Development Authority of the North Country

MINUTES

BOARD OF DIRECTORS MEETING

Thursday, June 25, 2026 – 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, June 25, 2026 at 10:30 AM.

Members Present

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

Non-Voting
Travis Flint
Brian McGrath*

*Attended via videoconferencing.

Members Absent
Alex MacKinnon
Steve Hunt

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
Dawn Louden, Comptroller
Thomas Haynes, Director of Engineering
Brian Nutting, Director of Water Quality
Regina Rybka-Lagattuta, Director of Human Resources
Mike Schenk, Director of Communications
Shawn Thornton, Director of Materials Management
Brian Zuris, Director of Telecommunications
Angela Marra, Executive Assistant
Tonya Watson, Administrative Associate

Guests:
Jennifer Granzow, Counsel, Wladis Law Firm
Thomas Smith, EFPR Group
Cyril Mouaikel, RBC Wealth Management
John Nuber, RBC Wealth Management

1. Chairperson Doheny called the meeting to order at 10:30 AM.

2. Chairperson Doheny 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 May 28, 2026 Board Meeting were unanimously approved.

5. Chairperson's Report

   a. The next Board Meeting will be held on August 27th at 10:30 AM at the Materials Management Facility in Rodman.

6. Executive Director's Report

   a. Hamilton County -
   This contract has been executed by both parties. The Development Authority paid for and retained the fiber, and this transaction has been completed.

   b. Household Hazardous Waste 2026 -
   There are five household hazardous waste events held each year. The first event took place on May 16th in St. Lawrence County with 170 attendees, the second event was in Jefferson County on June 6th with a record attendance of 376. Three more events are scheduled for Lewis County on August 29th, St. Lawrence County on September 26th, and Jefferson County on October 10th. New this year, people are able to pre-register for these events on the website.

   Our recycling coordinator has identified an issue with propane collection for small green propane tanks. He has been working with Jefferson, Lewis, and St. Lawrence Counties for a solution and has identified West Parishville Metals in St. Lawrence County and Northstar Recycling in Jefferson County as locations that will accept these tanks. He is still searching for another recycling option in Lewis County.

   c. Riverfest 2026–
   This is not an Authority event, but an event we are honored to volunteer at. This year was attended by roughly 3,000 veterans, soldiers and their family members. M. Capone and M. Siver provide leadership for the event. Authority volunteers helped serve food, provided assistance with parking, and filled in any other tasks needed. J. Phelps, our recycling coordinator, was onsite helping to manage recycling and providing new mascot stickers to younger attendees. The Next Move NY staff volunteered at the event and took this opportunity to talk with veterans, soldiers, and their spouses about employment opportunities, what Next Move NY is, and how it can help them. This is a great event where we actually get to interact with the soldiers and thank them for their service.

   d. Materials Management Update –

The original flare has been replaced with the new flare, which is operational and ties the original landfill with the southern expansion. This flare is only used if there is excess gas that needs to be burnt off.

DEC has approved our Local Solid Waste Management 10-year Plan. This has been a large effort by Materials Management staff in generating a 10-year plan for managing recycling throughout Jefferson, Lewis and St. Lawrence Counties. This plan will be brought before the Board at the August meeting for review and approval.

e. Telecommunications Update –
   - NTIA Grant – Grant Extension Approved: June 30, 2028
     This is a large project being completed in partnership with National Grid costing $24.5 million, with $14 million coming through the NTIA Grant. When the initial grant was received it was with the expectation of completing the project in 2026. The grant is provided for a specified duration meaning we needed to apply for an extension. This extension has successfully been submitted and approved by the NTIA. The preliminary work is the most time consuming; getting environmental done, engineering, make ready, make ready on the poles, and finally hanging fiber as instructed by the utility. The outcome will result in 257 miles of fiber being constructed, assisting over 7,000 residents in our area with broadband.
   - NBRC Grant – Grant Extension Approved: Sept 30, 2028
     This is similar to the NTIA project, but on a smaller scale. We have applied for the grant extension and it has been approved allowing until September 30, 2028 to complete this $3.1 million project in Jefferson, Lewis and St. Lawrence Counties. This is being funded by $2.5 million in grants, the three counties, and the Development Authority making up the match. This will construct 42.8 miles of fiber and provide high-speed broadband to 200 unserved residents in the Tri-County region.

f. Board Member Online Training –
   C. Farone reminded the Board of the state-approved ABO required training. The Authority cannot provide this training to Board members so each will need to log into the website and complete the 1.5 hour training. R. Lagattuta will email all Board members still needing to complete this training with the dates it is being provided. Different dates will be available in August, and will be sent to those still needing to complete the training.

   B. McGrath asked if this is a live or recorded training.
   C. Farone replied that it is live and interactive, and only offered on specific dates. He further shared that he has completed it and feels it is good, worthwhile training for the Board.

g. Annual Report -
   The Annual Report has been finalized and was emailed to all Board Members yesterday afternoon. This publication shows everything the Authority has completed as an organization within the last 12 months. C. Farone extended his appreciation to the Board for their guidance in making the Development

Authority what it is. This is a team effort and the Annual Report shows many major accomplishments over this past year.

h. Staff Updates -
   C. Farone shared the following staff achievements:
      S. Fowler scored the highest grade on Grade 3 Supervision and Technical Operations exam. This is Steve's 2nd time achieving the highest exam score. He also tied with another individual during another exam, meaning he has scored the highest grade on an exam three different times.

      B. Wohnsiedler earned his 10-year longevity Service Award.

7. FYE 2025 Investment Report – RBC

J. Staples introduced the Authority's investment advisors, Cyril Mouaikel, Managing Director, and John Nuber, Associate Vice President from RBC Wealth Management, who attended the meeting to discuss the Authority's investments from the previous year.

C. Mouaikel began by stating this commemorates the 25th year RBC has been partners with the Development Authority for their investments. He explained that interest rates have stabilized for the first time in years and that we are currently in a much more normal interest rate environment and believes this will only continue to stabilize. For the Authority, RBC can only invest in limited, secured, 100% guaranteed instruments that are guaranteed by the federal government or New York State government. There is a new Federal Reserve Chairman who is operating very straightforward and is doing very well. As of this morning rates appear a little softer leaving them to expect a normal interest rate environment that will allow the Authority to continue generating good income. RBC's process is that they look at the maturities when investing for the Authority's 14 accounts and submit a report to the Authority CFO, J. Staples. She then reviews the report and analyzes the cash flow needs and comes back to them with what can be invested and for how long. RBC then goes out into the market to find the best options for the Authority and sends back their recommendations. Each month J. Staples and C. Farone will review and approve these recommendations, showing oversight of every single purchase before RBC goes back to purchase these bonds.

J. Nuber continued with a look at the portfolio net income of $2.6 million. He explained that a few years ago the annual net income was only $1 million. In addition to the net income increase, he explained that we are also seeing a market adjustment of roughly $925,000. A number of the bonds and CDs within the portfolio were purchased at a discount so we are seeing that appreciation reflected in that number over time for a total return of $3.5 million, or 3.8%. Overall, the Authority is set up very well with a short average maturity, or short duration, where reinvesting can be done at higher levels which results in many opportunities. He explained if rates were to go down the Authority would do fine and still receive a high income, but if rates increase there would be the opportunity to reinvest at the higher rates. RBC is very happy with where the portfolio is.

C. Mouaikel added that they try to maximize everywhere they can to achieve the highest results at the zero-risk level. The team at RBC is in constant communication with J. Staples to take advantage of any opportunities where money can be reinvested longer. The decisions for every single transaction are cash flow driven on the Authority account.

The Board had no questions, thoughts, or concerns following this report.
RBC staff C. Mouaikel and J. Nuber left the meeting at 10:49 AM.

8. Independent Audit – EFPR

   T. Smith introduced himself as the partner from EFPR on the engagement team who performed the external audit. Full copies of the financial statements were handed out to all Board members, but he also prepared a one-page summary.

   T. Smith reviewed the summary page with the Board and explained that last week EFPR met with the Audit Committee to review the audit and financial results in detail. He shared that they are going to be issuing a clean or unmodified opinion, which is the highest opinion one can received. This means the financial statements were fairly stated, clear, and easy to follow. As a member of the engagement team, he explained that they do an investment audit in accordance with New York State regulations. No issues were noted and this will also be given a clean opinion. Because the Authority received over $1 million in federal awards, EFPR must also perform a compliance audit for awards and no issues were noted therein. An Agreed-Upon Procedure Report was done on the Regional Waterline Capital and Operating Reserve Funding Analysis, with no issues found there either. Overall, T. Smith stated everything was very clean. T. Smith further explained that prior to any governmental audit, they have to do a report on internal controls and any issues found with noncompliance laws, but there was nothing found to be reported to the Board.

   At the bottom of the one-page summary T. Smith reviewed the numerical results the engagement team assembled. He cited the most important piece being the overall change from year to year, which shows an increase in net position of $2.6 million, meaning there was revenue in excess of expenses. Revenue had decreased by $2.1 million from the prior year due to less grant money being received. Operating expenses increased by $1.6 million, or 3%, which is approximately equal to inflation. T. Smith stated that overall, this is a very clean audit. These financial statements are very clean and he extended his appreciation to J. Staples and D. Louden for their help in this audit running so smoothly. T. Smith then asked the Board it there were any questions they may have on the audit or financial statements.

   M. Doheny commented that the Audit Committee did meet last week and had an opportunity to talk with T. Smith and his team, and also had the opportunity to speak privately in Executive Session, and there were no concerns noted by the committee.

   M. Murray extended kudos and appreciation to the staff who make this possible every year.

   M. Hall stated that hearing words like "clean" and "no concerns" is very refreshing, thank you everyone.

9. Finance –

a. Resolution No. 2026-06-48, Approving the Audited Financial Statements, Single Audit, Agreed Upon Procedures and Report on Investments, as of and for the year ended March 31, 2026.

Upon a motion by E. Virkler and seconded by M. Hall, Resolution No. 2026-06-48, Approving Audited Financial Statements, Single Audit, Agreed Upon Procedures, and Report on Investments for Fiscal Year Ending March 31, 2026, was unanimously approved.

b. Resolution No. 2026-06-49, approving the Assessment of Effectiveness of Internal Controls of the Development Authority of the North Country, for the fiscal year 2026, as attached to the resolution.

Upon a motion by M. Murray and seconded by D. Mastascusa, Resolution No. 2026-06-49, Approving the Assessment of Effectiveness of Internal Controls of the Development Authority of the North Country for Fiscal Year Ending March 31, 2026, was unanimously approved.

c. Resolution No. 2026-06-50, approving the Annual Bond Sales Report for the fiscal year ending March 31, 2026, as attached to and incorporated in this resolution.

Upon a motion by M. Hall and seconded by E. Virkler, Resolution No. 2026-06-50, Approving Annual Bond Sales Report, Fiscal Year Ending March 31, 2026, was unanimously approved.

J. Staples presented the April financials, noting it was only one month of information with no significant change or activity to be reported for the Board's review.

Upon a motion by M. Hall, and seconded by M. Murray, financials ending April 30, 2026, were unanimously approved.

EFPR staff T. Smith left the meeting at 10:57 AM.

10. Technical Services Summary Report –

I. Village of Alexandria Bay, TSA, Small Projects Fund/Part of NY Forward Grant Total Agreement Amount of $23,500.00, 6/01/26 – end of grant, Jefferson County

II. Franklin County, TSA, Franklin County Multi-Use Trail (No cost to County – will be paid for with NBRC funds awarded to the Authority for planning), Total Agreement Amount of $10,000.00, 6/25/26 – 9/30/26, Franklin County

Upon a motion by E. Virkler, and seconded by T. Hefferon, Board Contract Summary Table items number I and II for the month of June were unanimously approved.

11. Materials Management –

a. Resolution No. 2026-06-51, amending the Materials Management Division Capital Budget for the FY 2025 MMF FEMA Repairs (Project 20-224) to increase the budget from $200,000 to $380,000.

Upon a motion by M. Hall and seconded by E. Virkler, Resolution No. 2026-06-51, Capital Project Budget Amendment, Materials Management Division, FEMA Culver & Road Repairs, was unanimously approved.

b. Resolution No. 2026-06-52, amending the following Capital Project budgets; Leachate Manhole and Side Riser Improvements (20-221) increased by $50,000 to $668,000, Southern Expansion LFG and Flare Replacement (20-212) decreased by $50,000 to $5,175,000, Culvert Repairs (20-238) increased by $20,000 to $220,000, Nature Trail Consolidation (20-229) decrease by $20,000 to $30,000, resulting in a total final change of $0 in Net Position.

M. Doheny stated that it appears that all work is still being done, with the funds just being reallocated. C. Tuttle responded yes, this is a great point and thanked Ms. Doheny for bringing attention to it.

Upon a motion by M. Murray and seconded by T. Hefferon, Resolution No. 2026-06-52, Capital Project Budget Amendment, Materials Management Division, Various Capital Projects, was unanimously approved.

c. Resolution No. 2026-06-53, authorizing the Executive Director to negotiate and execute the Temporary Marshaling Yard Lease, as attached to the resolution, by and between the Development Authority of the North Country and National Grid.

C. Farone explained that when the Authority was approached by National Grid, S. Thornton went to Rodman and asked if they saw any issues from their perspective or if this is something they may be opposed to, to which they replied no. C. Farone further explained that this project is going to increase our reliability, and National Grid's ability to provide needed electricity to the North Country. This land is past the landfill entrance when heading east and should not have any impact on landfill operations. National Grid approached us with a three-year annual lease amount of $30,000, with a one-year option to renew.

M. Hall asked for a clarification of the term "marshaling". C. Farone responded that it means to set up or staging.

D. Mastascusa asked if they have to build any roads or other infrastructure on the land. C. Tuttle responded that it is on a corner of NY 177 and Lowe Road so there would only be a short driveway coming in.

M. Doheny asked if any trees would need to be cleared. C. Tuttle responded there may need to be a little clearing, but National Grid has done an environmental review and we asked Rodman if they had any concerns. We also asked National Grid for a traffic count and brought that information to the Town of Rodman Board to make sure it wasn't going to be a nuisance. There are some benefits from this project too, such as by using this area National Grid is going to upgrade the grid in the Rodman area. From an Authority perspective, we had looked into doing solar at the landfill, but couldn't at the time because National

Grid didn't have the capacity within their transmission system to support that project. Electricity reliability and improvements will benefit the entire region.

K. Bibbins asked if the driveway would be on the 177 side. C. Tuttle responded it would not be on 177.

M. Hall asked if the improvements become the Authority's at the end. C. Tuttle responded that the improvements do become the Authority's at the end of the project.

M. Doheny asked if this was basically going to be a crushed stone lay down area for them to stage their vehicles, poles, equipment, materials and supplies. C. Farone responded this will strictly be a staging area and they are not building.

B. McGrath asked if National Grid or the Authority drafted the lease, and if Authority council has reviewed it, in particular paragraph 11 referring to the indemnification clause as he felt it concerning due to the limitation on indemnification and insurance provisions. He stated this provision would provide the Board and the Authority protection should a truck have an accident entering or exiting the staging area. C. Farone responded this is National Grid's lease and was sent to Authority counsel, J. Granzow, and the Authority insurance agents for review to ensure it is in line with requirements. J. Granzow responded that the indemnification was discussed and there is a low level of likelihood that National Grid would accept changes, but we can go back to National Grid on this issue and that the insurance requirements have already been increased. R. Thorton shared that regarding the indemnification language, the Authority did go back to National Grid at one round of reviews with specific language we wanted included in the agreement. At this time everything we requested has been included in the agreement.

B. McGrath further stated that while concerned, he does support these improvements to the grid and agrees it makes sense to use this land, but wants to ensure the Authority is protected and would ask that we propose tighter indemnification language as well as enhanced insurance requirements. C, Farone stated that we can review and go back to National Grid regarding the indemnification.

<u>Upon a motion by M. Murray and seconded by T. Hefferon, Resolution No. 2026-06-53, Temporary Marshaling Yard Lease, National Grid, Tax Parcel 114.00-1-64.1, Jefferson County, was unanimously approved.</u>

12. Regional Development –

a. Loan Report –

M. Capone reported that there is nothing new to report from the loan portfolio since the May Board meeting.

b. Resolution No. 2026-06-54, approving the loan modification to extend the $600,000 construction loan to Brownstone Lodge LLC from Housing Revolving Loan Fund at the attached terms and conditions, to mature no late than

December 1, 2026, or upon receipt of the final grant disbursement, whichever comes first.

Upon a motion by E. Virkler and seconded by M. Hall, Resolution No. 2026-06-54, Housing Revolving Loan Fund, Brownstone Lodge LLC, Loan Modification, was unanimously approved.

13. Additional Resolution

a. Resolution No. 2026-06-55, authorizing the Executive Director or assigned designee to submit an application requesting $10,000,000 in grant funds from the New York State Department of Environmental Conservation Water Quality Improvement Projects program to assist with the costs associated with the design and construction of the MMF Leachate Pre-Treatment Project. It is further resolved that the Development Authority of the North Country commits $2,975,000 towards the completion of the MMF Leachate Pre-Treatment Project to fulfill the required 25% minimum match requirement. Furthermore, the Development Authority of the North Country authorizes the Executive Director or assigned designee to act as the project's "Authorized Representative", to execute any and all documents and agreements associated with the MMF Leachate Pre-Treatment Project pertaining to the WQIP application and grant.

   T. Hefferon asked if other facilities would bring trash "leachate" to us. C. Tuttle responded they would likely not, because the other landfills in the state would be under the same requirements that we would be. She cited Franklin County and explained they are currently going through a similar process with the Village of Malone. Each facility in the state is going to need something close and 100% reliable. This further presents the risk of partnering with a wastewater treatment plant because if that plant were to close for any reason we would be left without a backup. She further explained that we need something we can control to ensure we can meet 100% of our current permit and newly proposed requirements because the liability will be 100% on the Authority as the generator of the leachate. This all means it is not likely we would receive any offsetting revenue.

   C. Farone stated that there has been a conversation with the City of Watertown to let them know about these possible new regulations because they accept our leachate, as well as leachate from other areas, and this will ultimately result in less revenue for the city when the landfills have their own leachate processing facilities.

   T. Hefferon asked if there has been any discussion with the City of Watertown or the Village of Adams, because they are closer to the landfill, regarding a joint project. C. Farone explained there has not because if it doesn't work there are no other options and the Authority feels it is best to have control over this process.

   C. Tuttle further explained that this leachate processing is based on new emerging technology. This means if we were to go to another wastewater treatment plant their operators would have zero experience operating this equipment. She explained that we already have a facility set up to receive this, we have a staff of licensed operators, and the best solution, as established in the engineering report, is that we own and operate this ourselves.

M. Doheny asked if it was fair to state that today the Board would only be approving seeking the grant, and there will be time over the course of this process to discuss this plan further. C. Tuttle responded yes, today we are seeking approval to apply for the grant and this is only one piece of a larger funding strategy that will need to be put in place.

T. Hefferon asked where we would do the pilot project. C. Tuttle stated it would be done at the Warneck Pump Station, as it is set up perfectly and has the staff needed to operate. She further explained that landfill site currently does not work because it doesn't have sufficient power or a place to discharge the wastewater.

M. Doheny stated there are two areas that we will have further discussions on; what happens once it is treated and where the regulations end up. C. Farone agreed, and said that today's resolution is only approving staff applying for the $10 million in grant funding.

C. Tuttle further commented that the Authority is looking to get ahead of this because there is only so much money available and there are 26 landfills in New York State that will need to comply with these regulations. Additionally, when Authority staff were informed by DEC of these upcoming regulations, they also shared we would only have four years to implement this new process. It would be beneficial to keep this momentum moving forward and line up funding, prove the technology, firm up locations and be ready to implement the full package when it is ready to go. M. Doheny commented that this is a perfect example of the entire team being very proactive.

T. Flint asked if there is anything within this grant that requires a portion of the money be spent on design and construction. C. Tuttle responded no, that we are only applying for the grant right now. If this grant is awarded to the Authority, we would then need to put the rest of the funding package together, which will result in many other steps that will need to be completed. She further explained that the money from WQIP is 100% construction, and at that point they would bring this back to the Board.

T. Hefferon asked if the content of our leachate will change over the years. C. Tuttle responded that leachate typically changes based upon the population, and our profile is very consistent year to year. She further explained that leachate also changes when landfills stop receiving waste and close, but ours is still operating and actively receiving waste. Additionally, the DEC is currently saying these proposed regulations will not be required of closed landfills.

M. Doheny asked if the current target is focused on PFAS and forever chemicals. C. Tuttle responded yes but also heavy metals such as lead, arsenic, mercury and others that require different treatment. These metals don't go away, but become diluted to below the determined threshold limit. This change to the leachate process is an effort to do the right thing for human health and the environment.

T. Hefferon asked if we start collecting lead and arsenic, what is done with it. C. Tuttle replied that it will go back into the landfill. T. Hefferon asked if it would then be encapsulated. C. Tuttle replied it is not, but this is part of the details the DEC still needs to work out. The end result is to keep these metals out of the pathways that would impact human health, such as in drinking water. T. Hefferon asked if these materials would be put in the landfill as opposed to the Black River. C. Tuttle said yes, the leachate will continue to be processed where these levels will continue to decrease over time and once the landfill is capped and closed leachate will no longer be generated.

Upon a motion by M. Hall and seconded by E. Virkler, Resolution No. 2026-06-55, Materials Management Facility, Leachate Treatment Project, Water Quality Improvement Project (WQIP) Grant, was unanimously approved.

14. Next Board Meeting Date – August 27, 2026 in Rodman

15. Adjourn -

Upon a motion by M. Hall and seconded by E. Virkler, the meeting was adjourned at 11:37 AM.

Respectfully submitted,

Dennis Mastascusa
Board Secretary