

Pittsfield Economic Development Authority  
August 8, 2012

Meeting Minutes

In attendance were Gary Grunin, Board Chairman, Mick Callahan, Dan Bianchi, George Whaling and Mike Matthews, Board Members.

Also in attendance was Beth Goodman and Barbara Landau, legal counsel, Tony Dobrowolski, Berkshire Eagle, Terry Kinnas, PCTV, Cory Thurston, Executive Director and Colleen Hunter-Mullett, clerk.

**I. Administration**

- a. Call to Order  
Chairman Grunin called the meeting to order at 8:05 AM.
- b. Approval of June 13, 2012 Minutes  
**There was a motion to approve the meeting minutes of June 13, 2012 as presented, seconded and carried**
- c. Approval of July 3, 2012 Minutes  
**There was a motion to approve the meeting minutes of July 3, 2012 as presented, seconded and carried**

**II. Finance Committee Report**

Environmental Insurance Renewal – In order to attract tenants, Mr. Matthews reviewed the need, affordability and DEDA contract requirements for environmental insurance. He stated that the amounts can change and that he is not prepared to make a recommendation at this point.

Mr. Matthews informed the Board that PEDDA had received three quotes out of nine requested because six firms declined to submit a quote. Mr. Matthews reviewed what had been requested from each firm.

Chairman Grunin stated that the original DEDA required a 50 million dollar policy, which was purchased with a state grant. That policy is due to expire later this month. He stated that GE's position is that PEDDA must get another 50 million dollar policy. Mr. Matthews disagrees with GE.

Mayor Bianchi agreed with Mr. Matthews, stating that nothing extraordinary has occurred in the past 10 years that would indicate the need to maintain a 50 million dollar policy.

Ms. Goodman stated that PEDDA has just now obtained its first tenant and as more tenants locate on site, more coverage may be required. Ms. Goodman wondered what the liability would be if PEDDA doesn't follow GE's recommendation.

Chairman Grunin stated that the site was originally believed to be more contaminated than it was which is where the 50 million dollar figure came from. He further stated that he believes the 50

million was originally meant to be during construction only. Once construction is complete, he stated, that he's not sure PEDAs needs the coverage at all.

Ms. Landau stated that GE's position is based on PEDAs requirement to indemnify GE for certain liability claims, however, she is not sure what the correct dollar limit should be.

Mr. Matthews stated that any liability has to be balanced with the cost of the coverage and our actual needs at this time. He suggested having a meeting with GE representatives.

Ms. Landau stated that there are dispute resolution provisions in the DEDA contract if GE disagrees with PEDAs position or vice versa.

Mr. Thurston stated that the current policy is due to expire and he suggested getting a policy in place while the Finance Committee continues to work this out. Ms. Landau stated that the Spofford Group is pricing various options for PEDAs consideration .

Mr. Whaling asked if the Board could authorize the Finance Committee to make a decision. Ms. Landau confirmed that the Board could authorize the Finance Committee to make a final decision on behalf of the Board.

There was some discussion regarding appropriate deductibles. Mr. Whaling asked Ms. Landau what PEDAs exposure was. Ms. Landau stated that PEDAs exposure is less risky than ten years ago , but every time a shovel goes in the ground, there are unknowns. Ms. Landau reviewed what would be covered under the proposed policy and what wouldn't be covered. There was some discussion regarding term of coverage.

Mr. Matthews asked if PEDAs has any obligations that it's committed to Mountain One. Ms. Landau stated that there is a commitment to maintain a policy as required by the DEDA but does not a reference a specific insurance limit.

Mayor Bianchi stated that there has to be other sites that have had this experience before. Mr. Whaling stated that PEDAs only has 9 days to find out. Mayor Bianchi wondered if PEDAs locked into a policy today, can it be reduced after a final decision has been made.

**There was a motion to authorize the Finance Committee to select an amount of environmental insurance, as well as the carrier, seconded and carried.**

Second Quarter Financial Statements – Mr. Matthews informed the Board that all recommendations from the auditor for best practices have been implemented.

**There was a motion to approve the second quarter financial statements, seconded and carried.**

### **III. Executive Director's Report**

MassDOT/CSX – Bridge – Mr. Thurston informed the Board that the bridge agreement had been signed on July 3, 2012 and demolition will occur within the next two weeks. He thanked the

County's legislative delegation, especially Senator Ben Downing for their assistance in moving this along on an expedited schedule. He thanked the Mayor for his office's pressure on the issue.

Mayor Bianchi informed the Board that Secretary of Transportation, as well as the Governor's office, was very supportive of this issue.

Life Sciences Project – Mr. Thurston informed the Board that the trip to Worcester went well and that he's working on getting a formal meeting together. He stated that there is a poll circulating on line to schedule an event and he's looking forward to everyone's responses.

Mr. Thurston stated that he's working on an updated construction estimate, infrastructure requirements and getting broadband located on site.

Mr. Thurston stated that he's has a rough marketing plan with approximately 2,000 leads and he's making progress

NPDES Permit Water Quality Basin – Mr. Thurston informed the Board that the 2005 application for storm water retention had been submitted. EPA presented their draft permit, which included extraordinary requirements with standards that are impossible to obtain. He reviewed the standards, stating that at a minimum additional testing, weekly instead of monthly, will be required. Mr. Thurston stated that he is working on an estimated cost for compliance.

Mr. Thurston stated that DEP will be weighing in on the draft and then there will be a thirty day comment period before a permit is issued. There will then be an appeal process, but PEDAs can only appeal based on public comments so the Board should make sure they comment on all issues. He stated that he's told there are current active municipal site standards, which would be far more appropriate for this site.

Mr. Grunin asked if EPA understands that 93 acres are coming from the City. Mr. Thurston confirmed that they are aware of this, but PEDAs is the property owner. Mr. Thurston stated that he believes PEDAs is in for a bit of a fight. Gradient is PEDAs's environmental consultant, Jim Gagnon is PEDAs's LSP and Berkshire Environmental performs the testing.

Mr. Whaling asked if Mr. Thurston had any indication that this requirement was going to change. Mr. Thurston stated that he did not. He further stated that PEDAs has been in compliance with the permit since the water basin had been constructed.

There was some discussion regarding transferring the property to the City. Appeal options were also discussed, with the determination being made that it must be a joint effort with the City and their consultants.

Marketing – Mr. Thurston informed the Board that the public relations effort has gotten some traction. He reviewed the number of published articles and the number of hits the web site has had. Mr. Whaling and Mr. Thurston discussed specific publications and listings.

Mr. Callahan asked if they were cross linking all stories to the web site. Mr. Thurston confirmed that they were.

Mr. Whaling asked if there were any updates on tenant possibilities. Mr. Thurston stated that there are two new possibilities. He stated that Action Ambulance is still interested and would like to explore the possibilities, and the retail developer is still interested as well.

Chairman Grunin informed the Board that this would be Beth Mitchell's last meeting. He thanked her for her service. Mayor Bianchi stated that Ms. Mitchell has indicated to him that when her traveling schedule changes, she would like to return to the Board.

Ms. Mitchell stated that General Dynamics would like to help and that they have many people on staff that would like to be on the Board.

Chairman Grunin informed the Board that there will be a meeting of the Finance Committee on Tuesday at 3:30 PM and the next Board meeting is scheduled for September 12, 2012 at 8:00 AM.

There was a motion to adjourn at 9:10 AM, seconded and carried.

Respectfully submitted,



Colleen Hunter-Mullett  
Clerk