

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

Sacandaga Field Office Conference Room
737 Bunker Hill Road
Mayfield, NY 12117

10 AM

April 14, 2020

Immediately following the Governance and Finance Committee Meetings

CALL TO ORDER

Chairman Mark M. Finkle called the meeting to order at 10:32 A.M.

ROLL CALL

Video Feed: Board Chairman Mark M. Finkle; First Vice-Chair Jeffrey Rosenthal; Second Vice-Chair Kenneth DeWitt; Board Members Albert J. Hayes and Richard Bird; Executive Director John C. Callaghan; General Counsel Robert P. Leslie; Chief Engineer Robert S. Foltan; Chief Fiscal Officer Timothy Maniccia; Area Administrator John Hodgson; and Compliance Officer Stephanie Ruzycky.

MOTION TO ADOPT OR REVISE THE MEETING AGENDA

Chairman Finkle asked for a motion to adopt the agenda. Mr. Rosenthal made a motion to adopt the agenda. Mr. Bird seconded. The Board approved the motion by unanimous vote.

PUBLIC COMMENT

Chairman Finkle opened the mic to public comment; hearing none.

APPROVAL OF THE MARCH 10, 2020 REGULAR BOARD MEETING MINUTES

Chairman Finkle asked for a motion to adopt the March 10, 2020 regular board meeting minutes. Mr. Rosenthal advanced the motion to approve the regular meeting minutes. Mr. DeWitt seconded and the Board approved the motion by unanimous vote.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Callaghan noted that over the last month, for the most part, the Regulating District has engaged in normal operations despite these extraordinary times. He applauded staff's effort in what has been a rapidly changing situation noting that there has been no degradation in the Regulating District's overall level of readiness. Mr. Callaghan commended the performance of the management team, noting the leadership of John Hodgson and Rob Foltan in managing to continue essential engineering and operational functions during the absence of most staff due to the new operating reality necessitated by the COVID-19 public health emergency. Mr. Callaghan also turned the Board's attention to the performance of the CFO, Mr. Maniccia, and Anna Tracy, and

Kim Scott for working seamlessly together to ensure essential financial functions including payroll would not be interrupted. Mr. Callaghan noted that the Regulating District responded promptly and fully to the Governor's directives regarding proper social distancing, working remotely, and emphasizing above all else the safety of our workforce and of the public. Mr. Callaghan also noted the efforts of Tim Maniccia, John Hodgson, Gina Bulman, Dan Kiskis, Danielle Thorne and Stephanie Ruzycky who volunteered to help address the considerable backlog of applications for unemployment assistance by making calls to over 400 applicants. Mr. Callaghan thanked the Board for its continued support as he marks his first year with the Regulating District.

CONTRACTS/ACTIONS

RESOLUTION TO EXTEND CONTRACT C042013 WITH BRYANT RABBINO, LLP TO PROVIDE BOND SERVICES WORK IN CONNECTION WITH THE ISSUANCE OF SERIAL BONDS

Mr. Maniccia presented a resolution for consideration by the Board. He noted that the Board engaged Bryant Rabbino, LLP, pursuant to resolution 13-40-11 to provide certified Bond Counsel Services pursuant to the Board's desire to issue serial bonds for the completion of capital projects at Conklingville. The agreement was extended by the parties through August 6, 2016, by letter extensions dated August 4, 2014 and October 25, 2015 and then again by amendment dated November 3, 2016, through August 4, 2017. Mr. Maniccia noted that while the contract was extended by amendment dated November 28, 2017, through August 4, 2018, the contract has now expired. He recommended that the Board authorize the extension of contract C042013 through December 31, 2020; noting that the contract is subject to review and approval by the New York State Attorney General.

Mr. Rosenthal moved to adopt the resolution authorizing the executive director to negotiate and execute an extension to contract C042013. Mr. DeWitt seconded and the Board adopted the resolution by unanimous vote.

COMMITTEE/STAFF REPORTS

GOVERNANCE COMMITTEE REPORT

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

Committee Chair Rosenthal noted that section 2925(1) & (7) of the Public Authority Law requires every public benefit corporation to adopt by resolution and annually review comprehensive investment guidelines that detail the corporation's operative policy and instructions to the Board and management regarding the investing, monitoring and reporting of funds of the corporation. He noted that the Governance Committee reviewed the Regulating District's Investment Policy earlier and that the Committee recommended that no changes be made to the policy.

Chairman Finkle asked for a motion adopting the resolution. Mr. Rosenthal made a motion to recommend approval of the resolution to satisfy the annual review and approval of the

Regulating District's Investment Policy. Mr. DeWitt seconded and the Board unanimously approved the motion.

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

Committee Chair Rosenthal noted that section 2879(1) & (8) of the Public Authority Law requires every public benefit corporation to adopt by resolution and annually review procurement guidelines that detail the corporation's operative policy and instructions to the Board and management regarding procurement. He noted that the Governance Committee reviewed the Regulating District's Procurement Policy earlier and that the Committee recommended that a few changes be made to the policy. Specifically, the Committee recommended that the policy be changed to increase the threshold for discretionary purchases by MWBE & SDVOB without formal competitive process to \$500,000 from \$200,000 and to insert language at section XXVII to compel contracts in excess of \$50,000 be advanced to the Comptroller for review.

Chairman Finkle asked for a motion adopting the resolution. Mr. Rosenthal made a motion to recommend approval of the resolution to satisfy the annual review and approval of the Regulating District's Procurement Policy. Mr. DeWitt seconded and the Board unanimously approved the motion.

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 Chair Rosenthal noted that section 2896(1) of the Public Authority Law requires every public benefit corporation to adopt by resolution an annual review of the Disposition of Property Guidelines that detail the corporation's operative policy and instructions to the Board and management regarding the disposition of property. He noted that the Governance Committee reviewed the Regulating District's Disposition of Property Policy earlier and that the Committee recommended that no changes be made to the policy.

Chairman Finkle asked for a motion adopting the resolution. Mr. Rosenthal made a motion to recommend approval of the resolution to satisfy the annual review and approval of the Regulating District's Disposition of Property Policy. Mr. Hayes seconded and the Board unanimously approved the motion.

FINANCE COMMITTEE REPORT

RESOLUTION APPROVING BUDGET & FINANCIAL PLAN REQUIRED PURSUANT TO SECTION 2801 OF PUBLIC AUTHORITIES LAW

Finance Committee Chair DeWitt introduced a resolution approving a budget and financial plan pursuant to Section 2801 of the Public Authorities Law. Committee Chairman DeWitt reported that the Regulating District is required to submit a budget and financial plan to a set of oversight entities by way of the Public Authorities Reporting & Information System

(PARIS) between 120 and 90 days prior to the start of the Regulating District's next fiscal year; July 1, 2020. Mr. DeWitt noted that Mr. Maniccia based the plan upon the 2019-2021 budget with financial data for the 'proposed years' or 'out years' based on prior budget, actual and other estimated information.

Mr. DeWitt made a motion to adopt the resolution approving the budget & financial plan required pursuant to section 2801 of the Public Authorities Law. Mr. Hayes seconded and the Board approved the motion by unanimous vote.

STAFF REPORTS

Mr. Leslie presented his report. He reported that he addressed issues pertaining to the conduct of the April meeting on-line, that he has taken steps to cancel the Granicus contract and with Gina Bulman's help will download, convert, and post past board meeting videos which had been archived pursuant to that agreement. Counsel has continued to compile a comprehensive list of activities/tasks undertaken in the administration of the access permit system. He has been working with the Executive Director and CFO in negotiations with Tucker Strategies regarding the ground lease and usage agreement with Stillwater Associates. Mr. Leslie indicated that JCOPE announced this morning that the deadline for filing the annual financial disclosure statement would be pushed to August 17th.

Ms. Ruzycky presented her report to the Board. Ms. Ruzycky noted the MWBE & SDVOB quarterly reports have been submitted and approved. She also noted that the Regulating District has received 76 applications for the student intern program.

Mr. Maniccia presented his report to the Board. He noted that at the close of fiscal March 31, 2020, the general fund balances for the HRA and BRA were approximately \$2,984,734 and \$2,128,511 respectively; a 4.5% increase year over year. He noted that District's transactional processing and reporting are current.

Mr. Maniccia noted that based on the eight months of activity recorded in the current fiscal year, the District is projected to end 2019-20 with a deficit approaching \$500,000. This does not include end-of-year entries for depreciation and other post-employment benefits costs which, like other public authorities and state agencies, the Regulating District is not statutorily authorized to fund. When those entries are made in accordance with generally accepted accounting principles, the current fiscal year deficit may approach \$2 million. Mr. Maniccia indicated that the Regulating District is taking steps to reduce expenses and that, in light of the Coronavirus outbreak, he is taking steps, in accordance with OSC guidance, to pay as many expenses as possible through electronic transfers so as to reduce OSC's obligation to process paper checks. Mr. Maniccia alerted the Board to a couple of resolutions to be brought before the Board at the next meeting to extend the period of the project finance agreement and note with EFC and to increase the borrowed amount by \$4.1 million to address Conklingville spillway rehabilitation costs.

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 2,390 cubic feet per second (cfs). Precipitation during the month of March was

below normal across the Great Sacandaga Lake watershed and above normal in the Indian Lake watershed. The monthly inflow to Great Sacandaga Lake and Indian Lake reservoir was approximately 145% and 133% of historic average, respectively. Monthly release of water from Great Sacandaga Lake and Indian Lake measured 116% and 67% of historic average, respectively.

The March average daily release from Stillwater Reservoir was approximately 430 cfs. Monthly total precipitation measured 65%, 73, and 63% of historic average at Stillwater, Old Forge, and Sixth Lake, respectively, as of March 29th. Precipitation in the month of March was below average at Stillwater, Old Forge and Sixth Lake. The monthly inflow to Stillwater Reservoir was approximately 131% of historic average. The inflow to Sixth Lake and Old Forge Reservoir totaled 0.20 and 0.44 billion cubic feet, respectively, in March. Release of water from Stillwater Reservoir averaged 106% of historic discharge.

Mr. Hodgson presented the Administrator's report. Mr. Hodgson has been manning the Sacandaga Field Office answering the phone, doing daily weather reports, handling work permits and investigating encroachments. Mr. Hodgson is utilizing other staff sparingly and calling in for essential tasks as necessary, without exceeding a SFO occupancy of two people at any one time, and practicing appropriate social distancing measures at all times. Meanwhile, critical infrastructure has at least one employee continuing to report with Eric Johnson, Doug Criss, and Darrin Harr reporting to Conklingville, Stillwater, and Indian Lake, respectively. Kim Scott is at the Watertown office a couple of times each week to address mail, messages, and checks.

RESOLUTION SCHEDULING DATE AND TIME OF THE REGULAR MEETING FOR MAY 12, 2020

Chairman Finkle asked for a motion to adopt a resolution setting the date, place and time for the next meeting of the Board of the Hudson River-Black River Regulating District for Tuesday, May 12, 2020 at the Regulating District's Sacandaga Field Office, 737 Bunker Hill Road, Mayfield, NY 12117. The meeting will be scheduled for 10:00 A.M.

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

ADJOURNMENT

Chairman Finkle called for a motion to adjourn the meeting. Mr. Hayes advanced the motion. Mr. Rosenthal seconded. The meeting adjourned at 10:56 A.M.

RESOLUTIONS

20-08-04 RESOLUTION TO EXTEND CONTRACT C042013 WITH BRYANT RABBINO, LLP TO PROVIDE BOND SERVICES WORK IN CONNECTION WITH THE ISSUANCE OF SERIAL BONDS

Mr. Rosenthal moved to adopt the resolution authorizing the executive director to negotiate and execute an extension to contract C042013. Mr. DeWitt seconded and the Board adopted the resolution by unanimous vote.

20-09-04 RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF THE REGULATING DISTRICT'S INVESTMENT POLICY

Chairman Finkle asked for a motion adopting the resolution. Mr. Rosenthal made a motion to recommend approval of the resolution to satisfy the annual review and approval of the Regulating District's Investment Policy. Mr. DeWitt seconded and the Board unanimously approved the motion.

20-10-04 RESOLUTION TO SATISFY ANNUAL REVIEW AND APPROVAL OF THE REGULATING DISTRICT'S PROCUREMENT POLICY

Chairman Finkle asked for a motion adopting the resolution. Mr. Rosenthal made a motion to recommend approval of the resolution to satisfy the annual review and approval of the Regulating District's Procurement Policy. Mr. DeWitt seconded and the Board unanimously approved the motion.

20-11-04 RESOLUTION TO ANNUALLY REVIEW AND APPROVE THE REGULATING DISTRICT'S DISPOSITION OF PROPERTY GUIDELINES PURSUANT TO SECTION 2896(1) OF THE PUBLIC AUTHORITIES LAW

Chairman Finkle asked for a motion adopting the resolution. Mr. Rosenthal made a motion to recommend approval of the resolution to satisfy the annual review and approval of the Regulating District's Disposition of Property Policy. Mr. Hayes seconded and the Board unanimously approved the motion.

20-12-04 RESOLUTION APPROVING BUDGET & FINANCIAL PLAN REQUIRED PURSUANT TO SECTION 2801 OF PUBLIC AUTHORITIES LAW

Mr. DeWitt made a motion to adopt the resolution approving the budget & financial plan required pursuant to section 2801 of the Public Authorities Law. Mr. Rosenthal seconded and the Board approved the motion by unanimous vote.

20-13-04 RESOLUTION SCHEDULING DATE AND TIME OF THE REGULAR MEETING FOR MAY 12, 2020

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

Robert P. Leslie
Secretary

Mark M. Finkle
Board Chairman