

**Jefferson County Industrial Development Agency  
Alternative Energy Ad hoc Committee Meeting Minutes  
June 6, 2023**

**Present:** Paul Warneck, Chair; William Johnson, Christine Powers, Rob Aiken, Robert Aliasso

**Excused:** None

**Also Present:** David Zembiec, Marshall Weir, Robin Stephenson

Town of Lyme: Terry Countryman (Supervisor)

Zoom: Lyme Central School: Patricia Gibbons (Superintendent)

Zoom: Town of Brownville: James Burrows, legal counsel for Towns of Brownville & Lyme

Zoom: Dominic D’Imperio, legal counsel for Lyme Central School District

**I. Call to Order:** Chair Warneck called the meeting to order at 10:10 a.m.

**II. AES Riverside Solar Project and potential PILOT discussion:**

Mr. Warneck gave background information on the project and explained that the state has issued a permit to Riverside Solar for this project. Mr. Warneck pointed out that of the three major projects locally in Orleans, Hounsfield and Lyme, none of the developers have approached us for a PILOT. Mr. Warneck emphasized that this meeting is the pre-planning stage and that we are trying to be proactive to get the best deal for all entities involved.

Mr. Warneck did point out that this project did not receive a strike price nor a renewable award as did other projects in the state.

Mr. Warneck shared estimates of the project’s assessed value based on the state’s approved valuation model to show the potential value of the project. Based on those examples this project, value at \$37 million if the land is leased, and \$46 million if the developer owned the land. This equates to a full assessed value of \$6,700/megawatt. Essentially, the state’s model values projects as approximately 30% of the construction cost. There was detailed conversation about how solar panels depreciate each year which will have some impact.

Mr. Warneck asked counsel, Justin Miller, to confirm that the PILOT cannot bill for more than the full taxation and that consideration has to be kept in mind of the school tax cap issue as well. Mr. Miller confirmed.

Mr. Aliasso asked if this project is taking out of commission any prime farmland. Mr. Warneck did not think so and thought the same of the other two major solar projects that are in the works.

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Mr. Warneck again explained that values will decline each year with depreciation of the panels; but the revenues per megawatt will stay the same. Mr. Zembiec mentioned that our inverted PILOT schedule--starting with the higher payments and then dropping—might reduce the chance of the two lines crossing. More discussion related full taxation, school tax cap, and what to do with the PILOT. Does it end when the lines cross and one lump sum payment is made? Mr. Miller stated that some language could be put in the PILOT saying payment will be “lessor of” full taxes and the per megawatt PILOT amount. Mr. Miller also states that now is the time to be thinking of this for future projects.

Mr. Warneck asked counsel, how are we in relation to other IDAs across the state when it comes to discussing the potential of declining assessments on projects? Mr. Miller said we are thinking cautiously and ahead of the curve in comparison around the state.

Discussion stays on key to not exceeding full taxation and the issues with schools and their tax cap.

Mr. Warneck asked counsel if a developer could waive challenging the full tax? Mr. Miller said it is a statutory law so they cannot waive it.

Mr. Warneck also asked if there was an actual definition of a “Host Community”? Can a school and/or county be a host? Mr. Miller said we know a town or Village can be a host community. Mr. Miller said an HCA might be set up when there is significant impact that relates to a school. He provided an example of a major apartment complex that would bring in multiple families with children, which directly affects the school since the school would have to transport and educate those children. Whereas solar projects are pretty much panels in a field.

Mr. Warneck brought up doing an alternative deviation to the PILOT agreement. Mr. Zembiec noted that, under our UTEP, any solar project over 20 MW would be a deviation, and that affected taxing jurisdictions do have the ability under a deviation to agree to an alternative distribution schedule other than pro-rata.

Mr. Warneck asked if there were any questions from those in attendance. There were none at this time.

**III. Other/Unfinished Business:** None.

**IV. Adjournment:** With no further business before the committee, Mr. Warneck adjourned the meeting at 10:43 a.m.

Respectfully submitted,  
*Robin Stephenson*