

MINUTES OF THE MEETING OF THE TOWN BOARD OF THE TOWN OF FORT EDWARD HELD ON MONDAY, MARCH 14, 2022 AT TOWN HALL COMMENCING AT 7:00 P.M.

Supervisor Fisher called the meeting to order at 7:00pm

Pledge of Allegiance

PRESENT: Supervisor Fisher
Councilman Middleton
Councilwoman Mullen
Councilman Suprenant

ABSENT: Councilwoman Collier

OTHERS PRESENT: Brian Brockway, Elizabeth O’Leary, Roseanne Lemery, Richard Belden, Max McDonnell, Laura Pagliarulo, Jeff Gorman, Morgan Clark, Katie DeGroot and Town Clerk Aimee Mahoney

APPROVAL OF MINUTES: MOTION by Councilman Middleton, Seconded by Councilman Suprenant to approve the minutes of the meeting of February 14, 2022 **ALL AYES**

APPROVAL OF REPORTS: MOTION by Councilman Suprenant, Seconded by Councilwoman Mullen to approve the monthly reports of the Town Clerk, Town Justice, Building Inspector, Highway, Dog Control Officer and Assessor as submitted **ALL AYES**

Councilman Suprenant: I just want to say that the Dog Control Officer’s report is very thorough and I feel she is doing a good job handling the complaints.

APPROVAL OF BILLS: MOTION by Councilman Middleton, Seconded by Councilwoman Mullen to approve Abstract #3 in the amount of \$45,098.54 **ALL AYES**

ABSTRACT #3

GENERAL A: 10593-10597,10602-10627	\$12,656.02
HIGHWAY: 10628-10636	\$10,342.37
MUNICIPAL: 10637-10639	\$ 3,179.49
SPECIAL LIGHTING: 10598-10599,10640-10642	\$ 5,216.75
SPECIAL WATER: 10600-10601,10643-10646	\$ 1,519.30
SPECIAL WATER 2: 10647-10649	\$10,184.61
CDH 3097.000: COVID REC. FUND: 1	\$ 2,000.00

TOTAL: \$45,098.54

RESOLUTIONS:

RESOLUTION NUMBER 16 OF 2022

MOTION BY COUNCILMAN SUPRENANT

SECONDED BY COUNCILWOMAN MULLEN

WHEREAS, Board of Assessment review member Ann Hayes no longer resides in Fort Edward and resigned from the Board of Assessment Review.

NOW THEREFORE BE IT RESOLVED, the Fort Edward Town Board does hereby appoint Susan Malvuccio as a member of the Town of Fort Edward Board of Assessment Review to fill the unexpired term of Ann Hayes term ending September 30, 2026.

Dated: March 14, 2022

Vote: Councilman Suprenant – AYE
Councilman Middleton – AYE
Councilwoman Mullen – AYE
Councilwoman Collier – ABSENT
Supervisor Fisher - AYE

RESOLUTION NUMBER 17 OF 2022

MOTION BY COUNCILMAN MIDDLETON

SECONDED BY COUNCILWOMAN MULLEN

WHEREAS, the Town of Fort Edward currently has a vacancy on the Board of Assessment Review, and

WHEREAS, Village resident David Cutler submitted a letter of intent to serve on the Board of Assessment Review.

NOW THEREFORE BE IT RESOLVED, the Fort Edward Town Board does hereby appoint David Cutler as a member of the Town of Fort Edward Board of Assessment Review term ending September 30, 2024.

Dated: March 14, 2022

Vote: Councilman Suprenant – AYE
Councilman Middleton – AYE
Councilwoman Mullen – AYE
Councilwoman Collier – ABSENT
Supervisor Fisher – AYE

BUSINESS:

Max McDonnell Senior Center of Kingsbury & Fort Edward

Max McDonnell: We are in the process of getting a new 11 passenger bus (read grant resolution) the application should be completed by the end of the week and the new bus will be here at the end of December or the beginning of January. I would like to thank the Town for everything they do for the Senior Center as well as Pam Landi, Laura Oswald and Dana Hogan.

Supervisor Fisher: The grant is an 80/20 split between 4 municipalities; Town of Fort Edward, Village of Fort Edward, Town of Kingsbury and the Village of Hudson Falls.

SolaREIT1, LLC Laura Pagliarulo & Jeff Gorman Lease Purchase Proposal Solar Project – Leavy Hollow

Laura Pagliarulo: We work with AC Power and a lot of solar developers across the country. We launched this business about 2 years ago and the explicit purpose of the business is to either buy the land underneath solar projects or buy the lease. There is a lease in place between AC Power and the Town of Fort Edward and we would take the cash flow of the lease, the present value of the future cash flows and we give it a discount rate. All of the responsibilities of the landfill will still fall under the Town of Fort Edward but essentially you would get a one lump sum payment rather than the annual annuity payments under the lease. We are structured as a Real Estate Investment Trust so we adhere to all the rules of a REIT and we have \$100 million debt facility with a group called Nuveen which is owned by TIAA-CREF so any pricing we provide is very low cost of capital because it leverages teacher's pensions fund dollars. When we buy green field land we work with farmers to add agriculture under and around the solar facility. We also work with the asset owners to make sure we are having plantings consistent with all groundwater improvements. We often times encourage things such as pollinator facilities, bees, things like that; we are very much climate focused. For solar developers what we are doing is pretty novel, pre paying the lease has been used widely in the oil and gas industry, cell towers and billboards but it hasn't been used in renewables. Anytime a Town or a landowner or even a business wanted something other than a traditional lease annuity payment the industry doesn't have a lot in terms of offering so the concept of pre paying the lease is a new concept. We are seeing more of this in the market and solar is growing and we partner with developers. We have about \$60 million dollars of land/lease purchases that we are working on across the country, we have closed about \$15 million of those and we are just getting started. TIA-CREF and Nuveen spent a year underwriting our business, looking at what we do and they add a lot of legitimacy to our project as well as low cost of capital. We pay an immediate lump sum that includes the base terms of the lease plus the extensions and I say that because if for some reason the lease is not extended that's risk that SolaREIT incurs. When we prepay the lease we put an easement over the project area which means that the revenue stream always comes to us not to Fort Edward anymore. If something happens to the project in year 10, year 15, there is no claw back to the

Town. When we prepay that lump sum it is based on the future cash flows irrespective of project interruptions or revenue interruptions in the future. Because we are working with AC Power our diligence or feasibility process is fairly light; AC Power has the surveys, any title work that's been done and while we don't take title we want to make sure that the title is clean before we enter into a lease or land purchase. It appears that the total leased area is a little over 18 acres and when we originally priced this we came in a little less than \$900,000.00 and someone on our initial meeting desired to get up to 1 million so we went back and adjusted some of the aspects of our model and talked to AC Power about whether or not they had existing title or will we have to run a whole title search which can be costly if you have to go back to the 1800's and the final figure we are able to offer is \$949,500.00. The start of construction is going to be at the end of June, 2022 and we can step in when construction begins.

Councilman Suprenant: This is a lump sum payment to the Town and I think we have to get some ruling from the State Comptroller's Office to see what we can do with this money.

Laura Pagliarulo: You can use it for whatever you want; essentially the real work that you guys did was approving the project and approving the lease and in our experience it's however you want to allocate the funds. Someone had mentioned the swimming pool and this only works when you have an idea of what you want to spend the money on. I tell landowners that if you are just going to take a lump sum and do nothing with it then it doesn't really make sense given inflation so you really should have an idea of how you want to spend the money.

Councilwoman Mullen: I am seeing on here where it says rent term is 25 years but the closing says 35th anniversary.

Laura Pagliarulo: Correct, we bank on the extensions of the lease.

Jeff Gorman: There is no guarantee that those 10 years of revenue will come in because it's up to whoever owns the project 25 years from now, it will be at their discretion whether or not to keep the system up and running so that revenue can be revenue that you would collect in 25 years from today it's not guaranteed so that risk is shifted to us.

Laura Pagliarulo: The only closing costs that you would incur are if you had Counsel.

Katie DeGroot: It sounds awfully good which makes me wonder.

Laura Pagliarulo: We get that a lot, our business is established to collect annuity payments over a long period of time. That's why when I mentioned the teacher's pension fund that they love this because it is a steady stream of income over a long period of time.

Katie DeGroot: What happens if the solar company goes belly up?

Laura Pagliarulo: That is not unheard of but our assumption is because you have a really viable asset, when someone buys that project they are spending millions of dollars that it will be acquired by someone else. So while our rent might be disrupted for a certain amount of time, our assessment is that it will only be for a few months not an indefinite period.

Katie DeGroot: What about the fact that over 35 years solar technology is going to change so radically, are you assuming that the project that is out there now will not change and that the structure will stay the same for 25 or 35 years?

Laura Pagliarulo: Because we are not buying the project all we are concerned about is the lease rate. Or assumption is that the lease is going to be consistent with whatever the asset owner decides to do. If they have to replace inverters in year 7 or damage occurs that is not our responsibility. We like to come in when the risk is gone seeing as this is more of a real estate transaction.

Katie DeGroot: My only comment to the Board is you should see if the Village has a piece of property and it may help with the school situation.

Laura Pagliarulo: This is a great way to bring initial revenue into the Town. You have already done the hard part approving the solar project so deciding what to do with the money should be the easy part.

Supervisor Fisher: We will take a look at it and have our Attorney look at it.

Laura Pagliarulo: Can you give us a sense of timeline of when you might make a decision?

Supervisor Suprenant: Probably our April meeting which gives us a month.

PUBLIC COMMENT:

Morgan Clark: Where are we at with the pool?

Supervisor Fisher: We hired CT Male to do a report on what needs to be done to fully fix the pool. We do not have their feedback yet. We would like to do what needs to be done this year to at least get the pool open. We will have to get someone to run the pool as well as lifeguards. We also need to find someone to do the repairs and the pool companies are very backed up. Once we get the report from CT Male we will have to go out to bid for the project.

Councilman Suprenant: Do we know where it's leaking from?

Brian Brockway: You can't tell there are so many cracks in the seams and we don't know if the piping is leaking also. We filled it last year and overnight it lost 14".

Councilman Suprenant: Could the sewer district run a camera through the piping?

Brian Brockway: I don't think so because they are only 1" pipes. The bottom skimmer is 6" but the pipes all around the outside perimeter are only 1" or 1 1/2".

Councilman Suprenant: Can we fill it up and when it's running can't they use a device to determine where it's leaking?

Brian Brockway: I don't know about that I have only had to paint and patch it. We will go over and do what we can do as long as the Village doesn't cut us off on the water. I don't think we should take the liability of having the Fire Dept. fill it like we have in the past because nobody will give you a clean report that there are no PCB's left in the river so it should have to come off the Village's water system.

Katie DeGroot:

- Carrie Woerner is going to come to the April meeting and I was wondering if there was any way of having an informal meeting to talk about what types of things you would like to ask her or talk about. I will see if other residents would like to come as well and maybe we can make an informal agenda of stuff we would like to talk to her about that everyone would be okay with. I just need to know when it's convenient to meet with you since I am flexible.
- Kristine Geer, myself and my family have a request for the highway dept. about the sweeping of our road. I have an official letter which I will submit but we are just hoping we can work out some understanding about the scheduling so that we know they are coming to sweep the road because it just makes a gigantic mess because there are only 4 cars on DeGroot Road. Understandably, every time it snows they do a great job at plowing and putting down sand and gravel but since no one drives on it to get it out of the way it's just messy when the sweeper goes by. The Town of Fort Edward does not have a water truck is and Kristine and I would be willing to go out and spray down the road before it's swept because it makes such a huge difference if you go by after it's rained or when the road is a little damp. We would like to have that be considered and I don't think asking for a heads up when the sweeper is coming by is too much. I will submit a formal letter requesting that.

Councilman Suprenant: It's going to be in the minutes I don't think you need to send a letter, we are aware of it and Brian is here.

Brian Brockway: We will try and pick a day after it rains. I'm not going to call everyone on every street if it's damp out we will sweep it.

Brian Brockway: Terry asked me about sand and the cost to pick it up is \$7.35/ton, if we have it delivered its \$13.35/ton, about 38 ton per load.

Councilman Middleton: Because of the high prices of fuel I asked Brian about the mileage to pick it up which is around 100 miles round trip.

Councilman Suprenant: How many ton does your truck hold?

Brian Brockway: 14-16

Councilman Suprenant: His takes away 3 of our trucks?

Brian Brockway: It's about 2 to 1. He will come in with a tractor trailer.

Councilman Middleton: I was just thinking about the high cost of fuel and the wear and tear on the vehicles.

Supervisor Fisher: I think it's worth a try to have it delivered.

Brian Brockway: I got an e-mail from Peckham today and blacktop is going up \$10-\$15/ton. I suggest that since we haven't graveled our dirt roads in years, maybe this year we blacktop the bare minimum and then gravel the dirt roads.

Councilman Suprenant: They are pushing the State to increase the CHIPS money because of that.

Brian Brockway: I think they are going to raise CHIPS as well as do a new pothole program but in the meetings they asked why they were coming up with all these new programs instead of just raising CHIPS. Last year they did a 1 year plan so we can't go out and get estimates on our roads if we don't know what we are getting.

Councilman Suprenant: There is an issue for Carrie Woerner when she is here next month.

Brian Brockway: She is with us on this, same with the bridge and the culvert money. She wants that increased along with a lot of the other politicians because our bridges are terrible and they want to get our infrastructure back in shape. There is talk of more money for water lines but I think that is just going to be for replacement of water lines not new districts.

Councilman Suprenant: The thing with CDBG Grant funding is that they don't come around to see your tax return you can tell them whatever you want for your income and they aren't going to verify it and if you don't answer your income survey they assume that you are above the level to qualify.

ADJOURNMENT:

MOTION by Councilman Suprenant, Seconded by Councilman Middleton to adjourn the meeting at 8:00pm **ALL AYES**

Dated: March 17, 2022

Aimee Mahoney, Town Clerk

