



Minutes of the Meeting of the Board of Directors
Hudson River Sloop Clearwater, Inc.
Virtual Meeting via Zoom
Tuesday, May 12, 2020 at 6:30pm

Board Members Present by Video

1. Peter Capek
2. Seth Davis
3. Mitzi Elkes
4. Joan Gaylord
5. Neil Gordon
6. Allen Gutkin
7. Samantha Hicks
8. Arthur Jones
9. Janine Napierkowski
10. Henry Neale
11. Cathy Page
12. Kyle Rabin
13. Jeremy Rainer
14. Don Raskopf
15. Robi Schlaff
16. Gregory Simpson
17. Steve Stanne
18. Donna Stein
19. Sarah Underhill

Board Members Present by Phone

20. Bob Alpern

Board Members Absent

21. Nancy Cincotta
22. Jeff Domanski
23. Ashley Knox
24. Aaron Mair

Staff Members Present by Video

25. Hal Cohen
26. Erik Fyfe
27. Manna Jo Greene
28. Erin Macchiaroli
29. Amy Nelson
30. Anita Vargas
31. Greg Williams

Guests Present by Video

32. Sue Gamache
33. Allan Goldhammer
34. Joyce Hanson
35. Ben Kaminsky
36. Rick Nestler
37. Tinya Seeger
38. Alan Thomas
39. Rosemary Thomas
40. Roy Volpe

Guests Present by Phone

41. Betty Harkins

Call to Order

Steve Stanne led the attendees by voice and guitar in song, "How can I keep from Singing?" – Peter Seeger.

The meeting on Tuesday, May 12, 2020 of Hudson River Sloop Clearwater, Inc. was called to order at 6:36PM by President, Steve Stanne.



A quorum was determined to be present.

The meeting agenda was made available by email and posted on the website.

Prior Meeting Minutes Approval

Steve asked if everyone had the chance to review and approve the previous meeting minutes.

Seth and Peter asked for a continuance to have more time to review the minutes and Steve agreed we would wait until everyone has reviewed them and will set it as an agenda item for our next meeting on Wednesday, May 27, 2020.

Clearwater's Current Financial Condition

Greg presented on the following topics:

- Paycheck Protection Program \$150K loan was received today, 5/12/20
- Clearwater's essential expenses should be covered through August 15, 2020; We have until July 7, 2020 to spend that amount and have it completely forgiven by the SBA

We do, however, still have the following challenges ahead of us:

- We have about \$240K in accounts payable
- We need to raise \$500K for Sloop winter maintenance

Steps to financial strength were outlined in his report and are included in the Addendum below.

Greg presented the cash flow model again and assumes no more revenue than half the individual donations we received in the corresponding month last year. By the end of September, we need to raise \$100,000 to bring the Sloop out of the water to prepare it for the winter maintenance.

Greg stated that we should also plan to establish a six-month reserve of \$500,000 over the next three years and establishing an endowment for \$10M over the next five years.

Please see more on the Executive Director's Report included as [Addendum A](#) below.

PPP Funding: How this funding can be spent

Some have suggested that we spend a large part of or all of the PPP funding to pay off the \$240K of payables we that have. We are not able to do that given the requirements of this loan.



The loan is forgiven if:

- We rehire to headcount of 22
- Spend it by 7/7/2020
- Spend 75% on payroll & benefits
- Spend remainder on rent, mortgage and/or utilities

Unforgiven amounts convert to 18-month loan at 1% APR and can only be spent on payroll, benefits, rent, mortgage, and utilities.

Please see the rest of this agenda item on Greg's Executive Director Report included as [Addendum A](#) below.

Staff Status

Greg presented the pre-furlough organization chart to review the staff as it was prior to COVID-19. Pre-PPP organization included Greg Williams, Anita Vargas, Erin Macchiaroli, Manna Jo Greene, Erik Fyfe, and Amy Nelson.

Based on approval, furloughed employees were asked to come back. Most came back with the exception of one and three were included to assist with crew work.

The current/proposed organization chart is included in the addendum mentioned above.

Sailing Up Sailing Down Proposal

Steve presented his proposal regarding Sailing Up Sailing Down.

It is a backbone of a journey down the Hudson on the Sloop, from Albany to New York Harbor. It would be captured in frequent video streaming presentations from stops along the way (sailing up sailing down). It would include pre-recorded as well as live coverage on a series of episodes over two to three weeks, on a set schedule, probably starting in June 2020 and to include activities consistent with our mission.

The scope would be compelling to many and unique to Clearwater.

Allan Goldhammer suggested that membership can reach out to create initiatives to help Clearwater. Different communities could be involved and bring ideas and provide members a way to contribute and participate.



Samantha Hicks stated that this is a great idea. We should build out a budget and social distancing requirement laid out in an outline will be helpful to bring this together. Samantha suggested building overhead costs into the budget. Samantha offered her help if needed.

Ratification of Executive Committee Resolutions

4/26/20: Resolution: CARES Act Relief Loan Application

RESOLVED, that the corporation be authorized to borrow, through National Development Corporation from programs made available through the Small Business Administration or such other governmental agencies as may be designated by acts of Congress or the New York State Legislature, and that the President, Treasurer, or Executive Director shall execute such instruments as may be required by National Development Corporation or any governmental agency with appropriate jurisdiction to effect such borrowing, and be it further

RESOLVED, that the corporation may open such accounts with National Development Corporation and/or Ulster Savings Bank as may be required to segregate restricted funds advanced to the corporation under such borrowing, and that the President, Treasurer, or Executive Director shall be authorized to execute any instruments required by National Development Corporation, Ulster Savings Bank or any governmental agency with appropriate jurisdiction with respect to the opening of such accounts, or to the withdrawal of funds from such accounts.

Steve called for a **MOTION**: To ratify the resolution to authorize the corporation to borrow and open such accounts with relation to the CARES Act Relief Loan Application on Tuesday, May 12, 2020 at 8:18pm. The **MOTION** was moved by Neil and seconded by Don. The **MOTION** was **APPROVED UNANIMOUSLY**.

Please see the Approved (Ratified) Resolution included as [Addendum B](#) below.

5/7/20: Resolution: Approval of Plan Authorizing the Executive Director to rehire or hire staff

RESOLVED, that the executive committee has approved the plan described in the resolution dated 4/30/20 that gives authority to the executive director to rehire or hire staff, up to the number of positions (22) on payroll as of February 15, 2020 and to a maximum of \$26,000 per bi-weekly pay period, subject to the limitations and restrictions of the Paycheck Protection Program (PPP).



Steve called for a **MOTION**: To ratify the resolution to approve of a plan authorizing the executive director to rehire or hire staff on Tuesday, May 12, 2020 at 8:42pm. The **MOTION** was moved by Seth and seconded by Don. The **MOTION** was **APPROVED UNANIMOUSLY**.

Please see the Approved (Ratified) Resolution included as [Addendum C](#) below.

5/12/20: Resolution: Authorization for the Executive Director to rehire or hire staff

RESOLVED, that the executive director be authorized to rehire or hire staff, according to a plan previously approved by the executive committee, subject to the limitations and restrictions of the Paycheck Protection Plan (PPP), and that the resolution of the executive committee of April 30, 2020 authorizing the executive director to rehire or hire staff is hereby ratified.

Please see the Approved Resolution included as [Addendum D](#) below.

Steve called for a **MOTION**: To authorize the executive director to rehire or hire staff according to a plan previously approved by the executive committee on Tuesday, May 12, 2020 at 8:40pm. The **MOTION** was moved by Seth and seconded by Robi. The **MOTION** was **APPROVED UNANIMOUSLY**.

Sloop Inspection & Sailing Season

The Sloop passed coast guard inspection.

A live streamed sail is scheduled for Sunday, May 17, 2020 for the anniversary of the launch of the Sloop from 1-4pm.

The crew is incredibly dedicated, and Amy expressed appreciation for everyone who has gotten us to this point.

Online Fundraisers & Virtual Revival Update

There were online fundraisers on May 3rd, May 5th, and May 10th as well as others throughout the beginning of this month, which were great.

Steve thanked everyone involved with these events.

Roy updated everyone on virtual revival including about 40 performers to-date. It will take place on Father's Day weekend.



Ben stated there is a t-shirt for this event and will be advertising and it would be helpful if everyone could spread the word about virtual revival.

Strategic Planning Committee Update

Inward looking co-chairs are Samantha Hicks and Erik Fyfe.

Outward looking committee co-chairs are Seth Davis and Janine Napierkowski

They are putting the final rosters together for the working groups.

Steve updated on a basic roadmap that has been provided but are looking into the proposal from Support Center to see if it is something we will follow.

Organizational Management Consultant

Robi stated that we have an outside consultant who is helping us with strengthening the organization and has sent a survey to staff and later to the board as well. She is looking at how we can work productively and effectively together.

The board will receive the survey on May 13, 2020 with a submission by May 15, 2020.

Saugerties Property Update

Henry updated the board on the Saugerties property transfer with an adopted resolution; we never used the property so we authorized the transfer of this property and the papers were signed last Friday, May 8, 2020. The copies of the documents were sent to Greg.

Adjournment

Steve called for a **MOTION**: To adjourn this meeting on Tuesday, May 12, 2020 at 9:02pm. The **MOTION** was moved by Neil and seconded by Donna. The **MOTION** was **APPROVED UNANIMOUSLY**.

Respectfully Submitted,
Cathy Page, Secretary, 5/24/2020



Executive Director's Report

FINANCIAL CONDITION & RELIEF APPLICATION STATUS

MAY 12, 2020



Agenda

- Clearwater's Current Financial Condition
- PPP Funding: How this funding can be spent
- Staff Status



Current Financial Condition

- Paycheck Protection Program \$150K loan received
- Essential expenses covered through August 15
- \$240K in accounts payable
- \$500K to raise for Sloop winter maintenance



Steps to Financial Strength

- Cover essential expenses
 - Increase monthly revenue by \$30K by 8/15/2020
- Prime the Pump of Sloop Maintenance Reimbursement
 - Raise additional \$100K by 9/30/2020
- Pay Off AP in Arrears
 - Raise additional \$240K as soon as possible
- Establish Six Month Reserve
 - \$500K over next three years
- Establish Endowment(s)
 - Raise \$10M over next five years



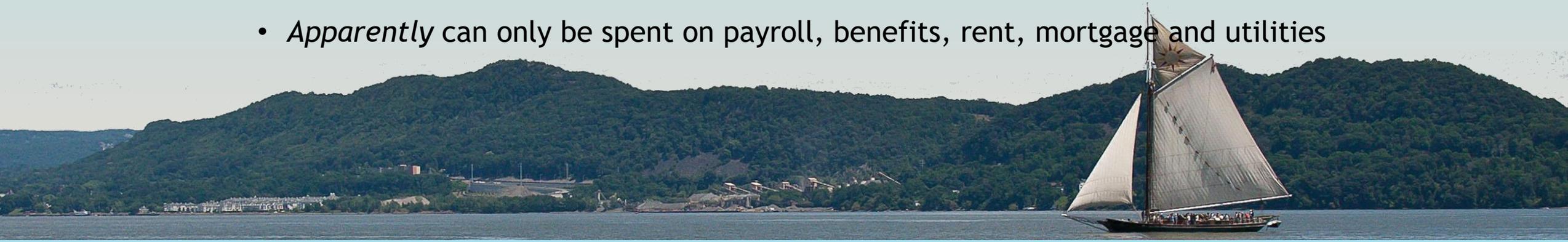
How?

- Own our success
 - Clearwater is the sole U.S. wooden tall ship sailed for over 50 years by a single private owner!
- Build on recent accomplishments
 - Nearly \$200K raised in private donations since March
 - First self-produced online live fundraiser raised \$3,400
- Sound like you believe in Clearwater
 - If you don't know how, refer to [online talking points](#)
- Get ready to Sail Up, Sail Down
 - Pivoting to online content



PPP Funding: How this funding can be spent

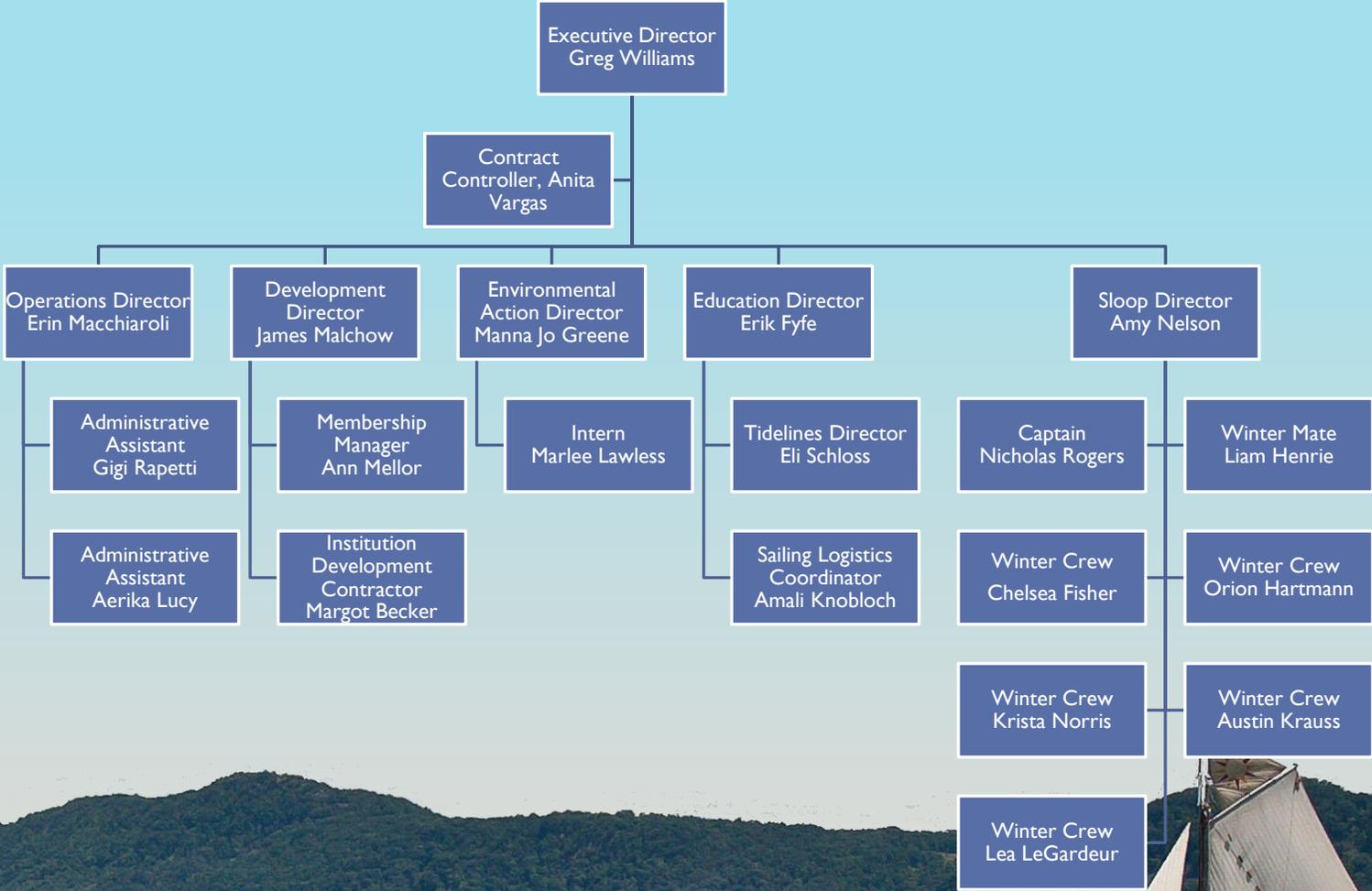
- \$150K Received Today!
- Forgiven if:
 - We rehire to headcount of 22
 - Spend it by 7/7/2020
 - Spend 75% on payroll & benefits
 - Spend remainder on rent, mortgage and/or utilities
- Unforgiven amounts convert to 18-month loan at 1% APR
 - *Apparently* can only be spent on payroll, benefits, rent, mortgage and utilities



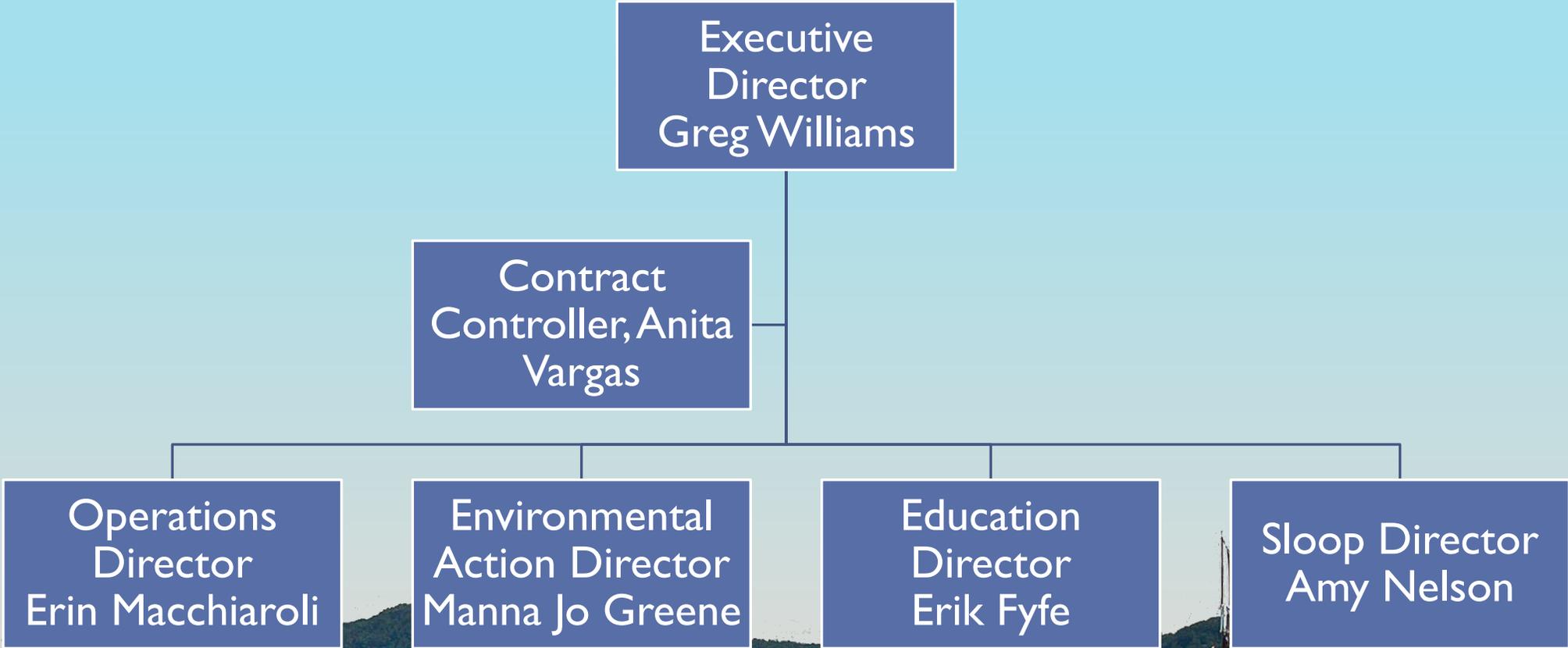
Staff Status



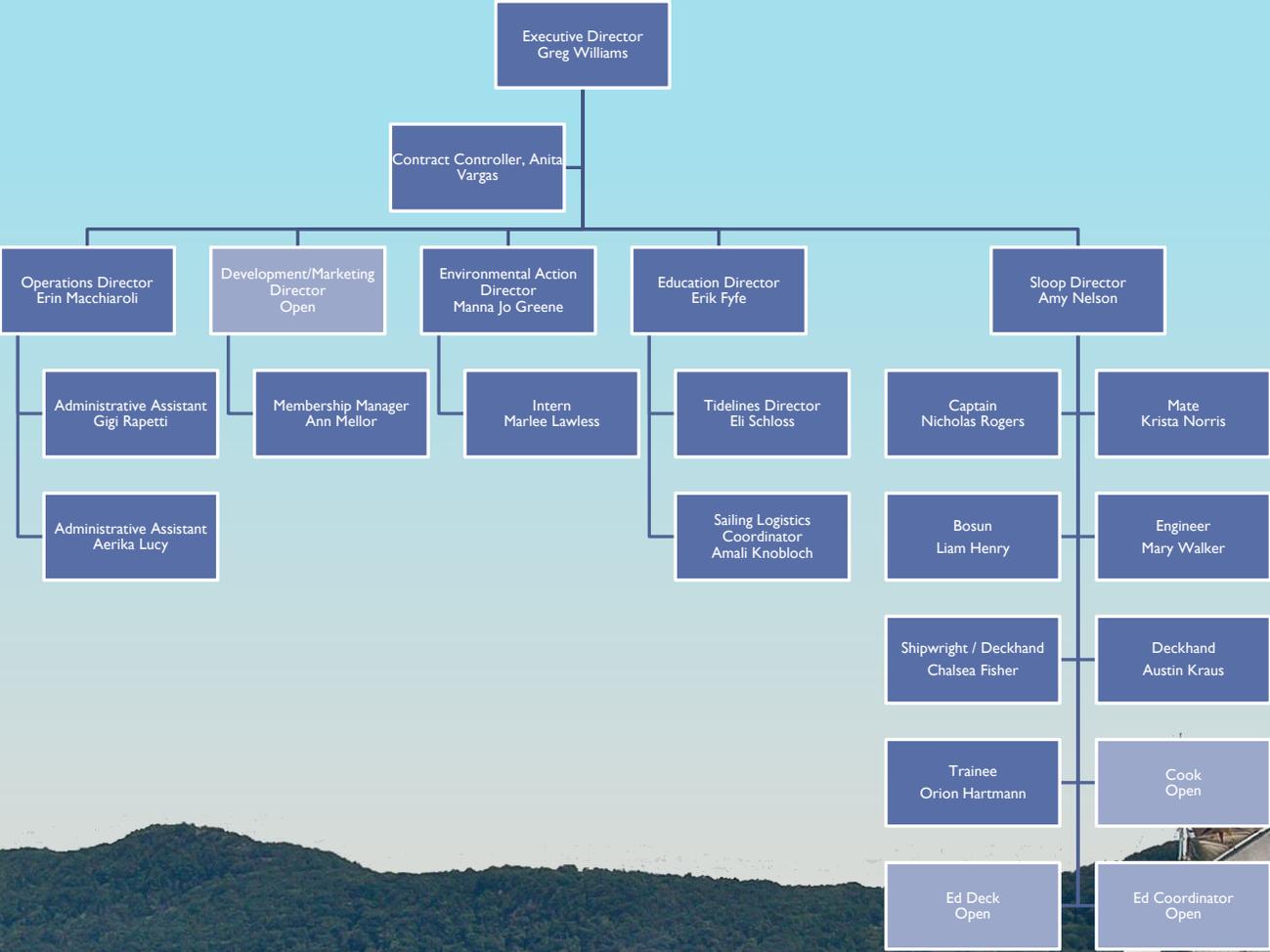
Pre-Furlough Organization



Pre-PPP Organization



Current / Proposed Organization



Addendum B



Secretary's Certificate

I, **Cathy Page**, Secretary of Hudson River Sloop Clearwater, Inc., a New York State corporation, do hereby certify that the resolution attached hereto as **Exhibit A** is a true and accurate copy of a resolution adopted by the Executive Committee of the Board of Directors of Hudson River Sloop Clearwater, Inc. at a duly called meeting of the Executive Committee on **4/26/20**.

I further certify that said resolution has not been rescinded, amended, or modified and is in full force and effect as of the date hereof. In witness whereof, I have executed this certificate this **26th** day of **April, 2020**.

A handwritten signature in black ink that reads "Cathy Page". The signature is stylized and cursive.

Cathy Page, Secretary

Hudson River Sloop Clearwater, Inc.

Note:

Corporate Seal will be affixed after COVID-19 stay-at-home requirement has been lifted.

Exhibit A
Resolution: CARES Act Relief Loan Application

RESOLVED, that the corporation be authorized to borrow, through National Development Corporation from programs made available through the Small Business Administration or such other governmental agencies as may be designated by acts of Congress or the New York State Legislature, and that the President, Treasurer, or Executive Director shall execute such instruments as may be required by National Development Corporation or any governmental agency with appropriate jurisdiction to effect such borrowing, and be it further

RESOLVED, that the corporation may open such accounts with National Development Corporation and/or Ulster Savings Bank as may be required to segregate restricted funds advanced to the corporation under such borrowing, and that the President, Treasurer, or Executive Director shall be authorized to execute any instruments required by National Development Corporation, Ulster Savings Bank or any governmental agency with appropriate jurisdiction with respect to the opening of such accounts, or to the withdrawal of funds from such accounts.

Dated: **4/26/20**

The above resolution was discussed and approved by a majority of the Executive Committee of the Board of Directors participating at a meeting held April 26, 2020, a quorum having been determined to exist.



Secretary

Addendum C



Secretary's Certificate

I, **Cathy Page**, Secretary of Hudson River Sloop Clearwater, Inc., a New York State corporation, do hereby certify that the resolution attached hereto as **Exhibit A** is a true and accurate copy of a resolution adopted by the Executive Committee of the Board of Directors of Hudson River Sloop Clearwater, Inc. at a duly called meeting of the Executive Committee on **5/7/20**.

I further certify that said resolution has not been rescinded, amended, or modified and is in full force and effect as of the date hereof. In witness whereof, I have executed this certificate this **7th** day of **May, 2020**.

A handwritten signature in black ink that reads "Cathy Page". The signature is stylized and cursive.

Cathy Page, Secretary

Hudson River Sloop Clearwater, Inc.

Note:

Corporate Seal will be affixed after COVID-19 stay-at-home requirement has been lifted.

Exhibit A

Resolution: Approval of Plan Authorizing the Executive Director to rehire or hire staff

RESOLVED, that the executive committee has approved the plan described in the resolution dated 4/30/20 that gives authority to the executive director to rehire or hire staff, up to the number of positions (22) on payroll as of February 15, 2020 and to a maximum of \$26,000 per bi-weekly pay period, subject to the limitations and restrictions of the Paycheck Protection Program (PPP).

Dated: **5/7/20**

The above resolution was discussed and approved unanimously by the Executive Committee participating at a meeting held May 7, 2020, a quorum having been determined to exist.



Secretary



Secretary's Certificate

I, **Cathy Page**, Secretary of Hudson River Sloop Clearwater, Inc., a New York State corporation, do hereby certify that the resolution attached hereto as **Exhibit A** is a true and accurate copy of a resolution adopted by the board of directors of Hudson River Sloop Clearwater, Inc. at a duly called meeting of the board on **5/12/20**.

I further certify that said resolution has not been rescinded, amended, or modified and is in full force and effect as of the date hereof. In witness whereof, I have executed this certificate this **12th** day of **May, 2020**.

A handwritten signature in black ink, appearing to read 'Cathy Page'.

Cathy Page, Secretary

Hudson River Sloop Clearwater, Inc.

Note:

Corporate Seal will be affixed after COVID-19 stay-at-home requirement has been lifted.

Exhibit A

Resolution: Authorization for Executive Director to rehire or hire staff

RESOLVED, that the executive director be authorized to rehire or hire staff, according to a plan previously approved by the executive committee, subject to the limitations and restrictions of the Paycheck Protection Plan (PPP), and that the resolution of the executive committee of April 30, 2020 authorizing the executive director to rehire or hire staff is hereby ratified.

Dated: 5/12/20



Secretary