

Last Week's Weather			
	Hi	Lo	Pcp
Wed.	78	62	.05
Thurs.	81	67	.14
Fri.	74	54	0
Sat.	68	55	.35
Sun.	68	47	0
Mon.	78	41	Tr
Tues.	69	58	Tr

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Village Not Informed That Grand Jury Won't Indict

BY BETSY BAKER

The Village of Potsdam has not yet been formally notified of a federal grand jury's decision to return "no bill" in its investigation of the Potsdam Urban Renewal Agency, according to Mayor Ruth Garner.

Garner told the Courier and Freeman that, as of Tuesday morning "absolutely nothing, not even a phone call" had been received from the office of the U.S. Attorney in Syracuse. Assistant U.S. Attorney Arthur Chalenski handed that case for the federal government. Garner was one of those who testified before the grand jury.

Chalenski, in a telephone interview last week said that the grand jury had voted on July 20 not to return any indictments in the case. He stated that the grand jury, which was empaneled in May 1977, was disbanded shortly.

Chalenski also noted that the grand jury's reasons for voting "no bill" would remain confidential, and that he was not a party to the grand jury's deliberations in the matter.

Although Chalenski has consistently refused to discuss how many witnesses have been called in the case or to reveal what the grand jury has considered, it is known that several persons involved with the Potsdam Urban Renewal Agency have testified since the grand jury was convened last May.

Most recently, on July 20, former Urban Renewal Agency members Joseph Callipari, Luther Gulick and former chairman Gordon Theisen had testified.

On the matter of further criminal action, Chalenski declined comment, except to say that under the law another grand jury could be convened and that there could be further investigation of Potsdam urban renewal matters.

Presumably, however, there will be no action in the case.

While Chalenski would not say what the grand jury had considered, two areas of the case, the sale of the former St. Lawrence Creamery building by then-Urban Renewal Agency chairman William Benjamin to local businessman Harry Bronson and the "Harold Clark" checks, totaling \$1,003.33 which were issued by the Agency to a fictitious contractor, had seemed to some observers to be likely matters for investigation. Chalenski would not comment when asked specifically about those matters.

The grand jury's action has no bearing on the possibility of civil action to recover some \$80,000 in federal relocation payments which were disallowed following a 1975 Housing and Urban Development (HUD) audit of the Potsdam Urban Renewal Agency.

Civil action would presumably be handled by the U.S. Attorney's office in Syracuse and be filed by the U.S. Justice Department with HUD and perhaps the local Urban Renewal Agency as well.

There have been some indications that civil action in the matter has already begun. A highly-placed source within the HUD inspector general's office told the Courier and Freeman last week that the chances of recovery of funds in such cases are "very good."

The same source said that the grand jury's "no bill" vote was not a surprise, and said that such a vote occurs frequently "unless the case is hot and the Justice Department has reason to believe it won't lose."

In the matter of the "Harold Clark" checks, the source said that in his opinion there was no indictment because the dollar amount involved (\$1,003.33) was so small.

The federal investigation itself dates back to 1974, when a former Urban Renewal Agency relocation director, Debra Niles Walsh, presently of

Colorado, went to the FBI about relocation payments and other matters.

In 1975, a HUD audit of the Urban Renewal Agency revealed a total of \$264,665.17 in disallowed payments and another \$149,900 in questioned payments made by the agency.

Disallowed relocation payments total \$115,934.15. Those payments are 100 percent federal funds and must be repaid from other than federal sources. The Urban Renewal project as a whole is funded by the state and the village as well as the federal government.

The Village of Potsdam is faced with the prospect of repaying at least \$188,000 in misappropriated urban renewal funds. That total may jump to as high as \$288,000, depending on the agency's success in justifying some audit findings which are still being reviewed by HUD.

Also, attorneys for the Village and the Urban Renewal Agency have contacted those persons who received disallowed relocation payments on the matter of repaying those funds.

Although the persons who received letters were given until July 17 to respond, those responses have not been made public, and local officials have been unwilling to comment on the responses to those letters.

Urban Renewal Agency attorneys Carroll, Carroll and Butz of Syracuse have also been unavailable for comment on the matter.

The persons who received relocation payments which were later disallowed by the HUD audit and sustained include: Robert Riggs, \$10,000, Margaret Call, \$10,000, Vassar Day, \$15,000 and John Dempsey, \$15,000.

Also, former Village Attorney William Culey, \$10,000, Robert Riggs, \$2,500, Louis White, \$6,342.42, and Elek's Beauty Shop, \$6,067.21.

Also, Herbert Cohen \$700, Madan Seth \$6,150, John Dempsey, \$450, Bronen's Music, \$92, Richard LaFay, \$132.25 and Pascal Fonda, \$3,000.



WHERE ARE THE FISH—This youngster seems to have one thing on his mind as he leaves a Greyhound bus in Potsdam last week. He and around 40 other Fresh Air Children from the New York City area are spending their summer vacation with local families. Also shown is Fresh Air volunteer Marge Howe, who rode with the children from New York City to Potsdam. (Betsy Baker photo).

N-N Voters To Weigh New Budget Aug. 9

NORWOOD—Voters in the Norwood-Norfolk Central School District will get the chance to examine a revised school budget for 1978-9 at a special district meeting Aug. 8. Voting on the spending proposal will take place Aug. 9.

The \$4,783,789 budget proposal represents a cut of about \$17,000 from the budget that was defeated on June 21 by a vote of 332 to 242.

In addition, the school board reports that the district will receive \$10,000 more in revenue than originally anticipated. In total, the new proposal will require \$27,000 less tax money than the defeated proposal.

The new spending plan will call for an average tax increase of \$4.41 per \$1,000 assessed valuation throughout the district.

Also on the Aug. 9 ballot will be two separate propositions, one authorizing the purchase of an eight-passenger school bus and another authorizing the purchase of a new pickup truck. Both those propositions were defeated June 21.

The major increases in appropriations in the new budget may be traced to the need to include \$1,123,000 in bond anticipation notes and interest in the 1978-79 budget in order to receive aid in June of 1979 to pay for the \$1,200,000 renovation of the elementary schools. This is a one-year-only item and could not appear in subsequent budgets.

Other areas of increase include a \$23,000 increase in general support, \$93,273 in instruction (4.5 percent), \$50,000 for social security and retirement, and \$22,000 which the board must budget for unemployment claims which will come due during the 1978-79 school year.

Officials emphasized the need for the new eight-passenger school bus which will result in a 2 cents per thousand increase and for a new truck which is utilized for general hauling and maintenance as well as snow removal. Residents are urged to attend the special district meeting or to call or visit the schools to seek answers to questions they may have.

Injured Fireman

In Fair Condition

Walter Smutz, Jr., the Potsdam fireman who was injured July 15 when the fire truck he was driving rolled over three times in an accident on the Back Hamawa Road, is reported to be in fair condition this morning (Tuesday) at Crouse-Ingvar Memorial Hospital in Syracuse, according to hospital authorities.

Smutz is "doing pretty well", authorities said, and has been moved to a medical floor. After leaving intensive care at the hospital Smutz had been on a progressive care floor. He has also undergone an operation for injuries to his face suffered in the accident.

Disabled Vets Plan

Forget-Me-Not Days

Forget-Me-Not Days for the Elmer G. Murphy Post 164 of the Disabled American Veterans will be held in Potsdam Aug. 7 through 12. This is the post's yearly fund-raising drive. Potsdam residents are reminded that post members and auxiliary will be soliciting throughout the town during those days.

Question Arises Over Legal Passage Of County's Proposed Land-Use Plan

BY HAL STOKES

Just when it appeared that their internal problems with the county land-use plan were behind them, the St. Lawrence County Planning Board ran smack into another snag.

This time, the question is: has the planning board legally approved the land-use plan?

According to Planning Board Chairman Harlon Seaman, there is a distinct possibility that they did not. Most everyone else thought they had.

But Seaman pointed out to the board at their Thursday meeting that their own by-laws might actually have prevented the plan from passing.

What he referred to was a phrase in the planning board's by-laws requiring that any approval of a comprehensive land-use plan must be approved by an affirmative vote of the majority of the total membership of the planning board.

In the case of the 15-member planning board, that means that eight people would have to vote "yes" to endorse the plan.

But when the board voted on June 29 to approve the resolution, only seven members voted in favor of it. Two voted against it, and one abstained.

That leaves the whole matter of the land-use plan up in the air.

Seaman's suggestion that the plan may not actually have been approved drew sharp criticism from County Planner Richard Grover. Grover said that it was the chairman's duty to make sure the board knew the status of what they were voting on during the June 29 meeting. "To bring this up two meetings after the vote is highly out of order," the planner said.

But Seaman maintained that he had been unaware of the technicality at the time, and had only recently learned of it. "I don't care what you do with it," he said, "I'm only telling you that it's possible we didn't pass the resolution."

Seaman said, "It's the chairman's duty to be familiar with the by-laws," Grover countered.

Seaman had voted against approving the plan at the June 29 meeting, stating that he felt the board was "messing around with private land."

At the suggestion of board member Lauris Kelly, the board decided to ask County Attorney Charles Palm to study the development to determine what is actually going on.

Meanwhile, the land-use plan remains in a dormant state with the county legislature. At the close of the June 29 meeting, it was believed that the planning board had approved the land-use plan and forwarded it to the county legislature for endorsement.

But, when it came time for legislature to consider the plan, Legislator Robert Thompson withdrew his motion of support, saying that he preferred to wait until the plan is printed and in the hands of the lawmakers before they consider it.

Grover said Thursday that he hopes to have the finished plan together for the legislature to consider at their September meeting. The black-and-white printing of the plan is not progressing as fast as hoped, he said. The printer, Racquette River Print Shop in Potsdam, had some difficulty getting the desired reproduction quality and has adopted a new process to get better results.

In a related matter Grover said that

Chairman of the County Legislature Bennett Abrams sent a letter to Secretary of State Mario Cuomo informing him of the county's status with the plan. The State Department needs to be informed of progress, because the adoption of the plan is in keeping with an agreement with the state.

The June 29 meeting of the board contained heated discussion over the land-use plan. And, it was learned Thursday, the minutes of that June 29 meeting were never approved. Normally, minutes of one board meeting are approved at the outset of the next one, but the planning board convened after June 29 and took no action on the minutes. Thursday, the board voted to rectify that, and belatedly approved the June 29 minutes.

On June 29 Seaman was joined in opposition to the plan by Lauris Kelly. Voting in favor of the plan were Kathy Champney, Walt Reimer, John Tanski, Philip Woodward, Mary Rutley, Stephen Crane, and R. Benson. Augustus Marscher abstained.

The plan had been perceived as controversial, particularly over one phrase that "discouraged" the development of nuclear fission reactors, 785 kV lines, and "other centralized energy-generating facilities." Thursday night, Grover informed the board that he had slightly changed the wording of the plan so that it "discourages" the development of nuclear fission reactors and 785 kV lines, but not centralized energy-generating facilities. The amended version states that such facilities should be carefully studied for public need before being developed.

Softball Field, Motel Variances Aired At Zoning Meeting

The controversy over a local softball field continued last week as the Potsdam Village Zoning Board of Appeals turned down a request for fencing and a row of trees to be placed across the field, which is located behind the Quonset restaurant.

The board's action, at last Wednesday's meeting, came in response to a written request from Mr. and Mrs. Albert Balukjian of 84 Waverly St. and Mr. Ronald Gagner of 85 Waverly St. for a fence and a row of trees to be placed across the softball field to mark the line between the B-1 (business) and R-1 (residential) zones. Both Balukjian and Gagner reside adjacent to the field.

In mid-July the Zoning Board of Appeals had granted Haig Avadikian, the owner of the field, a special permit to allow softball playing on the half of the field which lies in the B-1 zone. The other half of the field, owned by Paul Post of Massena, is zoned R-1. The Village zoning ordinance does not allow special recreational use permits in an R-1 zone.

Mr. and Mrs. Balukjian had voiced opposition to the softball field at the July meeting. The request for fencing and a row of trees was apparently an attempt to further separate the field from nearby residences.

The Zoning Board of Appeals, which unanimously denied the request, said in a prepared statement that it did so for two reasons. First, the board felt that the construction of such a barrier would be in conflict with the earlier decision to allow softball playing on the B-1 half of the field. Second, the board felt that it could not arbitrarily require a property owner to improve his property.

Albert Balukjian indicated that he was "extremely disappointed" with the Zoning Board's refusal to grant his request, and he said he might seek court action on the matter.

Prior to the Zoning Board's July decision on the softball field no games had been played since 1977, when neighbors complained about the use of the field for softball.

In other action the Zoning Board tabled one request for a variance for the Holiday Inn complex, and approved two other requests for that complex.

Tabled was Globe Enterprises Inc. request for a variance for a sign for the motel, pending more information on the sign from the developers and the Village Planning Board.

The Village Planning Board, the developers had offered to use instead a 13 ft. seven in. lighted sign, with a total of 77 sq. ft. Holiday Inn also proposes to have a lighted sign in written script on the facade of the four story motel building.

Some zoning Board of Appeals members seemed to feel that more time was needed to determine how the signs will look in relation to the rest of the village. The motion to table the request was unanimously approved.

A special permit for the Holiday Inn restaurant and bar was approved by the Zoning Board, as was variance for parking. The developers for the Holiday Inn complex had allowed 164 parking spaces in plans for the motel; the Village zoning ordinance would require 228 spaces. The Village Planning Board had recommended that the Zoning Board approve the request for 164 spaces, since the Planning Board had reasoned that persons staying at the motel might presumably eat in the restaurant as well.

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CETA Lay-Offs Will Affect Potsdam, County

The effects of the two to three week suspension of the CETA Title VI program in September will be felt in Potsdam as well as most of the rest of the county.

The suspension was announced last Thursday by CETA Director Carlton Doane after it was revealed that there was overspending within the department. Without the suspension and subsequent lay-offs of some 675 CETA Title VI employees throughout the county, the program would be an estimated \$228,000 in the red by the end of federal fiscal year Sept. 30.

The decision to suspend the entire Title VI program for two to three weeks came about 10 days after it was first learned that the project was overspent. During that time, a controversy emerged within the county and the CETA administration that led to the resignation of CETA Deputy Director Robert Penski. As Penski resigned last Wednesday, he issued a searing, six-page letter that was highly critical of county Administrative Assistant William P. Collins. In return, Collins on Friday issued a lengthy statement that defended the county's actions in the matter and cast a shadow on the financial practices within CETA. (Their full statements appear on page six of this week's Courier and Freeman).

In the meantime, the decision was made last week to lay off the 675 Title VI employees. No final decision has been made on when the lay-offs will begin. It also appears uncertain as to when the programs would resume because Congress has yet to extend the CETA program into fiscal 1979.

One of the most visible programs that will be suspended is the county's paraprofessional police force, headquartered in Potsdam. Operating under the auspices of the St. Lawrence County Police Executive Council, the project has trained and placed with various police agencies throughout the county some 38 of the para-police employees. There are seven with the Potsdam Police Department.

Another place that the lay-offs will be felt is in the Potsdam Day Care Center. Also affected will be the Canton Day Care Center.

Still another effect will be felt in the St. Lawrence County Office For the Aging. Title VI employees are active in the nutrition program for the elderly and the safety program for the elderly.

Still more programs that will be affected are:

- CETA impact teams
- St. Lawrence County Community Development Programs, Inc., including a county survey, winterization program, housekeeping program, and housing rehabilitation program
- A community learning skills program at Mater Dei College in Ogdensburg
- A folkway survey for the St. Lawrence County Historical Association
- Woodlands improvement for the St. Lawrence County Soil and Water Conservation District
- Correctional services with the county Sheriff's Department.
- An accommodations directory and angler's guide program for the St. Lawrence County Chamber of Commerce
- CETA intake and assessment

The reasons for the overspending have been laid to be: when the CETA

department prepared a quarterly report on its finances in March of this year, it apparently forgot to include two agencies, with combined expenditures of about \$150,000. Thus, its report revealed that CETA was only using 93 percent of its funds, so the department went ahead and hired more participants, to bring expenditures up to par with the budget.

But actually, the department was spending 100 percent of its budget, so the added participants caused CETA to overexpend its Title VI budget by seven percent in April, May, June, and the first part of July.

In addition, Collins said that CETA officials forgot to account for the vacation and personal days earned by Title VI participants.

The CETA Title VI Emergency Jobs Program has given temporary employment opportunities to almost 1,200 people since Oct. 1, 1977 through June 30, 1978 according to Carlton Doane, CETA director. The participants have provided many services to the St. Lawrence County Community which would not have been available without the CETA funds, he said.

The Title VI Public Service Employment program is temporary employment for persons who are unemployed at least 15 of the past 20 weeks and meet 70 percent of the lower level income standard.



TRAFFIC SIGNALS—Pedestrians and motorists should be aware that the State Department of Transportation has completed work on pedestrian-activated walk lights, located on the corner of Park and Elm streets near the Potsdam Museum. The lights will permit pedestrians to cross Park Street from the museum to Snell Hall, or to cross Elm Street from the museum to the Christian Science Church. (Betsy Baker photo).