



MINUTES
Quarterly Meeting
Wednesday, September 4th, 2019
10:30 am

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

Call-in number: 866-873-0727

Please note: All voting items are indicated by an *

1. Call to order and Roll Call

Members present:

John Scagnelli (Chair, New Jersey), Bruce Friedman (NJDEP), Loel Muetter (NJDOH), Pamela Scully (CTDPH), Patricia Sesto (CT Vice-Chair), David Wrinn (CT AG), Philip Trowbridge (CTDEEP), Robert Elburn (NY-Vice Chair), Philip DeGaetano (NY), Jeffrey Myers (NY), Judith Baron (NY), Evelyn Powers (IEC), Lauren Nathan-LaRusso (NJ GAU), Aimee Boucher (EPA).

A quorum was present.

a. Ms. Powers introduced new Commissioners. Philip DeGaetano and Jeffrey Myers were confirmed as IEC Commissioners by the New York State Senate on June 20th, 2019. Philip Trowbridge is the new statutory representative from the CTDEEP as Denise Ruzicka is retiring effective October 1st, 2019.

2. Approval of minutes from the June 5th, 2019 Quarterly Meeting (Appendix A) *

a. July Executive Meeting Summary (Appendix B)

Chair Scagnelli presented the minutes from the June 5th, 2019 quarterly meeting (Appendix A), and made a motion to approve the minutes, which was seconded by Commissioner Sesto. With no one opposed, the minutes from the June 5th, 2019 quarterly meeting were approved.

3. IEC Finances and Current Grant Funds Update

Ms. Powers presented the Balance Sheet (Appendix C), Profit and Loss Statement (Appendix D) and Open Grants statement (Appendix E). The Balance Sheet (Appendix C) is a summary of the total available funds available as of August 15th, 2019, including the Chase Checking and Savings accounts and available grants. Total bank funds totaled \$607,309.31 and total available grant balances (as reflected in Appendix E) totaled \$607,421.42. The Profit and Loss statement (Appendix D) itemizes the income and expenses during the period October 1, 2018-August 15, 2019. Expenses are broken down by direct expenses (direct costs of grant activities that are reflected in grant itemized budgets) and indirect (overhead) expenses. Chair Scagnelli inquired about the Professional Services line item in the direct expenses. Ms. Powers explained that

professional services, as a direct line item refers to services such as the boat charter and some subcontracted analyses. There is also a professional services line item in the indirect category, which refers to more administrative services such as website maintenance and legal fees. Ms. Powers reviewed existing and pending sources of FY 19 funding. IEC's EPA CWA §106 FY19 assistance agreement in the amount of \$903,000 was awarded on August 21st, 2019. IEC's Long Island Sound FY19 base budget and enhancement funding, totaling \$220,303 was awarded and will be available as of 10/1/2019. IEC is currently performing monitoring and analytical work as part of the Unified Water Study coordinated and funded through Connecticut Fund for the Environment/Save the Sound with funding totaling up to \$188,000. In addition, IEC is partnering on a small grant awarded to USGS by the Federal Urban Waters Partnership completing pathogen analyses for samples collected along the Bronx River. Funding for this project is estimated between \$3,500 and \$5,000.

My Powers reviewed the FY2019 Budget Update (Appendix F), which pools all available grant funds and gives a picture of where IEC is in regards to its FFY19 budget. IEC does not utilize appropriations or reserves in its current operating budget, only grant funds. Total expenditures across all grants, including direct and indirect (overhead) costs through August 15th, 2019 was \$484,649 or 42% of IEC's approved FY19 budget. This is primarily due to under-staffing. Line items that were over budget, such as direct professional services, included items that likely are more appropriately allocated to contractual, Miscellaneous (repairs and maintenance) or supplies. Ms. Powers is working with the accountant to make sure items are classified appropriately and in a manner consistent with our grant budgets.

Ms. Powers gave an update on state appropriations. New York State appropriated \$41,600 in its SFY19-20 budget, which has been invoiced but not yet received. New Jersey's SFY 18-19 appropriation of \$15,000 was received, as was Connecticut's SFY 18-19 appropriation of \$3,333. Ms. Powers emphasized the importance of Commissioners working to increase state appropriations at least to the level required to meet the non-federal "level of effort" or match requirement of \$214,051 necessary to apply and receive Section 106 funding annually. Currently this match is provided through in-kind project match by New York State and the Town of Greenwich. To meet the match in a manner consistent with the formula in the Tri-State compact, New York and New Jersey would appropriate a minimum of \$96,323 each and Connecticut would appropriate \$21,405.

There was some discussion regarding the annual report. IEC historically prepared an annual report which was a comprehensive and lengthy document. More recently, up until the beginning of the MOU with NEIWPC, IEC was preparing an annual report "in-brief" which was a 10-20-page document. During the MOU with NEIWPC, IEC's activities were primarily incorporated into NEIWPC's annual report. Ms. Powers explained that IEC has continued to prepare an annual summary of receipts and disbursement, which is distributed to the Governors and Legislatures by January 24th of each year along with a state-specific summary of activities to satisfy the compact requirement of the annual report each year. There was discussion of a desire to incorporate and combine these three summaries into an annual report that would satisfy the compact annual reporting requirements but also be more of a "marketing" tool for the Commission and its laboratory work.

Ms. Powers raised the issue of an audit. According to federal procurement policies, IEC would be required to have a single-audit if it expend \$750,000 of federal funds in a fiscal year. Although IEC will not expend \$750,000 in federal funds in FY19, Ms. Powers recommended that an audit may be advisable since the Commission has a new accountant and a new Executive Director, although it is an expense. Ms. Powers indicated that the last IEC financial audit (independent of any audit performed while IEC's grant finances were managed by NEIWPC) was performed in 2012 at an expense of \$11,000-\$12,000. Mr. Elburn asked if the Commission would be required to have an audit next year based on federal expenditures and Ms. Powers indicated that the Commission would likely reach \$750,000 in expenditures in FY20, especially with the pending move. Chair Scagnelli recommended that the Commission get quotes for what a one-year versus two-year audit would cost, with the plan to have a two-year audit in that covers FY19-FY20 in FY21. This would be an FY21 indirect expense.

4. Laboratory/Office Space Search*

Chair Scagnelli and Ms. Powers provided an update on new space for the Commission offices and laboratory. Current focus is on the space available in the Falchi building in Long Island City (Appendix G). The Commission received a draft lease from the broker in August and retained counsel to review and red-line the draft lease and provide comments. Chair Scagnelli and Ms. Powers have both reviewed the lease and had a two-hour call with the attorney on August 28th to review lease comments. Chair Scagnelli emphasized the complicated nature of this particular lease, with the special circumstances surrounding a life science laboratory. We need to make sure that the terms are acceptable, that all the costs associated with the lease are clear and that there would not be any hidden costs within the lease. Chair Scagnelli advised that a motion to authorize a lease signing is premature at this point since we do not have a solid red-lined version of the draft lease which incorporates our comments.

5. Director's Report

Ms. Powers highlighted major project highlights and updates:
Weekly Long Island Sound monitoring surveys are continuing through mid-September. IEC and CTDEEP released a joint 2018 Hypoxia Season Summary in early August. Embayment monitoring in Little Neck Bay and Manhasset Bay are continuing through October. IEC is performing "Tier II" monitoring in Little Neck Bay which incorporates nutrient sampling as well as two continuous data loggers which are logging temperature, salinity and dissolved oxygen every 15 minutes. Data is downloaded every 7-10 days and the loggers cleaner and compared with a portable multi-parameter instrument. Other major summer monitoring initiatives include the third year of IEC's Coordinated Volunteer Pathogen Monitoring Program. IEC is working with the Lower Raritan Watershed Partnership and the Fresh Kills Park Alliance. Volunteers associated with these two groups collect samples from sites in Staten Island and along the Raritan River and Raritan Bay shore and transport the samples to the IEC laboratory for analysis. Volunteers also perform field monitoring for pH, dissolved oxygen, salinity and temperature. Pathogen analyses associated with IEC's participation in the Federal Urban Waters Partners program, mentioned

above, and chlorophyll a analyses associated with the Unified Water Study are also ongoing through October. IEC is also currently performing inspections with sampling at industrial dischargers in Connecticut. The laboratory just submitted its results for the July 2019 NYSDOH non-potable water chemistry proficiency test and submitted a corrective action report to NYSDOH in response to deficiencies cited during the NYS DOH bi-ennial audit performed July 16th-18th, 2019. Mr. Friedman inquired whether NJDEP also performs assessments of IEC's laboratory. Ms. Powers responded that NJDEP's Office of Quality Assurance does perform an on-site assessment of the laboratory bi-ennially, the last assessment was completed in November 2017.

Other meetings and project/grant updates

Ms. Powers is working on the application for EPA 106 FY2020 funds, including the workplan. Ms. Powers encouraged Commissioners to suggest items to include in the workplan, which needs to be submitted at least as a draft by September 30th, 2019. Mr. Friedman brought up the capability of doing cell counts related to harmful cyanobacteria. NJDEP was swamped during summer 2018 responding to harmful algal blooms and if NJDEP could call on IEC to assist with cell counts in the future that would be helpful. Ms. Powers made a note of the request. IEC continues to participate in partner committees and workgroups, including the NY-NJ Harbor and Estuary Management Committee and Water Quality Workgroups, Long Island Sound Study Management Committee, Water Quality Workgroup and Science and Technical Advisory Committee. The LISS Management Committee has a two-day meeting coming up in October. Ms. Powers also attended the annual meeting of the Association of Clean Water Administrators (ACWA) in August. IEC's attendance at the meeting was welcomed and Ms. Powers had discussions with several members that were happy that IEC was in attendance and back operating as an independent interstate.

Staffing is status quo with no new hires or resignations. Ms. Powers indicated that IEC does need additional staff and has funding to hire additional staff. Ideally, hiring process would occur after it is known where IEC's headquarters will be in the coming year. This will help the recruitment process.

8. Old Business

IEC does have two Commissioner vacancies in New Jersey. Names of three potential candidates have been forwarded to the Governor's office. Lauren Nathan-LaRusso indicated she would follow up.

9. New Business

No new business was reported.

10. Upcoming Meetings

October Executive Committee Call (TBD)

November Executive Committee Call (TBD)
Wednesday, December 4th, 2019
Wednesday, March 4th, 2020
Wednesday, June 3rd, 2020

12. Adjourn

The meeting was adjourned at approximately 12:16 pm.

APPENDICES:

- A- June 5th 2019 Quarterly Meeting Minutes
- B-July 31st, 2019 Executive Committee Call Summary
- C-Balance Sheet
- D- Profit and Loss Statement
- E-Open Grants Sheet
- F-FY19 Budget Update
- G-Falchi Occupancy Cost Analysis/Budget Analysis