

**MINUTES OF THE REGULAR MEETING  
OF THE  
NEW YORK STATE CANAL CORPORATION**

**July 25, 2017**

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Minutes of the Regular Meeting of the New York State Canal Corporation held via video conference at the New York Energy Manager, Albany, New York, at approximately 9:00 a.m.

**Members of the Boards present were:**

John R. Koelmel, Chairman  
 Eugene L. Nicandri, Vice Chairman  
 Dr. Anne M. Kress, Trustee  
 Anthony J. Picente, Jr., Trustee  
 Tracy McKibben, Trustee  
 Michael A.L. Balboni, Trustee  
 Dennis G. Trainor, Trustee

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Gil Quiniones	President and Chief Executive Officer
Justin Driscoll	Executive Vice President and General Counsel
Jill Anderson	Executive Vice President and Chief Commercial Officer
Joseph Kessler	Executive Vice President and Chief Operating Officer
Robert Lurie	Executive Vice President and Chief Financial Officer
Parija Soubhagya	Senior Vice President and Chief Risk Officer
Ken Lee	Senior Vice President and Chief Information Officer
Kimberly Harriman	Senior Vice President – Public & Regulatory Affairs
Kristine Pizzo	Senior Vice President – Human Resources
Jennifer Sutton	Senior Vice President – Internal Audit
Paul Tartaglia	Senior Vice President – Technology and Innovation
Harry Francois	Regional Manager – Western New York
Karen Delince	Vice President and Corporate Secretary
Emilie Bolduc	Vice President – New York Energy Manager
John Canale	Vice President – Strategic Supply Management
Ruth Colón	Vice President – Enterprise Shared Services
Ricardo DaSilva	Vice President – Strategic Operations
Keith Hayes	Vice President – Economic Development
Joseph Leary	Vice President – Community & Government Relations
Patricia Lombardi	Vice President – Project Management
Ethan Riegelhaupt	Vice President – Corporate Communications
Kenneth Carnes	Chief Information Security Officer – Cyber Security
James Levine	Assistant General Counsel – Finance and Bonds
Susan Craig	Director – Media Relations
Brian McElroy	Treasurer
Lou Paonessa	Senior Director – Community Affairs
Stephen Ramsey	Manager – Legislative Affairs
Mary Cahill	Manager – Executive Office
Evan Kolkos	Manager – Customer Business Development
Jillian Nelson	Chief of Staff – Public and Regulatory Affairs
Lorna Johnson	Senior Associate Corporate Secretary
Sheila Baughman	Senior Assistant Corporate Secretary
Brian U. Stratton	Director – NYS Canal Corporation
Howard M. Goebel	Deputy Director – Engineering, Construction and Maintenance – NYS Canal Corporation
Peter Prunty	Senior Director – Infrastructure
Jaiah Gottor	Manager – Network Services – Infrastructure
Joseph Rivera	Network Architect – Infrastructure
Glenn Martinez	Senior Network Analyst – Infrastructure
Marie French	Politico

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Chairman Koelmel presided over the meeting. Corporate Secretary Delince kept the Minutes.

**Introduction**

*Chairman Koelmel welcomed the Trustees and NYPA and Canal staff members who were present at the meeting and said that the meeting had been duly noticed as required by the Open Meetings Law and called the meeting to order pursuant to the Authority's Bylaws, Article III, Section 3.*

1. **Adoption of the July 25, 2017 Proposed Meeting Agenda**

Upon motion made by Vice Chairman Nicandri and seconded by Trustee McKibben, the meeting Agenda was adopted.

2. **Motion to Conduct an Executive Session**

***Mr. Chairman, I move that the Authority and Canal Boards conduct an executive session pursuant to the Public Officers Law of the State of New York sections §105 and 108 to consult with counsel and discuss the financial and credit history of a particular corporation, and matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person.*** Upon motion made by Vice Chairman Nicandri and seconded by Trustee McKibben, the members held an Executive Session.

3. **Motion to Resume Meeting in Open Session**

***Mr. Chairman, I move to resume the meeting in Open Session.*** Upon motion made by Trustee McKibben and seconded by Trustee Picente, the meeting resumed in Open Session.

No votes were taken during the Executive Session.

**4. CONSENT AGENDA:**

Upon motion made by Vice Chairman Nicandri and seconded by Trustee Picente, the Consent Agenda was approved.

**a. Governance Matters**

**i. Minutes of the Regular New York State  
Canal Corporation Board of Directors'  
Meeting held on May 2, 2017**

The Minutes of the Regular Meeting held on May 2, 2017 were unanimously adopted.

**b. Real Estate**

**i. Rehabilitation of Lock O-7 on the Oswego Canal –  
Capital Expenditure Authorization Request and  
Contract Awards**

The President and Chief Executive Officer submitted the following report:

**“SUMMARY**

The Canal Corporation Board of Directors ('Board') is requested to authorize capital expenditures for the Rehabilitation of Lock O-7 on the Oswego Canal ('Project') in the amount of \$28,010,503.10. The Board is also requested to approve the award of a three-year contract in the amount of \$24,888,446.10 to Crane-Hogan Structural Systems, Inc. for the Construction Scope of the Project. In addition, the Board is requested to approve a Purchase Order Release against previously Trustee approved value contract 4600003245 (now 4700000004) in the amount of \$3,122,057.00 to Ravi Engineering and Land Surveying PC for Construction Management and Inspection Services related to the Project.

In accordance with the Canal Corporation's Expenditure Authorization Procedure, the award of Contracts and/or Purchase Order Releases exceeding one year in term or in excess of \$500,000.00 in value require the approval of the Board.

**BACKGROUND**

Lock O-7, located in the City of Oswego in Oswego County NY, was constructed circa 1914. The last major rehabilitation of Lock O-7 was performed in 1970. Since that time, there has been longitudinal concrete cracking noted at the top surface of the lock walls and significant cracking at the valve and gate monoliths. There was emergency work performed in 2011 to address concrete movement at a gate anchorage. In addition, leakage through the East wall of the lock and into the valve wells has been a persistent problem, particularly during winter pump-outs.

The Project will address the repair needs at the site including installing cofferdam systems, reconstructing the valve and miter gate monoliths, re-facing the lock chamber walls and approach walls, installing rock anchors, replacing the miter gates, refurbishing the operating equipment, replacing the electrical systems, repairing and sealing the culverts, replacing the lockhouse and lock operator shelters, demolishing an existing vehicular bridge, constructing a new utility bridge, fabricating and installing new railing systems and installing new pavement.

**DISCUSSION**

**Construction Scope of Project:**

In response to the NYS Canal Corporation's advertisement in the New York State *Contract Reporter*, dated April 25, 2017, for the Lock O-7 Rehabilitation Project, six bids were received on June 13, 2017. The Bidders and summation of the unit pricing are set forth below:

<u>Ranking</u>	<u>Bidder</u>	<u>Base Bid Price</u>
1	Crane-Hogan Structural Systems, Inc., Spencerport, NY	\$24,888,446.10
2	Tioga Construction, Inc. Herkimer, NY	\$27,258,114.47
3	Harrison and Burrowes Bridge Constructors, Inc. & The Wesson Group, A Joint Venture Johnstown, NY	\$27,592,275.92

<u>Ranking</u>	<u>Bidder</u>	<u>Base Bid Price</u>
4	D. A. Collins Construction Co., Inc. Wilton, NY	\$29,960,083.69
5	Economy Paving Co., Inc. Cortland, NY	\$31,833,838.11
6	Cold Spring Construction Akron, NY	\$33,822,794.27

The proposals were reviewed by an Evaluation Committee consisting of Canal Corporation staff from the Engineering and Procurement Departments. Overall cost was assessed and a Vendor Responsibility review was performed. Crane-Hogan Structural Systems, Inc.'s ('Crane-Hogan') bid was identified as lowest-cost and Vendor was found to be responsive and responsible. The Corporation has knowledge of Crane-Hogan's experience as the company has successfully completed work for the Corporation in the past.

Construction completion is scheduled by June 26, 2020.

The capital expenditure authorization request is comprised of the following:

Construction	\$ 24,888,446.10
Construction Management/Inspection	<u>\$ 3,122,057.00</u>
TOTAL	\$ 28,010,503.10

Construction Management and Inspection Services Scope of Project:

In response to the Corporation's request of April 21, 2017 for Lock O-7 Rehabilitation Project Construction Management and Inspection Services proposals, four of the five Board- approved On-Call Engineering consultants provided proposals. Proposals were received from the following (AECOM declined to submit):

- Ravi Engineering & Land Surveying, P.C
- Greenman-Pedersen, Inc.
- Arcadis of New York, Inc.
- Mott MacDonald NY, Inc.

Proposals were reviewed by an Evaluation Committee, consisting of Canal Corporation's staff from the Engineering and Procurement Departments and ranked based on the requirements outlined in the request. Each Consultant submitted a staffing summary, including titles and rates as well as a comprehensive list of all estimated direct non-salary costs ('DNSC') such as material testing, shop and plant inspections, travel and lodging, and expendable equipment and supplies.

It has been determined that Ravi Engineering & Land Surveying, P.C. ('Ravi') proposed the most qualified team at a price comparable to the other Consultants. A summary of the areas that set Ravi apart include (1) detailed understanding of the complexity of this type of project, (2) a comprehensive outline of the company's proposed means and methods to complete the assignment and (3) the notable and relevant experience of key staff, specifically the Project Engineer and Office Engineer.

Although Mott MacDonald NY, Inc. submitted the lowest-cost proposal for this Scope, the company was not selected for the following reasons: (i) its proposed Project Engineer had a lack of experience managing large and complex projects, an essential requirement for this assignment; (ii) its

Project Engineer is also currently assigned to a project, through October, and would not be available at the start of this project, per his current employer; and (iii) its proposed Office Engineer does not have the necessary experience with the NYSDOT Contract Administration Manual ('CAM') and Manual of Uniform Record Keeping ('MURK').

The qualifications and experience of the Arcadis team were primarily based in the design and construction of wastewater treatment facilities with the construction administration following the procedures used in MasterFormat®, including the general terms and conditions, and associated material specifications. The significant and subtle differences between the NYSDOT Standard Specifications, CAM and MURK and MasterFormat®, and the lack of experience completing projects under this system was a factor in the company ranking below RE&LS for this assignment.

Additionally, Greenman-Pedersen, Inc. was not selected as the qualifications of its proposed staff were weaker than the staff proposed by Ravi and its costs were the highest submitted. The company's proposal was deemed not cost-effective.

#### FISCAL INFORMATION

Payments associated with this assignment will be made from the Canal Corporation's Capital Fund.

#### RECOMMENDATION

The Deputy Director of Engineering and Maintenance, the Manager of Engineering and Maintenance, the Director of Construction Management, the Director of Design, and the Western Division Construction Manager recommend that the Board authorize capital expenditures in the amount of \$28,010,503.10, approve the award of a three-year Contract for the Rehabilitation of Lock O-7 on the Oswego Canal to Crane-Hogan Structural Systems in the amount of \$24,888,446.10 and approve the award of a Purchase Order Release against Value Contract 4700000004 for Ravi Engineering and Land Surveying, P.C. to perform Construction Management and Inspection Services for the Lock O-7 project in the amount of \$3,122,057.00.

For the reasons stated above, I recommend the approval of the above-requested action by adoption of the resolution below."

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

**RESOLVED, That pursuant to the Corporation's Expenditure Authorization Procedures, capital expenditures in the amount of \$ 28,010,503.10 for the Rehabilitation of Lock O-7 on the Oswego Canal are hereby authorized in accordance with, and as recommended in, the foregoing report of the President and Chief Executive Officer;**

<u>Capital</u>	<u>Expenditure Authorization</u>
Lock O-7 Rehabilitation Oswego Canal	<u>\$28,010,503.10</u>

**AND BE IT FURTHER RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Corporation and the Corporation's Authorization Expenditure Procedures, approval is hereby granted to award a contract to Crane-Hogan Structural Systems, Inc. in**

the amount of \$24,888,446.10 for the Rehabilitation of Lock No. O-7 on the Oswego Canal as recommended in the foregoing report of the President and Chief Executive Officer;

<u>Contractor</u>	<u>Contract Award</u>
Crane-Hogan Structural Systems, Inc. Spencerport, NY	<u>\$24,888,446.10</u>

AND BE IT FURTHER RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Corporation and the Corporation's Authorization Expenditure Procedures, approval is hereby granted to issue a Purchase Order Release to Ravi Engineering and Land Surveying, P.C. under Value Contract 4700000004, dated January 1, 2017, in the amount of \$3,122,057.00 for Construction Management and Inspection Services for K17-10252318WC – Rehabilitation of Lock No. O-7 on the Oswego Canal as recommended in the foregoing report of the President and Chief Executive Officer;

<u>Contractor</u>	<u>Contract Award</u>
Ravi Engineering & Land Surveying, P.C. Value Contract 4700000004	<u>\$3,122,057.00</u>

AND BE IT FURTHER RESOLVED, That the Board of Directors and all other officers of the Corporation are, and each of them hereby is, authorized on behalf of the Corporation to do any and all things and take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Deputy Director of Engineering and Maintenance and Executive Vice President and General Counsel.

ii. **Transfer of Jurisdiction  
Sand Lake Canal Reservoir, Town of Webb,  
County of Herkimer; Canachagala Lake Canal  
Reservoir, Towns of Webb and Ohio,  
County of Herkimer**

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The President and Chief Executive Officer submitted the following report:

**SUMMARY**

The Directors are requested to authorize the Transfer of Jurisdiction of approximately 370± acres of Canal Land containing the Sand Lake Canal Reservoir and approximately 350± acres of land containing the Canachagala Canal Reservoir to the New York State Department of Environmental Conservation ('DEC'). The Reservoirs (collectively, the 'Property') are shown on the maps attached hereto as Exhibit '4b ii-A' and Exhibit '4b ii-B,' respectively.

**BACKGROUND**

The Sand Lake and Canachagala Lake reservoirs are located wholly within the Adirondack Park ('Park'). These reservoirs were created in the 19<sup>th</sup> century to augment the supply water to the old canal system (pre-Barge Canal Improvement). Both are located in an extremely remote area in the southwest corner of the Park and lack vehicular access and utility services.

Staff has determined that the Property, including above-and-below water lands, impounding structures, and water resources flowing over the land, are no longer necessary or useful for providing water to the present day canal system and may be abandoned.

**DISCUSSION**

Under Canal Law Section 10, when the Corporation determines that lands within the Park are no longer useful or necessary for canal purposes and may be abandoned, the DEC has the first right to acquire jurisdiction over those lands. The DEC has 60 days after notice of this determination to request transfer of those lands. As required, the Corporation has notified DEC of its determination regarding the Property, and DEC has expressed interest in acquiring the Property.

At its Meeting No. 101 held on July 6, 2017, the Canal Recreationway Commission reviewed the proposed transfer and found that abandonment of the Property was consistent with the Canal Recreationway Plan.

Pursuant to Section 51 of the Canal Law, a Notice of Proposed Abandonment shall be published for three consecutive weeks in a newspaper published in Herkimer County inviting interested parties to file written statements either supporting or opposing the proposed transfer of the reservoirs. As further required by Section 51, the Canal Corporation will hold a hearing on this matter where the public shall be provided an additional opportunity to comment on the proposed transfer.

If the Property is transferred to DEC, title will still reside with the People, with jurisdiction transferred to DEC.

It is anticipated that DEC will accept the Transfer of Jurisdiction. However, in the event that the DEC ultimately declines jurisdiction, the Property will be abandoned and disposed of pursuant to the Title 5-A of Article 9 of the Public Authorities Law, the Canal Law and the Canal Corporation's Real Property Management Policy (the 'Policy').

**FISCAL INFORMATION**

No revenue is anticipated by the proposed Transfer of Jurisdiction.

RECOMMENDATION

The Director of Canals and the Vice President - Enterprise Shared Services recommend that the Board of Directors approve the Transfer of Jurisdiction and land containing the Sand Lake Canal and the Canachagala Canal reservoirs to the New York State Department of Environmental Conservation ('DEC').

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below."

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

**RESOLVED, That approximately 370± acres of land located in the Town of Webb, County of Herkimer containing the Sand Lake Canal Reservoir and approximately 350± acres of land located in the Towns of Webb and Ohio containing the Canachagala Lake Canal Reservoir 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 pursuant to the provisions of the Canal Law and the Canal Real Property Management Policy, the Directors hereby authorize the Transfer of Jurisdiction over certain lands totaling approximately 720± acres in the Towns of Webb and Ohio, Herkimer County, to the New York State Department of Environmental Conservation; and be it further**

**RESOLVED, that should the New York State Department of Environmental Conservation decline to accept jurisdiction over the said lands, such lands may be abandoned and disposed of pursuant to Title 5-A of Article 9 of the Public Authorities Law, the Canal Law and the Canal Corporation's Real Property Management Policy; and be it further**

**RESOLVED, That the Vice President - Enterprise Shared Services, or designee, is hereby authorized to execute any and all other agreements, papers or instruments on behalf of the Corporation that may be deemed necessary or desirable to carry out the foregoing, subject to the approval by the Executive Vice President and General Counsel; and be it further**

**RESOLVED, That the Chairman, the Vice Chairman, the Director of Canals, the Vice President - Enterprise Shared Services and all other officers of the Corporation are, and each of them hereby is, authorized on behalf of the Corporation to do any and all things and take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel, and be it further**

**July 25, 2017**

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

iii. **Transfer of Jurisdiction Over Canal Land -  
City of Cohoes, County of Albany;  
Town of Waterford, County of Saratoga**

The President and Chief Executive Officer submitted the following report:

"SUMMARY

The Directors are requested to authorize the Transfer of Jurisdiction over approximately 0.69± acres of Canal Land located in the City of Cohoes, Albany County, and approximately 0.07± acres of Canal Land located in the Town of Waterford, Saratoga County (the 'Properties'), to the New York State Department of Transportation ('DOT'). The Properties are shown on the map attached hereto as Exhibit '4b iii-A.'

BACKGROUND

DOT requested transfer of the Properties by letter dated January 21, 2014, in support of its Route 32 bridge realignment project. The Properties are comprised of two non-contiguous remnant portions of Old Champlain Canal Lands which staff has determined are no longer necessary or useful for canal purposes.

DISCUSSION

As shown on Exhibit 4b iii-A, the Properties are located in part on the north and in part on the south side of the Mohawk River and are portions of the Old Champlain Canal no longer in use as a part of the Barge Canal, which is located several miles from the Properties at the confluence with the Mohawk and Hudson Rivers in Waterford.

Transfers of jurisdiction are not considered disposals subject to the Public Authorities Law, since title to the property remains in the name of the People of the State of New York. Section V.B.5. of the Canal Real Property Management Policy states that 'Transfers of Jurisdiction will be progressed on such terms and conditions as may be approved by the Board.' Since title to the Properties will remain in the name of the People of the State of New York and since DOT has requested the transfer of the Properties, it is recommended that no monetary consideration be required for this transfer.

At its Meeting No. 69, held on June 18, 2007, the Canal Recreationway Commission found the proposed abandonment of approximately 1.8 acres of land that includes the aforementioned Properties to be consistent with the Canal Recreationway Plan.

Pursuant to Section 51 of the Canal Law, a Notice of Proposed Abandonment was published for three consecutive weeks inviting interested parties to file written statements regarding the proposed transfer. No comments were received from the public in response to the Notice.

If the Corporation approves the transfer, the lands would first be abandoned in accordance with Sections 50 and 51 of the Canal Law. The Office of General Services would then transfer the Property to DOT pursuant to Section 3(4) of the Public Lands Law.

FISCAL INFORMATION

No revenue is anticipated by the proposed Transfer of Jurisdiction.

RECOMMENDATION

The Director of Canals and the Vice President - Enterprise Shared Services recommend that the Board of Directors approve the Transfer of Jurisdiction over Canal Lands as indicated above to the New York State Department of Transportation.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.”

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

**RESOLVED, That approximately 0.76± acres of land located in part in the City of Cohoes, County of Albany and in part in the Town of Waterford, County of Saratoga 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 may be abandoned; and be it further**

**RESOLVED, That the Transfer of Jurisdiction over such lands to the New York State Department of Transportation for no consideration and in accordance with the terms of this memorandum be, and hereby is, authorized; and be it further**

**RESOLVED, That the Vice President - Enterprise Shared Services, or designee, is hereby authorized to execute any and all other agreements, papers or instruments on behalf of the Corporation that may be deemed necessary or desirable to carry out the foregoing, subject to the approval by the Executive Vice President and General Counsel; and be it further**

**RESOLVED, That the Chairman, the Vice Chairman, the Director of Canals, the Vice President - Enterprise Shared Services and all other officers of the Corporation are, and each of them hereby is, authorized on behalf of the Corporation to do any and all things and take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel, and be it further**

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

iv. **Abandonment and Sale of Canal Land –  
City of Utica, County of Oneida**

The President and Chief Executive Officer submitted the following report:

**SUMMARY**

The Directors are requested to authorize the abandonment and sale of approximately 0.97± acre of Canal Land ( 'Property'), located in the City of Utica, Oneida County to the City of Utica ( 'City') for \$50,000. The Property is shown on the map attached hereto as Exhibit '4b iv-A.'

**BACKGROUND**

The Property is a portion of improved Canal Lands appropriated in the name of the People of the State of New York for Barge Canal Improvement in 1917. The Property is an irregularly configured, approximately 0.97± acre waterfront parcel situated on the north side of the Mohawk River, south of the Erie Canal, east of the Genesee Street Bridge and Harbor Lock Road in the City of Utica.

Since 1998, the City has occupied and improved the Property under the terms of revocable permits issued by the Corporation. The Property is improved by a two-story building, parking lot, promenade, lighting and other improvements, all constructed and owned by the City as part of the Utica Historic Erie Canal Marina Park ( 'Park'). The City has entered into third-party agreements for use of the Property, among them a restaurant which presently occupies the aforementioned building.

The City now seeks to purchase the Property outright. Staff has determined that the Property is no longer required for Canal operations and may be abandoned.

**DISCUSSION**

Independent appraisals obtained as required under Public Lands Law Section 10 and Public Authorities Law Section 2897 support a fair market value of \$50,000 exclusive of the value of improvements made on the Property by the City. The City has agreed to pay this sum. The Property will be conveyed 'as-is', and any agreements and deeds executed by and between the parties will include appropriate language to indemnify and hold harmless the Canal Corporation, the Power Authority and the People of the State of New York. The Corporation will retain an easement for a segment of a planned trail connection.

Prior to conveyance, a Notice of Proposed Abandonment will be published for three consecutive weeks in the Utica Observer-Dispatch and a public hearing held as required by Section 51 of the Canal Law.

Title 5-A of Article 9 of the Public Authorities Law (the 'Act') and the Canal Corporation's Real Property Management Policy (the 'Policy') allow the Corporation, with the approval of the Board, to dispose of Corporation property by negotiation to a municipality when the fair market value and other satisfactory terms are obtained by negotiation. The proposed sale of the Property to the City of Utica on the terms recommended in the memorandum complies with all applicable provisions of law, including the Canal Law, Title 5-A of Article 9 of the Public Authorities Law, and with the Policy.

As the subject property is owned by the People of the State of New York, acting by and through the Corporation, the Deed is subject to approval by the NYS Department of Law Real Property Bureau.

**FISCAL INFORMATION**

Revenues received by the Canal Corporation are required by statute to be deposited in to the Canal Development Fund.

RECOMMENDATION

The Director of Canals and the Vice President - Enterprise Shared Services recommend that the Board of Directors approve the sale of Canal Property to the City of Utica for \$50,000.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.”

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

**RESOLVED, That approximately 0.97± acre of land located in the City of Utica, County of Oneida is no longer useful or necessary as part of the Barge Canal System, as an aid to navigation thereon, or for Barge Canal purposes, excepting and reserving however, a twenty (20) foot-wide easement over the property for a proposed trail segment; and be it further**

**RESOLVED, That pursuant to the provisions of the Canal Law, Title 5-A of Article 9 of the Public Authorities Law, and Section 4. General Principles (H.) (1.) (a.) of the Canal Real Property Management Policy, the Directors hereby authorize the abandonment and sale of certain lands totaling approximately 0.97± acre, subject to the aforementioned easement, in the City of Utica, Oneida County, to the City of Utica for \$50,000; and be it further**

**RESOLVED, That the Vice President - Enterprise Shared Services, or designee, is hereby authorized to execute any and all other agreements, papers or instruments on behalf of the Corporation that may be deemed necessary or desirable to carry out the foregoing, subject to the approval by the Executive Vice President and General Counsel; and be it further**

**RESOLVED, That the Chairman, the Vice Chairman, the Director of Canals, the Vice President - Enterprise Shared Services and all other officers of the Corporation are, and each of them hereby is, authorized on behalf of the Corporation to do any and all things and take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel, and be it further**

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

v. **Abandonment and Sale of Canal Land –  
Village of Watkins Glen, County of Schuyler**

The President and Chief Executive Officer submitted the following report:

**SUMMARY**

The Directors are requested to authorize the abandonment and sale of approximately 8.56± acres of canal land ('Property') located in Watkins Glen, Schuyler County, to the Village of Watkins Glen ('Village') for its appraised value of \$40,000. The Property is shown on the map attached hereto as Exhibit '4b v-A.'

The Village has requested conveyance of the Property for use as the site of a new regional waste water treatment facility to serve the Villages of Watkins Glen and Montour Falls and the Town of Dix.

**BACKGROUND**

The Property is a vacant portion of canal land acquired in the name of the People of the State of New York in 1913. It is located south of Seneca Lake on the east side of the Seneca Lake Inlet/Cayuga Seneca Canal and adjoins regulated wetlands under the jurisdiction of the New York State Department of Environmental Conservation ('DEC'). Until 1985 it was used as a Canal Upland Disposal Site ('UDS') for dredged materials from the Seneca Lake Inlet. The site is no longer needed for this purpose and staff has identified it as surplus.

**DISCUSSION**

As shown on Exhibit '4b v-A,' the Property is located in an area devoid of development due to the adjacent regulated wetlands. While this location makes commercial development generally unfeasible, the Village has identified the Property as a suitable site for a proposed regional wastewater treatment plant to replace its existing, outmoded facility. The Villages of Watkins Glen and Montour Falls have been awarded approximately \$35 million in loans and grants administered by the NYS Environmental Facilities Corporation for construction of the new plant.

An independent appraisal estimated the fair market value of the Property to be \$40,000. Canal land management staff has reviewed the appraisal report and have found it to be reasoned and credible.

Pursuant to Section 51 of the Canal Law, a Notice of Proposed Abandonment shall be published for three consecutive weeks in the Odessa File newspaper inviting interested parties to file written statements either supporting or opposing the proposed abandonment and sale.

Title 5-A of Article 9 of the Public Authorities Law (the 'Act') and the Canal Corporation's Real Property Management Policy (the 'Policy') allow the Corporation, with the approval of the Trustees, to dispose of Corporation real property by negotiation to a municipality when the fair market value and other satisfactory terms are obtained by negotiation. The proposed sale of the Property to the Village of Watkins Glen on the terms recommended in this memorandum complies with all applicable provisions of law, including the Canal Law, Title 5-A of Article 9 of the Public Authorities Law, and with the Policy.

As the subject property is owned by the People of the State of New York, acting by and through the Corporation, the Deed is subject to approval by the NYS Department of Law.

**FISCAL INFORMATION**

Revenues received by the Canal Corporation are required by statute to be deposited in to the Canal Development Fund.

RECOMMENDATION

The Director of Canals and the Vice President - Enterprise Shared Services recommend that the Board of Directors approve the abandonment and sale of approximately of canal property located in Watkins Glen, Schuyler County, to the Village of Watkins Glen.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.”

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

**RESOLVED, That approximately 8.56± acres of land located in the Village of Watkins Glen, County of Schuyler 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 pursuant to the provisions of the Canal Law, Title 5-A of Article 9 of the Public Authorities Law, and Section 4. General Principles (H.) (1.) (a.) of the Canal Real Property Management Policy, the Trustees hereby authorize the abandonment and sale of certain lands totaling approximately 8.56± acres, in the Village of Watkins Glen, Schuyler County, to the Village of Watkins Glen for \$40,000; and be it further**

**RESOLVED, That the Vice President - Enterprise Shared Services, or designee, is hereby authorized to execute any and all other agreements, papers or instruments on behalf of the Corporation that may be deemed necessary or desirable to carry out the foregoing, subject to the approval by the Executive Vice President and General Counsel; and be it further**

**RESOLVED, That the Chairman, the Vice Chairman, the Director of Canals, the Vice President- Enterprise Shared Services and all other officers of the Corporation are, and each of them hereby is, authorized on behalf of the Corporation to do any and all things and take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel, and be it further**

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

vi. **Abandonment and Sale of Canal Land –  
City of Rochester, County of Monroe**

The President and Chief Executive Officer submitted the following report:

**SUMMARY**

The Directors are requested to authorize the abandonment and sale at public auction of approximately 1.46+ acres of Canal Land ( 'Property'), located in the City of Rochester, Monroe County, for not less than the appraised value of \$65,000. The Property is shown on the map attached hereto as Exhibit '4b vi-A.'

**BACKGROUND**

The Property is a vacant portion of Canal Land acquired in 1905 in support of Barge Canal improvements. It is separated from the Canal by approximately 100 feet of Canal Lands which will be retained. Staff has determined that the Property is no longer necessary or useful for canal operations and may be abandoned.

**DISCUSSION**

The Property is a rectangular parcel bounded on the north by Buffalo Road, on the south by an active rail line, on the west by additional Canal Land necessary for Canal purposes, and on the east by commercially developed private lands. An independent appraisal estimated the fair market value of the Property to be \$65,000. Canal Land management staff has reviewed the appraisal report and has found the appraiser's conclusion of value to be reasoned and credible.

The Property is traversed by a sub-surface oil pipeline operated pursuant to a series of revocable permits issued by the Corporation commencing in 1971. Any sale will be 'as is,' subject to such rights, if any, that the Permittee may have to the Property. As required by law, staff will disclose the presence of the sub-surface pipeline in the auction materials.

Pursuant to Section 51 of the Canal Law, a Notice of Proposed Abandonment was published for three consecutive weeks in a local newspaper, inviting interested parties to file written statements regarding the proposed abandonment and sale. As further required by Section 51, the Corporation held a hearing on this matter in which the public was provided an additional opportunity to comment on the proposal. No public comments were received regarding the proposed abandonment.

Title 5-A of Article 9 of the Public Authorities Law and the Canal Corporation's Real Property Management Policy (the 'Policy') allow the Canal Corporation, with the approval of the Directors, to dispose of Corporation real property pursuant to Section 2897 of the PAL. The proposed sale of the Property at public auction on the terms recommended herein complies with all applicable provisions of law, including the Canal Law, Title 5-A of Article 9 of the PAL, and with the Policy.

As the subject property is owned by the People of the State of New York, acting by and through the Corporation, the deed is subject to approval by the NYS Department of Law Real Property Bureau.

**FISCAL INFORMATION**

Revenues received by the Canal Corporation are required by statute to be deposited in to the Canal Development Fund.

RECOMMENDATION

The Director of Canals and the Vice President - Enterprise Shared Services recommend that the Board of Directors approve the abandonment and sale at public auction of approximately of Canal property located in the City of Rochester, Monroe County.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below."

The following resolution, as submitted by the President and Chief Executive Officer, was unanimously adopted.

**RESOLVED, That approximately 1.46± acres of land located in the City of Rochester, County of Monroe 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 pursuant to Title 5-A of Article 9 of the Public Authorities Law, the Canal Law and the Canal Corporation's Real Property Management Policy, the Directors hereby authorize the abandonment and sale of approximately 1.46± acres of land in the City of Rochester, Monroe County, at public auction for a price not less than \$65,000; and be it further**

**RESOLVED, That the Vice President - Enterprise Shared Services, or designee, is hereby authorized to execute any and all other agreements, papers or instruments on behalf of the Corporation that may be deemed necessary or desirable to carry out the foregoing, subject to the approval by the Executive Vice President and General Counsel; and be it further**

**RESOLVED, That the Chairman, the Vice Chairman, the Director of Canals, the Vice President- Enterprise Shared Services and all other officers of the Corporation are, and each of them hereby is, authorized on behalf of the Corporation to do any and all things and take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel, and be it further**

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

**5. DISCUSSION AGENDA**

**a. Financial Report - Canal Update**

Mr. Robert Lurie provided an update of the financial report to the members (Exhibit "5c i-A"). He said that the Canal Corporation is operating according the breakdown provided to the members at earlier meetings. Staff will monitor the Canal Corporation's expenses to make sure that the operating plan is executed as projected.

**b. Utility Operations Report - Canal Update**

Mr. Joseph Kessler provided an update of the Canal Corporation report to the members. (Exhibit “5c i-A”)

**Summer Preparedness**

- Review and update existing NYPA and NYS Canal Corporation emergency management plans and procedures to ensure a comprehensive emergency preparedness program.

**Canal Corporation - Update**

- YTD O&M spend is on target; the Capital budget spend is underrunning but is expected to be on schedule this Fall
- Initial estimate of 2018 to 2022 capital spending is significant as asset conditions and significant risks are better understood
- Many new Safe and Secure initiatives are underway, including asset and work management, vessel replacement, yard clean-up, and vegetation management
- Higher precipitation levels have resulted in corresponding Canal closures which were managed effectively
- New navigation season was implemented successfully and will reduce long-run costs.
- Still working through significant Civil Services challenges to stand up permanent staff
- Transitional Service Agreement Exit Plans – 23 out of 42 have been exited to date and the remaining services are on track to exit in line with agreed plans.

6. **Next Meeting**

The Regular meeting of the Canal Corporation's Board of Directors will be held on September 26, 2017, at the **Clarence D. Rappleyea Building, White Plains, New York, at a time to be determined**, unless otherwise designated by the Chairman with the concurrence of the Trustees.

**Closing**

Upon motion made by Trustee Picente and seconded by Vice Chairman Nicandri, the meeting was adjourned at approximately 1:00 p.m.

*Karen Delince*

Karen Delince  
Corporate Secretary

July 25, 2017

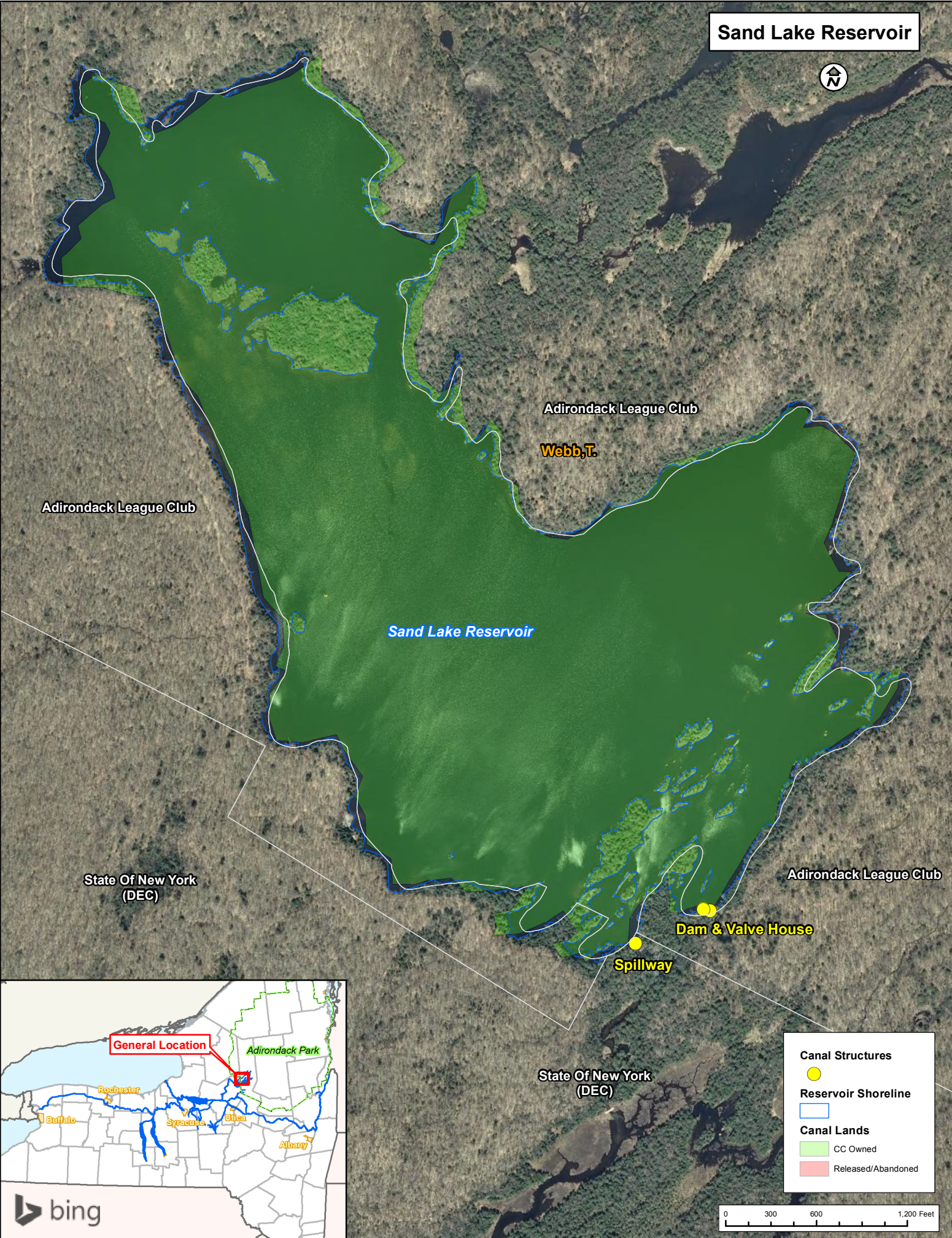
# **EXHIBITS**

## **For**

### **July 25, 2017**

### **Regular Meeting**

### **Minutes**



# Canachagala Reservoir



Spillway (Breached)

Adirondack League Club

Ohio, T.

Adirondack, League Club

Webb, T.

Canachagala Reservoir

Adirondack, League Club

Adirondack, League Club

Woodhull Tract

Adirondack League Club

Adirondack, League Club

Fixed Crest Dam (Breached)

## Canal Structures



## Reservoir Shoreline



## Canal Lands

CC Owned

Released/Abandoned

0 350 700 1,400 Feet

General Location

Adirondack Park

Rochester

Buffalo

Syracuse

Utica

Albany



Town of Waterford - City of Cohoes  
Albany - Saratoga Counties  
AC060001



Mohawk River

Clifton

Museum

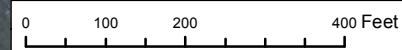
Saratoga (Rt. 4 & 32)

Subject Canal Parcel  
Approx. .07 Acres

Subject Canal Parcel  
Approx. .69 Acres

Waterford, T.

Cohoes, C.



- Canal Owned Lands
- Subject Canal Parcels

Shanahans

Oneida

787

New Cortland



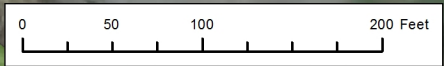
Subject Canal Parcel

Canal Lands

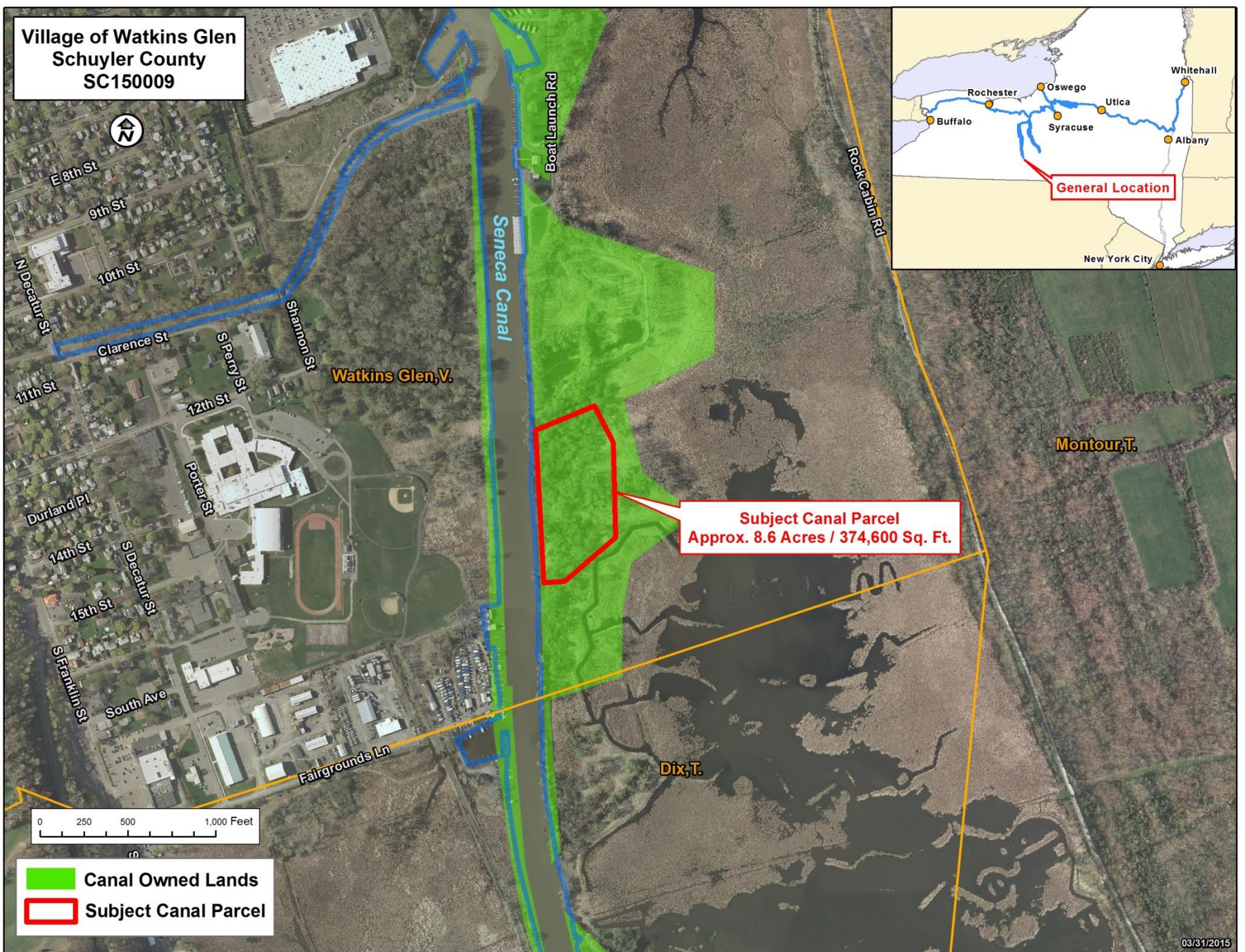
Canalway Trail

Existing

Proposed



Village of Watkins Glen  
Schuyler County  
SC150009



**Subject Canal Parcel**  
Approx. 8.6 Acres / 374,600 Sq. Ft.

0 250 500 1,000 Feet

 Canal Owned Lands  
 Subject Canal Parcel



Rochester, C.

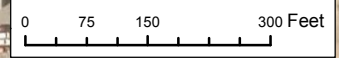
McKee Rd




Buffalo Rd

Gates, T.

Erie Canal

Subject Canal Parcel  
Approx. 1.468 Acres



-  Canal Owned Lands
-  Subject Canal Parcel
-  Canalway Trail





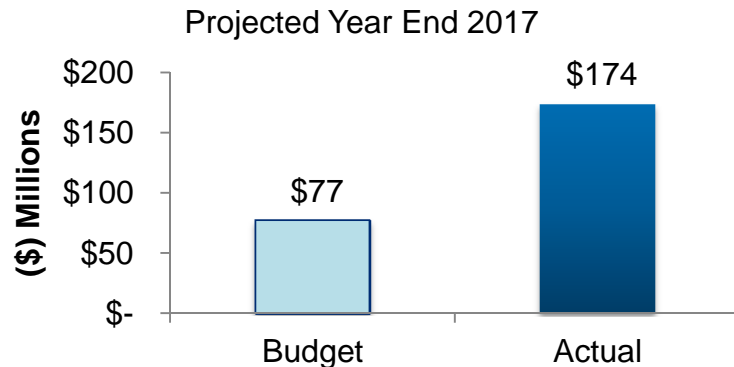
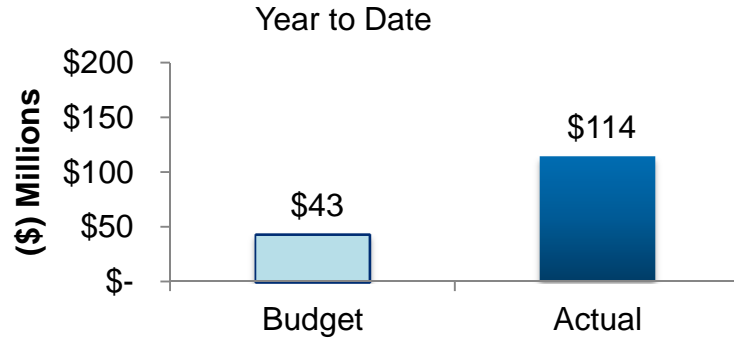
**NY Power  
Authority**

# Chief Financial Officer Report

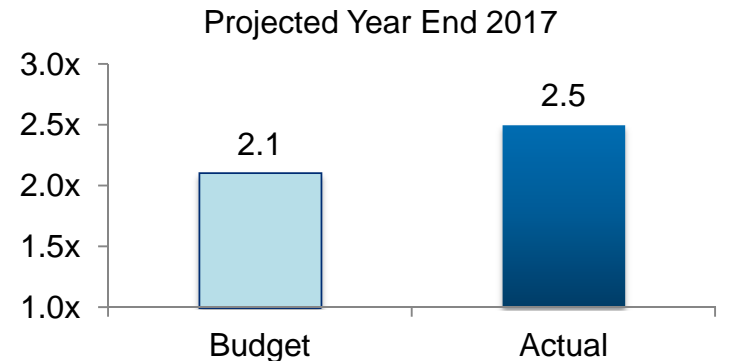
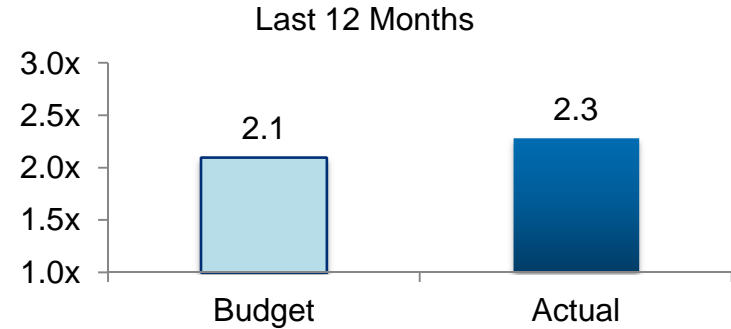
July 25, 2017

# Financial Results – Consolidated NYPA and Canals

## Net Income



## Fixed Charge Coverage Ratio





**NY Power  
Authority**

**Canal  
Corporation**

# Utility Operations Report

Joseph Kessler, Chief Operating Officer

# Summer Preparedness

- Utility Operations has evaluated PM activities, equipment status, outage schedules etc. and verified summer preparedness.
- Company-wide summer preparedness review session was held with key stakeholders.
- Review and update existing NYPA and NYS Canal Corp. emergency management plans and procedures to ensure a comprehensive emergency preparedness program (in progress).

# Canal Corporation Update

- YTD O&M spend is on target, whereas the Capital budget spend is underrunning, but expected to be on schedule this Fall
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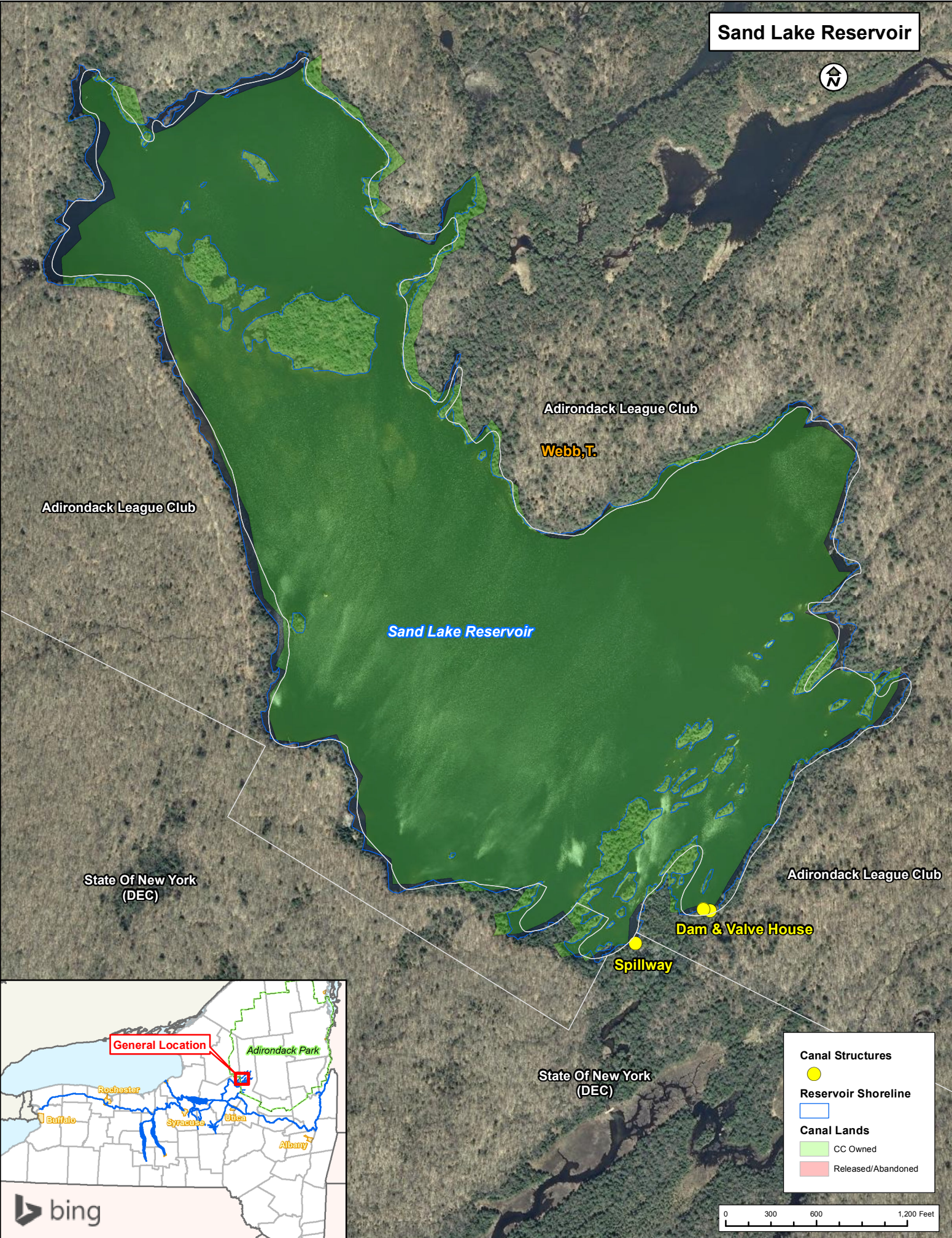
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**NY Power  
Authority**

**Canal  
Corporation**



Sand Lake Reservoir



Adirondack League Club

Webb, T.

Adirondack League Club

Sand Lake Reservoir

State Of New York  
(DEC)

Adirondack League Club

Dam & Valve House

Spillway

State Of New York  
(DEC)

Canal Structures



Reservoir Shoreline



Canal Lands

CC Owned

Released/Abandoned

General Location

Adirondack Park

Rochester

Buffalo

Syracuse

Utica

Albany



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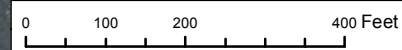
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E 8th St  
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10th St  
N Decatur St  
Clarence St  
11th St  
12th St  
Shannon St  
Watkins Glen, V.  
Durland Pl  
Porter St  
14th St  
15th St  
S Decatur St  
S Franklin St  
South Ave  
Fairgrounds Ln

Seneca Canal

Boat Launch Rd

Rock Cabin Rd

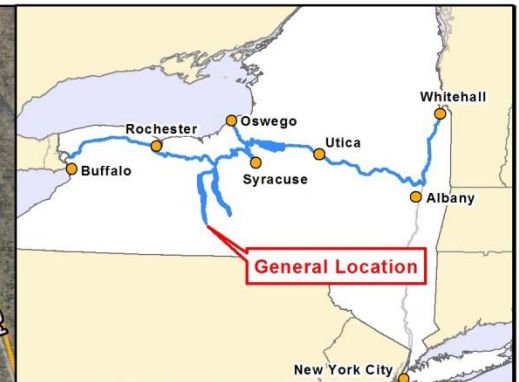
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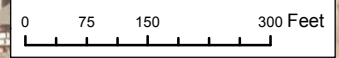
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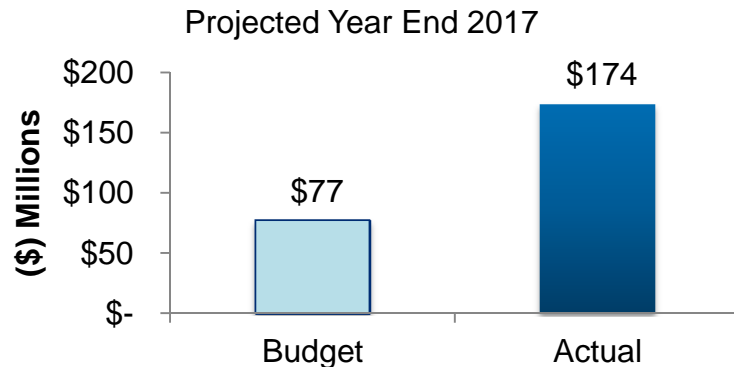
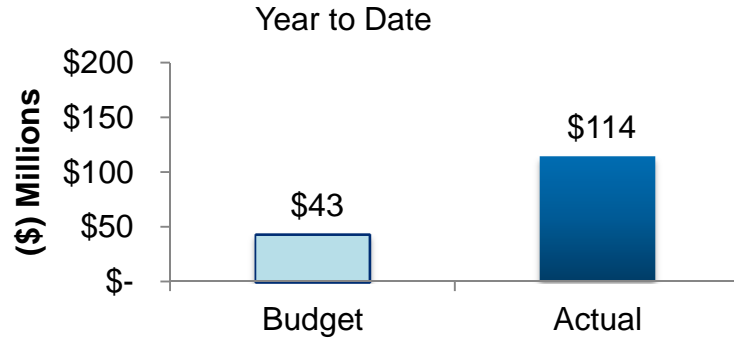
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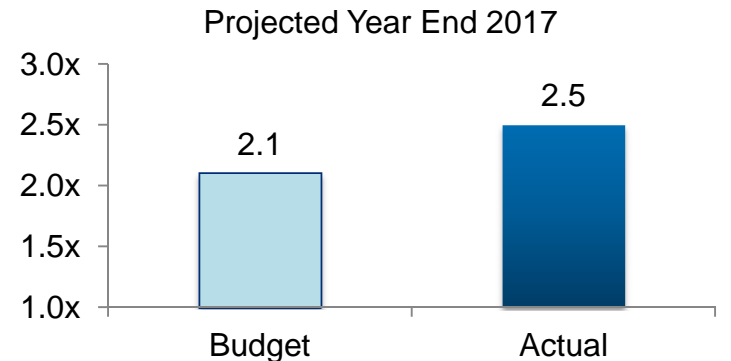
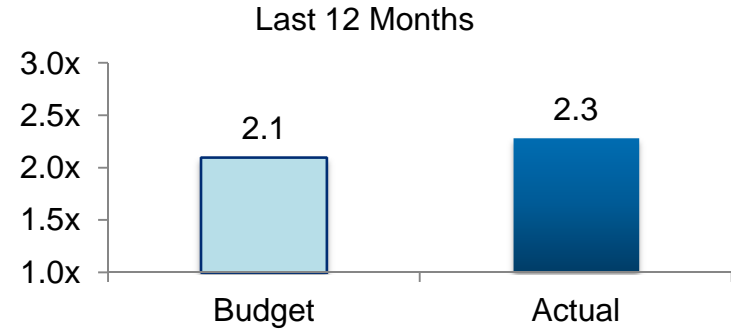
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