



**MINUTES**  
**BOARD OF DIRECTORS MEETING**  
**Thursday, March 28, 2024 – 10:30 AM**  
**Warneck Pump Station**  
**James W. Wright Conference Room**  
**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, , March 28, 2024 at 10:30 AM.

**Members Present**

Voting

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

Non-Voting

Nancy Henry  
Steve Hunt  
Brian McGrath\*

\*Attended via videoconferencing.

**Members Absent**

Margaret Murray, Chairperson

**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  
Thomas Haynes, Director of Engineering  
Laurie Marr, Director of Communications and Public Affairs  
Brian Nutting, Director of Water Quality  
Shawn Thornton, Director of Materials Management  
David Wolf, Director of Telecommunications  
Josh Newtown, Controls Engineer  
Angela Marra, Executive Assistant  
Tonya Cumoletti, Administrative Associate

**Guests:**

Jennifer Granzow, Counsel, Wladis Law Firm

1. Vice Chairperson Hefferon called the meeting to order at 10:31 AM.
2. Vice Chairperson Hefferon requested a roll call.
  - A quorum of voting and non-voting members was established.
3. Privilege of the Floor -
4. Upon a motion by D. Mastascusa and seconded by M. Hall, the minutes from the February 22, 2024 Board Meeting were unanimously approved.
5. Chairperson's Report
  - a. The next scheduled Board meeting is on May 23<sup>rd</sup> at 10:30 AM.
  - b. Authority staff will mail three documents, Confidential Evaluation of Board Performance, Executive Director's Annual Performance Review, and Ethics Policy – Disclosure of Outside Interests. These will be mailed with stamped return envelopes and will be kept confidential. T. Hefferon requested that the forms be completed and returned by April 19<sup>th</sup>. He further requested that when noting "deficient" on the "Confidential Evaluation of Board Performance" or "Needs to Take Action to Improve" on the "Executive Directors Annual Performance Review" that justification be provided for the ranking. This will provide valuable data in implementing corrective actions to improve in the future.

S. Hunt joined the meeting at 10:33 AM.

6. Executive Director's Report

- a. Mission Statement and Performance Measurements –
  - C. Farone explained that the Board of Directors is annually required to adopt the Mission Statement and Performance Measurements, and that the performance measurements are what the Authority will evaluate itself against next year at this time. While there are no changes recommended to the mission statement at this time, C. Farone reviewed and explained the suggested edits to the performance measurements.
  - B. McGrath commented that the modified performance measurements are good additions, offering good clarification in alignment with what the Authority does, and he appreciated the update.

Upon a motion by M. Doheny and seconded by K. Bibbins, the Mission Statement and Performance Measurements for FYE 2025 were unanimously approved.

- b. Authority Bad Debt -
  - C. Farone reported there are no bad debts to write off at this time. While there is money owed to us through the Universal Service Administrative Company (USAV for our ACTION and the NCTP networks ranging from 2019 – 2022, we have reached out to Senator Schumer and Congresswoman Stefanik for assistance with this process. Around \$780,000 is owed to us by USAC and

\$500,000 of these funds is pass through money that will be paid to the service providers on the hospital network.

- c. City of Watertown – Disinfection Byproducts –  
C. Farone stated that Authority staff met with the City of Watertown staff at the disinfection byproducts stakeholder meeting. There is a high-level estimate of the project schedule where they are hoping for the project design to be done by October 2025, meaning they might be able to go out to bid by December of 2025, and award the project in the spring of 2026 with a completion date of 2027. The estimated project cost as of today has increased from \$50 million to \$61.5 million. Authority staff have been working with the city to develop a funding strategy. We are also trying to become more integrated with the city as far as ongoing to meetings, project discussions, project scope, and other things of this nature.
- d. Army Water Line Phase I Rehabilitation - Grant–  
C. Farone reported that Senator Schumer and Congresswoman Tenney have secured \$750,000 in federal funding to support the Army Waterline Phase 1. In total, the Authority has received \$5,750,000 in support of the \$13 million project.
- e. Performance Management System –  
C. Farone reported that the Authority has been working on enhancing the employee evaluation process with staff. Effective April 1 we will be moving away from our single review process and begin using a new quarterly check-in performance management system within our current BambooHR system. We will still have a review at the end of the year to encompass the full year, but managers are now expected to meet with their staff quarterly to discuss goals and objectives. This change will also allow for two-way feedback between staff and their supervisors. Efforts have been placed on establishing specific obtainable goals for every staff member within the Authority that can also be easily accessed electronically to review and monitor progress.
- e. Staff Update – SCADA Overview & Security –  
C. Farone stated that M. Doheny has asked for an update of SCADA and our security as it relates to our water and sewer systems. S. Bohmer and J. Newtown will be presenting on this system and the security behind it at the end of today's meeting.
- f. US Army War College –  
C. Farone shared that he was nominated by Eric Wagenaar, the new city manager, and has been accepted to attend the US Army War College in June. This is a one-week program, and C. Farone is looking forward to this experience.

## 7. Financials –

- a. Finance Report – Chief Financial Officer

J. Staples reviewed the January year-to-date financials. The Statement of Net Position reflects a change in assets and liabilities, including deferred outflows and net position of an overall increase of \$10.9 million over fiscal year end March 2023. The two main reasons for this large change are the Army Waterline and Army Sewer Line construction projects. Under Assets, Capital Assets, Net shows an increase of \$10.8 million due to the Army Waterline construction-in-progress account associated with the Army Waterline replacement project, which reflects an \$11 million balance, and the Army Sewer Line construction-in Progress account associated with the Army Sewer Line pipeline rehabilitation project that reflects a \$2.3 million balance. Under Liabilities, Long-term Liabilities is where we see the biggest change from the previous year, mainly associated with the Army Waterline/Army Sewer Line pipeline short-term loans. As of January year-to-date, \$10.6 million has been drawn against the Army Waterline EFC short-term loan, and we have drawn \$2.3 million in funds against the Army Sewer Line Community Bank short-term loan.

Under Change in Net Position for all units, Total Operating Revenue is running lower than the year-to-date budget by \$1.1 million. Customer Billings is under budget by \$1.3 million, and of that, \$913,000 is associated with MMF. Projected tonnage for January year-to-date was 199,813, versus the actual tons received of 182,597, which is under budget by 17,216 tons or 8.6%. This difference is due to tonnage being off in the municipal solid waste and the contaminated soil.

B. McGrath asked if that number is expected to even out for MMF customer billings, or is this a trend that is going to continue through the rest of the year. J. Staples responded that this is hard to say since we have been seeing this as a trend over the last couple of months. She further stated she does not expect it to change for February and March because contaminated soil is a seasonal category and last year we has some major projects that may have skewed the projected tons this year.

Looking at Operating Expenses, overall expenses are under budget by \$3.5 million. Depreciation and Amortization, is under budget by \$1.7 million, due to the way we spread the budget over 12 months equally plus several large projects going on at MMF, Telecom, and Water Quality that are not capitalized and still ongoing in this fiscal year. Operations and Maintenance is under budget by \$240,000. The main division under budget is MMF and that is mainly associated with fuel being under budget. Waste Water Treatment is under budget \$288,000, mainly associated with the Army Sewer Line, of which wastewater treatment is under budget by \$194,000. Associated with that is the Army Sewer Line customer billings, which is also down by \$166,000 resulting in less product flowing through the sewer lines and in less billings to customers. Closure, Post-Closure, and Community Benefit expenses are down due to the Materials Management tonnage being down. Water purchases are also under budget by \$185,000, associated with the Army Waterline purchases, which are down by \$190,000 resulting in the Army Waterline customer billings being down by \$123,000.

Under Non-Operating Revenue, Total Interest Income is over budget by \$1.2 million year-to-date. The actual interest income is \$2 million and the market adjustment is a positive \$836,000. The market adjustment is not a realized gain or loss.

J. Staples continued with Interest Expense where we are under budget by \$245,000. The budget assumes six full months of interest on the loan amount of both the Army Waterline and Army Sewer Line pipeline projects. The full loan amount has not been drawn on for either of the projects, both of which are still ongoing.

In summary, the change in net position is a loss of \$687,000 versus a year-to-date budgeted loss of \$4.6 million, or \$3.9 million better than the year-to-date budget.

M. Hall asked if with contaminated soil, do we see any savings and expenses with that, or do we see an actual increase. C. Tuttle responded that we do see a savings. We charge a reduced fee for contaminated soil because we don't have to use onsite mined soil. This helps offset our labor costs of having to mine and haul the soil to the working area.

M. Hall commented that if we were going to bring in less, it would cost us more. C. Tuttle responded that this is a limited gain, which also extends the life of the onsite soil boring area, which is valuable. It is also hard to predict which jobs are going to happen because that work usually is bid and we don't know what we are going to see from outside our area, such as the DOT job on I-81. Last year the Authority received waste from a large Lewis County sludge job which brought over 25,000 tons to the landfill, which also has a significant impact on the landfill.

Upon a motion by E. Virkler, and seconded by M. Hall, financials ending January 31, 2024, were unanimously approved.

8. Governance –

- a. Resolution No. 2024-03-21, approves the Communications Device Policy, as attached and incorporated in the resolution.

Upon a motion by M. Hall and seconded by D. Mastascusa, Resolution No. 2024-03-21, Approving Modifications to Communications Device Policy, was unanimously approved.

- b. Resolution No. 2024-03-22, approves the Fleet Management Policy, as attached and incorporated in the resolution.

Upon a motion by K. Bibbins and seconded by E. Virkler, Resolution No. 2024-03-22, Approving Modifications to Fleet Management Policy, was unanimously approved.

S. Hunt commented that it is helpful when track changes are included within the changed policies.

- c. Resolution No. 2024-03-23, approves the Personnel Policy, as attached and incorporated in the resolution.

Upon a motion by E. Virkler and seconded by M. Doheny, Resolution No. 2024-03-23, Approving Modifications to Personnel Policy, was unanimously approved.

- d. Resolution No. 2024-03-24, approves the Travel and Miscellaneous Expense Policy, as attached and incorporated in the resolution.

Upon a motion by D. Mastascusa and seconded by M. Hall, Resolution No. 2024-03-24, Approving Modifications to Travel and Miscellaneous Expense Policy, was unanimously approved.

9. Finance –

- a. Resolution No. 2024-03-25, authorizes professional services contracts as per listed in the resolution. Furthermore, it is resolved this resolution shall take effect immediately.

Upon a motion by D. Mastascusa and seconded by K. Bibbins, Resolution No. 2024-03-25, Authorizing Professional Services Contracts, was unanimously approved.

- b. Resolution No. 2024-03-26, authorizes the standardization of computer software programs as per listed in the resolution. Furthermore, it is resolved this resolution shall take effect immediately.

Upon a motion by E. Virkler and seconded by D. Mastascusa, Resolution No. 2024-03-26, Authorizing Standardized Computer Software Programs, was unanimously approved.

- c. Resolution No. 2024-03-27, 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 provide 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 M. Hall and seconded by D. Mastascusa, Resolution No. 2024-03-27, Standardizing Upon Certain Equipment for Use in Relation to the Material Management Division, was unanimously approved.

- d. Resolution No. 2024-03-28, 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 provide 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. 2024-03-28, Standardizing Upon Certain Equipment for Use in Relation to the Telecommunications Division, was unanimously approved.

- e. Resolution No. 2024-03-29, 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 provide 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 M. Hall and seconded by D. Mastascusa, Resolution No. 2024-03-29, Standardizing Upon Certain Equipment for Use in Relation to the Water Quality Management Division, was unanimously approved.

#### 10. Technical Services Summary Report –

##### a. Non-Lewis County Contracts –

- I. Town of Champion, Technical Services Agreement, Infiltration and Inflow Study, Total Agreement Amount of \$6,000, 3/1/24 – 12/21/24, Jefferson County
- II. Town of Rutland, Technical Services Agreement, Infiltration and Inflow Study, Total Agreement Amount of \$6,000, 3/1/24 – 12/21/24, Jefferson County
- III. Town of LeRay, Technical Services Agreement, Infiltration and Inflow Study, Total Agreement Amount of \$6,000, 3/1/24 – 12/21/24, Jefferson County
- IV. Village of Hammond, Technical Services Agreement, Infiltration and Inflow Study, Total Agreement Amount of \$6,000, 3/1/24 – 12/21/24, St. Lawrence County
- V. Village of Heuvelton, Technical Services Agreement, Infiltration and Inflow Study, Total Agreement Amount of \$6,000, 3/1/24 – 12/21/24, St. Lawrence County
- VI. Town of DeKalb, Technical Services Agreement, Wastewater Disinfection System Improvement Project, Amendment 4 – Construction Phase Services, Total Agreement Amount of \$64,000, 3/01/24 – 11/01/25, St. Lawrence County
- VII. Village of Heuvelton, Wastewater Treatment Plant Municipal Restructuring, Amendment 4 – Schedule Extension, Total Agreement Amount of \$120,000, 3/01/24 – 12/31/24, St. Lawrence County

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

#### 11. Engineering –

- a. Resolution No. 2024-03-30, approves 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.

Upon a motion by D. Mastascusa and seconded by M. Doheny, Resolution No. 2024-03-30, Technical Services Agreement, Village of Malone, Wastewater Outfall 002 Decommissioning Study, was unanimously approved.

## 12. Water Quality –

- a. Resolution No. 2024-03-31, amends the Water Quality Division Capital Budget for the FY 2024 Warneck Pump Station Pump, Flow Meter, and Controls Upgrade Project (Project 41064) increase from \$263,000 to \$389,000. Furthermore, this increase shall be funded from the Army Sewer Line Customer Revenue.

C. Farone stated that we evaluated the replacement of both pumps and this would have cost almost \$700,000, whereas refurbishing offers a significant savings.

Upon a motion by K. Bibbins and seconded by E. Virkler, Resolution No. 2024-03-31, Capital Project Budget Amendment, Water Quality Division, Warneck Pump Station Pump, Flow Meter, and Controls Upgrade Project, was unanimously approved.

## 13. Regional Development –

- a. Loan Report –

M. Capone stated that problem loans would be discussed within the resolutions; otherwise, all other loans are being paid as agreed.

- b. Resolution No. 2024-03-32, approves a 3-month principal and interest moratorium on the Community Development Loan Fund loan for the Thompson Park Conservancy Inc. beginning with the April 1, 2024 and ending with the June 1, 2024 payment, with all other terms and conditions remaining the same.

M. Doheny asked what the condition was on the term sheet regarding the Watertown Local Development financing. M. Capone responded this was from the original loan where they provided a \$40,000 loan at that time.

Upon a motion by D. Mastascusa and seconded by M. Hall, Resolution No. 2024-03-32, Community Development Loan Fund, Thompson Park Conservancy Inc., Loan Modification #2, was unanimously approved.

- c. Resolution No. 2024-03-33, authorizes a loan in the amount up to \$250,000 from the Economic Development Loan Fund to St. Lawrence County Snowmobile Association Inc. at the terms and conditions outlined on the Term Sheet attached to the resolution, 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 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 M. Hall and seconded by D. Mastascusa, Resolution No. 2024-03-33, Economic Development Loan Fund, St. Lawrence County Snowmobile Association Inc., Loan, was approved. K. Bibbins abstained from this vote.

- d. Resolution No. 2024-03-34, authorizes the Executive Director or Chief Financial Officer to execute HOME-ARP contracts based upon awards made by the North Country HOME Consortium Administrative Board.

Upon a motion by E. Virkler and seconded by K. Bibbins, Resolution No. 2024-03-34, HOME-ARP, Authorizing Contracts, was approved. D. Mastascusa abstained from this vote.

- e. Resolution No. 2024-03-35, approves interest-only payments for Trailhead Resort LLC for February 1, 2024 through June 1, 2024, with all other terms and conditions remaining the same.

Upon a motion by M. Doheny and seconded by K. Bibbins, Resolution No. 2024-03-35, North Country Regional Tourism Transformational Revolving Loan Fund, Trailhead Resort LLC, Loan Modification, was unanimously approved.

- f. Resolution No. 2024-03-36, approves an interest-only payment for Golden Technology Management LLC for September 1, 2024, with all other terms and conditions remaining the same.

Upon a motion by D. Mastascusa and seconded by E. Virkler, Resolution No. 2024-03-36, North Country Value Added Agriculture Loan Fund, Golden Technology Management LLC, Loan Modification, was approved. M. Doheny abstained from this vote.

- g. Resolution No. 2024-03-37, ratifies a loan in the amount of \$250,000 from the Regional Tourism Transformational Community Revolving Loan Fund to Cedar River Eco-Resort LLC at the terms and conditions outlined on the Term Sheet attached to the resolution, 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 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 M. Hall and seconded by K. Bibbins, Resolution No. 2024-03-37, Regional Tourism Transformational Community Revolving Loan Fund, Cedar River Eco-Resort LLC, Loan Ratification, was unanimously approved.

- 14. Executive Session – for the purpose of discussion regarding the employment history of a particular person or matters leading to the appointment or employment of a particular person.

Upon a motion by K. Bibbins and seconded M. Hall, the Board moved into Executive Session at 11:20 AM.

S. Hunt stepped out of the room for the Executive Session discussion and left the meeting at 11:20 AM.

Upon a motion by M. Hall and seconded K. Bibbins, the Board moved out of Executive Session at 11:56 AM.

No action was taken.

#### 15. Additional Resolution –

- a. Resolution No. 2024-03-38, authorizes the Executive Director or designee to submit an application to Empire State Development for funding in an amount up to \$4 million to implement the Next Move NY strategies defined within the resolution across the North Country region.

Upon a motion by M. Hall and seconded K. Bibbins, Resolution No. 2024-03-38, Authorizing Application to be Submitted, Empire State Development, Next Move NY, was unanimously approved.

#### 16. Report of the Nominating Committee

M. Doheny presented as the chair of the nominating committee, consisting of K. Bibbins, M. Hall, E. Virkler, and B. McGrath. She stated that the committee did meet and had several conversations involving the recommended slate of officers.

The committee nominated the following officers for Fiscal Year Ending 2025:

Chair – Margaret L. Murray  
Vice Chair – Mary R. Doheny  
Secretary – Dennis M. Mastascusa  
Treasurer – Alex A. MacKinnon

M. Doheny stated that a unanimous viewpoint of the committee was this is a very well-functioning Board, and we have very good communication across the Board.

Upon a motion by M. Hall, and seconded by E. Virkler, approving the nomination of officers for the Fiscal Year 2024-2025 was unanimously approved.

#### 17. Authority Board Meeting Dates – FYE 2025

C. Farone stated the meeting dates follow the same schedule on the 4<sup>th</sup> Thursday of the month, with the exception of December in an effort to work around the holiday.

#### 18. SCADA Overview and Security – PowerPoint Presentation

C. Farone introduced the presentation on SCADA, as requested by several Board members who had asked about the security surrounding Fort Drum and our other users.

Josh Newtown, Authority Controls Engineer, began the presentation stating that Dan Merrill and he maintain the SCADA (Supervisory Control and Data Acquisition) systems at the Authority and proceeded with a brief overview describing it as how we humans interface with mechanical and electrical systems. He continued with a breakdown of the system from the remote terminal units (RTU) at the top, where the sensor inputs are wired to collect the data and control the mechanical equipment, to the SCADA server that communicated through radio telemetry and broadband internet, to the historian server collecting and storing all data. He listed many places SCADA could be utilized, such as water and waste water systems and materials management facilities, which is where the Authority uses it. He continued with a detailed explanation of how SCADA is currently being utilized at the Warneck Pump Station, where we were meeting today, citing examples such as being able to monitor wastewater flows, monitor pump activity, control pump set points, control pump speeds, and directly disable pumps. Additional SCADA benefits are immediate alarm notifications allowing us to respond in a matter of minutes, and being able to look back and review a system's performance to use in troubleshooting and predicting future problems. Our SCADA system is more secure than other options because we use a physical machine locked behind a closed door versus a cloud based server. Other SCADA systems may have multiple means of connectivity, which leaves the door open to security vulnerabilities, but the Authority has one method of remote connectivity with multiple methods of authentications. The Authority also has their own in-house SCADA team who work directly with our IT team, whereas other companies would be set up by third-party contractors.

E. Virkler asked if when they receive a text message, how much of an authentication process do they need to go through. J. Newtown responded that the text comes from our system with just a basic message. You then pull out your laptop and VPN into the Authority network.

Steve Bohmer, Director of Information Technology, continued with a detailed explanation of the recent security improvements to the Authority SCADA system; such as separating SCADA from the rest of the Authority network, implementing of monthly server updates, requiring unique individual passwords for each individual, upgrading server software and hardware, and performing cybersecurity vulnerability assessments. He referred to a letter recently made available from the EPA and NSA asking governors to help with major risks to water, wastewater, and cybersecurity concerns. This letter points to the Cybersecurity and Infrastructure Security Agency (CISA) sharing a list of actions everyone can take to make their systems safer. He continued with a review of each of those points from conducting regular cybersecurity assessments, to immediately changing default passwords, to backup OT/IT systems, and conducting cybersecurity awareness training. Steve felt if there were any of these we could improve upon, it was Develop and Exercise Cybersecurity Incident Response and Recover Plans, and they do have plans in place to improve upon this during the current fiscal year by documenting the process more and providing a step-by-step procedure to be used in the absence of the members of IT. S. Bohmer reviewed the process for an operator to connect in from outside or inside the network to show step-by-step the security measures that are in place to protect the SCADA system. While we currently check all the boxes, he explained that they look at it very carefully each year to see what other changes can be made to improve our security.

M. Doheny asked if there were an electrical failure, do we have a backup contingency plan for how the Authority would continue working and manage our systems. C. Tuttle explained that while this question is directed at the cybersecurity piece, there are emergency response plans in place for each facility. There are multiple layers of contingency planning for many types of emergencies, to include natural disasters. Looking specifically at the Warneck Pump Station for example, there is backup power with automatic transfer switches that run on natural gas, and a backup diesel powered generator on top of that in case the main motor control center went down too. If for some reason we also could not operate the generator, there is a way to operate a back-up pump manually to take the wastewater out of the wet well and pump it through our system. C. Tuttle further explained that all of our facilities are set up with backup power, automatic transfer switches, and redundant backup systems. There are also battery backups for the SCADA system that would help in switching from primary power to backup power so no data is lost in the transition.


K. Bibbins asked about the physical security for the servers. S. Bohmer responded that they are all behind a locked door that is either key or keypad access. C. Tuttle added that these are also within a locked facility that has access control.

19. Next Board Meeting Date – May 23, 2024

20. Adjourn -

- a. Upon a motion by K. Bibbins and seconded by M. Hall, the meeting was adjourned at 12:20 PM.

Respectfully submitted,

  
Dennis Mastascusa  
Board Secretary