POLICY
ELECTRONIC SIGNATURE AUTHORIZATION
ELECTRONIC STORAGE OF DOCUMENTS

Whereas, the Development Authority of the North Country is subject to the Records Retention and Disposition Schedule MI-1, issued pursuant to Article 57A of the Arts and Cultural Affairs Law, which contain the legal minimum retention periods to retain records, and

Whereas, the Authority has pursuant to Resolution No. 2004-11-04, Adopting Records Retention and Disposition Schedule, and Resolution No. 2010-06-03, Approving Electronic Signature Policy, established said policies, and

Whereas, the Authority is permitted by the Electronic Signature and Records Act (commonly called “ESRA”) and the rules and regulations promulgated by the Office of Information Technology Services (commonly called “OFT”) to maintain records in electronic format and to use electronic signatures rather than hard copy documents, and

Whereas, pursuant to ESRA and the OFT regulations adopted thereunder, as well as the Arts and Cultural Affairs Law and the NYS Archives of the Department of Education regulations adopted thereunder, the Authority is authorized to maintain records electronically and destroy originals and paper copies, except certain negotiable instruments.

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

RESOLVED, that the Development Authority of the North Country hereby adopts Schedule MI-1 for use by the Authority in legally disposing of records after they have met the minimum retention period stated on Schedule MI-1, and be it further

RESOLVED, that the Executive Director, in his discretion, shall determine if certain records have sufficient administrative, fiscal, legal, or historical value to merit retention beyond the legal minimum retention periods, and be it further

RESOLVED, that pursuant to ESRA, the Executive Director shall develop and implement procedures to electronically sign and transmit documents, rather than exchange paper copies, and be it further
RESOLVED, that the Executive Director or his designee shall prepare the required Business Assessment and Risk Analysis procedures to convert hard copy documents to electronic storage on servers maintained by the Authority, consistent with ESRA (and the OFT Regulations), the Arts and Cultural Affairs Law, (and the NYS Archives Regulations, including Schedule MI-1), the Public Authorities Law and the Public Officers Law.

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

Calligaris - Absent Hefferon - Yes
Carter – Yes Hollenbeck - Present
Doheny – Present Hunt - Present

Johnson – Yes MacKinnon – Yes
McGrath – Absent

Mastascusa - Yes Murray - Yes
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. 2017-08-81 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

Gary Turck
Board Chairman
Board Resolution No. 2017-08-82
August 24, 2017

POLICY
WORKPLACE VIOLENCE PREVENTION

Whereas, the Development Authority of the North Country operates according to board policies and administrative guidelines as may be amended from time to time, and

Whereas, pursuant to Resolution No. 2009-08-02, the Development Authority of the North Country approved and adopted the Workplace Violence Prevention Policy, and

Whereas, the Executive Director has recommended adoption of the Workplace Violence Prevention Policy revisions as deemed necessary and appropriate, and

Whereas, the recommended changes modifies any and all references of Compliance Officer to Human Resources Director; modifies any and all references of Health and Safety Committee to Safety Committee; adds Appendix D – Workplace Violence Security Checklist; and adds Reference – Bomb Threat Instructions.

Whereas, the Governance Committee of the Board has reviewed the Executive Director’s recommendations and concurs with the recommendation.

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

RESOLVED, that the Development Authority of the North Country does hereby approve the attached amended Workplace Violence Prevention Policy, and be it further

RESOLVED, the Executive Director is herewith authorized to initiate actions and procedures necessary to implement said Policy.

Motion by: F. Carter
Seconded by: D. Mastascusa

Calligaris - Absent  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. 2017-08-82 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

[Signature]
Gary Turck
Board Chairman
WORKPLACE VIOLENCE PREVENTION POLICY

Updated: August 24, 2017
WORKPLACE VIOLENCE PREVENTION POLICY

Statement of Policy

The Development Authority of the North Country (Authority) is committed to the safety and security of our employees. The Authority will not tolerate violence or threats of violence in the workplace. Our goal is to foster and maintain an environment free from violence.

Threats, threatening behavior, or acts of violence against employees, visitors, guests or other individuals by anyone on Authority property will be thoroughly investigated and appropriate action will be taken, including summoning criminal justice authorities when warranted.

Violence is defined as behavior that intentionally threatens, attempts, or inflicts physical or psychological harm on others, as well as non-contact actions such as invasion of personal space, menacing, or stalking.

All employees are responsible for helping to create an environment of mutual respect for each other, as well as customers, following all policies, procedures, and program requirements, and for assisting in maintaining a safe and secure work environment.

All employees must refrain from hostile or threatening behavior (words or actions), which intimidates or creates fear for other's safety.

All employees are directed to immediately report activities, incidents and behavior which they reasonably believe may lead to acts of violence.

It is essential all Authority employees are aware and understand the Authority remains committed to assisting its employees with problems affecting their personal and family lives, including those that may be limiting their ability to cope successfully in the workplace. If appropriate, the Employee Assistance Program is available for referrals and will provide services for any employee.

Employees will not be discriminated against for bringing forth a safety and health concern, for filing a complaint or for participating in, or causing, any proceeding or inspection relating to this program.

The goal of this Policy is to promote the safety and well-being of all people in our workplace. All incidents of violence or threatening behavior will be responded to immediately upon notification.
**Incident Reporting**

All Authority personnel are responsible for notifying their Division Manager of any violent incidents, threatening behavior, including threats they have witnessed, received or have been told that another person has witnessed or received.

Employees who are subjected to, or who witness violent behavior, must report it to their Division Manager immediately, completing the Authority's standard Incident Reporting Form as soon as practicable.

In the cases of domestic violence, if any employee has a court order that directs the abuser to stay away from the workplace, the employee shall advise their Division Manager so the Manager may assist the employee should it be necessary or requested.

Copies of all Incident Reports shall be retained as permanent Authority records in the custody of the Authority Human Resources Director.

*Standardized Incident Reporting Form – Appendix A*

**Division Manager’s Responsibility**

Must inform subordinate employees of their responsibility to behave in a manner consistent with this Policy and insist that any violations be brought to their attention immediately.

Must document incidents and complaints of this nature and report them immediately to the Human Resources Director and Executive Director.

Must refer reports of immediate or serious threats of violence to the local criminal justice authorities for any action the criminal justice authorities deem appropriate.

Must ensure appropriate departmental corrective actions are taken with employees who behave in a hostile or threatening manner consistent with the Authority Personnel Policy.

Must facilitate in the enforcement of all known court orders, particularly those in which abusers have been ordered to stay away from the workplace.

Assist the employee in enforcement of an existing, known order, including gathering and providing evidence related to whether a violation of an order has occurred.

Assist with referrals to Employee Assistance Program or other programs, as appropriate.
Assure that injured employees receive prompt and appropriate medical care; this includes, but is not limited to, providing transportation of the injured to medical care.

Address the need for appropriate treatment of victimized employees; in addition to physical injuries, victims and witnesses may suffer from psychological trauma.

**Prevention Program**

The Authority is responsible for assessing the employees' work environment for the risk factions (hazards) they are actually or potentially exposed to.

The Authority is responsible for analyzing the risk evaluation data to determine appropriate control measures that will prevent or reduce workplace violence.

The Authority has a responsibility to address all risk factors that its employees are potentially exposed to. When considering the most appropriate control measures, an effort should be made to try to eliminate the hazards whenever possible.

The Authority has designated its Safety Committee as the vehicle for evaluating the effectiveness of the Prevention Program and ensuring appropriate employee participation.

**Safety Committee**

The Authority's Employees' Safety Committee shall conduct an annual risk assessment and evaluation.

The Committee shall conduct an Annual Employee Survey. Responses will be confidential and the results tabulated by the Human Resources Director and Executive Director.

The Committee shall identify potential risks (hazards) and offer recommendations for corrective actions.

The Committee shall review the results of a Physical Workplace Evaluation and Workplace Security Checklist completed by each Division Manager.

The Committee shall review all Incident Reports and post incident responses and offer recommendations based upon its review. In circumstances that are deemed privacy concern cases, the Authority shall redact the victim's name and maintain confidentiality, but will otherwise complete a thorough review of the Incident Report.
The Committee shall maintain a training matrix which shall schedule and document annual training activities related to the Workplace Violence Prevention Policy and Program.

**Employee Awareness**

The Authority shall post, in a conspicuous location at each workplace site where employee notices are normally posted, a copy of its Workplace Violence Prevention Policy Statement. This Statement shall be a one page document that briefly summarizes the Authority’s commitment Policy and Program.

The Authority shall post to its electronic bulletin board, accessible to all employees, the complete Policy and Program content.

The Authority shall post to its publicly accessible website, the complete Policy and Program content.

After bringing a matter to the attention of the Division Manager, the employee shall afford the Authority a reasonable opportunity to correct the issue. However, if after a reasonable opportunity to correct the concern has passed and the matter remains unresolved, then the employee may request an inspection of the workplace by the Department of Labor.

**Reference:** Article 2 Section 27-b, NYS Labor Law, 12 NYCRR Part 800.6

**APPENDICES:**

A – Workplace Violence Incident Reporting Form

B – Employee Survey on Workplace Violence Hazard Assessment

C – Workplace Violence Prevention Policy Manager’s Site Evaluation

D – Workplace Violence Security Checklist

Reference – OGS Shelter-in-Place Procedures

Reference – Bomb Threat Instructions

Revision/Review Approval Date: August 20, 2009
Added OGS Shelter-In-Place Procedures: October 30, 2012
Revision/Review Approval Date: August 24, 2017
Appendix A

WORKPLACE VIOLENCE INCIDENT REPORTING FORM

Date of Incident: ______________________
Time of Incident: ______________________
Case Number: ______________________

Employee Name: ______________________ Division Manager: ______________________
Title: ______________________ Date Received: ______________________
Workplace Location: ______________________

What was the employee doing just prior to the incident? ______________________
________________________________________
________________________________________
________________________________________
________________________________________

Incident Description (minimally include names of involved employees, extent of injuries and names of witnesses): ______________________
________________________________________
________________________________________
________________________________________
________________________________________

Provide information on preventative actions that the Authority has taken or is considering as a result of the incident to prevent against further like occurrences: ______________________
________________________________________
________________________________________
________________________________________
________________________________________

After the occurrence of a workplace violence incident, the Authority shall consider prevention enhancements, which may be necessary to properly protect employees.

The Authority is responsible for maintaining copies of reports which shall be used when the program is reviewed and updated.

cc: Human Resources Director
Appendix B

EMPLOYEE SURVEY ON WORKPLACE VIOLENCE HAZARD ASSESSMENT

(No Signature Needed)

Name (Optional): ______________________ Date: ____________________

Division: -- Select One --

Work Location (if at alternate worksite): ________________________________

===============================================================================

Please base your answers for the past 12 months at the Authority division where you are employed.

Select TRUE (T), FALSE (F), or DON'T KNOW (?). Please provide any comments in the space provided. Thank you for your honest assessment.

Management Commitment and Employee Involvement:

1. Violence/threats are not accepted as "part of the job" by managers, supervisors and/or employees.
   T o F o ? o Comments: ________________________________

2. I have been instructed to communicate information about potentially assultive/threatening customers or visitors to appropriate staff.
   T o F o ? o Comments: ________________________________

3. Management communicates information to me about incidents of workplace violence.
   T o F o ? o Comments: ________________________________
4. I feel I am treated with dignity and respect by other employees and management.
   T  O  F  O  ?  O  Comments:

5. I am basically satisfied with my job.
   T  O  F  O  ?  O  Comments:

6. I am basically satisfied with management.
   T  O  F  O  ?  O  Comments:

7. I am basically satisfied with the Authority (i.e., mission, vision, goals).
   T  O  F  O  ?  O  Comments:

8. I generally feel “safe” when I am at work.
   T  O  F  O  ?  O  Comments:

9. I am familiar with the Authority's workplace violence prevention policy.
   T  O  F  O  ?  O  Comments:

Potential Risk Factors:

10. I do not work in high-crime areas.
    T  O  F  O  ?  O  Comments:

11. I do not work with drugs.
    T  O  F  O  ?  O  Comments:

12. I do not work with cash.
    T  O  F  O  ?  O  Comments:
13. To my knowledge, I do not work with customers who have a history of violent behavior or behavior disorders.

[ ] T [ ] F [ ] ? [ ] Comments:

14. I do not work in isolated work areas (ex. trail maintenance; water sampling; pump stations; central office locations)

[ ] T [ ] F [ ] ? [ ] Comments:

Hazard Prevention and Control

15. The Authority facilities have adequate lighting to, from and within the worksite.

[ ] T [ ] F [ ] ? [ ] Comments:

16. The employee parking lot/garage is secure when arriving, leaving and during changes of shift.

[ ] T [ ] F [ ] ? [ ] Comments:

17. Access and freedom of movement within the workplace are restricted to those persons who have a legitimate reason for being there.

[ ] T [ ] F [ ] ? [ ] Comments:

18. After hours, the building is locked down with secured access points.

[ ] T [ ] F [ ] ? [ ] Comments:

19. Visitors are signed in and out.

[ ] T [ ] F [ ] ? [ ] Comments:

20. Exits are accessible and clearly marked.

[ ] T [ ] F [ ] ? [ ] Comments:
21. I am able to locate emergency equipment such as fire alarm boxes or emergency generator outlets.
   T  O  F  O  ?  O  Comments:   

22. Emergency equipment is accessible and free from obstruction.
   T  O  F  O  ?  O  Comments:   

23. I am able to locate a cellular phone, power-failure phone and/or radio, for emergency communication.
   T  O  F  O  ?  O  Comments:   

24. I know of the proper procedure if a bomb threat is announced.
   T  O  F  O  ?  O  Comments:   

25. Employee emergency call list is up-to-date and available.
   T  O  F  O  ?  O  Comments:   

26. I use the “buddy system” to work together if problems arise.
   T  O  F  O  ?  O  Comments:   

27. Employees working in the field have cellular phones or other communication devices to enable them to request aid.
   T  O  F  O  ?  O  Comments:   

28. Reference manuals are up-to-date and available to employees.
   T  O  F  O  ?  O  Comments:   

29. There is an employee complaint process available to employees.
   T  O  F  O  ?  O  Comments:   
30. There is a Safety Committee available as a resource to employees for any hazard concern.
   T O F O ? O Comments:

Training:

31. I have received training on the company’s workplace violence prevention program.
   T O F O ? O Comments:

32. I know to ask for assistance by alerting other staff or by phone.
   T O F O ? O Comments:

33. I have been trained to recognize and handle threatening, aggressive or violent behavior.
   T O F O ? O Comments:

34. I have been trained in verbal de-escalation techniques.
   T O F O ? O Comments:

35. To my knowledge, this division has not experienced any violent behavior and/or assaults or threats from strangers.
   T O F O ? O Comments:

36. I have not experienced violent behavior and assaults or threats from visitors or customers.
   T O F O ? O Comments:

37. I have not experienced violent behavior and assaults or threats from others employed in the organization.
   T O F O ? O Comments:

38. To my knowledge, this division has not experienced domestic violence issues.
   T O F O ? O Comments:
39. I am required to report incidents or threats of violence, regardless of injury or severity; the reporting system is clear.

T ○ F ○ ? ○ Comments:

40. I am aware that medical and psychological counseling services are offered to employees who have been assaulted or threatened.

T ○ F ○ ? ○ Comments:

Click here to Submit Completed Form
WORKPLACE VIOLENCE PREVENTION POLICY MANAGER'S SITE EVALUATION

Location:  -- Select One --

Date Completed: ________________________

Completed By: ________________________

1. Describe location and access to site:

2. Describe security systems in place (gates, locks, alarms, cameras, etc.):

3. Note site characteristics that may require a higher degree of caution:

4. Identify any potential risks (hazards) within the worksite and assign a degree of risk (1= low; 10 = high):
**WORKPLACE VIOLENCE PREVENTION POLICY**

**WORKPLACE SECURITY CHECKLIST**

<table>
<thead>
<tr>
<th>Division:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address/Work Location:</td>
</tr>
<tr>
<td>Assessment Completed by:</td>
</tr>
<tr>
<td>Date of Assessment:</td>
</tr>
</tbody>
</table>

**Security Control Plan:**

Has a Security Control Plan been developed:  
If yes, is it in writing?  
If yes, does it include:
  - A Policy Statement?  
  - Evaluation of work areas?  
  - Identification of control methods considered:  
    → Engineering Controls?  
    → Work Practice Controls?  
  - Training?  
  - Evacuation and Floor Plan?  

Is the Security Control Plan accessible to all employees?  
Is the Security Control Plan reviewed and updated when a task has been added or changed and at least annually?  
Have you coordinated your Security Control Plan with the local law enforcement agency?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

**A. Policy Statement**

Is the Workplace Violence Prevention Policy statement clearly stated?  

**B. Work Area Evaluation**

Are all areas being evaluated?  
If no, which ones are not?  Comments:

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>
C. Control Measures

1. **Engineering Controls:**

If appropriate, have the following engineering controls been implemented:

- Door control(s) Yes ☐ No ☐
- Panic buttons Yes ☐ No ☐
- Door detectors Yes ☐ No ☐
- Closed circuit Yes ☐ No ☐
- Stationary metal detector Yes ☐ No ☐
- Sound detection Yes ☐ No ☐
- Intrusion panel Yes ☐ No ☐
- Monitors Yes ☐ No ☐
- Video tape recorder Yes ☐ No ☐
- Switcher Yes ☐ No ☐
- Hand-held metal detector Yes ☐ No ☐
- Other

Have structural modifications (e.g., Plexiglas, partitions, etc.) been implemented? Yes ☐ No ☐
If yes, please comment; if no, what is needed?

________________________________________________________________________

________________________________________________________________________

2. **Work Practice Controls:**

If appropriate, have the following work practice controls been implemented:

- Desk clear of objects Yes ☐ No ☐
- Unobstructed office exits Yes ☐ No ☐
- Reception area available Yes ☐ No ☐
- Visitor/client sign in/out Yes ☐ No ☐
- Visitor(s)/client(s) escorted Yes ☐ No ☐
- Countertop to separate clients from work area Yes ☐ No ☐
- One entrance used Yes ☐ No ☐
- Separate interview area(s) Yes ☐ No ☐
- I.D. badges used Yes ☐ No ☐
- Emergency phone numbers posted Yes ☐ No ☐
- Internal phone system Yes ☐ No ☐
- Internal procedures for conflict (problem) situations Yes ☐ No ☐
- Parking lot well lighted Yes ☐ No ☐
- Other:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________
### Workplace Violence Prevention Training:

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>Has training been conducted?</td>
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<td></td>
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<tr>
<td>If yes, is it provided:</td>
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<td></td>
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<tr>
<td>Prior to initial assignment?</td>
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<td>Annually thereafter?</td>
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<tr>
<td>Does training include:</td>
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<tr>
<td>Components of security control plan?</td>
<td></td>
<td></td>
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<tr>
<td>Engineering controls instituted at the workplace?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work practice controls instituted at the workplace?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Techniques to use in potentially volatile situations?</td>
<td></td>
<td></td>
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<tr>
<td>How to anticipate/read behavior?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procedures to follow after an incident?</td>
<td></td>
<td></td>
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<tr>
<td>Periodic refresher for on-site procedures?</td>
<td></td>
<td></td>
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<tr>
<td>Recognizing substance abuse/paraphernalia?</td>
<td></td>
<td></td>
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<tr>
<td>Opportunity for Q&amp;A with instructor?</td>
<td></td>
<td></td>
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<tr>
<td>Are training records kept?</td>
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<td></td>
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</table>

### Floor Plan, Evacuation Plan:

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
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</thead>
<tbody>
<tr>
<td>Are emergency evacuation plans current?</td>
<td></td>
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<tr>
<td>Are floor plans posted showing exits, entrances, location of security equipment, etc.?</td>
<td></td>
<td></td>
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<tr>
<td>Are emergency evacuation drills conducted annually?</td>
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</table>

### Conclusions:

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do employees feel safe?</td>
<td></td>
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</table>

### Comments:

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

Comments and Recommendations based on this evaluation: ____________________
________________________________________________________________________
________________________________________________________________________
Shelter-in-Place Procedures

The term, Shelter-in-Place, means to seek immediate shelter and remain there during an emergency rather than evacuate the area. It is always preferred to evacuate. Shelter-in-Place should only be used when an evacuation is not safe. Certain events may necessitate the initiation of the Dulles State Office Building Shelter-in-Place Protocol. The decision to Shelter-in-Place will be made by the Building Manager in consultation with emergency personnel.

Once the decision has been made, the Building Manager will instruct the tenants to Shelter-in-Place. This notification will be made by means of the building's public address system.

Examples of instances when Shelter-in-Place protocol may be used:

Shelter-in Place (hazardous incident) Recommendations:

In the event of a critical incident where hazardous (including chemical, biological or radiological) materials may have been released into the atmosphere either accidentally or intentionally, a decision to Shelter-in-place may be the preferred method of safely waiting out the release. The following recommendations should be considered.

- Move to rooms with no windows.
- Rooms that have little or no ventilation are preferred.
- Close all doors.

Come out only when you are told it is safe by the Building Manager.

Shelter-in-Place (violent person) Procedures:

In the event of the presence of a person or persons deemed to be a threat to the tenants, a decision to Shelter-in Place will be made by the Building Manager. This is the preferred method of keeping people out of harm's way.

Upon receiving notification to Shelter-in-Place by way of the building public address system:

- Stay in your office and lock the doors to the hallway.
- Encourage others to remain in your office rather than try to leave the building.
- Turn off the lights in your office and remain calm.
- Stay away from windows and doors.
- Report any suspicious activity, sounds or smells to the Building Manager’s office.
- Come out only when you recognize the authority directing you to do so.
Shelter-in-Place (weather) Recommendations.

A severe weather event such as a tornado or wind event during normal operating hours may necessitate that you shelter-in-place until the threat of bad weather has passed. Relocating from your normal work area to a space that has no windows or to a lower floor may increase your chances of survival. It is recommended that you:

- Move to a lower floor if possible.
- Move to an interior room that has no windows.
- Move to an interior stairwell.
- Stay in the center of the room away from all windows.
- Stay in place until the danger has passed.

Please note that in the event of a hazardous incident or a weather incident, the heating and ventilation systems will be shut down to prevent drawing in outside air.

Security personnel will be assigned to the front entrance to prevent persons other than emergency responders from entering the building.

Initiation of Shelter-in-Place

The Building Manager in consultation with the appropriate emergency personnel will make the determination when a situation requires the shelter-in-place procedures to be initiated. The Building Manager will:

- Direct the protocol until the arrival of the appropriate emergency personnel (i.e. Fire Chief or Police Department.)

Voice message: A situation has occurred in the building that requires you to stay inside until a recognized authority tells you it is safe. Please remain in your offices and lock your doors.
PLACE THIS CARD UNDER YOUR TELEPHONE

QUESTIONS TO ASK:
1. When is bomb going to explode?
2. Where is it right now?
3. What does it look like?
4. What kind of bomb is it?
5. What will cause it to explode?
6. Did you place the bomb?
7. Why?
8. What is your address?
9. What is your name?

EXACT WORDING OF THE THREAT:

SEX OF CALLER:       RACE:

AGE:       LENGTH OF CALL:

ADDITIONAL INFORMATION ON REVERSE

NUMBER AT WHICH CALL IS RECEIVED:

TIME:       DATE:

CALLER'S VOICE:

Loud     Soft
High     Deep
Intoxicated     Disguised
Calm     Angry
Fast     Slow
Stutter     Nasal
Distinct     Shouted

ACCENT (Type:     )

OTHER CHARACTERISTICS:

IF VOICE IS FAMILIAR, WHO DID IT SOUND LIKE?

BACKGROUND SOUNDS:

Voices     Airplanes
Quiet     Trains
Animals     Music
Street Traffic     Factory
Office     Machinery

OTHER:

THREAT LANGUAGE:

Well spoken     Incoherent
(educated)     Taped
Foul     Message read
Irrational     by threat maker

REMARKS:

Report call immediately to:

PHONE NUMBER:

DATE:       

NAME:

POSITION:

PHONE NUMBER:
REGIONAL LODGING FEASIBILITY STUDY
LEAD AGENCY - STATE GRANT

Whereas, the North Country Regional Economic Development Council (NCREDC) established a Lodging Task Force to work on a regional goal of promoting, producing, and providing sustainable tourism, and

Whereas, the Development Authority oversees the Regional Tourism Development Fund and participated as a member of the Lodging Task Force, and

Whereas, the recommendations of the Task Force include expansion of the Regional Tourism Loan Fund based upon the success of the existing program, and

Whereas, the Lodging Task Force also recommended the preparation of a feasibility study and market analysis to identify opportunities to renovate existing properties and continue to encourage reinvestments, and

Whereas, the member agencies of the Task Force have agreed to match state funding to conduct said study.

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

RESOLVED, the Development Authority of the North Country authorizes the Authority to serve as the region’s lead agency for the receipt of a state grant, and be it further

RESOLVED, the Authority is herewith authorized to contribute up to 25% of matching funds of the state grant, not to exceed $50,000, and be it further

RESOLVED, if the state grant is awarded, the contract for said grant shall be subject to Board authorization.

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

Calligaris - Absent 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. 2017-08-83 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

Gary Turck
Board Chairman
TECHNICAL SERVICES AGREEMENT
VILLAGE OF CLAYTON
WATER TREATMENT SYSTEM IMPROVEMENT PROJECT

Whereas, pursuant to Resolution No. 2012-03-16, the Development Authority of the North Country (Authority) and the Village of Clayton (Village) entered into an Agreement dated March 12, 2012 to provide preliminary engineering services related to the review of engineering documents for the Village’s Waste System Improvement Project, and

Whereas, the Village completed a final Preliminary Engineering Report (Water System Assessment, O’Brien & Gere, August 2013, updated May 2015), and

Whereas, the Village passed a Bond Resolution on August 24, 2015, completed SEQR on September 2, 2015, and

Whereas, pursuant to Resolution No. 2015-10-104, the Authority authorized Amendment 1 to expand the Authority’s scope of services to include project management and fiscal coordination tasks related to the design phase of the project for an additional expense of $20,000, and

Whereas, the Village received state and federal funding to minimize user fees to complete the necessary infrastructure improvements in 2016, and

Whereas, the Village issued Notice of Award letters to contractors on June 19, 2017 and requested the Authority expand its scope of services to include project management and fiscal coordination tasks related to the construction phase of the project, and

Whereas, this additional work will increase the Authority’s level of effort, resulting in additional expenses of $20,000, bringing the not to exceed amount of the contract to $45,000.

Now, upon the recommendation of the Facilities Committee, therefore be it
RESOLVED, that the Technical Services Agreement Amendment No. 2, by and between the Authority and the Village of Clayton 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 - Absent  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. 2017-08-84 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

[Signature]
Gary Turck
Board Chairman
AMENDMENT 2

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
TECHNICAL SERVICES AGREEMENT FOR
WATER TREATMENT SYSTEM IMPROVEMENT PROJECT

WITH THE

VILLAGE OF CLAYTON

WHEREAS, the Development Authority of the North Country (Authority) and the Village of Clayton (Clayton) entered into an Agreement dated March 12, 2012 for an amount not to exceed $5,000 to provide preliminary engineering services related to the review of preliminary engineering documents for the Clayton Water System Improvement project; and

WHEREAS, the Village completed a final Preliminary Engineering Report (Water System Assessment, O'Brien & Gere August 2013, updated May 2015), and

WHEREAS, the Village passed a Bond Resolution on August 24, 2015, completed SEQR on September 2, 2015; and

WHEREAS, the Village authorized Amendment 1 on September 14, 2015 to expand the Authority’s scope of services to include project management and fiscal coordination tasks related to the design phase of the project for an additional expense of $20,000, and

WHEREAS, the Village received state and federal funding to minimize user fees to complete the necessary infrastructure improvements in 2016, and

WHEREAS, The Village issued Notice of Award letters to contractors on June 19, 2017 and requested the Authority expand its scope of services to include project management and fiscal coordination tasks related to the construction phase of the project, and

WHEREAS, this additional work will increase the Authority’s level of effort, resulting in additional expenses of $20,000, bringing the not to exceed amount of the contract to $45,000.

NOW, THEREFORE, the Authority and the Village agree to amend the amount of the agreement to $45,000.
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 the amount agreed upon.

DEVELOPMENT AUTHORITY
OF THE NORTH COUNTRY

By:____________________

James W. Wright
Executive Director

VILLAGE OF CLAYTON

By:____________________

Norma Zimmer
Mayor
TECHNICAL SERVICES AGREEMENT
TOWN OF TUPPER LAKE
MUNICIPAL OFFICE ACCESS IMPROVEMENT PROJECT

Whereas, pursuant to Resolution No. 2017-05-48, the Development Authority of the North Country (Authority) and the Town of Tupper Lake (Town) entered into an Agreement dated April 13, 2017 to provide technical services for the Town’s Municipal Office Access Improvement Project, and

Whereas, the Town has requested that the Authority develop architectural drawings of the proposed improvements to the Town Hall and has further requested that this scope of services be incorporated into the Authority’s existing contract with the Town, and

Whereas, the scope of services required will necessitate assistance from an external firm, and

Whereas, the Authority has solicited proposals for architectural services from three engineering consulting firms and GYMO Architecture, Engineering & Land Surveying, D.P.C. provided the lowest cost proposal, and

Whereas, this additional work will increase the Authority’s level of effort, resulting in additional expenses of $9,800, bringing the not to exceed amount of the contract to $24,800.

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

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

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

Calligaris - Absent  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. 2017-08-85 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

Gary Turck
Board Chairman
AMENDMENT NO. 1

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
TECHNICAL SERVICES AGREEMENT FOR TOWN HALL ACCESS PROJECT

WITH THE

TOWN OF TUPPER LAKE

WHEREAS, the Development Authority of the North Country (Authority) and the Town of Tupper Lake entered into an Agreement dated April 13, 2017 for the Authority to provide technical services for the Town Hall Access Project, and

WHEREAS, the Town has requested that the Authority develop architectural drawings of the proposed improvements to the Town Hall and has further requested that this scope of services be incorporated into the Authority's existing contract with the Town, and

WHEREAS, the scope of services required will necessitate assistance from an external firm, and

WHEREAS, the Authority has solicited proposals for architectural services from three engineering consulting firms and GYMO Architecture, Engineering & Land Surveying, D.P.C. provided the lowest cost proposal.

NOW, THEREFORE BE IT RESOLVED, that the Authority and the Town of Tupper Lake agree to amend their Technical Services Agreement to encompass technical design services from GYMO as outlined below:

1. Addition of the following services to Article 1 – Scope of Services:

   G.) Technical Design Services:

   The Authority will contract directly with GYMO Architecture, Engineering & Land Surveying, D.P.C. for technical design services. The technical design services are as listed in their proposal, dated June 13, 2017, and as further outlined below:

   1. Visit the existing building to verify existing conditions and obtain field measurements.
   2. Prepare a topographical survey of the existing property in the vicinity of the handicap accessible entrance.
   3. Prepare detailed existing floor plans for your use in future needs.
   4. Attend design meetings as necessary to achieve the desired final design.
   5. Prepare a scaled Floor Plan and details illustrating the new layout and details for bidding and construction purposes. GYMO will provide NYS PE stamped design drawings and technical specifications.
   6. The new design will incorporate the design guidelines for the Town of Tupper Lake.

Page 1 of 2
2. Addition of the following fee to the Technical Services Agreement Article 2:

a) The Authority shall pay GYMO Architecture, Engineering & Land Surveying, D.P.C., a lump sum amount of $9,800.00 for technical design services. The Town shall reimburse the Authority the costs incurred for technical design services which are in addition to the previously agreed fee of $15,000. The total cost of such services shall not exceed $24,800.

The return of one signed copy of this Amendment, together with the formal resolution of approval, constitutes acceptance of this Amendment.

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 TUPPER LAKE

By:__________________________
Patricia Littlefield
Supervisor
SCADA SERVICES AGREEMENT
VILLAGE OF ANTWERP
WATER PLANT CONTROLS UPGRADE

Whereas, the Authority has provided troubleshooting, repair, and other technical services to the Village for their Water and Wastewater Systems in the past, and

Whereas, the current Programmable Logic Controller (PLC) at the Water Plant has reached the end of its useful life and maintaining the system has become cost prohibitive, and

Whereas, the Village has requested the Authority to provide two proposals to upgrade the controls at the Water Plant, and

Whereas, Option A will update the Remote Terminal Unit (RTU) and Touchscreen display at the Water Plant at a not to exceed cost of $14,500, and

Whereas, Option B will update the RTU and Touchscreen display at the Water Plant, the RTU at the Water Tower, and integrate the Water Plant with the Village’s existing SCADA system used at the Wastewater Plant, at a not to exceed cost of $20,000.

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

RESOLVED, that the SCADA Services Agreement, by and between the Authority and the Village of Antwerp, for a total not to exceed contract amount of $20,000, is hereby approved. The Executive Director is hereby authorized and directed to execute said Agreement.

Motion by: D. Mastascusa
Seconded by: F. Carter

Calligaris - Absent  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. 2017-08-86 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

Gary Turck
Board Chairman
SCADA SERVICES AGREEMENT
CONTROLS SYSTEM UPGRADE FOR
VILLAGE OF ANTWERP WATER DISTRICT

This Agreement entered into this ___ day of ______________ 2017, by and between:

VILLAGE OF ANTWERP, a municipal corporation of the State of New York having an office building and principal place of business located at Main St. P.O. Box 620, Antwerp, New York 13671, 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 has contracted with the Authority to provide troubleshooting and repairs on the Water System Controls for several years. In addition, the Authority installed the Supervisory Control and Data Acquisition (SCADA) System on the Wastewater System in 2014.

B. The Village is desirous of receiving SCADA services to update the Controls System at the Village Water Plant located on Miller Road. The current PLC is exhibiting intermittent behavior and maintaining the system has become cost prohibitive. The Village, at its Board meeting held on ______________, 2017 selected the Authority to provide SCADA services. A Resolution from the Village’s board, selecting the Authority to provide these services and authorizing this agreement, is attached as Exhibit A.

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

Agreement

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, install, and integrate a new Bristol ControlWave Micro RTU into the existing Control Panel located at the Water Plant. The new RTU will duplicate the existing function of the current Modicon PLC.

B. Purchase, install, and integrate a new Red Lion 10" Touchscreen Panel to provide operator interface and graphical trend charts for the Water System. The graphics presentation will be similar to the existing display.

C. Provide technical services, control engineering, and programming to install new RTU and Touchscreen display, terminate wiring and write a software program for the RTU that mimics the function of the current PLC and generate graphics for the touchscreen panel.

2. The Village 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. Rates will be reviewed and may be adjusted on an annual basis consistent with the Authority’s fiscal year (April 1st of the present year to March 31st of the following year) to account for cost of living adjustments. 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.

<table>
<thead>
<tr>
<th>Service</th>
<th>NTE Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase new Bristol ControlWave Micro RTU and ancillary equipment.</td>
<td>$6,300</td>
</tr>
<tr>
<td>Purchase new Red Lion 10&quot; Touchscreen Display.</td>
<td>$2,700</td>
</tr>
<tr>
<td>Technical services, control engineering and programming to install RTU and Touchscreen Display, write and debug programming and graphics, and verify proper operation of water plant.</td>
<td>$5,500</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$14,500</strong></td>
</tr>
</tbody>
</table>

TABLE 2 – AUTHORITY LABOR RATES

<table>
<thead>
<tr>
<th>Employee Wage Rate</th>
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<td>Engineering Manager</td>
<td>$105</td>
<td>NA</td>
</tr>
<tr>
<td>Controls Engineer II</td>
<td>$75</td>
<td>NA</td>
</tr>
<tr>
<td>Engineering Assistant</td>
<td>$60</td>
<td>$74</td>
</tr>
</tbody>
</table>
3. The Village shall provide the reasonable support services of its staff as appropriate in implementing the project and shall assign a person as the primary 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 Village as additional insured on the liability policy.

5. 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.

6. 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 this Agreement. 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 this Agreement.

7. 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, 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.

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 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.

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 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.
10. 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.

11. 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.

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

VILLAGE OF ANTWERP

By: ________________________________
    Robert DeSantis
    Mayor

ACKNOWLEDGEMENTS

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

On this ___ day of _____________, 2017, before me personally came Robert DeSantis, who being duly sworn, did dispose and says that he resides in Antwerp, 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 _____________, 2017, 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
CONTROLS SYSTEM UPGRADE FOR
VILLAGE OF ANTWERP WATER DISTRICT

This Agreement entered into this ____ day of ________________ 2017, by and between:

VILLAGE OF ANTWERP, a municipal corporation of the State of New York having an office building and principal place of business located at Main St. P.O. Box 620, Antwerp, New York 13671, 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 has contracted with the Authority to provide troubleshooting and repairs on the Water System Controls for several years. In addition, the Authority installed the Supervisory Control and Data Acquisition (SCADA) System on the Wastewater System in 2014.

B. The Village is desirous of receiving SCADA services to update the Controls System at the Water Plant located on Miller Road and at the Water Tower. In addition, the Village would like to integrate the Water Plant with the SCADA System located at the DPW shop. The current PLC is exhibiting intermittent behavior and maintaining the system has become cost prohibitive. The Village, at its Board meeting held on _______________, 2017 selected the Authority to provide SCADA services. A Resolution from the Village’s board, selecting the Authority to provide these services and authorizing this agreement, is attached as Exhibit A.

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

Agreement

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, install, and integrate a new Bristol ControlWave Micro RTU into the existing Control Panel located at the Water Plant. The new RTU will duplicate the existing function of the current Modicon PLC.

B. Purchase, install, and integrate a new Red Lion 10" Touchscreen Panel to provide operator interface and graphical trend charts for the Water System. The graphics presentation will be similar to the existing display.

C. Purchase, install, and integrate a new Bristol ControlWave Express RTU into the existing Control Panel located at the Water Tower. The new RTU will duplicate the existing function of the current Modicon PLC.

D. Provide technical services, control engineering, and programming to install new RTUs and Touchscreen display, terminate wiring and write a software program for the RTUs that mimic the function of the current PLCs, and generate graphics for the touchscreen panel.

E. Provide technical services, control engineering, and programming to integrate the Water Plant with the existing SCADA computer at the DPW Shop. Water Plant alarms will be integrated into WIN911 and be sent to the operators via text message rather than through the dialer at the Water Plant.

2. The Village 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. Rates will be reviewed and may be adjusted on an annual basis consistent with the Authority’s fiscal year (April 1st of the present year to March 31st of the following year) to account for cost of living adjustments. 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.

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<td>Purchase new Bristol ControlWave Express RTU for the Water Tower.</td>
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TABLE 1 – NOT TO EXCEED (NTE) COSTS FOR BASE SERVICES

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<td>Technical services, control engineering and programming to install RTU and Touchscreen Display, write and debug programming and graphics, and verify proper operation of water plant.</td>
<td>$6,500</td>
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<tr>
<td>Technical services, control engineering and programming to integrate the Water Plant with the existing SCADA computer at the DPW Shop.</td>
<td>$3,000</td>
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TABLE 2 – AUTHORITY LABOR RATES

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3. The Village shall provide the reasonable support services of its staff as appropriate in implementing the project and shall assign a person as the primary 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 Village as additional insured on the liability policy.

5. 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.

6. 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 this Agreement. 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 this Agreement.

7. 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, 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.

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 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.

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 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.

10. 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.

11. 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.

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

**VILLAGE OF ANTWERP**

By: ______________________
     Robert DeSantis
     Mayor

**ACKNOWLEDGEMENTS**

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

On this ___ day of _____________, 2017, before me personally came Robert DeSantis, who being duly sworn, did dispose and says that he resides in Antwerp, 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 _____________, 2017, 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
ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
ENGINEERING AND REDEVELOPMENT PLANNING ASSISTANCE
FORMER JONES & LAUGHLIN ORE PROCESSING FACILITY

Whereas, pursuant to Resolution No. 2015-06-75, the Development Authority of the North Country (Authority) and the St. Lawrence County Industrial Development Agency (SLCIDA) entered into an Agreement dated October 2, 2015 to provide Engineering Services and Redevelopment Planning services for the former Jones & Laughlin (J&L) Ore Processing Facility for an amount not to exceed $30,000, and

Whereas, the scope of that Agreement involved providing coordination, engineering, and redevelopment planning through completion of the engineering phase of the project in accordance with the tasks outlined in the Empire State Development (ESD) contract dated June 7, 2013 which required the completion of a structural demolition assessment and engineering study to remove the buildings on the J&L Site, and

Whereas, pursuant to Resolution No. 2016-08-88, the Authority authorized Amendment 1 to expand the Authority’s scope of services to include part-time site inspection, review of contractor payment applications and submittals, review of proposed changes in scope of work, coordination with regulatory agencies, scheduling of construction progress meetings with contractor and project team, coordination with funding agencies, M/WBE reporting required by funding agencies, and monthly project status reporting to project stakeholder, for an additional cost of $28,300, and

Whereas, pursuant to Resolution No. 2017-02-01, the Authority authorized Amendment 2 to expand the Authority’s scope of services to include exploration of alternatives to address asbestos contamination of the concrete block in Building 2, assistance with the development/resolution of a change order with the existing contractor to allow for work to progress within the current budget, revision of the project budget, revision of the project M/WBE compliance plan, and full-time inspection services to monitor the contractor during the completion of the Building 2 demolition in 2017 for an additional cost of $7,700, and

Whereas, this additional work will increase the Authority’s level of effort, resulting in additional expenses of $10,000, bringing the not to exceed amount of the contract to $76,000.
Now, upon the recommendation of the Facilities Committee, therefore be it

RESOLVED, that the Technical Services Agreement Amendment No. 3, by and between the Authority and the St. Lawrence County Industrial Development Agency is hereby approved. The Executive Director is hereby authorized and directed to execute said Agreement Amendment.

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

Calligaris - Absent  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. 2017-08-87 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

[Signature]
Gary Turck
Board Chairman
AMENDMENT NO. 3

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
TECHNICAL SERVICES AGREEMENT

WITH THE
ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

FOR
ENGINEERING AND REDEVELOPMENT PLANNING ASSISTANCE FOR THE
FORMER JONES & LAUGHLIN ORE PROCESSING FACILITY

WHEREAS, the Development Authority of the North Country (Authority) and the St. Lawrence County Industrial Development Agency (SLCIDA) entered into an Agreement dated October 2, 2015 to provide Engineering Services and Redevelopment Planning services for the former Jones & Laughlin (J&L) Ore Processing Facility for an amount not to exceed $30,000, and

WHEREAS, the scope of that Agreement involved providing coordination, engineering, and redevelopment planning through completion of the engineering phase of the project in accordance with the tasks outlined in the Empire State Development (ESD) contract dated June 7, 2013 which required the completion of a structural demolition assessment and engineering study to remove the buildings on the J&L Site, and

WHEREAS, the SLCIDA requested that the Authority provide construction phase services during the Phase 1 project to include part-time site inspection, review of contractor payment applications and submittals, review of proposed changes in scope of work, coordination with regulatory agencies, scheduling of construction progress meetings with contractor and project team, coordination with funding agencies, M/WBE reporting required by funding agencies, and monthly project status reporting to project stakeholder, for an additional cost of $28,300 in accordance with Amendment No. 1, and

WHEREAS, the Phase 1 project was scheduled to be completed in December 2016 but due to issues with the contractor that prevented the on-time completion of the project, the Authority was requested to provide additional services to include exploration of alternatives to address asbestos contamination of the concrete block in Building 2, assistance with the development/resolution of a change order with the existing contractor to allow for work to progress within the current budget, revision of the project budget, revision of the project M/WBE compliance plan, and full-time inspection services to monitor the contractor during the completion of the Building 2 demolition in 2017 for an additional cost of $7,700 in accordance with Amendment No. 1, and

WHEREAS, the project contingencies are available to allow the addition of additional scope of demolition and abatement for two additional buildings as part of the Phase 1 project, and the Authority’s assistance is requested to continue to work on funding for the Phase 2 project after Phase 1 construction activities are completed, and

WHEREAS, the cost for the additional requested services is $10,000.
NOW THEREFORE BE IT RESOLVED, that Technical Services Agreement Amendment No. 3, by and between the Authority and the St. Lawrence County Industrial Development Agency, for a total not to exceed contract amount of $76,000, is hereby approved.

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

SLCIDA
By: 
Patrick Kelly
Chief Executive Officer
TECHNICAL SERVICES AGREEMENT
VILLAGE OF HEUVELTON
WASTEWATER TREATMENT PLANT
MUNICIPAL RESTRUCTURING FUND

Whereas, the Authority has been under contract by the Village of Heuvelton since 2004, providing Water and Wastewater Services, and

Whereas, the Village would like to evaluate the potential for consolidating their wastewater treatment plant with the City of Ogdensburg’s (City) wastewater treatment plant to maximize efficiencies and promote an economic development corridor between the City and the Village, and

Whereas, the New York State Department of State offers financial assistance through their municipal restructuring fund, which is designed to stimulate permanent property tax reductions resulting from shared services and municipal consolidations, and

Whereas, the Village is desirous of receiving technical services to apply for funding through the Municipal Restructuring Fund (MRF) and has requested the Authority’s assistance in this process. If funded, the Authority’s scope of services would be expanded through future amendment to support completion of the project.

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 Heuvelton, for a total not to exceed contract amount of $1,500, is hereby approved. The Executive Director is hereby authorized and directed to execute said Agreement.

Motion by: T. Hefferon
Seconded by: M. Murray

Calligaris - Absent    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. 2017-08-88 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

Gary Turck
Board Chairman
DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
TECHNICAL SERVICES AGREEMENT FOR
WASTEWATER TREATMENT PLANT MUNICIPAL RESTRUCTURING PROJECT

WITH THE

VILLAGE OF HEUVELTON

This Agreement entered into this _____ day of ___________ 2017, by and between:

VILLAGE OF HEUVELTON, a municipal corporation of the State of New York having an office building and principal place of business located at 51 State Street, Heuvelton, New York 13652, 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 Authority has been under contract by the Village of Heuvelton since 2004, providing Water and Wastewater Services.

B. The Village would like to evaluate the potential for consolidating their wastewater treatment plant with the City of Ogdensburg’s (City) wastewater treatment plant to maximize efficiencies and promote an economic development corridor between the City and the Village.

C. The NYS Department of State offers financial assistance through their municipal restructuring fund, which is designed to stimulate permanent property tax reductions resulting from shared services and municipal consolidations.

D. The Village is desirous of receiving technical services to apply for funding through the Municipal Restructuring Fund (MRF).

E. 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:
A. **Phase 1: Completion of Municipal Restructuring Fund Application**

The Authority complete an application required by the NYS Department of State through their Municipal Restructuring Fund on behalf of the Village of Heuvelton; which will include consultation with the Village Engineer (C2AE) and the NYS Department of State by November 8, 2017. The Authority will also assist the Village by coordinating a meeting with the City of Ogdensburg and the Town of Oswegatchie to discuss the application.

B. **Future Phases**

Should the Village’s application be successfully funded, the Authority, at the Village’s request, will modify this agreement by amendment to provide additional support to complete the phases of the project as outlined by the NYS Department of State’s MRF including: Phase 1 Chartering, Phase 2 Project Development, Phase 3 Small Scale Implementation, and Phase 4 Full Scale Implementation.

2. The Village shall pay the Authority for such services at the labor hour burdened rate for the specific job classification performing the services as indicated in Table 1; provided, however, that the total cost of such services shall not exceed $1,500. 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.

<table>
<thead>
<tr>
<th>Employee Wage Rate</th>
<th>Standard</th>
<th>Overtime</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager/Professional Engineer</td>
<td>$105</td>
<td>NA</td>
</tr>
<tr>
<td>Water Quality Supervisor I</td>
<td>$70</td>
<td>NA</td>
</tr>
<tr>
<td>Water Quality Supervisor Trainee</td>
<td>$60</td>
<td>$74</td>
</tr>
<tr>
<td>Environmental Coordinator</td>
<td>$75</td>
<td>$98</td>
</tr>
<tr>
<td>Controls Engineer</td>
<td>$75</td>
<td>NA</td>
</tr>
<tr>
<td>Project Engineer</td>
<td>$75</td>
<td>NA</td>
</tr>
<tr>
<td>GIS Supervisor</td>
<td>$65</td>
<td>NA</td>
</tr>
<tr>
<td>GIS Specialist</td>
<td>$55</td>
<td>NA</td>
</tr>
<tr>
<td>GIS Technician</td>
<td>$50</td>
<td>NA</td>
</tr>
<tr>
<td>Engineering Assistant</td>
<td>$60</td>
<td>$74</td>
</tr>
</tbody>
</table>

3. The Village 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 Village as additional insured on the liability policy.

5. 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.

6. 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 willful malfeasance or negligent acts or omissions of the Village, 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 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 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 Village 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 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.

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 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.

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 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.
10. 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.

11. 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.

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

VILLAGE OF HEUVELTON

By:__________________

Barbara Lashua
Mayor
ACKNOWLEDGEMENTS

STATE OF NEW YORK   }  
                      } ss:
COUNTY OF ST. LAWRENCE}

On this ___ day of ____________, 2017, before me personally came Barbara Lashua, who being duly sworn, did dispose and says that she resides in Heuvelton, New York; that she is the Mayor of the Village described herein, and which executed the foregoing instrument; and that she signed her name thereto by order of said Village.

________________________
NOTARY PUBLIC

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

On this ___ day of ____________, 2017, 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
WATER QUALITY MANAGEMENT SERVICES
VILLAGE OF MALONE

Whereas, the Village of Malone (Village) has requested assistance from the Development Authority of the North Country (Authority), determined that the Authority is qualified and equipped to provide Management Services for the Village of Malone’s wastewater facilities, and desires to engage the Authority for such services, and

Whereas, the Authority desires to provide Management Services for the Village’s wastewater facilities which would entail providing a part-time Water Quality Supervisor to serve as the primary support for the contract with additional staff support from the Authority’s Project Engineers, Control Engineers, and Operations staff, and

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

RESOLVED, that the Development Authority of the North Country does hereby authorize a Management Services Agreement with the Village of Malone for a term of five years at the pricing structure in Table 1 below, and be it further

TABLE 1 – ANNUAL COST OF BASE SERVICES BY YEAR

<table>
<thead>
<tr>
<th>YEAR</th>
<th>PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1 (October 1, 2017 – May 31, 2018)</td>
<td>$67,900</td>
</tr>
<tr>
<td>Year 2 (June 1, 2018 – May 31, 2019)</td>
<td>$104,900</td>
</tr>
<tr>
<td>Year 3 (June 1, 2019 – May 31, 2020)</td>
<td>$108,100</td>
</tr>
<tr>
<td>Year 4 (June 1, 2020 – May 31, 2021)</td>
<td>$111,400</td>
</tr>
<tr>
<td>Year 5 (June 1, 2021 – May 31, 2022)</td>
<td>$114,700</td>
</tr>
</tbody>
</table>

RESOLVED, the Authority Executive Director is herewith authorized to execute necessary agreements.

Motion by: T. Hefferon
Seconded by: D. Mastascusa

Calligaris - Absent  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. 2017-08-89 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

Gary Turck
Board Chairman
MANAGEMENT SERVICES AGREEMENT

WASTEWATER FACILITIES
VILLAGE OF MALONE

This sets forth the Management Services Agreement made as of ________________, 2017, by and between the VILLAGE OF MALONE, a New York municipal corporation with offices at 343 W Main St., Malone, New York 12953, ("Village"), 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").

RECITALS

1. The Village has determined that the Authority is qualified and equipped to provide Management Services for the Village’s wastewater facilities and desires to engage the Authority for such services. The Village is authorized to enter into this Agreement by Resolution dated ________________, 2017 a certified copy of which is attached as Exhibit "A".

2. The Authority desires to provide Management Services for the Village facilities described in this agreement.

AGREEMENT

In 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 Terms
Article IV Compensation
Article V Village Responsibilities
Article VI Termination
Article VII Insurance and Liability
Article VIII Accounts
Article IX 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" means 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” means the Village Mayor.

3) “Department of Environmental Conservation”, the regulatory agency administering the legal requirements for the clean water programs within New York State, referred to as the “DEC”.

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

5) “Emergency”, an unforeseen combination of circumstances or the resulting state that calls for immediate action.

6) “Fiscal Year” for the Village means the period of twelve (12) calendar months beginning with June 1st of any year and ending with May 31st of that year, and for the Authority means the period of twelve (12) calendar months beginning with April 1st of any year and ending with March 31st of the next year.

7) “Operations and Maintenance Expenses”, 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.

8) “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.

9) “SCADA”, Supervisory Control and Data Acquisition system employed by the Authority to remotely monitor certain facilities.

10) “Wastewater Facilities”, the Village-owned wastewater facilities described in detail on Record Drawings and Operation and Maintenance Manuals.

ARTICLE II - Employment and Scope of Services

Section 201. Engagement. The Village hereby engages the Authority to provide Management Services for the Village’s Wastewater Facilities providing a Water Quality Supervisor to manage the facilities.

Section 202. Scope of Services. The Authority shall provide necessary personnel to perform the following services:

1) MANAGEMENT SERVICES – WASTEWATER

The Authority shall ensure the facilities are operated in accordance with all local, state and federal laws, policies and guidelines.
The Authority has many critical duties including, but not limited to the following:

- Planning – including setting objectives, developing routine procedures, problem solving and decision-making.

- Organizing – including assigning responsibilities for work activities so that the plant’s mission will be achieved and delegating authority necessary to properly accomplish work activities.

- Directing – ensuring that the day-to-day plant functions are carried out.

- Controlling – evaluating results and performance against a set of objectives. This includes the evaluation of financial, technical and personnel objectives.

- Safety – oversee administration of the Village’s Health & Safety program at the wastewater facilities and ensure that plant operations are performed in accordance with the Village’s safety program. The Authority will advise the Village if gaps are identified in the Village’s program and work with the Village to resolve any issues.

The Authority will support the Village’s contract with technical staff including engineering and operations personnel that will perform many specific duties including, but not limited to the following:

- Implement an asset management plan for the Village’s wastewater infrastructure and incorporate into a Computerized Maintenance Management System.

- Oversee and manage the Village’s Significant Industrial User (SIU) program; if any qualifying industries should enter the Village. At the current time the Village does not have any SIUs; however it has been noted that the Village does receive leachate and that waste typically requires the establishment of a pretreatment program.

- Assist with regulatory permit renewals or requests for information from NYSDEC.

- Provide technical input and recommendations in the annual operation and maintenance and capital budget process.

- Provide technical input and recommendations in present and future wastewater engineering and construction projects.

- Implement and improve preventative maintenance plans and work orders.

- Recommend routine repair/replacement of equipment.
• Coordinate with the Village for routine purchases of supplies, chemicals, services and equipment necessary for plant operations.

• Coordinate facility daily operations, process decisions, maintenance and sampling to maintain compliance with the permits and applicable regulations.

• Coordinate daily work assignments, weekend coverage and emergency call-in schedules of Village operators.

• Recommend employee recertification training of operators to obtain required contact hours.

• Assist Village Management with employee evaluations, as requested.

• Compile monthly operation and maintenance reports for Village Management.

• Interface with regulatory agencies, engineering consultants, Village officials and customers.

• Provide technical input and recommendations for writing grants and obtaining funding.

• Assist the Authority's Board Certified Safety Professional with periodic Health & Safety inspections of the Village's wastewater facilities, identify and implement corrective actions to ensure compliance with the Occupational Safety & Health Administration (OSHA) General Industry standard (29 CFR 1910) as administered by the Public Employee Safety & Health (PESH) Bureau.

• Coordinate activities with the Village Clerk/Treasurer, as needed.

• Attend Village Board meetings, at Village's request.

2) OPERATOR OF RECORD SERVICES – WASTEWATER

The Development Authority will act as operator of record of the wastewater treatment plant (SPDES Number NY-003 0376).

3) ASSIGNED AUTHORITY STAFF

For this contract, the Authority will provide a part-time Water Quality Supervisor, that has a minimum of a NYSDEC 3A Sewer License, to provide Management Services of the Village's wastewater treatment plant and sign regulatory required reports. The Authority will also provide a part-time Water Quality Supervisor Trainee to support facility operations. The Water Quality Supervisor will spend an average of 15 hours per week and the Water Quality Supervisor Trainee will
spend an average of 8 hours per week working on Malone Wastewater Treatment Plant tasks.

The Development Authority's Director of Engineering and the Water Quality Supervisor shall be the primary representatives of the Authority for providing other management services.

Project Engineers, Control Engineers, GIS personnel and Operations staff will also provide support for the Village's Wastewater Treatment Plant needs.

4) **ADDITIONAL SERVICES**

GIS: The Authority has developed Geographic Information Systems datasets for the Village under separate contract. Through execution of this Management Services Contract, the Authority will provide web-based hosting services for these datasets under provisions set forth in Appendix A. Web-based GIS Hosting will be provided at no additional charge as long as this Management Services contract remains in effect.

5) **GENERAL**

All work will be conducted in accordance with all State and Federal Laws and Regulations.

Authority representatives will take directions only from the Village representatives.

**ARTICLE III - Term**

Section 301. **Term**. The term of this agreement shall be five (5) years, commencing October 1, 2017 and ending May 31, 2022 to coincide with the Village's fiscal year.

**ARTICLE IV - Compensation**

Section 401. **Compensation**. For all services required under this agreement, Authority shall be compensated as follows:

The annual fee for Management Services shall be as follows:

- Year 1 (October 1, 2017 – May 31, 2018) - $67,900
- Year 2 (June 1, 2018 – May 31, 2019) – $104,900
- Year 3 (June 1, 2019 – May 31, 2020) – $108,100
- Year 4 (June 1, 2020 – May 31, 2021) – $111,400
- Year 5 (June 1, 2021 – May 31, 2022) – $114,700

1) A monthly invoice of the Authority's fee will be submitted to the Village, payable within thirty (30) days following receipt of the invoice.
2) The Authority will not add an administrative fee or any other charges to any invoices from any third party.

Section 402. Additional Work. The Village may request the Authority to perform work, in addition to that described in Article II, Employment and Scope of Services. The Village shall pay Authority the cost thereof according to Appendix B, within 30 days following receipt by the Village of a proper invoice therefore. The cost of any labor and material not included in Appendix B and all additional work and field overtime shall be approved in advance by the Village.

ARTICLE V - Village Responsibilities

Section 501. Facilities. The Village shall make available to the Authority the Facilities described in this agreement. The Village shall immediately notify the Authority of any problems, concerns, operation specification variances which may occur during this operation period. The Village agrees to address safety issues that are in violation with 29 CFR 1910, as identified from periodic Health & Safety inspections to be performed by the Authority’s Board Certified Safety Professional.

Section 502. Easements and Licenses. The Village shall maintain all easements, licenses and permits that have been granted to the Village as owner of the Wastewater Facilities and procure all others necessary to operate and maintain such facilities.

ARTICLE VI - Termination

Section 601. Termination. The Village and/or Authority may terminate this Agreement with or without cause upon 90 days prior written notice, provided however, that the Village shall pay the Authority all contractual expenses at a prorated rate based upon the annual authorized contract amount incurred by the Authority to the date of termination.

ARTICLE VII – Insurance/Liability

Section 701. Insurance. The Village 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 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 its negligent actions or inactions related to the Village’s obligations under this Agreement. The Authority shall secure and maintain with New York State qualified insurers in amounts satisfactory to the Village against loss or damage to the Village and its facilities and against public or other liability to the extent not less than reasonably necessary to protect the interests of the Village. 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 its negligent actions or inactions related to the Authority’s obligations under this Agreement.
Section 702. Liability. 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, 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 to the Authority in the event of a breach beyond its 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 VIII - Accounts

Section 801. Accounts and Audits. All accounts, reports and other records generated by Authority by 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 Authority for a minimum of three years following the expiration or earlier termination of this agreement or an extended agreement.

ARTICLE IX - Miscellaneous

Section 901. Independence of Agreement. The parties acknowledge that Authority has undertaken and may undertake various projects unrelated to the Management Services of the Village Facilities. It is the intent of the parties that this Agreement, the service provided hereunder and all payments, accounts receivables 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 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 Authority with others.

Section 902. Access. The Village and its authorized representatives retain all rights of access to the Wastewater Facilities.

Section 903. Authority Status. 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.

Section 904. Waiver. 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.

Section 905. 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 906. **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 907. **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. Service shall be complete upon such mailing except in the case of a notice to change an address, in which case service shall be complete when the notice is received by the addressee.
All of the above is established by the following signatures for the respective parties:

**DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY**

By: __________________________
James W. Wright
Executive Director

Date: __________________________

**VILLAGE OF MALONE**

By: __________________________
Mayor

Date: __________________________

**ACKNOWLEDGEMENTS**

**STATE OF NEW YORK**

) ) ss:

**COUNTY OF FRANKLIN**

On this ___ day of _____________, 2017, before me personally came Joseph Riccio, who being duly sworn, did dispose and says that he resides in Malone, 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 _____________, 2017, 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
MANAGEMENT SERVICES AGREEMENT

VILLAGE OF MALONE

APPENDIX A – WEB-BASED GIS HOSTING

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

Article I Definitions
Article II Scope of Services
Article III Terms
Article IV Compensation

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) “GIS,” Geographic Information System used to store, display, and query spatial information.

2) “IMA,” Internet Mapping Application, the Authority’s web-based GIS which serves as the platform for providing GIS hosting services.

3) “Hosting Services,” refers to the act of the Authority storing and providing access to spatial data via the IMA.

4) “Datasets,” refers to spatial data in formats that are compatible with the Authority’s GIS, including shapefile and geodatabase.

5) “Data Maintenance,” refers to Authority activities related to: A) editing existing customer data on the IMA, or B) adding new customer data to the IMA.

ARTICLE II - Scope of Services

Section 201. Base Services. The Authority will provide the Village with the following base services. The scope of base services is outlined below:

1) The Authority agrees to provide the Village with Hosting Services and access to the IMA via a password-protected account through the Internet 24 hours/day, 7 days/week, with the exception of planned interruptions for system maintenance and unplanned interruptions in service beyond the Authority’s control. The Authority will endeavor to provide as much advance notice of scheduled interruptions as reasonably possible, and not less than 48 hours. In the event of unscheduled interruptions, the Authority will use its best efforts to restore services as soon as reasonably possible under all the circumstances then existing.

2) The Village will provide Datasets to the Authority in a format compatible with the IMA (shapefile or geodatabase).
3) The Village will be responsible for obtaining and maintaining any computer equipment (hardware, software, etc.) and high-speed Internet connection to access Hosting Services.

4) The Village agrees not to use the IMA to upload, post, submit, e-mail or transmit any content that infringes on any patent, trademark, trade secret, or copyright. In no event will the Village hold liable the Authority for any damages, loss of profits, or other losses for the use or misuse of the IMA.

5) The Village understands that Hosting Services are provided “as is” with no warranties of any kind.

6) All the Village Datasets hosted on the IMA will remain the property of the Village. The Village Datasets are defined as those that the Village develops, on its own or through contract. In the event that this Agreement is not renewed, the Authority will provide the Village with all the Village Datasets in electronic format within not more than 15 days.

7) The Authority will provide Hosting Services for Datasets other than those currently existing (referred to hereafter as “Other Datasets”). Other Datasets must be developed by the Authority (under Section 202, Additional Services), the Village, or a third party. Other Datasets not developed by the Authority must be provided by the Village in “shapefile” or “geodatabase” format.

8) Base services provided by the Authority shall include: staff time to annually update parcel data as supplied by the County, two hours a month of staff time to update data provided by the Village in shapefile or geodatabase format, and phone support for IMA technical questions during regular business hours.

Section 202. Additional Services. Any other tasks that are not included in the scope of base services described above, such as additional Data Maintenance or developing new datasets, all as requested of the Authority by the Village will be reimbursed as described in Section 402.

ARTICLE III – Term

Section 301. Term. The Authority will provide the Village GIS Hosting Services and IMA access at no additional cost for the term specified in Article III of the Management Services Agreement.

ARTICLE IV – Compensation

Section 401. Compensation. The Authority shall provide base services as outlined in Section 201 at no additional cost to the Village.

Section 402. Additional Services. The Village shall pay the Authority for Additional Services at the labor hour burdened rate for the specific job classification performing the services. Rates will be reviewed and may be adjusted on an annual basis consistent with the Authority’s fiscal year (April 1st of the present year to March 31st of the following year) to account for cost of living adjustments. Mileage to the worksite will be
reimbursed at the current Federal Mileage Rate. The Village will provide the reasonable support services of its staff as appropriate to assist in implementing Additional Services.
### APPENDIX B - ADDITIONAL SERVICES RATE SCHEDULE

<table>
<thead>
<tr>
<th>Employee Wage Rate</th>
<th>Standard</th>
<th>Overtime</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering Manager</td>
<td>$105</td>
<td>NA</td>
</tr>
<tr>
<td>Controls Engineer</td>
<td>$75</td>
<td>NA</td>
</tr>
<tr>
<td>Environmental Coordinator</td>
<td>$75</td>
<td>$98</td>
</tr>
<tr>
<td>Project Engineer</td>
<td>$75</td>
<td>NA</td>
</tr>
<tr>
<td>GIS Supervisor</td>
<td>$65</td>
<td>NA</td>
</tr>
<tr>
<td>GIS Specialist</td>
<td>$55</td>
<td>NA</td>
</tr>
<tr>
<td>GIS Technician</td>
<td>$50</td>
<td>NA</td>
</tr>
<tr>
<td>Engineering Assistant</td>
<td>$60</td>
<td>$74</td>
</tr>
</tbody>
</table>
CAPITAL BUDGET FYE 2018
MATERIALS MANAGEMENT LANDFILL GAS RESERVE
LANDFILL GAS WELL DEVELOPMENT

Whereas, the collection of landfill gas is an essential aspect of the Authority’s methane gas control and odor control at the landfill, and

Whereas, the Authority has annually appropriated funding in the Materials Management Capital Budget for the construction of replacement wells in the previously filled areas of the landfill, and

Whereas, Materials Management has recommended the addition of replacement wells due to the blockage of existing wells and the need for additional collection, and

Whereas, the new cells (numbers 10 and 11) have now reached sufficient height for new wells to be placed, and

Whereas, the gas wells contain pumps which also allow for leachate collection which will reduce the liquid pressure causing leachate outbreaks, and

Whereas, the Authority has received in July, 2017, $200,000 in reimbursement from New York State Department of Environmental Conservation for the Authority’s investment in Landfill Gas Management, said funds placed in the Landfill Gas Reserve, and

Whereas, utilizing the additional funding for the inclusion of new additional landfill gas wells, as authorized by Resolution No. 2017-06-66, will benefit from a single consolidated bid.

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

RESOLVED, the Development Authority of the North Country herewith authorizes the transfer of $200,000 from the Landfill Gas Reserve to Capital Project 20111 (Landfill Gas Development), and be it further

RESOLVED, the Executive Director and Comptroller are herewith authorized to initiate said transfer and related adjustments to the reserve and capital projects.

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

Calligaris - Absent 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. 2017-08-90 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

Gary Turck
Board Chairman
REGIONAL TOURISM TRANSFORMATIONAL COMMUNITY REVOLVING LOAN FUND
ST. REGIS CANOE OUTFITTERS, INC. LOAN

Whereas, Resolution No. 2013-08-12 establishes the Regional Tourism Transformational Community Revolving Loan Fund, and

Whereas, the Regional Loan Review Committee has the authorization to commit loans of up to $250,000 with the Authority Board ratifying the loan at its next meeting, and

Whereas, the Regional Loan Review Committee met July 28, 2017 to review an application from St. Regis Canoe Outfitters, Inc., in order to renovate a retaining wall, ramp and walkway to the St. Regis River in Saranac Lake, New York (Franklin County), and

Whereas, the Regional Loan Review Committee felt that the business draws tourists to the community who in turn spend money in the community and that the proposed project will not only benefit the business but the community as a whole, and

Whereas, the Regional Loan Review Committee approved a commitment of $33,000 from the Regional Tourism Transformational Community Revolving Loan Fund at the terms and conditions attached, and

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

RESOLVED, the Development Authority of the North Country does hereby ratify a loan in the amount of $33,000 from the Regional Tourism Transformational Community Revolving Loan Fund to St. Regis Canoe Outfitters, Inc., at the terms and conditions outlined on the attached Term Sheet, 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: D. Mastascusa

Calligaris - Absent  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. 2017-08-91 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

Gary Turck  
Board Chairman
TERM SHEET

Borrower: St. Regis Canoe Outfitters, Inc.

Loan Fund: Regional Tourism Transformational Community Revolving Loan Fund

Amount: $33,000

Loan Term: 120 months

Loan Rate: 1%

Loan Payment: Interest only first three months then principal and interest payments to fully amortize loan over remaining term.

Collateral: First mortgage and assignment of rents and leases on 73 Dorsey Street, Saranac Lake, NY 12983; First lien on all business assets

Conditions:

• Personal cash equity of $33,000
• Proof of Cloudsplitter Grant in the amount of $16,000
• Personal guarantees of David Cilley and Rebecca Cilley
• Satisfactory MWBE plan
• Proof of project approvals by NYS DEC, APA, and Saranac Lake Planning Board prior to disbursement of funds.
TRANSFORMATIONAL TOURISM FUND

Borrower: St. Regis Canoe Outfitters, Inc.

Location: 73 Dorsey Street, Saranac Lake, NY 12983

Ownership: David Cilley (98%)
Rebecca Cilley (2%)

Loan Amount: $33,000.00

Term: 10 years

Rate: 1%

Payments: First 3 months interest only and then regular principal and interest payments.

Guarantor: David Cilley
Rebecca Cilley

Use of Funds: Renovations and Construction

Collateral: 1st mortgage and assignment of rents and leases on 73 Dorsey Street, Saranac Lake, NY 12983. 1st lien position on all business assets.

Jobs:

Current: 14.5 FTE
Project: 0.0 FTE
Total: 14.5 FTE*

*Mr. Cilley indicated that no additional jobs will be created as a result of the project, however, they do anticipate increased business as a result and increased employment moving forward.

Sources and Uses of Funds

<table>
<thead>
<tr>
<th>Sources</th>
<th>Amount</th>
<th>Uses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism Fund</td>
<td>$33,000</td>
<td>Construction</td>
<td>$54,000</td>
</tr>
<tr>
<td>Owner Cash/Equity</td>
<td>$33,000</td>
<td>Engineering, Planning, and Permitting</td>
<td>$13,000</td>
</tr>
<tr>
<td>Cloudsplitter Grant</td>
<td>$16,500</td>
<td>Construction Management</td>
<td>$4,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Signage and Fencing</td>
<td>$4,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Overrun Contingency (10%)</td>
<td>$7,500</td>
</tr>
<tr>
<td>Total</td>
<td>$82,500</td>
<td>Total</td>
<td>$82,500</td>
</tr>
</tbody>
</table>
St. Regis Canoe Outfitters
Page 2
July 24, 2017
Description of Project

St. Regis Canoe Outfitters was incorporated in 1984 and is currently owned by Dave and Rebecca Cilley. St. Regis Outfitters provides canoe, kayak and camping gear rentals. The business was originally modeled after outfitters in the Boundary Waters Canoe Area of Minnesota. St. Regis was the first outfitter in the Adirondacks to provide complete packages including food. The main location is in downtown Saranac Lake at 73 Dorsey Street and their secondary location is at the edge of the St. Regis Canoe Wilderness at 875 Floodwood Road in the town of Santa Clara. The secondary location is supported by the main store and also has the same ownership as St. Regis Outfitters, Inc. The main location is open year-round seven days per week. During the peak summer-season the business is open from 8 am to 7 pm and during the winter time the business reduces its hours and is generally open from 10 am to 4 pm.

St. Regis Canoe Outfitter’s main location, at 73 Dorsey Street, has a river front property located across the street with a cement ramp that bisects the river property. In April of 2011 the Saranac River flooded the Village of Saranac Lake causing major damage to home and businesses. The downtown river wall across from the companies’ main location was seriously damaged and the parking lot adjoining the river wall on their property was left with holes. The owner’s repaired the immediate damage and they have been actively working to begin an extensive repair and upgrade to the river wall and parking lot. The owner’s indicated that they have attempted to make the necessary repairs since 2013 and each year they hit barriers with weather and timing. The repair and upgrade to the river wall requires approval from DEC, APA, and the Saranac Lake Planning Board. Per the APA’s requirement the company has hired North Wood Engineering to complete the necessary engineering report and they will coordinate and oversee the proposed construction of the river retaining wall, ramp, and walkway.

St. Regis Canoe Outfitter’s is requesting $33,000 from the North Country Transformational Tourism Fund in conjunction with a Cloudsplitter Grant of $16,000 to help facilitate the proposed renovation and construction of the river retaining wall, ramp, and walkway. The proposed project aims to move the retaining wall and ramp six feet from the river and provide an approximately 46 foot walkway along the riverfront. The owners indicated in their request that the exact height of the walkway is to be determined and the surface of the walkway and retaining wall will most likely will be built from precast materials. The existing timber and grass steps at the base of the existing ramp are to be replaced in kind or with precast product. Mr. Cilley indicated that the proposed project will provide a measurable benefit to the economy by contributing to the continued growth of their company, which in turn will create jobs. According to Mr. Cilley the repairs and improvements to the retaining wall, ramp, and walkway will make their property more attractive and lead to more walk in business. The proposed project will also benefit other local businesses and Mr. Cilley notes that in a recent survey they found that every dollar a customer spent at their business the same customer spent four dollars in the surrounding area.
Financial Analysis:

<table>
<thead>
<tr>
<th>Income Statement (St. Regis Canoe Outfitters, Inc.)</th>
<th>Actual</th>
<th>Interim</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY Jan-Dec 31</td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>Sales</td>
<td>$479,993</td>
<td>$542,530</td>
</tr>
<tr>
<td>COGS</td>
<td>$99,211</td>
<td>$151,348</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>$380,782</td>
<td>$391,182</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$329,791</td>
<td>$379,987</td>
</tr>
<tr>
<td>Other Income</td>
<td>$3,277</td>
<td>$628</td>
</tr>
<tr>
<td>Net Income</td>
<td>$54,268</td>
<td>$11,823</td>
</tr>
</tbody>
</table>

Ratio Analysis

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Interim</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Growth</td>
<td>NA</td>
<td>0.13</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>0.79</td>
<td>0.72</td>
</tr>
<tr>
<td>Operating Exp.</td>
<td>0.69</td>
<td>0.70</td>
</tr>
<tr>
<td>EBIT</td>
<td>0.11</td>
<td>0.02</td>
</tr>
</tbody>
</table>

Actual:

- The actual figures provided for 2014 through 2016 are derived from the U.S. Federal Tax Returns for St. Regis Canoe Outfitters, Inc.
- The company did not provide more detailed information or analysis with the U.S. Federal Tax Returns from 2014 through 2016 for the underwriter.

Interim:

- Interim financials were provided by St. Regis Canoe Outfitters, Inc. and are based on internally generated financial statements. The owner’s note that the interim statements provided have not had any adjustments for depreciation, inventory, or cost of goods sold since December 31, 2016.
- Mr. Cilley indicated that the bulk of his sales are from May through September and the bulk of his sales for the season are not reflected as of May 31, 2017.
According to Mr. Cilley some expenses are paid early in their season and these reports reflect that. Specifically, no expense adjustments or accruals have been made, and one example the owner’s site is $13,000 for auto loan payments as they purchased two used vehicles this season and most of this figure is for down payments that were made for the two vehicles. The owners also indicated that another example is their insurance company requires a 25% down payment.

Pro Forma
- A Pro Forma was not provided to the underwriter for analysis.

<table>
<thead>
<tr>
<th>Cash Flow Analysis</th>
<th>Actual</th>
<th>Interim</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY Jan-Dec 31</td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>Net Profit/Loss</td>
<td>$54,268</td>
<td>$11,823</td>
</tr>
<tr>
<td>Add: Depreciation</td>
<td>$2,654</td>
<td>$7,763</td>
</tr>
<tr>
<td>Add: Interest</td>
<td>$88</td>
<td>$15</td>
</tr>
<tr>
<td>Total Cash for Debt</td>
<td>$57,010</td>
<td>$19,601</td>
</tr>
</tbody>
</table>

North Country Transformational Tourism Fund ($33,000; 10 years at 1%) $3,469 $3,469 $3,469 $1,445

Total Debt $3,469 $3,469 $3,469 $1,445

Debt Coverage Ratio 16.43 5.65 13.27 -84.14

According to the U.S. Tax Returns and interim financials provided the company does not appear to have any mortgages, notes, or bonds payable prior to the request.
- Interest and depreciation expense for the actual figures provided were derived from the U.S. Federal Tax Returns and added back for analysis.
- Based on the above cash flow analysis the business would have been able to cash flow the debt incurred by the project for 2014 through 2016.
St. Regis Canoe Outfitters  
July 24, 2017  

Interim  
- The interim financials represent 5 months of operations from January through May 2017.  
- The North Country Transformational Tourism Fund loan at $33,000 for 10 years at 1% would result in a monthly payment of $289.09 and $3,469.08 annually. The interim repayment figure for the 5 month period from January through May 2017 was adjusted show 5 months of repayments.  
- Based on the interim figures provided the business would not be able to cash flow the debt incurred by the project, at this time of the season, however the owners indicated that in many cases expenses are front loaded at the beginning of the season and the bulk of their income is derived from May through September. If the business performs on par with the past three years the business should be able to cash flow the debt incurred for the project.

Pro Forma  
- The business did not provide a Pro Forma for analysis.

<table>
<thead>
<tr>
<th>Balance Sheet</th>
<th>Actual</th>
<th>Interim</th>
<th>At Closing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2016</td>
<td>May 31, 2017</td>
</tr>
<tr>
<td>Current Assets</td>
<td>$254,768</td>
<td>$237,626</td>
<td>$201,740</td>
</tr>
<tr>
<td>Capital Assets – Net</td>
<td>$52,490</td>
<td>$73,656</td>
<td>$73,656</td>
</tr>
<tr>
<td>Other Assets</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$307,258</td>
<td>$311,282</td>
<td>$275,396</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>$44,614</td>
<td>$36,121</td>
<td>$123,685</td>
</tr>
<tr>
<td>Long Term Liabilities</td>
<td>$28,094</td>
<td>$23,198</td>
<td>$21,226</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$72,708</td>
<td>$59,319</td>
<td>$144,911</td>
</tr>
<tr>
<td>Total Shareholders’ Equity</td>
<td>$234,550</td>
<td>$251,963</td>
<td>$130,485</td>
</tr>
<tr>
<td>Total Liabilities &amp; Shareholders’ Equity</td>
<td>$307,258</td>
<td>$311,282</td>
<td>$275,396</td>
</tr>
<tr>
<td>Working Capital</td>
<td>$210,154</td>
<td>$201,505</td>
<td>$78,055</td>
</tr>
<tr>
<td>Current Ratio</td>
<td>5.7</td>
<td>6.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Debt/Worth</td>
<td>0.3</td>
<td>0.2</td>
<td>1.1</td>
</tr>
</tbody>
</table>

At Closing (Assumes figures from the balance sheet as of May 31, 2017 remain the same with additions for the proposed project).
Current Assets

- Inventory: $160,410.68
- Tourism Loan: $33,000.00
- Savings Account: $18,693.42
- Cloudsplitter Grant: $16,000.00
- Checking Account: $12,662.22
- Accounts Receivable: $4,726.21
- Credit Card Deposits: $4,264.69
- Daily Sales Deposits: $182.73
- Petty Cash: $800.00

Capital Assets (Total fixed assets less accumulated depreciation)

- Rental Equipment: $130,889.75
- Leasehold Improvements: $93,273.09
- Vehicles: $44,191.00
- Office Equipment: $28,319.00
- Organization Cost: $5,094.00
- Land Improvement: $4,800.00

Current Liabilities:

- Customer Deposits: $66,348.37
- Accounts Payable: $45,119.27
- Sales Tax Payable: $7,097.70
- Credit Cards: $3,879.16
- Current Portion of NC Tourism Fund: $3,469.08
  - Does not factor in the 3 months interest only period.
- Payroll Liabilities: $940.53
- NYS Franchise Tax Payable: $300.00

Long-Term Liabilities:

- Note due to Stockholder $21,225.55
  - Note: Dave Cilley indicated that this note is due to him and his wife for funds they have loaned the business, however, there are no repayment terms or conditions for this note.
- Long-Term Portion of NC Tourism Fund: $29,846.49
- Note: The corresponding liability for the $18,654.91 Auto Loan to Glens Falls National does not appear to be on the May 31, 2017 balance sheet, although the vehicles do appear under capital assets.

Personal Financial/Credit:

David Cilley’s personal financial statement was provided to the underwriter with the application and is attached to the write-up.
Collateral:

- 1st mortgage and assignment of rents and leases on 73 Dorsey Street, Saranac Lake NY.
- 1st lien position on all machinery and equipment, furniture and fixtures, inventory, accounts receivable and general intangibles of St. Regis Canoe Outfitters, Inc.

<table>
<thead>
<tr>
<th>Collateral Analysis</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>73 Dorsey Street, Saranac Lake, NY (2016 Tax Assessed Value of Land/Building)</td>
<td>$241,000</td>
</tr>
<tr>
<td>Rental Equipment (Balance Sheet Valuation)</td>
<td>$130,890</td>
</tr>
<tr>
<td>Vehicles (Balance Sheet Valuation less prior lien on two used vehicles to Glens Falls National Bank in the amount of $18,654.91)</td>
<td>$25,537</td>
</tr>
<tr>
<td>Office Equipment (Balance Sheet Valuation)</td>
<td>$28,319</td>
</tr>
<tr>
<td><strong>Total Collateral</strong></td>
<td><strong>$425,746</strong></td>
</tr>
</tbody>
</table>

North Country Transformation Tourism Fund (DANC) | $33,000

Loan to Value for NC Tourism Fund | 7.8%

- Based on the collateral analysis provided above the North Country Transformational Tourism Fund (DANC) will have sufficient collateral for this project.

Contingencies:
1. Personal Guarantees of David and Rebecca Cilley
2. Proof of Cloudsplitter Grant in the amount of $16,000.
3. Owner Cash/Equity injection of $33,000.
4. Satisfactory MWBE utilization plan.
5. Proof of Project Approvals from NYS DEC, APA, and Saranac Lake Planning Board prior to disbursement of funds.
COMMUNITY RENTAL HOUSING PROGRAM
LOAN AGREEMENT
COR ARSENAL STREET COMPANY

Whereas, Resolution No. 2006-02-04 established the Community Rental Housing Program Authorization Process which granted the power to make loans from the Community Rental Housing Program to the Community Rental Housing Program Interagency Review Committee, and

Whereas, at its meeting on July 31, 2013, the Community Rental Housing Program Interagency Review Committee made a loan in the amount of $2 million to COR Arsenal Street Company LLC for the demolition of buildings, known as the former Mercy Hospital in downtown Watertown, and

Whereas, the demolition project was successfully completed and the loan ballooned on July 21, 2017, and

Whereas, the amount due is $2,060,837.97, which includes accrued interest through July 21, 2017, and

Whereas, COR Arsenal Street Company LLC would pay the accrued interest through the date of the modified loan closing, and

Whereas, COR Arsenal Street Company LLC has submitted a request to the Authority to modify this loan to extend for an additional 20 years at a fixed rate of 4%, and

Whereas, COR Development proposes to develop the site into mixed use residential and commercial space in the future, and

Whereas, the Authority would have a first mortgage on the land until such time that the borrower considers additional financing to complete the development of the site when the Authority would be asked to subordinate its financing to a senior lender to facilitate such development, and

Whereas, this site is located in downtown Watertown and is a primary location for future commercial and residential development in the City.

Now, upon the recommendation of the Project Development Committee, therefore be it
RESOLVED, the Development Authority of the North Country does hereby modify a loan in the amount of $2,000,000 from the Community Rental Housing Program to COR Arsenal Street Company LLC at the terms and conditions outlined on the attached Term Sheet, 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: T. Hefferon
Seconded by: M. Murray

Calligaris - Absent 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. 2017-08-92 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

[Signature]
Gary Turck
Board Chairman
TERM SHEET

Borrower: COR Arsenal Street Company, LLC
Loan Fund: Community Rental Housing Program
Amount: $2,000,000.00
Loan Term: 240 months
Loan Rate: 4%
Loan Payment: Monthly principal and interest
Collateral: First mortgage on land and assignment of rents and leases
Conditions: Guaranty of COR Construction Management Company, LLC
COR Arsenal Street Company, LLC will pay accrued interest through to the loan closing date.
COMMUNITY RENTAL HOUSING PROGRAM

BORROWER: COR Arsenal Street Company, LLC

LOCATION: Lot bordered by Arsenal Street, Massey Street, Stone Street and Sherman Street, Watertown, NY

AMOUNT: $2,000,000.00

TERM: 240 months

RATE: 4%

PAYMENTS: Monthly principal and interest payments

COLLATERAL: First mortgage and assignment of rents and leases

USE OF FUNDS: Modification to existing construction loan that ballooned on July 21, 2017.

PROJECT:

COR Development acquired the former Mercy Hospital complex in 2013 with the goal to redevelop the site into mixed-use commercial and residential properties. The site is 8.91 acres located in downtown Watertown. COR formed COR Arsenal Street Company LLC as the owner of the real estate. From 2013-2015 they demolished the buildings on the entire site which included 377,643 square feet of 4-5 story structures. In addition to the main Mercy Hospital campus, they also purchased several blighted buildings across Stone Street and demolished those as well. They own an additional 3.21 acres of land on Rexford Place, adjacent to Stone Street. This land was acquired with their own funds.

COR is committed to the redevelopment of these sites; however market conditions have them evaluating their plans for how the project will be phased. They are committed to repaying their loan to the Authority and therefore have asked for a modification to their existing loan which ballooned on July 21, 2017. This will allow them to repay the loan over 20 years, 240 months, at a 4% fixed rate. The rate is consistent with the WSJ Prime interest rate when we discussed the restructuring of this loan in June.

As of this write up dated 8/8/2017, COR owed $61,838.05 in accrued interest. Accrued interest through to the loan closing will be paid in full prior to the closing.

COR Arsenal Street Company, LLC
COMMUNITY RENTAL HOUSING PROGRAM

FINANCIALS: 

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>$7,780,935</td>
<td>$4,139,749</td>
<td>$1,259,451</td>
</tr>
<tr>
<td>COGS</td>
<td>$6,702,149</td>
<td>$3,892,499</td>
<td>$1,095,185</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>$1,078,786</td>
<td>$247,250</td>
<td>$164,266</td>
</tr>
<tr>
<td>Expenses</td>
<td>$66,986</td>
<td>$232,098</td>
<td>$63,512</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>$1,011,800</td>
<td>$15,152</td>
<td>$100,754</td>
</tr>
<tr>
<td>Other Income/Expense</td>
<td>$145,373</td>
<td>$200,923</td>
<td>$74,910</td>
</tr>
<tr>
<td>Total Income/Expense</td>
<td>$1,157,173</td>
<td>$216,075</td>
<td>$175,664</td>
</tr>
</tbody>
</table>

Debt:

- Authority Loan $145,435 $145,435 $145,435

Debt Service Coverage Ratio: 7.96X 1.49X 1.21X

- Did not provide financial information for COR Arsenal Street Company LLC as it is primarily a real estate holding company since the site is not producing income. COR Construction Management Company LLC has the operating cash to be able to repay the loan.
- Revenue is from third party construction jobs. Income declines when COR Management does fewer third party construction jobs. If they are busy with their own work then they do fewer third party jobs. Interest income is paid from COR Development. COR Development has a receivable due to COR Construction Management. The balance of this receivable was $7,180,902 in 2014, $1,181,044 in 2015, and $1,294,772 in 2016.
- COGS are around 86% of income with the exception in 2015 when they were around 94% of income.
- Primary expenses are COR payroll allocation, approximately 2% of income, and travel, approximately 1% of income. Expenses in 2015 were higher because there was a bad debt of $103,375.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>$9,749,831</td>
<td>$2,466,251</td>
<td>$2,692,109</td>
</tr>
<tr>
<td>Liabilities</td>
<td>$3,751,698</td>
<td>$1,007,299</td>
<td>$2,200,494</td>
</tr>
<tr>
<td>Equity</td>
<td>$5,998,133</td>
<td>$1,458,952</td>
<td>$491,615</td>
</tr>
<tr>
<td>Total Liabilities &amp; Equity</td>
<td>$9,749,831</td>
<td>$2,466,251</td>
<td>$2,692,109</td>
</tr>
</tbody>
</table>

- Information provided internally prepared.
- There are no fixed assets or long-term liabilities.

COR Arsenal Street Company, LLC
COMMUNITY RENTAL HOUSING PROGRAM

- In 2014, there was a due from COR Development of $7,180,902 and accrued interest receivable of $841,705. Accounts payable comprised the majority of expenses totaling $2.5 million. Owner equity was $4,840,904.
- In 2015, due from COR Development decreased to $1,181,044 however accrued interest payable increased to $1,041,994. Accounts payable decreased to $616,983. Excess cash was disbursed to owners as equity decreased to $1,242,877.
- In 2016, due from COR Development reclassified to Intercompany Receivable. This was $1,294,772 while the accrued interest receivable was $1,141,934. Accounts payable were $813,227. Owner equity was further reduced to $315,951.
- The company typically takes any excess cash and loans it to other COR entities, thus the increase is the due from COR Development. COR Development does not pay the interest therefore it accrues on the balance sheet.

Collateral Analysis:

<table>
<thead>
<tr>
<th>Property</th>
<th>Market Value</th>
<th>Property Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>218 Stone (10-02-101.000)</td>
<td>$121,522</td>
<td>Vacant Commercial</td>
</tr>
<tr>
<td>271 Arsenal (10-02-116.000)</td>
<td>$2,391</td>
<td>Parking Lot</td>
</tr>
<tr>
<td>213 Stone (10-05-108.000)</td>
<td>$140,978</td>
<td>Parking Lot</td>
</tr>
<tr>
<td>218 Rexford Pl (10-05-220)</td>
<td>$205,435</td>
<td>Parking Lot</td>
</tr>
</tbody>
</table>

The properties above were included in the mortgage dated July 21, 2014. The market values are based on the tax info provided by the City of Watertown.

CREDIT:
A credit report for COR Construction Management Company shows that it has a low to medium-low risk score. Their DBT (days beyond terms) is 5 or less. There are no collection filings, bankruptcies, tax liens, judgments, or UCC filings.

CONDITIONS:
- Guaranty of COR Construction Management Company, LLC
- Mortgages on real estate located at 218 Stone Street, 271 Arsenal Street, 218 Rexford Pl, and 213 Stone Street consistent with the original mortgage on the real estate.
- Receipt of accrued interest at loan closing.

STAFF RECOMMENDATION:

Staff recommends terming out the loan for an additional 240 months at a rate of 4% fixed in the amount of $2,000,000.

COR Arsenal Street Company, LLC
COMMUNITY RENTAL HOUSING PROGRAM
RESCINDING AUTHORIZATION PROCESS

Whereas, Resolution No. 2006-01-05 established the Community Rental Housing Program in order to address the need for additional rental housing units associated with growth at Fort Drum, and

Whereas, Resolution No. 2006-02-04 established the Community Rental Housing Program Authorization Process which granted the power to make loans from the Community Rental Housing Program to the Community Rental Housing Program Interagency Review Committee, and

Whereas, the Community Rental Housing Program successfully met the objectives set forth by creating 1,484 new market rate and affordable housing units in the greater Fort Drum market, and

Whereas, housing market conditions around Fort Drum and the greater three-county region demand greater focus on the revitalization and rehabilitation of our existing single-family and rental housing stock, and

Whereas, the Development Authority is committed to working with its regional partners to improve our region’s housing stock utilizing its existing housing programs including the Community Rental Housing Program.

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

RESOLVED, the Development Authority of the North Country does hereby rescind Resolution No. 2006-02-04 establishing the Community Rental Housing Program Authorization Process, and be it further

RESOLVED, consistent with the rescinding of Resolution No. 2006-02-04, the Interagency Review Committee is herewith dissolved and the Authority extends its appreciation to those individuals who have served and successfully managed the program, and be it further
RESOLVED, consistent with Resolution No. 2006-01-05, all loans through the Community Rental Housing Program will be reviewed by the Project Development Committee and authorized by the Development Authority of the North Country Board of Directors.

Motion by: A. MacKinnon
Seconded by: M. Murray

Calligaris - Absent  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. 2017-08-93 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

Gary Turck
Board Chairman
TO: Project Development Committee

FROM: Michelle L. Capone
Director of Regional Development

DATE: August 4, 2017

SUBJECT: Community Rental Housing Program

CRHP Funding

The Community Rental Housing Program was established by Resolution No. 2006-01-05 when the Authority received $8.5 million in special funding from New York State and Jefferson County to help address the need for additional rental housing in the Watertown/Fort Drum housing market. This need was associated with the growth of Fort Drum in 2005. The Authority also contributed $500,000 to this fund from its Affordable Rental Housing Program bringing total capitalization to $9 million.

This original $9 million went to fund the following projects: Eagle Ridge, $3,000,000; Summit Wood, $3,950,000; Carthage Apartments, $300,000; and Creek Wood, $1,750,000. Eagle Ridge repaid its loan in February 2013.

In 2012, the Authority received an additional $4 million from Empire State Development to assist with the construction of two additional projects, Beaver Meadows and Preserve at Autumn Ridge. At this time, Jefferson County also provided an additional $400,000 to the fund as well as the Authority which contributed $2,480,000 from its Housing Loan Revolving Fund (Resolution No. 2012-03-14). Preserve at Autumn Ridge repaid their loan of $3,940,000 to the Authority in June 2015.

The CRHP fund currently has $5,582,912 available in cash for projects. We have the following commitments:

- Regional Redevelopment Housing Program: Resolution No. 2016-02-14. Commits $1 million in CRHP funding to establish a grant/loan program to be utilized in conjunction with the NDC program (Neighbors of Watertown, Development Authority, City of Watertown). ESD gave the Authority approval to utilize funds for this program. Currently $83,066 committed from this fund to Neighbors of Watertown to renovate 825 Academy Street, Watertown (Resolution No. 2017-02-11). The property is owned by the City and the Authority is working with them and Neighbors as part of the NDC program.
Community Rental Housing Program
2
August 4, 2017

- NDC Program (see above): Resolutions No. 95-05-06 and 2015-10-109. Commits $200,000 to Neighbors of Watertown in the form of bridge financing to acquire and rehab projects in the City of Watertown as part of the NDC program. Committed $68,934 from this program to Neighbors of Watertown for the above-referenced project at 825 Academy Street. Totaling financing in the project from the CRHP was $110,467.

CRHP Funding Process

By Resolution No. 2006-02-04, the Authority Board created the Community Rental Housing Program Interagency Review Committee which authorized the committee to establish program criteria and guidelines, evaluate developer proposals, and to make award of funds on behalf of the Authority and other funding entities. The committee was comprised of representation from the Jefferson County IDA, Jefferson County, and FDRLO among other community leaders.

Eleven years later, we accomplished the objective set forth which was to meet the housing demand associated with growth at Fort Drum. We assisted in the creation of 1,484 market rate and affordable housing units in the greater Fort Drum market.

Current Market Conditions

Prior to the 2005 expansion of Fort Drum, the Authority was focused on mixed-use commercial/residential projects in downtown areas like the rehabilitation of the State Street Apartments, Carthage and Market Street Apartments, Potsdam. When the expansion was announced at Fort Drum we went into a new construction mode with the receipt of funding from the state. Now with that behind us, we return to the need to improve the quality of our existing rental housing stock. Many of the original 1985 Fort Drum expansion projects are over 30 years old and many of the public housing projects are reaching milestones for replacement and repair of critical items. In recent years we have funded the rehabilitation of projects in Potsdam, Watertown and across the North Country with funding from our Affordable Rental Housing Program.

There is also another niche in the rental housing market and one that we hope to address through the Community Rental Housing Program. That is the recent increase in bank foreclosed or zombie properties. This is happening throughout the North Country. One recent example that the Authority looked at was 825 Academy Street, Watertown, as mentioned above. The City owns the property and is looking to rehab it. Neighbors of Watertown and the Authority put together a funding package to complete the work. Unfortunately, after the hazardous materials assessment was completed it was determined that an additional $40,000 in asbestos abatement would be added to the project costs. This project was temporarily put on hold and a larger discussion regarding neighborhood revitalization began.
This new discussion includes not only the Authority, Neighbors of Watertown and the City of Watertown, but has been expanded to include the Watertown Housing Authority and the Thousand Islands Habitat for Humanity. All organizations have resources to bring to the table and specialize in specific types of housing. When we started looking at the Academy Street property we started digging into the neighborhood surrounding this property to see if we might be able to accomplish more projects in the overall neighborhood than just the one we were looking at. The short answer is yes, and working together we think we can put together a model that will work and could be replicated in communities across the three-counties.

Issue

Through our discussions we have identified a roadblock. We need to have an entity that will purchase and hold the properties so that the hazardous materials assessment can be completed. This assumes a level of risk by the entity that purchases and holds the property if the hazardous materials assessment confirms high levels of asbestos or other materials. This can be mitigated somewhat by a visual inspection of the property prior to closing; however ‘you don’t know what you don’t know’ until the materials are tested. In the worst case, the cost to clean up and then rehab may be too high and you decide to demolish. Neighbors of Watertown does not want to take on this risk.

Examples that we have discussed as a group include:

- Having an entity acquire the property, complete the hazardous materials assessment, and then work with Neighbors of Watertown to put together a development budget for the property. If it happens to be a single-family bank foreclosure then maybe we work with Habitat for Humanity to complete rehab and utilize a City CDBG grant to get a qualified homeowner for the property. If it happens to be a multi-family bank foreclosure then we work with Neighbors to rehab the unit and the Watertown Housing Authority purchases it and utilizes it as part of its inventory.

I would like to stress that this is not a City of Watertown program only. We are starting in the City in order to make sure that the model works, but we will utilize the model in other communities throughout Jefferson, Lewis and St. Lawrence Counties. This can be accomplished through partnerships with other municipalities and community housing providers.

Staff Recommendations

Acquisition: The Authority take on the role as the entity that will purchase and hold bank foreclosed properties as outlined above. We will engage services to complete a
hazardous materials assessment. We have sufficient housing funds available in the 
CRHP to create a new model in housing development that focuses on community 
partnerships and neighborhood revitalization.

Funding: We will utilize $500,000 of the $1 million set aside for the Regional 
Redevelopment Housing Program for acquisition of bank-foreclosed residential 
properties. The intent is that we would be repaid the acquisition amount through 
the sale of the property. We utilize the remaining $500,000 of the $1 million for 
hazardous materials assessments and associated soft costs. There is a strong 
possibility that these funds may not get repaid and may end up as a subsidy into 
the project. This is due to the fact that testing and remediation of hazardous 
materials like asbestos and lead do not add to the value of the home and are on top 
of the costs of rehab. For the program to be successful we have to assume that these 
will be costs sunk in the project.

Process: We would recommend that the CRHP Interagency Review Committee be formally 
ended and that all approvals through this fund go to the Project Development 
Committee and subsequently the Board of Directors. We would request that the 
Board give the PDC and Executive Director the ability to negotiate options on real 
estate between meetings with the ultimate decision to purchase made by the Board 
at its next meeting. It will be very difficult to have an effective program if staff 
needs to wait between meetings in order to negotiate a purchase option. We would 
work with the PDC between meetings to pull the projects together to present to the 
Board.

MOU: The existing NDC Program MOU with the Authority, City and Neighbors was 
ratified in October 2015. Staff suggests that we modify this MOU to include the 
Watertown Housing Authority and the Thousand Islands Habitat for Humanity. We 
feel that this action would reflect the partnership of the organizations working 
together for the betterment of housing in the City.

I would be happy to answer any questions that you might have prior to our meeting on August 24. 
We felt that it would be best to get you this background information prior to the meeting. There 
will be a resolution to the board affirming these recommendations for you to review prior to the 
meeting.
COMMUNITY RENTAL HOUSING PROGRAM
ACQUISITION OF BANK-FORECLOSED RESIDENTIAL PROPERTIES
THE NDC PROGRAM AMENDMENT

Whereas, Resolution No. 2006-01-05 established the Community Rental Housing Program in order to address the need for additional rental housing units associated with growth at Fort Drum, and

Whereas, Resolution No. 2015-10-109 established a Memorandum of Understanding between Neighbors of Watertown, the Development Authority of the North Country, and City of Watertown to create the NDC Program to rehabilitate and resell tax-foreclosed homes in the City of Watertown, and

Whereas, Resolution No. 2016-02-14 established the Regional Redevelopment Housing Program within the Community Rental Housing Program, and

Whereas, the Regional Redevelopment Housing Program was established as a grant/loan program to be utilized in conjunction with the NDC Program in Watertown, and

Whereas, housing market conditions in the greater three-county region demand greater focus on the revitalization and rehabilitation of our existing single-family and rental housing stock, and

Whereas, the Development Authority is working closely with Neighbors of Watertown, the City of Watertown, the Watertown Housing Authority, and the Thousand Islands Habitat for Humanity to identify bank-foreclosed residential properties in the City of Watertown focusing on neighborhood redevelopment, and

Whereas, this partnership has identified itself as the NDC Committee, and

Whereas, the NDC Committee has identified the need for a single entity to acquire bank foreclosed residential properties in order to redevelop them with the program partners, and

Whereas, a model is being developed with the NDC Committee to purchase a bank foreclosed property, assess it for hazardous materials, rehabilitate it, and resell it, and

Whereas, there is some risk involved in the model if hazardous materials are found in the property and significant public funding is required to abate the issues and demolition of the property is more likely than redevelopment, and

Whereas, Development Authority staff feels that this model can be replicated in other communities throughout the three counties through a memorandum of understanding with participating municipality and housing providers.
Now, upon the recommendation of the Project Development Committee, therefore be it

RESOLVED, the Development Authority of the North Country does hereby consent to the acquisition of bank-foreclosed residential properties as part of the NDC model in the City of Watertown, and be it further

RESOLVED, that the Development Authority of the North Country does hereby modify the Regional Redevelopment Housing Program within the Community Rental Housing Program setting-aside $1 million to be utilized for the acquisition of bank-foreclosed properties and hazardous materials assessments and related soft costs at the terms and conditions attached, and be it further

RESOLVED, that the Development Authority of the North Country does hereby amend the existing Memorandum of Understanding between the Authority, Neighbors of Watertown, and City of Watertown for the NDC Program to include the Watertown Housing Authority and the Thousand Islands Habitat for Humanity, and be it further

RESOLVED, the parties to the revised Memorandum of Understanding shall constitute a new interagency committee for the purpose of community input to the Project Development Committee, and be it further

RESOLVED, that the Development Authority of the North Country does hereby authorize the Project Development Committee the ability to work with staff to negotiate purchase agreements and options on behalf of the Board with final approval by the Board of Directors, and be it further

RESOLVED, that the Project Development Committee shall work within the terms established in the term sheet attached hereto and incorporated into said Resolution.

Motion by: A. MacKinnon
Seconded by: M. Murray

Calligaris - Absent 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. 2017-08-94 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

[Signature]
Gary Turck
Board Chairman
TERM SHEET
(REVISIONS IN BOLD)

Regional Redevelopment Housing Program (RRHP)

Purpose: A demonstration program in the City of Watertown consistent with the Neighbors of Watertown, Development Authority of the North Country, and City of Watertown (NDC) model that currently exists, utilizing $1 million from the Community Rental Housing Program that would allow for a grant/loan combination to rehabilitate homes within the NDC program. The Regional Redevelopment Housing Program (RRHP) was approved by Empire State Development on December 11, 2015, as an appropriate utilization of Community Rental Housing Program funds within the Regional Redevelopment Housing Program. Program can be replicated in other communities within the three-county region with a Memorandum of Understanding with participating municipality and housing providers.

Eligible Uses: $500,000 set-aside for acquisition of bank-foreclosed residential properties (single family and multi-family); $500,000 set-aside for hazardous materials assessments and associated soft costs.

Max. Amount: Application must utilize loan funds in order to access grant funds. Grant/loan combination always 1:1. **Exceptions may be made by the Board of Directors.**

Interest Rate: 1%, or at the discretion of the Board of Directors.

Loan Term: Up to 15 years for real estate

Collateral: Mortgage on real property
NORTH COUNTRY REDEVELOPMENT LOAN FUND
ESSEX COUNTY LOAN

Whereas, Resolution No. 2015-08-91 established the North Country Redevelopment Fund utilizing state economic development funds, 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 7, 2017 to review an application from Essex County, and

Whereas, Essex County proposes to demolish several vacant buildings located at the former Frontier Town in North Hudson as part of a $32 million investment by New York State in order to transform the site into a recreational hub and gateway to the Adirondacks, and

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

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 $500,000 ($250,000 loan/$250,000 grant) from the North Country Redevelopment Fund to Essex County 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. MacKinnon

Calligaris - Absent  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. 2017-08-95 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

Gary Turck
Board Chairman
TERM SHEET

Borrower: Essex County

Loan Fund: North Country Redevelopment Fund

Amount: $500,000 ($250,000 loan/$250,000 grant)
       (New York State Empire State Development Funding)

Loan Term: 10 years

Loan Rate: 1%

Loan Payment: Annual principal and interest

Collateral: Full faith and credit of Essex County

Conditions: Owner cash of $50,000
       Acceptable MWBE utilization plan
       Loan will be disbursed as a construction loan
**North Country Economic Development Fund**  
**August 3, 2017**

**BORROWER:** County of Essex  
**BUSINESS ADDRESS:** P.O. Box 217, Elizabethtown, NY 12932  
**OWNERSHIP:** County of Essex  
**AMOUNT REQUESTED:** $500,000 ($250,000, 10 years, 1%/$250,000 grant)  
**PAYMENTS:** Annual principal and interest  
**PRIMARY COLLATERAL:** Full faith and credit of Essex County  
**GUARANTORS:** N/A  
**JOB CREATION:**  
- Existing: 0  
- New-Year 1: 0  
- New-Year 2: 0  
- New-Year 3: 0  
**Total Jobs: 0 FTE**  
**SOURCES:**  
<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>Uses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Country Redevelopment Dev Fund</td>
<td>500,000</td>
<td>Demolition</td>
<td>$550,000</td>
</tr>
<tr>
<td>Owner Cash</td>
<td>50,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td><strong>$550,000</strong></td>
<td><strong>Total Uses</strong></td>
<td><strong>$550,000</strong></td>
</tr>
</tbody>
</table>

**PROJECT OVERVIEW:**

Essex County is working with the Governor to create a world-class destination at the site of Frontier Town in the Adirondacks. Frontier Town is located in North Hudson. The Governor’s economic development budget included $32 million in public/private partnership to create this destination location. The master plan for the Gateway to the Adirondacks project includes:

- A DEC campground and day use area along the Schroon River;
- Equestrian camping and trail riding area;
- Visitor information center to introduce visitors to the world class recreation destinations in the Adirondack Park;
- Event center with tourist accommodations;
- Interactive exhibits in historic structures highlighting the past, present, and future of the Adirondack forest products and local food industries.

In addition, Paradox Brewery plans to expand its brewing operations at the new Gateway location in 2017, as well as open a tavern offering a selection of New York beers and food. Paradox currently operates a tasting room. This expansion is projecting that 22 new jobs will be created at the brewery alone. The much anticipated project will bring needed jobs and economic activity to a region that survives on tourism.
The former Frontier Town is located on a 300 acre site owned by Essex County. In order to accomplish the Governor’s Vision, the County must remove structures that are structurally unsound and asbestos containing.

Project:

The funds will be used to demolish the former welcome center and motel on site. The work will be completed in compliance with the asbestos abatement design completed by Atlantic Testing Laboratories on July 5, 2017, see attached. Based upon a discussion with the DPW deputy superintendent, due to the poor condition of the buildings, all materials will be considered hazardous and will be disposed of accordingly. A map with abatement general notes is attached to this write-up. The County is overseeing the project.

FINANCIAL ANALYSIS:

<table>
<thead>
<tr>
<th>FYE December 31</th>
<th>Actual 2014</th>
<th>Actual 2015</th>
<th>Actual 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenues</td>
<td>$55,874,201</td>
<td>$56,055,246</td>
<td>$56,779,107</td>
</tr>
<tr>
<td>Program Revenues</td>
<td>$57,261,277</td>
<td>$35,738,510</td>
<td>$38,391,061</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$113,135,478</td>
<td>$91,793,756</td>
<td>$95,170,168</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$109,115,182</td>
<td>$93,525,425</td>
<td>$98,180,009</td>
</tr>
<tr>
<td>Other Income/(Expenses)</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Change in Net Position</td>
<td>$4,020,296</td>
<td>($1,731,669)</td>
<td>($3,009,841)</td>
</tr>
</tbody>
</table>

- Audits were provided for FYE 2013, 2014 and 2015. The draft 2016 audit was provided.
- Above reflects revenue and expenses for governmental activities as well as business-type activities.

Essex County
In 2015, program revenue decreased by $7.7 million as a result of the sale of the County’s nursing home in March of 2014. Operating grants decreased by $15.3 million as a result of a decrease in Federal and State funding for various capital highway projects and the microwave radio system. General revenues for governmental activities, specifically other taxes, increased by $0.2 million which relates to an increase in sales tax revenue.

In 2016 revenue from Real Property Taxes increased by 8.6%, sales and use taxes increased by 2.6%, and state aid increased by 5.7%. Total revenue contributed to Governmental Funds increased by 5.5% in 2016 over 2015. Expenses for the same increased by 3.2% in 2016 over 2015 driven primarily by increases to transportation, 7.5% increase.

The majority of the County’s net position is capital assets. Increases in capital assets in 2016 were primarily for various road and bridge projects.

In general, the County has had a decrease in its net position over the past two years; however it is projecting to end 2016 with a positive change in the General Fund Balance of $2.4 million. The ending balance in the General Fund will be $30.8 million.

Cash Flow Analysis

The County has sufficient cash flow to repay the annual debt service payment of $13,853.83.

Statement of Net Position

<table>
<thead>
<tr>
<th>FYE December 31</th>
<th>Restated 2014</th>
<th>Actual 2015</th>
<th>Actual 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>$66,844,799</td>
<td>$61,655,284</td>
<td>$67,903,874</td>
</tr>
<tr>
<td>Noncurrent Assets</td>
<td>$114,851,719</td>
<td>$120,232,417</td>
<td>$124,502,868</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$181,696,518</td>
<td>$181,947,701</td>
<td>$192,406,742</td>
</tr>
<tr>
<td>Deferred Outflow of Resources</td>
<td>$0</td>
<td>$3,458,569</td>
<td>$15,816,833</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>$29,884,324</td>
<td>$23,686,178</td>
<td>$25,516,287</td>
</tr>
<tr>
<td>Long-term Liabilities</td>
<td>$118,209,976</td>
<td>$129,860,075</td>
<td>$150,739,579</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$148,094,300</td>
<td>$153,346,253</td>
<td>$176,255,866</td>
</tr>
<tr>
<td>Deferred Inflows of Resources</td>
<td>$0</td>
<td>$959,053</td>
<td>$3,876,586</td>
</tr>
<tr>
<td>Net Position</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Investment in capital assets</td>
<td>$71,138,599</td>
<td>$79,495,369</td>
<td>$82,399,433</td>
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<tr>
<td>Restricted</td>
<td>$1,738,752</td>
<td>$395,950</td>
<td>$403,413</td>
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<tr>
<td>Unrestricted</td>
<td>($39,725,133)</td>
<td>($48,780,355)</td>
<td>($54,711,723)</td>
</tr>
<tr>
<td>Total Net Position</td>
<td>$33,602,218</td>
<td>$31,100,964</td>
<td>$28,091,123</td>
</tr>
</tbody>
</table>

Beginning net position for 2015 was adjusted. The County adopted GASB Statement No. 68 in fiscal year 2015. This statement is for accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of Statement No. 68, as well as for non-employer governments that have a legal obligation to contribute to those plans. They also adopted Statement No. 71 which addresses amounts associated with
North Country Economic Development Fund  
August 3, 2017

contributions made by a state or local government employer or non-employer contributing entity to a defined benefit pension plan after the measurement date of the government’s beginning net pension liability. By adopting these standards the beginning net position in the Governmental Activities was adjusted resulting in a reduction of $769,588.

- Long term debt in 2016 for the County’s Governmental Activities increased by $26.2 million, of which is primarily the result of a $10.3 million increase in the retiree’s health insurance post-employment benefit obligation and a $5.5 million decrease in the long-term portion of bonds payable, and a $11.1 million increase in the County’s proportionate share of the State retirement system’s net pension liability.

- Long Term Liabilities as of 12/31/2016 were primarily Other Post-Employment Benefits, $99,336,085; General Obligation Bonds, $38,960,000; and Net Pension Liability, $14,837,078. The Net Pension Liability is the County’s share of the State retirement system. The Other Post-Employment Benefits pertain to the County’s health insurance benefits, in accordance with its CSEA contract. Per GASB Statement No. 45, the County was required to obtain an actuarial analysis and provide financial disclosure relative to the accrued liabilities of the post-employee benefit plans and the funded status of those liabilities.

- As the County completed 2016, its governmental funds reported a combined fund balance of $44 million, which was $11.2 million more than last year’s total of $32.8 million. Included in this year’s total change in fund balance is a current surplus of $2.5 million in the County’s General Fund and as a result of the issuance of $9.2 million in long-term debt the capital projects fund had a surplus of $8.6 million.

CORPORATE:

Essex County received an AA- rating from S&P Global Ratings in December 2016 when it issued $9.2 million in public improvement serial bonds. The outlook was stable. The rating reflected the following:

- Adequate economy, with projected per capita effective buying income at 94.8% of the national level and market value per capita of $176,927;
- Adequate management;
- Adequate budgetary performance with some risk for deterioration in the near term;
- Very strong budgetary flexibility with an available fund balance in FYE 2015 of 32% of operating expenditures;
- Very strong liquidity with total government available cash at 30.1% of total governmental fund expenditures and 5.4x governmental debt service, and access to external liquidity that S&P considered strong.
- Strong debt and contingent liability position;
- Strong institutional framework score.

COLLATERAL:

1. Full Faith and Credit of Essex County

CONTINGENCIES:

Essex County
Motion- Second-
Approved

1. Minimum $50,000 owner cash contribution
2. Acceptable MWBE Utilization Plan
3. Loan will be disbursed as a construction loan
4. Recapture Provision over 10 years on grant portion
   (Removed at Board meeting)
1. ALL WORK SHALL BE PERFORMED IN ACCORDANCE WITH ALL APPLICABLE LOCAL, STATE, AND FEDERAL REGULATIONS. ALL WORK SHALL BE MONITORED, AND THE CONTRACTOR SHALL CONFORM TO ALL LOCAL, STATE, AND FEDERAL REGULATIONS.

2. REFERENCE THE ASBESTOS ABATEMENT DESIGN PREPARED BY ATLANTIC TESTING LABORATORIES LLC, REPORT NO. PL8570-01, DATED JULY 17, 2017, FOR ADDITIONAL INSTRUCTIONS.'

3. THE CONTRACTOR IS RESPONSIBLE FOR NOTIFYING NEIGHBORS AND OCCUPANTS PRIOR TO BEGINNING EACH WORKDAY, PROVIDING THEM WITH A COPY OF THE SECTOR OF THE SITE WHERE WORK WILL BE PERFORMED, AND NOTIFYING NEIGHBORS AND OCCUPANTS FOR THREE (3) DAYS PRIOR TO THE START OF EACH WORKDAY.

4. THE CONTRACTOR SHALL PERFORM ALL WORK WITHOUT CAUSING OR CONTAMINATING THE ENVIRONMENT, WHERE SUCH WORK IS CONTAMINATED.

5. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE SALVAGE OF MATERIALS, INCLUDING, BUT NOT LIMITED TO, ASBESTOS-CONTAINING MATERIALS.

6. ALL WORK SHALL BE PERFORMED IN SUCH A MANNER AS TO MINIMIZE THE RISK OF EXPOSURE TO PERSONS, TO PREVENT INJURY TO OCCUPANTS, AND TO MINIMIZE THE RISK OF RELEASE OF HAZARDOUS MATERIALS TO THE ENVIRONMENT.

7. THE LOCATION OF ALL HAZARDOUS MATERIALS, EQUIPMENT, AND DEBRIS SHALL BE MARKED WITH A SIGN APPROVED BY THE CONTRACTOR.

8. THE CONTRACTOR SHALL BE RESPONSIBLE FOR ALL TOOLS, EQUIPMENT, AND SUPPLIES USED IN THE CONSTRUCTION PROCESS. ALL TOOLS, EQUIPMENT, AND SUPPLIES REMAIN UNDER THE CONTRACTOR'S CONTROL.

9. THE CONTRACTOR SHALL BE RESPONSIBLE FOR ALL HAZARDOUS MATERIALS, EQUIPMENT, AND DEBRIS REMOVED FROM THE SITE.

LEGEND:
- Buildings to be Demolished

<table>
<thead>
<tr>
<th>ABATEMENT PLAN</th>
<th>Drawn By: JDP</th>
<th>Project No.: PL8570</th>
<th>Date: July 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Former Frontier Town, Newcomb, New York</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ATLANTIC TESTING LABORATORIES, Limited
3555 NY-18, Newcomb, NY 12423

New York City, NY 10001

PH: (607) 232-5000

Fax: (607) 232-5050

Web: www.atlantictesting.com

Email: info@atlantictesting.com
Board Resolution No. 2017-08-96
August 24, 2017

TECHNICAL SERVICES AGREEMENT
VILLAGE OF CANTON
LOAN UNDERWRITING SERVICES

Whereas, Resolution No. 2012-06-09 authorized the Executive Director to enter into an agreement with the St. Lawrence County Industrial Development Agency for loan underwriting services, and

Whereas, Resolution No. 2015-06-59 authorized the Executive Director to enter into an agreement with the Lewis County Industrial Development Agency for loan underwriting services, and

Whereas, Resolution No. 2016-06-78 authorized the Executive Director to enter into an agreement with the Franklin County Industrial Development Agency for loan underwriting services, and

Whereas, the Village of Canton approached the Authority to provide loan underwriting services for the Canton Microenterprise Loan Fund based upon its performance in providing loan underwriting services for various agencies across the North Country, and

Whereas, the Authority has the capacity and expertise to provide these services to the Village of Canton.

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 the Technical Services Agreement for Loan Underwriting Services with the Village of Canton.

Motion by: F. Carter
Seconded by: D. Mastascusa

<table>
<thead>
<tr>
<th>Name</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calligaris</td>
<td>Absent</td>
</tr>
<tr>
<td>Carter</td>
<td>Yes</td>
</tr>
<tr>
<td>Doheny</td>
<td>Present</td>
</tr>
<tr>
<td>Hefferon</td>
<td>Yes</td>
</tr>
<tr>
<td>Hollenbeck</td>
<td>Present</td>
</tr>
<tr>
<td>Johnson</td>
<td>Yes</td>
</tr>
<tr>
<td>MacKinnon</td>
<td>Yes</td>
</tr>
<tr>
<td>McGrath</td>
<td>Absent</td>
</tr>
<tr>
<td>Murray</td>
<td>Yes</td>
</tr>
<tr>
<td>Mastascusa</td>
<td>Yes</td>
</tr>
<tr>
<td>Turck</td>
<td>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. 2017-08-96 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

GaryTurck
Board Chairman
DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
TECHNICAL SERVICES AGREEMENT

WITH THE

VILLAGE OF CANTON

This Agreement entered into this _____ day of __________ 2017, by and between:

VILLAGE OF CANTON is a New York State municipality having an office building and principal place of business located at 60 Main Street, Canton, New York 13617, 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 4/1/2017. Authority Labor Rates are adjusted annually on 4/1. The Authority will notify the FCIDA in writing of such adjustments.

**TABLE 1 -- Authority Labor Rates**

<table>
<thead>
<tr>
<th>Employee Wage Rate</th>
<th>Standard</th>
<th>Overtime</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director of Regional Dev.</td>
<td>$98</td>
<td>NA</td>
</tr>
<tr>
<td>Sr. Project Dev. Spec.</td>
<td>$82</td>
<td>NA</td>
</tr>
<tr>
<td>Project Dev. Spec.</td>
<td>$57</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 CANTON

By:__________________________

Michael Dalton
Mayor

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

By:__________________________

James W. Wright
Executive Director

ACKNOWLEDGEMENTS

STATE OF NEW YORK  )
                      ) ss:
COUNTY OF ST. LAWRENCE )

On this ___ day of _____________, 2017, before me personally came Michael Dalton, who being duly sworn, did dispose and says that he resides in Canton, New York; that he is the Mayor of the Village of Canton described herein, and which executed the foregoing instrument; and that he signed his name thereto by order of said Village of Canton.

______________________________________________
< NOTARY PUBLIC

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

On this ___ day of _____________, 2017, 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
NORTH COUNTRY AGribusiness loan program

Whereas, the New York State Job Development Authority (JDA) has made available up to $1 million in funding to eligible entities to establish agribusiness loan programs in order to provide greater access to capital for small agribusiness enterprises located in New York State, and

Whereas, the JDA approached the Development Authority to create an agribusiness loan program to assist agribusinesses in Jefferson, Lewis, and St. Lawrence Counties, and

Whereas, the JDA expressly identified the Development Authority as an eligible entity to create an agribusiness loan program, and

Whereas, the Development Authority currently administers loan programs on behalf of Empire State Development for tourism, value-added agriculture, and redevelopment of buildings and properties throughout the North Country region, as well as the North Country Economic Development Fund on behalf of the New York Power Authority, and

Whereas, the JDA funds will be in the form of a loan to the Development Authority at the terms and conditions summarized in Attachment A, and

Whereas, the proposed program description for the North Country Agribusiness Loan Program is attached pending approval by JDA, and

Whereas, the JDA funds will provide an additional source of funding for the Authority to lend to agribusinesses across the 3-county North Country region, and

Whereas, growing agribusinesses is a priority of the North Country Regional Economic Development Council and Governor Cuomo, and

Whereas, the loans will be reviewed by the Project Development Committee and recommended to the Board of Directors for approval.

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

RESOLVED, the Development Authority of the North Country does hereby establish the North Country Agribusiness Loan Program with funding from the New York State Job Development Authority based upon the proposed Program Description as attached pending final approval by the New York State Job Development Authority, and be it further
RESOLVED, the Development Authority of the North Country does hereby authorize the Executive Director to execute the loan agreement and note with the New York State Job Development Authority to capitalize the North Country Agribusiness Loan Program, and be it further

RESOLVED, that the Executive Director is authorized to establish a bank account to hold funds from the North Country Agribusiness Loan Program, pursuant to the Authority Investment Policy, and be it further

RESOLVED, that the Chairman, Treasurer, Executive Director, Comptroller and Deputy Comptroller of the Development Authority of the North Country be named as authorized signatories on the account and that all documents required to create such accounts shall be executed by Authority officers and/or personnel, and be it further

RESOLVED, that the Staff Accountant and Accounting Assistant be designated as authorized representatives for the purposes of executing transfers, electronically or telephonically, when authorized by the designated Authority Officers and/or personnel, and that all documents required as evidence of such authority be executed by Authority Officers and/or personnel.

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

Calligaris - Absent  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. 2017-08-97 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

[Signature]
Gary Turck
Board Chairman
ATTACHMENT A

Borrower: Development Authority of the North Country

Lender: New York State Job Development Authority

Amount: Up to $1,000,000

Loan Term: 10 years (may be extended at the discretion of JDA)

Loan Rate: 1%

Loan Payment: Interest-only semi-annually with payments on June 30 and December 31. Payments made on the unpaid principal balance outstanding.

Principal payments shall commence on the 6th anniversary from the date of the Loan Agreement and shall be paid on the 7th and 10th anniversary thereafter. Each payment shall be equal to 33.33% of the principal balance outstanding. Term may be extended at the discretion of JDA.

Conditions: Loan will be advanced in 3 installments of 33.33% each. You must show that you have disbursed at least 70% of the previous advance in order to request the next advance.

Proceeds must be deployed within 24 months of the date when the loan agreement is signed. If they are not committed then JDA reserves the right to terminate any further advances.

No prepayment penalty.
**NORTH COUNTRY**
**AGRICULTURAL LOAN PROGRAM**

**Program Description:** Founded in 2017 with monies from the New York State Job Development Authority to provide greater access to capital for small agribusiness enterprises located in New York State. North Country Agribusiness Loan Program is open to eligible projects located in Jefferson, Lewis, and St. Lawrence, Counties.

**Eligible Projects:** Manufacturing, warehousing, research, commercial, industrial and other business purposes in support of the State agricultural industry.

**Ineligible Projects:**
(i) Result in the relocation of a business from one municipality within the State to another, except (a) when a business is relocating within a municipality with a population of at least 1 million where the governing body of such municipality approves the relocation, or (b) each municipality from which such business will be relocated has consented to the relocation; (ii) projects with respect to newspapers, broadcasting or other news media, medical facilities, libraries, community or civic centers, and public infrastructure improvements.

**Eligible Applicants:** A small business enterprise engaged in agricultural production and/or related commercial activities, including value-added processors, food distribution companies, food aggregators, wineries, breweries, distillers, cider producers, food hub participants. “Small Business” shall mean a business that is resident and authorized to do business in the State, independently owned and operated, not dominant in its field, and employs one hundred or fewer persons on a full time basis.

**Eligible Use of Funds:** Acquisition and/or improvements of real property, acquisition of machinery and equipment, working capital.

**Maximum Loan Amount:** Loans will typically not exceed 90% of the total project cost, or $200,000, whichever is less. Minimum loan amount is $50,000.

**Interest Rate:** The greater of the WSJ Prime Rate, or a floor of 3.5%, whichever is higher at the time of closing. Will not exceed 8.5%.

**Terms:** Real estate, machinery and equipment – up to 10 years
Working Capital–up to 5 years

**Repayment:** Traditional principal and interest payments; seasonal payments may be permitted; interest-only payments cannot exceed 12 consecutive months. Balloon payments may be permitted. No prepayment penalty.

**Fees:** $100 application fee; 1% commitment fee (one-half paid with return of commitment letter, and one-half paid at the loan closing.)

**Program Requirements:** Minimum 10% of the total project amount in owner cash.

**Contact:** Michelle Capone, Development Authority of the North Country, (315) 661-3200, or mcapone@danc.org.
LOAN AGREEMENT

LOAN AGREEMENT (this “Agreement”) dated as of the ___ day of __________ 20__ by and between ______________________, a ______________, having an address at ____________________________ (“Borrower”), and NEW YORK JOB DEVELOPMENT AUTHORITY, a public benefit corporation created under Article 8, Title 8 of the New York Public Authorities Law, having its principal office and place of business at 633 Third Avenue New York, New York 10017 (“Lender” or “JDA”).

RECITALS:

WHEREAS, the JDA Agriculture Loan Fund (“ALF” or the “Fund”) is designed to provide greater access to capital for small agribusiness enterprises located in the State of New York (the “State”);

WHEREAS, Borrower desires that Lender make an ALF loan as provided herein on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein contained, Borrower and Lender hereby agree as follows:

ARTICLE I

PARTICULAR TERMS, DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01. Particular Terms. As used in this Agreement, the following terms shall have the respective meanings indicated opposite each of them.

“Advance” has the meaning given in Section 2.09 of this Agreement.

“Affiliate” Any Person: (a) which is a director, officer or employee of Borrower or is a Related Person to Borrower or any of the foregoing; (b) which directly or indirectly controls, or is controlled by, or is under common control with, the Borrower; (c) which directly or indirectly beneficially owns or holds 5% or more of any class of voting stock of Borrower; or (d) 5% or more of the voting stock of which is directly or indirectly beneficially owned or held by the Borrower. The term “Related Person” means any Person related by blood or marriage to another Person. As used with respect to an Affiliate, the term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and
policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

"Agreement" has the meaning given in the preamble to this Agreement.

"Agribusiness" A business enterprise engaged in agricultural production and/or related commercial activities, including value-added processors, food distribution companies, food aggregators, wineries, breweries, distillers, cider producers, food hub participants, and any firm, partnership, corporation, or other entity that meets the Borrower’s criteria and program guidelines, and is approved for a loan from Borrower to pay the cost of an Eligible Project. An Agribusinesses must also be a “Small Business”, as defined below.

"ALF" has the meaning given in the recitals of this Agreement.

"Application" The application submitted by Borrower to Lender in connection with the Loan as such application may have been amended or supplemented with the prior written consent of Lender.

"Borrower" has the meaning given in the preamble of this Agreement.

"Commencement Date" has the meaning given in Section 2.06.

"Default" Any event or circumstance which, with the giving of notice or the passage of time, or both, would become an Event of Default.

"Default Rate" a variable rate per annum of 6% above the Prime Rate as in effect from time to time upon the occurrence of each event which causes the Loan to bear interest at the Default Rate.

"Deployment Period" has the meaning given such term in Section 2.04.

"Dollars" and "$" Lawful money of the United States of America.

"Eligible Project" shall mean a Small Business Loan to an Agribusiness in the Service Delivery Area for an Eligible Use for which Borrower has reasonably made prior written findings: (i) that the Eligible Use is feasible; (ii) that the Small Business Loan is likely to be repaid; and (iii) there is substantial potential that the Small Business Loan will generate economic development and jobs within the State, provided, however, that an Eligible Project cannot be an Ineligible Project.

"Eligible Lender" shall mean the following named organization which are either (a) defined by sub-division eleven of section two of the State Banking Law, (b) an agency or branch of a foreign banking corporation licensed by the department of financial services under article 5 of the State Banking Law, (c) a national bank, federal savings and loan association, or
State and federal credit union, (d) an authorized insurer defined by sub-division six of section four of the insurance law, or (e) an institution within the State authorized to originate and service loans, including, but not limited to, credit unions, mortgage loan companies, the New York Business Development Corporation established under article 5-A of the State Banking Law: Pathstone Enterprise Development Corporation; Farm Credit East; Genesee/Finger Lakes Regional Planning Council; Delaware County Local Development Corporation; Development Authority of the North Country; Hudson Valley Agriculture Development Corporation; Mohawk Valley Economic Development District; Regional Economic Development and Energy Corporation; and Southern Tier Enterprise Development Organization, Inc.

“Eligible Use” with respect to the proceeds of Small Business Loan is any of the following uses: acquisition and/or improvement of real property within the State, which shall be used for manufacturing, warehousing, research, commercial, industrial, or other business purposes in support of the State agricultural industry, and/or acquisition of machinery and equipment and working capital used in support of the State agricultural industry.

“Event of Default” has the meaning given to such term in Section 6.01.

“Family Member” Any member who is a member of the immediate family (whether by birth or marriage), which includes a spouse; a brother or sister of the whole or half blood of such individual or his spouse; a lineal descendent or ancestor (including an individual related by or through legal adoption) or any of the foregoing or a trust for the benefit of any of the foregoing.

“Financial Statements” Statements of the assets, liabilities (direct or contingent), income, expenses and cash flow of Borrower, prepared in accordance with GAAP in effect from time to time and consistently applied.

“GAAP” Generally accepted accounting principles in the United States of America.

“Governmental Authorities” The United States of America and the State of New York and any political subdivision, agency, department, commission, board, bureau or instrumentality of either of them, including any local authorities, which exercises jurisdiction over Borrower.

“Ineligible Project” shall mean: (i) a project or use that would result in the relocation of any business operation from one municipality within the State to another, except under one of the following conditions, (A) when a business is relocating within a municipality with a population of at least one million where the governing body of such municipality approves such relocation, or (B) each municipality from which such business operations will be relocated has consented to the relocation; (ii) projects with respect to newspapers, broadcasting or other news media, medical facilities, libraries, community or civic centers, and
public infrastructure improvements; (iii) providing funds directly or indirectly, for payments, distribution, or as a loan (except in the case of a loan to a sole proprietor for business use), to owners, members, partners, Affiliates, or shareholders of the Small Business, except as ordinary income for services rendered; (iv) any project that results in the making of a Small Business Loan to (A) a Person who is a member of the board of directors or other governing body, officer, employee, or member of the loan committee (or similar body), of the Borrower, (B) a Family Member of any such Person, or (C) any Person who shall participate in any decision on the use of the Loan proceeds if such Person is a party to or has a financial or personal interest in a proposed Small Business Loan; or (v) any project that involves real estate or machinery and equipment primarily used in making retail sales of goods or services to customers who personally visit such facilities to obtain such goods or services.

"JDA" has the meaning given in the preamble to this Agreement.

"Law" Any federal, state or local law, statute, rule, regulation, ordinance, order, decree, directive, requirement, code, notice of violation or rule of common law, now or hereafter in effect, and in each case as amended, and any judicial or administrative interpretation thereof by a Governmental Authority or otherwise, including any judicial or administrative order, determination, consent decree or judgment.

"Lender" has the meaning given in the preamble to this Agreement.

"Lender's Counsel" General Counsel of Lender and such officer's designees.

"Lien" Any lien (statutory or otherwise), security interest, mortgage, deed of trust, priority, pledge, charge, conditional sale, title retention agreement, financing lease or other encumbrance or similar right of others, or any agreement to give any of the foregoing.

"Loan" has the meaning given in Section 2.01 of this Agreement.

"Loan Amount" is the amount of the Loan as set forth in the Note.

"Loan Documents" This Agreement, the Note, and any other documents which evidence the Loan.

"Loan Funds Account" has the meaning given in Section 2.11 of this Agreement.

"Minority-Owned Business Enterprise" or "MBE" shall mean a business enterprise, including a sole proprietorship, partnership or corporation that is: at least fifty-one percent (51%) owned by one or more Minority Group Members; an enterprise in which such minority ownership is real, substantial and continuing; an enterprise in which such minority ownership has and exercises the authority to control and operate, independently, the day-to-day business decisions of the enterprise; an enterprise authorized to do business in the State of
New York and is independently owned and operated; an enterprise owned by an individual or individuals, whose ownership, control and operation are relied upon for certification, with a personal net worth that does not exceed three million five hundred thousand dollars, as adjusted annually on the first of January for inflation according to the consumer price index of the previous year; an enterprise that has a significant business presence in the state, is not dominant in its field, employs based on its industry, a certain number of persons determined by the director, but not to exceed three hundred, taking into consideration factors which include, but are not limited to, federal small business administration standards pursuant to 13 CFR part 121 and any amendments thereto; and an enterprise certified by New York State as a minority business.

“Minority Group Member” shall mean a United States citizen or permanent resident alien who is and can demonstrate membership in one of the following groups: (i) Black persons having origins in any of the Black African racial groups; (ii) Hispanic persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American descent of either Indian or Hispanic origin, regardless of race; (iii) Asian and Pacific Islander persons having origins in any of the Far East countries, South East Asia, the Indian subcontinent or the Pacific Islands; and (iv) Native American or Alaskan native persons having origins in any of the original peoples of North America.

“New York Job Development Authority” has the meaning given in the preamble to this Agreement.

“Note” Has the meaning given in Section 2.02 of this Agreement.

“Person” Any individual, corporation, partnership, limited liability company, joint venture, estate, trust, unincorporated association, any other entity, any federal, state, county or municipal government or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

“Prime Rate” means the prime rate of interest as published in The Wall Street Journal from time to time.

“Related Person” has the meaning given in the definition of “Affiliate” set forth in this Section 1.01.

“Remedy” has the meaning given in Section 7.09.

“Requisition” has the meaning given in Section 3.01(4).

“Service Delivery Area” has the meaning given in Section 8.02.
“Small Business” shall mean a business that is resident in the State and authorized to do business in the State, independently owned and operated, not dominant in its field, and employs one hundred or fewer persons on a full time basis.

“Small Business Loan” shall mean a loan ranging from a minimum of Fifty Thousand and 00/100 Dollars ($50,000.00) to a maximum of Two Hundred Thousand and 00/100 Dollars ($200,000.00) with respect to an Eligible Project in any twelve (12) month period made in accordance with this Agreement by Borrower to an Agribusiness for an Eligible Use and that satisfies the requirements set forth on Schedule 2 annexed to this Agreement. Small Business Loan interest rates shall not exceed Eight and 50/100 percent (8.5%).

“Third Party” Any party liable with respect to, or otherwise granting support for the Loan, whether by guaranty, grant of security interest or otherwise.

"Women-Owned Business Enterprise" or “WBE” shall mean a business enterprise, including a sole proprietorship, partnership or corporation that is: at least fifty-one percent (51%) owned by one or more Untied States citizens or permanent resident aliens who are women; an enterprise in which the ownership interest of such women is real, substantial and continuing; an enterprise in which such women ownership has and exercises the authority to control and operate, independently, the day-to-day business decisions of the enterprise; an enterprise authorized to do business in the State of New York and is independently owned and operated; an enterprise owned by an individual or individuals, whose ownership, control and operation are relied upon for certification, with a personal net worth that does not exceed three million five hundred thousand dollars, as adjusted annually on the first of January for inflation according to the consumer price index of the previous year; an enterprise that has a significant business presence in the state, is not dominant in its field, employs based on its industry, a certain number of persons determined by the director, but not to exceed three hundred, taking into consideration factors which include, but are not limited to, federal small business administration standards pursuant to 13 CFR part 121 and any amendments thereto; and an enterprise certified by New York State as a women-owned business.

Section 1.02. Rules of Construction. Except as expressly provided otherwise, when used in this Agreement (i) “or” is not exclusive, (ii) “hereunder”, “herein”, “hereof” and the like refer to this Agreement as a whole, (iii) “Article”, “Section”, “Schedule” and “Exhibit” refer to Articles, Sections, Schedules and Exhibits of this Agreement, (iv) terms defined in the singular shall have a correlative meaning when used in the plural and vice versa, (v) a reference to a Law includes any amendment, modification or supplement to, or replacement of, such Law and (vi) a reference to a document shall mean such document as the same may be amended, modified or supplemented from time to time in accordance with its terms. All accounting terms not specifically defined herein shall be construed in accordance with GAAP, and all financial data required to be compiled or delivered hereunder shall be prepared in accordance with GAAP. The preamble and recitals and the Exhibits and Schedules annexed hereto are incorporated as a part of this Agreement with the same effect as if set forth in the body hereof. Any table of
contents and all captions and headings herein are for convenience only and shall not affect the interpretation or construction hereof.

ARTICLE II

LOAN ADVANCES

Section 2.01. The Loan. Subject to the terms, covenants and conditions of the Loan Documents, Lender has agreed to lend to Borrower amounts not to exceed the aggregate of One Million and 00/100 Dollars ($1,000,000.00) that shall be advanced in accordance with the Loan Documents and applicable Law (the "Loan"). Lender at its sole discretion, may reduce the Loan Amount available to Borrower for Advances.

Section 2.02. The Note. The Loan shall be evidenced by a promissory note dated as of even date herewith duly completed and executed by Borrower in substantially the form attached hereto as Schedule 1 annexed to this Agreement (the "Note"), the terms, covenants, and conditions of which are by this reference incorporated herein.

Section 2.03. Purpose of Loan. Borrower shall use the Loan proceeds solely to make Small Business Loans to Agribusinesses, including M/WBEs that are Agribusinesses. The proceeds of Small Business Loans shall be used to solely to fund Eligible Uses that are for Eligible Projects that comply with all of the requirements of this Agreement. All such Small Business Loans must be permitted under and authorized pursuant to the Borrower’s charter, certificate of incorporation, by-laws and other applicable organizational documents of the Borrower and otherwise permitted under applicable Law. All Small Business Loans must conform to the requirements set forth on Schedule 2 annexed to this Agreement. Borrower shall not change the terms and conditions of any of its Small Business Loans without Lender’s prior written consent.

Section 2.04. Deployment of Loan Proceeds. Within twenty-four (24) months of the Commencement Date (the “Deployment Period”), Borrower shall deploy the entire Loan proceeds in accordance with this Agreement and the other Loan Documents, either as Small Business Loans, or as commitments for Small Business Loans, and in the event that Borrower fails to deploy the Loan proceeds within the Deployment Period, Lender may terminate its obligation to make further Advances, and Lender may demand that Borrower shall promptly, within not less than thirty (30) days of such demand, pay to Lender the amount of the un-deployed Loan proceeds. With respect to Loan proceeds committed for Small Business Loans prior to the end of the Deployment Period that have not closed by the end of the Deployment Period, Borrower shall have six months from the end of the Deployment Period to close the Small Business Loans that are the subject of such commitments, and Lender may demand that Borrower promptly, within not less than thirty (30) days after the expiration of this six-months period, pay to Lender the amount of the Loan proceeds corresponding to such commitments that have not been deployed as Small Business Loans.
Section 2.05. **Prepayments.** Borrower shall have the right to prepay the Loan at any time or from time to time without penalty.

Section 2.06. **Term.** The term of the Loan shall be ten (10) years commencing as of the date of this initial Advance of the Loan (the “Commencement Date”). Before the tenth anniversary of the Commencement Date, and provided that the Borrower is not in default pursuant to this Agreement or the other loan documents, Lender may, in its sole discretion, extend the term of the Loan by an additional period, not to exceed five (5) years, in which case the repayment schedule will be adjusted accordingly. If a term extension is proposed by the Lender, further extensions and other terms and conditions may be considered by Borrower and Lender in connection with such extension. In determining whether or not to offer such an extension, Lender may consider, among other things, the Borrower’s commitments for Small Business Loans, the status of Borrower’s portfolio of Small Business Loans, and the Borrower’s financial stability.

Section 2.07. **Interest.** Interest shall accrue and be payable in accordance with the Note.

Section 2.08. **Payments.** The Loan shall be payable in accordance with the Note.

Section 2.09. **Advances Generally.** Subject to the provisions of this Agreement, Lender will advance and Borrower will accept the Loan Amount in three (3) installments (each an “Advance”) to be disbursed within twenty-four (24) months, each Advance to be made upon the satisfaction of the applicable conditions set forth in Section 3.01 of this Agreement (and, with respect to advances subsequent to the initial advance, Section 3.02 of this Agreement) as follows: the initial Advance in an amount equal to 33.33% of the Loan Amount; the second Advance in an amount equal to subsequent 33.33% of the Loan Amount; and the third Advance in an amount equal the undisbursed portion of Loan Amount. Lender, in its sole discretion, may reduce the Loan Amount available to Borrower for advances. Notwithstanding the foregoing, if Borrower’s Small Business Loan commitment to eligible Small Businesses fall short of the Borrower’s projected Small Business Loan commitments set forth on Schedule 3 annexed to this Agreement, Lender, in its sole discretion, may reduce the Loan Amount available for Advances subsequent to the initial Advance.

Section 2.10. **Procedures for Advances.** All Advances to Borrower are to be made at Lender’s principal office or at such other place as Lender may designate. The Requisition for an Advance shall be submitted to Lender, and if approved, such Requisition will be funded after all conditions to Lender’s obligations to make advances under this Article I and under Section 3.01 and 3.02, as the case may be, have been determined by Lender to be satisfied. With respect to the second and third Advances, the Borrower shall represent and warrant that Borrower has disbursed not less than seventy percent (70%) of the aggregate of the previous Advance(s).
Section 2.11. **Loan Funds Account.** Borrower shall deposit into an account (the “Loan Funds Account”) with State or Federally chartered banking institution, acceptable to Lender, the Loan proceeds, all repayments and recoveries with respect to Small Business Loans, and interest earned on the Loan proceeds and from the portion of the interest earned on each Small Business Loans attributable to the amount of the Loan proceeds portion of the principal amount of the Small Business Loan. All funds in the Loan Funds Account shall be used by Borrower for making Small Business Loans and only in accordance with this Agreement.

**ARTICLE III**

**CONDITIONS PRECEDENT**

Section 3.01. **Conditions Precedent to All Advances** Lender shall not be obligated to make any advance with respect to the Loan until the following conditions shall have been satisfied:

(a) There shall exist no material Default or any Event of Default;

(b) The representations and warranties made to Lender herein, in the other Loan Documents and in any other document, certificate or statement executed or delivered to Lender in connection with the Loan shall be true and correct on and as of the date of the Advance with the same effect as if made on such date;

(c) Lender shall have received and approved each of the following:

(1) **Loan Documents.** This Agreement, the Note, and each of the other Loan Documents, duly executed and delivered by the parties thereto, and, where applicable, duly acknowledged and in proper form for recording or filing, as the case may be;

(2) **Organizational Documents.** The following organizational and corporate, limited liability company, partnership or comparable documents for the Borrower:

   (i) True and complete certified copies of the certificate of incorporation, or the certificate of formation, as the case may be, and all amendments thereto;

   (ii) a current good-standing certificate from the jurisdiction of its incorporation or formation Borrower;

   (iii) a resolution, authorizing the consummation of the transactions contemplated hereby and the execution, delivery and
performance of the Loan Documents to be executed, delivered or performed by Borrower certified by the corporate secretary, or certified by the appropriate officer and/or directors of the corporation, or the member, as the case may be; and

(iv) a certificate of the corporate secretary, as to the incumbency of the officer or member executing any of the Loan Documents, and certifying as true and complete the following required attachments:

(A) a copy of the Borrower’s by-laws or operating, partnership or other organizational agreement and all amendments and attachments thereto; and

(B) copies of any and all certificates, applications or other documents filed or required to be filed by the entity in the jurisdiction of its formation in order for it to do business in such jurisdiction and in those jurisdictions in which it does business;

(3) Legal Opinion. If the Loan is for an amount greater than $100,000, prior to the initial Advance, Borrower shall provide to Lender a satisfactory opinion of legal counsel substantially in the form attached hereto as Exhibit A.

(4) Requisition. A request for the Advance substantially in the form of Exhibit B annexed to this Agreement (a “Requisition”);

(d) All conditions of in (a) through (c) above shall have been and remain satisfied as of the date of such Advance.

Section 3.02. Conditions to Second and Third Advances. In addition to the applicable requirements of Section 3.01, in the case of the second and third Loan Advances as provided in Section 2.09, Lender shall also have received and approved satisfactory documentation that not less than seventy percent (70%) of the Loan funds advanced to Borrower by the Lender have been used by Borrower in order to fund, or committed by Borrower to fund, eligible Small Business Loans.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants to Lender that:
Section 4.01. **Due Formation, Power and Authority.** Borrower is an Eligible Lender, duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation, is qualified to do business (if required) and is in good standing in the jurisdiction in which the Borrower conducts business, has full power and authority to consummate the transactions contemplated hereby and to execute, deliver and perform this Agreement and any Loan Document to which it is a party, has the necessary authority to own its assets and to transact the businesses in which it is now engaged, and is duly qualified and in good standing under the laws of each jurisdiction in which such qualification is required.

Section 4.02. **Legally Enforceable Agreements.** Each Loan Document to which Borrower is a party is a legal, valid and binding obligation of such party, enforceable against it, in accordance with its terms, except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency and other similar Laws affecting creditors' rights generally.

Section 4.03. **Financial Statements.** Borrower represents and warrants that its Financial Statements as provided to the Lender are true, accurate and complete. There are no material liabilities of Borrower, fixed or contingent, that have not been disclosed to in writing by Borrower to the Lender. No information, exhibit or report furnished by or on behalf of Borrower to Lender in connection with its Application for the Loan, and all materials supplemental thereto, contained any material misstatement of fact or omitted to state a material fact or any fact necessary to make the statement contained therein not materially misleading. There has been no material adverse change in the condition (financial or otherwise), business, operations or prospects of Borrower and no borrowings which might give rise to a lien or claim against the proceeds of the Loan have been made by Borrower or others since the dates thereof, other than as disclosed in writing by Borrower, to the Lender.

Section 4.04. **Compliance with Laws; Payment of Taxes.** Borrower is in compliance with, and the transactions contemplated hereby and the other Loan Documents do not and will not violate any provision of, or require any filing, registration, consent or approval under, any Law presently in effect having applicability to Borrower; Borrower possesses all permits, franchises, patents, copyrights, trademarks, trade names, or rights there to, to conduct its business substantially as now conducted and as permanently proposed to be conducted, and Borrower is not in violation of any rights of others with respect to the foregoing; Borrower has filed all tax returns (federal, state and local) required to be filed and has paid all taxes, assessments and governmental charges and levies due and payable, including interest and penalties; and Borrower has no knowledge of any claims for taxes due and unpaid which might become a lien on any of its assets.

Section 4.05. **Litigation.** There are no actions, suits or proceedings pending or, to the best of Borrower's knowledge after diligent investigation, threatened against or affecting Borrower (except as previously disclosed to Lender in writing), or the priority of the lien thereof at law, in equity or before or by any Governmental Authority or arbitrator, except
actions, suits or proceedings which have been disclosed to Lender in writing and which are fully covered by insurance or would, if adversely determined, not substantially impair the ability of Borrower to pay when due any amounts which may become payable under the Note or to otherwise pay and perform their respective obligations in connection with the Loan; to the best of Borrower’s knowledge after diligent investigation, Borrower has satisfied all judgments and it is not in default with respect to any order, writ, injunction, decree or demand of any court, Governmental Authority or arbitrator.

Section 4.06. **No Conflicts or Defaults.** The consummation of the transactions contemplated hereby and the performance hereof and of the other Loan Documents have not resulted and will not result in any breach of, or constitute a default under, any mortgage, deed of trust, lease, bank loan or credit agreement, corporate charter, by-laws, operating agreement, partnership agreement or other instrument to which Borrower is a party or by which it may be bound or affected; and Borrower in not in default in any respect in the performance, observance of fulfillment of any obligations, covenants or conditions contained in any agreement or instrument material to its business to which Borrower is a party.

Section 4.07. **Other Loans.** Except as has been disclosed to Lender in writing, Borrower has no outstanding loans from any director, shareholder or employee of the Borrower.

Section 4.08. **Solvency.** Borrower is, and upon consummation of the transactions contemplated by this Agreement, the other Loan Documents and any other related documents, will be, solvent.

Section 4.09. **Governmental Regulation.** Borrower is not subject to any Law limiting its ability to incur indebtedness for money borrowed as contemplated hereby.

Section 4.10. **No Defaults.** There exists no Default or Event of Default.

Section 4.11. **Application, Accuracy of Information, Full Disclosure.** All information contained in the Application submitted to Lender in connection with the Loan is complete and correct and fairly presents the condition, operations and prospects of Borrower as of the date hereof. Borrower has not misstated, omitted or withheld any fact in connection with its Application upon which Lender may have relied in its decision to make the Loan. Neither this Agreement nor any documents, financial statements, reports, notices, schedules, certificates, statements or other writings furnished by or on behalf of Borrower to Lender in connection with the negotiation of this Agreement or other Loan Documents or the consummation of the transactions contemplated hereby, or required herein or by the other Loan Documents to be furnished by or on behalf of Borrower, contains any untrue or misleading statement of a material fact or omits a material fact necessary to make the statements herein or therein not misleading; there is no fact which Borrower has not disclosed to Lender in writing which materially affects adversely nor, so far as Borrower can now foresee, will materially affect
adversely any of the business affairs or financial condition of Borrower, or the ability of Borrower to perform this Agreement and the other Loan Documents.

Section 4.12. Borrower (i) has sufficient staff with the expertise to analyze applications for Small Business Loans, evaluate the creditworthiness of Small Businesses, and to monitor and service Small Business Loans; (ii) is legally able to receive the Loan proceeds and make Small Business Loans as contemplated by this Agreement; and (iii) has on hand, exclusive of the Advances, sufficient funds to lend to Small Businesses and M/WBEs in order to meet Borrower’s obligations pursuant to Section 5.01.

Section 4.13. Borrower agrees, warrants and represents that Lender has not made any promises or representations, either express or implied, of any nature kind or description, that Borrower will be accorded any form of grant or other financial assistance or accommodation, other than the loan transaction that is described and referred to herein. To the contrary, Lender has not made any promises; warranties or representations of any nature, kind or description other than those, if any, that are set forth in the writings that are being executed in connection with the loan transaction that is described and referred to herein. Borrower further agrees, warrants and represents that it has the financial ability to meet all of the obligations that are set forth in the documents that are being executed at the closing of this loan transaction including, without limitation, the obligation to make the timely payments that are required to be made under the Loan Documents and that it is aware of no facts or conditions that would serve to limit or otherwise interfere with its ability to meet all such obligations including, without limitation, its payment obligations. Borrower agrees, warrants and represents, still further: (a) that the closing on this transaction has taken place in a timely manner, consistent with its business needs and requirements; (b) that it has no claims or causes of action against Lender of any nature kind or description, including without limitation any claims or causes of action pertaining to the manner and/or timing of the closing of the referenced loan transaction and the disbursement of the funds that are being borrowed thereunder, and that to the extent that it does or did have such claims or causes of action, those are in all respects fully and finally waived and released; and (c) that Borrower knows and understands that Lender is relying upon the truthfulness and accuracy of the agreements, warranties and representations set forth herein.

ARTICLE V

COVENANTS OF BORROWER

Section 5.01. Small Business Borrower Fees. Borrower may charge commitment and loan fees pursuant to a schedule of fees adopted by Borrower and approved in writing by the Lender.
Section 5.02. **Financial Covenants.** All financial terms used in this Section, unless otherwise defined, shall have the meaning used in accordance with GAAP. The Borrower shall maintain the financial covenants set forth on Schedule 4 annexed to this Agreement.

Section 5.03. **Maintenance of Existence.** Borrower shall preserve and maintain its corporate, or other organizational or entity, existence and good standing in the jurisdiction of its organization, and qualify and remain qualified, as a foreign entity in each jurisdiction in which such qualification is required.

Section 5.04. **Conduct of Business.** Borrower shall continue to engage in an efficient and economical manner in its business substantially as conducted by it on the date of this Agreement.

Section 5.05. **Maintenance of Records.** Borrower shall keep adequate records and books of account, in which complete entries will be made in accordance with GAAP, reflecting all its financial transactions and retain such records and books for three years after payment in full of the Loan at its address set forth above.

Section 5.06. **Compliance with Laws, Payment of Taxes.** Borrower shall promptly comply with all Laws applicable to it, such compliance to include, without limitation, paying before the same become delinquent all taxes, assessments and governmental charges imposed on it, and promptly furnish Lender with reports of any official searches made by Governmental Authorities and any claims of violations thereof; Borrower shall file when due all tax returns required to be filed by all applicable federal, state and local laws and shall timely make payment of all taxes, assessments, and governmental charges and levies charged or imposed upon Borrower or any of its properties; Borrower shall take all necessary actions to prevent any such tax, assessment, charge or levy from becoming a Lien upon any of the Borrower’s assets.

Section 5.07. **Continuing Accuracy of Representations and Warranties.** Borrower shall promptly cause all of the representations and warranties made to Lender herein and in the other Loan Documents to be continuously true and correct.

Section 5.08. **Brokers.** Borrower shall promptly indemnify Lender against claims of brokers arising by reason of the execution hereof or the consummation of the transactions contemplated hereby.

Section 5.09. **Right of Inspection and Audit.** On reasonable prior notice and during normal business hours and at any reasonable time and from time to time, Borrower shall promptly permit Lender or any agent or representative thereof to, enter upon Borrowers premises in order to inspect examine and make copies and abstracts from the files, records and books of account (including, without limiting the foregoing, all such materials in electronic format) of, and visit the places of business of Borrower and discuss its affairs, finances and accounts with any of its officers and directors and its independent accountants. Lender’s right of
inspection and audit pursuant to this Section shall survive the payment of the Loan and remain in full force and effect for three years thereafter.

Section 5.10. Reporting Requirements. Borrower shall furnish to Lender the following financial information: (a) Annual Financial Statements - as soon as available and in any event within 60 days after the end of the second quarter and fourth quarter of each calendar year of Borrower, interim Financial Statements of Borrower, reasonably detailed and stating in comparative form the respective figures for the corresponding date and period in the prior fiscal year and prepared in accordance with GAAP, and within 180 days after the end of each fiscal year of Borrower, Financial Statements prepared in accordance with GAAP and reviewed by an independent certified public accountant acceptable to Lender; (b) Management Letters - promptly upon receipt thereof, copies of any reports submitted to Borrower by independent certified public accountants in connection with examination of the financial statements made by such accountants; (c) Notice of Litigation - promptly after the commencement thereof, notice of all actions, suits, and proceedings before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, affecting Borrower which, if determined adversely to Borrower could have a material adverse effect on the financial condition, properties, or operations of either; (d) Notice of Management Changes - promptly and the occurrence thereof, notice of each change in key management personnel; (e) Notice of Defaults and Events of Default - as soon as possible and in any event within 10 days after the occurrence of each Default or Event of Default a written notice setting forth the details of such Default or Event of Default and the action which is proposed to be taken by Borrower with respect thereto; (f) Small Business Loans Semiannual Report - Semiannually, on each August 15th (with respect to the period ending June 30) and February 15th (with respect to the period ending December 31), a report, substantially in the format set forth in Exhibit D annexed to this Agreement, on the Borrower’s general financial condition and the Borrower’s Small Business Loan portfolio, including detailed information on all Small Business Loan commitments, closings and disbursements, portfolio status, the Borrower’s financial health, and such other items as Lender may require; and (g) General Information - such other information respecting the condition or operations, financial or otherwise, of Borrower as Lender may from time to time reasonably request.

Section 5.11. Non-Discrimination and Affirmative Action. It is the policy of the State of New York and Lender, to comply with all federal, State and local law, policy, orders, rules and regulations which prohibit unlawful discrimination because of race, creed, color, national origin, sex, sexual orientation, age, disability or marital status, and to take affirmative action to ensure that M/WBEs, Minority Group Members and women share in the economic opportunities generated by Lender’s participation in projects or initiatives, and/or the use of Lender’s funds. Borrower shall not unlawfully discriminate against employees or applicants for employment or applicants for Small Business Loans because of race, creed, color, national origin, sex, sexual orientation, age, disability or marital status.
Section 5.12. **Transactions with Affiliates.** Borrower shall not enter into any transaction, including, without limitation, the purchase, sale or exchange of property or the rendering of any service, with any Affiliate, including without limitation, the purchase, sale or exchange of property or the rendering of any service with any Affiliate, except in the ordinary course of and pursuant to the reasonable requirements of its business and upon fair and reasonable terms no less favorable to it than would obtain in a comparable arm's length transaction with a Person who is not an Affiliate.

Section 5.13. **Sale of Assets, Mergers, Etc.** Borrower shall not merge or consolidate with any Person, or sell, assign, lease or otherwise dispose (whether in one transaction or in a series of transactions) of all or substantially all of its assets (whether now owned or hereafter acquired) to any Person, or acquire all or substantially all of the assets or the business of any Person without the prior written consent of Lender, which consent shall not be unreasonably withheld.

Section 5.14. **Requisition as Reaffirmation.** Each Requisition submitted to Lender, and the receipt of the funds requested thereby, shall constitute an affirmation that the representations and warranties set forth in this Agreement and in the other Loan Documents remain true and correct as of the respective dates of such Requisitions.

**ARTICLE VI**

Section 6.01. **Events of Default.** Any of the following events shall be an "Event of Default":

(a) Borrower shall: (i) fail to pay the principal of the Note within five (15) days after due and payable; (ii) fail to pay interest on the Note or any fee or other amount due under the Loan Documents within five (15) days after due and payable.

(b) Any representation or warranty made or deemed made by Borrower or any Third Party in any Loan Document or which is contained in any certificate, document, opinion, financial or other statement furnished at any time under or in connection with any Loan Document shall have been incorrect in any material respect on or as of the date made or deemed made.

(c) Borrower or any Third Party shall fail to perform or observe any term, covenant or agreement on its part to be performed or observed (other than the obligations referenced in this Section 6.01) in any Loan Document and such failure shall continue for fifteen business (15) consecutive days after notice, provided, however, that in the event that such failure can reasonably be cured by Borrower, within such fifteen (15) day period commences to cure such failure and is diligently and expeditiously proceeding to cure such failure, then Borrower shall have an additional period of not more than sixty (60) days to cure such failure.
(d) Borrower shall: (i) fail to pay any indebtedness for borrowed money (other than the payment obligations described in (a) above), or any interest when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise); or (ii) fail to perform or observe any term, covenant or condition on its part to be performed or observed under any agreement or instrument relating to any such indebtedness, when required to be performed or observed, if the effect of such failure to perform or observe is to accelerate, or to permit the acceleration of, after the giving of notice or passage of time, or both, the maturity of such indebtedness, whether or not such failure to perform or observe shall be waived by the holder of such indebtedness; or any such indebtedness shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof.

(e) Borrower: (i) shall generally not, or be unable to; or shall admit in writing its inability to, pay its debts as such debts become due; or (ii) shall make an assignment for the benefit of creditors, petition or apply to any tribunal for the appointment of a custodian, receiver or trustee for it or a substantial part of its assets; or (iii) shall commence any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or (iv) shall have had any such petition or application filed or any such proceeding shall have been commenced against it in which an adjudication or appointment is made or order for relief is entered, or which petition, application or proceeding remains undismissed for a period of thirty (30) days or more; or (v) by any act or omission shall indicate its consent to, approval of or acquiescence in any such petition, application or proceeding or order for relief or the appointment of a custodian, receiver or trustee for all or any substantial part of its properties; or (vi) shall suffer any such custodianship, receivership or trusteeship to continue undischarged for a period of sixty (60) days or more.

(f) One or more judgments, decrees or orders for the payment of money which individually or in the aggregate shall result in a material adverse change in the financial condition of Borrower or any such judgments, decrees or orders shall continue unsatisfied and in effect for a period of thirty (30) consecutive days without being vacated, discharged, satisfied or stayed or bonded pending appeal.

(g) Borrower shall not dissolve or for any reason cease to be in existence.

(h) A transfer of 5% or more of any class of voting shares of Borrower or, a transfer of 5% or more in the voting rights of Borrower shall occur, whether in one or more transactions, without Lender's prior written consent.
Section 6.02. **Remedies.** If any Event of Default shall occur, Lender may, by notice to Borrower declare the outstanding principal of the Note, all interest thereon and all other amounts payable under this Agreement and the Note to be forthwith due and payable, whereupon the Note, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by Borrower; provided that, in the case of an Event of Default referred to in Section 6.01(e) above, the Note, all interest thereon and all other amounts payable under this Agreement shall be immediately due and payable without notice, presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by Borrower. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

**ARTICLE VII**

**GENERAL CONDITIONS AND PROVISIONS**

Section 7.01. **Advance Not Waiver.** Any advance by Lender of Loan proceeds hereunder made prior to or without the fulfillment by Borrower of all of the conditions precedent thereto, whether or not known to Lender, shall not constitute a waiver by Lender of the requirement that all conditions, including the non-performed conditions, shall be required with respect to all future advances.

Section 7.02. **No Third-Party Beneficiaries.** This Agreement is solely for the benefit of Lender and Borrower. All conditions of the obligations of Lender to make advances hereunder are imposed solely and exclusively for the benefit of Lender and may be freely waived or reduced in whole or in part by Lender at any time if in its sole discretion it deems it advisable to do so, and no person other than Borrower (provided, however, that all conditions have been satisfied) shall have standing to require Lender to make any Loan advances or to be a beneficiary of this Agreement or any advances to be made hereunder.

Section 7.03. **Documentation Etc. Satisfactory.** All documentation and proceedings deemed by Lender or Lender's Counsel to be necessary or required in connection herewith and the documents relating hereto shall be subject to the prior approval of, and satisfactory to, both of them as to form and substance. In addition, the persons or parties responsible for the execution and delivery of, and signatories to, all of such documentation, shall be acceptable to, and subject to the approval of, Lender and Lender's Counsel. Lender or Lender’s Counsel shall receive copies, certified if requested by either of them, of all documents which they may require in connection with the transactions contemplated hereby.

Section 7.04. **Lender’s Determination Conclusive.** Lender shall, at all times, be free to independently establish to its satisfaction and in its absolute discretion the existence or nonexistence of any fact or facts the existence or nonexistence of which is a condition hereof.
Section 7.05. Notices. All notices permitted or required hereunder shall be in writing and shall be transmitted either: (a) via certified or registered United States mail, return receipt requested; (b) by facsimile transmission; (c) by personal delivery; (d) by expedited delivery service; or by e-mail. Such notices shall be addressed as follows or to such different addresses as the parties may from time-to-time designate:

New York Job Development Authority
633 Third Avenue
New York, NY 10017
Attention: Vice President, Economic Revitalization

Telephone Number: 212-803-3219
Facsimile Number: 212-803-3236
Email Address: Rafael.Salaberrios@esd.ny.gov

New York Job Development Authority
633 Third Avenue
New York, NY 10017
Attention: Senior Counsel, Lending Programs

Telephone Number: 212 803-3792
Facsimile Number: 212 803-3951
Email Address: Antovk.Pidedjian@esd.ny.gov

[Borrower]
[Street Address]
[City, State, Zip]
Attention: [Organization Contact]

Telephone Number: [XXX-XXX-XXXX]
Facsimile Number: [XXX-XXX-XXXX]

Any such notice shall be deemed to have been given either at the time of personal delivery or, in the case of expedited delivery service or certified or registered United States mail, as of the date of first attempted delivery at the address and in the manner provided herein, or in the case of facsimile transmission or email, upon receipt. The parties may, from time to time, specify any new or different address in the United States as their address for purpose of receiving notice under this Agreement by giving fifteen (15) days written notice to the other party sent in accordance herewith. The parties agree to mutually designate individuals as their respective representatives for the purposes of receiving notices under this Agreement. Additional individuals may be designated in writing by the parties for purposes of implementation and administration/billing, resolving issues and problems and/or for dispute resolution.
Section 7.06. **Entire Agreement, Amendments and Waivers.** This Agreement and the other Loan Documents contain the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements or statements relating to such subject matter. None of the terms and provisions hereof or of the other Loan Documents may be changed, waived, discharged or terminated, nor may any material departure from the provisions hereof or thereof be consented to, except by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge, termination or consent is sought. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. Without limiting the foregoing, acceptance by Lender of any sum required to be paid pursuant hereto or any other Loan Document after its due date, or in an amount less than the sum then due, shall not constitute a waiver by Lender of its right to require prompt payment when due of all other such sums or to declare a default or to exercise such other rights provided herein or in the other Loan Documents for such late or reduced payment.

Section 7.07. **Successors and Assigns.** Except as herein provided, this Agreement shall be binding upon and inure to the benefit of Borrower and Lender and their respective heirs, personal representatives, successors and assigns. Notwithstanding the foregoing, Borrower, without the prior written consent of Lender in each instance, may not assign, transfer or set over to another, in whole or in part, all or any part of its benefits, rights, duties and obligations hereunder including, but not limited to, performance of and compliance with conditions hereof and the right to receive the proceeds of current or future advances. Lender may assign all or any part of the Loan and the Loan Documents to a bank or other entity, in which event upon notice thereof by Lender to Borrower, the assignee shall have, to the extent of such assignment (unless otherwise provided therein) the same rights and benefits as it would have if it were the Lender. Lender may furnish any information concerning Borrower in possession of Lender from time to time to assignees and prospective assignees.

Section 7.08. **Severability.** The provisions hereof are intended to be severable. Any provisions hereof, or the application thereof to any person, entity or circumstance, which, for any reason, in whole or in part, is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof (or the remaining portions of such provision) or the application thereof to any other person, entity or circumstance, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision (or portion thereof) or the application thereof to any person, entity or circumstance in any other jurisdiction.

Section 7.09. **Non-Waiver, Remedies Cumulative.** No failure or delay on Lender’s part in exercising any right, remedy, power or privilege (hereinafter in this Section, each a “Remedy”) hereunder or under any of the other Loan Documents shall operate as a waiver of any such Remedy or shall be deemed to constitute Lender’s acquiescence in any default by Borrower under any of said documents. A waiver by Lender of any Remedy hereunder or under
any of the other Loan Documents on any one occasion shall not be construed as a bar to any other or future exercise thereof or of any other Remedy. The Remedies provided in said documents are cumulative, may be exercised singly or concurrently and are not exclusive of any Remedies provided therein or by law.

Section 7.10. Expenses, Indemnification. Borrower shall reimburse Lender on demand for all reasonable out of pocket costs, expenses, and charges (including, without limitation, reasonable fees and charges of external legal counsel for Lender) incurred by Lender in connection with the preparation, performance, or enforcement of this Agreement or the Note or the making of the Loan. The obligations of Borrower under this Section shall survive the repayment of the Loan. Borrower agrees to indemnify Lender and its directors, officers, employees and agents from, and hold each of them harmless against, any and all losses, liabilities, claims, damages or expenses incurred by any of them arising out of or by reason of any investigation or litigation or other proceedings (including any threatened investigation or litigation or other proceedings) relating to any actual or proposed use by Borrower of the proceeds of the Loan, including without limitation, the reasonable fees and disbursements of counsel incurred in connection with any such investigation or litigation or other proceedings (but excluding any such losses, liabilities, claims, damages or expenses incurred by reason of the gross negligence or willful misconduct of Lender). The obligations of Borrower under this Section shall survive repayment of the Loan.

Section 7.11. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing any such counterpart.

Section 7.12. Governing Law; Jurisdiction. This Agreement and the rights and obligations of the parties hereunder shall in all respects be governed by, and construed and enforced in accordance with, the laws of the State of New York (without giving effect to New York’s principles of conflicts of law). Borrower hereby irrevocably submits to the jurisdiction of any New York State or United States Federal court sitting in New York County or, at Lender’s sole discretion, in the county where the principal office of the Borrower is located over any action or proceeding arising out of or relating to this Agreement or the Note, and Borrower hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York State or Federal court. Borrower irrevocably consents to the service of any and all process in any such action or proceeding by the mailing of copies of such process to Borrower at its address set forth above in the preamble to this Agreement. Borrower agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Borrower further waives any objection to venue in such county and any objection to an action or proceeding in such county on the basis of forum non conveniens. Borrower further agrees that any action or proceeding brought against Lender shall be brought only in New York State or United States Federal court sitting in New York County. Nothing in this Section shall affect the right of Lender to serve legal process in any other manner permitted by law or affect the right of
Lender to bring any action or proceeding against Borrower or its property in the courts of any other jurisdictions. To the extent that Borrower has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, Borrower hereby irrevocably waives such immunity in respect of its obligations under this Agreement and the Note.

Section 7.13. **WAIVER OF TRIAL BY JURY.** BORROWER, AND, LENDER, EACH HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVE ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THE LOAN DOCUMENTS, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY BORROWER AND LENDER, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. BORROWER AND LENDER ARE EACH HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER.

**ARTICLE VIII**

**PARTICULAR PROVISIONS**

The foregoing Articles of this Agreement are subject to the following further provisions:

Section 8.01 **Service Delivery Area.** Borrower shall make Small Business Loans to Agribusinesses only in the area or areas described in Exhibit D (the "Service Delivery Area"). The making by Borrower of Small Business Loans to any business outside the Service Delivery Area shall require Lender’s prior written consent.

Section 8.02 Borrower shall provide to Lender for review and approval a list of all Small Business Loan financial products, fee schedules and interest rates to be charged to Agribusinesses underwritten with Loan proceeds prior to any disbursement of Advance. Any changes to the approved list of Small Business Loan financial products, fees schedules and interest rates using this Loan shall not be revised, modified, supplemented or otherwise changed without prior review and written approval by Lender.

[The remainder of this page is intentionally blank.]
IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the day and year first above written, the execution hereof by Borrower constituting (a) a certification by the party or parties executing on its behalf that the representations and warranties made in Article IV are true and correct as of the date hereof and that each of them duly holds and is incumbent in the position indicated under his or her name and (b) the undertaking of said party or parties that each Requisition, whether or not personally made by any or all of them, shall constitute the personal affirmation on the part of each of them that at the time thereof said representations and warranties are true and correct.

[Borrower]

By: __________________________

Name:
Title:

NEW YORK JOB DEVELOPMENT AUTHORITY

By: __________________________

Name:
Title:
STATE OF NEW YORK  
)  
) ss.:  
COUNTY OF  
)  

On the ___ day of __________ in the year 20__ before me, the undersigned personally appeared ______________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

STATE OF NEW YORK  
)  
) ss.:  
COUNTY OF  
)  

On the ___ day of __________ in the year 20__ before me, the undersigned personally appeared ______________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

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SCHEDULE 1

Form of Promissory Note
Schedule 1 - Form

NOTE

$1,000,000

As of __________, 20__
New York, New York

____________________________ having an address at ___________________________
("Borrower"), hereby unconditionally promises to pay to the order of NEW YORK JOB
DEVELOPMENT AUTHORITY with an office at 633 Third Avenue, New York, New York 10017 (the
"Lender"), the principal sum of One Million and 00/100 Dollars ($1,000,000.00) or so much
thereof as shall be advanced by Lender to Borrower pursuant to the Loan Agreement.

The Borrower also unconditionally promises to pay interest on the unpaid principal
amount of the loan evidenced by this Note (the "Loan") at the rate of one percent (1%) per
annum or upon the occurrence of any of the events described in Sections 2 and 4 hereof, at
such increased rates of interest as shall be applicable in accordance with the provisions of those
Sections. Interest shall accrue on the outstanding and unpaid principal amount of the Loan
from and including the date of the Loan and shall be calculated on the basis of a year of 360
days.

This is the Note referred to in that certain Loan Agreement of even date herewith
between Borrower and Lender (the "Loan Agreement"), the terms, covenants and conditions of
which Loan Agreement are by this reference incorporated herein. Defined terms utilized and
not otherwise defined herein shall have the meaning assigned to such term in the Loan
Agreement. The Loan Agreement provides for the acceleration of the amounts payable under
this Note upon the occurrence and/or continuance of Events of Default. This Note is an
obligation of payment and not of presentment.

1. Payments. The Loan shall be payable as follows:

Commencing on the first anniversary date hereof interest on the unpaid principal
balance outstanding from time to time at a rate of interest calculated in accordance with this
Note and shall be payable semi-annually on June 30 and December 31 of each year.

Principal repayment shall commence on the fifth anniversary of the Commencement
Date, and shall be paid on the seventh and tenth anniversary of the Commencement Date
thereafter, with each such repayment equivalent to 33.33 percent of the principal balance
outstanding on the date of the fifth anniversary of the Commencement Date, provided however
that the payment due on the on the tenth anniversary of the Commencement date shall be an amount equivalent to the outstanding principal balance of the Loan and the accrued and unpaid interest on the Loan.

All payments of principal and interest shall be made in lawful funds of the United States of America and sent to the New York Job Development Authority c/o Empire State Development Corporation, 633 Third Avenue, New York, New York 10017, to the attention of the Controller, or to such other address as the holder hereof may designate in writing to Borrower from time to time. Payments shall be deemed made when received by the holder hereof in accordance with the foregoing. Borrower hereby waives presentment, notice of dishonor, protest and any other notice or formality with respect to this Note.

2. Late Charge: Returned Checks: In the event that any payment required hereby shall become overdue for a period in excess of five (5) days, a late charge of four cents ($.04) for each dollar so overdue shall become immediately due and payable. Borrower shall pay lender a returned check charge of the greater of twenty-five dollars ($25.00) or costs incurred by Lender for each check tendered by Borrower as payment of any obligation under the Loan Documents which is returned unpaid for any reason by Lender’s depositary bank.

3. Prepayments. Borrower shall have the right from time to time to prepay the unpaid principal balance due hereunder, in whole or in part, without premium or penalty, provided, however, that any such prepayment shall be applied first to accrued and unpaid interest, other amounts payable under the Loan Documents, and then to principal installments in the inverse order of their maturity.

4. Default Rate. If any amount of principal, interest or any other amount payable under the Loan Documents shall not be paid when due (at stated maturity, by acceleration or otherwise), interest shall accrue on such amount from and including such due date to, but excluding the date paid, in full at the Default Rate. The “Default Rate” means a variable rate per annum of 6% above the prime rate then in effect, as published in the Wall Street Journal, from time to time, upon the occurrence of each event which causes the Loan to bear interest at the Default Rate. Interest accruing at the Default Rate shall be due and payable from time to time on demand of Lender.

5. Miscellaneous. As used herein the term Borrower includes all signatories hereto, if more than one. In such event, the agreements and obligation of Borrower hereunder shall be joint and several. This Note may not be modified, amended, waived or otherwise altered in whole or in part except by a further writing signed by the party to be charged. This Note shall be binding upon the Borrower and its successors and assigns and shall inure to the benefit of Lender and its successors, assigns and transferees.
IN WITNESS WHEREOF, Borrower has caused this Note to be executed by its duly authorized officer as of the date and year set forth above.

Borrower

By: _______________________
Name: _____________________
Title: ______________________
STATE OF NEW YORK

) ss:

COUNTY OF __________  

On the ______ day of ___________ in the year ______ before me, the undersigned personally appeared ____________________, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.
SCHEDULE 2

SMALL BUSINESS LOAN REQUIREMENTS

Program Loan

**Allocation:** $1,000,000

**Participation:** Program Loan funds shall be used to fund up to a maximum of $200,000 in aggregate for Small Business Loans made to a particular eligible Agribusiness in any twelve (12) month period.

**Security:** Borrower’s portfolio of Business Loans may be comprised of both secured and unsecured loans.

**Loan Terms:** Attach Borrower’s Lending Product and Term Sheets. (Schedule 2-A).

**Interest Rates:** Up to 8.5% as submitted in application and referred to in the Lending Product and Term Sheets.

**Fees:** As submitted in application and referred to in attached Lending Product Sheets.

**Pre-Established Loan Criteria:**

- 10% equity contribution from Small Business borrower.
- Loan to Value Ratio: 80% maximum (for asset-based loans).
- An Eligible Small Business Borrower for an Eligible Project and Use.

Lending practices must adhere to those identified in the Borrower’s Application to Lender.
SCHEDULE 2-A

BORROWER'S LENDING PRODUCT AND TERM SHEETS

Attach Borrower’s Lending Product Sheets here as represented in the Application. They should include all fees, credit products and terms associated with Small Business Loans to be underwritten under this Program. Any subsequent changes to Borrower’s Lending Product Sheets for this Program will require Lender’s prior approval before any changes can take effect.
SCHEDULE 3
BORROWER’S SMALL BUSINESS LOAN COMMITMENTS
FROM THE PROCEEDS OF THE ADVANCES

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</tbody>
</table>

This chart projects the even disbursement of JDA program loan proceeds for business loans over the first four six-month periods after the commencement date. Failure to reach these benchmarks could result in a decrease of funding available for remaining advances.

Overall lending activity is expected to reflect the projections submitted in the application as Attachment M.
SCHEDULE 4

FINANCIAL COVENANTS

(a) CDFIs or community loan funds

(1) **Capital Ratio.** Borrower shall at all times maintain a ratio of unrestricted net assets to total assets of fifteen percent (15%).

(2) **Liquidity.** At all times, (i) the sum of Borrower’s cash and liquid investments must equal to or exceed twenty-five percent (25%) of Borrower’s yearly operating expenses; and (ii) the ratio of Borrower’s current assets to current liabilities must equal or exceed one hundred twenty percent (120%).

(3) **Net Income.** Breakeven.

(4) **Loan Receivable Coverage Ratio.** (unrestricted net assets + loan loss reserve + restricted assets available to cover loan loss) divided by loan receivables equals not < than 20%.

(b) Credit Unions

(1) **Capital Ratio.** Borrower shall at all times maintain a ratio of unrestricted net assets to total assets of six percent (6%) or greater.

(2) **Liquidity.** At all times, (i) the sum of Borrower’s cash and liquid investments must equal or exceed twenty-five percent (25%) of Borrower’s total operating expenses for the four most recently completed quarters; and (ii) the ratio of Borrower’s current assets to current liabilities must equal or exceed one hundred twenty percent (120%).

(3) **Net Income.** Breakeven.

(4) **Loan Receivable Coverage Ratio.** (unrestricted net assets + loan loss reserve + restricted assets available to cover loan loss) divided by loan receivables equals not < than 20%.
EXHIBIT A

FORM OF LEGAL OPINION
[Date]

New York Job Development Authority  
633 Third Avenue  
New York, New York 10017

Re: JDA Agriculture Loan Fund - Loan

Ladies and Gentlemen:

We have acted as legal counsel to ________________ (the “Borrower”), in connection with the loan in the amount of ________________ DOLLARS ($______) described and set forth fully in a certain Loan Agreement between New York Job Development Authority (“Lender”) and Borrower dated ______ (the “Loan Agreement”). In so acting, we have reviewed the Loan Agreement and all other documents and instruments executed by Borrowers and pertaining to its performance under the Loan Agreement (the “Loan Documents”). We have also examined original or certified copies of proceedings of the Borrower, such corporate documents and records of the Borrower and such statutes, court decisions, proceedings and other documents as we have considered necessary or appropriate in the circumstances to render the following opinion. Based on the foregoing, it is our opinion that:

1. The Borrower is a New York ________________, duly organized, validly existing, and in good standing under the laws of the State of New York.

2. The Borrower has the full power and lawful authority to execute and deliver the Loan Agreement and the other Loan Documents and to perform its obligations thereunder or contemplated thereby.

4. The execution, delivery and performance of the Loan Agreement and the other Loan Documents have been duly authorized by the Borrower by all necessary actions.

5. The execution and delivery of the Loan Agreement and the other Loan Documents to which the Borrower is a party, and compliance with the provisions thereof do not and will not conflict with or constitute a violation of, or default under, any statute, indenture, mortgage, deed of trust, lease, bank loan or credit agreement, charter, ordinance, by-law or other agreement or instrument by which the Borrower is bound, or to such counsel’s knowledge, any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Borrower or any of its business or properties.

6. The Loan Agreement and the other Loan Documents to which the Borrower is party constitute the legal and valid obligations of, and are binding and enforceable against, the Borrower in accordance with their respective terms.
7. To such counsel's knowledge, there is no litigation pending and no known litigation threatened in any court, either State or Federal, calling into question the creation, organization or existence of the Borrower, the validity of the Loan Agreement or any of the Loan Documents or the authority of the Borrower to make or perform the Loan Agreement or any of the Loan Documents or any other transactions or instruments necessary to or contemplated by the Loan Agreement or the Loan Documents, and there are no proceedings pending and no known proceedings threatened against or affecting the Borrower in any court or before any governmental authority or arbitration board or tribunal which involve the possibility of materially and adversely affecting the properties, business, prospects, profits or condition (financial or otherwise) of the Borrower nor is the Borrower in default with respect to any order of any court, governmental authority or arbitration board or tribunal, with the exception of those matters, the facts and nature of which have been disclosed to you.

In rendering the foregoing opinion, we wish to advise you that:

(a) The enforceability against the Borrower of the Loan Agreement and the Loan Documents may be limited by any applicable bankruptcy, insolvency or other law or enactment now or hereafter enacted by the State of New York or the federal government affecting creditors' rights.

(b) Specific performance of any of the documents described in paragraph (a) above (and of any other documents referred herein or contemplated hereby) is an equitable remedy granted in the discretion of the court and may not be available.

Very truly yours,
EXHIBIT B

FORM OF REQUISITION

JDA Agriculture Loan Fund
[Borrower Organization] ("Acronym") #[XXXXX]
(Attn: Rafael Salaberrios)

Request Date: _______ Payment Request #_______, for $__________
For work completed between _______ and _______

<table>
<thead>
<tr>
<th>USES</th>
<th>A: ESDC LOAN AMOUNT</th>
<th>B: ESDC APPROVED REVISIONS</th>
<th>C: THIS REQUEST</th>
<th>D: TOTAL DISBURSED BY ESD TO DATE</th>
<th>TOTAL SPENT ON SMALL BUSINESS LOANS TO DATE</th>
<th>E: (A or B)-C-D PROGRAM BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Capital</td>
<td>$1,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>$1,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Advance)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AVAILABLE</td>
<td>$1,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CERTIFICATION

I hereby warrant and represent to the New York Job Development Authority ("JDA") that:

1) [BORROWER] has loaned to, or committed in writing to loan to, Eligible Small Business Borrowers (as defined in the Loan Agreement) not less than seventy percent (70%) of the prior Advance as evidenced by the documentation annexed hereto. (attach a list of Small Business loans made and associated amounts).

2) To the best of my knowledge, information and belief, the expenditures for which [BORROWER] is seeking funding comply with the requirements of the Agreement between JDA and [BORROWER] are Eligible Uses, and that the payment of expenditures for which it is seeking payment from JDA does not duplicate disbursement expenses from any other source.

3) I have the authority to submit this funding request on behalf of [BORROWER]. The tasks have been completed in the manner outlined in the Agreement.

Signature: ___________________________ Print Name: ___________________________

Title: ___________________________ Date: ___________________________
EXHIBIT C

WIRE TRANSFER INSTRUCTIONS FOR ADVANCES

[Borrower Organization] #:XXXXX

Wire Transfer Information:

If Advance is $10,000 or greater, please provide:

*Submit a letter and a copy of a cancelled check from a financial officer of the organization certifying the following information. Do not write on this page.

Bank Name: ____________________________

ABA #: ______________________________

Acct. Name: __________________________

Acct. #: ______________________________
EXHIBIT D

SERVICE DELIVERY AREA OR AREAS

JDA Economic Development Region/s: Counties: Statewide
EXHIBIT E

SEMI ANNUAL SMALL BUSINESS LOAN REPORT

The following are samples of attachments to the Semi Annual Report. Templates will be sent to Program Loan Borrowers electronically.
CAPITAL BUDGET FYE 2018
TECHNOLOGY DIVISION
AVANGRID/IBERDROLA USA (NYSEG) AGREEMENT

Whereas, the Technology Division of the Development Authority of the North Country has received a request from Avangrid/Iberdrola USA, to provide a 20 year IRU for a 10 Gigabit per second wavelength from Plattsburgh to Syracuse with access points throughout the North Country, and

Whereas, the project was previously approved by the Board of Directors per Resolution No. 2016-08-108, and

Whereas, subsequent to the original request, Avangrid has revised one route requiring additional wavelength equipment in Tupper Lake, Old Forge, Utica, Lowville, and Watertown, and

Whereas, the provision of these services will enable the Authority to provide similar services for other energy and telecommunications providers in the North Country Region, and

Whereas, the Development Authority has determined the additional capital project cost to be approximately $530,000, and

Whereas, Avangrid has entered into an agreement to pay the full costs of all capital construction and annually will pay for operation, maintenance and support, generating annual revenue, in addition to the one time capital construction costs.

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

RESOLVED, the Development Authority of the North Country Board of Directors herewith increase Capital Project 30614 by $530,000, and be it further

RESOLVED, the Executive Director and Comptroller are herewith authorized and directed to appropriate said capital funds from the Telecommunications reserves.

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

<table>
<thead>
<tr>
<th>Calligaris - Absent</th>
<th>Heffron - 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. 2017-08-98 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

Gary Turck
Board Chairman
OPERATIONS AND MAINTENANCE SERVICE AGREEMENT
VILLAGE OF ALEXANDRIA BAY
WASTEWATER SERVICES

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

Whereas, the Village of Alexandria Bay desires to continue a new five (5) year Operations and Maintenance Service Agreement with the Development Authority of the North Country for the Village’s sewer facilities, and weekend services for its water facilities for a total amount of $244,812, 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 Village of Alexandria Bay, and be it further

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

Motion by: F. Carter
Seconded by: D. Mastascusa

Calligaris - Absent  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. 2017-08-99 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 24th day of August, 2017, and that same is a true and correct copy of such resolution. In testimony whereof, I have hereto set my hand this 24th day of August, 2017.

Gary Turck
Board Chairman
OPERATIONS & MAINTENANCE SERVICE AGREEMENT
FOR WASTEWATER SERVICES

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY
&
VILLAGE OF ALEXANDRIA BAY

This sets forth the Operation and Maintenance Service Agreement made effective August ____, 2017, by and between the Village of Alexandria Bay ("Village"), a New York municipal corporation with offices at 110 Walton Street, Alexandria Bay, New York 13607 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").

REQUITALS

1) The Village has determined that the Authority is qualified and equipped to provide Operation and Maintenance services for the Village Facilities and desires to engage the Authority for such services. The Village is authorized to enter into this Agreement by Resolution dated _________2017, a certified copy of which is attached as Exhibit “A”.

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

3) The Authority will provide value-added services such as an asset inventory, technical assistance with operational/capital budget planning, development of standard operating procedures, incorporation of computerized maintenance management and work order systems. A Supervisory Control and Data Acquisition (SCADA) system for control and alarming of the plant may be developed under a separate contract.

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  Village Responsibilities
Article VII  Termination
Article VIII  Insurance and 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 Village Mayor.

3) “Department of Health”, the regulatory agency administering the legal requirements for drinking water within New York State, referred to as the “DOH”.

4) “Department of Environmental Conservation”, the regulatory agency administering the legal requirements for clean water programs within New York State, referred to as the “DEC”.

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

6) “Emergency”, an unforeseen combination of circumstances or the resulting state that calls for immediate action.

7) “Fiscal Year” for the Village means the period of twelve (12) calendar months beginning with June 1st of any year and ending with May 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.

8) “Operations and Maintenance Expenses”, 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.

9) “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.

10) “SCADA”, Supervisory Control and Data Acquisition system employed by the Authority to remotely monitor certain facilities.

11) “GIS”, Geographic Information System employed by the Authority to map infrastructure assets.
12) "Village of Alexandria Bay", a municipal corporation with offices at 110 Walton Street, Alexandria Bay, New York 13607 (herein referred to as "Village of Alexandria Bay" or "Village").

13) "Warneck Pump Station", the office location of the Development Authority of the North Country's Water Quality group, physically located at 23557 NYS Route 37, Watertown, New York 13601.

14) "Wastewater Facilities", the Village-owned wastewater facilities described in detail on Record Drawings and Operations and Maintenance Manuals and briefly described below.

Wastewater Treatment Plant
- Comminutor or bar screen
- Influent wet well with three lift pumps
- Hydrogritter grit removal system
- 2 contact tanks
- 2 reaeration tanks
- 2 clarifiers
- 2 digesters
- 2 sludge pumps
- 3 blowers
- 1 gaseous chlorine ton cylinder system for effluent disinfection
- 1 Effluent Flow Monitor
- 1 backup generator and automatic transfer switch

ARTICLE II - Employment and Scope of Services

Section 201. Engagement. The Village hereby engages the Authority to operate and maintain the Village's Facilities, 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 Village designated representatives. The Village will be responsible for designating the representatives that will provide direction to the Authority. The Village will be responsible for responding to all calls from residents concerning the operation of the Village Facilities.

4) The Authority will seek approval from the Village for non-incidental expenses, unless the situation is deemed an emergency. The Authority will determine whether the situation is deemed an emergency, as defined in Section 301.

5) Scheduled services that occur on holidays observed by the Authority will be performed the next normal working day following the holiday, aside from regulatory required daily activities.
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 Services**

<table>
<thead>
<tr>
<th>Wastewater System Services</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Daily Maintenance</strong></td>
<td></td>
</tr>
<tr>
<td>- Visual inspection of the operation of wastewater treatment plant; inspect and examine all mechanical, electrical equipment and piping for proper operation; complete daily paperwork documenting specific checks</td>
<td>7 Days/Week</td>
</tr>
<tr>
<td>- Review past 24-hours of operations to ensure that monitoring parameters have been within acceptable limits; make process adjustments to optimize performance</td>
<td></td>
</tr>
<tr>
<td>- Perform DEC required testing (flow, settleable solids, pH, temperature, chlorine)</td>
<td></td>
</tr>
<tr>
<td>- Visual inspection of the operation of the wet well lift station</td>
<td></td>
</tr>
<tr>
<td>- Monitor and control gaseous chlorine disinfection system</td>
<td></td>
</tr>
<tr>
<td>- Weekly calibration of pH probe and DO monitor</td>
<td></td>
</tr>
<tr>
<td>- Check and run grit removal system as needed</td>
<td></td>
</tr>
<tr>
<td>- General housekeeping of treatment plant</td>
<td></td>
</tr>
<tr>
<td><strong>Monthly Maintenance</strong></td>
<td>1/Month</td>
</tr>
<tr>
<td>- Grease/oil equipment in accordance with manufacturer's recommendations</td>
<td></td>
</tr>
<tr>
<td>- Clean and flush system components as required</td>
<td></td>
</tr>
<tr>
<td>- Monitor sludge levels in digesters. Recommend hauling when necessary.</td>
<td></td>
</tr>
<tr>
<td>- Exercise backup generator</td>
<td></td>
</tr>
<tr>
<td><strong>Annual Maintenance</strong></td>
<td>1/Year</td>
</tr>
<tr>
<td>- Perform recommended manufacturer's maintenance on all mechanical equipment</td>
<td></td>
</tr>
<tr>
<td>- Verify proper operation of all system alarms; check and adjust set points as needed</td>
<td></td>
</tr>
<tr>
<td>- Coordinate annual generator maintenance with outside vendor</td>
<td></td>
</tr>
<tr>
<td>- Coordinate annual flow meter calibration with outside vendor</td>
<td></td>
</tr>
<tr>
<td>- Empty and clean clarifiers</td>
<td></td>
</tr>
<tr>
<td><strong>Sampling/Reporting</strong></td>
<td>2/Month</td>
</tr>
<tr>
<td>- Collect and submit to the testing laboratory all samples specified in the Village's State Pollution Discharge Elimination System (SPDES) permit</td>
<td></td>
</tr>
<tr>
<td>- Complete and submit Discharge Monitoring Reports and Wastewater Facility Operations Reports to the NYS DEC as required</td>
<td>1/Month</td>
</tr>
<tr>
<td>- Prepare a monthly operations summary report for the Village. The report will include a summary of the work completed by DANC, as well as graphs and other relevant operational data</td>
<td>1/Month</td>
</tr>
</tbody>
</table>
2) **Miscellaneous Services**

The following miscellaneous services are provided by the Authority at no additional cost to the Village:

- Transportation for Authority employees to complete the routine tasks described above.
- Incorporation of the Village’s sewer facility equipment into the Authority’s computerized maintenance management system (CMMS).
- Development of written preventative maintenance plans for the Village’s equipment.
- Creation of a standard operating procedure for the Village’s sewer treatment plant.
- Attendance at monthly Village Meetings, as requested.
- 24-Hour emergency call service and availability of “On-Call” Operator for Emergency service. Emergency services will be billed according to Section 302 and Section 502.

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, other technical assistance as requested, etc. all as requested of the Authority by the Village will be reimbursed as described in Section 502.

The Village will be responsible for the costs of all laboratory, vendor maintenance (i.e., generator service, electrical contractor services, etc.), heavy equipment rental charges, materials and supplies.

**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 utilize documented Standard and Emergency Operating Procedures, prepared by the Authority,
during both regular and emergency operations. The Authority will notify the Village 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 specified in Section 502, with a two-hour minimum. All equipment used for emergencies will be billed in accordance with the current Development Authority equipment rental rates provided to the Village. Mileage from the Warneck Pump Station to and from the work site or from the Operator’s destination at the time of call, whichever is shorter, will be reimbursed at the current Federal Mileage Rate.

**ARTICLE IV - Terms**

Section 401. Term. The term of this Agreement shall be five (5) years commencing August 1, 2017, and ending July 31, 2022 provided that the Village and/or the Authority shall have the right to terminate this agreement as specified in Section 701.

**ARTICLE V – Compensation**

Section 501. Compensation. For all services required under Section 202-1, 2, and 3 of this Agreement, the Authority shall be compensated as follows payable one-twelfth thereof monthly, and within 30 days following receipt by the Village of a proper invoice covering the month in which such service was rendered.

<table>
<thead>
<tr>
<th>Year</th>
<th>Period</th>
<th>Base Wastewater Cost</th>
<th>Base Weekend Water Services</th>
<th>Total Base Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>August 1, 2017 - July 31, 2018</td>
<td>$41,860</td>
<td>$3,812</td>
<td>$45,672</td>
</tr>
<tr>
<td>2</td>
<td>August 1, 2018 - July 31, 2019</td>
<td>$43,325</td>
<td>$3,936</td>
<td>$47,261</td>
</tr>
<tr>
<td>3</td>
<td>August 1, 2019 - July 31, 2020</td>
<td>$44,841</td>
<td>$4,064</td>
<td>$48,905</td>
</tr>
<tr>
<td>4</td>
<td>August 1, 2020 - July 31, 2021</td>
<td>$46,411</td>
<td>$4,196</td>
<td>$50,607</td>
</tr>
<tr>
<td>5</td>
<td>August 1, 2021 - July 31, 2022</td>
<td>$48,035</td>
<td>$4,332</td>
<td>$52,367</td>
</tr>
</tbody>
</table>

Section 502. Additional Work. The Village shall pay the Authority the cost of additional work outside the normal scope of this Agreement at the rates listed below. Rates will be reviewed and may be adjusted on an annual basis consistent with the Authority’s fiscal year to account for cost of living adjustments. Mileage to the worksite will be reimbursed at the current Federal Mileage Rate. The Village shall approve the cost of labor, equipment and material in advance, unless the situation is deemed an emergency such that immediate response is required.
<table>
<thead>
<tr>
<th>Employee Wage Rate</th>
<th>Standard</th>
<th>Overtime</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager/Engineer</td>
<td>$105</td>
<td>NA</td>
</tr>
<tr>
<td>Engineering Manager</td>
<td>$105</td>
<td>NA</td>
</tr>
<tr>
<td>WQ Supervisor 1</td>
<td>$70</td>
<td>NA</td>
</tr>
<tr>
<td>WQ Supervisor 2</td>
<td>$78</td>
<td>NA</td>
</tr>
<tr>
<td>WQ Supervisor Trainee</td>
<td>$60</td>
<td>$74</td>
</tr>
<tr>
<td>Water Quality Coordinator</td>
<td>$58</td>
<td>NA</td>
</tr>
<tr>
<td>Controls Engineer</td>
<td>$75</td>
<td>NA</td>
</tr>
<tr>
<td>Environmental Coordinator</td>
<td>$75</td>
<td>$98</td>
</tr>
<tr>
<td>Project Engineer</td>
<td>$75</td>
<td>NA</td>
</tr>
<tr>
<td>GIS Supervisor</td>
<td>$65</td>
<td>NA</td>
</tr>
<tr>
<td>GIS Specialist</td>
<td>$55</td>
<td>NA</td>
</tr>
<tr>
<td>GIS Tech</td>
<td>$50</td>
<td>NA</td>
</tr>
<tr>
<td>Engineering Assistant</td>
<td>$60</td>
<td>$74</td>
</tr>
<tr>
<td>Lead Operator</td>
<td>$62</td>
<td>$78</td>
</tr>
<tr>
<td>Operator</td>
<td>$57</td>
<td>$71</td>
</tr>
<tr>
<td>Technician</td>
<td>$50</td>
<td>$63</td>
</tr>
<tr>
<td>Admin</td>
<td>$59</td>
<td>$76</td>
</tr>
</tbody>
</table>

**ARTICLE VI - Village Responsibilities**

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

Section 602. **Easements and Licenses.** The Village 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 facilities, and shall advise the Village of necessary replacements and additions to such inventory.
The Authority, in cooperation with the Village, shall order such inventory and the Village shall be invoiced by the Authority, for such inventory. The receipt, proper use and record keeping thereof, shall be the Authority’s responsibility. The Village will pay for all outside vendor services required to perform annual meter calibration, perform generator maintenance, etc. The Authority will obtain approval for any recommended outside services.

Section 604. Miscellaneous Maintenance
- The Village will be responsible for all snow removal, major maintenance of equipment, sludge removal and hauling, collection system and lift stations, and winter plant preparation.

ARTICLE VII - Termination

Section 701. Termination. The Village and/or Authority may terminate this Agreement with or without cause upon 90 days prior written notice, provided however, that the Village shall pay the Authority all costs incurred by the Authority to the date of termination.

ARTICLE VIII – Insurance/Liability

Section 801. Insurance. The Village 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 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 operation of this Agreement. The Authority shall secure and maintain insurance satisfactory to the Village. 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 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 Village 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 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.
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 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.

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 Village'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 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.

Section 1002. Authority Status. 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.

Section 1003. Waiver. 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.

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 unenforceable 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. Supercedence. This Agreement supersedes former similar agreements between the parties, pertaining to the 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 Village Board 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.

VILLAGE OF ALEXANDRIA BAY

By: ________________________________

Danielle Miller
Mayor

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 ______________, 2017, before me personally came Danielle Miller, who being duly sworn, did dispose and says that she resides in __________________________, New York; that she is the Village Mayor of the Village described herein, and which executed the foregoing instrument; and that she signed her name thereto by order of said Village.

________________________
NOTARY PUBLIC

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

On this ___ day of ______________, 2017, before me personally came James W. Wright, who being duly sworn, did dispose and says that he resides in __________________________, 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
RECOGNITION OF SERVICE
RICHARD R. LECLERC

Whereas, on May 31, 2011, Richard R. LeClerc was employed by the Development Authority as its third Division of Solid Waste Division Manager, and has served the Authority in that capacity for the past six years, and

Whereas, during his tenure, Rich led the Authority's initiatives to transition from the single purpose of landfill operations and solid waste disposal, to broaden the mission of environmental stewardship, sustainability, and waste diversion on a regional basis and this transition is best identified by the renaming of the Division from Solid Waste to the Materials Management Division, and

Whereas, during his tenure he managed a significant number of "firsts" for the Authority including: 1st Solid Waste Composition Study; 1st public education campaign for recycling; 1st Natural Resource Plan; and 1st Consolidated Regional Materials Management Plan, and

Whereas, during his tenure Rich led new regional program initiatives including: Recycling Rebates for counties; coordination of Household Hazardous Waste Collections; consolidated regional planning unit recycling reports; regular county partner and haulers' meetings and assumption of Cathode Ray Tube recycling costs for counties, and

Whereas, significant capital improvements have been made to the facility under his leadership including wastewater collection upgrades, landfill gas collection expansion, leachate collection tanks and loadout facility, new scale house and access roads, exceeding capital investments of $15 million and culminating in the planning and permitting for an expansion planning of the landfill site, and

Whereas, throughout his tenure Rich initiated community projects including the construction of public access recreational trails; the Murray Trail and the Glasier Trail; the construction of the Murray Education Center; the Disabled Hunter Program; and the college field labs for Jefferson Community College and Environmental Science and Forestry, and

Whereas, collectively these initiatives and accomplishments all demonstrated his life-long commitment to environmental and natural resource stewardship and sustainability.

Now, upon the recommendation of the Chairman, the Governance Committee, and the Executive Director, therefore be it

RESOLVED, the Development Authority of the North Country recognizes and acknowledges Richard R. LeClerc for his service to the Development Authority and the North Country region, and be it further

RESOLVED, the Development Authority of the North Country extends its appreciation and gratitude for the unwavering personal dedication and professional commitment.

Adopted August 24, 2017, Development Authority of the North Country

[Signatures]

Gary Turek
Board Chairman

James W. Wright
Executive Director