

## **MINUTES**

### **Fort Schuyler Management Corporation Meeting of the Board of Directors May 10, 2017 NFE Conference room 2107**

Directors present: Robert Samson – Chair, Michael Evke, Kristin Proud, Franklin Hecht, Ken Tompkins, and Robert Geer

President: Robert Megna

Treasurer: Scott Bateman

Board Secretary: Cheryl Casey-Rose

Staff: Pat Bucklin

Guests: Emily Kunchala – Research Foundation, Kevin Younis – Empire State Development

#### **1. Call to order**

- Chair Robert Samson called the meeting of the Fort Schuyler Management Corporation Board of Directors to order at 3:16 PM.
- Chair Samson welcomed Kevin Younis and Emily Kunchala.
- Chair Samson asked the Directors if they had any potential conflicts of interest with regard to items on today's agenda. There were no conflicts of interest.

#### **2. Approval of March 23 and 27, 2017 meeting minutes**

Motion: Kristin Proud

Second: Mike Evke

Discussion: none

Vote: Ayes – 6, Nays – 0, Abstentions – 0

The minutes from March 23 and 27 were unanimously approved.

#### **3. Chair's Report**

- Resolution 155 - Adoption of Finance Committee Charter and Committee Appointments  
Chair Samson asked for a motion to introduce Resolution 155.  
Motion: Ken Tompkins  
Second: Robert Geer

Discussion: This Resolution established an FSMC Finance Committee as authorized by Article V, Section 1 of the Bylaws, adopts a charter to govern the Finance Committee and appoints the following three members:

Mike Evke

Franklin Hecht

Kristin Proud

The Charter provides that the Finance Committee will have oversight of the financial state of the Corporation, propose an annual operating budget, provide guidance to the Board regarding financial strategies, and review major projects from a financial perspective.

With no further discussion, Chair Samson asked for a vote:

Ayes – 6, Nays – 0, Abstentions – 0.

Resolution 155 was unanimously approved.

4. Audit Committee

- Approval of Form 990

Motion: Robert Geer

Second: Kristin Proud

Discussion: The financial information is from the audit and is sometimes organized in a different manner. The financial information is for the fiscal year 6/30/16; and compensation information is for calendar year 2015. Expenses are organized differently than the audit report, broken up into rental related expenses (which are shown in the revenue section netted out against rental revenue), program expenses (construction projects), and management and general expenses. In addition to the required disclosures, we make a voluntary disclosure regarding relationships among officers and directors who work in some capacity at SUNY Poly. The Audit Committee approved Form 990.

With no further discussion, Chair Samson asked for a vote to approve Form 990:

Ayes – 6, Nays – 0, Abstentions – 0.

Form 990 was unanimously approved.

5. President's Report:

- Resolution 156 - Norsk equipment purchase. President Megna asked for a motion:  
Motion: Franklin Hecht  
Second: Kristin Proud

Discussion: Norsk Titanium, AS (“Norsk”) is a Norwegian company that has developed proprietary technology that enables it to manufacture aircraft components out of titanium using additive manufacturing (3D printing) machines. In July 2015, pursuant to Resolution 123, the Board authorized and approved the development, design, construction, and fit-up, of a manufacturing facility to house Norsk’s USA based manufacturing and business operations, and the acquisition of real property and manufacturing equipment for the facility. It also authorized FSMC’s officers to approve and sign contracts necessary to implement the resolution.

Pursuant to that authorization, on August 4, 2015, FSMC entered into an Alliance Agreement for establishment of a manufacturing facility with Norsk Titanium US Inc. (“Norsk USA”), the US subsidiary of the Norwegian company. The Alliance Agreement authorized up to \$75,000,000 for manufacturing equipment for the initial phase of the Project.

On July 7, 2016, FSMC, signed a Master Equipment Purchase Agreement (“MEPA”) with Norsk Titanium Equipment AS (“Norsk Equipment”), an affiliate of Norsk Titanium, AS. Under the terms of the MEPA, the Corporation agreed to purchase 20 Rapid Plasma Deposition (“RPD”) machines at a price of \$2,300,000 per machine (for a total of \$46,000,000). The RPD machines contain Norsk’s proprietary technology and produce the titanium aerospace components that Norsk sells.

The Corporation and Norsk Equipment now wish to amend the MEPA to enable the Corporation to order 12 additional RPD machines at the same price of \$2,300,000 each, for a total of \$27,600,000. This will bring the total no. of machines to 32, which will enable Norsk USA to reach the employment and spending targets identified in the Alliance Agreement.

With no further discussion, Chair Samson asked for a vote:  
Ayes – 6, Nays – 0, Abstentions – 0.

Resolution 156 was unanimously approved.

- Resolution 157 - Turnkey Environmental Monitoring. President Megna asked for a motion:  
Motion: Ken Tompkins  
Second: Robert Geer

Discussion: This Resolution seeks ratification of a contract with Turnkey Environmental Restoration, LLC for Basic Operation, Maintenance and Monitoring (OM&M) Services at the Riverbend site for the 2017 calendar year.

FSMC entered into a Master Services Agreement with Turnkey in November 24, 2014 to provide OM&M services at Riverbend, including groundwater monitoring, inspection of wells, maintenance and cleaning of pumps, inspection of the groundwater flushing system and similar services. The agreement extends the OM&M services for the 2017 calendar year at a fixed monthly rate of \$9,220, which is an increase of 3.8% primarily attributable to the increased laboratory analytical required in odd numbered years.

This is a single/sole source procurement based on the contractor’s unique expertise and knowledge of the site history, design and operation from performing these services for the past 18 years. Due to the need to continue services, as permitted by the procurement guidelines, this agreement was signed and the Board is being asked to ratify the contract.

With no further discussion, Chair Samson asked for a vote:  
Ayes – 0, Nays – 0, Abstentions – 0.

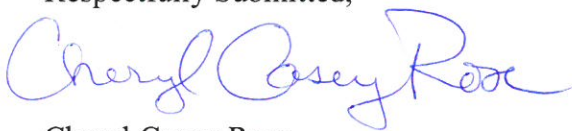
Resolution 157 was unanimously passed.

6. New Business - None

7. Public Comment - None

8. Next quarterly Board of Directors meeting: June 15, 2017
9. Executive Session – Kristin Proud moved that the directors conduct an Executive Session for the purpose of information relating to and discussions regarding investigations and litigations as guided by ¶ (c) and (d) of subdivision 1 of §105 of the New York State Open Meetings Law. Robert Samson seconded the motion and asked for a vote:  
Ayes – 6, Nays – 0, Abstentions – 0. Chair Samson stated that the Executive Session will be held after the conclusion of the FSMC Board meeting and that no further business will be conducted after the Executive Session.
10. Adjournment of regular meeting – Chair Samson asked for a motion to adjourn the formal portion of the FSMC Board of Directors meeting:  
Motion: Kristin Proud  
Second: Franklin Hecht  
Vote: Ayes – 6, Nays – 0, Abstentions – 0.  
The Fort Schuyler Management Corporation Board of Directors meeting adjourned at 3:25 PM.

Respectfully Submitted,



Cheryl Casey-Rose  
Secretary of the Board