

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

Inlet Town Office

160 Rt 28

Inlet, NY 13360

May 9, 2017

Immediately following the Audit Committee Meeting scheduled for 10:00 AM

CALL TO ORDER

Chairman Mark M. Finkle called the meeting to order at 10:06 A.M.

ROLL CALL

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

Excused: Anthony Neddo

MOTION TO ADOPT OR REVISE THE MEETING AGENDA

Chairman Finkle asked for a motion to adopt or revise the meeting agenda. Mr. Rosenthal made a motion to adopt the agenda without revision. Mr. Berkstresser seconded. The Board unanimously approved the motion.

PUBLIC COMMENT

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

APPROVAL OF THE APRIL 11, 2017 REGULAR MEETING MINUTES

Chairman Finkle asked for a motion to adopt the April 11, 2017 regular meeting minutes. Mr. Berkstresser advanced the motion to approve the regular meeting minutes. Mr. Hayes seconded and the motion was approved by unanimous vote.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Smullen presented his report; noting that evaluations for the NYS 'New' New York Leaders intern program have been completed and the selection of three interns: Ashley Metz, Raymond Coffey, and Stephen Murphy. Pending Board authorization, all three have indicated an intent to accept an offer of employment and would be available to start May 22nd. Mr. Smullen explained that the intern's primary assignment would be to update the Erosion and Slope Stability Monitoring Plan with subsequent work on erosion control equipment around the

lake from the land and to serve as Great Sacandaga Lake water stewards. Mr. Smullen proposed that the interns be paid at a rate of \$14.50 per hour.

Mr. Smullen next reported that he and the Chief Engineer met with representatives from Schnabel Engineering to discuss cost, schedule and performance in their proposal. He noted that Senior staff has further information for analysis and that he expects the firm to brief the Board on their final proposal for the Conklingville Spillway Grouting and Concrete Repair Project at the June 13th Board meeting in Indian Lake. Mr. Smullen noted that the Great Sacandaga Lake Advisory Group met on April 20th in Edinburg and approved a Resolution funding an additional position with the Adirondack Watershed Institute program on invasive species prevention. Mr. Smullen noted that the last edition of the HRBRRD newsletter was published in early May. He noted that the New York State Association of Lake Associations hosted a May 5th & 6th conference on topics including dam safety, invasive species and septic plumbing planning. Mr. Smullen noted his attendance at a meeting of public safety officials to initiate a Great Sacandaga Lake safety program at the behest of the Great Sacandaga Lake Association. Mr. Smullen reported that negotiations continue to progress regarding the Black River Environmental Improvement Association (BREIA) regarding land adjacent to HRBRRD property at Hawkinsville.

RESOLUTION AUTHORIZING THE EMPLOYMENT OF INTERNS IN SATISFACTION OF GOVERNOR CUOMO'S "NEW YORK LEADERS – STUDENT INTERN PROGRAM CONTRACTS"

Mr. Smullen introduced a Resolution authorizing the employment of summer interns; noting that evaluations for the NYS 'New' New York Leaders intern program have been completed and that the Regulating District has selected three interns. Pending Board authorization, all three have indicated an intent to accept an offer of employment and would be available to start May 22nd. The intern's primary assignment would be to update the Erosion and Slope Stability Monitoring Plan with subsequent work on erosion control equipment around the lake from the land and to serve as Great Sacandaga Lake water stewards.

Chairman Finkle asked for a motion authorizing the employment of student interns. Mr. Rosenthal made a motion to adopt the Resolution authorizing the employment of three student candidates, Ashley Metz, Raymond Coffey, and Stephen Murphy, effective May 22, 2017 and ending on or about August 15, 2017 at a rate of \$14.50 per hour for each. Mr. Berkstresser seconded the motion and the Board adopted the Resolution by unanimous vote.

Mr. Smullen noted as a reminder 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. On April 12, 2017 the NYS Division of Budget issued Budget Bulletin D-1135 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.

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. Berkstresser made a motion to approve the Regulating District’s Annual Report for January 1, 2016 through December 31, 2016 and to deliver the report to DEC as required. Mr. Hayes 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. Smullen 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. Mr. Ferrara noted that he would track down Mr. Neddo for the final signature.

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

RESOLUTION TO AWARD VoIP PHONE SYSTEM SOLUTION TO TAG SOLUTIONS, LLC

Mr. Ferrara presented the Resolution to the Board. He noted that the Board had authorized him to assess viable telecommunication options for two (2) aging legacy phone systems, an Avaya system in Albany, and a Nortel system in Mayfield; both requiring equipment upgrades at a minimum. Mr. Ferrara recounted his assessment of the merits of a full Avaya upgrade of both legacy systems costing over \$22k up front and a transition to a VoIP (Voice over Internet Protocol) based system. He noted that the transition to a VoIP solution would eliminate all “voice” charges and provide numerous desktop features and efficiencies. Based on those findings, Mr. Ferrara solicited bids from three (3) vendors; Optima (the incumbent vendor), Meridian IT and Tag Solutions (ShoreTel Reseller) for a VoIP solution. Mr. Ferrara noted that Optima (the incumbent vendor), and Tag Solutions (ShoreTel Reseller) submitted VoIP solution proposals using a “Cloud” approach, and he determined that the VoIP “Cloud” solution would provide the best value. Mr. Ferrara noted that the Tag Solutions proposal for a three (3) year contract is \$2,981.60 less than Optima’s proposal and recommended that the Board go with the Tag Solutions proposal. Mr. Ferrara noted that the contracted award would fall below the discretionary procurement threshold and that therefore, no further approval from OSC or OAG would be necessary.

Chairman Finkle asked for a motion with regard to the Resolution. Mr. Rosenthal made a motion that the Board approve the three (3) year agreement with Tag Solutions, LLC for

\$31,836.60, to install a ShoreTel VoIP phone solution. Mr. Hayes seconded and the Board approved the motion adopting the Resolution by unanimous vote.

AUDIT COMMITTEE REPORT

RESOLUTION TO AWARD AUDIT SERVICES WORK TO KBL, LLP FOR FISCAL YEAR ENDING JUNE 30, 2017

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, 2016. In an ongoing effort to provide contracting opportunities to qualified firms, Mr. Berkstresser noted that Mr. Ferrara had informally requested proposals to provide audit services for fiscal year ending June 30, 2017 and several option future years. In return, Mr. Ferrara received one (1) proposal from the Bonadio Group (previously provided services between 2008 and 2013). Upon careful review of that bid and KBL's current contract, Mr. Ferrara determined that, KBL, LLP continues to provide the best value to the District. Specifically, KBL, LLC's fee is \$1,560.00 less than Bonadio for the 2017 year. Also, KBL, LLC provides over \$21,440 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.

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. Mr. Hayes seconded the motion. The motion adopting the Resolution was unanimously approved.

STAFF REPORTS

Mr. Leslie presented his report to the Board. Mr. Leslie noted that the U.S.C.A. DC Cir. has still yet to schedule oral argument in the Erie v. FERC matter. Negotiations with DEC over the use of a fishing access point for staging and the embankment for the Hawkinsville Dam Remediation continue to be on hold pending completion of negotiations to purchase the BREIA land bordering both the DEC and HRBRRD parcels. Mr. Leslie encouraged all Financial Disclosure Statement filers to file such statements before the May 15th deadline.

Ms. Ruzycky presented her report to the Board. She noted that the first quarter fiscal year 2017/2018 utilization report includes \$197 to S&B Computer and Office Products, Inc. She also noted that the Diversity Practices Q4 Report, Monthly Discretionary report, and EEO Workforce Utilization Reports were submitted to Empire State Development.

Mr. Ferrara presented his report to the Board. He noted that at the close of fiscal March 31, 2017, the general fund balances for the HRA and BRA were approximately \$2,671,266 and \$1,340,347 respectively. Both figures reflect receipt of the State share. He noted that District's transactional processing and reporting are current. District bank reconciliations are complete through April 30, 2017.

Mr. Ferrara presented Board expenses for Mr. Neddo (\$260.22). Mr. Berkstresser made a motion to reimburse said expenses. Mr. Hayes seconded. The Board approved reimbursement of such expenses by unanimous vote.

Mr. Foltan presented the Chief Engineer's report to the Board. Mr. Foltan noted that the March average daily release from the Sacandaga Reservoir (Great Sacandaga Lake) was approximately 1,700 cubic feet per second (cfs). Precipitation during the month of April was above normal across the Great Sacandaga Lake and Indian Lake watersheds. The monthly inflow to Great Sacandaga Lake and Indian Lake reservoir was approximately 107% and 126% of historic average, respectively. Monthly release of water from Great Sacandaga Lake and Indian Lake measured 141% and 164% of historic average, respectively.

The February average daily release from Stillwater Reservoir was approximately 500 cfs. Monthly total precipitation measured 127%, 123%, 114% of historic average at Stillwater, Old Forge, and Sixth Lake, respectively, as of April 23rd. Precipitation in the month of April was above average at Stillwater, Old Forge and Sixth Lake. The monthly inflow to Stillwater Reservoir was approximately 95% of historic average. The inflow to Sixth Lake and Old Forge Reservoir totaled 0.28 and 0.47 billion cubic feet, respectively, in April. Release of water from Stillwater Reservoir averaged 142% of historic discharge.

Mr. Foltan reported that the Ice Sluice reconstruction portion of the project at Conklingville should begin shortly and that to that end, once Mr. Ferrara consummates the loan closing with EFC, a Notice to Proceed will be delivered to Kingsbury. Mr. Foltan indicated that he expects the construction with this phase of the project to last about four months.

Mr. Hodgson presented his report to the Board. Mr. Hodgson was pleased to announce the workboat has been launched successfully after its seven years in dry storage. He updated the Board on the Oakey, Gizzi, Edwards encroachment case noting that remediation activities are nearing completion, but that DEC has afforded the parties another month due to recent inclement weather. Mr. Hodgson reported on a tour of the Black River Area during a high water event and his observations concerning a Dow Valve inspection at Conklingville. He also provided the Board with an update on several access permit system matters.

RESOLUTION SCHEDULING DATE, TIME AND LOCATION OF THE REGULAR MEETING FOR JUNE 13, 2017

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 13, 2017 at the Indian Lake Town Hall, 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. Rosenthal seconded and the Board adopted the Resolution by unanimous vote.

ADJOURNMENT

Chairman Finkle called for a motion to adjourn the meeting. Mr. Berkstresser advanced the motion. Mr. Rosenthal seconded. The meeting adjourned at 10:50 A.M.

RESOLUTIONS

17-17-05 RESOLUTION AUTHORIZING THE EMPLOYMENT OF INTERNS IN SATISFACTION OF GOVERNOR CUOMO’S “NEW YORK LEADERS – STUDENT INTERN PROGRAM CONTRACTS

Chairman Finkle asked for a motion authorizing the employment of student interns. Mr. Rosenthal made a motion to adopt the Resolution authorizing the employment of three student candidates, Ashley Metz, Raymond Coffey, and Stephen Murphy, effective May 22, 2017 and ending on or about August 15, 2017 at a rate of \$14.50 per hour for each. Mr. Berkstresser seconded the motion and the Board adopted the Resolution by unanimous vote.

17-18-05 RESOLUTION TO AWARD VoIP PHONE SYSTEM SOLUTION TO TAG SOLUTIONS, LLC

Chairman Finkle asked for a motion with regard to the Resolution. Mr. Rosenthal made a motion that the Board approve the three (3) year agreement with Tag Solutions, LLC for \$31,836.60, to install a ShoreTel VoIP phone solution. Mr. Hayes seconded and the Board approved the motion adopting the Resolution by unanimous vote.

17-19-05 RESOLUTION TO AWARD AUDIT SERVICES WORK TO KBL, LLP FOR FISCAL YEAR ENDING JUNE 30, 2017

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. Mr. Hayes seconded the motion. The motion adopting the Resolution was unanimously approved.

17-20-05 RESOLUTION SCHEDULING DATE, TIME AND LOCATION OF THE REGULAR MEETING FOR JUNE 13, 2017

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

Respectfully submitted,

Richard J. Ferrara,
Secretary/Treasurer

Mark M. Finkle
Board Chairman