



**MINUTES**  
**BOARD OF DIRECTORS MEETING**  
**Thursday, March 23, 2023 – 10:30 AM**  
**Dulles State Office Building**  
**Conference Room 100, 1<sup>st</sup> Floor**  
**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 Dulles State Office Building, 317 Washington Street, Watertown, New York on Thursday, March 23, 2023 at 10:30 AM.

**Members Present**

Voting

Margaret Murray, Chairperson  
Thomas Hefferon  
Alex MacKinnon  
Dennis Mastascusa  
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  
Alex Barham, Environmental Health and Safety Manager  
Stephen Bohmer, Director of Information Technology  
Dawn Caccavo, Comptroller  
Michelle Capone, Director of Regional Development  
Kevin Feuka, Director of Engineering  
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  
Christine Alteri, Human Resources Specialist  
Angela Marra, Executive Assistant

**Guests:**

Jennifer Granzow, Counsel, Wladis Law Firm  
Jillian Brodock, Wladis Law Firm

1. Chairperson Murray called the meeting to order at 10:32 AM.
2. Chairperson Murray requested a roll call.
  - A quorum of voting and non-voting members was established.
3. Privilege of the Floor -
4. Upon a motion by M. Hall, and seconded by D. Mastascusa, the minutes from the February 23, 2023 Board Meeting, were approved.
5. Chairperson's Report

- a. The next Board Meeting will be held on May 25, 2023 at 10:30 AM.
- b. Evaluations –

Three documents with a stamped return envelope will be mailed to each Board Member for completion with the request that the forms be completed and returned by April 21<sup>st</sup>. All responses will be kept confidential.

It is requested that Board Members who note “deficient” or “Needs to Take Action to Improve” on the enclosed evaluations provide justification for the ranking. This will provide valuable data in implementing corrective actions to improve in future years.

6. Executive Director's Report

- a. Mission Statement and Performance Measurements –  
C. Farone read the current Mission Statement and Performance Measurements, and reported they both remain unchanged.

M. Hall asked if “nearby counties” should be included in the Mission Statement as we do work outside our three counties. C. Farone responded that our enabling legislation is specific to Jefferson, Lewis, and St. Lawrence Counties.

Upon a motion by M. Hall, and seconded by K. Bibbins, accepting the Mission Statement and Performance Measurements for FYE 24, were unanimously approved.

C. Farone also explained that typically at this meeting the Performance Measurements Report would be reviewed, however this would only be a report on 10 or 11 months of information. This year we made the determination to complete the fiscal year and then review the full 12 months at the Board meeting in May.

- b. Authority Investments –  
C. Farone noted that there has recently been some turbulence within the banking sector. J. Staples reached out to RBC to conduct a complete review of all Authority owned investments. The Authority owns one CD from Silicon Valley Bank for \$248,000 that was purchased on March 6, 2023. This bank

failed on March 10. A full review has since been done of all Authority investments with no other investments currently being affected by recent bank closures. Additionally, all Authority investments are fully collateralized.

K. Bibbins asked who we use for payroll funds. J. Staples replied that we use Community Bank. She further stated that she has reached out to them and they were very responsive with a great deal of information and assured us they are on good footing.

c. Federal Funding Requests –

C. Farone reported that the Authority has recently become aware of FY 24 Community Project Funding Grant Opportunities. \$6 million has been requested from Senator Schumer, Senator Gillibrand, Congresswoman Stefanik and Congresswoman Tenney. This funding is for the current Army Water Line and Army Sewer Line projects. C. Farone further stated that he and L. Marr met with Senator Schumer's office to discuss both projects and the importance of Fort Drum, outside users, and other telecommunications related topics.

d. Authority Bad Debt –

C. Farone stated that in years past the Board authorizes the write-off of bad debt for accounts receivable and loans receivable at the annual meeting, however there are no bad debts to be written off at this time.

e. DEC Audit - Material Management –

C. Farone reported that the DEC would conduct a Full Compliance Evaluation (FCE) at MMF of the Authority's compliance with air regulations within Title V permit on March 30. This review's intention is to ensure compliance and will include the review of records and data kept based on the Title V Permit requirements.

f. City of Watertown – Disinfection Byproducts –

C. Farone stated he has been in communication with the City Manager, Ken Mix, regarding plans and estimates the city intends to have done in May or June for grant funding applications. City Council has also agreed to authorize a \$12,000 professional services agreement to determine the project's cost. Mayor Smith has also had conversations with Senator Schumer, Congresswomen Stefanik and Tenney about securing funds for the project.

g. C. Farone Vacation – March 27<sup>th</sup> – 31<sup>st</sup>

7. Finance Report – Chief Financial Officer

J. Staples presented the January 2023 year-to-date financials.

The statement of net position shows a total decrease of assets and liabilities from March 31, 2022 through January 31, 2023 at approximately \$1M. While there are no major changes on the balance sheet, she did call attention to two items. The first being capital net assets with a decrease of \$3.2 million due to the depreciation over the life of new cells 12 and 13 rather than over the life of the landfill. The second is an increase in accounts receivable of \$2.7 million, \$2.4 million of which is associated

with telecom. Two large invoices have been paid from Avangrid and NYPA after January 2023.

B. McGrath asked if these transactions were not reflected here. J. Staples replied that they are shown in these numbers.

J. Staples continued by stating that we are waiting for USAC funds, which is for the ACTION and NCTP accounts, and that Westelcom is currently in arrears. Westelcom has been making monthly payments and are in the process of being sold, which when that occurs in May or June we will be paid.

D. Mastascusa asked what the amount was that they (Westelcom) owe us. J. Staples replied that the current amount owed is \$658,000.

E. Virkler asked about the unearned income and why it has increased from the prior year. J. Staples replied this amount is usually projected from Telecom where they pay ahead of time and then recognize the revenue as the service is provided.

Within the change in net position, summary of all units, J. Staples began with the total operating revenue being very close to budget year-to-date, however grant revenue is over budget and customer billings is under budget. Grant revenue is over in both Telecom and Water Quality. Telecom is over by \$392,000 due to \$228,000 associated with the NYPA Connect All project and \$164,000 associated with the NBRC grant. Water Quality has grant revenue of \$179,000 for the OLDCC grant for the water pipeline replacement. Customer billings is under budget, also mainly due to Telecom and Water Quality. Telecom is under by \$217,000 due to a lag of upgrading cell towers from 1G to 10G because the wireless providers weren't ready for the 10G increase. Under Dark Fiber revenue, there was a project that was not turned over until November but had been planned for May of 2022. This delay was due to vendor assignment issues. Water Quality Army Sewer Line customer billings was under budget by \$173,000 mainly due to the lack of rain during the summer of 2022.

Within operating expenses, there is a large operating and maintenance budget that is under by \$478,000. The majority of this, \$336,000, being Telecom due to an off net circuit lease that was expected in August but was delayed until November. Pole attachments are under budget by \$169,000 as we wait for an invoice from the vendor. This invoice will be paid by the end of the fiscal year. Wastewater treatment is under budget for two reasons, customer billings being down due to a dry summer and the City of Watertown 2022 results were trued up resulting in a credit of \$247,000. Closure and post-closure costs and community benefits are both over budget due the tons received at MMF being over projection by 26,746 tons.

Non-operating revenue is a negative \$330,000, and within that there was a gain on sale of assets, which is over budget by \$143,000 due to the sale of a loader from the recycling transfer station. Interest income is a negative \$101,000 while actual interest earned is \$865,000. The mark to market adjustment is a negative \$966,000 which nets out to a loss of \$101,000. However, the market adjustment is only an accounting entry and not a recognized loss on investments. It would only be recognized as an actual loss if we were to cash in our investments early, which we have no intention of doing.

In summary, the change in net position at the end of January year-to-date is a loss of \$3.2 million versus a budget loss of \$3.9 million. If we were to add the depreciation back in, the change in net position is actually a positive \$5.3 million.

Upon a motion by M. Doheny, and seconded by D. Mastascusa, Financials ending January 31, 2023, were unanimously approved.

8. Governance –

- a. Resolution No. 2023-03-19, approves the Personnel Policy, as attached to and incorporated in the resolution.

Upon a motion by K. Bibbins and seconded by M. Hall, Resolution No. 2023-03-19, Approving Modifications to Personnel Policy, was unanimously approved.

- b. Resolution No. 2023-03-20, approves the Travel and Miscellaneous Policy, as attached to and incorporated in the resolution.

T. Hefferon stated that this is a good idea and should save time. He further suggested that per diem rates could be increased, but that is a state or federal issue. C. Farone further commented that the key is these expenses are pre-approved.

Upon a motion by E. Virkler and seconded by A. MacKinnon, Resolution No. 2023-03-20, Approving Modifications to Travel and Miscellaneous Expense Policy, was unanimously approved.

9. Finance -

- a. Resolution No. 2023-03-21, authorizes professional services contracts as per listed in the resolution.

B. McGrath asked why we do not have the audit firm listed as well. C. Farone responded because they are under contract and bid every five years.

Upon a motion by A. MacKinnon, and seconded by E. Virkler, Resolution No. 2023-03-21, Authorizing Professional Services Contract, was unanimously approved.

- b. Resolution No. 2023-03-22, authorizes the standardization of computer software programs as per listed in the resolution.

M. Hall asked if this resolution would prevent us from using something new. C. Farone responded it would not, and if something else were to come out it would definitely be considered.

Upon a motion by M. Hall, and seconded by K. Bibbins, Resolution No. 2023-03-22, Authorizing Standardized Computer Software Programs, was unanimously approved.

- c. Resolution No. 2023-03-23, authorizes the standardization for purchases of certain classes of equipment for use in the Materials Management Division

as necessary for construction or operational activities and will obtain economic and efficiency benefits, and is therefore in the best interests of the Authority. Furthermore, it is resolved this resolution shall take effect immediately.

Upon a motion by D. Mastascusa, and seconded by E. Virkler, Resolution No. 2023-03-23, Authorizing Standardizing Upon Certain Equipment for Use in Relation to the Materials Management Division, was unanimously approved.

- d. Resolution No. 2023-03-24, authorizes the standardization for purchases of certain classes of information technology and telecommunications equipment for use in the Telecommunications Network as necessary for construction or operational activities and will obtain economic and efficiency benefits, and therefore in the best interest of the Authority. Furthermore, it is resolved this resolution shall take effect immediately.

Upon a motion by K. Bibbins, and seconded by M. Hall, Resolution No. 2023-03-24, Authorizing Standardizing Upon Certain Equipment for Use in Relation to the Telecommunications Division, was unanimously approved.

- e. Resolution No. 2023-03-25, authorizes the standardization for purchases of certain classes of equipment for use in the Water Quality Management Division as necessary for construction or operational activities and will obtain economic and efficiency benefits, and therefore in the best interests of the Authority. Furthermore, it is resolved this resolution shall take effect immediately.

Upon a motion by A. MacKinnon, and seconded by M. Hall, Resolution No. 2023-03-25, Authorizing Standardizing Upon Certain Equipment for Use in Relation to the Water Quality Management Division, was unanimously approved.

#### 10. Technical Services Summary Report –

##### a. Jefferson / St. Lawrence County, Municipalities of Lewis County –

- I. Town of Pamela, Technical Services Agreement, Asset Management Plan, Total Agreement Amount of \$15,000, 04/01/23 – 09/30/23, Jefferson County

C. Farone explained the work involved in the asset management plan and the expectations for all town assets in excess of \$2,500 or that are determined to be of high risk. The Authority would then create a written report that would be presented to their full board.

- II. Town of Rutland, Technical Services Agreement, Water Rate Study Total Agreement Amount of \$8,500, 04/01/23 – 08/01/2023, Jefferson County

C. Farone explained this would provide a look through their historical records as well as their local laws and then create a model for their staff to help determine what their water rates should be. This would be an Excel model that their staff could use moving forward to analyze their rate structure.

- III. Village of Alexandria Bay, Technical Services Agreement, Department of State NY Forward Program Application, Total Agreement Amount of \$12,000, 04/01/23 – 09/30/2023, Jefferson County

C. Farone explained that this agreement would assist Alex Bay in assembling a general work plan and how we are going to coordinate and participate in public meetings to obtain community input.

Upon a motion by M. Hall, and seconded by A. MacKinnon, Board Contract Summary Table items numbered I through III for the month of March were unanimously approved.

b. Lewis County –

- IV. Lewis County, Technical Services Agreement, Former Lyons Falls School Redevelopment, Total Agreement Amount, \$8,000, 04/01/2023 – 01/01/2024, Lewis County

C. Farone further explained that they are going to work with the county staff to develop a redevelopment alternative plan for this site.

S. Hunt added that Lyons Falls is the recipient of the NY Forward grant award for their downtown, which this building is in, so it gives them opportunity there too.

Upon a motion by K. Bibbins, and seconded by D. Mastascusa, Board Contract Summary Table item numbered IV for the month of March was approved. E. Virkler abstained.

11. Engineering –

- a. Resolution No. 2023-03-26, approves the Technical Services Agreement by and between the Authority and Town of Tupper Lake. Furthermore, the Executive Director is authorized and directed to execute said Agreement.

Upon a motion by E. Virkler, and seconded by A. MacKinnon, Resolution No. 2023-03-26, approving Technical Services Agreement, Town of Tupper Lake, Water District No. 1 Improvement Project, was unanimously approved.

12. Telecommunications –

- a. Resolution No. 2023-03-27, authorizes the Chief Financial Officer to increase the budget for Capital Project 30662 (Avangrid Dark Fiber) from \$1,777,350 to \$2,468,350.

K Bibbins asked if this has been reviewed with all seven contractors. D. Wolf responded yes, that there are 10 contractors on the list but they don't all bid because they don't all come up here. NYSEG gives us a list of approved contractors and we send the bids to those contractors.

K. Bibbins asked how many responded to this specific one. D. Wolf responded that there were five.

K. Bibbins asked if the breakdown between our responsibility and NYSEG's responsibility is generally consistent. D. Wolf replied that they are close, but there are always a little different depending on the workload.

K. Bibbins clarified that he is asking about the separate divisions between the two payers, billable versus non-billable. D. Wolf responded that yes it is clearly spelled out, which is NYSEG's responsibility and which is the Authority's.

B. McGrath asked if to summarize that this change is actually just a cash flow issue and does not change the economics of the deal. C. Farone stated yes, in the past they would hire the contractor themselves and the Authority would not be part of it. It is more efficient to hire one contractor to do both, but also raised the question of who pays upfront. NYSEG had thought that through and their contractors understand that they only get paid after NYSEG has reimbursed us to pay them. It is very valued to be on the NYSEG preferred contractor list and they will abide by the rules that NYSEG has set.

K. Bibbins stated that was the reason for his questions, to ensure that the contractors that reap the value of being on that list are not setting their pricing to NYSEG's benefit. D. Wolf agreed and further stated that we have in-house staff that know what the make-ready should cost to ensure we are not being gouged by hiring their contractor.

Upon a motion by A. MacKinnon and seconded by M. Hall, Resolution No. 2023-03-27, approving Telecommunications Division, FY 2022-2023 Capital Project Budget Amendment, Avangrid Dark Fiber Project, was approved. D. Mastascusa abstained.

### 13. Regional Development –

#### a. Loan Report –

M. Capone reported that at this time there are a few at 30 days past due, but she is working with all of them and has no concerns that they are not going to pay.

She also reported that we expect to receive the payoff for Marcy LP tomorrow. This will be a little less than \$143,000.

- b. Resolution No. 2023-03-28, approves a loan in the amount of \$200,000 from the Community Development Loan Fund to the North County Children's Museum at the terms and conditions outlined on the Term Sheet attached to the resolution, and further authorizes the Executive Director or Chief Financial Officer to execute all documents necessary to make the loan. It is further resolved that this is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

B. McGrath asked where these funds come from. M. Capone responded that the funds come from the Community Development Loan Fund. Our current balance is at \$88,000, but we will be receiving that \$143,000 from Marcy LP, which will ensure we have sufficient funds to be able to provide this commitment.

Upon a motion by E. Virkler, and seconded by A. MacKinnon, Resolution No. 2023-03-28, approving Community Development Loan Fund, North Country Children's Museum, Loan, was unanimously approved.

- c. Resolution No. 2023-03-29, approves a loan commitment in the amount of \$500,000 from the Community Rental Housing Program to GOCO Massena, LLC at the terms and conditions outlined in the Term Sheet attached to the resolution, and further authorizes the Executive Director or Chief Financial Officer to execute all documents necessary to make the loan. It is further resolved that this is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

Upon a motion by D. Mastascusa, and seconded by E. Virkler, Resolution No. 2023-03-29, approving Community Rental Housing Program, GOCO Massena, LLC, Loan, was unanimously approved.

- d. Resolution No. 2023-03-30, ratifies the grant/loan commitment in the amount of up to \$300,000 (\$150,000 loan/\$150,000 grant) from the North Country Redevelopment Fund to GOCO Massena, LLC at the terms and conditions outlined on the Term Sheet attached to the resolution, consistent with the Empire State Development program requirements, and further authorizes the Executive Director or Chief Financial Officer to execute all documents necessary to make the loan. It is further resolved that this is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

B. McGrath asked if we are custodians of these funds and sit on the decision award. M. Capone responded yes, it is our money but we have a separate committee that makes the recommendations to the Board. This committee is comprised of representatives across the region.

Upon a motion by D. Mastascusa, and seconded by A. MacKinnon, Resolution No. 2023-03-30, ratifying North Country Redevelopment Loan Fund, GOCO Massena, LLC, Ratifying Loan, was unanimously approved.

- e. Resolution No. 2023-03-31, ratifies a loan modification to Three Mile Bay Ventures LLC from the Regional Tourism Transformational Community Revolving Loan Fund for \$250,000 at the modified terms and conditions outlined on the Term Sheet attached to the resolutions, and further authorizes the Executive Director or the Chief Financial Officer to execute all documents necessary to make the loan. It is further resolved that the Development Authority of the North Country accepts the action of the Town

of Lyme Planning Board taken under the State Environmental Quality Review (SEQRA) and affirms a negative Declaration for this project.

Upon a motion by T. Hefferon, and seconded by A. MacKinnon, Resolution No. 2023-03-31, ratifying Regional Tourism Transformational Community Revolving Loan Fund, Three Mile Bay Ventures LLC, Loan Modification, was unanimously approved.

14. Executive Session for the purpose of:

- a. Discussion regarding proposed, pending or current litigation; and
- b. Discussion regarding the medical, financial, credit, or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.

Upon a motion by M. Hall, and seconded by D. Mastascusa, the committee moved into Executive Session at 11:39 AM.

Upon a motion by K. Bibbins, and seconded by M. Hall, the committee moved out of Executive Session at 12:04 AM.

No action was taken during Executive Session.

15. Report of the Nomination Committee:

A. MacKinnon presented as the chair of the nominating committee, consisting of K. Bibbins, T. Hefferon, E. Virkler, and A. MacKinnon.

The committee nominated the following officers for Fiscal Year Ending 2024:

Chair – Margaret L. Murray  
Vice Chair – Thomas H. Hefferon  
Secretary – Dennis M. Mastascusa  
Treasurer – Alex A. MacKinnon

Upon a motion by A. MacKinnon, and seconded by T. Hefferon, approving the nomination of officers for the Fiscal Year 2023-2024 was unanimously approved.

A. Mackinnon stated that it is important that each of the partners are represented within the Board Officers to achieve continuity. He also feels it is important that the officers change. There are many people who can serve in these capacities, and he feels it is important to occasionally make these changes so as not to give too much power to any one person. This keeps the partners involved, and keeps one area from monopolizing Authority efforts.

B. McGrath added that he feels the current slate of officers has done a great job, and that this grouping has brought a new sense of cohesion to the group.

16. Authority Board Meeting Dates –

C. Farone presented the proposed schedule for Board Meeting dates in FYE24. He stated that we have kept the same schedule of the 4<sup>th</sup> Thursday of the applicable month, with the exception of December to work around Christmas, as well as the same scheduled time of 10:30 AM.

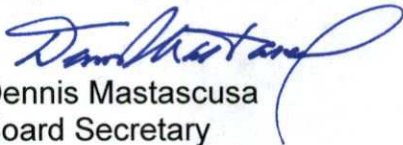
M. Hall expressed that he may have a conflict with the December 14<sup>th</sup> meeting. It was determined that the 21<sup>st</sup> may create more conflicts with other members so the schedule will remain as presented.

M. Murray took a moment to thank everybody for their vote of confidence in serving as our Chairman again. She further stated it was very nice to see everyone in person for the annual meeting. She also thanked C. Farone and his staff for helping the Board to operate so efficiently.

17. Adjourn -

- a. Upon a motion by K. Bibbins, and seconded by E. Virkler, the meeting was adjourned at 12:10 PM.

Respectfully submitted,



Dennis Mastascusa  
Board Secretary