

Fort Schuyler Management Corporation
Meeting of the Board of Directors
March 27, 2017
NFE Conference Room 2107

Directors present: Robert Samson, Megan Daly, Michael Evke, Franklin Hecht, Kenneth Tompkins, Robert Geer, and Kristin Proud

Board Secretary: Cheryl Casey-Rose

Staff: Robert Megna (FSMC President), Pat Bucklin, Scott Bateman

Guests: Kevin Younis (ESD), Heather Hage (RF SUNY)

1. Call to Order

- Chair Robert Samson called the meeting to order at: 3:08 PM and welcomed Kevin Younis, Heather Hage and Bob Geer for joining.

2. Resolution 154 – Authorization to enter into a contribution and collaboration agreement, enter into a sublease and take related actions

- Chair Samson asked for a motion to introduce the resolution. Ken Tompkins moved to introduce the resolution and Franklin Hecht seconded the motion.
- Chair Samson provided background on the resolution. Chair states that FSMC wishes to enter into a contribution and collaboration agreement with Danfoss Silicon Power LLC and General Electric Global Research to establish the New York Power Electronics Manufacturing Consortium in packaging center located at QUAD-C in Utica, New York. Pursuant to such an agreement, FSMC and its limited liability, QUAD-C Phase I LLC, wish to sublease the entire 201,907 sq. ft of QUAD-C facility and 12.5-acres of land to Danfoss. Chair then informs the group that Danfoss is a New York subsidiary of Danfoss Silicon Power, a corporation with headquarters in Flensburg, Germany that supplies electric power modules for industrial automotive and renewable applications. Chair Samson continues saying Danfoss will use the property for offices, warehouse, manufacturing and assembly research and development and laboratories related to commercial product fabrication for packaging power electronics components into power modules. Chair Samson informs the group that FSMC will receive rental payments of \$150,000 per year plus three (3) percent annual increase and that Danfoss will begin to pay all costs associated with the building that FSMC currently pays such as insurance, maintenance and utilities. Chair Samson stated that FSMC President Robert Megna and Interim Contracting Officer Scott Bateman approved this transaction and in addition, the President and CEO of Empire State Development, Howard Zensky, consents to the transaction. Chair Samson has requested the following action to approve Resolution 154 and asks for a motion to approve this resolution with Ayes and Nays and any abstentions.
 - Discussion: Kristin Proud asks Chair Sampson to talk about the amount of time Danfoss envisions it will take before they will employ 300 people at this facility. She follows her question by asking whether this is a multi-year endeavor before they will ramp up to 300. Chair Samson defers response to Kevin Younis of ESD. Kevin

Younis responds that he does not have an exact time period but that they have five (5) years with which to do that. Kevin Younis informs the group per his Friday conversation with Danfoss that in two to three years they are expecting to reach that goal and that in Q2 of next year to be up and running and fully running a year after that. Chair Samson comments saying that Danfoss is a fascinating business and asks if the group has taken a look at their website to see the business they're in. Kevin Younis follows comment by explaining the connection with power electronics work that GE has been doing and Silicon Carbide work and that he has spoken to Jerry Trant about currently using silicon carbide chips versus the silicon currently being used right now is a ten (10) percent increase in efficiency. Chair Samson says that this is exciting for QUAD-C and a good spot for the industry. Chair Samson then asks the group for any further discussion or comments and there was none.

- Chair asked for a vote: ayes - 7, nays - 0, abstentions - 0. The motion to accept Resolution 154 passed unanimously.

11. New Business

There was no new business brought before the Board.

10. Public Comment

No public comments were made.

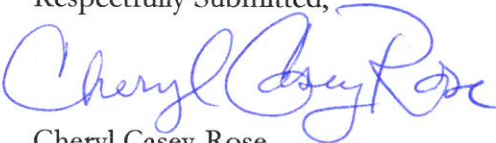
12. Next Meeting – Chair Samson

The next Quarterly meeting will be June 15th and a monthly meeting between now and then will be scheduled if needed.

13. Adjournment – Bob Geer and Megan Daly

The FSMC Board of Directors meeting was adjourned at 3:16 pm.

Respectfully Submitted,



Cheryl Casey-Rose
Secretary of the Board