

NYSERDA's 77th Waste and Facilities Management Committee Meeting
January 269, 2025
Clean Copy of Transcript

Charles Bell:

Good morning. I call this meeting of the Waste and Facilities Management Committee to order notice of this meeting was provided to the Committee Members on January 17, 2025, and to the press on January 21, 2025. I would also like to note that this meeting is being conducted by video conference and that the Authority will be posting a video and transcript of this meeting on the web. To confirm that we have a quorum, I would like to ask the Committee to please introduce themselves. I am Chuck Bell, Vice Chair and Chair of the Committee.

Sherburne Abbott:

Shere Abbott, Member of the Committee. Member of the Board.

Lindsay Greene:

Lindsey Greene, Member of the Committee. Member of the Board.

Charles Bell:

Thank you. Lindsey.

Richard Kauffman:

Richard Kauffman, Chair of the Authority.

Charles Bell:

And anyone in Albany? No. Okay. So I would like to note for the record that we have a quorum, but also that Lindsey Greene is participating by video conference as per the extraordinary circumstances exception under the Open Meetings Law and our By-laws, Lindsay's participation will count for votes but will not be included in the count for quorum. So thank you. The first item on the agenda is the approval of the minutes of the October 23, 2024 meeting. A copy of the minutes was included with January 17, 2025. Board mailing. Are there any comments on the minutes? Hearing none. May please have a motion approving the minutes.

Lindsay Greene:

So moved.

Richard Kauffman:

Second.

Charles Bell:

Thank you. May I have a second?

Sherburne Abbott:

Second.

Charles Bell:

All in favor, please say aye.

Members of the Committee:

Aye.

Charles Bell:

Any opposed? The minutes are approved. Next agenda item is a report from Chief Financial Officer Pam Poisson regarding the Authority's fiscal year 2025-26 budget for the West Valley Site Management Program and radioactive waste policy and nuclear coordination activities. At the close of Pam's presentation, the Committee will be asked to vote on a resolution recommending that the Board adopt the resolution approving the Authority's fiscal year 2025-26 Budget. Pam

Pam Poisson:

Thank you Chair. The Members are requested to recommend the adoption of a resolution that recommends approval of its portions of the Authority's' budget for the fiscal year ending March 31st, 2026, for fiscal year 2026. Many of the details of the budget will be presented with more information at the Program Planning Committee meeting, which will meet to review its respective portion of the budget later today. So I will only for now address those portions that are specifically subject to this Committee's review. The budget for the West Valley program is \$25.8 million that is supported by a New York State Appropriations for the year ahead. You may recall this is the same as last year. It's roughly flat year over year and in line with our expectations for the state share of federal funding and spending at the site under the cooperative agreement and Consent Decree and considering no projections for the scope and timing of the work activities, the bulk of the total appropriations \$20.6 million is associated with the cooperative federal and New York State work that's ongoing to continue plan progress at the West Valley Demonstration Project, the State License disposal costs are also included and that is estimated at an additional \$3.8 million as well as other nicer to managed activities that in turn approximate \$1.4 million.

So that's coming to the \$25 point million in total. This budget also contemplates federal funding of approximately \$96.7 million per the terms of the cooperative agreement and Consent Decree for the fiscal year ahead. I would also note that an additional budget item not contained in the \$25.8 million is work conducted by the Energy Analysis Program and their respective budget. And that is funding to meet the requirements under the State Low Level Radioactive Waste Management Act of 1986. That work is to collect information and provide regular reports to the Governor and legislature on the low level radioactive waste generation in the state. Those activities are funded with a separate state appropriation of \$150,000 that's sub allocated from the appropriation that's actually provided to the Department of Health for the state. And in turn, apportion is provided to NYSERDA for the work that we execute and that is worked. I'm sorry, that funding is collected through an assessment on operating nuclear power plant licenses. This figure is also flat over last year. That concludes our summary of the budget. I will pause there for questions.

Charles Bell:

Thank you, Pam. Are there any questions or further discussion of this item?

Richard Kauffman:

So I do have a question. So the contractor, the contracts with the contractors that are doing the work at West Valley, that's a contract between them and DOE. Okay. So we're not a party to that contract? No.

Pam Poisson:

Correct.

Richard Kauffman:

Okay. And our funding in terms of how does that work with respect to the DOE funding? Does it go in proportionally or does it go in first or does it go in later?

John Williams:

So the items that Pam mentioned, you have Consent Decree and the agreements with DOE. Look at various different activities that go, both of those documents sort of have mapped out for West Valley. Currently in this phase one, a portion of the project, all of the costs incurred for the identified activities in one A are a 90 10 split between DOE 90% West Valley. I started West Valley 10% As we're going to be moving into phase one B over the next couple of years, some continuing activity will still be on a 90 10 split, but other activities will move to a 50 50 split. So we will, and this is again all part of the arrangement and agreement with DOE. So we will be seeing some variations of the West Valley budget likely coming in the forward. Just as we're progressing through the process.

Richard Kauffman:

I'm asking actually about the cash. So do we fund at the same time that DOE does or does DOE fund first and then right, whose money whose money comes in?

John Williams:

Yesh, DOE money would come. Actually, I am not sure the timing of that. I would think that as the DOE is paying out, we are actually doing a degree of reimbursement.

Pam Poisson:

Yeah, that's largely contemporaneous.

Richard Kauffman:

I'm sorry?

Pam Poisson:

I would say it's largely contemporaneous.

Charles Bell:

Yeah. Are there any other questions?

Richard Kauffman:

And Pete, sorry, there's no, from a legal standpoint, there's no derivative claim that a contractor could make against it.

Peter Costello:

There should not be Janice, in terms of the contractual protections.

Janice Dean:

Could you rephrase that question, Richard? I'm sorry. Or repeat it.

Richard Kauffman:

I'm saying that the contractors have a contract with DOE. There would be no, for some reason DOE sort of canceled the contract or walked away or delayed to some degree. Would the contractors have any derivative claim against us based on the fact that we're a funder?

Peter Costello:

Right.

Janice Dean:

I don't know. I don't think so, but I would've to look at it. Certainly work would stop because we don't have the authority to direct actions on the DOE portion of the site.

Peter Costello:

So in terms of privity, the contractors are in privity with DOE, not us. We have a separate agreement funding agreement between US and DOE,

Janice Dean:

Correct. We are not, yes, we not a party to those, to the contract between DOE and its contractor. So there would be no direct contract claim.

Peter Costello:

Yeah, it'd be a difficult claim if it were brought.

Richard Kauffman:

Okay, great. Thank you.

Charles Bell:

Thank you. Any other questions or comments? I was just going to ask as our share under phase one B goes up for NYSERDA to pay 50 with the DOE, are we keeping the New York State Division of budget advised on this expectation that the share will go up?

John Williams:

Yes. I advised hopefully they remember.

Pam Poisson:

Yes, sorry, I had an opportunity to visit the site and I think have a good appreciation. But John, I can confirm they remember because we are in discussions with them annually on this particular item and we are in discussions with them more frequently for much matters. But on this one annually, they do have a sense of the trajectory that this is likely to follow as we get to one B.

Charles Bell:

That's great. Thank you. And I think we appreciate the large share that the federal government pays for the cleanup of the site and that's very important for New York State as well as the money that New York is investing. Okay, so any questions or comments? A resolution regarding approval of the Authority's fiscal year 2025-26 budget was included in your materials. It's located at the last page of the budget package. May I please have a motion recommending that the Board adopt the resolution approving the Authority's fiscal year 2025-26 budget.

Lindsay Greene:

So moved.

Charles Bell:

Thank you. Second. All in favor?

Members of the Committee:

Aye. Aye. Aye.

Charles Bell:

Any opposed? The fiscal year 2025-26 budget is recommended for approval. Next on the agenda is the status report on the Authority's various facilities. Chief Financial Officer Pam Poisson will present the report. Pam,

Pam Poisson:

Thank you. This is an informational update regarding NYSERDA office space. While this Committee is not responsible for decisions pertaining to NYSERDA operational facilities, it has been customary for us to provide updates and as always, we welcome your input in questions. If you'll recall, my survey is in the process of updating and potentially consolidating our office spaces. And that's been as a result of our recent office space analysis and strategy development. We identified some opportunities to right size so that we could ensure our office workspace is both sufficient for our projected team size, but also reflects good value in each dollar by aligning individual workspaces with prevailing trends. And we also aim to be a role model as we pursue these updates with our plans well aligned with Executive Order 22, we believe we've made some good progress in this area here in New York City through an office consolidation.

It was time to take advantage of market trends. We've been able to secure rental rates that were actually lower than what we had in the previous lease and over the next year we'll be working to execute this consolidation as we move ahead with this work. I can report that we have already contracted with an architect and we're excited that we will be able to get going on this per our project plans in Albany. Our goal remains to consolidate our local staff into one main building versus the two that we currently occupy. One owned and one leased based on previous input from the Board. And otherwise, we have as a first step placed on the market, our headquarters at 17 Columbia Circle in Albany. And you'll recall that our intent of that action is to really gauge the market for interest before we would commit to undertaking a move to another property.

We also, as we continue our office space analysis or reviewing potential alternative locations to which we might shift and we've expanded that search recently so that we are looking not just at

ones close to our current headquarters, but also those that are closer to the Albany Made business district. Obviously continuing to consider the financial aspects of the options that are out there, but also finding ways to be more closely co-located with both our New York State government partners and communities that are served by our program. One variable that staff would like you to be aware of is that where we have about a third of our team in Albany housed leased space at 15 Columbia Circle. That space has been on the market for a while and we have recently learned that there is actually going to be an option held to try to secure a buyer for that space.

Now the outcome of that auction may result in a new owner that's disinclined to renew our lease beyond the current year. The outcome of the option is incredibly uncertain at this point, but we want to make sure that we are prepared for however this could evolve and while we only recently learned about that auction date, we were behind the scenes looking at some alternatives in that same general area so that we could have a swing space to move people to if needed. So please report that we have several promising options within that same office park as a temporary measure. They're close enough that we could shift staff to those without having a significant business interruption, but we are also finding through preliminary discussions that they will be flexible enough to add, to accept a very short-term lease that would meet our needs and thus allow us the freedom to relocate should we find that we do have a good new location to move to and have a buyer for 17 Columbia.

Just by way of reference, given the fluid nature of this, know that we've incorporated into our proposed budget for the coming year, really just the portions of the office consolidation work that are reasonably certain at this time. So those specific to the New York City space, the net capital investment for that is consistent with the data that we had previously shared with this Committee and the Board during our earlier analysis of the financial impacts of a consolidation. And so we continue to move ahead with the New York City updates as planned and then downstate continue to pursue options that may be available both to secure a buyer for 17 Columbia and also make sure that as we scope out other locations that we are doing so in a manner that that's the lines with achieving our mission. I guess I would close by just reminding you, we continue to keep the key stakeholders engaged. So that has included not just our employees, but of course Chamber OGS, which handles a lot of New York State property decisions and our sub tenant that we currently have in New York City. So that was hopefully a relevant and not too detailed update. But let me see if there are questions or

Richard Kauffman:

Is there any interest in 17?

Pam Poisson:

We've got a couple of inquiries actually just in the last week, and I probably shouldn't comment too much on the particular nature of that because it could affect the competitive posture, but it's an array of different parties and it's very early stages though.

Lindsay Greene:

This is Lindsay. I had a quick question. Do you have to have resolution on the fate of 17 Columbia Circle in order to enter into a new lease somewhere in the Albany area?

Pam Poisson:

Appreciate that question. We've made the decision from a financial responsibility perspective at this time that until at least for the next year, unless we had a buyer for 17 Columbia that we would not wouldn't proceed. So you want to do eventually, correct? Correct. Okay. And I think we will watch the market and see how it evolves over the next six to nine months. We do plan to have an official checkpoint. It would be about October of next year. I'm sorry, this coming year, based on when we originally put the property on the market.

Lindsay Greene:

When did it go on the market?

Pam Poisson:

Last November we had a soft listing and then we did the paper splash and after the holidays. I think that's the piece that has generated some interest. We've gotten some inquiries on it, both media and potential interest buyers.

Charles Bell:

Any other questions or comments on this issue? I was just going to ask if so, if some other New York State agency vacated their office, would OGS notify us that another facility was available?

Pam Poisson:

Yes, we've been in active discussions with the OGS as well as ESD who have some involvement in development plans for the state.

Charles Bell:

Okay. Thank you. Great. Thanks so much, Pam, for your report. Final agenda item is other business. Is there any other business hearing? No other business? May I please have a motion to adjourn? Second.

Lindsay Greene:

Second.

Charles Bell:

Thank you. All in favor?

Members of the Committee:

Aye. Aye.

Charles Bell:

Opposed? Meeting is adjourned.