



MINUTES
BOARD OF DIRECTORS MEETING
Thursday, October 23, 2025 – 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, October 23, 2025 at 10:30 AM.

Members Present

Voting

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

Non-Voting

Steve Hunt
Brian McGrath*

Members Absent

Eric Virkler
Nancy Henry

*Attended via videoconferencing.

Staff Present:

Carl Farone, Executive Director
Jennifer Staples, Chief Financial Officer
Carrie Tuttle, Chief Operating Officer
Stephen Bohmer, Director of Information Technology
Michelle Capone, Director of Regional Development
Thomas Haynes, Director of Engineering
Dawn Loudon, Comptroller
Laurie Marr, Director of Communications and Public Affairs
Brian Nutting, Director of Water Quality Management
Regina Rybka-Lagattuta, Director of Human Resources
Shawn Thornton, Director of Materials Management
David Wolf, Telecommunications Strategic Advisor
Brian Zuris, Director of Telecommunications
Angela Marra, Executive Assistant
Tonya Watson, Administrative Associate

Guests:

Jennifer Granzow, Counsel, Wladis Law Firm

1. Chairperson Murray called the meeting to order at 10:30 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 A. MacKinnon and seconded by M. Hall, the minutes from the September 25, 2025 Board Meeting were unanimously approved.

5. Chairperson's Report

- a. On behalf of the Board of Directors I would like to congratulate Mark Hall on his appointment as the Chair of the Adirondack Park Agency. Governor Hochul stated "The Adirondack Park is one of New York's crown jewels and a cornerstone of the North Country economy. Balancing environmental protection while promoting sustainable economic development is key to the Park's long-term success. Mark Hall has worked tirelessly on behalf of North Country communities and the environment for decades. He will excel as the next Chair of the Adirondack Park Agency and help build a better and brighter future for the North Country." We couldn't agree more, congratulations Mark!
- b. Please accept this reminder to complete your On-Demand Ethics Training that was emailed to the Board of Directors last month. I have requested Authority staff re-send the email to each of us in case the original email was not received. Please try to complete this required training by October 31.
- c. Our Next Meeting is December 18th at 10:30 am at the James Wright Conference Room at Warneck.

A. MacKinnon asked if the Authority needs the form received at the finish of the ethics training. C. Farone responded that we receive the form from the training and the Board members do not need to submit it as well.

6. Governance

- a. Resolution No. 2025-10-56, approves the Green Cleaning Products Use Policy as attached and incorporated in this resolution.

Upon a motion by M. Hall, and seconded by A. MacKinnon, Resolution No. 2025-10-56, Green Cleaning Products Use Policy, Approving Modifications, was unanimously approved.

7. Technical Services Summary Report –

- a. Non-Lewis County Contracts –

- I. Town of Lawrence, O&M, Operations and Maintenance Service Agreement, Total Agreement Amount of \$310,300, 1/1/26 – 12/1/30, St. Lawrence County

Upon a motion by M. Hall, and seconded by A. MacKinnon, Board Contract Summary Table item numbered I for the month of October was unanimously approved.

8. Materials Management –

C. Tuttle noted that the resolution included in the Read-Ahead packet will be corrected from 2024-10-57 to 2025-10-57.

- a. Resolution No. 2025-10-57, approves the Solid Waste Operating Permit Rules and Requirements Policy attached and incorporated in this resolution, and further authorizes the Executive Director to implement said rules, applications, permits and fees as documents in the policy.

Upon a motion by M. Hall, and seconded by A. MacKinnon, Resolution No. 2025-10-57, Solid Waste Operating Permit Rules & Requirements Policy, Materials Management Facility, Revision, was unanimously approved.

M. Doheny arrived at 10:39 AM.

9. Telecommunications –

- a. Resolution No. 2025-10-58, amends the capital budget for Customer Network Construction FY26, Project 30-776, from \$300,000 to \$550,000.

Upon a motion by T. Hefferon, and seconded by A. MacKinnon, Resolution No. 2025-10-58, Fiscal Year 2026 Capital Budget Amendment, Customer Network Construction, Telecommunications Division, was unanimously approved.

- b. Resolution No. 2025-10-59, amends the capital budget for Wireless Tower Service FY26, Project 30-778, from \$300,000 to \$900,000.

Upon a motion by T. Hefferon, and seconded by M. Hall, Resolution No. 2025-10-59, Fiscal Year 2026 Capital Budget Amendment, Wireless Tower Service, Telecommunications Division, was unanimously approved.

10. Water Quality –

- a. Resolution No. 2025-10-60, finds and determines that additional improvements meet the following "Type II" classifications under Section 617.5(c) of the Regulations: (1) maintenance or repair involving no substantial changes in an existing structure or facility, (2) replacement, rehabilitation or reconstruction of a structure or facility, in kind, on the same site, and (3) street openings and right-of-way openings for the purpose of repair or maintenance of existing utility facilities. It is further determined that the Additional Improvements are a Type II Action under SEQRA and will not have a significant adverse impact on the environment and no Environmental Impact Statement needs to be prepared and no further action with regard to SEQRA is required.

Upon a motion by M. Hall, and seconded by A. MacKinnon, Resolution No. 2025-10-60, Army Sewer Pipeline Rehabilitation Project, Additional Improvements, SEQRA Type II Action, No Significant Impact on the Environment, was unanimously approved.

- b. Resolution No. 2025-10-61, determines within Sections 1-9 of the resolution that the Authority has been vested with all powers necessary and convenient to carry out the purposes and provisions of Title 29 of the Public Authorities Law. The Authority is to issue its bonds, notes or obligations in an aggregate original principal amount not to exceed \$11,000,000. The Authority is authorized to undertake the rehabilitation of 16,650 linear feet of the Army Sewer Line with Cured-In-Place between the Warneck Pump Station and the Calcium Nature Trail entrance, and to issue, execute, sell and deliver its bonds, notes, or other evidences of obligations having a maturity not to exceed thirty years in an original aggregate amount not to exceed \$11,000,000. The following additional improvements are further resolved: (i) repairs to the 24 and 36inch portions of the Army Sewer Line; (ii) Warneck Pump Station building improvements; (iii) replacements of manhole frame and cover and addition of bollards for an existing manhole; and (iv) improvements within the Authority's existing permanent easement along Kelsey Brook in order to provide maintenance access to the 36-inch section of the Army Sewer Line. It is further resolved that the Chairperson, Vice Chairperson, and Executive Director of the Authority are each authorized in the name of and on behalf of the Authority to negotiate, execute, deliver and/or approve any documents necessary to issue the obligations. The authorized representatives are further authorized to sell all or a portion of the obligation to the New York State Environmental Facilities Corporation in the form of one or more loan agreements. Each of the Authorized Representatives are authorized and directed to ensure all acts be completed to make all required payments pursuant to the Financing Documents, and to execute all documents, certificates and instruments in order to carry out the Financing Documents and completed transactions to complete the purposes of this resolution and maintain compliance with all terms, covenants and provisions of the Financing Documents. The person executing the Financing Documents is authorized to agree to changes, insertions, omissions and modification as they may approve. This resolution shall constitute a declaration of the Authority's "official intent" to reimburse expenditures for the project. This resolution shall take effect immediately. This project is considered a Type II Action under the State Environmental Quality Review (SEQRA) and requires no further action under SEQRA. This resolution amends, restates and replaces the original resolution in its entirety.

Upon a motion by T. Hefferon, and seconded by M. Doheny, Resolution No. 2025-10-61, Amended and Restated Resolution Authorizing Reconstruction Financing, Fort Drum Sewer Line, Issuance and Sale of Authority Bonds, Note(s) or Other Obligations, was unanimously approved.

11. Regional Development –

a. Loan Report –

M. Capone stated all loans are being paid as agreed, except for those brought before the Board in the past.

302 Globe on Court Street recently celebrated their ribbon cutting. We provided construction financing of \$800,000 which will be paid down to \$400,000 when termed to permanent financing. It was just learned this morning that we probably will not close before October 31 and the loan matured on October 1. It was additionally learned that the interest-only period has been extended another three months by the bank. M. Capone shared that it is her intention to bring a resolution to the Board in December to approve the three-month interest only. In the meantime she will continue to work with the attorneys to push the permanent financing transition as quickly as possible.

- b. Resolution No. 2025-10-62, approves a loan of \$130,000 from the Community Development Loan Fund to Tug Hill Artisan Roasters, LLC subject to the Terms and Conditions 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. Furthermore, this is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

M. Doheny asked what the 15-year amortization means on a 5-year term. M. Capone responded that the loan amortizes over 15 years and will be put in the system as if the payments to the business are being paid over 15 years. M. Doheny asked if there is a balloon in year five. M. Capone replied yes, it balloons at the end of year five, then that balloon is refinanced with a bank. It is the intention that we would work with the borrower to bring in a bank with the intent that a bank should be in this project as the senior lender.

M. Doheny further commented that this business has a presence at the Watertown Farmer's Market during the regular season and their products are excellent. M. Capone further added that their products are in many stores in the North Country, and when you go through Lowville and see this renovated building, this is what the Restore New York program was created for.

S. Hunt commented that he believes you can stay upstairs in an old jail cell as it is now an Airbnb. M. Capone commented that we were created to help these businesses, and this term loan is an opportunity to get them into the right position to do a bank finance.

B. McGrath asked if there was a reason they haven't pursued commercial financing with a bank yet. M. Capone responded no, and she will work with the owner to find somebody, but she wanted to have a fallback. She further stated there is a term loan, but they need to find a permanent lender to give them some time.

B. McGrath commented that he would feel more comfortable if they had found a permanent lender and had flagged it as a viable business to loan to. We are now in the dark as to whether this is a project that a commercial bank would lend money to, based on normal underwriting criteria, so it gives him pause. He is also concerned about cost overruns, but \$130,000 on a \$200,000 loan is a dramatic overrun. This is not a 20% cost of inflation overrun, and B. McGrath asked what is going into this overrun to ensure they are not trying to underwrite the cost of operations. M. Capone referenced page 2 of the write-up to explain that they had a contingency of \$100,000 in the grant, and while interior work came in under budget, they didn't anticipate many line items to go over budget such as architect engineering fees, landscaping, plumbing, and electrical. C. Farone stated our loan was

\$200,000, the project was \$900,000, and came in \$130,000 over budget, and the Restore grant is going to pay back all the other lenders. M. Capone stated the Restore grant is going to pay back the North Country Alliance (NCA) 100%, because the NCA has no money to lend. This is a seven-county revolving loan fund, which is another fund we administer. The plan is to pay back the NCA \$200,000 and then pay the loan down to \$130,000 while working with them to identify a bank. She further stated that B. McGrath is correct, we don't know if this is bankable, which is why it was brought to the Board to consider for a permanent loan while we identify a bank to be the senior lender. This will give them time to become bankable because we are typically a subordinate lender.

B. McGrath stated that typically our process is to get the commercial lending first and then we take a second or third position. This process is backwards from what is normally done, which is causing some confusion. M. Capone explained the reason we did the construction financing was because banks don't typically do construction financing for state grants. This is a unique situation in that it is the first time someone has come to us with cost overruns and asked us to consider terming out a piece of it. We took the risk up front to bridge a state grant and now we have to consider a term loan, but the expressed concerns are valid.

K. Bibbins commented that while B. McGrath's concerns are valid and understandable, the one thing that helps him feel more comfortable with this is their products are so wonderful, but also when you interact with them it's clear that this is something that they have put their heart, soul and life into. It is a huge project based on their beginnings and he feels they are fully invested in making this work.

Upon a motion by T. Hefferon and seconded by A. MacKinnon, Resolution No. 2025-10-62, Community Development Loan Fund, Tug Hill Artisan Roasters LLC, Loan 2, was unanimously approved.

- c. Resolution No. 2025-10-63, approves a two-year extension of the Regional Export Promotion Program Agreement with the U.S. Export Import Bank, and further authorizes the Executive Director to execute this agreement.

Upon a motion by T. Hefferon and seconded by M. Hall, Resolution No. 2025-10-63, United States Export Import Bank, Regional Export Promotion Program, Agreement Extension, was unanimously approved.

12. Executive Session – for the purpose of discussion regarding proposed, pending, or current litigation.

Upon a motion by T. Hefferon and seconded by M. Hall, the Board moved into Executive Session at 11:00 AM.

Upon a motion by T. Hefferon and seconded M. Doheny, the Board moved out of Executive Session at 12:04 PM.

No action was taken.

13. Executive Director's Report

- a. Commercial Insurance Renewal

C. Farone stated that the Authority did a competitive procurement process for our commercial insurance. This is typically a five-year agreement with Eastern Shore Associates, ESA, our insurance agent. We completed the procurement process this year and issued the RFP, but only received one response from our current provider. Each of the carriers will only quote to one agent, and our current agent does business with preferred carriers for the various types of insurance the Authority needs. C. Farone explained the full process and that we did award to the one bid. He continued with a review, presenting a slide showing cost differences, citing commercial property, auto liability, and umbrella liability. Last year the total cost was \$836,000 and we are projecting this year will be \$877,000.

b. Climate Action Reserve – 2024 Credits

C. Farone shared that staff have been busy making sure we get the credits from the landfill for the destruction of methane. The Climate Action Reserve (CAR) approved a total of 137,039 credits the Authority generated in 2024. We are working with Denise Farrell, our consultant to solicit offers to purchase those credits. The recent price per credit is \$5.00 with a potential revenue of \$685,000, which is better than we budgeted.

A. MacKinnon asked what does someone do with the credits they purchase. C. Farone responded that certain entities produce contaminants and they purchase these credits to offset the pollution they release into the environment. A. MacKinnon stated this doesn't seem right that they purchase these credits from us to make it ok for them to produce contaminants. C. Farone commented that this does incentivize entities like us to do the right thing.

c. Adventure Day at Camp Wabasso

C. Farone shared that Recycling Coordinator, John Phelps, and MMF Director, Shawn Thornton, attended Adventure Day at Camp Wabasso where they educated local fourth and fifth graders on composting, reusing, and recycling. Over 450 students attended the event that was hosted by Cornell Cooperative Extension.

d. Staff – Public Engagement

C. Farone reviewed a list of public presentations recently given by Authority staff. Ben Cruz and C. Farone presented on the Next Move New York Initiative to the New York State Division of Budget and Empire State Development at a recent event organized by Steve Hunt. Carrie Tuttle presented on project funding implementation and Thomas Haynes presented on how you can use GIS, both in regards to water and wastewater, at the Potsdam Local Government Conference that was also attended by Mark Hall. Ben Cruz and C. Farone attended the North Country Alliance Fall Forum, which was put together by Michelle Capone and Matt Siver. C. Farone spoke about the Authority and our 40-year history with Fort Drum, while Ben talked about how Next Move NY is helping transitioning soldiers, spouses and veterans find gainful employment.

e. Staff Updates

C. Farone shared that Stuart Tamblin, our Assistant Landfill Superintendent, was recognized by the New York State Association for Solid Waste Management with a solid waste achievement award for his 25 years of dedication to environmentally responsible waste management, specifically his operational expertise, environmental stewardship, and commitment to continuous improvement.

Ken Kisser earned his 2A Wastewater Operator certification.

Longevity awards were earned by both Steve Dulmage and Regina Lagattuta for five years with the Authority.

New hire Ken Cummings has been brought on staff as the Materials Management Maintenance Technician Assistant (MTA).

Congratulations to Mark Hall on his recent appointment by the governor as Chair of the Adirondack Park Agency.

14. Finance –

a. Finance Report – Chief Financial Officer

J. Staples reviewed the highlights within the August year-to-date financials. The statement of net position shows the change between Assets and Total Liabilities, Deferred Outflows and Net Position increased by \$3.5 million or 1.3%. Two notable items within Assets are Loans Receivable, which increased over FYE 25 by \$1.6 million, with over \$1 million being lent under the Housing Loan Revolving Fund and just under \$700,000 under the North Country Economic Development Fund in FY26; Restricted Assets, which decreased by \$6.5 million due to several projects at Materials Management, including the ongoing cell 14 construction, the landfill gas tie-in project, and the wheeled loader and articulated hauler purchases. As these capital funds are spent, we will see an increase on the capital assets line, which moved from \$94.8 million at the end of FY25 to \$101.7 million as of the end of August. We also see the Reserve for Liner and Reserve for Replacement under Net Position reduced as we spend funds on these Materials Management projects.

Under the Change in Net Position for All Units, Total Operating Revenue is lower than the year-to-date budget by \$1.2 million which is associated with grant revenue. An NTIA draw was completed in August for \$994,000 and funds have been received for that draw in August, however we see there is a year-to-date negative grant revenue of \$86,000. The reason for the negative amount is because at FYE25 we were required to book any revenue that we should have incurred against the grant even if a draw is not done, and that revenue should be booked in the year the expense was incurred. When we booked the NTIA grant revenue for FYE 25 we had purchased fiber for that project. During FY26 the NTIA project scope was revised, reducing the amount of fiber needed for the project. The fiber no longer needed for the NTIA project was allocated to other Telecom projects. When the draw was submitted in August to NTIA, the cost was reduced by about \$350,000 for the difference in the fiber. There is also a negative grant amount showing under Material Management due to a 2022 Municipal Waste Reduction and Recycling Grant. The grant amount we would receive was

estimated at FYE 25, but came in \$9,255 lower than originally estimated. Overall, we anticipate grant revenue will be under budget for all FY26 due to the make ready process taking longer than expected on the NTIA grant. MMF is the main reason for Customer Billings being over budget at the end of August as the tons received were over budget by 34,516 tons, mostly in asbestos, and there were a number of special waste projects going on at this time with one project bringing in an estimated 28,000 tons of material alone.

Overall Operating Expenses are under budget by \$590,000. Operation and Maintenance expenses are under budget by \$367,000, of that telecommunication is under budget by \$222,000 due to timing of expenses and how the budget is spread over the 12-month period. Offnet circuit leases are also under because Telecom has lost two large customers that had offnet circuits, and the budget for Offnet Circuits had anticipated growth that had not yet been realized. Closure & Post Closure costs and Community Benefits are over budget as they are driven by tons received, and tons are over budget by 34,000 tons. Water purchases continue to be over budget as the Army Water Line water purchases are over budget by \$50,000 and revenue for the Army Water Line is over budget by \$174,000. Professional fees are under budget by \$125,000, and \$96,000 of that is related to consulting fees for Next Move NY funds that have not yet been spent.

Under Non-Operating Revenue and Expense, the total net is over budget by \$1 million with the majority of that being interest income. Interest income is over budget by \$768,000 YTD. Actual interest income YTD is \$1.5 million and the market adjustment is at a positive \$359,000 adding up to the August YTD interest income of \$1.8 million. As a reminder, market adjustments are not a realized gain or loss unless we pull money out of investments early. Gain on trade of fixed assets is at \$231,000. This is for funds received for trade-ins made at Materials Management for the articulated hauler, mini excavator, and a loader.

Summarizing the Change In Net Position, there was a year-to-date gain of \$2.1 million versus a year-to-date budgeted gain of \$1.7 million.

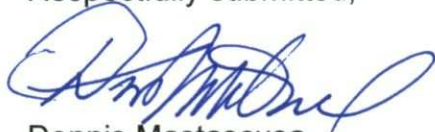
Upon a motion by T. Hefferon, and seconded by A. MacKinnon, financials ending August 31, 2025, were unanimously approved.

15. Next meeting will be December 18, 2025.

16. Adjourn -

Upon a motion by M. Hall and seconded by M. Doheny, the meeting was adjourned at 12:26 PM.

Respectfully submitted,



Dennis Mastascusa
Board Secretary