

HOST COMMUNITIES

STANDING COMMITTEE MEETING MINUTES

Tuesday, June 3, 2014 – 12:00 p.m.

Niagara County Department of Economic Development

6311 Inducon Corporate Drive
Sanborn, New York 14132

Representatives Present:

Cynthia Bianco, Superintendent / Chairperson, HCSC
Chris Roser, Superintendent/Vice Chairperson, HCSC
Lou Paonessa
William L. Ross, Chairman, NC Legislature
Scott Hapeman, Superintendent
Jackie Siegmann
Dennis Brochey
Thomas O'Donnell, Esq.

Niagara Falls City School District
Lewiston Porter School District
New York Power Authority
Niagara County
Niagara Wheatfield School District
Town of Niagara
Town of Lewiston
City of Niagara Falls

Alternates/Guests:

Sherry Shepherd-Corulli
Thomas Burgasser, Esq.
Angelo Massaro, Esq.
Paul Kloosterman

City of Niagara Falls
Niagara County
Niagara Falls City School District
Town of Lewiston

Staff Present:

Mary Melloni, Recording Secretary
Stan Widger, Esq., NPC Counsel, Nixon Peabody
John Baird, Treasurer, NPC
Samuel M. Ferraro, Executive Director/Commissioner - Niagara County Center for Economic Development

1.0 Call to Order

Chairperson Bianco called the Host Communities Standing Committee meeting to order at 12:08 p.m.

2.0 Roll Call

Ms. Melloni called the roll.

3.0 Pledge of Allegiance

Chairperson Cynthia Bianco led the Pledge of Allegiance.

4.0 Introductions

Members/guests were introduced.

5.0 Approval of Meeting Minutes of March 25, 2014

Mr. Ross made a motion, seconded by Mr. Paonessa, to approve the meeting minutes of March 25, 2014.
Motion passed.

6.0 City of Niagara Falls

6.1 **Old Stone Chimney Relocation & Riverview Heritage Park Development – S. Shepherd-Corulli (Determined Consistent by NRCG on 5/20/14; Pending approval by City of Niagara Falls for funding in the amount of \$200,000)**

Ms. Corulli explained that the Old Stone Chimney is currently located in Porter Park where it is partially buried in an embankment of the Robert Moses Parkway. The City of Niagara Falls would like to relocate it to the former NYPA "Spoils Pile" where it will become the focal point of the proposed Riverview Heritage Park. The application seeks funding for manpower to move the Chimney and prepare the foundation site for it.

6.0 City of Niagara Falls (Continued...)

**6.1 Old Stone Chimney Relocation & Riverview Heritage Park Development – S. Shepherd-Corulli
(Determined Consistent by NRCG on 5/20/14; Pending approval by City of Niagara Falls for
funding in the amount of \$200,000)**

Mr. Widger explained that normally all approvals are met prior to the project being presented to the HCSC; however, the City is requesting that we approve this project pending approval of the City of Niagara Falls. He stated that the project meets all other procedural requirements.

Mr. O'Donnell made a motion to approve the project, contingent on approval of funding by the City Council of the City of Niagara Falls. Mr. Ross seconded the motion.

A roll call vote was taken.

| | |
|---------------------------------|-------------------|
| <i>Town of Lewiston</i> | <u><i>Yes</i></u> |
| <i>Town of Niagara</i> | <u><i>Yes</i></u> |
| <i>Lewiston Porter</i> | <u><i>Yes</i></u> |
| <i>City of Niagara Falls</i> | <u><i>Yes</i></u> |
| <i>Niagara-Wheatfield</i> | <u><i>Yes</i></u> |
| <i>Niagara County</i> | <u><i>Yes</i></u> |
| <i>New York Power Authority</i> | <u><i>Yes</i></u> |
| <i>Niagara Falls Schools</i> | <u><i>Yes</i></u> |

The resolution was thereupon approved.

7.0 Ad Hoc Committee Report – S. Widger

Chairperson Bianco explained that Mr. Widger will be making an initial presentation today on the status of the ad hoc committee regarding funding and related issues. Ms. Bianco thanked the committee for their work on these proposals. Today is an initial presentation and between now and the July 29th meeting we will ask you to review the proposals that are presented and provide your comments to Stan to discuss at the July meeting and then be prepared to make a decision in August.

Mr. Widger explained that some of the questions that led to the formation of the committee dealt with projects that had either been cancelled, delayed or changed in course after receiving approval by the HCSC. Over the course of time there are issues that may require modification of the Protocols. The Committee identified some of those areas. Mr. Widger provided a Recommendations document, as well as a set of proposed amendments. *(These documents will be attached hereto and made a part hereof these minutes.)*

One area identified is a situation where projects are cancelled or delayed to the point where they are not going to be implemented beyond the one-year requirement to return funding. The specifics for this are not clear in the existing Protocols. This is addressed in the "Recommendations" document, i.e. at what point is a project considered abandoned, how do you handle the return of funding, etc. The Committee also addressed the intent to insure a greater focus on the capital aspects of projects; to insure that operation and maintenance is secondary aspect of a project. It is permissible but not the focus of projects that come before the HCSC. Other questions had to do with monitoring projects. The HCSC does its best to insure through submission of regular reporting documents that are required, auditing process and general exchange of knowledge it is possible to know if projects are ongoing or if there are obstacles to continuing the project. However, as more projects are approved the issue of monitoring requires more attention and that is strengthened in the "Recommendations" document. The final piece of monitoring and auditing is that if the burden of doing that does not appear to be manageable, the option that has been available is having the cost of monitoring rolled into projects costs or be the responsibility of a sponsor. Mr. Widger explained that because projects are quite different in their nature and the types of funding that are employed are different, it is a situation where one approach does not fit all.

7.0 Ad Hoc Committee Report – S. Widger

Mr. Widger stated that he would like comments forwarded to him to discuss at the next meeting. Then another meeting could be held to vote on the recommended changes.

Mr. Widger reviewed each item of recommended changes to the Protocol:

1. **Page 2** – is simply a housekeeping matter regarding the fiscal year
2. Meetings – page 2: Since the Niagara Power Coalition has a website and the HCSC has been incorporated into that, it was thought it would be appropriate to make that change rather than having NYPA update their website.
3. **Page 3** – Meetings: proposed change regarding emergency absence of members; committee prefers to do things by consensus, but there may be certain situations (late arriving personal emergencies) and therefore there should be a temporary second alternate.
4. **Committee Procedures**...where there is no emergency and member is not present ... that absence will not present reaching consensus.
5. Moved Finance Committee moved to Page 5 to be consistent. **Subcommittee on Project Monitoring** is a recommendation of the ad hoc committee to deal with situations reviewed earlier. They would review reports by project sponsors and if necessary follow up on anything in those reports that may implicate concerns about project continuation, etc. This committee could also assist the HCSC in dealing with questions about individual projects or policies that affect projects. It would be helpful to have this committee meet at least twice a year or if the workload were greater, meet more often.
6. **Other approvals:** This deals with cases where there is an obligation to obtain all necessary approvals. No funding would be provided unless all approvals are received.
7. **Page 10:** Release of Funds...this is intended to provide a mechanism to enhance the existing provision that within 30 days of being approved funding can be provided. Committee was concerned that spending at times begins before construction. It is suggested that certification be received that construction or meaningful activity has begun.
8. **Page 11:** Clarification of operating and maintenance expenses. It is necessary to emphasize the importance of making a greater effort to insure that there is the most capital bang for the buck and that O & M expenses are permissible under the Protocol, as well as under the 2005 Settlement agreement. Also if the sponsor has expenditures prior to the project determination that those costs are not necessarily excluded, but there should be a compelling reason for them.
9. **Reporting Requirements:** All reports shall include certification by the project sponsor that all expenditures are compliant with the requirements that apply to them, including the Protocol.
10. **Page 12:** Treatment of Canceled, Abandoned or Delayed Projects...after a project has received approval, if something occurs that would “terminate” it, then it is incumbent on the sponsor to notify the committee of that circumstance and to return unexpended funds and mitigate what costs may have been incurred. If nothing has happened on a project for a specific period of time (i.e. 12 months), those projects would be deemed to be abandoned or otherwise terminated. The sponsor can rebut that assumption, but if they do nothing that project will be considered gone and subject to the same refunding as other projects abandoned. These are the type of issues that the subcommittee could handle.
11. The **Protocol** still controls and is the principal document that needs to be looked to in terms of process and procedures.

8.0 Niagara River Greenway Commission

8.1 Minutes of May 20, 2014 NRG Meeting (*Informational Only*)

9.0 Adjournment

Mr. Ross made a motion, seconded by Mr. Roser, to adjourn the meeting. Meeting adjourned at 1:43 p.m.

Respectfully submitted,

Mary P. Melloni
Recording Secretary