

**Minutes of the Meeting of the
Clinton County Capital Resource Corporation
June 19, 2017**

The meeting was called to order by T. Trahan, Chairperson, at 1:15 p.m.; at the offices of the Clinton County Capital Resource Corporation, 190 Banker Road, Suite 500, Plattsburgh, N.Y.

Members Present: Trent Trahan, Chairperson
David Hoover, Vice Chairperson
Keith Defayette, Treasurer and CFO
Michael Zurlo, Secretary
Kim Murray, Assistant Secretary
Mark Leta, Member
John VanNatten, Member

Members Excused: None

Others Present: Melissa McManus, Executive Director
George Cregg, Esq., Agency Counsel
Barbara Shute, Recording Secretary

T. Trahan ascertained that there was a *quorum* present.

T. Trahan waived the reading of the notice of the meeting published in the *Press-Republican* on December 26, 2016.

Approval of the Minutes:

T. Trahan waived the reading of the minutes of the May 8, 2017 regular meeting. He asked if there were any questions or discussion regarding the draft minutes, and there was none. On a motion by K. Defayette, seconded by M. Zurlo, it was unanimously carried to approve the minutes of the May 8, 2017 regular meeting, as presented.

Public Comment: None

Report of the Treasurer:

K. Defayette reviewed the Treasurer's Report for May 2017. There were no questions or concerns from the board.

On a motion by J. VanNatten, seconded by K. Murray, it was unanimously carried to approve the Treasurer's Report as presented by Keith Defayette.

Reports of the Committees: None

Old Business: None

New Business:

1. Behavioral Health Services North (BHSN)

Mark Lukens, CEO and David LePage, CFO of Behavioral Health Services North, Inc. reviewed the tax-exempt bond request.

Behavioral Health Services North is a private, not-for profit organization providing behavioral health care services in the North Country region. BHSN recently received a state grant to construct a 12,000 sq. ft. addition to its existing mental health outpatient clinic in Morrisonville, NY. Construction of the addition will allow BHSN to contract with a primary health care provider for onsite medical services for BHSN clients. The state and BHSN believe that this will provide better health outcomes for clients while reducing costs by preventing Emergency Room visits and inpatient hospital admissions.

BHSN is seeking tax exempt bonding to fund the grant's local share of construction costs and to refinance an existing mortgage. BHSN is also seeking mortgage tax abatement for the project.

BHSN seeks to initiate construction in the summer of 2017, with project completion planned for summer 2018. A SEQR Neg Dec and required approvals were secured from the Town of Plattsburgh on April 18, 2017.

The project submitted a revised application with a project cost of approximately \$3.1 million. Agency counsel will revise the project resolutions to reflect the change as follows:

(B) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be \$3,100,000 and in any event not to exceed \$3,400,000 (the "Obligations")

Approval of Public Hearing Resolution #06-17-14:

Following discussion of the project, the following resolution was offered by Keith Defayette, seconded by Kim Murray, to wit:

Resolution No. 06-17-14

RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF CLINTON COUNTY CAPITAL RESOURCE CORPORATION TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF BEHAVIORAL HEALTH SERVICES NORTH, INC.

WHEREAS, pursuant to the provisions of Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the "Enabling Act") and Revenue Ruling 57-187 and Private Letter Ruling 200936012, the County Legislature of Clinton County, New York (the "County") adopted a resolution on November 10, 2010 (the "Sponsor Resolution") (A) authorizing the incorporation of Clinton County Capital Resource Corporation (the "Issuer") under the Enabling Act and (B) appointing the initial members of the board of directors of the Issuer; and;

WHEREAS, in December, 2010, a certificate of incorporation was filed with the New York Secretary of State's Office (the "Certificate of Incorporation") creating the Issuer as a public instrumentality of the County; and

WHEREAS, the Issuer is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Issuer will be performing essential governmental functions; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Enabling Act to acquire real and personal property; to borrow money and issue negotiable bonds, notes and other obligations therefore; to lease, sell, mortgage or otherwise dispose of or encumber any of its real or personal property upon such terms as it may determine; and otherwise to carry out its corporate purposes in the territory in which the operations of the Issuer are principally to be conducted; and

WHEREAS, Behavioral Health Services North, Inc., a New York not-for-profit corporation (the "Borrower") has submitted an application (the "Application") to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the "Project") for the benefit of the Borrower, said Project consisting of the following: (A)(1) the financing, in whole or in part, of the construction and equipping of an approximately 12,000 square foot addition (the "Addition") to the Borrower's existing approximately 22,000 square foot facility (the "Existing Facility" and, collectively with the Addition, the "Facility") located on an approximately 10 acre parcel of land (the "Land") located at 2155 Route 22B in the Town of Plattsburgh (Morrisonville), Clinton County, New York, (2) the refinancing of certain existing debt incurred by the Borrower in connection with the Land and the Existing facility, and (3) the acquisition and installation therein and thereon of certain machinery, equipment and other personal property (the "Equipment") (the Land, Facility and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Borrower and operated as a mental health outpatient facility; (B) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith,

presently estimated to be \$3,100,000 and in any event not to exceed \$3,400,000 (the "Obligations"); (C) the payment of all or a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; and (D) the making of a loan (the "Loan") of the proceeds of the Obligations to the Borrower or such other person as may be designated by the Borrower and agreed upon by the Issuer; and

WHEREAS, pursuant to the Issuer's certificate of incorporation, prior to the Issuer providing the financial assistance, the Issuer, among other things, must hold a public hearing in accordance with the guidelines set forth in Section 859-a of the General Municipal Law with respect to the Project; and

WHEREAS, with respect to any portion of the Obligations intended to be issued as federally tax-exempt obligations, interest on such portion of the Obligations will not be excludable from gross income for federal income tax purposes unless pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations of the United States Treasury Department thereunder (the "Treasury Regulations"), the issuance of such portion of the Obligations is approved by the County Legislature of Clinton County, New York after the Issuer has held a public hearing pursuant to Section 147(f) of the Code on the nature and location of the Project Facility and the issuance of such portion of the Obligations; and

WHEREAS, the Issuer desires to provide for compliance with the provisions of its certificate of incorporation and Section 147(f) of the Code with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF CLINTON COUNTY CAPITAL RESOURCE CORPORATION, AS FOLLOWS:

Section 1. The Issuer hereby authorizes the Chief Executive Officer of the Issuer, after consultation with the directors of the Issuer and the Issuer's Counsel and Bond Counsel, (A) to establish the time, date and place for a public hearing of the Issuer to hear all persons interested in the Project (the "Public Hearing"); (B) to cause the Public Hearing to be held in a city, town or village where the Project Facility is located, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is located, such notice or notices to comply with the requirements of Section 859-a of the General Municipal Law and Section 147(f) of the Code and to be published no fewer than fourteen (14) days prior to the date established for such Public Hearing; (C) to cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is located no fewer than fourteen (14) days prior to the date established for such Public Hearing; (D) to conduct such Public Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views presented at such Public Hearing (the "Public Hearing

Report") to be promptly prepared and cause copies of said Public Hearing Report to be made available to the directors of the Issuer; and (F) if any portion of the Obligations is intended to be issued as federally tax-exempt obligations, to cause copies of said Public Hearing Report to be made available to the County Legislature of Clinton County, New York.

Section 2. The Chairperson, Vice Chairperson and/or Chief Executive Officer of the Issuer are hereby authorized and directed to distribute copies of this Resolution to the Borrower and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. All action taken by the Chairperson, Vice Chairperson and/or Chief Executive Officer of the Issuer in connection with the Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Trent Trahan	VOTING	YES
David Hoover	VOTING	YES
Michael Zurlo	VOTING	YES
Keith Defayette	VOTING	YES
Kim Murray	VOTING	YES
John VanNatten	VOTING	ABSTAIN
Mark Leta	VOTING	YES

The foregoing Resolution was thereupon declared duly adopted.

Approval of SEQR Resolution #06-17-15:

The following resolution was offered by Keith Defayette, seconded by Kim Murray, to wit:

Resolution No. 06-17-15

RESOLUTION DIRECTING THE CHIEF EXECUTIVE OFFICER OF CLINTON COUNTY CAPITAL RESOURCE CORPORATION TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF BEHAVIORAL HEALTH SERVICES NORTH, INC.

WHEREAS, Clinton County Capital Resource Corporation (the "Issuer") was created pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the "Enabling Act"). Pursuant to the provisions of the Enabling Act and Revenue Ruling 57-187 and Private Letter Ruling 200936012,

the County Legislature of Clinton County, New York (the "County") adopted a resolution on November 10, 2010 (the "Sponsor Resolution")

(A) authorizing the incorporation of Clinton County Capital Resource Corporation (the "Issuer") under the Enabling Act and (B) appointing the initial members of the board of directors of the Issuer; and

WHEREAS, in December, 2010, a certificate of incorporation was filed with the New York Secretary of State's Office (the "Certificate of Incorporation") creating the Issuer as a public instrumentality of the County; and

WHEREAS, the Issuer is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Issuer will be performing essential governmental functions; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Enabling Act to acquire real and personal property; to borrow money and issue negotiable bonds, notes and other obligations therefore; to lease, sell, mortgage or otherwise dispose of or encumber any of its real or personal property upon such terms as it may determine; and otherwise to carry out its corporate purposes in the territory in which the operations of the Issuer are principally to be conducted; and

WHEREAS, Behavioral Health Services North, Inc., a New York not-for-profit corporation (the "Borrower") has submitted an application (the "Application") to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the "Project") for the benefit of the Borrower, said Project consisting of the following: (A)(1) the financing, in whole or in part, of the construction and equipping of an approximately 12,000 square foot addition (the "Addition") to the Borrower's existing approximately 22,000 square foot facility (the "Existing Facility" and, collectively with the Addition, the "Facility") located on an approximately 10 acre parcel of land (the "Land") located at 2155 Route 22B in the Town of Plattsburgh (Morrisonville), Clinton County, New York, (2) the refinancing of certain existing debt incurred by the Borrower in connection with the Land and the Existing facility, and (3) the acquisition and installation therein and thereon of certain machinery, equipment and other personal property (the "Equipment") (the Land, Facility and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Borrower and operated as a mental health outpatient facility; (B) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be \$3,100,000 and in any event not to exceed \$3,400,000 (the "Obligations");

(C) the payment of all or a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; and (D) the making of a loan (the "Loan") of the proceeds of the Obligations to the Borrower or such other person as may be designated by the Borrower and agreed upon by the Issuer; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations", and collectively with the SEQR Act, "SEQRA"), the Issuer must satisfy the requirements contained in SEQRA prior to making a final determination whether to undertake the Project; and

WHEREAS, Section 617.6(b) of the Regulations provides that (A) for all "Type I actions", a lead agency must be established, and (B) for any "unlisted action" which involves more than one "involved agency", a lead agency must be established if the Issuer determines that there will be a coordinated review of such "unlisted action" (as such quoted terms are defined in the Regulations); and

WHEREAS, pursuant to the Regulations, the Issuer has examined the Application and an environmental assessment form prepared by the Institution with respect to the Project (the "EAF") in order to make an initial determination as to the potential environmental significance of the Project and the number of agencies that may be involved with respect to the Project; and

WHEREAS, based upon a review of the Application and the EAF, the Issuer wishes to explore the desirability of following the coordinated review procedures outlined in the Regulations with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF CLINTON COUNTY CAPITAL RESOURCE CORPORATION, AS FOLLOWS:

Section 1. Based upon an examination of the EAF and the Application, and, based further upon the Issuer's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Issuer has deemed appropriate, the Issuer makes the following findings with respect to the Project:

(A) The Project consists of the following: (1)(a) the financing, in whole or in part, of the construction and equipping of an approximately 12,000 square foot addition (the "Addition") to the Borrower's existing approximately 22,000 square foot facility (the "Existing Facility" and, collectively with the Addition, the "Facility") located on an approximately 10 acre parcel of land (the "Land") located at 2155 Route 22B in the Town of Plattsburgh (Morrisonville), Clinton County, New York, (b) the refinancing of certain existing debt incurred by the Borrower in connection with the Land and the Existing facility, and (c) the acquisition and installation therein

and thereon of certain machinery, equipment and other personal property (the "Equipment") (the Land, Facility and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Borrower and operated as a mental health outpatient facility;

(2) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be \$3,100,000 and in any event not to exceed \$3,400,000 (the "Obligations"); (3) the payment of all or a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; and (4) the making of a loan (the "Loan") of the proceeds of the Obligations to the Institution or such other person as may be designated by the Institution and agreed upon by the Issuer; and

(B) The Project involves more than one "involved agency" (as such quoted term is defined in SEQRA); and

(C) Although the Project may constitute an "unlisted action" (as such quoted term is defined under SEQRA), and coordinated review and notification of other involved agencies is strictly optional with respect to the Project, the Issuer wishes to investigate the advisability of undertaking a coordinated review with respect to the Project.

Section 2. For purposes of exploring the desirability of following the coordinated review procedures outlined in the Regulations, the Executive Director of the Issuer is hereby authorized and directed to take the following actions:

(A) To contact all other "involved agencies" with respect to the Project for the purpose of ascertaining whether they are interested in undertaking a coordinated review with respect to the Project (as such quoted term is defined under SEQRA).

(B) In the event that (1) all other "involved agencies" indicate that they are interested in undertaking a coordinated review of the Project, (2) one of the other "involved agencies" indicates that it desires to be designated as "lead agency" with respect to the Project and (3) the other "involved agencies" are amenable to designating such involved agency as "lead agency", to take all necessary steps to indicate the concurrence of the Issuer that such "involved agency" be designated as "lead agency" (as such quoted terms are defined under SEQRA).

(C) In the event that all other "involved agencies" indicated that they are interested in undertaking a coordinated review of the Project and none of the other "involved agencies" indicates that it desires to be designated as the "lead agency" with respect to the Project,

to take all necessary steps to arrange for the Issuer to be designated as "lead agency" with respect to the Project (as such quoted terms are defined under SEQRA).

(D) In the event that one of the other "involved agencies" indicates that such other involved agency (1) has already been designated as "lead agency" with respect to the Project, (2) has already undertaken an environmental review of the Project and (3) has already made an environmental determination with respect to the Project pursuant to SEQRA, to obtain copies of said environmental determination for the Issuer (as such quoted terms are defined under SEQRA).

(E) Upon completion of the foregoing steps, to report to the Issuer at its next meeting on the status of the environmental review process with respect to the Project.

Section 3. This Resolution shall take effect immediately. The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Trent Trahan	VOTING	YES
David Hoover	VOTING	YES
Michael Zurlo	VOTING	YES
Keith Defayette	VOTING	YES
Kim Murray	VOTING	YES
John VanNatten	VOTING	ABSTAIN
Mark Leta	VOTING	YES

The foregoing Resolution was thereupon declared duly adopted.

Authorization to send public hearing record to County Legislature with request for review of tax exempt bonds:

On a motion by K. Defayette, seconded by D. Hoover, it was unanimously carried to authorize sending the necessary documents to the County Legislature for public approval.

2. Administrative Services Invoices from the CCIDA

Staff are seeking authorization to pay invoices for administrative services provided by the CCIDA for 2016 and Q1 of 2017, with quarterly payments thereafter.

On a motion by M. Zurlo, seconded by K. Murray, it was unanimously carried to authorize payment of invoices from the CCIDA, as discussed.

3. Loan Fund Administration Grant with Clinton County

M. McManus discussed the draft agreement with the members noting that the agreement still needs to have language added regarding a formal plan for the County to request funds.

The agreement also stipulates that if the Strand fails to repay the money there will be no obligation on the part of the CCCRC to either repay the funds or attempt to obtain payment from the Strand.

Agency counsel will make the suggested revisions to the agreement and then submit it to the County for final review. Once the agreement has been approved a loan agreement will be drafted between the CCCRC and the Strand that will mirror the agreement with the County.

On a motion by K. Murray, seconded by D. Hoover, it was unanimously carried to approve the proposed loan fund administration agreement with Clinton County.

4. Rescheduling July 2017 Meeting

Staff are requesting Agency approval to change the July meeting date from July 10, 2017 to July 17, 2017 as two of the Agency staff will be out of the office from June 27th to July 7th.

On a motion by D. Hoover, seconded by K. Murray, it was unanimously carried to approve changing the July meeting date from July 10, 2017 to July 17, 2017.

5. Review of Internal Control Policy

M. McManus reviewed the proposed improvements to internal controls with the members to include:

- Invoice Payment Process
- Changes to Checking Account
- CCIDA Reimbursement Procedures
- Direct Payment of Expenditures
- Record Keeping

Staff will continue to develop the improvements to the internal controls and the matter will be further discussed at the July meeting.

Management Team Reports: None

Project Status Updates: No Updates

Executive Director Report: None

There being no further matters for consideration, the meeting adjourned at 1:49 p.m.



T. Trahan, Chairperson