

**HUDSON RIVER-BLACK RIVER REGULATING DISTRICT
BOARD MEETING
Inlet Town Office**

160 Rt 28

Inlet, NY 13360

May 8, 2018

Immediately following the Audit and Finance Committee Meetings scheduled to commence at
10:00 AM

CALL TO ORDER

Chairman Mark M. Finkle called the meeting to order at 10:23 A.M.

ROLL CALL

Present: Board Chairman Mark M. Finkle; First Vice-Chair David W. Berkstresser; Second Vice-Chair Albert J. Hayes; Board Members Jeffrey Rosenthal, Kenneth F. DeWitt; Interim Executive Director John Hodgson; General Counsel Robert P. Leslie; Chief Fiscal Officer Richard J. Ferrara; Chief Engineer Robert Foltan; and Compliance Officer Stephanie Ruzycky.

MOTION TO ADOPT OR REVISE THE MEETING AGENDA

Chairman Finkle asked for a motion to revise the meeting agenda to add a discussion to be led by Mr. Berkstresser regarding the timing of work at Old Forge and to add an Executive Session to discuss a personnel issue. Mr. Hayes made a motion to adopt the agenda with revision. Mr. DeWitt seconded. The Board approved the motion in a unanimous 5-0 vote.

PUBLIC COMMENT

Chairman Finkle opened the floor to public comments; hearing none.

APPROVAL OF THE APRIL 10, 2018 REGULAR & APRIL 20, 2018 2018 SPECIAL MEETING MINUTES

Chairman Finkle asked for a motion to adopt the April 10, 2018 regular meeting minutes and the April 20, 2018 special meeting minutes. Mr. DeWitt advanced the motion to approve the regular and special meeting minutes. Mr. Berkstresser seconded and the Board approved the motion by unanimous vote.

REPORT OF THE INTERIM EXECUTIVE DIRECTOR

Mr. Hodgson presented his report. He reported that the lease for the reduced office space at 350 Northern Boulevard has been returned by the Attorney General to address various issues (requirement that modifications to the lease be signed by all parties, inclusion of the attachment Exhibit "A", etc.) Nonetheless, the landlord is proceeding with the retrofit of the new space. Mr. Hodgson also noted that the proposal to reduce office space in Watertown continues apace. Mr.

Hodgson asked Mr. Ferrara to explain a recent salary action. Mr. Ferrara noted that Resolution 15-17-05 adopted at the May 2015 meeting, placed each of the Regulating District's management confidential staff at a specific grade and step pursuant to salary schedules administered by the Governor's Office of Employee Relations. These statewide Management Confidential (M/C) salary schedules cover the vast majority of the State's management confidential employees. Through Resolution 15-17-05 the Board indicated its intent to adhere to future schedules as adopted by the Governor's Office of Employee Relations. Mr. Ferrara noted that on April 12, 2018 the NYS Division of Budget issued Budget Bulletin D-1137 entitled Management/Confidential Salary Actions: General Salary Increases; Parity Increase; Performance Advances; and Longevity Payments". Pursuant to this Division of Budget Bulletin, salary actions for applicable M/C employees were executed. Mr. Hodgson reported that intern interviews are progressing and that Ms. Ruzycky would address that issue in her report. He reported on discussions with the NYS Center for Recruitment on potential new Board Members and on HRBRRD's efforts to work with DEC to place and use the workboat to place bouys. Mr. Hodgson noted that, having reached out numerous times to Mclean B Construction concerning the roof project at SFO and not hearing back from them, he has directed staff to reach out to Titan Roofing, Inc., a contractor from our previous list of bidders. Staff will request that McLean honor their original bid submitted. This contractor is also a MWBE.

CONTRACTS/ACTIONS

Mr. Ferrara presented the Regulating District's annual report. Chairman Finkle asked for a motion to adopt the report and deliver it to the Commissioner of the NYS Department of Environmental Conservation as required by ECL Article 15, Title 21. Mr. Rosenthal made a motion to approve the Regulating District's Annual Report for January 1, 2017 through December 31, 2017 and to deliver the report to DEC as required. Mr. Berkstresser seconded the motion and the Board adopted the motion by unanimous vote.

Mr. Ferrara presented the Regulating District's authority mission statement and performance measurements for the Board's annual review. Mr. Leslie read the mission statement and Mr. Ferrara reviewed with the Board each of the performance goals and metrics as required by the Public Authorities Law. As required, Mr. Ferrara collected signatures from each of the present Board members indicating their understanding and acceptance of each of the answers offered to the questions posed to Board members as part of the review.

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

RESOLUTION TO APPROVE AMENDMENT #2 TO HDR CONTRACT C022012 TO PERFORM STILLWATER DAM BREACH ANALYSIS SITE SPECIFIC PROBABLE MAXIMUM PRECIPITATION STUDY

Mr. Foltan presented a Resolution to the Board. He explained that the Board adopted Resolution 13-06-04 awarding the work for Dam Breach Analysis at the Stillwater Dam to Henningson, Durham & Richardson Architecture and Engineering, P.C. (HDR) contingent upon

the successful negotiation of contract terms and conditions, and that thereafter the Board adopted Resolution 14-15-06 authorizing the Executive Director to execute a contract C022012 with HDR for a not to exceed amount of \$28,000.00. The Board then approved Resolution 15-36-10, in response to the Federal Energy Regulatory Commissions review of HDR's report requiring certain additional hydraulic analysis to be completed and then, in November 2016, FERC provided additional comments on the revised analysis, report, and inundation maps. Mr. Foltan further explained that several of the FERC's comments, and its general position on the analysis, was unsuccessfully disputed by the Regulating District and HDR for approximately nine months culminating in a September 20, 2017 letter from FERC, again requesting additional engineering analysis. Mr. Foltan noted that the findings and final results from HDR's design flood and breach analysis could have significant impact on other ongoing studies at Stillwater Dam, including the evaluation of the dam stability and the dam's ability to withstand hydraulic loading during the probable design earthquake. As such, the Regulating District did not respond directly to the FERC's September 2017 letter and instead proposed the completion of a precursor evaluation which could improve the results and findings from the design flood, breach, and stability analysis. Now, in response to the September 2017 FERC letter, he proposed (and FERC accepted) the completion of a site specific probable maximum precipitation (SSPMP) analysis. Mr. Foltan then requested of FERC that the Regulating District be permitted to have HDR develop a scope and fee proposal to complete a site specific probable maximum precipitation analysis. HDR submitted a scope and fee proposal to perform an initial feasibility study to determine if a full SSPMP is warranted, and proposes to complete the additional work for a fee of \$22,000. Mr. Foltan recommended that the Board authorize the Executive Director to execute contract amendment #2, increasing the not to exceed amount to \$58,750.00, and noted that the contract is subject to the review and approval of the Office of the New York State Attorney General and the New York State Office of the State Comptroller.

Chairman Finkle asked for a Motion. Mr. Rosenthal moved to authorize the Executive Director, or his designee, to execute a contract amendment with HDR increasing the 'not to exceed' amount to \$58,750. Mr. Berkstresser seconded and the Board adopted the Resolution by a unanimous vote.

STAFF/COMMITTEE REPORTS

AUDIT COMMITTEE REPORT

RESOLUTION TO AWARD AUDIT SERVICES WORK TO KBL, LLP FOR FISCAL YEAR ENDING JUNE 30, 2018

Audit Committee Chair David Berkstresser presented the Resolution advanced by the Audit Committee. He noted that, consistent with the District's goal to consider MWBE firms for open contracts, the District engaged KBL, LLC, a MBE firm, in 2014. KBL, LLC has satisfactorily completed independent audits for fiscal years June 30, 2014 through June 30, 2017. Mr. Ferrara determined that, KBL, LLP continues to provide the best value to the District. Also, KBL, LLC provides over \$22,573.69 of additional MWBE spend toward the District's goal that could not otherwise be replaced. Accordingly, Mr. Ferrara recommended to the Committee and the Audit Committee now recommends to the Board that it approve a contract for KBL, LLC to provide

Audit Services as detailed in the Resolution. Further, Mr. Ferrara recommended that the Board approve the inclusion of an option for an additional year of service as specified in the Resolution.

Chairman Finkle solicited a motion with respect to the Resolution. Mr. Berkstresser moved to award audit services work to KBL, LLP for the fiscal year ending June 30, 2017 in an amount 'not to exceed' \$22,573.69 plus up to \$4,000 in expenses and a one (1) year option for fiscal year ending June 30, 2019, for a not to exceed amount of \$23,702.37, plus expenses up to \$4,000.00. Mr. Hayes seconded the motion. The Board adopted the motion adopting the Resolution by unanimous vote.

FINANCE COMMITTEE REPORT

Mr. Ferrara led a discussion with the Board concerning the July 1, 2018 through June 30, 2021 Draft Budget.

STAFF REPORTS

Mr. Leslie presented his report to the Board. Mr. Leslie reported that the land purchase with BREIA is progressing and that he spent the bulk of the reporting period addressing personnel and structural issues at the Regulating District. He noted the Governor's Executive Order 170.1 and its impact on HRBRRD line staff. Finally, Mr. Leslie reminded Board Members and affected staff to file their 2017 Financial Disclosure Statements with the Joint Commission on Public Ethics (JCOPE) by the May 15th deadline.

Ms. Ruzycky presented her report to the Board. She noted that the HRBRRD's MWBE Program FY-17/18 4th Quarter Utilization Report has been submitted to ESD. The 4th quarter utilization was 40.32%, but the total achieved for fiscal year 17/18 was 16.5%. The Service-Disabled Veteran-Owned Business (SDVOB) FY-17/18 4th Quarter Report showed that the Regulating District achieved 3.1% for the quarter. Ms. Ruzycky detailed the steps taken to review resumes, conduct phone interviews and final interviews for the student interns.

Mr. Ferrara presented his report to the Board. He noted that at the close of fiscal April 30, 2018, the general fund balances for the HRA and BRA were approximately \$2,963,263 and \$1,672,586 respectively. He noted that District's transactional processing and reporting are current. District bank reconciliations are complete through March 31, 2018.

Mr. Foltan presented the Chief Engineer's report to the Board. Mr. Foltan noted that the April average daily release from the Sacandaga Reservoir (Great Sacandaga Lake) was approximately 920 cubic feet per second (cfs). Precipitation during the month of April was below 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 80% and 75% of historic average, respectively. Monthly release of water from Great Sacandaga Lake and Indian Lake measured 79% and 97% of historic average, respectively.

The April average daily release from Stillwater Reservoir was approximately 436 cfs. Monthly total precipitation measured 100%, 91%, 93% of historic average at Stillwater, Old

Forge, and Sixth Lake, respectively, as of April 22nd. Precipitation in the month of April was equal to historic average at Stillwater, and below average at Old Forge and Sixth Lake. The monthly inflow to Stillwater Reservoir was approximately 84% of historic average. The inflow to Sixth Lake and Old Forge Reservoir totaled 0.25 and 0.50 billion cubic feet, respectively, in April. Release of water from Stillwater Reservoir averaged 127% of historic discharge.

Mr. Hodgson presented his report to the Board. Mr. Hodgson reported that Hudson River Area staff performed a Dow valve inspection at Conklingville and attended erosion control training held by the operations engineer. Mr. Hodgson detailed some of the efforts DEC made on the HRBRRD's behalf and the HRBRRD's efforts taken to assist DEC with the placement of navigation buoys at Great Sacandaga Lake.

BOARD MEMBER QUESTIONS AND CONCERNS

Mr. Berkstresser presented a schematic plan establishing several elements of the Town of Webb's Waterfront Revitalization program. He asked that the Regulating District coordinate its efforts to rehabilitate the Dam at Old Forge to ensure compliment, rather than disturb, the Town's efforts. Mr. Foltan expressed a willingness to address the Town's concerns.

RESOLUTION SCHEDULING DATE, TIME AND LOCATION OF THE REGULAR MEETING FOR JUNE 12, 2018

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, June 12, 2018 at the Indian Lake Town Offices, 117 Pelon Road, Indian Lake, NY 12842 at 10:00 A.M.

Mr. Hayes moved to adopt the Resolution setting the date, time and place of the next meeting. Mr. DeWitt seconded and the Board adopted the Resolution by unanimous vote.

EXECUTIVE SESSION

Chairman Finkle called for a motion to adjourn to Executive Session to discuss personnel issues. Chairman Finkle invited the Executive Director, Chief Fiscal Officer and General Counsel to participate and noted that the Board will not likely conduct business upon its return from Executive Session. Mr. Berkstresser advanced the motion, Mr. Hayes seconded.

The Board adjourned to Executive Session at 11:10 A.M. and returned at 12:08 A.M.

ADJOURNMENT

Chairman Finkle called for a motion to adjourn the meeting. Mr. Rosenthal advanced the motion. Mr. Hayes seconded. The meeting adjourned at 12:08 A.M.

RESOLUTIONS

18-11-05 RESOLUTION TO APPROVE AMENDMENT #2 TO HDR CONTRACT C022012 TO PERFORM STILLWATER DAM BREACH ANALYSIS SITE SPECIFIC PROBABLE MAXIMUM PRECIPITATION STUDY

Chairman Finkle asked for a Motion. Mr. Rosenthal moved to authorize the Executive Director, or his designee, to execute a contract amendment with HDR increasing the 'not to exceed' amount to \$58,750. Mr. Berkstresser seconded and the Board adopted the Resolution by a unanimous vote.

18-12-05 RESOLUTION TO AWARD AUDIT SERVICES WORK TO KBL, LLP FOR FISCAL YEAR ENDING JUNE 30, 2018

Chairman Finkle solicited a motion with respect to the Resolution. Mr. Berkstresser moved to award audit services work to KBL, LLP for the fiscal year ending June 30, 2017 in an amount 'not to exceed' \$22,573.69 plus up to \$4,000 in expenses and a one (1) year option for fiscal year ending June 30, 2019, for a not to exceed amount of \$23,702.37, plus expenses up to \$4,000.00. Mr. Hayes seconded the motion. The Board adopted the motion adopting the Resolution by unanimous vote.

18-13-05 RESOLUTION SCHEDULING DATE, TIME AND LOCATION OF THE REGULAR MEETING FOR JUNE 12, 2018

Mr. Hayes moved to adopt the Resolution setting the date, time and place of the next meeting. Mr. DeWitt seconded and the Board adopted the Resolution by unanimous vote.

Respectfully submitted,

Richard J. Ferrara,
Secretary/Treasurer

Mark M. Finkle
Board Chairman