

**CATSKILL WATERSHED CORPORATION**

**Board of Directors Meeting**

**MINUTES**

**February 5, 2013 @ 1:00 p.m.**

**I. Call to Order**

**II. Pledge of Allegiance:** Led by James Eisel.

**III. Roll Call of Directors**

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

**Members Excused:** Georgianna Lepke

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

**Others Present:** Cynthia Chaplin (*Windham Ventures*), Patrick Higgins (*Windham Ventures*), Michael Meyer (*NYC DEP*), and Thomas Stalter (*NYC DEP*).

**IV. Review and Approval of January 8, 2013 Board Meeting Minutes**

*Page 21, Tab 20 – Roll Call Vote should read “7 aye, 5 nay, 1 abstain, 2 excused”.*

A motion to approve the minutes from the January 8, 2013 board meeting was made by Martin Donnelly and seconded by Martin Donnelly.

**Voice Vote, carried unanimously**

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**V. Presentation of Communication**

**Finance Report**

A motion to approve the financial reports as of December 31, 2012 was made by Martin Donnelly and seconded by James Eisel.

**Voice Vote, carried unanimously**

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**Executive Director’s Report**

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

Wayne Marshfield inquired about the number of registrants for the March 1 Planning training. Alan responded that there are over 25 registered and there are 2 weeks remaining before registration is closed.

## **Presentation of News Articles**

### **Committee Schedule**

### **Committee Meeting Minutes**

## **VI. Public Discussion**

*Patrick Higgins (Windham Ventures) addressed the Board of Directors and requested that his loan application in the amount of \$180,000 be reconsidered. Mr. Higgins noted that since the Board considered his loan, he has completed and submitted to CWC 2012 financials. Mr. Higgins noted that there was a 20% increase in revenue with the addition of their laundromat, billiards room and game room. He also noted a 50% decrease in expenses (\$8,000 monthly debts have decreased to \$4,000 monthly). Mr. Higgins asserted that his businesses current finances are sufficient to cover the payments that would be due to CWC if this loan were approved.*

*Mr. Higgins went on to explain that VPF Program was established by major Hollywood studios to reimburse movie theaters for the cost of converting to digital cinema. Mr. Higgins continued that the studios are providing this reimbursement because it costs over \$2,000 in distribution costs per theater in 35mm format, whereas it costs a DVD disc and \$10 to distribute movies to theaters in digital format. Windham Theaters has executed a VPF Program contract will generate \$2,000 to \$3,000 in monthly reimbursement payments. Mr. Higgins noted that this money can be sent directly to the CWC and meet or exceed the monthly loan obligations under the \$180,000 loan request. The Mr. Higgins explained that all cinemas must convert to digital cinema or face certain closure. This conversion poses daunting financial challenges. Mr. Higgins concluded that a loan from CWC represented the only viable way forward for Windham Theater and will allow them to protect and preserve their monthly cash flow.*

*Mr. Higgins respectfully asked that the CWC Board reconsider the loan request today for two reasons. First, Windham Theater must install the digital cinema equipment by April to remain eligible for the VPF Program monthly reimbursements. Given the time required to close a CWC loan, today is the last day a CWC loan approval could be used for Windham Theaters' digital conversion. Second, Windham Theaters has a sales tax exemption that expires this month, and if not used will add \$14,000 to the cost of the digital conversion. Windham Theaters faces its greatest threat of survival from the digital conversion process than it has ever faced besides Hurricane Irene. In summary, Mr. Higgins asked that the CWC Board of Directors reconsider the much strengthened 2012 cash flow of Windham Theater, the VPF Program payments and the long-term opportunity the Windham Theater has to continue to serve as an entertainment destination in the watershed. Mr. Higgins also thanked the CWC for the CFF Flood Recovery Grant, aiding in the repairing of the theater following Hurricane Irene. He acknowledged that without those funds the theater would not have been able to reopen.*

## **VII. Presentation of Resolutions**

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A motion to approve Resolution No. 2245 was made by Tina Molé and seconded by Robert Pelham.

February 5, 2013

**RESOLUTION NO. 2245**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE  
OVER \$20,000 – ADDITIONAL COSTS:  
KATHLEEN ANDERSON**

**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 Thousand Dollars (\$20,000) CWC staff shall forward the design with recommendation to the CWC Board for approval; and

**WHEREAS**, CWC Staff previously approved Septic Program reimbursement for Kathleen Anderson in the amount of Eighteen Thousand Three Hundred Eighty-Six Dollars (\$18,386.00); 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 Two Thousand One Hundred Dollars (\$2,100.00); and

**WHEREAS**, the total contractor’s invoices for this system is more than Twenty Thousand Dollars (\$20,000); and

**WHEREAS**, the CWC staff have determined the contractor’s total invoices of Twenty-Thousand Four Hundred Eighty-Six Dollars (\$20,486.00) 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- Thousand Four Hundred Eighty-Six Dollars (\$20,486.00) 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- Thousand Four Hundred Eighty-Six Dollars (\$20,486.00).

**Kathleen Anderson Backup**

Ms. Anderson’s property is located in the Town of Middletown, Delaware County. CWC staff previously approved reimbursement in the amount of \$18,386.00. During construction the Project Engineer requested that an additional 30 cubic yards of fill material be incorporated in the design to prevent ponding from occurring on the upper side of the septic system. In addition, another waste line was discovered during construction. It was determined that the additional line

was in poor condition and was replaced from the foundation to the septic tank. A perimeter foundation drain was in conflict with the septic line from the distribution box to the septic tank. The perimeter foundation drain had to be relocated and extended beyond the shallow absorption trench system. A fair and reasonable cost for the additional materials and labor according to CWC Schedule of Values is \$2,100.00, for total reimbursement not to exceed \$20,486.00. The Septic Committee recommends that the Board of Directors approve total reimbursement in an amount not to exceed \$20,486.00.

**Voice Vote, carried unanimously**

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**Septic Reimbursement Over \$20,000 – Additional Cost – Thomas Price - Tab 8**

A motion to approve Resolution No. 2246 was made by Tina Molé and seconded by Robert Pelham.

February 5, 2013

**RESOLUTION NO. 2246**

**BOARD APPROVAL OF ADDITIONAL FUNDS FOR SEPTIC CONSTRUCTION  
OVER \$20,000:  
THOMAS PRICE**

**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 Thousand Dollars (\$20,000) CWC staff shall forward the design with recommendation to the CWC Board for approval; and

**WHEREAS**, by Resolution Number 2161, the CWC Board approved reimbursement to Thomas Price in an amount not to exceed Twenty-Six Thousand Seven Hundred Forty Dollars (\$26,740.00); and

**WHEREAS**, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the homeowner for design changes in the amount of One Thousand Six Hundred Forty-Three Dollars (\$1,643.00); and

**WHEREAS**, the total contractor’s invoices for this system is more than Twenty Thousand Dollars (\$20,000); and

**WHEREAS**, CWC staff have determined the total reasonable cost of the additional work according to CWC Schedule of Values to be One Thousand Six Hundred Forty-Three Dollars (\$1,643.00); and

**WHEREAS**, CWC staff have determined that Twenty-Eight Thousand Three Hundred Eighty-Three Dollars (\$28,383.00) 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 Twenty-Eight Thousand Three Hundred Eighty-Three Dollars (\$28,383.00) 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-Eight Thousand Three Hundred Eighty-Three Dollars (\$28,383.00).

**Thomas Price Backup**

Mr. Price's property is located in the Town of Olive, Ulster County. CWC Board of Directors previously approved reimbursement for this project at \$26,740.00. During construction the Project Engineer requested that a culvert pipe be installed to prevent surface runoff from affecting the absorption field. The engineer eliminated a septic tank by utilizing the existing tank. He also eliminated 25 cubic yards of absorption fill material by resizing the basal area. A reasonable and just cost for the additional work CWC Schedule of Values is \$1,643.00. The Septic Committee recommends that the Board approves an additional reimbursement of \$1,643.00, for total reimbursement not to exceed \$28,383.00.

***Voice Vote, carried unanimously***

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**Future Stormwater – O'Connor Hospital - Tab 9**

A motion to approve Resolution No. 2247 was made by James Eisel and seconded by Michael Triolo.  
February 5, 2013

**RESOLUTION NO. 2247**

**BOARD REVIEW OF FUTURE STORMWATER PROGRAM APPLICATION FOR O'CONNOR HOSPITAL STORMWATER CONTROLS**

**WHEREAS**, the 1997 New York City Watershed Memorandum of Agreement ("Watershed MOA") paragraph 128 ("Future Stormwater Program") directs the Catskill Watershed Corporation ("CWC") to establish a program to pay for the reasonable and proper cost to design, implement, permit, construct and maintain new stormwater measures pursuant to stormwater pollution prevention plans required by the 18-39(b)(3) and 18-39(e) of the watershed regulations; and

**WHEREAS**, Section 145(ii) of the Watershed MOA and the West of Hudson Future Stormwater Program Rules provides for payment of eligible project costs required solely by the New York City Department of Environmental Protection ("NYCDEP") and not otherwise required by State or federal law; and

**WHEREAS**, O'Connor Hospital has applied for reimbursement of eligible project costs in the amount of Eighty-Three Thousand Six Hundred Eighteen Dollars and Two Cents (\$83,618.02)

for design and construction of new stormwater controls related to the construction of the Andes Medical Clinic; and

**WHEREAS**, the Future Stormwater Program Rules require that the CWC Board of Directors shall review and approve each application, with attached documentation and staff recommendations; and

**WHEREAS**, CWC staff recommended reimbursement of eligible stormwater costs for a total not-to-exceed amount of Eighty-Three Thousand Six Hundred Eighteen Dollars and Two Cents (\$83,618.02); and

**WHEREAS**, the CWC Wastewater/Stormwater Committee recommended that the application be approved by the CWC Board of Directors.

**NOW, THEREFORE, LET IT BE RESOLVED**, that the CWC Board of Directors has reviewed the attached application, staff recommendation and supporting documentation and approves payment of Eighty-Three Thousand Six Hundred Eighteen Dollars and Two Cents (\$83,618.02).

**CWC Future Stormwater Controls Program  
O'Connor Hospital – Andes Medical Clinic, Town of Andes, Delaware County, New York:**

O'Connor Hospital is building a clinic in the Hamlet of Andes, Delaware County. O'Connor Hospital was required to design and construct new stormwater control measures to control stormwater runoff for the new clinic.

O'Connor Hospital was required to comply with the Watershed Rules and Regulations enforced by the NYCDEP. The NYCDEP Stormwater Pollution Prevention Plan (SWPPP) approval was issued on July 9, 2012.

CWC staff recommended reimbursement of eligible stormwater costs to the CWC Wastewater/Stormwater Committee. The CWC Wastewater/Stormwater Committee recommends reimbursement of \$83,618.02 to O'Connor Hospital for its SWPPP costs solely attributable to the Watershed Regulations and not otherwise required by State or federal law.

***Voice Vote, carried unanimously, 1 abstained***

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**Future Stormwater – Additional Funds – Gerardo Mato - Tab 10**

A motion to approve Resolution No. 2248 was made by Jeffrey Graf and seconded by Deborah DeWan.

February 5, 2013

**RESOLUTION NO. 2248**

**BOARD REVIEW OF ADDITIONAL FUNDING FOR THE GERARDO MATO  
FUTURE STORMWATER PROJECT**

**WHEREAS**, the 1997 New York City Watershed Memorandum of Agreement (Watershed MOA) paragraph 128 directs the Catskill Watershed Corporation (CWC) to establish a program to pay for the reasonable and proper cost to design, implement, permit, construct and maintain new stormwater measures pursuant to stormwater pollution prevention plans solely required by the 18-39(b)(3) and 18-39(e) of the watershed regulations and not otherwise required by State or federal law; and

**WHEREAS**, by Resolution Number 2000, the CWC Board of Directors approved an application by Gerardo Mato for funding of eligible costs in the not-to-exceed amount of Sixty-Three Thousand Five Hundred Dollars (\$63,500.00) for the implementation of an eligible project; and

**WHEREAS**, Gerardo Mato requested additional funding to pay for the additional costs incurred to complete the project in an amount not to exceed Twenty-Eight Thousand One Hundred Nine Dollars and Eleven Cents (\$28,109.11); and

**WHEREAS**, the Program Rules require that the CWC Board shall review and approve each application, with attached documentation and staff recommendations; and

**WHEREAS**, upon review of the information and staff recommendation, the CWC Wastewater/Stormwater Committee recommends that the CWC Board of Directors approve an amended not-to-exceed amount of Ninety-One Thousand Six Hundred Nine Dollars and Eleven Cents (\$91,609.11) for the Gerardo Mato Future Stormwater Project.

**NOW, THEREFORE, LET IT BE RESOLVED**, that the CWC Board of Directors has reviewed the attached application, staff recommendation and supporting documentation and approves additional funding in the amount of Twenty-Eight Thousand One Hundred Nine Dollars and Eleven Cents (\$28,109.11) for a total not-to-exceed amount of Ninety-One Thousand Six Hundred Nine Dollars and Eleven Cents (\$91,609.11).

**Backup**  
**Gerardo Mato's Property**

Gerardo Mato's property is located on Tap Jam Road in the Town of Windham, Greene County. Both the NYCDEP and NYSDEC issued violations on this site. He was required to comply with the Watershed Rules and Regulations enforced by the NYCDEP. All stormwater controls were required by NYCDEP. Erosion and Sediment control was required by NYSDEC. CWC will be reimbursing 100% of eligible costs.

CWC Stormwater/Wastewater Committee recommends funding approval on the following costs:

Funding	Requested	Recommend
Additional SWPPP Design and Implementation funding	\$ 28,109.11	\$ 28,109.11
Total Recommended Additional Funding	\$28,109.11	
Total Previous Funding	\$63,500.00	

***Voice Vote, carried unanimously***

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**Establishment of 2013 Annual Meeting of Member Towns - Tab 11**

A motion to approve Resolution No. 2249 was made by James Eisel and seconded by Thomas Snow.

February 5, 2013

**RESOLUTION NO. 2249**

**ESTABLISHMENT OF 2013 ANNUAL MEETING OF MEMBER TOWNS**

**WHEREAS**, pursuant to article 11, Section 1 of the Catskill Watershed Corporation (CWC) By-Laws all towns with 100 or more acres in the West of Hudson Watershed that are and remain signatories to the 1997 Watershed Memorandum of Agreement are members of CWC; and

**WHEREAS**, pursuant to Article II, Section 3 of the CWC By-Laws, Annual meetings of member towns shall be held on such a date and at such a time as shall be designated from time to time by the Board of Directors; and

**WHEREAS**, the CWC Policy Committee recommends having the 2013 annual meeting on April 2, 2013 at CWC offices in Margaretville, New York at 1:00 pm.

**NOW, THEREFORE BE IT RESOLVED**, that April 2, 2013 be the date of the annual membership meeting, to be held at 1:00 P.M. at CWC Offices, Margaretville, New York with the regularly scheduled monthly board meeting to immediately follow.

**Voice Vote, carried unanimously**

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**CFF Program Rule Change – Loan Application Fees and Establishment of 2013 Flood Recovery Grant Program – Not for Profits - Tab 12**

A motion to approve Resolution No. 2250 was made by Richard Parete and seconded by Thomas Hynes.

February 5, 2013

**RESOLUTION NO. 2250**

**CFF PROGRAM RULE CHANGE – LOAN APPLICATION FEES AND ESTABLISHMENT OF 2013 FLOOD RECOVERY GRANT PROGRAM – NOT-FOR-PROFITS**

**WHEREAS**, pursuant to the New York City Watershed Memorandum of Agreement (Watershed MOA) and a Program Contract with New York City Department of Environmental Protection, the Catskill Watershed Corporation (CWC) shall administer the Catskill Fund for the Future (CFF); and



**WHEREAS**, the CWC has adopted program rules consistent with the Watershed MOA and the CFF Program Contract to administer this program; and

**WHEREAS**, pursuant to the MOA, the CFF shall be used to make loans and grants to Qualified Economic Development Projects (QEDP's); and

**WHEREAS**, pursuant to the Watershed MOA, QEDP is defined as economic development studies, grants and loans for projects which encourage environmentally sound development and which encourage the goals of watershed protection and job growth in the West of Hudson Watershed communities; and

**WHEREAS**, the CWC Economic Development Committee previously recommended the removal of loan application fee for REDI Loans as described in the attached program rule change; and

**WHEREAS**, at a special meeting held on September 13, 2011, by Resolution Number 1985, the CWC Board of Directors established the 2011 Flood Recovery Grant Program to provide grants through member towns to businesses in the West of Hudson Watershed that sustained structural damage as a result of Tropical Storms Irene and/or Lee to pay some or all of the costs to repair said structural damage; and

**WHEREAS**, structures owned by not-for-profit corporations located within the West of Hudson Watershed also sustained structural damage as a result of Tropical Storms Irene and Lee and have had difficulty raising funds to repair such damage; and

**WHEREAS**, not-for-profit corporations in the West of Hudson Watershed employ numerous watershed residents and are a vital part of the regional economy; and

**WHEREAS**, the CWC Economic Development Committee recommends the establishment of the 2013 Flood Recovery Grant Program – Not-for-Profits to provide reimbursement of up to Ten Thousand Dollars (\$10,000.00) per property for repairs of structural damage caused by Tropical Storms Irene and/or Lee as described in the attached Program Rule Change; and

**WHEREAS**, the CWC Economic Development Committee further recommends that this program be limited to total awards of not to exceed One Hundred Thousand Dollars (\$100,000.00).

**NOW, THEREFORE BE IT RESOLVED**, that the CWC Board of Directors consistent with the terms of the MOA and the Program Contract, the West of Hudson Economic Development Study and the Economic Development Committee recommendation amends the CWC Program Rules governing the Catskill Fund for the Future in accordance with Attachment A hereto and limits total awards under the 2013 Flood Recovery Grant Program – Not-for-Profits to the not to exceed amount of One Hundred Thousand Dollars (\$100,000.00).

### **Chapter 1:03 Loan Programs – General Requirements**

#### **1:03:04 Application Requirements**

Application forms shall be provided by the CWC and must be completed in full and signed and all documentation as required by the application must be complete before an application is

evaluated by staff and presented to the Loan Committee and the Board. ~~Applications for a loan must include an application fee of \$100.~~ All applications must include a Business Plan and other documentation as required by the checklist provided with the application.

## **Chapter 1:05 REDI Loan Program**

### **1:05:07 Loan Closing Fees**

On a loan greater than \$50,000 there will be a loan closing fee of 1% (one percent) of the principal amount of the loan ~~less the \$100 Application fee~~, payable at closing.

## **Chapter 1:22 – 2013 Flood Recovery Grant Program – Not-for-Profits**

### **1:22:01 Application**

An applicant must be either a not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code or a museum chartered by the New York State Board of Regents, that owns property in the WOH Watershed.

### **1:22:02 Eligible Projects**

Projects shall be limited to reimbursement of expenses for the repair of structural damage at property within the WOH Watershed. Reimbursable expense is limited to actual costs of structural repair/replacement (materials and/or labor costs) and including heating/cooling systems due to flood and/or wind damage that occurred between August 28, 2011 and September 9, 2011 and incurred by a not-for-profit corporation or museum chartered by New York State Board of Regents. Expenses not eligible for reimbursement include but are not limited to labor of property owner or volunteers, donated materials, purchase of inventory, income loss due to damage, an expense that is or shall be reimbursable under insurance, governmental program, and/or an approved grant, and any other expense not directly related to repair/replacement of structural damage as described above. Structures or portion thereof used for residential and/or religious purposes are not eligible.

### **1:22:03 Grant Amounts**

The maximum grant amount shall be no more than Ten Thousand Dollars (\$10,000).

### **1:22:04 Application Cycle**

CWC will accept applications until April 30, 2013.

### **1:22:05 Selection Criteria**

All applications shall be reviewed and recommended by the CWC Economic Development Committee and approved by CWC Board of Directors. Recommendations may be based in part on the following criteria:

- Amount of structural damage incurred
- Impact of the Organization on the Community
- Feasibility
- Reasonableness of cost of repairs

### **1:22:06 Grant Agreement**

All approved applicants must execute a grant agreement. The grant agreement shall provide that reimbursement may only be funded by CWC upon satisfactory proof that expense is eligible for

reimbursement, is reasonable cost for work performed or materials provided, and was incurred and paid for by applicant.

**Voice Vote, carried unanimously**

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A motion to enter into Executive Session with Alan L. Rosa, Timothy Cox, Barbara Puglisi, Jason Merwin, and Phil Sireci to discuss CFF delinquent loans and new loan applicant financials was made by Deborah DeWan and seconded by Tina Molé.

**Voice Vote, carried unanimously**

A motion to resume the regular meeting was made by Richard Parete and seconded by Mike Brandow.

**Voice Vote, carried unanimously**

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**CFF REDI Loan – Reed & Stewart Properties, LLC - Tab 13**

A motion to approve Resolution No. 2251 was made by Innes Kasanof and seconded by Robert Pelham.

February 5, 2013

**RESOLUTION NO. 2251**  
**APPROVAL OF REED & STEWART PROPERTIES, LLC**  
**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**, by Resolution Number 2107 Reed & Stewart Properties, LLC was approved for a One Hundred Eight Thousand Seven Hundred Dollar (\$108,700.00) loan for a term of fifteen (15) years, at a rate of four percent (4.0%), adjustable every five years, after the six month construction period of interest only, 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, for the purchase of 17 Elm Street, Delhi, NY, to add a second floor and relocate her Cardio Club business to the new expanded location; and

**WHEREAS**, Reed & Stewart Properties, LLC has applied for a loan modification to increase their loan by Forty Thousand Dollars (\$40,000.00), for a total loan amount of One Hundred Forty-Eight Thousand Seven Hundred Dollars (\$148,700.00), for a term of fifteen (15) years, at a rate of four percent (4.0%), adjustable every five years, after the six month construction period of interest only, 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, for the cost overruns to complete this project; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Staff has reviewed a completed CWC Loan application for Reed & Stewart Properties, LLC; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Loan Committee has reviewed an underwriting report for Reed & Stewart Properties, LLC; and

**WHEREAS**, the CWC Loan Committee has recommended approval of the CWC Loan application from Reed & Stewart Properties, LLC of One Hundred Forty-Eight Thousand Seven Hundred Dollars (\$148,700.00); 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 the Reed & Stewart Properties, LLC application meets the CWC CFF qualified economic development criteria and approves of the loan application for a total loan amount of One Hundred Forty-Eight Thousand Seven Hundred Dollars (\$148,700.00) for a term of fifteen (15) years, at a rate of four percent (4.0%), adjustable every five years, after the six month construction period of interest only, 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.

**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 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.

### **QEDPEvaluation and CWC Staff Recommendation**

#### **Purpose: To review the CWC Loan Application of Reed & Stewart Properties, LLC**

The Executive Director of the CWC makes the following evaluation concerning a REDI Fund Loan to Reed & Stewart Properties, LLC, located in the Village of Delhi, 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 17 Elm Street, Delhi, NY, to be purchased by Reed & Stewart Properties, LLC, 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 17 Elm Street, Delhi, NY, to be purchased by Reed & Stewart Properties, LLC, 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) Reed & Stewart Properties, LLC will purchase 17 Elm Street, Delhi, NY and add a second floor to relocated the Cardio Club to an expanded location.
  - (ii) The project is located in the Village of Delhi.
  - (iii) The project will utilize a municipal sewer 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 Village of Delhi.
  - (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 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**

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### **CFF REDI Loan – Liberty Rock Books – Material Change - Tab 14**

A motion to approve Resolution No. 2252 was made by James Eisel and seconded by Thomas Snow.

**RESOLUTION NO. 2252**  
**APPROVAL OF LIBERTY ROCK BOOKS**  
**MATERIAL CHANGE**

**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**, by Resolution Number 1513, the CWC Board approved a loan to Liberty Rock Books for an Eighty-Three Thousand One Hundred Sixty Dollars (\$83,160.00) for a term of ten (10) 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 based on a 240 month amortization but paid in 119 equal monthly payments and a 120<sup>th</sup> balloon payment, such that the outstanding principal is fully paid on the last payment date, for the purchase and renovation of a building located 698 Main Street, Hobart, NY; and

**WHEREAS**, by Resolution Number 1513, the CWC Board approved an additional loan in the amount of Twenty-Five Thousand Dollars (\$25,000.00) for a term of seven (7) years at 4.00% fixed for the life of the loan to purchase furniture and fixtures; and

**WHEREAS**, by Resolution Number 2230, the Board of Directors approved a loan modification to Liberty Rock Books, LLC in the amount of Sixty Thousand Dollars (\$60,000.00), for a total loan amount of One Hundred Sixty-Eight Thousand One Hundred Sixty Dollars (\$168,160.00) 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 based on a 240 month amortization, interest only for six months and then paid in 174 equal monthly payments and a 180<sup>th</sup> balloon payment, such that the outstanding principal is fully paid on the last payment date, for the renovation of a building located 698 Main Street, Hobart, NY; and

**WHEREAS**, upon the issuance of the Letter of Commitment for said loan modification, it was determined that John Mahoney, named guarantor, did not guarantee the initial two loans; and

**WHEREAS**, since the closing of said initial loans, John Mahoney has sold all of his interest in Liberty Rock Books, LLC to James Mahoney, Thomas Liotta and Stephen P. Hoefler; and

**WHEREAS**, John Mahoney has requested that he be released as guarantor on said loan modification; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Staff has reviewed the request from Liberty Rock Books, LLC; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Loan Committee has reviewed said request for Liberty Rock Books, LLC; and

**WHEREAS**, the CWC Loan Committee has recommended approval of the requested material change; and

**WHEREAS**, the CWC staff has reviewed and processed this request, and submitted the request to the Board of Directors, attached hereto; and

**WHEREAS**, pursuant to the CFF Program rules only the CWC Board of Directors may make a material change to an approved loan.

**NOW, THEREFORE BE IT RESOLVED**, the CWC Board approves the material change to the Liberty Rock Books, LLC approved loan and authorizes President and/or Executive Director to execute loan and security documents release John Mahoney as guarantor.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, the CWC staff is authorized and directed to issue a letter informing Liberty Rock Books, LLC of the approved request, and complete the necessary documents, and other documentation necessary to effectuate this mortgage.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, that upon said approval of loan documentation CWC is authorized to execute the mortgage on said request.

**Voice Vote, carried unanimously**

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*A motion to Waive Rule 14 was made by Thomas Hynes and seconded by Jeffrey Graf. Voice vote, carried unanimously*

**CFF REDI Loan – Windham Ventures Inc. - Tab 14**

A motion to approve Resolution No. 2253 was made by Wayne Marshfield and seconded by Innes Kasanof.

February 5, 2013

**RESOLUTION NO. 2253**  
**APPROVAL OF WINDHAM VENTURES 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**, Windham Ventures Inc. has applied for a One Hundred Eighty Thousand Dollar (\$180,000.00) loan for a term of seven (7) years, at a rate of four percent (4.00%) and fixed for the term of the loan, to be amortized in equal monthly payments such that the outstanding principal is fully paid on the last payment date, to be used for the purchase of equipment and software so as to convert its movie theatres to digital cinema at its business located at 11 Vets Road in the hamlet of Windham; and

**WHEREAS**, pursuant to the CFF Program Rules, the CWC Staff has reviewed a completed CWC Loan Application for Windham Ventures Inc.; and

**WHEREAS**, pursuant to the CFF Program Rules, the CWC Loan Committee has reviewed an underwriting report for Windham Ventures Inc.; and

**WHEREAS**, the CWC Loan Committee has recommended approval of the CWC Loan Application from Windham Ventures Inc.; 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 Windham Ventures Inc. application meets the CWC CFF qualified economic-development criteria and approves of the Loan Application in the amount of One Hundred Eighty Thousand Dollars (\$180,000.00) for a term of seven (7) years, at a rate of four percent (4.00%) and fixed for the term of the loan, to be amortized in equal monthly payments such that the outstanding principal is fully paid 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 Windham Ventures Inc.**



The Executive Director of the CWC makes the following evaluation concerning a REDI- Fund Loan to Windham Ventures Inc., whose offices are located in the hamlet of Windham in the Town of Windham, N.Y. 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.

4. Based on due inquiry to the NYS DEC, the NYC DEP and to the best of CWC's knowledge, the business located at 11 Vets Road, Windham, N.Y. and known as Windham Ventures Inc., currently owned by Patrick L. Higgins as the president and principal shareholder, is presently in compliance with all applicable environmental statutes and regulations.
5. Based on due inquiry to the NYS DEC, the NYC DEP and to the best of CWC's knowledge, the business located at 11 Vets Road, Windham, N.Y. and known as Windham Ventures Inc., currently owned by Patrick L. Higgins as the president and principal shareholder, is not subject to any enforcement actions by any regulatory agency.
6. (a) To the best of CWC's knowledge, the business located at 11 Vets Road, Windham, N.Y., is consistent with historic land-use patterns, available infrastructure and sensitivity to the need for water-quality protection.
  - (vii) Windham Ventures Inc. will purchase digital-cinema equipment and software for the business located at 11 Vets Road, Windham, N.Y.
  - (viii) The project is located in the hamlet of Windham in the Town of Windham.
  - (ix) The project will utilize a municipal sewage system.
  - (x) The project appears to present no threat to water quality.
  - (xi) The project appears to generate no materials with the potential to degrade water quality that are not pre-treated prior to release.
  - (xii) 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 Hamlet of Windham.
  - (v) The project is consistent with current zoning.
  - (vi) The project is compatible with surrounding land uses.
  - (vii) The project will not generate excessive traffic.
  - (viii) 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.

**Voice Vote, carried unanimously, 1 abstained**

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**VIII. Announcements from the Chair: None**

**IX. Board Member Discussion: None**

A motion to adjourn was made by Martin Donnelly and seconded by Mike Brandow.

**Voice Vote, carried unanimously**

**X. Adjournment: @ 1:57 p.m.**