WATER SUPPLY AND SEWAGE TREATMENT CONTRACTS
CITY OF WATERTOWN
AUDIT FINDINGS RESOLUTION

Whereas, the Development Authority of the North Country has contracts with the United States Army to provide for water supply and sewage treatment, and

Whereas, the Development Authority has agreements with the City of Watertown as subcontractors for the provision of water supply and sewage treatment pursuant to Resolution No. 2011-11-10 and Resolution No. 2009-03-19, respectively, and

Whereas, the Defense Contract Audit Agency (DCAA) conducted an audit in accordance with the Department of Defense (DoD) regulations for FY 2014, FY 2015, and FY 2016, and

Whereas, the audit did not identify questioned costs regarding the Development Authority, DCAA did identify the “City of Watertown, a subcontractor to the Authority, overcharged the Authority in utility costs due to billings using an alternative electricity rate, rather than actual costs as required by subcontract terms,” and

Whereas, the Development Authority, the City of Watertown, and the United States Army contracting Officer MICC Fort Drum, have reconciled the disputed amount, and

Whereas, the parties to the contracts, the Development Authority and the City of Watertown, are interested in entering into a Contracts Addendum for the purposes of codifying the calculation of the subsequent electricity rates, utilizing the market rates as established by National Grid and the New York Public Service Commission.

Now, upon the recommendation of the Governance Committee, therefore be it

RESOLVED, the Development Authority herewith reaffirms the execution of a Contract Addendum for electric rate calculations addressing the audit findings of the DCAA for Fiscal Years 2014, 2015, and 2016, said contract to be executed by the Executive Director of the Authority and deliver same to the City of Watertown
Motion by: D. Mastascusa
Seconded by: M. Murray

Calligaris - Yes  Hefferon - Yes  Johnson – Yes  Mastascusa - Yes
Carter – Yes  Hollenbeck - Present  MacKinnon – Yes  Murray - Yes
Doheny – Present  Hunt - Present  McGrath - Absent  Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-91 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

Gary Turck
Board Chairman
As you are well aware, the DCAA Audit for the FY 14, 15 & 16, found that "City of Watertown (COW), a subcontractor to the Development Authority of the North Country (DANC) overcharged DANC $724,374 in utility costs due to billings using an alternate electricity rate rather than the actual costs as required per the subcontract terms. Subsequent to such report, the Authority has withheld payment in the amount of $723,372.00 from the City for water and sewer services.

Per Amendment P00024 of Contract DACA51-90-C-0012 of the Utility Service Contract – Water and Amendment P00029 of Contract DACA51-86-C-0143 of the Utility Service Contract – Sewer, Fort Drum has agreed to reimburse the City for electricity at market rates (instead of cost) for FY 14, 15, & 16 and all subsequent years. Based on a market rate analysis, the City's questioned costs were reduced from $724,374 to $329,529.26.

The City has provided the Authority with account credits of $329,529.26 to fully reimburse Fort Drum for FY 14, 15 & 16 questioned costs pursuant to the contract modifications specified above.

The following actions are required:

1. Credit Fort Drum's Account by $329,529.26 to reduce future Billing Invoices per Fort Drum's request.
2. Pay outstanding invoices to the City in the amount of $393,844.74 ($723,372 - $329,529.26) and pay new invoices when received.

I concur with actions 1 and 2 specified above:

James W. Wright
DELEGATING AUTHORITY TO EXECUTE GRANTS

Whereas, the Development Authority of the North Country Board of Directors regularly authorizes the submission of grants to state and federal entities to fund specific projects, and

Whereas, the Board of Directors has traditionally authorized the Executive Director to execute all documentation relating to successful grants to include the grant contracts, and

Whereas, in several instances the granting entity has required that the person managing the grant be responsible for signing the grant, and

Whereas, the person managing the grant is the Division Manager, and

Whereas, all grants are executed in accordance with the Resolutions adopted by the Board of Directors for the specific grant.

Now, upon the recommendation of Governance Committee, therefore be it

RESOLVED, the Development Authority of the North Country does hereby delegate the authority to execute grants to the Executive Director, and the Executive Director may delegate the Authority to the appropriate Division Managers in accordance with the authorizing grant requirements.

Motion by: D. Mastascusa
Seconded by: A. MacKinnon

Calligaris - Yes  Hefferson - Yes  Johnson - Yes  Mastascusa - Yes
Carter - Yes  Hollenbeck - Present  MacKinnon - Yes  Murray - Yes
Doheny - Present  Hunt - Present  McGrath - Absent  Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-92 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

[Signature]
Gary Turck
Board Chairman
CAPITAL BUDGET AMENDMENT FY 2018-19
ADMINISTRATIVE DIVISION
VEHICLE REPLACEMENT

Whereas, the Development Authority of the North Country manages its over the road fleet vehicles through the Administrative Division which leases such vehicles to the operating Divisions of the Authority, and

Whereas, vehicle #382 (Water Quality - 2015 Ford F-150) was involved in an accident which resulted in a total loss of said vehicle, and

Whereas, the original purchase price of vehicle #382 was $23,901.60 with the Authority receiving an insurance settlement in the amount of $21,709.00 as a result of the vehicle being identified as a total loss, and

Whereas, the purchase price of a like replacement vehicle is approximately $31,000, and

Whereas, Executive Management recommends that vehicle #382 (Water Quality - 2015 Ford F-150) be replaced with a like vehicle in an amount not to exceed $31,000 utilizing insurance proceeds of $21,709.00 and Administrative Funding of $9,291, and

Whereas, the Governance Committee has reviewed Executive Management's recommendation and concurs with such recommendation.

Now, upon the recommendation of the Governance Committee, therefore be it

RESOLVED, by the Development Authority of the North Country that vehicle #382 (Water Quality - 2015 Ford F-150) be replaced with a like vehicle in an amount not to exceed $31,000 utilizing insurance proceeds of $21,709.00 and Administrative Funding of $9,291.

Motion by: A. MacKinnion
Seconded by: D. Mastascusa

Calligaris - Yes
Mastascusa - Yes
MacKinnion - Yes
Hunt - Present
Hefferon - Yes
Carter - Yes
Murray - Yes
McGrath - Absent
Johnson – Yes
Hollenbeck – Present
Doheny – Present
Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-93 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

Gary Turck
Board Chairman
SCADA SERVICES AGREEMENT AMENDMENT
TOWN OF FINE
WATER SYSTEM IMPROVEMENT PROJECT

Whereas, pursuant to Resolution No. 2017-05-45, the Development Authority of the North Country (Authority) and the Town of Fine (Fine) entered into an Agreement dated May 30, 2017 to provide SCADA Services to provide a Water Storage Tank Control Panel and Tank Level Transmitter for the Town’s new Water Storage Tank, for an amount not to exceed $11,000; and

Whereas, the scope of the project has now been fully defined and the Town has requested the Authority provide additional SCADA services including a Low Lift Pump Station Control Panel, a Radio Communications System, and a SCADA and Alarming system; and

Whereas, this additional scope of services is expected to increase the cost of services by an additional $39,000 bringing the total not to exceed contract amount to $50,000.

Now, upon the recommendation of the Facilities Committee, therefore be it

RESOLVED, that the SCADA Services Agreement Amendment No. 1, by and between the Authority and the Town of Fine, is hereby approved. The Executive Director is hereby authorized and directed to execute said Agreement Amendment.

Motion by: D. Mastascusa
Seconded by: M. Murray

Calligaris - Yes  Hefferon - Yes  Johnson – Yes  Mastascusa - Yes
Carter – Yes  Hollenbeck - Present  MacKinnon – Yes  Murray - Yes
Doheny – Present  Hunt - Present  McGrath - Absent  Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-94 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

G. Turck
Board Chairman
AMENDMENT NO. 1
TO SCADA SERVICES AGREEMENT BETWEEN
TOWN OF FINE
AND
THE DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
FOR WATER SYSTEM IMPROVEMENT PROJECT

Whereas, the Development Authority of the North Country (Authority) and the Town of Fine (Town) entered into an agreement dated May 30, 2017 for an amount not to exceed $11,000 to provide a Water Storage Tank Control Panel (WSTCP) and Tank Level Transmitter for the Town’s new Water Storage Tank; and

Whereas, the scope of the project has now been fully defined and the Town has requested the Authority provide additional SCADA services including a Low Lift Pump Station Control Panel (LLPSCP), a Radio Communications System, and a SCADA and Alarming system; and

Whereas, the Low Lift Pump Station Control Panel will provide the means of controlling two low-lift pumps to the new water plant and one irrigation pump to the golf course and will consist of an RTU, HMI and appurtenances; and

Whereas, the Radio Communications System will provide GE Orbit radios, antennas, cables and appurtenances for three locations providing the means of communications between the Water Storage Tank, the Water Filtration Plant and the Low Lift Pump Station; and

Whereas, the SCADA and alarming system will provide a computer workstation, SCADA software, alarming software, RTU programming and network software integrated into a standalone SCADA system providing remote access to the Water System Operation; and

Whereas, this additional scope of services is expected to increase the cost of services by an additional $39,000 bringing the total not to exceed contract amount to $50,000.

NOW, THEREFORE, the Authority and the Town agree to amend the May 30, 2017 SCADA Services Agreement as follows:

1. The Town agrees to pay the Authority an amount which shall not exceed $50,000; $11,000 of which was authorized with the May 30, 2017 agreement, and $39,000 which is authorized with this Amendment Number 1.

The return of one signed copy of this Amendment, together with the formal resolution of approval, constitutes acceptance of this Amendment and shall be written authorization for the Authority to proceed with contract services up to amount agreed upon.
All of the above is established by the signatures of the authorized representatives of the parties.

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

By: ____________________________

James W. Wright
Executive Director

TOWN OF FINE

By: ____________________________

Connie Snider
Town Supervisor

ACKNOWLEDGEMENTS

STATE OF NEW YORK } ss:

COUNTY OF ST. LAWRENCE }

On this ___ day of ____________, 2018, before me personally came Connie Snider, who being duly sworn, did dispose and says that she resides in Fine, New York; that she is the Supervisor of the Town described herein, and which executed the foregoing instrument; and that she signed her name thereto by order of said Town.

______________________________
NOTARY PUBLIC

STATE OF NEW YORK } ss:

COUNTY OF JEFFERSON }

On this ___ day of ____________, 2018, before me personally came James W. Wright, who being duly sworn, did dispose and says that he resides in Watertown, New York; that he is the Executive Director of the Development Authority of the North Country, the Authority described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Authority.

______________________________
NOTARY PUBLIC
SCADA SERVICES AGREEMENT
TOWN OF LERAY
WATER DISTRICT 4 PRESSURE CONTROL VALVE
RECONFIGURATION

Whereas, the Authority, pursuant to Resolution No. 2017-10-111, contracts with the Town of LeRay to provide operation and maintenance services for the Town’s water and sewer districts, and

Whereas, the Town is undertaking the reconfiguration of a pressure control valve in Water District #4 to allow the valve to continue operating in its normal pressure regulating mode while also allowing it to operate under Supervisory Control and Data Acquisition (SCADA) via control solenoids, and

Whereas, the Town has requested the Authority provide SCADA services to design, build, install, and integrate with SCADA, an RTU Control Panel to implement the new Pressure Control Valve operational scenario, and

Whereas, the total cost to perform these services shall not exceed $15,500.

Now, upon the recommendation of the Facilities Committee, therefore be it

RESOLVED, that the SCADA Services Agreement, by and between the Authority and the Town of LeRay, is hereby approved. The Executive Director is hereby authorized and directed to execute said Agreement.

Motion by: D. Mastascusa
Seconded by: A. MacKinnon

Calligaris - Yes  Hefferon - Yes  Johnson - Yes  Mastascusa - Yes
Carter – Yes  Hollenbeck - Present  MacKinnon – Yes  Murray - Yes
Doheny – Present  Hunt - Present  McGrath - Absent  Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-95 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereeto set my hand this 23rd day of August, 2018.

Gary Turck
Board Chairman
DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
SCADA SERVICES AGREEMENT FOR
WATER DISTRICT #4 PRESSURE CONTROL VALVE RECONFIGURATION

WITH THE

TOWN OF LERAY

This Agreement entered into this _____ day of _________________ 2018, by and between:

TOWN OF LERAY, a municipal corporation of the State of New York having an office building and principal place of business located at 8650 LeRay Street, Evans Mills, New York 13637, herein after referred to as “Town”.

And

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY, a public benefit corporation organized and existing under the laws of the State of New York, having an office and principal place of business located at 317 Washington Street, Watertown, New York 13601, hereinafter referred to as “Authority”.

Recitals

1. The Town is undertaking the reconfiguration of a pressure control valve in Water District #4 to allow the valve to continue operating in its normal pressure regulating mode while also allowing it to operate under Supervisory Control and Data Acquisition (SCADA) via control solenoids.

2. The Town is desirous of receiving SCADA services for their water project. The Town, at its board meeting held on ________________, 2018, selected the Authority to provide these services. A copy of the resolution authorizing this agreement has been attached as Exhibit A.

3. This Agreement is authorized under Section 2704(17) of the Public Authorities Law.

Agreement

In consideration of the mutual covenants herein contained, the parties agree as follows:

1. The Scope of Services to be performed by the Authority consists of purchase, installation, and programming of SCADA equipment and software as follows:

   A. Purchase and construct a new Control Panel to include Remote Terminal Unit (RTU), power supply, battery backup, radio and a 25 key, 4 line x 20 character keypad/display. Mounting of panel at the site and installation of conduit and wiring to the panel will be done by others. The Authority will terminate wires inside the panel to the RTU.
B. Provide technical services, control engineering, and SCADA programming to implement operation of the Pressure Control Valve as defined by BCA Architects and Engineers Project Specifications.

C. Purchase and install antenna, antenna mast, antenna cables and polyphasor for integration with LeRay's radio communication system.

D. Provide technical services, control engineering, and SCADA programming to integrate the Pressure Control Valve with the Authority's telemetry and SCADA system.

2. The Town shall pay the Authority for such services at the labor hour burdened rate for the specific job classification performing the services (see Table 2) and for direct expenses such as mileage and postage; provided, however, that the total cost of such services shall not exceed $15,500 as outlined in Table 1. This agreement will terminate when the scope of services is completed or at which time the Town elects to discontinue services. The Authority shall bill monthly upon invoices properly itemized and supported, and payment thereof shall be made by the Town within 30 days of receipt of each invoice.

<table>
<thead>
<tr>
<th>Service</th>
<th>NTE Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase and construct a new control panel consisting of RTU, radio and</td>
<td>$9,500</td>
</tr>
<tr>
<td>appurtenances.</td>
<td></td>
</tr>
<tr>
<td>Technical services and control engineering to implement operation per</td>
<td>$2,000</td>
</tr>
<tr>
<td>BCA specifications.</td>
<td></td>
</tr>
<tr>
<td>Purchase and install antenna, mast, cable and</td>
<td>$1,500</td>
</tr>
<tr>
<td>appurtenances for radio communication.</td>
<td></td>
</tr>
<tr>
<td>Technical services and control engineering to integrate new control</td>
<td>$2,500</td>
</tr>
<tr>
<td>panel with Authority's SCADA system.</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>$15,500</td>
</tr>
</tbody>
</table>

TABLE 2 – Authority Staff Charge Out Rates Fiscal Year Ending 2019

<table>
<thead>
<tr>
<th>Employee Role</th>
<th>Standard</th>
<th>Overtime</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering Manager</td>
<td>$110</td>
<td>NA</td>
</tr>
<tr>
<td>Assistant Director of Engineering</td>
<td>$80</td>
<td>NA</td>
</tr>
<tr>
<td>Project Engineer</td>
<td>$77</td>
<td>NA</td>
</tr>
<tr>
<td>Controls Engineer II</td>
<td>$80</td>
<td>NA</td>
</tr>
<tr>
<td>Environmental Coordinator</td>
<td>$77</td>
<td>$100</td>
</tr>
</tbody>
</table>
TABLE 2 – Authority Staff Charge Out Rates Fiscal Year Ending 2019

<table>
<thead>
<tr>
<th>Employee Wage Rate</th>
<th>Standard</th>
<th>Overtime</th>
</tr>
</thead>
<tbody>
<tr>
<td>GIS Supervisor</td>
<td>$75</td>
<td>NA</td>
</tr>
<tr>
<td>GIS Specialist</td>
<td>$55</td>
<td>NA</td>
</tr>
<tr>
<td>Engineering Assistant</td>
<td>$62</td>
<td>$76</td>
</tr>
</tbody>
</table>

3. The Town shall provide the reasonable support services of its attorney, Clerk and other staff as appropriate to assist in implementing the project and shall assign a person as point of contact with the Authority.

4. The Authority shall carry general public liability insurance in the customary amounts and coverages maintained on its general operations, and shall name the Town as additional insured on the liability policy.

5. The Town shall carry general liability insurance in the customary amounts and coverages maintained on its general operations, and shall name the Authority as additional insured on the liability policy.

6. The Town will at all times indemnify and save harmless the Authority against all liabilities, judgments, costs, damages, expenses and attorney's fees for loss, damage or injury to persons or property resulting in any manner from the willful malfeasance or negligent acts or omissions of the Town, its agents or employees pertaining to the activities to be carried out pursuant to the obligations of this Agreement. The Authority will at all times indemnify and save harmless the Town against all liabilities, judgments, costs, damages, expenses and attorney's fees for loss, damage or injury to persons or property resulting in any manner from the willful malfeasance or negligent acts or omissions of the Authority, its agents or employees pertaining to the activities to be carried out pursuant to the obligations of this Agreement.

7. The Authority shall use reasonable diligence to provide the services herein required, but shall not be liable to the Town for damages, breach of contract, or otherwise, for failure, suspension, diminution, or other variations of service occasioned by any cause beyond the control of the Authority. The Town will not be liable in the event of a breach beyond their control. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in its sovereign or contractual capacity, fires, floods, epidemics, riots, strikes, civil disturbance, quarantine, restrictions, or inability to obtain equipment or supplies.

8. All accounts, reports and other records generated by the Authority or required under this Agreement, in the performance hereof, shall be open to inspection and audit at all reasonable times by the Town. Such records shall be retained by the Authority for a minimum of seven years following the expiration or earlier termination of this Agreement or an extended agreement.

9. The parties acknowledge that the Authority has undertaken and may undertake various projects unrelated to this Agreement. It is the intent of the parties that
this Agreement, the service provided hereunder and all payments, accounts receivable and equipment resulting from or required by such service shall be separate from and independent of all unrelated projects and activities of the Authority. The Town shall have no right to, or claim upon, the assets, insurance proceeds or income of the Authority other than those associated with the performance of this Agreement; in satisfaction of any claim by the Town arising hereunder. A similar restrictive clause is contained and will be provided in all service agreements made by the Authority with others.

10. The Authority is an independent contractor with the Town and this Agreement does not create and shall not be construed as creating a relationship of principal and agent, landlord and tenant, or employer and employee.

11. No waiver by Town or Authority of any breach of any term, covenant or condition contained in this Agreement shall operate as a waiver of such term, covenant or condition itself, or of any subsequent breach thereof.

12. This Agreement shall be construed and enforced in accordance with the laws of the State of New York. If any provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall continue to be valid and enforceable to the fullest extent permitted by law.

13. This Agreement contains the entire agreement of the parties and may be modified or amended only by the written mutual agreement of the parties.

14. All notices required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if sent by certified or registered mail, return receipt requested, postage prepaid.
All of the above is established by the signatures of the authorized representatives of the parties.

DEVELOPMENT AUTHORITY
OF THE NORTH COUNTRY

By:_________________
   James W. Wright
   Executive Director

TOWN OF LERAY

By:_________________
   Ronald C. Taylor
   Town Supervisor

ACKNOWLEDGEMENTS

STATE OF NEW YORK
   }
   ) ss:
COUNTY OF JEFFERSON
   }

On this ___ day of ____________, 2018, before me personally came James W. Wright, who being duly sworn, did dispose and says that he resides in Watertown, New York; that he is the Executive Director of the Development Authority of the North Country, the Authority described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Authority.

____________________
NOTARY PUBLIC

STATE OF NEW YORK
   }
   ) ss:
COUNTY OF JEFFERSON
   }

On this ___ day of ____________, 2018, before me personally came Ronald C. Taylor, who being duly sworn, did dispose and says that he resides in the Town of LeRay, New York; that he is the Supervisor of the Town described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Town.

____________________
NOTARY PUBLIC
Board Resolution No. 2018-08-96
August 23, 2018

TECHNICAL SERVICES AGREEMENT
VILLAGE OF HARRISVILLE
MUNICIPAL DISSOLUTION IMPLEMENTATION

Whereas, the Development Authority has been working with the Village of Harrisville pursuant to Resolution No. 2016-08-86, to facilitate a Municipal Dissolution Study and Dissolution Implementation Plan, and

Whereas, The Village Dissolution Study Committee developed a Village Dissolution Implementation Plan that was presented to the public, the Village of Harrisville Board, and the Town of Diana Board. The Town Board endorsed the Village Dissolution Implementation Plan at a Town Board meeting held December 12, 2017 whereby the Village would dissolve into the Town of Diana according to the Implementation Plan. The Village of Harrisville Board approved the Village Dissolution Implementation Plan at a Village Board meeting held on March 12, 2018 and held a public referendum on Village Dissolution on May 15, 2018 whereby the Village registered voters voted in favor to dissolve the Village according to the Implementation Plan effective December 31, 2018, and

Whereas, the Village will be applying for a Local Government Citizens Re-Organization Empowerment Grant (CREG) application through the New York State Department of State to help fund the implementation, and

Whereas, the Village at its board meeting held on June 18, 2018 selected the Authority to provide technical services to complete a village dissolution implementation, and

Whereas, the total cost to deliver these services shall not exceed $4,000.

Now, upon the recommendation of the Facilities Committee, therefore be it

RESOLVED, that the Technical Services Agreement by and between the Authority and the Village of Harrisville, for a total not to exceed contract amount of $4,000, is hereby approved. The Executive Director is hereby authorized and directed to execute said Agreement.

Motion by: D. Mastascusa
Seconded by: M. Murray

Calligaris - Yes  Hefferon - Yes  Johnson – Yes  Mastascusa - Yes
Carter – Yes Hollenbeck - Present MacKinnon – Yes Murray - Yes
Doheny – Present Hunt - Present McGrath - Absent Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-96 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

Gary Turck
Board Chairman
TECHNICAL SERVICES AGREEMENT FOR
VILLAGE OF HARRISVILLE DISSOLUTION IMPLEMENTATION

VILLAGE OF HARRISVILLE

This Agreement entered into this ____ day of _____________ 2018, by and
between:

VILLAGE OF HARRISVILLE, a municipal corporation of the State of New York having an
office building and principal place of business located at 5959 Old State Road Ext.,
Harrisville, NY, 13648, herein after referred to as “Village”.

And

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY, a public benefit corporation
organized and existing under the laws of the State of New York, having an office and
principal place of business located at 317 Washington Street, Watertown, New York
13601, hereinafter referred to as “Authority”.

Recitals

1. The Village of Harrisville established a Village Dissolution Study Committee in
2017 and applied for and was successful in obtaining funds from a Local
Government Citizens Reorganization Empowerment Grant to complete a
Village Dissolution Study and develop an Implementation Plan.

2. The Village Dissolution Study Committee developed a Village Dissolution
Implementation Plan that was presented to the public, the Village of Harrisville
Board, and the Town of Diana Board. The Town Board endorsed the Village
Dissolution Implementation Plan at a Town Board meeting held December 12,
2017 whereby the Village would dissolve into the Town of Diana according to
the Implementation Plan effective December 31, 2018. The Village of Harrisville
Board approved the Village Dissolution Implementation Plan at a Village Board
meeting held on March 12, 2018 and held a public referendum on Village
Dissolution on May 15, whereby the Village registered voters voted in favor to
dissolve the Village according to the Implementation Plan effective December
31, 2018.

3. The Village is eligible for a $50,000 grant through the New York State
Department of State’s Local Government Citizens Re-Organization
Empowerment Grant (CREG) for implementation tasks and the Village is
required to contribute 10% of the total costs as local match to the State grant.

4. The Village is desirous of receiving technical assistance related to completing
the village dissolution implementation. The Village, at a meeting held on
______________, 2018, selected the Authority to provide these services.

5. This Agreement is authorized under Section 2704(17) of the Public Authorities
Law.
**Agreement**

In consideration of the mutual covenants herein contained, the parties agree as follows:

1. The Authority will provide project management assistance services to proceed with Village's task for the village dissolution implementation. Services provided shall include:
   a. Funding agency coordination and assistance, including submittal of a Local Government Citizens Re-Organization Empowerment Grant (CREG) for implementation, disbursement requests to Department of State, and submittal of final project report to Department of State.
   b. Coordination with the Village’s consultants to complete specific tasks required as part of the Village Dissolution Implementation Plan as outlined in Table 1 (Village Task only).
   c. Attendance at board meetings to discuss project updates if requested.

<table>
<thead>
<tr>
<th>Harrisville Dissolution Implementation Grant Budget</th>
<th>Village Tasks</th>
<th>Town Tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comprehensive Plan</td>
<td>$0.00</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>Asset Management Plan</td>
<td>$0.00</td>
<td>$10,555.55</td>
</tr>
<tr>
<td>Water District Formation</td>
<td>$0.00</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>Lighting District Formation</td>
<td>$0.00</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>Fire Protection District Expansion</td>
<td>$0.00</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>Local Law Review</td>
<td>$0.00</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>Water Withdrawal Permit Update</td>
<td>$0.00</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>Water Conservation Implementation Program</td>
<td>$55,555.55</td>
<td>$0.00</td>
</tr>
<tr>
<td>Town Municipal Website Development</td>
<td>$0.00</td>
<td>$5,000.00</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$55,555.55</strong></td>
<td><strong>$55,555.55</strong></td>
</tr>
</tbody>
</table>

2. The Village shall pay the Authority for services at the labor hour burdened rate for the specific job classification performing the services (see Table 1) and for mileage to attend meetings, perform site visits, etc. at the federal reimbursement rate; provided, however, that the total cost of such services shall not exceed $4,000. The Authority will not proceed with implementation tasks until the CREG notice of funding award has been issued by the Department of State. This agreement will terminate when the scope of services is completed or at which time the Village elects to discontinue services. The Authority shall bill monthly upon invoices properly itemized and supported, and payment thereof shall be made by the Village within 30 days of receipt of each invoice.
3. The Village shall provide the reasonable support services of its attorney, Village Clerk and other staff as appropriate to assist in implementing the project and shall assign a person as point of contact with the Authority.

4. Authority staff will offer opinions to the owner and the engineers regarding subcontracted services. Authority staff will not direct the engineers or other subcontractors.

5. The Authority shall carry general public liability insurance with respect to its performance of this contract in amounts and coverage maintained on its general operations.

All of the above is established by the signatures of the authorized representatives of the parties.

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

By: __________________________

James W. Wright
Executive Director

VILLAGE OF HARRISVILLE

By: __________________________

Gary Williams
Village Mayor

ACKNOWLEDGEMENTS

STATE OF NEW YORK

) ss:

COUNTY OF LEWIS

On this ___ day of __________, 2018, before me personally came Gary Williams, who being duly sworn, did dispose and says that he resides in Harrisville, New York; that he is the Mayor of the Village described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Village

________________________________

NOTARY PUBLIC
STATE OF NEW YORK  
   )
   ) ss:
COUNTY OF JEFFERSON  
   )

On this ___ day of __________, 2018, before me personally came James W. Wright, who being duly sworn, did dispose and says that he resides in Watertown, New York; that he is the Executive Director of the Development Authority of the North Country, the Authority described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Authority.

__________________________
NOTARY PUBLIC

Page 4 of 4
Board Resolution No. 2018-08-97
August 23, 2018

TECHNICAL SERVICES AGREEMENT
TOWN OF MORRISTOWN
MUNICIPAL DISSOLUTION IMPLEMENTATION

Whereas, the Development Authority has been working with the Village of Morristown pursuant to Resolution No. 2016-10-120, to facilitate a Municipal Dissolution Study and Dissolution Implementation Plan, and

Whereas, The Village Dissolution Study Committee developed a Village Dissolution Implementation Plan that was presented to the public, the Village of Morristown Board, and the Town of Morristown Board. The Town Board endorsed the Village Dissolution Implementation Plan at a Town Board meeting held December 28, 2017 whereby the Village would dissolve into the Town of Morristown according to the Implementation Plan. The Village of Morristown Board approved the Village Dissolution Implementation Plan at a Village Board meeting held on January 23, 2018 and held a public referendum on Village Dissolution on June 26, 2018 whereby the Village registered voters voted in favor to dissolve the Village according to the Implementation Plan effective December 31, 2019, and

Whereas, the Town will be applying for a Local Government Citizens Re-Organization Empowerment Grant (CREG) application through the New York State Department of State to help fund the implementation, and

Whereas, the Town at its board meeting held on July 10, 2018 selected the Authority to provide technical services to complete a village dissolution implementation, and

Whereas, the total cost to deliver these services shall not exceed $25,000.

Now, upon the recommendation of the Facilities Committee, therefore be it

RESOLVED, that the Technical Services Agreement by and between the Authority and the Town of Morristown, for a total not to exceed contract amount of $25,000, is hereby approved. The Executive Director is hereby authorized and directed to execute said Agreement.

Motion by: D. Mastascusa
Seconded by: M. Murray

Calligaris - Yes Hefferon - Yes Johnson - Yes Mastascusa - Yes
Carter – Yes Hollenbeck - Present MacKinnon – Yes Murray - Yes
Doheny – Present Hunt - Present McGrath - Absent Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-97 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

Gary Turck
Board Chairman
TECHNICAL SERVICES AGREEMENT FOR
VILLAGE OF MORRISTOWN DISSOLUTION IMPLEMENTATION

TOWN OF MORRISTOWN

This Agreement entered into this ___ day of _____________ 2018, by and between:

TOWN OF MORRISTOWN, a municipal corporation of the State of New York having an office building and principal place of business located at 604 Main St., Morristown, NY 13664, herein after referred to as "Town".

And

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY, a public benefit corporation organized and existing under the laws of the State of New York, having an office and principal place of business located at 317 Washington Street, Watertown, New York 13601, hereinafter referred to as "Authority".

Recitals

1. The Village of Morristown established a Village Dissolution Study Committee in 2017 and applied for and was successful in obtaining funds from a Local Government Citizens Reorganization Empowerment Grant to complete a Village Dissolution Study and develop an Implementation Plan.

2. The Village Dissolution Study Committee developed a Village Dissolution Implementation Plan that was presented to the public, the Village of Morristown Board, and the Town of Morristown Board. The Town Board endorsed the Village Dissolution Implementation Plan at a Town Board meeting held December 27, 2017 whereby the Village would dissolve into the Town of Morristown according to the Implementation Plan. The Village of Morristown Board approved the Village Dissolution Implementation Plan at a Village Board meeting held on January 23, 2018 and held a public referendum on Village Dissolution on June 26, whereby the Village registered voters voted in favor to dissolve the Village according to the Implementation Plan effective December 31, 2019.

3. The Town is eligible for a $50,000 grant through the New York State Department of State’s Local Government Citizens Re-Organization Empowerment Grant (CREG) for implementation tasks and the Town is required to contribute 10% of the total costs as local match to the State grant.

4. The Town is desirous of receiving technical assistance related to completing the village dissolution implementation. The Town, at a meeting held on _____________, 2018, selected the Authority to provide these services. A Resolution from the Town’s board, selecting the Authority to provide these services and authorizing this agreement, is attached as Exhibit A.
5. This Agreement is authorized under Section 2704(17) of the Public Authorities Law.

Agreement

In consideration of the mutual covenants herein contained, the parties agree as follows:

1. The Authority will provide project management assistance services to proceed with Town's tasks for the village dissolution implementation. Services provided shall include:

   a. Funding agency coordination and assistance, including submittal of a Local Government Citizens Re-Organization Empowerment Grant (CREG) for implementation.
   b. Completion of the Asset Management Plan, and coordination with the Town's consultants to complete specific tasks required as part of the Village Dissolution Implementation Plan as outlined in Table 1 (Town Tasks only).
   c. Coordination with the Town's attorney to assist with legal aspects of the implementation.
   d. Attendance at public informational meetings.
   e. Attendance at board meetings to discuss project updates.

Table 1 – Implementation Tasks & Budget

<table>
<thead>
<tr>
<th>Morristown Implementation Grant Budget Task</th>
<th>Village</th>
<th>Town</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comprehensive Plan</td>
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<td>$12,000.00</td>
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<tr>
<td>Asset Management Plan</td>
<td>$0.00</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>Water District Formation</td>
<td>$5,000.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Sewer District Formation</td>
<td>$5,000.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Sewer District Agreement Review and Revisions</td>
<td>$3,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Fire District Formation</td>
<td>$6,000.00</td>
<td>$0.00</td>
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<tr>
<td>Local Law Review and Revisions</td>
<td>$0.00</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>Water Withdrawal Permit Application</td>
<td>$0.00</td>
<td>$15,000.00</td>
</tr>
<tr>
<td>Municipal Records Inventory and Storage Upgrades</td>
<td>$25,000.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Municipal Building Evaluation</td>
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<td>$8,555.55</td>
</tr>
<tr>
<td>Develop Community Informational/Marketing Materials</td>
<td>$11,555.55</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$55,555.55</strong></td>
<td><strong>$55,555.55</strong></td>
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2. The Town shall pay the Authority for services at the labor hour burdened rate for the specific job classification performing the services (see Table 1) and for mileage to attend meetings, perform site visits, etc. at the federal reimbursement rate; provided, however, that the total cost of such services shall not exceed $25,000. The Authority will not proceed with implementation tasks until the CREG notice of funding award has been issued by the Department of State. This agreement will terminate when the scope of services is completed or at which time the Town elects to discontinue services. The
Authority shall bill monthly upon invoices properly itemized and supported, and payment thereof shall be made by the Town within 30 days of receipt of each invoice.

3. The Town shall provide the reasonable support services of its attorney, Town Clerk and other staff as appropriate to assist in implementing the project and shall assign a person as point of contact with the Authority.

4. Authority staff will offer opinions to the owner and the engineers regarding subcontracted services. Authority staff will not direct the engineers or other subcontractors.

5. The Authority shall carry general public liability insurance with respect to its performance of this contract in amounts and coverage maintained on its general operations.

All of the above is established by the signatures of the authorized representatives of the parties.

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

By:__________________

James W. Wright
Executive Director

TOWN OF MORRISTOWN

By:__________________

Frank Putnam
Town Supervisor

ACKNOWLEDGEMENTS

STATE OF NEW YORK

) ss:

COUNTY OF ST. LAWRENCE

On this ____ day of ____________, 2018, before me personally came Frank Putnam, who being duly sworn, did dispose and says that he resides in Morristown, New York; that he is the Supervisor of the Town described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Town.

__________________________
NOTARY PUBLIC
STATE OF NEW YORK

COUNTY OF JEFFERSON

On this ____ day of _____________, 2018, before me personally came James W. Wright, who being duly sworn, did dispose and says that he resides in Watertown, New York; that he is the Executive Director of the Development Authority of the North Country, the Authority described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Authority.

__________________________

NOTARY PUBLIC
DEED RESTRICTION REQUIREMENTS
U.S. ARMY CORPS OF ENGINEERS
PERMIT NO. 1989-98111

Whereas, the U.S. Army Corps of Engineers ("USACE") has authorized the Development Authority of the North Country (the "Authority") to fill certain wetlands and streams in connection with the expansion of the landfill that is part of the Authority’s Solid Waste Management Facility located in the Town of Rodman, Jefferson County, New York (the "Project"), and

Whereas, in connection with the Project, the USACE issued to the Authority permit no. 1989-98111 (the "Permit"), and

Whereas, pursuant to Special Condition 21 of the Permit, the Authority is required, prior to conducting any work authorized by the Permit, to place a Declaration of Conservation Covenants and Restrictions (the "Deed Restriction") in perpetuity on approximately 435 acres of real property that are part of the lands owned by the Authority, as described in Exhibit A annexed to the Deed Restriction, and that contain certain wetland and stream channels and upland buffers, to guarantee their preservation for wetland and wildlife resources, and

Whereas, the USACE has reviewed and accepted the proposed Deed Restriction prepared by the Authority, a copy of which was provided to the Board of Directors of the Authority prior to its August 23, 2018 meeting, and

Whereas, the requirements of the State Environmental Quality Review Act ("SEQRA" or the "Act") at Article 8 of the Environmental Conservation Law and the regulations adopted pursuant to the Act by the New York State Department of Environmental Conservation with respect to the Authority’s adoption of the Deed Restriction have been satisfied by the SEQRA environmental impact review completed for Project, which included consideration of the mitigation strategy described in the Deed Restriction, and that resulted in the Authority’s issuance of a Final Environmental Impact Statement and Findings for the Project.

Now, upon the recommendation of the Facilities Committee, therefore, be it

RESOLVED, that the Authority hereby adopts the Deed Restriction attached hereto, and be it further

RESOLVED, that the Authority hereby authorizes the Executive Director of the Authority (the "Executive Director") to execute the Deed Restriction on its behalf, and be it further
RESOLVED, that the Executive Director shall arrange for the recording of the Deed Restriction in the records of the Jefferson County Clerk's Office, and be it further

RESOLVED, that prior to the Authority conducting any work authorized by the Permit, the Executive Director shall submit to the USACE a copy of the recorded Deed Restriction and a certified copy of this Resolution, and be it further

RESOLVED, that the Executive Director and the staff of the Authority are authorized to take whatever steps are necessary to carry out this Resolution, and be it further

RESOLVED, that this Resolution shall take effect immediately.

Motion by: F. Carter
Seconded by: A. Calligaris

Calligaris - Yes Hefferon - Yes Johnson - Yes Mastascusa - Yes
Carter - Yes Hollenbeck - Present MacKinnon - Yes Murray - Yes
Doheny - Present Hunt - Present McGrath - Absent Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Executive Director of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-98 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 11th day of September, 2018.

[Signature]
James W. Wright
Executive Director
DECLARATION OF CONSERVATION COVENANTS AND RESTRICTIONS

THIS DECLARATION OF CONSERVATION COVENANTS AND RESTRICTIONS ("Declaration") is made by the Development Authority of the North Country, a New York State public authority, the undersigned "Declarant." Declarant is the owner in fee simple of approximately 1,500 acres of real property lying in the Town of Rodman, Jefferson County, New York ("Declarant's Property"), which real property was acquired for purposes of the construction and operation of a solid waste management facility. As of the date of this Declaration, the life expectancy of Declarant's landfill facility, as modified, is estimated at 60 to 65 years. Declarant, for good and valuable consideration, declares conservation use restrictions on only those portions of Declarant's Property, containing approximately 435 acres of land, consisting of Protected Area Polygon 1, Protected Area Polygon 2, Protected Area Polygon 3 and Protected Area Polygon 4, shown and described on Exhibit A annexed to this Declaration. The portions of Declarant's Property that are subject to this Declaration and its conservation use restrictions are collectively identified as the "Property" in this Declaration.

PREMISES

WHEREAS, Declarant was issued a permit by the U.S. Army Corps of Engineers ("USACE") Action Number 1989-98111 pursuant to Section 404 of the Clean Water Act ("CWA") (33 U.S.C. 1344) under the administrative regulatory authority of the USACE Buffalo District, Regulatory Branch, setting forth authorization for certain discharge of fill material in waters of the United States, including wetlands and streams; and,

WHEREAS, said permit, dated February 16, 2017, is attached hereto as Exhibit B and by this reference is made a part hereof; and,

WHEREAS, discharge of fill material in jurisdictional waters of the United States including wetlands and streams pursuant to the CWA, Section 404 requires compensatory mitigation and perpetual protection of the mitigation property; and,

WHEREAS, the conservation functions and services of the Property are summarized and described in Exhibit C attached hereto and made a part hereof; and

WHEREAS, the Property is being preserved, restored, established or enhanced as a wetland, buffer to wetlands, stream, streamside buffer, and/or upland buffer to jurisdictional waters of the United States, as well as to non-jurisdictional waters of the United States where such Property has been accepted as compensatory mitigation pursuant to the permit; and,

NOW, THEREFORE, in consideration of the mutual benefits to be derived by the Declarant and each and every subsequent owner and occupant of the Property, and as required mitigation for the discharge of fill material in waters of the United States including wetlands and streams, Declarant has promised to place certain restrictions on the Property
exclusively for conservation purposes, in order that it shall remain substantially in its restored, enhanced, preserved and natural condition, in perpetuity.

1. **Transfers & Extinguishment**

   Declarant does hereby declare that all of the Property shall be held, transferred, sold, conveyed and occupied subject to the terms and conditions of the covenants, easements and affirmative obligations set forth in this Declaration all of which shall run with the Property and will be binding on all persons, firms, associations, corporations or governmental entities having or hereafter acquiring any right, title or interest in the Property, or any part thereof, their heirs, executors, administrators, successors and assigns. The terms and conditions of this Declaration shall be both implicitly and explicitly included in any subsequent transfer, conveyance, or encumbrance affecting all or any part of the Property. It shall set forth the terms and conditions of this Declaration either by reference to this Declaration and its recorded location or by attachment and incorporation by reference. The Declaration shall not be extinguished except by written approval of the USACE, or its successor in administration of the CWA.

2. **Property as Open and Common Area**

   The Property is set aside for conservation use and shall be designated as an undeveloped lot, buffer, open and common area or greenway and will not now, nor in the future, be made part of any single lot or lots in a residential or mixed use subdivision or a subdivided commercial development, but rather the Property shall be held, maintained and managed by the owner, developer, corporation, homeowner or business association as an open, common and undeveloped conservation area. There shall be no legal or de facto division, subdivision or partitioning of the Property used as mitigation unless approved by USACE and addressed in the permit.

3. **Prohibited Uses**

   Except as necessary (1) to carry out wetland/stream and/or buffer restoration, enhancement and/or establishment in keeping with the mitigation plan of the permit as approved by USACE; or, (2) to fence the Property to keep out livestock, domestic animals, trespassers, or for protection or enhancement of the Property; or, (3) to carry out established management and maintenance activities on the Property as described in Exhibit D attached hereto; or, (4) to carry out any other management or maintenance activities on the Property proposed by Declarant, as approved in advance in writing by the USACE; the actions encompassed as prohibited by this Declaration shall include, but shall not be limited to the following:

   A. Clearing, cutting or mowing;

   B. Earthmoving, grading, removal of topsoil, cultivation, burning, filling or changes in the topography of the land in any manner;
C. Placement of refuse, wastes, sewage, dredged spoil, solid waste, incinerator residue, garbage, sewage sludge, munitions, chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt, industrial, municipal, or agricultural waste on the Property (for purposes of clarity, this prohibition shall not apply to waste that may blow onto the Property from Declarant's landfill facility);

D. Draining, ditching, diking, dredging, channelizing, pumping, impounding, excavating;

E. Diverting or affecting the natural flow of surface or underground waters within, or out of the Property; manipulating or altering any natural water course, body of water or water circulation and any activities or uses detrimental to water quality;

F. Mining, drilling;

G. Burning, systematically removing or cutting timber or otherwise destroying any vegetation. Upon approval from the USACE, selective pruning, unsafe trees or exotic non-native vegetation may be removed in accordance with current scientific best management practices as set out by the U.S. Forest Service or the New York Forestry Commission;

H. Spraying with biocides or use of herbicides or pollutants that violate water quality standards;

I. Introducing exotic species on the Property, altering the natural state of the wetlands or streams or causing erosion or sedimentation;

J. Grazing or use by domesticated animals such that animal wastes enter soil and water;

K. Construction of any kind in the wetlands, streams, buffers or upland, whether temporary or permanent (for purposes of clarity, this prohibition shall not apply to directional boring or drilling under these resources and associated construction of underground utility lines provided all work associated with such boring, drilling and construction is performed outside of the boundaries of the Property to avoid any surface impacts on the Property);

L. Use of off-road vehicles and use of motorized vehicles except as identified on Exhibit D attached hereto;

M. Any other use of, or activity on, the Property which is or may become inconsistent with the purposes of this Declaration, the preservation of the Property substantially in its natural condition, or the protection of its environmental systems; and

N. Display of billboards, signs, or advertisements on or over the Property, except for the posting of no trespassing signs, temporary signs indicating the Property is
for sale, signs identifying the trees, vegetation, wetlands or conservation values of the Property and/or signs identifying the owner of the Property.

As permitted or approved in writing by USACE, the Property may have: (1) a narrow pedestrian walking trail in the uplands or upland buffer using pervious materials, (2) minimal structures and boardwalks for the observation of wildlife and wetland/stream ecology, and (3) crops for wildlife or placement of temporary hunting stands in uplands.

Conservation and wildlife habitat management plans may be implemented by Declarant, the New York State Department of Environmental Conservation, U.S. Forest Service, conservation land trusts holding conservation easements, or other conservation management entities where the habitat, wildlife or forest management does not result in any impacts to the wetlands/streams/riparian corridors and its buffers, or to property protected for its historical, cultural and/or archeological value, and where the proposal would enhance the management of the Property for its conservation use.

4. Easements

A. The Property is free and clear of any and all liens, loans, claims, restrictions, easements and encumbrances, except as otherwise identified in this document and its exhibits, including the List of Encumbrances annexed to this Declaration as Exhibit F.

B. No violations of these Restrictive Covenants exist on the Property at the time of execution of this Declaration.

C. Environmental impacts, if any, caused by existing easements such as roads, utility lines or pipelines, where such easements are in place as of the date of the recording of this Declaration shall not be considered as causing any prohibited impacts to the Property by their use and maintenance.

D. Should an easement or legal right of use of the Property, not listed in paragraph (4)(A) and prior in time and recording to this Declaration, be exercised in such a manner that it conflicts with the prohibited uses of the Property set out in this Declaration, then the owners of the Property, whether the Declarant of this Declaration or any heirs, executors, administrators, successors or assigns, shall be responsible for providing alternative conservation mitigation in such amounts and of such service and function as the USACE or any enforcer of this Declaration shall determine in accordance with the terms of the permit and with Section 404 of the CWA and its implementing regulations.

5. Representations

Declarant represents and warrants that after reasonable investigation, and to the best of its knowledge:

A. No substance defined, listed, or otherwise classified pursuant to any federal, state, or local law, or regulation, as hazardous, toxic, polluting, or otherwise contaminating
to the water or soil, has been released, generated, treated, stored, used, disposed of, deposited, abandoned, or transported in, on, from, or across the Property;

B. There are no underground storage tanks located on the Property, whether presently in service or closed, abandoned, or decommissioned;

C. The Property is in compliance with all federal, state and local laws, regulations and permits and there is no pending or threatened litigation in any way affecting, involving or relating to the Property and its use; and

D. The Property is not land-locked and there is access to the Property by road, dedication of pathway or by an access easement.

6. **Affirmative Duties**

   A. Declarant will take action to prevent the unlawful entry and trespass by persons whose activities may degrade or harm the conservation values of the Property or that are otherwise inconsistent with this Declaration.

   B. A management plan shall be developed by Declarant and its successors for management of the Property for its conservation duties. Adequate financial resources shall be allocated by Declarant for protection of the Property. Declarant shall take immediate action to cure violations of this Declaration.

7. **Exclusive Possession**

   Declarant and its successors and assigns reserve all other rights accruing from their ownership of the Property including but not limited to the exclusive possession of the Property, the right to transfer or assign their interest in the same, the right to take action necessary to prevent erosion on the Property, to protect the Property from losing its conservation functions and services, or to protect public health or safety; and the right to use the Property in any manner not prohibited by this Declaration and which would not defeat or diminish the conservation purpose of this Declaration.

8. **Benefits to the General Public**

   It is expressly understood and agreed that this Declaration does not necessarily grant or convey to members of the general public, any rights of ownership, interest in, or use of the Property unless so designated by the owner for such purpose. Nonetheless, the Property has significant aesthetic and conservation value in its present or restored state as a predominately natural area which has not been subject to extensive development or exploitation. The protection of jurisdictional and non-jurisdictional waters of the United States, their buffers and uplands, floodplains, vegetation, scenic, open space, aquatic and wildlife habitat are considered of great importance to the well being of the general public and to all citizens of New York and are worthy of preservation and conservation.
9. **Enforcement**

The USACE, U.S. Department of Justice and/or the U.S. Environmental Protection Agency, or their successors, as third party beneficiaries hereof, are hereby specifically granted the authority to enforce the provisions of this Declaration pursuant to the CWA Section 404 and implementing regulations. Appropriate remedy for violation of this Declaration is contemplated to include, without limitation, injunctive relief to restrain such violation, restoration, administrative, civil or criminal penalties as well as any other remedy available under law or equity. However, no violation of this Declaration shall result in a forfeiture or reversion of title. It shall not be a defense, for purposes of this Declaration, that the conservation functions and services of the Property were impacted without the owner's knowledge or consent, or that the waters on the Property are deemed to be non-jurisdictional waters of the United States either by their function or by statute. The Property was offered and accepted as mitigation and is therefore subject to the contractual terms of the permit and this Declaration. Loss of conservation functions and services shall not be required to be replaced if damage is due to "acts of God" as is generally referenced, so long as there has been completion of the mitigation requirements of the permit as to restoration, enhancement, establishment and monitoring. In any enforcement action, an enforcing agency shall be entitled to a complete restoration for any violation, as well as any other judicial remedy such as civil or criminal penalties or an award of agency attorneys' fees. Nothing herein shall limit the right of the USACE to modify, suspend or revoke its permits.

10. **Right of Ingress and Egress**

The USACE and/or the U.S. Environmental Protection Agency and their respective agents, their assigned agents and contractors, shall at reasonable times and upon notice to Declarant, have an access easement for the right of ingress and egress to inspect the Property in order to monitor and to ascertain whether there has been compliance with this Declaration. Signs declaring the Property to be conservation property shall be posted by the Declarant in order to provide notice of the land use designation.

11. **Covenant Runs with the Land**

This Declaration shall not terminate upon some fixed amount of time but shall run with the land in perpetuity both as to benefit and as to burden and shall be enforceable against Declarant and all present and future owners, tenants and other holders of any interest in the Property. This Declaration is established for the purpose of preserving, enhancing and conserving wetlands and streams, non-jurisdictional wetlands and streams accepted as mitigation, buffers, uplands, open areas and the associated conservation values, services and functions. Furthermore, this Declaration carries out the statutory requirements of Section 404 of the CWA and the implementing regulations.
12. **Intent of Clean Water Act**

The intent of the CWA Section 404 is to restore and maintain the chemical, physical and biological integrity of the Nation's waters. The intent of this document is that the Property be perpetually protected as conservation lands.

13. **Written Notice of Legal Action against Property**

Pursuant to the CWA, the District Engineer, c/o Office of Counsel, U.S. Department of the Army, Corps of Engineers, Buffalo District, Buffalo, New York, shall be provided with a 60-day advance written notice of any legal action concerning this Declaration, or of any action to extinguish, void or modify this Declaration, in whole or in part. The Declaration is intended to survive foreclosure, tax sales, bankruptcy proceedings, zoning changes, adverse possession, abandonment, condemnation and similar doctrines or judgments affecting the Property. A copy of this recorded Declaration shall accompany said notice.

14. **Eminent Domain**

It is the intent of this Declaration that the aquatic resources it protects shall not be altered or impacted by eminent domain. However, if any or part of the Property is taken by exercise of the power of eminent domain, so as to terminate this Declaration, in whole or in part, USACE shall be given 60-day notification for the purpose of providing the condemnor and the court authorizing the action, with the value and cost of the consequential damages or the costs of replacement in kind of the ecological units and the conservation functions, services and values of CWA jurisdictional or non-jurisdictional mitigation on the Property. Subject to approval by the USACE, options for replacement of consequential environmental impacts due to eminent domain are governed by the CWA Section 404 and the implementing regulations. Options for payment of consequential damages to waters of the United States impacted by the eminent domain taking may include: (1) re-recording of the USACE model Declaration of Conservation Covenants and Restrictions on the Property signed by the new owner thereby preserving the existing waters of the U.S. and their buffers on the site without impact; (2) payment of funds sufficient for the acquisition and protection of alternative real property in the same hydrologic watershed providing equivalent conservation functions, services and values of wetlands, streams, creeks, shorelines, other waters of the United States and their buffers; or (3) if available, the option to fund the purchase of conservation mitigation credits from an authorized wetland/stream mitigation bank sufficient to replace the conservation mitigation functions, services and values of the wetlands, streams, creeks, shorelines, and other waters of the United States and their buffers; (4) payment of funds to an in-lieu fee mitigation wetlands/streams trust account approved by the USACE in an amount sufficient to purchase and protect alternative real property in the same hydrologic watershed that would provide the equivalent mitigation conservation functions, services and values, as the property impacted by eminent domain; or (5) any other alternative consequential damages aquatic conservation mitigation as may be approved by USACE in compliance with the regulations and requirements. Failure of the proponent to provide consequential damages mitigation through alternative aquatic conservation mitigation due to impact to aquatic
resources protected under the CWA associated with eminent domain shall be referred to the U.S. Department of Justice for action.

15. **Removal to U.S. Federal District Court**

   The USACE reserves the right to recommend to the U.S. Department of Justice that the legal action as it relates to the CWA be removed to the U.S. Federal District Court in the district where the Property lies.

16. **Recordation of Instrument**

   Declarant shall execute and record this instrument in timely fashion in the official records of the Office of the Clerk of the County in which the Property lies and shall provide the USACE with a copy of the recorded Declaration and exhibits. Declarant may re-record this instrument at any time as may be required to preserve its rights.

17. **Notice to Government**

   Any permit application or request made to any governmental entity and affecting the Property, shall expressly reference and include a copy (with the recording stamp) of this Declaration.

18. **Property Transfers**

   Declarant shall include the following notice on all deeds, mortgages, plats, or any other legal instruments used to convey any interest in the Property (failure to comply with this paragraph does not impair the validity or enforceability of these restrictive covenants):

   NOTICE: This Property Subject to Declaration of Conservation Covenants and Restrictions Recorded at [insert book and page references, county(ies), and date of recording].

19. **Amendment**

   This Declaration may only be amended by a recorded document signed by the Declarant after written approval by the USACE. Any amendment shall be consistent with the USACE's model conservation restrictions at the time of amendment. Amendment shall be allowed at the discretion of the USACE, in consultation with resource agencies as appropriate, and then only in exceptional circumstances. Mitigation for amendment impacts will be required pursuant to USACE mitigation policy at the time of amendment. There shall be no obligation to allow an amendment.

20. **Severability Provision**

   Should any separable part of these restrictive covenants be held contrary to law, the remainder shall continue in full force and effect.
IN WITNESS WHEREOF Declarant has duly executed this Declaration on the ___ day of ________, 201__.

IN THE PRESENCE OF: DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY, Declarant

__________________________________________
Name: ____________________________

By: ________________________________________

Name: ____________________________

Title: ____________________________

STATE OF NEW YORK )
COUNTY OF JEFFERSON ) SS.:

On the ___ day of _________________ in the year 201__ before me, the undersigned, personally appeared ___________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

______________________________
Notary Public
**Table of Exhibits**

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EXHIBIT A

LEGAL DESCRIPTIONS AND AERIAL PHOTOGRAPHS OF THE PARCELS OF LAND
CONSTITUTING THE PROPERTY
EXHIBIT B
COPY OF PERMIT
February 14, 2017

Regulatory Branch

SUBJECT: Transmittal of Validated Department of the Army Permit No. 1989-98111, New York State Department of Environmental Conservation review no. 6-2252-00007

Mr. James Wright
Development Authority of the North Country
317 Washington Street
Watertown, New York 13601

Dear Mr. Wright:

This pertains to the Development Authority of the North Country’s (DANC) proposal to fill wetlands and streams for the expansion of the existing Solid Waste Management Facility (SWMF), located off of NYS Route 177, in the Town of Rodman, Jefferson County, New York.

Enclosed is the validated Department of the Army permit which you have accepted the terms and conditions thereof.

Please note that our office must be informed of the commencement and completion of the authorized work. Forms for this purpose are enclosed. Also enclosed is a laminated first page of the permit describing the proposed work which must be conspicuously displayed at the worksite.

Revised plans must be submitted to our office if material changes in the location or plans of the work are necessary because of unforeseen or altered conditions, or otherwise. These revised plans must receive the approval required by law before construction is started.

Questions pertaining to this matter should be directed to Margaret Crawford, Project Manager, at (315) 255-8090, by writing to the following address: U.S. Army Corps of Engineers, 7413 County House Road, Auburn, NY 13021, or by e-mail at: margaret.a.crawford@usace.army.mil

Sincerely,

[Signature]
Diane C. Kozlowski
Chief, Regulatory Branch

Enclosures
IMPORTANT

This form must be completed and mailed to the District Commander at: Regulatory Branch, U.S. Army Corps of Engineers, 1776 Niagara Street, Buffalo, New York 14207 prior to commencement of any work authorized by Department of the Army Permit No. 1989-98111 (Standard Permit)

Date:  

Town of Rodman  
Jefferson County  
New York

Mr. David Leput  
Regulatory Branch  
U.S. Army Corps of Engineers  
1776 Niagara Street  
Buffalo, New York 14207

Dear Mr. Leput:

You are hereby notified that the work authorized under Department of the Army Permit No. 1989-98111, issued to the Development Authority of the North Country, to fill wetlands and streams for the expansion of the existing Solid Waste Management Facility will be started on or about ______________________ (Month/Day/Year)

The first work to be undertaken is as follows: ________________________________

________________________________________________________________

________________________________________________________________

In commencing the work, I accept and agree to comply with the terms and conditions of the permit.

By: ______________________  ______________________
    (Authorized Signature)  (Title)

Permittee Telephone Number: ________________________________

Date: ________________________________

File Closed: 02/14/2017
IMPORTANT

This form must be completed and mailed to the District Commander at: Regulatory Branch, U.S. Army Corps of Engineers, 1776 Niagara Street, Buffalo, New York 14207 Immediately upon completion of work authorized by Department of the Army Permit No. 1989-98111 (Standard Permit)

Date: Town of Rodman Jefferson County New York

Mr. David Leput
Regulatory Branch
U.S. Army Corps of Engineers
1776 Niagara Street
Buffalo, New York 14207

Dear Mr. Leput:

You are hereby notified that the work authorized under Department of the Army Permit No. 1989-98111, issued to the Development Authority of the North Country, to fill wetlands and streams for the expansion of the existing Solid Waste Management Facility was (completed/discontinued) on ______________________ (Month/Day/Year).

If Discontinued:

The work is ______ percent complete. The following remains to be done before all work authorized by this permit shall have been completed: __________________________________________

__________________________________________

__________________________________________

By: ____________________ ____________________ Date: ______________

(Authorized Signature) (Title)

Permittee Telephone Number: ____________________

File Closed: 02/14/2017
PERMITTEE: Development Authority of the North Country

PERMIT NUMBER: 1989-98111

EFFECTIVE DATE: February 14, 2017

NOTE: The term "you" and its derivatives, as used in this permit, means the permittee or any future transferee. The term "this office" refers to the appropriate district or division office of the Corps of Engineers having jurisdiction over the permitted activity under the authority of the commanding officer.

You are authorized to perform work in accordance with the terms and conditions specified below.

PROJECT DESCRIPTION: The Development Authority of the North Country, 317 Washington Street, Watertown, New York 13601, is hereby authorized by the Secretary of the Army to: fill 12.26 acres of wetland and 2,143 linear feet of intermittent and ephemeral streams in association with the expansion of the Solid Waste Management Facility (SWMF), and to conduct stream restoration work at the Skinner Road mitigation site, including the placement of two rock vanes, reshaping the bank, and installation of a cofferdam to isolate flows during construction along 650 linear feet of Sandy Creek as part of the wetland and stream mitigation plan in accordance with the general and special conditions, and the plans and drawings and any additional special conditions attached hereto which are incorporated in and made a part of this permit.

PROJECT LOCATION: The project is located at the SWMF, off of NYS Route 177, in the Town of Rodman, Jefferson County, New York.

MITIGATION LOCATION: The off-site component of the required mitigation is located on NYS Department of the Environmental Conservation owned land referred to as the Lakeview Wildlife Management Area, off of Skinner Road, in the Town of Ellisburg, Jefferson County, New York.
DEPARTMENT OF THE ARMY
BUFFALO DISTRICT, CORPS OF ENGINEERS
1776 NIAGARA STREET
BUFFALO, NEW YORK 14207-3169

PERMITTEE: Development Authority of the North Country
PERMIT NUMBER: 1989-98111
EFFECTIVE DATE: February 14, 2017

NOTE: The term "you" and its derivatives, as used in this permit, means the permittee or any future transferee. The term "this office" refers to the appropriate district or division office of the Corps of Engineers having jurisdiction over the permitted activity under the authority of the commanding officer.

You are authorized to perform work in accordance with the terms and conditions specified below.

PROJECT DESCRIPTION: The Development Authority of the North Country, 317 Washington Street, Watertown, New York 13601, is hereby authorized by the Secretary of the Army to: fill 12.26 acres of wetland and 2,143 linear feet of intermittent and ephemeral streams in association with the expansion of the Solid Waste Management Facility (SWMF), and to conduct stream restoration work at the Skinner Road mitigation site, including the placement of two rock vanes, resloping the bank, and installation of a cofferdam to isolate flows during construction along 650 linear feet of Sandy Creek as part of the wetland and stream mitigation plan in accordance with the general and special conditions, and the plans and drawings and any additional special conditions attached hereto which are incorporated in and made a part of this permit.

PROJECT LOCATION: The project is located at the SWMF, off of NYS Route 177, in the Town of Rodman, Jefferson County, New York.

MITIGATION LOCATION: The off-site component of the required mitigation is located on NYS Department of the Environmental Conservation owned land referred to as the Lakeview Wildlife Management Area, off of Skinner Road, in the Town of Ellisburg, Jefferson County, New York.
PERMIT CONDITIONS

GENERAL CONDITIONS:

1. The time limit for completing the work authorized ends on February 14, 2007. If you find that you need more time to complete the authorized activity, submit your request for a time extension to this office for consideration at least one month before the above date is reached.

2. You must maintain the activity authorized by this permit in good condition and in conformance with the terms and conditions of this permit. You are not relieved of this requirement if you abandon the permitted activity, although you must make a good faith transfer to a third party in compliance with General Condition 4 below. Should you wish to cease to maintain the authorized activity, or should you desire to abandon it without a good faith transfer, you may obtain a modification of this permit from this office, which may require restoration of the area.

3. If you discover any previously unknown historic or archaeological remains while accomplishing the activity authorized by this permit, you must immediately notify this office of what you have found. We will initiate the Federal and state coordination required to determine if the remains warrant a recovery effort or if the site is eligible for listing in the National Register of Historic Places.

4. If you sell the property associated with this permit, you must obtain the signature of the new owner in the space provided and forward a copy of the permit to this office to validate the transfer of this authorization.

5. If a conditioned water quality certification has been issued for your project, you must comply with the conditions specified in the certification as special conditions to this permit.

6. You must allow representatives from this office to inspect the authorized activity at any time deemed necessary to ensure that it is being or has been accomplished in accordance with the terms and conditions of your permit.

7. The permittee understands and agrees that, if future operations by the United States require the removal, relocation, or other alteration, of the structure or work herein authorized, or if, in the opinion of the Secretary of the Army or his authorized representative, said structure or work shall cause unreasonable obstruction to the free navigation of the navigable waters, the permittee will be required, upon due notice from the Corps of Engineers, to remove, relocate, or alter the structural work or obstructions caused thereby, without expense to the United States. No claim shall be made against the United States on account of any such removal or alteration.

FURTHER INFORMATION:

1. Congressional Authorities: You have been authorized to undertake the activity described above pursuant to:

   Section 404 of the Clean Water Act (33 U.S.C. 1344)
2. Limits of this authorization.

   a. This permit does not obviate the need to obtain other Federal, state or local authorizations required by law.

   b. This permit does not grant any property rights or exclusive privileges.

   c. This permit does not authorize any injury to the property or rights of others.

   d. This permit does not authorize interference with any existing or proposed Federal project.

3. Limits of Federal Liability. In issuing this permit, the Federal Government does not assume any liability for the following:

   a. Damages to the permitted project or uses thereof as a result of other permitted or unpermitted activities or from natural causes.

   b. Damages to the permitted project or uses thereof as a result of current or future activities undertaken by or on behalf of the United States in the public interest.

   c. Damages to persons, property, or to other permitted or unpermitted activities or structures caused by the activity authorized by this permit.

   d. Design or construction deficiencies associated with the permitted work.

   e. Damage claims associated with any future modification, suspension, or revocation of this permit.

4. Reliance on Applicant’s Data: The determination of this office that issuance of this permit is not contrary to the public interest was made in reliance on the information you provided.

5. Reevaluation of Permit Decision. This office may reevaluate its decision on this permit at any time the circumstances warrant. Circumstances that could require a reevaluation include, but are not limited to, the following:

   a. You fail to comply with the terms and conditions of this permit.

   b. The information provided by you in support of your permit application proves to have been false, incomplete, or inaccurate (see 4 above).

   c. Significant new information surfaces which this office did not consider in reaching the original public interest decision.

Such a reevaluation may result in a determination that it is appropriate to use the suspension, modification, and revocation procedures contained in 33 CFR 325.7 or enforcement procedures such as those contained in 33 CFR 326.4 and 326.5. The referenced enforcement procedures provide for the issuance of an administrative order requiring you to comply with the terms and conditions of your permit and for the initiation of legal action where appropriate. You will be
required to pay for any corrective measures ordered by this office, and if you fail to comply with such directive, this office may in certain situations (such as this specified in 33 CFR 209.170) accomplish the corrective measures by contract or otherwise and bill you for the cost.

6. Extensions. General condition 1 establishes a time limit for the completion of the activity authorized by this permit. Unless there are circumstances requiring either a prompt completion of the authorized activity or a reevaluation of the public interest decision, the Corps will normally give favorable consideration to a request for an extension of this time limit.
Your signature below, as permittee, indicates that you accept and agree to comply with the terms and conditions of this permit.

(PERMITTEE)  
2/18/17  
(DATE)

This permit becomes effective when the Federal official, designated to act for the Secretary of the Army, has signed below.

(DISTRICT COMMANDER)  
16 February 2017  
(DATE)

When the structures or work authorized by this permit are still in existence at the time the property is transferred, the terms and conditions of this permit will continue to be binding on the new owner(s) of the property. To validate the transfer of this permit and the associated liabilities associated with compliance with its terms and conditions, have the transferee sign and date below.

(TRANSFEREE)  
(DATE)
SPECIAL CONDITIONS:

Administrative:

1. This permit was issued on your certification that the mitigation project is consistent with the New York Coastal Zone Management Plan. The New York State Department of State concurs with your certification, attached to this permit as Attachment A, provided you comply with any special conditions imposed by that agency. Noncompliance with the conditions may be a basis for suspension, revocation or modification of this permit.

2. The Section 401 Water Quality Certification issued for this project by the State of New York, attached to this permit as Attachment B, is hereby part of this Department of the Army permit pursuant to Section 401(d) of the Clean Water Act. Noncompliance with any limitations or requirements stated in the certification may be a basis for suspension, revocation or modification of this permit.

3. You are responsible for ensuring that the contractor and/or workers executing the activity(s) authorized by this permit have knowledge of the terms and conditions of the authorization and that a copy of the permit document is at the project site throughout the period the work is underway. For purposes of this permit, the term “project site” means the portion of the SWMF property where impacts to wetlands and stream resources are authorized by this permit. For purposes of this permit, the term “on-site mitigation parcel” means the portion of the SWMF property where mitigation activities required by this permit will occur.

4. At the request of an authorized representative of the Buffalo District, U.S. Army Corps of Engineers, you shall allow access to the project site and the on-site mitigation parcel and you shall coordinate access to the off-site mitigation parcel to determine compliance with the conditions of this permit. For purposes of this permit, the term “off-site mitigation parcel” means the off-site property on Skinner Road in the Town of Ellisburg, Jefferson County, New York owned by the NYS Department of Environmental Conservation (“NYSDEC”) and referred to as the Lakeview Wildlife Management Area where the permittee will conduct mitigation activities. The “off-site mitigation parcel” is also referred to in this permit as the “Skinner Road Site.”

5. All reports/submittals required under this permit shall be submitted to Mr. Harold Kepner, Chief, Monitoring & Enforcement Section, U.S. Army Corps of Engineers, 1776 Niagara Street, Buffalo, New York 14207-3199, unless otherwise specified.

Prior to Construction:

6. No work authorized by this permit in waters of the United States on the project site, the on-site mitigation parcel or the off-site mitigation parcel can commence until the respective NYSDEC permits required for the work in each of these areas are authorized.

7. In the event that the authorized work and tree clearing is not completed by March 30, 2022, the permittee must contact Margaret Crawford, USACE, 7413 County House Road, Auburn, New York 13021, (315) 255-8090, prior to March 30, 2021 to reinitiate consultation under the Endangered Species Act.
8. The permittee must notify the Regulatory Branch in writing one week prior to the date the activities authorized in waters of the United States, including wetlands, are scheduled to begin. Notification shall either be by 1) e-mail sent to "david.w.leput2@usace.army.mil <mailto:david.w.leput2@usace.army.mil> " AND "LRB.Regulatory@usace.army.mil <mailto:LRB.Regulatory@usace.army.mil> " or 2) mailed to the following address: Mr. David Leput, Compliance Officer, U.S. Army Corps of Engineers, Buffalo District, 1776 Niagara Street, Buffalo, New York 14207-3199.

9. Prior to any grading or filling operations, siltation fencing or hay bales shall be installed at the toe of the earthwork to minimize damage to undisturbed wetlands. The siltation fence shall be checked periodically to ensure that it is not damaged. Repairs to damaged siltation barriers must be completed promptly, and the siltation barriers must remain in place until the site is stabilized by the re-growth of suitable vegetation. All controls must be completely removed once the area is stabilized.

During Construction:

10. To reduce any potential adverse effects on the Federally threatened Northern long-eared bat (Myotis septentrionalis), trees (woody stems > 3 inches Diameter at Breast Height) must not be cut between April 1 and October 31, of any year.

11. If any historic or archeological artifacts or remains are discovered while conducting work authorized by this permit, you must notify the Corps of Engineers in accordance with General Condition 3 and all work in the vicinity of the discovery must be stopped immediately, pending initiation of any required consultation under the National Historic Preservation Act.

12. Should human remains be encountered during any phase of the proposed project, such person or persons encountering the human remains must immediately cease work in the vicinity of the discovery and must not disturb or remove the remains, must protect the exposed portions of the remains from inclement weather and vandalism, and immediately notify the permittee. Continuing work on the project may result in adverse effects to the remains, which may be contrary to the National Historic Preservation Act. After discovery, the permittee must immediately notify (within 24 hours) Margaret Crawford, Project Manager, 7413 County House Road, Auburn, New York 13021 at (315) 255-8090, and the New York State Office of Parks, Recreation, and Historic Preservation, Peebles Island State Park, P.O. Box 189, Waterford, New York 12188-0189, (518) 237-8643.

Mitigation:

13. As mitigation to compensate for the permanent and unavoidable impacts to 12.26 acres of wetland and 2,143 linear feet of stream, the permittee shall:
   a. Restore 28.6 acres of wetland, including 7.9 acres of forested wetland, 7.0 acres of scrub-shrub wetland, 6.1 acres of emergent marsh, and 7.6 acres of wet meadow at the Skinner Road Site:
   b. Restore 650 linear feet of Sandy Creek at the Skinner Road Site;
   c. Enhance 100 foot buffer along 8,102 linear feet of on-site streams (totaling 30.4 acres) on the SWMF property;
d. Preserve the Skinner Road Site in accordance with the terms of an Adopt a Natural Resource Agreement between the permittee and NYSDEC (30 acres);
e. Preserve on-site remaining wetlands, streams and buffer on the SWMF property in perpetuity (554 acres).

14. The plan entitled 'Proposed Landfill Expansion, Final Aquatic Resource Mitigation Strategy' and dated May 2012, Revised October 2012 (the "compensatory mitigation plan"), is hereby incorporated into and made part of the permit as Attachment C. The permittee must implement the mitigation in accordance with the compensatory mitigation plan and any permit conditions. The mitigation performance standards listed in the Special Conditions of this permit supersede any conflicting standards listed in the compensatory mitigation plan.

15. With the exception of monitoring activities, the permittee must complete all aspects of the on-site and off-site wetland and stream mitigation prior to the commencement of work at the project site authorized by this permit.

16. The permittee shall assume all liability for accomplishing corrective work should the District Engineer determine the compensatory mitigation to be unsuccessful. In the event that the mitigation area does not meet the criteria set forth in this permit, the permittee may be required to undertake additional mitigative measures. These actions may include, but are not limited to, corrective actions on-site including regrading or replanting. If corrective measures are required, additional yearly monitoring, beyond the 10-year monitoring period, may be required at the discretion of the Corps Project Manager.

17. In the event that planting substitutions are proposed (from page 10 of compensatory mitigation plan), prior approval from this office is required. In addition, quantities may only be adjusted after prior approval from the Corps.

18. Performance Goals: on-site
   a. Construction has been completed in accordance with approved plans and specifications of the permit.
   b. At the end of the first year of monitoring, planted woody species will have a survivorship of at least 75%. Replacement of plantings will be required for any area falling below this level.
   c. For all monitoring periods, the enhanced stream buffers will support a minimum of 200 individual, surviving, established, and free-to-grow woody plants per acre. Additional plantings will be required for any area falling below this level.
   d. Invasive species purple loosestrife (Lythrum salicaria) and common reed (Phragmites australis) must cumulatively comprise no more than 5%, and reed canary grass (Phalaris arundinacea) and buckthorn (Rhamnus spp.), must cumulatively comprise no more than 15%, of the total vegetated cover in the enhanced stream buffer areas in any monitored year.
   e. The percent of total relative cover by any one species will not exceed 60%.

19. Performance Goals: off-site
   a. Construction has been completed in accordance with approved plans and specifications of the permit.
b. The wetland exhibits a saturated soil condition and/or evidence of inundation during the growing season (April-September). Data will be collected at permanently established observation locations during the monitoring period. Two water gauges will be installed within the mitigation site and monitored during the growing season to evaluate water elevations.

c. The wetland areas shall have at least an 80% coverage rate of hydrophytic plants (those with a regional indicator status of FAC, FACW, or OBL). The percent cover calculation will include PEM, PSS and PFO habitats.

d. At the end of the first year of monitoring, planted woody species will have a survivorship of at least 75%. Survivorship will be estimated each monitoring year for the duration of monitoring activities on site.

e. At the end of the third monitoring year, stem density in PSS and PFO areas shall be at least 200 stems per acre. At the end of the fifth monitoring year, woody plant species in PSS and PFO area shall have a stem density of 300 plants per acre. At the end of the monitoring period, woody plant species in PSS and PFO areas shall have a stem density of 400 plants per acre.

f. At the end of the third monitoring year, woody plants in PSS and PFO areas shall have a relative cover rate of 30%. At the end of the fifth monitoring year, woody plants in PSS and PFO area shall have a relative cover rate of 50%. At the end of the 10 year monitoring period, woody plants in PSS and PFO areas shall have a relative cover rate of 80%.

g. At the end of the ten year monitoring period, no more than 5% of the vegetation in the restored wetland areas will cumulatively consist of purple loosestrife (*Lythrum salicaria*), common reed (*Phragmites australis*), buckthorn (*Rhamnus* spp.), narrow-leaf cattail (*Typha angustifolia*) or hybrid cattail (*Typha* x *glauc*), and no more than 15% of reed canary grass (*Phalaris arundinacea*).

h. The wetland plant community will exhibit less than 50% total relative cover by any one species.

i. At the end of the monitoring period the restored wetland areas will meet the federal wetland criteria outlined in the report entitled “Corps of Engineers Wetlands Delineation Manual”, dated January 1987, as modified by the Northeast and Northcentral Regional Supplement (January 2012).

j. The riparian buffer plant community will exhibit less than 60% total relative cover by any one species.

k. Planted seedlings/trees in the riparian buffer area will have a survivorship of at least 75% for the duration of the monitoring period.

l. The stream bank shall exhibit that 70% of its vegetative cover has a deep binding root mass.

m. There should be insignificant changes (<10%) from the as-built longitudinal profile and cross-section profiles. Bank pins (i.e., bank profiles) will be installed at permanent cross section locations, as described in the approved plans.

20. Your responsibility to complete the required compensatory mitigation as set forth in Special Conditions 13-19 will not be considered fulfilled until you have demonstrated compensatory project success and have received written verification of that success from the U.S. Army Corps of Engineers.
21. Protective Covenants, On-site: Prior to conducting any work authorized by this permit, the permittee is required to place a Declaration of Conservation Covenants and Restrictions (the "deed restriction") in perpetuity on all remaining wetland and stream channels and the designated upland buffers to guarantee their preservation for wetland and wildlife resources, as depicted in Appendix D of the compensatory mitigation plan (in Attachment C of the permit). The Final deed restriction shall be written in accordance with the DRAFT deed restriction included in Appendix D of the compensatory mitigation plan. This DRAFT deed restriction has been approved by the U.S. Army Corps of Engineers. The deed restrictions shall not be removed without the written approval of the U.S. Army Corps of Engineers, Buffalo District. An approved, certified copy of the recorded deed restriction and a resolution from the permittee adopting the deed restriction and authorizing the signatory to sign the deed restriction on behalf of the permittee are required to be provided to Mr. Harold T. Keppner, Chief, Monitoring & Enforcement Section, U.S. Army Corps of Engineers, 1776 Niagara Street, Buffalo, New York 14207-3199, prior to conducting work authorized by this permit, or by an extension authorized in writing from this office.

22. Protective Covenants, off-site: The off-site mitigation parcel shall be preserved, in accordance with an 'Adopt a Natural Resource Agreement' between the permittee and the NYSDEC. The agreement shall specifically state: (1) the restricted uses as identified in Special Condition 23 of this permit, (2) that the mitigation wetland, stream and buffer areas are to be preserved and are not to be adversely impacted, and (3) that the permittee will provide materials and/or services valued up to $1,500 annually for 20 years from the execution date of the agreement to support the protection of the mitigation parcel. A draft copy of the agreement must be submitted to Margaret Crawford, Project Manager, of this office and approved, in writing, prior to execution by the permittee and NYSDEC. Once approved, the agreement will be incorporated into this permit as Attachment D. A copy of the fully executed Corps-approved agreement is required to be provided to Mr. Harold T. Keppner, Chief, Monitoring & Enforcement Section, U.S. Army Corps of Engineers, 1776 Niagara Street, Buffalo, New York 14207-3199, prior to conducting work authorized by this permit, or by an extension of this condition authorized in writing from this office.

23. The on-site mitigation parcel subject to the deed restriction and the off-site mitigation parcel subject to the Adopt a Natural Resources Agreement must be used solely for the protection of aquatic resources. Any other uses, including but not limited to the placement of buildings, roads, camping accommodations, mobile homes, fences, signs, billboards or other advertising material, filling, dredging, mining or drilling, removal of topsoil, sand, gravel, rock, minerals, or other materials, use of ATVs or other recreational motorized vehicles, or change in topography of the land in any manner (with the exception of the maintenance of small foot trails) are prohibited. There shall be no removal, destruction, or cutting of vegetation, spraying with herbicides, grazing of domestic animals, or disturbance or manipulation of these mitigation areas without first obtaining Department of the Army authorization. Control of nuisance vegetation, or any other manipulation within the mitigation parcels, shall only occur after Corps of Engineers concurrence that such management practices are necessary to ensure the long-term success of the mitigation program.
Financial Assurances:

24. The permittee must establish a reserve fund in the amount of $677,400 to provide financial assurance for the performance of all the obligations, covenants, terms, conditions, and agreements required of the permittee under this permit. The reserve fund will be established and maintained in accordance with Section 10.0 of the above incorporated compensatory mitigation plan (Attachment C). The fund shall be established prior to impacts, and a copy of the signed resolution is hereby incorporated into the permit as Attachment D.

25. The permittee shall provide materials and/or services valued up to $1,500 annually to the NYSDEC for 20 years in accordance with the Adopt a Natural Resource Agreement referenced in Special Condition No. 22.

Monitoring, Off-site Wetland Restoration:

26. A baseline wetland construction report must be forwarded to this office by December 31 in the year of completion of all mitigation construction activities, or by a Corps-approved extension date. For purposes of this special condition, "completion" means all activities associated with site grading and seeding and/or planting. The baseline report must include the following:

a. An "as-built" topographic survey of the mitigation parcel at 0.5 foot contour intervals.

b. Photographs from fixed locations with a photo-location map.

c. A list of plants introduced through seeding and/or planting.

d. Water depth and date of measurement from representative locations within the mitigation parcel. The sample points will be fixed locations and shall be plotted on a map.

e. A list of any modifications that were made from the original compensatory mitigation plan.

27. The permittee is required to submit annual monitoring reports for the off-site wetland restoration project to this office for the first ten (10) years following completion of the mitigation construction based upon data collected during each monitored year between June and October. The reports must follow the requirements outlined in Regulatory Guidance Letter No. 08-03 (Minimum Monitoring Requirements for Compensatory Mitigation Projects Involving the Restoration, Establishment, and/or Enhancement of Aquatic Resources). The first annual report is due by December 31 in the year following completion of mitigation construction, or by a Corps-approved extension date. For purposes of this special condition, "completion" means all activities associated with site grading and seeding and/or planting. All reports must be submitted to Mr. Harold Keppner, Chief, Monitoring & Enforcement Section by December 31 of the year due, or by a Corps-approved extension date. This requirement may be waived for years 3, 5, 7 and 9 if the mitigation is shown to meet performance criteria listed in the permit and compensatory mitigation plan. These reports must include:

a. Comparison of site conditions to an as-built survey.
b. Wetland Delineation, including a map of wetland boundary.
c. Photographs (minimum 5) from fixed locations with a photo location reference map.
d. Plant species list with the following information:
   • Wetland Indicator Status and status;
   • Dominant plants and percent cover; and
   • A list of plants introduced through seeding or planting.
e. Water depth and date of measurement from representative locations within the mitigation parcel during the growing season. The sample points will be fixed locations and shall be plotted on a map.
f. Fish and wildlife observations at the mitigation parcel.
g. Summary statement regarding the perceived success of the wetland creation project. The report will evaluate the goals/performance standards as set forth in the permit or compensatory mitigation plan as well as current wetland functions. These reports must also address any potential problem areas and include suggestions and timetable for correction if it is anticipated that projected goals may not be met.
h. Date(s) of field inspection(s).

Monitoring, Off-site Stream Restoration:
28. A baseline stream restoration construction report must be forwarded to this office by December 31 in the year of completion of all mitigation construction activities, or by a Corps-approved extension date. For purposes of this special condition, "completion" means all activities associated with site grading and seeding and/or planting. The baseline report must include the following:

   a. An "as-built" topographic survey of the stream bank, including water level elevations, and linear feet of stream bank. Monitoring stations, boundaries of various vegetation communities, planting zones and rock vanes will also be identified on the drawings.
   b. Color photographs from monitoring stations and a photograph location map showing all representative areas along the stream restoration site.
   c. A list of plants introduced through seeding and/or planting.
   d. A list of any modifications that were made from the original compensatory mitigation plan.

29. The permittee is required to submit monitoring and/or compliance reports for the off-site stream restoration project to this office for the first five (5) years following completion of the stream restoration construction based upon data collected during each monitored year. Data on the stream portion of the mitigation project will be collected annually for a five-year monitoring period with no less than two bankfull events recorded throughout the monitoring period. To ensure the structural integrity and functions of the restored in-stream structures and riparian buffers, monitoring data will be collected twice (at a minimum) during the first monitoring year, once following the first spring flood event (i.e., March-April), and once at the end of the first full growing season following the completion of site construction. Monitoring years 2, 3, 4, and 5 will be completed annually at the end of the growing season (i.e., August-September). The reports must follow the requirements outlined in Regulatory Guidance Letter No. 08-03 (Minimum
Monitoring Requirements for Compensatory Mitigation Projects Involving the Restoration, Establishment, and/or Enhancement of Aquatic Resources. The first annual report is due by December 31 in the year following completion of mitigation construction, or by a Corps-approved extension date. For purposes of this special condition, "completion" means all activities associated with site grading and seeding and/or planting. All reports must be submitted to Mr. Harold Keppner, Chief, Monitoring & Enforcement Section by December 31 of the year due, or by a Corps-approved extension date. These reports must include:

a. A surveyed drawing of the stream bank, including water level elevations, and linear feet of stream bank. Monitoring stations, boundaries of various vegetation communities, planting zones and rock vanes will also be identified on the drawings.
b. Color photographs from monitoring stations and a photograph location map showing all representative areas along the stream restoration site.
c. A collection of basic information on the vegetative buffer and bank stability at three fixed locations within the stream enhancement areas. Data will include, bankfull height, bank angle, streambank root mass (total number of species with deep roots, such as trees, shrubs, sedges), plant species composition, percent areal cover, and buffer width. Collected woody vegetation data will include average species height and average species diameter at breast height of individuals greater than 7 meters in height.
d. A survival estimate and growth observations (height and dbh) of planted shrubs and trees.
e. An evaluation of stream restoration and stabilization. This will be completed by collecting baseline data such as longitudinal and cross-section bank profiles (max depth at bankfull, bank height ratio, substrate characteristics, and bank elevation).
f. A final post-construction habitat assessment and as-built survey will be completed to document existing conditions along the restored stream bank. A comparison of the pre-and post site conditions will assist with quantifying the ecological gain of the mitigation.

Monitoring, On-site Stream Buffer Enhancement:

30. A baseline stream enhancement report must be forwarded to this office by December 31 in the year of completion of on-site stream buffer enhancement activities, or by a Corps-approved extension date. For purposes of this special condition, "completion" means all activities associated with site grading and seeding and/or planting. The baseline report must include the following:

a. An "as-built" survey identifying completed activities
b. Photographs from fixed locations with a photo-location map.
c. A list of plants introduced through seeding or planting.
d. A list of any modifications that were made from the original plan.

31. The permittee is required to submit monitoring and/or compliance reports for the on-site stream buffer enhancement project to this office for the first ten (10) years following completion of the mitigation construction based upon data collected during each
monitored year between June and October. Monitoring shall be conducted in years 1, 2, 4, 6, 8 and 10 after completion of stream buffer enhancement activities. The reports must follow the requirements outlined in Regulatory Guidance Letter No. 08-03 (Minimum Monitoring Requirements for Compensatory Mitigation Projects Involving the Restoration, Establishment, and/or Enhancement of Aquatic Resources). The first report is due by December 31 in the year following completion of stream buffer enhancement activities, or by a Corps-approved extension date. For purposes of this special condition, "completion" means all activities associated with site grading and seeding and/or planting. All reports must be submitted to Mr. Harold Keppner, Chief, Monitoring & Enforcement Section by December 31 of the year due, or by a Corps-approved extension date. These reports must include:

a. A map showing the locations of the enhancements, monitoring stations and photo points.
b. Color photographs from monitoring stations and photo points.
c. Comparison of site conditions to an as-built survey.
d. A list of plants introduced through seeding or planting.
e. Existing plant species list including dominant plants and percent cover.
f. Summary statement regarding the perceived success of the stream buffer enhancement project. The report will evaluate the goals/performance standards as set forth in the permit or compensatory mitigation plan. These reports must also address any potential problem areas and include suggestions and timetable for correction if it is anticipated that projected goals may not be met.
g. Date(s) of field inspection(s).
h. A collection of basic information on the vegetative buffer at 10 fixed locations in the enhanced stream buffer areas, including plant species composition, percent areal cover, and buffer width. Collected woody vegetation data will include average species height and average species diameter at breast height (dbh) of individuals greater than 7 meters in height.
i. A survival estimate and growth observations (height and dbh) of planted shrubs and trees.
j. A list of wildlife species observed within the enhanced stream segments and associated riparian buffer areas.
k. A quantitative assessment of monitoring data and a statement as to whether or not the goals of the mitigation project are being met. If required, a plan with an implementation timetable to correct any deficiencies will also be provided.
LIST OF ATTACHMENTS, DA PERMIT NO. 1989-9811:

Attachment A: The New York State Department of State concurrence with the New York Coastal Zone Management Plan certification for the mitigation site at Skinner Road, in the Town of Ellisburg, Jefferson County, New York.

Attachment B: The Section 401 Water Quality Certification issued for this project by the State of New York (dated January 3, 2017).


Attachment D: Signed resolution establishing the reserve fund providing for financial assurance (Board Resolution No. 2015-01-13; January 29, 2015)
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EXHIBIT C

CONSERVATION FUNCTIONS AND SERVICES

The Property is in a rural setting and includes 107 acres of wetlands, 45,651 linear feet of stream and 328 acres of upland buffer on lands owned and managed by the Development Authority of the North Country (the Declarant) in the Town of Rodman, Jefferson County New York. The Property is in the Tug Hill Transition (THT) Ecozone where land slowly transitions to the higher elevations and steeper topography associated with the Tug Hill Plateau. The Property is also in the headwater reaches of the Fish Creek-Sandy Creek which is a subwatershed of the Salmon-Sandy Creek Basin (HUC: 04140102). There is currently no approved watershed management plan for the Salmon-Sandy Creek Basin; however, two natural resources assessment reports have been published for this watershed and a watershed assessment was conducted by Conservation Connects on behalf of the Declarant to provide a broader geographic context to guide land use decisions and natural resources management at the Solid Waste Management Facility (SWMF). Based on these assessments, the Property is part of an intact headwater system dominated by natural land cover including intact forest blocks, stream buffers and headwater wetlands. Water quality is rated as “good.” Conservation goals emphasize protection and enhancement opportunities. In contrast, the lower reaches of the Salmon-Sandy have experienced greater development due to agriculture and loss of forested buffers and wetlands. This trend is reflected in poorer water quality downstream. As recommended by watershed assessments, protection of this Property will strategically protect and enhance lands in the headwater reaches of the basin where relatively abundant, high quality headwater wetlands and streams currently exist.

Wetlands on the Property were grouped into one of three classes based on condition assessments and a review of the functions and values that each wetland area was determined to provide. Conditions assessments were based on qualitative factors including presence of native vegetation, level of disturbance, connectivity, covertype, diversity and hydrological characteristics. An assessment of functions and values was conducted using the Highway Methodology Workbook Supplement. Based on these assessments, most wetlands fall into Class A or Class B. Only a few wetlands fell into Class C primarily due to disturbance of ongoing land uses associated with operation of the landfill. Wetlands are generally of high quality with intact buffers and provide multiple functions (primarily flood-flow alteration, nutrient removal/retention/ transformation, sediment/toxicant/pathogen retention and wildlife habitat).

A series of small ephemeral and intermittent streams are located on the Property and connect headwater wetlands with two main tributaries (perennial streams) that flow into Fish Creek, referred to as the Southern and Northern Tributary. These tributaries generally flow southeast to northwest across the site. Springs, rocky headwater, marshy headwater and intermittent stream communities comprise the majority of stream habitats on the Property. Many of these streams are part of a mature, intact riparian corridor that provide a range of functions, including terrestrial and avian habitats, input of coarse
organic material to the stream food-web, stabilization of streambanks and cool water inputs to higher-order perennial reaches downstream. Some streams have been impacted by human activities; primarily clearing of streambank vegetation to accommodate agriculture. The enhancement activities proposed along 8,102 linear feet of stream will establish and maintain an approximate 100' forested/scrub-shrub buffer along both sides of streams that have lost this woody riparian edge. These areas will be planted with native woody tree and shrub species to establish native plant communities where woody buffers are currently absent. Planted species will consist primarily of those found in existing riparian buffers and native plants known to be less palatable to deer or that can withstand heavy browsing. Enhancement is intended to improve existing buffer area functions to the level of the intact riparian corridors described above.

Buffers protected as part of this Property include approximately 100' around the outside of each delineated wetland boundary and on both sides of each protected stream; in some locations, the width of the buffer may be less than 100’ due to nearby landfill facility features. These buffers are a mix of upland habitats including mature deciduous and coniferous forests, early successional shrubland, grasslands and open field. While the ecological communities on the Property are not considered rare, these communities are diverse and dominated by native flora providing habitat for hundreds of wildlife species. Declarant has developed a Natural Resources Management Plan to provide stewardship that will maximize the ecological value of these areas and provide important habitat for wildlife and compatible recreational and educational opportunities for people.
EXHIBIT D

MANAGEMENT AND MAINTENANCE ACTIVITIES

The Property is part of an active solid waste management facility (SWMF) managed by the Declarant and includes features that are necessary for operation in compliance with applicable regulations, the Declarant's SWMF permit, and the Declarant's Natural Resources Management Plan. These features include groundwater and surface water monitoring stations, utility trails, public recreation and education trails, wildlife observation areas, and roads. The attached figure (Exhibit D Map) shows the location of these features and their location relative to the Property. This exhibit briefly describes the purpose of the features and provides an overview of the existing and ongoing management and maintenance activities required to maintain these features.

1. **Groundwater and Surface Water Monitoring Stations**

Groundwater and surface water monitoring on the SWMF is a regulatory requirement (6 NYCRR Part 360) and environmental stewardship necessity. There are currently multiple groundwater monitoring wells located within or adjacent to the Property in protected upland buffers and several surface water monitoring points located in streams or wetlands. These stations are visited by the Declarant's staff regularly using off road vehicles and motorized vehicles to record hydrology data necessary to help ensure the environmentally sound operation and management of the SWMF. Ongoing management and maintenance activities associated with these features include clearing, cutting or mowing limited amounts of vegetation to maintain space and allow access to each station; the replacement and repair of wells, point markers, flags and signage; and maintenance of access trails (utility trails) as described below.

2. **Utility Trails, Public Use Trails and Wildlife Observation Areas**

The Property is bisected in various locations by several existing utility trails and the Landfill Gas to Energy Interconnect Power Line. Utility trails are 10-15 feet wide, unpaved, and maintained to primarily provide access to surface water and groundwater monitoring stations. Trails are also used by the Declarant's staff to clean up any light debris that may have blown from the active face of the landfill. Access to all portions of the Property is necessary to allow the Declarant to remove any waste that blows onto the Property in accordance with the requirements of applicable laws and regulations and Declarant's Part 360 SWMF Permit. Public use trails and foot paths to wildlife observation areas are presently unpaved and managed to provide public outdoor recreation and education opportunities on the facility. Ongoing management activities required to maintain utility trails, the Landfill Gas to Energy Interconnect Power Line and public use trails and foot paths include limited clearing, cutting or mowing, hand grading to maintain dry conditions, and use of off road vehicles and motorized vehicles.
3. Roads

The Property is bisected by two roads: the access road (entrance drive) and Dona Road. Dona Road is a gravel road maintained to provide access primarily to the northern portion of the facility, though it extends to the southern SWMF boundary. Ongoing management activities required to maintain Dona Road include grading, clearing, cutting or mowing, ditch maintenance, and use of motorized vehicles.
EXHIBIT E
LIST OF ENCUMBRANCES

There are no encumbrances.
COMMUNITY DEVELOPMENT LOAN FUND
51-53 MARKET STREET, L.P.
LOAN MODIFICATION

Whereas, Resolution No. 2002-04-09 approved a loan to 51-53 Market Street, L.P. in the amount of $200,000 from the Community Development Loan Fund, and

Whereas, this is a marginal project with 6 low income housing tax credit units and 2 commercial spaces located in downtown Potsdam, and

Whereas, this project continues to struggle to maintain occupancy in the Village of Potsdam as students are not eligible to occupy low-income housing tax credit units, and

Whereas, the Project Development Committee approved a request on June 12, 2014 to reduce the interest rate from 4% to 1%, lowering the payments to $708.33 per month as the project was struggling with occupancy issues, and

Whereas, the Project Development Committee at its June 25, 2015 meeting extended the modification for an additional 12 months due to continued occupancy issues, and

Whereas, Resolution No. 2016-08-100 approved extending the modified interest rate and payment amount for an additional 24 months beginning with the July 1, 2016 payment and ending with the June 1, 2018 payment, and

Whereas, the loan will balloon on March 1, 2020, and

Whereas, the borrower has requested that the modified interest rate and payment amount be extended for the remaining term of the loan retroactive to the July 1, 2018 payment, and

Whereas, it is in the interest of the Authority to restructure this loan in order to collect on the debt while maintaining this affordable housing in the Village of Potsdam, and

Whereas, the borrower has been current on its payments to the Authority, and

Whereas, all other terms and conditions of the loan would remain the same.

Now, upon the recommendation of the Project Development Committee, therefore be it

RESOLVED, the Development Authority of the North Country does hereby approve the loan modification for 51-53 Market Street, L.P. to extend the interest rate for an additional 148 months at 1% at the monthly payment amount of $708.33 to begin with the July 1, 2018 payment, and authorizes the Executive Director to execute all necessary documentation.
Motion by: A. Calligaris
Seconded by: F. Carter

Calligaris - Yes   Hefferon - Yes   Johnson – Yes   Mastascusa - Yes
Carter – Yes      Hollenbeck - Present  MacKinnon – Yes  Murray - Yes
Doheny – Present  Hunt - Present     McGrath - Absent  Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-99 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

[Signature]
Gary Turck
Board Chairman
TERM SHEET

Borrower: 51-53 Market Street, L.P.
Loan Fund: Community Development Loan Fund
Amount: $98,222.68 (as of 7/1/2018) This may be adjusted as payments are made.
Loan Term: 148 months
Loan Rate: 1%
Loan Payment: $708.33 monthly
Collateral: First mortgage on real estate located at 51-53 Market Street, Potsdam, NY
Assignment of rents and leases
TO: Project Development Committee

FROM: Michelle L. Capone
Director of Regional Development

DATE: August 14, 2018

SUBJECT: Loan Modification – 51-53 Market Street, LP

51-53 Market Street L.P. owns and operates the building located at 51-53 Market Street, Potsdam, NY. The St. Lawrence County Housing Council is the general partner in the project. In 2002, the Housing Council took on the task to redevelop the buildings located at 51-53 and 55-57 Market Street after they were destroyed by fire in 1998. 51-53 Market Street has 6 low-income housing tax units—3 2-bedroom and 3 3-bedroom. It has two commercial units.

In June 2014, the PDC approved reducing the interest rate on the loan from 4% to 1%. The payment went from $1,211.96 to $708.33. This modification was approved for twelve months. The PDC then extended the modification for an additional twelve months at its meeting on June 25, 2015, and extended it again with Resolution No. 2016-08-100 for an additional 24 months. This extension is set to expire July 1, 2018.

As discussed in 2016, this is a marginal project with 6 units and 2 commercial spaces. The project barely broke even in 2016 with a net loss of $36 after adding back depreciation of $39,221. The project lost $7,674 in 2017 after adding back depreciation of $39,221. This was primarily due to a write-off of bad debt in the amount of $8,517. The project is still not in a position for payments to return to the $1,211.96 per month at the 4% interest rate. The loan will balloon on March 1, 2020. The balloon would be approximately $80,227 if the Housing Council returned to full principal and interest payments on 7/1/2018 in the amount of $1,211.96.

Staff feels that it is in the Authority’s interest, and the project’s interest, to modify the loan today in order to accommodate the full repayment of the loan rather than to continue to modify the loan with the expectation of a balloon at the end of the term. In order to fully amortize the loan it will take an additional 148 months, or about 12 years, to fully repay the loan at $708.33 per month. The principal balance on 7/1/18 was $98,222.68. The Authority has a first mortgage on the property.

Over the long term, the Housing Council will look at options for the property as it will be coming out of its first 15-year compliance period at the end of 2019. It will have an extended use period for an additional 15 years after this. Authority staff will work with the Housing Council as they consider all options for the property.

Recommendation: Staff recommends that we keep the monthly payment at $708.33 at a rate of 1% for an additional 148 months beginning with the July 1, 2018 payment. Staff will continue to work with the Housing Council has it considers all options for the property.
NORTH COUNTRY REDEVELOPMENT LOAN FUND
624 CAMP AVENUE LLC
RATIFYING LOAN AND GRANT

Whereas, Resolution No. 2015-08-91 established the North Country Redevelopment Fund, and

Whereas, the Regional Loan Review Committee can make commitments for loans up to $250,000, and grants up to $250,000, for a total combined grant/loan amount of $500,000 with the Authority Board ratifying the request at its next meeting, and

Whereas, the Regional Loan Review Committee met on August 14, 2018 to review an application from 624 Camp Avenue LLC, and

Whereas, 624 Camp Avenue, LLC has acquired 75 Public Square, Watertown and proposes to renovate the building for commercial space, and

Whereas, the City of Watertown supported the project by submitting a Main Street grant application to the state in July, and

Whereas, the Regional Loan Committee is recommending a commitment of up to $500,000, comprised of a $250,000 loan and a $250,000 grant consistent with the program guidelines.

Now, upon the recommendation of the Project Development Committee, therefore be it

RESOLVED, the Development Authority of the North Country does hereby ratify the grant/loan commitment in the amount of up to $500,000 ($250,000 loan/$250,000 grant) from the North Country Redevelopment Fund to 624 Camp Avenue LLC at the terms and conditions outlined on the attached Term Sheet, consistent with the Empire State Development program requirements and further authorizes the Executive Director to execute all documents necessary to make the loan, and be it further

RESOLVED, this is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.
Motion by: A. Calligaris
Seconded by: D. Mastascusa

Calligaris - Yes    Hefferon - Yes    Johnson – Yes    Mastascusa - Yes
Carter – Yes       Hollenbeck - Present  MacKinnon – Yes    Murray - Yes
Doheny – Present   Hunt - Present      McGrath - Absent   Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-100 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

[Signature]
Gary Turck
Board Chairman
TERM SHEET

Borrower: 624 Camp Avenue LLC

Loan Fund: North Country Redevelopment Fund

Amount: up to $500,000 ($250,000 loan/$250,000 grant)

The grant to loan amount will always be 1:1

Loan Term: 240 months

Loan Rate: 1%

Loan Payment: Interest-only for first 12 months during construction; then principal and interest to fully amortize the loan over remaining term

Collateral: First mortgage on real estate located at 75 Public Square, Watertown, NY 13601

Assignment of rents and leases

First secured lien on all assets of 624 Camp Avenue LLC

Guarantors: Kenneth G. Bodah Jr. and Michael Pierce

Conditions:

-Owner cash equity of $282,500

-Main Street NY Grant financing of $500,000

-National Grid Grant financing of $100,000

-Third party broker opinion, or an as completed appraisal of building with a minimum value of $250,000 for a 1:1 loan-to-value

-Acceptable MWBE utilization plan, or waiver if applicable

-Recapture Provision over 10 years on grant portion

-Copies of invoices and cancelled checks or bank statements

-Loan will be disbursed as construction loan
Development Authority of the North Country  
August 14, 2018

BORROWER: 624 Camp Avenue, LLC

BUSINESS ADDRESS: 220 Elm Street, Watertown, NY 13601

PROJECT ADDRESS: 75 Public Square, Watertown, NY 13601

OWNERSHIP: Kenneth Bodah – 50%  
Michael Pierce – 50%

PROGRAM: North Country Redevelopment Fund

AMOUNT REQUESTED: up to $500,000 ($250,000 loan/$250,000 grant)

LOAN TERM: 240 months

INTEREST RATE/PAYMENTS: 1%; First twelve months interest only then P&I to amortize loan over remaining 228 months.

PRIMARY COLLATERAL: First mortgage on real estate located at 75 Public Square, Watertown, NY 13601. Lien on all machinery, equipment, furniture, fixtures, inventory, accounts receivable and general intangibles of business.

GUARANTORS: Kenneth G. Bodah Jr. and Michael Pierce

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</tr>
<tr>
<td>NYS Main Street Program Grant</td>
<td>$500,000</td>
<td>Construction $1,300,000</td>
</tr>
<tr>
<td>National Grid Grant</td>
<td>$100,000</td>
<td>Grant Administration $5,000</td>
</tr>
<tr>
<td>Owner Cash/Equity</td>
<td>$282,500</td>
<td>Total Uses $1,382,500</td>
</tr>
<tr>
<td>Total Sources</td>
<td>$1,382,500</td>
<td>Total Uses $1,382,500</td>
</tr>
</tbody>
</table>

Main Street Program - Pending
Owner Cash/Equity - $282,500 which includes acquisition of the building of $77,500
National Grid Grant – Pending
PROJECT OVERVIEW:

Kenneth Bodah Jr. and Michael Pierce formed 624 Camp Avenue, LLC to acquire and renovate 75 Public Square, Watertown. This building is located adjacent to a restaurant that is owned by Mr. Pierce and Mr. Bodah’s wives, along with another individual. Neither Mr. Pierce nor Mr. Bodah have an ownership interest in the restaurant.

In June 2018, 624 Camp Avenue LLC purchased 75 Public Square. The long-vacant 3-story building is located on Public Square in the heart of downtown Watertown. While Watertown was the recipient of the Downtown Revitalization Initiative in 2017, this project did not come to fruition until after the process of identifying projects was completed. Therefore, it is not receiving DRI funding.

In recent years, many of the buildings on Public Square have been revitalized while 75 Public Square remains a source of blight. The new owners have planned a full-scale renovation of the building to house commercial enterprises. The renovation of this building will complement the restaurant and other businesses on the street.

The Main Street funding will focus on replacing the roof, repairing the foundation, installing a concrete slab floor in the basement, repairing the stairs, installing an elevator, installing new HVAC, electrical, plumbing, and sprinkler systems and building out 2 tenant spaces. These spaces would be located in the basement and first floor. The basement will be 2,400 square feet of commercial space while the first floor will be 2,400 square feet. When completed the space will be finished with white walls for a tenant to occupy.

The Redevelopment Funds would be used to assist with the build-out of the second and third floors for commercial tenants. The second floor will provide 2,400 square feet and the third floor will provide 1,200 square feet of commercial space. Again it will be completed with white walls for a tenant to occupy.
Development Authority of the North Country  
August 14, 2018

Businesses have already expressed interest in the building. Those expressing interest include a restaurant and café/bakery, among others. This project has the potential, through the tenants, to create 30 FTE jobs when fully built-out.

The applicants will not hear about the Main Street award until December. They would begin the project in 2019 with the goal of completing by the end of 2019 or early 2020.

Mr. Pierce and Mr. Bodah will oversee management of the property.

FINANCIAL ANALYSIS:

<table>
<thead>
<tr>
<th>FYE December 31</th>
<th>Projected</th>
<th>Projected</th>
<th>Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Year 1</td>
<td>Year 2</td>
<td>Year 3</td>
</tr>
<tr>
<td>Revenues</td>
<td>$72,000</td>
<td>$79,200</td>
<td>$87,120</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>$72,000</td>
<td>$79,200</td>
<td>$87,120</td>
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<tr>
<td>Expenses</td>
<td>$18,888</td>
<td>$19,248</td>
<td>$19,798</td>
</tr>
<tr>
<td>Other Income (Expense)</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Net Income</td>
<td>$53,122</td>
<td>$59,952</td>
<td>$67,322</td>
</tr>
</tbody>
</table>

| Add: Interest   | 2,496     | 2,496     | 2,496     |
| Add: Depreciation | 0       | 0         | 0         |
| Total Cash Available for Debt | $55,618 | $62,448   | $69,818   |

| Redevelopment Fund | 14,453 | 14,453 | 14,453 |
| Total Debt        | $14,453 | $14,453 | $14,453 |
| Debt Service Coverage Ratio | 3.85 | 4.32   | 4.66   |

Sales Growth  
Gross Profit Ratio  
Expenses to Revenue Ratio  
Income Ratio  

Redevelopment Fund-20 years @ 1%, assumes full principal and interest payments above

- The projections were prepared by the applicants.

- Total leasable space is 8,400 square feet upon completion of the project. The projections conservatively assume 3,600 square feet of leasable space at $20 per square foot. This assumes that only the basement and first floors will be leased initially. This assumes lease payments of $4,000 per month for each tenant occupying 2,400 square feet. The applicants felt that the market could bear this amount for a restaurant-type business. This would not be office space. The second and third floors would be completed with the Redevelopment Fund proceeds.

- Primary expenses will be maintenance, $3,000, insurance, $3,000, management fee, $2,400, and taxes, $2,004. Upon further review the taxes are estimated at the current amounts. These will obviously increase with the improvements to the building. Even
Development Authority of the North Country  
August 14, 2018

if they double there will still be sufficient cash to repay debt service. In terms of the utilities, each unit will be metered separately. The building owner will be responsible for common areas only.

- At this time, the only proposed debt in the project will be the loan from the Development Authority of the North Country.

- If projections hold true there would be more than sufficient cash flow to repay debt. Even if they do not, with the significant grant and cash infusions into the project and the minimal debt on the property, the business is well positioned financially.

<table>
<thead>
<tr>
<th>Balance Sheet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
</tr>
<tr>
<td>Fixed Assets</td>
</tr>
<tr>
<td>Total Asset</td>
</tr>
<tr>
<td>Current Liabilities</td>
</tr>
<tr>
<td>Long Term Liabilities</td>
</tr>
<tr>
<td>Total Liabilities</td>
</tr>
<tr>
<td>Equity</td>
</tr>
<tr>
<td>Total Equity and Liabilities</td>
</tr>
</tbody>
</table>

- Current assets include cash of $5,000. This will be paid to the City of Watertown to administer the Main Street Grant. This was written into the grant.

- There are no current liabilities as we are proposing interest only for the first year due to construction.

- The significant grant funding into the project results in a very positive debt to equity ratio of .22.

MANAGEMENT: Kenneth Bodah Jr. lists assets of $1.3 million and liabilities of $553,000. Primary assets are in IRA and other retirement accounts, and real estate totaling $1.1 million. Real estate includes primary residence and various rental properties in Watertown. Liabilities comprised primarily of mortgages of $459,350. He lists a salary of $73,000, and real estate and other income as well. Mr. Bodah has a TransUnion credit score of 779.

Michael Pierce lists assets of $339,000 and liabilities of $144,000. His primary assets are in non-marketable securities, real estate of $172,000, and vehicles of $45,500. His real estate is in his share of a jointly owned cottage and his share in the building located at 75 Public Square. His primarily liabilities are in vehicle loans of $35,500 and a mortgage of $98,000. He reports income of $100,000. Mr. Pierce has a TransUnion credit score of 647. He does show a collection totaling $1437 however he states that this was paid. It was for medical reasons.

COLLATERAL:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
<th>Discount (75%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>75 Public Square building with improvements</td>
<td>$1,377,500</td>
<td>$1,033,125</td>
</tr>
<tr>
<td>Less: Development Authority of the North Country</td>
<td>$250,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>Total Debt</td>
<td>$250,000</td>
<td>$250,000</td>
</tr>
</tbody>
</table>
Development Authority of the North Country  
August 14, 2018

LTV: 18.1% 24.2%  
- Redevelopment fund will require a third party broker opinion or as completed appraisal with a minimum value of $250,000 to have a 1:1 LTV  
- Assessed for $86,900, full market value $94,457 [City Assessment Records]

CONDITIONS: 
- Owner Cash Equity of $282,500 
- Main Street NY financing of $500,000 
- National Grid Grant of $100,000 
- Third party broker opinion or as completed appraisal with a minimum value of $250,000. 
- Acceptable MWBE utilization plan, or waiver if applicable 
- Recapture Provision over 10 years on grant portion 
- Funds to be used for improvements on 2nd and 3rd floors. 
- Guarantees from Kenneth G. Bodah Jr. and Michael Pierce 
- Copies of invoices and cancelled checks or bank statements 
- Loan will be disbursed as construction loan
Board Resolution No. 2018-08-101
August 23, 2018

HOUSING LOAN REVOLVING FUND
AYDM ASSOCIATES, LLC
LOAN MODIFICATION

Whereas, Resolution No. 2012-05-10 approved a loan to AYDM Associates LLC in the amount of $300,000 from the Housing Loan Revolving Fund, and

Whereas, the project included the construction of 19 3-bedroom market rate townhouse style units off of Route 37 in the Town of Pamelia, and

Whereas, the project is struggling financially to meet operating expenses, and

Whereas, the borrower has requested six months of interest-only payments retroactive to the August 1, 2018 payment, and

Whereas, on February 1, 2019 the loan will re-amortize in order for the borrower to repay the loan over the existing term of the loan, and

Whereas, the Jefferson County Industrial Development Agency and Watertown Savings Bank are considering a similar request from the borrower and the Authority’s approval will be contingent upon their approvals of this request, and

Whereas, the borrower has been current on its payments to the Authority, and

Whereas, all other terms and conditions of the loan would remain the same.

Now, upon the recommendation of the Project Development Committee, therefore be it

RESOLVED, the Development Authority of the North Country does hereby approve the loan modification for AYDM Associates, LLC for six months of interest-only payments beginning with the August 1, 2018 payment and ending with the January 1, 2019 payment with the loan re-amortizing to be repaid over the remaining term, and authorizes the Executive Director to execute all necessary documentation.

Motion by: F. Carter
Seconded by: M. Murray

Calligaris - Yes  Hefferon - Yes  Johnson – Yes  Mastascusa - Yes
Carter – Yes  Hollenbeck - Present  MacKinnon – Yes  Murray - Yes
Doheny – Present  Hunt - Present  McGrath - Absent  Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-101 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

Gary Turck
Board Chairman
TERM SHEET

Borrower: AYDM Associates, LLC

Loan Fund: Housing Loan Revolving Fund

Amount: $277,952.35 (as of 7/1/2018) This may be adjusted as payments are made.

Loan Term: 255 months as of 7/1/2018

Loan Rate: 5%

Loan Payment: Currently $1,771.81 monthly, will increase to $1,795.85 on 21/2019

Collateral: Co-proportional second mortgage on real estate
Assignment of rents and leases
Personal guarantees of Guy Javarone and Gaetano H. Javarone

Contingency: Approval of request by Jefferson County Industrial Development Agency and Watertown Savings Bank
TO: Project Development Committee
FROM: Michelle L. Capone
       Director of Regional Development
DATE: August 14, 2018
SUBJECT: Loan Modification – AYDM Associates LLC

AYDM Associates LLC owns and operates the 19 unit 3-bedroom market rate townhouses on
Graham Road in the Town of Pamela. The principles in AYDM Associates are Guy Javarone and
his son, Gaetano H. Javarone.

Mr. Javarone has approached the senior lender, Watertown Savings Bank, as well as the Development
Authority and the Jefferson County Industrial Development Agency to request 6 months of interest-
only payments.

Mr. Javarone had a bad year in 2017. He showed a loss of $73,365 on his tax return. After adding
back depreciation there was positive cash of $13,781. However interest was $114,643 and taxes were
$50,266. Mr. Javarone is concerned that he will not have sufficient cash flow to pay upcoming taxes
that are due without relief on the debt service payments. Mr. Javarone also notes in his letter to
lenders that he is actively looking to sell the property.

Staff feels that this is a reasonable request. Staff has spoken with the other lenders and they are
considering the request as well. Watertown Savings Bank approved the request. JCIDA is
considering at their September meeting. The request would be retroactive to the August 1, 2018
payment and would end with the January 1, 2019 payment. The loan would re-amortize on February
1, 2019 with payments increasing to fully amortize the loan over the remaining term.

The Authority has a co-proportional second mortgage on the real estate, assignment of rents and
leases, and personal guarantees of Guy Javarone and Gaetano Javarone.

The current balances are as follows: Development Authority, as of 8/1/2018, $277,952.35; JCIDA, as
of 7/19/2018, $183,415.02; and Watertown Savings Bank, as of 7/25/2018, $1,793,482.73.

Recommendation: Staff recommends that we allow 6 months interest-only payments beginning
with the August 1, 2018 payment and ending with the January 1, 2019 payment. The loan will re-
amortize on February 1, 2019 in order to repay the loan over its remaining term.
NORTH COUNTRY REDEVELOPMENT LOAN FUND
MCM DEVELOPMENT MALONE, LLC
LOAN MODIFICATION

Whereas, Resolution No. 2016-10-129 ratified a grant/loan to MCM Development Malone, LLC in the amount of $500,000 ($250,000 grant/$250,000 loan) from the North Country Redevelopment Loan Fund, and

Whereas, the borrower is renovating buildings located at 399-401 East Main Street in downtown Malone into commercial space for local businesses, and

Whereas, the project construction has not been completed but is on schedule, and

Whereas, the borrower is requesting an additional 3 months of interest-only with full payments beginning January 1, 2019, and

Whereas, the loan will re-amortize on January 1, 2019 to repay the debt over the remaining term of the loan, and

Whereas, the borrower has been current on its payments to the Authority, and

Whereas, all other terms and conditions of the loan would remain the same, and

Whereas, the Regional Loan Review Committee met on August 14, 2018 and approved this request.

Now, upon the recommendation of the Project Development Committee, therefore be it

RESOLVED, the Development Authority of the North Country does hereby approve the loan modification for MCM Development Malone, LLC for an additional three months of interest-only payments beginning with the October 1, 2018 payment and ending with the December 1, 2018 payment with the loan re-amortizing to be repaid over the remaining term, and authorizes the Executive Director to execute all necessary documentation.
Motion by: D. Mastascusa
Seconded by: A. MacKinnon

Calligaris - Yes  Hefferon - Yes  Johnson – Yes  Mastascusa - Yes
Carter – Yes  Hollenbeck - Present  MacKinnon – Yes  Murray - Yes
Doheny – Present  Hunt - Present  McGrath - Absent  Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-102 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

[Signature]
Gary Turk
Board Chairman
TERMSHEET

Borrower: MCM Development Malone, LLC

Loan Fund: North Country Redevelopment Fund

Amount: $500,000 ($250,000 grant/$250,000 loan) Amount disbursed as of 8/14/18 is $205,332.05 grant/$205,332.05 loan

Loan Term: 240 months

Loan Rate: 1%

Loan Payment: Currently 6 months interest-only to be revised to 9 months interest-only with loan to be amortized over remaining 231 months.

Collateral: Co-proportional first mortgage on real estate located at 399-401 East Main Street, Malone, NY 12953 Assignment of rents and leases Second lien on all assets of MCM Development Malone, LLC Personal guarantees of Michael Roesler and Darren Gough
NORTH COUNTRY REDEVELOPMENT LOAN FUND
NORTH AMERICAN FOREST GROUP INC.
ACQUIRE AND REDEVELOP BUILDING AT 263 ACCO DRIVE, OGDENSBURG
RATIFYING LOAN

Whereas, Resolution No. 2015-08-91 established the North Country Redevelopment Fund, and

Whereas, the Regional Loan Review Committee can make commitments for loans up to $250,000, and grants up to $250,000, for a total combined grant/loan amount of $500,000 with the Authority Board ratifying the request at its next meeting, and

Whereas, the Regional Loan Review Committee met on August 13, 2018 to review an application from North American Forest Group, Inc., and

Whereas, North American Forest Group, Inc. proposes to acquire and renovate the former ACCO facility located at 263 ACCO Drive, Ogdensburg, to be used for warehousing and the start-up of a sawmill which has the potential to create 20 FTE jobs over three years, and

Whereas, the Regional Loan Committee is recommending a commitment of up to $400,000, comprised of a $200,000 loan and a $200,000 grant consistent with the program guidelines.

Now, upon the recommendation of the Project Development Committee, therefore be it

RESOLVED, the Development Authority of the North Country does hereby ratify the grant/loan commitment in the amount of up to $400,000 ($200,000 loan/$200,000 grant) from the North Country Redevelopment Fund to North American Forest Group, Inc. at the terms and conditions outlined on the attached Term Sheet, consistent with the Empire State Development program requirements and further authorizes the Executive Director to execute all documents necessary to make the loan, and be it further

RESOLVED, this is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.
Motion by: F. Carter
Seconded by: A. Calligaris

Calligaris - Yes  Hefferon - Yes  Johnson – Yes  Mastascusa - Yes
Carter – Yes  Hollenbeck - Present  MacKinnon – Yes  Murray - Yes
Doheny – Present  Hunt - Present  McGrath - Absent  Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-103 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

Gary Turck
Board Chairman
TERM SHEET

Borrower: North American Forest Group, Inc.

Loan Fund: North Country Redevelopment Fund

Amount: $400,000 ($200,000 loan/$200,000 grant)

Loan Term: 240 months

Loan Rate: 1%

Loan Payment: Interest-only for first 3 months; then principal and interest to fully amortize the loan over remaining term

Collateral: Co-proportional first mortgage on real estate located at 263 ACCO Drive, Ogdensburg, NY 13669
Assignment of rents and leases
Co-proportional first secured lien on machinery and equipment of North American Forest Group, Inc.

Guarantors: Patrick Curran, Lee Curran, Timothy Curran

Conditions:
- Owner cash equity of $300,000
- St. Lawrence County IDA LDC financing of $400,000
- River Valley Redevelopment Fund financing of $100,000
- Ogdensburg Growth Fund financing of $300,000
- North Country Economic Development Fund financing of $500,000
- As completed appraisal of building and equipment with a minimum value of $1,500,000 for a 1:1 loan-to-value
- Acceptable MWBE utilization plan, or waiver if applicable
- Recapture Provision over 10 years on grant portion
- Copies of invoices and cancelled checks or bank statements
- Loan will be disbursed as construction loan, if applicable
- Phase I Environment Report
<table>
<thead>
<tr>
<th><strong>BORROWER:</strong></th>
<th>North American Forest Group, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BUSINESS ADDRESS:</strong></td>
<td>15121 State Highway 37, Massena, NY 13662</td>
</tr>
<tr>
<td></td>
<td>Project location: 263 ACCO Drive, Ogdensburg, NY 13669</td>
</tr>
<tr>
<td><strong>OWNERSHIP:</strong></td>
<td>Patrick Curran - 52%</td>
</tr>
<tr>
<td></td>
<td>Timothy Curran – 24%</td>
</tr>
<tr>
<td></td>
<td>Lee Curran – 24%</td>
</tr>
<tr>
<td><strong>AMOUNT REQUESTED:</strong></td>
<td>$400,000 ($200,000 loan/$200,000 grant); 240 months, 1%</td>
</tr>
<tr>
<td><strong>PAYMENTS:</strong></td>
<td>Three months interest only then principal and interest to amortize loan over balance of term.</td>
</tr>
<tr>
<td><strong>BUSINESS CLASSIFICATION:</strong></td>
<td>321113</td>
</tr>
<tr>
<td><strong>PRIMARY COLLATERAL:</strong></td>
<td>Co-Proportional First Mortgage on Real Estate and lien on Equipment</td>
</tr>
<tr>
<td><strong>GUARANTORS:</strong></td>
<td>Patrick Curran, Timothy Curran, Lee Curran</td>
</tr>
<tr>
<td><strong>JOB CREATION:</strong></td>
<td>Existing: 0</td>
</tr>
<tr>
<td></td>
<td>New-Year 1: 11 FTE</td>
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<tr>
<td></td>
<td>New-Year 2: 9 FTE</td>
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<tr>
<td></td>
<td>New-Year 3: 6 FTE</td>
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<tr>
<td></td>
<td>Total Jobs: 20 FTE</td>
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<tr>
<td><strong>SOURCES:</strong></td>
<td><strong>USES:</strong></td>
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<td>St. Lawrence Co. IDA LDC</td>
<td>Acquisition</td>
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<tr>
<td>DANC Redevelopment Fund-Loan</td>
<td>Renovations</td>
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<tr>
<td>DANC Redevelopment Fund-Grant</td>
<td>Site Work</td>
</tr>
<tr>
<td>River Valley Redevelopment Agency</td>
<td>Equipment</td>
</tr>
<tr>
<td>Ogdensburg Growth Fund</td>
<td>Soft Costs</td>
</tr>
<tr>
<td>North Country Economic Dev. Loan Fund</td>
<td>Total Sources</td>
</tr>
<tr>
<td>Cash Equity</td>
<td><strong>Total Uses</strong></td>
</tr>
</tbody>
</table>

SLC IDA LDC – pending – ½ WSJ Prime plus 1 set at closing (WSJ Prime 5% at 8/3/2018) for 15 years
River Valley Redevelopment Agency – pending -½ WSJ Prime plus 1 set at closing (WSJ Prime 5% at 8/3/2018) for 15 years
Ogdensburg Growth Fund – pending - ½ WSJ Prime plus 1 set at closing (WSJ Prime 5% at 8/3/2018) for 15 years
North Country Economic Development Loan Fund – pending – ½ WSJ Prime plus 1 set at closing (WSJ Prime on 8/3/2018 5%) for 15 years

**PROJECT OVERVIEW:**
North American Forest Group, Inc. (Company) was incorporated in January 2016 as an 1120S corporation. There have been no operational activities to date in the company. The Company plans to start sawmill operation by the end of 2018. The owners of the Company are Patrick, Timothy, and Lee Curran, brothers. They also own Curran Logging, Inc, started in 1984; Seaway Timber Harvesting, Inc., started in 1990, and Curran Renewable Energy, LLC, started in 2007. Curran Logging deals mainly in the production and sale of aggregate material such as topsoil, gravel and sand. Seaway Timber Harvesting annually produces and sells over 300,000 green tons of wood chips. Curran Renewable Energy annually produces and sells up to 100,000 tons of wood pellets.

Seaway Timber Harvesting sold $2 million of logs to sawmills in its most recent fiscal year end. Most of the logs were delivered outside the US to Canada. This project will provide the benefit of Seaway Timber Harvesting processing its logs locally using US labor and capturing the value of the logs here in the US rather than Canada.

Tupper Lake Hardwoods and Baillie Lumber Company in Boonville, NY will be the only competitors in this area. Baillie is large enough that the Company may sell them finished lumber. The Company feels that these two competitors will not present a problem to their ability to market all of the production from their facility.

Project

The project will also offer the benefit of providing an American source for NYS regional loggers to deliver their logs. The majority of the regional logger’s production today goes to Canada, creating higher transportation for regional loggers.

The Company will sell lumber to wholesalers. Generally, most lumber will go first to a dry shed to have moisture removed and then on to a retailer who sells to end users. There is a market for green lumber. In most cases the Company would sell directly to the market.

The Company plans to acquire the former ACCO manufacturing building in the Town of Oswegatchie and renovate it for a sawmill and wood products warehousing and distribution facility. The former ACCO property includes 143,370 square feet of space, of which approximately 120,000 is manufacturing/warehousing space. It is situated on three separate parcels totaling approximately 28 acres.

The building has not been in productive use since ACCO moved its manufacturing operations to its distribution center in Ogdensburg in 2013. After five years of non-use, the facility needs significant upgrades, including new windows, roof repairs, interior and exterior wall upgrades, the rehabilitation of the sprinkler system, updated lighting and renovations to the manufacturing space itself to accommodate the sawmill equipment and the proposed processing flow of raw logs into the building and finished product out of the building. The back wall will need to be opened to enable trucks to bring logs into the building and lumber out of the building.

The building and existing paved areas total approximately 7.8 acres on the west side of the property; the east side of the property includes an additional 19 acres of currently undeveloped land. The site itself requires upgrades as well, including paving repairs and better subgrade and paving of additional building access and truck entrance space on the east side of the property.

Equipment to be purchased and installed at the facility includes a SELECT 4221 band sawmill with a 75 HP electric motor and a 10 HP motor hydraulic pump and related equipment as well
as a SELECT 4106E HD Edger with 30 HP electric motor and related equipment. Other necessary equipment will include material handling equipment and forklifts necessary to handle and move both logs and finished wood products.

Working capital for the project will come from sister businesses. The project has the potential to create 20 FTE jobs over three years.

MANAGEMENT:

Patrick, Timothy, and Lee Curran have spent their entire working lives in the forestry business. They have grown their current businesses to a combined sales level as high as $46 million in 2015. This sawmill project was chosen to capture the value of logs produces in the Seaway Timber Harvesting chip operation rather than transfer that value to the Canadian sawmills.

FINANCIAL ANALYSIS:

<table>
<thead>
<tr>
<th></th>
<th>Projected 2019</th>
<th>Projected 2020</th>
<th>Projected 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$3,100,000</td>
<td>$6,200,000</td>
<td>$6,200,000</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>$307,862</td>
<td>$883,419</td>
<td>$809,694</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$235,200</td>
<td>$377,136</td>
<td>$378,100</td>
</tr>
<tr>
<td>Other Income/(Expenses)</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Net Income (Loss)</td>
<td>$72,662</td>
<td>$506,283</td>
<td>$431,594</td>
</tr>
<tr>
<td>+Depreciation</td>
<td>$145,714</td>
<td>$145,714</td>
<td>$145,714</td>
</tr>
<tr>
<td>Cash Available for Debt Service</td>
<td>$218,376</td>
<td>$351,997</td>
<td>$377,308</td>
</tr>
<tr>
<td>N. C. Redevelopment Fund</td>
<td>$11,164</td>
<td>$11,164</td>
<td>$11,164</td>
</tr>
<tr>
<td>SLC IDA LDC</td>
<td>$34,757</td>
<td>$34,757</td>
<td>$34,757</td>
</tr>
<tr>
<td>RVRDA</td>
<td>$8,689</td>
<td>$8,689</td>
<td>$8,689</td>
</tr>
<tr>
<td>Ogdensburg Growth Fund</td>
<td>$26,066</td>
<td>$26,066</td>
<td>$26,066</td>
</tr>
<tr>
<td>North Country Economic Dev. Fund</td>
<td>$43,446</td>
<td>$43,446</td>
<td>$43,446</td>
</tr>
<tr>
<td>Total Debt</td>
<td>$124,122</td>
<td>$124,122</td>
<td>$124,122</td>
</tr>
<tr>
<td>Debt Service Coverage Ratio</td>
<td>1.76</td>
<td>5.25</td>
<td>4.65</td>
</tr>
</tbody>
</table>

| Sales Growth                | 9.9%           | 14.2%          | 13.1%          |
| Gross Profit                | 7.6%           | 6.1%           | 6.1%           |
| Net Income (Loss)           | 2.3%           | 8.2%           | 7.0%           |
North Country Redevelopment Fund
August 14, 2018

- Revenues consist of sawmill and sawdust sales. Sawmill sales are projected to be $3 million in 2019 and $6 million in 2020 and 2021. The balance of revenue is in sawdust sales.
- The Company's assumption is that it will initially produce approximately 2.5 million board feet of lumber the first year at a $1.20 per foot. The second year we will go to a second shift. In addition to the logs available from Seaway Timber they expect to get logs from other regional loggers. The unit pricing assumptions were provided by Pat Curran based upon his experiences.
- Cost of goods sold are primarily the costs for materials (64.5%), wages (12.8%), utilities (10.7%), and depreciation (5.2%).
- Primary operating expenses are health insurance (65.5%) and office salaries (13.3%).
- Cash flow assumes full principal and interest payments for one year. If the projections hold true then the company will have sufficient cash flow from operations to repay all debt.

| Current Assets | $150,000 |
| Capital Assets – Net | $1,850,000 |
| Other Assets | $0 |
| **Total Assets** | **$2,000,000** |
| Current Liabilities | $77,758 |
| Long Term Liabilities | $1,422,242 |
| Other Liabilities | $0 |
| **Total Liabilities** | **$1,500,000** |
| **Total Shareholders Equity** | **$500,000** |
| **Total Liabilities & Shareholders Equity** | **$2,000,000** |

| Working Capital | $72,242 |
| Current Ratio | 1.93 |
| Quick Ratio | 1.93 |
| Debt to Equity | 3.0 |

- Current assets comprised of cash.
- Current liabilities comprised of the current portion of long term debt.

Curran Renewable Energy, LLC
Income Statement

<table>
<thead>
<tr>
<th>U.S. $</th>
<th>Actual 2015</th>
<th>Actual 2016</th>
<th>Actual 2017</th>
<th>Actual 6/30/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$19,416,916</td>
<td>$9,323,622</td>
<td>$9,606,473</td>
<td>$5,128,249</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>$958,027</td>
<td>$291,999</td>
<td>$714,418</td>
<td>$185,302</td>
</tr>
</tbody>
</table>

North American Forest Group, Inc.
Motion-
Second-

North Country Redevelopment Fund
August 14, 2018

<table>
<thead>
<tr>
<th>Total Expenses</th>
<th>$1,565,219</th>
<th>$1,850,232</th>
<th>$1,979,831</th>
<th>$462,432</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Income/(Expenses)</td>
<td>$626,383</td>
<td>$23,503</td>
<td>$220,489</td>
<td>($320,337)</td>
</tr>
<tr>
<td>Net Income (Loss)</td>
<td>$19,191</td>
<td>($1,534,730)</td>
<td>($1,044,924)</td>
<td>($597,467)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sales Growth</th>
<th>---</th>
<th>(52%)</th>
<th>3%</th>
<th>---</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Profit Ratio</td>
<td>.05</td>
<td>.03</td>
<td>.07</td>
<td>.04</td>
</tr>
<tr>
<td>Expense Ratio</td>
<td>.08</td>
<td>.20</td>
<td>.21</td>
<td>.09</td>
</tr>
<tr>
<td>Net Income (Loss) Ratio</td>
<td>---</td>
<td>(.16)</td>
<td>(.11)</td>
<td>(.12)</td>
</tr>
</tbody>
</table>

- Actual information from tax returns. FYE 12/31.
- Fiscal year ending 2015 was the best year the company had incurred since inception. They produced close to 100,000 tons of pellets in 2014 and 2015. In January 2016, orders slowed dramatically. There were two factors for this drop. The first was unseasonably mild winters in 2015-2017. The second was the decline in oil prices in late 2015. Many homeowners switched from using their pellet stoves to using their oil furnaces. There became an over-supply of pellets in the market due to these conditions. The market is now correcting itself.
- Other income in 2016 was a biofuel producer payment, $4,499, and FPFC patronage distribution, $18,504. FPFC patronage distribution is a pay-back amount for part of the interest the company pays each year on its loans.
- Other income in 2017 was a biofuel producer payment, $3,918, FPFC patronage distribution, $36,732, and insurance reimbursement, $177,839.
- In 2016, cost of goods sold was primarily depreciation, $1,580,555, labor, utilities, $657,349, repairs and maintenance, $274,752.
- In 2017, cost of goods sold was primarily comprised of depreciation, $1,277,115, labor, $728,230, utilities, $652,693, and repairs and maintenance, $331,041.
- In 2016, primary operating expenses were in salaries and wages, $273,674, interest, $634,612, insurance, $334,023, administrative fees, $164,364, and travel, $102,580. Compensation of officers was $27,000.
- In 2017, primary operating expenses were in salaries and wages, $189,781, interest, $647,332, insurance, $117,253, and administrative fees, $164,364. There was no compensation to officers in 2017. Insurance went down as the company began reporting differently due to staff from Seaway Timber Harvesting being utilized by Curran Renewable Energy. The expense moved from Curran Renewable to Seaway Timber.
- This was approved by Empire State Development as they provided grants to the company.
- After adding back depreciation in 2016 and 2017 the company broke-even and was slightly profitable.
- As of 6/30/2018, the company is producing close to 30,000 tons of pellets which is up from 18,459 the year before. Sales are up 18.7% over the same time last year and are on track to exceed 2017; however they are still projecting a loss at this time. Bagged wood pellets totaled $5,035,805 in sales. Depreciation/amortization was $451,238 as of 6/30/2018.

<table>
<thead>
<tr>
<th>Net Income (Loss)</th>
<th>($18,439,698)</th>
<th>($1,534,730)</th>
<th>($1,044,924)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>NA</td>
<td>$1,580,555</td>
<td>$1,277,115</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$46,825</td>
<td>$232,191</td>
</tr>
</tbody>
</table>

Curran Renewable Energy

North American Forest Group, Inc.
North Country Redevelopment Fund  
August 14, 2018

Curran Renewable Energy  
Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>Actual 2015</th>
<th>Actual 2016</th>
<th>Actual 2017</th>
<th>Actual 6/30/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>$3,791,130</td>
<td>$3,979,354</td>
<td>$4,488,021</td>
<td>$4,028,034</td>
</tr>
<tr>
<td>Capital Assets – Net</td>
<td>$8,400,571</td>
<td>$7,546,440</td>
<td>$6,170,104</td>
<td>$6,403,183</td>
</tr>
<tr>
<td>Other Assets</td>
<td>$350,608</td>
<td>$350,608</td>
<td>$350,608</td>
<td>$706,070</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$12,542,309</td>
<td>$11,876,402</td>
<td>$11,008,733</td>
<td>$11,137,287</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>$12,638,415</td>
<td>$13,037,050</td>
<td>$12,375,164</td>
<td>$12,372,089</td>
</tr>
<tr>
<td>Long Term Liabilities</td>
<td>$126,642</td>
<td>$844,912</td>
<td>$328,187</td>
<td>$279,292</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$778,004</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$12,765,057</td>
<td>$13,881,962</td>
<td>$12,703,351</td>
<td>$13,429,385</td>
</tr>
<tr>
<td>Total Shareholders Equity</td>
<td>($222,748)</td>
<td>($2,005,560)</td>
<td>($1,694,618)</td>
<td>($2,292,089)</td>
</tr>
<tr>
<td>Total Liabilities &amp; Shareholders Equity</td>
<td>$12,542,309</td>
<td>$11,876,402</td>
<td>$11,008,733</td>
<td>$11,137,287</td>
</tr>
</tbody>
</table>

|                   | ($8,847,285) | ($9,057,996) | ($7,887,143) | ($8,344,055)     |
| Current Ratio      | 3            | .31          | .36          | .33              |
| Quick Ratio        | .09          | .09          | .13          | .20              |
| Debt to Equity     | (57.31)      | (6.92)       | (7.50)       | (5.68)           |

- Current assets primarily in inventory as evidenced by the quick ratio. Inventory was $1,597,846 in 2015, $2,151,391 in 2016, $1,464,332 in 2017, and $1,580,744 year to date. As noted under the profit/loss statement, there was a glut in the market of pellets over the past two years. This is starting to correct itself. You can see this by the reduction in inventory levels and improved quick ratio.
- Primary capital assets are in land, buildings, machinery and equipment.
- Other assets are primarily composed of stock of $1,000 and the Ag Pro building at $349,608. Listed under other assets as of fiscal year-end 2018 include financing costs of $25,594 and organization costs of $329,868.
- Other current liabilities include a working capital loan with a balance of $1,220,000 at 2017 and $1,450,000 in 2018; bondholder debt that totaled $4,815,000 in 2017 and $4,360,000 in 2018; a Farm Credit East line of credit with a balance of $2,358,195 at the end of 2017 and 2018; a SLC IDA line of credit that totaled $1,354,860 at the end of 2017 and $1,352,296 at the end of 2018; and a NYPA Spec Fund investment of $1,327,592 at the end of 2017 and $1,381,680 at the end of 2018.
- Long term debt is comprised of a small working capital loan from the SLC IDA with a balance of $61,325 at the end of 2018, and a note payable due to Seaway Timber Harvesting with a balance at the end of 2017 of $67,805, and a balance of $166,791 at the end of 2018.
- Other liabilities at the end of 2018 includes a deferred gain of $778,004. This was due to a fire that destroyed the company’s warehouse.
- It is apparent that several items listed as current liabilities have terms that allow them to be paid over time; however that keep them from being long-term liabilities. This exaggerates the negative cash flow and current ratio. However, if called, then the
company would be required to pay them on demand. The company utilizes lines of credit and inter-company loans for working capital.

Curran Logging Inc.
Income Statement

<table>
<thead>
<tr>
<th>U.S. $</th>
<th>Actual 2015</th>
<th>Actual 2016</th>
<th>Actual 2017</th>
<th>Actual 6/30/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$569,704</td>
<td>$526,083</td>
<td>$838,904</td>
<td>$1,105,098</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>($33,807)</td>
<td>$389,063</td>
<td>$706,909</td>
<td>$51,836</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$83,232</td>
<td>$478,032</td>
<td>$869,779</td>
<td>$86,126</td>
</tr>
<tr>
<td>Other Income/(Expenses)</td>
<td>$132,271</td>
<td>$121,176</td>
<td>$388,007</td>
<td>$37,303</td>
</tr>
<tr>
<td>Net Income (Loss)</td>
<td>$15,232</td>
<td>$32,207</td>
<td>$225,137</td>
<td>$1,768</td>
</tr>
</tbody>
</table>

Sales Growth

- Actual information from tax returns, Form 1120. Fiscal year ending 6/30.
- Cost of goods sold in 2016 primarily section 263 A costs of $74,047, fuel of $54,191, and purchases of $30,275. In 2017 cost of goods sold were primarily section 263 A costs ($73,116), fuel ($55,980), and purchases ($23,014).
- Expenses in FYE 2016 were comprised primarily of service fees ($335,022, trucking fees ($59,304), and taxes and licenses ($30,621). Expenses in FYE 2017 were primarily service fees ($557,754), subcontractors ($206,309), and taxes and licenses ($38,527).
- Other income in 2016 includes interest ($5,687), gross rents ($108,000), capital net gains ($1,597), and finance charges and lease income ($5,892). Other income in 2017 was interest ($10,453), gross rents ($108,000), capital gain net income ($264,105), and finance charges and lease income ($5,892).
- There is minimal depreciation associated with this business. No compensation of officers is reported on the tax returns.

Curran Logging Inc.
Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>Actual 2015</th>
<th>Actual 2016</th>
<th>Actual 2017</th>
<th>Actual 6/30/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>$483,911</td>
<td>$437,033</td>
<td>$864,907</td>
<td>$747,502</td>
</tr>
<tr>
<td>Capital Assets – Net</td>
<td>$753,326</td>
<td>$707,469</td>
<td>$474,027</td>
<td>$500,638</td>
</tr>
<tr>
<td>Other Assets</td>
<td>$162,257</td>
<td>$230,418</td>
<td>$24,826</td>
<td>($3,838)</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$1,399,494</td>
<td>$1,374,920</td>
<td>$1,363,760</td>
<td>$1,244,302</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>$30,436</td>
<td>$14,905</td>
<td>$148,913</td>
<td>$34,639</td>
</tr>
<tr>
<td>Long Term Liabilities</td>
<td>$253,838</td>
<td>$234,540</td>
<td>$122,053</td>
<td>$115,100</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$284,274</td>
<td>$249,445</td>
<td>$270,966</td>
<td>$149,739</td>
</tr>
</tbody>
</table>
Motion
Second-

North Country Redevelopment Fund
August 14, 2018

<table>
<thead>
<tr>
<th>Total Shareholders Equity</th>
<th>$1,115,220</th>
<th>$1,125,475</th>
<th>$1,092,794</th>
<th>$1,094,563</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Liabilities &amp; Shareholders Equity</td>
<td>$1,399,494</td>
<td>$1,374,920</td>
<td>$1,363,760</td>
<td>$1,244,302</td>
</tr>
</tbody>
</table>

| Working Capital | $453,475 | $422,128 | $715,994 | $712,863 |
| Current Ratio | 15.90 | 29.32 | 5.81 | 21.58 |
| Quick Ratio | 2.5 | 2.77 | 3.19 | 9.07 |
| Debt to Equity | .26 | .22 | .25 | .14 |

- Current assets primarily in inventory as evidenced by the quick ratio. Inventory was $360,000 in 2015, $355,000 in 2016, $361,000 in 2017, and $337,000 year to date.
- Primary capital assets are in land, vehicles, and equipment.
- Other assets are primarily composed of a note receivable due to Seaway Timber Harvesting in the amount of $207,861 in 2016, $7,672 in 2017 and $0 in 2018. Other assets are negative in 2018 due to an unrealized loss on land in the amount of $6,239.
- Other current liabilities primarily in federal income taxes payable of $10,687 in 2016, $72,676 in 2017, and ($188) at fiscal year-end 2018.
- The company reports no long term liabilities.
- Other liabilities include deferred taxes of $225,900 in 2016, $115,100 in 2017, and $115,100 at fiscal year-end 2018.
- The company has reflected positive working capital. Debt to equity has been decreasing due primarily to the lack of long term debt and reduction in liabilities while maintaining profitability.

Seaway Timber Harvesting, Inc.
Profit and Loss

<table>
<thead>
<tr>
<th>U.S. $</th>
<th>Actual 2015</th>
<th>Actual 2016</th>
<th>Actual 2017</th>
<th>Actual 6/30/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$24,588,532</td>
<td>$21,209,828</td>
<td>$17,738,571</td>
<td>$18,550,347</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>$3,559,655</td>
<td>$2,714,642</td>
<td>$994,180</td>
<td>$2,016,616</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$3,463,867</td>
<td>$3,373,308</td>
<td>$3,284,321</td>
<td>$2,448,839</td>
</tr>
<tr>
<td>Other Income/(Expenses)</td>
<td>$1,243,024</td>
<td>$1,035,053</td>
<td>$1,836,751</td>
<td>$17,605</td>
</tr>
<tr>
<td>Net Income (Loss)</td>
<td>$1,338,812</td>
<td>$376,837</td>
<td>($453,390)</td>
<td>($414,618)</td>
</tr>
</tbody>
</table>

| Sales Growth | --- | (14%) | (16%) | 5% |
| Gross Profit Ratio | .15 | .13 | .06 | .11 |
| Expense Ratio | .15 | .16 | .19 | .13 |
| Net Income (Loss) Ratio | .05 | .02 | (.03) | (.02) |
| Net Income (Loss) | $1,338,812 | $376,837 | ($453,390) | ($414,618) |
| Depreciation | $44,885* | $1,885,786 | $1,133,616 | $1,346,949 |
| $1,383,697 | $2,262,623 | $880,226 | $932,331 |

*did not have breakdown of depreciation listed under COGS.

North American Forest Group, Inc.
Motion -
Second -

North Country Redevelopment Fund
August 14, 2018

- Actual information from tax returns, Form 1120. Fiscal year ending 6/30.
- Cost of goods sold in 2016 primarily labor ($4,717,077), purchases ($3,237,514),
equipment rental ($2,069,847), fuel ($2,890,864), and repairs and maintenance
($1,455,122). Depreciation was $1,885,786. In 2017 cost of goods sold were primarily
labor ($4,717,077), purchases ($3,237,514), equipment rental ($2,069,847), fuel
($2,890,864), repairs and maintenance ($1,455,122). Depreciation was $1,845,574.
Interest income is paid by Curran Renewable Energy to Seaway Timber Harvesting for a
note receivable.
- Expenses in FYE 2016 were comprised primarily of interest ($456,041), taxes and
licenses ($338,641), insurance expense ($827,359), and legal and professional fees
($255,789). Expenses in FYE 2017 were primarily interest ($456,041), taxes and
licenses ($338,641), insurance ($827,359), legal and professional expenses ($255,789).
- Other income in 2016 was primarily interest ($20,587), gross rents ($124,927), capital
net gains ($159,322), service income ($394,326), and FPFC patronage distribution
($112,278). Other income in 2017 was primarily interest ($16,236), gross rents
($121,495), capital gain net income ($301,812), service income ($574,626), and
equipment rental service income ($117,069).
- After adding back depreciation the company had positive cash from operations. Officers
received compensation of $655,408 in 2015, 2016 and 2017.

Seaway Timber Harvesting
Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>Actual 2015</th>
<th>Actual 2016</th>
<th>Actual 2017</th>
<th>Actual 6/30/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>$5,868,577</td>
<td>$5,949,948</td>
<td>$5,493,625</td>
<td>$5,455,927</td>
</tr>
<tr>
<td>Capital Assets - Net</td>
<td>$12,454,629</td>
<td>$12,418,805</td>
<td>$10,707,334</td>
<td>$9,484,848</td>
</tr>
<tr>
<td>Other Assets</td>
<td>$370,719</td>
<td>$1,105,380</td>
<td>$1,142,202</td>
<td>$773,607</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$18,693,925</td>
<td>$19,474,133</td>
<td>$17,343,161</td>
<td>$15,714,382</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>$4,078,849</td>
<td>$4,449,380</td>
<td>$13,417,493</td>
<td>$3,404,717</td>
</tr>
<tr>
<td>Long Term Liabilities</td>
<td>$10,754,736</td>
<td>$10,550,622</td>
<td>$837,698</td>
<td>$9,573,270</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>$1,148,456</td>
<td>$1,367,243</td>
<td>$971,935</td>
<td>$962,400</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$15,982,041</td>
<td>$16,367,245</td>
<td>$15,227,126</td>
<td>$13,940,387</td>
</tr>
<tr>
<td>Total Shareholders Equity</td>
<td>$2,711,884</td>
<td>$3,106,888</td>
<td>$2,116,035</td>
<td>$1,773,995</td>
</tr>
<tr>
<td>Total Liabilities &amp; Shareholders Equity</td>
<td>$18,693,925</td>
<td>$19,474,133</td>
<td>$17,343,161</td>
<td>$15,714,382</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Capital</td>
<td>$1,789,728</td>
<td>$1,500,568</td>
<td>($7,923,868)</td>
<td>$2,051,210</td>
</tr>
<tr>
<td>Current Ratio</td>
<td>1.44</td>
<td>1.34</td>
<td>.41</td>
<td>1.6</td>
</tr>
<tr>
<td>Quick Ratio</td>
<td>.31</td>
<td>.29</td>
<td>.11</td>
<td>.56</td>
</tr>
<tr>
<td>Debt to Equity</td>
<td>5.89</td>
<td>5.27</td>
<td>7.2</td>
<td>7.86</td>
</tr>
</tbody>
</table>

- Current assets primarily in inventory as evidenced by the quick ratio. Inventory was
$3,607,163 in 2015, $3,737,879 in 2016, $3,002,725 in 2017, and $3,228,090 year to
date. Inventory includes timber, chip, cut tree, parts, gravel, mulch and timber deposits.
- Primary capital assets are in the equipment.

North American Forest Group, Inc.
Other assets are primarily composed of annual amortization costs as follows: development costs ($100,384) and real estate investment ($364,336). Other assets include a note receivable from Curran Renewable Energy in the amount of $435,664 in 2016, $227,307 in 2017, and $167,987 in 2018. It also included an asset in progress of $264,509 in 2016 and $196,726 in 2017.

- Other current liabilities primarily in wages payable, $213,745 in 2016 and $139,154 in 2017.
- Other liabilities include deferred taxes of $1,157,500 in 2016, $962,400 in 2017, and $962,400 in 2018.
- The company has reflected positive working capital, with the exception of FYE 2017. Debt to equity has been increasing due primarily to the losses over the past two years. Debt continues to decrease.

PERSONAL CREDIT:
Patrick Curran reflects $1.7 million in assets comprised primarily of cash, $59,465, IRA and other retirement accounts, life insurance-cash surrender value, $76,000, stocks and bonds, and real estate, $1,465,000. He lists liabilities totaling $460,000 which includes mortgages on real estate totaling $453,215. He lists a salary of $300,000 and other income of $52,000. Patrick had a TransUnion credit score of 754. The report showed credit totaling $873,035 which is more than what he reported on his personal financial statement. The additional debt not reported on the personal financial statement was for a home equity, $139,923, several secured credit lines totaling, $243,459, and several small loans for vehicles and recreational items.

Lee Curran reflects $575,000 in assets and no liabilities. Assets are in cash and retirement accounts. Real estate totals $260,000. He didn't report any income on his personal financial statement. Lee had a TransUnion credit score of 793. His report showed no debt.

Timothy Curran reflects $2,280,000 in assets and $519,093 in liabilities. Assets are in retirement of $815,000 and real estate of $825,000. Liabilities comprised primarily of mortgage of $514,593. Timothy reported a salary of $197,564. Timothy had a TransUnion credit score of $796. His credit report showed credit totaling $642,972 which is more than what was reported on his personal financial statement. The additional debt not reported on the personal financial statement was for an auto loan and equipment.

COLLATERAL:
- Co-proportional first mortgage with all other public lenders on real estate located at 263 ACCO Drive, Ogdensburg.
- Co-proportional first security interest in all machinery and equipment and furniture and fixtures owned by North American Forest Group and located at 263 ACCO Drive, Ogdensburg.

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building (@ 75%)</td>
<td>$650,000</td>
<td>$487,500</td>
</tr>
<tr>
<td>Improvements (@ 75%)</td>
<td>$600,000</td>
<td>$450,000</td>
</tr>
<tr>
<td>Machinery &amp; Equipment-New (@ 50%)</td>
<td>$600,000</td>
<td>$300,000</td>
</tr>
</tbody>
</table>
Total Collateral Available | $1,850,000 | $1,237,500
Debt Service: | | |
All Public Lenders | $1,500,000 | $1,500,000
Loan to Value | .81 | 1.21

*It should be noted that the DANC Redevelopment Fund will require an appraisal that the building and equipment will have a value of, at a minimum, $1,500,000 upon completion of the improvements.*

**CONTINGENCIES:**

3. Recapture provision for grant only-10 years, 10% declining balance annually.
4. Funding commitment by St. Lawrence County IDA LDC in the amount of $400,000
5. Funding commitment by Ogdensburg Growth Fund in the amount of $300,000
6. Funding commitment by the North Country Economic Development Fund in the amount of $500,000
7. Funding commitment by the River Valley Redevelopment Fund in the amount of $100,000.
6. Owner cash equity of $300,000
9. Appraisal, or third party broker opinion, of building with equipment with a minimum value of $1,500,000 upon completion of improvements.
Board Resolution No. 2018-08-104
August 23, 2018

TECHNICAL SERVICES AGREEMENT
TOWN OF WILNA
GRANT ADMINISTRATION

Whereas, the Town of Wilna has requested technical services from the Development Authority of the North Country to provide grant administration and oversight of its NYS Office of Parks Recreation and Historic Preservation grant, and

Whereas, the Town of Wilna Community Development Director recently left the employment of the Town, and

Whereas, the Town wants to move the grant forward in a timely manner, and

Whereas, the Regional Development staff has experience in managing state and federal grants on behalf of communities, and

Whereas, the Agreement is for an amount not to exceed $7,500 to provide grant administration services and project oversight.

Now, upon the recommendation of the Project Development Committee, therefore be it

RESOLVED, the Development Authority of the North Country does hereby authorize the Executive Director to enter into a Technical Services Agreement with the Town of Wilna to provide Grant Administration and Project Oversight for its NYS Office of Parks Recreation and Historic Preservation grant.

Motion by: F. Carter
Seconded by: M. Murray

Calligaris - Yes  Hefferson - Yes  Johnson – Yes  Mastascusa - Yes
Carter – Yes  Hollenbeck - Present  MacKinnon – Yes  Murray - Yes
Doheny – Present  Hunt - Present  McGrath - Absent  Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-104 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

Gary Turck
Board Chairman
DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

PROFESSIONAL SERVICES AGREEMENT

WITH THE

TOWN OF WILNA

This Agreement entered into this _____ day of ____________ 2018, by and between:

TOWN OF WILNA, a municipal corporation of the State of New York having an office building and principal place of business located at 414 State Street, Carthage, New York 13619, herein after referred to as "Town",

And

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY, a public benefit corporation organized and existing under the laws of the State of New York, having an office and principal place of business located at 317 Washington Street, Watertown, New York 13601, hereinafter referred to as "Authority".

Recitals

A. The Town has requested technical services from the Authority to oversee the administration of a grant from the New York State Office of Parks Recreation & Historic Preservation, hereinafter the “Grant”. At its Board meeting held on ________________, 2018, the Board selected the Authority to assist the Town to provide these services. A copy of this Resolution has been attached as Exhibit A.

B. The Authority has been providing similar services for several communities in the North Country.

C. This Agreement is authorized under Section 2704(17) of the Public Authorities Law.

Agreement

A. The Town has asked the Authority to oversee the administration of the Grant. The Authority’s Regional Development staff will provide these services.

B. The Authority will take directions only from Town designated representatives.

1. Scope of Services:

The scope of services that will be performed by the Authority consists of the following:

1.1 Grant Oversight and Administration
Coordinate with town staff to oversee the newly awarded Grant which will include the following:
- Completing required grant documentation on behalf of the Town;
- Completing compliance reports working with the Town Treasurer and Clerk to ensure timely submission to funding source;
- Overseeing the work of all contractors required to complete the Grant;
- Providing coordination and oversight of the project steering committee;
- Complete paperwork to close-out the grant.

1.2 Reporting

The Authority will report, in writing, at a minimum, quarterly to the Chief Elected Official, or his or her designee, and more frequently as requested.

2. Payment

2.1 The Town shall pay the Authority for such services at the labor hour burdened rate for the specific job classification performing the services (see Table 2) and for direct expenses such as mileage and postage; provided, however, that the total cost of such services shall not exceed the amounts outlined in Table 1. The Authority shall bill quarterly upon invoices properly itemized and supported, and payment thereof shall be made by the Town within 30 days of receipt of each invoice. Rates are subject to change 4/1 annually.

<table>
<thead>
<tr>
<th>Service</th>
<th>NTE Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Services</td>
<td>$7,500</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employee Wage Rate</th>
<th>Standard</th>
<th>Overtime</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director of Regional Development</td>
<td>$100</td>
<td>NA</td>
</tr>
<tr>
<td>Sr. Project Development Specialist</td>
<td>$83</td>
<td>NA</td>
</tr>
<tr>
<td>Community Planner</td>
<td>$68</td>
<td>NA</td>
</tr>
<tr>
<td>Project Development Specialist</td>
<td>$60</td>
<td>NA</td>
</tr>
</tbody>
</table>

2. The Town shall provide the reasonable support services of its staff as appropriate to assist in implementing the project and shall assign a person as point of contact with the Authority.
3. The Authority shall carry general public liability insurance in the customary amounts and coverages maintained on its general operations, and shall name the Town as additional insured on the liability policy.

4. The Town shall carry general liability insurance in the customary amounts and coverages maintained on its general operations, and shall name the Authority as additional insured on the liability policy.

5. (a) The Town will at all times indemnify and save harmless the Authority against all liabilities, judgments, costs, damages, expenses and attorney’s fees for loss, damage or injury to persons or property resulting in any manner from this Agreement.

(b) The Authority will at all times indemnify and save harmless the Town against all liabilities, judgments, costs, damages, expenses and attorney’s fees for loss, damage or injury to persons or property resulting in any manner from this Agreement.

6. The Authority shall use reasonable diligence to provide the services herein required, but shall not be liable to the Town for damages, breach of contract, or otherwise, for failure, suspension, diminution, or other variations of service occasioned by any cause beyond the control of the Authority. The Town will not be liable in the event of a breach beyond their control. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in its sovereign or contractual capacity, fires, floods, epidemics, riots, strikes, civil disturbance, quarantine, restrictions, or inability to obtain equipment or supplies.

7. All accounts, reports and other records generated by the Authority or required under this Agreement, in the performance hereof, shall be open to inspection and audit at all reasonable times by the Town. Such records shall be retained by the Authority for a minimum of seven years following the expiration or earlier termination of this Agreement or an extended agreement.

8. The parties acknowledge that the Authority has undertaken and may undertake various unrelated projects. It is the intent of the parties that this Agreement, the service provided hereunder and all payments, accounts receivable and equipment resulting from or required by such service shall be separate from and independent of all unrelated projects and activities of the Authority. The Town shall have no right to, or claim upon, the assets, insurance proceeds or income of the Authority other than those associated with the performance of this Agreement, in satisfaction of any claim by the Town arising hereunder. A similar restrictive clause is contained and will be provided in all service agreements made by the Authority with others.

9. The Authority is an independent contractor with the Town and this Agreement does not create and shall not be construed as creating a relationship of principal and agent, landlord and tenant, or employer and employee.
10. No waiver by Town or Authority of any breach of any term, covenant or condition contained in this Agreement shall operate as a waiver of such term, covenant or condition itself, or of any subsequent breach thereof.

11. This Agreement shall be construed and enforced in accordance with the laws of the State of New York. If any provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall continue to be valid and enforceable to the fullest extent permitted by law.

12. This Agreement contains the entire agreement of the parties and may be modified or amended only by the written mutual agreement of the parties.

13. All notices required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if sent by certified or registered mail, return receipt requested, postage prepaid.

14. This Agreement may be modified, or terminated, with 30 days notice by either the Town or Authority

All of the above is established by the signatures of the authorized representatives of the parties.

TOWN OF WILNA

By:____________________

Paul Smith
Supervisor

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

By:____________________

James Wright
Executive Director

ACKNOWLEDGEMENTS

STATE OF NEW YORK

) ss:

COUNTY OF JEFFERSON

On this _____ day of _____________, 2018, before me personally came Paul Smith, who being duly sworn, did dispose and says that he resides in Town of Wilna, New York; that he is the Supervisor of the Town of Wilna described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Town.

__________________________

NOTARY PUBLIC
On this ___ day of ____________, 2018, before me personally came James W. Wright, who being duly sworn, did dispose and says that he resides in Watertown, New York; that he is the Executive Director of the Development Authority of the North Country, the Authority described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Authority.

_____________________________
NOTARY PUBLIC
COMMUNITY DEVELOPMENT LOAN FUND
MEADOWBROOK TERRACE INC
LOAN SUBORDINATION

Whereas, Resolution No. 2012-06-10 approved a loan to Meadowbrook Terrace Inc. in the amount of $250,000 from the Community Development Loan Fund, and

Whereas, Resolution No. 2013-08-10 authorized the subordination of the Authority's debt to $750,000 in debt from M&T Bank, and

Whereas, the Authority is in a third mortgage position behind M&T Bank and a loan in the original amount of $1 million from the Dormitory Authority of the State of New York, and

Whereas, Meadowbrook Terrace Inc. is refinancing its loan with M&T Bank in order to get a more favorable interest rate, and

Whereas, Meadowbrook Terrace is not taking on any new debt, and

Whereas, in the process of closing on its refinancing it was made aware that there was an existing UCC filing in favor of the Development Authority that was not included in the original subordination, and

Whereas, the loan approved in 2013 noted that the Authority would be in a third position on all assets of Meadowbrook Terrace Inc, and

Whereas, the Development Authority is the lead lender on a loan participation that includes the Authority, Jefferson County IDA, Carthage Industrial Development Agency, and the Village of Carthage, and

Whereas, Meadowbrook Terrace Inc. is current on its payments to the Development Authority.

Now, upon the recommendation of the Project Development Committee, therefore be it

RESOLVED, the Development Authority of the North Country does hereby subordinate its UCC filing to a loan made by M&T Bank in an amount not to exceed $750,000, and authorizes the Executive Director to execute all necessary documentation.
Motion by: A. Calligaris  
Seconded by: D. Mastascusa

<table>
<thead>
<tr>
<th>Calligaris - Yes</th>
<th>Hefferson - Yes</th>
<th>Johnson - Yes</th>
<th>Mastascusa - Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carter - Yes</td>
<td>Hollenbeck - Present</td>
<td>MacKinnon - Yes</td>
<td>Murray - Yes</td>
</tr>
<tr>
<td>Doheny - Present</td>
<td>Hunt - Present</td>
<td>McGrath - Absent</td>
<td>Turck - Yes</td>
</tr>
</tbody>
</table>

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-105 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

[Signature]

Gary Turck  
Board Chairman
Motion by: A. Calligaris
Seconded by: D. Mastascusa

Calligaris - Yes  Hefferon - Yes  Johnson - Yes  Mastascusa - Yes
Carter - Yes  Hollenbeck - Present  MacKinnon - Yes  Murray - Yes
Doheny - Present  Hunt - Present  McGrath - Absent  Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-105 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

__________________________
Gary Turck
Board Chairman
# TERM SHEET

<table>
<thead>
<tr>
<th><strong>Borrower:</strong></th>
<th>AYDM Associates, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Loan Fund:</strong></td>
<td>Housing Loan Revolving Fund</td>
</tr>
<tr>
<td><strong>Amount:</strong></td>
<td>$277,952.35 (as of 7/1/2018) This may be adjusted as payments are made.</td>
</tr>
<tr>
<td><strong>Loan Term:</strong></td>
<td>255 months as of 7/1/2018</td>
</tr>
<tr>
<td><strong>Loan Rate:</strong></td>
<td>5%</td>
</tr>
<tr>
<td><strong>Loan Payment:</strong></td>
<td>Currently $1,771.81 monthly, will increase to $1,795.85 on 21/2019</td>
</tr>
<tr>
<td><strong>Collateral:</strong></td>
<td>Co-proportional second mortgage on real estate Assignment of rents and leases Personal guarantees of Guy Javarone and Gaetano H. Javarone</td>
</tr>
<tr>
<td><strong>Contingency:</strong></td>
<td>Approval of request by Jefferson County Industrial Development Agency and Watertown Savings Bank</td>
</tr>
</tbody>
</table>
PROCUREMENT TECHNICAL ASSISTANCE CENTER (PTAC) FUNDING CONTRACTUAL AGREEMENT

Whereas, the Development Authority of the North Country has consistently engaged in the mission of supporting Fort Drum and business development, and

Whereas, pursuant to Resolution No. 2018-05-63, the Development Authority has approved funding to support the North Country Procurement Technical Assistance Center (PTAC), and

Whereas, the Department of Defense, through a program administers by the Defense Logistics Agency provides matching funds for the North Country PTAC Program, and

Whereas, the St. Lawrence County IDA has committed to funding PTAC for the first time in the amount of $2500, and

Whereas, St. Lawrence County constituted 12% pf the PTAC activity in 2017, and providing for 77 clients, 28 contracts, totaling $894,903 of contract awards, and

Whereas, the Development Authority will amend its commitment by an additional $2500, resulting in additional federal matching funds to support this effort.

Now, upon the recommendation of the Project Development Committee, be it therefore

RESOLVED, the Development Authority of the North Country authorizes an additional $2500 to the contract with the North Country PTAC, not to exceed $12,500, and be it further

RESOLVED, the Director of Regional Development is authorized to execute any and all necessary contracts and agreements.

Motion by: F. Carter
Seconded by: A. Calligaris

Calligaris - Yes    Hefferon - Yes    Johnson – Yes    Mastascusa - Yes
Carter – Yes        Hollenbeck - Present  MacKinnon – Yes  Murray - Yes
Doheny – Present    Hunt - Present     McGrath - Absent  Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-106 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

Gary Turck
Board Chairman
Board Resolution No. 2018-08-107
August 23, 2018

OPERATIONS AND MAINTENANCE SERVICE AGREEMENT
TOWN OF CHAMPION SEWER DISTRICT #2

Whereas, the Development Authority of the North Country is qualified and equipped to provide contract operator services for municipal water facilities, and

Whereas, the Town of Champion desires to continue a new five (5) year Operations and Maintenance Service Agreement with the Development Authority of the North Country for a total amount of $40,529, and

Now, upon the recommendation of the Facilities Committee, therefore be it

RESOLVED, the Development Authority of the North Country does hereby authorize and direct the Executive Director to enter into an Operations and Maintenance Service Agreement with the Town Champion, and be it further

RESOLVED, the Executive Director is hereby authorized to execute the required and necessary agreements.

Motion by: D. Mastascusa
Seconded by: A. Calligaris

Calligaris - Yes    Hefferon - Yes    Johnson – Yes    Mastascusa - Yes
Carter – Yes    Hollenbeck - Present    MacKinnon – Yes    Murray - Yes
Doheny – Present    Hunt - Present    McGrath - Absent    Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-107 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

Gary Türk
Board Chairman
OPERATIONS & MAINTENANCE SERVICE AGREEMENT

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
&
TOWN OF CHAMPION
SEWER DISTRICT 2

This sets forth the Operation and Maintenance Service Agreement made effective September 1, 2018, by and between the Town of Champion ("Town"), a New York municipal corporation with offices at 10 North Broad Street, West Carthage, New York 13619 and the DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY, a New York public authority with offices at the Dulles State Office Building, 317 Washington Street, Watertown, New York 13601 ("Authority").

RECATALS

1) The Town has determined that the Authority is qualified and equipped to provide Operation and Maintenance services for the Town Facilities and desires to engage the Authority for such services. The Town is authorized to enter into this Agreement by Resolution dated ______________, a certified copy of which is attached as Exhibit "A".

2) The Authority desires to provide Operations and Maintenance Services for the Town facilities described in this Agreement.

AGREEMENT

In the consideration of the mutual covenants herein contained, the parties agree to the following Articles:

Article I Definitions
Article II Employment and Scope of Services
Article III Emergency Procedures and Services
Article IV Terms
Article V Compensation
Article VI Town Responsibilities
Article VII Termination
Article VIII Insurance/Liability
Article IX Accounts
Article X Miscellaneous
ARTICLE I - Definitions

Section 101. Defined Terms. As used or referred to in this Agreement, unless a different meaning clearly appears from the context:

1) "Authority Officer", the Chairman, any Vice Chairman, the Secretary, the Treasurer, the Executive Director, or any authorized representative of the Development Authority of the North Country.

2) "Chief Elected Official", the Town Supervisor.

3) "EDU", equivalent dwelling unit intended to indicate a standard based upon the average single-family residence.

4) "Emergency", an unforeseen combination of circumstances or the resulting state that calls for immediate action.

5) "Fiscal Year" for the Town means the period of twelve (12) calendar months beginning with January 1st of any year ending with December 31st of such year, and for the Authority means the period of twelve (12) calendar months beginning with April 1st of any year ending with March 31st of the next year.

6) "Operations and Maintenance Expenses", recurring charges incurred for day-to-day operation of the sewer facilities. It shall include such things as labor, materials, cost of utilities, cost of repairs to the facilities, and other day-to-day expenses associated with the normal operation of the facilities.

7) "Record Drawings", engineered drawings that have been prepared for construction and have been updated upon project completion to reflect any changes made to the original design.

8) "Town of Champion", a municipal corporation with offices at 10 North Broad Street, Carthage, New York 13619 (herein referred to as "Champion").

9) "Sewer Facilities", the Town's Sewer District No. 2 facilities described in record drawings prepared by Bernier-Carr & Associates (BC&A) and briefly described below.

<table>
<thead>
<tr>
<th>Description</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Gravity sewer collection piping and force main</td>
<td>Town of Champion Sewer District No. 2</td>
</tr>
<tr>
<td>• 1 Gorman Rupp Sewer Pump Station</td>
<td></td>
</tr>
<tr>
<td>• 2 E-One Grinder Pumps.</td>
<td></td>
</tr>
</tbody>
</table>
ARTICLE II - Employment and Scope of Services

Section 201. Engagement. The Town hereby engages the Authority to operate and maintain the Sewer Facilities described above, employing licensed operators where required.

1) All work will be conducted in accordance with all State and Federal Laws and Regulations.
2) The Authority will take directions only from the Town's designated representatives. The Town will be responsible for designating the representatives that will provide direction to the Authority. The Authority will be responsible for responding to all calls from residents concerning the operation of the Town's Sewer Facilities.
3) The Authority will seek approval from the Town for non-incidental expenses, unless the situation is deemed an emergency. The Authority will determine whether the situation is deemed an emergency, as described in Article III.
4) Scheduled services that occur on holidays observed by the Authority will be performed the next normal working day following the holiday.

Section 202. Scope of Services. The Authority shall provide all necessary labor and equipment to perform the services as follows, and will perform work in accordance with manufacturer's specifications to maintain warranties.

1) Operations and Maintenance Base Contract Services:

<table>
<thead>
<tr>
<th>Sewer District No. 2 Operations &amp; Maintenance Services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Daily Services</strong></td>
</tr>
<tr>
<td>- 24 hour on call service that will notify operator(s) of alarm conditions</td>
</tr>
<tr>
<td>- NYS certified operator(s) available to respond for emergency services</td>
</tr>
<tr>
<td>- Make Notifications as required by the NYSDEC through NYALERT.</td>
</tr>
<tr>
<td><strong>Weekly Services</strong></td>
</tr>
<tr>
<td>- Startup and inspection of emergency backup engine at pump station, check fluid levels.</td>
</tr>
<tr>
<td><strong>Monthly Services</strong></td>
</tr>
<tr>
<td>- Monthly Summary Report of system performance and DANC services performed</td>
</tr>
<tr>
<td>- Visually inspect wetwell for grease build up</td>
</tr>
<tr>
<td><strong>Annual Services</strong></td>
</tr>
<tr>
<td>- Visual inspection of all sanitary sewer manholes in the sewer collection system with summary report describing recommended maintenance</td>
</tr>
</tbody>
</table>

2) Miscellaneous Services

The following miscellaneous services are provided by the Authority at no additional cost to the Town:
- Transportation for Authority employees to complete the routine tasks described above.
- Attendance at monthly Town Meetings, as requested.
- Miscellaneous trash removal generated from normal day-to-day operations.
- Provide limited snow removal services for snowfalls of up to six inches per event. The Town will be responsible for snow removal in accordance with Section 604, Snow Removal.
3) Additional Services

Any other tasks not included in the scope of services described above, such as response to customer complaints, response to emergency situations, inspection of service connections, etc. all as requested of the Authority by the Town will be reimbursed at the labor rates agreed upon in this contract. Mileage will be charged at the effective Federal Mileage Rate to and from the Warneck Pump Station at the time the work is performed. This contract applies to current infrastructure only as described in Section 101, Item 9. Work performed in areas outside the scope of this contract will be billed as additional services.

**ARTICLE III - Emergency Procedures and Services**

Section 301. **Procedures.** The Authority will exercise due diligence and prudent judgment in response to any emergency situation that may occur. The Authority will notify the Town Representative of any emergency and actions taken, as soon as practicable.

Section 302. **Payment.** The Authority staff will provide 24-hour coverage for alarm and emergency responses. All responses to emergencies during non-duty hours will be billed at the employee’s overtime burden compensation rate with a two-hour minimum, and all equipment used for emergencies will be billed in accordance with the rates specified in Section 503. Mileage from Warneck Pump Station to and from work site will be reimbursed at the current Federal Mileage Rate.

**ARTICLE IV - Terms**

Section 401. **Term.** The term of this Agreement shall be three (5) years commencing September 1, 2018, and ending August 31, 2023.

Section 402. **Additional Term.** The Town, by written notice to the Authority on or before 30 days of the expiration of this Agreement, may extend the term of this Agreement for a period not less than one or more than five years upon the same terms and conditions except annual compensation, which shall be established by mutual agreement of the parties.

**ARTICLE V - Compensation**

Section 501. **Compensation.** For all Base Services required under Section 202 Items 1 and 2 of this Agreement, the Authority shall be compensated as follows payable one-twelfth thereof monthly, and within 30 days following receipt by the Town of a proper invoice covering the month in which such service was rendered.

<table>
<thead>
<tr>
<th>Year</th>
<th>Period</th>
<th>Base O&amp;M Contact Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>September 1, 2018 to August 31, 2019</td>
<td>$7,788</td>
</tr>
<tr>
<td>2</td>
<td>September 1, 2019 to August 31, 2020</td>
<td>$7,944</td>
</tr>
<tr>
<td>3</td>
<td>September 1, 2020 to August 31, 2021</td>
<td>$8,103</td>
</tr>
<tr>
<td>4</td>
<td>September 1, 2021 to August 31, 2022</td>
<td>$8,265</td>
</tr>
<tr>
<td>5</td>
<td>September 1, 2022 to August 31, 2023</td>
<td>$8,430</td>
</tr>
</tbody>
</table>
Section 502. **Emergency-related equipment, labor and material.** The Town shall pay the Authority the cost of equipment rental, labor and material used and incurred by the Authority in coping with an emergency. The Town will make payment within 30 days following receipt by the Town of a proper invoice of such costs so incurred.

Section 503. **Additional Work.** The Town shall pay the Authority the cost of equipment rental, labor, and material used and incurred by the Authority in completing additional work outside the normal scope of this Agreement. The Town shall pay the Authority for such services at the labor hour burdened rate for the specific job classification performing the services, as specified below. The Authority reserves the right to update the hourly rates on an annual basis each April 1st to accommodate cost of living adjustments which are made in conjunction with the beginning of the Authority's fiscal year. Mileage from Warneck Pump Station to and from work site will be reimbursed at the current Federal Mileage Rate. The Town shall approve the cost of labor, equipment and material in advance, unless the situation is deemed an emergency such that immediate response is required. The Town will make payment within 30 days following receipt by the Town of a proper invoice of such costs so incurred.

<table>
<thead>
<tr>
<th>Employee Wage Rate</th>
<th>Standard</th>
<th>Overtime</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Quality Manager</td>
<td>$80</td>
<td>NA</td>
</tr>
<tr>
<td>Director of Engineering</td>
<td>$110</td>
<td>NA</td>
</tr>
<tr>
<td>Assistant Director of Engineering</td>
<td>$80</td>
<td>NA</td>
</tr>
<tr>
<td>Controls Engineer</td>
<td>$80</td>
<td>NA</td>
</tr>
<tr>
<td>Environmental Coordinator</td>
<td>$77</td>
<td>NA</td>
</tr>
<tr>
<td>Project Engineer</td>
<td>$77</td>
<td>NA</td>
</tr>
<tr>
<td>GIS Supervisor</td>
<td>$75</td>
<td>NA</td>
</tr>
<tr>
<td>GIS Specialist</td>
<td>$55</td>
<td>NA</td>
</tr>
<tr>
<td>Engineering Assistant</td>
<td>$62</td>
<td>$76</td>
</tr>
<tr>
<td>Water Quality Lead Operator</td>
<td>$62</td>
<td>$78</td>
</tr>
<tr>
<td>Water Quality Operator</td>
<td>$58</td>
<td>$75</td>
</tr>
<tr>
<td>Water Quality Technician</td>
<td>$50</td>
<td>$63</td>
</tr>
<tr>
<td>Admin</td>
<td>$60</td>
<td>$77</td>
</tr>
</tbody>
</table>

**ARTICLE VI - Town Responsibilities**

Section 601. **Facilities.** The Town shall make available to the Authority the facilities described in this Agreement. The Town and its authorized representatives retain all rights of access to the facilities.

Section 602. **Easements and Licenses.** The Town shall maintain all easements, licenses and permits that have been granted as owner of the facilities and procure all others necessary to operate and maintain such facilities.
Section 603. Purchases. The Authority will maintain an adequate inventory of equipment, chemicals, fuels, lubricants and supplies necessary to operate and maintain the Town’s Sewer Facilities, and shall advise the Town of necessary replacements and additions to such inventory. The Authority, in cooperation with the Town, shall order such inventory and the Town shall be invoiced by the Authority, for such inventory. The receipt, proper use and record keeping thereof, shall be the Authority’s responsibility.

Section 604. Snow Removal. The Town will be responsible for:

1) All snow removal over six inches per event.

2) Major or excessive snow falls which cannot be handled by the Authority’s standard four-wheel drive pickup truck with plow.

3) Clearing after multiple plowing due to limited space.

4) In extreme conditions, snow removal as requested by the Authority.

ARTICLE VII - Termination

Section 701. Termination. The Town and/or Authority may terminate this Agreement with or without cause upon 180 days prior written notice, provided however, that the Town shall pay the Authority all costs incurred by the Authority to the date of termination.

ARTICLE VIII – Insurance/Liability

Section 801. Insurance. The Town shall secure and maintain with New York State qualified insurers insurance in amounts satisfactory to the Authority against loss or damage to the Authority and its facilities and against public or other liability to the extent not less than that reasonably necessary to protect the interest of the Authority. The Town will at all times indemnify and save harmless the Authority against all liabilities, judgments, costs, damages, expenses and attorney’s fees for loss, damage or injury to persons or property resulting in any manner from the operation of this Agreement. The Authority shall secure and maintain insurance satisfactory to the respective municipality and shall name the Town of Champion as additional insured on the liability policy. The Authority will at all times indemnify and save harmless the Town against all liabilities, judgments, costs, damages, expenses and attorney’s fees for loss, damage or injury to persons or property resulting in any manner from the operation of this Agreement.

Section 802. Liability. The Authority shall use reasonable diligence to provide the services herein required, but shall not be liable to the Town for damages, breach of contract, or otherwise, for failure, suspension, diminution, or other variations of service occasioned by any cause beyond the control of the Authority. The Town will not be liable in the event of a breach beyond their control. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in its sovereign or contractual capacity, fires, floods, epidemics, riots, strikes, civil disturbance, quarantine, restrictions, or inability to obtain equipment or supplies.
ARTICLE IX - Accounts

Section 901. Accounts and Audits. All accounts, reports and other records generated by the Authority or required under this Agreement, in the performance hereof, shall be open to inspection and audit at all reasonable times by the Town. Such records shall be retained by the Authority for a minimum of seven years following the expiration or earlier termination of this Agreement or an extended agreement.

ARTICLE X - Miscellaneous

Section 1001. Independence of Agreement. The parties acknowledge that the Authority has undertaken and may undertake various projects unrelated to the operation and maintenance of the Town's Facilities. It is the intent of the parties that this Agreement, the service provided hereunder and all payments, accounts receivable and equipment resulting from or required by such operation and maintenance service shall be separate from and independent of all unrelated projects and activities of the Authority. The Town shall have no right to, or claim upon, the assets, insurance proceeds or income of the Authority other than those associated with the performance of this Agreement, in satisfaction of any claim by the Town arising hereunder. A similar restrictive clause is contained and will be provided in all service agreements made by the Authority with others.

Section 1002. Authority Status. The Authority is an independent contractor with the Town and this Agreement does not create and shall not be construed as creating a relationship of principal and agent, landlord and tenant, or employer and employee.

Section 1003. Waiver. No waiver by Town or Authority of any breach of any term, covenant or condition contained in this Agreement shall operate as a waiver of such term, covenant or condition itself, or of any subsequent breach thereof.

Section 1004. Governing Laws. This Agreement shall be construed and enforced in accordance with the laws of the State of New York. If any provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall continue to be valid and enforceable to the fullest extent permitted by law.

Section 1005. Entire Agreement. This Agreement contains the entire agreement of the parties and may be modified or amended only by the written mutual agreement of the parties.

Section 1006. Superseded Agreements. This Agreement supersedes former similar agreements between the parties, pertaining to the water facilities described in this document. All other agreements are hereby terminated, except as to those provisions intended to survive such termination.

Section 1007. Notices. All notices required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if sent by certified or registered mail, return receipt requested, postage prepaid.

EXHIBIT A – Resolution by the Town of Champion to Enter Into this Agreement with the Development Authority of the North Country
ALL OF THE ABOVE is established by the signatures of the authority representatives of the parties.

TOWN OF CHAMPION

By: ________________________________
   Bruce R. Ferguson
   Town Supervisor

DEVELOPMENT AUTHORITY
OF THE NORTH COUNTRY

By: ________________________________
   James W. Wright
   Executive Director

ACKNOWLEDGEMENTS

STATE OF NEW YORK  )
   ss:
COUNTY OF JEFFERSON  )

On this ___ day of __________, 2018, before me personally came Bruce R. Ferguson, who being duly sworn, did dispose and says that he resides in the Town of Champion, New York; that he is authorized to sign this Agreement on behalf of the Town Board described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Board.

________________________________________
NOTARY PUBLIC

STATE OF NEW YORK  )
   ss:
COUNTY OF JEFFERSON  )

On this ___ day of __________, 2018, before me personally came James W. Wright, who being duly sworn, did dispose and says that he resides in Watertown, New York; that he is the Executive Director of the Development Authority of the North Country, the Authority described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Authority.

________________________________________
NOTARY PUBLIC
TECHNICAL SERVICES AGREEMENT
VILLAGE OF CARTHAGE
LOAN UNDERWRITING

Whereas, the Village of Carthage has requested technical services from the Development Authority of the North Country to provide loan underwriting services, and

Whereas, the Village of Carthage has a community revolving loan fund, and

Whereas, the Village is requesting assistance from the Authority to review and underwrite the applications to their loan fund, and

Whereas, the Regional Development staff has experience in loan underwriting services as it is currently providing these services to the St. Lawrence County IDA, Franklin County IDA, Lewis County IDA, Town of Gouverneur, City of Ogdensburg, and New York Power Authority.

Now, upon the recommendation of the Project Development Committee, therefore be it

RESOLVED, the Development Authority of the North Country does hereby authorize the Executive Director to enter into a Technical Services Agreement with the Village of Carthage to provide loan underwriting services.

Motion by: A. Calligaris
Seconded by: F. Carter

Calligaris - Yes Hefferon - Yes Johnson - Yes Mastascusa - Yes
Carter – Yes Hollenbeck - Present MacKinnon – Yes Murray - Yes
Doheny – Present Hunt - Present McGrath - Absent Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-108 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

[Signature]
Gary Turck
Board Chairman
DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
TECHNICAL SERVICES AGREEMENT

WITH THE

VILLAGE OF CARTHAGE

This Agreement entered into this 16th day of July 2018, by and between:

VILLAGE OF CARTHAGE, a New York State municipality having an office building and principal place of business located at 120 South Mechanic Street, Carthage, New York 13619, herein after referred to as "Village",

And

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY, a public benefit corporation organized and existing under the laws of the State of New York, having an office and principal place of business located at 317 Washington Street, Watertown, New York 13601, hereinafter referred to as "Authority".

Recitals

A. The Village must undertake a financial review of each application to its loan programs in order to determine the applicant's ability to repay proposed debt financing.

B. The Village has requested technical services from the Authority to provide loan underwriting for applications to its business loan programs.

C. This Agreement is authorized under Section 2704(17) of the Public Authorities Law.

WHEREFORE, the parties hereto agree as follows:

A. The Village will receive all applications, review them for completeness, and forward the completed applications to the Authority for review.

B. The Authority has no responsibility or authority in the decision process for the decision of the Village to make any loan.

1. The scope of services that will be performed by the Authority consists of the following:

   (a) Upon receipt of a complete application from the Village, the Authority will perform a financial review of each application to determine the ability of the borrower to reasonably repay debt.

   (b) The Authority will prepare and deliver to the Village a summary report for each application to include: a project description; financial review; collateral analysis to include loan-to-value; review of personal credit history of borrowers and guarantors; a
listing of project strengths and weaknesses and any other financial analysis the Village or Authority deem appropriate to evaluate the project.

(c) The Village is solely responsible for negotiating with the applicant regarding collateral, loan terms or conditions.

(d) Upon receipt of a completed application, the Authority will require at a minimum 5 business days to complete the review of an application. Upon completion of the loan underwriting review, the Authority will provide the Village with a loan summary report.

2. The Village shall pay the Authority for such services at the labor rate for the specific job classification performing the services (see Table 1) for each application. These rates are effective 4/1/2018. Authority Labor Rates are adjusted annually on 4/1. The Authority will notify the FCIDA in writing of such adjustments.

<table>
<thead>
<tr>
<th>Employee Wage Rate</th>
<th>Standard</th>
<th>Overtime</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director of Regional Development</td>
<td>$100</td>
<td>NA</td>
</tr>
<tr>
<td>Sr. Project Development Spec.</td>
<td>$83</td>
<td>NA</td>
</tr>
<tr>
<td>Project Development Spec.</td>
<td>$60</td>
<td>NA</td>
</tr>
</tbody>
</table>

3. The Authority shall bill quarterly upon invoices properly itemized and supported, and payment thereof shall be made by the Village within 30 days of receipt of each invoice.

4. The Village will be responsible for additional direct costs associated with loan underwriting services to include, but not limited to, credit reports and travel associated with meeting with applicants, when necessary.

5. The Village shall provide the reasonable support services of its staff as appropriate to assist in providing the Authority with complete applications for review.

6. The Authority shall carry general public liability insurance in the customary amounts and coverages maintained on its general operations, and shall name the Village as additional insured on the liability policy.

7. The Village shall carry general liability insurance in the customary amounts and coverages maintained on its general operations, and shall name the Authority as additional insured on the liability policy.

8. (a) The Village will at all times indemnify and save harmless the Authority against all liabilities, judgments, costs, damages, expenses and attorney’s fees for loss, damage or injury to persons or property resulting in any manner from the actions or omissions of the Village under this Agreement.
(b) The Authority will at all times indemnify and save harmless the Village against all liabilities, judgments, costs, damages, expenses and attorney's fees for loss, damage or injury to persons or property resulting in any manner from the actions or omissions of the Authority under this Agreement.

9. The Authority shall use reasonable diligence to provide the services herein required, but shall not be liable to the Village for damages, breach of contract, or otherwise, or for failure, suspension, diminution, or other variations of service occasioned by any cause beyond the control of the Authority. The Village will not be liable in the event of a breach beyond their control. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in its sovereign or contractual capacity, fires, floods, epidemics, riots, strikes, civil disturbance, quarantine, restrictions, or inability to obtain equipment or supplies.

10. All accounts, reports and other records generated by the Authority or required under this Agreement, in the performance hereof, shall be open to inspection and audit at all reasonable times by the Village. Such records shall be retained by the Authority for a minimum of seven years following the expiration or earlier termination of this Agreement or an extended agreement.

11. The parties acknowledge that the Authority has undertaken and may undertake various unrelated projects. It is the intent of the parties that this Agreement, the service provided hereunder and all payments, accounts receivable and equipment resulting from or required by such service shall be separate from and independent of all unrelated projects and activities of the Authority. The Village shall have no right to, or claim upon, the assets, insurance proceeds or income of the Authority other than those associated with the performance of this Agreement, in satisfaction of any claim by the Village arising hereunder. A similar restrictive clause is contained and will be provided in all service agreements made by the Authority with others.

12. The Authority is an independent contractor with the Village and this Agreement does not create and shall not be construed as creating a relationship of principal and agent, landlord and tenant, or employer and employee.

13. No waiver by Village or Authority of any breach of any term, covenant or condition contained in this Agreement shall operate as a waiver of such term, covenant or condition itself, or of any subsequent breach thereof.

14. This Agreement shall be construed and enforced in accordance with the laws of the State of New York. If any provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall continue to be valid and enforceable to the fullest extent permitted by law.

15. This Agreement contains the entire agreement of the parties and may be modified or amended only by the written mutual agreement of the parties.
16. All notices required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if sent by certified or registered mail, return receipt requested, postage prepaid.

17. This Agreement may be modified, or terminated, with 30 days notice by either the Village or Authority.

All of the above is established by the signatures of the authorized representatives of the parties.

VILLAGE OF CARTHAGE

By: G. Wayne McIlroy
President

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

By: James W. Wright
Executive Director

ACKNOWLEDGEMENTS

STATE OF NEW YORK 
}  
} ss:
COUNTY OF JEFFERSON 
}

On this 1st day of July 2018, before me personally came G. Wayne McIlroy, who being duly sworn, did dispose and says that he resides in Carthage, New York; that he is the President of the Village of Carthage described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Village of Carthage.

KRYSTY L. O'SHAUGHNESSY
Notary Public, State of New York
Qualified in Jefferson County
No. 01OS0025388
Commission Expires July 28, 2021

STATE OF NEW YORK 
}  
} ss:
COUNTY OF JEFFERSON 
}

On this ___ day of _____________, 2018, before me personally came James W. Wright, who being duly sworn, did dispose and says that he resides in Watertown, New York; that he is the Executive Director of the Development Authority of the North Country, described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Development Authority of the North Country.

__________________________
Notary Public
AFFIRMING THE CONFIDENCE
AND SUPPORT OF THE EXECUTIVE DIRECTOR
AND DIVISION MANAGERS

Whereas, there were allegations made to a member of the Authority Board, and

Whereas, to address the allegations the Governance Committee conducted a review and concluded the “alleged statement was hearsay”, and

Whereas, to conduct a further independent review the Governance Committee retained outside counsel to complete a review and prepare a report, and

Whereas, the outside counsel has completed the review, prepared a report and presented same to the Governance committee and Board of the Authority, and

Whereas, the outside counsel report further established the allegation statements were wholly unsupported by evidence or fact, and were therefore determined to be unsubstantiated, and

Now, upon the recommendation of the Governance Committee, therefore be it

RESOLVED, the Development Authority of the North Country does hereby affirm its confidence in the actions and decisions of the Executive Director and the respective Division Managers, and be it further

RESOLVED, the actions taken and initiated by the Executive Director and the Division Managers has been consistent with Board policy, directions and authorization.

Motion by: F. Carter
Seconded by: A. MacKinnon

Calligaris - Yes  Hefferon - Yes  Johnson – Yes  Mastascusa - Yes
Carter – Yes  Hollenbeck - Present  MacKinnon – Yes  Murray - Yes
Doheny – Present  Hunt - Present  McGrath - Absent  Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-109 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

Gary Turck
Board Chairman
TRANSFER OF FUNDS
OUTSIDE COUNSEL

Whereas, the Governance Committee, as requested by the Board, retained outside counsel for the conducting of an independent review of an allegation advanced to the Board, and

Whereas, the Governance Committee received a full and complete written report on the review and evaluation, including personal presentations by the outside counsel to the Governance Committee and full Board.

Now, upon the recommendation of the Governance Committee, therefore be it

RESOLVED, the Development Authority of the North Country herewith authorizes the transfer of funds from contingency in the amount of $12,500 for legal fees related to retaining outside counsel.

Motion by: F. Carter
Seconded by: A. Calligaris

Calligaris - Yes Hefferon - Yes Johnson – Yes Mastascusa - Yes
Carter – Yes Hollenbeck - Present MacKinnon – Yes Murray - Yes
Doheny – Present Hunt - Present McGrath - Absent Turck - Yes

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

I, the undersigned, Chairman of the Board of Directors of the Development Authority of the North Country, do hereby certify that I have compared the foregoing copy of Resolution No. 2018-08-110 of the Development Authority of the North Country with the original adopted by the Development Authority of the North Country at a meeting of said Authority on the 23rd day of August, 2018, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 23rd day of August, 2018.

Gary Turck
Board Chairman