

**HUDSON RIVER-BLACK RIVER REGULATING DISTRICT
BOARD MEETING MINUTES**

Utica State Office Building, Room 205

207 Genesee Street

Utica, NY 13501

10 AM

July 13, 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/818520285> or via phone.

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CALL TO ORDER

Chairman Mark M. Finkle called the meeting to order at 10:00 A.M.

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: Board Chairman Mark M. Finkle; First Vice-Chair Jeffrey Rosenthal; Second Vice-Chair Kenneth DeWitt; Board Members Albert J. Hayes, Richard Bird, and Alfred J. Candido Jr.; Executive Director John C. Callaghan; General Counsel Robert P. Leslie; Chief Engineer Robert S. Foltan; Chief Fiscal Officer Timothy Maniccia; and Compliance Officer Stephanie Ruzycky.

Video Feed: Board Member Timothy J. Reagan - Excused.

MOTION TO ADOPT OR REVISE THE MEETING AGENDA

Chairman Finkle asked for a motion to adopt the agenda. Mr. Rosenthal made a motion to adopt the agenda. Mr. DeWitt seconded. The Board approved the motion by unanimous vote.

PUBLIC COMMENT

Chairman Finkle opened the meeting to public comment; hearing none.

APPROVAL OF THE JUNE 8, 2021 REGULAR BOARD MEETING MINUTES

Chairman Finkle asked for a motion to adopt the June 8, 2021 regular board meeting minutes. Mr. DeWitt advanced the motion to approve the regular meeting minutes. Mr. Hayes seconded and the Board approved the motion by unanimous vote.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Callaghan presented his report to the Board. He reported that he spent much of the reporting period ensuring a successful knowledge transfer from the retiring administrator to other members of the Regulating District staff. Mr. Callaghan noted his ongoing conversations with Board members about how best to fulfill the Regulating District's mission and assign duties given the retirement of the administrator. Mr. Callaghan also noted he is working with representatives from the 109th Airlift Wing to accommodate training on Great Sacandaga Lake based out of SFO and that he is working with Jeffrey Pearlman, Director of the Authorities Budget Office, to coordinate training for Senior Staff and Board members on September 14.

Mr. Callaghan noted that NYS Division of Budget issued Budget Bulletin D-1142 entitled "*Management/Confidential Salary Actions: 2% General Salary Increase; Longevity Payments and Performance Advances*" on May 21, 2021. Mr. Callaghan reminded the Board that Resolution 15-17-05, adopted at the May 2015 meeting, placed each of the Regulating District's management confidential (M/C) staff at a specific grade and step pursuant to salary schedules administered by the Governor's Office of Employee Relations (GOER) and linked M/C raises for Regulating District employees to future schedules as adopted by the GOER. Accordingly, the CFO will execute the appropriate salary actions for applicable M/C employees on July 21, 2021, as prescribed by Budget Bulletin D-1142.

CONTRACTS/ACTIONS

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AGREEMENT BY AND BETWEEN THE HUDSON RIVER-BLACK RIVER REGULATING DISTRICT AND THE CIVIL SERVICE EMPLOYEES ASSOCIATION, INC., AFSCME LOCAL 1000, AFL-CIO, HUDSON RIVER-BLACK RIVER REGULATING DISTRICT LOCAL 120

Mr. Callaghan presented a resolution through which the Board would ratify the Executive Director's execution of a Memorandum of Agreement with representatives of the Regulating District's CSEA, AFSCME, Local 1000, AFL-CIO unit memorializing a negotiated employment agreement for the period July 1, 2020 through June 30, 2024.

Chairman Finkle asked for a motion adopting the Resolution. Mr. Hayes made a motion to adopt the resolution ratifying the memorandum of agreement with the CSEA bargaining unit. Mr. Rosenthal seconded and the Board adopted the motion by unanimous vote.

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO SECURE A PERMIT FROM THE OFFICE OF GENERAL SERVICES FOR 656 SQUARE FEET OF RENTABLE OFFICE SPACE LOCATED ON THE 6TH FLOOR OF THE DULLES STATE OFFICE BUILDING AT 317 WASHINGTON STREET WATERTOWN, NEW YORK

Mr. Callaghan presented a resolution authorizing the extension of the permit for office space at 317 Washington Street, Watertown (Dulles State Office Building). He noted the current 'permit' for the space occupied by the Regulating District's Black River Area Office expires on July 31st and that the Office of General Services has offered to extend the permit for three years at \$9,840 per annum; payable \$2,460 per quarter. Mr. Callaghan noted that the permit is subject to the review and approval

by the Office of the New York State Attorney General and the New York State Office of the State Comptroller.

Board Chair Finkle asked for a motion to authorize the Executive Director to execute a new permit for space at the Dulles State Office Building, with a three year term, effective August 1, 2021 for a permit fee not to exceed nine thousand, eight hundred forty and 00/100 dollars (\$9,840) per annum. Mr. Bird so moved. Mr. DeWitt seconded and the Board adopted the resolution by unanimous vote.

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER A LEASE FOR SPACE LOCATED ON THE 3rd FLOOR OF 575 BROADWAY ALBANY, NEW YORK

Mr. Callaghan presented a resolution authorizing the executive director to enter into a lease for new space for the Hudson River Area Office. He noted that the Regulating District's agreement for a three-year lease with DF Acquisitions, LLC for the two spaces occupied by the Hudson River Area Office (HRAO) within 350 Northern Blvd., Albany, New York is set to expire on September 30, 2021 and that after an extensive search of available leasable space, he recommends 575 Broadway, Albany, which is operated by Fuller Road Management Corporation, for the HRAO.

Mr. Callaghan noted that the space is subject to a 60-day option which can be exercised by SEFCU (another tenant in the building which has right of first refusal) and that it is for this reason the property is available at such a favorable rate. He explained that the five-year lease would commence September 1, 2021 at the following fee per annum:

- Year 1: \$33,020.04 - thirty-three thousand, twenty and 04/100 dollars;
- Year 2: \$33,680.44 - thirty-three thousand, six hundred eighty and 44/100 dollars;
- Year 3: \$34,354.05 - thirty-four thousand, three hundred fifty-four and 05/100 dollars;
- Year 4: \$35,041.13 - thirty-five thousand, forty-one and 13/100 dollars;
- Year 5: \$35,741.95 - thirty-five thousand, seven hundred forty-one and 95/100 dollars.

Further, Mr. Callaghan noted that monthly utilities, real estate taxes, operating expenses, common area maintenance, and janitorial services are included at no additional charge. In order to match necessary parking, as is currently available at 350 Northern Blvd., he explained that he has negotiated for eight parking spaces in the Quackenbush Square parking garage. Mr. Callaghan noted that the total lease and proposed parking fees will represent approximately \$3,446 in initial annual savings and recommended that the Board approve the new lease for a term of five years at the rates specified in the attached agreement.

Chair Finkle asked for a motion to authorize the Executive Director to execute a new lease agreement with a five-year term, effective September 1, 2021 at the specified fee per annum. Mr. Rosenthal so moved. Mr. DeWitt seconded and the Board approved the motion adopting the resolution by unanimous vote.

RESOLUTION AUTHORIZING RENEWAL OF AN AGREEMENT WITH UNITED STATES GEOLOGICAL SURVEY

Mr. Foltan presented a resolution extending an agreement with the U.S. Department of the Interior – U.S. Geological Survey. He noted that the Regulating District's enabling legislation requires river and reservoir gauge facilities and explained that the Regulating District has received a contract to renew the cooperative joint funding agreement from the USGS pursuant to which the USGS will

undertake with the Regulating District stream measurement, discharge record and reservoir record work beneficial to the Regulating District for the period July 1, 2021 to June 30, 2024 for the total sum of \$573,480.00 with the Regulating District's share being \$437,310.00. Mr. Foltan noted that the USGS will invoice the Regulating District on a quarterly basis.

Board Chair Finkle asked for a motion authorizing the Executive Director to execute an agreement with the USGS to renew the cooperative joint funding agreement for the period from July 1, 2021 to June 30, 2024 for a total not to exceed amount of \$437,310.00. Mr. Hayes so moved. Mr. Rosenthal seconded and the Board adopted the resolution by unanimous vote.

RESOLUTION TO ACCEPT PAUL C. RIZZO ENGINEERING – NEW YORK, PLLC AMENDMENT # 3 PROPOSAL TO PERFORM COMPLETION OF SEISMIC STABILITY AND LIQUEFACTION & DEFORMATION ANALYSIS OF THE STILLWATER DAM

Mr. Foltan presented a resolution authorizing a third amendment to contract C022018. Mr. Foltan explained that in August 2010, the Board of the Hudson River-Black River Regulating District authorized staff to hire Paul C. Rizzo Engineering – New York, PLLC (Rizzo) to complete a Federal Energy Regulatory Commission (FERC) required Liquefaction & Deformation Analysis of the Stillwater Dam. In December of 2018, the Board passed Resolution 18-38-12, accepting the proposal submitted by Rizzo and authorizing the Interim Executive Director to execute agreement C022018 in the amount of \$84,926.00. By August 2019, Rizzo indicated that it did not include a work task or budget to develop a FERC-mandated Drilling Program Plan (DPP) in its November 2018 proposal, the completion of which is required prior to completing subsurface drilling and exploration activities. In September of 2019, the Board passed Resolution 19-38-09, accepting Rizzo's proposal to complete the FERC-mandated DPP and authorizing the Executive Director to execute an amendment to contract C022018 increasing the not-to-exceed amount by \$13,708.00. Rizzo then developed a proposal to address certain 8th Part 12D Independent Consultant recommendations which the Board approved in a second amendment to Contract C022018 through Resolution 21-18-05 increasing the not-to-exceed amount by \$70,156 to a total contract price of \$168,790.

The need for this third amendment arises because FERC, in July 2018, in response to recommendations made in the 7th Part 12D Independent Consultant Safety Inspection Report (February 2016), requested an update of, and completion of, additional Seismic Stability Analyses for gravity structures (earth embankment dams, concrete dam, and spillway) at the Stillwater Dam. Pursuant to its original proposal, Rizzo developed a subsurface investigation program and completed the additional Seismic Stability Analyses of gravity structures. Upon submission, FERC now requires an additional six borings, for a total of eight, requiring an unanticipated three additional weeks of on-site field supervision. Mr. Foltan explained that, in response to FERC's comments, Rizzo Engineering has now provided a summary of the additional work (planning the six additional borings and three additional weeks of on-site field supervision) necessary to complete the subsurface investigation and to complete the additional seismic stability analyses. Rizzo proposes to provide the engineering services required to complete the six additional (eight in total) borings and the necessary on-site field supervision for a not-to-exceed fee of \$22,844 for a total fee for contract C022018 not-to-exceed price of \$191,634. Mr. Maniccia noted a need for the Board to approve a transfer within the fiscal year 2021-2022 budget. He explained that the Board adopted a budget for the July 1, 2021-June 30, 2025 triennial period in June; a triennial budget which requires use of estimates over a longer period than does an annual budget. This budget does not now provide sufficient authority to expend District funds in the amounts needed. Further, Mr. Maniccia explained that in order to provide

sufficient funding in the current Fiscal Year for the following Expenses, staff seek authority to execute this transfer in the Fiscal Year 2021-22 budget;

Account Number	Account Name	Increase	Decrease
5695-0700	Engineering Consultant	\$22,844	
5020-0700	Salaries- Temporary		\$10,920
5070-0700	Pension & Retirement		\$1,802
5100-0700	Social Security		\$677
5120-0700	Medicare		\$158
5260-0700	Capital Improvements		\$9,287

Mr. Foltan noted that this third amendment is subject to the review and approval of the NYS Attorney General and the NYS Office of the State Comptroller.

Board Chair Finkle asked for a motion authorizing the Executive Director to execute an agreement authorizing the Executive Director to accept Rizzo’s Contract Amendment # 3 Proposal and to execute a third amendment to contract C022018 to increase the amount of the contract by \$22,844 to a total contract price of \$191,634 and to authorize the necessary budget transfers. Mr. Rosenthal so moved. Mr. DeWitt seconded and the Board adopted the resolution by unanimous vote.

RESOLUTION TO AWARD HUMAN RESOURCES CONSULTING SERVICES WORK TO PINNACLE HUMAN RESOURCES, LLC

Mr. Maniccia presented a resolution to engage a human resources consultant. He noted that the New York State Inspector General released a report on April 8, 2021 identifying several recommendations the Regulating District should make to strengthen its human resources practices, including taking steps to “verify the accuracy of its retirement records and personnel databases”. Mr. Maniccia explained that a consultant experienced in such matters can provide valuable assistance in ensuring the Regulating District efficiently and effectively implements these recommendations; and that, as always, staff seeks to engage a M/WBE certified firm whenever possible. Mr. Maniccia noted that Pinnacle Human Resources, LLC is both an experienced human resource consulting firm and a WBE certified firm and that funds sufficient to compensate Pinnacle Human Resources, LLC have been included in the Regulating District’s Fiscal Year 2021-22 budget that was approved by the Board at its June 8, 2021 meeting via Resolution 21-26-06. Mr. Maniccia recommended that the Board award human resources consulting work for the fiscal year July 1, 2021 through June 30, 2022, to Pinnacle Human Resources, LLC and authorize the Executive Director to enter into the contemplated contract C032021 for an amount not to exceed \$9,450.00.

Chair Finkle sought a motion through which the Board would adopt a resolution awarding a contract to Pinnacle Human Resources, LLC and authorize the Executive Director to enter into a contract for an amount not to exceed \$9,450.00. Mr. Candido so moved. Mr. Bird seconded and the Board adopted the resolution by unanimous vote.

STAFF REPORTS

Mr. Leslie presented his report. Mr. Leslie noted he, the Executive Director, CFO and Chief Engineer continue to work with DEC, the Division of Budget, and the Chamber to address how the

Regulating District can assist DEC to contract with OGS to complete necessary analysis, design and construction work at Conklingville. Counsel has advanced to Brookfield the executed agreement for an extension of the Reservoir Operating Agreement. Counsel continues to work with Walden Engineering to secure necessary documentation from Erie. Stillwater Associates have suggested to the Executive Director and Counsel the expectation that the Regulating District purchase the leased plant at Stillwater. Counsel addressed one FOIL request during the reporting period.

Ms. Ruzycky presented her report to the Board. Ms. Ruzycky reported completion of the quarterly internal control compliance audit at BRAO and her work managing summer laborer on-boarding. Ms. Ruzycky reported completion of the annual inventory.

Mr. Maniccia presented his report to the Board. Therein he noted that at the close of June 30 31, 2021, the general fund balances for the HRA and BRA were approximately \$4,518,624 and \$1,716,147 respectively, an improvement of nearly \$500,000 over the same period a year ago . He noted that significant disbursements for the period include: Payroll, Health Insurance, USGS and the additional HRA debt service payment to the BRA. Mr. Maniccia noted that the Regulating District's transactional processing and reporting are current. Mr. Maniccia noted that he continues to engage the Department of Environmental Conservation, the Executive Chamber and the Division of Budget on how to best draft a memorandum of understanding outlining the role each entity will play utilizing the \$20 million capital appropriation for work at the Conklingville Dam. Mr. Maniccia highlighted that portion of his report which tracks the Regulating District's progress in implementing the recommendations made by the New York State Inspector General (IG) in its report dated April 8. He also noted that he explored the Regulating District's eligibility for FEMA High Hazard Dam Rehabilitation grants; determining the Regulating District is not eligible. Mr. Maniccia continues to monitor the Bipartisan Infrastructure Framework as a potential source for infrastructure investment.

Mr. Foltan presented the Chief Engineer's report to the Board. Mr. Foltan noted that the June average daily release from the Sacandaga Reservoir (Great Sacandaga Lake) was approximately 1,280 cubic feet per second (cfs). Precipitation during the month of June was near average across the Great Sacandaga Lake and Indian Lake watersheds. The monthly inflow to Great Sacandaga Lake and Indian Lake reservoir was approximately 63% and 50% of historic average, respectively. Monthly release of water from Great Sacandaga Lake and Indian Lake measured 61% and 75% of historic average, respectively.

The June average daily release from Stillwater Reservoir was approximately 300 cfs. Monthly total precipitation measured 69%, 105%, and 95% of historic average at Stillwater, Old Forge, and Sixth Lake, respectively, as of June 27th. Precipitation in the month of June was below average at Stillwater, Old Forge and Sixth Lake. The monthly inflow to Stillwater Reservoir was approximately 26% of historic average. The inflow to Sixth Lake and Old Forge Reservoir totaled 0.04 and 0.12 billion cubic feet, respectively, in June. Release of water from Stillwater Reservoir averaged 71% of historic discharge.

RESOLUTION SCHEDULING DATE, PLACE AND TIME OF THE REGULAR MEETING FOR SEPTEMBER 14, 2021

Chair Finkle asked for a motion to adopt a resolution setting the next Regular Meeting of the Board of the Hudson River-Black River Regulating District to be held on Tuesday, September 14, 2021 in Albany at 11 AM.

Mr. Hayes moved to adopt the resolution setting the date and time of the next meeting. Mr. Rosenthal seconded and the Board adopted the resolution by unanimous vote.

ADJOURNMENT

Chairman Finkle called for a motion to adjourn the meeting. Mr. DeWitt advanced the motion. Mr. Rosenthal seconded. The meeting adjourned at 10:44 A.M.

RESOLUTIONS

21-34-07 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AGREEMENT BY AND BETWEEN THE HUDSON RIVER-BLACK RIVER REGULATING DISTRICT AND THE CIVIL SERVICE EMPLOYEES ASSOCIATION, INC., AFSCME LOCAL 1000, AFL-CIO, HUDSON RIVER-BLACK RIVER REGULATING DISTRICT LOCAL 120

Chairman Finkle asked for a motion adopting the Resolution. Mr. Hayes made a motion to adopt the resolution ratifying the memorandum of agreement with the CSEA bargaining unit. Mr. Rosenthal seconded and the Board adopted the motion by unanimous vote.

21-35-07 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO SECURE A PERMIT FROM THE OFFICE OF GENERAL SERVICES FOR 656 SQUARE FEET OF RENTABLE OFFICE SPACE LOCATED ON THE 6TH FLOOR OF THE DULLES STATE OFFICE BUILDING AT 317 WASHINGTON STREET WATERTOWN, NEW YORK

Board Chair Finkle asked for a motion to authorize the Executive Director to execute a new permit for space at the Dulles State Office Building, with a three-year term, effective August 1, 2021 for a permit fee not to exceed nine thousand, eight hundred forty and 00/100 dollars (\$9,840) per annum. Mr. Bird so moved. Mr. DeWitt seconded and the Board adopted the resolution by unanimous vote.

21-36-07 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER A LEASE FOR SPACE LOCATED ON THE 3RD FLOOR OF 575 BROADWAY ALBANY, NEW YORK

Chair Finkle asked for a motion to authorize the Executive Director to execute a new lease agreement with a five-year term, effective September 1, 2021 at the specified fee per annum. Mr. Rosenthal so moved. Mr. DeWitt seconded and the Board approved the motion adopting the resolution by unanimous vote.

21-37-07 RESOLUTION AUTHORIZING RENEWAL OF AN AGREEMENT WITH UNITED STATES GEOLOGICAL SURVEY

Board Chair Finkle asked for a motion authorizing the Executive Director to execute an agreement with the USGS to renew the cooperative joint funding agreement for the period from July1, 2021 to June 30, 2024 for a total not to exceed amount of

\$437,310.00. Mr. Hayes so moved. Mr. Rosenthal seconded and the Board adopted the resolution by unanimous vote.

21-38-07 RESOLUTION TO ACCEPT PAUL C. RIZZO ENGINEERING – NEW YORK, PLLC AMENDMENT # 3 PROPOSAL TO PERFORM COMPLETION OF SEISMIC STABILITY AND LIQUEFACTION & DEFORMATION ANALYSIS OF THE STILLWATER DAM

Board Chair Finkle asked for a motion authorizing the Executive Director to execute an agreement authorizing the Executive Director to accept Rizzo’s Contract Amendment # 3 Proposal and to execute a third amendment to contract C022018 to increase the amount of the contract by \$22,844 to a total contract price of \$191,634. Mr. Rosenthal so moved. Mr. DeWitt seconded and the Board adopted the resolution by unanimous vote.

21-39-07 RESOLUTION TO AWARD HUMAN RESOURCES CONSULTING SERVICES WORK TO PINNACLE HUMAN RESOURCES, LLC

Chair Finkle sought a motion through which the Board would adopt a resolution awarding a contract to Pinnacle Human Resources, LLC and authorize the Executive Director to enter into a contract for an amount not to exceed \$9,450.00. Mr. Candido so moved. Mr. Bird seconded and the Board adopted the resolution by unanimous vote.

21-40-07 RESOLUTION SCHEDULING DATE, PLACE AND TIME OF THE REGULAR MEETING FOR SEPTEMBER 14, 2021

Mr. Hayes moved to adopt the resolution setting the date and time of the next meeting. Mr. Rosenthal seconded and the Board adopted the resolution by unanimous vote.

Robert P. Leslie
Secretary

Mark M. Finkle
Board Chairman