

CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Minutes of Meeting
January 29, 2010

A meeting of the Chemung County Industrial Development Agency was held on Friday, January 29, 2010, at 8:30 a.m. in 5th floor conference room of the Hazlett Building, 203 Lake Street, Elmira, New York. The following members were present: Cornelius Milliken, Donald Quick, Thomas J. Santulli, and John Burin.

Also present were George Miner, President of STEG; Jamie Johnson, Vice President of STEG; Thomas F. O'Mara, Esq., Agency Counsel; labor representatives; media; and Sharon Chrisjohn, recording secretary.

Chairman Milliken called the meeting to order and advised the order of the agenda was being changed.

Mr. Quick reviewed the financial report for the period ending December 31, 2009. They are preparing for the audit.

On Motion No. 2010-1 by Mr. Santulli, seconded by Mr. Burin and unanimously carried, the financial report was approved as presented.

On Motion No. 2010-2 by Mr. Santulli, seconded by Mr. Quick and unanimously carried, the minutes of December 10, 2009 were approved as presented.

The first resolution is for the renovation of the Elmira Holiday Inn.

On motion by Mr. Santulli and seconded by Mr. Quick, the attached Resolution No. 2010-3 "RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR PLAINVIEW ASSOCIATES – ELMIRA, L.L.C. (THE "COMPANY")" was unanimously carried.

Mr. Miner explained that Schlumberger approached the IDA for assistance on a \$50,000,000 project and an arrangement for deviation of the administrative fee was proposed that Schlumberger would pay each year based on the capital projects completed each year. They will provide a certified audited affidavit of what was actually built.

On motion by Mr. Quick and seconded by Mr. Santulli, the attached Resolution No.2010-4 "RESOLUTION AUTHORIZING AN ADMINISTRATIVE FEE ARRANGEMENT IN CONNECTION WITH THE SCHLUMBERGER TECHNOLOGY CORPORATION PROJECT AND THE EXECUTION OF AN AGREEMENT IN CONNECTION THEREWITH" was unanimously carried.

Mr. Santulli stated it's important that we pay attention to this. Schlumberger is rated very high in the Fortune corporate environmental ratings. The Governor has proposed a 3% tax before they can even start drilling here in New York. Mr. Santulli was recently in Washington where he spoke with governmental leaders from Louisiana, Texas and other areas that already have drilling regarding potential concerns and the economic boom they have experienced from drilling.

Attorney O'Mara advised that St. Joseph's Hospital is seeking to extend their forbearance agreement with their bondholders.

On Motion No. 2010-5 by Mr. Santulli, seconded by Mr. Burin and carried, it was

MOVED, that the Chemung County Industrial Development Agency hereby authorizes an extension of the forbearance agreement to St. Joseph's Hospital and the execution of the extension agreement.

Mr. Quick abstained from voting.

Mr. Miner reported that Shadowstand is 2 years behind on the PILOT payment to the Horseheads Central School District. The County and Town taxes are current. We need to take some action to start collecting on the PILOT.

On Motion No. 2010-6 by Mr. Santulli, seconded by Mr. Burin and unanimously carried, it was

MOVED that the Chemung County Industrial Development Agency take appropriate action to terminate the PILOT agreement with Shadowstand Properties based on non-payment and to collect arrears in the PILOT payments.

There was no public comment.

Mr. Miner advised he had an updated list of contractors on the CVS project. He and Mr. Johnson met with CVS; all infrastructure is completed and everything is hooked up. The project is coming in on or below budget and the project is going well. Mr. Johnson added that CVS will take ownership in about June. Mr. Miner also advised that Schlumberger has met with their engineer and will start groundbreaking in March.

There being no further business, on motion by Mr. Burin, seconded by Mr. Santulli and unanimously carried, the meeting adjourned.