



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

**March 21, 2017**

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Minutes of the Annual Meeting of the New York State Canal Corporation held via video conference at the Clarence D. Rappleyea Building, 123 Main Street, White Plains, New York at approximately 9:40 a.m.

**Members of the Board present were:**

Eugene L. Nicandri, Vice Chairman  
Dr. Anne M. Kress, Trustee  
Anthony J. Picente, Jr., Trustee  
Tracy McKibben, Trustee

John R. Koelmel, Chairman - Excused

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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
Jennifer Sutton	Senior Vice President – Internal Audit
Kimberly Harriman	Senior Vice President – Public & Regulatory Affairs
Kristine Pizzo	Senior Vice President – Human Resources
Karen Delince	Vice President and Corporate Secretary
Thomas Concadoro	Vice President and Controller
Ruth Colón	Vice President – Enterprise Shared Services
John Canale	Vice President – Procurement
Keith Hayes	Vice President – Economic Development
Patricia Lombardi	Vice President – Project Management
Ethan Riegelhaupt	Vice President – Corporate Communications
Kenneth Carnes	Chief Information Security Officer - Cyber Security
Susan Craig	Director – Media Relations
Helen Eisenfeld	Director and Senior Advisor – Market Services & Business Controls
Brian McElroy	Treasurer
Brian Liu	Deputy Treasurer
Steven Gosset	Manager – Media Relations
Mary Cahill	Manager – Executive Office
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
John C. Callaghan	Deputy Director – NYS Canal Corporation
Jaiah Gottor	Manager – Network Services – Infrastructure
Joseph Rivera	Network Architect – Infrastructure
Glenn Martinez	Senior Network Analyst – Infrastructure

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Vice Chairman Nicandri presided over the meeting. Corporate Secretary Delince kept the Minutes.

**Introduction**

*Vice Chairman Nicandri said Chairman Koelmel is excused from attending and he would be acting as Chair for the meeting. He welcomed the Trustees and staff members who were present 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 March 21, 2017 Proposed Meeting Agenda**

Upon motion made by Trustee Kress and seconded by Trustee McKibben, the meeting Agenda was adopted.

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

*I move that the Authority and Canal Boards conduct an executive session to discuss the financial history of a particular corporation (pursuant to section §105f of New York Public Officers Law).* Upon motion made by Trustee Kress and seconded by Trustee McKibben, an Executive Session was held.

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 Kress, the meeting resumed in Open Session.

No votes were taken during the Executive Session.

**4. CONSENT AGENDA:**

Upon motion made by Trustee McKibben and seconded by Trustee Kress, the Consent Agenda was approved.

a. **Minutes of the Regular New York State  
Canal Corporation Board of Directors'  
Meeting held on January 31, 2017**

The Minutes of the Regular Meeting held on January 31, 2017 were unanimously adopted.



**b. Temporary Waiver of Tolls for Recreational Vessels for the 2017 Canal System Navigation Season**

The President and Chief Executive Officer submitted the following report:

**SUMMARY**

The Canal Corporation ('Corporation') Board of Directors ('Canal Board') is requested to approve a temporary waiver of tolls for Canal System lock and lift bridge passages for recreational vessels for the 2017 Canal System navigation season.

**BACKGROUND**

Part TT of Chapter 54 of the Laws of 2016 (i) provided for a transfer of responsibilities for the NYS Canal System from the New York State Thruway Authority to the New York Power Authority ('NYPA' or 'Authority'), and (ii) reconstituted the New York State Canal Corporation ('Corporation'), an independent public authority, as a NYPA subsidiary. The transfer was effective January 1, 2017.

The transfer will provide a unique opportunity to the State that will allow NYPA to (1) bring its expertise relating to engineering, project management, and water-based structures and business and tourism to Canal System assets and operations, (2) assess the Canal System's business model and purpose, and (3) promote the Canal System.

Canal Law §103(1) empowers the Corporation to establish and collect tolls for lock and lift bridge passage by vessels and use of locks and lift bridges. In accordance with this statutory provision, the Corporation has, in 21 NYCRR §150.2 of the Corporation's rules and regulations, established a schedule of tolls for recreational vessels ('Recreational Tolls'). The Recreational Tolls range from \$5.00 to \$100.00 depending on the nature of the pass (annual, unlimited 2-day, or unlimited 10-day) and the length of the vessel.

The Canal Board has on at least two prior occasions in 2006 and 2007 waived Recreational Tolls. In 2006, the Canal Board approved a waiver of Recreational Tolls for the 2006 navigation season to encourage an increase in the use of the Canal System by recreational boaters in connection with implementation of a new boating enhancement program offered with the NYS Office of Parks, Recreation, and Historic Reservation. Unprecedented and severe flooding negatively impacted the use of the Canal in 2006, prompting the Canal Board to extend the waiver of Recreational Tolls for the 2007 navigation season.

**DISCUSSION**

Staff recommends that the Board authorize a temporary waiver of Recreational Tolls for the Canal System for the 2017 navigation season.

This action would be one in a series of actions being taken by the Corporation and NYPA, as well as other stakeholders, to recognize and celebrate the Bicentennial Year of the commencement of construction of the Erie Canal.

The Corporation will sponsor six major Bicentennial events, from Waterford to Lockport, during the upcoming navigation season. These events will celebrate the Canal's historic role in the early growth of the United States, and in propelling New York into its role as a hub of international commerce. In addition, these events are intended to underscore the Canal's ongoing role in fostering the economic and cultural vitality of the communities along its length. The prospect of celebrating the Canal's Bicentennial was a major reason why Syracuse was selected to host the 2017 World Canal Conference that will take place over four days in mid-September.

Of note, Parks Canada is waiving recreational vessel tolls on all of Canada's historic canals for the 2017 navigation season, in celebration of Canada's 150<sup>th</sup> anniversary. The Canadian and New York canal systems are linked. A similar waiver of recreational tolls on the New York system could well promote increased Canada/U.S. boat traffic to the benefit of both systems.

In addition, a waiver is expected to generate useful data on the relationship between Recreational Tolls and Canal usage. Data collected for various navigation seasons between 1993 and 2008 suggests that the current structure of Recreational Tolls could have a negative impact on Canal usage by recreational boaters. However, this existing information is dated. A temporary waiver of Recreational Tolls for the 2017 navigation season, will provide fresh information that will allow management to better understand any relationship between Recreational Tolls and Canal System usage, and help support long-term planning, including resource allocation.

#### FISCAL INFORMATION

Staff estimates that a temporary waiver of Recreational Tolls for the 2017 navigation season could result in a reduction of revenue to the New York Canal System Development Fund ('Fund') into which Recreational Tolls, between \$175,000 and \$200,000, are deposited. Staff anticipates that this reduction would be mitigated by reductions in budgeted expenditures from Fund accounts and perhaps other revenues.

#### RECOMMENDATION

For the reasons stated, I recommend that the Canal Board of Directors approve a temporary waiver of tolls for the Canal System's lock and lift bridge passages for recreational vessels for the 2017 Canal System navigation season, by adoption of the resolution below. Kimberly A. Harriman, Senior Vice President of Public and Regulatory Affairs for NYPA, concurs in this recommendation."

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

**RESOLVED, That the Board of Directors hereby authorizes a temporary waiver of tolls for the Canal System lock and lift bridge passages for recreational vessels for the 2017 Canal System navigation season; and be it further**

**RESOLVED, That the Chair, the Vice Chair, the Director, and all officers of the Canal Corporation are, and each of them hereby is, authorized on behalf of the Canal Corporation to do any and all things, 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.**

5. **DISCUSSION AGENDA**

a. **Utility Operations Report - Canal Transfer**

Mr. Joseph Kessler provided an update of the Utility Operations' activities for the month of February.

**Canal Transfer**

- Canal transfer as it relates to Operations is progressing as planned. There are no significant post-transfer issues to date.
- The Day One meeting with Canal and NYPA senior staff was successful.  
The direction of the Canal Corporation with NYPA was discussed and well received by Canal staff.
- The 100-day plans for post-transfer work for all functional areas have been developed, are now in progress and are on schedule.
- Transitional Service Agreements (TSAs") - Five of 41 TSAs have been exited; the others are on schedule. Most of the TSAs are related to ongoing, nonrecurring projects that were initially with the Thruway Authority; the Authority is continuing with use of the Thruway Authority's resources to complete those projects.

6. **Next Meeting**

The Regular meeting of the Canal Corporation's Board of Directors will be held on **May 2, 2017, at the St. Lawrence Power Project, Massena, 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 McKibben and seconded by Trustee Kress, the meeting was adjourned at approximately 11:37 a.m.

*Karen Delince*

Karen Delince  
Corporate Secretary