MINUTES
BOARD OF DIRECTORS MEETING
Thursday, March 31, 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, March 31, 2016.

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

Non-Voting
Mary Doheny
James Hollenbeck
Brian McGrath

Members Absent
John B. Johnson, Jr.
Stephen Hunt

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

Guests:
Richard James, Authority Counsel, Mackenzie Hughes
Brian Molongoski, Watertown Daily Times Reporter

1. Chairman Turck called the meeting to order at 10:30 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 F. Carter, the Minutes of the February 25, 2016 Board Meeting, were unanimously approved.
5. Chairman's Report –

   a. G. Turck welcomed newly appointed Lewis County Board Member, Dennis Mastascusa.

   b. Financial Disclosure forms and Board Evaluation forms were distributed for completion. This is an annual ABO requirement.

   c. Adoption of annual budget and policy resolutions, Authority Board Meeting Dates for FY 2016-2017; Authority’s Mission Statement; and Performance Measures will be completed at today’s meeting.

6. Executive Director’s Report –

   a. J. Wright reviewed the Mission Statement and highlights of the Performance Measurements. J. Wright noted the documents will be posted to the Authority’s website.

   B. McGrath reiterated the same concerns as last year, stating the enabling statute specifies Jefferson, St. Lawrence, and Lewis Counties as the Authority’s service area, although the Authority’s services extend beyond the tri-county area. After much discussion, B. McGrath requested that it be noted that he objected to the wording in the Mission Statement.

      Upon a motion by F. Carter, and seconded by A. Calligaris, the Mission Statement was unanimously approved.

   b. J. Wright stated that subsequent to the Preliminary Budget presentation to the Board, several changes recommended by Executive Management are incorporated in the Tentative Budget being presented to the Finance Committee for recommendation to the Authority Board for adoption. They are as follows:

   **A. Capital Budget - Administration**
   Project 10015 – Asset Management System increased - $10,000 - $75,000
   The capital appropriation is recommended to be increased by $10,000, based upon actual bids received subsequent to preliminary budget preparation.

   **B. Capital Budget – Solid Waste**
   Project 20096 Flare Relocation – Deleted - ($600,000) - 0
   Remaining project funds returned to Reserves - ($189,000) - 0

   **C. Operating Budget – Engineering**
   The Operating Budget for Engineering has been modified to reflect the new contract with the City of Ogdensburg for Management Services of its wastewater treatment facilities.

   Additional revenue of $124,868 has been included with offsetting expenditures reflected in the Engineering Division budget. The additional contract requires the addition of one position.
D. Operating Budget – Facilities
Executive Management reviewed the budgets for utility costs and made the following reductions:

20-5802 – Gas and Electric - Reduce ($10,000) - $50,000
41-5802 – Gas and Electric – Reduce ($7,500) - $62,500
42-5802 – Gas and Electric – Reduce ($4,000) - $24,000

E. Operating Budget – Solid Waste
The Executive Management has taken two part time recycling positions at Solid Waste and increased them to full time to enhance our waste diversion efforts.

20-5001 - SWMF Wages – Add $25,000 - $1,198,177; Fringe benefits were increased to reflect staff moving from part time to full time.

F. Operating Budget – Solid Waste
When originally budgeted, there was a change in expense classification, reduction of the prior account was taken; this is the corresponding increase in the revised expense classification.

20-5932– Monitoring and Testing – Add $3,500 - $123,500

7. Finance Report –

a. Resolution No. 2016-03-25 approves the 2016-2017 Administrative Budget which includes capital projects and administrative charges to operating companies. The Audit Committee retains Certified Public Accountants to perform audits of the financial statements, internal controls, and requires a budget for these services.

Upon a motion by A. Calligaris, and seconded by F. Carter, Resolution No. 2016-03-25, Approving Fiscal Year 2016-2017 Administrative Budget, Capital Projects, Administrative Allocations and Audit Committee Budget, was unanimously approved.

b. Resolution No. 2016-03-26 approves the 2016-2017 Engineering Division Operating Budget and Capital Projects. Capital funds that were previously approved but not fully expended are carried forward for use in FY 2016-2017.

Upon a motion by M. Murray, and seconded by A. MacKinnon, Resolution No. 2016-03-26, Approving Fiscal Year 2016-2017 Engineering Division Operating Budget and Capital Projects, was unanimously approved.

c. Resolution No. 2016-03-27 approves the annual Regional Development Division Budget.

Upon a motion by A. Calligaris, and seconded by D. Mastascusa, Resolution No. 2016-03-27, Approving Fiscal Year 2016-2017 Regional Development Budget, was unanimously approved.

Upon a motion by F. Carter, and seconded by A. Calligaris, Resolution No. 2016-03-28, Approving Fiscal Year 2016-2017 Regional Development Budget, was unanimously approved.


Upon a motion by F. Carter, and seconded by A. MacKinnon, Resolution No. 2016-03-29, Approving Fiscal Year 2016-2017 Technology Division Operating Budget, Capital Projects, Reserve Designations, and Tariff, was unanimously approved.


Upon a motion by M. Murray, and seconded by D. Mastascusa, Resolution No. 2016-03-30, Approving Fiscal Year 2016-2017 Water Quality Management Division Operating Budget, Capital Projects, and User Charges, was unanimously approved.

g. Resolution No. 2016-03-31 authorizes the Executive Director to approve compensation adjustments, effective for FY 2016-2017, and are within the budgetary authorities and consistent with Authority Personnel Policies authorized by the Board.

Upon a motion by F. Carter, and seconded by A. Calligaris, Resolution No. 2016-03-31, Authorizing Executive Director to Implement Compensation Plan, was unanimously approved.

h. Resolution No. 2016-03-32 amends the Regional Water Line Budget for 2016 to reflect an increase in water purchases of $22,578.07 from $101,559.00 to $124,137.07. Funding for the increase will be paid from the Regional Water Line Operating Reserve.

Upon a motion by F. Carter, and seconded by D. Mastascusa, Resolution No. 2016-03-32, Amending the Regional Water Line Budget for Fiscal Year Ending 2016, was unanimously approved.


Upon a motion by F. Carter, and seconded by M. Murray, Resolution No. 2016-03-33, Resolution No. 2016-03-33, Approving Fiscal Year 2016-2017 North Country Economic Development Fund Budget, was unanimously approved.

j. Resolution No. 2016-03-34 authorizes Professional Services Contracts with firms providing specialized expertise, skills, and knowledge to the Authority. This is an annual resolution requiring Board approval.
Upon a motion by D. Mastascusa, and seconded by M. Murray, Resolution No. 2016-03-34, Authorizing Professional Services Contracts, was unanimously approved.

k. Resolution No. 2016-03-35 authorizes a continuation of the $500,000 line of credit from the Telecommunications repair and upgrade reserve. The Executive Director is authorized to execute the drawdown of funds from the Telecommunications line of credit for the purpose of financing Telecommunications projects on an as-needed basis.

Upon a motion by F. Carter, and seconded by A. MacKinnon, Resolution No. 2016-03-35, Authorizing Continuation of a $500,000 Line of Credit for the Technology Division, was unanimously approved.

I. Resolution No. 2016-03-36 authorizes a loan from the Community Development Loan Fund to fund FY 2016-2017 Army capital projects in an amount not to exceed $1,020,000 for cost incurred for the emergency generator and mainline valve replacements. The loan is for four years at 3% interest.

Upon a motion by D. Mastascusa, and seconded by A. MacKinnon, Resolution No. 2016-03-36, Authorizing Loan from Community Development Loan Fund to Fund Fiscal Year 2016-2017 Army Capital Projects in an Amount Not to Exceed $1,020,000, was unanimously approved.

8. Governance Report –

a. Resolution No. 2016-03-37 approves the Investment Policy, an annual requirement per the Authorities Budget Office that all policies be reviewed on an annual basis. The title, “Accountant I” replaces “Staff Accountant” within the document.

Upon a motion by A. Calligaris, and seconded by A. MacKinnon, Resolution No. 2016-03-37, Approving Investment Policy, was unanimously approved.

b. Resolution No. 2016-03-38 approves the annual disposition of Real Property Policy, and is a requirement of the Public Authorities Law that it be reviewed and approved annually by the Board. The word, “addition” replaced the word, “inchoate” in Section 1 C.

Upon a motion by M. Murray, and seconded by D. Mastascusa, Resolution No. 2016-03-38, Approving Disposition of Real Property Policy, was unanimously approved.

c. Resolution No. 2016-03-39 approves the Procurement Policy. The Policy now includes “Service Disabled Veteran Owned Businesses” which New York State has designated as a set-aside goal.

Upon a motion by F. Carter, and seconded by A. MacKinnon, Resolution No. 2016-03-39, Approving Procurement Policy, was unanimously approved.
d. Resolution No. 2016-03-40 modifies the Personnel Policy. The changes are reflected in the three Appendices - Appendix A – Standard Work Day; Appendix B – Report of Personnel Changes; Appendix C – Non-Exempt Pay Grade Chart and are related to employee job titles.

Upon a motion by F. Carter, and seconded by M. Murray, Resolution No. 2016-03-40, Authorizing Modifications to Personnel Policy, was unanimously approved.

9. Engineering -

a. Resolution No. 2016-03-41 authorizes a Wastewater Management Services Agreement with the City of Ogdensburg. The Authority would provide a full time Water Quality Supervisor who would be exclusively assigned to the Ogdensburg facilities. The Agreement is for a five year term.

Upon a motion by A. MacKinnon, and seconded by D. Mastascusa, Resolution No. 2016-03-41, Authorizing Wastewater Management Services with the City of Ogdensburg, was unanimously approved.

b. Resolution No. 2016-03-42 authorizes a Phase 3 Agreement with the Village of Lyons Falls for redevelopment planning of the former Lyons Falls Pulp and Paper Mill for a not to exceed amount of $50,000.

Upon a motion by F. Carter, and seconded by D. Mastascusa, Resolution No. 2016-03-42, Authorizing a Phase 3 Agreement with the Village of Lyons Falls for Redevelopment Planning of the Former Lyons Falls Pulp and Paper Mill, was unanimously approved.

10. Regional Development –

a. Resolution No. 2016-03-43 authorizes the Executive Director to execute contracts based upon awards made by the North Country HOME Consortium Administrative Board.

Upon a motion by M. Murray, and seconded by D. Mastascusa, Resolution No. 2016-03-43, Authorizing Executive Director to Execute HOME Contracts for 2016 Program Year, was unanimously approved.

b. Resolution No. 2016-03-44 approves a Sub-Recipient Agreement between the Development Authority and the Village of Tupper Lake to administer HOME funds and authorizes the Executive Director to execute all documents necessary to execute the agreement and administer the program.

Upon a motion by A. Calligaris, and seconded by M. Murray, Resolution No. 2016-03-44, Approving Sub-Recipient Agreement Between the Development Authority of the North Country and the Village of Tupper Lake to Implement HOME Program, was unanimously approved.
c. Resolution No. 2016-03-45 authorizes the use of up to $100,000 from the Housing Loan Revolving Fund to be used to bridge grant payments from the New York State Office of Community Renewal for the Village of Tupper Lake's HOME Program.

Upon a motion by A. MacKinnon, and seconded by D. Mastascusa, Resolution No. 2016-03-45, Authorizing Use of Housing Loan Revolving Funds for Village of Tupper Lake HOME Program Administration, was unanimously approved.

d. Resolution No. 2016-03-46 ratifies the $250,000 loan/$250,000 grant from the North Country Redevelopment Fund to S&J Properties of Watertown, LLC for 240 months at a 1% interest rate and authorizes the Executive Director to execute all documents necessary to make the loan. Terms and conditions state six months interest only payments, then regular principal and interest payments thereafter.

Upon a motion by A. Calligaris, and seconded by M. Murray, Resolution No. 2016-03-46, Ratifying Loan Issued Through North Country Redevelopment Loan Fund for S&J Properties of Watertown, LLC, was unanimously approved.

11. Solid Waste –

a. Resolution No. 2016-03-47 is an annual resolution that standardizes purchases of certain classes of equipment for use in the Solid Waste Management Division as necessary for construction or operational activities. Schedule A lists the equipment and related manufacturers and models.

Upon a motion by A. Calligaris, and seconded by M. Murray, Resolution No. 2016-03-47, Standardizing Upon Certain Equipment for Use in Relation to the Solid Waste Management Division, was unanimously approved.

12. Telecommunications –

a. Resolution No. 2016-03-48 is an annual resolution that standardizes purchases of certain classes of information technology and telecommunications equipment for use in the open access telecommunications network as necessary for construction or operational activities. Schedule A lists the equipment and related manufacturers.

Upon a motion by A. MacKinnon, and seconded by D. Mastascusa, Resolution No. 2016-03-48, Standardizing Upon Certain Equipment for Use in Relation to the Open Access Telecommunications Network, was unanimously approved.

13. Water Quality –

a. Resolution No. 2016-03-49 is an annual resolution that standardizes purchases of certain classes of equipment for use in the Water Quality Division as necessary for construction or operational activities. Schedule A lists the equipment and related manufacturers and models.

Upon a motion by M. Murray, and seconded by A. MacKinnon, Resolution No. 2016-03-49, Standardizing Upon Certain Equipment for Use in Relation to the Water Quality Management Division, was unanimously approved.
14. Added Resolutions: The following Resolutions were added after the Board packet was sent out.

a. Resolution No. 2016-03-50 authorizes an Amendment 2 to the SCADA Services Agreement with the Village of Antwerp. The Village is requesting monitoring and controlling services from the Authority, resulting in additional expenses of $1,491.59, bringing the total to exceed amount to $51,491.59.

   Upon a motion by A. MacKinnon, and seconded by D. Mastascusa, Resolution No. 2016-02-50, Authorizing Amendment 2 to the SCADA Services Agreement with the Village of Antwerp, was unanimously approved.

b. Resolution No. 2016-03-51 authorizes the Project Development Committee to negotiate recovery of Bad Debt for Florelle Tissue. Although the loan made to Florelle from the Community Development Loan Fund in the amount of $250,000 was written-off, the Development Authority still plans to recover on the debt through the liquidation of equipment collateral. In order to facilitate timely decisions in the sale and disposition of equipment collateral, the Project Development Committee is given authorization to make decisions on behalf of the Board relating to the collection of the debt.

   Upon a motion by A. MacKinnon, and seconded by A. Calligaris, Resolution No. 2016-03-51, Authorizing Project Development Committee to Negotiate Recovery of Bad Debt for Florelle Tissue, was unanimously approved.

c. Resolution No. 2016-03-52 authorizes the transfer of reserve funds to the Community Development Loan Fund for the purpose of providing cash flow construction financing for wastewater infrastructure for a not to exceed amount of $10 million for potential use in order to facilitate infrastructure construction in support of the expansion of Kraft-Heinz in Lewis County.

   Upon a motion by A. MacKinnon, and seconded by D. Mastascusa, Resolution No. 2016-03-52, Authorizing the Utilization of Reserve Funds for Construction Financing to Facilitate Infrastructure Construction in Support of the Expansion of Kraft-Heinz in Lewis County, was unanimously approved.

d. Resolution No. 2016-03-53 authorizes a loan from the Community Development Loan Fund to the Village of Lowville to bridge Phase I of a New York State grant for the upgrading of wastewater treatment facilities to support the expansion of the Kraft-Heinz manufacturing facilities.

   Upon a motion by D. Mastascusa, and seconded by M. Murray, Resolution No. 2016-03-53, Authorizing Loan from Community Development Loan Fund to the Village of Lowville to Bridge Phase I of New York State Grant for the Upgrading of Wastewater Treatment Facilities to Support the Expansion of the Kraft-Heinz Manufacturing Facilities, was unanimously approved.
15. New Business –

a. Report of the Nominating Committee – J. Johnson, Nominating Committee Chair, communicated to A. MacKinnon the proposed slate of officers for the coming fiscal year:

- Gary Turck, Chairman
- Fredrick Carter, Vice Chairman
- Margaret Murray, Treasurer
- Thomas Hefferon, Secretary

Upon a motion by A. MacKinnon, and seconded by A. Calligaris, Gary Turck (Chairman); Fredrick Carter (Vice Chairman); Margaret Murray (Treasurer); and Thomas Hefferon (Secretary), were unanimously approved as officers for FY 2016-2017.

b. Adoption of Meeting Schedule - Upon a motion by F. Carter, and seconded by M. Murray, the calendar of meeting dates for FYE 2017, was unanimously approved.


17. Upon a motion by F. Carter and seconded by A. Calligaris, the meeting adjourned at 11:25 am.

Respectfully submitted,

Thomas Hefferon
Secretary