

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

**Sacandaga Field Office
737 Bunker Hill Road
Mayfield, NY 12117**

**March 29, 2023
10 AM**

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

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CALL TO ORDER

Committee Chair Alfred J. Candido Jr. called the meeting to order at 10:00 AM.

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: Committee Member Albert J. Hayes; Board Chair Mark M. Finkle; Board Members Richard Bird and Timothy J. Reagan; Executive Director John C. Callaghan; General Counsel Robert P. Leslie; Chief Engineer Robert S. Foltan; Chief Fiscal Officer Timothy M. Maniccia; and Director of Administrative Services Stephanie V. Ruzycky.

Video Feed: Committee Chair Alfred J. Candido, Jr. (travel) and Committee Members Kenneth F. DeWitt (travel) and Nicole T. Allen (caregiving)

MOTION TO ADOPT COMMITTEE MEETING AGENDA

Committee Chair Candido asked for a motion to adopt or revise the Committee meeting agenda. Mr. Hayes moved to adopt the meeting agenda. Mr. DeWitt seconded and the Committee approved the motion by unanimous vote.

**APPROVAL OF SEPTEMBER 13, 2022 GOVERNANCE COMMITTEE MEETING
MINUTES**

Committee Chair Candido called for a motion to adopt the September 13, 2022 Governance Committee meeting minutes. Mr. Hayes so moved. Ms. Allen seconded and the Committee approved the motion by unanimous vote.

COMMITTEE BUSINESS

New Business

(1) Discussion of Annual Review and Approval of Investment Policy - *Mr. Maniccia*

Mr. Maniccia began by noting steps taken to ensure the safety of deposits held on behalf of the Black River Area at Community Bank and then noted that pursuant to Public Authorities Law §2925(1) the Board is required to annually review the Regulating District's Investment Policy. Mr. Maniccia recommended the Board make no changes to the policy.

Mr. Candido called for a motion to advance the resolution. Mr. Hayes made a motion to advance to the full Board & recommend approval of a resolution to satisfy annual review and approval of the Regulating District's Investment Policy. Ms. Allen seconded and the Committee unanimously approved the motion.

(2) Discussion of Annual Review and Approval of Procurement Policy - *Mr. Maniccia*

Mr. Maniccia noted that pursuant to Public Authorities Law §2879(1), the Board is to annually review the Regulating District's Procurement Policy. Mr. Maniccia recommended the Board revise the definition of procurement contract to reflect the statutory definition which includes only contracts over \$5,000.

Mr. Candido called for a motion to advance the resolution. Mr. DeWitt made a motion to advance to the full Board & recommend approval of a resolution to satisfy annual review and approval of the Regulating District's Procurement Policy. Mr. Hayes seconded and the committee unanimously approved the motion.

(3) Discussion of Annual Review and Approval of the Disposition of Property Guidelines Policy - *Mr. Maniccia*

Mr. Maniccia noted that pursuant to Public Authorities Law §2896(1) the Board is to annually review the Regulating District's Disposition of Property Guidelines. Mr. Maniccia recommended the Board make no changes to the policy.

Mr. Candido called for a motion to advance the resolution. Ms. Allen made a motion to advance to the full Board & recommend approval of a resolution to annually review and approve the Regulating District's revised Disposition of Property Guidelines pursuant to section 2896(1) of the Public Authorities Law. Mr. Hayes seconded and the committee unanimously approved the motion.

**(4) Discussion of the Authority Mission Statement and Performance Measures –
Mr. Leslie**

Mr. Leslie asked Mr. Callaghan to recite the Regulating District's Mission Statement and then reviewed with the Committee the performance measurements against which the Board measures the Regulating District's performance. Mr. Callaghan addressed Board Member Reagan's question regarding metrics used to measure community involvement and satisfaction.

Mr. Candido called for a motion to advance the mission statement & performance measures to the full board for their consideration. Mr. Hayes made a motion to advance to the full Board & recommend approval of the Mission Statement and Performance Measures without revision. Mr. DeWitt seconded and the committee unanimously approved the motion.

**(5) RESOLUTION APPROVING A SEVENTH AMENDMENT TO THE
GROUND LEASE AND WATER USAGE AGREEMENT AT
STILLWATER**

Mr. Leslie presented a Resolution to the Committee 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*") and as later amended by a Third Amendment to Ground Lease and Water Usage Agreement, dated as of March 31, 2022 (the "*Third Amendment to Ground Lease and Water Usage Agreement*") and as later amended by a Fourth Amendment to Ground Lease and Water Usage Agreement, dated as of June 15, 2022 (the "*Fourth Amendment to Ground Lease and Water Usage Agreement*") and as later amended by a Fifth Amendment to Ground Lease and Water Usage Agreement, dated as of September 15, 2022 (the "*Fifth Amendment to Ground Lease and Water Usage Agreement*") and as later amended by a Sixth Amendment to Ground Lease and Water Usage Agreement, dated as of December 22, 2022 (the "*Sixth Amendment to Ground Lease and Water Usage Agreement*"). Mr. Leslie explained that the current agreement is set to expire on March 30, 2023, and that barring entry into a new agreement, the original agreement requires the Regulating District to purchase the existing plant for fair market value. He noted that the parties have each commissioned their own appraisal and, because those two appraisals were so disparate in their conclusions, the parties commissioned a third appraiser to review the first two appraisals. This third appraiser, Donald Fisher of CNY Pomeroy Appraisers, Inc. concluded that the appraisal commissioned by the Regulating District can be used as the basis of market value for the Stillwater hydro plant but that the appraisal commissioned by Stillwater Associates should not be accepted as it does not meet all of the requirements for an appraisal report of this property type and for the purpose intended. The three month extension will afford time for Mr. Fisher to complete a final appraisal of value and allow

the parties sufficient time to negotiate the plant's appraised value and prepare for the purchase and sale of the plant by the District.

Mr. DeWitt made a motion to advance to the full Board and recommend adoption of the resolution which authorizes the Executive Director to execute a Seventh Amendment to the Ground Lease and Water Usage Agreement extending the extended term three months to June 30, 2023. Ms. Allen seconded and the Committee adopted the motion by unanimous vote.

(6) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO HIRE THE MOST QUALIFIED CANDIDATE FOR THE MAINTENANCE SPECIALIST POSITION IN THE HUDSON RIVER AREA

Mr. Callaghan noted that the promotion of Michael Chase from Maintenance Specialist to Assistant Foreman in the Hudson River Area effective March 31, 2022 has created a need for a backfill. Mr. Callaghan asked the Committee to advance to the Board a resolution to authorize the hiring of a Maintenance Specialist in the Hudson River Area, to be filled by the most qualified candidate as determined by applicant interviews in accordance with the provisions of the current CSEA agreement. He noted that the successful candidate will be compensated in accordance with the provisions of the current CSEA agreement at a FY 2022-2023 salary range of \$38,980-48,896.

Ms. Allen made a motion to advance to the full Board and recommend adoption of the resolution authorizing the Executive Director to hire a Maintenance Specialist to be filled by the most qualified candidate as determined by applicant interviews in accordance with the provisions of the current CSEA agreement with the successful candidate to be compensated at a FY 2022-2023 salary range of \$38,980-48,896. Mr. Hayes seconded and the Committee adopted the motion by unanimous vote.

(7) RESOLUTION TO HIRE TEMPORARY SEASONAL LABORERS TO SUPPLEMENT PERMANENT STAFF IN THE HUDSON RIVER AREA AND BLACK RIVER AREA

Mr. Callaghan presented a resolution to hire temporary seasonal laborers to supplement permanent staff in both the Hudson River Area and the Black River Area. He explained that the mission of Hudson River-Black River Regulating District requires a robust and capable workforce, but that financial constraints limit the Regulating District's ability to add additional permanent, full-time personnel at present. Noting the practice of augmenting permanent staff with seasonal-specific temporary staff is well established in other New York State agencies and authorities, and that the existing CSEA contract establishes an hourly rate for the position of Laborer at \$15.11. Mr. Callaghan recommended the hiring of six (6) temporary seasonal laborers in the Hudson River and Black River Areas for a period to be determined based on operational needs, but not to exceed 26 weeks in 2023, but suggested that the Committee recommend to the Board that the rate be reflective of the rate scheduled to take effect July 1, 2023 (\$15.42/hr). He noted that the Regulating District

will publicly advertise and fill these positions in accordance with applicable policy, law and pertinent provisions of the existing CSEA contract.

Mr. Hayes made a motion to advance to the full board and recommend adoption of the resolution authorizing the employment of six (6) temporary seasonal laborers in the Hudson River Area and Black River Area at a rate of \$15.42/ hour for a period to be determined based on operational needs, but not to exceed 26 weeks in 2023. Ms. Allen seconded and the Committee approved the motion by unanimous vote.

ADJOURNMENT

There being no further business to come before the Governance Committee, Mr. DeWitt moved to adjourn the meeting. Mr. Hayes seconded the motion to adjourn. The Committee approved the motion by unanimous vote. The committee meeting adjourned at 10:28 A.M.

Respectfully submitted,

Robert P. Leslie
Secretary

Mark M. Finkle
Board Chair