

**HUDSON RIVER-BLACK RIVER REGULATING DISTRICT  
BOARD MEETING –MAY 12, 2009  
JOHNSTOWN, NY– 10:00 A.M.**

**CALL TO ORDER**

Chairman Klein called the regularly scheduled meeting to order at 10:00A.M.

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**Present:** Chairman Philip W. Klein; First Vice Chair Pamela S. Beyor; Second Vice Chair Ronald Pintuff; and Board members; John K. Bartow, Jr.; Executive Director Glenn A. LaFave; General Counsel Robert Leslie; Chief Engineer Robert S. Foltan; Chief Fiscal Officer Richard J. Ferrara; Hudson River Area Administrator Michael A. Clark; Black River Area Administrator Carol L. Simpson; and other Regulating District staff.

**Excused:** Audrey Dunning, David Berkstresser and Patrick Dugan

**MOTION TO ADOPT OR REVISE MEETING AGENDA**

Mr. Pintuff moved to adopt the revised meeting agenda. Ms. Beyor seconded it and the motion was unanimously approved.

**MOTION FOR EXECUTIVE SESSION**

Chairman Klein asked for a motion for Executive Session to seek advice of counsel regarding litigation. Mr. Bartow made a motion for Executive Session. It was seconded by Mr. Pintuff and was unanimously approved. Chairman Klein stated no business will be conducted during or after Executive Session. Chairman Klein asked the Executive Director, General Counsel, Chief Engineer, Chief Fiscal Officer and Mr. Radigan of the Hudson River Energy Group to join the Board for Executive Session.

**PUBLIC COMMENT PERIOD**

Mrs. Anne McDonald acknowledged the work of Executive Director Glenn A. LaFave and all the employees of the Regulating District. Mrs. McDonald also acknowledged the permit holders who care so much for Great Sacandaga Lake and her fellow Board members who have shown her many kindnesses and friendship throughout her tenure on the Board. Mrs. McDonald extended congratulations to the new Board member and wished him luck stating, “He will be working with a special group of people.”

There were six speakers who made comments on the Proposed Access Permit System Rules, current litigation, water levels and the upcoming vote on the new three-year budget. One

speaker congratulated the Regulating District on the 50<sup>th</sup> anniversary of Hudson River-Black River Regulating District.

## **APPROVAL OF MEETING MINUTES**

Mr. Bartow moved to approve the March 10, 2009 Operations Committee meeting minutes. Ms. Beyor seconded the motion and it was unanimously approved.

Mr. Pintuff moved to approve the April 7, 2009 Finance Committee meeting minutes. Mr. Bartow seconded the motion and it was unanimously approved.

Mr. Pintuff moved to approve the minutes of the April 7, 2009 regular Board Meeting. Mr. Bartow seconded it and the motion was unanimously approved.

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. LaFave said he and the Hudson River Administrator attended the "Ethics in New York State Government" training provided by the New York State Commission on Public Integrity. He noted that all Regulating District staff will receive Ethics training within the next six months. Mr. LaFave stated in the interest of time he would not go through his entire report and referred the Board to his report in the Board packet.

Mr. Pintuff stated a comment made during the public comment period indicated a Board agenda item which would extend the Regulating District's contract with a public relations firm; he asked that the record reflect there is no such item on the Regulating District's agenda for this meeting and asked Executive Director to clarify.

Mr. LaFave said the agenda item for the Board meeting deals with Saratoga Associates who the Regulating District hired to review the Proposed Rules and the State Administrative Procedure Act (SAPA) documents that are required to be filed in the Rule Making process. Mr. LaFave noted that since the Proposed Rules have been with DEC for over six months the Regulating District's contract with Saratoga Associates had expired and the agenda item is for the Board to take action on that. There is no public relations firm contract on the agenda for the Board meeting.

## **COMMITTEE BUSINESS**

### **(a) Permit System – Mr. Pintuff**

Mr. Pintuff stated since there were no Committee members present at the Board meeting, the full Board will act on the agenda items under the Permit System Committee.

**(1) Old Business**

**(A) Red Oak Consulting Services Report of District's Application of Permit System Fee Methodology – Mr. LaFave**

Mr. LaFave introduced John Mastracchio from Red Oak Consulting. Mr. Mastracchio made a presentation to the Board regarding the cost methodology of the Access Permit System on Great Sacandaga Lake.

Mr. Bartow asked if there were any legal expenses allocated to the permit system. Mr. Mastracchio said at this time he is not aware of any legal related costs. However, he stated the way the District is handling this is that if there are legal expenses that come up that are directly related to the permit system at the end of the budget period when the actual costs versus the budget are looked at there would be a reconciliation or true-up performed at that point

Mr. Bartow noted for clarification that at last month's Board meeting during the budget discussion it was indicated that a larger contingency should be added to the legal budget to address the possibility of things coming up that are unaccounted for.

Ms. Beyor asked when the Board will see the numbers that are associated with this methodology. Mr. Ferrara said the Board will receive in detail documentation as to where the numbers are coming from, and exactly how they are calculated before the June Board meeting.

**(B) Resolution to Extend Termination Dates of Saratoga Associates Contract Amendments 1 & 2 – Mr. LaFave**

Mr. Pintuff noted the Board will be voting to adopt one resolution covering two separate contract amendments with Saratoga Associates. He also stated, both contracts have available funds and therefore there is no additional expense related to either.

Mr. Pintuff made a motion to adopt the Resolution to Extend Termination Dates of Saratoga Associates Contract Amendments 1 & 2. Ms. Beyor seconded the motion and it was unanimously approved.

**(C) Status of Permit System Rulemaking Timeline – Mr. LaFave**

Mr. Pintuff said there are changes to the Permit System Rulemaking Timeline which reflect the receipt of the April 24, 2009 letter from Department of Environmental Conservation (DEC) and the Rulemaking Process from May 2009 through September 15, 2009. Mr. Pintuff stated the Board may approve the resolution at this meeting for submission of the Proposed Rules to the Governor's Office of Regulatory Reform (GORR). Upon GORR approval there will be a submission of a Notice of Revised Rule Making to the Secretary of State for publication in the New York State Register for a comment period of no less than 30 days.

Mr. Bartow noted that the present timeline is written assuming all minimum deadlines are met but it is possible that the timeline could change through the process. Mr. Pintuff concurred.

Mr. LaFave said that the Proposed Rules in revision format reflecting DEC's comments will be on the Regulating District's website prior to the public comment period. He stated if the Board decides to take action at the Board meeting today to approve the Proposed Rules for submission to GORR, starting the Revised Rule Making process; those approved Proposed Rules will also be posted on the Regulating District's website. Mr. LaFave noted the 30 day public comment period does not officially start until the Proposed Rules are published in the State Register.

## **(2) New Business**

### **(A) Resolution to Amend Access Permit System Rules and to Submit the Revised Rules to the Governor's Office of Regulatory Reform and, upon GORR approval, to Submit a Notice of Revised Rule Making to the Secretary of State for a Comment Period of No Less Than 30 days – Mr. LaFave**

Mr. Pintuff stated that the Proposed Rules were received back from DEC by letter dated April 24, 2009, which is attached hereto and made a part hereof. He read for the record the following portion from that letter pertaining to DEC changes, "We understand the District's desire to enable those who own property adjacent to our state land to continue to access the lake by crossing state land. However we are especially concerned about the legality of provisions in the regulations which allow permittees to use this land for activities that are unrelated to lake access, and in many ways allow permittees to treat this land as if it is their own." Mr. Pintuff noted that the Proposed Rules are now anticipated to go into effect in 2010.

Mr. LaFave stated the resolution is a resolution to amend access permit system rules and to submit the revised rules to the Governor's Office of Regulatory Reform and upon GORR approval to submit a notice of revised rule making to the Secretary of State for a comment period of no less than 30 days.

Mr. Leslie stated he had received the night before this Board meeting from Saratoga Associates a letter which formed a basis upon which the Board could make a determination under the State Environmental Quality Review Act with regard to the significance of this proposal on the environment. He said because of that letter staff is prepared to offer two revisions to the resolution. The first would be to recite the fact that the Board as Lead Agency previously issued a Negative Declaration with regard to the 2007 proposed rules. The second would be one additional paragraph under the resolve clauses, which would indicate that based on a review of the proposed changes the Regulating District's Board as the lead agency has determined that the previously issued Negative Declaration continues to be applicable.

Ms. Beyor asked because the decision of the Board will be based on the letter from Saratoga Associates should the letter be reflected in the resolution. Mr. Leslie responded the Board minutes can reflect that, the resolution need not. The letter from Saratoga Associates dated May 11, 2009 is attached hereto and made a part hereof.

**Meeting recessed for a break: 11:03 A.M.  
Meeting reconvened: 11:13 A.M.**

Mr. Bartow suggested the Board consider posting the April 24, 2009 letter from DEC on the Regulating District's website. Mr. Pintuff agreed.

Mr. LaFave stated that the April 24, 2009 letter from DEC and the Proposed Rules reflecting comments on the proposed rules by the New York State Department of Environmental Conservation in revision format will be posted on the Regulating District's website. He noted that if and when the Board approves the rules, those Proposed Rules will also be posted on the Regulating District's website in regular text format.

Mr. Bartow asked General Counsel to clarify one change regarding the definition for footpath wherein DEC's comments edited this section but the proposed rules in revision format have it entirely struck out. Mr. Leslie stated DEC wanted the lands under the jurisdiction of the Regulating District to be treated as state lands and part of that included the elimination of provisions which give a particular permit holder rights superior to other members of the public, and therefore concepts like a foot path where one needs to stay within a defined area on state land, were antithetical to DEC's comments. Mr. Leslie said during discussions with DEC's counsel this was pointed out and agreed that the rules needed to be amended to remove those concepts.

Mr. Bartow stated he wanted to clarify for the record that there were conversations between Regulating District's General Counsel and Executive Director and Counsel for DEC regarding the changes to the Proposed Rules. Mr. Leslie agreed, stating DEC had done the editing based upon discussions with himself and the Executive Director.

Mr. Pintuff made a motion to adopt the Resolution to Amend Access Permit System Rules and to Submit the Revised Rules to the Governor's Office of Regulatory Reform and Upon GORR Approval to Submit a Notice of Revised Rule Making to the Secretary of State for a Comment Period of No Less than 30 Days. Mr. Bartow seconded the motion and it was unanimously approved.

Mr. Bartow asked Executive Director to publish a press release when the Proposed Rules are posted. Mr. LaFave said a press release will be issued with links to the website.

**(b) Procurement Policy Committee -Mr. Berkstresser (In the absence of Chairmen Berkstresser, Mr. Bartow served as Acting Chair.)**

**(1) Old Business – None**

**(2) New Business**

**(A) Resolution to Satisfy Annual Review and Approval of the Regulating District's Procurement Policy – Mr. Ferrara**

Mr. Bartow stated the full Board will be acting on the agenda items under the Procurement Committee.

Mr. Ferrara stated all annual reviews are pursuant to Section 2879 of the Public Authorities Law. He noted there are two amendments to the procurement policy, one is pursuant to Public Authority Law 2879(3)(b)(ii), which addresses any contracts rendered over a period in excess of one year shall require Board approval by resolution, and annual review of said contracts by the Board. The second change was pursuant to 2879(3)(c) and is a requirement to include minority women, business enterprises in the procurement reach-out efforts, which is under "Fair and Open Process." Mr. Ferrara noted other than the stated changes the policy is the same as it was last year and all the aforementioned changes reflect the current procurement guidelines and Public Authority Law and he recommended the Board approve the resolution.

Ms. Beyor asked that the Board be provided with all contracts that will require Board review. Mr. Ferrara said the Board will receive all contracts that are required to be reviewed by the Board.

Mr. Bartow made a motion to approve the Resolution to Satisfy Annual Review and Approval of The Regulating District's Procurement Policy. Mr. Pintuff seconded the motion and it was unanimously approved.

**(c) Governance – Mr. Bartow**

Mr. Bartow stated since the Governance Committee does not have a quorum the full Board will be acting on the agenda items under the Governance Committee.

**(1) Old Business –None**

**(2) New Business**

**(A) Motion to Re-schedule the September 8, 2009 Regular Board meeting to September 15, 2009 – Mr. LaFave**

Mr. Bartow made a motion to Re-schedule the September 8, 2009 Regular Board meeting to September 15, 2009. Ms. Beyor seconded the motion and it was unanimously approved.

**(B) Resolution to Approve Sixth Amendment to NIMO Litigation Contract – Mr. LaFave**

Mr. LaFave stated NiMo, Niagara Mohawk Power Corporation doing business as National Grid, has filed a new lawsuit against the Hudson River-Black River Regulating District and the New York State Department of Environmental Conservation. This was commenced in United States District Court, and basically it mirrors the lawsuits filed in state court for which Crane, Parente and Cherubin represent us with the approval of the Office of the State Comptroller and the Department of Law. Mr. LaFave said since Crane, Parente and Cherubin are already researching and defending the Regulating District in the state court lawsuit, it would make sense to just extend their contract to represent the Regulating District in this lawsuit.

Mr. Leslie noted when the NiMo lawsuit came in; a letter was immediately penned to the Attorney General's office asking them if they would represent the Regulating District in this

matter. The Deputy Attorney General for the Office of State Counsel responded indicating that they felt it was important that the Regulating District retain outside counsel in this matter. There has been prepared a Justification letter to the Department of Law's Contract Approval Unit that would bring this matter before that body, for their approval should the Board approve this amendment.

Mr. Pintuff made a motion to approve the Resolution to Approve Sixth Amendment to NIMO Litigation Contract. Mr. Bartow seconded the motion and it was unanimously approved.

### **(C) General Counsel Report – Mr. Leslie**

Mr. Leslie reported all staff required to file annual financial disclosure statements by May 15<sup>th</sup> have compiled. He noted that the report on honoraria is due on June 1<sup>st</sup> and the Regulating District will be filing their report before that deadline. Mr. Leslie said Board members are not covered by the requirement to report honoraria through the General Counsel to the Commission on Public Integrity.

Mr. Leslie noted comments made during the public comment portion of the Board meeting regarding the decision issued on November 28<sup>th</sup> and noted that staff have completed the RFP to solicit a firm to conduct a reapportionment study.

Mr. Leslie indicated in the Chera litigation, which is the personal injury suit having to do with a rope swing; there was a request for representation made to the Attorney General on March 12<sup>th</sup> and a follow-up on April 22<sup>nd</sup>. However, it is the General Counsel's intention, to continue to utilize existing outside counsel for the prosecution of the defense of that case unless the Attorney General responds favorably that they are going to represent the Regulating District.

With regard to the Niagara Mohawk permit system challenge, Mr. Leslie reported the Department of Law Contract Approval Unit has reviewed the contract with Whiteman, Osterman and Hanna and asked to have minor revisions made. He said those revisions have been made and the contract is back at the Contract Approval Unit for their approval.

Mr. Leslie noted in reference to the Albany Engineering v. FERC litigation the Fifth Contract Amendment had come back from Office of Attorney General and was going to the Office of State Comptroller for approval.

Ms. Beyor asked when the RFP proposals are due in and when is it anticipated that a recommendation will come to the Board. Mr. Foltan said the RFP goes to the Contract Reporter on May 18<sup>th</sup> and comes back on June 22<sup>nd</sup>. He noted depending on how many are received, it will take a couple of weeks to evaluate the proposals and put together a summary for the Board. He anticipated it will come before the Board at the September Board meeting.

**(d) Operations Committee – Chairwoman Dunning (In the absence of Chairwoman Dunning, Ms. Beyor served as Acting Chair.)**

**(1) Old Business**

**(A) Motion to Accept Three (3) Year Capital Plan – Mr. Foltan**

Ms. Beyor stated the Board has received a memorandum from Mr. Foltan and a summary of the Capital Plan that was discussed at the April 7<sup>th</sup> Board meeting. Ms. Beyor asked Mr. Clark to report to the Board his findings on the questions posed to him at the April 7<sup>th</sup> Board meeting.

Mr. Clark said he was asked at the April 7<sup>th</sup> Board meeting to re-evaluate the estimates for concrete from cubic yards to square feet for the proposed 30 feet by 60 feet pole barn construction at the Conklingville Dam. Mr. Clark reported the net change when reducing the \$450.00 a cubic yard or \$8.00 a square foot to \$5.00 or \$6.00 a square foot, would reduce the line item in that estimate for the concrete slab from approximately \$16,000.00 down to between \$11 and \$12,000. Therefore, the change in the preliminary estimate would be \$4 to \$5,000.00

Mr. Clark said the second question he was asked to report back to the Board concerned the proposed replacement of the Indian Lake House septic system and why there was a considerable price difference between this and the proposed septic system replacement at Black River Field Office. Mr. Clark said the \$7,500.00 estimate for a septic system at Indian Lake versus the \$27,250.00 at Black River Field Office is largely due to the well-drained, granular soil that exists at the Indian Lake House location that would allow the installation of a gravity system with a conventional leach field. Whereas, he indicated at the Black River Field Office the septic system is a substantially different system given groundwater and soils which would involve quite a bit of fill.

Ms. Beyor said there was also a question about the historical significance of the Indian Lake House structure. Mr. Clark said the Sacandaga Field Office personnel have requested input from the State Historic Preservation Office and have not yet received a response.

Mr. Foltan stated that he did research the state historic properties website, as well as, the State Register and the National Register links and did not find any indication that either the structure or the dam was listed.

Ms. Beyor commented staff has done a very good job of providing detailed information to the Committee and to the Board. Ms. Beyor noted that it is critically important even in these difficult budget times, not to neglect our facilities and to do the investments that are required to maintain them properly.

Mr. Pintuff commented that he appreciated the easy to follow format of the Capital Plan.

Ms. Beyor made a motion to Accept Three (3) Year Capital Plan. Mr. Pintuff seconded the motion and it was unanimously approved.

**(B) Discussion of FERC Approved Amendment to HPMP – Mr. Mosher**

Mr. LaFave introduced Mike Mosher the Regulating District's Operations Engineer and Assistant Chief Engineer.

Mr. Mosher made a presentation to the Board on the update to the Board's July 14, 2008 approval of procedural changes to Great Sacandaga Lake Historic Properties Management Plan for Fulton, Hamilton and Saratoga Counties New York.

**(C) Motion to Authorize the Solicitation of Bids for the Construction of Conklingville Dam Ice Sluice Repairs – Mr. Foltan**

Ms. Beyor asked if the actual opening bid date had been scheduled and whether construction is anticipated to occur this summer or fall. Mr. Foltan said he was hoping the bids will be received late June; however, construction is tentatively scheduled for October pending state review and Board approval. Mr. Foltan noted the project is expected to take a month and a half to two and half months to complete.

Ms. Beyor made a motion to Authorize the Solicitation of Bids for the Construction of Conklingville Dam Ice Sluice Repairs. Mr. Bartow seconded the motion and it was unanimously approved.

**(D) Motion to Authorize GEI Consultants to Perform Construction Monitoring Services and to Amend Agreement C032007 – Mr. Foltan**

Ms. Beyor made a motion to Authorize GEI Consultants to Perform Construction Monitoring Services and to Amend Agreement C032007. Mr. Pintuff seconded the motion and it was unanimously approved.

**(2) New Business**

**(A) Chief Engineer's Report – Mr. Foltan**

Mr. Foltan reported precipitation in the month of April was below normal across the entire watershed. The monthly inflow to Great Sacandaga Lake and Indian Lake reservoir was approximately 72% and 85% of historic average. Mr. Foltan noted in the Black River area, precipitation was below normal in April, and actually measured, 71%, 70%, 30% of historic average at Stillwater, Old Forge, and Sixth Lake, respectively.

Chairman Klein asked for an overview of the releases from Great Sacandaga Lake. Mr. Foltan stated he has maximized the releases throughout the refilling period. And more recently, in the last four to six weeks, he said releases have been made based on the ability and availability relative to the Hudson Flow such that the reservoir had been brought to the Level Three curve, which is an underlying rule of the Offer of Settlement. Mr. Foltan said now that the elevation has reached the Level Three curve the releases are going to be substantially reduced. The reservoir will store what is needed to gradually follow the Level Three curve hopefully reaching the June 1<sup>st</sup> target elevation of 768.

**(B) Hudson River Area Administrator Report – Mike Clark**

Mr. Clark reported the workboat at the Sacandaga Field Office is on the water and the crew is making progress on the 2009 Shoreline Stabilization Erosion Control Plan. He noted that over the last six months one of the administrative assistants has been integrated into the erosion control/shoreline stabilization team to help streamline the data management process. Mr. Clark said he attended the Commission on Public Integrity's "Ethics in New York State Government" course in Albany. He stated he and the engineering assistant have conducted inspections of the Indian Lake House.

Chairman Klein asked about the status of the land surveyor's base map project. Mr. Clark said that this is an ongoing project; however he would expect that by mid-summer there would be a base map compilation of Great Sacandaga that includes access permit boundaries. Chairman Klein asked if a presentation to the Board could be planned in the near future. Mr. Clark said he would arrange to do a Power Point presentation at a future Board meeting.

Mr. Clark said he wanted to disclose to the Board that his son who is a student at Paul Smith's College has submitted his name and resume to the Great Sacandaga Lake Advisory Council (GSLAC) for summer employment. Mr. Clark noted that the Council is employing college age students to be lake stewards who would be stationed at the various public boat launches to inform the public about invasive species and proper boat care and prevention. Mr. Clark stated he is not involved with this program but did not want any confusion in appearance and therefore asks the Board's advice on this matter. Chairman Klein deferred to General Counsel, Mr. Leslie. Mr. Leslie said there is no conflict between the duties of the Hudson River Area Administrator and the workings of his adult son in a volunteer or paid position. The fact that the situs of their jobs would be similar doesn't necessarily raise a prohibitive conflict. Mr. Leslie commended Mr. Clark for making the disclosure which is the biggest step towards cleansing himself of any potential problem.

After Board discussion it was decided that Mr. Clark and Mr. Foltan, both who will be attending the meeting of the GSLAC, should not vote or take part in any discussion regarding this program thereby eliminating any potential conflict of interest.

Mr. Bartow said the GSLAC should be commended for the good work that they have been doing on the invasive species issue and that the physical manning of boat launches, along with public education and outreach is really the only effective combatant to the invasive species problem.

**(C) Black River Area Administrator Report – Carol Simpson**

Ms. Simpson reported that she attended the "Ethics in New York State Government" course held in Albany presented by the NYS Commission on Public Integrity. Ms. Simpson said she and the Executive Director met with both NYS Assemblywoman Addie Jenne Russell and NYS Senator Darrell Aubertine in their respective offices. They viewed the Regulating District video and discussed the Black River area. Ms. Simpson said seasonal maintenance has

begun with the liming and fertilizing of the dikes at the Stillwater dam and the staining of the Gate House at the Old Forge dam.

**(e) Finance Committee – Mr. Pintuff**

**(1) Approval of Expenses**

Mr. Pintuff asked for a motion to approve the expenses. Ms. Beyor made a motion to approve the expenses in the amount of \$912.94. Mr. Bartow seconded the motion. There being no discussion the motion was approved.

**(2) Old Business – None**

**(3) New Business**

**(A) Resolution to Approve USGS Contract for July 1, 2009 to June 30, 2012 – Mr. Foltan**

Mr. Foltan said the Board was provided with a memorandum of services that are provided by the USGS to the District with regard to work on measuring and publishing water service elevations both in the rivers and the reservoirs. He stated the proposed agreement represents a continuation of the current quantity and level of gauge-maintenance and services and the Regulating District's share for three years of service is \$317,176.00.

Mr. Pintuff made a motion for approval of a Resolution to Approve USGS Contract for July 1, 2009 to June 30, 2012. Mr. Bartow seconded the motion. There being no discussion the motion was approved.

**(B) Resolution to Review and Approve Disposition of Property Guidelines – Mr. Ferrara**

Mr. Pintuff stated that the Resolution to Review and Approve Disposition of Property Guidelines has been tabled for the June Board meeting.

**(C) Resolution to Satisfy Annual Review and Approval of the Regulating District's Investment Policy – Mr. Ferrara**

Mr. Ferrara said pursuant to Section 2925 of the Public Authorities Law the Regulating District's Policy with respect to the adoption of an investment policy is required to be annually reviewed and approved by the Board. Mr. Ferrara noted this policy reflects no changes and he recommends that the Board approve the policy.

Mr. Pintuff made a motion for approval of a Resolution to Satisfy Annual Review and Approval of the Regulating District's Investment Policy. Mr. Bartow seconded the motion. There being no discussion the motion was approved.

## **(D) CFO's Report – Mr. Ferrara**

Mr. Ferrara reported that he will provide, the Board, via e mail with the final budget the week of May 25, 2009. He noted it will include the permit system and a methodology link that will translate and allocate those SFO and General Board expenses that will generate the estimated permit system budget for the next three years. He noted that the budget will reflect several changes that had been discussed at the April Board meeting specifically, the Capital Vehicle for \$31,000.00 and the two engineering studies one for the reapportionment and the other for a potential headwater benefit study. Mr. Ferrara said the total for the two engineering projects would be \$280,000.00. Also, he said the contractual expenses contingency was increased across the Board to reflect a percentage that Mr. Bartow had indicated which will be \$145,000.00. Mr. Ferrara said the property taxes were increased which is the biggest line item in the budget by \$314,000.00. He noted total property taxes now on the budget total \$8,094,000.00 the largest single item on the budget.

Mr. Ferrara said he is glad to report Northbrook and Brownville Specialty, two delinquent assessments for Black River, have been received totaling \$64,000.00. He noted other than Albany Engineering Corporation in the Hudson River all assessments are up to date.

Mr. Ferrara said his report also serves as a basis for a review of Regulating District's investments which are still only in three areas: the sentinel funds, the New York State short-term investment pool and one money market. He noted even in this financial environment the sentinel fund has done well. Mr. Ferrara reported that the Internal Control Certification was submitted on April 30, 2009 as required by state law.

## **BOARD BUSINESS**

### **(1) Old Business**

#### **(A) Motion to Approve Regulating District Annual Report for January 1, 2008 through December 31, 2008 – Mr. LaFave**

Mr. Pintuff made a motion to Approve Regulating District Annual Report for January 1, 2008 through December 31, 2008. Ms. Beyor seconded the motion. There being no discussion the motion was approved.

### **(B) New Business - None**

## **BOARD MEMBER QUESTIONS AND COMMENTS**

Mr. Pintuff thanked Mr. Clark and his staff and staff of the Albany office for a job well done on the Hudson River Area 50<sup>th</sup> anniversary celebration held on May 11<sup>th</sup>.

Ms. Beyor recognized Anne McDonald's service as a Board member, stating she was an incredible mentor and friend and she was incredibly dedicated to the Regulating District and took her service on the Board very, very seriously, she will be greatly missed. Ms. Beyor said the Board looks forward to Mr. Berkstresser coming on the Board

Chairman Klein said Ms. McDonald's service of ten plus years had a lot of archival history that will be missed.

## **MOTION FOR NEXT BOARD MEETING**

A motion was made by Ms. Beyor for the next Board meeting to be held on Tuesday, June 9, 2009 at the Town of Inlet, 160 Route 28, Inlet, NY at 10:00 A.M. Mr. Bartow seconded it. Chairman Klein asked if there was any discussion. There was none. The motion was unanimously approved.

## **EXECUTIVE SESSION**

**The Board entered Executive Session at 12:30 P.M.**

## **RESOLUTIONS**

### **09-15-05 RESOLUTION TO EXTEND SARATOGA ASSOCIATES CONTRACT AMENDMENTS 1 & 2**

Mr. Pintuff moved to adopt the resolution. Ms. Beyor seconded it and the resolution was adopted.

### **09-16-05 RESOLUTION TO AMEND ACCESS PERMIT SYSTEM RULES AND TO SUBMIT THE REVISED RULES TO THE GOVERNOR'S OFFICE OF REGULATORY REFORM AND, UPON GORR APPROVAL, TO SUBMIT A NOTICE OF REVISED RULE MAKING TO THE SECRETARY OF STATE FOR A COMMENT PERIOD OF NO LESS THAN 30 DAYS**

Mr. Pintuff moved to adopt the resolution. Mr. Bartow seconded it and the resolution was adopted.

### **09-17-05 RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF THE REGULATING DISTRICT'S PROCUREMENT POLICY**

Mr. Bartow moved to adopt the resolution. Mr. Pintuff seconded it and the resolution was adopted.

### **09-18-05 RESOLUTION TO APPROVE A SIXTH AMENDMENT TO THE RETAINER AGREEMENT FOR LEGAL SERVICES IN CONNECTION TO ONGOING LITIGATION WITH ERIE BOULEVARD HYDROPOWER L.P. AND NIAGARA MOHAWK POWER CORPORATION**

Mr. Pintuff moved to adopt the resolution. Mr. Bartow seconded it and the resolution was adopted.

**09-19-05 RESOLUTION AUTHORIZING RENEWAL OF AN AGREEMENT WITH UNITED STATES GEOLOGICAL SURVEY**

Mr. Pintuff moved to adopt the resolution. Mr. Bartow seconded it and the resolution was adopted.

**09-20-05 RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF THE REGULATING DISTRICT'S INVESTMENT POLICY**

Mr. Pintuff moved to adopt the resolution. Mr. Bartow seconded it and the resolution was adopted.

**09-21-05 RESOLUTION SCHEDULING DATE, TIME AND LOCATION OF THE JUNE 9, 2009 BOARD MEETING**

Ms. Beyor moved to adopt the resolution. Mr. Bartow seconded it and the resolution was adopted.

**ADJOURNMENT**

Mr. Pintuff made a motion to adjourn the Board meeting. Ms. Beyor seconded it and the motion was unanimously approved. The meeting adjourned at 2:45 P.M.

Respectfully submitted,

Richard J. Ferrara  
Secretary/Treasurer