MINUTES
BOARD OF DIRECTORS MEETING
Thursday, May 26, 2016 – 10:30 AM
Conference Room 100, 1st Floor
Dulles State Office Building, Watertown, New York

The Development Authority of the North Country Board of Directors met in regular session in Conference Room 100, 1st Floor, Dulles State Office Building, Watertown, New York, on Thursday, May 26, 2016, at 10:30 am.

Members Present:
Voting
Gary Turck, Chairman
John B. Johnson, Jr.
Fredrick Carter
Alex MacKinnon
Dennis Mastascusa
Thomas Hefferon
Alfred Calligaris
Margaret Murray

Non-Voting
Mary Doheny
James Hollenbeck
Brian McGrath

Members Absent
Stephen Hunt

Staff Present:
James W. Wright, Executive Director
Michelle Capone, Director of Regional Development
Patricia Pastella, Manager, Water Quality Division
Carrie Tuttle, Director of Engineering and Environmental Division
Richard LeClerc, Manager, Solid Waste Management Division
David Wolf, Director of Technology
Carl Farone, Comptroller
Jo Anne T. Yaddow, Executive Assistant
Angela Marra, Administrative Assistant

Guests:
Richard James, Authority Counsel, Mackenzie Hughes
Cyril Mowaikel, RBC Wealth Management
John Nuber, RBC Wealth Management

1. Chairman Turck called the meeting to order at 10:39 am.

2. Chairman Turck confirmed there was a quorum.

3. Chairman Turck offered the Privilege of the Floor.
4. Upon a motion by A. Calligaris, and seconded by M. Murray, the Minutes of the March 31, 2016 Board Meeting, were unanimously approved.

5. Chairman’s Report –

   a. Former Board Members, Richard Lucas and William Archer will be recognized for their terms of service on the Board with certificates. Mr. Lucas and Mr. Archer were invited to attend the meeting but had prior commitments.

   b. Cyril Mouaikel and John Nuber, of RBC Wealth Management, presented the Development Authority’s FYE 2016 Investment Review.

6. Executive Director’s Report –

   a. The new commercial was played which highlighted the use of clear bags.

   b. A list of local stores in all three counties that sell clear bags is on northcountryrecycles.org website. Letters encouraging voluntary use of clear bags will be mailed out to mayors and supervisors.

   c. Photos of the Leachate Loadout project at the Solid Waste Management Facility (SWMF) were displayed. The system will be activated by July 2016.

   d. A photo was displayed of the detention pond pumping system. The idea came from staff and was fabricated by SWMF personnel.

   e. The salt storage facility at the SWMF will be relocated and rebuilt, using materials from the old salt barn. The new storage barn will be larger and will be accomplished in-house.

   f. COR has submitted plans for the Mercy Heights project, which will consist of office space and housing, to City of Watertown Planning. The model is similar to Beaver Meadows and is a combination of affordable housing and market rate housing. There will be interior parking, commercial area fronts on Arsenal Street, and a community building on-site, which will be shared with a neighboring church.

      J. Johnson, asked what the rents will be. J. Wright stated he didn’t know.

   g. Key Bank staff members planted flowers at the Murray Trail as part of their community day program that gives back to the community.

7. Finance Report –

   a. C. Farone stated the auditors from The Bonadio Group were on-site from May 4-15. The auditors met with the Audit Committee and there were no issues noted. June 13, 2016 is the date of the next Audit Committee Meeting.
C. Farone stated all division budgets have been managed per Board approved budgets. Accounts Receivables have increased from $1.6 million to $2.6 million. SLIC is still not current. This issue has been discussed with the auditors. The Development Authority still believes the total will be collected and J. Wright has been working with management regarding SLIC. B. McGrath asked what is collectible and what is that based on. C. Farone responded that SLIC has brought on new management who are in the process of raising capital through the Issuance of Debt and through Equity Contributions. SLIC has grant funding but they need to have cash flow. J. Wright explained that the state won’t reimburse until expenditures can be proven they were paid out. The Authority did expend the monies so reimbursement could be made from the state to the Development Authority.

A new accounting standard, GASB 68, requires the Development Authority to record its portion of the New York State pension liability on the Development Authority’s books of $565,000. The Development Authority is complying with GASB 68. Revenue from customer billings is above budgets. C. Farone stated Bettina Lipphardt, The Bonadio Group, will present at June’s board meeting. F. Carter asked if the pension number is the state actuary number. C. Farone responded yes. New York State’s pension liability is $3.3 billion and the Development Authority’s part is .016 percent. F. Carter asked if C. Farone agrees with the actuary number. C. Farone responded yes, he agrees with it. J. Wright recognized C. Farone and the division managers’ work on the budget.

Upon a motion by F. Carter, and seconded by A. Calligaris, the Unaudited Financial Statements for the Period Ending March 31, 2016, were unanimously approved.

8. Engineering Report -

a. Resolution 2016-05-54 authorizes GIS Hosting Agreements with the Towns of: Brasher; Norfolk; Piercefield; Potsdam; Stockholm; and the Villages of: Hermon; and Potsdam. All contracts are for a five year term, are a grant funded program, with rates based on projected utilization by the municipalities.

Upon a motion by F. Carter, and seconded by D. Mastascusa, Resolution No. 2016-05-54, Authorizing GIS Hosting Agreements with the Central St. Lawrence County Regional GIS Project Municipalities, was unanimously approved.

b. Resolution No. 2016-05-55 authorizes GIS Hosting Agreements with the Towns of: Adams; Ellisburg; Rodman; Sandy Creek; Richland; and the Villages of: Adams; Mannsville; Lacona; and Sandy Creek. All contracts are for a five year term.

Upon a motion by M. Murray, and seconded by A. MacKinnon, Resolution No. 2016-05-55, Authorizing GIS Hosting Agreements with the South Jefferson County and North Oswego County Regional GIS Project Municipalities, was unanimously approved.
c. Resolution No. 2016-05-56 is an amendment to the Technical Services Agreement with the Village of Potsdam for the water/sewer rate analysis for additional services to assist in the implementation of the proposed water/sewer rate structure. The increase includes the coordination with the software vendor on behalf of the Village to update the billing software. The additional cost of $7,000 brings the not to exceed amount of the Agreement to $14,000.

Upon a motion by F. Carter, and seconded by A. Calligaris, Resolution No. 2016-05-56, Amendment No. 1 to Technical Services Agreement for Water/Sewer Rate Analysis with the Village of Potsdam, was unanimously approved.

d. Resolution No. 2016-05-57 is an amendment to the Technical Services Agreement for the Town of Fine Wanakena footbridge for additional services to perform construction inspection for the duration of the project. The additional scope of work will result in additional costs of $7,500, bringing the not to exceed amount to $22,500.

Upon a motion by D. Mastascusa, and seconded by A. Calligaris, Resolution No. 2016-05-57, Amendment No. 1 to Technical Services Agreement for Water/Sewer Rate Analysis with the Village of Potsdam, was unanimously approved.

9. Regional Development –

a. Resolution No. 2016-05-58 approves modifications of a loan to Swan Bay Development, LLC and agrees to subordinate its loans to an additional $459,300 in lending from Watertown Savings Bank. The Development Authority agrees to consolidate the two loans into one mortgage totaling $800,000 to be filed in a third position on the real estate.

Upon a motion by F. Carter, and seconded by A. Calligaris, Resolution No. 2016-05-58, Approving Modifications of Loan to Swan Bay Development, LLC, to incorporate Phase II Financing, was unanimously approved.

b. Resolution No. 2016-05-59 accepts the annual report of the Creek Wood Housing Development Fund Company, Inc., and waives the annual meeting. The existing directors of the HDFC will continue in office until the next annual meeting.

Upon a motion by A. Calligaris, and seconded by M. Murray, Resolution No. 2016-05-59, Accepting the Annual Report of the Creek Wood Housing Development Fund Company, Inc., Waiving the Annual Meeting and Appointing Directors, was unanimously approved.

c. Resolution No. 2016-05-60 accepts the annual report of the Creek Wood II Housing Development Fund Company, Inc., and waives the annual meeting and the existing directors of the HDFC will continue in office until the next annual meeting.

Upon a motion by A. Calligaris, and seconded by M. Murray, Resolution No. 2016-05-60, Accepting the Annual Report of the Creek Wood II Housing Development Fund Company, Inc. Waiving the Annual Meeting and Appointing Directors, was unanimously approved.
d. J. Wright stated that Resolution No. 2016-05-61 was withdrawn as the Development Authority is in discussion with Lewis County to change the scope of the project.

e. Resolution No. 2016-05-62 authorizes an agreement with the Village of Massena to provide housing office administration and program delivery services.

   Upon a motion by F. Carter, and seconded by M. Murray, Resolution No. 2016-05-62, Authorizing Executive Director to Enter into an Agreement with the Village of Massena to Provide Housing Office Administration and Program Delivery Services, was unanimously approved.

f. Resolution No. 2016-05-63 authorizes a loan from the Affordable Rental Housing Program to the North Country Affordable Housing to bridge funding through New York State Affordable Housing Corp., in the amount of $132,000 at a 0% interest rate.

   Upon a motion by D. Mastascusa, and seconded by M. Murray, Resolution No. 2016-05-63, Authorizing Loan from Affordable Rental Housing Program to North Country Affordable Housing to Bridge Funding Through New York State Affordable Housing Corporation, was unanimously approved.

g. Resolution No. 2016-05-64 authorizes an agreement with the Town of Wilna to provide grant writing and project delivery and grant administration services. The Authority’s Regional Development and Engineering Divisions staff will continue to work together to deliver housing programs for communities.

   Upon a motion by F. Carter, and seconded by D. Mastascusa, Resolution No. 2016-05-63, Approving Professional Services Agreement Between the Development Authority of the North Country and the Village of Tupper Lake to Implement HOME Program, was unanimously approved.

h. Resolution No. 2016-05-65 approves a Professional Services Agreement between the Development Authority and the Village of Tupper Lake to implement a New York State HOME program and administer HOME funds. The Executive Director is authorized to execute all appropriate and necessary documents.

   Upon a motion by F. Carter, and seconded by M. Murray, Resolution No. 2016-05-65, Approving Professional Services Agreement Between the Development Authority of the North Country and the Village of Tupper Lake to Implement HOME Program, was unanimously approved.

i. Resolution No. 2016-05-66 authorizes a Technical Services Agreement between the Development Authority and the Village of Tupper Lake for the preparation of a Community Development Block Grant application and administration of housing rehabilitation program. The Agreement provides for grant writing, project delivery and grant administration and authorizes the Executive Director to execute all appropriate documents necessary to execute the agreement.
Upon a motion by A. Calligaris, and seconded by D. Mastascusa, Resolution No. 2016-05-66, Authorizing Technical Services Agreement with the Village of Tupper Lake for the Preparation of a New York State Main Street Application and Administration and Project Delivery of Grant, was unanimously approved.

10. Water Quality –

a. Resolution No. 2016-05-67 authorizes a temporary Water/Wastewater Operator Services Agreement with the Village of Clayton to perform and oversee the required operative and permit-required tests and process observation at the WWTP.

Upon a motion by D. Mastascusa, and seconded by A. MacKinnon, Resolution No. 2016-05-67, Authorizing Temporary Water/Wastewater Operator Services Agreement with the Village of Clayton, was unanimously approved.

11. Program Update –

a. C. Tuttle presented an overview of the consolidation study review process, including funding incentives, and the steps needed to complete the studies. Ms. Tuttle provided background on the consolidation studies for the Village of Hermon; Towns of Clifton and Fine; and Village of Richville.

B. McGrath commended C. Tuttle for her presentation and indicated it was an excellent example of what the Authority services can provide.

b. Rich LeClerc provided a brief update on the Scale House Project slated to begin at the Solid Waste Management Facility.

12. New Business –

a. Board Videoconferencing Discussion –

Chairman Turck stated that B. McGrath requested revisiting the videoconferencing topic and that the Governance Committee met earlier and discussed videoconferencing.

B. McGrath acknowledged he had raised the issue of videoconferencing and asked whether a quorum can be achieved. B. McGrath stated that with the scope of the Development Authority, potential bad winter weather conditions, and the broader goal of reducing the carbon footprint are just a few reasons for implementing use of videoconferencing, alleviating the burden of achieving a quorum of nonvoting members. B. McGrath stated public libraries or government buildings could be designated for videoconferencing use.

A. MacKinnon stated he had participated in a number of legislative board meetings that were videoconferenced (three committees and one full board meeting) using Skype and while these methods work, logistically, he did not favor this idea as you miss the flavor of meeting, there is no personal interaction of the members which is an important part of meetings. A. MacKinnon said the conclusion he came to is that he would not want to do it again; the audio is not good for a group and the camera shows a very small layout. A. MacKinnon stated he felt disenfranchised from videoconferenced.
meetings and it is important to meet and know the key players. A. MacKinnon stated that for unity and camaraderie, a physical presence is necessary. A. MacKinnon stated that technology breaks down occasionally and described a voting session where the technology equipment broke down and the chairman had to stall for time while the IT people made repairs. A. MacKinnon stated that if people can't attend meetings regularly then they should resign their position. Winter weather conditions and snow are part of the package if you accept a board position.

F. Carter agreed with A. MacKinnon's statements. F. Carter described a previous Albany videoconference he attended and only two attendees in Albany were visible. F. Carter stated that eye contact, questions, and a physical presence is important. F. Carter stated he does not want to see anyone from downstate controlling the North Country. F. Carter stated that Board Members are stewards of a great Authority and that's how the Authority Board Member positions should be viewed; if you cannot participate then you should not take the position. J. Hollenbeck agreed with A. MacKinnon and F. Carter.

B. McGrath stated videoconferencing is what is used in the modern world and that the Authority has an environmental responsibility. B. McGrath stated that no one from downstate would control the Authority and allowing videoconferencing would not change the disposition of the Development Authority. B. McGrath stated that we have obligation to tax payers and the environment, and an obligation to step forward into the modern world. B. McGrath stated that Board Members are entitled to drive to meetings but he personally works with clients across the country using videoconferencing. B. McGrath stated that technology has changed -- it works and is used by the world - no more excuses - let's use it.

F. Carter asked what the expense is for this technology.

B. McGrath stated he doesn't know. B. McGrath asked what is the expense of members driving to the meetings.

J. Johnson stated that Board Members accept a responsibility when accepting a position and public responsibilities can take enormous time and convenience is not a factor -- it's a matter of being willing to be present and involved.

J. Hollenbeck said if he couldn't attend the meetings, he would resign.

G. Turck stated it is a Board decision whether videoconferencing would be used and that the process can be done. G. Turck asked if there was any further discussion.


J. Johnson reminded everyone the Audit Committee Meeting is scheduled for Monday, June 13th at 10:30, and that all Members should be in attendance.

14. Upon a motion by F. Carter, and seconded by T. Heffron, the meeting adjourned at 12:40 am.

Respectfully submitted,

Thomas Heffron
Secretary