



MINUTES
NEW YORK STATE CANAL CORPORATION
BOARD MEETING NO. CC-195
May 18, 2015

Minutes of a meeting of the New York State Canal Corporation, held in the board room at, 200 Southern Boulevard, Albany, New York and by video conference from the New NY Bridge Project Office, in Tarrytown, New York.

The meetings of the New York State Thruway Authority and Canal Corporation Boards opened in joint session for the consideration of various matters. These minutes reflect only those items considered by the New York State Canal Corporation. The meeting began at 12:20 p.m.

Members of the Board present were:

Joanne M. Mahoney, Chair
Donna J. Luh, Vice Chairperson
J. Donald Rice, Jr., Board Member
Brandon R. Sall, Board Member
Richard N. Simberg, Board Member

Members of the Board not present:

Jose Holguin-Veras, Ph.D., Board Member

Constituting a majority of the members of the Thruway Authority Board.

Staff Present:

Robert Megna, Acting Executive Director
Gordon Cuffy, General Counsel
Brian Stratton, Director of the NYS Canal Corporation
Eric Christensen, Deputy Director of Operations
Mark Hixson, Deputy Director of Maintenance and Operations
John Barr, Director of Administrative Services
Harry Lennon, Acting Director of Department of Audit & Management Services
Matt Howard, Treasurer and Chief Financial Officer
Kevin Allen, Director of Thruway Purchasing
Frank Macarilla, Information Tech. Specialist
Cathy Sheridan, Acting Chief Engineer
Stephen Grabowski, Acting New York Division Director
John Callaghan, Deputy Director of the NYS Canal Corporation
Dan Weiller, Director of Media Relations & Communications
Jerry Yomoah, Board Administrator

Also in attendance:

Janet Ho, Office of the NYS Governor
Michael Wojnar, Office of the NYS Governor
Ron Thaniel, Office of the NYS Governor
Sandy Castor, Office of the NYS Governor
Karen Geduldig General Counsel, NYS Office of Information Technology Services
Karen Wilson, CSEA Local President
Murray Bodin, Member of the Public

Chair Mahoney called the meeting of the Thruway Authority and Canal Corporation Boards to order.

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

Item 1 by Chair Mahoney (Appendix A)
Approval of Minutes of Meeting No. 194

Chair Mahoney asked for a motion to approve the minutes of the previous meeting. Upon motion duly made and seconded, the Board approved the minutes of Meeting No. 194 held on March 26, 2015, which were made available to the Board Members as part of the Agenda.

Item 2 by Mr. Howard (Appendix B)

Approval of the 2015 Modified Budget for the New York State Thruway Authority and New York State Canal Corporation

The Item was advanced to the Board at the recommendation of the Finance Committee.

Upon motion duly made and seconded, the Board approved the 2015 Modified Budget for the New York State Thruway Authority and New York State Canal Corporation and adopted the following resolution:

RESOLUTION NO. 627
APPROVAL OF THE 2015 MODIFIED BUDGET FOR
THE NEW YORK STATE THRUWAY AUTHORITY
AND NEW YORK STATE CANAL CORPORATION

RESOLVED, that the Authority's 2015 Modified Budget submitted by the Acting Executive Director and the Chief Financial Officer, be, and the same hereby is, approved and funded in accordance with the attached Exhibit I, and be it further

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

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

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

Item 3 by Mr. Megna (Appendix C)
Report on Procurement Contracts and other Agreements up to \$150,000
Executed by the Executive Director during the Period January 1, 2015
through March 31, 2015

Chair Mahoney invited Kevin Allen to present the report of procurement contracts.

Upon motion duly made and seconded, the Board accepted the Report on Procurement Contracts and other Agreements up to \$150,000 Executed by the Executive Director during the Period January 1, 2015 through March 31, 2015.

Item 4 by Mr. Megna (Appendix D)

Approval of New Salary Schedule for Management/Confidential (M/C) Employees

Mr. Megna presented the item seeking Board approval for a new salary schedule for M/C employees. Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Upon motion duly made and seconded, without any objections, the Board approved the new salary schedule and adopted the following resolution:

RESOLUTION NO. 628

AUTHORIZATION FOR THE EXECUTIVE DIRECTOR TO RESCIND GENERAL SALARY INCREASES FOR MANAGEMENT AND CONFIDENTIAL EMPLOYEES ORIGINALLY APPROVED FOR 2009, 2010 AND 2011, APPROVE NEW GENERAL SALARY INCREASES FOR MANAGEMENT AND CONFIDENTIAL EMPLOYEES IN ALIGNMENT WITH EXECUTIVE BRANCH COMPENSATION FOR MANAGEMENT AND CONFIDENTIAL EMPLOYEES

RESOLVED, that the general salary increases approved by the Board for 2009, 2010 and 2011 are hereby rescinded.

RESOLVED, the base salary of Management/Confidential (M/C) employees and the M/C Salary Schedule be increased by 2.0% for 2014 and by another 2.0% for 2015 on the pay period that includes July 1, 2015 and collectively paid retroactively to January 1, 2015; and

RESOLVED that the eligibility dates for Longevity payments for impacted M/C employees be corrected so that these employees will receive these payments on the dates they become eligible in accordance with the Authority's Salary Administration Manual; and

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

Item 5 by Mr. Barr (Appendix E)
Health Insurance for Management/Confidential Employees

Chair Maloney invited Mr. Barr to present the item on health insurance for Thruway Authority and Canal Corporation M/C employees. Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Upon motion duly made and seconded, the Board approved the new health insurance program and schedule for M/C employees and adopted the following resolution:

RESOLUTION NO. 629
HEALTH INSURANCE FOR MANAGEMENT/CONFIDENTIAL EMPLOYEES

RESOLVED, that contributions for M/C employees who currently do not contribute would be phased in as follows: 6% of Individual or 6% of the additional cost of Family coverage on September 1, 2015; 10% of Individual or 15% of the additional cost of Family coverage on January 1, 2017; and 10% of Individual or 25% of the additional cost of Family coverage on January 1, 2018, and be it further

RESOLVED, that M/C employees who currently contribute would continue at the existing rate of 20% of Individual or Family coverage until January 1, 2018, when the rate would be adjusted to 10% of Individual or 25% of the additional cost of Family coverage, and it be further

RESOLVED, that M/C employees hired on September 1, 2015 or after would contribute at the following rates: 16% of Individual or 31% of the additional cost of Family coverage (Gr. 10 and above); and 12% of Individual or 27% of the additional cost of Family coverage (Gr. 9 and below), and it be further

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

Item 6 by Mr. Gordon (Appendix F)

Authorizing the Executive Director to Execute an Amendment to the Whiteman, Osterman & Hanna, LLP Agreement (C010156) to increase the Maximum Amount Payable

Mr. Gordon presented the item seeking Board approval to amend a legal services contract with Whiteman, Osterman & Hanna, LLP. Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Upon motion duly made and seconded, the Board approved the contact amendment with Whiteman, Osterman and Hanna, LLP and adopted the following resolution:

RESOLUTION NO. 630

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT TO THE WHITEMAN, OSTERMAN & HANNA, LLP AGREEMENT (C010156) TO INCREASE THE MAXIMUM AMOUNT PAYABLE

RESOLVED, that the Executive Director be, and he hereby is, authorized to execute an amendment to the agreement with WOH (C010156) for ongoing outside legal services to increase the maximum amount payable under such agreement by \$600,000 to a new monetary cap of \$750,000, and be it further

RESOLVED, that funding for the requested increase will be charged to the Authority's Operating Budget.

RESOLVED, that the Executive Director or his designee shall have the authority to exercise all powers reserved to the Authority under the provisions of the WOH Agreement, manage and administer the WOH 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 interest of the Authority, and be it further

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

Item 5 by Mr. Howard (Appendix G)

Amendment of Term of a Temporary Hydropower Easement In, On and Over the New York State Barge Canal within the Boundary of the Oswego

Falls/Lock O-2 Hydroelectric Project (No. 5984) to Erie Boulevard Hydropower, L.P.

Mr. Gordon presented the item seeking Board approval to amend the term of a 22- year temporary hydropower easement to be granted to Erie Boulevard Hydropower, L.P. Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Upon motion duly made and seconded, the Board approved the contact amendment with Whiteman, Osterman and Hanna, LLP and adopted the following resolution:

RESOLUTION NO. 631
AMENDMENT OF TERM OF A TEMPORARY HYDROPOWER EASEMENT IN, ON AND OVER THE NEW YORK STATE BARGE CANAL WITHIN THE BOUNDARY OF THE OSWEGO FALLS/LOCK O-2 HYDROELECTRIC PROJECT (NO. 5984) TO ERIE BOULEVARD HYDROPOWER, L.P.

RESOLVED, that the 22- year term of the temporary hydropower easement authorized by Resolution No. 618, adopted at Canal Corporation Meeting No. CC-192 held on December 19, 2014, be, and the same hereby is, amended to allow for the easement to remain in full force and effect beyond the 22- year term provided that Erie, or its successors, have in force and effect a FERC license for the Oswego Falls Project, or the United States of America operates the project.

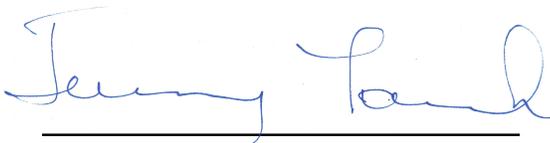
RESOLVED, that this resolution be incorporated in the minutes of this meeting.

PUBLIC COMMENT PERIOD

Mr. Murray Bodin addressed the Board. His comments are included in the video recording of the meeting.

ADJOURNMENT

There being no other business, upon motion duly made and seconded, the meeting was adjourned.

A handwritten signature in blue ink, reading "Jerry B. Yomoah", written over a solid black horizontal line.

Jerry B. Yomoah
Board Administrator

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 four months.