

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

Sacandaga Field Office Conference Room
737 Bunker Hill Road
Mayfield, NY 12117

Hudson River Area Office
575 Broadway, Fl. 3
Albany, NY 12207

March 8, 2022

Immediately following the Governance and Finance committee meetings
scheduled to commence at 10 AM

Participants were invited to join the meeting via computer, tablet or smartphone.

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CALL TO ORDER

Board Chair Mark M. Finkle called the meeting to order at 10:36 A.M. The Board Chair welcomed new Member Nicole T. Allen to the Board and thanked departing Board Member Jeffrey Rosenthal for his years of dedicated service to the Regulating District.

ROLL CALL

Present: Board Members Albert J. Hayes and Nicole T. Allen; Executive Director John C. Callaghan, General Counsel Robert Leslie, Chief Fiscal Officer Timothy Maniccia Chief Engineer Robert Foltan, and Compliance Officer Stephanie Ruzycky.

Video Feed: Board Chair Mark M. Finkle; Second Vice-Board Chair Kenneth DeWitt; Board Members Alfred J. Candido, Jr. and Timothy J. Reagan.

Excused: Board Member Richard Bird.

MOTION TO ADOPT OR REVISE THE MEETING AGENDA

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

PUBLIC COMMENT

Board Chair Finkle opened the meeting to public comment; hearing none.

APPROVAL OF THE JANUARY 11, 2022 ORGANIZATIONAL AND REGULAR BOARD MEETING MINUTES

Board Chair Finkle asked for a motion to adopt the January 11, 2022 organizational and regular board meeting minutes. Mr./Ms. Hayes advanced the motion to approve the organizational and regular meeting minutes. Mr./Ms. Reagan seconded and the Board approved the motion by unanimous vote. Ms. Allen abstained.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Callaghan presented his report to the Board. He marked the two year anniversary of the significant changes to the manner in which the Regulating District conducts business as wrought by the devastating COVID-19 pandemic; pausing to congratulate staff for continuing to provide necessary services rendered without missing a beat. Mr. Callaghan noted that he continues to work closely with Executive Chamber colleagues, staff and the Division of Budget on the Regulating District's priorities for the FY2023 State budget, both of which were included intact in the Governor's budget proposal. He expressed appreciation for the fine work undertaken by staff on this project. Mr. Callaghan noted that the on-line permit renewal system has proved to be popular with nearly 70% of renewals (2,500+) to date happening on-line. Mr. Callaghan reported that he worked closely with Gina Bulman to produce and publish the winter newsletter issued on February 24. As of 2/28/22, this edition of the newsletter had an "open rate" of 58%, or more than double the overall industry average open rate of 28.8%, and a "click rate" of 15%, more than 10 times the overall industry average click rate of 1.3%. This newsletter also featured, for the first time, a reader poll, with this edition's question focused on use of the online permit system. He reported upon the Army National Guard's 109th Airlift Wing February 15-17 training exercise and relayed the Wing Commander's appreciation for extensive use of the Regulating District's Sacandaga Field Office facilities. Mr. Callaghan thanked staff for their efforts with the Guard and for their role during the annual Walleye Tournament held immediately thereafter; February 18-20th.

CONTRACTS

RESOLUTION AUTHORIZING PERSONNEL ADVANCEMENTS, INCLUDING THE ESTABLISHMENT OF ADMINISTRATIVE OFFICER & HRA OPERATIONS MANAGER POSITIONS

Mr. Callaghan presented a resolution to the Board. He noted that the retirement of John Hodgson as Administrator affords the Regulating District an opportunity for a realignment of roles and duties in the interest of achieving efficiencies, increasing performance, and realizing savings. He recommended that the Board establish the represented positions of Administrative Officer in the Hudson River Area and Administrative Officer 2 in the Black River Area at a FY 2021-2022 salary range of \$62,049-\$74,887 (equated to SG-18 in the State's CSEA contract), and \$68,794-\$82,794 (equated to SG-20 in the State's CSEA contract). Further, Mr. Callaghan recommended the Board authorize the promotion of Anna Tracy and Kimberly Scott respectively to same effective March 31, 2022. Mr. Callaghan also recommended that the Board establish the represented position of Operations Manager at a FY 2021-2022 salary range of \$68,794-\$82,794 (equated to SG-20 in the State's CSEA contract) in the Hudson River Area, post and fill the position competitively in accordance with the provisions of current CSEA agreement from a pool

of internal, qualified candidates. He asked that the Board authorize the promotion of Michael Chase to the position of Assistant Foreman for the Hudson River Area at a FY 2021-2022 salary range of \$41,736-\$52,413 effective March 31, 2022 in accordance with the provisions of current CSEA agreement. Finally, Mr. Callaghan asked that the Board authorize the Executive Director to promote Regina Bulman, Stephanie Porter, and Megan Cole to the position of Senior Administrative Assistant in the HRAO, SFO, and BRAO locations, respectively, at a FY 2021-2022 salary range of \$47,339-\$59,543 effective March 31, 2022 in accordance with the provisions of current CSEA agreement.

Board Chair Finkle asked for a motion to adopt the resolution establishing and filling new positions, and authorizing promotions. Mr./Ms. DeWitt so moved. Mr./Ms. Hayes seconded and the Board adopted the resolution by unanimous vote.

COMMITTEE REPORTS

GOVERNANCE COMMITTEE REPORT

RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF THE REGULATING DISTRICT'S INVESTMENT POLICY

Acting Committee Chair Alfred J. Candido, Jr. noted that section 2925(1) & (7) of the Public Authority Law requires every public benefit corporation to adopt by resolution and annually review comprehensive investment guidelines that detail the corporation's operative policy and instructions to the Board and management regarding the investing, monitoring and reporting of funds of the corporation. He noted that the Governance Committee reviewed the Regulating District's Investment Policy earlier and that the Committee recommended that no changes be made to the policy.

Board Chair Finkle asked for a motion adopting the resolution. Mr./Ms. DeWitt made a motion to adopt the resolution to satisfy the annual review and approval of the Regulating District's Investment Policy. Mr./Ms. Hayes seconded and the Board unanimously approved the motion.

RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF THE REGULATING DISTRICT'S PROCUREMENT POLICY

Acting Committee Chair Alfred J. Candido, Jr. noted that section 2879(1) & (8) of the Public Authority Law requires every public benefit corporation to adopt by resolution and annually review procurement guidelines that detail the corporation's operative policy and instructions to the Board and management regarding procurement. He noted that the Governance Committee reviewed the Regulating District's Procurement Policy earlier and that the Committee recommended that a few changes be made to the policy. Specifically, the Committee recommended that Part XX of the policy be amended to require that a Senior Staff Manager's approval of invoices for payment also include certification that the terms of the transaction have been fulfilled, including receipt and deployment of said products and/or services. Further, the Committee recommended that the same section of the policy be revised to permit the Executive Director to designate another Senior Staff Manager to deny or approve invoices and sign required certifications;

noting that any such designation must be made in writing and received by the Regulating District's Chief Fiscal Officer for it to be valid.

Board Chair Finkle asked for a motion adopting the resolution. Mr./Ms. Hayes made a motion to adopt the resolution to satisfy the annual review and approval of the Regulating District's Procurement Policy. Mr./Ms. Reagan seconded and the Board unanimously approved the motion.

RESOLUTION TO ANNUALLY REVIEW AND APPROVE THE REGULATING DISTRICT'S DISPOSITION OF PROPERTY GUIDELINES PURSUANT TO SECTION 2896(1) OF THE PUBLIC AUTHORITIES LAW

Acting Committee Chair Alfred J. Candido, Jr. noted that section 2896(1) of the Public Authority Law requires every public benefit corporation to adopt by resolution an annual review of the Disposition of Property Guidelines that detail the corporation's operative policy and instructions to the Board and management regarding the disposition of property. He noted that the Governance Committee reviewed the Regulating District's Disposition of Property Policy earlier and that the Committee recommended no changes be made to the policy.

Board Chair Finkle asked for a motion adopting the resolution. Mr./Ms. Hayes made a motion to adopt the resolution to satisfy the annual review and approval of the Regulating District's Disposition of Property Policy. Mr./Ms. DeWitt seconded and the Board unanimously approved the motion.

MOTION TO APPROVE ANNUAL REVIEW OF MISSION STATEMENT & PERFORMANCE MEASUREMENTS

Mr. Finkle presented the Regulating District's authority mission statement and performance measurements for the Board's annual review.

Board Chair Finkle asked for a motion to approve the annual review of the Regulating District's mission statement & performance measurements. Mr./Ms. Hayes so moved. Mr./Ms. DeWitt seconded and the Board adopted the motion by unanimous vote.

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

Acting Committee Chair Alfred J. Candido, Jr. presented a 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*") and as later amended by a Second Amendment to Ground Lease and Water Usage Agreement, dated October 14, 2021 (the "*Second Amendment to Ground Lease and Water Usage Agreement*"). He explained that the current agreement is set to expire on March 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 finalize fair market

appraisals. The resolution also authorized a revision to the agreement to eliminate a requirement that the parties' respective appraisers choose a third appraiser even if the parties are able to reach a negotiated settlement as to value based on their respective appraiser's recommendations.

Mr./Ms. DeWitt made a motion to adopt the resolution which authorizes the Executive Director to execute a Third Amendment to the Ground Lease and Water Usage Agreement extending the extended term three months to June 30, 2022 and amending the language to permit a negotiated value without the need for a third appraisal. Mr./Ms. Hayes seconded and the Board adopted the motion by unanimous vote.

RESOLUTION TO ACCEPT AMENDMENT #1 EXTENDING THE WALDEN ENVIRONMENTAL ENGINEERING, PLLC (WALDEN) CONTRACT (C032020) AUTHORIZING THE FAIR MARKET VALUATION ON AN ANNUALIZED BASIS OF THE FIFTY-SIX FEET OF HEAD (OUT OF A TOTAL SEVENTY-ONE FEET OF HEAD) PROVIDED BY THE REGULATING DISTRICT BY VIRTUE OF CONSTRUCTION OF THE CONKLINGVILLE DAM

Acting Governance Committee Chair Alfred J. Candido, Jr. presented a resolution to extend by one year the contract (C032020) with Walden Environmental Engineering, PLLC (Walden) He noted that in November 2020, via resolution 20-40-11, the Board authorized Walden to prepare an annualized valuation of the Regulating District's fifty-six feet of head created by the Conklingville Dam. Walden took longer than the one year allotted by the NYS Comptroller to complete the task. Mr. Candido noted that staff recommend the Board extend the contract term by one year to permit Walden sufficient time to complete the project. He noted that the extension is subject to review and approval of the NYS Attorney General and the NYS Office of the State Comptroller.

Mr./Ms. Hayes made a motion to adopt the resolution which authorizes the Executive Director to execute an amendment to contract C032020 with Walden Environmental Engineering, PLLC extending contract term by one year to December 31, 2022. Mr./Ms. DeWitt seconded and the Board adopted the motion by unanimous vote.

FINANCE COMMITTEE REPORT

RESOLUTION APPROVING BUDGET & FINANCIAL PLAN REQUIRED PURSUANT TO SECTION 2801 OF PUBLIC AUTHORITIES LAW

Finance Committee Chair DeWitt introduced a resolution approving a budget and financial plan pursuant to Section 2801 of the Public Authorities Law. Committee Chair DeWitt reported that the Regulating District is required to submit a budget and financial plan to a set of oversight entities by way of the Public Authorities Reporting & Information System (PARIS) between 120 and 90 days prior to the start of the Regulating District's next fiscal year; July 1, 2022. Mr. DeWitt noted that Mr. Maniccia based the plan upon the 2021-2024 budget with financial data for the 'proposed years' or 'out years' based on prior budget, actual and other estimated information.

Mr./Ms. Hayes made a motion to adopt the resolution approving the budget & financial plan required pursuant to section 2801 of the Public Authorities Law. Mr./Ms. Candido seconded and the Board approved the motion by unanimous vote.

STAFF REPORTS

Mr. Leslie presented his report. Mr. Leslie noted he, the Chief Fiscal Officer & the Executive Director continue to work with Stillwater Associates to address the expiring Reservoir Operating Agreement at Stillwater reservoir. Counsel has reviewed the abstract of title to identify liens, UCC filings, etc. lying against the assets held by Stillwater Associates. The appraisal firm hired to value the Stillwater hydro plant is nearing completion of that project. Counsel is working with Counsel for Stillwater Associates to fashion an extension of the expiring Ground Lease and Water Usage Agreement. He noted work with the Chief Fiscal Officer and Executive Director to address issues surrounding the RFP's for underwriting services and bond counsel in connection with financing for Indian Lake, Hawkinsville, Sixth Lake and Old Forge. Mr. Leslie has been alerted to a request from a railroad operator seeking use of state land under the Regulating District's jurisdiction for communications equipment and on a separate topic, has engaged DEC colleagues in discussions leading to a potential concurrent use and occupancy agreement concerning lands at the Indian Lake Dam. As the records access officer, counsel/staff addressed two (2) FOIL request(s) during the reporting period. There were no appeals.

Ms. Ruzycky presented her report to the Board. Ms. Ruzycky noted that she completed the SFO IC quarterly audit and monthly permit database audit. She also continued with the daily online payment verification/reconciliation with the permit database and reported on work with Interactive Media Consulting, LLC (IMC) on permit database and online payment modifications and updates.

Mr. Maniccia presented his report to the Board. Therein he noted that at the close of fiscal February 28, 2022, the general fund balances for the HRA and BRA were approximately \$3,788,646 and \$1,837,734 respectively. He noted that significant disbursements for January and February include: municipal real property taxes, payroll and health insurance. Mr. Maniccia noted that the Regulating District's transactional processing and reporting are current.

Mr. Foltan presented the Chief Engineer's report to the Board. Mr. Foltan noted that the February average daily release from the Sacandaga Reservoir (Great Sacandaga Lake) was approximately 1110 cubic feet per second (cfs). Precipitation during the month of February was above normal across the Great Sacandaga Lake watershed and above average in the Indian Lake watershed. The monthly inflow to Great Sacandaga Lake and Indian Lake reservoir was approximately 94% and 183% of historic average, respectively. Monthly release of water from Great Sacandaga Lake and Indian Lake measured 39% and 58% of historic average, respectively.

The February average daily release from Stillwater Reservoir was approximately 290 cfs. Monthly total precipitation measured 132%, 150% and 149% of historic average at Stillwater, Old Forge, and Sixth Lake, respectively, as of February 21st. Precipitation in the month of February was above average at Stillwater, Old Forge and Sixth Lake. The monthly inflow to Stillwater Reservoir was approximately 130% of historic average. The inflow to Sixth Lake and Old Forge

Reservoir totaled 0.17 and 0.37 billion cubic feet, respectively, in February. Release of water from Stillwater Reservoir averaged 52% of historic discharge.

BOARD MEMBER QUESTIONS AND COMMENTS

Board Chair Finkle asked Nicole T. Allen if she would like to address the Board. Ms. Allen thanked the Board Chair for the opportunity noting that she comes to the Board with over twenty years of experience in land use issues; currently serving as Director of Planning and Community Development at the Laberge Group in Albany.

RESOLUTION SCHEDULING DATE AND TIME OF THE REGULAR MEETING FOR APRIL 12, 2022

Board Chair Finkle asked for a motion to adopt a resolution setting the date and time for the next meeting of the Board of the Hudson River-Black River Regulating District for Tuesday, April 12, 2022 at a location to be determined. The meeting will be scheduled for 10:00 A.M.

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

ADJOURNMENT

Board Chair Finkle called for a motion to adjourn the meeting. Mr./Ms. Reagan advanced the motion. Mr./Ms. Candido seconded. The meeting adjourned at 11:00 A.M.

RESOLUTIONS

22-06-03 RESOLUTION AUTHORIZING PERSONNEL ADVANCEMENTS, INCLUDING THE ESTABLISHMENT OF ADMINISTRATIVE OFFICER & HRA OPERATIONS MANAGER POSITIONS

Board Chair Finkle asked for a motion to approve the resolution establishing and filling new positions, and authorizing promotions. Mr./Ms. DeWitt so moved. Mr./Ms. Hayes seconded and the Board adopted the resolution by unanimous vote.

22-07-03 RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF THE REGULATING DISTRICT'S INVESTMENT POLICY

Board Chair Finkle asked for a motion adopting the resolution. Mr./Ms. DeWitt made a motion to adopt the resolution to satisfy the annual review and approval of the Regulating District's Investment Policy. Mr./Ms. Hayes seconded and the Board unanimously approved the motion.

22-08-03 RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF THE REGULATING DISTRICT'S PROCUREMENT POLICY

Board Chair Finkle asked for a motion adopting the resolution. Mr./Ms. Hayes made a motion to adopt the resolution to satisfy the annual review and approval of

the Regulating District's Procurement Policy. Mr./Ms. Reagan seconded and the Board unanimously approved the motion.

22-09-03 RESOLUTION TO ANNUALLY REVIEW AND APPROVE THE REGULATING DISTRICT'S DISPOSITION OF PROPERTY GUIDELINES PURSUANT TO SECTION 2896(1) OF THE PUBLIC AUTHORITIES LAW

Board Chair Finkle asked for a motion adopting the resolution. Mr./Ms. Hayes made a motion to adopt the resolution to satisfy the annual review and approval of the Regulating District's Disposition of Property Policy. Mr./Ms. DeWitt seconded and the Board unanimously approved the motion.

22-10-03 RESOLUTION APPROVING A THIRD AMENDMENT TO THE GROUND LEASE AND WATER USAGE AGREEMENT AT STILLWATER

Mr./Ms. DeWitt made a motion to adopt the resolution which authorizes the Executive Director to execute a Third Amendment to the Ground Lease and Water Usage Agreement extending the extended term three months to June 30, 2022 and amending the language to permit a negotiated value without the need for a third appraisal. Mr./Ms. Hayes seconded and the Board adopted the motion by unanimous vote.

22-11 03 RESOLUTION TO ACCEPT AMENDMENT #1 EXTENDING the WALDEN ENVIRONMENTAL ENGINEERING, PLLC (WALDEN) CONTRACT (C032020) AUTHORIZING THE FAIR MARKET VALUATION ON AN ANNUALIZED BASIS OF THE FIFTY-SIX FEET OF HEAD (OUT OF A TOTAL SEVENTY-ONE FEET OF HEAD) PROVIDED BY THE REGULATING DISTRICT BY VIRTUE OF CONSTRUCTION OF THE CONKLINGVILLE DAM

Board Chair Finkle asked for a motion to authorize the Executive Director to enter into an amendment to contract C032020 extending the contract term by one year to December 31, 2022. Mr./Ms. Hayes so moved. Mr./Ms. DeWitt seconded and the Board adopted the resolution by unanimous vote.

22-12-03 RESOLUTION APPROVING BUDGET & FINANCIAL PLAN REQUIRED PURSUANT TO SECTION 2801 OF PUBLIC AUTHORITIES LAW

Mr./Ms. Hayes made a motion to adopt the resolution approving the budget & financial plan required pursuant to section 2801 of the Public Authorities Law.

Mr./Ms. Candido seconded and the Board approved the motion by unanimous vote.

22-13-03 RESOLUTION SCHEDULING DATE AND TIME OF THE REGULAR MEETING FOR APRIL 12, 2022

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

Robert P. Leslie
Secretary

Mark M. Finkle
Board Chair