

St. Lawrence River Valley Redevelopment Agency
Minutes of July 16, 2013 Meeting ~ Town of Louisville Municipal Offices, Massena NY

Call to Order: The meeting was called to order at 6:02 PM by Chairman McNeil.

Roll Call/Determination of Quorum: Mssrs. McNeil, Murphy, Strait, Burns, Huvane and Carroll attend. The quorum is recognized.

Public Notice: Public notifications were sent July 9, 2013 to, at a minimum: St. Lawrence County's newspapers designated for the publication of local laws and other matters required by law to be published. Notification also sent to other local media sources and websites.

Approval of Minutes: Strait/Murphy motion to accept the June 18, 2013 regular meeting minutes. The minutes are accepted unanimously.

Financial Report: Tom Plastino, Chief Financial Officer and Deputy Chief Executive Officer of the St. Lawrence County Industrial Development Agency, reports on the June 2013 Financials. He says that June was uneventful – with no expenses and unblemished revenues. Murphy/Burns motion to accept the June 2013 financial report. The report is accepted unanimously.

Committee Reports: None

Presentations: Mr. McMahon makes a short powerpoint presentation on comparative power rates at seven mid-Atlantic utilities. Reports that MED's rates (equivalent to what the cost of the 20 meg power might be) are at about 4 cents/kWh, while the lowest among the 7 utilities runs from 9 cents to 10.5 cents/kWh, depending on load factor. Suggests overlaying these rate differentials with water to help identify prime marketing target sectors. Mentions that NJ utilities are doing some interesting things in structuring their power rates that deserve more study.

Old Business:

Monetization: Following up on the letter he sent to Senators Griffo and Ritchie and Assemblywoman Russell on July 5, 2013, Mr. McNeil invited Assemblywoman Russell to discuss the next steps to be taken in the State legislature to secure monetization of the unallocated 20 megawatts of electric power contracted to the RVRDA in the June, 2010 agreement and the recent NYPA/MED power contract. A long discussion follows. Assemblywoman Russell distributes a copy of draft legislation that the Governor would approve. She draws attention to points in it that she doesn't agree with. She especially would like to see most of the members on the Northern New York Power Allocation Board (created by the bill) to be resident in the river communities. Questions the 15% environmental set-aside. Suggests that the Governor is interested in using monetized revenue for major infrastructure projects. She also notes that the other uses of the monetized revenues described in the bill might need careful attention. Her main point is that this bill should be the starting point for negotiations and that the Governor is unlikely to move very far from its major provisions. Suggests that it might be possible to get all five members on the Board to reside in SLC.

McNeil and others several times insist that all the RVRDA and the communities want is legislation that will implement the monetization provisions of the June, 2010 contract. Assemblywoman Russell contends that the Governor's office says that the June, 2010 contract required the OK of the Governor and that without that the monetization process will not occur.

There is some discussion of whether the legislation should include preservation power. Consensus is that the discussion should focus on the 20 megawatts.

Participants make recurrent reference to western New York's legislation and how it makes provision for the monetized value of about 49 megawatts of power to bypass the western NY power allocation board.

Assemblywoman Russell's recommendation is that the RVRDA sit down with the Governor's office and seek to make acceptable amendments to the bill she delivered. She reminds everyone that to become law all both houses of the legislature **and** the Governor must agree.

Assemblywoman Russell says that there are three options: (1) do nothing with the 20 megawatts and have the revenue from selling it stay with NYPA and be swept into the general fund; (2) work feverishly to allocate the power; and (3) sit down with the Governor and negotiate.

Assemblywoman Russell was not optimistic about a suggestion that at least one RVRDA member be on the power allocation board.

Assemblywoman Russell asked why the Governor doesn't want the RVRDA to oversee the use of the monetized power. She says that (1) there is a conflict of interest – the RVRDA is responsible both for allocating the power and the monetized revenues – and (2) there's already a lot of money available for economic development in SLC, i.e., the \$16 million given to the RVRDA in June, 2010 and the recent \$10 million from Alcoa (though the latter can be used beyond SLC).

Assemblywoman Russell is unsure whether the legislature will come into special session before 2014 and, even if it does, it is unlikely that monetization legislation could be put on the agenda (unless the Governor wanted it to be there).

McNeil asks Gustafson to review the draft bill and prepare comments and suggested revisions.

Huvane describes how the appointment process and the award process have worked in western New York (smoothly).

Business Development Corporation for a Greater Massena: Mr. Gustafson introduces Mr. Tom Sullivan, the recently-hired executive director of the BDC. Sullivan briefly describes his educational and business background.

Staff Report: Mr. Kelly reports that the NYS is planning to relocate six wards from the Ogdensburg Psychiatric Center to thruway communities. Up to about 520 local jobs are at stake. St. Lawrence Psychiatric Center Task Force is attempting to get the State to reconsider and designate Ogdensburg as a center of excellence.

Staff is engaged in discussions with the five local colleges about the StartUp New York program. Hoping to coordinate RVRDA and other development resources with the new program.

Kelly invites RVRDA members to North Country Pastured ribbon cutting on July 18. RVRDA had awarded a \$50,000 CD/EI grant to NCP.

Public Comment:

Mark Dzwonzyk, President and CEO of Nicholville Telephone Company:

- Launching IP TV now live in some of NTC's territory
- Slic is developing partnerships with other North Country phone companies for the sharing of services
- Thanks RVRDA for assistance in providing assistance to these projects.

Executive Session: Carroll/Murphy motion for Execution Session at 7:16 PM to discuss business financials of a particular company.

Return to regular session at 7:42 PM, upon the motion by Strait/Carroll.

The meeting is adjourned at 7:42 PM, upon the motion of Murphy/Burns.

Note: The next regularly scheduled meeting of the St. Lawrence River Valley Redevelopment Agency will be held at 6:00PM on Tuesday, August 20, 2013 at the Town of Louisville Municipal Offices.
