



**Minutes
Quarterly Meeting
Wednesday, June 5th, 2019
10:00 am**

**Hudson River Foundation
17 Battery Place
Suite 915
New York, NY 10004**

Please note: All voting items are indicated by an *

1. Call to order and Roll Call

Commissioners in Attendance:

John Scagnelli (Chair, New Jersey), Loel Muetter (New Jersey, via phone), Bruce Friedman (New Jersey, via phone), Robert Elburn (New York), Judith Baron (New York, via phone), John Atkin (Connecticut, via phone), Denise Ruzicka (Connecticut, via phone), Pamela Scully (Connecticut, via phone), Patricia Sesto (Connecticut, via phone), David Wrinn (Connecticut, via phone)

Also Present: Evelyn Powers (IEC Staff), Aimee Boucher (EPA Region 2), Lauren LaRusso (New Jersey Governor's Authorities Unit), Philip DeGaetano (NY-NJ HEP Water Quality Workgroup)

A quorum was not present.

2. Approval of minutes from the March 6th, 2019 Annual Meeting (Appendix A) *

The minutes from the March 6th, 2019 annual meeting could not be approved at the meeting due to a lack of quorum. No one present opposed the minutes.

3. Approval of minutes from the May 9th, 2019 Special Meeting (Appendix B) *

The minutes from the March 9th, 2019 special meeting could not be approved at the June 2019 meeting due to a lack of quorum. No one present opposed the minutes

4. IEC Finances and Current Grant Funds Update

a. Balance Sheet (Appendix D)

Ms. Powers reviewed the Balance Sheet (Appendix D), as well as the Profit and Loss Statement (Appendix E) and Open Grants (Appendix F) open grants reports developed by MBSATA, IEC's accounting firm. Ms. Powers explained the format of financials is somewhat different than previous financial updates presented as they are now being produced by an accounting firm and are formatted more like traditional financial statements. The Balance Sheet (Appendix D) gives a snapshot of accounts as of May 9th and replaces the "Treasurer's Report" previously prepared and distributed. The Balance sheet takes into account not only the balances in the Chase checking and savings account, but the assets in open grants.

b. Profit and Loss Statement and Open Grants (Appendices E and F)

Each open grant is itemized in the “Open Grants” report (Appendix E). The Profit and Loss statement (Appendix F) itemizes each line item expenditure in FY19 to date. Ms. Powers explained that although the format of the financial reports has been modified, they contain more detail than the previous reports. Ms. Powers explained that due to the timing of receipt of the financial reports from the accountant, the reports had not been reviewed by John Atkin, Treasurer prior to distribution to the full Commission. Commissioner Atkin indicated that the format of the reports was appropriate.

c. FY19 Grant Funding Update

- CWA§106 FY19 Funding
- LISS FY19 Base Program Funding
- LISS FY19 Enhancement Funding
- Connecticut Fund for the Environment/Save the Sound Funding
- USGS-Federal Urban Waters partnership

Ms. Powers reviewed the current and pending grant funding. IEC has received workplan approval for its CWA Section 106 FY19 award and is awaiting the award letter and release of funding. The CWA Section 106 FY19 award totals \$903,000, including \$175,000 of re-allocated funding which was returned to EPA Region 2 from Puerto Rico. \$100,000 of the \$175,000 in re-allocated funding can be used to facilitate IEC’s facility move, specifically to procure furniture and supplies related to building out the space. The Long Island Sound Study Management Committee has also approved a total of \$220,303 in funding for IEC for FY19. This funding includes \$181,000 to continue IEC’s monitoring program in western Long Island Sound, and \$39,000 to procure a TOC analyzer to enable IEC to perform in-house analysis of dissolved organic carbon. IEC also continues its partnership with Save the Sound and the Unified Water Study to perform embayment monitoring in Little Neck Bay and Manhasset Bay. Commissioner Scagnelli asked for more description on this projects. Ms. Powers explained that the Unified (UWS) Water Study is an effort coordinated by Save the Sound/Connecticut Fund for the Environment to tailor a monitoring program for Long Island Sound embayments. The study utilizes consistent protocols and schedules to monitor and now includes about 20 groups monitoring over 30 embayments. The monitoring runs May through October. In addition to performing monitoring, IEC is performing chlorophyll a and nutrient analyses on samples collected groups participating in the study. IEC began participation in the UWS in 2017, monitoring one embayment with about \$15,000 in funding. Funding for 2019-2020 monitoring and analytical services combined is estimated at \$188,000. Ms. Powers indicated she would distribute additional information regarding the study to Commissioners. IEC is also partnering with USGS to perform some pathogen analyses on samples collected from the Harlem River Harlem River. This monitoring is funded through the Federal Urban Waters Partnership and is estimated to be \$3,000-\$5,000 initially. Commissioner Baron also raised the issue of the USACE New York-New Jersey Harbor and Tributary (NY-NJ HATS) storm surge mitigation alternatives and the approach that was used by the USACE to select alternatives and solicit comments and feedback. The USACE NY-NJ HATS plan involved six alternatives to mitigate storm surges in the Harbor, ranging from natural shoreline measures to alternatives that involve storm gates at various points and various sizes in the Harbor. The USACE intends to select one-two alternatives based on an analysis on economic benefits and only then do a full environmental impact study. IEC wrote a comment later in November 2019 echoing many of the concerns of other regional

environmental groups and offering to assist with the process by providing access to any IEC data that would be relevant. Ms. Powers indicated she would email to all Commissioners additional information regarding the NY-NJ HATS project as well as IEC's comment letter.

d. Appropriations Update

Ms. Powers updated the Commission on annual appropriations from the States. Most recently, NYS appropriated \$41,600 to IEC in its SFY 19-20 budget and Ms. Powers has invoiced the New York State for that amount. New Jersey appropriations remain at \$15,000 for SFY 18-19 and Connecticut at \$3,300. Commissioner Baron indicated she would work toward increasing New York State's appropriation and urged New Jersey and Connecticut Commissioners to do the same. Commissioner Scagnelli commented on the invoice letter to New York State, which included a one-page document summarizing IEC's activities in New York State in 2018. Commissioner Scagnelli asked whether these summaries are prepared for New Jersey and Connecticut and Ms. Powers replied that they are, and that they are updated annually and included with invoices for state dues as well as in the annual financial report that is distributed to Legislators and Governors.

5. IEC FY2020 Budget *

a. FY2019 Budget Update (Appendix G)

Ms. Powers summarized the FY2019 Budget Update (Appendix G), which compares the budgeted line items vs. actual expenditures for the FY19 to date (October 1, 2018 through March 31st, 2019). Overall, in the first half of the year, IEC has expended 31% of its annual budget, which is comprised of federal grants and private funding (Save the Sound/Connecticut Fund for the Environment). Certain line items that were over budget are primarily due with some variations in the way the accountant classifies items vs. the way they are classified in grant budgets or are relatively small expenses, which, when portrayed as a percentage of total budget, appear way over budget. Pamela Scully recommended that notes be included on the budget update and in future budget updates to clarify and explain any significant deviations from the budget.

b. Proposed FY2020 Budget (Appendix H)

Ms. Powers reviewed the proposed FY2020 Budget. The FY2020 budget, as with previous budgets, is comprised of federal and private grant funds. State appropriations are being used to bolster reserves and not currently used to fund operating expenses. The budget was developed by using the actual expenditures from October 1st 2018 through March 31st, 2019 to estimate available carryover funds remaining on October 1st, 2019, then adding in additional funding awarded or anticipated. The total anticipated available funding as of October 1, 2019, is estimated to be \$1,671,403. Total FY2020 Budget is proposed at \$1,211,172. Robert Elburn inquired about the Commission's federal indirect rate, which has been provisionally approved by EPA headquarters at 67.1%. The indirect rate is a key component of the budget, as it funds IEC's overhead expenses, including rent and utilities, but can be applied only to direct personnel wages and salaries. That means that IEC must expend the full personnel budget to be eligible to charge the full indirect charges. Ms. Powers had a meeting specifically regarding indirect rates

with EPA Region 2 in March and discussed moving certain expenses, specifically a portion of the rent attributable to the laboratory and direct costs of performing workplan tasks, to the direct pool rather than the indirect pool. There was no opposition to the FY20 proposed budget by anyone in attendance at the meeting but, as there was no quorum, the meeting was continued to enable the recording of Commissioner Trentman's vote. No one present opposed the proposed FY2020 budget.

6. Laboratory/Office Space Search

a. Discussion of Current Proposals/Options (Appendix I)

b. Next Steps

Chair Scagnelli updated the current state of the search for new office/laboratory facilities. Facilities that have been identified for consideration include BioBat, in Brooklyn, and the Falchi Building, in Long Island City. Although the BioBat facility is less expensive, the Falchi Building proposal included an attractive tenant improvement "buildout" allowance of \$90/square foot, while the most current BioBat proposal includes no such allowance and estimates for buildout ranged from \$288,000 to \$359,000. Ms. Powers is preparing a detailed cost analysis based on the cost analysis prepared by the broker, CBRE. The broker's cost analysis is based on cost per square footage. Ms. Powers is preparing a budget analysis taking IEC's current budget, assuming a 0% increase in that budget over the term of each proposed facility lease (Falchi vs. BioBat), and presenting the rent and operating expenses as a percentage of the Commission's annual budget. Ms. Powers reviewed the reasons behind the search for new space, citing the need for more space for personnel and equipment and to accept work that is currently being turned away. Chair Scagnelli emphasized that any lease would be reviewed by an attorney and the process would be transparent and decided by the full Commission. Commissioner Scagnelli also indicated he plans to visit both facilities.

7. Director's Report

a. Project Highlights and Updates:

- CFE/STS monitoring
- Long Island Sound Monitoring
- Coordinated Volunteer Pathogen Monitoring Program
- Harbor and Tributary pathogen monitoring
- Inspections
- Proficiencies
- NYSDOH ELAP Laboratory Audit 7/16-7/18

Ms. Powers outlined projects that the staff is currently working on. Staff has already begun the Unified Water Study embayment monitoring, described above, with the first surveys being completed on May 16th. Weekly monitoring in western Long Island Sound monitoring will begin on June 26th. IEC has also begun its third season coordinating a volunteer pathogen monitoring program. This year, two groups are participating in the program: The Freshkills Alliance, based on Staten Island, and the Lower Raritan Watershed Partnership, based in New Jersey. Groups

are performing pathogen sampling according to an EPA approved QAPP and transporting samples to the IEC laboratory for fecal coliform and *enterococcus* analyses. In addition to the USGS Bronx River sampling in conjunction with the Federal Urban Waters Partnership, IEC may be performing monitoring along the Harlem River and Hudson River in conjunction with USGS, EPA and the Hudson River Park Trust to assess near-shore and mid-channel variations in pathogen concentrations. A QAPP for this work is under development. Staff are also scheduled to complete 12 inspections at industrial facilities in Connecticut to assess compliance with SPDES permits. The laboratory also continues to perform proficiencies and audits required to maintain its ELAP, ELCP and NELAP certifications. A NYSDOH ELAP on-site assessment is scheduled for July 16-18.

b. Other meetings and project/grant updates

- Continuous Monitoring
- EPA 106 FY2020 workplan
- Technical Advisory Committee meeting
- Partner Management and Workgroup Meetings

IEC and NY-NJ HEP have begun discussing continuous monitoring in the Harbor, specifically discussing the creation of a continuous monitoring subcommittee comprising members of both the HEP water quality workgroup and IEC's Shared Waterways Monitoring Workgroup. IEC has funds available in its FY18 and FY19 106 grant to support and expand continuous monitoring, and it has also been identified as a priority monitoring recommendation in HEP's recently released Environmental Monitoring Plan. By working together with HEP, we can ensure that these funds are used in a way that strategically increases continuous monitoring and reduces monitoring gaps. IEC also must submit an FY20 106 grant application by September 30th, 2019. IEC also continues to hold workgroup meetings, including the Shared Waterways Monitoring Workgroup meeting on March 19th and participate in partner committees and workgroups, including the LISS Management Committee, HEP Management Committee, and New Jersey Water Quality Monitoring Council.

c. Staffing

IEC had one reduction in staff. Jessica Haley resigned from IEC effective May 31st due to personal issues. Ms. Powers is exploring filling this vacancy with an intern. Ms. Powers is also drafting a description for a communications intern that can help launch a social media presence for the Commission, act as a liaison with our website contractor to write and develop website updates, assist with the 2019 annual report, state summaries and additional communication and outreach activities as necessary. IEC will need to produce a more comprehensive annual report 2019. Currently IEC has been distributing the two-page summary of activities as well as a one-page financial summary to meet the compact obligations of distributing an annual financial report to the legislatures and governors by January 24th. Ms. Powers acknowledged that IEC does have a staffing shortage, and that any staff turnover impacts IEC greatly because of the small staff size. Ms. Powers explained that it may be prudent to hold off on hiring any permanent, full-time staff until more information about the potential move and timeline for the move is known. A more desirable location may attract higher quality applicants.

8. Old Business

a. Commissioner vacancies

IEC is hoping that two vacancies in New York State will be filled shortly. Phil DeGaetano and Jeffrey Myers have been nominated by Governor Cuomo but must be confirmed by the New York State Senate. The current legislative session in New York ends June 20th.

9. New Business

10. Upcoming Meetings

- July EC call TBD
- August EC call TBD
- Wednesday, September 4th, 2019
- Wednesday, December 4th, 2019
- Wednesday, March 4th, 2020
- Wednesday, June 3rd, 2020

12. Adjourn

Chair Scagnelli called for a motion to continue the meeting until such time as Commissioner Trentman's vote could be obtained regarding the March meeting minute, the May special meeting minutes and the FY2020 proposed budget. Robert Elburn moved the motion and Commissioner Sesto seconded the motion. The meeting was continued.

APPENDICES:

- A- March 6th 2019 Annual Meeting Minutes
- B-May 9th 2019 Special Meeting Minutes
- C-Executive Committee Meeting Summaries
- D-Balance Sheet
- E- Profit and Loss Statement
- F-Open Grants Sheet
- G-FY19 Budget Update
- H-Proposed FY2020 Budget
- I-Current Space Proposals
- J-EPA Progress Report October 1st, 2018 through March 31st, 2019