

CATSKILL WATERSHED CORPORATION

Board of Directors Meeting

MINUTES

July 3, 2012 @ 1:00 p.m.

I. Call to Order

II. Pledge of Allegiance: Led by Timothy Cox.

III. Roll Call of Directors

Members Present: Donald Brandow, Martin Donnelly, James Eisel, Michael Flaherty, Jeff Graf (*New York City DEP*), Thomas Hynes, Berndt Leifeld, Georgianna Lepke, Wayne Marshfield, Tina Molé, Richard Parete, Robert Pelham, and Michael Triolo.

Members Excused: Deborah Meyer DeWan and Thomas Snow (*New York State DEC*)

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

Others Present: Michael Meyer (*NYC DEP*), Peter Molnar (*Molnar Group, LLC*), and Thomas Stalter (*NYC DEP*)

IV. Review and Approval of June 5, 2012 Board Meeting Minutes

A motion to approve the minutes from the June 5, 2012 board meeting was made by Michael Flaherty and seconded by James Eisel.

Voice Vote, carried unanimously

~~~~~

**V. Presentation of Communication**

**Finance Report**

A motion to approve the financial reports as of April 30, 2012 was made by James Eisel and seconded by Berndt Leifeld

**Voice Vote, carried unanimously**

~~~~~

Executive Director's Report

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

Presentation of News Articles

Committee Schedule

Committee Meeting Minutes

VI. Public Discussion

Peter Molnar recited and submitted a letter written on behalf of Margaretville Lodging LLC regarding the CWC Board of Directors' rejection of their loan application at the June 5 Board meeting. He requested that the Board reconsider their denial. Georgianna Lepke noted that this would need to be reviewed by the Economic Development Committee at their meeting later in the afternoon. A copy of the letter is attached.

VII. Presentation of Resolutions

~~~~~

**Handout Resolution – Public Education Grant Application – Round 15 – CCE of Ulster County**

This resolution had been tabled for further discussion at the May 1, 2012 Board meeting. A motion to take the resolution from the table was made by Jeff Graf and seconded by James Eisel.

A motion to approve Resolution No. 2123 was made by Berndt Leifeld and seconded by Thomas Hynes.

July 3, 2012

**RESOLUTION NO. 2123**

**PUBLIC EDUCATION GRANT: CORNELL COOPERATIVE EXTENSION, ULSTER COUNTY**

**WHEREAS**, it is one of the aims of the Catskill Watershed Corporation to promote knowledge and understanding of the history and ecology of the New York City Watershed among West-of-Hudson residents and New York City water consumers; and

**WHEREAS**, pursuant to the New York City Watershed Memorandum of Agreement, the CWC is the administrator of the Public Information and Education Program, to provide grants to schools and non-profit organizations in the West-of-Hudson Watershed and in NYC; and

**WHEREAS**, pursuant to the CWC Public Education Program rules as adopted by the CWC Board of Directors, the Public Education Advisory Group (PEAG) must evaluate grant requests and issue funding recommendations to the CWC Board of Directors; and

**WHEREAS**, such recommendations for the 15th round of funding have been received from PEAG and reviewed by the CWC Education Committee; and

**WHEREAS**, PEAG recommended a grant award of Five Thousand Dollars (\$5,000.00) to Cornell Cooperative Extension, Ulster County for a project titled "Stream Teams".

**NOW, THEREFORE BE IT RESOLVED**, that the CWC Board of Directors approve the recommended award of Five Thousand Dollars (\$5,000.00) to Cornell Cooperative Extension, Ulster County.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, approval of CWC Public Education Program grants 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**

~~~~~

Septic Appeal – James Kreger and Hsing-Lin Chou - Tab 7

A motion to deny the appeal under Resolution No. 2124 was made by Wayne Marshfield and seconded by Tina Molé.

July 3, 2012

RESOLUTION NO. 2124

SEPTIC PROGRAM APPEAL – JAMES KREGER AND HSING-LIN CHOU

WHEREAS, pursuant to 1997 New York City Watershed Memorandum of Agreement (“MOA”) paragraph 124 and Program Contracts with the New York City Department of Environmental Protection (“NYCDEP”), the Catskill Watershed Corporation (“CWC”) established a Septic System Rehabilitation and Replacement Program (“Septic Program”) to replace or repair eligible septic systems, serving existing one or two family residences with less than 1000 gallons per day flow in the New York City Watershed West of the Hudson River; and

WHEREAS, the CWC staff reviewed a request for eligibility from Mr. James Kreger and Mr. Hsing-Lin Chou for construction of a new septic under the CWC Septic Program; and

WHEREAS, CWC staff reviewed the application and determined the system is not eligible because it will serve a new residence constructed after November 2, 1995; and

WHEREAS, the CWC Septic Program rules established an appeals process that permits an applicant to appeal to the CWC Board of Directors when the applicant disputes the CWC staff determination; and

WHEREAS, Mr. Kreger and Mr. Chou, through their engineer, submitted an appeal and letter requesting the cost of constructing the new septic system be eligible for reimbursement under the CWC Septic Program; and

WHEREAS, the Septic Program rules provides that the CWC Board of Directors may reverse the decision to deny reimbursement in whole or in part in the following instances:

- a) The applicant was wrongly deemed ineligible;

- b) The applicant was wrongly denied reimbursement, in whole or in part, based upon an incorrect determination that the work for which reimbursement is sought was not necessary;
- c) The applicant was wrongly denied reimbursement, in whole or in part, based upon an incorrect determination that the cost of the work for which reimbursement is sought is not reasonable;
- d) There are special circumstances involved which warrant eligibility to the program or that warrant reimbursement; and

WHEREAS, the CWC Septic Committee has reviewed Mr. Kreger and Mr. Chou’s Appeal pursuant to the criteria and procedure established by the CWC Article 2-A, 2:01:10 and 2:01:09; and

WHEREAS, the Septic Committee recommends that the CWC Board of Directors deny the appeal because pursuant to CWC Septic Program Rules § 2:00:01 (19), residences constructed after November 2, 1995 are not eligible for the CWC Septic Program.

NOW, THEREFORE, LET IT BE FURTHER RESOLVED, that the CWC Board of Directors has reviewed the Septic Reimbursement Program Appeal for eligibility of the property under the CWC Septic Program and makes the following determination:

Denies the Appeal

Grants the Appeal

James Kreger and Hsing-Lin Chou appeal:

Mr. Kreger and Mr. Chou own property in the Town of Shandaken.

Prior to August, 2011, the owners did not report any issues with the septic system serving a residence on their property. As a result of Tropical Storm Irene, the residence and the septic system were severely damaged.

The owners plan to remove the existing residence and build a new one on the same property but at a location further away from the Esopus Creek. The residence will also need a new septic system. They requested reimbursement for the cost of constructing a new septic system for the new residence. CWC staff denied the request because the new septic system would serve an ineligible residence because the building would be constructed after November, 1995. The property owners then filed the attached appeal.

The CWC Septic Committee recommends the appeal be denied. Pursuant to CWC Septic Program Rules § 2:00:01 (19), the CWC Septic Program is limited to existing residences

constructed on or before November 2, 1995. A newly constructed residence is not eligible for the CWC Septic Program.

Voice Vote, carried unanimously

~~~~~

**Septic Reimbursement Over \$20,000 – John Crawford - Tab 8**

A motion to approve Resolution No. 2125 was made by Richard Parete and seconded by Michael Triolo.

July 3, 2012

**RESOLUTION NO. 2125**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$20,000:  
JOHN CRAWFORD**

**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 Thirty Thousand Dollars (\$30,000.00), the homeowner shall supply detailed quotes from three unrelated contractors, and CWC staff shall forward the design with recommendation to the CWC Board for approval; and

**WHEREAS**, CWC staff has reviewed three construction quotes, including the lowest quote for the septic system repair in the amount of Thirty-Six Thousand Five Hundred Dollars (\$36,500.00); and

**WHEREAS**, the contractor’s quote for this system is more than Thirty Thousand Dollars (\$30,000.00); and

**WHEREAS**, the CWC staff have determined the contractor’s quote of Thirty-Six Thousand Five Hundred Dollars (\$36,500.00) 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 quote of Thirty-Six Thousand Five Hundred Dollars (\$36,500.00) 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 Thirty-Six Thousand Five Hundred Dollars (\$36,500.00).

**John Crawford Backup**

Mr. Crawford's property is located in the Town of Shandaken, Ulster County. Homeowner and CWC staff received three quotes from unrelated contractors for \$39,300.00, \$37,856.00, and \$36,500.00. This system is for a three bedroom house. The major components for this system include a 1,000 gallon septic tank, siphon chamber, 70 lineal feet of 4" gravity piping, one distribution box, 405 cubic yards of absorption fill material, one effluent filter, 250 lineal feet of absorption trench, 40 lineal feet of 24" culvert pipe, 90 lineal feet of 18" culvert pipe, tree removal, temporary access road, and restoration. The lowest quote is within 10% of CWC Schedule of Values. The Septic Committee recommends that the Board of Directors approve reimbursement in an amount not to exceed \$36,500.00.

**Voice Vote, carried unanimously**

~~~~~

Septic Reimbursement Over \$20,000 – Albert Covello - Tab 9

A motion to approve Resolution No. 2126 was made by Richard Parete and seconded by Michael Triolo.

July 3, 2012

RESOLUTION NO. 2126

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$20,000:
ALBERT 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-Four Thousand Five Hundred Forty-Eight Dollars (\$24,548.00); 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 Five Hundred Forty-Eight Dollars (\$24,548.00) 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 Five Hundred Forty-Eight Dollars (\$24,548.00) 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 Five Hundred Forty-Eight Dollars (\$24,548.00).

Albert Covello Backup

Mr. Covello'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 \$24,548.00. This system is for a two bedroom house. The major components for this system include a 1,000 gallon septic tank, siphon chamber, 30 lineal feet of 4" gravity piping, 70 lineal feet of 2" forcemain, one distribution box, 450 cubic yards of fill material, effluent filter, 160 lineal feet of absorption fill material, and extensive restoration. The quote is within 10% of CWC Schedule of Values. The Septic Committee recommends that the Board of Directors approve reimbursement in an amount not to exceed \$24,548.00.

Voice Vote, carried unanimously

~~~~~

**Septic Reimbursement Over \$20,000 – Michael Muller - Tab 10**

A motion to approve Resolution No. 2127 was made by Richard Parete and seconded by Michael Triolo.

July 3, 2012

**RESOLUTION NO. 2127**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$20,000:  
MICHAEL MULLER**

**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 One Hundred Eighty-Five Dollars (\$29,185.00); 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 One Hundred Eighty-Five Dollars (\$29,185.00) 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 One Hundred Eighty-Five Dollars (\$29,185.00) 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 One Hundred Eighty-Five Dollars (\$29,185.00).

**Michael Muller Backup**

Mr. Muller's property is located in the Town of Roxbury, Delaware County. Homeowner and CWC staff received a quote from a contractor in the amount of \$29,185.00. This system is for a three bedroom house. The major components for this system include a siphon chamber, 100 lineal feet of 4" gravity piping, 430 cubic yards of absorption fill material, effluent filter, 330 lineal feet of absorption trench, 160 lineal feet of curtain drain, and extensive restoration. The quote is within 10% of CWC Schedule of Values. The Septic Committee recommends that the Board of Directors approve reimbursement in an amount not to exceed \$29,185.00.

**Voice Vote, carried unanimously**

~~~~~

Septic Reimbursement Over \$20,000 – Patrick Schaaffe - Tab 11

A motion to approve Resolution No. 2128 was made by Richard Parete and seconded by Michael Triolo.

July 3, 2012

RESOLUTION NO. 2128

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$20,000:
PATRICK SCHAAFFE**

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 Eight Hundred Dollars (\$24,800.00); 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 Eight Hundred Dollars (\$24,800.00) 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 Eight Hundred Dollars (\$24,800.00) 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 Eight Hundred Dollars (\$24,800.00).

Patrick Schaaffe Backup

Mr. Schaaffe's property is located in the Town of Roxbury, Delaware County. Homeowner and CWC staff received a quote from a contractor in the amount of \$24,800.00. This system is for a three bedroom house. The major components for this system include a siphon chamber, 100 lineal feet of 4" gravity piping, 430 cubic yards of absorption fill material, effluent filter, 280 lineal feet of absorption trench, 165 lineal feet of curtain drain, and extensive site restoration. The quote is within 10% of CWC Schedule of Values. The Septic Committee recommends that the Board of Directors approve reimbursement in an amount not to exceed \$24,800.00.

Voice Vote, carried unanimously

~~~~~

**Septic Reimbursement Over \$20,000 – Patricia Searle - Tab 12**

A motion to approve Resolution No. 2129 was made by Richard Parete and seconded by Michael Triolo.

July 3, 2012

**RESOLUTION NO. 2129**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$20,000:  
PATRICIA SEARLE**

**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 Forty- Nine Dollars (\$23,449.00); 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-Three Thousand Four Hundred Forty- Nine Dollars (\$23,449.00) 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-Three Thousand Four Hundred Forty- Nine Dollars (\$23,449.00) 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 Four Hundred Forty- Nine Dollars (\$23,449.00).

**Patricia Searle Backup**

Ms. Searle's property is located in the Town of Middletown, Delaware County. Homeowner and CWC staff received a quote from a contractor in the amount of \$23,449.00. This system is for a four bedroom house. The major components for this system include a 1,250 gallon septic tank, pump station, 20 lineal feet of 4" gravity piping, 245 lineal feet of 2" forcemain, one distribution box, 235 cubic yards of absorption fill material, effluent filter, 350 lineal feet of absorption trench, temporary access road, and site restoration. The quote does not exceed CWC Schedule of Values. The Septic Committee recommends that the Board of Directors approve reimbursement in an amount not to exceed \$23,449.00.

***Voice Vote, carried unanimously***

~~~~~

Septic Reimbursement Over \$20,000 – Mordecai Soloff - Tab 13

A motion to approve Resolution No. 2130 was made by Richard Parete and seconded by Michael Triolo.

July 3, 2012

RESOLUTION NO. 2130

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$20,000:
MORDECAI SOLOFF**

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 Thirty Thousand Dollars (\$30,000.00), the homeowner shall supply detailed quotes from three unrelated contractors, and CWC staff shall forward the design with recommendation to the CWC Board for approval; and

WHEREAS, CWC staff has reviewed three construction quotes, including the lowest quote for the septic system repair in the amount of Forty-Five Thousand One Hundred Thirty-Seven Dollars (\$45,137.00); and

WHEREAS, the contractor's quote for this system is more than Thirty Thousand Dollars (\$30,000.00); and

WHEREAS, the CWC staff have determined that based upon schedule of values and manufacturer's recommendations, eligible cost for this septic system design is Thirty-Four Thousand Three Hundred Eighty-Two Dollars (\$34,382.00) as the reasonable cost for this system; and

WHEREAS, the CWC Septic Committee has reviewed the documentation and recommend approving the reimbursement at the Schedule of Values determination of Thirty-Four Thousand Three Hundred Eighty-Two Dollars (\$34,382.00).

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-Four Thousand Three Hundred Eighty-Two Dollars (\$34,382.00).

Mordecai Soloff

Mr. Soloff's property is located in the Town of Hunter. CWC and the property owner received three quotes for over \$55,000.00, \$51,000.00 and \$45,137.00. All the quotes are above the highest cost system CWC has ever paid for. Some costs in these quotes can be reduced.

The system designed is a peat filter design on several feet of fill material. The site tests indicate 22" of usable soils. According to the peat filter manufacturer's representative the system could be constructed with six modules instead of seven for savings of \$2,926.00.

In addition, the design calls for an additional 485 cubic yards of absorption fill material. This amount of fill material would be sufficient without the addition of peat filters. Conservatively, half of the absorption fill material could be saved at a cost saving of \$6,629.00. The size of the pump station can be reduced from 2000 gallon to 1500 gallons at a savings of \$1,200.00. Finally, installing two 1000 gallon septic tanks in series instead of a 2000 gallon septic tank would eliminate the cost of a crane. Total savings based upon the above is \$10,755.00, for a total of \$34,382.00.

CWC Septic Committee recommends approving reimbursement to Mr. Soloff at \$34,382.00. The homeowner can pay the difference between \$45,137.00 and \$34,382.00 if he desires the additional items noted above.

Voice Vote, carried unanimously

~~~~~

**Septic Reimbursement Over \$20,000 – Alan Tiffany - Tab 14**

A motion to approve Resolution No. 2131 was made by Richard Parete and seconded by Michael Triolo.

July 3, 2012

**RESOLUTION NO. 2131**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$20,000:  
ALAN TIFFANY**

**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-Eight Thousand Six Hundred Seven Dollars (\$28,607.00); 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-Eight Thousand Six Hundred Seven Dollars (\$28,607.00) 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-Eight Thousand Six Hundred Seven Dollars (\$28,607.00) as it is in substantial agreement with our schedule of values.

**NOW, THEREFORE LET IT BE RESOLVED**, that the CWC Board of Directors approves the eligible cost of this system for reimbursement to be the total not-to-exceed amount of Twenty-Eight Thousand Six Hundred Seven Dollars (\$28,607.00).

**Alan Tiffany Backup**

Mr. Tiffany’s property is located in the Town of Walton, Delaware County. Homeowner and CWC staff received a quote from a contractor in the amount of \$28,607.00. This system is for a five bedroom house. The major components for this system include a 1,500 gallon septic tank, pump station, 20 lineal feet of 4” gravity piping, 230 lineal feet of forcemain, 75 cubic yards of absorption fill material, one effluent filter, 4 Anua peat filters, 85 lineal feet of curtain drain, additional site restoration, and spring line crossing. The quote is within 10% of CWC Schedule

of Values. The Septic Committee recommends that the Board of Directors approve reimbursement in an amount not to exceed \$28,607.00.

**Voice Vote, carried unanimously**

~~~~~

Small Business Septic – Stone Tavern Farms - Tab 15

A motion to approve Resolution No. 2132 was made by James Eisel and seconded by Tina Molé.

July 3, 2012

RESOLUTION NO. 2132

**BOARD APPROVAL OF SMALL BUSINESS SEPTIC PROGRAM APPLICATION –
STONE TAVERN FARMS**

WHEREAS, pursuant to the 2007 Filtration Avoidance Determination issued by the United States Environmental Protection Agency (2007 FAD) and the Septic System Rehabilitation and Replacement III Program Contract with New York City Department of Environmental Protection, the Catskill Watershed Corporation (“CWC”) shall act as program manager for the Small Business Septic Program and implement the Small Business Septic Program consistent with the terms of said contract; and

WHEREAS, pursuant to section 13:01:09 of the CWC Small Business Septic Rehabilitation and Replacement Program Rules, if the total amount requested for reimbursement is more than Twenty Thousand Dollars (\$20,000.00) CWC staff shall forward the design with recommendation to the CWC Board for approval; and

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

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

WHEREAS, pursuant to Section 13:00:02, CWC cannot provide reimbursement of construction costs until New York City Department of Environmental Protection (NYCDEP) has issued construction approval for the system; and

WHEREAS, CWC provided reimbursement of Two Thousand Six Hundred Twenty-Five Dollars (\$2,625.00) to Stone Tavern Farms for design cost; and

WHEREAS, CWC staff has reviewed a construction quote submitted by the contractor for the small business septic system replacement in the amount of Eighty-Two Thousand Seven Hundred Dollars (\$82,700.00); 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 Eighty-Two Thousand Seven Hundred Dollars (\$82,700.00) to be a reasonable cost for this system in accordance with our schedule of values; and

WHEREAS, based upon amount of flow, approximately Sixty-Eight Percent (68%) of the system flow is from the eligible business resulting in eligible costs of Fifty-Six Thousand Two Hundred Thirty-Six Thousand Dollars (\$56,236.00); and

WHEREAS, 75% of eligible cost is Forty-Two Thousand One Hundred Seventy-Seven Dollars (\$42,177.00); and

WHEREAS, the Septic Committee has reviewed the documentation and recommend approving reimbursement in an amount not to exceed Thirty-Seven Thousand Three Hundred Seventy-Five Dollars (\$37,375.00) as it is in substantial agreement with our schedule of values and represents the maximum reimbursement that can be provided.

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-Seven Thousand Three Hundred Seventy-Five Dollars (\$37,375.00) upon receipt of NYCDEP Construction Approval for total reimbursement of Forty Thousand Dollars (\$40,000.00).

Stone Tavern Farms Backup

This property is located in the Town of Roxbury, Greene County.

In December, 2009, the CWC Septic Committee agreed this business was eligible for the CWC Small Business Septic Program. The business owner and CWC staff received a quote from a contractor for \$82,700. This system is designed to treat 1,008 gallons per day. The eligible existing business, a bed and breakfast originates 680 gallons per day. The remaining 328 gallons per day is from a new riding stable/wedding shelter. CWC eligible costs is limited to that attributable to the bed and breakfast, or approximately 67% of total system costs.

CWC previously reimbursed the property owner \$2,625.00 for design costs.

The construction bid for this system is \$82,700. It is a raised bed design. For purposes of the CWC Small Business Septic Program, \$55,409 of that cost is attributable to the eligible business. CWC reimburses 75% of eligible costs up to \$40,000. CWC share at 75% for this system exceeds \$40,000. CWC staff recommends reimbursement of \$37,375.00, the maximum reimbursement available.

Voice Vote, carried unanimously

~~~~~

**Small Business Septic – Additional Costs – Degree Ulster 2 - Tab 16**

A motion to approve Resolution No. 2133 was made by Robert Pelham and seconded by Jeff Graf.

July 3, 2012

**RESOLUTION NO. 2133**

**BOARD APPROVAL OF SMALL BUSINESS SEPTIC PROGRAM APPLICATION –  
ADDITIONAL COSTS - DEGREE ULSTER 2 (ULLA LEE)**

**WHEREAS**, pursuant to the 2007 Filtration Avoidance Determination issued by the United States Environmental Protection Agency (2007 FAD) and the Septic System Rehabilitation and Replacement III Program Contract with New York City Department of Environmental Protection (NYCDEP), the Catskill Watershed Corporation (“CWC”) shall act as program manager for the Small Business Septic Program and implement the Small Business Septic Program consistent with the terms of said contract; and

**WHEREAS**, pursuant to section 13:01:09 of the CWC Small Business Septic Rehabilitation and Replacement Program Rules, if the total amount requested for reimbursement is more than Twenty Thousand Dollars (\$20,000.00) CWC staff shall forward the design with recommendation to the CWC Board for approval; and

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

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

**WHEREAS**, by Resolution Number 2050, the CWC Board approved reimbursement to Degree Ulster 2 in an amount not to exceed Twenty-Seven Thousand Eighty-Six Dollars and Twenty-Five Cents (\$27,086.25); and

**WHEREAS**, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the contractor for the addition of manhole frames and covers over all tank openings and the distribution box, as requested by the NYCDEP, in the amount of One Thousand Eight Hundred Fifty Dollars (\$1,850.00); and

**WHEREAS**, the CWC staff have determined the contractor’s quote of One Thousand Eight Hundred Fifty Dollars (\$1,850.00) to be a reasonable cost for this system in accordance with our schedule of values and 75% of that quote is One Thousand Three Hundred Eighty-Seven Dollars and Fifty Cents (\$1,387.50); and

**WHEREAS**, the Septic Committee has reviewed the documentation and recommend approving reimbursement of additional costs in the amount of One Thousand Three Hundred Eighty-Seven Dollars and Fifty Cents (\$1,387.50), with total reimbursement in an amount not to exceed Twenty-Eight Thousand Four Hundred Seventy-Three Dollars and Fifty Cents (\$28,473.50) as it is in substantial agreement with our schedule of values.

**NOW, THEREFORE LET IT BE RESOLVED**, that the CWC Board of Directors approves the eligible cost of this system for reimbursement to be the total not-to-exceed amount of Twenty-Eight Thousand Four Hundred Seventy-Three Dollars and Fifty Cents (\$28,473.50).

**Degree Ulster 2 (Ulla Lee) Backup**

Ms. Lee's property is located in the Town of Shandaken, Ulster County. During construction, NYCDEP requested the addition of five manhole frames and covers be installed over all tank openings and the distribution box. The design engineer corroborated the extra work in writing. The original project was approved for  $\$36,115.00 \times 75\% = \$27,086.00$ . Reasonable cost for the frames and cover according to CWC Schedule of Values is  $\$1,850.00 \times 75\% = \$1,387.50$ . The Septic Committee recommends that the Board of Directors approve the additional cost of  $\$1,387.50$ , for total reimbursement in an amount not to exceed  $\$28,473.50$ .

**Voice Vote, carried unanimously**

~~~~~

Septic Program Shortfall Funding - Tab 17

A motion to approve Resolution No. 2134 was made by Martin Donnelly and seconded by Michael Triolo.

July 3, 2012

RESOLUTION NO. 2134
SEPTIC PROGRAM SHORTFALL FUNDING

WHEREAS, pursuant to the 1997 New York City Watershed Memorandum of Agreement (Watershed MOA) Catskill Watershed Corporation is the administrator of the CWC Septic Rehabilitation and Replacement Program, and its continuation under the 2003 Septic II Program and the 2008 Septic III Program (collectively the "CWC Septic Program") and the CWC Alternate Design Program; and

WHEREAS, eligible homeowners who participate in the CWC Septic Program hire engineers and contractors in reliance of reimbursement from CWC under the CWC Septic Program; and

WHEREAS, CWC has a legal obligation to ensure sufficient funds are on-hand to provide for reimbursement for homeowners currently enrolled in the CWC Septic Program; and

WHEREAS, CWC Fiscal Policies and Procedures Section 3-5.01-1 provides that the resources of the corporation are committed for future payment when executory contracts are signed; and

WHEREAS, based upon prior reimbursements and costs, the average cost per homeowner to the CWC Septic Program is Nineteen Thousand Seven Hundred Six Dollars and Twenty-Seven Cents ($\$19,706.27$); and

WHEREAS, as of March 31, 2012, three hundred twenty-seven (327) homeowners have executed CWC Septic Program Participation Agreements and were enrolled in the CWC Septic Program and, based upon the above average, are expected to cost the CWC Septic Program approximately Six Million Four Hundred Forty-Three Thousand Nine Hundred Fifty Dollars and Twenty-Nine Cents ($\$6,443,950.29$); and

WHEREAS, as of March 31, 2012, available funds in the CWC Septic Program were Five Million Eighty-Seven Thousand Thirty-Three Dollars and Seventy-Five Cents ($\$5,087,033.75$), resulting in a shortfall for current enrolled homeowners of One Million Three Hundred Fifty-Six Thousand Nine Hundred Sixteen Dollars and Fifty-Four Cents ($\$1,356,916.54$); and

WHEREAS, the 2010 Water Supply Permit issued by New York State Department of Environmental Conservation to the New York City Department of Environmental Protection (NYCDEP) requires NYCDEP to reimburse CWC for gap funding accomplished by transfers from the CWC Future Stormwater Program to the CWC Septic Program to ensure continuity of the CWC Septic Program; and

WHEREAS, NYCDEP informed CWC that it cannot agree to reimburse for any expenditures made from transfers to provide for Gap Funding of the CWC Septic Program prior to certain bond issuance for the funding of the CWC Septic IV Program and that such bonding is not expected to occur until September, 2012 at the earliest; and

WHEREAS, the CWC Finance Committee recommends the CWC Board of Directors approve the restriction and reserve in the CWC Future Stormwater Fund Account of One Million Seven Hundred Thousand Dollars (\$1,700,000.00) to provide for the continued operation of the CWC Septic Program and allow such funds to be transferred as needed in the judgment of the CWC Executive Director.

NOW THEREFORE BE IT RESOLVED, that the CWC Board of Directors authorizes a reserve in the amount of One Million Seven Hundred Thousand Dollars (\$1,700,000.00) be established within the CWC Future Stormwater Program Account for the CWC Septic III Program account to provide for the reimbursement of homeowners currently enrolled in the CWC Septic Program if funds in the CWC Septic III Program Account are exhausted.

NOW THEREFORE BE IT FURTHER RESOLVED, that the CWC Board of Directors authorizes the Executive Director to make transfers from the Septic Reserve in the CWC Future Stormwater Program Account to the CWC Septic III Program Account as needed in the event CWC Septic III Program funds are exhausted.

Voice Vote, carried unanimously

~~~~~

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 Robert Pelham.

**Voice Vote, carried unanimously**

A motion to resume the regular meeting was made by Berndt Leifeld and seconded by Thomas Hynes.

**Voice Vote, carried unanimously**

~~~~~

College Foundation, Inc. – Release of Collateral – Tab 18

A motion to approve Resolution No. 2135 was made by Wayne Marshfield and seconded by Tina Molé.

RESOLUTION NO. 2135

APPROVAL OF THE COLLEGE FOUNDATION AT DELHI, INC.

MATERIAL CHANGE

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

WHEREAS, on March 22, 2005, pursuant to Resolution Number 822, the Board of Directors approved a loan to The College Foundation at Delhi, Inc. in the amount of Four Hundred Fifty Thousand Dollars (\$450,000.00), at a rate of four percent (4%), with a thirty (30) year amortization and a balloon payment at the end of fifteen (15) years, for the purpose of re-financing current debt and making course improvements at the Delhi College Golf Course; and

WHEREAS, The College Foundation at Delhi, Inc. has requested that the CWC provide a release of mortgage of the collateralized property for an approved boundary line adjustment of .27 acres to their neighbor John Davidson, who currently has access in the form of an easement for his existing, failed septic system, so that a new system can be installed under the CWC Septic Program; and

WHEREAS, pursuant to the CFF Program rules the CWC Staff has reviewed the request from The College Foundation at Delhi, Inc.; and

WHEREAS, pursuant to the CFF Program rules the CWC Loan Committee has reviewed said request for The College Foundation at Delhi, Inc.; and

WHEREAS, the CWC Loan Committee has recommended approval of the requested release of mortgage for the approved boundary line adjustment of .27 acres to John Davidson; and

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

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

NOW, THEREFORE BE IT RESOLVED, the CWC Board approves the release of mortgage for the approved boundary line adjustment of .27 acres to John Davidson.

NOW, THEREFORE BE IT FURTHER RESOLVED, the CWC staff is authorized and directed to issue a letter informing The College Foundation at Delhi, Inc of the approved request, and complete the necessary documents, and other documentation necessary to effectuate this mortgage release.

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

Voice Vote, carried unanimously

~~~~~

**G. Haynes – Release of Collateral – Tab 19**

A motion to approve Resolution No. 2136 was made by James Eisel and seconded by Tina Molé.

July 3, 2012

**RESOLUTION NO. 2136**

**APPROVAL OF G. HAYNES HOLDINGS, INC.**

**MATERIAL CHANGE**

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

**WHEREAS**, on May 05, 2009, pursuant to Resolution Number 1514, the Board of Directors approved a loan to G. Haynes Holdings, Inc. in the amount of Three Hundred Fifty Thousand Dollars (\$350,000.00), 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, to be amortized in equal monthly payments such that the outstanding principal is fully paid on the last payment date; and

**WHEREAS**, the approved loan held a collateral to loan value ratio of one and thirteen hundredths to one (1.13:1); and

**WHEREAS**, G. Haynes Holdings, Inc. has requested that the CWC provide a release of mortgage for three collateralized properties; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Staff has reviewed the request from G. Haynes Holdings, Inc.; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Loan Committee has reviewed said request for G. Haynes Holdings, Inc.; and

**WHEREAS**, the CWC Loan Committee has recommended approval of the requested release of mortgage for the three properties, pursuant to the stipulation that CWC collateral to loan value ratio remain greater than or equal to the original value of one and thirteen hundredths to one (1.13:1); and

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

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

**NOW, THEREFORE BE IT RESOLVED**, the CWC Board approves the release of mortgage for the three properties, pursuant to the stipulation that CWC collateral to loan value ratio remain greater than or equal to original value of one and thirteen hundredths to one (1.13:1).

**NOW, THEREFORE BE IT FURTHER RESOLVED**, the CWC staff is authorized and directed to issue a letter informing G. Haynes Holdings, Inc. of the approved request, and complete the necessary documents, and other documentation necessary to effectuate this mortgage release.

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

*Voice Vote, carried unanimously*

~~~~~

VIII. Announcements from the Chair: None

IX. Board Member Discussion: None

A motion to adjourn was made by Martin Donnelly and seconded by James Eisel.

Voice Vote, carried unanimously

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