

REGULAR SESSION

TUESDAY, FEBRUARY 2, 2010

Chairman Blankenbush called the meeting to order at 7:00 p.m.

ROLL CALL OF MEMBERS

All members present except Legislator Zando and Legislator Ferris

PRIVILEGE OF THE FLOOR

Julie Gosier, 28589 Empie Road, Three Mile Bay, and member of Voters for Wind stated that she was here representing people from Henderson, Lyme, Cape Vincent, Brownville, Leray, Watertown and Hounsfield and urged legislators to vote in favor of the PILOT. She said they understand the seriousness of the issue and feel that wind energy production is good for all people of Jefferson County. She pointed out that the owners of Galloo Island pay a substantial amount in real property taxes and will continue to do so until such time as the PILOT is effective, and the first PILOT payment will be in excess of \$2 million. She stated that as a general rule no PILOT pays sales tax noting that both the Great Lakes Cheese PILOT and the Stream, Inc. PILOT were exempt from sales tax; and that a 20 year PILOT is now the norm with large projects. She stated that without the project there would be no sales tax anyway and reminded legislators that the project contractors will pay sales tax as well as income taxes, property taxes and they vote. She said a large portion of the funding for wind projects comes from private investors which is good for taxpayers and the economy. Ms. Goshier objected to the online petition of the Coalition to Preserve the Golden Crescent and 1000 Islands opposing the project because as of 1/18/2010 there were 733 signatures and only 381 names list Jefferson County addresses vs. 59,000 registered voters in the County. She said a majority of people in the County want lower taxes, better schools, and a cleaner environment and welcoming the wind industry shows the rest of the world that Jefferson County welcomes industry, growth and progress.

Vince Battista, 240 Dodge Ave., Sackets Harbor, NY stated that through online research he learned that a 20 year pilot is pretty common if not the norm in New York State, and that in May, 2008 this Board approved a 20 year PILOT for Great Lakes Cheese. He stated that legislators were provided with a letter from Cory Lawlor of Lawman Heating & Cooling and he was speaking tonight on Mr. Lawler's behalf as that company employs over 200 skilled construction workers in Jefferson County. He said the project will bring a positive impact to the local economic environment and will go far beyond Lawman's 200 workers, naming many local companies they work with for supplies and sub-contracting. He stated that this project helps the local contractors sustain their growth that began with projects at Fort Drum and as that growth dwindles projects like this will help them remain successful, and will also sustain property values, stimulate the small business market, keep taxes in check, and keep the economy growing. He pointed out that as financial support from New York State is reduced over the next few years this PILOT will benefit the community for the next three years with 200 construction jobs as well as contributing to a wide variety of small businesses and for the next 20 years with

\$2 million annually. He asked legislators to help and support the hundreds of taxpayers and property owners along the shoreline that are in favor of this project. Mr. Battista advised that in one week he personally obtained over 200 signatures from Jefferson County residents on a petition urging the Board to support the PILOT (petition submitted for record).

Suzann Cornell, 27713 Water Street, Chaumont, NY was in favor of the PILOT and asked if legislators considered the ramifications of a no vote on this matter. As a registered voter in the Town of Lyme and an environmentally conscious citizen she felt we could no longer ignore our future as we are consumers of electricity and we must provide more eco-friendly ways to produce it. The County is in a position to do something good for the environment and for the County and letting the opportunity go by without giving it a chance is not in the best interest of citizens. She said people are leaving the area due to lack of jobs, the burdens on social services are increasing, more farms are selling out, Fort Drum is cutting jobs and services, seniors are finding it difficult to make ends meet and suggested that no one will be left to pay taxes. She urged legislators to approve the PILOT tonight.

Don Metzger, Lyme, long term, year round resident of Jefferson County stated that about 7 months ago the general public became aware of the fact that wind developers were eligible for stimulus funding through the American Reinvestment and Recovery Act (ARRA), and that there is a "buy American" clause within the requirements for that funding. At this point it is not clear if the developer will be required to conform to those requirements and he said it does not seem to be part of the discussion in formulating the PILOT. He respectfully suggested that the counsel for the developer may be able to answer that tonight if he so chose, during this public comment period.

Daniel Clarke, resident of Henderson, sophomore at Belleville-Henderson Central School, and member of the Board of Directors of Henderson Harbor Area Chamber of Commerce stated that he was not for or against wind power but the Galloo Island Project would be off shore from his family's home and the transmission lines for the project have not been decided so it appears that the project will directly impact his parent's home. He did not understand how legislators could vote on the PILOT without knowing the details of the transmission line. He advised that the Chamber has taken the stance that an economic impact study for their town and others on the lake have not been adequately completed and they believe there will be a negative impact on businesses. The Chamber further believes the sport fishing and tourism industry will be devastated if the Project is approved. He asked that the legislators take time to assess the economic impact on everyone in Jefferson County as he believed his future could be irrevocably changed with this vote.

Brooks Bragdon, resident of Cape Vincent, criticized the JCIDA for not insisting on receiving profit and loss statements from developer to properly gauge a tax assessment, he felt there was a lack of disclosure from JCIDA regarding the fee that they would receive for negotiating the PILOT and he felt most importantly that there was a lack of an analysis of the potential loss of property values; without this information he did not feel JCIDA could get an accurate picture of what should be in the PILOT. He stated that zoning for wind projects has been discussed at length however the PILOT aspect of it has not and more time is needed to make assessments and determine adequate compensation for the town. He said he is not opposed

to a PILOT but asked that legislators take time to think it over in order to make a proper decision.

Brian Gedbaw, Ogdensburg, Local 910 Electricians Union said there is absolutely no reason to vote against the project as it will not create just a few jobs, but a lot of jobs for people who are currently collecting unemployment and not working at all. With regard to the impact on local businesses he suggested that the local people who are here year-round are the people supporting the local businesses. He asked legislators not to stand in the way of progress or jobs.

Robert Ashodian, Henderson Harbor, NY, Member of the Town of Henderson Planning Board and Board of Assessment Review, Board Member of Henderson Harbor Area Chamber and Chairman of the Economic Development Committee of that Board, and active in the Coalition for the Preservation of the Golden Crescent said he is very active in the community and deeply cares what happens to it. He urged that an economic impact study be completed before a final decision is made on a PILOT for the Galloo Island Project as such a decision will have an enormous impact on the economy of this community forever. In the last decade he said waterfront properties (and properties that can see the lake) that make up the Golden Crescent have seen a dramatic increase in their value due to reassessment, with the Assoc. Island RV Park that looks out at Galloo Island being the highest assessed business. He said of the properties along the waterfront there are a few multi-million dollar homes but a majority are small cottages and camps that have been in families for generations or were bought by people who upgraded them when they decided to become year-round residents. He stated that businesses in Henderson are struggling to survive as they depend on the thousands of tourists and summer residents who also spend taxable dollars in other towns. He added that there may be some short term surge in employment but there is no guarantee how many of those jobs will go to Jefferson County residents, and the developer has been vague on any long term employment based in Jefferson County. He said moving forward now would put at risk the very reason that calls people to the area and the basis for the existing economy, and if the project is worth giving away our tax dollars it will still be there as the wind will not go away; it is not a decision to be made quickly so the developer can take advantage of millions of dollars in subsidies.

Karl Williams, Henderson Harbor resident, President of Henderson Harbor Area Chamber of Commerce said the tourism, camping, and sport fishing industry drive the economy in the Golden Crescent and 1000 Islands Region and the tax base they have is because of those industries. He asked legislators to remember that all the citizens and all school districts in County should be considered, and said it may appear that if the County does not pass this PILOT the developer and project will fade away, but he cautioned that if they pass the PILOT the very base that the community's economy is built on may be shaken. He urged legislators to stop, think and really understand the economic impact to all citizens, struggling businesses and all school children and vote against pilot in order to get a better deal.

Debbie Fargo, Henderson, asked legislators to vote no on the Galloo Island PILOT and said this PILOT can not be compared to Great Lakes Cheese or Stream as those PILOTs created over 20 permanent jobs. She said she was relieved that Jefferson and Oswego Counties will be working together in opposition to the off shore wind turbines proposed by NYPA but did not understand how legislators could vote for the Galloo Island Project when Town of Henderson

residents would be greatly affected but have no control. She further expressed concerns about voting on the PILOT before transmission lines have been settled, about the destruction of Lake Ontario with these turbines being built, and said all school districts in the County should be considered as no one is more important than the others. She urged legislators not to approve the PILOT as she believed this is not just a vote on the Galloo Island Project.

Charles Kingsley, 8384 State Park Road, Point Peninsula, Three Mile Bay urged legislators to vote in favor of the wind turbines stating that we need to have faith in technology, and should be pursuing other forms of energy such as nuclear or drilling more oil or natural gas wells, but no one wants it in their back yard. He stated that the United States needs an energy policy, and we could start here in the North Country and do something with the resource (wind) we have.

Beth White, Cape Vincent, NY related that a report she recently read that was done by the Bard Center for Environmental Policy at Bard College (Hudson Valley) near a 20 turbine wind farm in Madison County showed that there were no measurable effects of windmill visibility on property values. She advised that the study was done to establish if any measurable effects exist to set the standard for future research, examined property value rates from 1996 - 2005, included property within a 1 mile radius of the project and properties sold immediately following the project announcement in 2001. She said conflicts did exist between community members and the facility developers over the aesthetic and property value impact. She advised that the report suggested the reason no effects exist was because the wind farm array fit the landscape, wind farming fits into the community's sense of place, and the payments the community received balance any adverse impacts; residents swapped their local impact for global benefits and for the greater good. She urged legislators to approve the Galloo Island PILOT.

Dennis Affinati, Sackets Harbor and Business Manager Local 910 IBEW, urged legislators to approve the PILOT as it would create hundreds of jobs that would last for at least 2 years which is a long time in the construction business. He said the Maple Ridge project in Lewis County created hundreds of construction jobs for 2 yrs. and provided better than \$10 M in wages and benefits just for electricians, he couldn't speak for other trades. He said the construction industry is in a slump and he currently has 160 electricians and 17 apprentices out of work with more layoffs on the way. He stated that his members need jobs, this project will create hundreds of jobs and urged legislators to vote yes on the PILOT resolutions and consider the jobs that are at stake in making their vote.

Albert Bowers, 11591 Academy Street, Chaumont, NY, Co-Chairman Coalition for Preservation of Golden Crescent and 1000 Islands, advised that Upstate is not a large concern with ample assets to guarantee payments to the County and the Town of Hounsfield, it is an LLC set up solely for development of Galloo as wind factory. He did not believe that payments promised by the LLC would be made if the current level of federal and state subsidies are not maintained. If the County then sues for payments he said it may take title to a broken, uneconomical wind turbine facility. He said wind energy will not lower fuel use or emissions due to wind variability and unpredictability but that it will lower the overall efficiency of the entire system, and increase fuel use and emissions. He said when it becomes generally known

that wind will not help to solve global warming, subsidies will be curtailed, the owners of the facility will not be able to live up to payments promised in the PILOT. He expressed concerns about the power that is generated being shipped downstate and not benefitting this area, but will likely increase the electrical rates which would make it more difficult to attract legitimate businesses to Jefferson County. In terms of jobs created, he said the criteria must be net job creation as there will be jobs lost in construction and maintenance of cottages and camps with industrialization of the area. He felt that an overall economic impact of the region needs to be done before a decision can be made. Mr. Bowers stated that this should not be viewed as class warfare because some of the property owners may be wealthy because most are not; we are fortunate that they return to the North Country each summer yet they pay taxes as if residents for 365 days a year, and said many of them don't vote here, but if the area is industrialized they may go elsewhere. He said the project may also affect property assessments, and Galloo is one of the last truly wild and natural areas of Lake Ontario and we should do the right thing.

Shawn Doyle, Oswego County Legislator, representing Pulaski and the Town of Richland, said we are blessed with one of the unique regions in the world and are caretakers of the environment and area. He first learned of this project 2 years ago when the developer, Upstate Power, contacted elderly citizens in rural areas of Oswego County offering money for transmission line easements and saying they were working on a deadline. He said at that point a grass roots effort was put together to find out what was going on and some time later a different transmission route that bisects areas in his district was proposed and that is what is currently in front of the PSC for approval. He took issue with the fact that throughout this process they have not dealt with either a CEO or a Board member of Upstate Power, only the lawyers from Nixon & Peabody. He said it appears that the make up of Upstate Power consists of several offshore interests (Australiian Pension Funds is an investor), international firms and other assorted interests. He stated that he is a 21 year member of the local electrical union as he works at the nuclear power plant in Oswego and understands that the main concern in our area is jobs, but what will the true number of jobs be, for what period and to what end other than the 20 jobs on Galloo will this project bring, and at what cost to the tourism of the area. His main concern with the project is the transmission line proposal that affects Oswego County residents as it is being built for 1,000 megawatts and this project will only generate 240 megawatts. He stated that many, many years and a great deal of money has been spent to revitalize downtown Pulaski including putting cables underground, reconstruction of Route 13 that includes putting cables underground, and the Village just received a \$1 million grant to rehabilitate the second floor of downtown businesses into high end apartment complex areas only to have them look out at these transmission lines if this is approved. He asked that the Board either postpone the decision or someone offer an amendment to honor the spirit of the resolution that both counties passed in November and have Upstate bury the transmission lines under the water in Lake Ontario so they do not bisect areas in Oswego County.

Dan Rossiter, Route 289, Mannsville, said he and his wife Sharon run a farm in Ellisburg and his vehement concern for the project stems from the routing of the transmission line through prime farmland. He stated that over its lifetime the transmission line will generate more money than the wind turbines and it will be here long after the wind turbines are gone. He said they have made sound business decisions for 25 over years in order to remain in the farming business, but is frustrated because he can see what needs to be done but this decision is out of his hands

and can only be made by the Board. He said the current transmission line route is unacceptable and needs to be removed before the PILOT is approved and asked legislators not to give away \$50 million dollars of leverage in the hope that a favorable outcome will come along later. He feared that if the PILOT is approved Upstate would then use eminent domain and pursue this route as it is the cheapest. He said Upstate would have you believe that the transmission line route is out of their hands as it is the decision of the PSC, but he said that is inaccurate as Upstate actually proposed this route to the PSC.

Rob Aliaso, Henderson, and Member, Coalition for the Preservation of the Golden Crescent and 1000 Islands asked legislators to consider further information in their ongoing deliberations and said if there is any doubt in their minds then they must vote no on the PILOT resolutions, as a yes vote can not be undone. He said a lot of information has been presented to legislators but stated that no one has presented data on the loss of businesses, property values, tourism and things that would net out any small gains that may be made with the project and PILOT moving forward. He took issue with the fact that while the developer's President has attended meetings he has not specifically addressed the legislators or residents. Mr. Aliaso spoke to the developers attorney regarding guarantees of local jobs as he supports local labor but said the response was that they could not make guarantees but they prefer to use local labor. He felt the local labor unions were skillfully being used as pawns by the developer only to be cast aside if the project moves forward as no guarantees are being made. He pointed out that those opposed to the project are volunteers and those advocating approval of the the project (voters for wind who have land contracts, developers lawyer, JCIDA) will be paid. He did not think the County and the State could afford the liberal spending policy that the PILOT affords the developer.

John Byrne, Cape Vincent, said as a small business owner he has employed over 30 people at one time and has paid his taxes and felt Upstate should pay their fair share of taxes as well. He said a government economic study was released recently with the figures from the first accounting of clean energy jobs from the stimulus bill 52,000 jobs have been created at a cost of \$787 billion dollars, or \$15 million per job. He expressed major concerns that over 3/4 of the project will be paid for with our tax dollars through stimulus and other tax break programs, it is our Lake our wind yet the developer will reap all the profits. He stated that developers of other wind projects will expect the same deal as what is being proposed for this project. He did not understand how the Board could vote for this project yet oppose the NYPA proposal for offshore turbines in Lake Ontario, and felt the power line issue should be settled before the PILOT is voted on.

Deborah Davis, Sackets Harbor, and a teacher in the Sackets Harbor School District said her dad, Roy Thomas Spink, was a resident of Sackets Harbor and a judge in the Town of Hounsfield for 18 years and would have definitely wanted this project to move forward as he was in favor of bringing industry into Sackets Harbor and the Town of Hounsfield. She said this project reminds her of when the State proposed a prison on Dry Hill and there were petitions to sign and people were saying what a terrible thing it would be, but that is not the case as a lot of friends and neighbors are now employed there. She advised that her family and other farming families also gave up land on Dry Hill in the 1950's when the Air Force needed a radar station, adding that sometimes personal sacrifice has to be made for the good of others. She said Sackets

Harbor does not have any industry to sustain it and tourism only lasts for a few months. She reviewed the history of Big Galloo, Little Galloo and Stony Island helping to protect the people of Sackets Harbor since the 1800's and this is another opportunity for help from the financial disaster coming our way. She urged legislators to look at the big picture and vote yes on the PILOT resolutions.

John Irwin, Clay, NY said that the transmission lines between Malone, NY and Marcy, NY are historically congested and while speculative he suggested that a possible long term solution would be a transmission line between Massena and Mexico, NY. He further suggested that is why the transmission line for the Galloo Island project is being built larger than the what the project will generate. He said if a transmission line is extended northward between the St. Lawrence River and Route 11 to Massena not only will it alleviate congestion in the north but wind farms in Cape Vincent, Clayton, Horse Creek and St. Lawrence can also be connected. He urged the Board to not choose an immediate gain over a long term benefit.

Chairman Blankenbush thanked everyone on both sides of this project for their exemplary behavior as the Board has been dealing with this since November 17, 2009 and many of the people present have been at almost every meeting. He stated that every speaker has been respectful and has given the Board of a lot of information, and he hoped everyone that wanted to had an opportunity to speak.

PETITIONS, NOTICES AND COMMUNICATIONS

REPORTS OF STANDING COMMITTEES

The Finance & Rules Committee reported favorably on resolutions referred from other jurisdictional committees.

REPORTS OF COUNTY OFFICERS AND OTHERS

The County Treasurer provided a report on the status of investments and cash on hand as of January 31, 2010.

The County Administrator provided a report on budget modifications for the month of January, 2010.

2009 Annual Reports were received from the Dog Control, County Clerk, and Probation departments.

LOCAL LAWS, RESOLUTIONS AND MOTIONS

Resolution No. 46

Authorizing a Proposed PILOT Agreement and PILOT Payment Distribution to be Provided by the Jefferson County Industrial Development Agency in Connection with a Certain Project (as Described Below) to be Undertaken by Upstate

New York Power Corporation.

By Legislator: James D. St.Croix

WHEREAS, UPSTATE NY POWER CORP, on its own behalf or of an entity or entities to be formed (collectively, the “Company”), has submitted an application (the “Application”) to the Jefferson County Industrial Development Agency (the “Agency”) requesting the Agency’s assistance with a certain project (the “Project”) consisting of: (i) the acquisition by the Agency of fee title to or a leasehold or other interest to approximately 2,000 acres of real property located upon Galloo Island within the Town of Hounsfield, New York (the “Town”), such real property being more particularly described as TMID No’s 95.00-1-1, 95.00-1-2, 95.00-1-3, 95.00-1-4 (collectively, the “Parcels”) along with portions of a certain easement lying entirely within the Town acquired by the Company from the State of New York for placement of an underwater electric transmission cable (the “Easement”, and along with the Parcels described herein, the “Land”), (ii) the construction and equipping on the Land of an estimated 252 MW wind energy project and related improvements, including, but not limited to eighty-four (84) wind turbine foundations, towers and generators, various electrical collection system improvements, electrical substation improvements, underwater electric transmission cable improvements within the Town, various access and service roads, various maintenance and operational structures, including temporary and permanent residential buildings, onsite water, sewer, geothermal, utility and fire protection systems, and project access improvements, including dockage, storage and helipad improvements (collectively, the “Improvements”), and (iii) the acquisition in and around the Improvements and of certain items of equipment and other tangible personal property and equipment (the “Equipment” and, collectively with the Land and the Improvements, the “Facility”); and

WHEREAS, in connection with the Application, the Company has requested the Agency’s consideration of a deviation (the “PILOT Deviation”) from the Agency’s Uniform Tax Exemption Policy (“UTEPP”) to allow for a payment-in-lieu-of-tax agreement (“PILOT Agreement”) that would provide Twenty (20) years of real property tax exemption relating to the Improvements and a PILOT Payment structure as follows: (i) initial fixed annual PILOT payment of \$8,500.00 per Megawatt (“MW”) of production capacity for the Project, which is currently estimated to be 252 MW (collectively, the “Base PILOT Payment”, which would escalate Two and One Half Percent (2.5%) per year, compounded); (ii) in addition to the Base PILOT Payment, additional performance-based PILOT Payments that will be measured upon energy prices during each PILOT Year (“Annual Escalator Payments”); and (iii) requirement to pay all taxes associated with the value of the Land upon which the Project is situated, as assessed prior to the acquisition of the Land and construction and installation of the Project (the “Land PILOT Payments”, such Land PILOT Payments to be distributed by the Agency to the Affected Taxing jurisdictions pro-rata based upon their respective annual tax rates); and

WHEREAS, the Agency and the Company have further requested the County’s consent to a PILOT distribution structure (the “PILOT Distribution”) whereby the Agency would distribute Base PILOT Payments and Annual Escalator Payments received from the Company in connection with the Project among the County, the Town of Hounsfield (the “Town”), and the Sackets Harbor Central School District (the “School, and collectively with the Town and

County, the “Affected Taxing Jurisdictions”), based upon a negotiated formula; and

WHEREAS, the Agency and the Company have requested the consent of the County to the PILOT Deviation and PILOT Distribution pursuant to and in accordance with the Agency’s UTEP and General Municipal Law Section 858(15), and in reliance upon the same, anticipate entering into certain project development agreements and memorializing the terms of the PILOT Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF LEGISLATORS OF THE COUNTY AS FOLLOWS:

Section 1. The County hereby authorizes the Agency and the Company to undertake the PILOT Deviation, as described above, and enter into the PILOT Agreement in connection with the Project, as contemplated herein. The County hereby further approves the PILOT Distribution whereby the County shall receive 35%, the Town of Hounsfield shall receive 15% and the Sackets Harbor Central School District shall receive 50% of Base PILOT Payments, adjusted annually to include Annual Escalator Payments as applicable, received by the Agency from the Company in connection with the Project.

Section 2. The County’s within authorization of the PILOT Deviation and PILOT Distribution are conditioned upon the following:

- a. The Agency and the County shall enter into an agreement whereby the Agency grants the County the right to forestall the Agency’s ability to terminate its interest in the Project (which is to be memorialized within a Leaseback Agreement between the Agency and the Company) and related right to terminate the PILOT Agreement for a period of a minimum of one (1) year where the Company has triggered an event of default under either the Leaseback Agreement or PILOT Agreement. The form and content of such Standstill Agreement shall be subject to the approval of the County Attorney as to form and content; and
- b. The Town shall include the County as a benefitted and/or named party to any decommissioning agreement (“Decommissioning Agreement”) entered into by the Town and Company with respect to the Project, such Decommissioning Agreement to be subject to the approval of the County Attorney as to form, and
- c. The Agency and the Company shall enter into a PILOT Mortgage to secure the payments to be made pursuant to the PILOT Agreement, such PILOT Mortgage to, provide a priority first lien against the Project in the event of nonpayment of PILOT Payments

by the Company.

Section 3. This Resolution shall take effect immediately.

Seconded by Legislator: Kent D. Burto

Chairman Blankenbush advised that there have been three main concerns from legislators throughout this process and they are job growth, what kind of corporate partner Upstate Power would be including any community benefit package, and transmission lines.

With regard to a community benefit package Chairman Blankenbush related that Upstate has agreed to put some terms in writing that would include money within the project that has been set aside by the developer. A fund totaling \$3 million dollars over the life of the pilot will be set aside for organizations/events for the public good, and the fund will be managed by someone other than the County Legislators; any organization wishing to receive funding would go through an application process with the organization managing the funds. Also, an additional \$500,000 over the life of the pilot will be committed for 5 educational scholarships of \$5,000 per year for high school seniors planning to advance their careers in the energy industry.

With regard to job growth and the commitment for Jefferson County workers rather than subcontractors from outside the area, Chairman Blankenbush related that Upstate will define in writing that 50% of the labor pool required for the project will come from a Project Labor Agreement (PLA) with local trade unions, 25% or less of the remaining labor pool will come from outside the County, and the last 25% will also be from Jefferson County. In the event that Upstate falls below that last 25% of local workers, \$25,000 per percentage below the 25% will be put into a vocational or an educational program mutually agreed to by Upstate and the County.

With regard to the transmission lines, Chairman Blankenbush advised that the Board will be asked to consider an additional resolution tonight detailing that Upstate has agreed to make the preferred route for the transmission lines from the Galloo Island Project go to the Coffeen Street Substation and will utilize the lines already in place without using eminent domain.

Chairman Blankenbush advised that he asked the County's consultant, Kevin McAulliffe, to be here tonight to answer questions of legislators and go over the points that he just outlined as the community benefit package was recently finalized, even though it is something the developer planned on addressing throughout this process.

Mr. McAulliffe said the last time he was before the Board he stressed the importance of having whatever relationship that was established with the developer relative to payments and expectations memorialized in enforceable agreements. At that time host community payment agreements and whether or not they were enforceable over the long term was also discussed. He said having these concepts added to the IDA relationship documents is key as IDA's are empowered to enter into these relationships when they determine there is a project, and they can cause whatever exactions they want from a developer as part of either or both the lease/leaseback and pilot agreement. Two such additions will be added to the document.

He stated that the first addition concerns jobs, specifically that 50% of the labor on the project will be controlled by a PLA with local trade unions with a lot of conditions, 25% of the labor will not be controlled by any agreement which is customary on a project this size for supervisory and specialty professions, and the remaining 25% of the labor pool will be subject to a local labor agreement. When the project starts construction, if the developer has not met the 25% local labor commitment, they will put into a fund \$25,000 for each % off with a cap of \$625,000 to be used for whatever community fund purposes are necessary; this fund will be controlled the same as other grant funds as detailed below.

Mr. McAulliffe stated that another addition to the IDA documents is a dual grant program termed the Upstate Power Community Fund that has a two fold concept. First, when the project starts operating the developer will contribute \$100,000 annually for 4 years to be stepped up every few years over the life of the PILOT contributing \$200,000 for years 17-20 for a total investment of \$3 million. These funds will go into an account controlled by a not-for-profit organization to be determined, not by any one governmental body. The organization will handle grant applications and the funds will be disbursed by the Board of that organization, to civic facilities, community foundations, volunteer organizations, not for profits, etc. The second part of the grant program is a scholarship program in the amount of \$25,000 a year for the life of the 20 year relationship. The individual scholarships will be awarded to seniors in high school who go on to study the sciences focusing upon green energy.

He advised that concepts embodied in IDA documents are enforceable over the life of the project because IDA has great enforcement powers in its relationships. He urged legislators to focus on what they are being asked to do with the Galloo Island Project, not any other wind project. He went on to say that General Municipal Law changed a while back to cause the concept of a uniform tax exemption policy. It was created because there was no stated set of rules by which IDAs offered benefits to companies, while still recognizing that there are certain instances and situations no matter how well construed or conceived to address everything that you will need to deviate from the standard. In some communities their concept of deviation was to take all the money and give it to one jurisdiction, or have the IDA keep it all. The Board's primary focus should be where the money is being distributed, and in this instance the money goes out proportionate to the taxing rates of the affected taxing jurisdictions, and it is a 20 year PILOT with a certain dollar amount, not a 15 year PILOT with an exemption schedule that goes up over 15 years to 100%.

Chairman Blankenbush stated that people have talked about leaving money on the table, and asked for Mr. McAulliffe's opinion of the PILOT that was developed by the IDA and agreed to by the developer as he has experience in working in New York State for both sides of the issue at different times. Mr. McAulliffe stated that it is a good, extremely fair PILOT and it contains two clauses that most other developers will not agree to: a 2.5%/year escalator, and a kicker that is tied to the rate of electricity that moves up as time moves forward. He stated that the developer paying \$8500/mega watt is the top end in terms of what is currently being paid and he did not think money was left on the table.

Legislator Docteur had concerns about voting on the PILOT before there were details about the decommissioning and if there will be enough money in the decommissioning clause 15

or 20 years out. Mr. McAulliffe said he was at a disadvantage as he had not read the resolution relative to the decommissioning piece, but said it raises an important point in the sequence of events that occur relative to any transaction of this nature and how you close it. He said a decommissioning agreement must be in final form acceptable to counsel and leadership of the County before it will be executed, and he was not aware of a situation where a document that will be that complex and important is ever presented as an attachment to a resolution. Mr. McAulliffe stated that it is always a general concept with underlying principles with the assumption that those who have to present it for execution (i.e. County Administrator, Chairman of the Board) have the final say on the wording and that it is consistent with the impression and intent of the resolution.

Attorney Paulsen stated that Resolution No. 48 authorizes the County not only to have a say in the agreement but to actually be a party to the decommissioning agreement, but said the agreement has yet to be written. It is his intention to insist that there be authority on behalf of the County to have a say in how much the bonding is for the cost of decommissioning, and he said it has been arranged with the Town of Hounsfield's site plan approval that construction can not commence until the decommissioning agreement is complete to everyone's satisfaction. He believed there were satisfactory guarantees within that context that the agreement will be completed to our satisfaction. Legislator Docteur stated that the resolution speaks to the cost of decommissioning of the project and pointed out the importance of determining the decommissioning costs for the life of the PILOT, not just for today.

Legislator Gray asked Mr. McAulliffe who the County should believe as the developer's attorney stated last year that a decision had to be made by 12/31/09 in order for everything to take place, and here it is February 2nd and we are still considering the matter. He stated that if a decision had been made in December we would not have made the significant progress evident today. Mr. McAulliffe stated that on any project any developer and their attorney work as a team and try to identify how they can get to an end point which is not necessarily construction, but closing on funds sufficient for construction. He said he is not privy to why the County was given a deadline and how the matter can still be ongoing but said it happens on every project. He did not feel it was a matter of believing or truth but of setting targets and trying to reach them as there are a number of goals that need to be reached in order for a closing to take place.

Legislator Gray expressed concern about whether the company needs a PILOT or if anyone has looked into the developer's ability to pay; he wondered if the developer would be willing to up front some of the \$3.5 million dollars in the community benefit package, and opined that while \$8,500 per mega watt is the high end now, that may not be the case in the future. He felt the County was still making progress with the developer and should keep working at it. He stated that PILOTs are a viable economic development tool but said they may also be abused. He further inquired where the power line will come on land, and in whose district.

With regard to the transmission line question, Mr. McAulliffe said an earlier comment concerning the lack of appropriate energy policy at the Federal level is timely as it is unfair in one sense that all of this is thrust upon the County in the context of whether or not the County agrees with what an IDA has negotiated for a PILOT. He said neither an IDA nor a County

should be deciding where a power line goes as there are bodies in the State whose authority and jurisdiction and professional expertise at the staff level includes the review of those things. He stated there will always be problems with where a power a line is placed, and it is not just an issue of back yard, it is an issue of appropriateness for where the power generation may occur as opposed to where the distribution grid can absorb that power once it is brought from one place to another. He stated that the problem is we do not have good federal regulatory standards that preempt locals. He related that Article 10 of the Public Service Law that took control of all of these things has expired; now all these issues are at the various local town board and planning board levels to develop expertise as to what the needs of the town are and where the project and transmission lines should be located. The real underlying issue is not which town this should go through but the fact that there is not the appropriate support above local government for this type of assistance.

Legislator Docteur stated that the transmission line placement should be decided before the PILOT is voted on, and asked if the Board approves this PILOT does that mean it will have no control over where the transmission line is placed. He felt the County's leverage is the wind resource (as according to wind maps the Eastern Basin of Lake Ontario has the highest wind capacity next to the Long Island Sound), and \$150 million in federal/state stimulus money the developer will receive for the project as these two pieces were not in place a few years ago when he was involved in a wind pilot working group in Clayton. He felt the distribution rate in the PILOT was precedent setting and it will not complement the three projects that are in his district (two in Cape Vincent and one in Clayton). He added that if there are turbines set in his district he feels people that live near them need to be compensated by an equitable distribution so the local governments can pay down all of the property taxes if possible and said he would remain adamant about that. He recognized that the Galloo Island Project and the three projects in his district were very different and suggested a study should be done on the consequences to property values before moving forward on any other wind turbine projects.

Legislator Ormsby said his potential support for this issue was in part related to the transmission line issue as the project is in his district and the transmission line bisects it. He said that Jefferson and Oswego Counties having a seat at the Public Safety Commission where ultimately the decision will be made is key, and believed it could be done without using eminent domain. He asked what the County's role would be and what the anticipated outcome should be with regard to a resolution to request that the PSC consider a transmission line through the Town of Hounsfield to the Coffeen Street Substation and using other existing routes.

Mr. McAuliffe said the strength of the resolution is the willingness of the developer to change from its original request for the transmission line coupled with the support from the community for the same route creates a dual advocacy and drastically increases the likelihood that the PSC will approve that route barring any unforeseen engineering or electrical problems that would prohibit it.

Legislator Ormsby advised that he tried to slow this process down due to uniqueness and proximity of the project and impacts that lay beyond the Town of Hounsfield borders and has taken this decision very seriously. He said that during his three terms on the Board he has focused on agriculture, tourism, the sport fishing industry, and economic development and those

priorities remain his focus. He stated that even though the Galloo Island project at 6 miles off the coast is in some residents' view it is separate and distinct from the NYPA "towers on the lake" proposal for offshore wind turbines as there are private dollars involved and he believed the NYPA proposal will lead to desecration of the Lake and also a drop in property values. In the two months since the pilot has been proposed the County has been able to gain a seat on the PSC, an alternative transmission line route, and contract language to guarantee local labor. He stated that the JCIDA did a good job in negotiating this PILOT and we have trusted their judgement as to the merits of pilots previously and should do so in this instance.

Legislator Fitzpatrick stated that this has been a very emotional, political, social, economic, and environmental issue and she is in a unique situation as she represents District 12 in the City of Watertown but owns a summer home in Henderson Harbor. She wanted to make it clear to those present from the unions that she received nearly 700 emails/calls on this issue but ultimately it came down to how the residents in her district felt. She pointed out that many of the summer residents along the shoreline from Sackets Harbor to Oswego County are residents of District 12 as well and when she totaled the results it was 4 to 1 against supporting the PILOT. She stated that she was not against wind pilots but was in favor of those in her district that support her.

Legislator Behling moved for a roll call vote on the resolution, the motion was seconded by Legislator Docteur and unanimously carried by the Board.

Roll Call Vote:

Ayes: Burto, Thomas, Behling, Drake, Ormsby, St.Croix, Nabywaniec, Blankenbush

Nays: Fitzpatrick, Adsit, Docteur, Gray, Reed

Absent: Zando, Ferris

Resolution passed.

Resolution No. 47

Authorizing an Agreement with the Jefferson County Industrial Development Agency Relative to the Galloo Island Wind Energy Project

By Legislator: James D. St.Croix

Whereas, Upstate New York Power Corporation has proposed a Wind Energy Production Facility (the "Project") to be located on Galloo Island, Town of Hounsfield, County of Jefferson and is seeking to enter into a Payment in Lieu of Taxes Agreement (the "PILOT") with the Jefferson County Industrial Development Agency (the "JCIDA") pursuant to Real Property Tax Law § 412-a, and

Whereas, The County of Jefferson is responsible for the collection of delinquent taxes and to

make whole each taxing jurisdiction within the County for uncollected taxes pursuant to the Real Property Tax Law of the State of New York and Local Law No. 4 of 1994, and

Whereas, In the event of a default by the above developer/owner the JCIDA has the right and responsibility to vacate the PILOT Agreement and restore title of the real property to the owner of the Project thereby making the Project facilities subject to full taxation, and

Whereas, The County of Jefferson may be significantly burdened in the event the Project were to become subject to full taxation and said taxes were not timely paid by the Project owner, and

Whereas, the Jefferson County Industrial Development Agency and County of Jefferson have agreed to a moratorium for a period of a minimum of one year from the date of default by the Project owner, as defined by the PILOT Agreement, during which period the JCIDA shall retain fee title to the Project real property and improvements.

Now, Therefore, Be it Resolved, That the Chairman of the Board of Legislators shall be authorized and directed to enter into an agreement with the Jefferson County Industrial Development Agency providing for a moratorium of a minimum of one year from the date of default under the PILOT Agreement during which time the JCIDA shall not divest itself of fee title to the project real property and improvements, subject to the approval of the County Attorney as to form and content.

Seconded by Legislator: Kent D. Burto

All members present voted aye.

Resolution No. 48

Authorizing an Agreement with the Town of Hounsfield and Upstate New York Power, Inc. Relative to Decommissioning the of the Galloo Island Wind Energy Facility

By Legislator: James D. St.Croix

Whereas, The Town of Hounsfield is responsible for zoning and land use designation and enforcement within the boundaries of the Town and the Galloo Island Wind Energy facility (the "Project") will be subject to the jurisdiction of the Town of Hounsfield, and

Whereas, The County of Jefferson is responsible for the collection of delinquent taxes and to make the each taxing jurisdiction within the County whole for uncollected taxes pursuant to Real Property Tax Law of the State of New York and Local Law No. 4 of 1994 , and

Whereas, In the event the Project becomes delinquent in payment of real property taxes and the County forecloses said tax liens, the County will come into possession of the real property and improvements which constitute the Project , and

Whereas, In recognition of the significant interest of the County of Jefferson in the

decommissioning of the Project in the event of non payment of taxes, the Town and County desire to jointly enter into a decommissioning agreement with the developer/owner of the Project and to reserve to each independently those mechanisms contained in the decommissioning agreement to remove improvements and return the real property of the project to substantially the same condition as existed prior to the construction of the Project.

Now, Therefore, Be it Resolved, that the Chairman of the Board of Legislators be and hereby is authorized and directed to execute a decommissioning agreement with the Town of Hounsfield and the Project developer/owner providing that the County has the ability to invoke any bond or undertaking made by the Project developer/owner to pay the cost of decommissioning the Project as well as the right to require the amount of the bond or undertaking to be increased, from time to time, to match the current cost of decommissioning the Project, subject to approval of the County Attorney as to form and content.

Seconded by Legislator: Kent D. Burto

All members present voted aye.

Resolution No. 49

Authorizing Agreement Extension of the New York State Board of Elections Voter Education and Poll Worker Training Grant (Help America Vote Act) and Amending the 2010 County Budget to Re-Appropriate Remaining Funds

By Legislator: Scott A. Gray

Whereas, By Resolution 174 of 2006, Resolution 172 of 2008 and Resolution 56 of 2009, this Board of Legislators authorized an agreement with the New York State Board of Elections to accept a Voter Education and Poll Worker Training Grant (Help America Vote Act), and amended the 2006, 2008 and 2009 County Budgets to recognize and appropriate the grant funds and subsequently re-appropriate unspent funds, and

Whereas, Said grant still has unspent funds and a grant extension must be executed and the 2010 County Budget amended to access them.

Now, Therefore, Be It Resolved, That Jefferson County enter into an agreement to extend the above-referenced grant agreement for the period April 1, 2010 through March 31, 2011 and that the Chairman of this Board be and is hereby authorized and directed to execute said agreement extension on behalf of Jefferson County, and be it further

Resolved, That the 2010 County Budget is hereby amended as follows:

Increase:

01-0599	Appropriated Fund Balance	\$54,406.27
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01-1450-1451.4102	Office Equipment	10,500
01-1450-1451.4110	Office Expenses	12,406.27
01-1450-1451.4111.003	Computer Equipment	10,500
01-1450-1451.4116	Postage	10,500
01-1450-1451.4312	Automobile Rental	10,500

Seconded by Legislator: James D. St.Croix

Roll Call Vote:

Ayes: Burto, Fitzpatrick, Gray, Thomas, Drake, Reed, Behling, Ormsby, St.Croix, Docteur, Adsit, Nabywaniec, Blankenbush

Absent: Zando, Ferris

Resolution passed.

Resolution No. 50

Authorizing Agreement with the New York State Board of Elections and Amending the 2010 County Budget in Relation Thereto

By Legislator: Scott A. Gray

Whereas, The New York State Board of Elections (NYSBOE) is distributing grant funds available from the federal Voting Access for Individuals with Disabilities (VOTE) grant program, part of the Help America Vote Act (HAVA), and

Whereas, Jefferson County’s grant amount is \$4,829 and must be recognized and appropriated in the 2010 County Budget, and the County must enter into an agreement with the NYSBOE.

Now, Therefore, Be It Resolved, That Jefferson County enter into an agreement with the NYSBOE to accept said VOTE grant funds and that the Chairman of this Board be and is hereby authorized and directed to execute said agreement on behalf of Jefferson County, and be it further

Resolved, That the 2010 County Budget is amended as follows:

Increase:

01-1450-999.94089	Federal Aid	\$4,829
01-1450-1451.4211	Building/Property Maintenance	\$4,829

Seconded by Legislator: James D. St.Croix

Roll Call Vote:

Ayes: St.Croix, Fitzpatrick, Nabywaniec, Gray, Adsit, Ormsby, Docteur, Thomas, Reed, Behling, Drake, Burto, Blankenbush

Absent: Ferris, Zando

Resolution passed.

Resolution No. 51

Authorizing E-ZPass Account for Sheriff's Department

By Legislator: Scott A. Gray

Whereas, The Sheriff has recommended that the County authorize an E-ZPass account for Sheriff's vehicles to facilitate inmate transports and other incidental travel, and

Now, Therefore, Be It Resolved, That this Board of Legislators hereby authorizes the establishment of an E-ZPass account for the Sheriff's vehicles in an amount not to exceed \$1,000.

Seconded by Legislator: James D. St.Croix

All members present voted aye.

Resolution No. 52

Amending the 2010 County Budget in Relation to Lease Purchase Payment

By Legislator: Scott A. Gray

Whereas, Pursuant to Resolution 156 of 2008, Jefferson County entered into a three-year lease purchase agreement for a paver, and

Whereas, 2010 is the final payment year and the 2010 County Budget includes a transfer from the Road Machinery Fund for that purpose, but does not include a related revenue or expense in the Debt Service Fund from which the final payment will be made.

Now, Therefore, Be It Resolved, That the 2010 County Budget is amended as follows:

Increase:

55-9150-9785.6050	Installment Purchase Principal	\$70,000
55-9150-9785.7050	Installment Purchase Interest	5,185

55-9150-999.95031 From Road Machinery Fund \$75,185

Seconded by Legislator: James D. St.Croix

All members present voted aye.

Resolution No. 53

**Amending the 2010 County Budget to Re-Appropriate
FY 08 State Homeland Security Program (SHSP) Grant Funds**

By Legislator: Michael J. Docteur

Whereas, Resolution 97 of 2009 recognized the FY 08 State Homeland Security Program grant revenue in the amount of \$126,750, and allocated the funds among the appropriate expenditure accounts, and

Whereas, 2010 County Budget must be amended to re-appropriate unspent grant funds from fund balance and place them in the appropriate accounts.

Now, Therefore, Be It Resolved, That the 2010 County Budget is hereby amended as follows:

Increase:

01-0599	Appropriated Fund Balance	\$53,793.66
01-3410-3410.2300	Technical Equipment	12,840.00
01-3410-3410.4114.004	Communication Maintenance	2,000.00
01-3410-3410.4115.002	Cell Phones	8,000.00
01-3410-3410.4514	Uniforms & Clothing	11,953.66
01-3410-3413.2300	Technical Equipment	19,000.00

Seconded by Legislator: Robert D. Ferris

Roll Call Vote:

Ayes: Behling, Burto, Drake, Ormsby, Adsit, Fitzpatrick, St.Croix, Reed, Docteur, Thomas, Nabywaniec, Gray, Blankenbush

Absent: Zando, Ferris

Resolution passed.

Resolution No. 54

Amending the 2010 County Budget to Recognize Insurance Recovery

for the District Attorney's Office

By Legislator: Michael J. Docteur

Whereas, The District Attorney's Office is in receipt of a insurance settlement check for \$1,966.90 and has requested that the insurance settlement be used to supplement the departmental external fleet expense account.

Now, Therefore, Be It Resolved, That the 2010 Budget is hereby amended as follows:

Increase:

01-1165-1169.4310.002	External Fleet Expense	\$ 1,966.90
01-1165-999.92680	Insurance Recoveries	\$ 1,966.90

Seconded by Legislator: Robert D. Ferris

Roll Call Vote:

Ayes: Nabywaniec, Ormsby, Docteur, Fitzpatrick, Drake, Reed, Adsit, Gray, Behling, St.Croix, Burto, Thomas, Blankenbush

Absent: Zando, Ferris

Resolution passed.

Resolution No. 55

Authorizing an Amendment to an Agreement with Jefferson County and the Development Authority of the North Country (DANC) for the Provision of Public Sewer Services

By Legislator: Michael J. Docteur

Whereas, Pursuant to Resolution 75 of 2004, Jefferson County entered into an agreement with the Development Authority of the North Country for the provision of public sewer services for the County Highway complex, and

Whereas, The sewage from the DANC line is ultimately treated at the City of Watertown's sewage treatment plant, and

Whereas, To better delineate the amounts of sewage produced by the various agencies with whom DANC has sewer service contracts with in order to determine the total amounts that will ultimately be treated at the City treatment plant, DANC is requesting that it enter into new or modified agreements with its customers which specify sewage limits in gallons per day, and

Whereas, DANC has requested an amendment to our agreement to provide the County with an average daily capacity of 1,500 gallons per day, and the Superintendent of Highways supports the amendment.

Now, Therefore, Be It Resolved, That the County and DANC enter into the amended sewer service agreement as stated above and that the Chairman of the Board of Legislators be and is hereby authorized and directed to execute said amendment on behalf of the County, subject to the review of the County attorney as to form and content.

Seconded by Legislator: Robert D. Ferris

All members present voted aye.

Resolution No. 56

Authorizing Agreement with the Development Authority of the North Country for the Provision of Operations & Maintenance Services and Amending the 2010 Budget In Relation Thereto

By Legislator: Michael J. Docteur

Whereas, Pursuant to Resolution 75 of 2004 the Jefferson County Board of Legislators authorized an Agreement with the Development Authority of the North Country (DANC) for the provision of public sewer services at the Highway campus, and

Whereas Pursuant to Resolution 76 of 2005, The County and DANC entered into a five-year agreement for the provision of operations and maintenance services for the water and sewer systems, and

Whereas, Said operations agreement has expired, the County is satisfied with the services DANC has provided, and it wishes to enter into another five-year agreement, and

Whereas, DANC has proposed to provide said services at a cost of \$5,050 in 2010, \$5,200 in 2011, \$5,350 in 2012, \$5,500 in 2013 and \$5,650 in 2014.

Now, Therefore, Be It Resolved, That the Chairman of the Board of Legislators be and is hereby authorized and directed to execute an operations and maintenance service agreement with the Development Authority of the North Country for the period of January 1, 2010 to December 31, 2014, subject to the review of the County Attorney as to form and content.

Seconded by Legislator: Robert D. Ferris

All members present voted aye.

Resolution No. 57

**Financing Enterprise Fund Capital Project (Transfer Station) by Amending the 2010
County Budget and Authorizing Agreement with Bernier, Carr & Associates
in Relation Thereto**

By Legislator: Michael J. Docteur

Whereas, The Enterprise Fund's transfer station operation is in need of significant improvements, including the demolition of the original transfer station building and the construction of a new transfer station building, and

Whereas, Said construction will greatly alleviate long-standing litter issues at the facility, which has been a concern of the New York State Department of Environmental Conservation and will also increase both the safety and efficiency of the operation, and

Whereas, The Enterprise Fund does not have the current financial resources to pay for said project, which has a preliminary construction cost estimate of \$1,500,000, and

Whereas, In lieu of bonding for said project, which has attendant legal, administrative and interest costs, the County desires to provide a capital equity transfer of \$1,300,000 from its General Fund which will be repaid by the Enterprise Fund at no interest over the period of 15 years, use \$100,000 from the Enterprise Fund fund balance budgeted but unspent for this project in 2009, and eliminate a \$100,000 transfer to the Debt Service Fund from the Enterprise Fund in the 2010 County Budget in order to complete this project, and

Whereas, Bernier Carr & Associates has provided initial schematics and cost estimates for the project and has proposed a design and project management contract not to exceed \$181,000 plus reimbursables.

Now, Therefore, Be It Resolved, That Jefferson County enter into a design and project management agreement with Bernier Carr & Associates not to exceed \$181,000 plus reimbursables as detailed above and that the Chairman of the Board of Legislators be and is hereby authorized and directed to execute said agreement on behalf of the County, subject to the review of the County Attorney as to form and content, and be it further

Resolved, That the 2010 County Budget is hereby amended as follows:

Increase:

01-0599	Appropriated General Fund Balance	\$1,300,000
15-0599	Appropriated Enterprise Fund Balance	100,000
01-8992-9901.9004	Transfer to Enterprise Fund	\$1,300,000
15-9101-999.95031.001	Transfer from General Fund	\$1,300,000
15-9101-8190-2010	Transfer Station Construction	\$1,500,000

Decrease:

15-9101-8160.9003	Transfer to Debt Service Fund	\$100,000
55-9150-999.95031	Transfer from Enterprise Fund	100,000

Seconded by Legislator: Robert D. Ferris

Chairman Blankenbush entertained a motion to amend the resolution per the details contained in the corrected resolution on legislators desks. Such motion was made by Legislator Fitzpatrick and seconded by Legislator Burto. Mr. Kaskan explained that in deference to the understanding of the County Treasurer that we can not loan money to the Enterprise Fund the fourth whereas clause was changed to reflect that the County will provide an equity transfer (or grant) to the Enterprise Fund and the Enterprise Fund will grant the money back; there was originally a transfer noted from the Debt Service in 2009 but the money in fact stayed in the Enterprise Fund so we are in essence using Enterprise Fund fund balance instead of reducing a tranfer from 2009; and there were a couple typos in account numbers that needed to be fixed. Legislator Reed asked for and was granted permission to abstain from voting due to a possible conflict of interest.

All members present voted aye on the amendment, except Legislator Reed who abstained.

Roll Call Vote: On Resolution, as amended

Ayes: Behling, Thomas, Fitzpatrick, Burto, Drake, Adsit, Docteur, Nabywaniec, Gray, Ormsby, St.Croix, Blankenbush

Absent: Zando, Ferris

Abstain: Reed

Resolution as amended passed.

Resolution No. 58

Authorizing 2010-2014 Intergovernmental Agreements Between Jefferson County and Its Towns Relative to Road and Bridge Maintenance Services; Construction and Reconstruction of Roads; and Sanding, Snow and Ice Removal

By Legislator: Michael J. Docteur

Whereas, The County's road, bridge and snow removal programs rely heavily on the use of Town Highway Departments, and

Whereas, The Board of Legislators has established policies governing the use of local municipal highway and public works departments to further the County programs, and

Whereas, In the interest of budgetary and operational stability, the County desires to enter into multi-year agreements with the Towns for the provision of services needed to implement the aforesaid County programs.

Now, Therefore, Be It Resolved, That, Pursuant to Section 119-o of the General Municipal Law,

the Chairman of the Board is hereby authorized to execute agreements with the Towns for this purpose, subject to approval of the County Attorney as to form and content, under the same provisions currently in effect, with the following exceptions: the base per mile reimbursement for snow removal for all Towns shall be \$5,000 in 2010, 2011 and 2012, and then increased by the CPI-W in 2013 and 2014 (with a minimum increase of 2% each year), as determined by the average of the monthly rates for the preceding October - September period; the base per mile rate will also be subject to change based on OGS fuel prices (\$100 per mile change for every \$0.50 change in fuel price), and salt prices (\$100 per mile change for every \$10/ton change in salt price). In addition, for 2010, 2011 and 2012, summer rental rates for tandem-axle dump trucks shall be \$40 per hour, single-axle trucks shall be \$16 per hour, mowers shall be \$5 per hour above the current DOT rate, and all other equipment shall be reimbursed at the 2009 DOT rates. 2013 and 2014 truck and mower rates will be subject to future Town/County negotiations.

Seconded by Legislator: Robert D. Ferris

All members present voted aye.

Resolution No. 59

Authorizing Agreements for Provision of Services to Elderly of Jefferson County

By Legislator: James A. Nabywaniec

Whereas, The Jefferson County Office for the Aging works for the establishment and expansion of programs and services which assist older persons in the areas of their most urgent needs, and

Whereas, the Office for the Aging is eligible to receive State and Federal funds for the purpose of providing needed programs and services to elderly residents of Jefferson County, and

Whereas, the Office for the Aging and this Board of Legislators desire to contract for the provision of certain programs and services to the elderly.

Now, Therefore, Be It Resolved, That pursuant to Section 95-a of the General Municipal Law, Jefferson County enter into agreements for the period of January 1, 2010 through December 31, 2011 with the below listed parties for provision of such programs and services to elderly residents of Jefferson County and for such consideration as follows:

Transportation Services

The Volunteer Center of Jefferson County, for the provision of transportation services for persons 60 years of age or older; consideration for services of approximately \$20,000 annually,

Wilna-Champion Transportation Center, Inc., Carthage, New York for the provision of transportation services for persons 60 years of age or older; consideration for services of approximately \$10,000 annually,

Paynter Senior Center, Inc., Clayton, New York for the provision of transportation services for persons 60 years of age or older; consideration for services of approximately \$5,000 annually.

Personal Care Services

Homemakers of Western, NY, Inc. aka Caregivers, Watertown, New York for the provision of housekeeper/chore and personal care services for persons 60 years of age or older; consideration for services at a rate of \$17.52 per hour,

Sibley Nursing Personnel Service, Inc., Watertown, New York for the provision of housekeeper/chore and personal care services for persons 60 years of age or older; consideration for services at a rate of \$16.72 per hour.

Personal Emergency Response System Services

S.T.A.T. Communications, Inc., Watertown, New York for the provision of personal emergency response system (PERS) services for persons 60 years of age or older; consideration for services at a rate of \$25.00 per month per unit.

Ombudsman Coordinator Services

Elnora M. Durgin, Philadelphia, New York for the provision of Ombudsman services to coordinate a program to protect the rights of elderly residents in nursing and adult homes in Jefferson County; consideration for services at approximately \$18,200 annually.

Legal Services

Legal Aid Society of Mid-New York, Inc., Watertown, New York for the provision of legal services for persons 60 years of age or older; consideration for services at a rate of approximately \$10,000 annually.

and be it further

Resolved, That the Chairman of the Board be and is hereby authorized and directed to execute said agreements on behalf of Jefferson County, subject to the approval of the County Attorney as to form.

Seconded by Legislator: James D. St.Croix

All members present voted aye.

Resolution No. 60

Authorizing Agreements for Provision of Mental Hygiene Services

By Legislator: James A. Nabywaniec

Whereas, New York State Mental Hygiene Law provides that the Jefferson County Community Services Board may contract for the provision of various mental hygiene services to the public with the approval of the Board of Legislators.

Now, Therefore, Be It Resolved, That, pursuant to Section 41.13 of the Mental Hygiene Law, this Board does hereby grant its approval for the Community Services Board to enter into agreements with the following not-for-profit organizations for provision of the referenced mental hygiene services during calendar year 2010 for consideration as reflected herein:

<u>Agency</u>	<u>Consideration to be Received from the County</u>	<u>State Aid</u>	<u>County Aid</u>
NNY Cerebral Palsy Association	\$ 36,880	\$ 18,440	\$ 18,440
Cornell Coop. Ext.: Mental Health Educator	\$ 25,000	\$ 0	\$ 25,000
Credo Community Center for the Treatment of Addictions			
Men's Halfway House	\$120,869	\$120,869	\$ 0
Chemical Dependence Clinic	\$466,750	\$412,054	\$ 54,696
Women's Drug Free Residential	\$299,409	\$299,409	\$ 0
Case Mgmt/Supportive Housing	\$ 82,700	\$ 82,700	\$ 0
Vocational/Education Program	\$116,741	\$116,741	\$ 0
Community Res. (Aftercare)	\$113,060	\$ 74,060	\$ 39,000
Res. Rehab. Svcs. For Youth	\$ 0	\$ 0	\$ 0
Alcohol/Substance Abuse Council			
Prevention Services	\$774,131	\$679,131	\$ 50,000
Stop DWI			\$ 45,000
Gambling Program	\$ 96,384	\$ 96,384	\$ 0
Mercy (Genesis HealthCare)			
Outpatient	\$ 34,096	\$ 31,776	\$ 2,320
Forensics	\$ 12,980	\$ 12,096	\$ 884
Northern Regional Center for Independent Living			
Family Support Services	\$238,254	\$218,172	\$ 20,082
Mental Health Advocacy	\$ 39,672	\$ 39,672	\$ 0
Jefferson Rehabilitation Center			
Employment Program	\$ 72,990	\$ 63,116	\$ 9,874
Family Support Svcs.	\$ 5,000	\$ 0	\$ 5,000
Integr. Support Emp. Program	\$ 72,444	\$ 72,444	\$ 0
Sheltered Workshop	\$242,704	\$242,704	\$ 0

North Country Transitional Living Services DBA			
Transitional Living Services of NNY			
Supported Housing	\$218,261	\$208,817	\$ 9,444
Crisis Outreach	\$142,400	\$123,136	\$ 19,264
Homeless MICA/Case Mgmt.	\$123,630	\$107,450	\$ 16,180
Mental Health Assn.			
Drop-in/Psychosocial Program	\$258,067	\$239,321	\$ 18,746
Adult Respite Program	\$ 39,126	\$ 33,778	\$ 5,348
Children's Home of Jefferson County			
Family Respite	\$ 44,667	\$ 38,563	\$ 6,104
Aggression Replacement	\$ 32,163	\$ 27,767	\$ 4,396
Prevention Program	\$ 28,378	\$ 24,500	\$ 3,878
Case Management	\$268,628	\$268,628	\$ 0
No. Co. Mgmt. Services			
Behavioral Health Care	\$ 10,000	\$ 7,000	\$ 3,000

Dr. Jeffrey S. Aronowitz: Professional Services \$250 per hour

and be it further

Resolved, That this Board further grants approval for the Community Services Board to enter into such agreements with the State of New York as may be required to obtain the State Aid funding outlined herein.

Seconded by Legislator: James D. St.Croix

All members present voted aye.

Resolution No. 61

Appointing Members to the Community Services Board

By Legislator: James A. Nabywaniec

Resolved, That pursuant to Section 41.11 of the Mental Hygiene Law the following individuals are hereby appointed as members of the Jefferson County Community Services Board and the designated sub-committee thereof for terms to expire as indicated below:

<u>Member</u>	<u>Sub-Committee</u>	<u>Term to Expire</u>
Marty Morrison*	Mental Health	12/31/2013
Richard Halpin	Mental Health	12/31/2013
Rodger Hicks	Mental Health (Subcommittee Only)	12/31/2013

Erika Flint	Alcohol and Substance Abuse	12/31/2010
Julie Eaton	Mental Retardation/Developmental Disabilities	12/31/2010
Allison Yorton	Mental Retardation/Developmental Disabilities	12/31/2010

* Reappointment

Seconded by Legislator: James D. St.Croix

All members present voted aye.

Resolution No. 62

Authorizing Agreement with Provider for Provision of Related Services for Preschool Children with Disabilities Program

By Legislator: James A. Nabywaniec

Whereas, The Program for Preschool Children with Disabilities provides a variety of related services to children aged three to five years with certain disabilities, such services to be provided in the least restrictive environment, be it home or agency based, and

Whereas, Pursuant to Chapter 243 of the Laws of 1989, Jefferson County maintains a list of appropriately certified or licensed professionals to deliver related services to preschool children with disabilities and has established the 2009-2010 reimbursement rates for such services.

Now, Therefore, Be It Resolved, That, Jefferson County enter into an agreement with the Central Association for the Blind and Visually Impaired to provide orientation and mobility services as a preschool related service provider, at established rates, for the period of February 3, 2010 through June 30, 2010, and be it further

Resolved, That the Chairman of the Board of Legislators and the Director of Community Services be and are hereby authorized to execute such agreement on behalf of Jefferson County.

Seconded by Legislator: James D. St.Croix

All members present voted aye.

Resolution No. 63

Accepting Donation on Behalf of Community Services Department

By Legislator: James A. Nabywaniec

Whereas, In 2009, Credo Community Center generously donated computer equipment valued at \$9,216 to the Community Services Department.

Now, Therefore, Be It Resolved, That Pursuant to County Law Section 215 (3), this Board of Legislators gratefully accepts said donation.

Seconded by Legislator: James D. St.Croix

All members present voted aye.

Resolution No. 64

**Amending the 2010 County Budget to Re-Appropriate Unexpended
Public Health Preparedness and Response H1N1 Funds**

By Legislator: James A. Nabywaniec

Whereas, Public Health has requested the unexpended revenue from the Preparedness and Response H1N1 dollars which would fall to fund balance for the end of 2009 be reappropriated in the 2010 Budget.

Now, Therefore, Be It Resolved, That the 2010 Budget is hereby amended as follows:

Increase:

01-4050-999.93452	State Aid PH, Other (Grants)	\$165,000
01-4050-4058.1110	Temporary	\$106,000
01-4050-4058.1300	Overtime	\$8,000
01-4050-4058.4111.003	Computer Equipment	\$6,000
01-4050-4058.4415	Advertising	\$36,000
01-4050-4058.8030	Social Security	\$9,000

Seconded by Legislator: James D. St.Croix

Roll Call Vote:

Ayes: Adsit, Burto, Zando, Gray, Thomas, Reed, Fitzpatrick, Ormsby, St.Croix, Drake, Docteur, Nabywaniec, Behling, Blankenbush

Absent: Zando, Ferris

Resolution passed.

Resolution No. 65

**Accepting Donation to the Public Health Service and
Amending the Budget in Relation Thereto**

By Legislator: James A. Nabywaniec

Whereas, Public Health has received a cash donation in memory of a patient served in the amount of \$100 for which the department plans to purchase nursing equipment, and

Whereas, It is necessary to amend the 2010 County Budget to recognize said revenue and appropriate the additional dollars, and

Whereas, The Public Health Service will gratefully acknowledge the donation and convey a thank you to the parties.

Now, Therefore, Be It Resolved, That Pursuant to County Law Section 215(3), this Board of Legislators accepts said donation, and be it further

Resolved, That the 2010 County Budget is amended as follows:

Increase:

01-4050-999.92705	Gifts and Donations	\$100
01-4050-4050.4509	Medical Expenses	\$100

Seconded by Legislator: James D. St.Croix

Roll Call Vote:

Ayes: Reed, Fitzpatrick, St.Croix, Adsit, Behling, Docteur, Thomas, Burto, Nabywaniec, Gray, Ormsby, Drake, Blankenbush

Absent: Ferris, Zando

Resolution passed.

Resolution No. 66

**Establishing Compensation for Temporary Professional Employees
Employed in Connection with the County Rabies Vaccination Program Clinic**

By Legislator: James A. Nabywaniec

Resolved, That the compensation to be paid during 2010-2011 to temporary professionals employed in connection with the County Rabies Vaccination Program Clinic shall be as follows.

Veterinarians	\$67.50 per hour
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Seconded by Legislator: James D. St.Croix

All members present voted aye.

All members present voted aye.

Resolution No. 67

**Accepting Donation on Behalf of County Home and
Amending the 2010 County Budget**

By Legislator: James A. Nabywaniec

Whereas, Helen Papayankos has generously donated \$2,500 to the County Home's residents' fund to be used for purchasing a large flat screen television, and

Whereas, The 2010 County Budget must be amended to recognize said donation.

Now, Therefore, Be It Resolved, That Pursuant to County Law Section 215 (3), this Board of Legislators gratefully accepts said donation and be it further

Resolved, That the 2010 County Budget is amended as follows:

Increase:

Revenue:

01-6030-999.92705	Donations	\$2,500
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Expenditure:

01-6030-6030.2250	Household Equipment	\$2,500
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Seconded by Legislator: James D. St.Croix

Roll Call Vote:

Ayes: Drake, St.Croix, Gray, Burto, Docteur, Behling, Nabywaniec, Fitzpatrick, Adsit, Ormsby, Thomas, Reed, Blankenbush

Absent: Ferris, Zando

Resolution passed.

Chairman Blankenbush entertained a motion to waive the Standing Rules to permit the introduction and consideration of an additional resolution. A motion was duly made by Legislator Ormsby seconded by Legislator Behling and unanimously carried by the Board.

Resolution No. 68

Authorizing the Participation of the County of Jefferson in the Public Service Commission Proceeding Regarding the Selection of the Route for the Upstate NY Power Corporation Transmission Line and Establishing a Preferred Route

By Legislator: Michael W. Behling

Whereas, Upstate NY Power Corp (“Upstate Power”) has proposed a 230kv transmission line as more particularly described in its application with the NYS Public Service Commission (“First Proposed Route”) in connection with its wind powered electric generation facility on Galloo Island, in the Town of Hounsfield, Jefferson County, (the “Project”); and

Whereas, By Resolution 295 of 2009, This Board supported an underwater route for the placement of the transmission line; and

Whereas, Upstate Power is presently actively investigating the feasibility of routing a 115kv transmission line to the Coffeen Street Substation, and “re-conductoring” the existing Coffeen Street Transmission Line (Coffeen Route), thereby reducing expense, intrusion, and obviating the need for the First Proposed Route; and

Whereas, In the event that such underwater route is deemed unfeasible by the Public Service Commission (“PSC”) it is advisable for the County to participate in the proceedings so as to advocate for the least objectionable alternative routing, namely the Coffeen Street Route; and,

Whereas, Upstate Power recognizes the County’s preference for the Coffeen Street Substation Route, and is actively and diligently pursuing the feasibility of that alternative to replace the First Proposed Route; and

Now, Therefore, be it Resolved, That the Chairman of the Board is hereby authorized and directed to select a representative to appear and advocate within the PSC Proceedings on behalf of the County of Jefferson; and it is further

Resolved, That the County Representative shall advocate for Coffeen Street Substation Route in the event an underwater routing is not feasible; and it is further

Resolved, That the County Attorney is hereby authorized and directed to retain a professional consultant to advise and assist the County Representative in all proceedings before the PSC; and it is further

Resolved, That the County Representative shall periodically report to the entire Board of Legislators on the status and progress of matters before the PSC regarding the Galloo Island Wind Energy Project transmission line route proceedings.

Seconded by Legislator: Barry M. Ormsby

All members present voted aye.

Chairman Blankenbush stated that tonight's vote on the pilot resolutions was very controversial and legislators took it very seriously and he appreciated the respect that was displayed on everyone's part. He said the Board has been taken to task by the media, especially the blogs recently concerning this issue and while everyone does not always agree, everyone's decision is respected. With that behind us now, he hoped the Board could move on to other issues.

There being no further business, on a motion by Legislator Reed seconded by Legislator Thomas and unanimously carried, the meeting was adjourned at 9:30 p.m.

Respectfully submitted,

Robert F. Hagemann, III
Clerk of the Board