of the Board of Directors April 11, 2019 – CNSE Nano Fab East Conference Room 2107

Directors present: Kristin Proud, Franklin Hecht, Kenneth Tompkins, Robert Geer, and Joan McDonald via video conference.

Staff: Douglas Grose – President, Scott Bateman – Assistant Treasurer, Cheryl Casey-Rose – Board Secretary, and Patricia Bucklin.

Guests: Emily Kunchala – Research Foundation for SUNY

1. Call to Order

- Ms. Proud called the meeting of the Board of Directors of Fort Schuyler Management Corporation (FSMC) to order at 3:30 PM.
- Ms. Proud welcomed Emily Kunchala of The Research Foundation.
- Ms. Proud asked if any directors had a conflict of interest, and if so, that the conflict be disclosed. There were none.

2. Review/approval of December 19, 2018 meeting minutes

- Ms. Proud asked for a motion to approve the Minutes of December 19, 2018 meeting. A motion to approve was made by Robert Geer and seconded by Kenneth Tompkins. The minutes were approved as presented.

3. Finance Committee Report – Kristin Proud

- Resolution No. 183 – Adoption of Annual Plan
Ms. Proud asked for a motion to adopt Resolution No. 183 approval of the Annual Plan.

Motion: Kenneth Tompkins

Second: Robert Geer

The Bylaws of the Corporation, provide that there shall be submitted to the Board by the President, for its approval, an Annual Plan which shall set forth all anticipated revenues and expenditures and indicate (a) the current fiscal year, showing approved expenditure levels

(including approved changes) and estimated income and expenditures through the end of each period; (b) the prior fiscal year, showing actual income and expenditures for such period; and (c) the next ensuing fiscal year showing estimated income and proposed expenditures for each.

The 2018-19 Annual Plan was submitted to the Finance Committee of the Corporation upon the recommendation of management and Finance staff and, upon a motion duly made, was approved by the Finance Committee with a recommendation that it be approved by the Board of Directors.

Discussion: Kristin Proud stated that the same sentiments expressed regarding the FRMC Annual Plan being completed earlier in the year apply to the completion of the Fort Schuyler Annual Plan.

Vice Chair Proud asked for a vote to adopt Resolution No. 183 approving the Annual Plan

Vote:

Ayes: 5, Nays: 0, Abstentions: 0.

The resolution was approved.

- Resolution No. 184 - Approval of Resolution No. 184 - Environmental Monitoring Agreement at Riverbend

Ms. Proud asked for a motion to adopt Resolution No. 184 approving an award for environmental monitoring services at Riverbend and authorizing a contract for such services.

Motion: Franklin Hecht

Second: Robert Geer

FSMC issued a RFP for operations, maintenance and monitoring services at the Riverbend site, including groundwater monitoring, inspection of wells, maintenance and cleaning of pumps, inspection of the groundwater flushing system and similar services. These services are based on requirements for monitoring and maintenance of the site in accordance with NYS Department of Environmental Conservation mandates and the Site Management Plan.

Following a competitive procurement and in compliance with the Corporation's Procurement Policy Guidelines, FSMC issued a tentative award to the lowest bidder, Barton & Loguidice, D.P.C. ("B&L") and now seeks Board approval of the award and authorization to enter into a three-year contract with B&L beginning on May 1, 2019 at first, second and third year annual rates of \$99,463, \$102,111 and \$105,174, respectively.

The Finance Committee approved a resolution (1) approving the award to B&L for the operation, maintenance and monitoring services at the Riverbend site, (2) authorizing, empowering and directing the President and Treasurer, each of them without the other, to approve, sign, acknowledge and deliver all documents or contracts in such form, substance

and content, and upon such terms as may be necessary or appropriate, to implement and carry out the purposes and intents of this Resolution, and (3) recommending that the Board approve the same.

Requested Action:

Approve Resolution No. 184 (1) approving the award to B &L for the operation, maintenance and monitoring services at the Riverbend site, and (2) authorizing, empowering and directing the President and Treasurer, each of them without the other, to approve, sign, acknowledge and deliver all documents or contracts in such form, substance and content, and upon such terms as may be necessary or appropriate, to implement and carry out the purposes and intents of this Resolution.

Discussion: None.

Ms. Proud asked for a vote on the motion to adopt Resolution No. 184.

Vote:

Ayes: 5, Nays: 0, Abstentions: 0.

The resolution was approved.

- Lease Amendment – Silevo, LLC

Ms. Proud asked for a motion to authorize approval of a Lease with Silevo, LLC.

Motion: Franklin Hecht

Second: Kenneth Tompkins

FSMC has been engaged in the development of a state-of-the-art high-tech 1.2 million square foot manufacturing facility at Riverbend Park in Buffalo. The Riverbend facility was completed on April 30, 2018. FSMC transferred the Riverbend Facility to Empire State Development (“ESD”) on November 21, 2018 for \$1.00 in order to preserve the property tax exemption for the Riverbend Facility. FSMC now leases the Riverbend Facility from ESD for a term of 10 years, at which time ESD shall convey the facility back to FSMC.

Pursuant to that certain Amended and Restated Agreement for Research & Development Alliance on Triex Module Technology dated as of September 2, 2014, as amended, between The Research Foundation for the State University of New York and Silevo, Inc., it was contemplated that the Riverbend Facility would be leased to Silevo, Inc. at a base rent of \$1.00 per year for a period of 10 years, with an option for Silevo, Inc. to either purchase the Riverbend Facility at fair market value or lease the Riverbend Facility for an additional 10 years upon the same terms at the expiration of the initial 10 year lease term.

FSMC now seeks approval to lease/sublease the Riverbend Facility to Silevo, LLC (successor to Silevo, Inc.) at a base rent of \$1.00 per year for 10 years effective April 30, 2018, with an option for Silevo, LLC to either purchase the Riverbend Facility at fair market

value or lease the Riverbend Facility for an additional 10 years upon the same terms at the expiration of the initial 10 year term.

The Acquisition and Disposition of Real Property Policy adopted by the FSMC Board in Resolution No. 145, on February 22, 2017 permits a disposition of real property, including a lease, through negotiation at less than fair market value under specific circumstances provided that certain required information is provided. That information is in the materials that were sent to you.

FSMC President Douglas A. Grose and Interim Contracting Officer Scott Bateman approve the proposed lease, find that the purpose of the proposed lease is within the purpose and mission of FSMC, and that there is no reasonable alternative to the proposed below market lease that would achieve the same purpose. In addition, Howard Zemsky, President and Chief Executive Officer of Empire State Development, consents to the transfer, finding that the purpose of the transfer is within the purposes or mission of FSMC and that there is no reasonable alternative to the proposed below market transfer that would achieve the same purpose of the transfer.

The FSMC Finance Committee approved a resolution (1) authorizing FSMC to enter into a lease of the Riverbend Facility to Silevo, LLC on the terms stated above; (2) authorizing the FSMC President and Treasurer, each of them without the other, to approve, sign, acknowledge and deliver all documents or contracts in such form, substance and content and upon such terms as such officer may deem necessary or appropriate, to implement and carry out the purposes and intent of this Resolution, and (3) recommending that the Board approve the same action.

Discussion: None.

Ms. Proud asked for a vote to approve the resolution authorizing FSMC to enter into a lease with Silevo, LLC.

Vote:

Ayes: 5, Nays: 0, Abstentions: 0.

The resolution was approved.

5. New Business: None.

6. Public Comment: None

7. Next Board of Directors meeting: TBD

7. Adjournment:

- There being no further business to come before the Board, Ms. Proud asked for a motion to adjourn. Robert Geer moved to adjourn and Franklin Hecht seconded the motion. The meeting was adjourned at 3:41 PM.

Respectfully Submitted,

Cheryl Casey-Rose
Secretary of the Board

To: Fort Schuyler Management Corporation Board of Directors
Re: Approval of Tax Filings

Background:

Fort Schuyler Management Corporation (“FRMC”) engaged KPMG to review its tax filings for the year ending on June 30, 2018, pursuant to authorization by the Board at its September 26, 2018 meeting. The filings include IRS Form 990 and NY CHAR 500; and IRS Form 990T and NY CT-13. KPMG has now completed its review of FSMC’s tax filings. The FSMC Audit Committee approved a resolution approving the tax filings subject to and conditional upon completion of the remaining administrative items, if any, to the satisfaction of the Chair of the Audit Committee, authorizing the President and/or Treasurer to sign and file the tax filings, and recommending that the Board approve the same actions.

Requested Action:

Approve a resolution approving the tax filings subject to and conditional upon completion of the remaining administrative items, if any, to the satisfaction of the Chair of the Audit Committee, and authorizing the President and/or Treasurer to sign and file the tax filings and to take all actions as are necessary and appropriate to effectuate such action.