

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

Lewis County Courthouse
Second Floor Legislative Board Room
7660 N. State Street
Lowville, NY 13367
October 12, 2021

Conference-in Locations:

Sacandaga Field Office 737 Bunker Hill Road Mayfield, NY 12117	Hudson River Area Office 575 Broadway, Fl. 3 Albany, NY 12207
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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/492402093>

United States: [+1 \(669\) 224-3412](tel:+1(669)224-3412) Access Code: 492-402-093

CALL TO ORDER

Chairman Mark M. Finkle called the meeting to order at 10:13 A.M.

ROLL CALL

Present: Board Chairman Mark M. Finkle; Board Members Albert J. Hayes, Richard Bird, Alfred J. Candido Jr., and Timothy J. Reagan; Executive Director John C. Callaghan; General Counsel Robert P. Leslie; Chief Engineer Robert S. Foltan; and Chief Fiscal Officer Timothy Maniccia.

Video Feed: First Vice-Chair Jeffrey Rosenthal; Compliance Officer Stephanie Ruzicky.

Excused: Second Vice-Chair Kenneth DeWitt

INTRODUCTION OF GUESTS

Chairman Finkle introduced Lewis County Manager, Ryan Piche.

MOTION TO ADOPT OR REVISE THE MEETING AGENDA

Chairman Finkle asked for a motion to adopt or revise the agenda. Mr. Reagan made a motion to adopt the agenda. Mr. Hayes seconded. The Board approved the motion by unanimous vote.

PUBLIC COMMENT

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

APPROVAL OF THE SEPTEMBER 14, 2021 REGULAR BOARD MEETING MINUTES

Chairman Finkle asked for a motion to adopt the September 14, 2021 regular board meeting minutes. Mr. Rosenthal advanced the motion to approve the regular meeting minutes. Mr. Candido seconded and the Board approved the motion by unanimous vote.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Callaghan presented his report noting that during the reporting period the Regulating District successfully moved the Hudson River Area Office from 350 Northern Blvd to 575 Broadway in Albany. Mr. Callaghan reported that an employee's cell phone suffered a fatal direct hit from a falling light fixture as the employee sat quietly at her nearby desk. Mr. Maniccia noted that the Regulating District's insurer reports that the received \$99 cost to replace the device is below the applicable deductible.

Chairman Finkle asked for a motion authorizing reimbursement for the damaged device, not to exceed \$100, noting that the loss was suffered through no fault or negligence on the part of the affected employee. Mr. Candido so moved. Mr. Reagan seconded and the motion passed by unanimous vote.

CONTRACTS/ACTIONS

RESOLUTION TO APPROVE AMENDMENT #5 TO HDR CONTRACT C022012 TO PERFORM STILLWATER DAM BREACH ANALYSIS SITE SPECIFIC PROBABLE MAXIMUM PRECIPITATION STUDY

Mr. Foltan introduced a resolution to authorize a fifth amendment to contract C022012 reminding the Board of its April 2013 contract award for a Dam Breach Analysis at the Stillwater Dam to Henningson, Durham & Richardson Architecture and Engineering, P.C. (HDR) and explaining HDR's analysis and reports, the Federal Energy Commission's review and comment upon that analysis, and the Regulating District's decision to ask HDR to perform a Site-Specific Probable Maximum Precipitation (SSPMP) analysis and to perform a preliminary SSPMP feasibility study to determine if a full SSPMP was warranted. Mr. Foltan noted that the original scope of work did not include the more extensive effort necessary to update the probable maximum flood (PMF) study based on revised probable maximum precipitation (PMP) values. As such, the Regulating District requested a proposal from HDR to conduct a PMF update study for the Stillwater Dam using the revised PMP values. Mr. Foltan recommended the Board accept HDR's proposal *Probable Maximum Flood Study Update*, Amendment No. 5, authorize an amendment to the scope of Contract C022012 to include the completion of work defined in Task 1-5 of the proposal increasing the total fee of Contract C022012 by \$65,000 to a not-to-exceed price of \$152,250, and extend the contract termination date to December 31, 2023. He noted that the contract amendment would be subject to the review and approval of the Office of the New York State Attorney General and the New York State Office of the State Comptroller.

Mr. Bird moved to adopt the resolution accepting HDR's proposal *Probable Maximum Flood Study Update*, Amendment No. 5, and authorizing an amendment to the scope of Contract C022012 to include work defined in Task 1-5 of the proposal; increasing the total fee of Contract C022012 by \$65,000 to a not-to-exceed price of \$152,250, and extending the contract termination date to December 31, 2023. Mr. Rosenthal seconded and the Board adopted the motion by unanimous vote.

RESOLUTION TO AWARD LIQUIDITY MANAGEMENT CONSULTING SERVICES WORK TO THREE+ONE COMPANY, INC.

Mr. Maniccia presented a resolution to the Board to authorize a contract for liquidity management consulting services. He noted that planned infrastructure improvement will be funded through appropriated funds and bond proceeds and that the timing of the bond issuance will depend on accurate and reliable forecasting of Regulating District liquidity during fiscal years 2021-22 and 2022-23. Mr. Maniccia recommended the “Three+One Company, Inc.”, an experienced provider of liquidity management services to state and local government entities across the United States, to provide such services. He explained that Three+One Company, Inc. provides such liquidity management services with a warranty that states that “if Three+One does not show a 1 to 1 benefit through its cashvest initial analysis compared to the proposed annual fee for the entity, the initial cashvest analysis will be provided at no cost with no further obligation”.

Mr. Candido moved to adopt the resolution awarding liquidity management consulting services for October 1, 2021 thru September 30, 2022 to Three+One Company, Inc. for an amount not to exceed \$9,900. Mr. Reagan seconded. The Board adopted the motion by unanimous vote.

STAFF AND COMMITTEE REPORTS

GOVERNANCE COMMITTEE

RESOLUTION APPROVING A SECOND AMENDMENT TO THE GROUND LEASE AND WATER USAGE AGREEMENT AT STILLWATER

Governance committee Chair Rosenthal asked Mr. Leslie to present the resolution to extend by three months the Ground Lease and Water Usage Agreement with Stillwater Associates, dated as of October 21, 1985 (the “*Original Ground Lease and Water Usage Agreement*”), as later amended by an Amendment to Ground Lease and Water Usage Agreement, dated as of February 17, 2006 (the “*Amendment to Ground Lease and Water Usage Agreement*”). Mr. Leslie explained that the current agreement is set to expire on December 31st, and that barring entry into a new agreement, the original agreement requires the Regulating District to purchase the existing plant for fair market value. The three-month extension will afford the parties additional time to secure fair market appraisals.

Mr. Rosenthal moved to adopt the resolution authorizing the Executive Director to execute a Second Amendment to the Ground Lease and Water Usage Agreement extending the term three months to March 31, 2022. Mr. Bird seconded. The Board adopted the resolution by unanimous vote.

STAFF REPORTS

Mr. Leslie presented his report. He noted that the Executive Director has executed an agreement with DEC to address how the Regulating District can assist DEC complete a contract with the Office of General Services to complete necessary analysis, design and construction work at Conklingville. Staff have begun to work with OGS and process invoices through to DEC. Mr. Leslie indicated that he continues to work with Brookfield’s outside counsel to arrange for a non-disclosure agreement to facilitate Brookfield’s placement of financial documents necessary to the appraisal into a repository to be accessed by Regulating District consultants. On that same project, Mr. Leslie noted he continues to work with the Regulating District’s vendor to facilitate the collection of operational data needed to support the balance of the appraiser’s analysis. Mr. Leslie reported that he prepared a

response for the Executive Director to an inquiry by the Village of Mayfield Mayor regarding maintenance and upkeep responsibilities for Mayfield Dam linking School Street to the Vails Mills-Mayfield Road and that he researched the effect on the access permit, water rights, and dock permit to an association in the event of a property loss affecting the special permit holder. Mr. Leslie noted that he, the Chief Fiscal Officer & the Executive Director continue to work with Stillwater Associates to address the expiring Reservoir Operating Agreement at Stillwater reservoir. Stillwater Associates response to the Regulating District's proposed reservoir operating agreement extension suggests the parties remain far apart in negotiations. Counsel is working with the Compliance Officer to secure an appraisal firm to value the Stillwater hydro plant. Counsel participated in the move to new offices at 575 Broadway in Albany and, on behalf of the records access officer, he addressed one (1) FOIL request during the reporting period. There were no appeals.

Ms. Ruzycky presented her report to the Board. Ms. Ruzycky reported that she assisted with the migration from Mitel to 8x8 phone system. She attended the GreenNY Quarterly meeting and addressed BOCES Drug and Alcohol program and contract administration management issues.

Mr. Maniccia presented his report to the Board. Therein he noted that at the close of September 30, 2021, the general fund balances for the HRA and BRA were approximately \$4,266,149 and \$2,164,325 respectively, an improvement of \$1,334,813 over the same period a year ago. He noted that significant disbursements for the period include: School taxes and Payroll. Mr. Maniccia noted that the Regulating District's transactional processing and reporting are current. He also noted that he filed with the Authorities Budget Office five reports (Annual, Independent Audit, Investment, Debt and Procurement) as required by New York State statute or regulation. Mr. Maniccia reported that the Fiscal Year 2020-21 independent audit has been completed, the opinion of the auditors was "unmodified" (aka "clean"), and that they found no instances of noncompliance that would need to be reported under Government Auditing Standards. Mr. Maniccia noted that Nora Galleros of Galleros Robinson will make a presentation of the firm's findings at the November 9 meeting of the Audit Committee.

Mr. Foltan presented the Chief Engineer's report to the Board. Mr. Foltan noted that the September average daily release from the Sacandaga Reservoir (Great Sacandaga Lake) was approximately 2,590 cubic feet per second (cfs). Precipitation during the month of September was above average across the Great Sacandaga Lake watershed and below average across the Indian Lake watershed. The monthly inflow to Great Sacandaga Lake and Indian Lake reservoir was approximately 150% and 114% of historic average, respectively. Monthly release of water from Great Sacandaga Lake and Indian Lake measured 142% and 205% of historic average, respectively.

The September average daily release from Stillwater Reservoir was approximately 600 cfs. Monthly total precipitation measured 74%, 69%, and 76% of historic average at Stillwater, Old Forge, and Sixth Lake, respectively, as of September 28th. Precipitation in the month of September was below average at Stillwater, Old Forge and Sixth Lake. The monthly inflow to Stillwater Reservoir was approximately 94% of historic average. The inflow to Sixth Lake and Old Forge Reservoir totaled 0.03 and 0.10 billion cubic feet, respectively, in September. Release of water from Stillwater Reservoir averaged 149% of historic discharge.

Mr. Callaghan noted that, following adjournment, staff will lead Lewis County officials on a tour of the Stillwater Dam and Black River Area Field Office. While Board members are invited to attend, there will be no business conducted during the tour.

RESOLUTION SCHEDULING DATE, PLACE AND TIME OF THE REGULAR MEETING FOR NOVEMBER 9, 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, November 9, 2021 virtually and in person at the Peter Kiernan Plaza, 575 Broadway, Third Floor, in Albany, NY and at the Sacandaga Field Office, 737 Bunker Hill Road, Mayfield NY at 10 AM.

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

ADJOURNMENT

Mr. Candido moved to adjourn the meeting. Mr. Rosenthal seconded. The meeting adjourned at 11:15 A.M.

RESOLUTIONS

- 21-45-10 RESOLUTION TO APPROVE AMENDMENT #5 TO HDR CONTRACT C022012 TO PERFORM STILLWATER DAM BREACH ANALYSIS SITE SPECIFIC PROBABLE MAXIMUM PRECIPITATION STUDY**

Mr. Bird moved to adopt the resolution accepting HDR's proposal *Probable Maximum Flood Study Update*, Amendment No. 5, and authorizing an amendment to the scope of Contract C022012 to include work defined in Task 1-5 of the proposal; increasing the total fee of Contract C022012 by \$65,000 to a not-to-exceed price of \$152,250, and extending the contract termination date to December 31, 2023. Mr. Rosenthal seconded and the Board adopted the motion by unanimous vote.

- 21-46-10 RESOLUTION TO AWARD LIQUIDITY MANAGEMENT CONSULTING SERVICES WORK TO THREE+ONE COMPANY, INC.**

Mr. Candido moved to adopt the resolution awarding liquidity management consulting services for October 1, 2021 thru September 30, 2022 to Three+One Company, Inc. for an amount not to exceed \$9,900. Mr. Reagan seconded. The Board adopted the motion by unanimous vote.

- 21-47-10 RESOLUTION APPROVING A SECOND AMENDMENT TO THE GROUND LEASE AND WATER USAGE AGREEMENT AT STILLWATER**

Mr. Rosenthal moved to adopt the resolution authorizing the Executive Director to execute a Second Amendment to the Ground Lease and Water Usage Agreement extending the term three months to March 31, 2022. Mr. Bird seconded. The Board adopted the resolution by unanimous vote.

- 21-48-10 RESOLUTION SCHEDULING DATE, PLACE AND TIME OF THE REGULAR MEETING FOR NOVEMBER 9, 2021**

Mr. Candido moved to adjourn the meeting. Mr. Rosenthal seconded. The meeting adjourned at 11:15 A.M.

Robert P. Leslie
Secretary

Mark M. Finkle
Board Chairman