



MINUTES
NEW YORK STATE CANAL CORPORATION
BOARD MEETING NO. CC-169
September 22, 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.

The meeting began at 11:05 a.m.

There were present:

Chairman John L. Buono
E. Virgil Conway, Board Member
Dr. Jose Holguin-Veras, Board Member
Donna J. Luh, Vice Chair
J. Donald Rice, Board Member
Brandon R. Sall, Board Member
Richard N. Simberg, Board Member

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 Barr, Director, Administrative Services
Donald Bell, Director, Operations and Maintenance

John Bryan, Chief Financial Officer
William Estes, General Counsel
J. Marc Hannibal, Director, Audit and Management Services
Carmella Mantello, Director of Canal Corporation
Captain Michael Eaton, Troop T
Thomas Ryan, Director, Office of Public Affairs
Thomas Gemmiti, Director, Office of Design
Richard Garrabrant, Division Director, Syracuse Division
Ted Nadratowski, Division Director, New York Division
Thomas Pericak, Division Director, Buffalo Division
Michael Loftus, Deputy Division Director, Albany Division
Catherine Sheridan, Acting Deputy Director of Canal Maintenance & Operations
Wendy Allen, Deputy Chief of Staff
Anthony Kirby, Director, Real Property Management
Michael Sikule, Director, Investments and Asset Management
Dorraine Steele, Director, Fiscal Audit and Budget
Katherine McCartney, Deputy Counsel
Kevin Allen, Director of Purchasing
Harry Lennon, Senior Investigator
Tracie Sandell, Assistant Director, Audit and Management Services
Jonathan Gunther, Assistant Counsel
Lawrence Norville, Chief Compliance Officer
Judy Jeffers-Taylor, MWBE Program Liaison
Wendy Clark, Purchasing Officer 1
Judy Gallagher, Assistant Secretary

Also in attendance:

John Armstrong, New York Network
Murray Bodin, Concerned Member of the Public
Daniel Gilbert, retired Chief of Staff

Steven J. Kantor, Managing Director, First Southwest Company
Stanley Kramer, Partner, Hawkins Delafield & Wood, LLP
Melissa Pangburn, Senior Budget Analyst, NYS Division of Budget
Joanne Riddett, retired Director of Information Technology
William Rinaldi, retired Albany Division Director
Angela M. Rodell, Senior Vice President, First Southwest Company
Christopher Waite, retired Chief Engineer
Tom Wood, Assistant Chief Examiner, NYS Division of Budget

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

The Chairman began the meeting by having a moment of silence in remembrance of Sharon P. O'Connor, former General Counsel for the Authority/Corporation, who passed away on September 10, 2010.

Report by Chairman Buono
Recognizing and Honoring Joanne L. Riddett

Chairman Buono made the following report:

**RECOGNIZING AND HONORING JOANNE L.
RIDDETT**

WHEREAS, Joanne L. Riddett has been employed by
the New York State Thruway Authority since 2000, and

WHEREAS, Ms. Riddett had a long and distinguished public service career prior to her Authority service, and

WHEREAS, Ms. Riddett has provided meritorious service to the New York State Thruway Authority, and

WHEREAS, the numerous highlights and achievements of Ms. Riddett's service record with the Authority include the implementation of TRANSalerts, free WiFi at Travel Plazas, and enterprise-wide technology initiatives such as the Financial Management System and the Human Resource Management System, and

WHEREAS, Ms. Riddett's service is hereby proclaimed as meeting the very highest standards in public service, and

WHEREAS, the Thruway Authority Board hereby extends to Ms. Riddett its thanks and appreciation for her service and her many contributions to the Board and Staff in their respective activities and programs, and

WHEREAS, the Thruway Authority Board hereby extends to Ms. Riddett its best wishes for a happy, healthy, and productive retirement, and

WHEREAS, a copy of this report be presented to Ms. Riddett and be incorporated in the minutes of this meeting.

Report by Chairman Buono
Recognizing and Honoring Daniel J. Gilbert

Chairman Buono made the following report:

RECOGNIZING AND HONORING DANIEL J. GILBERT

WHEREAS, Daniel J. Gilbert has been employed by the New York State Thruway Authority since 2003, and

WHEREAS, Mr. Gilbert has had a long and distinguished public service career prior to his Authority service, and

WHEREAS, Mr. Gilbert has provided meritorious service to the New York State Thruway Authority, and

WHEREAS, the numerous highlights and achievements of Mr. Gilbert's service record with the Authority include providing the Board, Chairman and Executive Director with the best and clearest communication advice and such communication initiatives as TRANSalerts, live closed circuit television feeds of Thruway traffic to media outlets, and a user friendly source of Thruway Authority information on the world-wide web, and

WHEREAS, the Thruway Authority Board hereby extends to Mr. Gilbert its thanks and appreciation for his service and his many contributions to the Board and Staff in their respective activities and programs, and

WHEREAS, the Thruway Authority Board hereby extends to Mr. Gilbert its best wishes for a happy, healthy, and productive retirement, and

WHEREAS, a copy of this report be presented to Mr. Gilbert and be incorporated in the minutes of this meeting.

Report by Chairman Buono
Recognizing and Honoring William D. Rinaldi

Chairman Buono made the following report:

**RECOGNIZING AND HONORING WILLIAM D.
RINALDI**

WHEREAS, William D. Rinaldi was employed by the New York State Thruway Authority since 1972, and

WHEREAS, Mr. Rinaldi has provided meritorious service to the New York State Thruway Authority, and

WHEREAS, the numerous highlights and achievements of Mr. Rinaldi's service record with the Authority include intimate knowledge of and expertise in almost every aspect of Authority operations, overseeing the introduction of higher speed E-ZPass lanes on the Thruway, and, above all else, serving as a model and inspiration to Authority employees of what can be achieved through hard work and talent, and

WHEREAS, Mr. Rinaldi's service is hereby proclaimed as meeting the highest standards in public service, and

WHEREAS, the Thruway Authority Board hereby extends its thanks and appreciation for his service and his many contributions to the Board and Staff in their respective activities and programs, and

WHEREAS, the Thruway Authority Board hereby extends to Mr. Rinaldi its best wishes for a happy, healthy, and productive retirement, and

WHEREAS, a copy of this report be presented to Mr. Rinaldi and be incorporated in the minutes of this meeting.

Report by Chairman Buono
Recognizing and Honoring Christopher A. Waite

Chairman Buono made the following report:

RECOGNIZING AND HONORING CHRISTOPHER A. WAITE

WHEREAS, Christopher A. Waite has been employed by the New York State Thruway Authority since 1974, and

WHEREAS, Mr. Waite has provided meritorious service to the New York State Thruway Authority, and

WHEREAS, the numerous highlights and achievements of Mr. Waite's service record include overseeing the three largest annual letting programs in the history of the New York State Thruway Authority, the \$135 million I-84/I-87 Interchange Project, the \$179 million Interchange 8 Project, phases 1 and 2 of the Tappan Zee Bridge Partial Deck Replacement Project at a total cost of \$326 million, the \$130 million Syracuse Reconstruction Project and the \$88 million Woodbury High Speed E-ZPass Project, and

WHEREAS, Mr. Waite's achievements on behalf of the Authority have repeatedly been awarded ACEC Engineering Awards in addition to Mr. Waite being personally honored as the 2005 Construction Man of the Year and the 2009 Engineer of the Year, and

WHEREAS, Mr. Waite's service is hereby proclaimed as meeting the very highest standards of public service, and

WHEREAS, the Thruway Authority Board hereby extends to Mr. Waite its thanks and appreciation for his service and his many contributions to the Board and Staff in their respective activities and programs, and

WHEREAS, the Thruway Authority Board hereby extends to Mr. Waite its best wishes for a happy, healthy, and productive retirement, and

WHEREAS, a copy of this report be presented to Mr. Waite and be incorporated in the minutes of this meeting.

Item 1 by Board Secretary (Appendix A)
Minutes of Meeting No. CC-168

On the motion of Mr. Conway, seconded by Mr. Sall, without any objections, the Board approved the minutes of Meeting No. CC-168 held on July 21, 2010, which were made available to the Board Members as part of the Agenda.

Item 2 by Mr. Fleischer (Appendix B)
Report to Canal Corporation Board for Personal Service Contracts up to \$150,000 for the Period April 1, 2010 through June 30, 2010

Mr. Fleischer submitted as Exhibit I a listing containing Personal Service Contracts up to \$150,000 for the period April 1, 2010 through June 30, 2010.

After full discussion, on the motion of Mr. Simberg, seconded by Mr. Sall, without any objections, the Board accepted Mr. Fleischer's report.

Item 3 by Mr. Hannibal (Appendix C)
Approving Revisions to Whistleblower Policy (25-2-26C)

Mr. Hannibal requested Board approval to adopt a revised Whistleblower Policy which includes statutory language in conformance with the Public Authorities Reform Act of 2009.

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

RESOLUTION NO. 523
**APPROVING REVISIONS TO WHISTLEBLOWER
POLICY (25-2-26C)**

RESOLVED, that the Whistleblower Policy (25-2-26C), attached hereto as Exhibit B be, and hereby is, approved, and be it further

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

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

Report by Governance Committee Chair

As Chair of the Governance Committee, Mr. Sall reported on the recent actions taken by the Committee. He noted that the Governance Committee met earlier this morning and approved the advancement of two revised policies to the Board for consideration. The Whistleblower Policy was amended to incorporate statutory language of the Public Authorities Reform Act; and the Procurements Contracts Policy was modified to align with changes to the Public Authorities Law increasing the discretionary purchasing limits for Minority and Women-Owned Business Enterprises. Both policies will be presented at today's meeting.

Item 4 by Mr. Bryan (Appendix D)
Approving Revisions to Procurement Contracts Policy 25-5-01C

Mr. Bryan requested Board approval of the revisions to the Corporation's Procurement Contracts Policy that are needed to bring the Policy into conformance with Chapter 174 of the Laws of 2010, specifically relating to the purchase of goods or services from small business enterprises and certified minority and women-owned business enterprises.

Mr. Fleischer reported that Lawrence Norville, Supervisor of the Compliance Unit, is a leader in this field and will oversee compliance of this policy.

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

RESOLUTION NO. 524
APPROVING REVISIONS TO PROCUREMENT
CONTRACTS POLICY 25-5-01C

RESOLVED, that the revised Procurement Contracts Policy (25-5-01C) attached hereto as Exhibit B be, and the same hereby is, approved, and be it further

RESOLVED, that the revised Policy shall take effect on October 15, 2010, and be it further

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

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

Item 5 by Mr. Bryan (Appendix E)

Approving the Selection of an Insurance Broker for the Canal Corporation's Insurance Program

Mr. Bryan recommended that the Board authorize the Executive Director to execute an agreement with Rose & Kiernan, Inc., who received the highest score in the competitive bid process, to provide insurance brokerage services for a one-year period. It was determined that no commission is received from insurance companies, and it is more productive for the Canal Corporation to deal with one broker, who works to get us the best rate.

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

RESOLUTION NO. 525
APPROVING THE SELECTION OF AN INSURANCE
BROKER FOR THE CANAL CORPORATION'S
INSURANCE PROGRAM

RESOLVED, that the Executive Director be, and hereby is, authorized to execute an agreement with Rose & Kiernan, Inc. to provide insurance brokerage services for the Thruway Authority and Canal Corporation ("Agreement"), and be it further

RESOLVED, that the Agreement shall be for an initial term of one year with options to extend the contract for two additional one-year periods. The cost of these services is anticipated to be approximately \$100,000 for each year of the contract term, for a maximum amount payable of \$300,000 for the initial three-year term, exclusive of the insurance premiums for the purchased policies, 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 two additional one-year periods, on the terms and conditions deemed to be in the best interest of the Authority/Corporation for an amount not to exceed \$100,000 for the first one-year additional term and \$100,000 for the second one-year additional term, with a maximum amount payable of \$300,000 over the entire three-year period, and be it further

RESOLVED, that the Executive Director or his designee shall have the authority to exercise all powers 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 6 by Ms. Mantello (Appendix F)
Authorizing the Executive Director to Execute a Non-Engineering Personal Services Contract with Parks & Trails New York, Inc.

Ms. Mantello requested Board approval to execute a contract with Parks & Trails New York, Inc. with a maximum amount payable of \$180,000 for three years to assist the Canal Corporation in the enhancement of the Canalway Trail System.

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

RESOLUTION NO. 526
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A NON-ENGINEERING PERSONAL SERVICES CONTRACT WITH PARKS & TRAILS NEW YORK, INC.

RESOLVED, that the Executive Director be, and hereby is, authorized to approve and execute an agreement with Parks & Trails New York, Inc. to strengthen the role of volunteers and local communities in helping promote, develop, maintain and enhance the Canalway Trail System, for an initial term of two years commencing January 1, 2011, with an option to renew for one additional one-year term, and be it further

RESOLVED, that such agreement shall have an approximate annual cost of \$60,000 per year, with a maximum amount payable of \$180,000, and be it further

RESOLVED, that the Executive Director is also authorized to include such other terms and conditions as he deems necessary and in the best interest of the Canal Corporation, and be it further

RESOLVED, that the Chief Financial Officer be, and hereby is, authorized to charge expenditures to the 2011 Canal System Development Fund for such services at an approximate annual cost of \$60,000 per year, and be it further

RESOLVED, that the Executive Director be, and hereby is, authorized to exercise the option to renew the Agreement for the additional one-year period, on the terms and conditions deemed to be in the best interest of the Canal Corporation for an amount not to exceed \$60,000 for the one-year additional term and a maximum amount payable of \$180,000 over the entire three year period, 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 provisions of the contract consistent with the terms of this 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 the meeting.

Item 7 by Ms. Mantello and Mr. Bryan (Appendix G)
Authorizing the Abandonment of Approximately 2.49± Acres of Canal Land Located in the Town of Niskayuna, Schenectady County and Transfer of Jurisdiction Over Such Lands by the New York State Office of General Services to the New York State Department of Transportation

Ms. Mantello requested Board approval for this item and with that approval will provide publication of Notice of Proposed Abandonment in a newspaper published by the Town of Niskayuna or County of Schenectady.

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

RESOLUTION NO. 527

AUTHORIZING THE ABANDONMENT OF APPROXIMATELY 2.49± ACRES OF CANAL LAND LOCATED IN THE TOWN OF NISKAYUNA, SCHENECTADY COUNTY AND TRANSFER OF JURISDICTION OVER SUCH LANDS BY THE NEW YORK STATE OFFICE OF GENERAL SERVICES TO THE NEW YORK STATE DEPARTMENT OF TRANSPORTATION

RESOLVED, that approximately 2.49± acres of Canal land located in the Town of Niskayuna, County of Schenectady is no longer useful or necessary as part of the Barge Canal System, as an aid to navigation thereon, or for Barge Canal purposes, and be it further

RESOLVED, that following publication of the notice of abandonment for the Property as required by section 50 of the Canal Law and transmittal of such notice to the CRC, the Office of Canal Maintenance and Operations shall prepare an Official Order abandoning the land for canal purposes, together with a map and description of such lands for review and execution by the 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 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 transfer of jurisdiction over such lands to DOT in accordance with all other terms of this agenda item be, and hereby is, authorized, 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 implement this Board item, 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. Rice, seconded by Mr. Simberg, without any objections, the meeting was adjourned.

Jill B. Warner
Secretary

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