MINUTES
BOARD OF DIRECTORS MEETING
Thursday, December 14, 2017 – 10:45 AM
Dulles State Office Building Conference Room 100, 1st Floor
317 Washington Street, Watertown, New York

The Development Authority of the North Country Board of Directors met in regular session at the Dulles State Office Building Conference Room 100, 1st Floor, 317 Washington Street, Watertown, New York, on Thursday, December 14, 2017, at 10:45 AM.

Members Present:

Voting
Gary Turck, Chairman
Fredrick Carter, Vice Chairman
Thomas Hefferson
Dennis Mastascusa
Margaret Murray
Alfred Calligaris

Non-Voting
Stephen Hunt
Mary Doheny
James Hollenbeck

Members Absent:
John B. Johnson, Jr.
Brian McGrath

Staff Present:
James W. Wright, Executive Director
Michelle Capone, Director, Regional Development Division
David Wolf, Director, Technology Division
Carl Farone, Comptroller
Patricia Pastella, Manager, Materials Management Facility
Brian Nutting, Manager, Water Quality Division
Carrie Tuttle, Director of Engineering
Laurie Marr, Director of Public Affairs and Communication
Jo Anne Yadow, Executive Assistant
Angela Marra, Administrative Associate

Guests:
Richard James, Authority Counsel, Mackenzie Hughes - Excused

1. Chairman Turck called the meeting to order at 10:00 AM.

2. Chairman Turck requested a roll call. All Board Members were present except for John B. Johnson, Jr. and Brian McGrath. Chairman Turck confirmed there was a quorum. J. Wright noted J. Johnson was excused due to a conflict with a Dormitory Authority meeting once the meeting date was changed and R. James (Authority Attorney) was excused as he is recuperating from surgery.

3. Chairman Turck offered the Privilege of the Floor.

4. Upon a motion by F. Carter, and seconded by A. Calligaris, the Minutes of the October 26, 2017 Board Meeting, were unanimously approved.
5. Chairman’s Report –

6. Executive Director’s Report –
   a. NYS Department of State Partnership Award - The Development Authority was recognized and awarded the "Best Partner Award" by the New York State Department of State for work in helping local municipalities. The award specifically cites the variety of efficiency studies that the Authority has undertaken along with efforts to share services and improve efficiencies. J. Wright congratulated Carrie Tuttle and her team for their work with the municipalities.

   b. NCREDC Project Awards:
      Development Authority – Ag Producers Program - $500,000
      Village of Tupper Lake – I and I Study - $100,000
      Village of Carthage – I and I Study - $30,000
      Lewis County – Regional Water - $297,000
      Lewis County – Lyons Falls Mill - $350,000
      City of Ogdensburg – Wastewater Plant - $5,000,000
      St. Lawrence County – J&L Cleanup - $340,000

   c. Photo was displayed of the well drilling project at the Landfill.

   d. HR participated in the Workforce 2020 Youth Career Day; a photo was displayed.

   e. Photo was displayed of the Book De-Binder equipment.

   f. JLUS Public Meeting/Public Comments -- The Final Draft was extended to accommodate consultant’s review of public comments and Fort Drum information.

   g. Tupper Lake Housing – Before/after photos were displayed of rehabilitation projects.

   h. Several of the Authority fuel cards have been compromised. Authority employees have been informed of this issue and recommends paying inside the establishment for pumped fuel as best practice to avoid “skimming” of the cards.

   A. Calligaris asked where the books are collected for recycling. J. Wright responded the libraries have collection bins.

   F. Carter asked C. Tuttle about the status of the Ogdensburg project. C. Tuttle reviewed the project.

7. Finance –
   a. C. Farone reviewed the financials for the 7 months ended October 31, 2017. Statement of Net Position remains relatively unchanged since the beginning of the fiscal year. C. Farone noted that both Assets and Liabilities have increased by approximately $1 million during the current fiscal year. Accounts Receivables are at $2.3 million with the entire balance deemed collectable. Expenditures are being managed within Board-authorized budgets.
b. Bonadio Group will be on site January 16-18, 2018 to start preliminary testing. Any questions should be directed to J. Johnson, Chairman of the Audit Committee.


Upon a motion by M. Murray, and seconded by F. Carter, the Unaudited Financial Statements for the Period Ending October 31, 2017, were unanimously approved.

8. Governance –

a. Resolution No. 2017-12-112 is the annual submission of the Five Year Budget and Financial Plan for the upcoming fiscal year (FYE 2019) to the Public Authorities Reporting Information System (PARIS). The report is due 90 days prior to the beginning of the fiscal year.

Upon a motion by F. Carter, and seconded by D. Mastascusa, Resolution No. 2017-12-112, Public Authorities Reporting Information System (PARIS) – Five Year Budget and Financial Plan for FYE 2019 – Annual Submission, was unanimously approved.

b. Resolution No. 2017-12-113 amends the Authority Purchase Card Authority. Executive Management has recommended separating the purchase Card Policy from the Purchase Card Procedures and delegating the creation of Detailed Procedures to the Comptroller with Executive Director approval. The Governance Committee has reviewed this and concurs with the recommendations.

Upon a motion by A. Calligaris, and seconded by M. Murray, Resolution No. 2017-12-113, Policy – Authority Purchase Cards – Delegation, was unanimously approved.

9. Engineering –

a. Resolution No. 2017-12-114 authorizes a new Technical Services Agreement with the Village of Lyons Falls and the Development Authority to complete a project to study the feasibility of implementing improvements at the Village’s Department of Public Works Building. The study will determine whether the Village should rehabilitate or have a new facility constructed. The total cost of the contract will not exceed $3,500.

Upon a motion by D. Mastascusa, and seconded by A. Calligaris, Resolution No. 2017-12-114, Technical Services Agreement – Village of Lyons Falls – Public Works Building Feasibility Study, was unanimously approved.

b. Resolution No. 2017-12-115 amends a Technical Services Agreement with the Village of Potsdam for implementation of an EDU-based billing system for an additional expense of $7,000, bringing the not to exceed amount of the contract to $21,000.

Upon a motion by F. Carter, and seconded by D. Mastascusa, Resolution No. 2017-12-115, Technical Services Agreement Amendment – Village of Potsdam – Water/Sewer Rate Analysis, was unanimously approved.
10. Materials Management –

a. Resolution No. 2017-12-116 authorizes the joint operations partnership with the North Country Library System for the collection and recycling of hard cover books. The Authority has purchased a book de-binding machine to facilitate the separation of paper pages from hard covers and the Authority’s expense of this recycling effort will be an operational expense of the Materials Management’s existing funds and budget.

A. Calligaris asked about the cost of the equipment. J. Wright stated the equipment cost is the only known factor but there will be also be related transportation costs. The Authority has contacted ARC and CREDO for possible manpower.

F. Carter asked if the 65 libraries would make arrangements with the Authority for the recycling. J. Wright stated there are books bins located at the libraries for collection purposes.

Upon a motion by F. Carter, and seconded by M. Murray, Resolution No. 2017-12-116, Materials Management – Book Recycling Partnership – North Country Library System, was unanimously approved.

b. Resolution No. 2017-12-117 authorizes the establishment of a Mattress Recycling Program in cooperation with the Lewis County Waste Department and authorizes the Executive Director to enter into an agreement with TRIAD Recycling and Energy of Tonawanda, New York for the purpose of collecting and recycling mattresses. The Authority agrees to assume the cost of the pilot/demonstration program at an amount not to exceed $12,000 during FYE 2017 with funds to be paid from the existing Materials Management recycling reimbursement to the Counties’ funds accounts.

Upon a motion by D. Mastascusa, and seconded by M. Murray, Resolution No. 2017-12-117, Materials Management – Mattress Recycling and Processing – Lewis County Pilot Program, was unanimously approved.

11. Regional Development –

a. Resolution No. 2017-12-118 authorizes a commitment from the Regional Redevelopment Housing Program within the Community Rental Housing Program of up to $57,000 comprised of a loan in an amount not to exceed $28,500 and a grant in an amount not to exceed $28,500 to Clayton Improvement Association Ltd. The contract term is for 360 months at 1% interest.

Upon a motion by M. Murray, and seconded by D. Mastascusa, Resolution No. 2017-12-118, Community Rental Housing program – Rental Redevelopment Housing Program – Clayton Improvement Association Ltd – Loan/Grant, was unanimously approved.
b. Resolution No. 2017-12-119 approves a loan not to exceed $200,000 from the Community Rental Housing Program NDC Program to the Neighbors of Watertown, Inc. for the renovation of 825 Academy Street in Watertown. This is considered a Type II Action under the SEQRA and is considered an exempt activity requiring no further action.

Upon a motion by A. Calligaris, and seconded by D. Mastascusa, Resolution No. 2017-12-119, Community Rental Housing Program – NDC Program – Neighbors of Watertown, Inc. – Renovate 825 Academy Street, Watertown, was unanimously approved.

c. Resolution No. 2017-12-120 authorizes a commitment from the Regional Redevelopment Housing Program within the Community Rental Housing Program of $112,000 comprised of a loan in the amount of $56,000 and a grant in the amount of $56,000 to Scalisi & Bernazzani Financial Services LLC for a term of 180 months at 4% interest.

Upon a motion by M. Murray, and seconded by D. Mastascusa, Resolution No. 2017-12-120, Community Rental Housing Program – Regional Redevelopment Housing Program – Scalisi & Bernazzani Financial Services LLC – Loan/Grant, was unanimously approved.

d. Resolution No. 2017-12-121 approves a 47 month extension for the Affordable Rental Housing Program loan to Jefferson LeRay LLC at 4.5% interest beginning with the January 1, 2018 payment and ending with the November 1, 2021 payment as they continue to work through the refinancing. It was noted the title of this resolution would be edited by removing “24 months.”

Upon a motion by D. Mastascusa, and seconded by A. MacKinnon, Resolution No. 2017-12-121, Approving Extension - Affordable Rental Housing Program (ARHP) – Jefferson LeRay LLC – Loan, was unanimously approved.

e. Resolution No. 2017-12-122 approves a loan in the amount of $34,000 from the Regional Tourism Transformational Community Revolving Loan Fund to The Faust Motel, LLC for a term of 240 months at 1% interest. This is considered a Type II Action under the SEQRA and is considered an exempt activity requiring no further action.

Upon a motion by A. Calligaris, and seconded by F. Carter, Resolution No. 2017-12-122, Regional Tourism Transformational Community Revolving Loan Fund – The Faust Motel, LLC - Loan, was unanimously approved.

f. Resolution No. 2017-12-123 authorizes a loan in the amount of $500,000 from the Regional Tourism Transformational Community Revolving Loan Fund to The Hedges at Blue Mountain Lake, LLC for a term of 20 years at 1% interest. This is considered a Type II Action under the SEQRA and is considered an exempt activity requiring no further action.
Upon a motion by F. Carter, and seconded by M. Murray, Resolution No. 2017-12-123, Regional Tourism Transformational Community – Revolving Loan Fund – The Hedges on Blue Mountain Lake, LLC – Loan, was unanimously approved.

g. Resolution No. 2017-12-124 authorizes a loan in the amount of $273,000 from the Regional Tourism Transformational Community Revolving Loan Fund to Long View Lodge, LLC for a term of 240 months at 1% interest. This is considered a Type II Action under the SEQRA and is considered an exempt activity requiring no further action.

Upon a motion by D. Mastascusa, and seconded by M. Murray, Resolution No. 2017-12-124, Regional Tourism Transformational Community – Revolving Loan Fund – Long View Lodge, LLC – Loan, was unanimously approved.

h. Resolution 2017-12-129 was added after the Board packet was sent out. This resolution ratifies a loan in the amount of $250,000 from the Regional Tourism Transformational Community Revolving Loan Fund to SBSP Real Estate, LLC for a term of 20 years at 1% interest. This is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

Upon a motion by F. Carter, and seconded by D. Mastascusa, Resolution No. 2017-12-129, Regional Tourism Transformational Community Revolving Loan Fund - SBSP Real Estate LLC – Loan, was unanimously approved.

12. Technology –

a. Resolution No. 2017-12-125 authorizes a new capital project for $1,600,000 for NYPA network construction capital project 30617 with the funds transferred from the Telecommunications reserve. The Authority was selected as the vendor to provide services to connect 9 substations. The Authority was awarded the Notice To Proceed and includes an agreement for a 10 year IRU in one segment of the network and a 20 year IRU in the other 2 segments, plus a 20 year service agreement for the services requested in the RFP.

F. Carter asked if the Authority is competing against private industry. D. Wolf stated it is difficult to know for sure but not many vendors do dark fiber. There was one other vendor at the bid meeting and they do not do dark fiber. J. Wright stated this falls into the category where we are trying to meeting needs of the region and no one else is building in these areas as there is no return on their investment.

Upon a motion by F. Carter, and seconded by A. Calligaris, Resolution No. 2017-12-125, Telecommunications Network – Dark Fiber Indefeasible Right-To-Use (IRU) New York Power Authority, was unanimously approved.

13. Water Quality –

a. Resolution No. 2017-12-126 authorizes an Operations and Maintenance Service Agreement with the Town of Champion for a new five year term for a total amount of $13,857.
Upon a motion by A. Calligaris, and seconded by M. Murray, Resolution No. 2017-12-126, Water Quality – Operations and Maintenance Service Agreement – Town of Champion Water Districts 1 and 3, was unanimously approved.

b. Resolution No. 2017-12-127 authorizes an Operations and Maintenance Service Agreement with the Town of Champion for a term of five years for a total amount of $150,667.

Upon a motion by A. Calligaris, and seconded by F. Carter, Resolution No. 2017-12-127, Water Quality – Operations and Maintenance Service Agreement – Town of Champion Water Districts 2 and 4/5, was unanimously approved.

c. Resolution No. 2017-12-128 authorizes an Operations/Maintenance and Administrative Service Agreement with the Route 3 Sewer Facilities Board of Commissioners for a one year term for a total amount of $99,542.55.

Upon a motion by A. Calligaris, and seconded by D. Mastascusa, Resolution No. 2017-12-128, Water Quality – Operations/Maintenance and Administrative Service Agreement – Route 3 Sewer Facilities – Board of Commissioners, was unanimously approved.

14. New Business – Fort Drum Compatibility Website – M. Capone reviewed the new website which is slated to be released to the public in January 2018.

15. Executive Session –

Upon a motion by T. Hefferon, and seconded by A. Calligaris, the Board Members went into Executive Session to discuss “the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.”

Upon a motion by T. Hefferon, and seconded by A. Calligaris, the Board Members came out of Executive Session.

Chairman Turck stated there was no action taken.

16. Next Meeting – Budget Work Session - January 25, 2018

17 Upon a motion by A. MacKinnon, and seconded by M. Murray, the meeting was adjourned at 12:55 AM.

Respectfully submitted,

Thomas Hefferon
Secretary