

**CATSKILL WATERSHED CORPORATION**

**Board of Directors Meeting**

**MINUTES**

**January 6, 2015 @ 1:00 p.m.**

**I. Call to Order**

**II. Pledge of Allegiance:** Led by Martin Donnelly.

*Michael Triolo asked for a moment of silence in memory of past employee James 'Jimmy' Johnson, who recently passed away.*

**III. Roll Call of Directors**

**Members Present:** Donald Brandow, Martin Donnelly, James Eisel, Jeffrey Graf (*New York City DEP*), Thomas Hynes, Innes Kasanof, Berndt Leifeld, Wayne Marshfield, Mark McCarthy, Tina Molé, Richard Parete, Robert Pelham, Thomas Snow (*New York State DEC*), and Michael Triolo.

**Members Excused:** Deborah Meyer DeWan

**Staff Members Present:** Timothy Cox, Diane Galusha, Nate Hendricks, Leo LaBuda, James Martin, Barbara Puglisi, Alan L. Rosa, Philip Sireci, and Frieda Suess.

**Others Present:** Aaron Bennett (*Ulster County Department of Environment*), Donald Bramley (*Margaretville Telephone Company*), Glen Faulkner (*Margaretville Telephone Company*), Michael Meyer (*New York City DEP*), and Thomas Stalter (*New York City DEP*).

**IV. Review and Approval of December 2, 2014 Board Meeting Minutes**

A motion to approve the minutes from the December 2, 2014 board meeting was made by Berndt Leifeld and seconded by James Eisel.

**Voice Vote, carried unanimously**

~~~~~

**V. Presentation of Communication**

**Finance Report**

A motion to approve the financial reports as of October 31, 2014 was made by James Eisel and seconded by Mark McCarthy.

**Voice Vote, carried unanimously**

~~~~~

**Executive Director's Report**

The Executive Director's Report was presented as outlined in the board packet.

## **Presentation of News Articles**

### **Committee Schedule**

*Tim Cox confirmed that there will be a Governance Committee meeting in February.*

### **Committee Meeting Minutes**

## **VI. Public Discussion**

*Diane Galusha announced the new art exhibit, "Catskill Moods and Seasons", a collection of oil paintings by Marianne Tully of Lyonsville, NY. The exhibit will be at CWC through February.*

*Glenn Faulkner gave an update regarding Margaretville Telephone Company's expanded broadband initiative. Mr. Faulkner explained the difficulties with expanding services in a rural community. He reviewed grants and funding received for past and current projects, including several grants from CWC (Resolution Number 1575, approving an alliance between MTC, CWC and M-Ark Project and awarding \$250,000 in matching funds, Resolution Number 1721, awarding \$24,750 for a Studies Grant for the Schoharie County Broadband Extension.)*

*In March 2013 MTC received \$1.8 Million in State grant funding, of which \$250,000 was earmarked as matching funds for the CWC grant, and funded installation of over 20 miles of broadband service, passing over 340 homes and providing service to approximately 200 customers in primarily the Gilboa/Conesville areas. This project has to be completed by the end of 2015, providing services to over 1,900 homes and businesses, of which MTC anticipates picking up approximately 1,200 customers. In 2013 there was a funding round for wireless broadband grants, which MTC applied for. Partnering with Delaware County, MTC proposed to build a wireless tower on the BOCES property in Grand Gorge. This tower would target the extreme rural customers in Gilboa, Conesville and Roxbury (those on the mountains and out of feasible range for fiber optic cable broadband services). On September 3, 2013, by Resolution Number 2372, the CWC Board of Directors, under the Catskills Studies Funding Program, approved MTC's request for a letter of support from the CWC for the MTC Wireless Broadband Project and matching funds from CWC to strengthen their application in the amount of Ten Thousand Dollars \$10,000. To date, MTC has submitted and is finalizing documentation and should be able to start building against those funds in the next few months. The project total was \$750,000, grant funding was received in the amount of \$320,520 from the State.*

*On July 1, 2014, the CWC Board passed Resolution Number 2516, providing a letter of support from the CWC for the Delaware County Broadband Initiative Broadband Project for the un-served and underserved residences and businesses in Delaware County and matching funds from CWC to strengthen their application in the amount of Twenty-Five Thousand Dollars \$25,000.00. MTC, in partnership with the Delhi Telephone Company (DTC) and the Delaware County Electric Cooperative (DCEC), have formed the Delaware County Broadband Initiative, who are submitting a New York State Consolidated Funding Application for additional grant funding to continue the broadband expansion efforts in the Delaware County Region. A map was distributed to CWC Board members showing the expansion plan.*

*Wayne Marshfield noted that over 40% of the Cooperative's customers live in second homes or have unreliable satellite service, and the hope is that with this broadband expansion it will encourage those residents to relocate to our area, or at least spend more time locally.*

*Mr. Faulkner hopes to continue to apply for grant funds through the State and Federal programs as they become available. He said that fiber optic cable costs approximately \$30-35,000 per mile to install,*

*which is great cause to run wireless broadband services in the higher elevations and homes further away from the main arteries already installed. However, he also points out that the use of cables allows MTC to offer combined services such as their Triple Play package, providing broadband, video and voice in one bill. As part of the grant-funded build-outs, MTC has not charged customers connection fees, working with those who may not have computers within the home, the elderly who may not be inclined to go toward a more digital package, and others.*

**VII. Presentation of Resolutions**

~~~~~

*A motion to waive Rule 14 was made by Tina Molé and seconded by Thomas Snow.*

**Voice Vote, carried unanimously**

~~~~~

**Septic Reimbursement Over \$25,000 – Additional Cost – Robert Covello – Tab 7**

A motion to approve Resolution No. 2608 was made by Wayne Marshfield and seconded by Tina Molé.

January 6, 2015

**RESOLUTION NO. 2608**

**BOARD APPROVAL OF ADDITIONAL FUNDS FOR SEPTIC CONSTRUCTION  
OVER \$25,000: ROBERT COVELLO**

**WHEREAS**, pursuant to the Watershed Memorandum of Agreement and the Septic System Rehabilitation and Replacement Program Contracts with New York City Department of Environmental Protection, the Catskill Watershed Corporation (“CWC”) shall act as program manager for the Septic Program and implement the Septic Program consistent with the terms of said contracts; and

**WHEREAS**, pursuant to section 2:01:09 of the CWC Septic Rehabilitation and Replacement Program Rules Article 2A, if the total amount requested for reimbursement is more than Twenty-Five Thousand Dollars (\$25,000.00) CWC staff shall forward the design with recommendation to the CWC Board for approval; and

**WHEREAS**, by Resolution Number 2562, the CWC Board approved reimbursement to Robert Covello in an amount not to exceed Twenty-Six Thousand Seventy Dollars and Forty Cents (\$26,070.40); and

**WHEREAS**, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the homeowner for tank replacement, removal of stumps in the basal area and additional fill material in the amount of Four Thousand Eight Hundred Twenty-Six Dollars (\$4,826.00); and

**WHEREAS**, the total contractor’s invoices for this system is more than Twenty-Five Thousand Dollars (\$25,000.00); and

**WHEREAS**, CWC staff have determined the total reasonable cost of the additional work according to CWC Schedule of Values to be Four Thousand Eight Hundred Twenty-Six Dollars (\$4,826.00); and

**WHEREAS**, CWC staff have determined that Thirty Thousand Eight Hundred Ninety-Six Dollars and Forty Cents (\$30,896.40) is a reasonable cost for this system in accordance with our schedule of values; and

**WHEREAS**, the Septic Committee has reviewed the documentation and recommend approving total reimbursement of Thirty Thousand Eight Hundred Ninety-Six Dollars and Forty Cents (\$30,896.40) as it is in substantial agreement with our schedule of values.

**NOW, THEREFORE LET IT BE RESOLVED**, that the CWC Board of Directors approves the eligible cost of this system for reimbursement to be the total not-to-exceed amount of Thirty Thousand Eight Hundred Ninety-Six Dollars and Forty Cents (\$30,896.40).

**Robert Covello Backup**

Mr. Covello’s property is located in the Town of Shandaken, Ulster County. CWC Board of Directors previously approved reimbursement for this project at \$26,070.40. The original plan utilized the existing septic tank. When the tank was dug up and exposed it was discovered to have several leaks. The Engineer directed the contractor to replace the septic tank. In addition, several stumps in the basal area were removed, and an additional 77 cubic yards of fill were used to fill the voids. A reasonable and just cost for the additional work CWC Schedule of Values is \$4,826.00. The Septic Committee recommends that the Board approves an additional reimbursement of \$4,826.00, for total reimbursement not to exceed \$30,896.40.

***Voice Vote, carried unanimously***

~~~~~

**Septic Reimbursement Over \$25,000 – Additional Cost – Eric D’Entrone – Tab 8**

A motion to approve Resolution No. 2609 was made by Wayne Marshfield and seconded by Tina Molé.

January 6, 2015

**RESOLUTION NO. 2609**

**BOARD APPROVAL OF ADDITIONAL FUNDS FOR SEPTIC CONSTRUCTION  
OVER \$25,000: ERIC D’ENTRONE**

**WHEREAS**, pursuant to the Watershed Memorandum of Agreement and the Septic System Rehabilitation and Replacement Program Contracts with New York City Department of Environmental Protection, the Catskill Watershed Corporation (“CWC”) shall act as program manager for the Septic Program and implement the Septic Program consistent with the terms of said contracts; and

**WHEREAS**, pursuant to section 2:01:09 of the CWC Septic Rehabilitation and Replacement Program Rules Article 2A, if the total amount requested for reimbursement is more than Twenty-Five Thousand Dollars (\$25,000.00) CWC staff shall forward the design with recommendation to the CWC Board for approval; and

**WHEREAS**, by Resolution Number 2428, the CWC Board approved reimbursement to Eric D'Entrone in an amount not to exceed Thirty-Two Thousand Three Hundred Sixty Dollars (\$32,360.00); and

**WHEREAS**, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the homeowner for rock removal, back fill and additional restoration in the amount of Four Thousand Seventy-Two Dollars (\$4,072.00); and

**WHEREAS**, the total contractor's invoices for this system is more than Twenty-Five Thousand Dollars (\$25,000.00); and

**WHEREAS**, CWC staff have determined the total reasonable cost of the additional work according to CWC Schedule of Values to be Four Thousand Seventy-Two Dollars (\$4,072.00); and

**WHEREAS**, CWC staff have determined that Thirty-Six Thousand Four Hundred Thirty-Two Dollars (\$36,432.00) is a reasonable cost for this system in accordance with our schedule of values; and

**WHEREAS**, the Septic Committee has reviewed the documentation and recommend approving total reimbursement of Thirty-Six Thousand Four Hundred Thirty-Two Dollars (\$36,432.00) as it is in substantial agreement with our schedule of values.

**NOW, THEREFORE LET IT BE RESOLVED**, that the CWC Board of Directors approves the eligible cost of this system for reimbursement to be the total not-to-exceed amount of Thirty-Six Thousand Four Hundred Thirty-Two Dollars (\$36,432.00).

**Eric D'Entrone Backup**

Mr. D'Entrone's property is located in the Town of Hurley, Ulster County. CWC Board of Directors previously approved reimbursement for this project at \$32,360.00. During construction rock was encountered. Additional backfill materials and restoration was required where the rock was removed. The additional costs include 16 hours of hammering, 50 cubic yards of suitable backfill material, and the additional restoration. A reasonable and just cost for the additional work CWC Schedule of Values is \$4,072.00. The Septic Committee recommends that the Board approves an additional reimbursement of \$4,072.00, for total reimbursement not to exceed \$36,432.00.

***Voice Vote, carried unanimously***

~~~~~

**Septic Reimbursement Over \$25,000 – Additional Cost – Martin Hagerott – Tab 9**

A motion to approve Resolution No. 2610 was made by Wayne Marshfield and seconded by Tina Molé.

**RESOLUTION NO. 2610**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE  
OVER \$25,000 – ADDITIONAL COSTS: MARTIN HAGEROTT**

**WHEREAS**, pursuant to the Watershed Memorandum of Agreement and the Septic System Rehabilitation and Replacement Program Contracts with New York City Department of Environmental Protection, the Catskill Watershed Corporation (“CWC”) shall act as program manager for the Septic Program and implement the Septic Program consistent with the terms of said contracts; and

**WHEREAS**, pursuant to section 2:01:09 of the CWC Septic Rehabilitation and Replacement Program Rules Article 2A, if the total amount requested for reimbursement is more than Twenty-Five Thousand Dollars (\$25,000) CWC staff shall forward the design with recommendation to the CWC Board for approval; and

**WHEREAS**, CWC Staff previously approved Septic Program reimbursement for Martin Hagerott in the amount of Twenty-Four Thousand Five Hundred Dollars (\$24,500.00); and

**WHEREAS**, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the contractor for the septic system repair in the amount of One Thousand Five Hundred Dollars (\$1,500.00); and

**WHEREAS**, the total contractor’s invoices for this system is more than Twenty-Five Thousand Dollars (\$25,000.00); and

**WHEREAS**, the CWC staff have determined the contractor’s total invoices of One Thousand Five Hundred Dollars (\$1,500.00) to be a reasonable cost for this system in accordance with our schedule of values; and

**WHEREAS**, the Septic Committee has reviewed the documentation and recommend approving the contractor’s total invoice of Twenty-Six Thousand Dollars (\$26,000.00) as it is in substantial agreement with our schedule of values.

**NOW, THEREFORE LET IT BE RESOLVED**, that the CWC Board of Directors approves the eligible cost of this system for reimbursement to be the total not-to-exceed amount of Twenty-Six Thousand Dollars (\$26,000.00).

**Martin Hagerott Backup**

Mr. Hagerott’s property is located in the Town of Gilboa, Schoharie County. CWC staff previously approved reimbursement for this project at \$24,500.00. During construction bedrock was encountered 24” to 30” below existing grade. The best solution was to raise the tank and haul in fill to cover the tank and piping. The Engineer has corroborated the need for the additional work. CWC staff received a quote from the contractor for the additional work in the amount of \$1,500.00. This quote does not exceed CWC Schedule of Values. The Septic Committee recommends that the Board approves an additional reimbursement of \$1,500.00, for total reimbursement not to exceed \$26,000.00.

***Voice Vote, carried unanimously***

~~~~~

**Small Business Septic Program – Additional Cost – Robert Hasbrouck – Tab 10**

A motion to approve Resolution No. 2611 was made by Thomas Hynes and seconded by Tina Molé.

January 6, 2015

**RESOLUTION NO. 2611**

**BOARD APPROVAL OF ADDITIONAL FUNDS FOR SMALL BUSINESS SEPTIC  
CONSTRUCTION OVER \$25,000:  
ROBERT HASBROUCK**

**WHEREAS**, pursuant to the Watershed Memorandum of Agreement and the Septic System Rehabilitation and Replacement Program Contracts with New York City Department of Environmental Protection, the Catskill Watershed Corporation (“CWC”) shall act as program manager for the Septic Program and implement the Septic Program consistent with the terms of said contracts; and

**WHEREAS**, pursuant to section 13:01:09 of the CWC Small Business Septic Program Rules Article 13, if the total amount requested for reimbursement is more than Twenty-Five Thousand Dollars (\$25,000.00) CWC staff shall forward the design with recommendation to the CWC Board for approval; and

**WHEREAS**, pursuant to the 2007 FAD and Section 13:01:02 of the CWC Small Business Septic Rehabilitation and Replacement Program Rules, CWC shall provide 75% reimbursement of eligible costs; and

**WHEREAS**, pursuant to Section 13:01:02 of the CWC Small Business Septic Rehabilitation and Replacement Program Rules, the maximum amount of CWC reimbursement shall not exceed Forty Thousand Dollars (\$40,000.00); and

**WHEREAS**, CWC staff previously approved reimbursement under the Small Business Septic Program to Robert Hasbrouck at a CWC share amount not to exceed \$24,375.00; and

**WHEREAS**, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the property owner for additional stone and riser extension in the of Two Thousand Nine Hundred Ninety-One Dollars and Forty Two Cents (\$2,991.42) for CWC 75% share of Two Thousand Two Hundred Forty-Four Dollars (\$2,244.00) for total CWC share of Twenty-Six Thousand Six Hundred Nineteen Dollars (\$26,619.00); and

**WHEREAS**, the total contractor’s invoices for this system is more than Twenty-Five Thousand Dollars (\$25,000.00); and

**WHEREAS**, CWC staff have determined the total reasonable cost of the additional work according to CWC Schedule of Values to be Four Thousand Seventy-Two Dollars (\$2,244); and

**WHEREAS**, the Septic Committee has reviewed the documentation and recommend approving total reimbursement of Twenty-Six Thousand Six Hundred Nineteen Dollars (\$26,619.00) as it is in substantial agreement with our schedule of values.

**NOW, THEREFORE LET IT BE RESOLVED**, that the CWC Board of Directors approves the eligible cost of this system for reimbursement to be the total not-to-exceed amount of Twenty-Six Thousand Six Hundred Nineteen Dollars (\$26,619.00).

**Robert Hasbrouck**

The Pleasant Acres Boarding House owned by Robert Hasbrouck is located in the Town of Shandaken. It was previously approved by CWC staff for reimbursement of \$24,375, representing 75% of eligible costs, per the Small Business Septic Program Rules. During construction, the tank and grease trap needed to be deeper than expected. As a result, approximately 57 cubic yards of additional stone was needed to maintain soil cover. In addition, riser extensions were also required to bring the tank covers closer to grade. CWC and homeowner received invoice of \$2991.42 for the additional costs. Per the Small Business Septic Program Rules, CWC Septic Committee recommends reimbursement of 75% of the additional cost, or \$2,244.00, for total CWC reimbursement of \$26,619.00

**Voice Vote, carried unanimously**

~~~~~

**Septic Rehabilitation and Replacement Program Rules Change – Reimbursement Program – Tab 11**

A motion to approve Resolution No. 2612 was made by Thomas Snow and seconded by Wayne Marshfield.

January 6, 2015

**RESOLUTION NO. 2612**

**SEPTIC PROGRAM RULE CHANGE FOR REIMBURSEMENT OF PAST REPAIRS  
OUTSIDE PRIORITY AREAS BEFORE DECEMBER 28, 2014**

**WHEREAS**, pursuant to the 1997 Watershed Memorandum of Agreement (Paragraph 124) and the Septic System Rehabilitations and Replacements Program Contract (the “Septic Program”) with NYCDEP, the CWC shall act as program manager for the Septic Program and implement the Septic Program consistent with the terms of said contract and CWC’s Septic Program Rules; and; and

**WHEREAS**, the CWC Septic Program Rules (Article 2-A) established priority areas for the CWC Septic Program, effective on July 1, 1999; and

**WHEREAS**, by Resolution Number 2423, the CWC Board of Directors approved a program rule change to Article 2-A to provide for reimbursement to homeowners outside of current priority areas who repaired or replaced their septic system prior to December 27, 2013; and

**WHEREAS**, numerous watershed residents outside of the current CWC Septic Program priority areas have rehabilitated or replaced their septic systems after December 27, 2013; and



**WHEREAS**, the repair or replacement of these septic systems has been and will continue to benefit the water quality in the West of Hudson Watershed; and

**WHEREAS**, the CWC Septic Committee and CWC staff estimate that there is adequate funding and personnel to reimburse those residents who repaired or replaced their septic system between December 28, 2013 and December 31, 2014 regardless of whether or not those systems are located in an existing priority area; and

**WHEREAS**, the CWC Septic Committee recommends that the CWC Board of Directors approve the attached program rule change to reimburse individuals who have repaired or replaced a failed system between July 21, 2008 and December 31, 2014 outside of the existing priority areas.

**NOW, THEREFORE BE IT RESOLVED**, that the CWC Board approves the attached amendment of Article 2A of the CWC Septic Program Rules as described in Attachment A to provide for the reasonable and necessary reimbursement to individuals who repaired or replaced failed septic systems between July 21, 2008 and December 31, 2014 in areas within the West of Hudson Watershed but outside the CWC Septic Program priority areas.

### ATTACHMENT A

Proposed changes are **underlined**.

Proposed deletions are ~~**struck out**~~.

#### **2:00:02:01 Reimbursement for Past Completed Repairs**

1. The property owner of an eligible septic system within or outside current priority areas can be reimbursed under applicable program rules for eligible costs for repairs/replacement completed on or before ~~December 19, 2013~~**December 27, 2014** and as provided below. For reimbursements under this section only, CWC staff need not determine if the system was in failure or reasonably likely to fail prior to the repair/replacement.
  - a. For reimbursement requests received on or after March 2, 2010, an eligible system must have been repaired or replaced between July 21, 2008 and ~~December 27, 2013~~**December 31, 2014**. To be eligible for reimbursement, all homeowners must either:
    - i. Provide copy of NYCDEP Final Construction Approval; or
    - ii. For repairs/replacement that under the Watershed Regulations do not require NYCDEP Construction approval, such as in-kind septic tank replacements, either:
      1. Notify CWC within a reasonable time prior to such repair/replacement. CWC must witness the installation of repairs/replacements for which reimbursement is requested; or
      2. Submit the following to the CWC Board for approval:
        - a. Sufficient documentation, including invoices and canceled checks, demonstrating that such repair/replacement was completed and paid for; and
        - b. Affidavits signed by the homeowner and contractor, notarized by a notary public, attesting that:

- i. The work for which reimbursement is requested was completed as described; and
- ii. Payment was provided to the contractor as described in the documentation.

Upon receipt of all necessary documentation, and any required CWC Board approval, the CWC may pay a portion of reasonable and necessary costs of improvements made to such eligible septic system.

- 2. An eligible system repaired or replaced on or after ~~December 28, 2013~~ **December 31, 2014** will follow Section 2:00:02:03.
- 3. Every property owner requesting reimbursement under the Septic Program must execute a program participation agreement.

**Voice Vote, carried unanimously**

~~~~~

**Stormwater Retrofits Operation & Maintenance – T. of Ashland & T. of Tompkins – Tab 12**

A motion to approve Resolution No. 2613 was made by Tina Molé and seconded by Jeffrey Graf.

January 6, 2015

**RESOLUTION NO. 2613**

**BOARD REVIEW OF OPERATION & MAINTENANCE FUNDS  
FOR COMPLETED STORMWATER RETROFITS PROJECT**

**WHEREAS**, Paragraph 125 of the 1997 New York City Watershed Memorandum of Agreement (Watershed MOA) authorizes the Catskill Watershed Corporation (CWC) to establish a program to pay the costs to design, permit, maintain, implement and construct Stormwater Best Management Practices (BMP's) to address existing stormwater runoff in concentrated areas of impervious surface in West of Hudson to the extent such BMP's are necessary to correct or reduce existing erosion and/or pollutant loading; and

**WHEREAS**, the CWC Board of Directors previously approved Stormwater Retrofit Projects as described in Attachment A; and

**WHEREAS**, pursuant to the CWC Program rules as adopted by the CWC Board of Directors, Stormwater Retrofit Projects are eligible for maintenance funds totaling 17.6% of the CWC Stormwater Retrofit grant funds actually utilized, for regular periodic inspections, additional inspections before and after heavy storm events, periodic removal of debris and excavation of sediment from BMPs, and necessary repairs as needed to preserve the function of the BMPs; and

**WHEREAS**, pursuant to the Program Rules, upon completion of the project and prior to receipt of maintenance funds, the project sponsor must finalize the maintenance manual in consultation with CWC, DEP, local code enforcement officers and local planning personnel; and

**WHEREAS**, any required operation and maintenance cost not covered by CWC funding shall be the responsibility of the project owner and/or project sponsor; and

**WHEREAS**, the CWC Stormwater/Wastewater Committee anticipate that the applicants in Attachment A will request funding for operation and maintenance costs from CWC; and

**WHEREAS**, CWC and NYCDEP staff have met with County representatives to discuss the maintenance, and have presented their recommendations to the CWC Wastewater Committee; and

**WHEREAS**, the CWC Stormwater/Wastewater Committee recommends that the CWC Board of Directors authorize the President and/or Executive Director to enter into individual contracts with the applicants described in Attachment A, or the municipalities where such projects are located, for the amount equal to 17.6% of stormwater retrofit funds provided by CWC, for a total of all such contracts not to exceed Eighty-Eight Thousand Four Hundred Sixty-Four Dollars and Thirty-Five Cents (\$88,464.35); and

**WHEREAS**, pursuant to the CWC Program Rules, the CWC Board of Directors has reviewed the request.

**NOW, THEREFORE, LET IT BE FURTHER RESOLVED**, the CWC Board authorizes the President and/or Executive Director to execute Maintenance Contracts with the applicants and in the amounts described in Attachment A or the municipality where a project is located for a total amount not to exceed Eighty-Eight Thousand Four Hundred Sixty-Four Dollars and Thirty-Five Cents (\$88,464.35).

**NOW, THEREFORE BE IT FURTHER RESOLVED**, approval of an application by the Board constitutes a preliminary decision under the Watershed MOA and the decision will become final without any further action by the Board unless an objection is timely filed with the Watershed Protection and Partnership Council.

**BACKGROUND**

The following stormwater retrofit projects are completed and eligible for additional funding for operation and maintenance costs.

| Applicant                           | Total CWC Funding | Maximum O&M Reimbursement |
|-------------------------------------|-------------------|---------------------------|
| Town of Ashland – Ashland SSIP      | \$365,965.57      | \$64,409.94               |
| Town of Tompkins – Trout Creek SSIP | \$136,672.77      | \$24,054.41               |

**OPERATION AND MAINTENANCE TOTAL: \$88,464.35**

The CWC Stormwater/Wastewater Committee recommends approving contracts with the above applicants or the municipality where a project is located for a total amount not to exceed \$88,464.35.

***Voice Vote, carried unanimously***

~~~~~

**2015 Outside Counsel Contract – Whiteman Osterman & Hanna – Tab 13**

A motion to approve Resolution No. 2614 was made by James Eisel and seconded by Robert Pelham.

January 6, 2015

**RESOLUTION NO. 2614**

**APPROVAL OF LEGAL SERVICES CONTRACT  
WITH WHITEMAN, OSTERMAN & HANNA**

**WHEREAS**, pursuant to the Catskill Watershed Corporation (“CWC”) procurement policy personal service contracts likely to exceed Twenty-Five Thousand Dollars (\$25,000), shall be made on a competitive basis unless specifically exempted by the procurement policies; and

**WHEREAS**, the CWC Policy committee has reviewed response(s) to a request for proposal for outside counsel to the CWC; and

**WHEREAS**, Whiteman, Osterman & Hanna has represented CWC as outside counsel since 1996; and

**WHEREAS**, the CWC Policies and Procedures requires the CWC Board of Directors must approve all contracts for services over Ten Thousand Dollars (\$10,000); and

**WHEREAS**, the CWC Policy Committee recommends the CWC Board of Directors enter into a contract for legal services with Whiteman, Osterman & Hanna for a period of one year and that, pursuant to CWC Fiscal Policies 3-10.06-4, the CWC Board waive the requirement that the contract be bid competitively because of the unique experience provided by Whiteman, Osterman & Hanna.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Directors approves the firm of Whiteman, Osterman & Hanna as external legal firm for the CWC for a term of one year, commencing on January 1, 2015 and terminating on December 31, 2015 for an amount not to exceed Seventy-Five Thousand Dollars (\$75,000.00) at the rates described in Attachment A and that, pursuant to CWC Fiscal Policies 3-10.06-4, the CWC Board waives the requirement that this contract be competitively bid.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, that the Board of Directors approves and authorizes the Executive Director and/or the President to retain Whiteman, Osterman & Hanna for legal services consistent with the attached proposal.

**WHITEMAN OSTERMAN & HANNA LLP**

**Proposal for Legal Services**

WOH has proposed the following fee structure for the period 1/1/2015 to 12/31/2015. This revised rate structure continues to provide a discount for attorneys’ time over our Firm’s

regular hourly billing rates which currently range from \$155 to \$275 for associates and \$275 to \$460 for partners.

General Legal Advice

Partners

Daniel A. Ruzow	\$325/hr.
Jonathan P. Nye	\$290/hr.
Norma G. Meacham	\$290/hr.
Terresa M. Bakner	\$290/hr.
Michael G. Sterthous	\$290/hr.

Associates

\$145-\$225/hr.

Paralegal

\$110/hr.

Expenses

Telephone, Postage, Federal Express	Billed at Cost
Mileage	Current IRS Rate
Photocopies	\$.20 per Copy

***Voice Vote, carried unanimously***

~~~~~

A motion to enter into Executive Session with Alan L. Rosa, Timothy Cox, Barbara Puglisi, and Phil Sireci to discuss CFF delinquent loans and new loan applicant financials was made by Mark McCarthy and seconded by James Eisel.

***Voice Vote, carried unanimously***

A motion to resume the regular meeting was made by Jeffrey Graf and seconded by Berndt Leifeld.

***Voice Vote, carried unanimously***

~~~~~

**CFF REDI Loan Modification – Fur, Feathers & Steel LLC – Guarantee Name Change – Tab 14**

A motion to approve Resolution No. 2615 was made by Berndt Leifeld and seconded by Thomas Hynes.

January 6, 2015

**RESOLUTION NO. 2615**

**APPROVAL OF BORROWER CHANGE FROM FUR, FEATHERS & STEEL LLC TO  
JOHN HOEKO AND RITA ADAMI**

**WHEREAS**, the Catskill Watershed Corporation (CWC) established the REDI loan Program for the purpose of providing low interest loans to qualified economic development projects in the West of Hudson Watershed to be administered by the CWC in accordance with the Catskill Fund for the Future (“CFF”) Program Rules; and

**WHEREAS**, on August 5, 2014, by Resolution Number 2526, the CWC Board of Directors, approved a loan to Fur, Feathers & Steele LLC in the amount of Sixty-One Thousand Seven Hundred Fifty-One Dollars (\$61,751.00) for a term of fifteen (15) years, at a rate of four percent (4.00%), adjustable every five years to the CWC rate in effect at that time; to be amortized in equal monthly payments, such that the outstanding principal is fully paid on the last payment date; and

**WHEREAS**, the loan to Fur, Feathers & Steel LLC would be secured by a first mortgage on certain real property in the Village of Fleischmanns, Delaware County, first lien on machinery; equipment; furniture, fixtures; accounts receivable and inventory, as well as personal guarantees John Hoeko and Rita Adami; and

**WHEREAS**, John Hoeko and Rita Adami personally own the real property in the Village of Fleischmanns that will be security for this approved loan; and

**WHEREAS**, CWC Closing Counsel advises that in order to fully secure the interests of CWC under the mortgage, the CWC Board should change the borrower from Fur, Feathers & Steel LLC to John Hoeko and Rita Adami, require a corporate unconditional guarantee of Fur, Feathers & Steel LLC, and that all other security and collateral remain unchanged from Resolution Number 2526; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Board of Directors may make modifications to an award from the CFF to an applicant; and

**NOW, THEREFORE BE IT RESOLVED**, the CWC Board modifies Resolution Number 2526 and approves a loan to John Hoeko and Rita Adami in the amount of Sixty-One Thousand Seven Hundred Fifty-One Dollars (\$61,751.00) for a term of fifteen (15) years, at a rate of four percent (4.00%), adjustable every five years to the CWC rate in effect at that time; to be amortized in equal monthly payments, such that the outstanding principal is fully paid on the last payment date, and that such loan be conditioned in part on the execution of an unconditional guarantee by Fur, Feathers & Steel LLC.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, the CWC staff is authorized and directed to re-issue a commitment letter informing the borrower of its intention to issue the loan subject to compliance with all applicable provisions of the New York City Watershed regulations as well as other applicable laws, rules and regulations, completion of the necessary documents, the right of objection and staff is directed to develop the loan agreement, promissory notes and other documentation necessary to effectuate this loan.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, that upon said approval of loan documentation CWC is authorized to close on said loan disburse proceeds thereof in accordance with the loan documents.

**Voice Vote, carried unanimously**

~~~~~

**CFF REDI Loan Modification – Hidden Waters, LLC – Additional Funds – Tab 15**

A motion to approve Resolution No. 2616 was made by Martin Donnelly and seconded by Wayne Marshfield.

January 6, 2015

**RESOLUTION NO. 2616**  
**APPROVAL OF HIDDEN WATERS HOLDINGS INC. BUSINESS LOAN**

**WHEREAS**, the Catskill Watershed Corporation (CWC) established the REDI Fund Loan Program for the purpose of providing low interest loans to qualified economic development projects in the West of Hudson Watershed to be administered by the CWC in accordance with the Catskill Fund for the Future (CFF) Program Rules; and

**WHEREAS**, On December 6, 2011, by Resolution Number 2024, the Board of Directors approved a loan to Hidden Waters Holdings Inc. in the amount of One Hundred Twenty-Five Thousand Dollars (\$125,000.00), for a term of fifteen (15) years, at a rate of four percent (4.0%) adjusting to the CWC rate every five years thereafter to the CWC rate in effect at that time, to be amortized in equal monthly payments, such that the outstanding principal is fully paid on the last payment date, to relocate its storage units and other businesses currently in a flood plain to a location outside of a flood plain; and

**WHEREAS**, On April 2, 2013, by Resolution Number 2273, the Board of Directors approved an additional loan to Hidden Waters Holdings Inc. in the amount of Fifty-Five Thousand Dollars (\$55,000.00) for a term of fifteen (15) years, at a rate of four percent (4.0%) adjusting to the CWC rate every five years thereafter to the CWC rate in effect at that time, to be amortized in equal monthly payments, such that the outstanding principal is fully paid on the last payment date, to expand their storage business; and

**WHEREAS**, Hidden Waters Holdings Inc. has applied for a loan modification to increase their loan by approximately Fifty Thousand Dollars (\$50,000.00) for a total loan amount not to exceed Two Hundred Sixteen Thousand Dollars (\$216,000.00) to be re-amortized for a term of fifteen (15) years, at a rate of four percent (4.0%) adjustable every five years to the CWC rate in effect at that time, to be amortized in equal monthly payments, such that the outstanding principal is fully paid on the last payment date, to further expand their storage business; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Staff has reviewed a completed CWC Loan application for Hidden Waters Holdings Inc.; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Loan Committee has reviewed an underwriting report for Hidden Waters Holdings Inc.; and

**WHEREAS**, the CWC Loan Committee has recommended approval of the CWC Loan application from Hidden Waters Holdings Inc.; and

**WHEREAS**, the CWC staff has reviewed and processed this application, and submitted a loan application report to the Board of Directors, attached hereto; and

**WHEREAS**, the Executive Director, pursuant to the CFF Program rules, has evaluated and determined that this loan meets the criteria for a qualified economic development project, said recommendation is attached hereto and made a part hereof; and

**WHEREAS**, pursuant to the CFF Program Contract a condition of CFF loans (and grants) is that the recipient shall comply with all applicable provisions of the New York City Watershed regulations, as well as other applicable laws, rules and regulations; and

**WHEREAS**, prior to closing on this loan, all applicable approvals will have been received by the applicant; and

**WHEREAS**, pursuant to the CFF Program rules only the CWC Board of Directors may make an award from the CFF to an applicant.

**NOW, THEREFORE BE IT RESOLVED**, the CWC Board determines that Hidden Waters Holdings Inc. application meets the CWC CFF qualified economic development criteria and approves of the application for a loan not to exceed Two Hundred Sixteen Thousand Dollars (\$216,000.00) for a term of fifteen (15) years, at a rate of four percent (4.0%) adjustable every five years thereafter to the CWC rate in effect at that time, to be amortized in equal monthly payments, such that the outstanding principal is fully paid on the last payment date.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, the CWC staff is authorized and directed to issue a commitment letter informing the borrower of its intention to issue the loan subject to compliance with all applicable provisions of the New York City Watershed regulations as well as other applicable laws, rules and regulations, completion of the necessary documents, the right of objection and staff is directed to develop the loan agreement, promissory notes and other documentation necessary to effectuate this loan in a form agreed upon by NYSEFC.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, that upon said approval of loan documentation CWC, in conjunction with NYSEFC, is authorized to close on said loan and NYSEFC is authorized to disburse proceeds thereof in accordance with the loan documents.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, approval of an application by the Board constitutes a preliminary decision under the MOA. The decision will become final without any further action by the Board unless an objection is timely filed with the Watershed Protection and Partnership Council.

#### **QEDP Evaluation and CWC Staff Recommendation**

**Purpose: To review the CWC Loan Application of Hidden Waters Holdings Inc.**

The Executive Director of the CWC makes the following evaluation concerning a REDI Fund Loan to Hidden Waters Holdings Inc. located at 44401 NYS Rte. 30, Margaretville, NY. Evaluation is based on the Evaluation Criteria established in the Catskill Fund for the Future Program Rules, approved on August 22, 2001 by the CWC Board of Directors.

1. Based on due inquiry to the NYSDEC, the NYCDEP and to the best of CWC's knowledge, the property at 44401 NYS Rte 30, Margaretville, NY, owned by Hidden Waters Holdings Inc., is presently in compliance with all applicable environmental statutes and regulations.



2. Based on due inquiry to the NYSDEC, the NYCDEP and to the best of CWC's knowledge, the property at 44401 NYS Rte. 30, Margaretville, NY, owned by Hidden Waters Holdings Inc., is not subject to any enforcement actions by any regulatory agency.
3. (a) To the best of CWC's knowledge, the project is consistent with historic land use patterns, available infrastructure and sensitivity to the need for water quality protection.
  - (i) Hidden Waters Holdings Inc. will utilize loan funds to construct storage units and relocate its existing businesses to 44401 NYS Rte 30, Margaretville, which is not in a flood plain.
  - (ii) The project is located in the Town of Middletown.
  - (iii) The project will utilize a septic system.
  - (iv) The project appears to present no threat to water quality.
  - (v) The project appears to generate no materials with the potential to degrade water quality that are not pretreated prior to release.
  - (vi) Based on NYCDEP the project is not in the 60 day travel time.
  - (vii) There is no impact on Federal or State wetlands.
- (b) The project maintains the character of the Town of Middletown.
  - (i) The project will comply with current land use planning in the Town of Middletown and will have planning board approval..
  - (ii) The project is compatible with surrounding land uses.
  - (iii) The project will not generate excessive traffic.
  - (iv) The project as described is of such magnitude that it does not appear likely to promote secondary growth and therefore requires not additional review of land use plans or infrastructure.
4. The project is consistent with the West of Hudson Economic Development Study, which has been completed.
5. Not applicable.

**Voice Vote, carried unanimously**

~~~~~

**CFF REDI Loan Modification – Woodstock Guild of Craftsmen, LLC – Additional Funds – Tab 16**

A motion to approve Resolution No. 2617 was made by Wayne Marshfield and seconded by Robert Pelham.

January 6, 2015

**RESOLUTION NO. 2617**  
**APPROVAL OF WOODSTOCK GUILD OF CRAFTSMEN, INC. d/b/a WOODSTOCK**  
**BYRDCLIFFE GUILD BUSINESS LOAN**

**WHEREAS**, the Catskill Watershed Corporation (CWC) established the REDI-Fund Loan Program for the purpose of providing low-interest loans to qualified economic- development projects in the West-of-Hudson Watershed to be administered by the CWC in accordance with the Catskill Fund for the Future (CFF) Program Rules; and

**WHEREAS**, on April 28, 2001, by Resolution Number 420, the Board of Directors approved a loan to Woodstock Guild of Craftsmen, Inc. in the amount of Four Hundred Eighty-Five Thousand Dollars (\$485,000.00) for a term of fifteen (15) years, at a rate of three percent (3.00%), to be amortized in equal monthly payments such that the outstanding principal is fully paid on the last payment date, for stabilization and rehabilitation of the White Pines building; and

**WHEREAS**, Woodstock Guild of Craftsmen, Inc. d/b/a Woodstock Byrdcliffe Guild has applied for an additional Forty Thousand Dollars (\$40,000.00) to be added to its current loan, the principal balance of which is approximately One Hundred Ninety-Seven Thousand Four Hundred Sixty-Eight Dollars and Sixty-Four Cents (\$197,468.64), for a term of fifteen (15) years amortized over 20 years, at a rate of four percent (4.00%) adjustable every five years to the CWC rate in effect at that time, amortized in equal monthly payments such that a balloon payment of the outstanding principal is due and payable on the last payment date; and

**WHEREAS**, the purpose of the loan request is to upgrade the water system at the Byrdcliffe Art Colony campus in Woodstock to maintain compliance with the Ulster County Board of Health's regulations for seasonal dwellings and colonies; and

**WHEREAS**, pursuant to the CFF Program Rules, the CWC Staff has reviewed a completed CWC Loan Application for Woodstock Guild of Craftsmen, Inc. d/b/a Woodstock Byrdcliffe Guild; and

**WHEREAS**, pursuant to the CFF Program Rules, the CWC Loan Committee has reviewed an underwriting report for Woodstock Guild of Craftsmen, Inc. d/b/a Woodstock Byrdcliffe Guild; and

**WHEREAS**, the CWC Loan Committee has recommended approval of the CWC Loan Application from Woodstock Guild of Craftsmen, Inc. d/b/a Woodstock Byrdcliffe Guild; and

**WHEREAS**, the CWC Staff has reviewed and processed this application and submitted a loan application report to the CWC Board of Directors, attached hereto; and

**WHEREAS**, the Executive Director, pursuant to the CFF Program Rules, has evaluated and determined that this loan meets the criteria for a qualified economic-development project, said recommendation is attached hereto and made a part hereof; and

**WHEREAS**, pursuant to the CFF Program Contract, a condition of CFF Loans (and Grants) is that the recipient shall comply with all applicable provisions of the New York City Watershed Regulations, as well as other applicable laws, rules and regulations; and

**WHEREAS**, prior to closing on this loan, all applicable approvals will have been received by the applicant; and

**WHEREAS**, pursuant to the CFF Program Rules, only the CWC Board of Directors may make an award from the CFF to an applicant.

**NOW, THEREFORE, BE IT RESOLVED**, the CWC Board of Directors determines that the Woodstock Guild of Craftsmen, Inc. d/b/a Woodstock Byrdcliffe Guild application meets the CWC CFF qualified economic-development criteria and approves of the loan Application in the additional amount of Forty Thousand Dollars (\$40,000.00) to be added to their current loan, the principal balance of which is approximately One Hundred Ninety-Seven Thousand, Four Hundred Sixty-Eight Dollars and Sixty-Four Cents (\$197,468.64), for a term of fifteen (15) years amortized over 20 years, at a rate of four percent (4.00%) adjustable every five years to the CWC rate in effect at that time, amortized in equal monthly payments such that a balloon payment of the outstanding principal is due and payable on the last payment date; and

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, the CWC Staff is authorized and directed to issue a commitment letter informing the borrower of its intention to issue the loan subject to compliance with all applicable provisions of the New York City Watershed Regulations, as well as other applicable laws, rules and regulations; completion of the necessary documents; the right of objection; and CWC staff is directed to develop the Loan Agreement, Promissory Notes and other documentation necessary to effectuate this loan.

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, that upon said approval of loan documentation, CWC is authorized to close on said loan and CWC is further authorized to disburse proceeds thereof in accordance with the loan documents.

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, approval of a Loan (or Grant) Application by the CWC Board of Directors, constitutes a preliminary decision under the MOA. The decision will become final without any further action by the CWC Board of Directors, unless an objection is timely filed with the Watershed Protection and Partnership Council (WPPC).

#### **QEDP Evaluation and CWC Staff Recommendation**

**Purpose: to review the CWC Loan Application of Woodstock Guild of Craftsmen, Inc. d/b/a Woodstock Byrdcliffe Guild.**

The Executive Director of the CWC makes the following evaluation concerning a REDI- Fund Loan to Woodstock Guild of Craftsmen, Inc. d/b/a Woodstock Byrdcliffe Guild, whose offices are located in the Town of Woodstock, NY. Evaluation is based on the Evaluation Criteria established in the Catskill Fund for the Future Program Rules, adopted on August 22, 2001 by the CWC Board of Directors.

1. Based on due inquiry to the NYS DEC, the NYC DEP and to the best of CWC's knowledge, the business located at 28 Whitehead Road, Woodstock, NY, and known as Woodstock Guild of Craftsmen, Inc. d/b/a Woodstock Byrdcliffe Guild, is presently in compliance with all applicable environmental statutes and regulations.
2. Based on due inquiry to the NYS DEC, the NYC DEP and to the best of CWC's knowledge, the business located at 28 Whitehead Road, Woodstock, NY, and known as Woodstock Guild of Craftsmen, Inc. d/b/a Woodstock Byrdcliffe Guild, is not subject to any enforcement actions by any regulatory agency.
3. (a) To the best of CWC's knowledge, the business located at 28 Whitehead Road, Woodstock, NY, and known as Woodstock Guild of Craftsmen, Inc. d/b/a Woodstock Byrdcliffe Guild, is consistent with historic land-use patterns, available infrastructure and sensitivity to the need for water-quality protection.
  - (i) Woodstock Guild of Craftsmen, Inc. d/b/a Woodstock Byrdcliffe Guild will upgrade the water system at the Byrdcliffe Art Colony with business offices located at 28 Whitehead Road, Woodstock, NY.
  - (ii) The project is located in the Town of Woodstock.
  - (iii) The project will utilize a municipally-maintained septic system.
  - (iv) The project appears to present no threat to water quality.
  - (v) The project appears to generate no materials with the potential to degrade water quality that are not pre-treated prior to release.
  - (vi) Based on NYC DEP, the project is not in the sixty (60)-day travel time.
  - (vii) There is no impact on Federal or State Wetlands.

(b) The project maintains the character of the Town of Woodstock.

- (i) The project is consistent with current zoning.
- (ii) The project is compatible with surrounding land uses.
- (iii) The project will not generate excessive traffic.
- (iv) The project as described is of such magnitude that it does not appear likely to promote secondary growth and therefore requires no additional review of land-use plans or infrastructure.

- 4. The project is consistent with the West-of-Hudson Economic-Development Study, which has been completed.
- 5. Not applicable.

**Roll Call Vote, *carried – 10 aye, 4 nay, 1 absent***

~~~~~

**VIII. Announcements from the Chair:**

*Michael Triolo announced that there will be a meeting of CWC Officers and CWT Executive Members on Monday, January 12 at 3:00 pm at the CWC. The purpose of the meeting is to discuss common goals and concerns.*

**IX. Board Member Discussion: None**

A motion to adjourn was made by Martin Donnelly and seconded by Richard Parete.

**Voice Vote, *carried unanimously***

**X. Adjournment: @ 2:00 p.m.**