

**Executive Summary
of the PARC Board of Directors Meeting
December 15, 2009**

Directors Present: Gil Duken and Steve Bouyea

Directors Present by Phone: Marion Bourdeau and Henry Fortin

Directors Excused: Jim King, Don Garrant and Kevin Carroll

Others Present: Bruce Steadman, Lee Mitchell, Kristyn Dantes, Randall Beach, Marie Winterkorn, Keith Herkalo

Call to Order: Chairman Duken called the meeting to order at 8:00 a.m.

Pledge of Allegiance:

Public Welcome and Invitation to Comment: Mr. Herkalo, Plattsburgh City Clerk, stated that he came before the Board representing the Battle of Plattsburgh Association. He said that the Battle of Plattsburgh Association, in accordance with the Memorandum of Understanding signed a little over two years ago, is obligated to report to the PARC Board its progress under that memorandum agreement. He was happy to report, he stated, that the Association is alive and well, and after two years of operation on their own, they have been able to achieve a 44% growth rate annualized over those two years. Mr. Herkalo said that the Association has provided PARC with their audited financial and year-to-date figures, and he thanked the PARC staff for helping the Association to achieve what they've been able to do. He concluded that they are looking forward to a good future. Chairman Duken congratulated Mr. Herkalo on the progress that the group has made.

Prior Minutes:

Chairman Duken asked for a motion to approve the minutes of the September 21, 2009 meeting. Motion to approve by Mr. Bouyea, seconded by Mr. Fortin. 4-0 in favor thereof.

Chairman's Report: Mr. Duken stated that once again PARC approaches the end of the calendar year with thanks for the many good things that have happened this year and with anticipation of many more good things to occur next year. On behalf of the Board of Directors and the management team of PARC, he wished all PARC's partners, customers, political representatives, and fellow North Country residents a very Merry Christmas, a wonderful holiday season, and a healthy and happy new year.

Mr. Duken stated that this may be PARC's last public board meeting in the large board room. PARC has prospective buyers interested in acquiring the building and the surrounding parcel of land, and the use of this room may not be available to us next year. In addition, as PARC

continues to wind down towards closure, he said, there is no need for such a large room. We expect that future public board meetings will be held in the smaller conference room upstairs. This room, he continued, has seen its share of excitement in PARC's past since we started using it in 1998: Close to 100 public board meetings; signing of our first Economic Development Conveyance (EDC) back in 2001; announcement of our first property sales in 2002; introduction of subdivisions, construction projects, demolition projects, contractual agreements, and the passing of hundreds of resolutions, all positively affecting the redevelopment of the base; unveiling of our "Flying High Again" book written by Marian Calabro in 2008; announcement of our first (and last) FOSET in July of this year; and the announcement of our intention to cease day-to-day full-time staff operations by July of next year. Quite a history, he noted. It's the place where we have announced many personnel changes over the years, he continued, as we sadly say goodbye to people who have graciously and unselfishly worked their way out of their jobs as we continue to wind down, reduce staff, and plan for closure.

Mr. Duken acknowledged the leaving of Rollie McGee saying that the latter has been a loyal, unselfish, and tireless worker on behalf of PARC since PARC began. Prior to that, he was a decorated U. S. Army veteran, and also worked for the U. S. Air Force. Mr. Duken stated that Mr. McGee has been responsible for the safe keeping and disposition of thousands of personal property items and vehicles left behind by the Air Force, and has had some role in just about every single meeting, tour, trip, visit, or briefing, ever held by PARC. He, on behalf of the PARC Board of Directors, thanked Mr. McGee for all his work over the years, and wished him the best for the future.

In summation, Mr. Duken stated that in 2010, PARC expects to complete more property sales, finalize the remaining closings of FOSET properties, satisfy any remaining financial obligations, and implement the beginning stages of its closure plan. It will be an exciting year, he said, with many important tasks for the last members of our team, and we are looking forward to the challenges that will come with it.

Chief Executive Officer: Mr. Steadman echoed Mr. Duken's comments regarding Mr. McGee. He said that it has been a true pleasure working with Mr. McGee, and thanked him for all he had given to PARC over the years.

Since there were no committee reports, Mr. Steadman requested department reports.

Engineering Department Report: Ms. Dantes again thanked the Air Force Real Property Agency, the NYS Department of Environmental Conservation, the US Environmental Protection Agency, and the Department of Health for all their assistance in completing the Finding Of Suitability for Early Transfer (FOSET). She said that it was a difficult and long process, but it is finally completed.

Ms. Dantes continued with the status of the projects listed below:

- PARC continues to market the remaining properties with the main emphasis on the 22 acres at New York Road and Route 9.

- The Engineering Department continues to support the closings and transfer of remaining properties with the legal descriptions, mapping and other documentation needed to finalize property transactions.
- The 1400 square foot building which was located at the south end of the 130 Arizona Avenue parking lot has been demolished. It was determined that the cost of renovating the building outweighed the cost to abate and demolish it, so the decision was made to raze the building.
- Building 614, the small single family home over on the old base next to the historical campus, has undergone a number of renovations. Over 100 missing and broken slate roof tiles have been replaced, the eaves and soffit have been sealed and repaired, the back porch was shored, repaired and painted, and four new screen doors and one new window were installed.
- The concrete steps at the southern entrance of 130 Arizona Avenue have been refurbished and sealed.
- PARC has completed an evaluation of the HVAC system of 130 Arizona Avenue. The system as it stands is in good condition and working efficiently.

Finance Department Report: Mrs. Mitchell reported that year-to-date rents through November 30th are 99.8% collected. Other highlights of her report included:

- The rent amounts collected in excess of PARC's budgeted figures were results of sales timing: Rents were collected on several properties for a bit longer than originally planned until those properties were recently sold. This recent activity is primarily triggered by the receipt of the FOSET deeds in July and the related easements that were recorded in October.
- The focus has turned toward closing on the various transactions pursuant to the terms in each purchase agreement, and there are four additional closings expected to occur this month or in early 2010.
- PARC is continuing to market the balance of the remaining available properties.
- The Empire State Development Corporation Phase 12 Grant is 62% complete as of the end of November with some additional projects currently underway. PARC received an approval of our request to extend the Grant beyond the calendar year and through March 31st, 2010 which will allow us the first quarter of next year to use the remaining the balance of the Phase 12 money for ongoing projects.
- There are no changes to report on the status of the Phase 13 Grant application at this time.
- PARC had no changes in existing personnel in November, but one full-time position was eliminated and two positions were reduced from full-time to part-time earlier this month (December) pursuant to the current PARC staffing plan.

Legal Report: None

Chief Executive Officer: Mr. Steadman wished everyone a Merry Christmas, Happy New Year and wonderful holiday season. In closing, he asked that we give special thoughts and prayers to Mr. Garrant and Mr. King for full and fast recoveries.

Old Business: None

New Business: None

Public Comment: None

Mr. Duken asked for adjournment to retire to Executive Session. Motion by Mr. Bouyea, seconded by Mrs. Bourdeau. 4-0 in favor thereof.

Call to Order: On a motion by Mr. Fortin, seconded by Mr. Carroll, Mr. Duken reconvened the public meeting. 5-0 in favor thereof. (Mr. Carroll present for Executive Session)

Mr. Fortin moved to adopt a resolution on the topic of UBS Modification, seconded by Mr. Bouyea. 5-0 in favor thereof.

Mr. Fortin moved to adopt a resolution on the topic of Wells Fargo, seconded by Mr. Bouyea. 5-0 in favor thereof.

Mr. Bouyea moved to adopt a resolution on the topic of Clinton County, seconded by Mrs. Bourdeau. 5-0 in favor thereof.

Mr. Bouyea moved to adopt a resolution on the topic of the American Humane Society, seconded by Mrs. Bourdeau. 5-0 in favor thereof.

Mr. Bouyea moved to adopt a resolution on the topic of Jandolenki/D'Aust, seconded by Mr. Carroll. 5-0 in favor thereof.

Mr. Fortin moved to adopt a resolution on the topic of EDC2, seconded by Mr. Bouyea. 5-0 in favor thereof.

Mr. Carroll moved to adjourn the public session, seconded by Mrs. Bourdeau. 5-0 in favor thereof.