

22-03-01

**RESOLUTION TO AWARD APPRIASAL SERVICES WORK TO VARLEY  
APPRIASAL GROUP, INC.**

**WHEREAS**, the Hudson River – Black River Regulating District Board (“Regulating District”) entered into a Ground Lease and Water Usage Agreement with Stillwater Associates, dated as of October 21, 1985 (the “Original Ground Lease and Water Usage Agreement”), 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”), to operate a hydroelectric generating facility (“Plant”) on New York State lands under the Regulating District’s jurisdiction at Stillwater Reservoir; and

**WHEREAS**, the Original Ground Lease and Water Usage Agreement, dated as of October 21, 1985, was set to end on December 31, 2016 (the “Original Term”); and

**WHEREAS**, the parties did not agree as to terms and conditions for an additional fifteen (15) year Term at the end of the Original Term and thus, under the Original Ground Lease and Water Usage Agreement, the Term of the Original Ground Lease and Water Usage Agreement was extended to December 31, 2021 (the “Extended Term”); and

**WHEREAS**, the parties have not been able to agree upon rent and other terms and conditions extending the Term past the Extended Term, thus requiring, pursuant to provisions in the original agreement, the Regulating District to purchase the Plant at its Appraised Value; and

**WHEREAS**, at its October 12, 2021 meeting the Board authorized a further extension of the term to March 31, 2022 to allow the parties sufficient time to determine the Plant’s Appraised Value and to allow the parties sufficient time to prepare for the purchase and sale of the Plant by the District; and

**WHEREAS**, the Regulating District has attempted to identify a qualified appraiser to determine the Plant’s Appraised Value; and

**WHEREAS**, the Original Ground Lease and Water Usage Agreement requires that such appraisal be conducted by a licensed real estate appraiser who is a member of the American Society of Appraisers; and

**WHEREAS**, the Regulating District contacted nine (9) firms to gauge qualification, interest and ability to perform these services; and

**WHEREAS**, Varley Appraisal Group, Inc. was the sole qualified entity to provide a cost proposal to provide these services within the required timeframe; and

**WHEREAS**, Varley Appraisal Group, Inc. has provided a quote of \$5,650 to the Regulating District to provide these services; and

*Approved at the January 11, 2022 Board Meeting*

**WHEREAS**, funds sufficient to compensate Varley Appraisal Group, Inc. 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;

**NOW THEREFORE BE IT RESOLVED**, that the Board of the Hudson River-Black River Regulating District hereby awards appraisal services work to Varley Appraisal Group, Inc.; and

**BE IT FURTHER RESOLVED**, the Board of the Hudson River-Black River Regulating District hereby authorizes the Executive Director to enter into the contemplated contract for an amount not to exceed \$5,650.

Approved as to form:



Robert P. Leslie  
General Counsel

Motion was made by Mr. Bird and seconded by Mr. Candido that the Resolution be approved.

Present and Voting:

| <u>MEMBER</u>      | <u>AYE</u>    | <u>NOE</u>    | <u>ABSTAIN</u> |
|--------------------|---------------|---------------|----------------|
| Mr. Finkle .....   | <u>  X  </u>  | <u>      </u> | <u>      </u>  |
| Mr. Hayes.....     | <u>  X  </u>  | <u>      </u> | <u>      </u>  |
| Mr. Rosenthal..... | <u>      </u> | <u>      </u> | <u>EXCUSED</u> |
| Mr. De Witt.....   | <u>  X  </u>  | <u>      </u> | <u>      </u>  |
| Mr. Bird.....      | <u>  X  </u>  | <u>      </u> | <u>      </u>  |
| Mr. Candido .....  | <u>  X  </u>  | <u>      </u> | <u>      </u>  |
| Mr. Reagan.....    | <u>  X  </u>  | <u>      </u> | <u>      </u>  |