

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

Saratoga County Office
Cornell Cooperative Extension
50 West High Street
Ballston Spa, NY 12020

November 5, 2014

Immediately following a meeting of the Audit Committee

CALL TO ORDER

Chairman Mark M. Finkle called the meeting to order at 10:14 A.M.

ROLL CALL

Present: Board Chairman Mark M. Finkle; Second Vice- Chair Albert J. Hayes; Board Members David W. Berkstresser, and 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.

Excused: Thomas Stover, Anthony Neddo

MOTION TO ADOPT OR REVISE THE MEETING AGENDA

Chairman Finkle asked for a motion to adopt the meeting agenda with a revision to account for an Executive Session at which the Board would discuss Litigation (Nimo, Erie, Boralex & NYSEG) and collective bargaining issues. Mr. Clark asked that the Board consider additions to the agenda including: provision for public comment inadvertently left off the draft agenda; the Board's consideration of a Resolution appointing an Engineering Assistant; and a resolution to amend a contract in connection with the reconstruction of the Hawkinsville Dam. Mr. Berkstresser made a motion to adopt the meeting agenda as revised. Mr. Hayes seconded it and the motion was unanimously approved.

EXECUTIVE SESSION

Chairman Finkle called for a motion to adjourn to Executive Session to discuss litigation involving Niagara Mohawk, Erie Boulevard, NYSEG & Boralex and collective bargaining issues. The Chairman invited the Executive Director, Chief Fiscal Officer and General Counsel to join the Board for the entire Executive Session and asked the Union Local President and CSEA Representative to participate in the discussion regarding collective bargaining issues. Mr. Rosenthal advanced the motion, Mr. Berkstresser seconded. The Board adjourned to Executive Session at 10:20 A.M. and returned at 11:24 A.M.

PUBLIC COMMENT

Chairman Finkle solicited comments from the public. Hearing None.

DISCUSSION OF SEQRA FOR CAPITAL PROJECTS

Chairman Finkle asked where the Board stands on SEQRA for the Capital Projects it has under consideration. Mr. Ferrara noted that the Board's Finance Committee has considered, but not yet advanced resolutions authorizing bonds to finance three projects: the Hawkinsville reconstruction; the Conklingville ice sluice/spillway concrete reconstruction; and the Warning Sirens. Mr. Leslie noted that the lead agency coordination letter for the unlisted Hawkinsville project has been sent to DEC, the Army Corps, and the Town. We are awaiting expiration of the 30 day limit for expressions of interest.

APPROVAL OF THE OCTOBER 15, 2014 BOARD MEETING MINUTES

Chairman Finkle asked for a motion to adopt the October 15, 2014 regular meeting minutes. Mr. Berkstresser advanced the motion to approve the Board's October 15, 2014 regular meeting minutes. Mr. Hayes seconded it and the motion was unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Mr. Clark provided his report. Mr. Clark reported on his efforts to alert Saratoga County to the Regulating District's cash flow projections. He alerted the Board to ongoing discussions with the Executive Director of the Adirondack Park Agency regarding project approval jurisdiction. Mr. Clark noted that during the monthly MWBE conference call, the Office of Economic Development expressed an intent to move the MWBE utilization goal from 20% to 30%.

Mr. Clark introduced a Resolution to promote an existing Regulating District employee to the management confidential position of Engineering Assistant. He noted that when Mr. Hodgson assumed the duties of the Hudson River Area Administrator he retained the responsibilities of his previous title as an Engineering Assistant. Now that Mr. Hodgson has also assumed the responsibilities of the Black River Area Administrator, there exists a need to backfill the Engineering Assistant title. Mr. Clark recommended that the position be filled from within the existing census of the Regulating District. He noted that Stephanie Ruzycky has successfully performed as Sr. Field Assistant and has demonstrated the skills necessary to be effective in the position of Engineering Assistant. He anticipates that in addition to the responsibilities of the Engineering Assistant, Ms. Ruzycky will assist the procurement officer with the MWBE Program efforts of the HRBRRD under the guidance of the Chief Fiscal Officer. Mr. Clark recommended that the Board authorize the promotion of Stephanie Ruzycky to the Engineering Assistant title effective on the first payroll following the Board's adoption of the Resolution presented and that the Board set Ms. Ruzycky's salary at \$61,000.

RESOLUTION TO PROMOTE STEPHANIE RUZYCKY TO ENGINEERING ASSISTANT OF THE HUDSON RIVER-BLACK RIVER REGULATING DISTRICT

Chairman Finkle asked for a motion to adopt the Resolution appointing Stephanie Ruzycky to the position of Engineering Assistant. Mr. Rosenthal advanced the motion. Mr. Berkstresser seconded it and the Resolution was unanimously adopted. Mr. Berkstresser

encouraged Mr. Clark to propose to the Board a replacement to fill the resulting vacant field assistant title.

CONTRACTS

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXERCISE LEASE EXTENSION AMENDMENT #5 WITH DAVID L. GRUENBERG, AS THE TEMPORARY RECEIVER OF RENTS & PROFITS (ACTING ON BEHALF OF SKY FOUR REALTY LLC) FOR THE ALBANY OFFICE

Mr. Ferrara reminded the Board that through Resolution 13-43-12, it had authorized a lease for the Albany Office at \$30,550 per annum. Mr. Ferrara recommended that the Board authorize the execution of an amendment to the lease extending the term through February 29, 2016 at a rent of \$31,725 per annum. The \$1,175 increase represents a .03846% escalation.

Mr. Berkstresser moved to adopt the Resolution authorizing the execution of the lease extension. Mr. Hayes seconded it and the Resolution was unanimously adopted.

RESOLUTION TO APPROVE SECOND AMENDMENT TO CONTRACT C012012 WITH KLEINSCHMIDT ASSOCIATES, PA, PC

Mr. Foltan presented the Resolution. He reminded the Board that on January 31, 2013 the Board conditionally awarded the Hawkinsville Dam Remediation and Removal Final Study to Kleinschmidt Associates, PA, PC (Kleinschmidt). Kleinschmidt started Phase I work on October 1, 2013. Phase I services involved a study to evaluate two methods (repair or removal) for bringing the dam into compliance with Department of Environmental Conservation's (DEC) dam safety regulations. Work included a site assessment to gain an understanding of the environmental, socioeconomic, recreational, aesthetic, physical, and regulatory issues related to repair or removal of the Hawkinsville Dam. The engineering effort included development of a draft report, a presentation to the Board, and submission of a final report which summarized the two alternatives. In September 2014 the Board elected to complete the necessary remediation and repair of the dam to bring the dam into compliance with DEC regulations. Kleinschmidt completed Phase I scope of services for \$97,750. Proposed Phase II engineering services will involve preliminary design, permitting, final design, and construction observation. Kleinschmidt has developed a scope of work and fee proposal (attached) to complete these services. Kleinschmidt proposes to complete Phase II engineering services for a "not-to-exceed" price of \$69,500. The current three-year budget includes funding in an amount of \$170,000 for Phase I and Phase II engineering services. The Chief Engineer recommends acceptance of Kleinschmidt's Proposal for Engineering Services and seeks Board authorization to amend the contract to include Phase II scope of services, and authorization for the Executive Director to increase the contract price by \$69,500, for the completion of Phase II services, to a total contract price of \$167,250.

Mr. Rosenthal moved to adopt the Resolution authorizing the execution of a second amendment to Contract C012012 with Kleinschmidt Associates, PA, PC. Mr. Berkstresser seconded it and the Resolution was unanimously adopted.

STAFF REPORTS

Mr. Leslie presented his report to the Board. Mr. Leslie noted that he and Assistant Attorney General Dague appeared before the US District Court in Utica on Erie Boulevard's Motion to Dismiss the Regulating District's affirmative case seeking a Declaration that Erie's entry into a 2006 Stipulation settling several lawsuits challenging Regulating District assessments precludes any refund claim Erie may assert with respect to the Regulating District's Headwater Benefit Assessments. The Court's decision dismissed the Regulating District's claim because Erie had sought a credit against future HWB rather than a refund of amounts previously paid. The Court also noted that the impact of the 2006 Stipulation on Erie's entitlement to a credit is a matter squarely before FERC.

Mr. Ferrara presented his report to the Board. He noted that at the close of fiscal October 31, 2014, the general fund balances for the HRA and BRA were estimated to be \$1,581,289 and \$254,629 respectively. He noted that District transactional processing and reporting for the fiscal month of October was completed in an accurate and timely fashion. District bank reconciliations are complete through September 30, 2014.

Mr. Ferrara noted that material disbursements for the period include \$27,000 to Henderson Ford for the Ford Explorer and \$21,528 to KBL, LLP for the independent Audit.

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

Mr. Hodgson presented his report to the Board.

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

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, December 9, 2014 at the Dulles State Office Building, 317 Washington Street, Suite 614, Watertown, NY 13601 at 10:00 A.M.

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

BOARD MEMBER QUESTIONS AND COMMENTS

Mr. Finkle noted that Board Member Thomas Stover has alerted the Regulating District that he plans to resign his position on the Board at the end of the December 2014 meeting. Mr. Finkle noted that he looked forward to celebrating Mr. Stover's contributions to the Board at the December meeting.

ADJOURNMENT

There being no further business to come before the Board, Mr. Rosenthal moved to adjourn the meeting. Mr. Berkstresser seconded it. The motion was unanimously approved. The meeting adjourned at 11:58 A.M.

RESOLUTIONS

14-34-11 RESOLUTION TO PROMOTE STEPHANIE RUZYCKY TO ENGINEERING ASSISTANT OF THE HUDSON RIVER-BLACK RIVER REGULATING DISTRICT

Chairman Finkle asked for a motion to adopt the Resolution appointing Stephanie Ruzycky to the position of Engineering Assistant. Mr. Rosenthal advanced the motion. Mr. Berkstresser seconded it and the Resolution was unanimously adopted.

14-35-11 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXERCISE LEASE EXTENSION AMENDMENT #5 WITH DAVID L. GRUENBERG, AS THE TEMPORARY RECEIVER OF RENTS & PROFITS (ACTING ON BEHALF OF SKY FOUR REALTY LLC) FOR THE ALBANY OFFICE

Mr. Berkstresser moved to adopt the Resolution authorizing the execution of the lease extension. Mr. Hayes seconded it and the Resolution was unanimously adopted.

14-36-11 RESOLUTION TO APPROVE SECOND AMENDMENT TO CONTRACT C012012 WITH KLEINSCHMIDT ASSOCIATES, PA, PC

Mr. Rosenthal moved to adopt the Resolution authorizing the execution of a second amendment to Contract C012012 with Kleinschmidt Associates, PA, PC. Mr. Berkstresser seconded it and the Resolution was unanimously adopted.

14-37-11 RESOLUTION SCHEDULING DATE, TIME AND LOCATION OF THE REGULAR MEETING FOR DECEMBER 9, 2014 BOARD MEETING

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

Respectfully submitted,

Richard J. Ferrara
Secretary/Treasurer