

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

July 8, 2014

Mayfield Municipal Complex
28 North School Street
Mayfield, New York 12117

CALL TO ORDER

Chairman Mark M. Finkle called the meeting to order at 10:00 A.M.

PLEDGE OF ALLEGIANCE

INTRODUCTION OF NEW MEMBERS

Chairman Finkle welcomed Jeffrey Rosenthal and Anthony M. Neddo to the Regulating District Board. Governor Cuomo appointed Mr. Rosenthal of Mayfield and Mr. Neddo of Watertown to the Regulating District Board on June 11th. Mr. Rosenthal's term expires December 20, 2018. Mr. Neddo's term expires December 7th, 2018.

ROLL CALL

Present: Board Chairman Mark M. Finkle; First Vice-Chair Thomas Stover; Second Vice-Chair Albert J. Hayes; Board Member David W. Berkstresser; Anthony M. Neddo; Jeffrey Rosenthal; Executive Director Michael A. Clark; General Counsel Robert P. Leslie; Chief Fiscal Officer Richard J. Ferrara; Chief Engineer Robert Foltan; Hudson River - Black River Area Administrator John Hodgson.

MOTION TO ADOPT OR REVISE THE MEETING AGENDA

Chairman Finkle asked for a motion to revise the meeting agenda to reflect an Executive Session to discuss collective bargaining and to add consideration of a Resolution to approve an amendment to the Kleinschmidt contract authorizing payment for an update to the Hawkinsville Dam classification.

Mr. Stover made a motion to adopt the proposed meeting agenda as revised. Mr. Berkstresser seconded it and the motion was unanimously approved.

PUBLIC COMMENT PERIOD

Chairman Finkle solicited comments from the public. A speaker from the Great Sacandaga Lake Association welcomed the new Board Members and addressed issues of concern to the GSLA. One speaker addressed the Board regarding preferred alternatives with respect to the Hawkinsville Dam. Staff guided the speaker to the Draft Hawkinsville Dam Final Study on the Regulating District's website. Staff also agreed to post the report to a more prominent spot.

Chairman Finkle asked Mr. Foltan to provide an update on discussion with the owner of property adjacent to the Hawkinsville Dam. Mr. Foltan noted that he and the Executive Director are to meet with representatives of the adjacent landowner later this week.

APPROVAL OF THE JUNE 10, 2014 BOARD MEETING MINUTES

Chairman Finkle asked for a motion to adopt the June 10, 2014 Regular Meeting Minutes. Mr. Hayes advanced the motion to approve the Board's June 10, 2014 Regular Meeting Minutes. Mr. Stover seconded it and the motion was unanimously approved. Mr. Neddo and Mr. Rosenthal abstained.

EXECUTIVE DIRECTOR'S REPORT

Mr. Clark provided his report. Mr. Clark reported on the audit closing meeting with representatives from the Office of the State Comptroller. He also reported on a meeting with representatives from Jefferson County regarding unpaid National Grid assessments. Mr. Clark also noted meetings/calls with CSEA, staff and the Fact Finder regarding contract negotiations.

EXECUTIVE SESSION

Chairman Finkle called for a motion to adjourn to Executive Session to discuss collective bargaining issues. The Chairman indicated that the Board expected to conduct further business after the Executive Session and invited the Executive Director, Chief Fiscal Officer, and General Counsel to join the Board in Executive Session. Mr. Stover advanced the motion, Mr. Berkstresser seconded. The Board adjourned to Executive Session at 10:23 A.M. and returned at 11:05 A.M.

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE 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

Mr. Berkstresser made a motion to adopt a Resolution authorizing the Executive Director to enter into a Memorandum of Agreement in complete and final settlement of all issues proposed and negotiated for the July 1, 2012 to June 30, 2016 successor collective bargaining agreement to the July 1, 2009- June 30, 2012 collective bargaining agreement with the CSEA Local 120 provided the proposed Memorandum of Agreement be modified to eliminate item 4 pertaining to increases in longevity payments. Mr. Stover seconded and the Board adopted the motion by unanimous vote.

RESOLUTION APPROVING PAYMENT OF A 2% GENERAL SALARY INCREASE TO THE NON-COLLECTIVE BARGAINING EMPLOYEES OF THE REGULATING DISTRICT AS IS PROVIDED FOR EXECUTIVE DEPARTMENT MANAGEMENT CONFIDENTIAL EMPLOYEES IN DIVISION OF BUDGET BULLETIN D-1129 ISSUED JUNE 13, 2014

Mr. Stover made a motion to adopt a Resolution approving a 2% general salary increase to the Regulating District's Management Confidential Employees. Mr. Neddo seconded and the Board adopted the motion by unanimous vote.

CONTRACTS

RESOLUTION TO ACCEPT GEI PROPOSAL TO PERFORM THIRD PART 12 INDEPENDENT CONSULTANT SAFETY INSPECTION AT THE CONKLINGVILLE DAM

Mr. Foltan explained that the Federal Energy Regulatory Commission (FERC) requires an Independent Consultant Safety Inspection of Conklingville Dam, and an Independent Consultant Inspection Report to be completed every five years. The 3rd Part 12D Independent Consultant Safety Inspection Report is due to FERC on February 1, 2015. The Board authorized staff to procure engineering services at its December 2013 meeting. Consistent with state procurement guidelines staff have requested and received Annual Statements of Qualification and Performance from several firms. He noted that the Regulating District's team evaluated firm experience and personal experience completing FERC Part 12D independent consultant safety inspections. The evaluation team determined that GEI Consultants, Inc. P.C. is the most highly qualified firm for the project. On June 10, 2014, the Board conditionally awarded the Independent Consultant safety Inspection work to GEI Consultants, Inc. P.C. and authorized staff to request a scope of work and to negotiate a contract fee. Staff finds the scope of work and fee proposed (\$24,428) to be acceptable.

Mr. Rosenthal made a Motion to adopt the Resolution to authorize the Executive Director to execute a contract with GEI Consultants Inc., P.C. for a not to exceed amount of \$ 24,428. Mr. Berkstresser seconded and the Board adopted the Motion by unanimous vote.

RESOLUTION TO APPROVE FIRST AMMENDMENT TO CONTRACT C012012 WITH KLEINSCHMIDT ASSOCIATES PA, PC

Mr. Foltan reminded the Board that in April 2013, pursuant to Resolution 13-07-04, the Regulating District entered into contract C012012 with Kleinschmidt Associates, PA, PC to perform remediation/removal final study design work at Hawkinsville Dam. The Board set the contract 'not to exceed' amount at \$97,980. Mr. Foltan related that during the completion of the project, he authorized Kleinschmidt to update hydraulic modeling concerning the spillway design flood and hazard classification of the Dam and that Kleinschmidt performance of this out-of-scope work helped to justify the Department of Environmental Conservation's reduction in the dam's hazard classification to "A"; the least hazardous. Mr. Foltan explained that this reduction in classification significantly reduced the level of remediation needed to bring the Hawkinsville Dam into compliance with DEC dam safety regulations. The amendment, if approved, would be \$6,770. The potential savings to the HRBRRD occasioned by this additional work could total \$900,000.

Mr. Berkstresser made a Motion to adopt the Resolution to authorize the Executive Director to enter into an amendment to Contract C012012 with Kleinschmidt Associates PA, PC to increase the not to exceed amount of the contract to \$97,750.00. Mr. Rosenthal seconded and the Board adopted the Motion by unanimous vote.

STAFF REPORTS

Mr. Leslie presented his report to the Board. Mr. Leslie noted that he, the Executive Director and the Chief Fiscal Officer met with the Jefferson County Attorney, the Chair of the County Legislature's Finance Committee and the County Administrator to assess the County's authority to foreclose upon National Gird properties subject to unpaid HRBRRD assessments. Mr. Leslie noted that plaintiffs Kenny & Ruggiero (personal injury) have discontinued their suit against the Regulating District.

Mr. Ferrara presented his report to the Board. He noted that at the close of fiscal June 30, 2014, the general fund balances for the HRA and BRA were \$659,257 and \$432,355 respectively. He also noted that the Regulating Districts open contracts noted on pages 31 and 32 of his report are provided monthly in an effort to satisfy the public authorities law requiring the annual review of contracts.

Mr. Foltan presented the Chief Engineer's report to the Board.

Mr. Hodgson presented his report to the Board.

BOARD MEMBER QUESTIONS AND COMMENTS

Mr. Rosenthal asked Mr. Clark and staff to explain the history and import of the Reservoir Operating Agreement at Conklingville. Mr. Clark gave a general account of the Reservoir Operating Agreement's commencement and purpose, fee, scheduled fee escalators, periodic renewals, and current status. He noted if the latest ROA extension is negated through currently pending litigation, the Regulating District will be positioned to seek 56/71st of the hydroelectric plant's gross revenue based on the State's ownership of 56 feet of Conklingville's 71 feet of head.

RESOLUTION SCHEDULING DATE, TIME AND LOCATION OF THE REGULAR MEETING FOR SEPTEMBER 9, 2014 BOARD MEETING

Following discussion regarding the facilitation of additional comment/discussion with the Residents of Booneville regarding the remediation/removal alternatives at Hawkinsville Dam, 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, September 9, 2014 in Boonville, NY at a venue to be determined at 10:00 A.M.

Mr. Neddo moved to adopt the Resolution as revised. Mr. Berkstresser 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. Stover seconded it. The motion was unanimously approved. The meeting adjourned at 11:42 A.M.

RESOLUTIONS

14-22-07 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE 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

Mr. Berkstresser made a motion to adopt a Resolution authorizing the Executive Director to enter into a Memorandum of Agreement in complete a final settlement of all issues proposed and negotiated for the July 1, 2012 to June 30, 2016 successor collective bargaining agreement to the July 1, 2009- June 30, 2012 collective bargaining agreement with the CSEA Local 120 provided the proposed Memorandum of Agreement be modified to eliminate item 4 pertaining to increases in longevity payments. Mr. Stover seconded and the Board adopted the motion by unanimous vote.

14-23-07 RESOLUTION APPROVING PAYMENT OF A 2% GENERAL SALARY INCREASE TO THE NON-COLLECTIVE BARGAINING EMPLOYEES OF THE REGULATING DISTRICT AS IS PROVIDED FOR EXECUTIVE DEPARTMENT MANAGEMENT CONFIDENTIAL EMPLOYEES IN DIVISION OF BUDGET BULLETIN D-1129 ISSUED JUNE 13, 2014

Mr. Stover made a motion to adopt a Resolution approving a 2% general salary increase to the Regulating District's Management Confidential Employees. Mr. Neddo seconded and the Board adopted the motion by unanimous vote.

14-24-07 RESOLUTION TO ACCEPT GEI PROPOSAL TO PERFORM THIRD PART 12 INDEPENDENT CONSULTANT SAFETY INSPECTION AT THE CONKLINGVILLE DAM

Mr. Rosenthal made a Motion to adopt the Resolution to authorize the Executive Director to execute a contract with GEI Consultants Inc., P.C. for a not to exceed amount of \$24,428. Mr. Berkstresser seconded and the Board adopted the Motion by unanimous vote.

14-25-07 RESOLUTION TO APPROVE FIRST AMMENDMENT TO CONTRACT C012012 WITH KLEINSCHMIDT ASSOCIATES PA, PC

Mr. Berkstresser made a Motion to adopt the Resolution to authorize the Executive Director to enter into an amendment to Contract C012012 with Kleinschmidt

Associates PA, PC to increase the not to exceed amount of the contract to \$97,750.00. Mr. Rosenthal seconded and the Board adopted the Motion by unanimous vote.

14-26-07 RESOLUTION SCHEDULING DATE, TIME AND LOCATION OF THE REGULAR MEETING FOR SEPTEMBER 9, 2014 BOARD MEETING

Mr. Neddo moved to adopt the Resolution as revised. Mr. Berkstresser seconded it and the Resolution was unanimously adopted.

Respectfully submitted,

Richard J. Ferrara
Secretary/Treasurer