

Upper Delaware Council
OPERATIONS COMMITTEE MEETING MINUTES
Feb. 24, 2009

Committee Members Present: Fluhr, Roeder, Bowers, Richardson, Wieland, Niflot, Shafer
Partner: Martinez-NPS
Staff: Douglass, Soete, Coney, Ramie
Guests: F. Peckham; D. Keesler

The committee chairperson George J. Fluhr called the meeting to order at 6:30 p.m. A motion by Bowers seconded by Wieland to approve the Jan. 27 meeting minutes was carried. There was no public comment on the agenda.

PR/Fund Raising Specialist's Report: Ramie reviewed her written report handed out. The UDC's awards ceremony has been confirmed for April 19 at Central House in Beach Lake, PA. She is still in the process of scheduling the keynote speaker. A news release has been issued about the UDC seeking award nominations. The nomination deadline is March 16. The awards subcommittee will meet March 24 to review the nominations and select honorees. A news release will be issued announcing the honorees.

The paperwork for NYS grant M080103 has been completed and sent to the State including a voucher for 25% advance monies (\$18,750). The contract runs from January to August 2009. The towns have already selected their projects.

Ramie is working on the UDC's spring/summer newsletter. This will be a 12-page issue since we're under a reduced schedule for the newsletter. This newsletter should be distributed on April 1.

Fluhr read a letter from the Upper Delaware Scenic Byway Chairperson, Larry Richardson, offering thanks to the UDC for its staff and facilities support along with a donation from the Byway of \$2,750.

Executive Director's Report: Douglass reviewed his written report that involved tasks for the year. The fiscal year 2008 annual report is now completed. The awards ceremony is next. Regarding the fiscal year 2010 budget timeframe, it has been changed from July to June to present to the committee based on committee direction.

Douglass mentioned that CARI (Communities Against Regional Interconnect) has been meeting with county members and non-members to review its work plans and funding needs. Donations have been coming in from the counties and some local municipalities along the proposed power line route. PA Representative Sandy Major has also shown an interest in what CARI has been doing.

Douglass said he and Troy Bystrom of CARI attended a meeting in Otsego County sponsored by NYS Senator Seward. It was a good meeting. CARI does not want the power line. They have responded to the NYS Public Service Commission's request to all interested parties regarding alternative routes for the line. The NYS PSC has said the NYS Thruway is not a viable alternative route give the timeframe that would be involved with all the environmental studies not to mention re-doing all the studies again that NYRI has already completed. The Marcy-South route is still on the table so far. Douglass said CARI is concerned that if the project goes to the federal level, the power of eminent domain might come into play with the NYRI project.

However, with the U.S. Court of Appeals for the 4th Circuit court case ruling that FERC's interpretation of its powers under the Energy Policy Act was not what they thought, and that if the state denies the project the feds could not step in and approve it, will prove interesting as to the future of this project.

Fluhr mentioned the issue he discussed at the Water Use/Resource Management Committee meeting. Maybe it was time to send a letter to the new Secretary of the Interior to apprise him of the status with the proposed power line and remind him that under the *River Management Plan* for the Upper Delaware Scenic and Recreational River, a power line of this size is a non-compatible use. Fluhr felt that Interior and Commerce would be at odds with this project. The real threat would be a federal agency approving the power line. He also wanted a letter on record at the federal level since the UDC is mandated to protect and conserve the Upper Delaware River. If the proposed power line project gets to FERC, this could cause a problem for the new Administration. Martinez said Hamilton had brought this message to

him from the WU/RM committee meeting as requested by the committee. Martinez felt the letter had merit and it wouldn't hurt to flag the matter again, especially coming from a partner organization.

A motion by Bowers seconded by Wieland to send a letter was made. Wieland also wanted the gas drilling situation included. The committee consensus was to address that matter separately. Wieland withdrew his second. Richardson then seconded the motion. Bowers mentioned that he wanted to know if the Wild and Scenic Rivers Act means anything for the protection of rivers. Fluhr asked the committee to provide Soete with input regarding the draft letter. The draft letter would be handed out at the UDC meeting so the committee could review it before the next Operations Committee meeting. A vote on the motion was carried.

Old Business

UDC FY09 partial funding received: Coney reported that thanks to Martinez and others at the NPS-Upper Delaware, the Council's partial funding for fiscal year 2009 was shaken loose and received by the Council on Feb. 11. Paperwork is being done now to garner the balance of the funds. Martinez explained that a new staff member at NPS-Philadelphia has been assigned to handle the UDC funding requests. Part of the delay was the rules for procedures covering cooperative agreements were changed and additionally, existing agreements had to go through another review process. Also, the appropriations bill is still under a congressionally-imposed continuing resolution; therefore, only partial funding is allowed. He felt that monies will be released on a quarterly basis for the balance of the funds due the Council and others. The current Administration doesn't want to pass the appropriations that originated in the former administration until a review is made.

Martinez said he realized that the Council has had a flat budget since its inception over 20 years ago as an organization, but at least the federal funding commitment has been made. The Council has not received any funds, as provided for in the River Management Plan, from the budgets of the State of New York and the Commonwealth of Pennsylvania. He appreciated that grant funds from the NYS Senate have made their way to the Council. Martinez said he'll be attending a meeting in Edison next Tuesday on budgets and he'll put UDC on the front burner and try and get it a higher priority level. Richardson commented that most people don't know what good the UDC does and we need to let the general public know what we do and why and that the organization is an important entity.

UDC Auditor response, anticipation loan pending federal funding: Coney reviewed the handout she provided to the committee based on her discussion with the UDC auditor relative to obtaining an anticipation loan from a bank to continue operations until federal funds were received, given the delays being encountered. Fluhr asked Martinez to show the report at the meeting he's attending on budgets. Basically, the auditor's opinion for fiscal year 2009 would be that staff lay-offs would be necessary if operational funds were depleted before federal funding was received since no money was budgeted for interest payments on a loan in the current budget. Most likely the feds would not approve a UDC budget amendment for this fiscal just to pay interest. For fiscal year 2010, however, the Council would need to budget unrestricted funds to pay interest on any anticipation loan it might have to obtain if it looked like federal funding was going to be delayed. The committee was informed that prior to receiving the partial federal funding, there was about 1.5 to 2 months worth of operating funds left.

New Business

Summary of pending bills / financial statements: The committee reviewed the summary of pending bills. A motion by Wieland seconded by Bowers to approve the bills for payment was carried. The financial statements for period ended Jan. 31 were provided for review.

NYS Senator Bonacic's Feb. 18 letter, grant funding frozen by Governor: The committee was provided with copy of a Feb. 18 letter the Council received from NYS Senator John Bonacic. The letter stated in part, "...last year the Legislature appropriated funding for the Upper Delaware Council in the amount of \$75,000. Governor Paterson has essentially frozen any and all State spending he and his administration deem unnecessary. I strongly encourage you to consult with the State Agency administering this grant to confirm it is secure before any funds are expended against it."

Ramie reported that she did contact the State agency as suggested and was informed that the Senate Finance Committee has no "hold" on this particular grant. If the grant funds were not expended in this fiscal by Sept. 15, they would have to be re-appropriated by the state. Then the freeze might come into play. However, for now the UDC grant appears okay, but the State agency has to approve the contract and the Council is awaiting its reply. The committee wished that a letter be issued to Bonacic thanking him for making the Council aware of the situation.

Other: Douglass announced that the next Delaware River Basin Commission meeting will be held March 11 and he plans on attending. The wife of Lew Schmalzle, Clara, passed away at 85 on Feb. 11. Lew was a long-time member of the Council who predeceased her. Clara came to many functions sponsored by the Council. The pair was married for over 60 years. Condolences were offered to the family.

NPS Report: Martinez announced that NPS-Upper Delaware would be having a Core Operations Analysis workshop on April 1 and UDC would be included. NPS will be reviewed for mission related tasks. They'll most likely look at UDC's role too. Martinez invited all UDC staff and Chairperson to the April 1 facilitated workshop. He will provide the Council with further information once it has been finalized. The Core Analysis is a management tool to look at if you're working beyond your needs and has the benefit of analyzing what we do, what should we be doing, and how to accomplish what we should be doing.

Public Comment None

Adjourn A motion by Bowers seconded by Richardson to adjourn the meeting at 7:34 p.m. was carried.

Carol Coney, Office Manager