

CATSKILL WATERSHED CORPORATION

Board of Directors Meeting

MINUTES

December 6, 2011 @ 1:00 p.m.

held at the Delaware Inn, Main Street, Stamford

I. Call to Order

II. Pledge of Allegiance: Led by Michael Triolo.

III. Roll Call of Directors

Members Present: Donald Brandow, Deborah Meyer DeWan, Paul R. Dibbell, Martin Donnelly, James Eisel, Michael Flaherty, Jeff Graf (*New York City DEP*), Thomas Hynes, Berndt Leifeld, Georgianna Lepke, Wayne Marshfield, Tina Molé, Richard Parete, Thomas Snow (*New York State DEC*) and Leonard Utter.

Members Excused: None

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

Others Present: Velga Kundzitan (*Greater Stamford Area Chamber of Commerce*), Michael Meyer (*NYC DEP*), Thomas Stalter (*NYC DEP*), and Linda Stratigos (*Greater Stamford Area Chamber of Commerce*).

Prior to the regular agenda, Mike Triolo introduced Velga and Linda, who shared about the work that has been made possible in the Township of Stamford through CWC and various other funding agencies, and thanked CWC for the help to local business owners that otherwise would not be possible.

Mike then noted that the Delaware Inn was once a cornerstone of the Town of Stamford, and was known at one time as the “Queen of the Catskills”. He introduced Timothy Cox, who presented a power point on the progression of restoration at the “Olde Delaware Inne”, from the initial purchase of the property to the current building, which has been listed for sale with a local real estate agency.

IV. Review and Approval of November 1, 2011 Board Meeting Minutes

A motion to approve the minutes from the November 1, 2011 board meeting was made by Tina Molé and seconded by Deborah DeWan.

Voice Vote, carried unanimously



V. Presentation of Communication

Finance Report

A motion to approve the financial reports as of September 30, 2011 was made by James Eisel and seconded by Berndt Leifeld.

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.

**Presentation of News Articles**

**Committee Schedule**

**Committee Meeting Minutes**

**VI. Public Discussion**

**VII. Presentation of Resolutions**

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A motion to waive Rule 14 was made by James Eisel and seconded by Michael Flaherty. Voice Vote, carried unanimously

Handout Resolution – Establishment and Funding of the Stream Corridor Protection Debris Removal Program

A motion to approve Resolution No. 2012 was made by Wayne Marshfield and seconded by Thomas Snow.

December 6, 2011

RESOLUTION NO. 2012

APPROVAL OF CWC STREAM CORRIDOR PROTECTION DEBRIS REMOVAL PROGRAM RULES ARTICLE 12A AND TRANSFER AND ALLOCATION OF FUTURE STORMWATER FUNDS TO THE CWC STREAM CORRIDOR PROTECTION 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) 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 approximately Eighty-Eight Thousand Dollars (\$88,000) remains available for funding of future stream projects; and

WHEREAS, the Program Rules for the CWC Stream Corridor Protection Program approved in January, 2008 limit stream corridor protection projects to those which mitigate or correct an existing situation in a hamlet or population center that presents an imminent and substantial danger to persons or property in such hamlet or population center; and

WHEREAS, flooding caused by Tropical Storms Irene and Lee caused the deposition of a massive amount of debris in stream corridors throughout the West of Hudson Watershed; and

WHEREAS, immediate removal of some of this debris is necessary to protect property and life within the watershed and funding from other sources is insufficient; and

WHEREAS, CWC Stormwater/Wastewater Committee recommends that CWC Board of Directors approve the attached CWC Stream Corridor Protection Program Rules Article 12A to provide for selection of stream debris removal projects by Watershed County Soil and Water Conservation Districts; and

WHEREAS, CWC Stormwater/ Wastewater Committee further recommend that CWC Board of Directors approve the transfer and immediate allocation of Two Million Five Hundred Thousand Dollars (\$2,500,000) from the CWC Future Stormwater Program to the CWC Stream Corridor Protection Program for projects under Article 12A; and

WHEREAS, CWC Stormwater/Wastewater Committee recommends that the CWC Board of Directors authorize funding of eligible identified projects pursuant to the amended Program Rules in a total amount not to exceed Two Million Five Hundred Thousand Dollars (\$2,500,000).

NOW THEREFORE BE IT RESOLVED, that the CWC Board of Directors approves Article 12A of the Stream Corridor Protection Debris Removal Program Rules.

NOW THEREFORE BE IT RESOLVED, that the CWC Board of Directors authorizes the transfer of up to Two Million Five Hundred Thousand Dollars (\$2,500,000) from Future Stormwater Program to the CWC Stream Corridor Protection Debris Removal Program for projects under Article 12A.

NOW THEREFORE BE IT FURTHER RESOLVED, that the CWC Board of Directors authorizes the President and/or Executive Director to execute contracts with County Soil and Water Conservation Districts for completion of identified and eligible stream debris removal

projects under Stream Corridor Protection Debris Removal Program Article 12A in a total amount not to exceed Two Million Five Hundred Thousand Dollars (\$2,500,000).

NOW, THEREFORE BE IT FURTHER RESOLVED, approval of funding by the CWC Board of Directors constitutes a preliminary decision under the 1997 Watershed Memorandum of Agreement and the decision will become final without any further action by the CWC Board of Directors unless an objection is timely filed with the Watershed Protection and Partnership Council.

Voice Vote, carried unanimously

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**Septic Program Rule Change – Eligible Costs - Tab 7**

A motion to approve Resolution No. 2013 was made by Wayne Marshfield and seconded by Jeff Graf.

December 6, 2011

**RESOLUTION NO. 2013**

**SEPTIC PROGRAM RULE CHANGE**  
**ELIGIBLE COSTS**

**WHEREAS**, the Catskill Watershed Corporation (CWC) is the program manager of the CWC Septic Rehabilitation and Replacement Program (CWC Septic Program); and

**WHEREAS**, as a result of Tropical Storm Irene and Lee, some septic systems within the New York City Watershed were damaged; and

**WHEREAS**, property owners whose septic systems were damaged or destroyed by Tropical Storms Irene or Lee may be eligible for grants from Federal Emergency Management Agency (FEMA) as well as reimbursement under Homeowner's Insurance; and

**WHEREAS**, to ensure that CWC Septic Program does not duplicate payments made by FEMA or insurance companies, the CWC Septic Committee has reviewed the attached Program Rule Change which would require homeowners to apply to FEMA, where appropriate, and to disclose to CWC correspondence from FEMA and their homeowner's insurance policy; and

**WHEREAS**, the CWC Septic Committee recommends that the CWC Board of Directors approve the proposed program rule change to the CWC Septic Program Rules, as described in Attachment A.

**NOW THEREFORE BE IT RESOLVED**, that the CWC Board of Directors approves the attached Program Rule Change.

**NOW THEREFORE BE IT FURTHER RESOLVED**, that the CWC Board of Directors may further amend the CWC Septic Program Rules as may be required from time to time.

## ATTACHMENT A

Underlined text is proposed addition

### **2:01:03. Eligible Costs**

1. Before any payments are made under this program a system must be determined an eligible system.
2. In order to be eligible to apply for reimbursement, the cost incurred needs to be reasonable and necessary for work done to a septic system if it is determined by CWC that such septic system be failing or reasonably likely to fail prior to any repairs, or such system has received an NOV or NOF prior to any repairs, or has unique circumstances approved by the Executive Director. For reimbursement requests received after March 1, 2010, the rehabilitation or replacement of such septic system must have occurred on or after July 21, 2008. The applicant must submit a completed reimbursement application form provided by CWC.
3. The inspection, design, repair or replacement of the system must be in accordance with the following:
  - a. Inspection shall include no more than one pump-out of each treatment unit.
  - b. Design costs are eligible, limited only to work needed to complete an approved design, including needed site investigation.
  - c. CWC may deem ineligible costs incurred for oversized systems or work that CWC determines to be outside the requirements of 75-A and Chapter 18-38 of the Watershed regulations, not otherwise required as a condition of NYCDEP approval and superfluous to the achievement of adequate sewage treatment. Administrative work done by the engineer or construction observation by the engineer, if the engineer, or an entity owned, controlled by or employing the engineer, is also constructing the repair or replacement, shall also be ineligible, unless the contractor constructing the repair or replacement is also the participating homeowner seeking reimbursement.
  - d. Both design and construction of any rehabilitation or replacement must have been approved by NYCDEP.
4. CWC must determine the cost of work performed to be reasonable. CWC staff shall determine costs to be reasonable based upon the established schedule of values.
5. A homeowner seeking reimbursement for necessary incidental costs that were required for installation of an adequate septic system might be eligible for reimbursement at reasonable costs. Potential necessary incidental costs shall include but not be limited to the following:
  - a. Purchase of land/easements: The cost of land purchase, easements and/or maintenance agreements may be considered eligible on a case by case basis if needed for installation of an adequate septic system. Such costs must be pre-approved by CWC in writing.
  - b. Legal costs required solely for installation of the septic system. Such costs must be pre-approved by CWC in writing.
  - c. Survey costs used for topography studies needed for the design of the septic system. Such costs must be pre-approved by CWC in writing.

- d. Reduced flow fixtures: Reduced flow fixtures shall be installed if cost savings to the program are demonstrated. The allowance for reduced flow toilets will be limited to basic white fixtures based on the established schedule of values. If the homeowner desires fixtures that are above the approved standard they shall pay the additional cost of such fixtures. If the homeowner refuses to install the fixtures, they will be responsible for the additional cost incurred to construct the larger leach-field that will be required. Time of use and total flow for faucets and showerheads are not controlled by flow rate standards, and as such are not an eligible cost. The CWC offers a water saving kit that converts fixtures to low flow standards as part of this program. The homeowner is urged to install these items.
  - e. Septic structures, such as gas baffles or effluent filters in septic tanks and speed levelers in distribution boxes, shall be installed on all systems if practical. When outlet filters are installed, they must be designed and installed so that they can be removed without harming the integrity of the septic tank baffles or sanitary tee.
6. In all cases, the least expensive, technologically appropriate alternative needed to upgrade a system as close as is reasonable to Appendix 75-A will be eligible.

**7. In the event that costs to repair a septic system eligible for reimbursement, as set forth in Paragraph 2, may also be eligible for reimbursement through public or private insurance or a governmental agency (including, but not limited to, the Federal Emergency Management Agency), a homeowner shall complete and submit a claim to such insurance or government agency for the costs of the septic system repair or remediation prior to seeking payment from CWC for these costs. Any eligible cost for such repair or remediation that is not covered by said insurance, government agency, or grant program may be eligible for payment by CWC. The homeowner shall provide to CWC a copy of each such claim, including all correspondence, as well as approval or denial of such claim.**

#### **2:01:04. Disallowed Costs**

1. Any expenses that are not appropriately documented shall be disallowed.
2. Expenditures that do not follow the prior approval and notification procedures, as required by CWC and/or NYCDEP, are disallowed.
3. Costs that are reimbursed, approved for reimbursement or paid in any other manner by private or public insurance, a governmental agency (including Federal Emergency Management Agency), or other grant for the repair or replacement of an eligible septic system are disallowed.
4. Interest and late fees are disallowed.
5. Fines and penalties are disallowed.
6. The payment of sales tax is disallowed.

7. Eligible construction services shall not include non-essential site beautification or interior plumbing changes.
8. Administrative work conducted by the engineer is disallowed.
9. Construction observation by the engineer if the engineer, or an entity owned, controlled by or employing the engineer, is also conducting the repair or replacement is disallowed.

**2:01:05. CWC Duplication of Payment Prohibited**

1. CWC will pay only once for the rehabilitation and replacement of a component of an eligible system. Any component of a septic system that has previously received funding for completed repair or replacement under any part of the Septic Program will not be eligible for participation in the Septic Program until all other systems within the Watershed have been addressed, unless specifically approved by the Executive Director, due to unique circumstances. Unique circumstances may include documentation that the previous funding addressed only part of the component, that a managed repair was installed, or that a provisional repair was installed.
2. **CWC shall reduce the eligible reimbursement under this Program by the amount a homeowner received from, or is approved to be provided by, private or public insurance, a governmental agency (including Federal Emergency Management Agency), and/or grant for the repair or replacement of an eligible septic system as defined in these Program Rules. In order to be eligible for such partial payment by CWC the eligible septic system repair or replacement must be performed in accordance with the Watershed Regulations.**
3. CWC shall maintain records of the status of all septic systems addressed under this program, based on property owner, tax identification number and location. CWC shall compare such records against program records for previous repairs and Alternate Design Program payments to prevent duplicate payments.

*Voice Vote, carried unanimously*

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Future Stormwater – Gerry Defrancesco - Tab 8

A motion to approve Resolution No. 2014 was made by Martin Donnelly and seconded by Thomas Hynes.

December 6, 2011

RESOLUTION NO. 2014

**BOARD REVIEW OF ADDITIONAL FUNDING FOR THE GERRY DEFRANCESCO
FUTURE STORMWATER PROJECT**

WHEREAS, the 1997 New York City Watershed Memorandum of Agreement (Watershed MOA) paragraph 128 directs the Catskill Watershed Corporation (CWC) to establish a program

to pay for the reasonable and proper cost to design, implement, permit, construct and maintain new stormwater measures pursuant to stormwater pollution prevention plans solely required by the 18-39(b)(3) and 18-39(e) of the watershed regulations and not otherwise required by State or federal law; and

WHEREAS, by Resolution Number 1774, the CWC Board of Directors approved an application by Gerry DeFrancesco for funding of eligible construction costs in the not-to-exceed amount of Ninety Thousand Dollars (\$90,000.00) for the construction of an eligible project and Three Thousand Two Hundred Fifty Dollars (\$3,250.00) for the design of an eligible project; and

WHEREAS, Gerry DeFrancesco requested additional funding to pay for the additional costs incurred to complete the project in an amount not to exceed One Thousand Three Hundred Thirty-Eight Dollars and Nine Cents (\$1,338.09); and

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

WHEREAS, upon review of the information and staff recommendation, the CWC Wastewater/Stormwater Committee recommends that the CWC Board of Directors approve an amended not-to-exceed amount of Ninety-Four Thousand Five Hundred Eighty-Eight Dollars and Nine Cents (\$94,588.09) for the Gerry DeFrancesco Future Stormwater Project.

NOW, THEREFORE, LET IT BE RESOLVED, that the CWC Board of Directors has reviewed the attached application, staff recommendation and supporting documentation and approves additional funding in the amount of One Thousand Three Hundred Thirty-Eight Dollars and Nine Cents (\$1,338.09) for a total not-to-exceed amount of Ninety-Four Thousand Five Hundred Eighty-Eight Dollars and Nine Cents (\$94,588.09).

Backup

Gerry DeFrancesco Property

Gerry DeFrancesco was required to comply with the Watershed Rules and Regulations enforced by the NYCDEP. NYCDEP solely required a Stormwater Pollution Prevention Plan (SWPPP) as the project is part of development that qualifies as a common plan of sale, requiring a SWPPP under the Watershed Rules and Regulations, but NYSDEC regulations did not require a SWPPP in this case. As an individual applicant, CWC will be reimbursing 100% of eligible costs.

Gerry DeFrancesco requested the additional funding to pay for the restoration of the property and seed and mulch as required by NYC DEP. The restoration and seed and mulch exceeded the construction estimate by \$1,338.09. The CWC Wastewater Committee recommends that the CWC Board approve the additional funding of \$1,338.09.

Voice Vote, carried unanimously

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**Future Stormwater – Delaware Park, Ltd. (Margaretville Car Wash) - Tab 9**

A motion to approve Resolution No. 2015 was made by James Eisel and seconded by Richard Parete.



**RESOLUTION NO. 2015**

**BOARD REVIEW OF ADDITIONAL FUNDING FOR DELAWARE PARK LTD  
(MARGARETVILLE CARWASH) FUTURE STORMWATER PROJECT**

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

**WHEREAS**, by Resolution Numbers 254, 308, and 318, the CWC Board of Directors approved an application by Delaware Park LTD (Margaretville Carwash) for funding of eligible design and construction costs in the not-to-exceed amount of Twenty-Nine Thousand Four Hundred Forty-Seven Dollars and Ninety-Five Cents (\$29,447.95) for the design and construction of an eligible project; and

**WHEREAS**, Delaware Park LTD (Margaretville Carwash) was severely impacted by Tropical Storm Irene; and

**WHEREAS**, Delaware Park LTD (Margaretville Carwash) has requested funding to pay for the stormwater basin to be replaced in an amount not to exceed Seven Thousand Dollars (\$7,000.00); and

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

**WHEREAS**, upon review of the information and staff recommendation, the CWC Wastewater/Stormwater Committee recommends that the CWC Board of Directors approve repair funding in a not-to-exceed amount of Seven Thousand Dollars (\$7,000.00) for the Delaware Park LTD (Margaretville Carwash) Future Stormwater Project.

**NOW, THEREFORE, LET IT BE RESOLVED**, that the CWC Board of Directors has reviewed the request, staff recommendation and supporting documentation and approves repair funding in the amount of Seven Thousand Dollars (\$7,000.00).

**Backup**  
**Delaware Park LTD (Margaretville Carwash)**

Delaware Park LTD was required to comply with the Watershed Rules and Regulations enforced by the NYCDEP. NYCDEP solely required a Stormwater Pollution Prevention Plan (SWPPP) as the project is within 100 feet of a watercourse, requiring a SWPPP under the Watershed Rules and Regulations.

Delaware Park LTD requested the repair funding to pay for the repairs that need to be done to the stormwater basin that was severely impacted by Tropical Storm Irene. The construction estimate is \$7,000.00 without the plantings. The CWC Wastewater Committee recommends that the CWC Board approve the repair funding of \$7,000.00.

**Voice Vote, carried unanimously**

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Stormwater Retrofit – Margaretville Central School - Tab 10

A motion to approve Resolution No. 2016 was made by Leonard Utter and seconded by Paul Dibbell.

December 6, 2011

RESOLUTION NO. 2016

BOARD REVIEW OF ADDITIONAL FUNDING FOR MARGARETVILLE CENTRAL SCHOOL STORMWATER RETROFIT PROJECT

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

WHEREAS, by Resolution Numbers 340, 490, and 597, the CWC Board of Directors approved applications by Margaretville Central School (MCS) for funding of eligible construction costs in the total not-to-exceed amount of One Hundred Twenty-Eight Thousand Seventy Dollars (\$128,070.00) for the construction of an eligible project; and

WHEREAS, the grounds of MCS was severely impacted by Tropical Storm Irene; and

WHEREAS, MCS has requested funding to pay for the sand filter system to be replaced in an amount not to exceed Twenty-Five Thousand Dollars (\$25,000.00); and

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

WHEREAS, upon review of the information and staff recommendation, the CWC Wastewater/Stormwater Committee recommends that the CWC Board of Directors approve repair funding in a not-to-exceed amount of Twenty-Five Thousand Dollars (\$25,000.00) for the MCS Future Stormwater Project; and

WHEREAS, the CWC Stormwater/Wastewater Committee further recommend that as a condition of CWC funding, Margaretville Central School be required to apply to FEMA for funding and reimburse CWC upon receipt of FEMA funding for damages to the sand filter system.

NOW, THEREFORE, LET IT BE RESOLVED, that the CWC Board of Directors has reviewed the request, staff recommendation and supporting documentation and approves repair funding in the amount of Twenty-Five Thousand Dollars (\$25,000.00) on the condition that MCS apply for FEMA assistance for damages to the stormwater retrofit project, and upon receipt of FEMA funding MCS is required to reimburse the CWC the amount of funding received from FEMA for repair of this project.

Backup

Margaretville Central School

Margaretville Central School applied for Stormwater Retrofit funding in 2000 to repair the existing storm water collection, conveyance and treatment facilities at the bus garage. CWC Board of directors approved that application by Resolution Number 340.

Margaretville Central School has requested repair funding to pay for the repairs that need to be done to the sand filter system that was severely impacted by Tropical Storm Irene. The estimate is \$25,000.00. This does not include anything that may be broken underground. The CWC Wastewater Committee recommends that the CWC Board approve the repair funding of \$25,000.00 contingent on MCS applying for FEMA funding.

Voice Vote, carried unanimously

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**CWMP – Shandaken Purchase - Tab 11**

A motion to approve Resolution No. 2017 was made by Michael Flaherty and seconded by Berndt Leifeld.

December 6, 2011

**RESOLUTION NO. 2017**  
**CWMP – AUTHORIZATION FOR FUNDING OF PURCHASE OF PARCEL IN**  
**HAMLET OF SHANDAKEN**

**WHEREAS**, by Resolution 617, on August 26, 2003 the Catskill Watershed Corporation (CWC) Board of Directors authorized the President to execute the Community Wastewater Management Program (CWMP I) Contract with New York City Department of Environmental Protection (NYCDEP); and

**WHEREAS**, by Resolution 1249, on November 27, 2007 the Catskill Watershed Corporation (CWC) Board of Directors authorized the President to execute the Community Wastewater Management Program II (CWMP II) Contract with NYCDEP; and

**WHEREAS**, the 2007 Filtration Avoidance Determination provides that the City will provide, during the Second Five Year Period, sufficient additional funding to design and complete appropriate projects for the five remaining communities on the list set out in MOA Paragraph 122 (Shandaken, West Conesville, Claryville, Halcottsville, and New Kingston); and

**WHEREAS**, the 2010 Water Supply Permit issued by New York State Department of Environmental Conservation requires the City to provide sufficient funding to design and complete Community Wastewater Management Program Projects in remaining communities identified both in Paragraph 122 of the Watershed Memorandum of Agreement, and the 2007 FAD, including the hamlet of Shandaken; and

**WHEREAS**, in 2000, New York State Environmental Facilities Corporation conducted a wastewater study of the Hamlet of Shandaken to identify possible wastewater project(s) to serve the hamlet (EFC Study); and

**WHEREAS**, the EFC Study identified a parcel in the hamlet of Shandaken that could possibly serve as the site of a wastewater project (Shandaken Parcel); and

**WHEREAS**, in 2011, NYCDEP was contacted by the owner of the Shandaken Parcel for the purposes of selling it to NYCDEP; and

**WHEREAS**, NYCDEP approached CWC and the Town of Shandaken regarding the parcel and the possibility of the Town acquiring the parcel for the purposes of a wastewater project; and

**WHEREAS**, soil testing by CWC indicates that the parcel may be suitable for a wastewater system; and

**WHEREAS**, CWMP funding will not be available for a study phase for the hamlet of Shandaken until July, 2012, at the earliest; and

**WHEREAS**, CWC Stormwater/Wastewater Committee recommend that the CWC Board of Directors approve use of CWMP administrative funds transferred for that purpose from the CWC Future Stormwater Program be allocated to fund the Town of Shandaken's purchase of the Shandaken Parcel, consistent with the requirements and restrictions of the CWMP.

**NOW THEREFORE**, the CWC Board of Directors authorizes the President and/or Executive Director to execute an agreement with the Town of Shandaken to provide up to One Hundred Fifty Thousand Dollars (\$150,000.00) for the purposes of purchase and closing costs for the acquisition of a parcel in the hamlet of Shandaken.

**NOW THEREFORE BE IT FURTHER RESOLVED**, such agreement shall further provide, consistent with CWMP I and CWMP II Contracts that any portion of the parcel not necessary for the project shall be sold and sale proceeds shall be paid to CWC and that if a project is not constructed, the Town shall sell the remaining portion of the Shandaken Parcel and sale proceeds shall be paid to CWC.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, funding under the CWMP by the CWC Board of Directors constitutes a preliminary decision under the 1997 Watershed Memorandum of Agreement and the decision will become final without any further action by the CWC Board of Directors unless an objection is timely filed with the Watershed Protection and Partnership Council.

**Voice Vote, carried unanimously**

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CWMP – S. Kortright Pre-Construction Phase - Tab 12

A motion to approve Resolution No. 2018 was made by James Eisel and seconded by Tina Molé.

December 6, 2011

RESOLUTION NO. 2018

COMMUNITY WASTEWATER MANAGEMENT PROGRAM
SOUTH KORTRIGHT BLOCK GRANT AND PRECONSTRUCTION PHASE

WHEREAS, by Resolution 617, on August 26, 2003 the Catskill Watershed Corporation (CWC) Board of Directors authorized the President to execute the Community Wastewater Management Program (CWMP) Contract with New York City Department of Environmental Protection (NYCDEP); and

WHEREAS, by Resolution 969, on February 28, 2006, the CWC Board of Directors approved a Change Order with NYCDEP to the CWMP (CWMP Change Order) to provide, in part, an additional Two Million Dollars (\$2,000,000) for inclusion of a sixth community in the Program pursuant to the order provided in the Watershed MOA Paragraph 122 (c); and

WHEREAS, by Resolution 1249 on November 27, 2007, the CWC Board of Directors approved the CWMP II Contract to provide an additional Thirty-Seven Million Two Hundred Thousand Dollars (\$37,200,000) to provide for full funding for a project in three additional communities; and

WHEREAS, the Town of Stamford agreed to participate in the Study Phase of the CWMP for the Hamlet of South Kortright as the seventeenth community; and

WHEREAS, Lamont Engineers completed the Study Phase as outlined in their contract with CWC and recommend a total block grant for the Hamlet of South Kortright of Four Million Nine Hundred Thousand Dollars (\$4,900,000.00) to provide for the design and construction of a large diameter gravity sewer and pump to the Hobart WWTP; and

WHEREAS, pursuant to both the CWMP I and CWMP II Contracts, CWC and NYCDEP must agree upon the project and block grant amount for each participating community; and

WHEREAS, the Town of Stamford, by Resolution, has agreed to the proposed large diameter gravity sewer and pump to the Hobart WWTP project for the Hamlet of South Kortright and continue in the CWMP Pre-Construction Phase; and

WHEREAS, CWC staff has reviewed the proposal from Lamont Engineers for Pre-Construction Phase Engineering Services for the Hamlet of South Kortright; and

WHEREAS, CWC is satisfied with Lamont Engineers, PC work and completion of the Study Phase for the project in the Hamlet of South Kortright, and desire to issue an amendment to Lamont Engineers for the Pre-Construction Phase that includes permitting, final design, sewer district formation, sewer use law, bidding, and development of operation and maintenance plans and contracts as well as other necessary actions; and

WHEREAS, the CWC Wastewater Committee has reviewed the documentation and recommend approving an amendment with Lamont Engineers, PC to include the Pre-Construction Phase Engineering Services for the Hamlet of South Kortright to their existing contract as described in Attachment A in an amount not to exceed Six Hundred Fifty-Two Thousand Eighty-Two Dollars (\$652,082.00).

NOW, THEREFORE LET IT BE RESOLVED, that the CWC Board of Directors approves the project and block grant amount for the Hamlet of South Kortright in the amount of Four Million Nine Hundred Thousand Dollars (\$4,900,000.00).

NOW, THEREFORE LET IT BE RESOLVED, that the CWC Board of Directors approves amendment with Lamont Engineers, PC to include Pre-Construction Phase Engineering Services for the Hamlet of South Kortright to their existing CWMP contract in an amount not to exceed Six Hundred Fifty-Two Thousand Eighty-Two Dollars (\$652,082.00).

NOW, THEREFORE BE IT FURTHER RESOLVED, approval of the proposal under the CWMP by the CWC Board of Directors constitutes a preliminary decision under the 1997 Watershed Memorandum of Agreement and the decision will become final without any further action by the CWC Board of Directors unless an objection is timely filed with the Watershed Protection and Partnership Council.

Voice Vote, carried unanimously

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**2011 Audit - Tab 13**

A motion to approve Resolution No. 2019 was made by James Eisel and seconded by Paul Dibbell.

December 6, 2011

**RESOLUTION NO. 2019**

**CATSKILL WATERSHED CORPORATION EXTERNAL AUDIT FIRM**

**WHEREAS**, the Catskill Watershed Corporation (CWC) is required by contracts to submit financial statements audited by an independent certified public accountant for the preceding fiscal year to the New York City Department of Environmental Protection within ninety (90) days of the end of the CWC fiscal year; and

**WHEREAS**, the CWC Policies and Procedures requires that the CWC Board of Directors must approve an expense greater than Ten Thousand Dollars (\$10,000.00); and

**WHEREAS**, the Finance Department has received an engagement letter from Sickler, Torchia, Allen & Churchill, CPAs, P.C. for audit & tax services for the year ending December 31, 2011 totaling Fifteen Thousand Four Hundred Twenty Five Dollars (\$15,425.00); and

**WHEREAS**, the Finance Committee recommends the CWC Board to approve a contract not to exceed Fifteen Thousand Four Hundred Twenty Five Dollars (\$15,425.00) for external audit & tax services for the year ending December 31, 2011.

**NOW, THEREFORE BE IT RESOLVED**, the CWC Board of Directors approves the Executive Director to contract with Sickler, Torchia, Allen & Churchill, CPAs, P.C. for external audit & tax services not to exceed Fifteen Thousand Four Hundred Twenty Five Dollars (\$15,425.00).

**Voice Vote, carried unanimously**

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2012 Operating Budget - Tab 14

A motion to approve Resolution No. 2020 was made by Thomas Hynes and seconded by James Eisel.

December 6, 2011

RESOLUTION NO. 2020

**ADOPTION OF CATSKILL WATERSHED CORPORATION
OPERATING/PROGRAM BUDGET
FOR FISCAL YEAR 2012**

WHEREAS, the Finance Committee has prepared a budget for Catskill Watershed Corporation (CWC) for the period commencing January 1, 2012 through December 31, 2012; and

WHEREAS, the Finance Committee recommends for adoption the proposed budget to the full Board of Directors; and

WHEREAS, the total budgeted appropriations have been allocated to the various programs, such as Operating, Septic Program III, etc., by category as indicated below; and

WHEREAS, the appropriations to the following budget categories may be transferred between the categories as indicated below without prior Board approval:

Program Expenses, Occupancy Expenses, Advertising & Printing, Office Supplies, Communications, Grants & Reimbursements, Travel, Conferences & Seminars, Insurance, Repairs & Maintenance, Subscriptions & Publications, Professional Fees, Administration Allocation, Depreciation, Dues, Licenses, & Memberships, Miscellaneous Expense, Contingency, Fixed Assets.

NOW, THEREFORE BE IT RESOLVED that the CWC Board of Directors approves the 2012 fiscal year budget of Twenty One Million Seven Hundred Nineteen Thousand Seven Hundred Seventy-Five Dollars (\$21,719,775.00) presented.

NOW THEREFORE LET IT BE FURTHER RESOLVED, that the CWC Board of Directors authorized the Executive Director, in accordance with all other CWC policies and procedures, to incur expenses up to the amount set forth in the attached budget.

NOW THEREFORE LET IT BE FURTHER RESOLVED, that CWC Board of Directors authorizes the Executive Director to reallocate funds between specific budgets and categories but may not exceed the total approved budget amount without prior Board approval.

Voice Vote, carried unanimously

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**2012 Tax Consulting Budget - Tab 15**

A motion to approve Resolution No. 2021 was made by Thomas Hynes and seconded by Berndt Leifeld.

December 6, 2011

**RESOLUTION NO. 2021**

**ADOPTION OF CATSKILL WATERSHED CORPORATION**  
**TAX CONSULTING BUDGET**  
**FOR FISCAL 2012**

**WHEREAS**, the Finance Committee of the Catskill Watershed Corporation (CWC) has prepared a projected budget for CWC's Tax Consulting program expenditures from January 1, 2012 through December 31, 2012; and

**WHEREAS**, the Finance Committee recommends for adoption the projected Tax Consulting program budget of Two Hundred Fifty-Five Thousand Three Hundred Dollars (\$255,300.00) to the full Board of Directors.

**NOW, THEREFORE BE IT RESOLVED** that the CWC Board of Directors approves the 2012 projected Tax Consulting program budget as presented.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, that the CWC Board of Directors authorized the Executive Director, in accordance with all other CWC policies and procedures, to incur expenses up to the projected program budget amounts.

*Voice Vote, carried unanimously*

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2012/2013 Cleaning Services Contract Approval - Tab 16

A motion to approve Resolution No. 2022 was made by James Eisel and seconded by Berndt Leifeld.

December 6, 2011

RESOLUTION NO. 2022

CATSKILL WATERSHED CORPORATION CLEANING SERVICES

WHEREAS, the CWC Policies and Procedures requires that the CWC Board of Directors must approve an expense greater than Ten Thousand Dollars (\$10,000.00); and

WHEREAS, the Finance Committee recommends the CWC Board to approve a contract not to exceed Twenty-Two Thousand Six Hundred Dollars (\$22,600.00) for cleaning & landscaping services for two years.

NOW, THEREFORE BE IT RESOLVED, the CWC Board of Directors approves the cleaning and landscaping services contract not to exceed Twenty-Two Thousand Six Hundred Dollars (\$22,600.00).

Voice Vote, carried unanimously

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**WPPC Appointments - Tab 17**

A motion to approve Resolution No. 2023 was made by Tina Molé and seconded by Thomas Hynes.

December 6, 2011

**RESOLUTION NO. 2023**

**APPOINTMENT OF MEMBERS  
TO THE WATERSHED PARTNERSHIP AND PROTECTION COUNCIL EXECUTIVE  
COMMITTEE AND THE TECHNICAL ADVISORY COMMITTEE**

**WHEREAS**, The New York City Watershed Memorandum of Agreement (öMOAö) provides for the establishment of the Watershed Protection and Partnership Council (öWPPCö), to aid in the protection of drinking water quality and the economic vitality of Watershed communities as well as the creation of a Technical Advisory Committee (öTACö) to the WPPC; and

**WHEREAS**, pursuant to the terms of the MOA, within the Council a sixteen member Executive Committee was established, three members of which were to be chosen by the watershed community members of the Catskill Watershed Corporation (öCWCö) Board; and

**WHEREAS**, there are no restrictions or qualifications on members appointed by the CWC West of Hudson members, however there can only be one member from a county; and

**WHEREAS**, the West of Hudson members of the CWC may appoint three members to the TAC, while there are no membership restrictions for the appointees, appropriate scientific or technical expertise is preferred; and

**WHEREAS**, members of the WPPC and the TAC serve four-year terms; and

**WHEREAS**, the West of Hudson members of the CWC Policy committee recommend that Michael Flaherty be reappointed to the WPPC for an additional term which would expire on October 23, 2015; and

**WHEREAS**, the watershed community members of the CWC Policy Committee recommend that Erica Gifford, Director of Ulster County Environmental Health be appointed to the TAC for a term which would expire on October 23, 2015.

**NOW, THEREFORE BE IT RESOLVED**, that the watershed community members of the CWC Board appoint Michael Flaherty to the WPPC for a four year term expiring on October 23, 2015.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, that the watershed community members of the CWC Board appoint Erica Gifford to the TAC for a four year term expiring on October 23, 2015.

**Voice Vote, carried unanimously (West of Hudson Members only)**

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A motion to enter into Executive Session with Alan L. Rosa, Timothy Cox, Barbara Puglisi, Phil Sireci, and Michael Triolo to discuss CFF delinquent loans and new loan applicant financials was made by Michael Flaherty and seconded by Thomas Snow.

Voice Vote, carried unanimously

A motion to resume the regular meeting was made by Michael Flaherty and seconded by Mike Brandow.

Voice Vote, carried unanimously

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**CFF REDI Loan – Hidden Waters – Tab 18**

A motion to approve Resolution No. 2024 was made by Richard Parete and seconded by Thomas Hynes.

December 6, 2011

**RESOLUTION NO. 2024**  
**APPROVAL OF HIDDEN WATERS HOLDINGS INC. BUSINESS LOAN**

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

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

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

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

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

**WHEREAS**, the CWC staff has reviewed and processed this application, and submitted a loan application report to the Board of Directors, attached hereto and further recommend that participating lender requirement be waived pursuant to § 1:05:02 because in the opinion of CWC staff, only a first lien position adequately protects the interests of CWC; and

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

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

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

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

**NOW, THEREFORE BE IT RESOLVED**, the CWC Board determines that Hidden Waters Holdings Inc. application meets the CWC CFF qualified economic development criteria and approves of the loan application in the amount of One Hundred Twenty-Five Thousand Dollars (\$125,000.00) for a term of fifteen (15) years, at a rate of four percent (4.0%), adjustable every five years thereafter to the CWC rate in effect at that time, to be amortized in equal monthly payments, such that the outstanding principal is fully paid on the last payment date.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, the CWC staff is authorized and directed to issue a commitment letter informing the borrower of its intention to issue the loan

subject to compliance with all applicable provisions of the New York City Watershed regulations as well as other applicable laws, rules and regulations, completion of the necessary documents, the right of objection and staff is directed to develop the loan agreement, promissory notes and other documentation necessary to effectuate this loan in a form agreed upon by NYSEFC.

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

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

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

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

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

1. Based on due inquiry to the NYSDEC, the NYCDEP and to the best of CWC's knowledge, the property at 44401 NYS Rte 30, Margaretville, NY to be purchased by Hidden Waters Holdings Inc is presently in compliance with all applicable environmental statutes and regulations.
2. Based on due inquiry to the NYSDEC, the NYCDEP and to the best of CWC's knowledge, the property at 44401 NYS Rte. 30, Margaretville, NY to be purchased by Hidden Waters Holdings Inc. is not subject to any enforcement actions by any regulatory agency.
3. (a) To the best of CWC's knowledge, the project is consistent with historic land use patterns, available infrastructure and sensitivity to the need for water quality protection.
  - (i) Hidden Waters Holdings Inc. will utilize loan funds to construct storage units and relocate its existing businesses to 44401 NYS Rte 30, Margaretville which is not in a flood plain.
  - (ii) The project is located in the Town of Middletown.
  - (iii) The project will utilize a septic system.
  - (iv) The project appears to present no threat to water quality.
  - (v) The project appears to generate no materials with the potential to degrade water quality that are not pretreated prior to release.
  - (vi) Based on NYCDEP the project is not in the 60 day travel time.
  - (vii) There is no impact on Federal or State wetlands.
- (b) The project maintains the character of the Town of Middletown.
  - (i) The project will comply with current land use planning in the Town of Middletown and will have planning board approval.
  - (ii) The project is compatible with surrounding land uses.
  - (iii) The project will not generate excessive traffic.

- (iv) The project as described is of such magnitude that it does not appear likely to promote secondary growth and therefore requires not additional review of land use plans or infrastructure.
- 4. The project is consistent with the West of Hudson Economic Development Study, which has been completed.
- 5. Not applicable.

**Voice Vote, carried unanimously**

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VIII. Announcements from the Chair: None

IX. Board Member Discussion:

Georgianna Lepke thanked all of the CWC staff and members of the Board for their hard work and cooperation in 2011.

James Eisel thanked the staff for the efforts it took to coordinate a meeting at the renovated Delaware Inn.

Paul Dibbell thanked the staff for the get well card he received.

Jeff Graf also thanked Mike Triolo for his years of service at CWC and wished him the best for his future.

Mike Triolo expressed that his 9 years at CWC have been the best job ever and it was a pleasure to work for a supportive Board of Directors. The floods of this year were the most depressing part of the entire process.

A motion to adjourn was made by Michael Flaherty and seconded by Jeff Graf.

Voice Vote, carried unanimously

X. Adjournment: @ 2:07 p.m.