The minutes of the regular meeting of the Board of Trustees of the Green Island Power Authority held on Monday, August 15, 2022 at 6:08 p.m. at the Green Island Municipal Center, 19 George Street, Green Island.

Chairperson Ellen M. McNulty-Ryan called the meeting to order.

Roll Call: Chairperson McNulty-Ryan, Vice Chairperson Perfetti, Trustee DeMento, Trustee Bourgeois, Trustee Cocca, Attorney Legnard, Kristin M. Swinton, GIPA CEO and Madeline Paterniani, GIPA CFO.

Also, in attendance: GIPA Special Counsel – Attorney M. Cornelia Cahill.

All present.

No one to speak for Public Forum.

Chairperson McNulty-Ryan stated that the next item is consideration of the minutes of the regular meeting held on July 18, 2022.

On a motion by Vice Chairperson Perfetti seconded by Trustee DeMento and carried, to approve the minutes of the regular meeting held on July 18, 2022. All ayes.

No communications.

Chairperson McNulty-Ryan stated that the next item is consideration of the Approval of Claims for the month.

On a motion by Trustee Bourgeois seconded by Trustee Cocca and carried, to approve the claims as submitted in the amount of $33,146.13 and to grant authorization for the payment of any routine invoices that are received for the month. All ayes.

Chairperson McNulty-Ryan stated that the next item is consideration of the monthly reports by the Treasurer/Chief Financial Officer.

On a motion by Trustee DeMento seconded by Vice Chairperson Perfetti and carried, to accept the monthly reports by the Treasurer/Chief Financial Officer. All ayes.

On a motion by Trustee Cocca seconded by Trustee Bourgeois and carried, to accept the monthly adjustments to the August 2022 billing as submitted. All ayes.

Chairperson McNulty-Ryan stated that the next item is consideration of awarding bid for 2022 Pole Replacement Project. One bid was received from H. Richardson & Sons, LLC in the amount of $36,000.00.

On a motion by Trustee Bourgeois seconded by Trustee Cocca and carried, to award the bid for the 2022 Pole Replacement Project to H. Richardson & Sons, LLC of Ogdenburg, NY in the amount of $36,000.00. All ayes.

Chairperson McNulty-Ryan stated that the next item is consideration of Bond Resolution.

Chairperson McNulty-Ryan noted that we have GIPA Special Counsel – Attorney Connie Cahill here to provide an explanation to the board.

Attorney Cahill proceeded to state that the Authority has three (3) outstanding series of bonds that were issued in 2000, 2004 and 2008 and in connection with the sale of the hydro facility which is the next resolution up. The recommendation from the Finance Committee is that the Authority should refund its share of the outstanding bonds. Part of the proceeds from the hydroelectric facility sale will go towards paying off outstanding bonds. The Authority will then issue its bonds and use that to pay off all of the outstanding bonds. The Authority is working with Robert W. Baird as a placement agent, who has been running the numbers to see what portion of the bond must be paid for by the purchaser of the hydroelectric facility vs. GIPA. The portion to be purchased by GIPA is approximately $2 million that amount will go up and down depending upon the date of the closing. We are shooting for a closing as soon as possible in the fall, hopefully somewhere between September 15th and October 15th.

Attorney Cahill stated that what this resolution does is it authorizes the issuance of a request for proposals to go out to local banks and other purchasers who may interested in purchasing the bonds. It authorizes the issuance of the bonds on the terms set forth in an indenture, which is very similar to the indenture that you currently have but we have updated it for some more modern terms. You are also authorizing the sale of the bonds and delegating to the Chair to determine some of the final terms that will be included in the indenture. The proceeds of the bonds are strictly to refund the outstanding bonds, GIPA’s share of them and to pay cost of issuance. Then, you are going to secure those bonds by pledging revenues under the indenture and also giving a mortgage on the distribution facility that GIPA will own even after the sale of the hydro facility. It is a fairly, it is what we call a vanilla transaction in that you are talking about fixed rate obligations and the expectations and the final details of exactly what that interest rate will be or what the redemption provisions will be, will be determined after negotiations with whatever bank is submitting the proposal that is most advantageous to GIPA. She knows that it has been a long time since the Authority has issued bonds, so she is happy to answer any questions that anyone may have.

Chairperson McNulty-Ryan asked if anyone had any questions.

No questions.

Chairperson McNulty-Ryan asked for a motion to adopt the Bond Resolution.

On a motion by Trustee DeMento seconded by Trustee Cocca and carried, to adopt a Resolution authorizing the Issuance and Sale by the Green Island Power Authority of its Power System Revenue Bonds, Series 2022 (FEDERALLY TAXABLE) in the Aggregate Principal Amount not to exceed $2,135,000 and the execution of related documents. All ayes.

Chairperson McNulty-Ryan stated that the next item for consideration is a Resolution approving the Sale of the Hydro Plant and asked Attorney Cahill to provide an explanation.

Attorney Cahill stated that both the NYS law and the Public Authorities Law and GIPA have requirements on how you dispose of property. You have already complied with those requirements. You have gone out and you sent out a Request for Proposals to people and entities that you thought would be interested in purchasing the hydroelectric facility and the second part is you went out and had an appraisal done of the facility. So, you received two (2) proposals to purchase the facility. You have reviewed them in great detail with lots of negotiation. Finances, the purchase price is a factor but there are other factors important to GIPA and that is knowledge of the hydro facility, you still want to make sure that the hydro facility which is part of the Village, is run properly. There is also contamination issues with the property surrounding it and one of the responders was very familiar with it and also, one of the responders was a co-licensee for FERC. So, one of the things you want to do when you sell the facility, is to make sure you get off the license. So, for that reason, her understanding is that you are ready to approve the sale to Albany Engineering and it was the bid that was most advantageous to GIPA. This resolution walks thru that you followed the procedures of both the NYS law as well as your own disposition policy and that you sent out the RFP, that you got the appraisal, that the price that was offered by AEC was in excess of the appraised value of the property. For that reason, you have now complied with the Public Authorities Law and there are provisions in that law that requires notice to the Authorities Budget Office and you do not have to do anything like that because you have complied with all of their requirements. This resolution determines that the AEC proposal was the most advantageous price and other factors considered in line with your disposition policy and authorizes the sale of the facility pursuant to an Asset Purchase Agreement and you delegate to the Chair again, the power to determine the final details. So, the Asset Purchase Agreement required a payment of cash to be used to pay off some of your outstanding bonds. A forgiveness of certain monies that would otherwise be due to AEC if you were to sell to another party and the indemnification of AEC if something was to happen and GIPA is sued in the process. A requirement that AEC at its cost go and have GIPA removed as co-licensee under the FERC license and it authorizes Kristin and Madeline and anyone else to do what is necessary to complete this sale. The idea would be that the sale, the issuance of the bonds would all happen on the same day so that all the money can into an escrow at the same time.

Chairperson McNulty-Ryan asked if anyone had any questions.

Trustee Bourgeois asked how did we determine that AEC was the best out of the proposals that we got.

Chairperson McNulty-Ryan stated that one of the biggest factors is that we had a contract with AEC to run the place and Kristin and Madeline can explain this too. There were certain things were they put a lot of money into this and we were to sell it to someone else, we would have to pay them 150% of what they invested in it. So, that was a huge factor and the other thing is that we are co-licensee, so it will be much easier to transfer the license to just Jim and he would have to agree in the transfer and transfer his co-license to someone else too and that could be very difficult. She is not sure if there is any other major thing to add.

Attorney Cahill stated that when you add the purchase price that they were going to pay off the bonds plus that 150% plus there were a few other terms that they offered, it made that more advantageous for GIPA.

Chairperson McNulty-Ryan stated that it was a situation where even if somebody offered us more money, it would cost us more to do it that way.

Madeline stated that to break that lease, it was going to cost us a lot of money.

Trustee Cocca stated that they have been their all this time, isn’t that advantageous to us, they have done all the engineering there for the past years. They know everything about it all these years.

Chairperson McNulty-Ryan stated that they have been with us since we got the plant originally, 20 years ago and we want to keep it going.

No further questions.

Chairperson McNulty-Ryan asked for a motion to consider adopting a resolution to approve the sale of the hydroelectric facility.

On a motion Trustee Bourgeois seconded by Trustee Cocca and carried, to adopt a resolution of the Green Island Power Authority approving the sale of the Authority’s Hydroelectric Facility subject to the conditions set forth in Resolution #2-8-15-2022. All ayes.

Chairperson McNulty-Ryan stated that the next item is consideration of the monthly recap for GIPA and DPW for the period of July 15th, 2022 to August 10th, 2022. Everyone has a copy and asked if anyone wanted to make any comments on anything or have any input.

On a motion by Vice Chairperson Perfetti seconded by Trustee DeMento and carried, to accept the monthly recap for GIPA/DPW for the time period of July 15th to August 10th, 2022 as submitted. All ayes.

No further business.

On a motion by Trustee Cocca seconded by Trustee DeMento and carried, to adjourn the meeting at 6:18 p.m. All ayes.