

**Minutes of the Meeting of the Board of Directors
Hudson River Sloop Clearwater, Inc.
Saturday, January 11; 10:00 AM-2:00 PM**

In attendance:

Board members:

Anne Osborn
Stephen Smith
Stephen Filler
Ross Gould
Robi Schlaff
Dean Lentz
Jim Hanson
Bill Flank

On phone:

Bill Cox
Greg Julian

Board absences:

Frances Cruz
Ezra Swerdlow

Staff Attendance:

Amy Bonder
Heidi Kitlas
Roger D'Aquino
Nick Rogers
Beth Deal
Dave Conover
Eli Schloss
Manna Jo Greene
Isaac Santner
Hal Cohen
Ann Mellor
Julia Church (phone)
Will Solomon (phone)

Guests:

Kitama Seeger Jackson
Tinya Seeger
Susan Hito-Shapiro
Victor Melendez
Chris Bowser
Don Raskopf
James Victor
Scott Berwick

The Board meeting was convened at 10:08 by Acting President Stephen Filler, who noted that a quorum was present and moved immediately into Executive Session to discuss procedures for a presentation by Kitama Seeger Jackson.

IN EXECUTIVE SESSION

The Board agreed to permit Kitama Seeger Jackson, at his request, to make a presentation during Executive Session, rather than in open meeting, regarding former Executive Director Jeff Rumpf. During this presentation, at Kitama's request, several specific guests will be permitted to attend the Executive Session.

BACK IN OPEN SESSION at 10:21

Opening song by Scott Berwick

Since we had so many visitors, introductions were made around the room.
Bill Flank noted that a quorum was established.

Steve Filler opened the meeting by saying that since Dave Lebson is on sabbatical; Roberta Goldberg has offered to take the role of Secretary. Steve further said that he didn't know he was to become acting president at the end of December and he appreciates that everyone is present. He recognized that there was apprehension about the meeting today but is hopeful, because it shows that everyone present cares about the organization and its values.

Robi Schlaff MOVED to approve both the November and December Minutes. It was SECONDED by Jim Hanson. THE MOTION PASSED UNANIMOUSLY.

Amy Bonder opened with staff reports, saying the staff has been strong, has great communication, and she's proud of everyone. All are pitching in as needed and going beyond what is asked of them.

STAFF REPORTS

Dave Conover reported that it was a challenging year with the spring sailing season lost. The *Mystic Whaler* sailed full schedule and Eli Schloss expanded the shore programs. It was extremely challenging but we did the best to make a difficult situation manageable. Dave reported that they are currently working on filling out the 2014 spring schedule and he's confident that it will be strong. Our current sail coordinator, Catherine Stankowski, will be leaving at end of January. They are currently interviewing candidates to fill her position. Isaac Santner is the onboard winter educator and he's developing home port education programs and expanding the current programs. Dave reported they recently finished the Doher family Green Cities Initiative grant that targeted Newburgh kids. It's complicated, but he wants to find new sources of funding for similar grants/programs upriver. There are similar programs with Yonkers. He's working on hiring seasonal educators. Jacinta Early is home in Australia and returning in the spring. Isaac will put together a volunteer schedule, adding that anyone is welcome to volunteer.

Nick Rogers reports that it's a light winter maintenance season. They are replacing some of the deck, but nothing massive or major. He was away most of the fall for paternity leave and Beth Deal was the main captain, with Annika as relief captain. Beth did a lot of work with the Coast Guard certification to get full capacity to 70 (from 60). With this, we may be able to go back to doing some trawling.

- Scott Berwick asked how the ice conditions were.
- Nick said there were plenty of bubblers to keep the ice from forming around the hull, but he's more concerned about spring. Reports of locals say spring is worse with ice floes coming down the creek. He plans to float a large log at the bow to deflect ice chunks.
- Bill Flank asked about the Open Boat schedule.
- Nick said the first Open Boat is on 1/18, with others listed on the website. There will be a 1:00 Sloop Club Congress meeting prior to it

Manna Jo Greene reports that due to the loss of staff, she is mostly working on Green Cities. Regarding Indian Point, the NRC is reviewing waste storage. The biggest current issue with PCBs is the dredge area and storage of what was dredged. This is the last year we can get 136 acres remediated and dredged for deep vessels. Manna reports that she has a list of every elected official from north of NYC to Albany. For Green Cities, the main goal is addressing the future, and it's exciting work. If we change consciousness, we change the future. There are 2 grants in Newburgh that complement each other. One is building a trail around the armory and lake. Decora Lloyd Sandiford is likely the on-the-ground person in Newburgh. Manna is working with Shabazz Jackson of Greenway to develop water use/runoff in Poughkeepsie. In Peekskill, Hugo Jule Quintanilla is working on watershed awareness, engaging the Peekskill Youth Bureau, along with other organizations and the city itself. All are moving forward well. Once all projects are underway, Manna is hoping to get back to focusing on natural gas and oil transport and production in/around the Hudson River.

Heidi Kitlas reports that Julia Church is working on putting out a press statement regarding the new Executive Committee composition. She is also working with Steve Lurie on Revival and there are great pre-sales so far. The spring schedule will be published soon and the *Navigator* at end of April. Julia is managing social media and giving, but this actually works best for communications to handle both. Roger D'Aquino said this is a stressful time but there are good meetings with the finance committee and he thinks we're doing okay. Amy Bonder said they are starting an annual audit this month with D'Arcangelo.

Steve Filler MOVED that we move into Executive Session and Ross Gould seconded. THE MOTION PASSED UNANIMOUSLY

Steve Filler asked that the Executive Session consist of Board members, the management team (Amy Bonder, Heidi Kitlas, Roger D'Aquino, Nick Rogers), Kitama and his specific guests (Tinya Seeger, former Board member Susan Hito-Shapiro, Victor Melendez, James Victor, Chris Bowser). All others were asked to leave the room. The phone conference was ended and those Board members previously on the phone called in to personal cell phones, rather than the conference call system.

THE MEETING MOVED TO EXECUTIVE SESSION AT 10:48

Steve Filler reminded everyone that some information will be highly confidential and to please respect that. He also reminded everyone that this discussion involves personnel issues that cannot be discussed with staff or visitors present, and he asked that everyone be mindful of what is said.

Bill Flank reiterated that in the interest of transparency and duty to members, we may want to publicly discuss everything that has happened, but not only is it not in the best interest of a number of individuals to do that, we are obligated to respect privacy.

Ross Gould, Steve Smith, Steve Filler, Robi Schlaff all expressed a desire to look at and address any mistakes that may have been made, examine the processes used, create/improve integrity and move forward with better processes in place.

Ross Gould MOVED to EXIT EXECUTIVE SESSION. Jim Hanson seconded. PASSED UNANIMOUSLY 12:28

12:33 BACK IN REGULAR SESSION

Steve Filler reported that we have a pro bono attorney working with us for IP. The only expenses are copies and incidentals. Bill Flank MOVED to approve. Steve Smith seconded, asking for a clause saying that anything over \$250 must be pre-approved. PASSED UNANIMOUSLY

Bill Flank MOVED to approve the Newburgh grant with resolution terms having previously been distributed to the Board as follows (original application distributed to Board included Dave Lebson as Secretary. Resolution that was signed was changed to reflect Roberta Goldberg as Secretary):

Submission of Grant Application
RESOLVED:

That David Conover, Education Director of Hudson River Sloop Clearwater, Inc. is hereby authorized to enter into and execute a State Assistance Contract with the New York State Department of Environmental Conservation for such financial assistance to Quassaick Creek Watershed Alliance (QCWA) for the project entitled, *Reclaiming Newburgh's Other Waterfront: Engaging Youth in Environmental Education, Research, and Restoration* and further, to carry out and comply with the terms of such Project agreement. On March 19, 2013 the Clearwater Board of Directors directed Jeff Rumpf, who was then Executive Director, to file an application for funds from the NYS DEC for an Environmental Justice Community Impact Grant Program on behalf of Quassaick Creek Watershed Alliance (QCWA) in an amount not to exceed \$50,000. This application was approved and QCWA, with Clearwater as its fiscal sponsor, was awarded the 2012-13 Environmental Justice Community Impact and Green Gem Grant for this project in a letter dated November 19, 2013 from Arturo Garcia-Costa for a total of \$49,534.

Date _January 11, 2014

I, Roberta Goldberg, Board Secretary of Hudson River Sloop Clearwater, Inc. of Beacon, New York, do hereby certify that the preceding resolution was adopted at a meeting of the **Board of Directors** held on **12/18/13**, and is **incorporated in the original minutes of said meeting**, and that said resolution has not been altered, amended or revoked and is in full force and effect.

Jim Hanson seconded. PASSED UNANIMOUSLY

Steve Filler: There's a new resolution on the M&T Bank Line of Credit (LoC) and how to handle it. The Finance Committee recommends converting the current maxed out \$175,000 Line of Credit to a loan at a lower rate, then opening another LoC for an additional \$175,000.

- Robi Schlaff said that by changing the current LoC to a loan, we're increasing monthly payments, but it will eventually be paid off and go away, rather than a revolving LoC that will always be hanging over us.
- Roger D'Aquino said there was no prepay penalty
- Jim Hanson reiterated that only in an emergency will another LoC be opened.

A DRAFT resolution had previously been submitted to the Board in the following form:

The emergency financial committee has unanimously agreed to put forward the following resolutions for the Board of Clearwater Sloop Inc. to be voted upon in an emergency electronic (e-mail) vote by Dec. 31, 2013.

1. Current staff positions will continue as budgeted for 2013-2014.
2. Restructure our financial debt by the following actions;

A. Convert the debt of our current line of credit with M&T Bank at 6.75% into a \$175,000 loan with M&T Bank at the Prime Interest rate of 3.25 (12/20/13) + .60 % or 3.85 % for 5 years.

B. Renew our \$175,000 line of credit with M&T Bank to be used with authorization by the Board for balancing cash flow in 2013/2014 budget.

3. Revenue received in 2013-2014 can be used in the ongoing financial obligations of Clearwater.
4. We will continue our fiduciary responsibility by seeking to increasing yield on our investments, namely the Endowment Fund, to maximize our resources.
5. We are reviewing our bonding insurance, and all corporate responsibilities, to ensure that we continue the future of Clearwater on sound ethical, financial and legal grounds.

6. We assert that our fiduciary responsibilities as Board Members are both to manage our financial responsibilities and to continue the mission of Clearwater Sloop, Inc. as we continue working in earnest to establish a balanced budget for the future of Clearwater.
7. We authorize Roger D'Aquino to sign for Clearwater with M&T Bank to put the above actions into execution.
8. We designate our Board Secretary to authorize Dave Conover to sign the DEC Newburgh EJ Grant for Quassaick Creek, which does not have an adverse effect on our cash flow.

Passed unanimously by a vote of the Emergency Financial Committee on 12/24/13;

William Flank
Greg Julian
Ezra Swerdlow
Jim Hanson
Albert Scott Berwick

Ross Gould MOVED that we add a statement to the resolution: Before a new Line of Credit is opened, the Finance Director must obtain approval of the Treasurer, Board President and Executive Director. Bill Flank seconded. PASSED UNANIMOUSLY

Robi Schlaff MOVED to approve conversion of the old line of credit to a loan with language as previously distributed to the Board as follows: Authorize conversion of line of credit with M&T Bank to loan, to open a new line of credit in the amount of \$175,000, and that this new line of credit may not be accessed without the written (email) approval of the President AND the Treasurer of the Board.

Steve Filler seconded. PASSED UNANIMOUSLY

Steve Filler said that Steve Lurie wanted commitment from the Board that Revival will go forward. The Board voted UNANIMOUSLY that it would.

BOARD ORGANIZATION

As of December 31, Steve Filler became Acting President when Frank Landsberger resigned. Steve Filler asked that regardless of Board title, we need more involvement of the entire Board. If people are not happy with how the Executive Committee is working, it's incumbent upon everyone to speak up. Robi Schlaff recommended a retreat to really work on process and the issues raised today and in the past few months.

ALL EXECUTIVE COMMITTEE MEMBERS NOMINATED AND ELECTED UNANIMOUSLY:

Robi Schlaff nominated Anne Osborn for President. Bill Flank seconded

Steve Filler nominated Ross Gould for VP, Anne Osborn seconded

Anne Osborn nominated Roberta Goldberg for Secretary. Bill Flank seconded

Steve Filler said that Scott Berwick was willing to step up temporarily as Treasurer. Robi Schlaff nominated Scott, Jim Hanson seconded

Steve Filler, Bill Flank and Robi Schlaff were nominated for Members-at-Large.

Bill Flank reminded us that the bylaws state members of standing committees can be ex officio Executive Committee members.

There were the appropriate resignations from various Executive Committee positions, and conversion to new positions.

Anne Osborn said that as president, she's terrified. She reminded us that every member of our board is de facto part of the Development Committee. Ideas are great but they must be fully funded and not distract from the core mission. Anne hopes we can get a Provisional ED in place by Feb 1 and a permanent one in place by July 1.

Steve Filler reported that several Board members met with a potential Interim/Provisional ED Tuesday night. If anyone has ideas of who can step in, please bring names forward. The Board is trying to figure out a process to meet with people in the next few weeks.

- Robi Schlaff said that despite our efforts and many hours working for Clearwater, regardless of what we do, we're not Executive Directors and not the right ones to run the organization.

The primary reason for a PED is to have time to find someone to fill the permanent position. The PED is not permanent, just a temporary leader.

- Steve Filler thanked all the staff for their dedication and amazing work these few months.
- Jim Hanson asked that if there are any issues that come up regarding current staff or leadership, to please bring it to our attention.
- Anne Osborn said she wants to develop a personnel committee.
- Manna Jo Greene said there are people who specialize in being PEDs/IEDs and work with organizations in conflict.
- Anne Osborn said that's exactly what we're looking for.
- Don Raskopf asked if we could put the request for a PED on the website.
- Steve Filler agrees that it needs to be done quickly.
- Don Raskopf said that he's attending as a member and there has been no public statement about the status of the ED. In that vacuum, there is a lot of speculation, rumor and concern. There was also no formal announcement of Jeff's departure, further adding to the rumor and speculation.
- Anne Osborn said she's been talking to MaryEllen (Mel) Healy, and that we are actively searching for a PED/IED.

There was discussion about whether the website, Facebook post or email blast was a better way to reach out to members and donors. It was basically decided that any and all means of communication are appropriate depending on what's being announced.

Anne Osborn said there would be a press release about new Board and open staff positions in the next few days, adding there needs to be a search committee for the ED position.

Bill Flank said there was already a process in place, a committee doing the work, and it should be followed. All agreed.

DEVELOPMENT REPORT

Anne Osborn reported that a \$500,000 sloop restoration grant was awarded. It's a reimbursement grant, meaning spend it first, then get reimbursed (but at an advantageous 75% rate). This grant IS NOT for the 2012/2013 winter restoration work, but for future work. The directed sloop appeal yielded \$42,000 and we are still seeking grants and holding meetings. Anne said she's continuing to seek foundation grants and said the Mayor of Kingston is VERY supportive. She outlined other income, saying we're way ahead of projected and 2012 numbers.

Jim Hanson spoke about a new crowdfunding/crowdsourcing effort that is reaching out to the RPC (Revival Planning Committee) and volunteers, asking friends for a few bucks. There was discussion about sponsorships, various ways to approach crowdfunding and crowdsourcing. Bill Flank reminded us to follow established criteria and policy. Jim Hanson suggested there may be some companies who had previously made errors who may be looking to “make good” and seek redemption of sorts. Anne Osborn reminded us to beware of redemption vs green-washing.

BOARD MEETING SCHEDULE

There was discussion of when to hold future meetings and follow a schedule. The previously announced January 23rd meeting may not need to happen, since we’ve just met and may not have much to report. An email discussion will follow in the next week to solidify meeting dates and announce them, while keeping in mind website posting and the members’ right to attend.

Attention turned to the Board Nominating Committee. The current members of the committee are as follows: Ezra Swerdlow, Bill Cox, Jim Hanson, Anne Osborn, Steve Filler, Ann Mellor, Heidi Kitlas (possibly Robi Schlaff and Dean Lentz). Bill Cox asked that the Committee members talk outside of the meeting to confirm when and where to meet.

Ross Gould asked Hal Cohen to make a brief presentation about his view of the Clearwater business.

Hal made a presentation that ultimately shows that Clearwater, as a business, is a worthwhile investment and there should be no problem approaching donors or investors. He also said the staff is AMAZING and they have been doing excellent work, especially with the recent challenges. Manna Jo said that staff is entitled to some info about the executive session with Kitama.

Steve Filler agreed and gave a brief overview of the meeting, adding that Annie will write a letter to Pete.

Amy Bonder said that Heidi spoke with Michael Cohl yesterday and can address it with her after the meeting.

Steve Smith MOVED to adjourn the meeting, Bill Flank seconded. PASSED UNANIMOUSLY. The meeting adjourned at 1:44.

Respectfully submitted,

Roberta Goldberg
Secretary

The next Board meeting of the Hudson River Sloop Clearwater will take place on Wednesday, February 19. Potluck/meet and greet at 6:00PM, meeting starting promptly at 6:30 and adjourning at 8:30PM.