



## BOARD OF DIRECTORS MEETING

July 19, 2017

4:30 PM

NFE 2107

### AGENDA

1. Call to order
2. Approval of Minutes: May 10, June 12, June 28
3. Chair's Report/President's Report:
  - Resolution 161 - Norsk Project Scope change
  - Resolution 162 - Equipment Purchase QUAD C
  - Resolution 163 – Procurement Policy Amendment
  - Lease with Onondaga County Office of Economic Development
  - Updates
    - Financial Advisor RFP
    - Legal Services RFP
4. New Business
5. Public Comment
6. Next quarterly Board of Directors meeting: August 10, 2017
7. Adjournment

## 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.

## MINUTES

**Fort Schuyler Management Corporation  
Meeting of the Board of Directors  
June 12, 2017  
NFE Boardroom 2107**

Directors present: Robert Samson – Chairman, Kristin Proud, Dr. Robert Geer, Joan McDonald, Ken Tompkins, Megan Daly, and Michael Evke via teleconference

Board Secretary: Cheryl Casey-Rose

Treasurer: Scott Bateman

Staff: Robert Megna – FSMC President, Patricia Bucklin

Guests: Emily Kunchala, Kevin Younis

### 1. Call to Order

- Mr. Samson called the meeting of the Board of Directors of Fort Schuyler Management Corporation (FSMC) to order at 4:06 p.m.
- Chair Samson asked if any Directors had any potential conflicts of interests with regard to items on today's agenda and if so to please make a disclosure and recuse themselves from discussion or a vote. There were no reported conflicts of interest.

### 2. Chairman's Report/President's Report:

- Resolution 158– Authorization for Easement at Marcy Nanocenter site
- FSMC President Robert Megna explained the need for the easement at this site:
  - Land at the Marcy Nanocenter site was originally ground leased from SUNY to FSMC. FSMC then leased the site to Mohawk Valley EDGE, which serves as the lead developer of the property. EDGE is seeking to provide gas service to the site and requested that FSMC grant an easement to Niagara Mohawk Power Corporation (dba National Grid), for installation of an underground gas line and aboveground regulator station that will provide such service. The gas line will support the full buildout of the Nanocenter site and provide back up for the SUNY Poly campus.
- Chair Samson asked for a motion:  
Motion: Ken Tompkins

Second: Joan McDonald

Discussion: There was no further discussion.

Vote: Ayes – 6, Nays – 0, Absentions - 0

3. New Business: None
4. Public Comment: None
5. Next Board of Directors meeting: June 28, 2017
6. Adjournment: The meeting was adjourned at 4:11 PM

## MINUTES

**Fort Schuyler Management Corporation  
Meeting of the Board of Directors  
June 28, 2017  
NFE Boardroom 2107**

Directors present: Robert Samson – Chairman, Kristin Proud, Dr. Robert Geer, Michael Evke, and Franklin Hecht

President: Robert Megna

Board Secretary: Cheryl Casey-Rose

Treasurer: Scott Bateman

Staff: Patricia Bucklin

Guests: Keith Palmer – RF SUNY

1. Call to Order

- Mr. Samson called the meeting of the Board of Directors of Fort Schuyler Management Corporation (FSMC) to order at 3:37 p.m.
- Chair Samson asked the Directors to disclose any potential conflicts of interest with regard to items on today's agenda. There was none.

2. Chairman's Report/President's Report:

- Resolution 159 – Approval of award for Facilitation of Cleanroom Work/Tool Install at QUAD C to the M+W U.S., Inc. and authorization for the President to enter into a contract with M+W U.S., Inc. for the project in an amount not to exceed \$27MM, with the GMP established upon further development of the project scope and design.
- Resolution 160 – Approval of award for Design and General Construction at QUAD C to The Pike Company and authorization for the President to enter into contract negotiations with the Pike Company for the design and general construction work.
- President Megna stated that he would address both Resolutions together.



- Chair Samson asked for a motion to introduce both Resolutions:  
Motion: Robert Geer  
Second: Franklin Hecht

Discussion:

President Megna presented the background on Resolution 159: On March 27, 2017, the Board approved a resolution authorizing FSMC to enter into a Contribution and Collaboration Agreement with Danfoss Silicon Power LLC (“Danfoss”) and General Electric Global Research (“GEGR”) to establish the New York Power Electronics Manufacturing Consortium Packaging Center located at Quad-C.

To facilitate this project, FSMC, in conjunction with the SUNY Poly, released a Request for Proposal (RFP) for qualified construction contractors for the facilitation of cleanroom space, related infrastructure, and tool installation at Quad-C. The goal of the Project is to develop state-of-the-art facilities to house and support operations of numerous chip packaging production lines for Danfoss. Nine firms participated in the prerequisite Project Conference and Site Visit to discuss the Scope of Work, and two of the firms, the Whiting-Turner Contracting Company and the M+W U.S., Inc. submitted a response.

An eight-member Evaluation Team, including representatives from FSMC, SUNY Poly, and Danfoss, received and evaluated the proposals, and after considering all of the criteria listed in the RFP, unanimously recommended an award to the M+W U.S., Inc. The two proposals were competitive in all aspects with the exception of cost.

FSMC made a tentative award to the M+W U.S., Inc. subject to FSMC approval and negotiated a contract with the M+W U.S., Inc. The RFP process and award were done in accordance with FSMC’s Procurement Guidelines Policy and protocols. The contractor will be required to achieve at least 30% participation of Minority and Women Owned Business Enterprise Participation (“MWBE”), including at least 15% NYS certified MBE and 15% NYS certified WBE. Resolution 159 approves the award to M+W U.S., Inc. and authorizes the President/Treasurer to enter into a contract not to exceed \$27M.

Background on Resolution 160: In addition to the RFP for the cleanroom and tool install work, FSMC, in conjunction with the SUNY Poly, also issued an RFP for the design and general construction work at Quad-C. Ten firms participated in the prerequisite Project Conference and Site Visit to discuss the Scope of Work, and two submitted responses, the VMJR and The Pike Company.

Following the evaluation process and consideration of the criteria in the RFP, the seven member Evaluation Team unanimously recommended a tentative award to The Pike Company pending FSMC Board approval. Pike has extensive experience in mixed-use facilities and buildings that encompass office space, conference rooms, and common space to accommodate business operations of the building. Pike also played a role in the fabrication of the existing Quad-C facility. Similarly, Pike has demonstrated the ability to meet critical design and construction deadlines and schedules for projects of similar scope.

The RFP process and award selection was done in accordance with FSMC's Procurement Guidelines Policy and protocols. The proposals from the VMJR Companies and The Pike Company were markedly different with respect to cost.

Discussion: Dr. Geer asked what the motivation was to split the contracts. President Megna responded that it was to involve more contractors in the project. Franklin Hecht asked that a contingency be added to the contracts that the awards would not exceed the per diem state rate. President Megna clarified that the total contract could not exceed the \$27 M award and management would seek approval from the Board if there were any need to go above the awarded amount. There was no more discussion.

Resolution 160 approves the award to The Pike Company and authorizes entry into contract negotiations with Pike.

Chair Samson asked for a vote for both Resolution 159 and 160:

Vote: Ayes – 5, Nays – 0, Abstentions – 0. Both Resolutions 159 and 160 were passed unanimously.

3. New Business - None
4. Public Comment - None
5. Next Quarterly Board of Directors meeting: July 19, 2017
6. Adjournment: Chair Samson asked for a motion to adjourn: Kristin Proud moved and Franklin Hecht seconded the motion. There being no further business the FSMC Board of Directors meeting was adjourned at 3:45 PM

RESOLUTION OF THE BOARD OF DIRECTORS  
OF FORT SCHUYLER MANAGEMENT CORPORATION

July 19, 2017

RESOLUTION NO. 161

APPROVAL AND AUTHORIZATION FOR CHANGING THE SCOPE OF  
FSMC'S PROJECT WITH NORSK TITANIUM

WHEREAS, Fort Schuyler Management Corporation ("Corporation") is a 501(c)(3) corporation formed for the purposes of helping to facilitate research and economic development activities related to the research and educational mission of the State University of New York ("SUNY") by purchasing, constructing, and developing and managing facilities and promoting the research therein which support the economic development, research activities, and the mission of SUNY and the State University of New York Polytechnic Institute ("SUNY Poly"); and

WHEREAS, consistent with its purposes, the mission of the Corporation is to advance high-tech research, development, and commercialization opportunities through the acquisition, construction, and management of state-of-the art facilities, while promoting economic development and education and workforce training throughout New York; and

WHEREAS, the vision of the Corporation is to further expand New York's global leadership in nanotechnology by leveraging cutting edge facilities and infrastructure, in conjunction with the world class resources and expertise of SUNY Poly, to enable innovation, private and corporate investments, and job creation across New York; and

WHEREAS, in accordance with the purposes, mission and vision of the Corporation, and in furtherance of additional private investment and job creation in Upstate New York, particularly in the Greater Plattsburgh, New York area, by Resolution Number 123, dated July 28, 2015, the Board of Directors authorized and approved the Corporation undertaking the development, design, construction, and fit-up, of an approximately 170,000 sq. ft. facility to house Norsk Titanium's ("NORSK") USA based manufacturing and business operations, the acquisition of real property for the new facility, and the acquisition of manufacturing equipment to be housed in the facility ("Project"); and

WHEREAS, by Resolution 124, the Board of Directors authorized and approved the Corporation, in conjunction with SUNY Poly, conducting an open, competitive procurement process for the selection of a developer and/or construction contractor through the issuance of a request for proposals for qualified local developers and/or construction contractors for a strategic research, technology outreach, business development, manufacturing, education and training ventures (or a subset of such) in the Greater Plattsburgh area; and

WHEREAS, by Resolution 135, dated April 11, 2016, the Board of Directors authorized and approved the selection by the Corporation of Whiting Turner as the Corporation's construction contractor and EYP as the Corporation's architect; and

WHEREAS, over the course of the almost two years that have passed since the Board of Directors approved Resolution 123 authorizing the Corporation to undertake the Project, Norsk recognized a more immediate need to find suitable space in which to house and operate the specialized manufacturing equipment purchased by FSMC, where the equipment could be put through the various testing and qualification procedures and requirements to enable Norsk to start manufacturing product to fulfill customer orders by the fourth quarter of 2017; and

WHEREAS, to satisfy the need for manufacturing space, Norsk, with its own funds, leased and partially renovated a 67,500 sq. ft. building located at 44 Martina Circle, Plattsburgh, NY, owned by The Development Corporation ("44 Martina"), which provided a modest amount of office space and a manufacturing floor on which the specialized manufacturing equipment currently being purchased by FSMC is situated, hooked up to utility, gas and titanium supply lines, tested and operated; and

WHEREAS, in order to meet short and mid-term customer demand, Norsk will need to utilize 44 Martina and make further renovations to enable it to serve as Norsk's manufacturing facility until the new facility is constructed; and

WHEREAS, Norsk recognizes that it would be expensive, difficult and risky to move all the specialized manufacturing equipment that is hooked up and operating at 44 Martina to the new facility after it is completed, and that such a move would result in the loss of the money invested in 44 Martina to make it suitable for manufacturing; and

WHEREAS, after discussion and analysis of the situation, all the parties agree that the best and most economical course of action is to (1) construct a new approximately 100,000 sq. ft. facility (rather than a 170,000 sq. ft. facility), which will include approximately 20,000 sq. ft. of office space for Norsk's US headquarters, approximately 20,000 sq. ft. of research and development space, and approximately 60,000 sq. ft. of manufacturing space, and (2) utilize 44 Martina for the rest of the manufacturing space needed by Norsk; and

WHEREAS, the Board of Directors of Empire State Development Corporation (ESD) considered and approved the two building course of action described in the preceding paragraph at its Board meeting held on June 29, 2017;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORPORATION AS FOLLOWS:**

**SECTION 1: APPROVAL OF SCOPE CHANGE.** The Board of Directors hereby authorizes and approves a change to the provisions of Resolution 123 such that, instead of the design, construction and fit up a new approximately 170,000 sq. ft. building consisting of office and manufacturing space, the Project will include (1) the design, construction and fit up of a new approximately 100,000 sq. ft. building consisting of office, R&D and manufacturing space, and

(2) utilize 44 Martina for the rest of the manufacturing space needed by Norsk; the remaining provisions of Resolution 123 authorizing the purchase of real property and equipment remain in effect.

SECTION 2: DOCUMENTS AND CONTRACTS. The Board of Directors of the Corporation hereby authorizes, empowers and directs Robert Megna, as President, and Scott Bateman, as 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.

SECTION 3: EFFECTIVE DATE. This Resolution shall take effect immediately.

CERTIFICATION

FORT SCHUYLER MANAGEMENT CORPORATION

RESOLUTION NO: 161

The undersigned, being a duly elected and qualified officer of FORT SCHUYLER MANAGEMENT CORPORATION (the "Corporation"), DOES HEREBY CERTIFY that the following constitutes a true and correct copy of a resolution adopted by the Board of Directors of the Corporation on September 13, 2016, as it appears in the records of the Corporation in my possession as of the date hereof.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereto set my hand this \_\_\_\_day of \_\_\_\_\_ 2016.

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Cheryl Casey-Rose  
Secretary

To: Fort Schuyler Management Corporation Board of Directors

Re: Change in Scope for the Norsk Titanium US, Inc. Project

Date: July 17, 2017

## **Background**

Norsk Titanium US, Inc. (“Norsk”) is the US subsidiary of 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 of 2015, pursuant to Resolution 123, the Board of Directors authorized and approved the Corporation undertaking (1) the development, design, construction, and fit-up of an approximately 170,000 square feet facility to house Norsk’s USA based manufacturing and business operations, (2) the acquisition of real property for the new facility, and (3) the acquisition of manufacturing equipment to be housed in the new facility for use by Norsk (“Project”). The 2016/2017 New York State Budget included an appropriation of \$125,000,000 for the Project.

In subsequent Board actions pertaining to the Project, the Board of Directors authorized and approved the Corporation conducting an open, competitive procurement process for the selection of a developer and/or construction contractor through the issuance of a request for proposals and approved the selection by the Corporation of Whiting Turner as the Corporation’s construction contractor and EYP as the Corporation’s architect.

Over the course of the almost two years that have passed since the Board of Directors approved Resolution 123, it became increasingly clear that Norsk needed manufacturing space sooner than the Project as envisioned by Resolution 123 would allow. Norsk needed suitable space in which to house and operate the specialized manufacturing equipment being purchased by FSMC, where the equipment could be put through the various testing and qualification procedures and requirements to enable Norsk to start manufacturing product to fulfill customer orders by the fourth quarter of 2017.

To satisfy the need for manufacturing space, Norsk, with its own funds, leased and partially renovated a 67,500 sq. ft. building located at 44 Martina Circle, Plattsburgh, NY, presently owned by The Development Corporation (“44 Martina”). That building now provides Norsk with a modest amount of office space and a manufacturing floor on which the specialized manufacturing equipment currently being purchased by FSMC is situated, connected to utility, gas and titanium supply lines, tested and operated.

In order to meet short and mid-term customer demand, Norsk will need to utilize 44 Martina and make further renovations to it so that it can serve as Norsk’s manufacturing facility until the new facility is constructed. That said, once the new facility is finished it will not make sense to move

all the specialized manufacturing equipment that is hooked up and operating at 44 Martina to the new facility. It would be expensive, difficult and risky to move the machines. Moreover, the money invested in 44 Martina to make it suitable for manufacturing would be lost.

After much discussion and analysis of the situation, all parties have agreed that the best and most economical course of action is to continue to use 44 Martina for manufacturing and to construct a new 100,000 sq. ft. facility rather than a 170,000 sq. ft. facility. The new smaller facility will include approximately 20,000 sq. ft. of office space for Norsk's U. S. headquarters, approximately 20,000 sq. of research and development space, and approximately 60,000 sq. ft. of manufacturing space. 44 Martina will provide the remainder of the manufacturing space needed by Norsk. The Board of Directors of the Empire State Development Corporation approved this two building plan during its meeting on June 29, 2017.

No additional Project funding is needed as a result of this change in scope, which may prove to be less expensive than the one building plan. Later this summer, the Corporation expects to seek authorization from the Board to purchase 44 Martina as well as the land on which the 100,000 sq. ft. office/manufacturing will be built.

Resolution 161 authorizes the change in project scope to include a new approximately 100,000 sq. ft. facility and use of 44 Martina for the remainder of the manufacturing space needed by Norsk. The FSMC Finance Committee voted at its meeting on July 17, 2017 to recommend that the Board approve a resolution authorizing this change in project scope.

#### **Action Requested**

Approve Resolution 161 authorizing the change in project scope.

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RESOLUTION OF THE BOARD OF DIRECTORS OF  
FORT SCHUYLER MANAGEMENT CORPORATION

July 19, 2017

RESOLUTION NO:162

AUTHORIZATION TO ENTER INTO CONTRACTS FOR THE PROCUREMENT OF  
TOOLS TO ENABLE POWER ELECTRONICS PACKAGING MANUFACTURING AT  
QUAD-C

WHEREAS, the Fort Schuyler Management Corporation (the “Corporation”) was formed for the purpose of helping to facilitate research and economic development activities related to the research and educational mission of the State University of New York (“SUNY”) and SUNY Polytechnic Institute (“SUNY Poly”) by purchasing, constructing, developing, and managing facilities; and

WHEREAS, the Corporation entered into a ground lease (the “Ground Lease”) on May 1, 2010 with SUNY for portions of land designated as SUNY Poly’s Marcy Campus (the “Marcy Campus”) located in Oneida County for the purposes of constructing, operating, subleasing, and otherwise developing the Marcy Campus for use as a technology-oriented industrial park, to be used for purposes related to SUNY Poly’s research and educational mission; and

WHEREAS, the Ground Lease includes the Computer Chip Commercialization Center (“Quad-C”) and, in connection with the financing of Quad-C, the Corporation created a limited liability company, the QUAD-C PHASE 1 LLC (“LLC”), of which the Corporation is the sole member, to sublease its leasehold interest in the Property and limit the bank encumbrance related to the borrowing to this Property; and

WHEREAS, pursuant to Resolution 154 approved by the Board of Directors on March 27, 2017, the Corporation entered into a Contribution and Collaboration Agreement (“Agreement”) with Danfoss Silicon Power LLC (“Danfoss”) and General Electric Global Research (“GEGR”) to establish the New York Power Electronics Manufacturing Consortium Packaging Center located at Quad-C and, pursuant to such Agreement, the Corporation and LLC subleased the Property to Danfoss to achieve significant economic development benefits for New York State and the region, including the creation and retention of intellectual and physical resources to execute advanced packaging research programs, the commitment by Danfoss to use commercially reasonable efforts to employ 300 personnel, most of whom will be recruited from the Utica area, and the likelihood that Danfoss will attract other qualified businesses to the area to support their operations; and

WHEREAS, pursuant to Resolution 159 approved by the Board of Directors on June 28, 2017, the Corporation approved an award to M+W, U.S. Inc. as the construction contractor for the facilitation of clean space, related infrastructure, and tool installation at Quad-C and authorized the President and/or Treasurer to enter into a contract with M+W U.S., Inc. for such work in an amount not to exceed \$27 million; and

WHEREAS, pursuant to the Agreement with Danfoss and GEGR, the Corporation will conduct a procurement process issue for qualified tool manufacturers in compliance with the Corporation's Procurement Guidelines Policy and protocols: and

WHEREAS, the Corporation seeks to authorize the President and/or Treasurer to enter into contracts with Tool Suppliers for the project in an amount not to exceed \$59 million;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORPORATION, AS FOLLOWS:

**SECTION 1: AUTHORIZATION FOR TOOL PROCUREMENT.** The Board of Directors of the Corporation hereby authorizes, empowers, and directs the procurement of power electronics packaging manufacturing tools for Quad-C in accordance with the Corporation's Procurement Guidelines Policy and protocols in an amount not to exceed \$59 million; and

**SECTION 2. DOCUMENTS AND CONTRACTS.** The Board hereby authorizes, empowers and Robert Megna, as President, and Scott Bateman, as 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.

**SECTION 3: EFFECTIVE DATE.** This Resolution shall take effect immediately.

CERTIFICATION

FORT SCHUYLER MANAGEMENT CORPORATION

RESOLUTION NO: 162

The undersigned, being a duly elected and qualified officer of FORT SCHUYLER MANAGEMENT CORPORATION (the "Corporation"), DOES HEREBY CERTIFY that the following constitutes a true and correct copy of a resolution adopted by the Board of Directors of the Corporation on September 13, 2016, as it appears in the records of the Corporation in my possession as of the date hereof.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereto set my hand this \_\_\_day of \_\_\_\_\_ 2016.

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Cheryl Casey-Rose  
Secretary

To: Fort Schuyler Management Corporation Board of Directors

Re: Authorization to enter into contracts for the procurement of tools for power electronic packaging manufacturing at Quad-C

Date: July 17, 2017

## **Project**

Pursuant to Resolution 154 approved by the Board of Directors on March 27, 2017, Fort Schuyler Management Corporation (FSMC) entered into a Contribution and Collaboration Agreement with Danfoss Silicon Power LLC (“Danfoss”) and General Electric Global Research (“GEGR”) to establish the New York Power Electronics Manufacturing Consortium Packaging Center located at Quad-C. The project is designed to achieve significant economic development benefits for New York State and the region, including the creation and retention of intellectual and physical resources to execute advanced packaging research programs, the commitment by Danfoss to use commercially reasonable efforts to employ 300 personnel, most of whom will be recruited from the Utica area, and the likelihood that Danfoss will attract other qualified businesses to the area to support their operations

The packaging operation at the Quad-C facility will include several power electronic packaging manufacturing lines, including a chip packaging preparation lab, an Econo line, a Primepack line, a Sinter line, a Research and Development line and a transportation line. The chips fabricated in the SiC process line in Albany will be packaged into modules and power blocks by Danfoss. GE will setup and manage the chip packaging preparation lab.

## **Resolution 162**

Resolution 162 would provide authorization for FSMC to enter into contracts for the procurement of tools for the power electronic packaging manufacturing center at Quad-C. There will be approximately 120 tools ordered from 30 tool suppliers for the initial manufacturing lines. Tools for the transportation line will be ordered at a later date. The procurement process for all tool purchases will be conducted in compliance with the FSMC’s Procurement Guidelines Policy and protocols.

Approximately 70 of the initial tools purchased will be facilitated by a sole source justification (SSJ) procurement. The remaining tools will be procured by a Request for Procurement (RFP) protocol. SSJ’s are required for Danfoss to execute “copy exact” and replicate their manufacturing line in Flensburg, Germany. The tools are highly customized, highly specialized and fabricated to Danfoss specifications for compatibility purposes. The tools take 4-8 months to fabricate once a purchase order is placed with the supplier. The tool functions include dicing, die attach, soldering, x-ray inspection, wire bonding, electrical testing, sintering, curing, gel filling, and flux cleaning.

The FSMC Finance Committee voted at its meeting on July 17, 2017 to recommend that the Board approve a resolution authorizing the purchase of tools for power electronics packaging manufacturing at Quad-C.

**Action Requested**

Approve Resolution 162 authorizing FSMC to enter into contracts for tools for power electronics packaging manufacturing at Quad-C.

RESOLUTION OF THE BOARD OF DIRECTORS OF  
FORT SCHUYLER MANAGEMENT CORPORATION

JULY 19, 2017

RESOLUTION NO:163

AMENDMENT TO PROCUREMENT GUIDELINES POLICY

WHEREAS, the Board of Directors of the Fuller Road Management Corporation (the “Corporation”) is charged with directing the management of the operations, property, affairs and concerns of the Corporation in a manner consistent with the Corporation’s Bylaws; and

WHEREAS, in accordance with Article VIII, Section 1 of the Corporation’s Bylaws and consistent with the responsible stewardship of the Corporation, on February 22, 2017, the Board of Directors approved Resolution 147 adopting a policy regarding the procurement and administration of contracts; and

WHEREAS, the Board desires to amend the policy to allow the Corporation to purchase goods and/or services through use of centralized contracts held by the New York State Office of General Services in lieu of conducting a procurement, and to eliminate an unnecessary reference to testimony;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORPORATION, AS FOLLOWS:

**SECTION 1:** The Corporation’s Board of Directors hereby amends the Guidelines Regarding the Use, Awarding, Monitoring and Reporting of Contracts in the form of the policy attached to this Resolution.

**SECTION 2: EFFECTIVE DATE.** The Procurement Guidelines Policy, as amended, attached to this Resolution is effective immediately.

CERTIFICATION

FORT SCHUYLER MANAGEMENT CORPORATION

RESOLUTION NO: 163

The undersigned, being a duly elected and qualified officer of FORT SCHUYLER MANAGEMENT CORPORATION (the "Corporation"), DOES HEREBY CERTIFY that the following constitutes a true and correct copy of a resolution adopted by the Board of Directors of the Corporation on September 13, 2016, as it appears in the records of the Corporation in my possession as of the date hereof.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereto set my hand this \_\_\_day of \_\_\_\_\_ 2016.

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Cheryl Casey-Rose  
Secretary

**TO: Fort Schuyler Management Corporation Board of Directors**

**RE: Amendment to Procurement Guidelines Policy**

**Background:**

Fort Schuyler Management Corporation (FSMC) approved Resolution 147 adopting a Procurement Guidelines Policy on February 22, 2017. FSMC would like to make the following two amendments to the policy:

(1) Amend Section 3.J, which lists the circumstances where a contract may be awarded on a Sole Source, Single Source or other non-competitive basis, to add a new subsection 7 allowing the purchase of goods and services through use of centralized contracts held by the New York State Office of General Services.

(2) Amend Section 7.B, which lists the types of provisions that may be contained in the standard form of procurement contracts, to delete item 17, which refers to Testimony, since it is unnecessary and not relevant.

The FSMC Finance Committee voted at its meeting on July 17, 2017 to recommend that the Board approve the resolution amending the policy.

**Action Requested:**

Approve Resolution 163 amending the policy.



To: Fort Schuyler Management Corporation Board of Directors

Date: July 17, 2017

Re: Lease Amendment – Onondaga County Office of Economic Development

- 1) **Description of Property:** FSMC has an existing lease with the Onondaga County Office of Economic Development for an office, which is approximately 115 square feet in size, located in the west wing of the Central NY Film Hub in Dewitt, NY. Onondaga County pays rent to FSMC in the amount of \$1,000 per month for this space. The intent of this lease amendment is to expand the leased space to include a second office of approximately 115 square feet also located in the west wing of the CNY Film Hub. There would be no increase in the amount of rent.
- 2) **Tenant:** The Onondaga County Office of Economic Development employs an individual who holds the title of County Film Commissioner, whose primary job responsibility is to facilitate the production of films and television in Onondaga County and the surrounding region. The County Film Commissioner uses the office at the CNY Film Hub leased by Onondaga County. Onondaga County intends to allow the Syracuse International Film Festival, a not for profit 501(c)3 organization, to use the second office pursuant to a License Agreement. The Vision Statement of the Syracuse International Film Festival states that it “works with the Onondaga County Film Commission to make possible local, national, and international filmmaking projects that add economic, cultural, and educational value to Syracuse and Central New York.”
- 3) **Reason for the Amendment:** Given that the Onondaga County Film Commissioner and the Syracuse International Film Festival both seek to attract film and television producers to Central New York and the CNY Film Hub to film their productions, it makes sense for them to work in the same building where they can exchange ideas and information easily.
- 4) **Lease Term:** The lease between the Onondaga County Office of Economic Development and FSMC began on November 1, 2015 and the term is for five years.
- 5) **Associated Cost for Site Preparation:** None.
- 6) **Additional Provisions:** The Amendment clarifies that the Corporation must use the rent paid by Onondaga County to help defray the costs of operating and maintaining the CNY Film Hub, and must submit an annual report to Onondaga County demonstrating that was done. The Amendment clarifies the amount of rent that became due under the Lease from November 1, 2015 through December 31, 2016. For most of this period, the facility

did not have furnishings, phone service (hard line or wireless) or internet service; therefore, rent was abated for much of this period. The Amendment also provides the Corporation's consent to Onondaga County to enter into an agreement with the Syracuse International Film Festival that provides it access to the CNY Film Hub and an office within the facility.

- 7) **Requested Action:** Ratify an amendment to the FSMC lease with the Onondaga County Office of Economic Development to increase the leased space by one additional 115 square foot office and in accordance with the additional provisions and clarifications set forth above. The FSMC Finance Committee voted at its meeting on July 17, 2017 to recommend ratification of this lease amendment.