

**HUDSON RIVER-BLACK RIVER REGULATING DISTRICT
GOVERNANCE COMMITTEE MEETING**

April 10, 2012

Warren County Municipal Center
1430 State Route 9
Lake George, NY 12845

CALL TO ORDER

Acting Committee Chairman Hayes called the meeting to order at 10:15 A.M.

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: Acting Committee Chairman Albert J. Hayes; Committee Member Thomas Stover; and Board Chairman as Ex Officio Committee Member David W. Berkstresser; Executive Director Michael A. Clark; General Counsel Robert P. Leslie; Chief Engineer Robert S. Foltan; Chief Fiscal Officer Richard J. Ferrara; Hudson River Area Administrator John Hodgson; Black River Area Administrator Carol L. Wright; and other Regulating District staff.

Excused: Michael F. Astafan

MOTION TO ADOPT COMMITTEE MEETING AGENDA

A motion was made by Mr. Stover to adopt the meeting agenda. Mr. Hayes seconded it and the motion was unanimously approved.

MOTION TO APPROVE MARCH 13, 2012 COMMITTEE MEETING MINUTES

A motion was made by Mr. Stover to approve the Minutes of the Committee's March 13, 2012 Meeting. Mr. Hayes seconded it and the motion was unanimously approved.

COMMITTEE BUSINESS

(A) Old Business –

- a. Mr. Hayes led the Committee's discussion with regard to the effort to restructure the system of standing committees. Mr. Berkstresser proposed that the current proposal to reduce the number of committees from nine to four be amended to further reduce the number of standing committees to three, (Governance, Finance, and Audit). Discussion ensued regarding the elimination of the Operations Committee and adding the purposes of such committee to the Governance Committee.

Mr. Stover made a motion to eliminate the proposed Operations Committee, and to deliver each of the remaining three Committee Charters (Governance,

Finance, and Audit) to the Board with the Committee's recommendation for adoption. Mr. Hayes seconded and the Motion was unanimously adopted.

Mr. Stover made a clarifying motion to move the purposes articulated in the Operations Committee Charter proposal to the Governance Committee Charter proposal and then to deliver each of the remaining three Committee Charters (Governance, Finance, and Audit), as amended, to the Board with the Committee's recommendation for adoption. Mr. Hayes seconded and the Motion was unanimously adopted.

b. Discussion of revised By-Laws pursuant to adoption of committee charters

Mr. Hayes led a discussion of the proposed revisions to the Regulating District's By-Laws occasioned in principal by the Committee's recommendation to revise the number of standing committees. Mr. Leslie noted that the proposed revision to the By-Laws should be amended to depict the new three, rather than four, standing committee structure. Mr. Hayes noted that the address for the Black River Area Office should be revised to reflect the new office address to which BRAO will move within a couple of weeks. Mr. Hayes asked why language establishing the Board as the sole policy maker for the Board is proposed for removal. Mr. Leslie explained that the suggestion that the Board is the sole policy maker does not reflect the reality, for the purposes of the Ethics financial disclosure requirement, that members of senior staff are appropriately considered policy-makers of the Regulating District. For example, the Executive Director prepares a draft agenda for the Board Chair and has discretion in the exercise of his authority to implement the broad policy decisions made by the Board. Mr. Hayes inquired as to the provision setting the number and timing of Board meetings. Mr. Stover recommended that the language of the proposed By-Laws pertaining to regular meetings remain. Mr. Hayes seconded the Motion and the Motion passed unanimously.

Mr. Stover made a motion to advance the proposed revisions to the By-Laws to the full Board with the Committee's recommendation for the Board's adoption. Mr. Hayes seconded the Motion and the Motion carried unanimously.

(B) New Business -

- a. Mr. Ferrara led a discussion of the Annual Review and Approval of the Regulating District's Investment Policy. Mr. Ferrara noted that Public Authorities Law Section 2925 sets forth procedures to be followed by public authorities with respect to the adoption of an Investment Policy. This includes a requirement that the Authorities policy be reviewed annually and approved annually by the governing board. There being no changes to the subject policy, Mr. Ferrara recommended the Committee recommend that the Board approve a Resolution to satisfy the PAL §2925 requirement.

RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF INVESTMENT POLICY

Mr. Stover moved to report the Resolution to the full Board with the Committee's recommendation for adoption. Mr. Hayes seconded it and the Motion was unanimously adopted.

- b. Mr. Ferrara led a discussion of the Annual Review and Approval of the Regulating District's Procurement Policy. Mr. Ferrara noted that Public Authorities Law Section 2879 sets forth procedures to be followed by public authorities with respect to the adoption of its Procurement Policy. This includes a requirement that the Authorities policy be reviewed annually and approved annually by the governing board. Pursuant to Section 2879(3)(1), the Procurement Guidelines have been amended to include the District's effort to include MWBE business enterprises in its procurement effort. Mr. Ferrara recommended that the Committee recommend that the Board approve the Resolution to satisfy the PAL §2879 requirement.

RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF PROCUREMENT POLICY

Mr. Stover moved to report the Resolution to the full Board with the Committee's recommendation for adoption. Mr. Hayes seconded it and the Motion was unanimously adopted.

- c. Mr. Ferrara led a discussion of the Annual Review and Approval of the Regulating District's Property Disposal Guidelines. Mr. Ferrara noted that Public Authorities Law Section 2896 sets forth procedures to be followed by public authorities with respect to the disposal of authority property. This includes a requirement that the Authorities policy be reviewed annually and approved annually by the governing board. There being no changes to the subject policy, Mr. Ferrara recommended the Committee report the Resolution to the Board with the Committee's recommendation that the Board approve the Resolution to satisfy the PAL §2896 requirement.

RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF PROPERTY GUIDELINES POLICY

Mr. Stover moved to adopt the Resolution. Mr. Hayes seconded it and the Resolution was unanimously adopted.

- d. Mr. Clark led a first reading of a Resolution to Authorize Modification of Front Lot Access Permit Widths. Mr. Clark noted that a Resolution passed by the Board in January 2010, Resolution 10-03-01, '*Resolution to Acknowledge Certain Past Practices Pertaining to the Permit System Rules*' prevents Regulating District staff from addressing inequities in the administration of the Access Permit System. He recommended that the Board continue certain aspects of Resolution 10-03-01 but allow staff to modify the width or alignment of front lot access permits areas when all

affected permit holders are in reasonable agreement. Mr. Hayes thanked Mr. Clark for his presentation and tabled the matter to enable further consideration by the Members in anticipation of a second reading at the May, 2012 meeting.

ADJOURNMENT

There being no further business to come before the Governance Committee, Mr. Stover moved to adjourn the meeting. Mr. Hayes seconded it. The motion was unanimously approved. The committee meeting adjourned at 11:07 A.M.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard J. Ferrara". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Richard J. Ferrara
Secretary/Treasurer