



MINUTES
NEW YORK STATE CANAL CORPORATION
BOARD MEETING NO. CC-171
January 19, 2011

Minutes of a meeting of the New York State Canal Corporation, held in the Board Room at Administrative Headquarters, 200 Southern Boulevard, Albany, New York 12209 and via video conference from the Corporation's New York Division Office, 4 Executive Boulevard, Suffern, New York.

The meeting began at 12:02 p.m.

There were present:

Chairman John L. Buono

E. Virgil Conway, Board Member, via video conference

Jose Holguin-Veras, Ph.D., Board Member

Donna J. Luh, Vice Chair

J. Donald Rice, Jr., Board Member

Brandon R. Sall, Board Member, via video conference

Richard N. Simberg, Board Member

Constituting all of the members of the Canal Corporation Board.

In addition, there were present the following staff personnel:

Michael R. Fleischer, Executive Director

John Barr, Director, Administrative Services

Donald Bell, Director, Operations and Maintenance
John Bryan, Chief Financial Officer
William Estes, General Counsel
J. Marc Hannibal, Director, Audit and Management Services
Carmella Mantello, Director of Canal Corporation
Major Robert C. Meyers, Troop T
Thomas Ryan, Director, Office of Public Affairs
Ted Nadratowski, Chief Engineer
Thomas Pericak, Division Director, Buffalo Division
Michael Loftus, Deputy Division Director, Albany Division
Stephen Grabowski, Acting New York Division Director
Catherine Sheridan, Acting Deputy Director for Canal Maintenance, Operations & Engineering
Wendy Allen, Director, Management and Planning
Anthony Kirby, Director, Real Property Management
Dorraine Steele, Director, Fiscal Audit and Budget
Harry Lennon, Senior Investigator
Tracie Sandell, Assistant Director, Audit and Management Services
Jonathan Gunther, Assistant Counsel
Peter Casper, Assistant Counsel
Linda Galligan, Assistant Counsel
Joseph Igoe, Assistant Counsel
Howard Goebel, Hydrologist, Office of Canals Maintenance and Operations
Lawrence Norville, Chief Compliance Officer
Jill B. Warner, Board Administrator
Judy Gallagher, Assistant Secretary

Also in attendance:

John Armstrong, New York Network

Chairman Buono noted that he, Mr. Conway, Ms. Luh, Mr. Rice, Mr. Sall, Mr. Simberg and Dr. Veras had received and reviewed the Agenda submitted for consideration at this meeting and were prepared to act on each of the Items.

Chairman Buono called the meeting to order.

Ms. Warner recorded the minutes as contained herein (public notice of the meeting had been given).

Item 1 by Board Secretary (Appendix A)
Approval of Minutes of Board Meeting No. CC-170

On the motion of Ms. Luh, seconded by Mr. Simberg, without any objections, the Board approved the minutes of Meeting No. CC-170 held on November 17, 2010, which were made available to the Board Members as part of the Agenda.

Item 2 by Ms. Mantello and Mr. Estes (Appendix B)
Authorizing the Executive Director, or his Designee, to Execute an Agreement with Seneca Falls Power Corporation, for the Operation and Maintenance of the Project Works within the Boundaries of the Waterloo and Seneca Falls Hydroelectric Project

Mr. Simberg thanked Corporation and Legal staff for their assistance in completing this agreement. Ms. Mantello added that due to communication issues it has taken years for an operation and maintenance agreement to be reached and thanked Peter Casper and William Estes for succeeding in getting staff at the Seneca Falls Power Corporation to the table.

After full discussion, on the motion of Mr. Simberg, seconded by Ms. Luh, without any objections, the Board adopted the following resolution:

RESOLUTION NO. 532
**AUTHORIZING THE EXECUTIVE DIRECTOR, OR HIS
DESIGNEE, TO EXECUTE AN AGREEMENT WITH
SENECA FALLS POWER CORPORATION, FOR THE
OPERATION AND MAINTENANCE OF THE PROJECT
WORKS WITHIN THE BOUNDARIES OF THE
WATERLOO AND SENECA FALLS HYDROELECTRIC
PROJECT**

RESOLVED, that the Board hereby authorizes the Executive Director, or his designee, to execute an Operation and Maintenance Agreement (O&M Agreement) with Seneca Falls Power Corporation, the FERC licensee of FERC License Number 2438, and be it further

RESOLVED, that the Board hereby authorizes the Executive Director, or his designee, the authority to amend the O&M Agreement at a future date consistent with the terms and conditions of the agreement, and be it further

RESOLVED, that Canal Staff shall commence the hydropower easement sale process consistent with the Canal Real Property Management Policy and Standard Operating Procedures and return to the Board for authorization to dispose of the hydropower easement consistent with these procedures at a future date, and be it further

RESOLVED, that this resolution be incorporated in the minutes of this meeting

Item 3 by Ms. Mantello and Mr. Bryan (Appendix C)
Authorizing the Abandonment of Approximately 0.09+ Acre of Canal Land Located in the Town of Lee, County of Oneida, and Authorizing Its Sale to John H., Suzanne M. and J. Russell Martin

Ms. Mantello stated that the abandonment and sale of this Canal land will cure an encroachment, help settle a private dispute and settle an Article 78 commenced by the applicants.

After full discussion, on the motion of Ms. Luh, seconded by Mr. Conway, without any objections, the Board adopted the following resolution:

RESOLUTION NO. 533
AUTHORIZING THE ABANDONMENT OF APPROXIMATELY 0.09± ACRE OF CANAL LAND LOCATED IN THE TOWN OF LEE, COUNTY OF ONEIDA, AND AUTHORIZING ITS SALE TO JOHN H., SUZANNE M. AND J. RUSSELL MARTIN

RESOLVED, that approximately 0.09± acre of Canal land located in the Town of Lee, County of Oneida is no longer useful or necessary as part of the Barge Canal System, as an aid to navigation thereon, or for Barge Canal purposes, and be it further

RESOLVED, that following publication of the notice of abandonment for the Property as required by Section 51 of the Canal Law and transmittal of such notice to the CRC, the Office of Canal Maintenance and Operations shall prepare an Official Order abandoning the land for canal purposes, together with a map and description of such lands for review and execution by the Executive Director, and be it further

RESOLVED, that following preparation of the Official Order of Abandonment, the Executive Director be, and he hereby is, authorized to execute such order of abandonment, and be it further

RESOLVED, that the recommendation for issuance of a Negative Declaration based on an environmental assessment of the proposed action completed in accordance with the provisions of the State Environmental Quality Review Act (SEQRA) be, and hereby is, approved, and be it further

RESOLVED, the Chief Engineer, or his designee, be, and he hereby is, authorized to sign the SEQRA Environmental Assessment and issue the Negative Declaration, and to distribute any required notices on behalf of the Corporation Board with relation to this action, and be it further

RESOLVED, that the sale of said approximately 0.09± acre of land by quitclaim deed to John H., Suzanne M. and J. Russell Martin for \$6,000 be, and hereby is, approved, subject to such other legal, financial, engineering and other terms as may be deemed by the Executive Director, the Director of Canals or the

General Counsel, to be in the best interest of the Canal Corporation and consistent with the intent of this agenda item, and be it further

RESOLVED, that such sale shall be conditioned upon the payment of certain costs incidental to the transfer of real property, and be it further

RESOLVED, that the Corporation's Contracting Officer determined that the Property may be sold by negotiation without public advertising because such disposal falls under Section 2897 (6) (c) (ii) of the Public Authorities Law, and Section IV.H. of the Canal Real Property Management Policy, and that the sale of the Property on the terms recommended in the agenda item complies with all applicable provisions of law, including Article 9, Title 5-A of the Public Authorities Law, and with the Canal Real Property Management Policy, and be it further

RESOLVED, that the Executive Director, or his designee, be authorized to execute a contract of sale, and all other documents necessary for closing of title, and be it further

RESOLVED, that the Executive Director, the Director of Canals, the Chief Financial Officer, and the General Counsel be, and the same hereby are, authorized to take all actions necessary to effectuate closing of title, and be it further

RESOLVED, that this resolution be incorporated in the minutes of this meeting

Item 4 by Mr. Nadratowski (Appendix D)
Approving Engineering Agreement D214006 with Hatch Mott MacDonald NY, Inc. for Design Services Relative to the Rehabilitation of Movable Dam 4 and the Breast and Southeast Approach Walls at Lock E-8 in the Albany Division

Mr. Nadratowski reported that the preliminary engineering phase involves various engineering evaluations including a coffer dam, impact analysis and the completion of a dam safety report. The final design phase of the agreement will include the preparation of materials

necessary to secure environmental permits and the development of final plans, specifications, and estimates to meet a November 13, 2013 contract letting date.

After full discussion, on the motion of Ms. Luh, seconded by Dr. Veras, without any objections, the Board adopted the following resolution:

RESOLUTION NO. 534
**APPROVING ENGINEERING AGREEMENT D214006
WITH HATCH MOTT MACDONALD NY, INC. FOR
DESIGN SERVICES RELATIVE TO THE
REHABILITATION OF MOVABLE DAM 4 AND THE
BREAST AND SOUTHEAST APPROACH WALLS AT
LOCK E-8 IN THE ALBANY DIVISION**

RESOLVED, that the proposed engineering agreement D214006 with Hatch Mott MacDonald NY, Inc., 438 Main Street, Suite 700, Buffalo, New York 14202 for design services relative to the rehabilitation of Movable Dam 4 and the Breast and Southeast Approach Walls at Lock E-8 in the Albany Division, for a Maximum Amount Payable of \$1,260,000, which is provided through the 2011 Contracts Program (Items C140.1, C140.2 and C140.4), be, and the same hereby is, approved, and be it further

RESOLVED, that the Chief Engineer or his designees shall have the authority to exercise all powers reserved to the Corporation under the provisions of the agreement, manage and administer the agreement, amend the provisions of the agreement consistent with the terms of this Item and in accordance with the 2011 Contracts Program Resolution and other Board authorizations, and suspend or terminate the agreement in the best interests of the Corporation, and be it further

RESOLVED, that this resolution be incorporated in the minutes of this meeting

OTHER BUSINESS

Mr. Fleischer advised the Board that on February 3, 2011 the Authority's executive staff will receive ethics training from the Commission on Public Integrity.

ADJOURNMENT

There being no further business to come before the Board, without any objections, on the motion of Ms. Luh, seconded by Mr. Simberg, the meeting was adjourned at 12:11 p.m.

Jill B. Warner
Secretary

* At the conclusion of the Canal Corporation Board Meeting Mr. Rice requested a motion to reconvene the Audit Committee Meeting to go into Executive Session to discuss a matter involving the discipline, suspension, dismissal or removal of a particular individual regarding matters involving the closure of the Thruway on December 1 and 2, 2010, in Western New York. On the motion of Mr. Sall, seconded by Mr. Simberg the Audit Committee reconvened in Execution Session.

Note: Webcasts, which include dialogue of Authority/Corporation Board Meetings, are available on the Thruway Authority website 48 hours after such meetings occur and remain on the website for a period of 4 months.