

CATSKILL WATERSHED CORPORATION

Board of Directors Meeting

MINUTES

April 7, 2017 @ 1:00 p.m.

I. Call to Order

II. Roll Call of Directors

Members Present: Martin Donnelly, James Eisel, Thomas Hynes, Innes Kasanof, Wayne Marshfield, Tina Molé, Richard Parete, Robert Pelham, John Schwartz (*New York City DEP*), Thomas Snow (*New York State DEC*), James Sofranko, Michael Triolo, and Anthony Van Glad.

Members Excused: Mark McCarthy

Staff Members Present: Kimberlie Ackerley, Timothy Cox, Diane Galusha, Todd Henderson, John Jacobson, Larry Kelly, Leo LaBuda, Wendy Loper, James Martin, John Mathiesen, Jason Merwin, Barbara Puglisi, Alan L. Rosa, Charles Schafer, Philip Sireci, and Frieda Suess.

Others Present: Michael Meyer (*New York City DEP*), Vincent Sapienza (*New York City DEP*), Matt Gianetta (*New York City DEP*), and David Warne (*New York City DEP*).

III. Review and Approval of December 6, 2016 Board Meeting Minutes

A motion to approve the minutes from the March 7, 2017 board meeting was made by James Eisel and seconded by Innes Kasanof.

Voice Vote, carried unanimously

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**IV. Presentation of Communication**

**Finance Report**

A motion to approve the financial reports as of January 31, 2017 was made by James Eisel and seconded by Thomas Hynes.

**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.

Committee Schedule

Committee Meeting Minutes

V. Public Discussion

Diane Galusha announced that the new website, designed by Silvertop Designs/Locust Grove Enterprises, is live and on the home page there is a link to the celebratory 20th Anniversary video produced by Jessica Vecchione of Vecc Videography. She also said that the same company will update the Watershededucators website as well. The website address remains the same: cwconline.org.

Diane noted that the septic training originally scheduled in March has been rescheduled due to weather for April 19th.

Dave Warne of NYCDEP introduced Matt Gianetta, the newly appointed Chief of Watershed Regulators and Engineers, overseeing wastewater and stormwater programs. Matt will be attending meetings and working closely with CWC staff on these programs.

VI. Presentation of Resolutions

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**Septic Reimbursement Over \$25,000 – Robert Barnum – Tab 6**

A motion to approve Resolution No. 3029 was made by Wayne Marshfield and seconded by Robert Pelham.

April 4, 2017

**RESOLUTION NO. 3029**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$25,000:  
ROBERT BARNUM**

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

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

**WHEREAS**, CWC staff has reviewed a construction quote submitted by a contractor for the septic system repair in the amount of Twenty-Six Thousand Nine Hundred Ninety Dollars (\$26,990.00); and

**WHEREAS**, the contractor’s quote for this system is more than Twenty-Five Thousand Dollars (\$25,000); and

**WHEREAS**, the CWC staff have determined the contractor’s quote of Twenty-Six Thousand Nine Hundred Ninety Dollars (\$26,990.00) 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-Six Thousand Nine Hundred Ninety Dollars (\$26,990.00) as it is in substantial agreement with our schedule of values.

**NOW, THEREFORE LET IT BE RESOLVED**, that the CWC Board of Directors approves the eligible cost of this system for reimbursement to be the total not-to-exceed amount of Twenty-Six Thousand Nine Hundred Ninety Dollars (\$26,990.00).

**Robert Barnum Backup**

Mr. Barnum’s property is located in the Town of Lexington, Greene County. Homeowner and CWC staff received a quote from a contractor in the amount of \$26,990.00. This system is for a four bedroom house. The major components for this system include a 1,500 gallon septic tank, one siphon chamber, 426 cubic yards of absorption fill material, one effluent filter, 315 lineal feet of absorption trench, 20 lineal feet of Schedule 80 piping, and site restoration. The quote does not exceed the CWC Schedule of Values. The Septic Committee recommends that the Board of Directors approve reimbursement in an amount not to exceed \$26,990.00.

**Voice Vote, carried unanimously**

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Waiver of Section 2:01:04 – Marilyn Anderson – Tab 7

A motion to approve Resolution No. 3030 was made by Wayne Marshfield and seconded by Innes Kasanof.

April 4, 2017

RESOLUTION NO. 3030

BOARD WAIVER OF SECTION 2:01:04: MARILYN ANDERSON

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

WHEREAS, pursuant to section 2:01:04 of the CWC Septic Rehabilitation and Replacement Program Rules Article 2A, non-essential site beautification costs are not eligible for reimbursement of the CWC Septic Program; and

WHEREAS, pursuant to section 2:01:04 of the CWC Septic Rehabilitation and Replacement Program Rules Article 2A, CWC Septic Committee has previously found that paving and/or repaving of a driveway is not a cost eligible for reimbursement under the CWC Septic Program; and

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

WHEREAS, Marilyn Anderson owns property in the Town of Woodstock that is eligible for reimbursement under the CWC Septic Program; and

WHEREAS, due to the configuration of the lot, the only location for a replacement septic system is under Ms. Anderson’s driveway; and

WHEREAS, the designer engineer and septic treatment manufacturer request that after installation of the replacement septic system, the driveway be paved to provide even weight distribution over the replacement septic system; and

WHEREAS, the CWC Septic Committee recommends that the CWC Board waives section 2:01:04 of the CWC Septic Rehabilitation and Replacement Program Rules, Article 2A, to allow CWC staff to reimburse for paving of the driveway as recommended by her engineer and the septic treatment manufacturer, provided that if total reimbursement exceeds Twenty-Five Thousand Dollars (\$25,000.00) CWC staff shall forward the design with recommendation to the CWC Board for additional approval.

NOW, THEREFORE LET IT BE RESOLVED, that the CWC Board of Directors waives section 2:01:04 of the CWC Septic Rehabilitation and Replacement Program Rules Article 2A, limited to approving reimbursement for paving of Ms. Anderson’s driveway to provide for even weight distribution over her replacement septic system.

NOW THEREFORE LET IT BE FURTHER RESOLVED, that if total reimbursement exceeds Twenty-Five Thousand Dollars (\$25,000.00) CWC staff shall forward the design with recommendation to the CWC Board for additional approval.

Marilyn Anderson Backup

Ms. Anderson’s property is located in the Town of Woodstock, Ulster County. She has hired an engineer who is commencing design work. However, due to the lot configuration, steep slopes, and setbacks from both her well and a neighbor’s well, her engineer has identified her driveway as the only location for a replacement septic system. In addition, Ms. Anderson’s engineer desires to use a Presby pretreatment system. The pretreatment will allow for a shorter absorption field that will fit in the narrow site. Both her engineer and Presby strongly recommend that the driveway be paved to provide for even weight distribution over the pretreatment system. CWC staff agree with this recommendation.

Voice Vote, carried unanimously

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**Future Stormwater – O’Connor Hospital (Delhi) Construction – Tab 8**

A motion to approve Resolution No. 3031 was made by James Eisel and seconded by Thomas Hynes.

April 4, 2017

**RESOLUTION NO. 3031**

**BOARD REVIEW OF FUTURE STORMWATER PROGRAM APPLICATION FOR  
O’CONNOR HOSPITAL (DELHI)**

## **STORMWATER CONTROLS**

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

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

**WHEREAS**, O’Connor Hospital has applied for design funding in a not-to-exceed amount of Nine Thousand Five Hundred Forty Dollars (\$9,540.00) for design of new stormwater controls related to a parking lot expansion. The project required a NYS SWPPP and NYC DEP had additional requirements; and

**WHEREAS**, for a site where a State/federal SPPP is required to be prepared and a Notice of Intent is required to be filed, and a NYCDEP SPPP approval, is also required, eligible costs shall be ninety percent (90%) of all reasonable and eligible stormwater costs; and

**WHEREAS**, the CWC share of stormwater funding is 100% of the eligible costs for this project because the O’Connor Hospital is a large business under Watershed MOA Paragraph 145; and

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

**WHEREAS**, CWC staff recommended reimbursement of eligible stormwater design costs for a total not-to-exceed amount of Nine Thousand Five Hundred Forty Dollars (\$9,540.00); and

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

**NOW, THEREFORE, LET IT BE RESOLVED**, that the CWC Board of Directors has reviewed the attached application, staff recommendation and supporting documentation and approves payment in a total amount not to exceed Nine Thousand Five Hundred Forty Dollars (\$9,540.00).

### **CWC Future Stormwater Controls Program – O’Connor Hospital, Delaware County**

O’Connor Hospital has applied for design funding. The hospital is expanding their parking lot and the site required a SWPPP for the State and NYC DEP had additional requirements above and beyond State and Federal Regulations. This project is eligible for 90% of the stormwater design and construction costs based on the storage needed to capture and treat 90% of the average annual stormwater runoff volume, which is a requirement of the Watershed Regulations.

Total Requested Funding: \$10,600.00  
Total Recommended CWC Funding: **\$9,540.00**

Recommended CWC funding is 90% of eligible SWPPP design and construction costs \$9,540.00.

**Voice Vote, carried unanimously**

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Stormwater Retrofit – South Kortright Central School – Additional Funds – Tab 9

A motion to approve Resolution No. 3032 was made by Wayne Marshfield and seconded by Robert Pelham.

April 4, 2017

RESOLUTION NO. 3032

BOARD REVIEW OF THE

SOUTH KORTRIGHT CENTRAL SCHOOL - ADDITIONAL FUNDS

STORMWATER RETROFITS PROGRAM APPLICATION

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 (BMP’s) to address existing stormwater runoff in concentrated areas of impervious surface in West of Hudson Watershed to the extent such BMP’s are necessary to correct or reduce existing erosion and/or pollutant loading; and

WHEREAS, by Resolution Number 265, the CWC Board of Directors established the Stormwater Retrofits Program (Program) Rules that provides for payment of eligible project costs; and

WHEREAS, as a further condition of the 2007 FAD and pursuant to the 2010 Water Supply Permit, DEP agreed to provide additional funding to the Stormwater Retrofit Program for the second five years (2012-2017) of the 2007 FAD (“2007 FAD Part II”); and

WHEREAS, by Resolution Number 2241, the CWC Board of Directors approved the Stormwater Retrofit II Program as a continuation of the Stormwater Retrofit Program created pursuant to Paragraph 125 of the Watershed MOA, the 2002 and 2007 FADs; and

WHEREAS, pursuant to the 2007 FAD Part II, CWC shall continue to implement the Stormwater Retrofit I Program, including the Community-Wide Stormwater Infrastructure Assessment and Planning Program; and

WHEREAS, pursuant to the CWC Program rules as adopted by the CWC Board of Directors, the CWC staff and NYCDEP staff must evaluate grant requests and issue funding

recommendations to the CWC Wastewater Committee, which shall issue recommendations to the CWC Board of Directors; and

WHEREAS, on June 7, 2016, by Resolution Number 2891, the CWC Board of Directors approved a design funding application by South Kortright Central School in an amount not to exceed Sixty-Two Thousand Nine Hundred Forty-Four Dollars and One Cent (\$62,944.01); and

WHEREAS, South Kortright Central School has requested additional funding for construction in the amount of Six Hundred Twenty Thousand Dollars (\$620,000.00); and

WHEREAS, CWC and NYCDEP staff have jointly reviewed and recommend construction funding for South Kortright Central School for a not-to-exceed amount of Six Hundred Twenty Thousand Dollars (\$620,000.00) and have presented their recommendations to the CWC Wastewater Committee; and

WHEREAS, the CWC Wastewater Committee has reviewed and recommends the construction funding request; and

WHEREAS, South Kortright Central School requested that CWC coordinate the design and construction of the project; and

WHEREAS, the CWC Stormwater/Wastewater Committee recommends that the CWC Board of Directors approve entering into an agreement with South Kortright Central School for CWC to coordinate design and construction of the South Kortright Central School Stormwater Retrofit Project; and

WHEREAS, the CWC Stormwater/Wastewater Committee further recommends that the CWC Board of Directors approve entering into an agreement with Boland's Excavating & Topsoil, Inc. to construct the South Kortright Central School Stormwater Retrofit Project in an amount not to exceed Six Hundred Twenty Thousand Dollars (\$620,000.00); and

WHEREAS, pursuant to the CWC Program Rules, the CWC Board of Directors has reviewed the attached recommendation and supporting documentation.

NOW, THEREFORE, LET IT BE RESOLVED, the CWC Board of Directors approves additional funding for the South Kortright Central School Stormwater Retrofit Project in an amount not to exceed Six Hundred Twenty Thousand Dollars (\$620,000.00), for a total not-to-exceed amount of Six Hundred Eighty-Two Thousand Nine Hundred Forty-Four Dollars and One Cent (\$682,944.01).

NOW, THEREFORE BE IT FURTHER RESOLVED, approval of 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.

CWC Stormwater Retrofit Program - South Kortright Central School, Delaware County

South Kortright had applied for Stormwater Retrofit design funding and was approved in June of 2016. A design has since been approved by NYCDEP staff and the project has gone out

to bid as an ADD ALT to the school's capital improvement project. The bid for construction of the Stormwater Retrofit portion came in at \$620,000.00.

CWC Wastewater Committee recommends additional funding in a not-to-exceed amount of \$620,000.00.

Voice Vote, carried unanimously

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**Consultant for Implementation of the Shandaken Wild Forest & Belleayre Mountain Bike & Cross Country Ski Trail Plan – Tab 10**

A motion to approve Resolution No. 3033 was made by Richard Parete and seconded by Innes Kasanof.

April 4, 2017

**RESOLUTION NO. 3033**

**APPROVAL OF CONSULTANT FOR IMPLEMENTATION OF  
THE SHANDAKEN WILD FOREST AND BELLEAYRE MOUNTAIN BIKE AND  
CROSS COUNTRY SKI TRAIL PLAN**

**WHEREAS**, the Catskill Watershed Corporation (CWC) is a not for profit local development corporation whose purpose is, in part, “aiding that part of the Watershed of the City of New York located West of the Hudson River (the ‘West of Hudson Watershed’) by attracting new commerce and industry to such area and by encouraging the development of, or retention of, commerce and industry in such area, and lessening the burdens of government and acting in the public interest and all other lawful functions all in a manner which seeks to protect water quality in the West of Hudson Watershed”; and

**WHEREAS**, CWC administers the Catskill Fund for the Future (CFF) Grant Program for the purpose of providing financial assistance to qualified economic development projects in the portion of the New York City Watershed West of the Hudson River (WOH Watershed) in accordance with the CFF Program rules; and

**WHEREAS**, a large portion of the WOH Watershed, including numerous CWC member towns, are located within the Catskill State Park; and

**WHEREAS**, the enacted 2015-2016 New York State Budget includes Five Hundred Thousand Dollars (\$500,000.00) designated to New York State Department of Environmental Conservation under Aid to Localities for the Catskill Master Plan Stewardship and Planning; and

**WHEREAS**, by Resolution 3048, the New York State Senate resolved that the Catskill Master Plan Stewardship and Planning funds be apportioned to the Catskill Watershed Corporation for their administration; and

**WHEREAS**, the CWC Economic Development Committee recommends that the CWC Board of Directors authorize the President and/or Executive Director to execute an agreement with the New York State Department of Environmental Conservation for CWC to administer the Catskill Master Plan Stewardship and Planning funds provided for in the 2015-2016 New York State Budget; and

**WHEREAS**, CWC issued a request for proposal for a consultant to prepare mountain bike and cross-country ski trail plans in the Shandaken Wild Forest and Belleayre Mountain Ski Center Intensive Use Area of the Catskill Park in the Town of Shandaken, Ulster County (Shandaken Trail Plan); and

**WHEREAS**, the CWC Economic Development Committee reviewed the recommendation from the steering committee on the bids received on February 24, 2017 and recommends that the CWC Board of Directors approve the retention of Tahawas Trails LLC in an amount not to exceed Eleven Thousand Five Hundred Fifty Dollars (\$11,550.00) from the Catskill Fund for the Future to be reimbursed from the New York State Catskill Master Plan Stewardship and Planning funds.

**NOW THEREFORE BE IT RESOLVED**, that the CWC Board of Directors authorizes the Executive Director to enter into an agreement with the Tahawas Trails LLC in an amount not to exceed Eleven Thousand Five Hundred Fifty Dollars (\$11,550.00) for the preparation of the Shandaken Trail Plan.

**Voice Vote, carried unanimously**

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

Voice Vote, carried unanimously

A motion to resume the regular meeting was made by Richard Parete and seconded by James Eisel.

Voice Vote, carried unanimously

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**CFF REDI Fund Loan – Chef Deanna, Inc. – Tab 11**

A motion to approve Resolution No. 3034 was made by Robert Pelham and seconded by James Eisel.

April 4, 2017

**RESOLUTION NO. 3034**

**APPROVAL OF CHEF DEANNA INC. BUSINESS LOAN**

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

**WHEREAS**, Chef Deanna 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 (4.0%), to be amortized in equal monthly payments such that the outstanding principal is fully paid on the last payment date, to purchase property and for working capital; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Staff has reviewed a completed REDI Fund Loan application for Chef Deanna Inc.; and

**WHEREAS**, pursuant to the CFF Program rules the CWC Loan Committee has reviewed an underwriting report for Chef Deanna Inc. REDI Fund Loan application; and

**WHEREAS**, the CWC Loan Committee has recommended approval of the REDI Fund Loan application from Chef Deanna Inc.; and

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

**WHEREAS**, the Executive Director, pursuant to the NYCDEP CFF Program Contract and 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 Chef Deanna Inc. application meets the CWC CFF qualified economic development criteria and approves of the 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%), 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.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, that upon said approval of loan documentation CWC, is authorized to close on said loan and 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 REDI Fund Loan Application of Chef Deanna Inc.**

The Executive Director of the CWC makes the following evaluation concerning a REDI Fund Loan to Chef Deanna Inc., located at 1645 Route 6 in the Town of Bovina, 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, Chef Deanna Inc. is presently in compliance with all applicable environmental statutes and regulations including the NYCDEP Watershed Regulations.
2. Based on due inquiry to the NYSDEC, the NYCDEP and to the best of CWC's knowledge, Chef Deanna 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) Chef Deanna Inc. is a catering business that would like to purchase property and install a commercial kitchen to cater events.
  - (ii) The project is located in the Town of Bovina.
  - (iii) The project will utilize a municipal WWTP.
  - (iv) The project appears to present no threat to water quality.
  - (v) The project appears to generate no materials with the potential to degrade water quality.
  - (vi) Based on NYCDEP map delineating the 60-day travel time zone, the project is not in a 60-day travel time zone.
  - (vii) There is no impact on Federal or State wetlands.
3. (b) The project maintains the character of the Town of Bovina.
  - (i) The project is consistent with current zoning.
  - (ii) The project is compatible with surrounding land uses.
  - (iii) The project will not generate excessive traffic.
  - (iv) To the best of CWC's knowledge, the project will not promote secondary growth.
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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CFR REDI Loan – Creative Environments LLC d/b/a Full Moon Resort – Tab 12

A motion to approve Resolution No. 3035 was made by Innes Kasanof and seconded by Richard Parete.

RESOLUTION NO. 3035

APPROVAL OF CREATIVE ENVIRONMENTS LLC

D.B.A. FULL MOON RESORT BUSINESS LOAN

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

WHEREAS, on April 2, 2002, by Resolution Number 492, the CWC Board of Directors approved a loan to Creative Environments LLC d.b.a. Full Moon Resort for Fifty-Eight Thousand Five Hundred Dollars (\$58,500.00) for a term of fifteen (15) years, at a rate of three and three eighths percent (3.375%), to be amortized in equal monthly payments such that the outstanding principal is fully paid on the last payment date, for building and site upgrades; and

WHEREAS, on June 7, 2016, by Resolution Number 2897, the CWC Board of Directors approved a loan to Creative Environments LLC d.b.a. Full Moon Resort in the amount of Two Hundred Seventy-Five Thousand Dollars (\$275,000.00) and a loan to Henry Stout, Principal of Creative Environments LLC d.b.a. Full Moon Resort, in the amount of Three Hundred Thousand Dollar (\$300,000.00) for a term of fifteen (15) years, at a rate of three and seven percent (3.7%), to be amortized in equal monthly payments such that the outstanding principal is fully paid on the last payment date, to refinance debt; and

WHEREAS, Creative Environments LLC d.b.a. Full Moon Resort has applied for a Nine Hundred Twenty-Five Thousand Dollar (\$925,000.00) loan for a term of fifteen (15) years, at a rate of three and seven (3.7%), interest only for twenty-four (24) months, to be amortized in two hundred sixteen (216) equal monthly payments, with the one hundred and eightieth (180th) payment being a balloon payment, such that the outstanding principal is fully paid on the one hundred and eightieth (180th) payment date, to refinance business debt; and

WHEREAS, pursuant to the CFF Program rules the CWC Staff has reviewed a completed REDI Fund Loan application for Creative Environments LLC d.b.a. Full Moon Resort; and

WHEREAS, pursuant to the CFF Program rules the CWC Loan Committee has reviewed an underwriting report for the Creative Environments LLC d.b.a. Full Moon Resort, REDI Fund Loan application; and

WHEREAS, the CWC Loan Committee has recommended approval of the REDI Fund Loan application of Creative Environments LLC d.b.a. Full Moon Resort; and

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

WHEREAS, the Executive Director, pursuant to the NYCDEP CFF Program Contract and the CFF Program rules, has evaluated and determined that this loan meets the criteria for a qualified

economic development project, said recommendation is attached hereto and made a part hereof; and

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

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

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

NOW, THEREFORE BE IT RESOLVED, the CWC Board determines that the Creative Environments LLC d.b.a. Full Moon Resort application meets the CWC CFF qualified economic development criteria and approves of the application in the amount of Nine Hundred Twenty-Five Thousand Dollars (\$925,000.00), for a term of fifteen (15) years, at a rate of three and seven percent (3.7%), interest only for the twenty-four (24) to be amortized in two hundred sixteen (216) equal monthly payments, with the one hundred and eightieth (180th) payment being a balloon payment, such that the outstanding principal is fully paid on the one hundred and eightieth (180th) 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.

NOW, THEREFORE BE IT FURTHER RESOLVED, that upon said approval of loan documentation CWC, is authorized to close on said loan and 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 REDI Fund Loan Application of Creative Environments LLC d.b.a. Full Moon Resort

The Executive Director of the CWC makes the following evaluation concerning a REDI Fund Loan to Creative Environments LLC d.b.a. Full Moon Resort, located in the Town of Shandaken, 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, Creative Environments LLC d.b.a. Full Moon Resort is presently in compliance with all

applicable environmental statutes and regulations including the NYCDEP Watershed Regulations.

2. Based on due inquiry to the NYSDEC, the NYCDEP and to the best of CWC's knowledge, Creative Environments LLC d.b.a. Full Moon Resort 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) Creative Environments LLC d.b.a. Full Moon Resort is an existing business.
 - (ii) The project is located in the Town of Shandaken.
 - (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.
 - (vi) Based on NYCDEP map delineating the 60-day travel time zone, the project is not in a 60-day travel time zone.
 - (vii) There is no impact on Federal or State wetlands.
3. (b) The project maintains the character of the Town of Shandaken.
 - (i) The project is consistent with current zoning.
 - (ii) The project is compatible with surrounding land uses.
 - (iii) The project will not generate excessive traffic.
 - (iv) To the best of CWC's knowledge, the project will not promote secondary growth.
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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**Handout Resolution - CFF REDI Loan Collateral Change – Hidden Waters Holdings, Inc.**

*A motion to waive Rule 14 was made by James Eisel and seconded by Thomas Hynes. Approved, unanimously.*

A motion to approve Resolution No. 3036 was made by Wayne Marshfield and seconded by Tina Molé.

April 4, 2017

**RESOLUTION NO. 3036**

**APPROVAL OF COLLATERAL CHANGE FOR**

**HIDDEN WATERS HOLDINGS INC.**

**WHEREAS**, the Catskill Watershed Corporation (CWC) is a not-for-profit local development corporation whose purpose is, in part, to act in the public interest by promoting increased employment and encouraging environmentally sound development within the West of Hudson Watershed (WOH); and

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

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

**WHEREAS**, on January 6, 2015, by Resolution Number 2616, the Board of Directors approved an additional loan to Hidden Waters Holdings Inc. in the amount of Fifty Thousand Dollars (\$50,000.00) for a term of fifteen (15) years, at a rate of four percent (4.0%) adjusting to the CWC rate every five years thereafter to the CWC rate in effect at that time, to be amortized in equal monthly payments, such that the outstanding principal is fully paid on the last payment date, to expand their storage business; and

**WHEREAS**, said loan is secured by first mortgage on 44401 Route 30, Margaretville, NY; and

**WHEREAS**, the Catskill Fund for the Future Program Rules section 1:02:04 require that a material change, including a change in collateral coverage, to a previously approved loan requires CWC Board review and approval; and

**WHEREAS**, Hidden Waters Holdings Inc. requests permission from CWC to remove the 1800 square foot building that houses the office and shop and replace it with a 4000 square foot building that will house the office and provide additional storage units.

**NOW, THEREFORE BE IT RESOLVED**, that the CWC Board of Directors approves the request of Hidden Water Holdings Inc.

**Voice Vote, carried unanimously**

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VII. Announcements from the Chair:

Michael Triolo welcomed new Board members Anthony Van Glad (Town of Gilboa, Schoharie County) and James Sofranko (Town of Olive, Ulster County).

VIII. Board Member Discussion:

Robert McLaughlin, closing attorney for CFF Loans, started working with CWC in 1998 while employed at Environmental Facilities Corporation. He stated that he appreciates the professionalism and ease of working with CWC and its staff for the previous 20 years and hopes for another 20 years.

Michael Triolo welcomed new Board members Tony Van Glad and James Sofranko.

A motion to adjourn was made by Anthony Van Glad and seconded by James Sofranko.

Voice Vote, *carried unanimously*

IX. Adjournment: 3:02 p.m.