



MINUTES

NEW YORK STATE CANAL CORPORATION

BOARD MEETING NO. CC-143

November 16, 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 and by video conference from the New York State Thruway Authority's Buffalo Division, 455 Cayuga Road, Suite 800, Cheektowaga, NY.

The meeting began at 10:35 a.m. and a vote was taken to convene into Executive Session. The open meeting resumed at 11:30 a.m.

There were present:

**John L. Buono, Chairman
Nancy E. Carey Cassidy, Board Member
John R. Riedman, Board Member
Erin M. Crotty, Board Member
Jeffrey D. Williams, Board Member via video conference**

Constituting a majority 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’Conor, General Counsel
William Rinaldi, Director, Albany Division
Joanne Riddett, Director, Information Technology
Christopher Waite, Chief Engineer
Jill Warner, Secretary and Board Administrator
Major George Beach, Troop T
Daniel Gilbert, Chief of Staff
Wendy Allen, Deputy Chief of Staff
John Barr, 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
Ramesh Mehta, Director, New York Division
Cathy Sheridan, Canal Capital Program
Richard Harris, Deputy Director of Canal Community Development and Land Management
Betsy Graham, Acting Director, Office of Public Affairs
John Brizzell, Transportation Federation Liaison
Eric Christensen, Program Manager, E-ZPass Operations
Kathy McCartney, Deputy Counsel
Also in Attendance:
Marty Latko, President, Teamsters Local 72
Mark Johnson, Reporter, Associated Press

Chairman Buono noted that he, Ms. Carey Cassidy, Mr. Riedman, 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.

Executive Session

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



Public Session Resumed

Mr. Riedman moved that the meeting return to Public Session. Ms. Crotty seconded the motion.

Item 1 by Ms. Warner (Appendix A)
Minutes of Meeting No. CC-142

On the motion of Mr. Riedman, seconded by Ms. Crotty, without any objections, the Board approved the minutes of Meeting No. CC-142 held on October 30, 2006 which were made available to the Board Members as part of the Agenda.

Item 2 by Mr. Fleischer (Appendix B)
Approving a Revised Governance Committee Charter

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

RESOLUTION NO. 400
APPROVING A REVISED GOVERNANCE
COMMITTEE CHARTER

RESOLVED, that the revised Governance Committee Charter, attached hereto as Exhibit A, is approved, replacing all prior Governance Committee Charters; and be it further

RESOLVED, that there be one Governance Committee responsible for both the Thruway Authority and the Canal Corporation; and be it further

RESOLVED, that Governance Committee meetings will be subject to the requirements of the Open Meetings Law; and be it further

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



Item 3 by Mr. Fleischer (Appendix C)

Establishing the Board Audit Committee and Approving an Audit Committee Charter

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

RESOLUTION NO. 401
ESTABLISHING THE BOARD AUDIT COMMITTEE
AND APPROVING AN AUDIT COMMITTEE CHARTER

RESOLVED, that the Board Audit Committee is established; and be it further

RESOLVED, that the Audit Committee Charter, attached hereto as Exhibit A, is approved; and be it further

RESOLVED, that there be one Audit Committee responsible for both the Thruway Authority and the Canal Corporation; and be it further

RESOLVED, that Audit Committee meetings will be subject to the requirements of the Open Meetings Law; and be it further

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

Item 4 by Mr. Waite (Appendix D)

Authorizing Additional Funding for TAA 04-29C, D213172, Rehabilitation of Movable Dam 6 at Lock E-10 in the Albany Division

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

RESOLUTION NO. 402
AUTHORIZING ADDITIONAL FUNDING FOR TAA 04-
29C, D213172, REHABILITATION OF MOVABLE DAM 6
AT LOCK E-10 IN THE ALBANY DIVISION



Item 4 by Mr. Waite (Appendix D)

Authorizing Additional Funding for TAA 04-29C, D213172, Rehabilitation of Movable Dam 6 at Lock E-10 in the Albany Division (Continued)

RESOLVED, that the 2006 Canal Contracts Program be, and the same hereby is, amended so that Movable Dam 5 at Lock E-9 repair work can be added to TAA 04-29C, D213172 and completed during 2006, and be it further

RESOLVED, that additional funding in the amount of \$4,700,000 be authorized for TAA 04-29C, with a revised contract value of \$18,338,988, and be it further

RESOLVED, that the Corporation declares that this Canal system project is deemed to be necessary due to the existence of an emergency involving danger to life, safety or property and in accordance with the provisions of Section 383(1)(c) of the Public Authorities Law and authorizes the use of \$1,175,000 in bond proceeds issued in accordance with the provisions of the Public Authorities Law towards the emergency repair project, and be it further

RESOLVED, that the Executive Director or his designee shall have the authority to exercise all powers reserved to the Corporation under the provisions of the contract, manage and administer the contract, amend the provisions of the contract consistent with the terms of this item and other Board authorizations and suspend or terminate the contract in the best interests of the Corporation, and be it further

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



Item 5 by Mr. Waite (Appendix E)

Authorizing an Amendment to the 2007 Canal Contracts Program to Include Two Projects for Electrical Repairs at Six Erie Canal Locks in the Albany Division, and Allocating Funds Therefor

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

RESOLUTION NO. 403

AUTHORIZING AN AMENDMENT TO THE 2007 CANAL CONTRACTS PROGRAM TO INCLUDE TWO PROJECTS FOR ELECTRICAL REPAIRS AT SIX ERIE CANAL LOCKS IN THE ALBANY DIVISION, AND ALLOCATING FUNDS THEREFOR

RESOLVED, that the 2007 Canal Contracts Program be, and the same hereby is, amended to include two projects, TAA 06-60C and TAA 07-7C for electrical repairs at six Erie Canal locks in the Albany Division, and be it further

RESOLVED, that the Corporation declares that these Canal system projects are deemed to be necessary due to the existence of an emergency involving danger to life, safety or property and in accordance with the provisions of Section 383(1)(c) of the Public Authorities Law and authorizes the use of \$1,424,000 in bond proceeds issued in accordance with the provisions of the Public Authorities Law towards the emergency repair project, and be it further

RESOLVED, that the 2007 Contracts Program be amended to account for the additional \$4,403,000 for the two electrical repair projects, TAA 06-60C and TAA 07-7C, and that a sum of \$1,370,000 in 2007 cash flow be, and the same hereby is, allocated toward the projects from savings associated with B905.1, Tappan Zee Bridge Partial Superstructure Replacement, in the 2007 Contracts Program, and be it further



Item 5 by Mr. Waite (Appendix E)

Authorizing an Amendment to the 2007 Canal Contracts Program to Include Two Projects for Electrical Repairs at Six Erie Canal Locks in the Albany Division, and Allocating Funds Therefor (Continued)

RESOLVED, that the two electrical repair projects, TAA 06-60C and TAA 07-7C, will be administered in accordance with the 2007 Canal Contracts Program Resolution, and be it further

RESOLVED, that the Executive Director or his designee shall have the authority to exercise all powers reserved to the Corporation under the provisions of the contracts, manage and administer the contracts, amend the provisions of the contracts consistent with the terms of this item and other Board authorizations and suspend or terminate the contracts in the best interests of the Corporation, and be it further

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

Item 6 by Mr. Waite (Appendix F)

Approving Engineering Agreement D213576 with FRA Engineering, P.C. for Design Services Relative to Rehabilitation of Movable Dam 9 at Lock E-13 in the Albany Division

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

RESOLUTION NO. 404

APPROVING ENGINEERING AGREEMENT D213576 WITH FRA ENGINEERING, P.C. FOR DESIGN SERVICES RELATIVE TO REHABILITATION OF MOVABLE DAM 9 AT LOCK E-13 IN THE ALBANY DIVISION

RESOLVED, that the proposed engineering agreement D213576 with FRA Engineering, P.C., 530 Summit Point Drive, Henrietta, New York 14467 for design services relative to the rehabilitation of Movable Dam 9 at Lock E-13 Albany Division, for a Maximum Amount



Item 6 by Mr. Waite (Appendix F)

Approving Engineering Agreement D213576 with FRA Engineering, P.C. for Design Services Relative to Rehabilitation of Movable Dam 9 at Lock E-13 in the Albany Division (Continued)

Payable of \$700,000 (sufficient funds are available in Item C173.1 of the 2007 Contracts Program), 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 2007 Contracts Program Resolution No. 396 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

Item 7 by Ms. Mantello (Appendix G)

Amending the Authorization for the Establishment and Implementation of the Erie Canal Greenway Grant Program and Reallocating the Expenditure of Ten Million Dollars (\$10,000,000) Appropriated to the Canal Corporation in the 2006-07 New York State Budget, as Approved by Resolution No. 391 at Meeting No. CC-140, and Authorizing the Executive Director to Execute Grant Contracts in Excess of \$150,000

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

RESOLUTION NO. 405

AMENDING THE AUTHORIZATION FOR THE ESTABLISHMENT AND IMPLEMENTATION OF THE ERIE CANAL GREENWAY GRANT PROGRAM AND REALLOCATING THE EXPENDITURE OF TEN MILLION DOLLARS (\$10,000,000) APPROPRIATED TO THE CANAL CORPORATION IN THE 2006-07 NEW YORK STATE BUDGET, AS APPROVED BY RESOLUTION NO. 391 AT MEETING NO. CC-140, AND



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AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE GRANT CONTRACTS IN EXCESS OF \$150,000

RESOLVED, that following the Board's adoption of Resolution No. 391 at Meeting No. CC-140 authorizing the establishment and implementation of the Erie Canal Greenway Grant Program, grant applications were solicited and 81 applications were received, with funding requests totaling \$12,067,415; and be it further

RESOLVED, that the \$6 million allocation of funding for the competitive grant program be increased by \$2,364,766, bringing the total available funding for the grant program to \$8,364,766, to fund 54 projects, including those in excess of \$150,000, as listed in Attachment A; and be it further

RESOLVED, that the remaining \$1,635,234 be used to fund new capital projects and for non-capital costs for a variety of marketing, promotion, canal interpretation, and other projects consistent with the Governor's proposal for an Erie Canal Greenway, the "*Report on the Future of New York State Canals*" and the 1995 Canal Recreationway Plan, including those projects and grants in excess of \$150,000 as listed in Attachment B; and be it further

RESOLVED, that the Executive Director, or his designee, be, and hereby is, authorized to execute all contracts and any other necessary documents for projects and grants in excess of \$150,000 as listed in Attachments A and B, to be on terms and conditions determined to be in the best interests of the Canal Corporation and consistent with



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all applicable rules, regulations, policies and laws; and be it further

RESOLVED, that all grant recipients will receive the award notification letter, shown in Attachment C, indicating the award process and stating that grant funds will be provided solely on a reimbursement basis; and be it further

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

Item 8 by Ms. Mantello (Appendix H)

Authorizing the Use of Environmental Protection Fund (EPF) Funds in Connection with Municipal/Recreational Improvements to be Made on Certain Canal Lands Located in the Village of Schuylerville, Town of Saratoga in the County of Saratoga

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

RESOLUTION NO. 406

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

RESOLVED, that the Town of Saratoga intends to make certain improvements to Canal land as part of the Canalway Trail Program; and be it further



Item 8 by Ms. Mantello (Appendix H)

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

RESOLVED, that the Town of Saratoga 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 require that improvements made for park projects with funds authorized by the Environmental Protection Fund shall be used for park purposes until such time as the legislature expressly provides for another use; and be it further

RESOLVED, that the conversion of Canal lands in the Village of Schuylerville, Town of Saratoga, County of Saratoga, 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 Saratoga 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



Adjournment

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

Jill B. Warner
Secretary

