

CORTLAND ENLARGED CITY SCHOOL DISTRICT
Board of Education Meeting – Tuesday, January 8, 2013 at 7:00 p.m.
Kaufman Center, 1 Valley View Drive, Cortland NY

Budget Committee Workshop – 6:00 p.m.
Board of Education Meeting – 7:00 p.m.

- 1. CALL TO ORDER and PLEDGE OF ALLEGIANCE**
- 2. COMMUNICATIONS and RECOGNITION:**
 - a. Kudos Korner:
 - 1) 2012 World Food Prize Global Youth Institute Participant - Nisarga Paul, 10th Grade CJSHS
 - 2) 2013 GRAMMY Foundation Signature Schools Semifinalists – CJSHS Music Department:
 - (a) Mr. Rick Eleck
 - (b) Ms. Kimberly Sanderson
 - (c) Mr. Paul Feissner
 - (d) Ms. Sharon Phetteplace
 - (e) Mr. Ben Wells
 - (f) Ms. Jennifer Rafferty
 - b. Audience Participation – on items related to the Agenda (speakers are asked to limit their comments to two minutes).
 - c. Board Member Reports
 - 1) BOE Work Session – December 13, 2012
 - 2) BOE Policy Committee – December 6, 2012
 - 3) BOE Facilities Committee – December 6, 2012
 - 4) 2nd Annual CNYSBA Issue Advocacy Conference & Workshop, January 26, 2013, 9 - 11:30 a.m., Liverpool HS
 - 5) CMSBA/TSTBA/COSBA Annual Legislative Breakfast, February 2, 8-11:00 a.m. Trumansburg Elementary School
- 3. PRESENTATIONS:**
 - a. Operation Recognition Diploma
 - b. School Lunch Program – Francis Zaryski, Cafeteria Manager
- 4. CONSENT ITEMS:**
 - a. Minutes of December 11, 2012 Regular Meeting
 - b. Minutes of December 13, 2012 Special Meeting
 - c. CSE/CPSE Recommendations
- 5. OLD BUSINESS: None**
- 6. NEW BUSINESS:**
 - a. Acknowledge Receipt of Pilot Agreement between Cortland Enlarged City School District and Sky Hospitality LLP
 - b. Approval of Agreement between Cortland Enlarged City School District and Lend Lease (US) Construction Inc. to Proceed with Extension of Services
 - c. Approval of Outside Use Rates for District Vehicles and Drivers for 2012-13
 - d. 1st Reading Erie I BOCES Policy Revisions to Section 1000 By-Laws – Policy 1630
 - e. 2nd Reading Erie I BOCES Policy Revisions to Section 1000 By-Laws
 - f. 2nd Reading Erie I BOCES Policy Revisions to Section 2000 Internal Operations
 - g. IRS Mileage Rate Change
 - h. Approval of Executive Summary Five-Year Capital Facilities Plan Revised December 2012
 - i. Approval of Cortland County Community Services Board Contract for the 2012-13 School Year
 - j. Final Approval Extended Field Trip – JSWS Wrestling Tournament – January 18-19, 2013 to Lansingburgh High School, Troy, NY
- 7. PERSONNEL ACTION:**
 - a. Approval of Personnel Resignations and Leaves
 - b. Approval of Non-Instructional Personnel Appointments
 - c. Approval of Instructional Personnel Appointments

- 8. LEADERSHIP REPORTS:**
 - a. Director of Business Operations
 - b. Assistant Superintendent for Pupil and Personnel Service
 - 1) Professional Development Afternoon – January 8, 2013
 - c. Superintendent
 - 1) Capital Project Change Order Summary
 - 2) The Walden Oaks Country Club – 2013 Golf Team Agreement
- 9. AUDIENCE PARTICIPATION: (Individuals are requested to keep their comments to two-minutes per speaker).**
- 10. NEXT MEETING AGENDA REVIEW**
- 11. EXECUTIVE SESSION**
- 12. ADJOURNMENT**

CORTLAND ENLARGED CITY SCHOOL DISTRICT
Board of Education Meeting – Tuesday, December 11, 2012 at 7:00 p.m.
Kaufman Center, 1 Valley View Drive, Cortland NY

A Regular Meeting of the Board of Education was held on Tuesday, December 11, 2012 at the Kaufman Center, 1 Valley View Drive, Cortland, New York.

Present: Mr. Donald Colongeli, Ms. Melissa Davis-Howard, Ms. Janet Griffin, Mr. John Natoli, Mr. William Stark, Ms. Alane Van Donsel, and Mr. William Young
Also Present: Mr. Michael Hoose, Superintendent of Schools; Ms. Judi Riley, Assistant Superintendent for Pupil and Personnel Services; Ms. Susan Bridenbecker, Director Business Services; Cortland Standard Representative; School and Community Representatives; Ms. Margaret Baccaro, Clerk

6:00 – 6:45 p.m. – Board Budget Workshop

1. **CALL TO ORDER and PLEDGE OF ALLEGIANCE:** Ms. Van Donsel called the meeting to order at 7:00 p.m., and the Pledge of Allegiance was recited.

2. **COMMUNICATIONS and RECOGNITION:**
Ms. Van Donsel requested a moment of silence to recognize the passing of Mr. James Van Nortwick, retired Director of Pupil Personnel services 1966-1991.

- a. **Kudos Korner:**
 - 1) Apple for the Teacher Award Recipients: Three Cortland teachers, Ms. Julie Lundeen, Ms. Crista Stark and Mr. Ben Wells were recognized as recipients of the WHCU Apple for the Teacher Award.
 - 2) The Board and Mr. Hoose recognized Ms. Baccaro, Board Clerk, for her support to the Board and Superintendent.

b. **Audience Participation on items related to the Agenda.** There were no requests to address the Board

c. **Board Member Reports**

1) **BOE Work Session**

Ms. Van Donsel reported that members met for a work session on December 4, to review staff input and finalize work on a mission statement. She read the finalized mission statement as follows: *The Cortland Enlarged City School District will value all community members as partners in creating a positive learning environment for all students. This will prepare them to reach their fullest potential in becoming life-long learners, and successful, contributing members of the society in which they live.*

Ms. Van Donsel shared that as a next step, a meeting of Board members and administrators is scheduled for December 13, to begin work on developing district goals.

2) **BOE Policy Committee**

Mr. Natoli reported that the Policy Committee met twice, December 3 and 6, to continue to work through policy recommendations by Erie 1 BOCES. Policy Committee recommendations will be presented under New Business.

3) **BOE Facilities Committee**

Mr. Stark reported that the Facilities Committee met on December 6. They continued discussion on the next phase of the current Capital Project, specifically using unencumbered funds to resolve remaining roofing issues. Tetra Tech is in the process of updating the District's 5-year plan which will be presented to the Board, at a later date, for approval.

3. **PRESENTATIONS:**

a. **Jody Manning, OCM BOCES District Superintendent**

Ms. Van Donsel introduced Mr. Jody Manning. Mr. Manning shared that he plays two roles as OCM BOCES District Superintendent--overseeing the twenty-three component districts within the OCM BOCES and serving as liaison to the Commissioner of Education. He distributed a pamphlet that provided a synopsis of the programs offered through BOCES, and noted that he and members of the OCM BOCES Administrative Staff will be conducting service visits to meet with all component districts. He stressed that we are continuing to go through difficult budget times, and his staff are focused on what they can do to support us.

- b. **Capital Project Update – Mr. Jim Mulherin of Lend Lease**
Mr. Jim Mulherin, Lend Lease, provided a brief update on the progress of the Capital Project. Activity focus has been on security systems, cameras and doors. Anticipated activities are substantial completion inspection report/punch list work for all trades, and video surveillance and security commissioning.
- c. **First Quarter Academic Report – Ms. Lisa Kaup and Mr. Greg Santoro**
Ms. Lisa Kaup began the first quarter academic report by sharing data on elementary progress. She presented charts reflecting data gathered from report card grades showing percent passing, percent with mastery, and percent failing ELA, math, social studies, science and health. In addition Ms. Kaup reported on elementary attendance, comparing students with 85% or better and 90% or better attendance to last year at the same time.
Mr. Santoro reported on the academic progress for grades 7-12. He presented charts reflecting passing and mastery (85% or greater) in all core subjects, comparing data from the first quarter for the last five years as reference. The data are used to target students that are at-risk. For those students, guidance, parents, teachers and the student work together to put academic action plans in place.
Both Ms. Kaup and Mr. Santoro noted that attending school regularly is a key benchmark in determining academic success for our students. Although attendance data shows improvement, staff continue to work with families to ensure students are in school every day.

4. **CONSENT ITEMS:**

- a. Minutes of November 13, 2012 Regular Meeting
- b. CSE/CPSE Recommendations
610328932, 610382517, 610354459, 607000793, 610366894, 610342472, 610330457, 610289445, 607000768, 610315678, 610300907, 610316817, 607000124, 610383132, 610307181, 607000631, 610356999, 610256315, 610350597, 607000516, 607000730, 607000698, 610351287, 610236420, 610284957, 610385319, 610362612, 610374773, 610375929, 610316250, 610364967, 610352501, 607000627, 610330751, 610287612, 610283325, 607000710, 610252433, 607000439, 610396889, 610385846, 610350920, 610359072, 610392014, 610350799, 610223229, 607000140, 610358544, 607000619, 610332944, 610382248, 610258617, 610194684, 610392013, 610375511, 607000433, 607000095, 610271862, 607000173, 610363271, 610293747, 610264307, 610295915

RESOLVED, upon the recommendation of the Superintendent of Schools, to approve the Consent Items as presented.

Moved by Mr. Natoli, seconded by Mr. Young.

Final Vote: Yes – 7, No – 0. Motion Carried.

5. **OLD BUSINESS: None**

6. **NEW BUSINESS:**

- a. Financial Reports: Treasurer's Report, Trial Balance, Revenues, Intrafund Transfers, Appropriations, Warrant, Claims Monthly Report – September 2012 and October 2012
RESOLVED, upon the recommendation of the Superintendent of Schools, to approve Financial Reports dated September 2012 and October 2012 as presented.
Moved by Ms. Griffin, seconded by Mr. Young. Discussion: None
Final Vote: Yes – 7, No – 0. Motion Carried.
- b. Final Approval Extended Field Trip – JSHS Wrestling Tournament – December 27-28, 2012 to Letchworth Central School District, Gainesville, NY
RESOLVED, upon the recommendation of the Superintendent of Schools, to approve the final request for a JSHS Wrestling Tournament field trip, December 27-28, 2012 to Letchworth Central School District, Gainesville, NY, as presented.
Moved by Ms. Davis-Howard, seconded by Mr. Stark. Discussion: None
Final Vote: Yes – 7, No – 0. Motion Carried.
- c. Final Approval Extended Field Trip – Varsity Ice Hockey Trip – January 18-20, 2013 to Monsey, NY
RESOLVED, upon the recommendation of the Superintendent of Schools, to approve the final request for a Varsity Ice Hockey field trip, January 18-20, 2013 to Monsey, NY, as presented.
Moved by Mr. Natoli, seconded by Mr. Stark. Discussion: None
Final Vote: Yes – 7, No – 0. Motion Carried.
- d. Acknowledge Receipt of Winter Clothing Donation from Edward Jones, Cortland, NY
RESOLVED, upon the recommendation of the Superintendent, to acknowledge receipt of a winter clothing donation from Edward Jones, Cortland, NY to be distributed to students in need as presented.
Moved by Mr. Colongeli, seconded by Ms. Davis-Howard. Discussion: None
Final Vote: Yes – 7, No – 0. Motion Carried.

- e. Acknowledge Receipt of Corrective Action Plan – Fiscal Year 2011-12
RESOLVED, upon the recommendation of the Superintendent of Schools, to acknowledge receipt of the Corrective Action Plan, for the fiscal year 2011-2012, as presented.
 Moved by Mr. Young, seconded by Mr. Natoli. Discussion: None
 Final Vote: Yes – 7, No – 0. Motion Carried.
- f. Certification of Principal Lead Evaluators – School Year 2012-13
 The Annual Professional Performance Review (APPR) regulations of the Board of Regents provides that, in order to be certified as principal evaluators, administrators must be trained in the following nine elements:
1. ISLLC 2008 Leadership Standards
 2. Evidence-based observation
 3. Application and use of Student Growth Percentile and VA growth Model data
 4. Application and use of the State-approved Multidimensional Principal Performance Rubrics (Training provided by Joanne Picone-Zochia, co-author of the rubric)
 5. Application and use of any assessment tools used to evaluate principals
 6. Application and use of State-approved locally selected measures of student achievement
 7. Use of the Statewide Instructional Reporting System
 8. Scoring methodology used to evaluate principals
 9. Specific considerations in evaluating principals of ELLs and students with disabilities
- Additionally, the following components were addressed:
10. State-determined district-wide student growth goal setting process (Student Learning Objectives)
 11. Effective supervisory visits and feedback
 12. Soliciting structured feedback from constituent groups
 13. Reviewing school documents, records, state accountability processes and other measures
 14. Principal contribution to teacher effectiveness
 15. Goal Setting and Attainment, using the Multidimensional Principal Performance Rubric tool (Training provided by Joanne Picone-Zochia, co-author of the rubric),
- By virtue of the fact of having participated in the Principal Evaluator Training provided by the OCM BOCES Network Team, which included the required components, the following people are considered as Certified Principal Evaluators for the 2012-2013 School Year:
- Judi Riley, Assistant Superintendent for Pupil and Personnel Service
 - Michael Hoose, Superintendent of Schools
- Moved by Mr. Natoli, seconded by Mr. Young. Discussion: None
 Final Vote: Yes – 7, No – 0. Motion Carried.

Note: Mr. Colongeli departed at 7:53 p.m.

- g. Certification of Teacher Lead Evaluators – School Year 2012-13
 Annual Professional Performance Review (APPR) regulations of the Board of Regents provides that, in order to be certified as lead evaluators, administrators must be trained in the following nine elements:
1. NYS Teaching Standards, and their related elements and performance indicators or ISLLC standards and their related functions;
 2. Evidence-based observation techniques grounded in research;
 3. Application and use of the student growth percentile model and the value-added growth model;
 4. Application and use of approved teacher or principal practice rubric(s) selected by the district or BOCES for use in evaluations, including training on the effective application of such rubrics to observe a teacher's or principal's practice;
 5. Application and use of any assessment tools that the school district or BOCES utilizes to evaluate its classroom teachers or building principals, including but not limited to, structured portfolio reviews; student, parent, teacher and/or community surveys; professional growth goals and school improvement goals, etc.;
 6. Application and use of any State-approved locally-selected measures of student achievement used by the school district or BOCES to evaluate its teachers or principals;
 7. Use of the Statewide Instructional Reporting System;

- 8. Scoring methodology utilized by the Department and/or the district or BOCES to evaluate a teacher or principal under this Subpart, including how scores are generated for each subcomponent and the composite effectiveness score and application and use of the scoring ranges prescribed by the Commissioner
- 9. Specific considerations in evaluating teachers and principals of English language learners and students with disabilities.

By virtue of the fact of having participated in the Lead Evaluator Training provided by the OCM BOCES Network Team, which included the required components, the following people are considered as Certified Teacher Lead Evaluators for the 2012-2013 School Year:

- Kenneth Brafman, 11-12 Principal
- Kevin Cafararo, 7-8 Principal
- Jeff Johnson, Director Athletics/PE
- Lisa Kaup, Virgil Elementary Principal
- Cliff Kostuk, Randall Elementary Principal
- Joseph Mack, 9-10 Principal
- Lynn New, Barry Elementary Principal
- Judi Riley, Assistant Superintendent for Pupil and Personnel Service
- Gregory Santoro, Jr.-Sr. High School Principal
- Angela Wanish, Smith Elementary Principal
- Kevin Yard, Parker Elementary Principal

Moved by Ms. Griffin, seconded by Mr. Stark. Discussion: None

Final Vote: Yes – 6, No – 0. Motion Carried.

- h. Approval of Field Placement Agreement between Cortland Enlarged City School District and SUNY Cortland

RESOLVED, upon the recommendation of the Superintendent of Schools, to approve the Field Placement Agreement between Cortland Enlarged City School District and SUNY Cortland, as presented.

Moved by Mr. Natoli, seconded by Ms. Griffin. Discussion: None

Final Vote: Yes – 6, No – 0. Motion Carried.

- i. Approval of Release of Liability Agreement Regarding Use of Non-District Ice Hockey Helmet
- RESOLVED**, upon to recommendation of the Superintendent of Schools, to approve the release of liability as submitted by JOHN P. BURHANS, for himself and his son, John Morgan-Burhans (ice hockey program participant). The District will permit the Program Participant to use the non-District ice hockey helmet in exchange for the Program Participants' release of liability as presented.

Moved by Ms. Davis-Howard, seconded by Mr. Natoli. Discussion: None

Final Vote: Yes – 6, No – 0. Motion Carried.

- j. 1st Reading Erie I BOCES Policy Revisions to Section 1000 By-Laws

RESOLVED, upon the recommendation of the Superintendent of Schools, to accept the 1st Reading of proposed changes to Section 1000 By-Laws for the following policies, as recommended by Erie I BOCES, and the Board of Education Policy Committee:

1.1	School District and Board of Education Legal Status and Authority	1110
1.2	Board of Education: Qualifications, Numbers and Terms of Office.....	1120
2.1	Board of Education Members: Nomination and Election	1210
2.2	Reporting of Expenditures and Contributions.....	1220
2.3	Resignation and Dismissal.....	1230
3.1	Powers and Duties of the Board.....	1310
3.2	Nomination and Election of Board Officers and Duties of the President and Vice President	1320
3.3	Appointments and Designations by the Board of Education	1330
3.3.1	Duties of the District Clerk.....	1331
3.3.2	Duties of the School District Treasurer.....	1332
3.3.3	Duties of the Tax Collector.....	1333

3.3.4 Duties of the External (Independent) Auditor..... 1334
 3.3.5 Appointment and Duties of the Claims Auditor..... 1335
 3.3.6 Duties of the Extraclassroom Activity Fund Central Treasurer & Faculty Auditor. 1336
 3.3.7 Duties of the School Attorney..... 1337
 3.3.8 Duties of the School Physician/Nurse Practitioner 1338
 3.3.9 Duties of the Internal Auditor..... 1339
 4.1 Policy and Administrative Regulations 1410
 5.1 Regular Board Meetings and Rules (Quorum and Parliamentary Procedure) 1510
 5.2 Special Meetings of the Board of Education..... 1520
 5.3 Minutes..... 1530
 5.4 Executive Sessions 1540
 6.1 Annual District Meeting and Election/Budget Vote 1610
 6.1.1 Business of the Annual District Election 1611
 6.2 Annual Organizational Meeting 1620
 6.3 *Legal Qualifications of Voters at School District Meetings (on hold)*..... 1630
 6.4 Absentee Ballots 1640
 6.5 Submission of Questions and Propositions at Annual Elections and Special District Meetings 1650

Moved by Mr. Stark, seconded by Mr. Natoli. Discussion: Mr. Young asked if these were updates of those adopted last year. Members requested copies of the recommended changes before final approval at the next meeting.

Final Vote: Yes – 6, No – 0. Motion Carried.

- k. 1st Reading Erie I BOCES Policy Revisions to Section 2000 Internal Operations
RESOLVED, upon the recommendation of the Superintendent of Schools, to accept the 1st Reading of proposed changes to Section 2000 Internal Operations for the following policies, as recommended by Erie I BOCES, and the Board of Education Policy Committee:
 - 1.1 Orienting and Training New Board Members 2110
 - 2.1 Committees of the Board 2210
 - 3.1 Membership in Associations..... 2310
 - 3.2 Attendance by Board Members at Conferences, Conventions and Workshops 2320
 - 3.3 Compensation and Expenses 2330
 - 3.4 Board Self-Evaluation..... 2340

Moved by Mr. Stark, seconded by Mr. Young. Discussion: None

Final Vote: Yes – 6, No – 0. Motion Carried.

7. **PERSONNEL ACTION:**

- a. Approval of Personnel Resignations and Leaves
RESOLVED, upon the recommendation of the Superintendent of Schools, to approve the Resignations and Leaves as presented on Resignations and Leaves Schedule 11.00.
 Moved by Ms. Griffin, seconded by Mr. Stark. Discussion: None
 Final Vote: Yes – 6, No – 0. Motion Carried.
- b. Approval of Non-Instructional Personnel Appointments
RESOLVED, upon the recommendation of the Superintendent of Schools, to approve the appointments for Non-Instructional Personnel as presented on Schedules of Appointment 1075 and 1076.
 Moved by Mr. Natoli, seconded by Mr. Stark. Discussion: None
 Final Vote: Yes – 6, No – 0. Motion Carried.
- c. Approval of Instructional Personnel Appointments
RESOLVED, upon the recommendation of the Superintendent of Schools, to approve the appointments for Instructional Personnel as presented on Schedules of Appointment 2216, 2217 and 2218.
 Moved by Mr. Stark, seconded by Mr. Young. Discussion: None
 Final Vote: Yes – 6, No – 0. Motion Carried.

8. LEADERSHIP REPORTS:

a. Director of Business Operations

1) School Lunch Program

At the request of member Colongeli, Ms. Bridenbecker provided information on the cost of the food service program, the food cost to produce each reimbursable meal, and how much revenue each reimbursable meal brings in.

b. Assistant Superintendent for Pupil and Personnel Service

1) Professional Development Afternoon – December 5, 2012

Ms. Riley reported that the Council for Instructional Excellence, comprised of district administrators, department leaders and grade level leaders, has been working on developing and leading professional development on the transition to the Common Core Learning Standards in ELA and math. December 5 was the first of three early release days committed to focus on the transition in mathematics. The overall impression of the day was good, and a very positive experience.

c. Superintendent

1) Capital Project Change Order Summary

Ms. Hoose reviewed change orders EC-036, PC-022, PC-023, PC-024, PC-025, and PC-026. He noted that five of the PC change orders were to replace swivel head faucets that had been installed in the elementary buildings with rigid spout with handle temp indicators.

9. AUDIENCE PARTICIPATION: There were no requests to address the Board.

10. NEXT MEETING AGENDA REVIEW

11. ADJOURNMENT

As there was no further business to discuss, Ms. Van Donsel asked for a motion to adjourn at 8:30 p.m.

Moved by Ms. Davis-Howard, seconded by Mr. Stark. No further discussion.

Final Vote: Yes – 6, No – 0. Motion Carried.

CORTLAND ENLARGED CITY SCHOOL DISTRICT
Board of Education Special Meeting – Thursday, December 13, 2012 at 3:30 p.m.
Kaufman Center, 1 Valley View Drive, Cortland NY

A Special Meeting of the Board of Education was held on Thursday, December 13, 2012 at the Kaufman Center, 1 Valley View Drive, Cortland, New York.

Present: Mr. Donald Colongeli, Ms. Melissa Davis-Howard, Mr. John Natoli, Ms. Alane Van Donsel, and Mr. William Stark

Absent: Ms. Janet Griffin and Mr. William Young

Also Present: Mr. Michael Hoose, Superintendent of Schools; Ms. Judi Riley, Assistant Superintendent for Pupil and Personnel Services; Ms. Susan Bridenbecker, Director Business Services; School Representatives; Ms. Margaret Baccaro, Clerk

1. CALL TO ORDER and PLEDGE OF ALLEGIANCE

Ms. Van Donsel called the meeting to order at 3:35 p.m., and the Pledge of Allegiance was recited.

2. NEW BUSINESS:

- a. Approval of Onondaga-Cortland-Madison BOCES 48-month Copier Service Contract

RESOLUTION:

WHEREAS, the Board of Education of the Cortland School District desires to enter into up to a 48 month service contract with the Onondaga-Cortland-Madison Board of Cooperative Educational Services (hereafter referred to as OCM BOCES) in order for the Regional Information Center (RIC) to furnish certain services to the District pursuant to Education Law 1950(4)(jj), those services being but not limited to network printing services in CoSer 521, 562 and/or Co-Ser 620.

NOW, THEREFORE, it is

RESOLVED, that the Board of Education of the above School District agrees to enter into a contract with the OCM BOCES for the provision of said services to the District not to exceed in total over the life of this agreement the estimated annual payment for equipment and Regional Information Center support of \$70,632.00 plus overage charges incurred by the OCM BOCES on behalf of the school district during the term of this contract. This amount may be amended with the approval of both parties. Payments will be made as part of a regular annual BOCES contract for services. Further, this contract will be finalized by the Superintendent of the school district and is subject to the approval of the Commissioner of Education for both this multi-year service agreement and the OCM BOCES Document Services Agreement contract that will be entered into on behalf of the school district at its request. This contract will be for a maximum period of 48 months commencing on or about January 31, 2013.

Moved by Ms. Davis-Howard, seconded by Mr. Stark. Discussion: Mr. Colongeli sought clarification on how the district would control overage charges incurred by BOCES. He asked if there were copiers in the district not owned by BOCES, how frequently staff use BOCES printing services, and questioned whether staff were required to use a pass code to use copy machines.

Final Vote: Yes – 4, No – 1 (Mr. Colongeli). Motion Carried.

3. ADJOURNMENT

As there was no further business to discuss, Ms. Van Donsel asked for a motion to adjourn at 3:46 p.m

Moved by Ms. Davis-Howard, seconded by Mr. Natoli. No further discussion.

Final Vote: Yes – 5, No – 0. Motion Carried.



12/13/12 69
cc: J Bridenbecker
J Lynch
01/08/13 BOE
M Hoose

December 10, 2012

A. Solomon Menter
1910-1978

Antonio E. Caruso

Jeffrey A. Dove

F. Paul Vellano, Jr.

Mitchell J. Katz

Kevin M. Newman

Addison F. Vars III

Thomas J. Fucillo

Vic J. Kopnitsky, Jr.

Joseph W. Russell

Julian B. Modesti

Robert G. Bennett

Josephine Yang-Patyl

John P. Sidd

Jennifer K. Frank

Teresa M. Bennett

Douglas P. Needham

Michael J. Balestra

Adam F. Kinney

Anthony A. Marrone II

Of Counsel:

Peter L. Hubbard

James H. McGowan

Richard C. Cummings

*also admitted
in Florida

David W. Briggs, Assessor
Town of Cortlandville
3577 Terrace Road
Cortland, New York 13045

**Re: Cortland County Industrial Development Agency
Sky Hospitality, LLC Project**

Dear Mr. Briggs:

Enclosed please find New York State Board of Real Property Services Form RP-412-a (Industrial Development Agencies Application for Real Property Tax Exemption) regarding the above-referenced project.

Thank you and if you should have any questions, please let me know.

Very truly yours,
Menter, Rudin & Trivelpiece, P.C.

Virginia G. Curtis, Paralegal
vcurtis@menterlaw.com

/vgc

cc: Richard C. Tupper, Supervisor (w/enc.)
✓ Michael J. Hoose, Superintendent (w/enc.)
Michael Park, Chairperson (w/enc.)
Cortland County Administrator (w/enc.)
Cortland County Real Property Tax Services (w/enc.)

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www.menterlaw.com

**AFFIDAVIT OF MAILING OF
INDUSTRIAL DEVELOPMENT AGENCIES APPLICATION
FOR REAL PROPERTY TAX EXEMPTION (RP-412-a)**

STATE OF NEW YORK)
COUNTY OF ONONDAGA) ss.:

The undersigned, being duly sworn, hereby states:

That on December 10, 2012 I mailed a copy of the "Industrial Development Agencies Application for Real Property Tax Exemption (NYS Form RP-412-a)" in connection with Cortland County Industrial Development Agency's Sky Hospitality, LLC Project to the following individuals:

Richard C. Tupper, Supervisor
Town of Cortlandville
3577 Terrace Road
Cortland, New York 13045

Michael J. Hoose, Superintendent
Cortland City School District
1 Valley View Drive
Cortland, New York 13045

Michael Park, Chairperson
Cortland County Legislature
60 Central Avenue, P.O. Box 5590
Cortland, New York 13045-5590

David W. Briggs, Assessor
Town of Cortlandville
3577 Terrace Road
Cortland, New York 13045

Cortland County Real Property Tax Services
60 Central Avenue
Cortland, New York 13045

Cortland County Administrator
60 Central Avenue
Cortland, New York 13045

In witness thereof, I have hereunto set my hand this 10th day of December, 2012.


Virginia G. Curtis

Sworn to be me this
10th day of December, 2012.


Notary Public

JULIE ANN SHANNON
Notary Public, State of New York
Qual. In Onon. Co. No. 4890097
Commission Expires April 27, 2015



**NYS DEPARTMENT OF TAXATION & FINANCE
OFFICE OF REAL PROPERTY TAX SERVICES**

RP-412-a (1/95)

**INDUSTRIAL DEVELOPMENT AGENCIES
APPLICATION FOR REAL PROPERTY TAX EXEMPTION
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)**

1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)

Name Cortland County Industrial Development Agency
 Street 37 Church Street
 City Cortland
 Telephone no. Day (607) 56-5005
 Evening () _____
 Contact Garry VanGorder
 Title Executive Director

2. OCCUPANT (IF OTHER THAN IDA)

(If more than one occupant attach separate listing)

Name Sky Hospitality, LLC
 Street 26 W. Court Street
 City Cortland
 Telephone no. Day (607) 597-9325
 Evening () _____
 Contact Bharati Desai
 Title Sole Member

3. DESCRIPTION OF PARCEL

a. Assessment roll description (tax map no./roll year)
105.00-03-08.0
 b. Street address Route 13
 c. City, Town or Village Cortlandville

d. School District Cortland
 e. County Cortland
 f. Current assessment 32,600
 g. Deed to IDA (date recorded; liber and page)
N/A

4. GENERAL DESCRIPTION OF PROPERTY (if necessary, attach plans or specifications)

a. Brief description (include property use) Hotel
 b. Type of construction New Construction
 c. Square footage 42,000
 d. Total cost \$4,152,000.00
 e. Date construction commenced May 14, 2012
 f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA)
January 31, 2023

5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION

(Attach copy of the agreement or extract of the terms relating to the project).

a. Formula for payment See Attached PILOT Agreement

b. Projected expiration date of agreement January 31, 2023

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Cortland</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Town/City <u>Cortlandville</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Village _____	<input type="checkbox"/>	<input type="checkbox"/>
School District <u>Cortland</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

d. Person or entity responsible for payment

Name Bharati Desal
 Title Sole Member
 Address 26 W. Court Street
Cortland, New York 13045

e. Is the IDA the owner of the property? Yes No (check one)

If "No" identify owner and explain IDA rights or interest Telephone 607-597-9325
 in an attached statement. Cortland County IDA has a leasehold interest in the property owned by Sky Hospitality, LLC pursuant to a Lease Agreement dated as of December 1, 2012

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one) Yes No

If yes, list the statutory exemption reference and assessment roll year on which granted: exemption _____ assessment roll year _____

7. A copy of this application, including all attachments, has been mailed or delivered on 12/ /2012 (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

CERTIFICATION

I, Garry VanGorder, Executive Director of
 Name Title
Cortland County Industrial Development Agency hereby certify that the information
 Organization

on this application and accompanying papers constitutes a true statement of facts.

December 7, 2012
Date


Signature

FOR USE BY ASSESSOR

1. Date application filed _____
2. Applicable taxable status date _____
- 3a. Agreement (or extract) date _____
- 3b. Projected exemption expiration (year) _____
4. Assessed valuation of parcel in first year of exemption \$ _____
5. Special assessments and special as valorem levies for which the parcel is liable:

Date

Assessor's signature

CORTLAND COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AND

SKY HOSPITALITY, LLC

PAYMENT IN LIEU OF TAX AGREEMENT

DATED AS OF DECEMBER 1, 2012

**RELATING TO THE PREMISES LOCATED AT NYS
ROUTE 13 IN THE TOWN OF CORTLANDVILLE,
CORTLAND COUNTY, NEW YORK.**

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PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT dated as of December 1, 2012 (the "Payment in Lieu of Tax Agreement") by and between CORTLAND COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 37 Church Street, Cortland, New York (the "Agency") and SKY HOSPITALITY, LLC, a limited liability company organized and existing under the laws of the State of New York having an office for the transaction of business located at 26 W. Court Street, Cortland, New York (the "Company");

WITNESSETH

WHEREAS, Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "Enabling Act") was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York; and

WHEREAS, the Enabling Act authorizes and provides for the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York (the "State") and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and dispose of land and any building or other improvement, and all real and personal properties, including, but not limited to, machinery and equipment, deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial or industrial purposes, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease or sell any or all of its projects, to charge and collect rent or the purchase price therefore; and

WHEREAS, the Agency was created, pursuant to and in accordance with the provisions of the Enabling Act, by Chapter 77 of the Laws of 1974 of the State (collectively with the Enabling Act, the "Act") and is empowered under the Act to undertake the Project (as hereinafter defined) in order to so advance the job opportunities, health, general prosperity and economic welfare of the people of the State and improve their standard of living; and

WHEREAS, by resolution adopted by the members of the Agency on October 11, 2011 (the "Preliminary Inducement Resolution"), the Agency made a preliminary determination to undertake a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in a parcel of land consisting of approximately 5.44 acres located at Route 13, in the Town of Cortlandville, Cortland County, New York (the "Land"), (2) the construction on the Land of a building to contain approximately 42,000

square feet of space (the "Facility"), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment"), all of the foregoing to constitute a hotel to be operated by the Company and occupied by the Company (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including exemption from certain sales taxes, real estate transfer taxes, mortgage recording taxes and real property taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to the Preliminary Inducement Resolution adopted by the members of the Agency on October 11, 2011, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project (the "Public Hearing") to be mailed on October 13, 2011 to the chief executive officer of the county and of each city, town, village and school district in which the Project is to be located, (B) caused notice of the Public Hearing to be published on October 15, 2011 in the Cortland Standard, a newspaper of general circulation available to residents of the Town of Cortlandville, (C) conducted the Public Hearing on November 1, 2011 at 11:00 o'clock a.m., local time at the Town of Cortlandville Town Hall located at 3577 Terrace Road in the Town of Cortlandville, Cortland County, New York, and (D) prepared a report of the Public Hearing which fairly summarized the views presented at said public hearing and distributed same to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), the members of the Agency, adopted a resolution on May 14, 2012 (the "SEQR Resolution") in which the Agency determined that construction and operation of the Project Facility, including potential impacts and thresholds as identified in the EAF completed and submitted by the Company, are consistent with the SEQR Findings issued by the IDA in relation to the development of the Finger Lakes East Business Park and that a supplemental evaluation is not necessary as proposed impacts identified in the applicant's EAF are below impact thresholds identified, evaluated, and mitigated for in the prior SEQR evaluation; and

WHEREAS, by resolution adopted by the members of the Agency on May 14, 2012 (the "Final Inducement Resolution"), the Agency determined, following a review of the Report, to finalize the preliminary determination made by the Agency in the Preliminary Inducement Resolution to proceed with the Project; and

WHEREAS, by resolution adopted by the members of the Agency on May 14, 2012 (the "Approving Resolution"), the Agency determined to grant the Financial

Assistance and to enter into a lease agreement dated as of December 1, 2012 (the "Lease Agreement") between the Agency and the Company and certain other documents related thereto and to the Project (collectively with the Lease Agreement, the "Basic Documents"); and

WHEREAS, pursuant to the terms of the Lease Agreement, (A) the Company will agree (1) to cause the Project to be undertaken and completed, and (2) as agent of the Agency, to undertake and complete the Project and (B) the Agency has leased the Project facility to the Company for a lease term ending on the earlier to occur of (1) January 31, 2023 or (2) the date on which the Lease Agreement is terminated pursuant to the termination provisions thereof. The Lease Agreement grants to the Company certain options to acquire the Project Facility from the Agency; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement (the "Closing"), (A) the Company will execute and deliver to the Agency (1) a certain lease to agency dated as of December 1, 2012 (the "Underlying Lease"), pursuant to which the Company leases to the Agency the Land under the Facility (the "Facility Parcel") for a lease term ending on the earlier to occur of (a) January 31, 2023, or (b) the date on which the Lease Agreement is terminated pursuant to the termination provisions thereof, and (2) a bill of sale dated as of December 1, 2012 (the "Bill of Sale to Agency"), from the Company to the Agency, pursuant to which the Company will convey to the Agency its interest in the portion of the Project Facility constituting the Equipment, fixtures and other personal property, (B) the Company and the Agency will execute and deliver a payment in lieu of tax agreement dated as of December 1, 2012 (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Facility Parcel and the Facility, and (C) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Facility Parcel and the Facility under Section 412-a of the Real Property Tax Law) (the "Real Property Tax Exemption Form") relating to the Facility Parcel and the Facility and the Payment in Lieu of Tax Agreement will be mailed by the Agency to the assessor and the chief executive officer of each "affected tax jurisdiction" (within the meaning of such quoted term in Section 854(16) of the Act); and

WHEREAS, pursuant to the terms set forth in the Lease Agreement, the Agency will obtain title to the Facility Parcel, which Facility Parcel is more fully described on Exhibit "A" attached hereto; and

WHEREAS, pursuant to the Lease Agreement, the Agency proposes to construct the Facility on the Facility Parcel (the Facility Parcel and the Facility being sometimes collectively referred to as the "Facility Premises"); and

WHEREAS, under the present provisions of the Act and Section 412-a of the Real Property Tax Law of the State of New York (the "Real Property Tax Law"); the

Agency is required to pay no taxes or assessments upon any of the property acquired by it or under its jurisdiction or supervision or control; and

WHEREAS, pursuant to the provisions of Section 6.6 of the Lease Agreement, the Company has agreed to make payments in lieu of taxes (A) with respect to the Facility Premises in an amount equivalent to normal taxes and (B) with respect to the balance of the Project Facility in an amount equivalent to normal taxes; provided that, so long as this Payment in Lieu of Tax Agreement shall be in effect, the Company shall during the term of this Payment in Lieu of Tax Agreement make payments in lieu of taxes with respect to the Facility Premises in the amounts and in the manner provided in this Payment in Lieu of Tax Agreement, and during such period the provisions of Section 6.6 of the Lease Agreement shall not control the amounts due as payment in lieu of taxes with respect to the Facility Premises; and

WHEREAS, all things necessary to constitute this Payment in Lieu of Tax Agreement a valid and binding agreement by and between the parties hereto in accordance with the terms hereof have been done and performed, and the creation, execution and delivery of this Payment in Lieu of Tax Agreement have in all respects been duly authorized by the Agency and the Company.

NOW, THEREFORE, in consideration of the matters above recited, the parties hereto formally covenant, agree and bind themselves as follows, to wit:

ARTICLE I REPRESENTATIONS AND WARRANTIES

SECTION 1.01. REPRESENTATIONS OF AND WARRANTIES BY THE COMPANY.
The Company does hereby represent, warrant and covenant as follows:

(A) Power. The Company is a limited liability company duly organized and validly existing under the laws of the State of New York, is duly authorized to do business in the State, and has the power under the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement, and by proper action of its directors (and shareholders, if necessary) has been duly authorized to execute, deliver and perform this Payment in Lieu of Tax Agreement.

(B) Authorization. The Company is authorized and has the power under its articles of organization, operating agreement and the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement. By proper action of its members, the Company has duly authorized the execution, delivery and performance of this Payment in Lieu of Tax Agreement and the consummation of the transactions herein contemplated.

(C) **Conflicts.** The Company is not prohibited from entering into this Payment in Lieu of Tax Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement by (and the execution, delivery and performance of this Payment in Lieu of Tax Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Payment in Lieu of Tax Agreement will not conflict with or violate or constitute a breach of or a default under) the terms, conditions or provisions of its articles of organization or operating agreement or any other corporate restriction, law, rule, regulation or order of any court or other agency or authority of government, or any contractual limitation, restriction or outstanding indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which the Company is a party or by which the Company or any of its property is bound, and neither the Company's entering into this Payment in Lieu of Tax Agreement nor the Company's discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement will be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any of the foregoing, and this Payment in Lieu of Tax Agreement is the legal, valid and binding obligation of the Company enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(D) **Governmental Consents.** No consent, approval or authorization of, or filing, registration or qualification with, any governmental or public authority on the part of the Company is required as a condition to the execution, delivery or performance of this Payment in Lieu of Tax Agreement by the Company or as a condition to the validity of this Payment in Lieu of Tax Agreement.

SECTION 1.02. REPRESENTATIONS OF AND WARRANTIES BY THE AGENCY.
The Agency does hereby represent, warrant and covenant as follows:

(A) **Power.** The Agency is a public benefit corporation of the State, has been duly established under the provisions of the Act, is validly existing under the provisions of the Act and has the power under the laws of the State of New York to enter into the transactions contemplated by this Payment in Lieu of Tax Agreement and to carry out the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement hereunder.

(B) **Authorization.** The Agency is authorized and has the corporate power under the Act, its by-laws and the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out

all the covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement. By proper corporate action on the part of its members, the Agency has duly authorized the execution, delivery and performance of this Payment in Lieu of Tax Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Agency is not prohibited from entering into this Payment in Lieu of Tax Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement by the terms, conditions or provisions of any order, judgment, decree, law, ordinance, rule or regulation of any court or other agency or authority of government, or any agreement or instrument to which the Agency is a party or by which the Agency is bound.

ARTICLE II COVENANTS AND AGREEMENTS

SECTION 2.01. TAX-EXEMPT STATUS OF THE FACILITY PREMISES. (A) Assessment of the Facility Premises. Pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law, the parties hereto understand that, upon acquisition of the Facility Premises by the Agency and the filing by the Agency of a New York State Board of Real Property Services Form RP-412-a with respect to the Facility Premises, and for so long thereafter as the Agency shall have an interest in the Facility Premises, the Facility Premises shall be assessed by the various taxing entities having jurisdiction over the Facility Premises, including, without limitation, any county, city, school district, town, village or other political unit or units wherein the Facility Premises is located (such taxing entities being sometimes collectively hereinafter referred to as the "Taxing Entities", and each of such Taxing Entities being sometimes individually hereinafter referred to as a "Taxing Entity") as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to the acquisition by the Agency of the leasehold interest in the Facility Premises created by the Underlying Lease and the filing of the Real Property Tax Exemption Form. The Company shall, promptly, following acquisition by the Agency of the leasehold interest in the Facility Premises created by the Underlying Lease, take such action as may be necessary to ensure that the Facility Premises shall be assessed as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to such acquisition by the Agency, including ensuring that a Real Property Tax Exemption Form shall be filed with the appropriate officer or officers of each respective Taxing Entity responsible for assessing properties on behalf of each such Taxing Entity (each such officer being hereinafter referred to as an "Assessor"). For so long thereafter as the Agency shall own such leasehold interest in the Facility Premises, the Company shall take such further action as may be necessary to maintain such exempt assessment with respect to each Taxing Entity. The parties hereto understand that the Facility Premises shall not be entitled to such tax-exempt status on the tax rolls of any Taxing Entity until the first tax year of such Taxing Entity following the tax status date of such Taxing Entity occurring subsequent to the date upon which the Agency becomes the owner of record of such

leasehold interest in the Facility Premises and the Real Property Tax Exemption Form is filed. Pursuant to the provisions of the Lease Agreement, the Company will be required to pay all taxes and assessments lawfully levied and/or assessed against the Facility Premises, including taxes and assessments levied for the current tax year and all subsequent tax years until the Facility Premises shall be entitled to exempt status on the tax rolls of the respective Taxing Entities. The Agency will cooperate with the Company to obtain and preserve the tax-exempt status of the Facility Premises.

(B) Special Assessments. The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the Act and Section 412-a of the Real Property Tax Law does not entitle the Agency to exemption from special assessments and special ad valorem levies. Pursuant to the Lease Agreement, the Company will be required to pay all special assessments and special ad valorem levies lawfully levied and/or assessed against the Facility Premises.

SECTION 2.02. PAYMENTS IN LIEU OF TAXES. (A) Agreement to Make Payments. The Company agrees that it shall make annual payments in lieu of property taxes in the amounts hereinafter provided to the respective Taxing Entities entitled to receive same pursuant to the provisions hereof. The Company also agrees to give the Assessors a copy of this Payment in Lieu of Tax Agreement. The payments due hereunder shall be paid by the Company to the respective appropriate officer or officers of the respective Taxing Entities charged with receiving payments of taxes for such Taxing Entities (such officers being collectively hereinafter referred to as the "Receivers of Taxes") for distribution by the Receivers of Taxes to the appropriate Taxing Entities entitled to same pursuant to the provisions hereof.

(B) Valuation of the Facility Premises. (1) The value of the Facility Premises for purposes of determining payments in lieu of taxes due hereunder (hereinafter referred to as the "Assessed Value") shall be determined by the appropriate Assessors. The Company agrees to give the Assessors a copy of this Payment in Lieu of Tax Agreement. The parties hereto agree that the Assessors shall (a) appraise the Facility Premises in the same manner as other similar properties in the general area of the Facility Premises, and (b) place an Assessed Value upon the Facility Premises, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes. The Company shall be entitled to written notice of the initial determination of the Assessed Value and of any change in the Assessed Value.

(2) If the Company is dissatisfied with the amount of the Assessed Value of the Facility Premises as initially established or as changed, and if the Company shall have given written notice of such dissatisfaction to the appropriate Assessor and the Agency within thirty (30) days of receipt by the Company of written notice of the initial establishment of such Assessed Value, or of a change in such Assessed Value, then the Company shall be entitled to protest before, and to be heard by, the appropriate Assessor and the Agency. If the Agency, the Company and any Assessor shall fail to reach agreement as to the proper Assessed Value of the Facility Premises

for purposes of determining payments in lieu of taxes due under this Payment in Lieu of Tax Agreement, then such Assessor, the Company and the Agency shall each select one arbitrator in accordance with the rules of the American Arbitration Association, each of whom shall be a qualified real estate appraiser, experienced in valuation for the purposes of tax assessment in the general area of the Facility Premises, which arbitrators shall, at the sole cost and expense of the Company, determine whether the Assessed Value has been properly established by the Assessor. It is understood that the arbitrators are empowered to confirm the Assessed Value or to determine a higher or lower Assessed Value. Any payments in lieu of taxes due upon the Facility Premises pursuant to Section 2.02(C) hereof may not be withheld by the Company pending determination of the Assessed Value by the arbitrators.

(C) Amount of Payments in Lieu of Taxes. The payments in lieu of taxes to be paid by the Company to the Receivers of Taxes annually on behalf of each Taxing Entity pursuant to the terms of this Payment in Lieu of Tax Agreement shall be computed separately for each Taxing Entity as follows:

(1) First, determine the amount of general taxes and general assessments (hereinafter referred to as the "Normal Tax") which would be payable to each Taxing Entity if the Facility Premises were owned by the Company and not the Agency by multiplying (a) the Assessed Value of the Facility Premises determined pursuant to Subsection (B) of this Section 2.02, by (b) the tax rate or rates of such Taxing Entity that would be applicable to the Facility Premises if the Facility Premises was owned by the Company and not the Agency.

(2) Except as provided in paragraph (3) below, in each tax year during the term of this Payment in Lieu of Tax Agreement, commencing on the first tax year following the date on which the Facility Premises shall be assessed as exempt on the assessment roll of any Taxing Entity, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax pursuant to this Payment in Lieu of Tax Agreement shall be an amount equal to the applicable percentage of the Normal Tax due each Taxing Entity with respect to the Facility Premises for such tax year, as shown in the following table:

Tax Year Commencing After the Tax Status Date Following the Agency's Acquisition of its Leasehold Interest	Percentage of <u>Normal Tax</u>
1	0%
2	0%
3	0%
4	25%
5	25%

6	50%
7	50%
8	50%
9	75%
10	75%
11 and thereafter during the term of this Payment in Lieu of Tax Agreement	100%

(3) The parties recognize that the purpose of the Project is to create or retain permanent private sector jobs in Cortland County. Accordingly, the parties have agreed that the amount of payments in lieu of taxes payable with respect to the Project Facility shall bear a direct relationship to the success or lack of success of the Project in achieving this goal. Therefore, on or before November 1 of each calendar year during the term of this Payment in Lieu of Tax Agreement, the Company shall file with the Agency an affidavit indicating the average number of full time equivalent employees (35 hours per week equaling one full time equivalent employee ("FTE") employed by the Company at the Project Facility during the preceding twelve (12) month period). If the Company fails to file such an affidavit with the Agency on or before November 1 of a calendar year, then the Agency shall be entitled to assume that the Company employed less than 20% of the minimum required employees during such period, the minimum required employees being nine (9). In each tax year during the term of this Payment in Lieu of Tax Agreement, commencing on the first tax year following the date on which the Project Facility shall be assessed as exempt on the assessment roll of any Taxing Entity, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax pursuant to this Payment in Lieu of Tax Agreement shall be an amount equal to the applicable percentage of the Normal Tax due each Taxing Entity for such calendar year that relates to the number of jobs in existence at the Project Facility during the preceding calendar year (as determined pursuant to the preceding two sentences), all as shown in the following table:

<u>Year of Exemption</u>	<u>If 80% or more of minimum required Jobs</u>	<u>If less than 80% but more than 60% of minimum required Jobs</u>	<u>If less than 60% but more than 40% of minimum required Jobs</u>	<u>If less than 40% but more than 20% of minimum required Jobs</u>	<u>If less than 20% of minimum required Jobs</u>
1 - 3	0%	25%	50%	75%	100%

4 – 5	25%	43.75%	62.5%	81.25%	100%
6 – 8	50%	62.5%	75%	82.5%	100%
9 – 10	75%	81.25%	87.5%	93.75%	100%
11 and thereafter during the term of the PILOT Agreement	100%	100%	100%	100%	100%

(D) Additional Amounts in Lieu of Taxes. Commencing on the first tax year following the date on which any structural addition shall be made to the Facility Premises or any portion thereof or any additional building or other structure shall be constructed on the Facility Parcel (such structural additions and additional buildings and other structures being hereinafter referred to as "Additional Facilities") the Company agrees to make additional annual payments in lieu of property taxes (such additional payments being hereinafter collectively referred to as "Additional Payments") to the Receivers of Taxes with respect to such Additional Facilities, such Additional Payments to be computed separately for each Taxing Entity as follows:

(1) Determine the amount of general taxes and general assessments (hereinafter referred to as the "Normal Tax") which would be payable to each Taxing Entity if such Additional Facilities were owned by the Company and not the Agency as follows: (a) multiply the Additional Assessed Value (as hereinafter defined) of such Additional Facilities determined pursuant to subsection (E) of this Section 2.02 by (b) the tax rate or rates of such Taxing Entity that would be applicable to such Additional Facilities if such Additional Facilities were owned by the Company and not the Agency, and (c) reduce the amount so determined by the amounts of any tax exemptions that would be afforded to the Company by such Taxing Entity if such Additional Facilities were owned by the Company and not the Agency.

(2) In each fiscal tax year during the term of this Payment in Lieu of Tax Agreement (commencing in the fiscal tax year when such Additional Facilities would first appear on the assessment roll of any Taxing Entity) if such Additional Facilities were owned by the Company and not the Agency, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax with respect to such Additional Facilities pursuant to this Payment in Lieu of Tax Agreement shall be an amount equal to one hundred percent (100%) of the Normal Tax due each Taxing Entity with respect to such Additional Facilities for such fiscal tax year (unless the Agency and the Company shall enter into a separate written agreement regarding payments in lieu of property taxes with respect to such Additional Facilities, in which case the provisions of such separate written agreement shall control).

(E) Valuation of Additional Facilities. (1) The value of Additional Facilities for purposes of determining payments in lieu of taxes due under Section 2.02(D) hereof shall be determined by the Assessors of each respective Taxing Entity. The parties hereto agree that the Assessors shall (a) appraise the Additional Facilities in the same manner as other similar properties in the general area of the Facility Premises, and (b) place a value for assessment purposes (hereinafter referred to as the "Additional Assessed Value") upon the Additional Facilities, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes. The Company shall be entitled to written notice of the initial establishment of such Additional Assessed Value and of any change in such Additional Assessed Value.

(2) If the Company is dissatisfied with the amount of the Additional Assessed Value of the Additional Facilities as initially established or as changed, and if the Company shall have given written notice of such dissatisfaction to the appropriate Assessor and the Agency within thirty (30) days of receipt by the Company of written notice of the initial establishment of such Additional Assessed Value, or of a change in such Additional Assessed Value, then the Company shall be entitled to protest before, and to be heard by, the appropriate Assessor and the Agency. If the Agency, the Company and any Assessor shall fail to reach agreement as to the proper Additional Assessed Value of the Additional Facilities for purposes of determining payments in lieu of taxes due under this Payment in Lieu of Tax Agreement, then such Assessor, the Company and the Agency shall each select one arbitrator in accordance with the rules of the American Arbitration Association, each of whom shall be a qualified real estate appraiser, experienced in valuation for the purposes of tax assessment in the general area of the Facility Premises, which arbitrators shall, at the sole cost and expense of the Company, determine whether the Additional Assessed Value of the Additional Facilities has been properly established by the Assessor. It is understood that the arbitrators are empowered to confirm the Additional Assessed Value or to determine a higher or lower Additional Assessed Value. Any payments in lieu of taxes due upon such Additional Facilities pursuant to Section 2.02(D) hereof may not be withheld by the Company pending determination of the Additional Assessed Value by the arbitrators.

(F) Statements. Pursuant to Section 858(15) of the Act, the Agency agrees to give each Taxing Entity a copy of this Payment in Lieu of Tax Agreement within fifteen (15) days of the execution and delivery hereof, together with a request that a copy hereof be given to the appropriate officer or officers of the respective Taxing Entities responsible for preparing the tax rolls for said Tax Entities (each, a "Tax Billing Officer") and a request that said Tax Billing Officers submit to the Company and to the appropriate Receiver of Taxes periodic statements specifying the amount and due date or dates of the payments due each Taxing Entity hereunder, such periodic statements to be submitted to the Company at approximately the times that tax bills are mailed by such Taxing Entities.

(G) Time of Payments. The Company agrees to pay the amounts due hereunder to each particular Taxing Entity in any fiscal tax year to the appropriate Receiver of Taxes within the period that such Taxing Entity allows payment of taxes

levied in such fiscal tax year without penalty. The Company shall be entitled to receive receipts for such payments.

(H) Method of Payment. All payments by the Company hereunder shall be paid to the Receivers of Taxes in lawful money of the United States of America. The Receivers of Taxes shall in turn distribute the amounts so paid to the various Taxing Entities entitled to same.

SECTION 2.03. CREDIT FOR TAXES PAID. (A) Amount of Credit. The parties hereto acknowledge and agree that the obligation of the Company to make the payments provided in Section 2.02 of this Payment in Lieu of Tax Agreement shall be in addition to any and all other taxes and governmental charges of any kind whatsoever which the Company may be required to pay under the Lease Agreement. It is understood and agreed, however, that should the Company pay in any fiscal tax year to any Taxing Entity any amounts in the nature of general property taxes, general assessments, service charges or other governmental charges of a similar nature levied and/or assessed upon the Facility Premises or the interest therein of the Company or the occupancy thereof by the Company (but not including, by way of example, (1) sales and use taxes, and (2) special assessments, special ad valorem levies or governmental charges in the nature of utility charges, including but not limited to water, solid waste, sewage treatment or sewer or other rents, rates or charges), then the Company's obligation to make payments in lieu of property taxes attributed to such fiscal tax year to such Taxing Entity hereunder shall be reduced by the amounts which the Company shall have so paid to such Taxing Entity in such fiscal tax year, but there shall be no cumulative or retroactive credit as to any payment in lieu of property taxes due to any other Taxing Entity or as to any payment in lieu of property taxes due to such Taxing Entity in any other fiscal tax year.

(B) Method of Claiming Credits. If the Company desires to claim a credit against any particular payment in lieu of tax due hereunder, the Company shall give the governing body of the affected Taxing Entity and the Agency prior written notice of its intention to claim any credit pursuant to the provision of this Section 2.03, said notice to be given by the Company at least thirty (30) days prior to the date on which such payment in lieu of tax is due pursuant to the provisions of Section 2.02(G) hereof. In the event that the governing body of the appropriate Taxing Entity desires to contest the Company's right to claim such credit, then said governing body, the Agency and the Company shall each select an arbitrator in accordance with the rules of the American Arbitration Association, each of whom shall meet the qualifications set forth in Section 2.02(B) hereof, which arbitrators shall, at the sole cost and expense of the Company, determine whether the Company is entitled to claim any credit pursuant to the provisions of this Section 2.03 and, if so, the amount of the credit to which the Company is entitled. It is understood that the arbitrators are empowered to confirm the amount of the credit claimed by the Company or to determine a lower or higher credit. When the Company shall have given notice, as provided herein, that it claims a credit, the amount of any payment in lieu of property taxes due hereunder against which the credit may be claimed may be withheld (to the extent of the credit claimed by the Company, but only

to the extent that such credit may be claimed against said payment in lieu of taxes pursuant to the provisions of this Section 2.03) until the decision of the arbitrators is rendered. After the decision of the arbitrators is rendered, the payment in lieu of taxes due with respect to any reduction or disallowance by the arbitrators in the amount of the credit claimed by the Company shall, to the extent withheld as aforesaid, be immediately due and payable and shall be paid by the Company within thirty (30) days of said decision.

SECTION 2.04. LATE PAYMENTS. (A) First Month. Pursuant to Section 874(5) of the Act, if the Company shall fail to make any payment required by this Payment in Lieu of Tax Agreement when due, the Company shall pay the same, together with a late payment penalty equal to five percent (5%) of the amount due.

(B) Thereafter. If the Company shall fail to make any payment required by this Payment in Lieu of Tax Agreement when due and such delinquency shall continue beyond the first month, the Company's obligation to make the payment so in default shall continue as an obligation of the Company to the affected Taxing Entity until such payment in default shall have been made in full, and the Company shall pay the same to the affected Taxing Entity together with (1) a late payment penalty of one percent (1%) per month for each month, or part thereof, that the payment due hereunder is delinquent beyond the first month, plus (2) interest thereon, to the extent permitted by law, at the greater of (a) one percent (1%) per month, or (b) the rate per annum which would be payable if such amount were delinquent taxes, until so paid in full.

ARTICLE III LIMITED OBLIGATION

SECTION 3.01. NO RECOURSE; LIMITED OBLIGATION OF THE AGENCY. (A) No Recourse. All obligations, covenants, and agreements of the Agency contained in this Payment in Lieu of Tax Agreement shall be deemed to be the obligations, covenants and agreements of the Agency and not of any member, officer, agent, servant or employee of the Agency in his individual capacity, and no recourse under or upon any obligation, covenant or agreement contained in this Payment in Lieu of Tax Agreement, or otherwise based upon or in respect of this Payment in Lieu of Tax Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, officer, agent (other than the Company), servant or employee, as such, of the Agency or any successor public benefit corporation or political subdivision or any person executing this Payment in Lieu of Tax Agreement on behalf of the Agency, either directly or through the Agency or any successor public benefit corporation or political subdivision or any person so executing this Payment in Lieu of Tax Agreement, it being expressly understood that this Payment in Lieu of Tax Agreement is a corporate obligation, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, officer, agent (other than the Company), servant or employee of the Agency or of any successor public benefit corporation or political subdivision or any person so executing this Payment in Lieu of Tax Agreement under or by reason of the obligations, covenants or agreements

contained in this Payment in Lieu of Tax Agreement or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such member, officer, agent (other than the Company), servant or employee under or by reason of the obligations, covenants or agreements contained in this Payment in Lieu of Tax Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this Payment in Lieu of Tax Agreement by the Agency.

(B) Limited Obligation. The obligations, covenants and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or Cortland County, New York, and neither the State of New York nor Cortland County, New York shall be liable thereon and, further, such obligations, covenants and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Facility Premises (except for revenues derived by the Agency with respect to the Unassigned Rights, as defined in the Lease Agreement).

(C) Further Limitation. Notwithstanding any provision of this Payment in Lieu of Tax Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (1) the Agency shall have been requested to do so in writing by the Company, and (2) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any of its members, officers, agents, servants or employees) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity and an agreement from the Company to defend and hold harmless the Agency satisfactory to the Agency for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

ARTICLE IV EVENTS OF DEFAULT

SECTION 4.01. EVENTS OF DEFAULT. Any one or more of the following events shall constitute an event of default under this Payment in Lieu of Tax Agreement, and the terms "Event of Default" or "default" shall mean, whenever they are used in this Payment in Lieu of Tax Agreement, any one or more of the following events:

(A) Failure of the Company to pay any amount due and payable by the Company pursuant to this Payment in Lieu of Tax Agreement and continuance of said failure for a period of fifteen (15) days after written notice to the Company stating that such payment is due and payable;

(B) Failure of the Company to observe and perform any other covenant, condition or agreement on its part to be observed and performed hereunder (other than as referred to in paragraph (A) above) and continuance of such failure for a period of thirty (30) days after written notice to the Company specifying the nature of such failure

and requesting that it be remedied; provided that if such default cannot reasonably be cured within such thirty (30) day period and if the Company shall have commenced action to cure the breach of covenant, condition or agreement within said thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for so long as the Company shall require in the exercise of due diligence to cure such default, it being agreed that no such extension shall be for a period in excess of ninety (90) days in the aggregate from the date of default; or

(C) Any warranty, representation or other statement by or on behalf of the Company contained in this Payment in Lieu of Tax Agreement shall prove to have been false or incorrect in any material respect on the date when made or on the effective date of this Payment in Lieu of Tax Agreement and (1) shall be materially adverse to the Agency at the time when the notice referred to below shall have been given to the Company and (2) if curable, shall not have been cured within thirty (30) days after written notice of such incorrectness shall have been given to a responsible officer of the Company, provided that if such correctness cannot reasonably be cured within said thirty-day period and the Company shall have commenced action to cure the incorrectness within said thirty-day period and, thereafter, diligently and expeditiously proceeds to cure the same, such thirty-day period shall be extended for so long as the Company shall require, in the exercise of due diligence, to cure such default.

SECTION 4.02. REMEDIES ON DEFAULT. (A) General. Whenever any Event of Default shall have occurred with respect to this Payment in Lieu of Tax Agreement, the Agency (or if such Event of Default concerns a payment required to be made hereunder to any Taxing Entity, then with respect to such Event of Default such Taxing Entity) may take whatever action at law or in equity as may appear necessary or desirable to collect the amount then in default or to enforce the performance and observance of the obligations, agreements and covenants of the Company under this Payment in Lieu of Tax Agreement.

(B) Cross-Default. In addition, an Event of Default hereunder shall constitute an event of default under Article X of the Lease Agreement. Upon the occurrence of an Event of Default hereunder resulting from a failure of the Company to make any payment required hereunder, the Agency shall have, as a remedy therefor under the Lease Agreement, among other remedies, the right to terminate the Lease Agreement and convey the Project Facility to the Company, thus subjecting the Project Facility to immediate full taxation pursuant to Section 520 of the Real Property Tax Law of the State.

(C) Separate Suits. Each such Event of Default shall give rise to a separate cause of action hereunder and separate suits may be brought hereunder as each cause of action arises.

(D) Venue. The Company irrevocably agrees that any suit, action or other legal proceeding arising out of this Payment in Lieu of Tax Agreement may be brought

in the courts of record of the State, consents to the jurisdiction of each such court in any such suit, action or proceeding, and waives any objection which it may have to the laying of the venue of any such suit, action or proceeding in any of such courts.

SECTION 4.03. PAYMENT OF ATTORNEYS' FEES AND EXPENSES. Pursuant to Section 874(6) of the Act, if the Company should default in performing any of its obligations, covenants or agreements under this Payment in Lieu of Tax Agreement and the Agency or any Taxing Entity should employ attorneys or incur other expenses for the collection of any amounts payable hereunder or for the enforcement of performance or observance of any obligation, covenant or agreement on the part of the Company herein contained, the Company agrees that it will, on demand therefor, pay to the Agency or such Taxing Entity, as the case may be, not only the amounts adjudicated due hereunder, together with the late payment penalty and interest due thereon, but also the reasonable fees and disbursements of such attorneys and all other expenses, costs and disbursements so incurred, whether or not an action is commenced.

SECTION 4.04. REMEDIES; WAIVER AND NOTICE. (A) No Remedy Exclusive. No remedy herein conferred upon or reserved to the Agency or any Taxing Entity is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Payment in Lieu of Tax Agreement or now or hereafter existing at law or in equity or by statute.

(B) Delay. No delay or omission in exercising any right or Power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(C) Notice Not Required. In order to entitle the Agency or any Taxing Entity to exercise any remedy reserved to it in this Payment in Lieu of Tax Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Payment in Lieu of Tax Agreement.

(D) No Waiver. In the event any provision contained in this Payment in Lieu of Tax Agreement should be breached by any party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder. No waiver, amendment, release or modification of this Payment in Lieu of Tax Agreement shall be established by conduct, custom or course of dealing.

ARTICLE V MISCELLANEOUS

SECTION 5.01. TERM. (A) General. This Payment in Lieu of Tax Agreement shall become effective and the obligations of the Company shall arise absolutely and unconditionally upon the approval of this Payment in Lieu of Tax Agreement by

resolution of the Agency and the execution and delivery of this Payment in Lieu of Tax Agreement by the Company and the Agency. Unless otherwise provided by amendment hereof, this Payment in Lieu of Tax Agreement shall continue to remain in effect until the earlier to occur of (1) January 31, 2023, or (2) the date on which the Facility Premises is reconveyed by the Agency to the Company pursuant to the Lease Agreement.

(B) Extended Term. In the event that (1) the Facility Premises shall be reconveyed to the Company, (2) on the date on which the Company obtains the Agency's interest in the Facility Premises, the Facility Premises shall be assessed as exempt upon the assessment roll of any one or more of the Taxing Entities, and (3) the fact of obtaining the Agency's interest in the Facility Premises shall not immediately obligate the Company to make pro-rata tax payments pursuant to legislation similar to Chapter 635 of the 1978 Laws of the State (codified as subsection 3 of Section 302 of the Real Property Tax Law and Section 520 of the Real Property Tax Law), this Payment in Lieu of Tax Agreement shall remain in full force and effect and the Company shall be obligated to make payments to the Receiver of Taxes in amounts equal to those amounts which would be due from the Company if the Facility Premises were owned by the Company and not the Agency until the first tax year in which the Company shall appear on the tax rolls of the various Taxing Entities having jurisdiction over the Facility Premises as the legal owner of record of the Project Facility.

SECTION 5.02. FORM OF PAYMENTS. The amounts payable under this Payment in Lieu of Tax Agreement shall be payable in such coin and currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

SECTION 5.03. COMPANY ACTS. Where the Company is required to do or accomplish any act or thing hereunder, the Company may cause the same to be done or accomplished with the same force and effect as if done or accomplished by the Company.

SECTION 5.04. AMENDMENTS. This Payment in Lieu of Tax Agreement may not be effectively amended, changed, modified, altered or terminated except by an instrument in writing executed by the parties hereto.

SECTION 5.05. NOTICES. (A) General. All notices, certificates or other communications hereunder shall be in writing and may be personally served, telecopied or sent by courier service or United States mail and shall be sufficiently given and shall be deemed given when (1) sent to the applicable address stated below by United States registered or certified mail, postage prepaid, return receipt requested, or by such other means as shall provide the sender with documentary evidence of such delivery, or (2) delivery is refused by the addressee, as evidenced by the affidavit of the Person who attempted to effect such delivery.

(B) Notices Given by Taxing Entities. Notwithstanding the foregoing, notices of assessment or reassessment of the Project Facility and other notices given by a Taxing Entity under Article II hereof shall be sufficiently given and shall be deemed given when given by the Taxing Entity in the same manner in which similar notices are given to owners of taxable properties by such Taxing Entity.

(C) Addresses. The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

IF TO THE COMPANY:

Sky Hospitality, LLC
26 W. Court Street
Cortland, New York 13045
Attention: Bharati Desai, Sole Member and Manager

WITH A COPY TO:

Russell E. Ruthig, Esq.
36 Main Street
Cortland, New York 13045

IF TO THE AGENCY:

Cortland County Industrial Development Agency
37 Church Street
Cortland, New York 13045
Attention: Executive Director

WITH A COPY TO:

John P. Sidd, Esq.
Menter, Rudin & Trivelpiece, P.C.
308 Maltbie Street, Suite 200
Syracuse, New York 13204-1498

(D) Copies. A copy of any notice given hereunder by the Company which affects in any way a Taxing Entity shall also be given to the chief executive officer of such Taxing Entity.

(E) Change of Address. The Agency, the Company or any Taxing Entity may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications to them shall be sent.

SECTION 5.06. BINDING EFFECT. This Payment in Lieu of Tax Agreement shall inure to the benefit of, and shall be binding upon, the Agency, the Company and their

respective successors and assigns. The provisions of this Payment in Lieu of Tax Agreement are intended to be for the benefit of the Agency and the respective Taxing Entities.

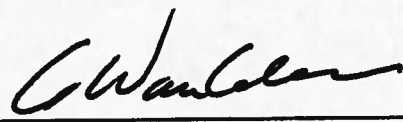
SECTION 5.07. SEVERABILITY. If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this Payment in Lieu of Tax Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent and the remainder of this Payment in Lieu of Tax Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

SECTION 5.08. COUNTERPARTS. This Payment in Lieu of Tax Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

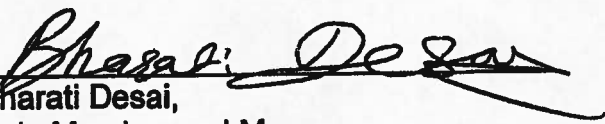
SECTION 5.09. APPLICABLE LAW. This Payment in Lieu of Tax Agreement shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the Agency and the Company have caused this Payment in Lieu of Tax Agreement to be executed in their respective names by duly authorized officers thereof, all being done as of the date first above written.

CORTLAND COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Garry VanGorder, Executive Director

SKY HOSPITALITY, LLC

By: 
Bharati Desai,
Sole Member and Manager

STATE OF NEW YORK)
COUNTY OF CORTLAND) ss.:

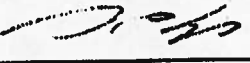
On the 7th day of December, 2012 before me, the undersigned, a notary public in and for said State, personally appeared **Garry VanGorder**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as **Executive Director of Cortland County Industrial Development Agency**, and that by his signature on the instrument, the individual, or the person or entity upon behalf of which the individual acted, executed the instrument.



Notary Public JOHN P. SIDD
Notary Public, State of New York
Qualified in Onondaga Co. No. 4993688
Commission Expires March 23, 20 14

STATE OF NEW YORK)
COUNTY OF CORTLAND) ss.:

On the 7th day of December, 2012 before me, the undersigned, a notary public in and for said State, personally appeared **Bharati Desai**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity as **Sole Member and Manager of Sky Hospitality, LLC**, and that by her signature on the instrument, the individual, or the person or entity upon behalf of which the individual acted, executed the instrument.



Notary Public JOHN P. SIDD
Notary Public, State of New York
Qualified in Onondaga Co. No. 4993688
Commission Expires March 23, 20 14

EXHIBIT "A"

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Cortlandville, Cortland County and State of New York, bounded and described as follows: BEGINNING at a point marked by a rebar and survey cap set in the northerly highway boundary line of New York State Route #13 (Cortland-Dryden Road), said point being located the following two (2) courses and distances from the intersection of the centerline of New York State Route #13 with the centerline of Virgil-South Cortland Road:

- 1) southwesterly, as measured along said centerline of New York State Route #13, a distance of 1,115 feet to a point, and
- 2) N 79° 21' 43" W, a distance of 59.7± feet to a point;

thence running along said northerly highway boundary line of New York State Route #13, the following two (2) courses and distances:

- 1) S 38° 50' 28" W, a distance of 178.11 feet to an angle point, and
- 2) S 43° 51' 58" W, a distance of 293.76 feet to a point marked by a set rebar and survey cap;

thence running N 46° 08' 02" W, a distance of 257.50 feet to a point marked by a set rebar and survey cap; thence running northwesterly, on a curve to the left having a radius of 880.00 feet, an arc distance of 237.06 feet to a point marked by a set rebar and survey cap; thence running N 14° 19' 29" E, a distance of 469.22 feet to a point marked by a set rebar and survey cap; thence running S 79° 21' 43" E, a distance of 220.00 feet to a point marked by a set rebar and survey cap; thence running S 10° 38' 17" W, a distance of 308.45 feet to a point marked by a set rebar and survey cap; thence running S 79° 21' 43" E, a distance of 423.67 feet to the point and place of beginning.



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RECEIVED

NOV 9 2012

SUPERINTENDENT'S OFFICE

November 6, 2012

Mr. Mike Hoose, Superintendent of Schools
Cortland Enlarged City School District
1 Valley View Dr.
Cortland, NY 13045

**Re: Capital Project Schedule / Lend Lease Contract
Project # 427406.00**

Dear Mr. Hoose:

As Phase 1 of the current Capital Project concludes Lend Lease is prepared to proceed with "Extension of Services" to assist the District in the replacement and repair of roofing using the remaining funds from the current Capitol Project.

As you know, there is some overlap of the current phase for the rest of 2012. Close-out services per contract commenced on October 1, 2012 and will extend through January 31, 2013.

As the District finalizes the Phase 2 scope of work, (roofing project) we will be collaborating with TETRA TECH on the preparation of the Bid Documents similar to the previous project. It is anticipated that the new bid phase will be mid-winter 2013 with start of construction in spring 2013, and all work completed by late Fall 2013.

For compensation of Extension of Services for 2013, we propose the following for consideration:

- Lend Lease will commence billing the District for Extended Services beginning January 1st 2013 @ the monthly charge of \$23,500, for 12 months. The current scheduled completion of this new phase is approximately Dec. 31 2013. This includes one full time person during Construction.
- Should the District and Lend Lease see the need to add an additional person (thus have 2 full time people) during the Construction phase the monthly billing would go back to the current Contract monthly charge of \$30,620. This decision will be based on scope of work @ award of bids and all months after will be billed at the 2 person rate when / if applicable. A written notice from the District will be required for this billing change.

Lend Lease looks forward to continuing its partnership with the District in executing the work of your remaining Capitol Project. We are open to reviewing this proposal for Extended Services with you in detail upon your request.

If there are no questions, please sign and return this correspondence at your earliest convenience.

Lend Lease (US) Construction Inc.
360 West Jefferson Street
Suite A
Syracuse, NY 13202

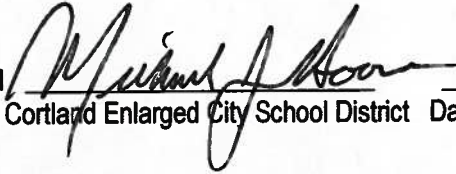
Telephone 315 214 5140
Facsimile 315 214 3791
www.lendlease.com



Yours sincerely,

A handwritten signature in black ink, appearing to read "Garry W. Herbert".

Garry W. Herbert
Vice President
Lend Lease (US) Construction Inc.

Approved  12/10/12
Cortland Enlarged City School District Date

c: Mark Balling, Lend Lease

CORTLAND ENLARGED CITY SCHOOL DISTRICT

1 Valley View Drive
Cortland, New York 13045

Effective July 1, 2012 – Reimbursement Rates

For Use of Vehicle*:

Large Bus:	\$3.00 per mile
Small Bus:	\$2.50 per mile
Suburban:	\$2.00 per mile
Sedan or Wagon:	\$1.50 per mile

**does not include fuel cost.*

In the event a driver is requested and provided by the district, the following reimbursement rates will apply.

Driver:

Straight Time: \$27.90 per hour (includes 20% for cost of fringe benefits)
Overtime (standard for earned OT, Holidays) \$41.85

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Hogan, Sarzynski,
Lynch, DeWind & Gregory, LLP

P.O. Box 660
Binghamton, NY 13902-0660
www.hsldg.com

Number 478

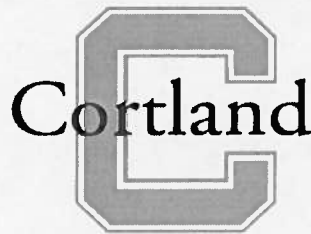
LEGALGRAM

December 27, 2012

**ADJUSTMENT IN STANDARD
MILEAGE RATE**

Beginning January 1, 2013, the standard rate for use of a car for business miles has been set at 56.5 cents a mile.

Issued for the use and reliance by retainer clients of
Hogan, Sarzynski, Lynch,
DeWind & Gregory, LLP



Enlarged City School District
"Committed to Excellence"

Kaufman Center
1 Valley View Dr.
Cortland, NY 13045
Phone: 607-758-4100
Fax: 607-758-4128
www.cortlandschools.org

Superintendent

Michael J. Hoose

Board of Education

Alane M. Van Donsel
President

John A. Natoli, Jr.
Vice-President

Donald A. Colongeli

Melissa Davis-Howard

Janet S. Griffin

William B. Stark III

William F. Young

**Cortland Enlarged City School District – Executive Summary
2010 – Revised December 2012**

In September 2010, the Cortland Enlarged City School District retained Tetra Tech Architects & Engineers (TAE) to assist the District with development of a Five Year Capital Facilities Plan. This included completion of a Building Condition Survey and/or full Facilities Evaluation for each of the ten District facilities. TAE has many years of experience in the District including several additions, and alterations/renovations projects including infrastructure and site upgrades. Each year, the Five Year Plan is reviewed and updated.

The Five Year Capital Facilities Plan has several purposes; it is intended to be a tool to help school districts manage their capital assets by requiring them to collect, coordinate, analyze, and prioritize facility infrastructure and building program needs on a district-wide and annual basis. In addition, the Plan should discuss proposed new school facilities, additional classroom construction or site acquisitions. The Plan will be reviewed by the State Education Department to insure that health and safety needs are being addressed by the District.

The District's current capital project is scheduled to be completed in January 2013. The first phase of this project included numerous infrastructure and programmatic upgrades including strategic relocation of the building administration to be adjacent to entries or to better serve their respective student base, upgrades to music and performing arts, partial roofing replacement, a new stadium and track facility with storage buildings and concessions, parking and site adaptations, and numerous HVAC, electrical and plumbing upgrades to each of the District's facilities. The approved referendum was for \$41.6 million.

The second phase of this project is to encompass the replacement of some or all of the remaining roof membranes throughout the District. This work is scheduled to take place over the summer of 2013.

Facilities in the District are generally in good condition and reflect a significant commitment to a dedicated and proficiently managed maintenance and capital improvement program.

The "Year" designation does not suggest that items listed in that category will be completed the first year following completion of the Five Year Capital Facilities Plan. The year is essentially a priority ranking that will assist in developing future capital projects or maintenance efforts.

Year one items may also indicate that those items are ones that the District plans on completing in-house or with funds budgeted for maintenance and repair. Typically, Years 2 – 4 are items that might be included in a capital project recognizing that it takes several years to initiate and complete a capital project. Year 5 items include those renovation, repair, or capital project initiatives that are being considered but do not have an immediate need. No attempt was made to further prioritize within a given year. All recommendations within a given year are considered to have equal weight.

Costs for all recommendations are in today's construction dollars. Escalation for inflation and changing construction market factors will be evaluated and applied if and when capital projects are formulated.

District Facilities:

Cortland Jr. –Sr. High School
Barry Elementary School
Parker Elementary School
Randall Elementary School
Smith Elementary School
Virgil Elementary School
Kaufman Center / Bus Garage
Maintenance Building
District Storage Facility
HS Grounds Building

District Priorities:

The current administration has been very active in defining priorities and reconciling programmatic needs with facility needs. Meeting with the District's architects and engineers as well as other consultants to assemble the data and information we felt necessary to develop a practical, effective, executable and fiscally sound plan that will provide the best solutions to move our District forward. Gathering as much data as possible and utilizing outside as well as internal resources has been a consistent aspect of this process. Our Board of Education and community have been very supportive in our planning efforts.

As the District moves forth with efforts to formulate future capital work, the following has surfaced as priority (no order):

Upgrades to health and safety systems
Communication system improvements and upgrades
Energy Efficiencies
Aligning infrastructure with Educational and Programmatic goals

The Cortland Enlarged City School District will meet the educational needs of all students by creating a learning environment that will develop excellent scholars and responsible citizens.

Mission:

"The Cortland Enlarged City School District will value all community members as partners in creating a positive learning environment for all students. This will prepare them to reach their fullest potential in becoming life-long learners, and successful, contributing members of the society in which they live."

Persons Involved in Plan Preparation:

Mr. Michael Hoose, Superintendent CECS
Ms. Susan Bridenbecker, Director Business Services CECS
Mr. Wally Blanden, Superintendent Buildings and Grounds CECS
Mr. Scott Duell, Tetra Tech Architects & Engineers
Ms. Alane Van Donsel, President Board of Education
Mr. William Stark, Board of Education Member
Mr. Willian Young, Board of Education Member

Resources Utilized:

Annual Visual Inspections
Fire Safety Reports

Michael J. Hoose, Superintendent

AGREEMENT

THIS AGREEMENT, entered into this first day of January, 2013, by and between the **COUNTY OF CORTLAND**, New York, (the "COUNTY"), a municipal corporation organized and existing under the laws of the State of New York with offices at 60 Central Avenue, Cortland, New York 13045, acting through its duly constituted **CORTLAND COUNTY COMMUNITY SERVICES BOARD** (hereinafter referred to as "Board") and **CORTLAND ENLARGED CITY SCHOOL DISTRICT**, (the "CONTRACTOR"), with offices located at 1 Valley View Drive, Cortland, New York 13045.

WITNESSETH, that the COUNTY and the CONTRACTOR, for the consideration hereafter named, agree as follows:

ARTICLE 1. WORK TO BE DONE AND CONSIDERATION THEREFORE

The CONTRACTOR shall furnish alcohol and substance abuse prevention programs as described in the attached Workplan as Exhibit A.

ARTICLE 2. TERM

The CONTRACTOR agrees to perform the services and/or supply goods beginning December 31, 2012 and ending December 31, 2013.

ARTICLE 3. ACCEPTANCE AND PAYMENT

Upon receipt of written notice that the Contract services have been performed and the COUNTY agrees that the Contract services have been performed, the CONTRACTOR shall file with the COUNTY an itemized voucher and the COUNTY shall pay the CONTRACTOR up to \$88,009.00 for their prevention program (Program Code 5550) in equal quarterly payments of \$22,002.25 within its normal payment period.

Contractor agrees that if, for any reason whatsoever, the agency shall spend during the term of this Agreement for the purposes set forth herein an amount less than agreed, the total County payment herein shall be reduced to Contractor.

If during the term of this Agreement, or within one year thereafter, the Office of Alcoholism and Substance Abuse Services of the State of New York shall fail to approve and pay state aid to the County,

the County shall not be liable to pay any of its own funds to meet any deficiency under the terms of this Agreement.

In accordance with the guidance provided by the Office of the Medicaid Inspector General, the CONTRACTOR agrees to screen all employees, vendors, contractors, and referral sources upon hire and to re-screen all such entities on a monthly basis to determine if they have been excluded or terminated from participation in federal health care programs or New York State Medicaid. The three websites to be utilized to conduct these screenings are:

www.omig.state.ny.us

<http://oig.hhs.gov/fraud/exclusions.asp>

<https://www.epls.gov>

No payment will be made by the COUNTY for services provided by an excluded contractor.

ARTICLE 4. CONTRACTOR'S INSURANCE

The CONTRACTOR shall not commence work under this Contract until he/she/it has obtained all insurance required under this paragraph and the COUNTY has approved such insurance. The COUNTY requires the following insurance coverage and amounts:

- (A) Comprehensive General Liability, including personal injury coverage of \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate and property damage coverage in the amount of \$500,000.00 per occurrence and \$1,000,000.00 in the aggregate.
- (B) Automobile coverage with a combined single limit of \$1,000,000.00.
- (C) Statutory Worker's Compensation Disability Coverage, and Unemployment Insurance.
- (D) Professional Liability Insurance in the amount of \$1,000,000.00 where applicable.
- (E) Unemployment Insurance Benefits as required by statute.

The CONTRACTOR shall submit at the time of the execution of this agreement, certificates of insurance properly executed by an authorized representative of its insurance underwriter, evidencing such insurance policies to be in full force and effect, naming the COUNTY and its officers, employees, agents and representatives as additional insured.

Notice of termination of any such policies must be provided to the COUNTY at least thirty (30) days in advance. CONTRACTOR shall, on or before this 30 day period, provide the COUNTY with a prospective Certificate of Insurance with the above coverage and limits for the balance of the term of this agreement.

All insurance coverage required to be purchased and maintained by the CONTRACTOR under this agreement shall be primary for the defense and indemnification on any action or claim asserted against the COUNTY and/or the CONTRACTOR for work performed under this agreement, regardless of any other collectible insurance or any language in the insurance policies which may be to the contrary.

The CONTRACTOR shall furnish the above insurance to the COUNTY and shall also name the COUNTY OF CORTLAND as an additional insured in said policies. Any accident shall be reported to the COUNTY as soon as possible and not later than twenty-four (24) hours from the time of such accident. A detailed written report must be submitted to the COUNTY as soon thereafter as possible and not later than three (3) days after the date of such accident.

ARTICLE 5. REPRESENTATIONS OF CONTRACTOR

The CONTRACTOR represents and warrants:

- (A) That he/she/it is financially solvent and that he/she/it is experienced in and competent to perform the services as described in Article 1 above,
- (B) That he/she/it is familiar with all Federal, State, municipal and departmental laws, ordinances and regulation which may in any way affect the work or those employed therein.

ARTICLE 6. PERMITS AND REGULATIONS

The CONTRACTOR shall procure and pay for all permits and licenses necessary for the services to be rendered hereunder.

ARTICLE 7. COUNTY'S RIGHT TO STOP WORK OR TERMINATE CONTRACT

The COUNTY shall have the right to stop work or terminate the Contract if:

- (A) The CONTRACTOR is adjudged bankrupt or makes an assignment for the benefit of creditors; or
- (B) A receiver or liquidator is appointed for the CONTRACTOR or for any of his/her/it's property and is not dismissed within twenty (20) days after such appointment or the proceedings in connection therewith are not stayed on appeal within said twenty (20) days; or

- (C) The CONTRACTOR refuses or fails to prosecute the work or any part thereof with due diligence; or
- (D) The CONTRACTOR fails to make prompt payment to persons supplying labor for the work; or
- (E) The CONTRACTOR fails or refuses to comply with all applicable laws or ordinances; or
- (F) The CONTRACTOR violates any provision of the Contract;
- (G) In any event, the COUNTY, without prejudice to any other rights or remedy it may have, may by seven (7) days notice to the CONTRACTOR, terminate this contract pursuant to the grounds stated herein. In such case, the CONTRACTOR shall not be entitled to receive any further payment until the work is complete. If the unpaid balance of the compensation to be paid to the CONTRACTOR hereunder exceeds the expense of completing the work, such excess shall be paid to the CONTRACTOR. If such expense exceeds such unpaid balance, the CONTRACTOR shall be liable to the COUNTY for such excess.
- (H) COUNTY may terminate this contract upon thirty (30) days written notice to the CONTRACTOR if deemed in the best interest of the COUNTY.
- (I) COUNTY may terminate if the contract is not funded.

ARTICLE 8. INDEMNIFICATION / HOLD HARMLESS

The CONTRACTOR shall indemnify, defend and hold the COUNTY, its Departments, and its officers, employees, contractors, representatives and agents harmless from and against any and all claims, fines, demands, losses, damages and expenses, including attorney's fees, relating to or arising out of any negligent or intentional acts and/or omissions of the CONTRACTOR or any of its directors, officers, employees, contractors, representatives, or agents.

ARTICLE 9. INDEPENDENT CONTRACTOR

The CONTRACTOR, including all its officers, employees and agents that their relationship to the COUNTY and any of its Departments or units, is that of an independent contractor, and said CONTRACTOR covenants and agrees that they will not conduct themselves as, nor hold themselves out as, nor claim to be an officer or employee of the COUNTY by reason hereof and that they will not claim, demand or make an application to or for any right or privilege applicable to an officer or employee of the COUNTY, including, but not limited to, Worker's Compensation coverage, Unemployment Insurance benefits, Social Security coverage, medical and/or dental benefits, or retirement membership or credit.

ARTICLE 10. ASSIGNMENT

Neither party may assign or sub-contract this contract or any portion thereof, without prior written consent of the other party hereto.

ARTICLE 11. REQUIRED PROVISIONS OF LAW

Each and every provision of law and clause required by law to be inserted in this Contract shall be deemed to have been inserted herein. If any such provision is not inserted, through mistake or otherwise, then upon the application of either party, this Contract shall be physically amended to make such insertion.

ARTICLE 12. VENUES AND DISPUTES

The exclusive means of disposing of any dispute arising under this Agreement shall be decided in a New York State Court of competent jurisdiction located within Cortland County, New York. There shall be no right to binding arbitration. Pending final resolution of a dispute, the CONTRACTOR shall proceed diligently with performing the terms of this Agreement. The CONTRACTOR waives any dispute or claim not made in writing and received by the COUNTY within thirty (30) days of the occurrence giving rise to the dispute or claim. The claim must be in writing for a sum certain and any money requested must be fully supported by all cost and pricing information.

ARTICLE 13. REMEDIES

The remedies specified herein shall be cumulative and in addition to any other remedies available of law or in equity. Waiver of a breach of any provision of this Agreement shall not constitute a waiver of any other or future breach of the same provision or any other provision of the Agreement.

ARTICLE 14. NOTICES

All notices of any nature referred to in this agreement shall be in writing and sent by registered or certified mail, postage pre-paid, to the respective addresses set forth below or to such other addresses as the respective parties may designate in writing.

To the CONTRACTOR: Cortland Enlarged City School District
 1 Valley View Drive
 Cortland, New York 13045

To the COUNTY:

Chairman of the Legislature
County of Cortland
60 Central Avenue
Cortland, New York 13045

ARTICLE 15. SEVERABILITY

In the event any provision hereof shall be held for any reason to be illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect the remaining provisions of this agreement, which shall continue in full force and effect.

ARTICLE 16. WAIVER

No waiver of any breach of any condition of this Agreement shall be binding unless in writing and signed by the party waiving said breach. No such waiver shall in any way affect any other term or condition of this Agreement or constitute a cause or excuse for a repetition of such or any other breach unless the waiver shall include the same.

ARTICLE 17. MODIFICATION

This Agreement constitutes the complete understanding of the parties. No modification of any provisions thereof shall be valid unless in writing and signed by both parties.

ARTICLE 18. EXECUTORY CLAUSE

The COUNTY shall have no liability under this Agreement to the CONTRACTOR or to anyone else beyond funds appropriated and available for this Agreement.

ARTICLE 19. RECORDS RETENTION AND AUDIT

The CONTRACTOR agrees to retain all books, records and/or other documents relevant to this Agreement for six (6) years after the expiration or termination of this agreement or six (6) years after final payment, whichever is later, unless otherwise agreed to by the parties in writing. New York State auditors and/or any other persons duly authorized by the COUNTY shall have full access to and the right to examine any of the above-mentioned documents during the above-stated time period.

ARTICLE 20. APPLICABLE LAW

This Agreement is governed by the laws of the State of New York.

ARTICLE 21. PRIVACY AND SECURITY (HIPAA)

(APPLICABLE TO ALL CONTRACTS FOR GOODS AND SERVICES WHICH RELATE TO MEDICAL RECORD-KEEPING)

The purpose of this clause is to set forth the requirements for privacy and security of protected health information ("PHI") mandated by 45 CFR Part 164 as they apply to the services provided by CONTRACTOR on behalf of COUNTY. Terms and conditions required relative to this agreement are incorporated and attached to this agreement as "Exhibit B".

ARTICLE 27. CORPORATE COMPLIANCE

Should the Contractor receive funds from Medicaid or Medicare, the contractor is required to adhere to the Cortland County Mental Health Department Corporate Compliance Plan outlined in "Exhibit C".

ARTICLE 23. SANCTIONS/NON-REIMBURSEMENT/STATE AID

If the appropriate State Agency shall sanction and/or fail to approve full reimbursement to the COUNTY for payments made hereunder by the COUNTY to the PROVIDER for expenditures made during the term of this Agreement and/or fail to appropriate the full amount of State Aid, then the COUNTY may deduct and withhold from any payment due the PROVIDER an amount equal to the reimbursement/State Aid denied by the appropriate State Agency, and the COUNTY'S obligation hereunder shall be reduced by such amounts.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in duplicate (3 copies) each of which shall be deemed an original on the date written.

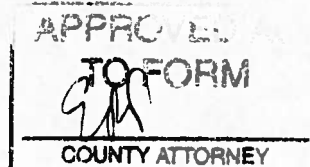
COUNTY OF CORTLAND

DATE: 12/14/12

BY: *Michael Park*
Michael Park, Chairman
Cortland County Legislature

Acknowledgement

STATE OF NEW YORK)
COUNTY OF CORTLAND) ss.:



On this 14th day of December, 2012, before me, the undersigned, a Notary Public in and for said State, personally appeared Michael Park, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Kim A Reakes
Notary Public

KIMBERLY A. REAKES
Notary Public, State of New York
Qualified in Cortland Co. #01466066499
My Commission Expires Sept. 30, 2014

CONTRACTOR
Cortland Enlarged City School District

DATE: _____

BY: _____

(NAME OF SIGNATORY)

Acknowledgement

(STATE OF NEW YORK)

COUNTY OF CORTLAND) ss.:

On this _____ day of _____, 2012, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public _____

BY: Donald Noble

DONALD NOBLE, Ph.D.
(NAME OF SIGNATORY)

Community Services Board Chairperson

Acknowledgement

STATE OF NEW YORK)
COUNTY OF CORTLAND) ss.:

On this 18th day of December, 2012, before me, the undersigned, a Notary Public in and for said State, personally appeared Donald Noble, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Bobbi Jo Beck
Notary Public

Bobbi Jo Beck
NOTARY PUBLIC, State of New York
Qualified in Onondaga Co.
No. 4875256
My Commission Exp. Nov. 3, 2014

CORTLAND ENLARGED CITY SCHOOL DISTRICT BOARD OF EDUCATION REQUEST FOR EXTENDED OVERNIGHT FIELD TRIP

This form applies to any trip scheduled during the school year, organized and/or supervised by a teaching staff member for students (some or all) from that teacher's school that involves two or more night's lodging.

REQUESTED BY SUPERVISING TEACHER David Darrow	SCHOOL High School	DATE 1/3/12
DESCRIPTION OF THE TRIP Lansingburgh Wrestling Tournament		

TRIP DETAILS		
DESTINATION OF TRIP Lansingburgh High School	DEPARTURE DATE Jan 19th	DEPARTURE TIME 10:00 am
ADDRESS 320 7th Ave	RETURN DATE Jan 19th	RETURN TIME 9 pm
Troy, NY	TOTAL DAYS 2	TOTAL NIGHTS 1
12182	NUMBER OF STUDENTS 22	NUMBER OF CHAPERONES (6)
NUMBER OF STAFF 3 Coaches 2 Parents	+ AI LASK	

COSTS		
TOTAL ANTICIPATED COST OF TRIP PER PERSON \$ 20.00	COST INCLUDES: hotel / food etc Hilton Garden Inns	
ADDITIONAL COSTS \$	ADDITIONAL COSTS INCLUDES: Tournament Cost (4 Dual Meets)	
TRANSPORTATION MODE Bus	TRANSPORTATION CARRIER CHS	TRANSPORTATION COST ?

LEARNING OUTCOMES OF TRIP
Wrestling Tournament - Club will pay for bus drivers Hotel

TARGET-GROUP OF STUDENTS
(Class/Team/Organization)

Wrestling Team 2012-2013

SPECIAL REQUESTS
(Pertaining only to field trips involving exceptional students or students with special needs)

~~_____~~

PRE-TRIP ORGANIZATION, PLANNING, MEETINGS, PREPARATION (Dates)

Parent Meeting
meet w/ Jeff Johnson
Greg Santoro

POST-TRIP FOLLOW UP/EVALUATION OF EDUCATIONAL VALUE

~~_____~~

PRINCIPAL COMMENTS

SUPERVISING STAFF NAME	COVERAGE ARRANGED
David Davon	
Joe Nicholas	
Bill Gallow	
Al Lash	
Gary Dillingham	
Jamie Alexander	

APPROVALS

SIGNATURE OF SUPERVISING TEACHER David Davon	SIGNATURE OF PRINCIPAL [Signature]
SIGNATURE OF DIRECTOR OF CURRICULUM AND INSTRUCTION Athletics 1/3/12	DATE 1/3/12
SIGNATURE OF SUPERINTENDENT [Signature]	DATE 1/4/12

Jan 18th & Jan 19th

Itinerary

- Friday Jan 18th leave CHS around 10⁰⁰
- Arrive at Lansingburgh High School for 2:30 pm weigh-in.
- Wrestle 3 rounds ... finish \approx 8:30 pm
- Check in @ Hilton Garden ~~Town~~ Troy (9⁰⁰ ish)
- Check out \approx 6:30 am - leave for high school.
(Weigh in @ 7⁰⁰ am)
- Finish Tournament (5 more rounds).
- Leave for CHS \approx 6⁰⁰ pm RETURN AROUND
10 pm

79-2

SCHEDULE OF RESIGNATIONS AND LEAVES

ADMINISTRATORS, INSTRUCTIONAL AND NON-INSTRUCTIONAL STAFF
School Year 2012-13

Schedule Number: 11.01

Board Meeting Date: January 8, 2013

Color: White

A. Approval of Personnel Resignations and Leaves

INSTRUCTIONAL PERSONNEL:

RESIGNATION	POSITION	ORIGINAL APPOINTMENT	RESIGNATION DATE	REASON

CO-CURRICULAR PERSONNEL:

RESIGNATION	POSITION	ORIGINAL APPOINTMENT	RESIGNATION DATE	REMARKS
DiSanto, Joe	Volunteer Assistant Coach JV Girls Lacrosse	12/11/2012	12/12/2012	To accept the Head Coach JV Boys Lacrosse position.

NON-INSTRUCTIONAL PERSONNEL:

RESIGNATION	POSITION	ORIGINAL APPOINTMENT	EFFECTIVE DATE	REASON

INSTRUCTIONAL/NON-INSTRUCTIONAL PERSONNEL:

LEAVE OF ABSENCE	POSITION	ORIGINAL APPOINTMENT	LEAVE DATES	REASON
Williams, Claudia	Special Education	02/01/2009	09/01/2012 – 02/03/2013 (Extended)	Parental leave – If part of this leave is to be paid, the period of disability, confirmed by a physician, will be defined in the doctor's note.

SCHEDULE OF APPOINTMENTS

**Non-Instructional Personnel
To Fix Salaries and Schedule Conditions for the School Year 2012-13**

Schedule Number: **1077**

Board Meeting Date: **January 8, 2013**

Color: **White**

NAME	JOB TITLE	SERVICE AREA	EFFECTIVE DATE	APPOINTMENT TYPE	REMARKS	SALARY/ HOURLY RATE
Wasser, Karen	Bus Driver	District	01/09/2013	Probationary	Karen will fill the Bus Driver vacancy due to resignation.	\$16.09

SCHEDULE OF APPOINTMENTS

Non-Instructional Substitute Personnel

To Fix Salaries and Schedule Conditions for the School Year 2012-13

Schedule Number: **1078**

Board Meeting Date: **January 8, 2013**

Color: **White**

The following individuals are appointed conditionally (pending fingerprint clearance) to the substitute list for non-instructional personnel. The Superintendent is authorized to make assignments from the list.

Last Name	First Name	Title	Rate
Morrison	Lori	Teacher Aide	\$8.55

SCHEDULE OF APPOINTMENTS

ADMINISTRATORS AND INSTRUCTIONAL STAFF
To Fix Salaries and Schedule Conditions for the School Year 2012-13

Schedule Number: 2219
Board Meeting Date: January 8, 2013
Color: White

NAME	POSITION/ LOCATION	TYPE OF APP'T	DATE EFFECTIVE	PROB ENDS	TENURE AREA	CERT/DEGREE	REMARKS	SALARY*
Atkinson, Venessa	Special Education/ JSHS	Long-Term Substitute	09/01/2012	N/A	N/A	Students With Disabilities 7-12 – Social Studies/Initial	Venessar will fill the Special Education vacancy due to extended leave retroactive to 09/01/2012.	Step Grad Hrs Master's 1 \$38,403
								TOTAL \$38,403.00*
Feulner, Katherine	English/JSHS	Long-Term Substitute	12/03/2012	N/A	N/A	English Language Arts 7-12/Professional	Katherine will fill the English vacancy due to leave retroactive to 12/03/2012.	Step Grad Hrs Master's 4 \$40,502
								TOTAL \$40,502.00*

*2009-10 pro-rated for the remainder of the 2012-13 school year

SCHEDULE OF APPOINTMENTS

ELEMENTARY & SECONDARY SUBSTITUTE TEACHERS/TUTORS 2012-13

Schedule Number: **2220**

Board Meeting Date: **January 8, 2013**

Color: **Yellow**

The following individuals are emergency conditional appointments to the substitute teacher list. The Superintendent is authorized to make assignments from the list.

Name	Title	List	Daily Rate
Jacobs-Ziobro, Tomi	Substitute Teacher	B	\$75.00
Blaich, Matthew	Substitute Teacher	B	\$75.00
Mantella, Dominick	Substitute Teacher	B	\$75.00

*** Substitutes appointed above are automatically eligible to substitute as Teaching Assistants.**

SCHEDULE OF APPOINTMENTS
INTER-SCHOLASTIC (ATHLETICS)
To Fix Salaries and Schedule Conditions for the School Year 2012-13

Schedule Number: **2221**
Board Meeting Date: **January 8, 2012**
Color: **Blue**

NAME	TITLE	VARSITY/JV JUNIOR HIGH	SPORT	BOYS/ GIRLS	AMOUNT
Joe DiSanto	Head Coach	JV	Lacrosse	Boys	\$ TBD
Kevin Ayer	Vol. Asst. Coach	Varsity	Ice Hockey	Boys	\$ Volunteer