



**Peconic Estuary Program
Management Committee Meeting Summary**

April 8th, 2020, 10:00 am – 12:30 pm

Zoom Conference Call*

(*Due to COVID-19)

Attendees: Joyce Novak (PEP), Elizabeth Hornstein (PEP), Lauren Scheer (PEP/CCE), Patricia Aitken (PE Protection Committee), Sarah Schaefer (PEP), Julia Socrates (NYSDEC MC Rep), John Bouvier (Southampton Town Councilman/ Local Government Committee MC Rep), Kevin McDonald (TNC/CAC Chair and MC Rep), Matt Sclafani (CCE/ TAC Chair and MC Rep), Richard Friesner (NEIWPCC MC Rep), Emma Gildesgame (NEIWPCC), Aisha Sexton-Sims (EPA and MC Chair), Aimee Boucher (EPA), Melissa Parrott (Central Pine Barrens Commission), Holly Sanford (PLT), Al Krupski (SC Legislator District 1), Jim Colligan (Shelter Island Councilman), Theresa Masin (Town of Southampton), Susan Sullivan (NEIWPCC), Ken Zegel (SCDHS MC Rep), George Bartunek (Town of Riverhead Environmental Advisory Committee), Brian Frank (Town of East Hampton).

1. Welcome & Introductions- Aisha Sexton-Sims (USEPA Region 2)

- Aisha acknowledged the trying times we are in and that many of us are working remotely through this pandemic. This is the first virtual quarterly MC meeting that Aisha is chairing since taking her Chair position for the PEP MC.
- Aisha instituted a role call for introductions.
- PEP is instituting a Public Comment Period at the public meetings we hold- If you wish to speak during this portion of the agenda please indicate in the chat in Zoom.

2. Discussion and Approval of the [January Management Committee \(MC\) Meeting Summary](#) – Aisha Sexton-Sims

- Approved by the committee.

3. Other Updates - Aisha Sexton-Sims

- March 9th PEP announced name change to Peconic Estuary Partnership.
- The Local Government Committee representative for the PEP Policy Committee is now The Town of Southold Supervisor Scott Russell.

4. PEP Program Update Review – Sarah Schaefer (PEP Program Coordinator) & Elizabeth Hornstein (PEP State Coordinator)

- PEP distributed the [PEP March Program Update](#) with the meeting materials. The MC was asked to come to the meeting with any questions after reviewing the power point, no detailed review of the Updates were provided at the meeting.

5. Update on EPA Grant Funds that will expire September 30th, 2020 - **Joyce Novak** (PEP Director)
- The FY2013, 2014 and 2015 EPA grant funds awarded to Suffolk County will expire on September 30th, 2020. The associated projects listed below are being funded with that grant money. The projects are moving along as much as they are able to, considering COVID-19. The only project that Joyce believes may be an issue is the Sag Harbor Village project since it involves construction. We hope to be able to reimburse the Village for as much work as possible, which will at least include non- construction work for the Construction Design and Educational Signage tasks. Joyce will keep the group updated and will continue to keep close communication with Suffolk County to make sure these projects are completed (as much as possible) and grants can be drawn down before the grant deadline.
 - **Non-point Source Pollution Management Project- PEP and Village of Sag Harbor.**
 - Status: Ongoing. Expected completion September 2020. Funding expires 9/30/2020.
 - PEP had a call with Sag Harbor and Nelson Pope and Voorhis on 4/7/2020 to discuss the projects progress and expected timeline during the COVID-19 non-essential work moratorium. They are confident they can complete the design and preparation of the bids as planned and start the landscape installation work in the summer.
 - **Nitrogen Load Reduction Assessment Project- PEP and Anchor QEA, LLC.**
 - Status: QAPP approved. Project is ongoing. Expected completion September 2020. Funding expires 9/30/2020
 - The desktop study involved to compile and assess the cost per pound of nitrogen reduction to groundwater for various nitrogen reduction best management practices (BMPs) currently being employed throughout the country will continue as planned, this work will likely not be impacted by COVID-19 non-essential work restrictions.
 - **Expansion and Monitoring of the Town of Southold Living Shoreline- PEP and Cornell Cooperative Extension**
 - Status: Work is underway, monitoring plan is being developed. Expected project completion in August 2020.
 - Expansion to an existing Town of Southold Living Shoreline Demonstration Project at SCMELC (Suffolk County Marine Environmental Learning Center).
 - CCE has regulations for operation under this health crisis and this is the tail end of the project so we are moving forward with this project as planned.
 - Richard Friesner asked if the grants were at their 7 year limit. Joyce responded that they are bundled FY2013, 2014 and 2015 EPA grants that are at the end of their 7 year grant limit.
 - Aimee Boucher stated that if there is a concern about completing the projects funded by the grant funds before the deadline there may be the opportunity to request a No Cost Time Extension for these grants through EPA's Office of Grants and Debarment (OGD). If the reason for any delay is due to COVID-19, EPA asked that a justification be provided in the request for an extension to explain why the projects would be delayed due to COVID-19. Joyce responded that although we are confident the work will be done before the grant deadline the extension could provide the necessary time to ensure the payments are processed through Suffolk County. The PEP office will definitely plan to submit an extension request for these FY13-15 grant funds. Aimee cannot guarantee that the extension would be approved since this would be the second extension request, but it is worth submitting the request.

6. FFY 2020 Budget & Workplan Review and Recommendation to Policy Committee– **Joyce Novak**
- Click here for [FFY 2020 PEP Budget & Overview](#), Click here for the [FFY 2020 PEP- Suffolk County Workplan and Budget](#)., Click here for the [FFY 2020 PEP- NEIWPCC Workplan and Budget](#).
 - Joyce presented the linked Draft PEP FFY 2020 Budget Proposal document and Draft PEP FFY 2020 Budget Proposal Overview document linked above.
 - Budget columns in orange indicate ULOs (Unliquidated Obligations). Budget rows in green indicate the Suffolk County EPA grant request and budget rows in blue indicate the NEIWPCC EPA grant request. Rows that are not colored indicate State funds that are being allocated to the USGS water quality monitoring stations.
 - NEIWPCC (blue) Budget lines cover the PEP Program Office staff salaries, NEIWPCC Program Management Costs, Office supplies, Travel and Other (Office supplies, Travel and Other- being funded with ULO funds), The Education and Outreach Contract, and Homeowner Rewards Program (being funded with ULO funds).
 - Suffolk County (green) Budget lines cover the Water Quality Monitoring Program, NADP Monitoring, and SAV Monitoring costs that are usually funded every year. There is a new budget line of \$32,720 which is being allocated to a Suffolk County water quality data analyst to produce water quality reports.
 - The total request for NEIWPCC is \$529,380 and the total request for Suffolk County is \$133,120 making the total EPA Grant fund request of \$662,500. The linked Workplans above describe costs in more detail.

Discussion (summarized below):

- MC voting member Kevin McDonald- Expressed concerns with the explanation for the NEIWPCC Program Management costs and indirect costs as defined in the draft budget, based on the conversations that we have had over the year.
- Joyce Novak- Responded that there have been budget discussions, program management costs are not an optional cost, the Workplans detail what these costs go to. There is a memo that was distributed in the Management Committee meeting email that outlines further the NEIWPCC policies on this agenda item- [NEIWPCC's Memorandum: Revisions to Guiding Principles Documents](#).
- Kevin McDonald- Stated the PEP PC and MC should have the ability to define allocation of costs and is not satisfied with NEIWPCC's answers on this agenda item. He stated \$23K for Program Management is not a small amount considering the small budget PEP has, there are also concerns that Local Governments have on whether to provide funds from the Community Preservation Fund to the PEP and PEP MC is not clear on what that relationship would entail as far as indirect costs. These issues need to be resolved and in the present form Kevin is not prepared to accept this budget.
- MC voting member John Bouvier- Agreed with Kevin, stated Southampton has concerns with CPF money not having transparency and aligning with the CPF statutes if given to PEP through NEIWPCC.
- MC voting member Richard Friesner- Stated NEIWPCC is happy to answer any questions that the MC has, direct and indirect costs cover the needs of the program and all of these costs are necessary for Program management, indirect costs include- HR services, contracting, payment processing, and general overhead. Any CPF money accepted by NEIWPCC for PEP would be handled through an agreement between NEIWPCC and the funding entity.
- Kevin McDonald- Stated he thought he understood that NEIWPCC would be a financial entity to handle the PEP/EPA funds and would not be as present as they are in the PEP Program Management role, and NEIWPCC seems to be changing their business model.

- Susan Sullivan (Executive Director of NEIWPCC) – Stated she understands Kevin’s concerns but their financial policies have not changed over the past 30 years. Susan is fine with heading in another direction if the relationship is not working.
- Kevin McDonald- Stated he is open to transitioning to another management plan to maximize Program objectives.
- John Bouvier – Stated he is in support of transitioning for clarity on CPF funds management and the budget transparency.
- MC Chair Aisha Sexton-Sims – Stated EPA is working with everyone to get answers to questions that the MC has had. From her perspective EPA has gotten responses from NEIWPCC. NEIWPCC is willing to provide clarity from what she sees. Posed the question- is the issue that the budget answers are not clear and concise or that the MC does not agree with the policies?
- MC voting member Matt Sclafani- Stated he understands the indirect charges are different for every organization and wants more clarity on direct costs.
- Susan Sullivan- Stated direct costs go to PEP Program Management costs in the Lowell office. Indirect rates are 18% (the indirect rate is negotiated annually with the EPA) this year and those cost go to HR department, Finance department, and business operation costs. Indirect rates will go up to 19.25% next year.
- Richard Friesner – Stated he wants to make sure that the MC’s questions have been answered and more detail on the direct and indirect costs can be seen in the NEIWPCC workplan detailed budget.
- Aisha Sexton-Sims- NEIWPCC has provided the budget sheets, is there an opportunity to add additional information in the NEIWPCC Workplan budget to include information that we would like to see?
- Kevin McDonald- Stated he does not agree with the process that NEIWPCC has developed the policies that are governing PEP.
- Susan Sullivan – NEIWPCC can negotiate the indirect rate with the EPA, though it is not different between NEP programs. NEIWPCC is responsible for making sure the programmatic work happens according to the EPA grant terms and conditions, and through the Program’s partnerships. Stated the NEIWPCC staff has the responsibility to make sure the PEP projects are completed. If the MC is not happy with the current situation having NEIWPCC help the PEP MC complete their work, then she is perfectly fine stepping away.
- Aisha Sexton-Sims- Stated there are 2 distinct issues, the financial issues and the programmatic issues. The terms and conditions for the EPA grant could be modified to address the information that the MC requests from the financial entity.
- MC voting member Julia Socrates- Stated any transition (from less involvement or to an alternative host) would need to be presented, along with pros and cons, to make sure we have all of the information to make an educated decision.
- Joyce Novak- Stated a Task Force was developed last year to have the discussions about a transition and develop a list of pros and cons.
- Julia Socrates- Stated she was aware those discussions were ongoing, but has not yet seen that information which would be necessary to discuss a transition.
- Aisha Sexton-Sims- Called a vote on the budget from the MC voting members through Zoom audio:
 - Kevin- no
 - John- no
 - Julia- yes
 - Matt- no, but with potential for further clarification
 - Ken- no, but with potential with further clarification

- NEIWPCC is a voting member of the MC and voted yes on this budget.

Majority vote is to not recommend the budget to the Policy Committee. Further discussions will need to be had as further information is provided to have the MC vote on the budget.

- Susan Sullivan- Stated she is not sure that there is more information that NEIWPCC can provide beyond the information already presented.
- Matt Sclafani- Stated there is more information that was provided today on the indirect and direct charges and he will want to discuss this with the MC before making a decision.
- Kevin McDonald- Stated he would still like clarification on the CPF money management if given to NEIWPCC.
- Susan Sullivan- Stated the task or project would determine the indirect and direct charges on the CPF. A workplan would need to be developed to define the use of the funds.
- John Bouvier- Stated CPF funds need to be handled according to the CPF statute that they are distributed through and managed through.
- Susan Sullivan- Stated she is not clear on what the funds would be used for, NEIWPCC could provide a few scenarios on how the CPF money could be managed based on the project type, but it might not be very useful to the MC or the Towns without a proposed budget and scope of work.
- Aisha Sexton-Sims- Stated there is more information that needs to be provided on both sides and the budget will not be approved at this point by the MC and no recommendation will be made at this time to the Policy Committee. The May 6th Policy Committee meeting will be postponed.
- Elizabeth Hornstein - Asked if there is an update on the EPA FY20 grant application deadline extension that was requested by the PEP.
- Aisha Sexton-Sims – Stated normally the EPA Grant application would be due in June.
- Aimee Boucher- Responded PEP has submitted an extension request for the 2020 EPA Grant application. EPA does not have an answer yet on the extension timeline, but usually need a June to September timeline to process the EPA grant application. It would be good to define next steps more at this time.
- Joyce Novak- The Policy Committee meeting would have been postponed anyway from May to June due to reduced availability of PC voting members due to COVID-19.
- Richard Friesner- Stated the NYSDEC usually provides in-kind match documentation for the EPA grant and that process for the NYSDEC to approve the EPA Grant match which is to be allocated takes time. The PEP needs a final approved budget in order to start the process to submit the NYSDEC match documentation for approval with the NYSDEC.
- Elizabeth Hornstein- Stated EPA grant match documentation cannot be submitted until the MC and PC have approved the workplan and budget.
- Aisha Sexton-Sims- Stated the EPA is sensitive to COVID-19 delays and the extension on the FY20 grant application deadline will be considered.
- Richard Friesner- Provided a comment on the Suffolk County Workplan Task 2 Water Quality Data Analysis task, he suggested more detail be included for deliverables and milestones.
- Aisha Sexton Sims- Decided not to vote on the workplans or content at this time due to the undetermined answers on the Budget.

7. Update on Organizational Structure, Governance Procedures and Guiding Principles for the Peconic Estuary Partnership document– **Joyce Novak**

- Joyce is making edits to the Organizational Structure, Governance Procedures and Guiding Principles document according to the comments that were received. The document will be provided in the next two weeks.

8. Review CCMP Revision Update and Next Steps – **Joyce Novak**

- PEP is still awaiting for comments from the EPA and we are working with the Graphic Designer now to develop the CCMP template.
- Aisha stated that the EPA Region 2 comments on the CCMP draft were submitted to EPA Headquarters. The EPA comments will be finalized after EPA Headquarters has finished their review of the CCMP.
- Joyce stated PEP is planning to make changes to the deliverable date on a few actions in the CCMP draft before it is finalized.

9. New Business, Next Steps and Next Meeting Dates – **Aisha Sexton-Sims**

- Next steps:
 - Continue with PEP FY 20 Budget discussions.
 - EPA will provide an answer about the FY20 grant application deadline extension.
 - PEP will schedule a MC Bi-weekly Conference call via Zoom specifically allocated to continuing the PEP FY20 budget conversation.
 - The Task Force's next meeting is later in April.
- Next Meetings:
 - 2020 MC Meeting Schedule: July 8th, 2020 & October 14th, 2020
- Sarah Schaefer- Stated that it would be a good to set up an estimated timeline for a May MC meeting to finalize the budget vote.
- Susan Sullivan – Stated she would like clarification on the next steps for NEIWPCC- Aisha responds no action is needed from NEIWPCC at this time.
- Jim Colligan- Suggested that NEIWPCC should try to explain the policies that they described during this meeting and formalize them in a written document which could be provided to the MC. He asked if the MC was satisfied with NEIWPCC's work, the services/product being provided by NEIWPCC, and the explanation provided by Susan during the discussion.
- Aisha Sexton-Sims- Stated that EPA has stated NEIWPCC gets the job done, and the other concerns that she is hearing relate to transparency and the ability of the MC to discuss all of the tasks that are being provided. There are other policy issues that have been discussed outside of this MC call. Though there are programmatic and financial parts that are separate, they do relate to each other.
- MC voting member Ken Zegel- Stated further breakdown on the actual indirect costs could be provided for each task for analysis by the MC.
- Richard Friesner- Stated he was not sure we can provide that information at this time, but could check if desired by the MC.
- Theresa Masin (Chat comment) - Requested information on an example project breaking down the indirect/ direct costs that would be charged to a project.
- Richard Friesner- Stated indirect charge would not be changed, the direct costs would be determined by the project workplan.
- Jim Colligan- Stated that it is important the relationship has trust and both parties work to mend the relationship.
- Ken Zegel- Asked what was the purpose of distributing the [NEIWPCC's Memorandum: Revisions to Guiding Principles Documents](#).
- Joyce Novak- Responded that the Memo included NEIWPCC's comments on the Organizational Structure, Governance Procedures and Guiding Principles document

and was distributed to provide clarity on some of the policies that determined costs in the budget.

- Aisha Sexton-Sims- Stated the EPA's new funding guidance for National Estuary Programs will be released later this year.
- Sarah Schaefer- Stated PEP will circulate the memo in meeting minutes.
- Aisha Sexton-Sims- Stated PEP will set up next MC meeting in May.
- Emma Gildesgame- Stated she is available for anyone that has NEIWPCC questions. She made email address and phone number available in the Zoom chat (egildesgame@neiwpcc.org, 978-349-4318)

10. Public Comment Period- no requests.

11. Adjourn