



DRAFT Minutes of the Meeting of the Board of Directors
Hudson River Sloop Clearwater, Inc.

Virtual Meeting via Zoom

Thursday, February 8, 2022 at 6:30pm

Board Members

Sarah Armour

Peter Capek

Jeff Domanski

Mitzi Elkes

~~Joan Gaylor,~~

Neil Gordon, Treasurer

Scott Greathead

~~Allen Gutkin~~

Samantha Hicks, Executive Committee At Large

Gareth Hougham

Arthur Jones, Executive Committee At Large

~~Aaron Mair~~

~~Jennifer McMillan~~

Janine Napierkowski, Vice-President

Henry Neale, Executive Committee At Large

Jeremy Rainer

Dan Riesel

Larry Rothbart

~~Gregory Simpson~~

Steve Stanne, President, Chair

Donna Stein

Rosemary Thomas, Secretary

~~Sarah Underhill~~

Greg Williams

Thomasina Winslow

~~(strike through indicates absence)~~

Staff Members

Hal Cohen

Manna Jo Greene

Ruthie Gold

Amali Knobloch

Meg Mayo

Erin Macchiaroli

Matt Salton

David Toman, Executive Director

Anita Vargas

Members

Jeremy Baron

Jamie Black

Victoria Christof

Ben Kaminsky

Sara Kelsey

Jim Levis

Tinya Seeger

Alan Thomas

Rachel Zollner

The Meeting was called to order at 6:30 pm

Mission Song by Steve, "Broad Old River"

Approval of Minutes

The 01/06/22 Board meeting minutes were approved, with the agreed upon edits, by unanimous voice vote.

New Executive Director

Steve introduced the new Executive Director, David Toman, and welcomed him to his first Board meeting.

Executive Director's Report

The group sail application for education sails was released 1/31 and we already have 30 responses!! The Volunteer Crew Application is opened. On 2/24, there will be a webinar for Black History Month with Black environmental professionals on fields from education, to research, to communications and development.

David visited Captain Nick and the winter crew at the shipyard and was suitably impressed with their knowledge and skills. The mid-January Coast Guard inspection confirmed the planned scope of work. The timeline of the refit is looking at one week longer than originally planned, with splash in in Albany tentatively scheduled for April 22nd, and the balance of the work to be completed and ready for Coast Guard inspection by May 25th; therefore, ready to sail by Memorial Day weekend. Opportunities to recover the schedule will be assessed as they arise.

Two new EA interns have been engaged – Sophie Wanzer, junior at Vassar College, will help update the Low Impact Hydropower report and Chelsea Villalba, pursuing her Masters at SUNY Stony Brook, will help draft comments for the NYS Climate Action Council's Scoping Plan. Welcome Sophie and Chelsea! Regarding the Newburgh PFOS Cleanup, the Restoration Advisory Board, on 2/2/2022, expressed that remediation is on schedule and additional samples are being taken to continue testing. We will continue to monitor.

The President, Treasurer and Executive Director reviewed the budget at its detail level as assembled by the Program Directors. Budget will be covered later in the meeting. David, Anita Vargas, our contract Controller, and the auditor met on Monday, 2/7 and are still early in the process for FY2019 and are waiting for documentation for Clearwater. David expects the 2019,2020 and 2021 990's and audits can be completed by end of this fiscal year (11/30/22), and has a goal for the FY2022 990 and audit completion within four months of the end of fiscal year, getting Clearwater completely back on time and on cycle for any financial reporting to stakeholders by 3/31/23. A new custodial account has been set up at Ulster Savings to isolate Century Fund funds, for better internal control and management.

Clearwater could benefit from an employment law specialist available to consult with regarding human resource management and the Jones Act and NYS maritime standards. Please advise if anyone can connect us to a pro bono opportunity.

Resolution to add signers to bank accounts

Steve proposed a resolution to add the new Executive Director, David Toman, to all accounts and to add Rory Kane, as Captain, to the boat account only. The text of the resolution is in Appendix A. Greg Williams moved the resolution and Peter Capek seconded. The resolution was PASSED unanimously.

Treasurer's Report

The Treasurer stated the Finance Committee reviewed and approved the proposed budget to be presented later in the meeting. He said cash flow remains steady, at about four weeks' worth of unrestricted cash in the bank.

Development Report

Meg shared the good news that year-to-date development revenue is 3% over budget. Meg explained that 2022 fundraising strategy is going out to both prior and new donors with current financial reporting and a stolid story to connect them with the Clearwater community, plus creating consistent and plentiful opportunities to give. The goal is to drive a 25% increase in Development revenue. Meg noted that development revenue is 55% of gross revenue in the most recent budget she saw. Meg presented a high level overview of planned opportunities to give, by quarter, including events, appeals, surveys, celebrations, sails, and webinars.

The Gala is coming up on April 3rd at the Garrison. Our auctioneer is Nico Lowry (Antiques Road Show). Tickets are on sale now, and the on-line auction will go live in March. We are looking for sponsor outreach, both individuals and businesses, and for program journal ads. The ads are an opportunity for an easy ask for businesses or individuals who would like to put advertisements or leave messages in the journal, and Meg will send information.

Meg's presentation included Ruthie Gold's work on education grants. The climate change curriculum is wrapping up for the DEC portion, and the next step is ensuring all the additional funders' reporting is covered as well. It should be noted this is a complex series of grants that originated pre-covid, and while there is overlap in some of the deliverables, others vary by funder. We are awaiting the contract for the Fish Key grant of \$40k. The fish advisory contract is closed out; we have received all the money and have submitted a second round (\$15k/year for two years). Also Clif Bar and Catskill Watershed Corporation applications were submitted. All grant activity has been for education related work.

Meg shared Shout Outs for work by a wide variety of individuals – members, both regular and Board, and Staff.

Greg asked how revenue progress against target will be tracked. David replied that Development revenue will be shared on a monthly basis. David also said the goal is to look more, organizationally, at financial analysis and comparison as we go forward though everything is not in place yet.

Rosemary said the Development Committee is working to support the actions / events that Meg showed in the quarterly buckets. She spoke the status of items in 2Q, 3Q, and 4Q with regard to which were 'in good shape' and which still need translation of ideas into plans. Participants and volunteers are needed throughout the year. Rosemary noted the Development Committee is fairly well booked with activities for the year.

Strategic Plan Implementation:

Sam said implementation meetings are getting traction. The point people for each priority, a combination of Staff and Board, have been proposed. Pending confirmation of those names by the President and the Executive Director, a meeting with that group will be held to get organized, agree on next steps, tracking, and how to define success for each priority.

Sam noted a number of things are ongoing already and reminded us the Strategic Plan is about trying to adhere to the mission and being more diligent in how we execute the service of that mission, engage in better protocols, and report on progress, with careful, thoughtful processes that are already starting to serve us well.

Arthur invited anyone interested in working on these, in any way, to let Sam, Arthur or Rosemary know.

Larry shared his son teaches at the Maxwell School in Syracuse, a public policy school, where students get four weeks to do something for an agency. We could potentially take advantage of that resource, using a student to evaluate our efforts with the Strategic Plan. David commented that we could benefit by determining ways to measure success and that we are working towards that now. If we come up with those measures of success, that will be part of our story each year. Where we report it out needs to be discussed between Steve and David. We can certainly look at Larry's suggestion for next year if we can make it meaningful.

Revival 2023

Steve summarized that back in December a group consisting of Mitzi Elkes, Hal Cohen, Roy Volpe, Ben Kaminsky and, at the time, Tinya Seeger put together a draft proposal to investigate the possibility of splitting off Revival as a separate entity. He noted the idea has been around off and on for a while. The Executive Committee put forth a set of questions to be answered as part of determining whether this is a realistic process. Steve said the Executive Committee is certainly in support of continuing the tradition of Revival and the question is how to do it in a sustainable fashion. The group is seeking to determine whether a separate entity is a realistic option. There has been a fair amount of Board response both for and against and Steve's sense is this is an option that should be investigated if we are to continue to do Revival. We need to get a motion on this as a decision on doing 2023 Revival would need a decision in a couple of months to allow the necessary planning time. We hope the group is prepared to move on that. Steve then asked Mitzi to comment.

Mitzi said this is an idea that has come up over the years, and which she previously rejected, but she now sees this as an option that is worthwhile to consider. Mitzi added that Clearwater is not in the position to suffer any financial risk and that for her and others on the Board, Revival is very dear to our hearts. She sees it as an option that is financially risk free for Clearwater, where Clearwater would profit if the Revival were profitable, but not lose money if the Revival lost money.

Hal added another benefit is exposing the public to the things Clearwater stands for, as the goal is to be just as environmentally conscious, music conscious, and doing the kind of job Clearwater has always done. Hal noted the Strategic Plan input survey showed 23% of our members know Clearwater from the Revival and he wants to continue to make those kind of benefits available.

Steve noted Mitzi's group has a history of making things happen, and tonight's goal is to get a sense of whether the Board is in support of this group going ahead and looking carefully at the option. It is not a commitment to a course of action but rather to support looking carefully at the option.

In response to questions and comments, Mitzi said that while it's not yet clear how the proposal might come together, the intent is to not ask the Board or Staff to do any extra work. The premise is it would be a separate entity, and Clearwater would have a potential gain of revenue. Mitzi also noted the group is prepared to address all the questions in the document from the Executive Committee, but first wants the Board's support to move forward.

Steve put the RESOLUTION forward. The text of the resolution is in Appendix B. Further discussion ensued.

Greg asked about RPC support for this proposal. Mitzi said Roy was unavailable tonight but thinks it is there. Ben noted he can't endorse this approach yet but it's worth investigating. Larry asked whether this was an either-or situation for Revival 2023, or whether an 'in-house' 2023 Revival is possible. The Treasurer noted our current fiscal condition does not allow for assuming the 2023 Revival financial risk, so he does not see a viable internal option.

Scott commented a separate entity dedicated to Revival is a good idea, especially with people like Mitzi and others who have the desire and the know-how. He noted this Board already has a lot to deal with and that we all have fiduciary duties and want to make everything fair to the organization. He said we don't want to risk the money we have been raising but Revival is something that ought to continue.

Sam pushed for strategic thinking – where do we want to be five years from now, for example.

Thomasina said Clearwater should continue to investigate sponsorship and other opportunities for an in-house Clearwater and she is willing to put in the work. Thomasina also asked what is the mission statement

for Revival, what is its purpose, what is its vision.

Dan said we all cherish the idea of a Great Hudson River Revival, but there is no realistic prospect of that moving forward by the Clearwater Corporation. He said this proposal is very modest and because it imposes no risk and does have the best chance of bringing the issues to the fore, he thinks it should be wholeheartedly adopted.

Dan called the question, Rosemary seconded, and it PASSED with 14 yes votes (Steve Stanne, Neil Gordon, Rosemary Thomas, Janine Napierkowski, Greg Williams, Gareth Houghton, Mitzi Elkes, Thomasina Winslow, Sam Hicks, Sarah Underhill, Sarah Armour, Jeremy Rainer, Peter Capek, and Arthur Jones) and 1 abstention (Donna Stein), thereby leading to the vote on the resolution.

The RESOLUTION was PASSED with 18 yes votes (Steve Stanne, Scott Greathead, Neil Gordon, Rosemary Thomas, Janine Napierkowski, Greg Williams, Gareth Houghton, Mitzi Elkes, Thomasina Winslow, Sam Hicks, Sarah Underhill, Sarah Armour, Donna Stein, Jeremy Rainer, Peter Capek, Henry Neale, Jeffrey Domanski and Arthur Jones) and one abstention (Larry Rothbart). The text of the resolution is in Appendix B.

Scott noted the Board needs to be conscious of agreeing to something that involves Board members, that the involved Board member cannot be part of the vote. He stated if help is needed in dealing with these conflict issues, he is available

Environmental Action Committee

Champlain Hudson Express was tabled as comments had to be in by yesterday and CW did not take a position by that time. Manna will describe the actions her EA report.

The possibility of engaging with the Pace Environmental Law Clinic to address issues with emissions at the Croton Rail Yard was briefly covered. The EA Committee is not making a recommendation this time as there is not consensus. Steve encouraged those with an opinion to weigh in with Henry and Manna.

Henry also called attention to the upcoming Danskammer appeals.

Nominating Committee

Arthur reviewed the calendar of key milestones for the year, the list of qualities requested for new Board members, the names of incumbents who are planning to run again (Sarah Underhill, Janine Napierkowski, and Neil Gordon) and those not running again (Gregory Simpson and Jeffrey Domanski). Ideally, potential new candidates will first serve on committees to enhance their understanding of the commitment involved and allow others to get to know them. A notice to membership, that we are seeking candidates, will go out soon. The annual board self assessment will also be going out in the near future.

As the by-laws require the Nominating Committee to have three non-Board members, and also that those non-Board members be approved by the Board of Directors, Arthur made a MOTION to approve Ann Mellor, Amali Knobloch, and Alan Thomas as those three non-Board members of the Nominating Committee. Henry moved the motion; Peter seconded. The motion PASSED unanimously.

Resolution of Thanks

Sam read a RESOLUTION of thanks to Steve Stanne for his extraordinary service as both President and as co-Acting Executive Director from July 2020 till January 2022, with persistent positive energy and effective leadership. The text of the resolution is in Appendix C. Arthur moved and Sam seconded. The resolution PASSED unanimously.

Budget Review

The Treasurer and the new Executive Director presented a very high level summary of the proposed budget. The Treasurer said the organization chart, combined with non-negotiable expenses, drives the proposed budget and that the President took the lead, working with Staff, in putting together a detailed, comprehensive budget for FY2022 and that plan is broken down in reasonable detail, for example fall plan or membership assumptions, and leans to the conservative side. In its late stages, the President, the Treasurer, and the Executive Director and other members of the Finance Committee determined there was a gap and asked the Board to step up to the challenge.

The new Executive Director presented a list of Staff and crew positions for 2022, pie chart breakouts of budgeted expenses and budgeted revenues for 2022, and noted that the capacity is there to meet the challenge. In the three weeks he has been with the organization, the depth of the constituency, and their commitment to Clearwater, have become clear and it's a matter of how do we reach them and build the donor confidence. The Executive Director said what is required is for people to give this time and attention ahead of other things, and he spoke to the importance of a revenue driving paradigm shift with all of us realizing and doing our part of reaching out to our spheres of influence within that constituency. The Executive Director finished by sharing a high level table summarizing the budget by major component, including combined revenue and other supporting aspects.

Rosemary asked for help understanding the gap as it appears the winter refit is covered by funds identified on the chart, we went through FY2021 by taking in sufficient revenue as we went along, and as we will have a return of program revenue in FY2022. She also asked to see the Century Fund assumptions and plan.

The Treasurer then noted that FY2021 benefited from a significant unexpected bequest, some of which launched the Century Fund and some of which was used for operations and that we are not ahead of the curve without significant additional revenue.

The President asked and the Executive Director stated a lot of the gap is being driven by the plan to reimburse the Century Fund.

Rosemary noted when we got the bequest in 2021, we thought long and hard about how to use it and set the bulk of it aside, in the Century Fund, knowing the winter refit was coming. While we absolutely need to leave something in the Century Fund, we must remember this is the first refit in a very long time where we are paying cash and not talking about the increasing long term debt.

The President said he could envision a scenario where we wait till the end of the year before deciding whether to reimburse the Century Fund.

Rosemary concluded by saying we need to be realistic and that we are committed to the Century Fund but perhaps this year is a baby step.

The President reinforced that we need to raise a lot more money to get Clearwater back into shape, and we need to make a start this year.

Steve put forth a RESOLUTION to adopt the budget. The text of the resolution is in Appendix D. Neil moved the resolution and Arthur seconded. The resolution PASSED with 16 yes votes (Steve Stanne, Neil Gordon, Thomasina Winslow, Mitzi Elkes, Gareth Houghton, Sam Hicks, Donna Stein, Jeremy Rainer, Peter Capek, Sarah Underhill, Janine Napierkowski, Sarah Armour, Henry Neale, and Gareth Houghton), 1 no vote (Rosemary Thomas) and 1 abstention (Jeffrey Domanski).

Member Comment:

Deferred.

The meeting was adjourned at 9:30pm.

Respectfully Submitted,
Rosemary Thomas, Secretary

APPENDIX A

A resolution to add signers to bank accounts.

RESOLVED:

That David H. Toman, Executive Director, be added as a signer on all Ulster Savings Bank accounts including: Operating Account (X7517), Festival Account (X5149), Special Account (x5167), Boat Account (X7508) and soon to be established "Clearwater Century Fund" account.

That David H. Toman also be added as a signer to all M&T Bank accounts including: Commercial Savings (X9947), Advanced Business Checking (X8531) and Advanced Business Checking (X9374).

That Rory Kane, as Captain, be added as a signer to the Ulster Savings Boat Account (X7508) only.

APPENDIX B

A resolution to support planning efforts of ad hoc Revival committee.

Whereas, the Great Hudson River Revival has been a signature Clearwater event since 1978; and
Whereas, Revival has been an important gateway for people to enter the Clearwater community; and,
Whereas, the equipment, know-how, and base of volunteers still exists; and
Whereas, Clearwater has received a proposal from a group (Mitzi Elkes, Hal Cohen, Roy Volpe and Ben Kaminsky) to investigate the creation of a separate entity to produce Clearwater's Great Hudson River Revival 2023; and

Whereas, all financial risk would be assumed by the separate entity; and

Whereas, the proposal merits serious and timely evaluation if a 2023 Revival is to happen; it is hereby
RESOLVED: the Board expresses its support for this group to move forward with its analysis of whether this proposal is realistic, with the proviso that no agreement to go ahead with Revival shall be entered into without the express consent of the board.

APPENDIX C

A resolution to thank Steve Stanne for extraordinary service

Whereas, Steve Stanne has served as both the President of the Board of Directors and Interim Executive Director of Hudson River Sloop Clearwater, Inc from July 2020 to January 2022, and worked tirelessly without compensation,

Whereas, among his many noteworthy achievements, Steve led the Directors and staff through a global pandemic and an especially difficult time for the organization,

Whereas, Hudson River Clearwater Sloop expresses its appreciation and gratitude for Steve's essential contributions to the organization throughout his entire tenure,

Therefore, be it resolved that Clearwater's Board of Directors expresses its appreciation for the

extraordinary service performed by Steve Stanne, and recognizes his persistent positive energy and effective leadership.

APPENDIX D

A resolution to adopt the Fiscal Year 2021-2022 Budget.

RESOLVED: That the Board adopts the Fiscal Year 2021-2022 Budget as presented and attached to the minutes of this meeting.

DRAFT