



MINUTES
BOARD OF DIRECTORS MEETING
Thursday, August 24, 2023 – 10:30 AM
Materials Management Facility Conference Room
23400 NYS Rt 177, Rodman, New York

The Development Authority of the North Country Board of Directors met in regular session in person and via Zoom Videoconference at the Materials Management Facility, 23400 NYS Rt 177, Rodman, New York on Thursday, August 24, 2023 at 10:30 AM.

Members Present

Voting

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

Non-Voting

James Hollenbeck
Stephen Hunt
Brian McGrath*

*Attended via videoconferencing.

Members Absent

Alex MacKinnon
Nancy Henry

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
Laurie Marr, Director of Communications and Public Affairs
Brian Nutting, Director of Water Quality
Regina Rybka-Lagattuta, Director of Human Resources
Shawn Thornton, Director of Materials Management
David Wolf, Director of Telecommunications
Angela Marra, Executive Assistant
Erin Ackley, Administrative Associate

Guests:

Jennifer Granzow, Counsel, Wladis Law Firm
Thomas Haynes
Norman Paradise, General Public
Ryan Santamoor, General Public

1. Chairperson Murray called the meeting to order at 10:31 AM.
2. Chairperson Murray requested a roll call.
 - A quorum of voting and non-voting members was established.

3. Privilege of the Floor -

N. Paradise introduced himself from the Town of Worth where he sits on the Town Board, but is attending this meeting as a private citizen. He stated that his concern and reason for attending today was to discuss Broadband in the Town of Worth. He stated that in Jefferson County there are 22 towns, with one town unserved at a low percentage of service. The 22 towns are served on an average of 82% - 99%. Worth is 32% served with 62% unserved. The Town of Pickney is 26% served and 73% unserved. N. Paradise read from the Authority Board Meeting minutes of May 25th where C. Farone had stated that DANC had been awarded money for the NTIA grant to assist in building 344 miles of fiber. N. Paradise stated that according to the resolution, DANC would continue to work to close the digital divide between Jefferson, Lewis and St. Lawrence Counties. The minutes further stated that capital project 30-683, NYPA Fiber, was to be amended to increase the budget from \$1.9 million to \$2,293,000 to fund the Telecom Capital Reserves and will then be reimbursed by the New York State Power Authority (NYPA). N. Paradise further stated that the Authority would be receiving close to \$50 million in grant money coming in for Broadband. He stated that he had spoken with Mr. Wolf, as referred by his county legislature, and Mr. Wolf referred him to Frontier because they were taking care of the broadband in the Town of Worth. Frontier had received an award, but it had been previously awarded to someone else. They somehow could not complete the work and it was given back to Frontier to complete, but they reported that the work was completed after serving only 22 families. N. Paradise stated he was not advocating for the Town, but concluded by stating that by completing this work in the Town of Worth, Jefferson County could be 100% covered and the remaining money could then be allocated to the rest of the North Country.

C. Farone responded by stating that the Authority does care about the Town of Worth and all of the municipalities in Jefferson, Lewis and St. Lawrence Counties. The Authority has mapped all of the different municipalities, and Worth has been funded by a previous federal grant. We had hoped that there was an intention from Frontier to receive the grant money and build out the Town of Worth. To date, we have not heard anything otherwise, so when we look at the map and see that federal funding has already been applied to Worth, we take it off our list because it has already been funded and we cannot go back to the federal government and ask for additional funding for the same municipality. N. Paradise stated that he had received an email from Frontier stating that they were done and not doing anything else. He will forward this email to D. Wolf.

D. Wolf concurred with C. Farone's statement in that the entire Town of Worth currently shows as already awarded because Frontier put in for the grant for this town. Frontier has completed their New York State work and while they did build some of it, the map is now showing the entire town is covered. Because it has already been awarded, we cannot ask for additional federal funding. D. Wolf continued in stating that we did speak with Spectrum to see if they would do it because they are working very close, but they do not have a franchise agreement in the Town of Worth and gave the impression they don't plan to expand there. D. Wolf

stated when we have the email we can forward it to the USDA to ask this area to be taken off the map and make it an eligible area again.

N. Paradise stated that the email is dated July 19th from Jennifer Collin at Frontier, and he will forward this to D. Wolf.

4. Upon a motion by M. Hall, and seconded by K. Bibbins, the minutes from the June 22, 2023 and July 7, 2023 Board Meetings, were approved.

5. Chairperson's Report

- a. Following today's Board Meeting, lunch will be provided alongside Authority staff. There will also be guided bus tours of the facility. Hopefully everyone can stay and see what has happened since we were here last year.
- b. The Authority Open House is today from 4 to 6 PM and will be open to the public. This is our first Open House since the onset of COVID.
- c. Our next scheduled Board Meeting is Thursday, September 28 at 10:30 AM. This is also the Strategic Planning Session. Meeting location details will be communicated as we get closer to the date.

6. Executive Director's Report

C. Farone thanked everyone for traveling to the landfill today. The staff is proud of the site, and hope you will have a chance to look around and see how well they have been maintaining the site and operating the facility.

a. NBRC TELECOM Grant –

C. Farone reported that a \$2,455,000 grant has been awarded for the expansion of telecom in Jefferson, Lewis and St. Lawrence Counties. The specific communities will be the Towns of Rutland, Oswegatchie, Colton, Brasher, Martinsburg and Diana. Our staff worked with these counties in assembling the application, and this collaboration may be what helped with the award. This grant will help provide high-speed broadband to approximately 488 currently unserved homes, and will dovetail with the NTIA grant that we already received. This would not have been possible without the hard work of our telecom staff, D. Wolf, and our grant writer, M. Capone, as well as the efforts from the county partners.

b. Army Water Line – Pipeline Replacement –

C. Farone stated that this project is 60% complete, on budget, and on schedule. To date \$6 million of the budgeted \$13 million has been spent.

c. Army Sewer Line – Pipeline Rehabilitation –

C. Farone reported that we awarded two contracts; one to the National Water Main Cleaning Company, in the amount of just under \$7 million, and another for clearing the easement to Army Tree and Excavation, for just over \$100,000. This project should be completed within the Board approved amount of \$10 million. We should be closing on short-term financing with Community Bank on September 1. We are currently going through the process of approval with the state comptroller.

- d. City of Watertown – Disinfection Byproducts –
C. Farone reported that the project total is \$50 million. This includes the sedimentation tank, ozonation, and granular activated carbon. C. Farone has spoken with city manager Kenneth Mix who assured him that the Watertown City Council has authorized a \$50 million bond resolution. The City of Watertown applied for many grants. They did not receive the \$20 million DCIP grant, and are also not receiving the \$5 million IMG grant. They are waiting on the \$5 million WEA grant and have a loan request through EFC. The worst case would be they issue a long-term bond for the total project cost through EFC and move forward. It is still their intent to move the project forward, and we have agreed that Authority staff would meet with city staff every 4 – 6 weeks to ensure everything is progressing and we are on the same page.

D. Mastascusa asked if the Development Authority had a role in the grant application process. C. Farone replied that we offered, but we did not.

- e. Staffing Update -

C. Farone reported that the Water Quality division is currently fully staffed. Operations have commenced at Carthage and are progressing well. Rob Stevenson is the supervisor there, and is doing a great job in the transition process. We are cross training employees within the Carthage facility so there are a number of people who know the operations.

C. Farone also commented on a technical services agreement in the amount of \$384,000 that was approved by the Board at the March 2022 Board meeting for a GIS project in the Town of Tupper Lake that will include 25 municipalities within St. Lawrence County and Franklin County. A part-time GIS Intern has been brought on to help as this will be a tremendous amount of work and will need to be completed in a timely manner. A 2nd GIS intern has been found, who appears to have the potential to come to work for the Authority, and is being considered for hire to assist with this project.

C. Tuttle offered an update in stating that some time was lost as the Department of State was delayed in executing the contracts. The Authority was then short staffed resulting in a delay in the commencement of fieldwork. An additional intern would allow for time to be made up on this project. Three years is the expected time frame for the project, but the communities would prefer it to be done sooner so they could begin utilizing the collected data. Once the information has been mapped out, the Authority will then host the data for the community.

J. Hollenbeck commented that this would be very beneficial for the community. C. Tuttle concurred that this would be very beneficial. C. Farone added that a second intern would be fully funded through the project.

M. Hall asked about the cooperation with the communities. C. Tuttle replied that it has been great and we are starting with some of the communities that have more infrastructure, but some of this work is also seasonal which will make this project more difficult to continue with snow on the ground. There is a short window for the fieldwork, and then the mapping work begins in office.

7. Finance Report – Chief Financial Officer

J. Staples reviewed the June year to date financials, beginning with the Statement of Net Position. A change in assets and liabilities, including deferred overflows and net position of an overall increase of \$1.5 million from the fiscal year end on March 31, 2023 through June. Items to be noted under assets; accounts receivable show little change through the end of June but payment for all invoices through the end of June was received in the amount of \$657,724 from Westelcom; capital assets increased by \$3 million due to an increase in the Army Sewer Line construction-in-progress account associated with the waterline replacement project. Under liabilities, long-term liability increased by over \$3.3 million with \$3.5 million associated with the Army Waterline replacement project. The first interest payment is due on this in December of this year based on the money's drawn.

Under the Change in Net Position, total operating revenue is running on target year to date. MMF the projected tons as of the end of June, was 59,944, versus the actual of 59,016, for a difference of 928 tons under projection. Under Operating Expenses, operating and maintenance is over budget year to date by \$43,000 mainly due to Telecom offnet circuit leases paid early in the year. Repairs and maintenance is over budget by \$15,000 associated with the water main break on the Regional Waterline.

Non-Operating Revenue and Expense, under total Interest Income, is under budget by \$114,000 but the true interest income is \$512,000 versus the year to date budget of \$479,000, or \$33,000 over budget. The market adjustment is a negative \$148,000, mainly associated with MMF investments. As these investments mature, we will purchase more investments at a higher rate.

B. McGrath asked J. Staples if she re-amortized the depreciation schedule, which was off by about half a million, and if she could explain the difference. J. Staples explained that the budgeted depreciation assumes the capitalization for the Army Waterline and Army Sewer Line projects would start in April 2023. Because it has not been capitalized yet, actual depreciation is lower than budget.

J. Staples continued with the sale of fixed assets that is over budget by \$23,000 due to fleet sales. Four trucks and one SUV have been auctioned off. Interest expenses are under budget because we have yet to make interest payments associated with the Army Water or Sewer Line financing. The debt issuance cost is \$50,500 is associated with the Army Water Line replacement project. These costs cannot be capitalized, as per GASB requirements, but will be part of the financing reimbursement.

In summary, the change in net position is a loss of \$778,000 versus a year-to-date budget loss of \$1.5 million.

Upon a motion by E. Virkler, and seconded by D. Mastascusa, Financials ending June 30, 2023, were unanimously approved.

8. Governance –

- a. Resolution No. 2023-08-60, recognizing the dedication and service of James C. Hollenbeck as a member of the Development Authority of the North Country, and further expresses sincere gratitude and appreciation for Jim’s time, commitment, and service to the people of the North Country.

C. Farone read the full resolution aloud, and added that J, Hollenbeck had expressed he was thinking about retiring a year ago, but it is greatly appreciated that he agreed to stay for an additional year. Carl further stated that they have spoken quite a bit on the phone and in person and Jim always provided very sound, concise advice and that is greatly appreciated.

J. Hollenbeck stated that this is a great organization with great people and he is very proud to have been a part of it as it is a boon to the North Country. He further stated that Governor Cuomo appointed him for one month and he stayed for 8 years. This has been very enjoyable and he will miss everyone here.

Upon a motion T. Hefferon and seconded by D. Mastascusa, Resolution No. 2023-08-60, Recognizing the Service of James C. Hollenbeck to the Development Authority of the North Country, was unanimously approved.

9. Technical Services Summary Report –

a. Non-Lewis County Contracts –

- I. Town of Champion, O&M, Water Quality Operation & Maintenance for Sewer District #2 (renewed 5 year contract for services), Total Agreement Amount of \$48,993.00, 9/01/23 – 12/31/28, Jefferson County
- II. Village of Clayton, TSA, Technical Assistance for Raw Water Intake Replacement Project, Total Agreement Amount of \$15,000.00, 8/28/23 – 10/31/24, Jefferson County
- III. City of Ogdensburg, TSA, Technical Services Agreement for Inflow & Infiltration Study, Total Agreement Amount \$6,000.00, 8/24/23 – 5/24/24, St. Lawrence County
- IV. Town of Edwards, TSA, Technical Assistance with Town of Edward’s Water System Improvement Project – Amendment 1, Total Agreement Amount \$10,500.00, 8/24/23 – 7/1/24, St. Lawrence County
- V. Village of Waddington, TSA, Technical Assistance with Restore New York VII Clark House Restoration Project, Total Agreement Amount \$30,000.00, 9/1/23 – 9/1/25, St. Lawrence County
- VI. Paul Smith’s College of Arts & Sciences, TSA, Northern Border Regional Commission Grant Administration Local Development District Services

(NBRC22GNY07), Total Agreement Amount \$13,509.00, 8/24/23 – 12/31/24, Franklin County (NBRC LDD)

C. Tuttle explained that the Authority is the local development district for Franklin County so they would be contracting with us for grant administration for our local development district services. The amount is dictated by the Northern Regional Commission.

Upon a motion by M. Hall, and seconded by D. Mastascusa, Board Contract Summary Table items numbered I through VI for the month of August was unanimously approved.

- VII. St. Lawrence County Industrial Development Agency, TSA, Downtown Revitalization Initiative to Redevelop the former Massena School of Business into a Courtyard and Walkway, Total Agreement Amount \$30,000.00, 9/1/23 – 2/1/25, St. Lawrence County

C. Tuttle stated they are planning to preserve the façade and demolish the rest of the building to result in the development of a courtyard.

- VIII. Town of Massena, TSA, Technical Assistance with the Town of Massena Water System Expansion Study, Total Agreement Amount \$10,000.00, 9/1/23 – 7/1/24, St. Lawrence County

C. Tuttle stated that the IDA has several potential properties that are key for redevelopment near the former Reynolds Metals Plant and the GM Plant in Massena. A key redevelopment issue is the access to public water. Our services will include evaluating what it would take to extend the existing town water district to serve these key properties.

Upon a motion by D. Mastascusa, and seconded by E. Virkler, Board Contract Summary Table items numbered VII through VIII for the month of August was approved. M. Hall abstained.

10. Engineering –

- a. Resolution No. 2023-08-61, approving the Technical Services Agreement by and between the Authority and Paul Smith's College of Arts and Sciences. Furthermore, the Executive Director is authorized and directed to execute said Agreement.

C. Tuttle read aloud portions of the resolution. She stated that we are sometimes asked to provide additional services along with the LDD. Paul Smith's is unique because of its remote location, but they don't have access to public water or waste water. They have their own onsite water system and wastewater treatment that is utilized to serve the college. The college's enrollment numbers are down and they also have big challenges with upgrades to their infrastructure. They have received this NBRC grant but they are also looking at another award from the Regional Forest Economy program. This is a program the NBRC has promoted to help revitalize areas devastated by the loss of forest economy. Paul Smith's is one of the only colleges with a program where they are training students

to go into the forest sector. If this college were to fail, it would have devastating impacts on the North Country economy. They have come to the Authority to request assistance in assembling a funding strategy for their water and wastewater projects.

Upon a motion by M. Hall and seconded by D. Mastascusa, Resolution No. 2023-08-61, Approving Technical Services Agreement, Paul Smith's College of Arts a& Sciences, Water & Wastewater Infrastructure Improvements, was unanimously approved.

- a. Resolution No. 2023-08-62, approving the Technical Services Agreement by and between the Authority and the Village of Malone. Furthermore, the Executive Director is authorized and directed to execute said Agreement.

C. Tuttle stated that the Authority provides water quality management services to the Village of Malone for operation of their water and wastewater treatment facilities

Upon a motion by D. Mastascusa and seconded by E. Virkler, Resolution No. 2023-08-62, Approving Technical Services Agreement, Village of Malone, Lead Service Line Inventory, was unanimously approved.

C. Tuttle further commented that we reached out to 13 municipalities in our service area who did not receive grant funding to remind them the due date was approaching and offered to help. We asked that they let us know before the end of August if they were going to need our services and this may result in additional work. It is also likely there will be further requirements that will require any of the lead surface laterals to be replaced with non-lead. Some municipalities are in the process of already replacing these laterals.

M. Murray stated that the end of August is next week and asked if we had heard from any municipalities yet. T. Haynes reported that he has met with the Town of Diana and he has received an email from the Town of Edwards where we are now on their September agenda. The Towns of LeRay and Champion are going to use another firm, but appreciated us reaching out to them.

11. Materials Management –

- a. Resolution No. 2023-08-63, authorizing the Authority Executive Director to implement said rules, applications, permits and fees incorporated this Resolution, effective August 24, 2023.

C. Tuttle reviewed the revisions as they pertain to radiation monitoring, as this is a relatively new issue. Equipment has been purchased to screen every truck that enters the landfill for radiation. The DOT has specific requirements in terms of limits that dictate what we can do to send these trucks back if radiation is detected. There are OSHA requirements defining what is safe for workers to be exposed to. We are currently screening these trucks as they enter the landfill so they have come from transfer stations or private haulers.

Once they arrive here with radioactive material there is the potential for that truck to end up stuck here because it cannot go offsite if it exceeds special permit requirements per DOT. We are not allowed to dispose of this material in our landfill if it exceeds a certain level. This complication is requiring us to make a change to our radiation monitoring plan. We have received a few loads that detected radiation and we are figuring out how to better deal with them to ensure safety and comply with the new requirements. We are also clarifying our protocol to make it more clear for our permittees that are bringing in the waste material so they understand how these loads are going to be handled going forward. We will be rejecting them and they will be responsible for the costs of dealing with the load. This week we met with our county partners and the people who manage their transfer stations, and they are all interested in considering purchasing screening equipment for their transfer stations. These loads could result in their transfer stations being shut down, or our landfill being shut down. DEC is aware there are issues with this program and they are reevaluating how this plan is going to be implemented.

J. Hollenbeck confirmed that the current sensor cost \$70,000. C. Tuttle responded yes, we have two devices. One they drive through and the second is hand-held that can be used for additional levels of screening. We are currently getting quotes on screening equipment for the counties because they are potentially looking to purchase this equipment.

M. Hall asked what might be the origins of the radiation. C. Tuttle responded that it could be medical waste or actually the drivers themselves. If the driver is receiving radiation for cancer treatment, that is a high enough level to set off our sensor. It could also be other things that should not be in the waste stream such as the glow in the dark buttons we received last week that had been manufactured in the 1960's and used by the Army Corps of Engineers. These are not made any more, should not be out in the public, and are radioactive. We cannot handle or dispose of this material. However, when it comes in we have to deal with it in accordance with the DOT and DEC regulations and return it to the generator to minimize the Authority's risk.

K. Bibbins asked if our scanners pinpoint a location within a load, but not the actual source. C. Tuttle responded that unless we dump the load, which creates a huge liability for us, we could not identify what in the load is causing the alarm. The material traveled here and we would like to return that load back to the generator and put that responsibility on them to segregate the load and hire experts that can sort through the waste.

K. Bibbins stated that the critical step is going to be in knowing how sensitive the scanning equipment is because there are numerous areas in our realm where we have radioactive soils occurring naturally. The real issue is with the new regulations we are looking at a higher potential for these instances that have been going on for decades. C. Tuttle agreed and C. Farone continued by stating that we should not be dumping this waste on our site. If radioactive waste comes in and is detected, we scan it multiple times to make sure, then contact DEC or DOT and send it back to the point of origin if possible. If not, we still do not dump that load at the landfill but rather will position the trailer in a predetermined location and hire experts to come review the trailer. If the load were to be dumped in the landfill, it would

become our waste and making us 100% responsible. This could result in shutting down the landfill.

K. Bibbins stated that the real trick is going to be making sure our sensing technology is in line with the legislation and not any more sensitive than it needs to be. C. Tuttle further stated that if the counties screened at the transfer stations this could minimize us having these trucks here to begin with. C. Tuttle also explained that Fort Drum has a building that is designed to stage unsafe material away from people and keep it from leaking into the ground. We do not have a place to safely stage these trucks when radiation is detected, and this may result in evaluating things from a capital perspective to see how we could better handle these situations.

M. Hall asked how often we receive a “hot” load. C. Tuttle responded that this happens rather frequently, but it is important to note that there are some exempt materials; including soils with natural radon, or the bricks from the furnace at Corning Incorporated that are known to have levels of radiation. There is a process to exempt these materials so they can be accepted. Each time the alarm is activated the material needs to be evaluated to determine if it should be exempt or if it should not be part of the waste. We then need to determine how to handle it properly to protect worker safety and minimize the liability of the Authority from an environmental compliance perspective.

J. Hollenbeck commented that years ago antique watches and clock numbers were painted in radium. C. Tuttle stated that if someone simply cleans out a home these items can appear in the waste stream.

M. Hall asked where the containment material ultimately ends up. C. Tuttle explained that radioactive waste is only permitted to be disposed of at very select sites. The closest hazardous waste landfill is in Buffalo, and it is very expensive to send items there as they need to be placed in a shielded container and transported a certain way. M. Hall further stated that if we send it back to the county where it came from, they are less able to deal with these items than we are. C. Tuttle responded that this is why they are also considering using the scanning equipment. If the Authority were to accept it, and it becomes comingled with the other waste, and we now have a real problem. C. Tuttle stated we are now trying to figure out the unintended consequences of these regulations.

C, Farone stated that we are considering some type of cost sharing if the counties were to invest in this type of infrastructure. This would be beneficial to us, as it would stop it from coming to the landfill to begin with. M. Murray stated this covers the municipality haulers, but asked about the private haulers. C. Tuttle replied that the larger private haulers haul direct and this is why we are revising the language within this policy so they clearly understand they are the responsible parties.

E. Virkler asked how it makes sense to send the loads back to the municipalities and place the burden on them. M. Hall stated this was also his question because the Authority has professional staff who would be better at dealing with these materials. C. Tuttle stated that we could certainly consult with them, but from a liability perspective and the way the regulations are

written, this is about all hazardous waste, which we are not allowed to accept without putting our 360 Permit at risk. If this were to occur, we would be at risk of having to close down the landfill. If one transfer station had to be closed for a period of time that can be managed, if the landfill closes down it cannot. We are in a position to be able to help without assuming liability or responsibility, and we are trying to help by providing guidance and help set up procedures.

C. Farone stated that an RFP would need to be done to retain a professional organization to deal with this kind of waste. This entity could then be called upon to assist us, as well as the counties. M. Hall concurred that this makes sense.

K. Bibbins asked if it would be prudent, as part of our mission, to handle the things that these communities are not able to on their own. We could put forth a onetime cost sharing offer and explain why this would make sense, in a best effort to have this all happen. Otherwise, we will be forcing the decision on to the haulers. C. Tuttle stated that this might force some of these haulers to use the county transfer station as opposed to hauling direct.

J. Hollenbeck asked if it was going to come to the point where the garbage workers will need to carry a Geiger counter. C. Tuttle replied that she hopes not as that would not be very practical.

J. Granzow asked if there was a public education component that could be coordinated with the public and healthcare facilities to provide training, in hopes of there being a central location where people in these positions could dispose of radioactive material properly. C. Tuttle stated this is something that has been discussed with the county partners; however, this starts at the hospitals or medical providers as they are the ones providing the treatment and should be informing their patients on how to dispose of their waste. People are not aware, and if they were, they would not want to be creating this situation. K. Bibbins added that this seems like it would be a natural fit for what the legislation intended.

C. Tuttle concluded by stating that this is not unique to our landfill, all other landfills in New York State are dealing with this same issue.

Upon a motion by K. Bibbins and seconded by M. Hall, Resolution No. 2023-08-63, Authorizing Operating Permit Rules and Requirements, Materials Management Facility, Revision, was unanimously approved.

12. Telecommunications –

- a. Resolution No. 2023-08-64, authorizing the Development Authority to obtain a letter of credit from Community Bank in the principal amount not to exceed \$3,636,938 (the Letter of Credit). Furthermore, the Executive Director is authorized to negotiate and approve on behalf of the Development Authority all terms, conditions and other details of the Letter of Credit and to execute and deliver on behalf of the Development Authority all documents, and take all other actions, necessary to obtain the Letter of Credit, provided, however,

the Development Authority's obligations relating to the Letter of Credit shall be special limited obligations of the Authority, payable solely from the Development Authority's telecommunications network revenues, assets and proceeds thereof.

C. Farone stated that upon review of the documentation for the letter of credit, if we are to actually draw down on it, we would be in default to the NTIA, and it would become a loan to the Authority. He felt it prudent to bring this information to the full Board as it could result in an obligation of the Authority. He continued by stating it will not become an obligation because we will proceed with the project. Quotes were received from four different banking institutions, and Community Bank offered the best rate.

E. Virkler asked if this was .75% of the \$27,000 or .75% of the \$3.6 million. C. Farone responded that other institutions quoted 1%, while Community was at .75% of the \$3.6 million each year because the letter of credit must be held for the term of the grant. It will reduce as the project progresses toward completion.

E. Virkler asked if there was any way to build this into the project cost. C. Farone stated that it will be funded out of the NTIA grant.

Upon a motion by M. Hall and seconded by E. Virkler, Resolution No. 2023-08-64, Telecommunications Division, Authorizing Letter of Credit to Secure Obligations Relating to National Telecommunication and Information Administration Grant, was unanimously approved.

- b. Resolution No. 2023-08-65, amending the Telecommunications Division Capital Budget for DOT Road Projects (Project 30691), to increase the budget from \$48,000 to \$100,000. Furthermore, the Development Authority of the North Country amends the Telecommunication Division Capital Budget for I87 Fiber Construction (Project 30681) to decrease the budget from \$450,000 to \$398,000.

D. Wolf explained that there is a pole line that needs to be moved into a wetland area. DEC required the timber matting to be new material to prevent cross contamination. We would not typically pay for this but because we are going to be using this matting to move our fiber, we are paying a portion of the cost. C. Farone stated that of the four entities attached to the pole line, we are only paying 16.5%, which we deemed fair and equitable.

Upon a motion by K. Bibbins and seconded by M. Hall, Resolution No. 2023-08-65, Telecommunications Division, Capital Project Budget Amendments, DOT Road Projects / I87 Fiber Construction, was unanimously approved.

13. Regional Development –

a. Loan Report –

M. Capone reported that all loans are being paid as agreed, with the exception of the Thompson Park Conservancy, which is two months in arrears. She stated she has spoken with them and they are going to send a

payment within the next week to bring them current. Additionally the Johnson Newspaper Corporation, under the North Country Economic Development Fund, is still four months in arrears; however, they did make two payments in June. M. Capone will continue to stay in contact with them and work with them to bring their loans current.

- b. Resolution No. 2023-08-66, extending the term of the Conifer Bateman Associates loan for an additional 6 months, or upon conversion to permanent financing, whichever occurs first subject to the Term Sheet attached to the resolution.

Upon a motion by T. Hefferon and seconded by E. Virkler, Resolution No. 2023-08-66, Approving Affordable Rental Housing Program, Conifer Bateman Associates, Loan Extension, was unanimously approved.

14. Fleet Vehicle Presentation –

C. Farone stated that part of last year's Strategic Planning was to review the Authority's fleet and determine if the use of electric vehicles would be suitable for the Authority. The Engineering team completed a full analysis of the fleet and presented this at today's meeting.

T. Haynes, Assistant Director of Engineering, reviewed the power point presentation for the Board. The focus of the evaluation was to review the possibility of transitioning the current fleet to electric vehicles. He explained that New York State has passed the Clean Cars II Act, which states all Authority fleet and off-road vehicles will need to be zero emission vehicles by 2035, such as SUV's and the F-150's; and that all Authority heavy duty vehicles will need to be zero emission by 2045, this would include the vehicles like the articulated haulers.

The presentation continued with a review of the evaluation, considering factors such as fleet utilization, EV (electric vehicle) and Hybrid alternatives, charging station locations, purchase, operation, and maintenance cost, rebates and incentives, and environmental stewardship.

A review was presented of the current 40 light-duty vehicles, of which 33 are light duty trucks and two of those being diesel fueled, and seven SUV's. Six of the 40 vehicles are scheduled to be replaced in FYE 2024. Vehicle use and maximum daily miles were compared to hybrid alternatives and electric vehicles. Vehicle availability was addressed as a current issue due to popularity and demand. Identified issues are towing capacity, which would result in not being able to haul necessary equipment for emergency calls, and the cold weather which reduces the range by 20%.

S. Hunt asked if both the F-150 and SUV being compared are plug-in. T, Hayes replied yes, this comparison is of the electric vehicle. Hybrid models were not compared because they do not currently meet the Clean Cars Act. T. Haynes stated that the Ford Escape does not currently have a full EV. The Chevy Equinox is coming out with an EV, which would be very comparable to the Ford Escape.

Charging stations are also a concern, as there is currently none at any of the Authority sites. Cold weather is also a charging station concern because at only 20

– 30 degrees it would take additional time to charge because it has to keep the batteries warm and charge them at the same time. Also, a large number of the vehicles are kept at the staff's home, where charging is not available and installing charging stations at personal property is not feasible. Charge time for emergency responses is another concern because there may not be enough time to charge between calls. Ultimately, the only vehicles currently deemed feasible as EV options within the Authority are the pool vehicles because they are kept on site and not used for emergencies.

T. Haynes stated that in completing this analysis they did a life-cycle cost comparison to review purchase, operation and maintenance costs, as well as the price of a charging station.

Environmental stewardship was reviewed and based upon the current fleet, 350 acres of forest would be needed to offset the carbon impact of our vehicles.

The final recommendation at this time is that light-duty trucks utilized for emergency response are not feasible for EV replacement. However, an EV SUV does show savings potential over its useful life. The review team is recommending that the current SUV at MMF be reassigned to the engineering division, and then MMF purchase an EV. This vehicle would be driven a shorter range and it would be stored in a cold storage facility that is accessible to power for a charging station. This vehicle would also allow us to institute a policy and see what kinds of challenges are associated with this before making a change to the Authority as a whole. It was further recommended that two chargers be installed, one at Materials Management Facility and the other at the Warneck Pump Station. If this meets our operating needs we can slowly expand showing a good faith effort.

J. Hollenbeck asked what we are going to do about the methane once the state goes green. C. Farone responded that the methane processing is already green. J. Hollenbeck asked what would happen if the generators were ruled out. C. Farone and J. Staples explained that there are other technologies, such as RINS, offering a process of converting the methane into green energy to power a vehicle.

M. Hall stated that he likes the idea of starting slow, but he expressed concern regarding a presentation he had recently heard about regarding electric buses that stated if one caught on fire, no one would get out alive. He continued in stating this is frightening and there is a safety element that has been demonstrated with the recent local battery fire. C. Farone replied that the safety aspect had not been a part of the review process and would need to be added. K Bibbins stated that the batteries burn roughly three times hotter than a normal vehicle fire and a policy should be created about storage in proximity to critical hardware, and definitely if the storage facility is irreplaceable or critical to the ongoing operation of the facility.

M. Hall also commented that in addition to cold weather usage, using the heater within the vehicle cuts back on the battery life even more.

C. Farone stated that before anything is purchased, the safety issues would be reviewed.

15. Next Board Meeting Date – September 28, 2023

This is the Strategic Planning Session. Meeting location and details will be communicated, as we get closer to the date.

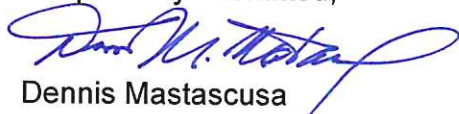
Following today's Board Meeting, lunch will be provided alongside Authority staff. There will also be guided bus tours of the facility.

Appreciation was expressed to all staff for their hard work.

16. 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