



**MINUTES**  
**NEW YORK STATE CANAL CORPORATION**  
**BOARD MEETING NO. CC-167**  
**June 16, 2010**

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, NY 10901.

The meeting began at 9:35 a.m.

There were present:

Chairman John L. Buono  
E. Virgil Conway, Board Member, via video conference  
Dr. Jose Holguin-Veras, Board Member  
Donna J. Luh, Board Member  
J. Donald Rice, Board Member, arrived late  
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  
Carmella Mantello, Director of Canal Corporation  
William Estes, General Counsel  
John Bryan, Chief Financial Officer  
Daniel Gilbert, Chief of Staff  
Wendy Allen, Deputy Chief of Staff  
Christopher Waite, Chief Engineer  
Jill Warner, Secretary and Board Administrator  
Thomas Pericak, Division Director, Buffalo Division  
William Rinaldi, Division Director, Albany Division  
Ted Nadratowski, Division Director, New York Division  
Richard Garrabrant, Division Director, Syracuse Division  
RW Groneman, Public Information Specialist, Office of Public Affairs  
Kevin Allen, Assistant Director, Audit and Management Services  
Harry Lennon, Senior Investigator, Audit and Management Services  
John Barr, Director, Administrative Services  
Thomas Fitzgerald, Director, Human Resource Management  
Donald Bell, Director, Operations and Maintenance  
Captain Michael Eaton, Troop T  
Tony Kirby, Director, Real Property Management  
Joanne Riddett, Director, Information Technology  
Dorraine Steele, Director, Fiscal Audit and Budget  
Michael Sikule, Director, Investments and Asset Management  
Richard Harris, Deputy Director, Community Development & Land Management  
Peter Casper, Assistant Counsel  
Catherine Sheridan, Manager, Canal Capital Program

Also in attendance:

Jerry DeLuca, DeLuca Public Affairs  
Karl Diehl, New York Network

Chairman Buono noted that he, Mr. Conway, Dr. Holguin-Veras, Ms. Luh, Mr. Rice, Mr. Sall and Mr. Simberg 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.

Ms. Warner said public notice of the meeting had been given.

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Chairman Buono formally thanked former Board Member Erin Crotty for almost four years of service to the Thruway Authority and the Canal Corporation. He stated that her professional background, particularly in environmental issues, gave her a unique perspective on many challenges faced by the Board, and the Authority benefited greatly from her involvement and expertise. She has earned the appreciation of the Board and staff and the Authority's customers as well. On behalf of the Board, Chairman Buono thanked her for her hard work and commitment to the Authority and Corporation and wished her well.

Chairman Buono reported that the New York State Senate had recently confirmed two new board members nominated by Governor Paterson to serve on the New York State Authority and Canal Corporation Boards.

The first is J. Donald Rice, Jr., the founder and Chief Executive Officer of Rice Financial Products Company, a New York City based full-service municipal investment banking firm. The second is Dr. Jose Holguin-Veras, Professor and Director of the Center for Infrastructure, Transportation, and the Environment at Rensselaer Polytechnic Institute in Troy, N.Y.

Mr. Rice began his career as an engineer at General Motors before joining the bond business at Merrill Lynch and as a municipal bond underwriter he established a reputation for

creative problem solving. Mr. Rice has been honored for his work over the years and was chosen as Entrepreneur of the Year by the National Association of Securities Professionals in 2002.

Dr. Holguin-Veras has served in the academic arena since 1996 as a member of the faculty at California Polytechnic State University in San Luis Obispo, California. In addition to authoring dozens of articles on transportation modeling and economics, Dr. Veras received several awards including the Milton Pikarsky Memorial Award from the Council of University Transportation Centers; the CAREER Award from the National Science Foundation; and The School of Engineering Excellence in Research Award.

Chairman Buono stated that both Mr. Rice and Dr. Holguin-Veras bring exceptional experience to the Board's work here at the Authority and asked the Board and Executive staff to join him in thanking Ms. Crotty and welcoming Dr. Holguin-Veras and Mr. Rice.

**Item 1 by Ms. Warner (Appendix A)**  
**Minutes of Meeting No. CC-166**

On the motion of Ms. Luh, seconded by Mr. Simberg, without any objections, the Board approved the minutes of Meeting No. CC-166 held on April 1, 2010 which were made available to the Board Members as part of the Agenda.

**Item 2 by Mr. Fleischer (Appendix B)**  
**Designating Donna J. Luh as Vice-Chair of the Canal Corporation Board**

Mr. Fleischer stated that this Item would designate Donna Luh as Vice Chair of the Canal Corporation Board. The Vice Chair would be Acting Chair and would assume and perform all powers and duties of the Chairman in the event the office of the Chairman were vacant or the Chairman were unable to perform such duties by reason of illness, disability, or absence. Currently the office of the Vice Chair is vacant.

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

**Designating Donna J. Luh as Vice-Chair of the Canal Corporation Board (Continued)**

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

**RESOLUTION NO. 509**

**DESIGNATING DONNA J. LUH AS THE VICE-CHAIR  
OF THE CANAL CORPORATION BOARD**

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RESOLVED, that Donna J. Luh be, and she hereby is, designated Vice-Chair of the New York State Canal Corporation, and be it further

RESOLVED, that the Vice-Chair's responsibilities shall be as delineated in the Bylaws of the New York State Canal Corporation; and be it further

RESOLVED, that this Resolution be incorporated in full in the minutes of the meeting

**Item 3 by Mr. Bryan (Appendix C)**

**Authorizing the Executive Director to Execute a Contract with The Risk Management Planning Group, Inc. to Provide Workers' Compensation Claims Review Services for the Thruway Authority and Canal Corporation**

Mr. Bryan reported that the Corporation currently purchases workers' compensation insurance from New York State Insurance Fund. The overall cost for the Corporation and the Authority combined is just under \$4 million a year. The risk management and claim services that are currently provided by the Risk Management and Planning Group Inc., ("RMPG") under a competitive bid contract will expire at the end of the month.

**Item 3 by Mr. Bryan (Appendix C)**

**Authorizing the Executive Director to Execute a Contract with The Risk Management Planning Group, Inc. to Provide Workers' Compensation Claims Review Services for the Thruway Authority and Canal Corporation (Continued)**

On January 20, 2010 the Authority issued a Request for Proposals ("RFP") that was distributed to 88 firms. Seventy-eight copies of the RFP were downloaded from the Authority's website when the RFP was posted, and by the bid date of March 26, 2010, staff had received four proposals. Staff did the appropriate analysis and scored and weighted the bids, RMPG had received the highest score.

RMPG is a New York State corporation that specializes in the administration of workers' compensation and disability benefits insurance programs and has done so since 1996. They have been the selected proposer in the Authority's three previous competitive procurements that staff has undertaken for these services. It is recommended that the Board authorize the Executive Director to execute a contract with RMPG to provide these services for a three-year period with an option to extend for an additional two years. The approximate annual cost for the services under this contract is \$150,000.

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

**RESOLUTION NO. 510**

**AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH THE RISK MANAGEMENT PLANNING GROUP, INC. TO PROVIDE WORKERS' COMPENSATION CLAIMS REVIEW SERVICES FOR THE THRUWAY AUTHORITY AND CANAL CORPORATION**

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RESOLVED, that the Executive Director be, and hereby is, authorized to execute an agreement with The Risk Management Planning Group, Inc. to provide workers' compensation claims review services for the Thruway

**Item 3 by Mr. Bryan (Appendix C)**

**Authorizing the Executive Director to Execute a Contract with The Risk Management Planning Group, Inc. to Provide Workers' Compensation Claims Review Services for the Thruway Authority and Canal Corporation (Continued)**

Authority and Canal Corporation (“Agreement”), and be it further

RESOLVED, that the Agreement shall be for an initial term of three years with an option to extend the contract for two additional years, the cost of these services is anticipated to be approximately \$150,800 for each year of the contract term, for a maximum amount payable of \$452,400 for the initial three-year term, and be it further

RESOLVED, that the Agreement shall be on such other terms and conditions as the Executive Director, in consultation with the General Counsel and Chief Financial Officer, determines to be in the best interests of the Authority/Corporation, and be it further

RESOLVED, that the Executive Director be, and hereby is, authorized to exercise the option to renew the contract for the additional two year period, on the terms and conditions deemed to be in the best interest of the Authority/Corporation for an amount not to exceed \$310,668 for the two-year additional term and a maximum amount payable of \$763,068 over the entire five year period, and be it further

RESOLVED, that the Executive Director or his designee shall have the authority to exercise all powers

**Item 3 by Mr. Bryan (Appendix C)**

**Authorizing the Executive Director to Execute a Contract with The Risk Management Planning Group, Inc. to Provide Workers' Compensation Claims Review Services for the Thruway Authority and Canal Corporation (Continued)**

reserved to the Authority/Corporation under the provisions of the Agreement, to manage and administer the Agreement, amend the provisions of the Agreement consistent with the terms of this item and other Board authorizations and suspend or terminate the Agreement in the best interests of the Authority/Corporation, and be it further

RESOLVED, that the Chief Financial Officer be, and hereby is, authorized to charge expenditures for services rendered under such Agreement to the appropriate funds provided therefore, subject to reallocation and adjustment as determined by final audit of charges, and be it further

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

**Item 4 by Mr. Barr (Appendix D)**

**Rescinding General Policy No. 25-3-04C, Employee Non-Revenue Pass Program - Canal Corporation, and Authorizing the Executive Director to Establish an Administrative Policy for a Canal Corporation Employee Non-Revenue Pass Program**

Mr. Barr reported that previously, the Board has had to approve amendments to the General Policy each time a change in the terms and conditions for eligibility or use of the non-revenue pass was negotiated. However, because the Board had already approved such changes when they adopted each collective bargaining agreement later approving changes to the General Policy was essentially a redundant act. Moreover, because collective bargaining agreements are negotiated and approved at different times, the General Policy is often inconsistent with collective bargaining agreements and because non-revenue passes are provided to Management/Confidential ("M/C") employees with terms and conditions similar to those of

**Item 4 by Mr. Barr (Appendix D)**  
**Rescinding General Policy No. 25-3-04C, Employee Non-Revenue Pass Program - Canal Corporation, and Authorizing the Executive Director to Establish an Administrative Policy for a Canal Corporation Employee Non-Revenue Pass Program (Continued)**

unionized employees, Board policy on the non-revenue pass program for M/C employees was also out of date. The proposed change would permit the Executive Director to issue modifications to the non-revenue pass program as needed based upon Board approved terms and conditions.

Mr. Simberg requested that Mr. Barr briefly outline the extent of the current policy. Mr. Barr responded that the criteria for those employees who do receive the unlimited pass are negotiated within the collective bargaining agreements and also applies to M/C employees. For employees who started service prior to 2005 they needed to be employed by the Authority full-time for four years. For staff after 2005, it was five years. The program will ultimately be phased out. Mr. Fleischer stated that staff hired prior to 2005 have a much different program than those hired post 2005.

Mr. Simberg inquired if the intent of approving this Item, in terms of the negotiation, is to further decrease the unlimited pass. Mr. Fleischer responded that the Item would allow the policies to reflect the changes that have been made pursuant to the Board approved collective bargaining agreements.

Mr. Sall inquired if the pass can be used by the employee's family or if the employee has to be in the vehicle. Mr. Fleischer responded that the employee must be in the vehicle. Mr. Sall then asked if the tag is specific to a vehicle or if can be used in different cars. Mr. Fleischer responded that as long as the employee is in that vehicle the tag can be transferred. Mr. Sall stated that he was under the impression that he could not use his pass in a different car because his pass is registered to a specific vehicle. Mr. Bell responded that Mr. Sall should add the additional license plates to his account in case the tag is not read. If for some reason the tag is mounted improperly or the windshield angle is slightly different than his primary vehicle and the tag is not picked up, it would take a picture of the license plate and the bill would be sent to the

**Item 4 by Mr. Barr (Appendix D)**  
**Rescinding General Policy No. 25-3-04C, Employee Non-Revenue Pass Program - Canal Corporation, and Authorizing the Executive Director to Establish an Administrative Policy for a Canal Corporation Employee Non-Revenue Pass Program (Continued)**

registered owner of that vehicle. If the vehicle's license plate is on his account, staff could match the plate number and just apply the total to his E-Z Pass account.

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

**RESOLUTION NO. 511**  
**RESCINDING GENERAL POLICY NO. 25-3-04C,  
EMPLOYEE NON-REVENUE PASS PROGRAM -  
CANAL CORPORATION, AND AUTHORIZING THE  
EXECUTIVE DIRECTOR TO ESTABLISH AN  
ADMINISTRATIVE POLICY FOR A CANAL  
CORPORATION EMPLOYEE NON-REVENUE PASS  
PROGRAM**

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RESOLVED, that GENERAL POLICY NO. 25-3-04C, EMPLOYEE NON-REVENUE PASS PROGRAM- CANAL CORPORATION be, and hereby is, rescinded, and be it further

RESOLVED, that the Executive Director be, and hereby is, authorized to establish an Administrative Policy for a Canal Corporation employee non-revenue pass program consistent with: the terms and conditions of employment for unionized Canal Corporation employees approved by the Board through the collective bargaining process; other Board authorizations for the provision of such a program to M/C employees; and the terms and conditions for the provision of such a program to the spouses of employees who die in the line of duty as set forth in Item No. 2 at Meeting No.CC-105 held on December 5, 2002, and be it further

**Item 4 by Mr. Barr (Appendix D)**  
**Rescinding General Policy No. 25-3-04C, Employee Non-Revenue Pass Program - Canal Corporation, and Authorizing the Executive Director to Establish an Administrative Policy for a Canal Corporation Employee Non-Revenue Pass Program (Continued)**

RESOLVED, that the Executive Director be, and hereby is, authorized to interpret, implement and administer such Administrative Policy, including the development of any operational and/or administrative procedures and guidelines appropriate to carry out its intent, 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)**  
**Confirming and Extending Authorization, Consistent with the Revised Canal Real Property Management Policy Adopted April 1, 2010, Granted Under Resolution No. 478, Declaring Surplus to Canal Corporation Needs Approximately 0.14± Acre of Canal Land, Located in the Town of Fort Edward, County of Washington; and Authorizing Its Sale to Kenneth Carner and Annette Honegger-Carner**

Ms. Mantello reported that a portion of Carner's side porch encroaches upon this land and they wish to acquire the property in order to obtain clear title for their residence. The Board previously approved this item back in December of 2002. Corporation staff at that time negotiated a sale price of \$3600. However, following the negotiation, the completion of the transaction was delayed due to the need for an acceptable survey, the review of the Corporation's Real Property Policy and Procedures, and the enactment of the Public Authority Accountability Act of 2005 ("PAAA"). Therefore, on April 15 of 2009 the Board extended the authorization and an agreement for sale was executed by the Corporation and the Carners. However, the transaction was not finalized within a year of the April 2009 approval.

The contracting officer has reviewed the previously negotiated sale price of \$3600 and has confirmed that this reflects fair market value. The transaction also coincides with the Corporation's Standard Operating Procedures, PAAA, and the new Public Authorities Reform Act.

**Item 5 by Ms. Mantello and Mr. Bryan(Appendix E)**  
**Confirming and Extending Authorization, Consistent with the Revised Canal Real**  
**Property Management Policy Adopted April 1, 2010, Granted Under Resolution No. 478,**  
**Declaring Surplus to Canal Corporation Needs Approximately 0.14± Acre of Canal Land,**  
**Located in the Town of Fort Edward, County of Washington; and Authorizing Its Sale to**  
**Kenneth Carner and Annette Honegger-Carner (Continued)**

Mr. Sall stated that he was concerned with the fact that the Corporation only gets a couple thousand dollars on these transactions but actually spends closer to tens of thousands of dollars to give up the property. He inquired if there was a better way for staff to do this so it does not cost the Corporation so much. Mr. Estes responded that one reason why Corporation staff does these transactions is out of a concern for liability. There is a risk for litigation if there was an accident on this property because the individuals do not hold permits which require insurance and liability waivers. So there is a risk mitigation factor in these transactions. The transaction costs are expensive due to the Public Authorities Reform Act. Mr. Bryan added that while the transactions are expensive, ultimately the purchaser of the property has to reimburse the Corporation for the survey and appraisal costs, the primary costs the Corporation bears is in staff time.

Mr. Sall asked if staff went to the homeowners and asked if they would like to buy the Corporation's property. Mr. Bryan responded that it is a very rare instance when staff goes out and solicits the sale of a property. In most cases the homeowners send in an application. Ms. Mantello stated that in many of these transactions, the homeowner goes to sell the home or do an improvement and finds out that their garage or the corner of their home encroaches on Corporation property.

Mr. Sall inquired as to why staff cannot request, in addition to the cost of the survey and the appraisal, a transactional cost of \$5,000 or whatever the actual cost is, and ask the purchaser to contribute towards that, adding that if someone wants to buy the property they should be willing to pay a bit extra to facilitate the transaction.

**Item 5 by Ms. Mantello and Mr. Bryan(Appendix E)**  
**Confirming and Extending Authorization, Consistent with the Revised Canal Real**  
**Property Management Policy Adopted April 1, 2010, Granted Under Resolution No. 478,**  
**Declaring Surplus to Canal Corporation Needs Approximately 0.14± Acre of Canal Land,**  
**Located in the Town of Fort Edward, County of Washington; and Authorizing Its Sale to**  
**Kenneth Carner and Annette Honegger-Carner (Continued)**

Mr. Bryan stated that he does not see a reason why staff could not do that. The issue is that a lot of these homeowners go to sell their property and they cannot get clear title. So what the Corporation has been doing is asking the purchaser to pay for the land, and pay for the survey and appraisal. This would be asking them to pay another fee of \$10,000 or \$15,000 for a piece of property that may only be worth \$1,000. The Corporation has done these transactions trying to be good citizens up to this point.

Mr. Conway stated that there are several de minimis things here because of all the needs involved, with little pieces of land such as this one it's not the homeowner's responsibility to absorb the cost. Chairman Buono recommended that staff look into this idea and report back to the Board. Mr. Sall concurred adding that staff should try to figure out if the Corporation can pick up at least some of the transactional costs since the Board approves at least 20 of these a year and if the Corporation could pick up a couple thousand dollars on each one it would be better off.

Mr. Rice arrived at the Board Meeting at this time and Chairman Buono interrupted the discussion of the Item to introduce him and stated that Corporation staff is delighted to have him joining the Board and looks forward to his expertise in helping the Board as they go forward.

Mr. Sall stated that he would have no problem going forward with these transactions now, but on a going-forward basis he would like staff to work on how they do this so that the Corporation can pick the transactional costs incurred on these items. Chairman Buono concurred and Mr. Conway added that it is only fair to the purchaser to go ahead with these Items now.

**Item 5 by Ms. Mantello and Mr. Bryan(Appendix E)**  
**Confirming and Extending Authorization, Consistent with the Revised Canal Real**  
**Property Management Policy Adopted April 1, 2010, Granted Under Resolution No. 478,**  
**Declaring Surplus to Canal Corporation Needs Approximately 0.14± Acre of Canal Land,**  
**Located in the Town of Fort Edward, County of Washington; and Authorizing Its Sale to**  
**Kenneth Carner and Annette Honegger-Carner (Continued)**

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

**RESOLUTION NO. 512**

**CONFIRMING AND EXTENDING AUTHORIZATION,  
GRANTED UNDER RESOLUTION NO. 478,  
CONSISTENT WITH THE REVISED CANAL REAL  
PROPERTY MANAGEMENT POLICY ADOPTED  
APRIL 1, 2010, DECLARING SURPLUS TO CANAL  
CORPORATION NEEDS APPROXIMATELY 0.14±  
ACRE OF CANAL LAND, LOCATED IN THE TOWN  
OF FORT EDWARD, COUNTY OF WASHINGTON;  
AND AUTHORIZING ITS SALE TO KENNETH  
CARNER AND ANNETTE HONEGGER-CARNER**

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RESOLVED, that an extension to complete the sale authorized by Resolution No. 478 consistent with the revised Real Property Management Policy adopted by the Canal Corporation Board on April 1, 2010, be, and the same hereby is, approved, and be it further

RESOLVED, that the Executive Director, the Director of Canals and the General Counsel be, and the same hereby are, authorized to take all actions necessary to implement this Board item, 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 0.06± Acre of Canal Land Located in the**  
**Town of Colonie, County of Albany and Authorizing Its Sale to Natalie Nussbaum**

Ms. Mantello reported that this property is located on the south side of the Mohawk River between Locks 6 and 7. A portion of Ms. Nussbaum's home encroaches upon this land and she wishes to acquire the property in order to obtain clear title. Staff had appraised the property for an estimated value of \$4100. However, staff went back out and got an independent appraisal based on the Public Authorities Reform Act, and now it has an estimated a value of \$4000. The contracting officer has reviewed the proposed transaction and determined a proposed sale price of \$4000 is not less than fair market value, and it may be sold by negotiation without public advertising. This sale complies will all other aspects and the Canal Corporation's Real Property Management Policy. Pursuant to Canal Law a notice of proposed abandonment for the parcel will be published inviting written comment. Should any negative comments be received, staff would report back to the Board.

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

**RESOLUTION NO. 513**

**AUTHORIZING THE ABANDONMENT OF  
APPROXIMATELY 0.06± ACRE OF CANAL LAND  
LOCATED IN THE TOWN OF COLONIE, COUNTY OF  
ALBANY AND AUTHORIZING ITS SALE TO NATALIE  
NUSSBAUM**

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RESOLVED, that approximately 2,612 square feet of Canal land located in the Town of Colonie, County of Albany 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 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

**Item 6 by Ms. Mantello and Mr. Bryan (Appendix F)**

**Authorizing the Abandonment of Approximately 0.06± Acre of Canal Land Located in the Town of Colonie, County of Albany and Authorizing Its Sale to Natalie Nussbaum (Continued)**

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 Director of Canals, provided, however, that if negative comments are received in response to the notice, no order shall be prepared until the Corporation Board has been informed and has determined whether a hearing is warranted, 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 2,612 square feet of land by quitclaim deed to Natalie Nussbaum for \$4,000 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

**Item 6 by Ms. Mantello and Mr. Bryan (Appendix F)**

**Authorizing the Abandonment of Approximately 0.06± Acre of Canal Land Located in the Town of Colonie, County of Albany and Authorizing Its Sale to Natalie Nussbaum (Continued)**

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.I. 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

**Item 6 by Ms. Mantello and Mr. Bryan (Appendix F)**

**Authorizing the Abandonment of Approximately 0.06± Acre of Canal Land Located in the Town of Colonie, County of Albany and Authorizing Its Sale to Natalie Nussbaum (Continued)**

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

**Item 7 by Ms. Mantello and Mr. Bryan (Appendix G)**

**Confirming and Extending Authorization Granted Under Resolution No. 477, Declaring Surplus to Canal Corporation Needs Approximately 0.20± Acre of Canal Land, Located in the City of Syracuse, County of Onondaga and Authorizing Its Exchange for Approximately 0.68± Acre of Land Owned by the City of Syracuse Located in the City of Syracuse, County of Onondaga**

Ms. Mantello reported that this Item seeks to confirm and extend authorization under Resolution No. 477 adopted at a meeting held on April 15, 2009. The resolution declared surplus to Corporation needs approximately .20 acres of Canal Corporation land located in the city of Syracuse, Onondaga County and authorized this exchange for approximately .68 acres of land owned by the city of Syracuse. Both parcels are located at the Syracuse Inner Harbor. The exchange will confirm the realignment of Kirkpatrick Street by the City of Syracuse and improvements to the Syracuse Inner Harbor property completed by the Canal Corporation. The city has already adopted a city ordinance abandoning their parcel. At the time the exchange was approved, in 2005, the city parcel was valued at \$204,000 and the Canal parcel was valued at \$60,000. This exchange has been executed by the Corporation and the City of Syracuse and has been approved by the State Comptroller. However, it was not fully consummated prior to the one year expiration date. Therefore this Item seeks to confirm and extend the prior approval to complete the land exchange.

Mr. Sall inquired as to why staff is exchanging these properties instead of just selling the city the land. Ms. Mantello responded that the City of Syracuse conducted work on Corporation property, and Corporation staff conducted work on city property therefore the exchange is needed. Mr. Casper added that the improvements were done many, many years ago. The parcel that staff is acquiring would be part of the Syracuse Inner Harbor Request for Proposals that staff would do if the Corporation were to actually auction or sell this property.

**Item 7 by Ms. Mantello and Mr. Bryan (Appendix G)**  
**Confirming and Extending Authorization Granted Under Resolution No. 477, Declaring Surplus to Canal Corporation Needs Approximately 0.20± Acre of Canal Land, Located in the City of Syracuse, County of Onondaga and Authorizing Its Exchange for Approximately 0.68± Acre of Land Owned by the City of Syracuse Located in the City of Syracuse, County of Onondaga (Continued)**

There were improvements made to this property and since it is all part of the Inner Harbor deal, staff is just trying to clear title.

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

**RESOLUTION NO. 514**  
**CONFIRMING AND EXTENDING AUTHORIZATION  
GRANTED UNDER RESOLUTION NO. 477,  
DECLARING SURPLUS TO CANAL CORPORATION  
NEEDS APPROXIMATELY 0.20± ACRE OF CANAL  
LAND, LOCATED IN THE CITY OF SYRACUSE,  
COUNTY OF ONONDAGA AND AUTHORIZING ITS  
EXCHANGE FOR APPROXIMATELY 0.68± ACRE OF  
LAND OWNED BY THE CITY OF SYRACUSE, COUNTY OF  
ONONDAGA**

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RESOLVED, that an extension consistent with the revised Canal Real Property Management Policy adopted April 1, 2010 to complete the land exchanged authorized by Resolution No. 477 be, and the same hereby is, approved, and be it further

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

**Item 8 by Ms. Mantello and Mr. Bryan (Appendix H)**  
**Abandonment of Approximately 11.68± Acres of Canal Land Located in the Town of Perinton, County of Monroe; and Authorizing Their Transfer to the Town of Perinton Subject to Reservation of Permanent Easement**

Ms. Mantello reported that this Item seeks approval of the no-cost transfer of 11.43 acres located on the north side of the Canal and a .25 acre parcel located on the south side of the Canal located in the Town of Perinton, Monroe County, to the Town of Perinton. The town has requested these parcels for necessary municipal infrastructure improvements, improved recreation, enhanced public access and other public amenities. The larger parcel located on the north side of the Canal is about 100 feet wide and is approximately 3900 feet in length. This parcel is bound on the north by five town-owned parcels and has been improved upon and is used to house the Town of Perinton's Department of Public Works.

On April 26 the parcels were appraised by an independent outside appraiser who estimated the combined market value of both parcels at \$519,000. The town has requested the no-cost transfer of the parcels to cure the encroachment of a couple of the town buildings, to reconstruct Cobb's Lane (a public road), also to construct a new segment of the Canalway trail, filling in a major gap; additionally to add public parking, to extend municipal water and gas lines, and lastly to construct a pedestrian bridge over the Erie Canal to connect the Canalway trail to the public trail system. The acquisition of this property by the town will allow the town additional space for its Department of Public Works and it will also relocate Cobb's Lane which currently is located too close to Canal embankment along the corridor where the Canalway Trail is proposed.

At a meeting on April 15, 2009, the Canal Corporation Board approved the larger parcel and approved the abandonment of that parcel. However, after adoption of the resolution, the town realized it needed a property interest in the smaller parcel, on the south side, to construct the pedestrian bridge. Additionally the abandonment needs to comply with the Public Authorities Reform Act which imposes new requirements on no-cost transactions. Due to these developments, the transfer of the north parcel was not completed prior to the one-year expiration date.

**Item 8 by Ms. Mantello and Mr. Bryan (Appendix H)**  
**Abandonment of Approximately 11.68± Acres of Canal Land Located in the Town of Perinton, County of Monroe; and Authorizing Their Transfer to the Town of Perinton Subject to Reservation of Permanent Easement (Continued)**

The Corporation also has long identified the need to relocate Cobb's Lane which hugs the banks of the Canal, since it was deemed unsafe and may eventually obstruct the Corporation's ability to repair the bank if needed.

The Corporation also acknowledges that the town has received a series of State and Federal grants, including a Canal Corporation Greenway Grant of \$225,000, for the public improvements. The federal grant also requires the town to have a real property interest. In July 2006 and November 2009, the Canal Recreationway Commission approved these abandonments. The Contracting Officer has determined the town's request fulfills the requirements under Public Authorities Law, the Public Authorities Reform Act, and the Canal Corporation Real Property Management Policies for below fair-market value transactions. The contracting officer has also recommended conveyance of the property to the town for no monetary consideration, without public advertising for bids, subject to reservation of the easements and the town's agreement to provide all of the benefits and improvements codified in the deed. Pursuant to Canal Law the Notice of Proposed Abandonment for the parcel will be published inviting written comments and a public hearing will also be held. Should any negative comments be received staff will report back to the Board. No negative comments were received when it was initially published for the larger parcel in 2007. An explanatory statement will be transmitted to the Comptroller's Office, the Director of the Budget, the Commissioner of the Office of General Services, and the State Legislature prior to conveying the title to the property to the town.

Mr. Simberg inquired if easements Ms. Mantello spoke of give staff all the necessary access to this property that the Canal Corporation will need for the foreseeable future. Ms. Mantello concurred.

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

**Item 8 by Ms. Mantello and Mr. Bryan (Appendix H)**

**Abandonment of Approximately 11.68± Acres of Canal Land Located in the Town of Perinton, County of Monroe; and Authorizing Their Transfer to the Town of Perinton Subject to Reservation of Permanent Easement (Continued)**

**RESOLUTION NO. 515**

**ABANDONMENT OF APPROXIMATELY 11.68± ACRES OF CANAL LAND LOCATED IN THE TOWN OF PERINTON, COUNTY OF MONROE; AND AUTHORIZING THEIR TRANSFER TO THE TOWN OF PERINTON SUBJECT TO RESERVATION OF PERMANENT EASEMENT**

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RESOLVED, that approximately 11.68± acres of Canal land located in the Town of Perinton, County of Monroe are no longer useful or necessary as part of the Barge Canal System, as an aid to navigation thereon, or for Barge Canal purposes, excepting however, a permanent easement over an approximately 19 foot wide strip along the north side of the canal for a segment of Canalway Trail and maintenance of embankment; and a permanent easement approximately 0.12± acre for a culvert, as same may be further described by Corporation staff to ensure all Corporation operational needs are met, and be it further

RESOLVED, that following publication of a notice of abandonment, transmittal of such notice to the CRC and holding a public hearing as required by Section 51 of the Canal Law, the Office of Canal Maintenance and Operations shall prepare an Official Order abandoning the lands for canal purposes, together with a map and description of such lands for review and execution by the Director of Canals, provided, however, that if negative comments are received in response to the notice or hearing, no order shall be prepared until the Corporation Board has been informed, and be it further

**Item 8 by Ms. Mantello and Mr. Bryan (Appendix H)**  
**Abandonment of Approximately 11.68± Acres of Canal Land Located in the Town of**  
**Perinton, County of Monroe; and Authorizing Their Transfer to the Town of Perinton**  
**Subject to Reservation of Permanent Easement (Continued)**

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

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

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

RESOLVED, that the transfer of said approximately 11.68± acres of land by quitclaim deed to the Town of Perinton for one dollar consideration be, on the terms described and recommended in this agenda item, 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

**Item 8 by Ms. Mantello and Mr. Bryan (Appendix H)**  
**Abandonment of Approximately 11.68± Acres of Canal Land Located in the Town of**  
**Perinton, County of Monroe; and Authorizing Their Transfer to the Town of Perinton**  
**Subject to Reservation of Permanent Easement (Continued)**

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

RESOLVED, that the Corporation's Contracting Officer determined the 11.68± acres may be sold by negotiation without public advertising because such disposal falls under Section 2897 (6) (c) (v) and Section 2897 (7) of the Public Authorities Law, and Section IV.H.(1)(a) of the Canal Real Property Management Policy, and that the transfer 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, based upon the information provided by the Town of Perinton and Canal Corporation staff, there is no reasonable alternative to the proposed below-market transfer to the Town of Perinton that would achieve the same purpose of such transfer, and be it further

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

**Item 8 by Ms. Mantello and Mr. Bryan (Appendix H)**

**Abandonment of Approximately 11.68± Acres of Canal Land Located in the Town of Perinton, County of Monroe; and Authorizing Their Transfer to the Town of Perinton Subject to Reservation of Permanent Easement (Continued)**

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 9 by Mr. Waite (Appendix I)**

**Authorizing Negotiation and Execution of Engineering Term Agreement D213956 with Lochner Engineering, P.C. to provide Design Services for the Rehabilitation and Repair of Canal System Components Statewide**

Mr. Waite reported that this proposed term agreement is for a period of three years with an option for the Canal Corporation to extend it an additional year. The maximum amount payable for this term agreement will not exceed \$1.5 million and sufficient funds for the agreement are provided for in the 2010 contracts program.

Mr. Rice asked if the contract were renewed would staff come back to the Board for approval. Mr. Waite responded that staff would not come back to the Board, the contract terms would just be extended for another year.

Mr. Simberg requested that Mr. Waite describe more specifically the nature of the work. Mr. Waite stated that there is a variety of work, including design for repairs to the lock walls that are no longer stable or that have leaks, work on the gates themselves, maybe even replacements. Ms. Mantello added that the agreement is in the Canal Capital Program and is for design services and essentially gates, walls, or any capital project that is scheduled and is necessary.

**Item 9 by Mr. Waite (Appendix I)**

**Authorizing Negotiation and Execution of Engineering Term Agreement D213956 with  
Lochner Engineering, P.C. to provide Design Services for the Rehabilitation and Repair of  
Canal System Components Statewide (Continued)**

Mr. Rice requested clarification on the selection process of the firm for this agreement. Mr. Waite stated that in this particular case staff put out an ad in the Contracts Reporter and requested firms submit a letter of interest and staff described in the ad what the Corporation was looking for, the skill sets required, approximately how large of an assignment it would be, and whether or not there were any goals for MWBE. In response to the ad staff got letters of interest from 15 engineering firms. An initial committee reviewed all 15 letters and scored them on a variety of categories. Based on that score a short list was created, and in this case six firms made it on to that list. A second committee, which Mr. Waite chairs, then reviews the short list, adds additional factors to what is considered and selects three firms. The additional factors include the amount of work that the firm may already have with the Corporation; if they have substantial work, they would probably get a lesser score but if they are a new firm they might get a better score. Also Mr. Waite has available to him confidential ratings on how firms have done in the past and that can affect their score as well. The committee then ranks three firms in order from one through three and sends it to Mr. Fleischer for his concurrence. Lochner came in first for this agreement.

Mr. Rice inquired if the Corporation has done work with Lochner in the past. Mr. Waite concurred. Mr. Rice then asked if the work had been substantial. Mr. Waite responded that he remembered working with Lochner back in the late 1970's, so the firm has been working with the Authority/Corporation for approximately three decades, and on substantial projects.

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

**RESOLUTION NO. 516**  
**AUTHORIZING NEGOTIATION AND EXECUTION OF  
ENGINEERING TERM AGREEMENT D213956 WITH  
LOCHNER ENGINEERING, P.C. TO PROVIDE  
DESIGN SERVICES FOR THE REHABILITATION AND  
REPAIR OF CANAL SYSTEM COMPONENTS  
STATEWIDE**

**Item 9 by Mr. Waite (Appendix I)**

**Authorizing Negotiation and Execution of Engineering Term Agreement D213956 with  
Lochner Engineering, P.C. to provide Design Services for the Rehabilitation and Repair of  
Canal System Components Statewide (Continued)**

RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering term agreement D213956 with Lochner Engineering, P.C., 181 Genesee Street, Suite 300, Utica, New York 13501, to provide design services for the rehabilitation and repair of Canal system components statewide, provided that the Maximum Amount Payable does not exceed \$1,500,000 which is currently provided through the 2010 Canal Contracts Program (Item CS14.1), 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 2010 Canal Contracts Program Resolution No. 493 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

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

**Item 10 by Mr. Waite (Appendix J)**

**Authorizing Negotiation and Execution of Engineering Agreement D213965 with Fisher Associates, P.E., L.S., P.C. for Construction Inspection Services Relative to TAB 10-11C (D213945), Rehabilitation of the West Guard Lock, Monroe County, in the Buffalo Division**

Mr. Waite reported that this contract was scheduled to be let on June 30, 2010 and completed in 2012. Staff expects that the cost to inspect the contract will be \$500,000, which is approximately 9 percent of what staff believes the bid will come in at. Sufficient funding for this construction inspection agreement is provided in the 2010 contracts program.

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

**RESOLUTION NO. 517**  
**AUTHORIZING NEGOTIATION AND EXECUTION OF  
ENGINEERING AGREEMENT D213965 WITH FISHER  
ASSOCIATES, P.E., L.S., P.C. FOR CONSTRUCTION  
INSPECTION SERVICES RELATIVE TO TAB 10-11C  
(D213945), REHABILITATION OF THE WEST GUARD  
LOCK, MONROE COUNTY, IN THE BUFFALO  
DIVISION**

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RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering agreement D213965 with Fisher Associates, P.E., L.S., P.C., 135 Calkins Road, Rochester, New York 14623 for construction inspection services relative to TAB 10-11C (D213945), rehabilitation of the West Guard Lock, Monroe County in the Buffalo Division, provided that the Maximum Amount Payable does not exceed \$500,000 (Item C143.1 of the 2010 Canal Contracts Program), 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

**Item 10 by Mr. Waite (Appendix J)**

**Authorizing Negotiation and Execution of Engineering Agreement D213965 with Fisher Associates, P.E., L.S., P.C. for Construction Inspection Services Relative to TAB 10-11C (D213945), Rehabilitation of the West Guard Lock, Monroe County, in the Buffalo Division (Continued)**

agreement consistent with the terms of this Item and in accordance with the 2010 Canal Contracts Program Resolution No. 493 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

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

**Item 11 by Mr. Fleischer (Appendix K)**

**Authorization for the Executive Director to Defer Payment of the 2010 Managerial/Confidential (M/C) General Salary Increase and Further Authorization for Payment of Step Advances and Longevity Payments for M/C Employees Based Upon the 2008 M/C Salary Schedule**

Mr. Fleischer reported that this Item would authorize the Executive Director to defer payment of the 2010 Managerial and Confidential ("M/C") general salary increase and further authorize the payment of step advances and longevity payments for M/C employees based upon the 2008 M/C salary schedule. This action would be consistent with the action taken last year by the Board as well as the actions that have been taken by the State and other public authorities, including the Housing Finance Authority and others in the State of New York.

**Item 11 by Mr. Fleischer (Appendix K)**

**Authorization for the Executive Director to Defer Payment of the 2010 Managerial/Confidential (M/C) General Salary Increase and Further Authorization for Payment of Step Advances and Longevity Payments for M/C Employees Based Upon the 2008 M/C Salary Schedule (Continued)**

Mr. Fleischer added that a couple years ago when the State was going through financial troubles, the Board actually acted before the State acted, in withholding salary increases for the Executive Director and 13 additional executive staff back in 2007. However the remaining 244 M/C and 3000 union employees, received their raises in 2007. The Authority/Corporation has approximately 3000 full-time employees that are in the unions and covered under collective bargaining agreements, mostly Teamsters, some PEF, and some CSEA. And the Authority/Corporation has about 1000 part-time toll collectors which are also part of the teamster collective bargaining process. This Item affects the 244 M/C employees not protected by the collective bargaining process; most are professionals, clerks, or secretaries who happen to have that status because of the person they work for. This is the same action that the State has taken regarding its M/C employees. So staff is proposing that the Board authorize the Executive Director to make the deferment and the Board can reconsider it at any time in the future.

Ms. Luh stated that the staff is exceptional and there are times she calls late in the evening to get something or on the weekend or while somebody is on vacation and they do not remind her of that. She added that she does not like having to vote on this because of all the efforts that are made on behalf of the Board by the staff.

Mr. Sall asked for clarification with regard to authorization for the payment of step advances and longevity payments. Mr. Fleischer responded that those are for people that are at a certain grade level. There is movement within the grade that is not a general salary increase and there are also some longevity payments. It does not affect a lot of people, but it is what the State has allowed to go forward with its M/C employees.

Mr. Simberg inquired if it has been three years since all M/C employees received a raise. Mr. Fleischer responded that is has been three years for the M/C executive staff and two years for the remaining 244 M/C employees. Mr. Simberg then asked about how much of a raise the

**Item 11 by Mr. Fleischer (Appendix K)**

**Authorization for the Executive Director to Defer Payment of the 2010 Managerial/Confidential (M/C) General Salary Increase and Further Authorization for Payment of Step Advances and Longevity Payments for M/C Employees Based Upon the 2008 M/C Salary Schedule (Continued)**

unionized employees have received in that time. Mr. Fleischer responded that their salaries have increased by nine percent. Mr. Simberg then asked whether the Board could make an exception for the M/C secretaries and clerks, stating that he did not believe it was the State's intention for that staff to go without raises. It would mean staff at those salary grade levels is not receiving a raise while their counterparts throughout the organization are. Mr. Fleischer responded that if the Board gave him the authorization today he would have time to put together information for the Board as to how many M/C clerks are at grade 6 and 9 and how many union counterparts they have. He added that he did not believe that the State was making any exceptions but it did not mean the Board could not do so.

Mr. Bryan added that the State is doing this in lieu of layoffs. So the arrangement they cut with M/C employees was that if they gave up their raises the State would not lay them off or put them under a furlough. It is a little different at the Authority/Corporation because staff is not in a furlough or layoff position. Mr. Fleischer stated that he would work with the Office of Human Resources to give the Board a picture of how many clerks and secretaries would not be getting raises just by virtue of who they report to.

Mr. Rice requested that Mr. Fleischer be more specific about the authority that the Board would actually be giving him and for what time period it would be active. Mr. Fleischer responded that it would be the same authority he was given by the Board in 2009 and would defer only the 2010 increment. It would go into effect in the beginning of July so he would get back to the Board quickly about what positions the Board could consider exempting from a deferment.

**Item 11 by Mr. Fleischer (Appendix K)**

**Authorization for the Executive Director to Defer Payment of the 2010 Managerial/Confidential (M/C) General Salary Increase and Further Authorization for Payment of Step Advances and Longevity Payments for M/C Employees Based Upon the 2008 M/C Salary Schedule (Continued)**

Mr. Rice asked Mr. Fleischer to clarify what would happen after the Board gave him the Authority to go forward. Mr. Fleischer stated that he would go back and revisit the issue that Mr. Simberg raised about the level and type of people who would be affected and provide that information to the Board.

Mr. Fleischer stated that he would also provide the Board with information on how many of the State M/C employees are in a similar situation to the Authority/Corporation clerks and secretaries. Mr. Sall inquired as to whether or not there is any benefit to being an M/C employee in terms of privileges. Mr. Fleischer responded that the M/C positions were established by the management of the entity as confidential positions or policy making positions, where there was a desire by the Authority/Corporation to not have them be unionized positions, which get filled in a different way.

Mr. Bryan added that the Authority/Corporation is having a hard time filling these positions now when they become vacant because people do not want to go to a position where they may be foregoing future salary increases. He recently experienced this in his office when it was impossible to find anybody to fill a vacancy that he had, so he had to transfer a Teamster over into that office to fill that position. It is something the Authority/Corporation can live with but the risk exists in losing the level of confidentiality certain offices require. Mr. Fleischer added that if a position is not a unionized position it is because the entity preferred it not to be, not because there is a benefit.

Mr. Sall asked if the Authority/Corporation was having a problem filling State jobs and finding skilled people to do the jobs that are open. Mr. Fleischer responded that in the case of the secretarial and the clerk positions people are be reluctant to leave a Grade 15 unionized position for a Grade 18 M/C position because in some cases the Grade 15 has gone up nine percent since 2007 and the grade 18 has only gone up three percent. Mr. Sall asked Mr. Bryan how much the

**Item 11 by Mr. Fleischer (Appendix K)**

**Authorization for the Executive Director to Defer Payment of the 2010 Managerial/Confidential (M/C) General Salary Increase and Further Authorization for Payment of Step Advances and Longevity Payments for M/C Employees Based Upon the 2008 M/C Salary Schedule (Continued)**

position he was trying to fill paid. Mr. Bryan responded that it was a low level secretarial position, grade 9, so the starting salary was around \$30,000.

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

**RESOLUTION NO. 518**

**AUTHORIZATION FOR THE EXECUTIVE DIRECTOR  
TO DEFER PAYMENT OF THE 2010  
MANAGERIAL/CONFIDENTIAL (M/C) GENERAL  
SALARY INCREASE AND FURTHER  
AUTHORIZATION FOR PAYMENT OF STEP  
ADVANCES AND LONGEVITY PAYMENTS FOR M/C  
EMPLOYEES BASED UPON THE 2008 M/C SALARY  
SCHEDULE**

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RESOLVED, that the Executive Director be, and hereby is, authorized to defer payment of the general salary increase for M/C employees scheduled for the pay period that includes July 1, 2010 and the commensurate 2010 adjustment of the M/C Salary Schedule until such time as he determines appropriate, and be it further

RESOLVED, that all M/C employees receive step advances and longevity salary adjustments otherwise due them for time served at their current salary grade based upon the 2008 M/C Salary Schedule, and be it further

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

## **Other Business**

Ms. Mantello reminded Board Members that staff has arranged a Canal inspection after the next Board Meeting and hopes to see them all there. It will be an hour and a half and Mr. Fleischer and Ms. Mantello will give a report on the Canal. The Board can see some of the capital improvements that the Thruway has invested into the Canal, as well as the Waterford Harbor Visitors' Center and will travel through one of the locks.

## **Adjournment**

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

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Jill B. Warner  
Secretary