



**MINUTES**  
**BOARD OF DIRECTORS MEETING**  
**Thursday, October 27, 2022 – 10:30 AM**  
**Warneck Pump Station**  
**23557 NYS Rt 37, Watertown, New York**

The Development Authority of the North Country Board of Directors met in regular session in person and via Zoom Videoconference at the Warneck Pump Station, 23557 NYS Rt 37, Watertown, New York on Thursday, October 27, 2022 at 10:30 AM.

**Members Present**

Voting

Margaret Murray, Chairperson  
Thomas Hefferon  
Alex MacKinnon  
Dennis Mastascusa  
Kenneth Bibbins  
Mary Doheny  
Mark Hall  
Eric Virkler

Non-Voting

Nancy Henry  
Stephen Hunt  
Brian McGrath\*

\*Attended via videoconferencing.

**Members Absent**

James Hollenbeck

**Staff Present:**

Carl Farone, Executive Director  
Jennifer Staples, Chief Financial Officer  
Carrie Tuttle, Chief Operating Officer  
Stephen Bohmer, Director of Information Technology  
Dawn Caccavo, Comptroller  
Michelle Capone, Director of Regional Development  
Kevin Feuka, Director of Engineering  
Kate Mangan, Director of Materials Management  
Laurie Marr, Director of Communications and Public Affairs  
Brian Nutting, Director of Water Quality  
Regina Rybka-Lagattuta, Director of Human Resources  
David Wolf, Director of Telecommunications  
Angela Marra, Executive Assistant

**Guests:**

Jennifer Granzow, Counsel, Wladis Law Firm

1. Chairperson Murray called the meeting to order at 10:30 AM.
2. Chairperson's Report

M. Murray thanked B. McGrath for changing his itinerary at the last minute to make this meeting possible.

M. Murray welcomed new Authority Board member, Mr. Kenneth Bibbins. The Jefferson County Board of Legislators appointed K. Bibbins, a regional director of the New York State Department of Transportation, to the Authority Board to complete the term of Mr. Calligaris, which will expire on December 31, 2023. K. Bibbins expressed his appreciation of the recent appointment, as it will offer another opportunity to enjoy more lifelong learning as well as share a bit of his varied experience with the North Country.

M. Murray appointed K. Bibbins to the Authority Board Audit Committee and the Finance and Budget Committee. (Note: subsequent to the meeting, Chairwoman Murray removed K. Bibbins from the Audit Committee and appointed him to the Telecommunications Committee).

M. Murray concluded her report by reminding all that the next scheduled Board meeting would be held on December 15, 2022.

3. Chairperson Murray requested a roll call.

- A quorum of voting and non-voting members was established.

4. Privilege of the Floor -

A. MacKinnon stated that Ruth Doyle, St. Lawrence County Administrator, invited A. MacKinnon and M. Hall to a meeting with herself, the chairman, and the vice chairman to review the upcoming meeting agenda with the primary issues being the transfer of the Harrisville Site and the ongoing issues with telecommunications. Both A. MacKinnon and M. Hall felt the meeting was beneficial and went very well.

5. Upon a motion by M. Hall, and seconded by D. Mastascusa, the minutes from the September 22, 2022 Board Meeting, were approved.

6. Executive Director's Report

C. Farone expressed his appreciation to B. McGrath for changing his schedule to make this meeting possible.

E. Virkler arrived at 10:35 AM.

- a. Welcome Kenneth Bibbins –  
C. Farone welcomed K. Bibbins to the Board, and informed the Board that his Board Orientation took place last Friday and that he feels K. Bibbins will be a valued member of the Board.
- b. "State of the Authority" – Staff Update –

C. Farone informed the Board that several meetings were held with staff during the month of September to provide an update on the Authority. Specifically reviewed were accomplishments that were made over the last few years and thanking staff for stepping up during COVID. He further stated how important it is to bring the staff together. C. Farone discussed the importance of getting staff certified and shared a list of employee certifications and accomplishments over the last 18 months with the Board.

c. Health Insurance Renewal - 2023 –

C. Farone reviewed the information that was presented to the Governance Committee meeting October 20th where the decision was made to continue with the current Excellus Blue Cross Bronze 4 plan for the 2023 year. The plan was determined to be the best fit following J. Staples review of 37 companies, and narrowing it down to 15 to review with C. Farone.

d. Aerial Photos of MMF –

Using recently taken aerial photos of the Materials Management Facility, C. Farone reviewed various aspects of the landfill, the Southern Expansion, and best practices. The first 10 feet of material going into the southern expansion need to be fluff to protect the liner. 11,300 tons of this material have been accepted to provide a good base for the future of the landfill. These images also showed a well-managed facility with a good perspective for the future.

e. Drum Country NY - Business After Hours

C. Farone discussed the Greater Watertown Chamber of Commerce Business After Hours event hosted by Jefferson County Economic Development and Drum Country New York. Over 100 people attended, including the Fort Drum Garrison Commander. M. Capone, our Drum Country staff member, gave an update on Drum Country business and its importance. She further explained the Drum Country website and invited all attending to visit the site and share what they love about the North Country why this is a good place to do business, and how this site can benefit and support the spouses of the enlisted. While this event was specifically for Jefferson County, other events are being planned in Lewis and St. Lawrence Counties.

f. Harrisville (RTS) Update –

The site sale is proceeding and we hope to have the sale finalized by December 31. St. Lawrence County plans to continue utilizing our services through December 31.

g. City of Watertown – Disinfection Byproducts Update

This project continues to move forward with the City's implementation of two pilots. The preliminary results are expected to be ready by December, at which time Authority staff will meet with the City to review.

M. Hall asked if we are now in the new facility in Canton. C. Farone responded yes.

7. Finance Report – Chief Financial Officer

J. Staples presented the August year to date financials.

The statement of net position decreased by \$1.8 million from the end of March due to small fluctuations. One of these fluctuations is capital assets, which decreased by \$2.2 million due to cells 12 and 13 being depreciated over five years rather than the life of the cells. Another fluctuation is accounts receivable which increased by \$612,000 with the majority of that being due to MMF with the timing of invoices and payments, and bringing in more tonnage. Telecommunications accounts receivable increased by \$367,000 because they are still waiting on federal funds.

The summary of all units shows total operating revenue over budget by \$303,000. Customer billings is over budget, driven by materials management tonnage coming in over projection by 23,451 tons. Two main reasons for this increase are non-beneficial sludge being over projection by 14,759 tons from the lagoon clean out in Lewis County that takes place every five years, and contaminated soil being over projection by 7,811 tons due to a Jefferson County project. Under operating revenue, grant revenue is over budget by \$115,000 due to a grant received by telecommunications from the Northern Border Regional Commission for the Tupper Lake Broadband project that was not in the original budget. Looking at operating expenses, depreciation is over budget by \$550,000 in association with cells 12 and 13 of the southern expansion. These cells were budgeted to depreciate over 50 years but can only depreciate over the actual life of the cells. A resolution will be presented at today's meeting to adjust the budget to reflect the more accurate depreciation going forward. Waste diversion is over budget by \$28,000 due to the household hazardous waste events being more heavily attended than anticipated and mattress recycling increasing by 32% over last year. Closure/Post Closure costs and community benefits are over budget year to date due to the increased waste volumes brought into materials management. Under non-operating revenue, interest income is at negative \$557,000. This is due to a negative market adjustment of \$910,000. Market adjustments would only be realized as a loss if the Authority cashes in held investments early, and there is no plan to do so.

J. Staples commented that interest rates are going up on short term investments and we expect to see the market adjustment get worse before it gets better. The Authority will continue to re-invest at the higher rates as lower interest rate investments mature.

C. Farone reported that a landfill bench that was not originally going to be built has since been filled in. In reviewing the maximum utilization of airspace, C. Tuttle and her staff determined that this area should be used and 67,000 tons of waste were placed in this bench extending the useful life of the landfill and generating a profit of \$3 million.

Upon a motion by D. Mastascusa, and seconded by A. MacKinnon, Financials ending August 31, 2022, were unanimously approved.

## 5. Governance –

- a. Resolution No. 2022-10-76, approves the modifications to the Personnel Policy as attached and incorporated in the resolution, and the revised Personnel Policy shall become effective on January 8, 2023.

C. Farone explained that Authority staff has done a complete analysis of Authority PTO (paid time off), and compared what is offered at various similar

entities to the Authority, such as Jefferson County, Lewis County, St. Lawrence County, City of Watertown, New York State DEC, and Dormitory Authority. One item to be noted is the Authority's PTO appears at the lower end of the spectrum in comparison to these other entities. Based on this analysis, it is being recommended to increase the amount of accrued vacation provided to staff upon hire from two weeks to three weeks and would be reflected through the progression levels of earned vacation. New employees coming into the Authority are looking for quality of life and vacation time. It is believed this change will help the Authority attract quality staff and move the Authority forward. Additionally the pension is no longer as good since having changed from tier four to tier six and new hires have higher expectations. Adopting this change would financially effect the Authority equivalent to that of hiring one full time position, although we do not need to add additional staff.

The second change would involve tuition reimbursement. Historically the Authority reimbursed staff for educational expenses, tuition and books, and it could be SUNY and private schools. Following a complete analysis, it is being recommended that there should be a cap based on the current SUNY tuition rate. Reimbursement is recommended based on earned grades; 100% for an A, 90% for a B, 80% for a C, and no reimbursement for a failed course. This is similar to what other entities are doing, and incentivizes the employee to do their best in the class.

Upon a motion by E. Virkler and seconded by M. Doheny, Resolution No. 2022-10-76, Personnel Policy, Approving Modifications, was unanimously approved.

- b. Resolution No. 2022-10-77, amends the FYE 2023 Water Quality Contracts Budget as reflected in Appendix A attached to the resolution which reflects an increase in customer revenue for additional contracts authorized and additional expenses for the addition of an Assistant Director of Water Quality.

C. Farone explained that the addition of an Assistant Director of Water Quality was discussed at the recent Strategic Planning session and would be beneficial in succession planning. The water quality division is poised for the most growth within the Authority and the additional staff member would provide more effective management. This growth is not because the Authority is soliciting additional work, but because municipalities are contacting us and requesting our services and assistance. Year to date, two contracts have already been added with three additional proposals submitted. The first concern when we are contacted is do we have the staff to accept additional work. The additional income from these contracts would well cover the cost of the additional staff member.

Upon a motion by D. Mastascusa and seconded by M. Hall, Resolution No. 2022-10-77, FY 2023 Water Quality Budget, Amendment Authorizing Assistant Director Position, was unanimously approved.

- c. Resolution No. 2022-10-78, approves the modifications to the Telecommuting Policy as attached and incorporated in this resolution.

C. Farone reviewed each of the proposed policy changes.

B. McGrath commented that these changes look great, including the vacation and other resolutions. He further stated that if we were not making these changes, our employees would make their own changes. The workforce has changed in every industry and people are expecting more flexibility and balance. He further stated that these changes are getting ahead of a changing workforce that is here to stay, and congratulated the group for putting together sensible changes to these policies. He concluded by stating that the telecommuting policy changes are also consistent with the Authority's mission to be good stewards of the environment.

Upon a motion by A. MacKinnon and seconded by D. Mastascusa, Resolution No. 2022-10-78, Telecommuting Policy, Approving Modifications, was unanimously approved.

- d. Resolution No. 2022-10-79, approves the modifications to the Green Cleaning Products Use Policy as attached and incorporated in this resolution.

C. Farone reviewed the minor changes to this policy, and explained that these changes are being brought about because of the updates New York State has made to their website.

Upon a motion by D. Mastascusa and seconded by A. MacKinnon, Resolution No. 2022-10-79, Green Cleaning Products Use Policy, Approving Modifications, was unanimously approved.

## 6. Engineering-

- a. Resolution No 2022-10-80, approves the Technical Services Agreement by and between the Authority and the Village of Tupper Lake, and further authorizes and directs the Executive Director to execute said Agreement.

Upon a motion by M. Hall and seconded by E. Virkler, Resolution No. 2022-10-80, Authorizing Technical Services Agreement, Village of Tupper Lake, Water Supply and Treatment Upgrades, was unanimously approved.

- b. Resolution No 2022-10-81, authorizes the Technical Services Agreement by and between the Authority and the Village of Tupper Lake, and further authorizes and directs the Executive Director to execute the Agreement Amendment 3.

Upon a motion by M. Hall and seconded by A. MacKinnon, Resolution No. 2022-10-81, Authorizing Technical Services Agreement, Village of Tupper Lake, Sewer System Capital Improvement Project, Amendment 3, was unanimously approved.

## 7. Technical Services Summary Report –

C. Tuttle reviewed the Technical Services Summary Report and noted that these contracts are within our service area and generate revenue under \$100,000 annually.

- a. Non-Lewis County Contracts -

- I. Town of Champion, Operation & Maintenance for Town's Water Facilities Districts 2,4,5, Total Agreement Amount \$174,976.00, 11/1/22 – 12/31/27, Jefferson County
- II. Town of Champion, Operation & Maintenance for Town's Water Facilities Districts 1,3, Total Agreement of \$15,777.00, 11/1/22 – 12/31/27, Jefferson County .

C. Tuttle explained that the town prefers that we break these contracts up the way they account for them.

- III. Town of Louisville, Operation & Maintenance for Town's Water Facilities, Total Agreement Amount of \$217,243.00, 1/1/23 – 12/31/27, St. Lawrence County

C. Tuttle explained that this is a new agreement for just water, not sewer and they are in the process of doing a capital improvement project. C. Farone asked how this was processed prior to the Authority becoming involved. C. Tuttle responded that this contract has been with an outside private company and that the company owner has indicated that he is planning to retire and either sell or close the company.

- IV. Village of Hammond, Operation & Maintenance for Town's Wastewater Facilities, Total Agreement Amount of \$175,62.00, 11/1/22 – 5/3/27, St. Lawrence County

C. Tuttle explained that Hammond has also gone through a major capital improvement project for wastewater to upgrade their facility. The Authority was brought in, at the request of their existing operator, who is looking to retire. They have accepted our proposal at their recent board meeting and are requesting services starting November 1.

Upon a motion by A. MacKinnon, and seconded by M. Hall, the contracts included on the Technical Services Summary Table for the month of October were unanimously approved.

8. Materials Management –

- a. Resolution No 2022-10-82, authorizes the Executive Director or Chief Financial Officer to increase the budget for Depreciation Expense (GL 7032) from \$3,875,800 to \$5,204,200 for the increase in depreciation for cells 12 and 13.

Upon a motion by E. Virkler and seconded by K. Bibbins, Resolution No. 2022-10-82, Authorizing FY 2023 Materials Management Operating Budget, Amendment, was unanimously approved.

9. Regional Development -

- a. Loan Report –

M. Capone reported that everyone is paying as agreed and we are collecting as agreed.

The completed housing market analysis drafts for the greater Watertown and Fort Drum area for affordable and market rate housing as well as senior housing has been received. M. Capone stated she will call a PDC (Project Development Committee) meeting and invite the entire Board to review the results once she has reviewed them.

M. Capone informed the Board that Raquette Lake Navigation has requested a partial mortgage release. This release is a non-material item as the collateral remains the same and C. Farone will be able to take care of this without a Board resolution.

M. Capone stated that the PDC met last week to review the proposed changes to the lending programs being brought before the Board in the following resolutions.

- b. Resolution No. 2022-10-83, adopts the updated lending guidelines for the Affordable Rental Housing Program outlined in and attached to the resolution, and further authorizes the set-aside amount of \$500,000 in the Affordable Rental Housing Program for eligible grants as defined in the revised lending guidelines.

M. Capone stated that these are not big changes, but are necessary since these guidelines have not been reviewed in many years. She further explained that these proposed changes are benchmarks for staff to be able to talk with potential borrowers, but the Board makes the ultimate decision.

Upon a motion by T. Hefferon, and seconded by M. Doheny, Resolution No. 2022-10-83, approving Affordable Rental Housing Program, Lending Guidelines, Set-Aside, was unanimously approved.

- c. Resolution No. 2022-10-84, adopts the updated lending guidelines for the Community Development Loan Fund as outlined in and to the resolution, and further rescinds Resolutions No. 2014-02-11.

M. Capone explained that this resolution is targeting the interest rate at half of prime plus one with a floor at 3%, which is consistent with economic partners especially in St. Lawrence County. She further stated that this resolution rescinds resolution number 2014-02-11, which merged a municipal infrastructure program into a community technical assistance program and was intended for pre-developmental costs associated with municipal projects.

Upon a motion by A. MacKinnon, and seconded by T. Hefferon, Resolution No. 2022-10-84, approving Community Development Loan Fund, Lending Guidelines, was unanimously approved.

B. McGrath had no comments on the resolution, but wanted to point out an online chat message from Patrick Hickey requesting a link to today's live stream recording. C. Farone explained that Patrick Hickey is a member of the Watertown City Council.

A. MacKinnon commented that with regard to interest rate and flexibility of the interest rate brought up during the committee meeting, he felt it was important to note that the cost of managing these projects must be maintained and the Authority cannot operate at a loss. He further stated that as a Board, they need to have the flexibility to make the necessary changes by resolution.

- d. Resolution No. 2022-10-85, adopts the updated lending guidelines for the Community Rental Housing Program as outlined in and attached to the resolution, and further ratifies \$322,440 remain set-aside in the Community Rental Housing Program for eligible grants per the revised lending guidelines.

Upon a motion by E. Virkler, and seconded by T. Hefferon, Resolution No. 2022-10-85, approving Community Rental Housing Program, Lending Guidelines, Reaffirm Set-Aside, was unanimously approved.

- e. Resolution No. 2022-10-86, adopts the updated lending guidelines for the Housing Loan Revolving Fund as outlined in and attached to the resolution.

M. Capone explained that there is less money available in this fund because grants funds will be pulled from the Community Rental Housing Program.

Upon a motion by A. MacKinnon, and seconded by E. Virkler, Resolution No. 2022-10-86, approving Housing Loan Revolving Fund, Lending Guidelines, was unanimously approved.

M. Capone further explained that in the future we will review other funds such as the tourism fund and redevelopment funds. We received these funds from Empire State Development, and have submitted specific work plans for these and are close to closing on the initial grants we received from them.

## 10. Water Quality

- a. Resolution No. 2022-10-87, authorizes and directs the Executive Director to enter into the Water Service Agreement attached to the resolution, with the Town of Cape Vincent.

C. Tuttle explained the importance of including the allocations in the contracts because customers are based on allocated capacity and as a supplier everything needs to be balanced.

Upon a motion by M. Hall, and seconded by D. Mastascusa, Resolution No. 2022-10-87, authorizing Water Service Agreement Amendment No 1, Town of Cape Vincent, Regional Water Line, was unanimously approved.

- b. Resolution No. 2022-10-88, authorizes and directs the Executive Director to enter into the Water Service Agreement attached to the resolution, with the Town of LeRay.

Upon a motion by E. Virkler, and seconded by M. Hall, Resolution No. 2022-10-88, authorizing Water Service Agreement, Town of LeRay, Consolidated Water District, Army Water Line, was unanimously approved.

- c. Resolution No. 2022-10-89, authorizes and directs the Executive Director to enter into the Sewer Service Agreement attached to the resolution, with the Town of Pamela.

Upon a motion by A. MacKinnon, and seconded by T. Hefferon, Resolution No. 2022-10-89, authorizing Sewer Service Agreement, Town of Pamela Sewer Districts 3,4,5 & 9, Army Water Line, was unanimously approved.

- d. Resolution No. 2022-10-90, authorizes and directs the Executive Director to enter into the Water Service Agreement attached to the resolution, with the Village of Brownville.

Upon a motion by T. Hefferon, and seconded by A. MacKinnon, Resolution No. 2022-10-90, authorizing Water Service Agreement, Village of Brownville, Regional Water Line, was unanimously approved.

#### 11. Additional Resolution –

- a. Resolution No. 2022-10-91, authorizes committing \$15,000 from the Administration Budget (Co. 10) to Advocate Drum towards the update to the Fort Drum Economic and Fiscal Impact Model, and further authorizes the Executive Director to enter into a Memorandum of Understanding with Advocate Drum detailing the partnership for the Fort Drum Economic and Fiscal Impact Model.

C. Farone explained the importance of this tool to the Authority and how it could provide information on the impact of Fort Drum within our region and New York State. Advocate Drum asked if there is any additional useful information that we would like to see within the report. M. Capone will meet with our county partners to discuss additional beneficial information. Committing these funds would not affect the Authority financially because we normally commit funds to the Procurement Technical Assistance Center (PTAC), however the Chamber of Commerce is no longer hosting the PTAC. C. Farone stated that this falls within the Authority's Mission to fully understand the impact Fort Drum has on the residents here.

M. Doheny asked what the purpose of the \$30,000 would be, and if they hire someone to update the model. C. Farone responded that yes, and EDP would update the model to include all the data, the results and the graphics. It would also calculate economic and fiscal tax impacts for each of the counties and the Tri-county region. M. Doheny asked if we are providing the inputs and then paying for the modeling. C. Farone responded yes, we would provide 50% or \$15,000 to update the model. This would also mean the Authority is involved and can request additional information. M. Capone added that this is an ESRI product and proprietary to each consultant. The information that we get out of this will only be as good as the provided background data and should be done more frequently than every five years, however that becomes expensive. There is a great benefit to this because it is used by federal, state, and local officials to show the economic impact on the region, plus the Authority will use this information for our marketing initiatives or grant applications. M. Capone further stated that PTAC did not go away, but has been consolidated with Ignite out of

Utica and the staff who were working for the Greater Watertown Chamber of Commerce are still working for PTAC with Ignite and will continue to cover the North Country region. PTAC is important to the Authority because they help make connections between the business community and federal procurement, as well as assist us in helping to certify women minority businesses.

Upon a motion by M. Hall, and seconded by A. MacKinnon, Resolution No. 2022-10-91, authorizing Advocate Drum, Fort Drum Economic and Fiscal Impact Model, Memorandum of Understanding, was unanimously approved.

12. Next Board Meeting Date – December 15, 2022, location is to be determined.

13. Upon a motion by T. Hefferon, and seconded by K. Bibbins, the meeting was adjourned at 11:56 PM.

Respectfully submitted,



Dennis Mastascusa  
Board Secretary