MINUTES
BOARD OF DIRECTORS MEETING
Thursday, June 21, 2018 – 10:00 AM
Dulles State Office Building
Conference Room 100, 1st Floor
Watertown, New York

The Development Authority of the North Country Board of Directors met in regular session at the Dulles State Office Building, Conference Room 100, 1st Floor, Watertown, New York, on Thursday, June 21, 2018, at 10:02 AM.

Members Present:
Voting
Gary Turck, Chairman
Fredrick Carter, Vice Chairman
Thomas Hefferon
Alfred Calligaris
Alex MacKinnon
Dennis Mastascusa
Margaret Murray

Non-Voting
Mary Doheny
James Hollenbeck
Stephen Hunt
Brian McGrath

Members Absent
John Johnson, Jr.

Staff Present:
James W. Wright, Executive Director
Michelle Capone, Director, Regional Development Division
Patricia Pastella, Manager, Materials Management Division
Carrie Tuttle, Director, Engineering and Environmental Division
David Wolf, Director, Technology Division
Brian Nutting, Manager, Water Quality Division
Carl Farone, Comptroller
Angela Marra, Administrative Associate
Melissa Durant, Administrative Associate (training)

Guests:
Richard James, Authority Counsel, Mackenzie Hughes
Terry Phillips, The Bonadio Group
John Neuber, RBC
Garret Domblewski, WWNY TV
Abe Kenmore, Watertown Daily Times

1. Chairman Turck called the meeting to order at 10:02 AM.

2. Chairman Turck requested a roll call by A. Marra.

   • All Board Members were present except for John B. Johnson Jr. Chairman Turck confirmed there was a quorum.

3. Chairman Turck offered the Privilege of the Floor.
a. Brian McGrath accepted the privilege of the floor.

Mr. McGrath stated he has been communicating directly with the public about the Authority's actions and have received community input of what is a perception of overreach. M. McGrath suggested at the previous Board meeting that we establish some form of committee or working group to look into our scope as an Authority as compared to the enabling statute in order to evaluate if we are operating within the scope of our enabling legislation. In his opinion, if it is determined not to be consistent with the enabling authority then legislative changes should be sought. Subsequent to that, this conflict between what is done as a public authority versus the private industry reared its head again just this week with stories in the Watertown Daily Times and Channel 7 regarding a proposed private individuals purchase of property in the City of Watertown that was then rejected based on the Authority's interest in property as a governmental entity that has grown substantially in size and apparently believes itself in need of additional space. This concerns Mr. McGrath that the Authority thwarted a sale that would have put property back onto the taxpayer rolls. It concerns Mr. McGrath that the Authority has yet to form a working group to look at the enabling statute. B. McGrath decided to close with reading the legislative findings that caused this Authority to be created.

"It is hereby found, determined, and declared that there is an immediate need to institute a comprehensive coordinated program of economic development activities in the three county area comprised of the counties of Jefferson, Lewis and St. Lawrence County which surround the United States Army base at Fort Drum in order to provide the region with the capability to effectively plan and develop the infrastructure needs of the region required by the population increase forecast due to the expansion of the United States Army facilities at Fort Drum. It is further declared to be desirable to create a regional developmental authority of the North Country to provide the region with the capability to effectively and efficiently communicate with the United States Army to optimize the economic and social impact on the region of the Army's plans to locate the 10th Mountain Division at Fort Drum. It is further found and declared that such needs are a matter of essential State concern and that such an Authority is necessary to provide for the health, safety, and welfare of the people of the participating counties and the State. The Authority shall carry out its purposes and responsibilities directly and thru agreements with the State and local Authorities and the United States Department of the Army."

B. McGrath further stated that he believes the Authority is well past that, including the fact the Authority has stripped the words "Fort Drum" out of their mission statement. He noted, with all due respect, that was the legislative finding that created this Authority. He further stated that the Authority is beyond their scope and there needs to be a serious conversation if The Authority wants to remain there, to have appropriate legislation to address the scope of this Authority. The enabling legislation addresses specific things; waste — our landfill, sewer and water — which the Authority does, technical services to support those things — which the Authority does, but Mr. McGrath feels "we have gone beyond that and we all know that". He noted that we are involved in Lake Placid projects, Hamilton County, and other projects throughout the state. He feels we are well past the three county area, well past serving the needs of Fort Drum. Mr. McGrath stated, "Fort Drum has not expanded further in terms of troop numbers since this first happened. What are we doing? Now we see stories are affecting private individuals who want to purchase land and put it back on the tax base? We need to look at this".
4. Upon a motion by F. Carter, and seconded by A. MacKinnon, the May 17, 2018 Meeting Minutes were unanimously approved.

5. Chairman’s Report –

At the Chairman’s request, we are going to advance the agenda to the Investment Report and the Independent Audit report prior to chairman’s report.

6. FYE 2018 Investment Report – presented by John Neuber from RBC

J. Neuber provided a high level overview of the monthly process for investing Authority funds. He noted the portfolio ending March 31, 2018 was valued slightly less than $95 million. It is invested with a slightly less than three (3) year maturity or duration. Starting December 2016, the Federal Reserve started a period of raising interest rates. We are finally at a period where you will begin to see higher income within this portfolio. For the year, total income came in roughly at 1.55%, resulting in .44% return for the whole portfolio for the year.

B. McGrath asked if this was based on the .44% as stated, or the .43% as noted in the report. J. Neuber responded that the sheet in reference is with Comerica. There is also an account with Bank of New York which yielded slightly better results, which brought it up to the .44%.

B. McGrath asked if this document was reflecting that we have $78 million in assets that are being held and invested for the Authority. J. Neuber replied that amount is with Comerica, there is also $16 million in addition through assets with Bank of New York. Mr. McGrath stated that total is just short of $95 million in assets, when we started with a $500,000 grant and a $2 million dollar bond. He stated that we have our investment arm sitting on $95 million dollars of money that we have invested right now, State money, the people’s money.

J. Neuber reviewed the total overview with the composition of the portfolio just shy of 60% in CD’s, 40% in Federal Agencies and treasuries. Even with our market value adjustment, we are still positive. A two year CD last year when we were buying it was 1.75%, it is now 2.75% showing a material increase in yields and we will take advantage of that. With other accounts that can afford to be out longer in the curve, we do intend to take advantage of some of those higher yields.

7. Independent Audit Report - presented by Terry Phillips from The Bonadio Group

Two handouts were passed out; printed copy of a PowerPoint presentation and the full report to the board of directors including all the detailed reports, required communications, management letter, and financial statements along with the single audit and the agreed upon procedures.

T. Phillips noted that the reports were reviewed with the Audit Committee. Today will be an abbreviated conversation working off the PowerPoint Presentation. The purpose of the meeting today is to help the Board meet their responsibility for governance for fiscal oversite of the agency.
He further stated there were no material witnesses noted over your internal controls. All books and records were found to be impeccable. There were no journal entries made throughout the year.

Under Required Communications, there were no new accounting policies noted this year. Significant estimates were reasonable and conservative. Mr. Phillips stated that they encountered no difficulties during the audit. They had no disagreements over a financial reporting or audit matter. There were no corrected or uncorrected past judgements noted in the review.

Reviewing Key Financial Highlights; this year was a little bit different due to some aberrations on income. There was a deficit this year, primarily driven by a significant increase in deprecations as we put certain things into service. The telecommunications grant that we had was put into service, as well as waste management, increasing our depreciation from $10 million to $11 million. Materials Management revenues are down about 9%, tonnage was down about 18%. Last year brought in lower tonnage, this year we are back to more normal levels of tonnage and revenue streams. Water Quality operations revenue decreased by $700,000 related to the Fort Drum contamination issue from last year. Engineering revenues increased by $232,000 related to municipalities buying engineering services. Operations and Maintenance costs increased $749,000. Part of this was a one-time write-off of a loan, and the other one was $311,000 in single stream recycling incentives. Salaries and fringe benefits increased $449,000. A good portion of this is related to the engineering department and staff to support new contracts. Water purchases decreased by $539,000, again that is related to the Fort Drum issue last year.

B. McGrath asked if Mr. Phillips was commenting on the Audit function, not on the soundness of the Authority and our operations. Mr. Phillips responded that yes, this is an audit report. The Authority, from a financial standpoint, is in sound financial condition and the books and records are impeccable.

Part B - Federal Awards and on Compliance - One major program, a loan program, that was tested. The Bonadio Group did not find any errors or lack of internal controls or compliance. There were no material weaknesses or instances of non-compliance, resulting in clean reports/unmodified. There were no questioned costs associated with the Single Audit.

Part C – Agreed Upon Procedure – Investment Compliance – Regional Waterline – No Findings. The Authority is required to comply with State regulations regarding its investments.

Regional Waterline AUP – No findings were noted in performing these procedures. Bonadio was able to trace all expenses and revenue coming in for that area.

B. McGrath stated he is on the Audit committee and apologized for missing that meeting. Mr. McGrath asked C. Farone to refresh his memory, was it one or two years ago that the comptroller did their audit and found three things we had to correct? C. Farone responded that it was two years ago. Mr. McGrath asked if we used this same auditor firm at that time. C. Farone responded that it was the same auditor. B. McGrath asked if they had conducted their audit prior to the comptroller’s audit, and did they identify the same issues. C. Farone responded that there are different types of audits.
What was identified by the State auditor was within our enabling legislation, where previously we had to identify any professional service contracts over $5,000 or more were to be posted to PARIS. Subsequently, through some type of additional law it stated that we had to report every purchase above $5,000. This is not something the Bonadio Group would have found through a financial audit. Mr. McGrath stated that this is because it was a State reporting issue then and not within the Authority Accounting. C. Farone further stated he forgot what the other item was, but the State comptroller stated he was pleased in our exit conference on how well we managed our whole portfolio.

A MacKinnon reported in J. Johnson’s absence that the Bonadio Group’s process and report were reviewed by the Audit committee on Thursday, June 14 when they met with Mr. Phillips from the Bonadio Group. The committee went into Executive Session to give the auditors an opportunity to discuss any issues and there were none. No action was taken. The Audit Committee then voted to pass the Audit Report on to the Full Board.

8. Executive Session –

G. Turck requested an Executive Session to discuss a particular employee.

Upon a motion by A. MacKinnon and seconded by D. Mastascusa, the Board of Directors moved into an Executive Session at 10:38 AM, with focus on a personnel matter.

B. McGrath requested that the Executive Session be limited to the Board Members and outside counsel only.

Upon a motion by A. MacKinnon, and seconded by F. Carter the Board of Directors moved back into Regular Session at 11:17 AM.

There was no action taken during this Executive Session.

Board members and Authority Counsel were included in Executive Session. The Board intends to reconvene in Executive Session. One of the members (M. Doheny) had to leave the room for approximately 15 – 20 minutes.

9. Executive Director’s Report –

The Annual Report was distributed reflecting the activities of the Authority and coinciding with the annual receipt of the audit findings. Following this meeting it will be posted to the Authority website and submitted as required by the State. Highlights outlined under Regional Progress include a number of activities where we’ve been involved in waste diversion efforts, partnerships with the counties, and partnerships with the Army, as well as our own investment in capital infrastructure for the landfill and other facilities at the Authority. Municipal Partners are reflected. The State of New York recognized us as their Partner of the Year based on “The work they have done with local governments is an extraordinary example of the partnerships that have been developed to focus on leveraging new opportunities for the betterment of their communities.” In all instances, the highlighted projects are mutual contracts cited under Municipal Partners. Elected officials have chosen to purchase our services and have agreed to those contracts. Frequently these are multiple services that are being performed. Other
highlights shown within the report are our participation within the community, highlights from each division, financial summary, list of various contracts and performance measures previously adopted. It has been a strong financial year with a great deal of activity with our customer base. Along with our customer base, the State of New York is very pleased with the services the Authority provides.

10. Loan Report – M. Capone
   Loan report as of May 31, 2018:
   APHP:
   Frontier Housing - 2 months behind, but have since made a payment on June 8
   North Country Rural Preservation – 3 months in arrears, however the Project
   Development Committee discussed this. They were going to move the due date. It is
   a USDA project and USDA must approve the release if funds. If the payment was
   moved it would cause more issues with the calculation of interest. We will be receiving
   the payment in July or August which is typical with this type of loan.
   HLRF:
   AYDM Associates – 30 days past due, we are following up with them.
   Riverview Plaza – Paid in Full. This was purchased by a local developer and will
   remain market housing.
   Tourism Fund:
   Eastern Resort Management - 1 + 3 months, but are selling land to help bring
   both loans current.
   CDLF/Redevelopment Fund and NCEDF – all within 30 days, now current
   CRHP – current at this time.

   B. McGrath stopped the meeting due to the live feed not working. Members of IT are
   testing. The Live feed is required by the Executive Order as per the attorney.

   The live feed was not able to be brought back up, however the meeting was being
   recorded.

   J. Wright noted that the system is working internally, however not being broadcast out.
   We are conducting an open meeting with media in attendance, he did not believe it was a
   statutory requirement that the meeting be broadcast. It is a recommended action by the ABO
   that there is awareness and access for the public, which we have accomplished. The meeting
   will also be available on the website as recorded. If everyone is comfortable with that we may
   continue.

   B. McGrath stated he is comfortable with this, as long as it agrees with our outside
   counsel.

   R. James stated there is an Executive Order that provides that Authorities are required
   to webcast their meetings. It is a potential violation of the open meetings law if we continue.

   F. Carter asked what is wrong with the system. J. Wright replied that it is a technical
   problem, exterior to our system. We are still recording the meeting internally. It is working
   within the building, internal to our system. Mr. Carter asked that if anyone wanted a copy of it,
   they could get it. J. Wright stated yes, and we will post it.

   R. James stated that if the recording is going to be rebroadcast afterwards, you are
   advising the public of it.
At this point it was determined the Board was in agreement to continue.

a. Resolution No. 2018-06-76, accepting the Audited Financial Statements, Single Audit, Agreed Upon Procedure and Report on Investments, as of and for the year end March 21, 2018 as presented by the appointed accounting firm of Bonadio and Company, LLP, CPA.


b. Resolution No. 2018-06-77, approving the Assessment of the Effectiveness of Internal Controls of the Development Authority of the North Country for Fiscal Year 2018. This assessment is prepared in compliance to Section 2800(9) of New York State Public Authorities Law, the Authority shall prepare this assessment regarding its structure and procedures.

Upon a motion by D. Mastascusa, and seconded by A. MacKinnon, Resolution No. 2018-05-77. Approving the Assessment of Effectiveness of Internal Controls of the Development Authority of the North Country for Fiscal Year 2018, was unanimously approved.

c. Resolution No. 2018-06-78, approves the Annual Bond Sales Report for Fiscal Year Ending March 31, 2018. The Authority's Bond Sale Policy requires that the Authority shall annually prepare and approve a Bond Sales Report. This report shall include the results of any Bond Sales during the year.

Upon a motion by M. Murray, and seconded by D. Mastascusa, Resolution No. 2018-06-78. Approving the Annual Bond Sales Report for Fiscal Year Ending March 31, 2018, was unanimously approved.

11. Engineering –

a. Resolution No. 2018-06-79, approves the Technical Services Agreement Amendment No. 3, by and between the Authority and the Village of Clayton bringing the not to exceed amount of the contract to $55,000.

Upon a motion by D. Mastascusa, and seconded by M. Murray, Resolution No. 2018-06-79. Approving the Technical Services Agreement Amendment – Village of Clayton – Water Treatment System Improvement Project, was unanimously approved.

b. Resolution No. 2018-06-80 approves Technical Services Agreement by and between the Authority and the Town of Diana, for a total not to exceed contract amount of $25,000.

Upon a motion by D. Mastascusa, and seconded by M. Murray, Resolution No. 2018-06-80. Approving Technical Services Agreement - Town of Diana - Municipal Dissolution Implementation - was unanimously approved.

c. Resolution No. 2018-06-81, approves the Technical Services Agreement Amendment No. 4, by and between the Authority and the Town of Fine. Due to scheduled delays and additional expense of $10,000 are projected bringing the total not to exceed contract amount to $60,000.
Upon a motion by D. Mastascusa, and seconded by M. Murray, Resolution No. 2018-06-81, Approving Technical Services Agreement Amendment - Town of Fine - Water System Improvement Project, was unanimously approved.

d. Resolution No. 2018-06-82 approves the Technical Services Agreement between the Authority and the Village of Heuvelton, for a total not to exceed contract amount of $25,000.

Upon a motion by F. Carter, and seconded by D. Mastascusa, Resolution No. 2018-06-82, Approving Technical Services Agreement – Village of Heuvelton – Wastewater Improvement Project, was unanimously approved.

e. Resolution No. 2018-06-83 authorizes a technical service agreement for the purpose of assisting the Village of Malone in construction of a new public works facility. The Executive Director is authorized to execute the necessary contract upon recommendation of the Director of Engineering.

Upon a motion D. Mastascusa, and seconded by A. MacKinnon, Resolution No. 2018-06-83, Approving Technical Assistance Services Agreement – Project Management Agreement – Village of Malone – Public Works Facility, was unanimously approved.

12. Regional Development –

a. Resolution No. 2018-06-84, authorizes the Executive Director to execute contracts based upon awards made by the North Country HOME Consortium Administrative Board.

Upon a motion by F. Carter, and seconded by D. Mastascusa, Resolution No. 2018-06-84, Authorizing Executive Director to Execute HOME Contracts for 2018 Program Year, was unanimously approved.

b. Resolution No. 2018-06-85 authorizing the Executive Director to enter into a Technical Services Agreement with the Town of Gouverneur to complete up to two (2) housing grant applications to New York State.

Vote postponed until following Executive Session.

c. Resolution No. 2018-06-86, authorizes the Executive Director to enter into a Technical Services Agreement with the Town of Wilna to provide Grant Administration and Project Oversight for its RESTORE NY Grant.

Upon a motion by A. MacKinnon, and seconded by F. Carter, Resolution No. 2018-06-86, Authorizing Technical Services Agreement – Town of Wilna, was unanimously approved.

d. Resolution No. 2018-06-87 approves a loan in the amount of $233,000 from the Regional Tourism Transformational Community Revolving Loan Fund to Anthony F. Audino, or new company to be formed, at the terms and conditions outlined on the Term Sheet, and further authorizes the Executive Director to execute all documents necessary to make the loan. This resolution is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.
Upon a motion by D. Mastascusa, and seconded by A. MacKinnon, Resolution No. 2018-05-84, Approving Regional Tourism Transformational Community Revolving Loan Fund - Anthony F. Audino - For Trailhead Resort, Newcomb (Essex County) - Loan Commitment Modification, was unanimously approved.

e. Resolution No. 2018-06-88 approves the Development Authority of the North Country transfer $50,000 to Project 41054 (Bar Screen Implementation) from the projects and in the amounts as follows:

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>WPS Improvement Project (41050)</td>
<td>$10,000</td>
</tr>
<tr>
<td>Portable Pump (41055)</td>
<td>$19,500</td>
</tr>
<tr>
<td>Chlorine Alternative Impl.(41051)</td>
<td>$20,500</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$50,000</strong></td>
</tr>
</tbody>
</table>

Upon a motion by F. Carter, and seconded by D. Mastascusa, Resolution No. 2018-06-88, Approving Capital Budget FY 2019 – Water Quality Division – Army Sewer Bar Screen Replacement, was unanimously approved.

f. Resolution No. 2018-06-89 authorizes the Water Quality Division to enter into a contract with Brymak and Associates to provide wastewater services to the U.S. Customs Service. This resolution further authorizes the Executive Director to enter into all necessary and appropriate contracts or the provision of these services.

Upon a motion by F. Carter, and seconded by M. Murray, Resolution No. 2018-06-89, Authorizing Maintenance Service Agreement – U.S. Customs Services – Brymak and Associates, was unanimously approved.

g. Resolution No. 2018-06-90 approves the Asset Management Policy, as well as approving the Executive Director to initiate actions and procedures necessary to implement this policy.

B. McGrath asked if this is a policy approving computer software. . J. Wright responded this is how we implement the program of asset management which is linked to computer software that we purchased. The software changes our capabilities, in turn changing our policy.

Upon a motion by F. Carter, and seconded by A. MacKinnon, Resolution No. 2018-06-90, Policy – Asset Management, was unanimously approved.

F. Carter asked for more information regarding the water contract with the City of Watertown. How do we play a part? Can Mr. Wright bring us up to date on this situation?

J. Wright responded we have a 30+ year contract with the US Army for the provision of sewer and water services to Fort Drum. These contracts are audited annually. The costs include our pipeline, our structure and our personnel to maintain these services as well as the purchase of water and sewer services from the City of Watertown. Within a recent defense audit it was found that the City of Watertown, a subcontractor with the Development of the North Country, overcharged DANC $724,374 in utility costs due to billings using an alternative electric rate rather than the actual cost as required per the subcontractor. The utility costs are associated with the City of Watertown cost of operating a sewage treatment plant which is passed on to the water and sewer contracts by DANC.” Our contracts with the Army require an audit to actual cost. DCAA has audited the Authority side and found that acceptable. Through a contract with the City, we purchase sewer and water treatment services. We in turn extend all of those contract provisions to our contract with the City where they have to meet
the same obligations we meet. In testing their charges to us, DCAA determined the city over charged us during a three (3) year period of 2014, 2015 and 2016. The basis of this we have been discussing with the City because we felt they were over charging the Army. This was predicated on the fact that the City had determined that the contract they have at their hydro facility with National Grid is the price that they will apply to the electricity. This escalates annually based on their hydro agreement between the City and National Grid. This does not reflect the actual electric rates. The City felt that they were on solid ground, and the Authority agreed to disagree depending on the audit. The audit determination was that the City was overcharging; DCAA went on to say that by virtue of the City making money on the hydro plant, there is no cost and therefore they are not allowed to charge for that activity. The Authority and the Army both disagree with this, however DCAA is an independent audit. We have been attempting to resolve this issue since last October and we continue with these negotiations. The City and DANC came to the agreement that we will not pay the water bills to the City until this is resolved. On a weekly basis we are having discussion with the Army, the auditor and with the City. As of today, we have not been served notice by the Army so we do not know the amount. The amount could be $300 K or $700K. We work with the City and National Grid to establish what was called the market rate system. We were led to believe this was going to be initially acceptable to the Army, who then changed their mind and we are still working through this. The issue is not with the Authority, other than it is a pass through from us to the City of Watertown.

F. Carter asked if in actuality the dispute is between the Department of Defense and the City of Watertown. J. Wright responded that we are the middle man because 30+ years ago when they established the contract, the Army preferred that it be consolidated in one place. This resulted in the infrastructure and maintenance cost being put together with the water and/or sewage treatment. As the City contract with National Grid continued to climb electric rates started to decline. It was then that this gap became apparent to us.

T Hefferon asked about the Market Rate and if DCAA states the City is using this as an opportunity rate. The Defense Department referred to a formula within the letter. J. Wright stated the City’s guidance directive was what they used to work on it. This treats utility costs differently. All of these rates are established by tariffs. We believe the contract with the City is outside that structure. Using that structure, National Grid purchases from the City at an artificially higher rate.

T Hefferon asked if the City will be able to come to an agreement on this going forward. J Wright responded that if the Army is agreeable to it, the City will be agreeable to it. This artificial determination by the auditor because there is zero cost is just artificial. The hydro is not operated by the City of Watertown to benefit the United States Army. The Auditors are external to the Army command structure.

B. McGrath questioned if this letter was only shared with the Governance Committee and requested a copy. He further stated he has been a member of this board for 4 years and this is the first he has heard this discussed at a board level.

J Wright stated that the discussions have been held at various committee meetings but since it is not in final Resolution stage it has not been presented to the Board, but it has been communicated to the committee members. B. McGrath further stated that as we were preparing the budget, there was no discussion to this Board of the budget taking a potential hit of somewhere between $300,000 and $400,000. A. MacKinnon stated this issue had been discussed at the recent Audit Committee meeting, of which B. McGrath was not in attendance.
A Calligaris stated that he asked this question at the Audit Committee, and this will be a revenue and an expense, it will not impact our bottom line as this is a pass through amount.

J. Wright stated that this was fully disclosed to our independent auditors and they made the same determination that it is a pass through.

C. Farone stated this was discussed that the first budget meeting. It was specifically asked if we were going to increase or decrease the rate based on the DCAA findings. At that time we decided that no we were not going to do that until we received a determination. The City is still providing us with their current K gallon rate, but they have not given us a revised deduction.

J. Wright also added that we have yet to be served notice from the Army as to what their expectation is.

F. Carter stated this has been the topic of numerous committee negotiations and discussions.

J. Wright also added that others were aware, but this finding from October was not shared with us until February. The Army kept it to themselves, trying to figure out the new “no charge” determination from the auditor.

C. Farone further explained one thing not to lose sight of was that the Authority had no questionable cost.

B. McGrath requested a copy of this letter, and going forward to be made aware of anything that can affect the entire board.

13. Next Meeting – August 16, 2018 – Open House – Rodman Landfill

There was a 10 minute recess taken at Chairman Turck’s suggestion.

14. Executive Session –

Upon a motion by A. MacKinnon, and seconded by F. Carter, the Board of Directors moved into an Executive Session at 11:50 AM, with focus on the proposed acquisition of real property, and a personnel matter.

Those in attendance at this time were members of the Board of Directors and Authority Counsel.

Upon a motion by M. Murray, and seconded by S. Hunt the Board of Directors moved to allow Executive Director Wright into Executive Session at 12:24 PM.

Upon a motion by A. MacKinnon, and seconded by F. Carter the Board of Directors moved back into Regular Session at 1:09 PM.
Action taken during Executive Session is as follows:

Upon a motion by A. MacKinnon, and seconded by F. Carter the Board of Directors directs the Governance Committee to select an attorney, other than the Authority’s General Counsel, to conduct an investigation of an outside complaint concerning conduct of an Authority employee.

a. Resolution No. 2018-06-85 authorizing the Executive Director to enter into a Technical Services Agreement with the Town of Gouverneur to complete up to two (2) housing grant applications to New York State.

Upon a motion by F. Carter, and seconded by D. Mastascusa, Resolution No. 2018-06-85, Authorizing Technical Services Agreement – Town of Gouverneur, was unanimously approved.

15. Upon a motion by F. Carter, and seconded by D. Mastascusa, the meeting was adjourned at 1:11 PM.

Respectfully submitted,

Thomas Heffron
Secretary