

COMMISSION MEETING

March 19, 2008
CDRPC Conference Room
One Park Place, Suite 102
Albany, New York 12205

MINUTES

- PRESENT:** Lucille McKnight, Michael Whalen, Judy Breselor, Stan Brownell, Leon Fiacco, Mike Stammel, Fred Acunto, Christopher Callaghan, Jason Kemper, John Murray, Robert Godlewski, Barbara Mauro, Michael Petta
- ABSENT:** Willard Bruce, Henry Dennis, John Graziano, Jim Shaughnessy, Phil Barrett, Gary Hughes, David Vincent
- PRESIDING:** Mike Stammel, Vice President, called the meeting to order at 8:30am.

1. **Welcome/Introduction of Guests/New Commissioners**

Mike Stammel introduced Robert Godlewski as a new Commissioner representing Schenectady County and Michael Whalen, Jr. representing Albany County. Also in attendance were Bill Hooton and George Klapishack from Capital District Trade Strategies, Tommy Berry from Point Trade Services, Ken Carlstedt and Dave Gross from MPM Silicones, Shelby Schneider from Saratoga Economic Development Corp., Steve Myer from Albany Molecular Research and Michael Hall from McNamee, Lochner, Titus & Williams PC

2. **January 16, 2008 Meeting Minutes**

The minutes were distributed before the meeting. No corrections were made.

Action Taken

John Murray made a motion to approve the minutes, and Barbara Mauro seconded. The motion was approved unanimously.

3. **Unaudited Financial Statement through December 31, 2007**

The financial statement represents the final unaudited statements of 2007 and will be presented to the auditors as part of the 2007 audit of CDRPC financial records.

For the year, the revenues were at 101.7% and expenses were at 92.1%. The revenues exceeded the expenditures by \$60,365, which went back into the Fund Balance. For the year ending December 31, 2007, the Fund Balance amount is \$208,229.

Action Taken

Fred Acunto made a motion to approve the Financial Statement, and Stan Brownell seconded. The motion was approved unanimously.

4. Financial Statement through February 28, 2008

Invoices were sent out to each of the four counties and all payments have been received. Other billings have not been sent out at this time. They will be sent out at the end of the first quarter.

For the year, the revenues are at 13.3% and expenses are at 16.2%. In some cases the percent to date expenses are greater than two months: the annual GIS software license to ESRI was renewed in January and the General Business insurance bill for 2008 was paid in full. Rent and Health Insurance line items reflect three months worth of payments.

There is approximately \$124,500 cash in the bank at this time and receivables totaling just over \$101,600.

Action Taken

Lucille McKnight made a motion to approve the Financial Statement, and Chris Callaghan seconded. The motion was approved unanimously.

5. Approval Grantee/Operator's Agreement between CDRPC & MPM Silicones

In December of 2006, the Board authorized CDRPC to submit a subzone application to the Foreign Trade Zone board to create a subzone at the MPM Silicone site in Waterford. CDRPC did submit the subzone application and the FTZ Board approved the application. At this time, Rocky is seeking Board approval for a Grantee/Operator contract between CDRPC and MPM Silicones. A contract must be executed before MPM Silicones may initiate any subzone activities.

Michael Hall has reviewed the proposed contract and has made the suggested changes. The only issue at this time is the confidentiality part of the contract. The Foreign Trade Zone regulations address certain issues of confidentiality and Michael Hall is looking into those issues to make sure they are addressed. Michael Hall added that there are only minor details to be worked out before both MPM and CDRPC are in agreement. This should be resolved within the next couple of days.

There is no contract available at this time for Board review due to the need to work out agreed to language with the confidentiality portion of the contract. However, CDRPC staff and Michael Hall have reviewed the contract and are comfortable with the elements of it.

John Murray inquired if there is a downside to waiting until the contract is available to the Board before it is approved. Rocky responded that MPM Silicones is very interested in getting this subzone activated as soon as possible. They are looking to move forward

with this project right away. Ken Carlstedt from MPM added that if the contract is delayed until the next board meeting, it could put them back about \$1 million.

David Gross also added that they are struggling at this time to get enough raw materials to keep the factory operating. Without a signed agreement, they cannot move forward in getting the raw materials in from other parts of the world to keep the factory open. The operations of the factory will drastically slow down if there is a delay in getting the subzone activated.

Stan Brownell inquired if MPM has local competitors as well as those across the country. David Gross informed the Board that their main competitor is Dow Corning, which has plants in Kentucky, Michigan and Brazil in order to get the Silicone from other parts of the world. There are also competitors in Germany, Japan and China.

Action Taken

Chris Callaghan made a motion to authorize CDRPC to sign the contract with MPM Silicone, and Judy Breselor seconded. The motion was approved unanimously.

6. Foreign Trade Zone Proposed Expansion Application

Bill Hooton from Capital Trade Strategies gave a PowerPoint presentation to outline the process and present each of the proposed sites to be included in the Expansion Application for FTZ #121. The application will be submitted to the Foreign-Trade Zone Board for their review and approval upon approval by CDRPC. A listing of the proposed sites and a regional map identifying the location of each of the proposed sites were distributed before the meeting.

There are 8 counties included in the foreign-trade zone area and each of the economic development departments in those counties has been contacted to identify potential locations in their counties for consideration based on pre-defined criteria. All eight of the counties have chosen to be official FTZ #121 Expansion Sites and have submitted the required deliverables and have paid the application fee. One individual property owner from Greene County has chosen to apply as well.

The scope of the Expansion is as follows:

- Albany County – 9 sites
- Rensselaer County – 4 sites
- Saratoga County – 5 sites
- Schenectady County – 4 sites
- Green County – 1 site
- Montgomery County – 3 sites
- Schoharie – 2 sites
- Warren County – 8 sites
- Washington County – 6 sites

Mr. Hooton is requesting Board approval to submit the scope of the application for expansion to the Foreign-Trade Zone Board. The application will be submitted as a draft application. Bill Hooton is also requesting the Board to authorize the Executive Director of CDRPC to undertake the final review of the application before it is submitted to the Foreign-Trade Zone Board.

The draft will be ready for review the first week in April and the final application submitted the end of April. A docket number will be issued shortly after the final application is submitted and approved.

Chris Callaghan inquired why the North end of Waterford is not included in the expansion plan. Shelby Schneider replied that the property owners in that area were contacted and they are not interested in participating at this time. If the companies do become interested, they can apply for Foreign Trade Zone status at any time.

Robert Godlewski inquired if there will be another opportunity for various counties to participate. Bill Hooton added that it is at the discretion of the Grantee to determine if the Foreign Trade Zone project needs to be re-examined or expanded. CDRPC is the Grantee of this Foreign Trade Zone. Tommy Berry added that it is not uncommon for communities to come back within a year or two to be added to the Foreign Trade Zone project.

Action Taken

Lucille McKnight made a motion to authorize Rocky to proceed with the Foreign Trade Zone Expansion application and John Murray seconded. The motion was approved unanimously.

7. Proposed Tariff Clarification Modification

On August 16, 2006, the Commission adopted a new FTZ Tariff for Operators and Users of the Foreign Trade Zone. Since the adoption, CDRPC has received several inquiries regarding fee structure. CDRPC is now conducting an investigation of the tariffs and policies of other FTZ Grantees to determine whether it would be advisable to recommend a revision to the FTZ #121 Tariff to the Board.

It is anticipated that a recommendation will be brought to the Board at the July meeting for a revised fee structure that will be appropriately based on the internal investigation. However, at this time it is recommended that the Commission adopt a minor change to the Capital District Foreign-Trade Zone Tariff to resolve any ambiguity associated with the General Purpose Zone sites and Subzone sites.

Rocky is requesting approval from the Board to modify the zone tariff structure. There will be no changes in fees.

Action Taken

Lucille McKnight made a motion to approve the request and Chris Callaghan seconded. The motion was approved unanimously.

8. Local Update Census Address Program Regional Status Report

There has been excellent participation by the communities in the Capital Region on this program. Deb Shannon has been leading this project and working with the local communities in reviewing their address file and making sure each community received and reviewed their Master Address File and maps from the U.S. Census Bureau. Almost all have begun the review and three have completed and returned their data. Upon reviewing their Master Address Files, many communities within the Capital District found errors and omissions. These errors do have financial implications to the communities. For each person not counted, NYS ESD estimates approximately \$400 per person or \$1000 per household annually in lost revenue. This File will be used by the U.S. Census Bureau as the primary source to distribute the 2010 Census forms.

Among the 78 municipalities within the Capital Region, 56 communities have opted to participate directly. The communities that are not participating are covered under a participating county, giving the Region almost 100% coverage.

Since the registration period ended on December 31, 2007, CDRPC has continued to meet and communicate with municipalities requesting technical assistance and will continue to do so to ensure timely return of data.

9. Combined Sewer Overflow Long Term Control Plan Update

There were two Technical Advisory Committee meetings held since the last Board meeting and one Citizens Advisory Committee meeting. A general public participation meeting/workshop will be held on Monday, March 31st at 7:00pm at Hudson Valley Community College.

A notice for the public meeting has been sent out to the County Executives, Mayors as well as Council presidents and Legislators of each of the six communities. This is the first public meeting to discuss the purpose of the Long Term Control Plan and the process leading to the development of the plan.

CDRPC submitted the *Combined Sewer System Monitoring Plan* to NYS DEC for their review and approval. Comments to the draft have been received from DEC and are being responded to by the consultant team.

Plans for sampling the Hudson River this summer are being finalized. Digital mapping is nearly complete and combined sewer system modeling is underway.

10. Staff Activity Report

The Staff Activity Report was distributed before the meeting. There was no discussion.

11. Other Business

There was no other business at this time.

12. Next Meeting Date

The next Commission meeting will be held May 21, 2008 at 8:30am.

Adjournment

John Murray Made a motion to adjourn the meeting and Leon Fiacco seconded. The motion was approved unanimously.

Respectfully submitted,

Phil Barrett
Secretary