

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

Dulles State Office Building
317 Washington Street, Room 100 (Conf. Room #1)
Watertown, New York 13601

April 14, 2015

Immediately following 10:00 A.M. Governance Committee Meeting

CALL TO ORDER

Chairman Mark M. Finkle called the meeting to order at 10:12 A.M.

ROLL CALL

Present: Board Chairman Mark M. Finkle; First Vice-Chair Albert J. Hayes; Second Vice-Chair David W. Berkstresser, and Board Members Anthony M. Neddo, and Robert A. Moore; Executive Director Michael A. Clark; General Counsel Robert P. Leslie; Chief Fiscal Officer Richard J. Ferrara; Chief Engineer Robert Foltan; Administrator John Hodgson; and Compliance Officer, Stephanie Ruzycky.

Excused: Jeffrey Rosenthal

Chairman Finkle welcomed Robert A. Moore of Old Forge to the Board. The Chairman noted that upon Mr. Moore's appointment, he asked Mr. Moore to sit on the Governance Committee.

MOTION TO ADOPT OR REVISE THE MEETING AGENDA

Chairman Finkle asked for a motion to adopt a revised meeting agenda to reflect the addition of an item 'c' under contracts to address work on the garage roof at the Sacandaga Field Office. Mr. Berkstresser made a motion to adopt the meeting agenda. Mr. Neddo seconded it and the motion was unanimously approved.

PUBLIC COMMENT

Chairman Finkle solicited comments from the public; hearing none.

APPROVAL OF THE MARCH 10, 2015 MEETING MINUTES

Chairman Finkle asked for a motion to adopt the March 10, 2015 Meeting Minutes. Mr. Hayes advanced the motion to approve the Board's March 10, 2015 Meeting Minutes. Mr. Berkstresser seconded it and the motion was unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Mr. Clark provided his report; noting that he and the General Counsel met with representatives from DEC and EFC to secure DEC's approval for the pending bond issues. Discussions with both entities continue. Mr. Clark also noted his meeting with new Board Member, Robert Moore. Mr. Clark related that he met with Licensed Land Surveyor to discuss necessary work regarding the New York State property boundary. He noted attendance at continuing educational seminars sponsored by the NYS Society of Professional engineers and through NYS Education Department on-line ethics training. Mr. Clark explained his participation in the orientation training for the new field assistant and the conduct of supervisory duties at the Stillwater and Watertown offices. Mr. Clark also explained to the Board the need to establish a methodology to value the Reservoir Operating Agreements which will soon expire at Stillwater and Conklingville. He noted that staff will need to justify to the Office of the State Comptroller any amount contracted and will need to show how the Regulating District arrived at such figure. Because staff research to date has shown a wide fluctuation between the high and low amounts captured through Reservoir Operating Agreements entered into by other entities such as the Canal Corp and NYPA, Mr. Clark proposed establishing a repeatable methodology the Regulating District can point to as it commences negotiations with Stillwater Associates and Erie Boulevard Hydropower, LP regarding the renewal of the Reservoir Operating Agreements at Stillwater and Conklingville respectively.

RESOLUTION IMPLEMENTING A CHANGE CONTEMPLATED BY THE COLLECTIVE BARGAINING AGREEMENT BY AND BETWEEN THE HUDSON RIVER-BLACK RIVER REGULATING DISTRICT AND THE CIVIL SERVICE EMPLOYEES ASSOCIATION, INC., AFSCME LOCAL 1000, AFL-CIO, HUDSON RIVER-BLACK RIVER REGULATING DISTRICT LOCAL 120 TO REFLECT THE ADDITION OF THE ENGINEERING ASSISTANT TITLE TO ARTICLE I

Mr. Clark noted that pursuant to the Memorandum of Understanding leading to the current Collective Bargaining Agreement, Article I of the Collective Bargaining Agreement entitled "Recognition" is to be amended to add "Engineering Assistant" to the list of titles for which CSEA is the exclusive representative once such title becomes vacant. The title became vacant upon Stephanie Ruzycky's promotion to the M/C Compliance Officer position. Mr. Clark noted that the Union has proposed to set the salary range of the position based on the salary of the last incumbent and recommended that the Board accept CSEA's proposed amendment to Appendix 'F' of the CBA reflecting a salary schedule for the period 7/1/2015 – 6/3-/2016 for the new title.

Mr. Hayes made a motion to adopt a Resolution to implement the placement of the title into the Union and to set the salary schedule as reflected in a new appendix 'F' to be appended to the Collective Bargaining Agreement. Mr. Berkstresser seconded and the Motion was unanimously approved.

CONTRACTS

RESOLUTION TO APPROVE FOURTH AMENDMENT TO CONTRACT C032007 WITH GEI CONSULTANTS, INC. TO AMEND CONTRACT SCOPE OF WORK AND PRICE

Mr. Foltan reminded the Board that through Resolutions 07-52-09, 09-39-09, and 13-39-11 it authorized GEI Consultant's, Inc. (GEI) to perform Engineering Work at the Conklingville Dam for a total amount not to exceed amount \$247,500.00 (Contract C032007). Part of the scope of work included the evaluation of the existing condition and rehabilitation alternatives for the abandoned ice sluice structure. GEI completed the evaluation and analysis of the ice sluice structure and determined that the concrete wall immediately adjacent to the ice sluice does not meet dam safety regulations. Then, in accordance with the engineering agreement, GEI recommended and completed a design, design drawing, and technical specifications documents for bidding of the ice sluice repair construction project. Mr. Foltan reminded the Board that it authorized Regulating District staff to solicit construction bids for the completion of the ice sluice remediation in 2014. Additionally, in anticipation of the construction phase of the project, the Board authorized Regulating District staff to amend the agreement with GEI to include construction monitoring services. GEI has provided a scope of work and fee proposal for preparation of an engineer's opinion of probable cost, review and comment on bids received, full-time onsite construction monitoring services, development of "construction record" drawings, and other services necessary to complete this project. GEI proposes to complete these services for a "not-to-exceed" amount of \$94,500. Mr. Foltan recommended acceptance of GEI's Construction Services Scope of Work and Fee Proposal, and sought Board authorization to amend the Contract C032007 by an amount of \$94,500 for a total contract price of \$342,000. Mr. Foltan noted that the contract amendment is subject to review and approval by the State of New York Office of the Attorney General and the New York State Office of the State Comptroller. Mr. Moore asked for an explanation regarding the number of amendments approved to date. Mr.'s Foltan and Clark explained that the first contract amendment concerned the contract's termination date. Subsequent amendments involved a change in scope and then an additional change in scope occasioned by comments FERC supplied during their interim review of the findings developed in the early stages of contract implementation.

Mr. Berkstresser moved to adopt the Resolution to amend Contract C032007 to authorize the change in scope and additional payment of \$94,500 bring the Contract total to \$342,000.00. Mr. Neddo seconded and the Resolution was unanimously adopted.

Motion Authorizing Staff to Procure Engineering Services for Completion Stillwater Dam Seventh Part 12 Independent Consultant Safety Inspection

Mr. Foltan addressed the Board seeking authorization to procure Engineering Services for the completion of the Seventh PART 12 Independent Consultant Safety Inspection required at Stillwater Dam. He noted that the Federal Energy Regulatory Commission (FERC) requires an Independent Consultant Safety Inspection of Stillwater Dam, and an Independent Consultant Inspection Report to be completed every five years. He also noted that the 7th Part 12D Independent Consultant Safety Inspection Report for Stillwater Dam must be submitted to FERC

by January 1, 2016. Mr. Foltan outlined the schedule under which the tasks identified below would be required to be completed in order to allow sufficient time to submit the safety inspection report to FERC in a timely fashion. The Estimated Project Schedule includes:

- April 15 - May 15 Evaluate no less than three firms deemed Most Highly Qualified
- May 16 - May 31 Select the Highest Qualified
- June 9 - Request Board Award of Work
- June 10 - Request a Scope of Work and Fee Proposal
- June 24 - July 10 Negotiate a satisfactory contract
- July 14 - Request Board authorization to execute contract
- July 15 - Aug 30 AG / OSC contract review
- Sept 1 - Issue Consultant a Notice to Proceed

Chairman Finkle asked for a Motion to authorize staff to procure engineering services for the completion of the Stillwater Dam Part 12 Independent Consultant Safety Inspection. Mr. Neddo made the Motion. Mr. Hayes seconded and the Board adopted the Motion by unanimous vote.

RESOLUTION TO CONDITIONALLY AWARD THE REPLACEMENT OF THE GARAGE ROOF AT THE SACANDAGA FIELD OFFICE IN MAYFIELD TO AMZ CONSTRUCTION SERVICES, INC.

Mr. Foltan presented a Resolution to conditionally award a contract for the replacement of the garage roof at the Sacandaga Field Office. He related that staff had placed a Notice of Intention for bids in the State Contract Reporter seeking bids from certified Minority or Women-owned Business Enterprises and that five firms submitted bids. Mr. Foltan recommended that the Board engage a qualified MWBE firm pursuant to its discretionary authority under Article 15-A of the NYS Executive Law and related that after careful consideration, staff determined AMZ Construction Services, Inc. to be the lowest bidder with the necessary demonstrated experience. He noted that AMZ is certified WBE and recommended that the Board conditionally award the work to AMZ Construction Services, Inc. for a not to exceed amount of \$33,735.00.

Chairman Finkle asked for a Motion to adopt the Resolution to conditionally award the SFO garage roof work to AMZ Construction Services, Inc. Mr. Hayes made the Motion. Mr. Berkstresser seconded and the Board adopted the Motion by unanimous vote.

GOVERNANCE COMMITTEE REPORT

Committee Vice-Chairman Hayes introduced the Board to the following three Resolutions:

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

Committee Vice-Chairman Hayes asked Mr. Ferrara to speak to the annual review staff conducted with respect to the investment policy.

Mr. Berkstresser moved to adopt the Resolution to satisfy the necessary annual review of the Regulating District's Investment Policy. Mr. Hayes seconded it and the Resolution was unanimously adopted.

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

Committee Vice-Chairman Hayes asked Mr. Ferrara to speak to the annual review staff conducted with respect to the procurement policy.

Mr. Hayes moved to adopt the Resolution to satisfy the necessary annual review of the Regulating District's Procurement Policy. Mr. Neddo seconded it and the Resolution was unanimously adopted.

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

Committee Vice-Chairman Hayes asked Mr. Ferrara to speak to the annual review staff conducted with respect to the District's Disposition of Property Guidelines.

Mr. Berkstresser moved to adopt the Resolution to satisfy the necessary annual review of the Regulating District's Disposition of Property Guidelines. Mr. Hayes seconded it and the Resolution was unanimously adopted.

STAFF REPORTS

Mr. Leslie presented his report to the Board. Mr. Leslie noted that it remains quiet on the litigation front; the Regulating District awaits outcomes of the competing dispositive motions in NiMo's federal court challenge and the slip in fall case in front of Captain Nauti's. Mr. Leslie noted that he continues to prepare materials for the Sansevera appeal and to await a response from FERC concerning the commencement of HWB payments. He related that counsel for the Thompsons, a party involved in an enforcement action initiated by DEC's Region Six concerning use of a Ferry at Stillwater Reservoir, has asked whether the Board would consent to allowing such Ferry to be docked or moored periodically on Regulating District lands. After studying the matter and consulting with counsel for DEC, Mr. Leslie recommended that the Regulating District not enter into a lease authorizing the Thompson's use of the dock, but suggested that periodic use, as afforded other members of the public, should not present a problem. Chairman Finkle led a discussion of the Thompson's request. The Board reached a consensus to permit the Thompsons to periodically park the barge at the Boat House dock provided the Thompsons add the Regulating District as an additional insured on the liability policies covering the Barge/Ferry.

Mr. Leslie reported that he had an opportunity to meet with the Board's new member, Mr. Moore, and among other issues discussed had an opportunity to provide Mr. Moore with the two-hour 'live' ethics training required by the Joint Commission on Public Ethics.

Mrs. Ruzycky presented her report to the Board. Of the \$207,823.73 spent during the State's 4th quarter reporting period, the Regulating District spent \$43,385.55 of that total on expenses to qualified MWBE (20.9%). Mrs. Ruzycky reported on the timely posting of the 2016 Budget Report to PARIS.

Mr. Ferrara presented his report to the Board. He noted that at the close of fiscal March 31, 2015, the general fund balances for the HRA and BRA were estimated to be \$298,499 and \$808,786 respectively. He noted that District transactional processing and reporting for the fiscal month of March was completed in an accurate and timely fashion. District bank reconciliations are complete through February 28, 2015. Mr. Ferrara provided a draft budget update focusing on the status of capital project funding alternatives

Mr. Ferrara noted that significant disbursements for the period include: Atlantic Testing Laboratories, \$39,136.00, Bergmann Associates, \$ 31,810 and \$42,068.00, and USGS, \$28,644.00

Mr. Ferrara presented affidavits evidencing necessary and reasonable Board expenses incurred by David Berkstresser in the amount of \$465.42 in the course of his duties as a Board member. Chairman Finkle asked for a Motion to approve payment of such expenses. Mr. Hayes so moved. Mr. Neddo seconded and the Board passed the Motion by unanimous vote. Mr. Berkstresser abstained.

Mr. Foltan presented the Chief Engineer's report to the Board. Mr. Foltan presented a recommendation to eliminate two United States Geological Survey river gauges from the network of gauges funded by the Regulating District's. The gauges recommended for elimination include:

- No. 01317000 Schroon River at Riverbank, NY (Hudson River Watershed)
- No. 04256000 Independence River at Donnattsburg, NY (Black River Watershed)

These gauges provide a limited beneficial information and the data collected therefrom have an insignificant role in reservoir operation. The Board concurred with Mr. Foltan's recommendation.

Mr. Hodgson presented his report to the Board.

BOARD MEMBER QUESTIONS AND COMMENTS

Chairman Finkle suggested moving the Board's September meeting from Lowville to Long Lake. Mr. Clark indicated he would follow-through on the request.

RESOLUTION SCHEDULING DATE, TIME AND LOCATION OF THE REGULAR BOARD MEETING FOR MAY 12, 2015

Chairman Finkle asked for a motion to adopt a Resolution setting the next meeting of the Board of the Hudson River-Black River Regulating District for Tuesday, May 12, 2015 at the at the Northampton Town Hall, 412 South Main Street, Northville, NY 12134 at 10:00 A.M. Chairman Finkle asked for a motion to set the meeting as indicated.

Mr. Hayes moved to adopt the Resolution. Mr. Neddo seconded it and the Resolution was unanimously adopted.

ADJOURNMENT

There being no further business to come before the Board, Mr. Berkstresser moved to adjourn the meeting. Mr. Neddo seconded it. The motion was unanimously approved. The meeting adjourned at 11:15 A.M.

RESOLUTIONS

15-09-04 RESOLUTION IMPLEMENTING A CHANGE CONTEMPLATED BY THE COLLECTIVE BARGAINING AGREEMENT BY AND BETWEEN THE HUDSON RIVER-BLACK RIVER REGULATING DISTRICT AND THE CIVIL SERVICE EMPLOYEES ASSOCIATION, INC., AFSCME LOCAL 1000, AFL-CIO, HUDSON RIVER-BLACK RIVER REGULATING DISTRICT LOCAL 120 TO REFLECT THE ADDITION OF THE ENGINEERING ASSISTANT TITLE TO ARTICLE I

Mr. Hayes made a motion to adopt a Resolution to implement the placement of the title into the Union and to set the salary schedule as reflected in a new appendix 'F' to be appended to the Collective Bargaining Agreement. Mr. Berkstresser seconded and the Motion was unanimously approved.

15-10-04 RESOLUTION TO APPROVE FOURTH AMENDMENT TO CONTRACT C032007 WITH GEI CONSULTANTS, INC. TO AMEND CONTRACT SCOPE OF WORK AND PRICE

Mr. Berkstresser moved to adopt the Resolution to amend Contract C032007 to authorize the change in scope and additional payment of \$94,500 bring the Contract total to \$342,000.00. Mr. Neddo seconded and the Resolution was unanimously adopted.

15-11-04 RESOLUTION TO CONDITIONALLY AWARD THE REPLACEMENT OF THE GARAGE ROOF AT THE SACANDAGA FIELD OFFICE IN MAYFIELD TO AMZ CONSTRUCTION SERVICES, INC.

Chairman Finkle asked for a Motion to adopt the Resolution to conditionally award the SFO garage roof work to AMZ Construction Services, Inc. Mr. Hayes made the Motion. Mr. Berkstresser seconded and the Board adopted the Motion by unanimous vote.

15-12-04 RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF THE REGULATING DISTRICT'S INVESTMENT POLICY

Mr. Berkstresser moved to adopt the Resolution to satisfy the necessary annual review of the Regulating District's Investment Policy. Mr. Hayes seconded it and the Resolution was unanimously adopted.

15-13-04 RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF THE REGULATING DISTRICT'S PROCUREMENT POLICY

Mr. Hayes moved to adopt the Resolution to satisfy the necessary annual review of the Regulating District's Procurement Policy. Mr. Neddo seconded it and the Resolution was unanimously adopted.

15-14-04 RESOLUTION TO ANNUALLY REVIEW AND APPROVE THE REGULATING DISTRICT'S DISPOSITION OF PROPERTY GUIDELINES PURSUANT TO SECTION 2896(1) OF THE PUBLIC AUTHORITIES LAW

Mr. Berkstresser moved to adopt the Resolution to satisfy the necessary annual review of the Regulating District's Disposition of Property Guidelines. Mr. Hayes seconded it and the Resolution was unanimously adopted.

15-15-04 RESOLUTION SCHEDULING DATE, TIME AND LOCATION OF THE REGULAR BOARD MEETING FOR MAY 12, 2015

Mr. Hayes moved to adopt the Resolution. Mr. Neddo seconded it and the Resolution was unanimously adopted.

Respectfully submitted,

Richard J. Ferrara
Secretary/Treasurer

Mark M. Finkle
Board Chairman