

**CATSKILL WATERSHED CORPORATION**

**Board of Directors Meeting**

**MINUTES**

**October 7, 2014 @ 1:00 p.m.**

**I. Call to Order**

**II. Pledge of Allegiance:** Led by Thomas Snow.

**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, Jason Merwin, Barbara Puglisi, Alan L. Rosa, Philip Sireci, and Frieda Suess.

**Others Present:** Michael Meyer (*New York City DEP*)

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

A motion to approve the minutes from the September 2, 2014 board meeting was made by James Eisel and seconded by Robert Pelham.

**Voice Vote, carried unanimously**

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**V. Presentation of Communication**

**Finance Report**

A motion to approve the financial reports as of July 31, 2014 was made by James Eisel and seconded by Jeffrey Graf.

**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.

*Alan noted several attachments, including a resolution passed by the Town of Walton, a letter from Carl Stuenkel (Chair, Coalition of Watershed Towns) and a memo from Timothy Cox providing background to Carl's letter. He also noted NYC evaluations, all of which were excellent.*

**Presentation of News Articles**

Richard Parete noted an article regarding Thomas Hynes' service to his community. Wayne Marshfield called it "well deserved".

**Committee Schedule** – Alan noted that the Sporting Advisory Committee will be meeting on Tuesday, October 21<sup>st</sup> at 6:00 p.m.

**Committee Meeting Minutes**

**VI. Public Discussion**

*Diane Galusha announced the attendance of 25 zoning and planning board members and code enforcement officers at a Department of State Land Use training held October 3<sup>rd</sup> at the Legion Hall in Margaretville, as well as attendance at a prior training this fall, both of which offered credits toward requirements for town and village officials. She noted that all power point presentations made at these trainings, as well as those presented at CWC meetings, are made available to the public via the CWC website.*

*Alan thanked Diane and Leo for putting on these training seminars through CWC. He pointed out that these workshops are credit-related, so engineers and local government members, and lawyers (at the most recent workshop) can get their required certified training hours.*

*Diane also shared that in co-sponsorship with DEP, 171 volunteers participated in a watershed-wide cleanup over the past weekend.*

*Also of note, Arm of the Sea, recipient of a Public Education Grant this year, is presenting a performance at the festival in Delhi this coming Saturday. Mike said he was at the Garlic Festival in Saugerties and saw Arm of the Sea held two performances there and felt it was great to see the CWC Public Education grants at work.*

*Jeff Graf thanked Timothy Cox for joining him and two colleagues on a panel at the Watershed Science and Technical Conference at West Point in September to discuss the Local Flood Hazard Mitigation Program.*

**VII. Presentation of Resolutions**

*A motion to waive Rule 14 was made by Wayne Marshfield and seconded by Thomas Hynes. Voice vote, carried unanimously for two resolutions regarding the Flood Hazard Mitigation Program.*

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**Septic Reimbursement Over \$20,000 – Robert Corvello - Tab 7**

A motion to approve Resolution No. 2562 was made by Wayne Marshfield and seconded by Tina Molé.

October 7, 2014

**RESOLUTION NO. 2562**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$20,000:  
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 Thousand Dollars (\$20,000) CWC staff shall forward the design with recommendation to the CWC Board for approval; and

**WHEREAS**, CWC staff has reviewed a construction quote submitted by a contractor for the septic system repair in the amount of Twenty-Six Thousand Seventy Dollars and Forty Cents (\$26,070.40); and

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

**WHEREAS**, the CWC staff have determined the contractor's quote of Twenty-Six Thousand Seventy Dollars and Forty Cents (\$26,070.40) 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 quote of Twenty-Six Thousand Seventy Dollars and Forty Cents (\$26,070.40) 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 Twenty-Six Thousand Seventy Dollars and Forty Cents (\$26,070.40).

**Robert Covello Backup**

Mr. Covello's property is located in the Town of Shandaken, Ulster County. Homeowner and CWC staff received a quote from a contractor in the amount of \$26,070.40. This system is for a two bedroom house. The major components for this system include one siphon chamber, one distribution box, 345 cubic yards of absorption fill material, one effluent filter, 250 lineal feet of absorption trench, removal of approximately 30 trees, and site restoration. The quote is within 10% of the CWC Schedule of Values. The Septic Committee recommends that the Board of Directors approve reimbursement in an amount not to exceed \$26,070.40.

***Voice Vote, carried unanimously***

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**Septic Reimbursement Over \$20,000 – Joseph Gustin - Tab 8**

A motion to approve Resolution No. 2563 was made by Wayne Marshfield and seconded by Tina Molé.

October 7, 2014

**RESOLUTION NO. 2563**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$20,000:  
JOSEPH GUSTIN**

**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 has reviewed a construction quote submitted by a contractor for the septic system repair in the amount of Twenty-Nine Thousand Nine Hundred Ninety-Nine Dollars (\$29,999.00); and

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

**WHEREAS**, the CWC staff have determined the contractor's quote of Twenty-Nine Thousand Nine Hundred Ninety-Nine Dollars (\$29,999.00) 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 quote of Twenty-Nine Thousand Nine Hundred Ninety-Nine Dollars (\$29,999.00) 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-Nine Thousand Nine Hundred Ninety-Nine Dollars (\$29,999.00).

**Joseph Gustin Backup**

Mr. Gustin's property is located in the Town of Conesville, Schoharie County. Homeowner and CWC staff received a quote from a contractor in the amount of \$29,999.00. This system is for a three bedroom house. The major components for this system include a 1,000 gallon septic tank, 155 lineal feet of 4" gravity piping, one distribution box, 503 cubic yards of absorption fill material, one effluent filter, 275 lineal feet of absorption trench, 160 lineal feet of curtain drain, tree removal, and site restoration. The quote is within 10% of the CWC Schedule of Values. The Septic Committee recommends that the Board of Directors approve reimbursement in an amount not to exceed \$29,999.00.

***Voice Vote, carried unanimously***

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**Septic Reimbursement Over \$20,000 – Louis Lagomarsino - Tab 9**

A motion to approve Resolution No. 2564 was made by Wayne Marshfield and seconded by Tina Molé.

October 7, 2014

**RESOLUTION NO. 2564**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$20,000:  
LOUIS LAGOMARSINO**

**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 has reviewed a construction quote submitted by a contractor for the septic system repair in the amount of Twenty-Three Thousand Four Hundred Sixty Dollars and Ninety Cents (\$23,460.90); and

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

**WHEREAS**, the CWC staff have determined the contractor’s quote of Twenty-Three Thousand Four Hundred Sixty Dollars and Ninety Cents (\$23,460.90) 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 quote of Twenty-Three Thousand Four Hundred Sixty Dollars and Ninety Cents (\$23,460.90) 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-Three Thousand Four Hundred Sixty Dollars and Ninety Cents (\$23,460.90).

**Louis Lagomarsino Backup**

Mr. Lagomarsino’s property is located in the Town of Delhi, Delaware County. Homeowner and CWC staff received a quote from a contractor in the amount of \$23,460.90. This system is for a three bedroom house. The major components for this system include a 1,000 gallon septic tank, one siphon chamber, 80 lineal feet of 4” gravity piping, one distribution box, 270 cubic yards of absorption fill material, one effluent filter, 600 square feet of absorption bed, 160 lineal feet of swale, tree removal, temporary access road, and site restoration. The quote is within 10% of the CWC Schedule of Values. The Septic Committee recommends that the Board of Directors approve reimbursement in an amount not to exceed \$23,460.90.

***Voice Vote, carried unanimously***

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**Septic Reimbursement Over \$20,000 – David Osharow - Tab 10**

A motion to approve Resolution No. 2565 was made by Wayne Marshfield and seconded by Tina Molé.

October 7, 2014

**RESOLUTION NO. 2565**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$20,000:**  
**DAVID OSHEROW**

**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 has reviewed a construction quote submitted by a contractor for the septic system repair in the amount of Twenty-Four Thousand One Hundred Thirty-Four Dollars (\$24,134.00); and

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

**WHEREAS**, the CWC staff have determined the contractor’s quote of Twenty-Four Thousand One Hundred Thirty-Four Dollars (\$24,134.00) 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 quote of Twenty-Four Thousand One Hundred Thirty-Four Dollars (\$24,134.00) 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-Four Thousand One Hundred Thirty-Four Dollars (\$24,134.00).

**David Osherow Backup**

Mr. Osherow’s property is located in the Town of Olive, Ulster County. Homeowner and CWC staff received a quote from a contractor in the amount of \$24,134.00. This system is for a four bedroom house. The major components for this system include one siphon chamber, 50 lineal feet of 4” gravity piping, one distribution box, 255 cubic yards of absorption fill material, one effluent filter, 900 square feet of absorption bed, removal of approximately 20 trees, access road, and site restoration. The quote is within 10% of the CWC Schedule of Values. The Septic Committee recommends that the Board of Directors approve reimbursement in an amount not to exceed \$24,134.00.

**Voice Vote, carried unanimously**

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**Septic Reimbursement Over \$20,000 – Additional Cost – Carol Adams - Tab 11**

A motion to approve Resolution No. 2566 was made by Berndt Leifeld and seconded by Tina Molé.

**RESOLUTION NO. 2566**

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

**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 2494, the CWC Board approved reimbursement to Carol Adams in an amount not to exceed Thirty-Two Thousand Nine Hundred Seventy-Four Dollars (\$32,974.00); and

**WHEREAS**, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the homeowner for rock removal in the amount of Five Thousand Four Hundred Dollars (\$5,400.00); 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 Five Thousand Four Hundred Dollars (\$5,400.00); and

**WHEREAS**, CWC staff have determined that Thirty-Eight Thousand Three Hundred Seventy-Four Dollars (\$38,374.00) 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-Eight Thousand Three Hundred Seventy-Four Dollars (\$38,374.00) 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-Eight Thousand Three Hundred Seventy-Four Dollars (\$38,374.00).

**Carol Adams Backup**

Ms. Adams’s property is located in the Town of Roxbury, Delaware County. CWC Board of Directors previously approved reimbursement for this project at \$32,974.00. The Design Engineer corroborated the need in writing for additional removal of rock and equipment use for four days. A reasonable and just cost for the additional work according to CWC Schedule of

Values is \$5,400.00. The Septic Committee recommends that the Board approves an additional reimbursement of \$5,400.00, for total reimbursement not to exceed \$38,374.00.

**Voice Vote, carried unanimously**

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**Septic Reimbursement Over \$20,000 – Additional Cost – William Board - Tab 12**

A motion to approve Resolution No. 2567 was made by Berndt Leifeld and seconded by Tina Molé.

October 7, 2014

**RESOLUTION NO. 2567**

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

**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 2508, the CWC Board approved reimbursement to William Board in an amount not to exceed Twenty-One Thousand Six Hundred Ninety Dollars and Sixteen Cents (\$21,690.16); and

**WHEREAS**, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the homeowner for additional fill material in the amount of Five Hundred Seventy-Seven Dollars and Forty-Four Cents (\$577.44); 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 Five Hundred Seventy-Seven Dollars and Forty-Four Cents (\$577.44); and

**WHEREAS**, CWC staff have determined that Twenty-Two Thousand Two Hundred Sixty-Seven Dollars and Sixty Cents (\$22,267.60) 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-Two Thousand Two Hundred Sixty-Seven Dollars and Sixty Cents (\$22,267.60) 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-Two Thousand Two Hundred Sixty-Seven Dollars and Sixty Cents (\$22,267.60).

**William Board Backup**

Mr. Board's property is located in the Town of Delhi, Delaware County. CWC Board of Directors previously approved reimbursement for this project at \$21,690.16. The Design Engineer requested the additional fill for proper cover over the septic tank. A reasonable and just cost for the additional work according to CWC Schedule of Values is \$577.44. The Septic Committee recommends that the Board approves an additional reimbursement of \$577.44, for total reimbursement not to exceed \$22,267.60.

*Voice Vote, carried unanimously*

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**Septic Reimbursement Over \$20,000 – Additional Cost – Gerald Greene - Tab 13**

A motion to approve Resolution No. 2568 was made by Berndt Leifeld and seconded by Tina Molé.

October 7, 2014

**RESOLUTION NO. 2568**

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

**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 Gerald Greene for septic tank replacement in the amount of Two Thousand Eight Hundred Sixty Dollars (\$2,860.00); 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 Twenty-Four Thousand Five Hundred Dollars (\$24,500.00); 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-Seven Thousand Three Hundred Sixty Dollars (\$27,360.00) 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-Seven Thousand Three Hundred Sixty Dollars (\$27,360.00) 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-Seven Thousand Three Hundred Sixty Dollars (\$27,360.00).

**Gerald Greene Backup**

Mr. Greene's property is located in the Town of Roxbury, Delaware County. CWC staff previously approved reimbursement for septic tank replacement at \$2,860.00. This system is for a two bedroom house. The major components for this system include one siphon chamber, 290 lineal feet of 4" gravity piping, one distribution box, 205 cubic yards of absorption fill material, one effluent filter, 144 lineal feet of absorption trench, 115 lineal feet of curtain drain, access road, and extensive site restoration. CWC staff received a quote from the contractor for the additional work in the amount of \$24,500.00. This quote does not exceed CWC Schedule of Values. The Septic Committee recommends that the Board approves an additional reimbursement of \$24,500.00, for total reimbursement not to exceed \$27,360.00.

**Voice Vote, carried unanimously**

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**Septic Reimbursement Over \$20,000 – Additional Cost – Edward Ostapczuk - Tab 14**

A motion to approve Resolution No. 2569 was made by Berndt Leifeld and seconded by Tina Molé.

October 7, 2014

**RESOLUTION NO. 2569**

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

**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 Edward Ostapczuk for septic repair in the amount of Nineteen Thousand Nine Hundred Seventy-Five Dollars (\$19,975.00); and

**WHEREAS**, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the contractor for installation of erosion protection measures in the amount of Five Hundred Twenty-Five Dollars (\$525.00); 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 Five Hundred Dollars (\$20,500.00) 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 Thousand Five Hundred Dollars (\$20,500.00) 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 Five Hundred Dollars (\$20,500.00).

**Edward Ostapczuk Backup**

Mr. Ostapczuk's property is located in the Town of Olive, Ulster. CWC staff previously approved reimbursement for septic repair at \$19,975.00. During construction the Project Engineer requested that swale lined with medium riprap be installed to protect the side taper of the absorption bed from erosion. CWC staff received a quote from the contractor for the additional work in the amount of \$525.00. This quote does not exceed CWC Schedule of Values. The Septic Committee recommends that the Board approves an additional reimbursement of \$525.00, for total reimbursement not to exceed \$20,500.00.

***Voice Vote, carried unanimously***

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**Septic Reimbursement Over \$20,000 – Additional Cost – Silvano Panozzo - Tab 15**

A motion to approve Resolution No. 2570 was made by Berndt Leifeld and seconded by Tina Molé.

October 7, 2014

**RESOLUTION NO. 2570**

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

**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 2497, the CWC Board approved reimbursement to Silvano Panozzo in an amount not to exceed Twenty-Two Thousand Eight Hundred Sixty-Eight Dollars (\$22,868.00); and

**WHEREAS**, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the homeowner for additional access road materials the amount of One Thousand Dollars (\$1,000.00); 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 Dollars (\$1,000.00); and

**WHEREAS**, CWC staff have determined that Twenty-Three Thousand Eight Hundred Sixty-Eight Dollars (\$23,868.00) 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-Three Thousand Eight Hundred Sixty-Eight Dollars (\$23,868.00) 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-Three Thousand Eight Hundred Sixty-Eight Dollars (\$23,868.00).

**Silvano Panozzo Backup**

Mr. Panozzo's property is located in the Town of Hardenburgh, Ulster County. CWC Board of Directors previously approved reimbursement for this project at \$22,868.00. The Design Engineer corroborated the need in writing for additional material to stabilize the haul road access. A reasonable and just cost for the additional work according to CWC Schedule of Values is \$1,000.00. The Septic Committee recommends that the Board approves an additional reimbursement of \$1,000.00, for total reimbursement not to exceed \$23,868.00.

***Voice Vote, carried unanimously***

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**Septic Reimbursement Over \$20,000 – Additional Cost – John Sweeney – Tab 16**

A motion to approve Resolution No. 2571 was made by Berndt Leifeld and seconded by Tina Molé.

October 7, 2014

**RESOLUTION NO. 2571**

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

**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 2405, the CWC Board approved reimbursement to John Sweeney in an amount not to exceed Twenty-One Thousand Four Hundred Ninety-One Dollars and Sixty Cents (\$21,491.60); and

**WHEREAS**, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the homeowner for rock removal in the amount of Seven Hundred Forty-Five Dollars (\$745.00); 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 Seven Hundred Forty-Five Dollars (\$745.00); and

**WHEREAS**, CWC staff have determined that Twenty-Two Thousand Two Hundred Thirty-Six Dollars and Sixty Cents (\$22,236.60) 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-Two Thousand Two Hundred Thirty-Six Dollars and Sixty Cents (\$22,236.60) 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-Two Thousand Two Hundred Thirty-Six Dollars and Sixty Cents (\$22,236.60).

**John Sweeney Backup**

Mr. Sweeney’s property is located in the Town of Conesville, Schoharie County. CWC Board of Directors previously approved reimbursement for this project at \$21,491.60. The Design Engineer corroborated the need in writing for additional removal of rock in order to insure proper drainage. A reasonable and just cost for the additional work according to CWC Schedule of Values is \$745.00. The Septic Committee recommends that the Board approves an additional reimbursement of \$745.00, for total reimbursement not to exceed \$22,236.60.

Voice Vote, *carried unanimously*

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**Fiscal & Septic Program Rules Changes – Board Recommendation of Reimbursements - Tab 17**

A motion to approve Resolution No. 2572 was made by Tina Molé and seconded by Robert Pelham.

October 7, 2014

**RESOLUTION NO. 2572**

**APPROVAL OF CHANGE TO CWC FISCAL POLICES AND PROCEDURES AND  
CWC SEPTIC SYSTEM REHABILITATION AND REPLACEMENT PROGRAM  
RULES - SEPTIC SYSTEMS OVER \$25,000**

**WHEREAS**, the Catskill Watershed Corporation (CWC) is a not for profit local development corporation that administers numerous watershed protection and partnership programs; and

**WHEREAS**, to provide for the orderly administration of CWC fiscal affairs, the CWC Board of Directors adopted and approved CWC Fiscal Policies and Procedures, that provide in part that expenses or transactions of Ten Thousand Dollars (\$10,000) or greater must be approved by the CWC Board of Directors; and

**WHEREAS**, the CWC Septic Rehabilitation and Replacement Program Rules (Septic Program Rules) and CWC Small Business Septic Program Rules, as approved by the CWC Board of Directors, provide in part that reimbursement requests of Twenty Thousand Dollars (\$20,000) or greater must be approved by CWC Board of Directors; and

**WHEREAS**, the CWC Finance and Audit Committee recommends that CWC Fiscal Policies and Procedures be amended to provide for CWC Board of Directors approval for all transactions and expenditures of Ten Thousand Dollars (\$10,000) or greater, or at the higher amount provided in the CWC Septic Program Rules or Small Business Septic Program Rules for septic reimbursements as provided in Attachment A; and

**WHEREAS**, the CWC Finance and Audit Committee further recommends that CWC Septic Program Rules be amended to require CWC Board of Directors approval for reimbursement requests of Twenty-Five Thousand Dollars (\$25,000) or greater as provided in Attachment A; and

**WHEREAS**, the CWC Finance and Audit Committee further recommends that CWC Small Business Septic Program Rules be amended to require CWC Board of Directors approval for reimbursement requests of Twenty-Five Thousand Dollars (\$25,000) or greater as provided in Attachment A.

**NOW THEREFORE BE IT RESOLVED**, that the CWC Board adopts the attached amendment to Fiscal Policies and Procedures in Attachment A per the Committee’s recommendation.

**NOW THEREFORE BE IT RESOLVED**, that the CWC Board adopts the attached amendment to CWC Septic Program Rules in Attachment A per the Committee’s recommendation.

**NOW THEREFORE BE IT FURTHER RESOLVED**, that CWC Board adopts the attached amendment to CWC Small Business Septic Program Rules in Attachment A per the Committee’s recommendation.

**ATTACHMENT A**

Proposed Changes are shown in **RED**

**CWC Fiscal Policies and Procedures**

**3-2.06 Signature Authorities**

| Type of Expenditure or Transaction                                                                                                             | Amount              | Authority by Position      |
|------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------------|
| <b>I. Expenditure for:</b>                                                                                                                     |                     |                            |
| A. Major investments (capital and construction in progress; sale/leaseback arrangements; major modifications or betterment; intangible assets) | \$0 to \$2,500      | Executive Director         |
| B. Leases and rental transactions                                                                                                              | \$2,500 -           | Exec. Dir. and One Officer |
| C. Consultants and representatives and executive search agreements                                                                             | \$10,000*           | By Resolution of the Board |
| D. Legal fees and retainers                                                                                                                    | \$10,000 and above* |                            |

**\*or at the higher amount provided for in CWC Septic System Rehabilitation and Replacement Program Rules, Article 2-A, section 2:01:09 or CWC Small Business Septic Program Rules, Article 13, section 13:01:09.**

**CWC Septic System Rehabilitation and Replacement Program Rules, Article 2-A**

**2:00:02:03 Inspection and Repair in Priority Areas**

3. Reimbursement for repairs/replacements of inspected systems will be as follows:
  - a. Every eligible property owner must sign a program participation agreement prior to CWC inspection.
  - b. If CWC determines during the inspection that the septic system should be repaired or replaced, the Homeowner shall hire a design professional to prepare the design of such repair or replacement as well as the submission to NYCDEP for approval.
  - c. After the Homeowner has obtained design approval from NYCDEP, the Homeowner shall obtain a quote from a contractor selected by the homeowner either on a CWC bid form or contractor’s bid quote form. Prior to the start of construction, the Homeowner must submit the quote to CWC for funding approval. The Homeowner is also

responsible to obtain any necessary permits from local municipalities and the County or State Department of Health, whichever is applicable, before proceeding with construction. In the event that a request for reimbursement exceeds ~~\$20,000~~ \$25,000, the Board of Directors shall approve the scope of work and the cost of the system before construction may begin. In the event the quote exceeds \$30,000, the Homeowner shall supply to CWC detailed quotes from at least three unrelated contractors, and the Board of Directors must approve the scope of work and the cost of the system before construction may begin. The CWC Board may waive the requirement for three detailed bids from unrelated contractors based upon unique circumstances.

## **2:01:09. Review of Applications**

1. Where the total amount requested for reimbursement of construction costs is less than or equal to ~~\$20,000~~ \$25,000, the CWC Executive Director shall be authorized to approve, modify or deny the reimbursement request. Where the total amount requested for reimbursement of construction costs is more than ~~\$20,000~~ \$25,000, the staff recommendation shall be forwarded to the CWC Board of Directors who shall review the application and recommendation and approve, modify or deny the reimbursement request. In the event that a request for reimbursement of construction costs is more than \$30,000, the homeowner shall supply to CWC detailed quotes from at least three unrelated contractors. The staff recommendation shall be forwarded to the CWC Board of Directors, who shall review the application and recommendation and approve, modify or deny the reimbursement request. The CWC Board may waive the requirement for three detailed bids from unrelated contractors based upon unique circumstances.
2. Approval of a request for reimbursement shall be conditioned upon the owner's agreement to have his/her septic system pumped out and/or inspected, if so requested by NYCDEP. Any such pump-out will be paid for by CWC.

## **Small Business Septic Program Rules, Article 13**

### **13:00:02:01 Inspection, Repair and Reimbursement in Priority Areas**

3. Payment for repairs/ replacements of inspected systems will be as follows:
  - If CWC determines during the inspection that the Small Business septic system, or individual components, is in failure and should be repaired or replaced, the Small Business Owner shall secure a preliminary design of such repair or replacement and forward the preliminary design with soil test results clearly shown on documents to CWC for review. CWC shall submit design comments indicating what CWC will fund to the Small Business Owner. The Small Business Owner is responsible to submit a final design to NYCDEP for its review and approval. Certain Small Businesses, including mobile home parks, may also be required by New York State regulations to obtain design and construction approvals from NYSDOH for repairs to or replacement of their septic system.
  - After the Small Business Owner has obtained design approval from NYCDEP and NYSDOH (if required), the Small Business Owner shall obtain a quote on a CWC bid form. CWC requires that the Small Business Owner submit the quote to CWC for funding approval. The Small Business Owner is also responsible to obtain any necessary permits from local municipalities and the County or State Department of Health, whichever is applicable, before proceeding with construction. In the event that a request for reimbursement exceeds ~~\$20,000~~ \$25,000, the Board of Directors shall approve the scope of work and the cost of the system before construction may begin.
  - After construction is complete, and a NYCDEP and NYSDOH (if required) Construction Approval has been issued, the Small Business Owner shall submit an application for reimbursement to CWC with a copy of the NYCDEP Construction Approval

## **13:01:09 Review of Applications**



- 1) Where the total amount requested for reimbursement is less than or equal to ~~\$20,000~~\$25,000, the CWC Executive Director shall be authorized to approve, modify or deny the reimbursement request. Where the total amount requested for reimbursement is more than ~~\$20,000~~\$25,000, the staff recommendation shall be forwarded to the CWC Board of Directors who shall review the application and recommendation and approve, modify or deny the reimbursement request.
- 2) Approval of a request for reimbursement shall be conditioned upon the owner's agreement to have his/her septic system pumped out and/or inspected, if so requested by NYCDEP. Any such pump-out will be paid for by CWC.

**Voice Vote, carried unanimously**

~~~~~

**Future Stormwater – Colandrea – SWPPP Design - Tab 18**

A motion to approve Resolution No. 2573 was made by James Eisel and seconded by Wayne Marshfield.

October 7, 2014

**RESOLUTION NO. 2573**

**BOARD REVIEW OF FUTURE STORMWATER PROGRAM APPLICATION FOR DARLENE COLANDREA 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**, Darlene Colandrea has applied for reimbursement of eligible design costs in the amount of Five Thousand Nine Hundred Seventy-Five Dollars (\$5,975.00) for design of new stormwater controls related to installation of additional storage units at an existing storage unit business; and

**WHEREAS**, the CWC share of stormwater funding is 50% of the eligible costs for this project because Darlene Colandrea is operating under a DBA and is considered a small business under Watershed MOA Paragraph 145; 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 design costs for a total not-to-exceed amount of Five Thousand Nine Hundred Seventy-Five Dollars (\$5,975.00); 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 Five Thousand Nine Hundred Seventy-Five Dollars (\$5,975.00).

**CWC Future Stormwater Controls Program  
Darlene Colandrea – Additional Storage Units, Village of Tannersville, Greene County**

Darlene Colandrea owns a Storage Unit business in the Village of Tannersville, Greene County. Ms. Colandrea is required to design new stormwater control measures to control stormwater runoff for additional storage units she is installing on the property within 100 feet of a watercourse.

Ms. Colandrea is eligible for 50% reimbursement of eligible costs through the CWC as she is operating under a DBA and is considered a small business.

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

Total Eligible Costs	\$11,950.00
NYCDEP 50% Share	\$5,975.00

Recommended CWC funding 50% of eligible SWPPP costs \$5,975.00

Ms. Colandrea is also eligible to apply to NYCDEP to seek reimbursement for up to 50% of these costs.

**Voice Vote, carried unanimously**

~~~~~

**Handout Resolution – Flood Hazard Mitigation Program Rules Change**

A motion to approve Resolution No. 2574 was made by Jeff Graf and seconded by James Eisel.

October 7, 2014

**RESOLUTION NO. 2574**

**BOARD APPROVAL OF FLOOD HAZARD MITIGATION PROGRAM RULES  
AMENDMENTS**

**WHEREAS**, the Catskill Watershed Corporation (CWC) is a not-for-profit corporation established to administer Watershed Protection and Partnership Programs as more fully described herein; and

**WHEREAS**, ninety percent of New York City’s water supply originates in the Catskill Mountain region from an area commonly referred to as the West of Hudson portion of the watershed of the New York City water supply (the “West of Hudson Watershed” or “Watershed”), which spans over 1,600 square miles and portions of five counties, forty-one towns, and eight villages; and

**WHEREAS**, the CWC, City of New York (City), all municipalities in the West of Hudson Watershed, New York State, the federal Environmental Protection Agency, and several environmental organizations recognized that the goals of drinking water protection and economic vitality within the West of Hudson Watershed communities are not inconsistent and under the 1997 New York City Watershed Memorandum of Agreement (“Watershed MOA”) agreed to cooperate in the development and implementation of watershed protection programs that maintain and enhance the quality of the City’s drinking water supply system and the economic and social character of the West of Hudson Watershed communities; and

**WHEREAS**, extensive flooding resulting from tropical storms Irene and Lee in, August and September 2011, respectively, caused catastrophic losses in certain towns and villages within the West of Hudson Watershed which affected the economic and social character of certain West of Hudson watershed communities and adversely impacted water quality in the West of Hudson Watershed; and

**WHEREAS**, as a condition of the 2014 Mid-Term Filtration Avoidance Determination Review, New York City Department of Environmental Protection (NYCDEP) has agreed to fund a Flood Hazard Mitigation Implementation Program to reduce repetitive flood losses that also pose a threat to water quality during storm events; and

**WHEREAS**, by Resolution Number 2439, on March 4, 2014, the CWC Board of Directors agreed to serve as program manager of such a program to be referred to as the CWC Flood Hazard Mitigation Implementation Program (the “Program”) and approved a Program Agreement with the City; and

**WHEREAS**, by Resolution Number 2460, on May 6, 2014, the CWC Board of Directors approved program rules for the CWC Flood Hazard Mitigation Program; and

**WHEREAS**, as a condition of the 2014 Mid-Term Filtration Avoidance Determination Review, NYCDEP has agreed to fund a Flood Buyout Program to acquire improved properties that were not eligible for or did not participate in the FEMA/SOME flood buyout program, but if vacated and returned to a natural floodplain, would help mitigate flooding in other areas or otherwise protect water quality; and

**WHEREAS**, the CWC Wastewater/Stormwater Committee reviewed and recommends adoption of amendments to the Flood Hazard Mitigation Program Rules, (a copy of which is attached hereto as Attachment A) to provide funding eligibility for relocation assistance to property owners participating in the NYCDEP Flood Buyout Program who relocate within the same town as their former property.

**NOW, THEREFORE BE IT RESOLVED**, that the CWC Board of Directors adopts the attached Flood Hazard Mitigation Program Rules as amended (Attachment A), as per the Committee’s recommendation.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, that the Flood Hazard Mitigation Program Rules may be amended from time to time by the CWC Board of Directors, in consultation with NYCDEP.

## ATTACHMENT A

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### **Chapter 17:00**

#### 17:00:00. Program Goals

1. The long term goal of the Flood Hazard Mitigation Implementation Program (the “Program”) is to supplement existing sources of funding for structural and nonstructural projects to improve the flood resilience of communities located within the boundaries of the New York City water-supply watershed, west of the Hudson River. Repeated flood damage endangers residents and degrades regional water quality, and challenges Watershed communities in their efforts to achieve economic stability and sustainability. Projects supported by this Program will assist in preventing and mitigating flooding impacts.

2. The Program will fund projects that are expected to have measurable impacts on the hazards caused by flooding. Projects funded by the Program must (with limited exceptions as noted herein) be identified through a Local Flood Analysis (“LFA”), as defined below, and designed to remedy situations where an imminent and substantial danger to persons or properties exists or improve community-scale flood resilience while providing a water quality benefit.

## 17:00:01. Definitions

1. Anchor Business: a private gas station, grocery store, lumber yard/hardware store, medical doctor's office or pharmacy, located in a Floodplain in an MOA Hamlet, which if damaged or destroyed would immediately impair the health and/or safety of a community
2. Board or CWC Board: the Board of Directors of the Catskill Watershed Corporation
3. City Flood Buyout Program: The program that New York City is funding pursuant to the Final Revised 2007 Filtration Avoidance Determination which will allow the City, consistent with the 2010 Water Supply Permit as modified, to acquire improved properties that were not eligible for or did not participate in the FEMA/SOME program, but if vacated and returned to a natural floodplain, would help mitigate flooding in other areas or otherwise protect water quality.
4. Critical Community Facility: a public facility located in an MOA Hamlet (such as a firehouse, school, town hall, public drinking water treatment or distribution facility, or wastewater treatment plant or collection system), which if destroyed or damaged would impair the health and/or safety of a community
5. CWC: the Catskill Watershed Corporation
6. DEP: the New York City Department of Environmental Protection
7. Floodplain: 100 year floodplain as determined by Federal Emergency Management Agency in its most recent approved maps
8. Force Account Work: Labor performed by a Project Sponsor, excluding any and all work performed by publicly elected officials
9. LFA: an engineering and feasibility analysis, that is consistent with the goals of the Program, and which:
  - a) confirms that there is a significant flood hazard in the target area through engineering analysis;
  - b) uses engineering analysis to develop a range of hazard mitigation alternatives with the primary focus of identifying the potential for reducing flood elevations; and
  - c) evaluates both the technical effectiveness and the benefit/cost effectiveness of each solution and compares different solutions to identify the most practical, sustainable outcome
10. MOA Hamlet: hamlet, village, or village extension identified pursuant to paragraph 10 of the 1997 Water Supply Permit, or as extended upstream or downstream as deemed necessary by review of stream process and by agreement of the DEP during an LFA
11. NYC: the City of New York
12. Planned Redevelopment Community: an LFA recommended relocation of three or more Residences in an MOA Hamlet to contiguous parcels within the same town
13. Project Sponsor: person or entity responsible for the implementation of a project that has been selected for funding under the Program
14. Relocation: Projects identified herein that would move existing uses from real property located in a Floodplain ("former property") to real property outside the Floodplain within the same town ("relocation property")
15. Residence: a building wholly or partially used for living or sleeping by human occupants in an MOA Hamlet
16. Stream Debris: flood debris including all items washed from the interior and exterior of households and commercial enterprises, and large woody debris if it can be mobilized and cause infrastructure damage in a significant flood event
17. Stream-related Construction Work: construction work that will change the physical shape or hydraulic capacity of stream channels, banks and floodplains
18. Substantially Damaged: a cumulative loss of value that exceeds 50% of the total pre-flood value of structure as a result of one or more floods
19. Watershed: the West of Hudson River Watershed serving the New York City Water Supply
20. Watershed MOA: the 1997 New York City Watershed Memorandum of Agreement

## 17:00:02. Program Funding

1. DEP has committed \$17,000,000 for the Program pursuant to an agreement with CWC.

2. The total amount of money to be made available annually under the Program shall be determined annually by the Board.
3. Eligible Projects, as described herein below, are not guaranteed funding under the Program.

#### 17:00:03. Eligible Projects

1. Projects eligible for funding under the Program (“Eligible Projects”) must be:
  - a. located wholly in the Watershed;
  - b. located in a town that has completed an LFA except for:
    1. Stream Debris Removal Projects; or
    2. Relocation assistance to residential or business property owners participating in the City Flood Buyout Program.
  - c. recommended in a LFA, except for:
    1. Stream Debris Removal, or
    2. Anchor Business Relocation Assistance; or
    3. Critical Community Facility relocation Assistance; or
  - d. Relocation assistance to individual properties participating in the City Flood Buyout Program.
  - e. approved by the Town or Village (except for Anchor Business Relocation and Stream Debris Removal Projects); and
  - f. located in a town that has completed a Community Assistance Visit or Community Assistance Contact with the New York State Department of Environmental Conservation within five (5) years of the date of application, and is in good standing with the National Flood Insurance Program (except for Stream Debris Removal Projects).
2. In addition, Eligible Projects must fall into one of the following categories:
  - a. Assistance for relocation of an Anchor Business that has been Substantially Damaged by three or more floods in the past twenty (20) years to a location within the same town (unless the requirement to relocate within the same town has been waived by the Town).
  - b. Assistance for relocation of a Critical Community Facility that has been Substantially Damaged by three or more floods in the past twenty (20) years to a location within the same Town.
  - c. Assistance for relocation of a residence or business to a location within the same town where the need for such relocation is identified by LFA
  - d. Assistance for the relocation of a residence or business to a location within the same town when the residence or business is purchased pursuant to the City Flood Buyout Program to a location within the same town.
  - e. Alterations to an aspect of public infrastructure identified in the LFA that is expected to reduce water surface elevations, alter flow paths, reduce velocities, and otherwise minimize the potential for flood damage (e.g. enlarging a bridge, installing floodplain drains, but not including road relocation).
  - f. Property Protection measures identified by an LFA that provide off-site flood-elevation relief by decreasing or alleviating downstream flooding and flood related damage (e.g. proper venting of a building to allow flow through a basement or crawl space).

- g. Activities identified by an LFA that will eliminate a potential source of manmade pollution that could result from a flood event in the MOA Hamlet studied by an LFA (e.g., the relocation or securing of a fuel tank; does not include pollution clean-up costs).
- h. Stream Debris removal from stream channels and/or Floodplains following a storm event as described in Section 17.00.09 herein (“Emergency Stream Debris Removal Projects”).
- i. Stream Related Construction Work identified by LFA that provide off-site flood elevation benefit.

#### 17:00:04. Ineligible Projects

Projects that fall into any of the following categories are not eligible for funding under the Program:

- 1. structural flood control practices such as flood walls, berms and levees;
- 2. stream dredging or channelization;
- 3. projects or groupings of projects where, in the sole discretion of the Board, the cost outweighs the benefit;
- 4. maintenance projects, the need for which has recurred more than once due to a flood event and/or;
- 5. projects that can be fully funded under another program - (Projects that are eligible to apply for 100 percent funding under another public program in the twelve months preceding or following the due date of applications to CWC.) Projects that are denied full funding under the other public program may reapply to CWC in the following application cycle.

#### 17:00:05. Evaluation of Applications

Eligible Projects will be evaluated by CWC, in consultation with DEP, based on the following additional considerations:

- 1. opportunity for cost sharing and availability of in-kind services;
- 2. availability of funds from sources other than the Program to cover any portion of the total cost of an eligible project);
- 3. participation in the National Flood Insurance Program Community Rating System Program (“NFIP CRS”);
- 4. flood hazard mitigation benefit to the community: Priority consideration will be given to projects that are described in an LFA to have a flood hazard mitigation benefit to the community in which the project is located. Areas downstream of the project, even if outside the town where the project is located, may be considered as part of the area being benefitting by the project;
- 5. degree of flood hazard mitigation or water quality benefit as described in the LFA;
- 6. degree of positive social and economic impacts to the Watershed;

7. cumulative benefit with other projects (including but not limited to other flood hazard mitigation programs) within same community (or town);
8. construction readiness;
9. cost effectiveness; and
10. applicant's and/or proposed Project Sponsor's record of compliance in other CWC programs.

17:00:06. Coordination with DEP

1. CWC will send one copy of the application form and all supporting documentation submitted to CWC by the applicant to DEP for review and comment.
2. Applicants and Project Sponsors of projects that include stream and floodplain related construction work must attend a pre-application meeting with CWC and DEP. A pre-application meeting may also be required for other types of projects by CWC, in consultation with DEP.
3. Pre-design and design plan approval by CWC and DEP may be required for certain projects at intervals to be determined on a project by project basis following a pre-application meeting. Project Sponsors may not proceed to construction of any portion of a Project without said approval(s).
4. The decision to open the Emergency Stream Debris Removal component of the Program following a storm event will be made by the Board, in consultation with DEP.
5. Project Sponsors shall provide written notice to CWC of substantial completion of all stream-related construction work so that CWC and DEP, and any other entity CWC and DEP determines to be necessary, can inspect such work and provide comments prior to final completion. DEP must inspect all Stream related Construction work and provide written comments to CWC and the Project Sponsor within 10 business days of receiving such notice from the Project Sponsor.
6. DEP and CWC must approve the completion of all Stream related Construction Work prior to the release of any retainage amounts held under funding provided by the Program.
7. Eligible Projects that are to be funded with funds transferred by the Board pursuant to Paragraphs 128 and 127 of the Watershed MOA shall be jointly evaluated and selected by the Board and DEP ("Transferred Funds Projects").

17:00:07. Coordination with Regulatory Agencies and SEQRA

1. Project Sponsors shall coordinate and comply with all statutory and regulatory requirements applicable to a project, including acquiring all necessary permits to undertake the project. No design shall be considered complete until all regulatory reviews are complete and all approvals and permits have been obtained.
2. Project Sponsors are responsible for complying with the State Environmental Quality Review Act ("SEQRA"), Article 8 of the Environmental Conservation Law and its



implementing regulations at 6 NYCRR Part 617. If a SEQRA Lead Agency determines that Project may have a potentially significant adverse impact on the environment, the Project Sponsor may apply to CWC for approval of costs of additional environmental review. The project shall not be funded for construction until the SEQRA process is complete.

#### 17:00:08. Project Selection

1. Except as provided herein or otherwise determined by the Board, there shall be one application cycle each calendar year. Applications must be postmarked or delivered on a date and time to be determined by the Board.
2. CWC staff shall screen all applications to determine those projects that are eligible for funding under the Program based on the eligibility criteria set forth in section 17.00.03 above.
3. CWC staff, in consultation with DEP, shall evaluate, rank, and recommend to the Board for selection, Eligible Projects in accordance with the evaluation considerations set forth in section 17:00:04 above. CWC staff will prepare written evaluations that assess the evaluation considerations with respect to each Eligible Project. Evaluations shall be provided to DEP for review and comment prior to review by the CWC Stormwater/Wastewater Committee.
4. After an opportunity for DEP review and comment, evaluations will be provided by CWC staff to the CWC Stormwater/Wastewater Committee with a recommended amount of funding for each Eligible Project.
5. Except for Transferred Funds Projects, the Board shall, in its sole discretion, make the final determination on which Eligible Projects to fund (“Selected Projects”) and the level of funding. The Board may award less to Selected Projects than the amount requested in the application or included in the staff recommendation. For evaluation and selection of Transferred Funds Projects see section 17:00:06 (7).
6. CWC will provide prior notification of Selected Projects to identified signatories of the Watershed MOA pursuant to paragraph 107 of the Watershed MOA prior to entering into a Program Agreement.

#### 17:00:09 Emergency Stream Debris Removal Project Applications

Applications for Emergency Stream Debris Removal Projects will be accepted only after a serious storm event and at identified locations, both as determined by the Board, in consultation with DEP. Applications may be made by a municipality and/or affected property owners. The Board annually may budget FHMIP funds for the Emergency Stream Debris Removal component of the Program.

#### 17:00:10. Amendment of Rules

The Board may amend these Flood Hazard Mitigation Implementation Program Rules (“Rules”) at any time. CWC shall work in consultation with DEP with respect to amending the Rules.

### **Chapter 17:01 Applicants and Application Process**

## 17:01:01. Eligible Applicants

The projects for which an applicant may seek funding are set forth in Section 17:00:03. Applications will be accepted as follows:

1. from towns, villages or counties to implement recommendations of an LFA
2. From property owners for:
  - a. assistance for relocation of Anchor Business or Critical Community Facility;
  - b. assistance for relocation to business or property owner participating in the City Flood Buyout Program;  
or
  - c. Emergency Stream Debris Removal Projects.

## 17:01.02 Application Process

1. Applications will be accepted no later than the date(s) established by the Board.
2. Four copies of each completed project application must be submitted to CWC.
3. A complete project application consists of the following items:
  - a. a completed application form provided by CWC;
  - b. a narrative description of the project which also discusses the need for the proposed project as substantiated by an LFA;
  - c. a description of the costs and benefits of the proposed Eligible project;
  - d. a resolution authorizing the application if Applicant is a municipality;
  - e. a site location map, if applicable;
  - f. photos, including aerial photos if applicable and available, drainage area, wetlands, other mapped characteristics as applicable and available;
  - g. a site schematic (or detailed plans) of the project, if applicable;
  - h. a description of the proposed project team and the qualifications and role of each team member;
  - i. except for Anchor Business relocations or Emergency Stream Debris Removal, approval from the Town or Village, where project is located; and
  - j. an affidavit from the record owner of any private property on which work is to be performed as part of the proposed project authorizing such work.
4. CWC may, as it determines necessary, require an Applicant to submit additional information to facilitate the review of the project application.
5. Applicants must demonstrate to CWC's satisfaction that good faith attempts were made to seek other available public funding and that none is available during the same funding cycle.
6. An Applicant or Project Sponsor that has previously received Funding from this or any other program managed by CWC and applies for funding for another project or projects must demonstrate compliance with contract terms of the previously funded project(s) before another application will be considered.
7. Any applicant or Project Sponsor that is in default of any CWC contract may be denied further consideration under the Program by CWC.

## Chapter 17:02 Project Administration

#### 17:02:01 Project Agreements

1. Project Sponsors must enter into an agreement with CWC (Project Agreement) in order to receive Program funds.
2. The Project Agreement will be based on a model agreement developed in consultation with DEP.
3. Project Agreements shall contain milestones for design and construction of the Project, if applicable to the type of project being funded.
4. Project Agreements shall provide that if the cost of design, construction and installation of any project exceeds the maximum amount of Program funds allocated to the Project by CWC, the Project Sponsor shall complete construction of the project using its own resources or funding obtained from sources other than the Program.
5. Project Sponsors may apply to CWC for additional Program funds to cover additional unforeseen costs.
6. Applications for additional Program funds must be accompanied by documentation supporting the need for the additional funds.
7. The decision to award additional Program funds to a Project Sponsor is within the sole discretion of the Board.
8. Project Sponsors that are not required to comply with NYS General Municipal Law (e.g. private property owners) must solicit services on a competitive basis and in accordance with CWC's published procurement policy.
9. Project Sponsors that are municipalities must submit with the executed Project Agreement a resolution passed by the appropriate governing body authorizing a designated representative to enter into such contract.
10. Subcontracts between Project Sponsors and design firms to perform project-related work shall include the provision that the architect and/or engineer's scope of work shall include the full range of design services required for design, implementation and construction of the project.
11. Subcontracts between Project Sponsors and contractors for construction shall require the contractor to post a performance and completion bond in the full amount of the contractor's bid to secure the successful completion of all project-related construction work and a payment bond to insure that all parties are paid for work performed.

#### 17:02:02 Additional Program Agreement Requirements for Relocations

Project Agreements for Selected Projects that include Assistance for Relocations shall also include the following requirements:

1. the relocation property shall be outside of the Floodplain;
2. the relocation property shall be within the same town. This requirement may be waived by the town.
3. enforceable use limitations shall be recorded on the former property.

4. project Sponsor shall demolish or cause to be demolished all structures on the former property.
5. project Sponsor may sell the former property pursuant to the NYCDEP 2013 Filtration Avoidance Determination Flood Buy Out Program.

#### 17:02:03. Project Costs and Caps

1. Project Costs to be funded under the Program are costs incurred in connection with the implementation of a Selected Project that are determined by CWC in consultation with DEP to be reasonable and necessary and consistent with the restrictions set forth below.
2. To be eligible for payment, Project work must be performed in compliance with all applicable federal, State and local laws, ordinances regulations and/or rules, including the Rules and Regulations for the Protection from Contamination, Degradation and Pollution of the New York City Water Supply and its Sources, as amended April 4, 2010.
3. Funds available under any other program, e.g., FEMA or NRCS Emergency Watershed Protection Program, shall be applied before seeking funds under this Program.
4. Project Costs for Relocation Assistance are limited to the following:
  - a. Business (including Anchor Business)
    - i. feasibility studies (including appropriate business analysis), including completing of Full Environmental Assessment Form (FEAF) required for SEQRA compliance and Phase I Environmental Site Assessment (ESA) to a maximum of \$15,000 per project;
    - ii. soft costs incurred in connection with the purchase of the relocation property including an appraisal prepared by an independent licensed appraiser to a maximum of \$10,000 per project; and
    - iii. the appraised land value (absent improvements) of the relocation property to be purchased at a size equal to or smaller than needed to relocate from the former property; and
    - iv. 75% of the costs for wastewater infrastructure for a planned relocation of a business to a maximum of \$50,000 per business.
  - b. Critical Community Facility
    - i. feasibility studies including completing of FEAF required for SEQRA compliance and a Phase I ESA to a maximum of \$10,000 per project; and
    - ii. local match funds required under applicable federal or state programs;
    - iii. and the appraised land value (absent improvements) of the relocation property to be purchased at a size equal to or smaller than needed to relocate from than the former property; and
    - iv. 75% of the costs for wastewater infrastructure for a planned relocation of a Critical Community Facility to a maximum of \$50,000.
  - c. Residences
    - i. 75% of the costs for planning activities for a Planned Redevelopment Community intended to replace residences recommended for relocation pursuant to a Local Flood Analysis to a maximum of \$20,000 per project; and
    - ii. 75% of costs for wastewater infrastructure for a Planned Redevelopment Community intended to replace residences recommended for relocation

- pursuant to a Local Flood Analysis up to a maximum of \$250,000 per project; and/or
- iii. wastewater infrastructure for the planned relocation of a single family residence up to a maximum of \$10,000 per residence at the current (at time of design approval) CWC Schedule of Values established pursuant to the CWC Septic Rehabilitation and Replacement Program Rules, Article 2A, section 2:01:01.
5. Project Costs for the alteration of an aspect of public infrastructure are limited to:
    - a. feasibility studies associated with reducing water surface elevations, altering flow paths, reducing velocities, or otherwise minimizing potential for flood damage up to a maximum of \$20,000 per project;
    - b. design costs up to a maximum of 10% of construction costs; and
    - c. construction costs.
  6. Project Costs for property protection measures are limited to:
    - a. feasibility studies up to a maximum of \$5,000 per project;
    - b. design costs up to a maximum of 10% of construction costs; and
    - c. 75% of construction costs up to a maximum of \$20,000.
  7. Project Costs for community-wide activities for the elimination of potential source of manmade pollution are limited to:
    - a. 75% of design costs; and construction; and
    - b. 75% of project implementation costs up to a maximum of \$15,000.
  8. Project Costs for Stream-related Construction Work are limited to:
    - a. design costs up to a maximum of 10% of construction costs; and
    - b. construction costs.
  9. Project Costs for Emergency Stream Debris Removal Projects are limited to labor, fuel, equipment, disposal tipping fees, and materials necessary for flood-debris removal and site restoration up to a maximum of \$10,000 per property. The maximum of \$10,000 per property may be waived by the CWC Board on a case by case basis.
  10. CWC Board, in their sole discretion, may approve individual requests to exceed the maximum amounts and/or percentages of costs provided for in sections 1 through 8 above, on the basis of extraordinary water quality or community benefit of the project. All such requests shall be reviewed by CWC staff and provided to DEP staff. CWC staff shall and DEP staff may provide to the Board a written recommendation to partially or wholly approve, or to deny the request.

#### 17:02:04 Procurement of Goods/Services for Project Work by Project Sponsors

1. In the event that a bid is determined to be unreasonable based on prevailing prices for recent similar work in the same geographic area, the Project Sponsor may re-bid the project.
2. The procurement of goods and/or services by Project Sponsors that are public or municipal entities shall be in accordance with such entities' policies.

3. The procurement of goods and/or services by Project Sponsors who are private individuals or private entities shall be in accordance with CWC's procurement policies.

#### 17:02:05 Documentation of Project Costs Required for Payment

1. The Project Sponsor is responsible for submitting documentation to CWC that demonstrates that actual costs are reasonable. Such documentation should include recent actual costs for similar work performed in the same geographic area.
2. The cost of materials for project work procured through competitive bidding will be deemed reasonable by CWC provided the lowest cost vendor was selected.
3. The Project Sponsor must submit documentation to CWC to establish that those persons or entities selected to perform project work are qualified to perform such work.
4. The Project Sponsor must submit documentation that unit costs incurred are comparable to unit costs contained in a cost estimating manual in standard use.

#### 17:02:06 Payments for Project Costs

1. Program funds may be paid to the Project Sponsor for eligible Project Costs incurred by the Project Sponsor (reimbursement) or directly to a vendor or contractor ("subcontractor") for the performance of Program work provided there is a written agreement between the Project Sponsor and the subcontractor and a copy has been submitted to CWC with the request for payment.
2. The Project Sponsor shall forward to CWC no more frequently than monthly an invoice describing the completed Project work [or the purchase agreement], and a CWC voucher itemizing the costs of the completed work, certifying that all work for which payment is being sought was performed in accordance with approved project plans and the Program Agreement.
3. CWC shall pay the Project Sponsor and/or subcontractor within 30 days of receipt of the certified voucher and supporting documentation.
4. The cost of any and all project work completed prior to the date of the Project Agreement is not an eligible Project Cost.
5. The Project Sponsor shall be responsible for reimbursing CWC for any project related cost for which payment was made by CWC under the Program that is or was eligible for funding under any other CWC program.

*Alan explained that this amendment combines the Flood Buyout Program with the Relocation Program so that together they would be a \$31 Million sustainable communities program. This will help alleviate some of the concerns of the community leaders.*

*Tim said that in response to some concerns of the elected officials in particular, these changes would extend reimbursement eligibility for CWC's Flood Hazard Mitigation Program to anyone in the Flood Buyout Program. It would no longer be limited to only LFA-recommended projects. It would now include any business or individual participating in the Flood Buyout Program. Tim continued that NYSDEC agreed to allow a town to condition any or all of the City flood*

*buyouts in the town on the property owner's participation in the Relocation Program. This would address town concerns regarding maintaining both the tax base and the community. Innes asked if this does not need to have an LFA behind it.*

*Tim confirmed that for City Flood Buyouts no LFA is necessary, however the buyouts will fit into certain categories: an inundation threat, an erosion threat, or is part of a stream management project.*

*Tim said the CWC-DEP contract was slightly changed to allow the Program Rules to make those types of projects eligible. Tim continued that next month CWC staff is hoping to present to the Stormwater/Wastewater Committee program rule changes for the LTAP Program. Those changes would allow the funds left in that program to be used for planning for some of these relocations as well. This could include updates of a town's comprehensive plan.*

*Thomas Snow noted that the State is also proposing some language for the Water Supply Permit to help effectuate this Program, so that all of the pieces of the Program fit together and preserves the abilities of the Towns to be able to review and approve each of these acquisitions and, if necessary, put conditions on those, like if someone wanted to relocate they would have to do so within the same community in order to participate.*

**Voice Vote, carried unanimously**

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**Handout Resolution – Fund Transfer from FSW to Flood Hazard Mitigation Implementation Program**

A motion to approve Resolution No. 2575 was made by Innes Kasanof and seconded by James Eisel.

October 7, 2014

**RESOLUTION NO. 2575**

**APPROVAL OF FUND TRANSFER**  
**FLOOD HAZARD MITIGATION IMPLEMENTATION PROGRAM**

**WHEREAS**, the 1997 New York City Watershed Memorandum of Agreement (Watershed MOA) paragraph 127(d) provides that the Catskill Watershed Corporation (CWC) shall administer and disburse funds transferred to the Stream Corridor Protection Program and that CWC shall select and design the projects and allocate amounts of Stream Corridor Funds to each selected project jointly with the City and in consultation with the municipalities; and

**WHEREAS**, by Resolution Number 831, the CWC Board of Directors transferred One Million One Hundred Twenty Thousand Dollars (\$1,120,000.00) from the Future Stormwater Program to provide for a CWC Stream Corridor Protection Program pursuant to Watershed MOA paragraph 127(d); and

**WHEREAS**, by Resolution Number 1330, CWC Board of Directors approved the CWC Stream Corridor Protection Program Rules; and

**WHEREAS**, by Resolution Numbers 1331, 1332, 1353, 1354, 1373, 1389, 1390, 1407, 1408, 1409, 1450, 1548, 1592, 1625, 1714, 1814, and 2010 the CWC Board of Directors approved funding for thirteen (13) projects; and

**WHEREAS**, by Resolution Number 2012, the CWC Board of Directors established the Stream Debris Removal Program under the CWC Stream Corridor Protection Program pursuant to Watershed MOA Paragraph 127(d) and authorized the transfer of up to Two Million Five Hundred Dollars (\$2,500,000.00) from the Future Stormwater Program for such purpose; and

**WHEREAS**, by Resolution Number 2439, the CWC Board of Directors approved the Flood Hazard Mitigation Program Agreement with New York City Department of Environmental Protection; and

**WHEREAS**, paragraph 128 of the Watershed MOA provides that CWC may transfer a portion of Future Stormwater Funds and earnings thereon to Stream Corridor Funds, as specified in paragraph 127, for the purpose of funding such stream corridor protection projects, including flood hazard mitigation projects to be implemented pursuant to the CWC Flood Hazard Mitigation Implementation Program; and

**WHEREAS**, by Resolution Number 2501, the CWC Board approved the transfer of Two Hundred Fifty Thousand Dollars (\$250,000.00) from funds previously transferred to the CWC Stream Corridor Protection Program as described above to the CWC Flood Hazard Mitigation Implementation Program for the purpose of program administration and expenses; and

**WHEREAS**, the CWC Stormwater/Wastewater Committee recommends the transfer of up to One Million Dollars (\$1,000,000.00) from the Future Stormwater Program to the CWC Flood Hazard Mitigation Program for the purpose of funding eligible projects as approved by the CWC Board, to be reimbursed by the CWC Flood Hazard Mitigation Program when funding is received from the City of New York.

**NOW THEREFORE BE IT RESOLVED**, that the CWC Board of Directors approves the transfer of up to One Million Dollars (\$1,000,000.00) from the Future Stormwater Program to the CWC Flood Hazard Mitigation Program for the purpose of funding eligible projects as approved by the CWC Board, to be reimbursed by the CWC Flood Hazard Mitigation Program when funding is received from the City of New York.

**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 Tina Molé and seconded by Wayne Marshfield.

**Voice Vote, carried unanimously**

A motion to resume the regular meeting was made by Thomas Hynes and seconded by Mike Brandow.

**Voice Vote, carried unanimously**

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A motion to approve Resolution No. 2576 was made by Martin Donnelly and seconded by Innes Kasanof.

October 7, 2014

**RESOLUTION NO. 2576**  
**APPROVAL OF UNION GROVE DISTILLERY, 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**, Union Grove Distillery has applied for a Two Hundred Eighty Thousand Dollar (\$280,000.00) loan 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, such that the outstanding principal is fully paid on the one hundred and eightieth (180<sup>th</sup>) payment date, for the purchase of real property at 43311 State Highway 28, the purchase of equipment and for working capital; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Staff has reviewed a completed CWC Loan application for Union Grove Distillery, LLC; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Loan Committee has reviewed an underwriting report for Union Grove Distillery, LLC; and

**WHEREAS**, the CWC Loan Committee has recommended approval of the CWC Loan application from Union Grove Distillery, LLC to the CWC Board on the condition that Union Grove Distillery, LLC has all applicable licenses in place; 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 determines that the Union Grove Distillery, LLC application meets the CWC CFF qualified economic development criteria and approves of the loan application in the amount of Two Hundred Eighty Thousand Dollars (\$280,000.00) 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, such that the outstanding principal is fully paid on the one hundred and eightieth (180<sup>th</sup>) payment date .

**NOW, THEREFORE BE IT FURTHER RESOLVED**, the CWC Board waives the requirement for a participating lender.

**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.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, that upon said approval of loan documentation CWC 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 Union Grove Distillery, LLC**

The Executive Director of the CWC makes the following evaluation concerning a REDI Fund Loan to Union Grove Distillery, LLC located at 43311 State Highway 28, Arkville, 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 43311 State Highway 28, Arkville, NY, to be purchased by Union Grove Distillery, 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 43311 State Highway 28, Arkville, NY, to be purchased by Union Grove Distillery, 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) Union Grove Distillery, LLC will utilize loan funds to purchase the real property located at 43311 State Highway 28, Arkville, NY, to purchase equipment, and for working capital.
  - (ii) The project is located in the Town of Middletown.
  - (iii) The project will utilize a WWTP.
  - (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 - 12 aye, 2 nay, 1 absent**

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**VIII. Announcements from the Chair:**

*Michael Triolo announced that in response to the letter from Carl Stuendel he has drafted a letter in response, which was included for the Board's review and information.*

*Innes said it was very well written and very clear response and to the point.*

*Martin Donnelly asked if it was being sent to the entire CWT or just the Chair.*

*Tim noted that Michael directed it also be sent to the Executive Committee of the Coalition.*

*Mike said it's their responsibility to distribute it to their member towns. It's nothing new to us.*

**IX. Board Member Discussion: None**

A motion to adjourn was made by Thomas Snow and seconded by Berndt Leifeld.

**Voice Vote, carried unanimously**

**X. Adjournment: @ 1:42 p.m.**