Minutes of the Watershed Agricultural Council
June 22, 2021

I. Meeting called to order at 6:33 pm via Zoom call.

Directors Present, via video conference call:
Dwight Bruno
Dave Cammer
Wayland Gladstone
Karl Gockel
Fred Huneke
John Verhoeven
James Darling
Jeff Graff, NYC DEP

Marilyn Wyman
Richard Giles
Steve Reed
Jennifer Grossman
John Riedl
Eleanor Blakeslee-Drain
Tom Hutson

Directors Absent:
Larry Burgin

Others Present, via Zoom:
Ryan Naatz
Gibson Durnford
Larry Hulle
Rob Birdsell
Tom Pavlesich
Patrick Palmer, NYS DOH
Bill Newberry, YPTC

Amy Faulkner
Kristan Morley
Josh Gorman
Heather Magnan
Bruce Dolph, DC SWCD
Paul Kaczmarczyk, NYS DOH

II. Approval of Minutes
Motion to approve the minutes of May 25, 2021, as presented.

Motion: Steve Reed
Second: Dwight Bruno
Approved

III. Executive Director’s Report – Ryan Naatz

A. Program Report

1. Ryan provided an update on the reopening plan that he is currently working on with SLT members; understanding that business and events around the state are opening back up, the majority of people being vaccinated, and lesser density concerns, it seems appropriate. Ryan added that he feels that WAC is behind the curve on reopening, and is planning for fully reopening as of August 2. SLT will work to consider implications with staffing, DOH recommendations, partners, shared spaces, etc. SLT
will meet tomorrow to provide recommendations on how to achieve that 8/2 reopening. More information will be shared in the coming weeks. Bud asked for a time frame for in-person Council meetings. Ryan responded he expects that to be discussed at the SLT level as well but expects that can happen in the near term. There was discussion about a hybrid approach (in person and zoom) to meetings as well. There was a request to have both available.

2. Land Acquisition Program/FAD Update Discussion: Josh Gorman led a discussion on the latest correspondence with regards to the stakeholder comments and the National Academy of Science report specific to the Land Acquisition Program. The WAC Easement Program currently only has funding through December 31, 2021. The 2017 FAD allocated $11 million for Agricultural Conservation Easements and $8 million for Forest Conservation Easements, but WAC has not received that to date. The intent of this conversation is to get everyone thinking about what comments or input WAC would like to bring forth in the upcoming mid-term FAD revision, for all of WAC programs. Josh is asking for direction from the Council as to what staff should be working to present; should WAC support the Catskill Center’s position and provide something additional? Pat Palmer, NYS DOH, added that if WAC has additional input to provide to DOH, EPA, DEC to consider and to discuss with the City over the course of the summer meetings regarding potential changes to the FAD, that input is always welcome. They are always open to hear what the stakeholders and partners have to say. Not every request will be met but every request will be taken seriously. Bud pointed out that when land acquisition is spoken about at the County level, it is usually in a negative light; Pat Palmer responded that he believes the regulators all recognize that each program is different; that DEP’s fee acquisition is different from WAC’s conservation easements. To date they have discussed more targeted acquisition for wetlands, streamside lands, etc for DEP’s core acquisition programs. WAC’s conservation easements serve a different purpose and they wouldn’t want to assign the same conditions to all acquisition - different conditions for different programs, including WAC’s Conservation Easement program. Fred added that agricultural land use is the best use for the watershed; given that premise, WAC has the opportunity to further that. Agriculture is the industry here and he feels WAC is obligated to preserve that and one of those tools is the Conservation Easement Program. Pat Palmer stated he felt that is a non-objectionable position by DOH; the focus is mainly about changes to the way the city implements their core acquisition program. They intend to ensure that WAC’s future contracts are in place but don’t anticipate making any changes to the FAD and that the 503 contract will move forward; the Forest Conservation Easement will need a determination from DEC prior to the additional $8 million in funding for forest conservation easements. The Council thanked Pat for his comments; and he responded again that DOH is always open for conversations with partners. From DEP’s perspective, Jeff reminded everyone that the 10-year FAD runs to 2027 and this is a midterm revision to which DEP has to submit their draft Long Term Watershed Protection Plan report. Once a draft mid-term fad report is developed there will be a period for comments. Jeff added that the CAT 403 successor contract is part of those discussions and will continue to be through the coming months.

3. Monthly Managers’ Memo was distributed to the group in the meeting packet. Jeff stated that the Ag Program characterizations in the manager’s memo regarding being penalized for misconduct is a mischaracterization of the additional research that is being worked on between WAC, Bureau staff and OEA. Fred added that he felt that members have been very conscious of the potential conflicts of interest through the life of WAC’s programs. Jeff mentioned that there may have to be updating for some of the processes to be in accordance with federal and state laws for not-for-profits and
this is something that has to be worked through. Ryan added there are a lot of eyes on how WAC is doing business as well as every document being produced; this is a real concern at levels above Jeff. John Riedl added that whenever these things come up WAC ends up waiting for money that it needs to function; these important questions cause our programs to pause during the delays. Jeff responded that the line h deduction allows for a portion of the payments to be released while withholding some of the monies, which allows WAC to maintain cash flow. Karl clarified that we are getting reimbursed for what we have already spent, and previous line h items have not been cleaned up so operating in a reimbursement status does not allow us to say $200,000 is not a lot of money. If this was anticipated draw it wouldn’t be such a huge issue, but being that we are dealing with reimbursement for monies already spent it has a different effect. Bud added he felt that this is another trap being set by DEP, initially missing money, now conflict of interest; in his opinion if there was ever an issue DEP should have spoken up at that time. He feels Jeff needs to be a stronger advocate for WAC. Jeff responded he doesn’t feel any traps are being set - these are all real concerns that WAC needs to be open to understand and address. Bud confirmed WAC will always be willing to change to do things better within the contract bounds. Paul Kaczmarczyk added that he gets audited every year by EPA; there are times they have recommendations and money could be withheld if they choose - audits are a fact of life and DEP has the authority to audit. He added that for the last couple of years the monthly meetings of EPA spent a ton of time on financial issues, every meeting, for an extensive amount of time. Money management is on the top of the agenda, much time is spent and perhaps WAC should consider that. Ryan added he is in communication with the ACCO to set up more meetings between DEP, OEA, WAC and YPTC.

4. FY22 Work Plans

Motion to approve the FY 22 Committee Work Plans as presented
Motion: Karl Gockel
Second: Fred Huneke
Approved

B. Operational Report
- 44 West Street Lease Update – The majority of this discussion will be conducted in Executive Session. Ryan asked if members had any comments or questions for Bruce Dolph while he was at the meeting. No comments were presented.

IV. Chair’s Report – Bud Gladstone

A. Update on Bi-Weekly Fiscal Management Meetings with DEP
- There is nothing new to report on this topic.

B. Strategic Visioning Team – Jennifer Grossman
- Jennifer reported that the final session will be held at Dave Cammer’s farm on July 21; more details to come.

C. Executive Director position Description Modification
- This will be discussed in Executive Session.
V. Finance Committee – Karl Gockel
A. April Financials
Motion to accept the April Financial Statements on the recommendation of the Finance Committee.
Motion: Fred Huneke
Second: Dave Cammer
Approved

B. Audit Update: Amy provided a brief update; key staff and YPTC met with Padilla representatives to discuss their preliminary findings. WAC has until June 24th to provide responses to those findings. Staff are working with YPTC to prepare that written response.

C. Payment Requests: Amy gave an update on the status of payment requests; #7C has been processed for $0; #8c has been forwarded to OEA. Payment request #8e is being processed; a line h deduction was applied for the past NMC portion of the reimbursement request in the approximate amount of $572,000. Staff are working with Jeff to finalize #9e so that it is ready to submit as soon as OEA will accept it. Payment request #24 has been submitted and is with OEA for review and #25 is in the final stages prior to submission.

D. Financial Status: Ryan reported that CAT 403 has approximately 4 weeks of funds remaining; we are expecting payment #24 in the immediate term. ACCO has assured Ryan that she will provide a letter allowing for an extension to repay the CAT 450 contract, likely through December 31, 2021. WAC may have to use the line of credit in July if payment is not received; it will be very close, but we will work to avoid that. The CAT 487 contract has approximately four to six weeks remaining in funds for those programs as well. Ryan added there are substantial monies that we have already paid out that we will not get reimbursed due to line h which will certainly affect program implementation. Dave asked for an update on the due to due from; Ryan was reluctant to provide any specific numbers until we can get an update from YPTC but reported that it is being worked on as a priority.

E. YPTC Update: Bill Newberry provided an update on the work that YPTC has accomplished in the first month. This includes working on reporting for Finance Committee meetings, working one on one with staff, the due to due from analysis hoping to be reasonably close to issuing some of their findings. He said they would like to work with Jeff, ACCO and DEP regarding the budget process and future payment requests to streamline and avoid some of the delays. YPTC has requested from the ACCO the ability to speak to OEA in advance of payment requests to work through any questions that may arise. YPTC would like to serve as intermediary to help present the information in a format that is easier to follow. All of the information is there but needs to be better presented.

F. FY22 Budget:
Motion to approve the FY 22 Budget as presented.
Motion: John Riedl
Second: Steve Reed
Approved

VI. Easement Committee – Ryan Naatz and Tom Hutson
- Ryan reported that the intent is to receive funds to allow for the Truesdell closing in payment #25.

VII. Agricultural Committee – Bud Gladstone and Larry Hulle
- Program staff are ready to implement as soon as funds are received. The Committee discussed the concerns regarding conflict of interest. Larry Hulle provided an update on some key projects and that the Program is awaiting additional funding to be allowed to put
projects out to bid.

VIII. Forestry Committee – Dave Cammer and Tom Pavlesich
• Nothing further to report at this time.

IX. East of Hudson Committee – Fred Huneke
• The Program is operating pretty routinely since the May meeting; the timing of contract services for soil testing could affect ability to get timely results for farms.

X. Human Resources Meeting – John Riedl and Amy Faulkner
• John reported the Committee sat in on Executive Committee regarding the Executive Director Position description, which will be further discussed in Executive session.

XI. Economic Viability Committee – Richard Giles and Kristan Morley
• Meeting will be next week, working through the Farms and Forests in Transitions Guidelines.

XII. NYC DEP – Jeff Graff
• Jeff stated that he continues to work on the revisions and potential updates to the Long Term Watershed Protection Plan.

Bud thanked Bill Newberry from YPTC and Patrick Palmer and Paul Kaczmarczyk, NYS DOH, for their presence and valuable input.

XIII. Executive Session
Motion to go into Executive Session to discuss personnel matters.
Motion: Fred Huneke
Second: Jennifer Grossman
Approved

Tom Pavlesich and Ryan Naatz stayed for the discussion regarding the 44 West Street lease and left prior to the discussion regarding the Executive Director position description.

Motion to come out of Executive Session.
Motion: Dave Cammer
Second: Fred Huneke
Approved

The Crisis Management Team will convene in the next two weeks to come up with further recommendation on next steps and ultimately moving the program staff from the 44 West Street Office.

XIV. Adjournment
Motion to adjourn the meeting at 8:55 pm.
Motion: Marilyn Wyman
Second: Tom Hutson
Approved