

City of Troy Industrial Development Authority

January 25th, 2008 Regular Meeting

8:30 AM

Meeting Minutes

Present: James Walsh, David Stackrow, Hilary McGrath, Mark Wojcik, Jim Sullivan,
Andrew Ross

Absent: Paul Carroll, Rev. Cornelius Clark

New Business

- I. Approval of the minutes from the January 11th, 2008 Board meeting.

Jim Sullivan made the motion to approve
Hilary McGrath seconded the motion

- II. Review of Proposed PILOT Agreement between the Troy IDA and Hoosick Hospitality, LLC.

Joe Nicolla, President of First Columbia, LLC discussed the revised
Hotel PILOT.

The Board went into Executive Session

- III. Resolution #1 approving a PILOT Agreement between the Troy IDA
and Hoosick Hospitality, LLC.

Jim Sullivan made the motion to approve.
Hilary McGrath seconded the motion.

- IV. December 2007 Financial Report

Dave Mitchell spoke to the board explaining the disbursement for legal
issues and the confusion that board members had raised regarding the
payment and the process for payments for the closed final RPI bond
issue. David reminded the Board that at the September 6th, 2007

meeting, they approved the resolution authorizing him to perform these additional services and to bill RPI for those services. The Board also authorized him to hire bond counsel to assist with the issuance and to bill RPI for those services also. Andy Ross stated that he remembered that and agreed with David that the board authorized this. David stated that as a result of his efforts, the IDA has received \$1,050,000.00 in fees for this issuance, \$700,000 in administrative fees and a \$350,000 scholarship fund for graduates from a high school located in the City of Troy. All attorney fees were paid by RPI and there was no expense to the Troy IDA.

Jim Sullivan noted as a board member that he did not recall the resolution authorizing the legal services for the RPI bond issuance, although he was the member that seconded the motion for that resolution.

Dave Mitchell stated that he preferred the invoices for his services went through the IDA rather than RPI paying him directly, as it was a more open and transparent process of accounting. Historically, attorneys billed RPI and were paid directly by RPI, without the IDA being aware of what was being paid.

Hilary McGrath noted that as long as the explanation is that the incurred expenses were paid for by RPI and that the work performed was out of the realm of normal duties for IDA counsel, while she was absent from the September 6th meeting, she was fine with the approval.

Mark Wojcik asked Attorney David Mitchell to explain his duties and those of bond counsel, and he did.

Dave Mitchell explained, that he was issuing counsel, which included reviewing all documents for the Chairman's final approval and signature. This included a significant amount of work, which required him to take time off (personal days), nights and weekends to complete. He explained that bond counsel directed negotiations with the brokerage houses and RPI to finalize the actual terms of the trust indenture which would be publicly offered. There were many conference calls with all parties, as well as significant document review, and the issuing of opinion letters that dictate reliance on those documents.

Hilary McGrath asked Dave if there were accountable hours, time cards and documentation of spent time on this project by all counsel.

Dave Mitchell noted that all attorneys charged a flat fixed rate fee retainer agreement and not an hourly fee.

Sondra Little noted that as a matter of due process, any items presented at a meeting for inclusion on the agenda should require a vote to amend the agenda to add the item.

Dave Mitchell gave a summary of funds received by the IDA and noted that he was the one who negotiated up the administrative fee to be paid to the IDA. Initially, RPI only wanted to pay 25 basis points, or \$350,000.00 and David negotiated the fee up to 50 basis points, or \$700,000.00 as well as convincing RPI to create the \$350,000.00 scholarship fund. Again, Andy Ross stated he remembered all this and thanked David for his work and his efforts in making this happen for the IDA and everyone agreed.

Jim Walsh requested a motion be made to amended the present agenda to include Resolution #2 authorizing the payment of the two invoices- attached hereto-for additional legal services provided by David Mitchell, Esq. and Edward Kelly, Esq. (Bond, Schoeneck & King, PLLC)

Mark Wojcik made the motion to approve Resolution #2.
Dave Stackrow seconded the motion.
The resolution passed unanimously

Hilary McGrath made the motion to approve the December 2007 Financial Report.
Dave Stackrow seconded the motion.
The resolution passed unanimously

Adjournment