

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

737 Bunker Hill Road
Mayfield, NY 12117
June 8, 2021

Remote Conference-In Information

As per continued COVID-19 social distancing restrictions, walk-in public access was limited. Participants were invited to join the meeting via computer, tablet or smartphone.

<https://global.gotomeeting.com/join/966979173> or via phone.

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CALL TO ORDER

Committee Chairman Jeffrey Rosenthal called the meeting to order at 10:00 A.M.

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: Committee Chair Jeffrey Rosenthal, Committee Members Kenneth DeWitt and Albert J. Hayes; Board Chairman Mark M. Finkle; Board Member Timothy J. Reagan; Executive Director John C. Callaghan; General Counsel Robert P. Leslie; Chief Fiscal Officer Timothy Maniccia; Chief Engineer Robert S. Foltan; Area Administrator John Hodgson; and Compliance Officer Stephanie Ruzycky.

Video Feed: Committee Member Alfred J. Candido, Jr., Board Member Richard Bird

MOTION TO ADOPT COMMITTEE MEETING AGENDA

Committee Chairman Rosenthal asked for a motion to adopt the Committee's draft agenda. Mr. Hayes moved to adopt the meeting agenda. Mr. DeWitt seconded it and the motion was unanimously approved.

APPROVAL OF MARCH 9, 2021 GOVERNANCE COMMITTEE MEETING MINUTES

Mr. DeWitt made a motion to adopt the March 9, 2021 Governance committee meeting minutes. Mr. Hayes seconded it and the motion was unanimously approved.

RECOGNITION OF JOHN HODGSON

As this meeting represents John Hodgson's last board meeting before retirement, Board Chair Mark Finkle and Governance Committee Chair Jeffery Rosenthal called upon NYS Assemblyman, and former Regulating District Executive Director, Robert S. Smullen. Col. Smullen (USMC, retired) offered congratulations and appreciation for John's long tenure with the Regulating District and an equally long tenure with the United States Coast Guard; wishing fair winds and following seas.

COMMITTEE BUSINESS

New Business –

- A. Motion to advance to the Board a resolution to award the Regulating District's insurance program for policy year July 1, 2021 Through June 30, 2022 to Arthur J. Gallagher, Inc. – Mr. Maniccia

RESOLUTION TO AWARD THE REGULATING DISTRICT'S INSURANCE PROGRAM FOR POLICY YEAR JULY 1, 2021 THROUGH JUNE 30, 2022

Mr. Maniccia presented a Resolution to award the Regulating District's insurance program for policy year July 1, 2021 through June 30, 2022. He noted that the Board authorized the District to retain Marshall & Sterling Insurance to provide insurance and risk management services via Resolution 19-46-11 in November 2019. In March 2020, Marshall & Sterling Insurance provided insurance and risk management services to the District by crafting and overseeing the launch of a formal competitive procurement process for Insurance Brokerage Services for the District's Insurance Program for policy year July 1, 2020 through June 20, 2021. However, shortly thereafter, Marshall & Sterling Insurance advised the District to postpone the formal competitive procurement process for Insurance Brokerage Services because of the adverse effects the onset of the COVID-19 pandemic was likely to have on the competitive procurement process. Mr. Maniccia noted that on March 7, 2020 the Governor declared a Disaster Emergency via Executive Order No. 202, which order allows state agencies, authorities and local governments to cope with the emergency, and temporarily suspended a number of procurement statutes, including sections 112, 136-a and 163 of the State Finance Law, among others, to allow the purchase of necessary commodities, services, technology and materials. Mr. Maniccia recommended that the Board determine that the Insurance Program for policy year July 1, 2021 through June 30, 2022 is a necessary service. He noted that Cool Insuring Agency has satisfactorily provided the District's Insurance Program for many years and was authorized by the Board via Resolution 17-22-06 to provide the Insurance Program for Policy Years July 1, 2017 through June 30, 2020 and via Resolution 20-30-06 to provide the Insurance Program for Policy Year July 1, 2020 through June 30, 2021. Mr. Maniccia noted that Cool Insuring Agency, Inc. has recently combined its operations with Arthur J. Gallagher, Inc. and recommended the Board award the Regulating District's Insurance Program for the policy year of July 1, 2021 through June 30, 2022 to the Arthur J. Gallagher, Inc.

Mr. DeWitt made a motion to advance to the full Board a resolution to award the Regulating District's insurance program for policy year July 1, 2021 through June 30, 2022 to Arthur J. Gallagher, Inc. Mr. Hayes seconded and the Committee approved the motion advancing the resolution to the full Board by unanimous vote.

- B. Motion to advance to the Board a resolution to approve insurance proposal for policy year July 1, 2021 through June 30, 2022 – Mr. Maniccia

RESOLUTION TO APPROVE INSURANCE PROPOSAL FOR POLICY YEAR JULY 1, 2021 THROUGH JUNE 30, 2022

Mr. Maniccia presented a resolution to approve the insurance proposal for policy year July 1, 2021 through June 30, 2022. Building upon the Resolution awarding Arthur J. Gallagher, Inc. the Regulating District's insurance program for the policy year ending June 30, 2022, the Executive

Director and Chief Fiscal Officer recommend that the Board accept the insurance proposal developed by Arthur J. Gallagher, Inc. for the annual premium amount of \$190,070.00.

Mr. Hayes made a motion to advance to the full Board a resolution awarding the Regulating District's insurance coverage contract for the period July 1, 2021 through June 30, 2022 to Arthur J. Gallagher, Inc. for the annual premium amount of \$190,070.00. Mr. Candido seconded and the Committee approved the motion advancing the resolution to the full Board by unanimous vote.

- C. Motion to advance to the full Board a resolution to approve a second amendment to the Reservoir Operating Agreement at Conklingville – Mr. Leslie

RESOLUTION APPROVING A SECOND AMENDMENT TO THE RESERVOIR OPERATING AGREEMENT AT CONKLINGVILLE

Mr. Leslie presented a resolution to the Committee for approval of a second amendment extending the Reservoir Operating Agreement between the Hudson River – Black River Regulating District Board (“*Regulating District*”) and Erie Boulevard Hydropower, L.P., (“*Erie*”). He noted that the original agreement, dated July 1, 2003 and later amended by agreement dated May 19, 2006, expires on June 30, 2021. He further explained that the said Reservoir Operating Agreement continues a long-term relationship with Erie and its predecessors in interest including previous Reservoir Operating Agreements with the Regulating District in 1927, 1939, 1949, 1971, and 1980. Mr. Leslie noted that the Regulating District hired Walden Environmental Engineering, PLLC, to appraise the fair market value of the Regulating District's 56 feet of head used by Erie at Conklingville and that the parties intend to rely upon that appraisal in the negotiation of a new long-term replacement to the expiring Reservoir Operating Agreement. Further, the parties acknowledge that additional time may be required to acquire necessary data, including data from Erie, to complete the appraisal and to negotiate a new long-term agreement. He and the Executive Director recommended that the Committee advance to the full Board the resolution to authorize the Executive Director to enter into an agreement extending the current Reservoir Operating Agreement's term by one year to June 30, 2022.

Mr. Candido made a motion to advance to the full Board a Resolution authorizing the Executive Director to enter into an agreement extending the current Reservoir Operating Agreement at Conklingville by one year to June 30, 2022. Mr. DeWitt seconded and the Committee approved the motion advancing the resolution to the full Board by unanimous vote.

- D. Motion to advance to the full Board a resolution to approve an agreement with NYS Civil Service on attendance and leave transfers – Mr. Callaghan

RESOLUTION TO ENTER INTO A RECIPROCAL AGREEMENT ON TRANSFER OF LEAVE AND SERVICE CREDITS WITH THE NYS DEPARTMENT OF CIVIL SERVICE

Mr. Callaghan presented to the Committee a resolution to authorize an agreement with the NYS Department of Civil Service which would allow an entering or departing employee to transfer sick leave and service credits. Mr. Callaghan noted that the leave & attendance manual maintained by the NYS Department of Civil Service is designed to assist state departments and agencies in the interpretation and application of the attendance rules for employees in NYS departments and institutions and the attendance and leave provisions of the agreements negotiated with state employee organizations. Part 24 of the leave & attendance manual is intended to facilitate the movement of

qualified personnel between positions subject to the attendance rules for employees in NYS departments and institutions and positions not subject to the rules (e.g., the unclassified service, public benefit corporations, authorities, etc.). He noted that the President of the Civil Service Commission is authorized to enter into reciprocal agreements with public agencies not covered by the rules to provide for the transfer of service and leave credits when employees move between positions in such agencies and positions subject to the rules and that, as evidenced by appendix G of the leave & attendance manual, there are now over four dozen current reciprocal agreements between the President of the Civil Service Commission and eligible public agencies. Mr. Callaghan explained that reciprocal agreements which include the transfer of leave credits are possible only with public agencies which have regulations on attendance and leave which are substantially equivalent to the attendance rules outlined in the NYS civil service leave & attendance manual. He noted that he has pursued an agreement permitting the transfer of leave and service credits with the NYS Department of Civil Service since shortly after his arrival at the Regulating District and in response to his request, and in accordance with the procedures governing the establishment of reciprocal agreements on the transfer of leave and service credits, the NYS Department of Civil Service, Director of Staffing Services has advanced the attached reciprocal agreement between the Department of Civil Service and the Hudson River – Black River Regulating District. Mr. Callaghan explained that, pursuant to the proposed agreement, upon movement of an employee between a position subject to the time and attendance policies for employees of HRBRRD and a position subject to the attendance rules for employees in NYS departments and institutions, up to 200 days of sick leave shall be transferred in the same manner and subject to the same restrictions and limitations as would apply if such movement were between two positions subject to the attendance rules for employees in NYS departments and institutions. Further, for the purposes of applying the various provisions of the time and attendance rules for employees of HRBRRD or the attendance rules for employees in the NYS departments and institutions to employees who move to and from positions subject to those rules and those policies, previous service with HRBRRD shall be credited as state service and previous service in the classified or unclassified service of the Executive, Legislative or Judicial branch shall be credited as service with HRBRRD. Mr. Callaghan recommended that the Committee advance to the full Board the resolution authorizing the Executive Director to enter into a reciprocal agreement on the transfer of leave and service credits with the NYS Department of Civil Service.

Mr. Candido made a motion to advance to the full Board a resolution authorizing the Executive Director to enter into a reciprocal agreement on the transfer of leave and service credits with the NYS Department of Civil Service. Mr. Hayes seconded and the Committee approved the motion advancing the Resolution to the full Board by unanimous vote.

ADJOURNMENT

There being no further business to come before the Governance Committee, Mr. Hayes moved to adjourn the meeting. Mr. DeWitt seconded the motion to adjourn. The motion was unanimously approved. The committee meeting adjourned at 10:19 A.M.

Respectfully submitted,

Robert P. Leslie
Secretary

Mark M. Finkle
Board Chairman