



MINUTES

NEW YORK STATE CANAL CORPORATION

BOARD MEETING NO. CC-141

September 14, 2006

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.

The meeting began at 11:55 a.m.

There were present:

**John L. Buono, Chairman
John R. Riedman, Board Member
Nancy E. Carey Cassidy, Board Member
Erin M. Crotty, Board Member
Jeffrey D. Williams, 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 Bryan, Chief Financial Officer
Sharon O'Connor, General Counsel
William Rinaldi, Director, Albany Division**

Joanne Riddett, Director, Information Technology
Christopher Waite, Director, Engineering Services and Chief Engineer
Jill Warner, Secretary and Board Administrator
Major George Beach, Troop T
Daniel Gilbert, Chief of Staff
Wendy Allen, Deputy Chief of Staff
Thomas Fitzgerald, Acting Director, Administrative Services
Donald Bell, Director, Operations and Maintenance
Carmella Mantello, Director of Canal Corporation
Michael Flynn, Director, Audit & Management Services
Kevin Allen, Unit Supervisor, Audit & Management Services
Dorraine Steele, Director, Office of Fiscal Audit and Budget
Lawrence Frame, Deputy Director of Canal Corporation
Richard Garrabrant, Director, Syracuse Division
William Leslie, Director, Buffalo Division
Ramesh Mehta, Director, New York Division
Cathy Sheridan, Canal Capital Program
David Boshart, Land Management, Canal Corporation
Richard Harris, Deputy Director of Canal Community Development and Land Management
Karen Osborn, Budget, Office of Fiscal Audit and Budget
Jim Chicoine, Director, Office of Capital Program Management
Charles Flynn, Assistant Director, Bureau of Management Analysis and Projects
Jennifer Meicht, Deputy Director, Canal Office of Communications and Marketing
Sharon Leighton, Community Relations, Canal Office of Community Development & Land Management
Betsy Graham, Acting Director, Office of Public Affairs
Patrick Noonan, Senior Public Information Specialist, Office of Public Affairs
Also in Attendance:
Cathy Woodruff, Reporter, Albany Times Union
Murray Bodin, public
Rick Goebelle, Vollmer & Associates

Chairman Buono noted that he, Mr. Riedman, Ms. Carey Cassidy, Ms. Crotty and Mr. Williams had received and reviewed the Agenda submitted for consideration at this meeting and were prepared to act on each of the items.

Ms. Warner recorded the minutes as contained herein.

Public notice of the meeting had been given, Ms. Warner said.



Item 1 by Ms. Warner (Appendix A)
Minutes of Meeting No. CC-140

On the motion of Mr. Riedman, seconded by Ms. Crotty, without any objections, the Board approved the minutes of Meeting No. CC-140 held on July 6, 2006 which were made available to the Board Members as part of the Agenda.

Item 2 by Mr. Fleischer (Appendix B)
Report to Canal Corporation Board for Personal Service Contracts Up to \$150,000 for the Period April 1, 2006 through June 30, 2006

Mr. Fleischer submitted as Exhibit I a listing containing Personal Service Contracts up to \$150,000 for the period of April 1, 2006 through June 30, 2006.

After full discussion, on the motion of Ms. Crotty, seconded by Ms. Carey Cassidy, without any objections, the Board accepted Mr. Fleischer's report.

Item 3 by Mr. Bryan (Appendix C)
Approving Revisions to Procurement Contracts Policy 25-5-01C

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

RESOLUTION NO. 392
APPROVING REVISIONS TO PROCUREMENT
CONTRACTS POLICY 25-5-01C

RESOLVED, that the revisions to the Corporation's Procurement Contracts Policy (25-5-01C) identified in Exhibit A attached hereto (material to be deleted is struck through, while material to be added is underscored) be, and the same hereby are, approved; and be it further

RESOLVED, that the revised Policy shall take effect immediately; and be it further

RESOLVED, that the Executive Director be, and he hereby is, authorized to, in consultation with the Chief Financial Officer and the Chief of Staff, develop or modify operational and/or administrative procedures as necessary to implement the revised Policy; and be it further



Item 3 by Mr. Bryan (Appendix C)

Approving Revisions to Procurement Contracts Policy 25-5-01C (Continued)

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

Item 4 by Mr. Bryan (Appendix D)

Approval of the 2007 Recommended Budget for the New York State Canal Corporation

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

RESOLUTION NO. 393

APPROVAL OF THE 2007 RECOMMENDED BUDGET FOR THE NEW YORK STATE CANAL CORPORATION

RESOLVED, that the Canal Corporation's proposed Budget for the fiscal year 2007, submitted by the Executive Director, the Chief of Staff and the Chief Financial Officer, be, and the same hereby is, approved and funded in accordance with the attached Exhibit I, and be it further

RESOLVED, that the Executive Director or designee be, and he hereby is, authorized to make such expenditures as set forth in this Budget, subject to compliance with Authority policies and procedures, and to make such internal adjustments and transfers within the Authority Budget as are necessary and proper, and to make any other adjustments with the concurrence of the Board, and be it further

RESOLVED, that a copy of the Budget approved herein, when printed in final form, be attached to these minutes and made a part thereof and be submitted in accordance with Section 2801 of the Public Authorities Law, and be it further

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



Item 5 by Mr. Bryan and Ms. Mantello (Appendix E)
Approving the Revised Canal Corporation Real Property Management Standard Operating Procedures (900-1)

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

RESOLUTION NO. 394
APPROVING THE CANAL CORPORATION REAL PROPERTY MANAGEMENT STANDARD OPERATING PROCEDURES (900-1)

RESOLVED, that the Canal Corporation Real Property Management Standard Operating Procedures (Canal SOPs) (900-1), attached hereto as Exhibit A be, and the same hereby is, approved; and be it further

RESOLVED, that thereafter, the Executive Director be, and hereby is authorized to, in consultation with the Chief Financial Officer, the Chief of Staff and the Director of Canals, modify and/ or develop additional Canal SOPs as necessary to insure that they incorporate and are consistent with the Canal Corporation Real Property Management Policy; and be it further

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

Item 6 by Ms. Allen (Appendix F)
Approving Records Retention and Disposal Policy (25-1-03C)

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

RESOLUTION NO. 395
APPROVING RECORDS RETENTION AND DISPOSAL POLICY (25-1-03C)

RESOLVED, that the General Policy on Records Retention and Disposal (25-1-03C) attached hereto as Exhibit A be, and hereby is, approved; and be it further



Item 6 by Ms. Allen (Appendix F)

Approving Records Retention and Disposal Policy (25-1-03C) (Continued)

RESOLVED, that such Policy shall take effect immediately; and be it further

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

Item 7 by Mr. Waite (Appendix G)

Approving the 2007 Contracts Program

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

RESOLUTION NO. 396
APPROVING THE 2007 CANAL
CONTRACTS PROGRAM

RESOLVED, that the 2007 Contracts Program for Canals and Related Facility Projects be, and the same hereby is, approved, and be it further

RESOLVED, that the Chief Engineer be, and hereby is, authorized:

- A. to prepare and approve Official Proposals, Plans and Specifications, Engineer's/Architect's Estimates of Cost and Contract Documents for such projects as are tabulated in the 2007 Contracts Program;
- B. to hold the respective Engineer's/ Architect's Estimate of Cost for such contracts confidential;
- C. to advertise for receipt of bids for those projects which are tabulated in the 2007 Contracts Program;
 - 1. when the final Engineer's/Architect's Estimates of Cost are equal to or less than the project's budget allocations, and
 - 2. when the final Engineer's/Architect's Estimate of Cost does not exceed the project's budget allocation by more than \$75,000 for projects with budget allocations of up to



Item 7 by Mr. Waite (Appendix G)
Approving the 2007 Contracts Program (Continued)

- \$500,000 or by more than 15 percent for projects with budget allocations that exceed \$500,000 provided confirmation is received from the Department of Finance and Accounts that sufficient funds are available in the 2007 Contracts Program, or**
- 3. when the final Engineer's/Architect's Estimate of Cost exceeds the project's budget allocation beyond the limits in (2), provided that he receives prior approval of the Executive Director and confirmation from the Department of Finance and Accounts that sufficient funds are available in the 2007 Contracts Program;**
- D. to award any such contract to the lowest responsible bidder when it is deemed to be an acceptable bid, and:**
- 1. the low bid is equal to or less than the Engineer's/Architect's Estimate; or**
 - 2. the low bid exceeds the Engineer's/Architect's Estimate by up to \$75,000 on contracts up to and including \$500,000, or 15 percent on contracts over \$500,000 and confirmation is received from the Department of Finance and Accounts that, by virtue of bid savings and/or deferrals, sufficient funds are available for the additional difference between the Estimate amount and the low bid; or**
 - 3. the low bid exceeds the Engineer's/Architect's Estimate by up to \$100,000 on contracts up to and including \$500,000, or 20 percent on contracts over \$500,000, provided that he receives prior approval of the Executive Director and confirmation from the Department of Finance and Accounts that, by virtue of bid savings and/or deferrals, sufficient funds are available for the**



Item 7 by Mr. Waite (Appendix G)
Approving the 2007 Contracts Program (Continued)

- additional difference between the Estimate amount and the low bid; or
4. the low bid exceed the limits of (1), (2) or (3) provided he obtains Board authorization for the necessary additional funds;
- E. to reject bids for any such contract which are determined to be not in accordance with bid documents and specifications thereof, or not in the Corporation's best interests, or which are submitted by bidders determined to be not responsible. In these cases and where no bids are received, he may again advertise for receipt of bids pursuant to paragraph C;
- F. to approve contingent or extra work on such construction contracts, when necessary, provided the additional cost shall not exceed the bid price by more than \$150,000, for contracts bid up to and including \$1,000,000, or 15 percent for contracts bid in excess of \$1,000,000 and to approve additional extra work, beyond that authorized above with the prior approval of the Executive Director, provided the final cost of the respective contracts shall not exceed the total bid price by more than \$200,000, for contracts bid up to and including \$1,000,000, or 20 percent for contracts bid in excess of \$1,000,000; and to adjust and determine disputed contract claims in accordance with contract documents;
- G. to enter into, extend, and modify project specific agreements or multi-project agreements with localities, utility companies, railroads, and/or others as may be necessary in order to facilitate the administration, award, progress and completion of such contracts;
- H. to acquire and grant such property interests (fee title, easements, etc.), in accordance with the provisions of the Corporation's Real Property Management Policy, as may be necessary for implementation of the 2007 Contracts Program;



Item 7 by Mr. Waite (Appendix G)
Approving the 2007 Contracts Program (Continued)

- provided that the total amount of acquisitions or the amount of grants for any one project shall not exceed \$150,000 each without Board authorization;
- I. to execute engineering agreements approved by the Board, or where otherwise authorized by the Executive Director, including amendments thereto, for services relating to projects included in the 2007 Contracts Program;
 - J. to approve a supplemental agreement, for expenditure of additional funds in furtherance of a Board approved engineering agreement, including any Board approved supplemental agreement, provided that the amount of such additional funds does not exceed \$150,000 in the case of agreements up to and including \$3,000,000, or 5 percent, in the case of agreements of over \$3,000,000;
 - K. to approve, with the prior approval of the Executive Director, a supplemental agreement for expenditure of additional funds in furtherance of a Board approved engineering agreement, including any Board approved supplemental agreement, provided that the amount of such additional funds does not exceed 25 percent including any additional funds authorized in paragraph J; and provided further, when such supplemental agreement includes additional new design or construction inspection tasks, such approval must be based upon the following: it is determined that the assignment of the additional tasks is in the best interests of the Corporation when considering the proximity of the additional tasks to the ongoing tasks, or it is determined to be in the best interests of the Corporation to expedite the additional tasks through such assignment, or it is determined that significant savings to the Corporation will result through the assignment of the additional tasks;
 - L. to exercise all powers reserved to the Corporation under the provisions of any contracts or agreements



Item 7 by Mr. Waite (Appendix G)
Approving the 2007 Contracts Program (Continued)

executed pursuant to this item, manage and administer any such contracts or agreements, amend the provisions of any such contracts or agreements consistent with the terms of this item and in accordance with other applicable Board authorizations, and suspend or terminate any such contracts or agreements in the best interests of the Corporation, and be it further

RESOLVED, that any powers granted to the Executive Director by the Board to approve expenditures or to increase expenditures for contracts and agreements shall be in addition to those powers granted under this resolution and any action taken pursuant thereto shall be deemed to be authorized under this resolution and be it further

RESOLVED, that in accordance with the other powers delegated herein, the Chief Engineer shall be, and hereby is, authorized to make all necessary decisions pursuant to the State Environmental Quality Review Act (SEQRA) with relation to the Contracts Program, and be it further

RESOLVED, that quarterly reports shall be submitted to the Board by the Chief Engineer on all awarded construction contracts; on approved additional funds for construction contracts over and above the contingency funds; on all engineering agreements and supplemental engineering agreements, approved pursuant to the provisions of this resolution, and be it further

RESOLVED, that the Chief Financial Officer be, and he hereby is, authorized:

- A. upon award of such contracts to return such funds budgeted for such projects in the respective 2007 Budgets which are otherwise not required for expenditure during 2007 to its proper fund in accordance with acceptable budgeting and



Item 7 by Mr. Waite (Appendix G)
Approving the 2007 Contracts Program (Continued)

- accounting procedure;
- B. to monitor total cash expenditures for the 2007 Contracts Program to insure that they do not exceed \$39,903,095 during the 2007 Fiscal Year;
- C. to return bid checks submitted for such contracts to unsuccessful bidders; and to make necessary adjustments in the respective 2007 approved Budgets as required by implementation of any part of the Resolution relative to the 2007 Contracts Program; and be it further

RESOLVED, that the Executive Director or Chief Engineer be, and they hereby are, authorized to execute such contracts, including any amendments thereto, provided such amendments do not increase the authorized contract value beyond that which is otherwise authorized; and be it further

RESOLVED, that the provisions of this resolution shall be deemed to supercede all other inconsistent Corporation/Thruway Authority policies and procedures to the extent necessary to implement the approved Contracts Program and for no other purposes, and be it further

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

Item 8 by Mr. Waite (Appendix H)
Authorizing Negotiation and Execution of Engineering Agreement D213585 with Camp Dresser & McKee, Inc. for Construction Inspection Services Relative to TAS 06-18C, Construction of the Canalway Trail from Little Falls to Ilion in the Syracuse Division

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



Item 8 by Mr. Waite (Appendix H)

Authorizing Negotiation and Execution of Engineering Agreement D213585 with Camp Dresser & McKee, Inc. for Construction Inspection Services Relative to TAS 06-18C, Construction of the Canalway Trail from Little Falls to Ilion in the Syracuse Division (Continued)

RESOLUTION NO. 397

AUTHORIZING NEGOTIATION AND EXECUTION OF ENGINEERING AGREEMENT D213585 WITH CAMP DRESSER & MCKEE, INC. FOR CONSTRUCTION INSPECTION SERVICES RELATIVE TO TAS 06-18C, CONSTRUCTION OF THE CANALWAY TRAIL FROM LITTLE FALLS TO ILION IN THE SYRACUSE DIVISION

RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering agreement D213585 with Camp Dresser & McKee, Inc., One General Motors Drive, Syracuse, New York 14614 for construction inspection services relative to TAS 06-18C, Construction of the Canalway Trail from Little Falls to Ilion in the Syracuse Division, provided that the Maximum Amount Payable does not exceed the \$460,000 which is currently provided through the 2007 Contracts Program (T35.1), 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 2007 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 the information relating to this agreement be included in the Chief Engineer's Quarterly Report to the Board on Contracts Program activities, such information to include the exact Maximum Amount Payable and date of execution of the agreement and be it further



Item 8 by Mr. Waite (Appendix H)

Authorizing Negotiation and Execution of Engineering Agreement D213585 with Camp Dresser & McKee, Inc. for Construction Inspection Services Relative to TAS 06-18C, Construction of the Canalway Trail from Little Falls to Ilion in the Syracuse Division (Continued)

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

Item 9 by Ms. Mantello (Appendix I)

Authorizing the Use of Environmental Protection Fund (EPF) Funds in Connection with Municipal/Recreational Improvements to be Made on Certain Canal Lands in the Town of Rotterdam in the County of Schenectady

After full discussion, on the motion of Ms. Crotty, seconded by Ms. Carey Cassidy, without any objections, the Board adopted the following resolution:

RESOLUTION NO. 398

AUTHORIZING THE USE OF ENVIRONMENTAL PROTECTION FUND (EPF) FUNDS IN CONNECTION WITH MUNICIPAL/RECREATIONAL IMPROVEMENTS TO BE MADE TO CERTAIN CANAL LANDS LOCATED IN THE TOWN OF ROTTERDAM, COUNTY OF SCHENECTADY

RESOLVED, that the Town of Rotterdam intends to make certain improvements to Canal land as part of a project in the Governor's Revitalization II Program; and be it further

RESOLVED, that the Town of Rotterdam intends to use EPF funds to finance such improvements to Canal land; and be it further

RESOLVED, that provisions of state law concerning grants provided under Article 54 of the Environmental Conservation Law requires that improvements made for park projects with funds authorized by the EPF shall be used for park purposes until such time as the legislature expressly provides for another use; and be it further



Item 9 by Ms. Mantello (Appendix I)

Authorizing the Use of Environmental Protection Fund (EPF) Funds in Connection with Municipal/Recreational Improvements to be Made on Certain Canal Lands in the Town of Rotterdam in the County of Schenectady (Continued)

RESOLVED, that the conversion of Canal lands in the Town of Rotterdam, County of Schenectady, to parkland resulting from the use of EPF funds is hereby approved; and be it further

RESOLVED, that, the Executive Director, or his designee shall be authorized to take all actions necessary to implement this Board action, including notification to appropriate officials in the Town of Rotterdam that the Canal Corporation approves the use of EPF funds in connection with municipal improvements to the above-described canal lands; and be it further

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

After full discussion, the following Items were withdrawn pending submission of additional information regarding the scope of and methodology of the appraisals used to value the property.

Item 10 by Ms. Mantello (Appendix J)

Declaring Surplus to Canal Corporation Needs Approximately 0.59 Acre of Canal Land Located in the Town of Forestport, County of Oneida; and Authorizing its Sale to Charles Rieben

This Item was withdrawn from consideration at this time.

Item 11 by Ms. Mantello (Appendix K)

Declaring Surplus to Canal Corporation Needs Approximately 0.87 Acres of Canal Land Located in the Town of Forestport, County of Oneida; and Authorizing its Sale to Maureen Clark

This Item was withdrawn from consideration at this time.



Item 12 by Ms. Mantello (Appendix L)

Declaring Surplus to Canal Corporation Needs Approximately 0.49 Acres of Canal Land Located in the Town of Remsen, County of Oneida; and Authorizing its Sale to Nancy Genter

This Item was withdrawn from consideration at this time.

Item 13 by Ms. Mantello (Appendix M)

Declaring Surplus to Canal Corporation Needs Approximately 0.67 Acres of Canal Land Located in the Town of Remsen, County of Oneida; and Authorizing its Sale to Keith Schuderer

This Item was withdrawn from consideration at this time.

Item 14 by Ms. Mantello (Appendix N)

Declaring Surplus to Canal Corporation Needs Approximately 3,050 Square Feet of Canal Land Located in the Town of Glenville, County of Schenectady; and Authorizing its Sale to Pasquale Popolizio

This Item was withdrawn from consideration at this time.

Report by Ms. Mantello (Appendix O)

Ms. Mantello informed the Board that the Canal Corporation and the Office of Parks, Recreation and Historical Preservation (OPRHP) have agreed that the originally planned small grant program for boating access is being merged into the larger Corporation/State grant program contained in the State Budget. The remaining \$50,000 of the original OPRHP grant will be used to fund the retention of staff to keep the locks on extended open hours during the peak fall season, making up for the short boating season caused by the 2006 floods.

EXECUTIVE SESSION

On the motion of Ms. Crotty, seconded by Mr. Williams, the Board voted to convene to Executive Session to discuss pending litigation and matters leading to the possible appointment of a corporation.

Public Session Resumed

Ms. Carey Cassidy moved that the meeting return to Public Session. Ms. Crotty seconded the motion.



Adjournment

There being no further business to come before the Board, on the motion of Mr. Riedman, seconded by Ms. Carey Cassidy, without any objections, the meeting was adjourned.

Jill B. Warner
Secretary

