



## **MINUTES**

### **NEW YORK STATE CANAL CORPORATION**

#### **BOARD MEETING NO. CC-159**

**March 18, 2009**

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 Authority's New York Division, 4 Executive Boulevard, Suffern, NY 10901 and Buffalo Division, 455 Cayuga Road, Suite 800, Cheektowaga, NY 14225.

The meeting began at 11:05 a.m.

There were present:

Frederick M. Howard, Board Member  
Donna J. Luh, Board Member, via video conference  
Kevin J. Plunkett, Board Member, via video conference  
Brandon R. Sall, Board Member

Constituting a majority of the members of the Canal Corporation Board.

Chairman Buono, Mr. Conway and Ms. Crotty were not present at this meeting and did not vote on any of the Items.

In addition, there were present the following staff personnel:  
Michael R. Fleischer, Executive Director

**Daniel Gilbert, Chief of Staff**  
**Sharon O’Conor, General Counsel**  
**John Bryan, Chief Financial Officer**  
**Jill Warner, Secretary and Board Administrator**  
**Christopher Waite, Chief Engineer**  
**Betsy Graham, Acting Director, Office of Public Affairs**  
**William Rinaldi, Division Director, Albany Division**  
**Ted Nadratowski, Acting Division Director, New York Division**  
**Richard Garrabrant, Division Director, Syracuse Division**  
**Thomas Pericak, Division Director, Buffalo Division**  
**Kevin Allen, Acting Director, Audit and Management Services**  
**John Barr, Director, Administrative Services**  
**Donald Bell, Director, Operations and Maintenance**  
**Carmella Mantello, Director of Canal Corporation**  
**Major Robert Meyers, Troop T**  
**Wendy Allen, Deputy Chief of Staff**  
**Joanne Riddett, Director, Information Technology**  
**Harry Lennon, Senior Investigator, Audit and Management Services**  
**Cathy Sheridan, Manager, Canal Capital Program**  
**Michael Sikule, Director, Office of Investments and Asset Management**  
**Katherine McCartney, Deputy Counsel**  
**Richard Harris, Deputy Director, Office of Community Development & Land Management**  
**Richard Matters, Real Estate Specialist 2**  
**Douglas Elson, Information Technology**  
**Dorraine Steele, Director, Office of Fiscal Audit and Budget**  
**Also in attendance:**  
**Cathy Woodruff, Reporter, *Albany Times Union***  
**John Armstrong, Assistant Television Engineer, NYN**  
**Gerald Nielsten, Senior Principal, Stantec Consulting**  
**Murray Bodin, Public**  
**Liz Navaren, Senator Dilan’s Office**  
**Dan Wiles, Mid-Lake Navigation**  
**Peter Wiles, Mid-Lake Navigation**

**Mr. Howard noted that he, Ms. Luh, Mr. Plunkett and Mr. Sall 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-158**

On the motion of Mr. Sall, seconded by Ms. Luh, without any objections, the Board approved the minutes of Meeting No. CC-158 held on January 21, 2009 which were made available to the Board Members as part of the Agenda.

**Item 2 by Mr. Bryan (Appendix B)**  
**Authorizing the Designation of a Firm to Perform Government Banking Services for the Canal Corporation's General Banking Services and Authorizing the Executive Director to Enter Into a Contract with the Designated Firm for Government Banking Services**

Mr. Howard stated that he assumes the conversation the Board had regarding this Item in the Thruway Meeting would apply here as well and asked if the Board had any further questions. Mr. Plunkett inquired if the \$850,000 covers both the Thruway and Canal contracts. Mr. Bryan confirmed that it did.

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

**RESOLUTION NO.**  
**AUTHORIZING THE DESIGNATION OF A FIRM TO PERFORM GOVERNMENT BANKING SERVICES FOR THE CANAL CORPORATION'S GENERAL BANKING SERVICES AND AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH THE DESIGNATED FIRM FOR GOVERNMENT BANKING SERVICES**

RESOLVED, that the Board authorizes the designation of J.P. Morgan Chase Bank, N.A. ("J.P. Morgan") to perform government banking services for the Canal Corporation for all funds deposited and disbursed (via check and electronic transfer), to monitor and report on the deposit and disbursement of such funds, and to provide electronic-cash management system services and the same is hereby approved, and be it further

RESOLVED, that the Executive Director is authorized to enter into a contract with J.P. Morgan to perform government banking services for the Canal



**Item 2 by Mr. Bryan (Appendix B)**

**Authorizing the Designation of a Firm to Perform Government Banking Services for the Canal Corporation's General Banking Services and Authorizing the Executive Director to Enter Into a Contract with the Designated Firm for Government Banking Services (Continued)**

Corporation related to the funds deposited and disbursed on such terms and conditions as are deemed to be in the best interests of the Canal Corporation, and be it further

RESOLVED, that the Agreement shall be for a term of five years for a maximum amount payable of \$850,000, and be it further

RESOLVED, that the costs of such services will be funded via a compensating balance arrangement or by direct payment, at the Canal Corporation's option, and that the funding of such costs be, and the same hereby is approved, and be it further

RESOLVED, that the Chief Financial Officer or his designee is authorized to compensate the bank for services rendered under such agreement via compensating balance arrangement, or by direct payment, and be it further

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

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

**NOTE: Mr. Plunkett subsequently withdrew his vote on this item. In light of the fact that there were only 4 members of the Board in attendance at this meeting, withdrawal of Mr. Plunkett's vote on this item will require that it be resubmitted to the Board at the April 2009 meeting.**



**Item 3 by Ms. Mantello (Appendix C)**

**Authorizing an Amendment to the Canal Corporation Rules and Regulations to Allow Snowmobiling on Canal Corporation-Owned Lands by Permit on a Case-By-Case Basis to Clubs that are Members of the New York Snowmobile Association Where Local Municipal Support in the Form of a Resolution has been Demonstrated**

Mr. Plunkett stated that he understands that this is a specific request of some local municipalities who would have their residents take advantage of this. Ms. Mantello concurred, adding that several municipalities over the past few years have passed resolutions and since the pilot program was adopted in 1998 Corporation staff feel it is time to amend the Rules and Regulations to codify the pilot program. Corporation staff believe that the pilot program has been a success. The snowmobile clubs are doing a great job with the five permits the Corporation has and Niagara County is one who, along with Champlain, has requested this. Mr. Plunkett asked Ms. Mantello if by stating this will be done on a case-by-case basis, she means the permits are to the actual clubs who are members of the New York Snowmobile Association where the local municipality has supported it and if it also means John Q. Public would not be allowed to take advantage of these permits if they were not members of a snowmobile club. Ms. Mantello stated that the Corporation is trying to issue the permits through the snowmobile clubs because of the insurance liabilities. Mr. Plunkett inquired as to who monitors that. Ms. Mantello responded that Troop T Marine Patrol as well as four or five employees are out patrolling the trails at this time. Also local law enforcement agencies get very involved in enforcing snowmobiling on Canal lands. Mr. Howard added that it's similar to a number of other snowmobile trails that are maintained by snowmobile clubs and are supported by snowmobile registration fees, believing that the only restriction is that it must be a registered snowmobile; it can't be one that has not paid the registration fee. Ms. Mantello concurred. Mr. Howard stated that he doesn't believe there is anything that keeps a non-club member from using these trails, the money is distributed through these clubs and they do maintain the trails, and he believes this program is similar to what is happening in other municipalities. Ms. Mantello agreed. Mr. Plunkett inquired as to who posts the liability policy to the Corporation's benefit, is it by the Snowmobile Association or the membership who actually provides the million dollar liability policy referenced in the Item. Ms. Mantello responded that the Snowmobile Association receives funding from State Parks so it's an umbrella policy for the snowmobile clubs. Mr. Sall inquired if there is any cost to the Canal Corporation by entering into this type of agreement. Ms. Mantello responded negatively, stating that in fact staff feels that allowing the snowmobile clubs to snowmobile on Canal lands will lessen some of the enforcement problems the Corporation has been having because the clubs maintain the trails and lands better than if the Corporation weren't to allow for these permits. Mr. Sall stated that it sounds like a win-win. Ms. Mantello agreed. Mr. Howard stated that it certainly extends the season and makes



**Item 3 by Ms. Mantello (Appendix C)**

**Authorizing an Amendment to the Canal Corporation Rules and Regulations to Allow Snowmobiling on Canal Corporation-Owned Lands by Permit on a Case-By-Case Basis to Clubs that are Members of the New York Snowmobile Association Where Local Municipal Support in the Form of a Resolution has been Demonstrated (Continued)**

Canal property more beneficial to the People of the State of New York.

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

**RESOLUTION NO. 471**

**AUTHORIZING AN AMENDMENT TO THE CANAL CORPORATION RULES AND REGULATIONS TO ALLOW SNOMOBILING ON CANAL CORPORATION-OWNED LANDS BY PERMIT ON A CASE-BY-CASE BASIS TO CLUBS THAT ARE MEMBERS OF THE NEW YORK STATE SNOWMOBILE ASSOCIATION WHERE LOCAL MUNICIPAL SUPPORT IN THE FORM OF A RESOLUTION HAS BEEN DEMONSTRATED**

**RESOLVED**, that the Board approves the proposed amendments to the Corporation's Rules and Regulations as presented in Exhibit 2 attached hereto and authorizes the Executive Director, or his designee, to take all actions necessary for adoption of such amendments in accordance with the State Administrative Procedure Act, and any other applicable statutes, policies and procedures, and be it further

**RESOLVED**, that the Executive Director is authorized to make modifications to such amendments as he deems appropriate in response to any comments that may be made during the adoption process conducted in accordance with the State Administrative Procedure Act, and any other applicable statutes, policies and procedures, and be it further

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



**Item 4 by Ms. Mantello and Mr. Bryan (Appendix D)**  
**Extending Authorization Under Resolution No. 379 for Abandonment of Approximately 1,622 Acres of Canal Lands Located in the Towns of Western and Rome, County of Oneida, for a Transfer of Jurisdiction Over Such Lands by the New York State Office of General Services to the New York State Office of Parks, Recreation and Historic Preservation, Which Resolution was Extended by Resolution No. 423**

Ms. Mantello stated that the transfer of this property has been complicated by the need to conduct extensive survey field work in order to produce a complete survey.

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

**RESOLUTION NO. 472**

**EXTENDING AUTHORIZATION UNDER RESOLUTION NO. 379 FOR ABANDONMENT OF APPROXIMATELY 1,622 ACRES OF CANAL LANDS LOCATED IN THE TOWNS OF WESTERN AND ROME, COUNTY OF ONEIDA, FOR A TRANSFER OF JURISDICTION OVER SUCH LANDS BY THE NEW YORK STATE OFFICE OF GENERAL SERVICES TO THE NEW YORK STATE OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION, WHICH RESOLUTION WAS EXTENDED BY RESOLUTION NO. 423**

**RESOLVED**, that the expiration of provisions previously authorized by Resolution No. 379 and extended by Resolution No. 423 be, and the same hereby are, extended to March 18, 2010, and be it further

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



**Item 5 by Ms. Mantello and Mr. Bryan (Appendix E)**  
**Extending Authorization under Resolution No. 386 for Abandonment of Approximately 18.75+ Acres of Canal Land Located in the Village of Fayetteville, Town of Manlius, County of Onondaga, and Transfer of Jurisdiction over Such Lands by the New York State Office of General Services to the New York State Office of Parks, Recreation and Historic Preservation, which Resolution was extended by Resolution No. 433**

Ms. Mantello stated that the transfer of this property has been complicated by the need to conduct a field survey and develop a map and a description of the property.

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

**RESOLUTION NO. 473**

**EXTENDING AUTHORIZATION UNDER RESOLUTION NO. 386 FOR ABANDONMENT OF APPROXIMATELY 18.75± ACRES OF CANAL LAND LOCATED IN THE VILLAGE OF FAYETTEVILLE, TOWN OF MANLIUS, COUNTY OF ONONDAGA, AND TRANSFER OF JURISDICTION OVER SUCH LANDS BY THE NEW YORK STATE OFFICE OF GENERAL SERVICES TO THE NEW YORK STATE OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION, WHICH RESOLUTION WAS EXTENDED BY RESOLUTION NO. 433**

**RESOLVED**, that the expiration of provisions previously authorized by Resolution No. 386 and extended by Resolution No. 433 be, and the same hereby is, extended to March 18, 2010, and be it further

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



**Item 6 by Ms. Mantello and Mr. Bryan (Appendix F)**  
**Authorizing the Abandonment of Approximately 6,313 Square Feet of Canal Land Located in the Town of Halfmoon, County of Saratoga and Authorizing Their Sale to DeWitt Campbell**

Mr. Howard inquired if there was an expiration date for completion of this transaction. Ms. Mantello responded that there will be a one-year expiration date, which is standard for all Real Property transactions. Mr. Howard stated that the time-frame should be amended.

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

**RESOLUTION NO. 474**

**AUTHORIZING THE ABANDONMENT OF APPROXIMATELY 6,313 SQUARE FEET OF CANAL LAND LOCATED IN THE TOWN OF HALFMOON, COUNTY OF SARATOGA AND AUTHORIZING THEIR SALE TO DEWITT CAMPBELL**

**RESOLVED**, that approximately 6,313 square feet of Canal land located in the Town of Halfmoon, County of Saratoga are 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 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



**Item 6 by Ms. Mantello and Mr. Bryan (Appendix F)**  
**Authorizing the Abandonment of Approximately 6,313 Square Feet of Canal Land Located in the Town of Halfmoon, County of Saratoga and Authorizing Their Sale to DeWitt Campbell (Continued)**

Review Act (SEQRA) be, and hereby is, approved, and be it further

**RESOLVED**, that 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

**RESOVLED**, that the sale of said approximately 6,313 square feet of land by quitclaim deed to DeWitt Campbell for \$3,000 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



**Item 6 by Ms. Mantello and Mr. Bryan (Appendix F)**  
**Authorizing the Abandonment of Approximately 6,313 Square Feet of Canal Land Located in the Town of Halfmoon, County of Saratoga and Authorizing Their Sale to DeWitt Campbell (Continued)**

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 here 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 7 by Mr. Waite (Appendix G)**  
**Authorizing an Amendment to the 2009 Canal Contracts Program for the Schenectady Canalway Trail Project in the Albany Division**

Mr. Waite advised that this project is eligible for stimulus funds as an energy saving project through the use of trails, which is a particular category in the stimulus legislation.

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

**RESOLUTION NO. 475**

**AUTHORIZING AN AMENDMENT TO THE 2009 CANAL CONTRACTS PROGRAM FOR T42.1 SCHENECTADY CANALWAY TRAIL PROJECT IN THE ALBANY DIVISION**

RESOLVED, contingent on passage of and receipt of funding from the Federal economic stimulus program, that the 2009 Contracts Program be amended to include a project to construct T42.1, Schenectady Canalway Trail in the Albany Division, with a 2009 letting, be, and the same hereby is, approved, and be it further



**Item 7 by Mr. Waite (Appendix G)**

**Authorizing an Amendment to the 2009 Canal Contracts Program for the Schenectady Canalway Trail Project in the Albany Division (Continued)**

**RESOLVED**, because the construction and construction inspection costs for the proposed Federal economic stimulus program project will be funded with one hundred percent Federal aid, no Canal Corporation funding adjustments are needed for the 2009 Canal Contracts Program, and be it further

**RESOLVED**, that the Executive Director or his designee shall have the authority to exercise all powers reserved to the Canal 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 Canal Corporation, 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. Sall, seconded by Mr. Plunkett, without any objections, the meeting was adjourned.

---

**Jill B. Warner**  
Secretary

