

CFDF Corporation

Minutes of Meeting

May 10, 2005 (Regular April Meeting)

I. Call to Order: Meeting was called to order at 6:03 pm

II. Roll Call: Present were Casey Andrade, Eugene Raquier, Augie O'Connor, Maurice Brousseau and Al Romanowicz. Also present were Wayne Salisbury, Chris Orton, Tony Ventetuolo, Ray Meador from Public Asset Management and David Mullen from Piper Jaffray.

III. Secretary's Report: On a motion by Maurice Brousseau seconded by Gene Racquier the Board voted 5-0 to accept the minutes of the regular March meeting held on April 12, 2005 and the Special meeting held on April 18, 2005. It was noted by Mr. Racquier that a disclosure letter provided to the Board at the April 18th by the Board was missing from the minutes of the meeting. Those minutes will be revised.

IV. Treasurer's Report: On a motion by Maurice Brousseau, seconded by Casey Andrade the Board voted 5-0 to accept the Balance Sheet as of March 31, 2005.

V. Presentation: Executive Session was taken out of order, so that a presentation could be given by Mr. Mullen and Mr. Meador. At

approximately 6:15 pm a conference call was conducted with Don Hunt of Fulbright and Jaworski. Mr. Hunt explained the status of the tax exempt issuing of bonds and the reason why Fulbright & Jaworski prove the opinion that this can be a tax exempt funding. Mr. Hunt indicated that the Board must follow through with its marketing plan to market to States and County facilities as well as the Federal Government. Ray Meador gave an overview of the funding and discussed the Piper Jaffray contract. Mr. Meador recommended that the contract be approved by the board based upon his review, the work that Dave Mullen has done to date and the fact that a negotiation on the underwriters discount has been decreased to a satisfactory level. Dave Mullen from Piper Jaffray presented to the Board a proforma which he reviewed and discussed as well as the assumptions that the proforma was based upon. He also discussed in detail the process from here until the closing and he presented a schedule to the Board which indicated that the underwriting should be completed by the first of June with actual closing done several weeks after that. Mr. Romanowicz indicated the importance to the Board of keeping to the schedule and closing as quickly as possible. On a motion by Maurice Brousseau seconded by Eugene Racquier the Board voted 5-0 to approve the Piper Jaffray contract as presented to the Board, a copy of which is attached in these minutes.

VI. Executive Session: On a motion by Augie O'Connor second by Casey Andrade the Board voted 5-0 to go into Executive Session at 7:20 pm to discuss security issues and property acquisition. The

Board came out of executive session at 7:30 pm and voted 5-0 on a motion by Augie O'Connor seconded by Casey Andrade to seal the minutes of the executive session. The Board then resumed its normal business in open session.

VII. Old Business:

a. Contractor Selection: Mr. Ventetuolo presented the Board with letters sent to Suffolk Construction as well as O. Ahlborg & Sons and discussed his discussions with both firms relative to contractor selection. It was also discussed the Chris Orton and Mr. Ventetuolo has begun contract negotiations with O. Ahlborg & Sons. The negotiations seem to be going well with several minor issues still being reviewed. Mr. Ventetuolo provided the Board with an agenda for the kick-off meeting that was held on May 5, 2005 regarding the process and initial identification of roles by both the Contractor, the major subs, and members of the Wyatt team. The kick off meeting lasted approximately 3 hours and was very successful and will result in a series of other meetings between individuals from now until the pre-design Charette which will be held on May 19th and 20th. This will provide the contractor with information and direction in terms of moving forward with the project.

b. State and County Marketing Plan: The Board was presented with a letter from Gary Henman from Cornell who indicated that Cornell will proceed aggressively with the marketing campaign that the Board requested. A copy of the marketing plan was also presented to the Board and this copy will be given to all people involved in the financing.

c. Enterprise Zone Activity: Mr. Ventetuolo presented a monthly report from The Arnold Group on their activity for the month. It is noted that the Wyatt expansion project has officially been determined to be an Enterprise Zone Activity and The Arnold Group has already reported that they have gotten information from correctional officer candidates in an effort to get the training activity involved in the Enterprise Zone Activity. The Arnold Group is also working towards certifying the Wyatt Correctional Officer Training under the Department of Labor Certification.

VIII. New Business:

a. Credentials of the Project Manager and Assistant Project Manager: Credentials of the Project Manager and Assistant Project Manager assigned to the expansion project by AVCORR were presented to the Board.

b. Vending Revenues: First Quarter report by Kelly Refreshments was provided to the Board.
c. CapEx Authorization: Mr. Ventetuolo discussed the CapEx invoice for \$12,107.00 that provides AutoCAD computer system to be used.

d. Construction Costs: An article was presented to the Board which discussed increasing construction costs over the last several years due to fluctuation in steel, cement, fuel and metal. It was noted that in 2004 there was a 12% increase in construction costs vs. the normal 3% over the 15-20 years.

IX Other: On a motion by Maurice Brousseau seconded by Casey

Andrade the Board voted 5-0 to approve payment of requisitions #CIF-109, #CIF-110, #CIF-111, and #OMF-163.

X. Adjournment: On a motion by Maurice Brousseau and seconded by Casey Andrade the Board voted 5-0 to adjourn at 8:15 PM.