

CATSKILL WATERSHED CORPORATION

Board of Directors Meeting

MINUTES

August 2, 2016 @ 1:00 p.m.

I. Call to Order

II. Pledge of Allegiance: Led by Thomas Hynes.

III. Roll Call of Directors

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

Members Excused:

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

Others Present: Thomas Stalter (*New York City DEP*).

IV. Review and Approval of July 5, 2016 Board Meeting Minutes

A motion to approve the minutes from the July 5, 2016 board meeting was made by Berndt Leifeld and seconded by Mark McCarthy.

Voice Vote, carried unanimously

V. Presentation of Communication

Finance Report

A motion to approve the financial reports as of May 31, 2016 was made by James Eisel and seconded by Richard Parete.

Voice Vote, carried unanimously

Executive Director's Report

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

Committee Schedule

Committee Meeting Minutes

VI. Public Discussion

VII. Presentation of Resolutions

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**Septic Reimbursement Over \$25,000 – Joseph Cianciullo – Tab 6**

A motion to approve Resolution No. 2917 was made by Wayne Marshfield and seconded by Tina Molé.

August 2, 2016

**RESOLUTION NO. 2917**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$25,000:  
JOSEPH CIANCIULLO**

**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-Eight Thousand Two Hundred Fifty-Seven Dollars (\$28,257.00); 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-Eight Thousand Two Hundred Fifty-Seven Dollars (\$28,257.00) 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 Two Hundred Fifty-Seven Dollars (\$28,257.00) 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 Two Hundred Fifty-Seven Dollars (\$28,257.00).

**Joseph Cianciullo Backup**

Mr. Cianciullo’s property is located in the Town of Kortright, Delaware County. Homeowner and CWC staff received a quote from a contractor in the amount of \$28,257.00. This system is for a three bedroom house. The major components for this system include a 1,000 gallon septic

tank, 165 lineal feet of 4” gravity piping, one distribution box, 280 cubic yards of absorption fill material, 11 cubic yards of C-33 sand, one effluent filter, 288 square feet of Eljen in-drain, 175 lineal feet of curtain drain, 60 cubic yards of random fill material, tree removal, one cleanout, 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 \$28,257.00.

**Voice Vote, carried unanimously**

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Septic Reimbursement Over \$25,000 – Jon Frank – Tab 7

A motion to approve Resolution No. 2918 was made by Wayne Marshfield and seconded by Tina Molé.

August 2, 2016

RESOLUTION NO. 2918

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$25,000:
JON FRANK**

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 Four Hundred Three Dollars (\$26,403.00); 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 Four Hundred Three Dollars (\$26,403.00) 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 Four Hundred Three Dollars (\$26,403.00) 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 Four Hundred Three Dollars (\$26,403.00).

Jon Frank Backup

Mr. Frank’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 \$26,403.00. This system is for a four bedroom house. The major components for this system include a 1,250 gallon septic tank, one siphon chamber, 140 lineal feet of 4” gravity piping, one distribution box, 250 cubic yards of absorption fill material, 750 square feet of absorption bed, temporary culvert, small loads transference of materials, and total site restoration. The quote is within 10% of the CWC Schedule of Values. The Septic Committee recommends that the Board of Directors approve reimbursement in an amount not to exceed \$26,403.00.

Voice Vote, carried unanimously

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**Septic Reimbursement Over \$25,000 – Ernest Hanselman – Tab 8**

A motion to approve Resolution No. 2919 was made by Wayne Marshfield and seconded by Tina Molé.

August 2, 2016

**RESOLUTION NO. 2919**

**BOARD APPROVAL OF SEPTIC CONSTRUCTION ESTIMATE OVER \$25,000:  
ERNEST HANSELMAN**

**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-Nine Thousand Nine Hundred Fifty Dollars (\$29,950.00); 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-Nine Thousand Nine Hundred Fifty Dollars (\$29,950.00) to be a reasonable cost for this system in accordance with our schedule of values; and

**WHEREAS**, the Septic Committee has reviewed the documentation and recommend approving the contractor’s quote of Twenty-Nine Thousand Nine Hundred Fifty Dollars (\$29,950.00) as it is in substantial agreement with our schedule of values.

**NOW, THEREFORE LET IT BE RESOLVED**, that the CWC Board of Directors approves the eligible cost of this system for reimbursement to be the total not-to-exceed amount of Twenty-Nine Thousand Nine Hundred Fifty Dollars (\$29,950.00).

**Ernest Hanselman Backup**

Mr. Hanselman’s property is located in the Town of Stamford, Delaware County. Homeowner and CWC staff received a quote from a contractor in the amount of \$29,950.00. This system is for an eight bedroom house. The major components for this system include two 1,500 gallon septic tanks, a pump chamber, 65 lineal feet of 4” gravity piping, 45 lineal feet of forcemain, one distribution box, 450 cubic yards of absorption fill material, one effluent filter, 480 lineal feet of absorption trench, and complete 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 \$29,950.00.

**Voice Vote, *carried unanimously***

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Septic Reimbursement Over \$25,000 – Additional Cost – James Butler – Tab 9

A motion to approve Resolution No. 2920 was made by Martin Donnelly and seconded by Innes Kasanof.

August 2, 2016

RESOLUTION NO. 2920

**BOARD APPROVAL OF ADDITIONAL FUNDS FOR SEPTIC CONSTRUCTION
OVER \$25,000:
JAMES BUTLER**

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 (\$25,000.00) CWC staff shall forward the design with recommendation to the CWC Board for approval; and

WHEREAS, on June 7, 2016, by Resolution Number 2881, the CWC Board approved reimbursement to James Butler in an amount not to exceed Twenty-Six Thousand Eight Hundred Seventy-Four Dollars and Six Cents (\$26,874.06); and

WHEREAS, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the homeowner for the septic system repair in the amount of Three Hundred Eight Dollars (\$308.00); and

WHEREAS, the total contractor's invoices for this system is more than Twenty-Five Thousand Dollars (\$25,000.00); and

WHEREAS, CWC staff have determined the total reasonable cost of the additional work according to CWC Schedule of Values to be Three Hundred Eight Dollars (\$308.00); and

WHEREAS, CWC staff have determined that Twenty-Seven Thousand One Hundred Eighty-Two Dollars and Forty-Six Cents (\$27,182.46) is a reasonable cost for this system in accordance with our schedule of values; and

WHEREAS, the Septic Committee has reviewed the documentation and recommend approving total reimbursement of Twenty-Seven Thousand One Hundred Eighty-Two Dollars and Forty-Six Cents (\$27,182.46) as it is in substantial agreement with our schedule of values.

NOW, THEREFORE LET IT BE RESOLVED, that the CWC Board of Directors approves the eligible cost of this system for reimbursement to be the total not-to-exceed amount of Twenty-Seven Thousand One Hundred Eighty-Two Dollars and Forty-Six Cents (\$27,182.46).

James Butler Backup

Mr. Butler's property is located in the Town of Hunter, Greene County. CWC Board of Directors previously approved reimbursement for this project at \$26,874.06. During construction a large boulder was removed and 2 cubic yards of random fill was used to fill the void. In addition, 75 lineal feet of pipe was installed to relocate a sump pump line away from the septic field. A reasonable and just cost for the additional work according to the CWC Schedule of Values is \$308.00. The Septic Committee recommends that the Board approves an additional reimbursement of \$308.00, for total reimbursement not to exceed \$27,182.46.

Voice Vote, carried unanimously

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**Septic Reimbursement Over \$25,000 – Additional Cost – Stacey Heston – Tab 10**

A motion to approve Resolution No. 2921 was made by Martin Donnelly and seconded by Innes Kasanof.

August 2, 2016

**RESOLUTION NO. 2921**

**BOARD APPROVAL OF ADDITIONAL FUNDS FOR SEPTIC CONSTRUCTION  
OVER \$25,000:  
STACEY HESTON**

**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 (\$25,000.00) CWC staff shall forward the design with recommendation to the CWC Board for approval; and

**WHEREAS**, on December 1, 2015, by Resolution Number 2772, the CWC Board approved reimbursement to Stacey Heston in an amount not to exceed Twenty-Eight Thousand Six Hundred Ninety-One Dollars (\$28,691.00); and

**WHEREAS**, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the homeowner for the septic system repair in the amount of Four Hundred Dollars (\$400.00); and

**WHEREAS**, the total contractor's invoices for this system is more than Twenty-Five Thousand Dollars (\$25,000.00); and

**WHEREAS**, CWC staff have determined the total reasonable cost of the additional work according to CWC Schedule of Values to be Four Hundred Dollars (\$400.00); and

**WHEREAS**, CWC staff have determined that Twenty-Nine Thousand Ninety-One Dollars (\$29,091.00) is a reasonable cost for this system in accordance with our schedule of values; and

**WHEREAS**, the Septic Committee has reviewed the documentation and recommend approving total reimbursement of Twenty-Nine Thousand Ninety-One Dollars (\$29,091.00) 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 Ninety-One Dollars (\$29,091.00).

**Stacey Heston Backup**

Ms. Heston's property is located in the Town of Walton, Delaware County. CWC Board of Directors previously approved reimbursement for this project at \$28,691.00. During construction it became apparent that the existing electrical service box could not accept another circuit. A subpanel was installed to allow for the electrical hookup for the pump station. A reasonable and just cost for the additional work according to the CWC Schedule of Values is \$400.00. The Septic Committee recommends that the Board approves an additional reimbursement of \$400.00, for total reimbursement not to exceed \$29,091.00.

***Voice Vote, carried unanimously***

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Septic Reimbursement Over \$25,000 – Additional Cost – Ralph Sheehan – Tab 11

A motion to approve Resolution No. 2922 was made by Martin Donnelly and seconded by Innes Kasanof.

RESOLUTION NO. 2922

**BOARD APPROVAL OF ADDITIONAL FUNDS FOR SEPTIC CONSTRUCTION
OVER \$25,000:
RALPH SHEEHAN**

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 (\$25,000.00) CWC staff shall forward the design with recommendation to the CWC Board for approval; and

WHEREAS, on May 3, 2016, by Resolution Number 2843, the CWC Board approved reimbursement to Ralph Sheehan in an amount not to exceed Twenty-Eight Thousand Nine Hundred Twelve Dollars (\$28,912.00); and

WHEREAS, CWC staff has reviewed an additional construction invoice of costs incurred submitted by the homeowner for the septic system repair in the amount of One Thousand Three Hundred Fifteen Dollars (\$1,315.00); and

WHEREAS, the total contractor’s invoices for this system is more than Twenty-Five Thousand Dollars (\$25,000.00); and

WHEREAS, CWC staff have determined the total reasonable cost of the additional work according to CWC Schedule of Values to be One Thousand Three Hundred Fifteen Dollars (\$1,315.00); and

WHEREAS, CWC staff have determined that Thirty Thousand Two Hundred Twenty-Seven Dollars (\$30,227.00) is a reasonable cost for this system in accordance with our schedule of values; and

WHEREAS, the Septic Committee has reviewed the documentation and recommend approving total reimbursement of Thirty Thousand Two Hundred Twenty-Seven Dollars (\$30,227.00) 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 Thousand Two Hundred Twenty-Seven Dollars (\$30,227.00).

Ralph Sheehan Backup

Mr. Sheehan’s property is located in the Town of Roxbury, Delaware County. CWC Board of Directors previously approved reimbursement for this project at \$28,912.00. During construction the project engineer instructed the contractor to redirect the roof gutter system away from the new septic system, which included installation of 150 lineal feet of PVC piping. A

reasonable and just cost for the additional work according to the CWC Schedule of Values is \$1,315.00. The Septic Committee recommends that the Board approves an additional reimbursement of \$1,315.00, for total reimbursement not to exceed \$30,227.00.

Voice Vote, carried unanimously

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**Septic Maintenance Program Rules Amendment – Tab 12**

A motion to approve Resolution No. 2923 was made by Robert Pelham and seconded by Thomas Snow.

August 2, 2016

**RESOLUTION NO. 2923**

**SEPTIC MAINTENANCE PROGRAM RULES AMENDMENT**

**WHEREAS**, the Catskill Watershed Corporation (CWC) Board of Directors by Resolution Number 564 approved a contract with NYCDEP providing for the creation and funding of the Septic Maintenance Program; and

**WHEREAS**, CWC Board of Directors by Resolution No. 636 adopted the Septic System Maintenance Program Rules; and

**WHEREAS**, the CWC Septic Committee recommends the CWC Board of Directors amend the Septic System Maintenance Program Rules in accordance with Attachment A to update the Program Rules.

**NOW, THEREFORE BE IT RESOLVED**, that the CWC Board of Directors adopts the attached Septic System Maintenance Program Rule Amendment (Attachment A), as per the Committee’s recommendation.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, that the Septic System Maintenance Program Rules may be further amended from time to time by the CWC Board of Directors after consultation with and approval of NYCDEP.

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**Chapter 10:00 Septic Maintenance Program Overview**

10:00:01 Definitions

Words used in this article mean:

1. “Applicant” means the property owner or other party responsible for the Eligible System.
2. “Contract” means the “Agreement between the New York City Department of Environmental Protection and the Catskill Watershed Corporation Concerning the Septic Maintenance Program” fully executed on June 16, 2003.
3. “CWC,” means the Catskill Watershed Corporation.
4. “Cluster System” means a wastewater collection and treatment system under some form of common ownership that collects wastewater from two or more residences and/or small business buildings and conveys it to a treatment and disposal system located on a suitable site near the dwellings or buildings. A small business for the purposes of this Program shall be defined in accordance with the Septic III Contract.
5. “DEP” means the New York City Department of Environmental Protection.
6. “Eligible Costs” are the costs of the Eligible System tank pump-out and other costs associated with the Septic Maintenance.
7. “Eligible System” means a subsurface sewage treatment system that either:
  - a. serves a residence and was inspected, remediated, upgraded or installed pursuant to the Septic Program ~~the Septic II Program, or the Septic III Program, or the Septic IV Program,~~ or
  - b. serves a residence and was constructed in accordance with the Watershed Regulations, or
  - b.c. is individually approved for inclusion in the Maintenance Program by the DEP and CWC in writing, based upon a showing of compelling environmental justification and financial need, including Cluster Systems constructed pursuant to the Septic III Program.
8. “Pilot Program Area,” means the areas of implementation for the first two years of the program.
9. “Priority Area” means areas as defined in the Water Supply permit for New York City Watershed Land Acquisition Program issued by New York State Department of Environmental Conservation. (DEC Permit #0-999-00051/00001)
10. “Residence” means a building, including a mixed commercial/residential use building,
  - a. that has no more than two residential units and is served by a subsurface sewage treatment system with a design flow of less than 1000 gallons per day.
11. “Septic Maintenance,” means minor maintenance and pump-out of an Eligible System.
12. “Septic Maintenance Program” or “Program” means the Septic Maintenance Program as described in the Contract
13. “Septic Maintenance Program Funds” or “Program Funds” means funds allocated pursuant to the Contract intended to reduce the occurrence of subsurface sewage treatment system failures through regular pump-outs and maintenance.

14. “Septic Program” means the CWC Septic System Rehabilitation and Replacement Program, -

15.14. ~~“Septic II Program” means~~ the CWC Septic System Rehabilitation and Replacement II Program:-

~~“Septic III Program” means~~ the CWC Septic System Rehabilitation and Replacement III Program, and the CWC Septic System Rehabilitation and Replacement IV Program -

“Watershed Regulations” means the Rules and Regulations for the Protection from Contamination, Degradation and Pollution of the New York City Water Supply and its Sources (the “Watershed Regulations”), 10 New York Codes, Rules and Regulations (“NYCRR”) §§128-3.8 et seq.; 15 Rules of the City of New York (“RCNY”) §§18-38 et seq.

#### 10:00:02 Septic Maintenance Program Description

1. In accordance with the Contract, the CWC provides funding for Septic Maintenance of Eligible Systems in the New York City Watershed west of the Hudson River.
2. Program Funds may be used only to pay costs incurred by CWC pursuant to written agreements with contractors to perform the Program work and/or pursuant to completion of CWC Reimbursement Application Form to reimburse property owners for Septic Maintenance; fees and expenses of consultants or contractors engaged by CWC to assist in fulfilling its duties and responsibilities; CWC costs for technical and professional employees to perform the Program work; and CWC reasonable administrative costs to manage and administer the Program, including necessary education and outreach.

#### 10:00:02:01 Program Area

1. An Eligible System may be funded under applicable program rules if it is located within the West of Hudson Watershed and either
  - a. received construction approval from NYCDEP pursuant to the Watershed Regulations on or after November 1, 1995; and/or
  - b. was remediated, upgraded or installed pursuant to the CWC Septic Program ~~or Septic II Program~~; and/or
2. Eligible Systems will be prioritized by year of construction completion and/or reservoir basin in the following order:
  1. Rondout/Neversink
  2. Ashokan
  3. Pepacton
  4. Cannonsville
  5. Schoharie

## **CHAPTER 10:01 Septic Maintenance Program Rules**

### 10:01:01 Applicant Reimbursable Costs

1. The Applicant must submit a completed reimbursement application form provided by CWC.
2. Upon application and approval by CWC staff, CWC shall pay 50% of Eligible Costs to the applicant for Septic Maintenance. No reimbursement shall be made for disallowed costs. Disallowed costs are expenses not appropriately documented; interest and late fees; fines penalties or payment of sales tax. No costs of enzymes or system additives are permitted.
3. Any reasonable avoided cost documented by the Applicant through in-kind services related to septic maintenance will be directly discounted from the Applicant's match cost. CWC shall determine a value to such in-kind services.
4. Inspection, maintenance and pump-out of the Eligible System must have been conducted after July 15, 2003 ~~and before July 15, 2013~~ in order for an Applicant to be reimbursed for Eligible Costs.
5. An Applicant seeking reimbursement for necessary Septic Maintenance costs that were required for adequate operation of a septic system may be eligible for reimbursement at reasonable costs, per the CWC schedule of values. Potential necessary incidental costs shall include, but not be limited to, the following:
  1. Septic structures, such as gas baffles or effluent filters in septic tanks
  2. Flow speed leveling devices in distribution boxes.
6. Eligible Costs for septic tank pump-out, inspection and minor maintenance of the septic system is detailed in the CWC Schedule of Values.

### 10:01:02 Application for Reimbursement

1. To apply for reimbursement, an Applicant shall fill out a Reimbursement Application Form supplied by CWC. In filling out the form, the Applicant shall supply the completed Inspection Checklist, information requested regarding the costs incurred, costs paid and any other information and supporting documents requested by CWC to determine eligibility of the costs, including any in-kind services. The following documentation is required to verify cost incurred, and to process reimbursements.
  - a. True copy of contractor invoice(s), AND any one of the following: canceled check(s), money order receipt(s), contractor receipt(s)
2. The availability of funds for reimbursement of individual Applicants is not intended to and does not establish an entitlement for any person and the CWC reserves the sole right to determine the amount of Eligible Costs to be approved for reimbursement of each applicant in order to avoid excessive charges and to preserve the fiscal integrity of the Septic Maintenance Program.

### 10:01:03 Reimbursement Approval Authority

1. Where the total amount requested for reimbursement is less than or equal to \$1,000, the CWC Executive Director shall be authorized to approve, modify or deny the reimbursement request.
2. Where the total amount requested for reimbursement is more than \$1000, the staff recommendation shall be forwarded to the CWC Board of Directors who shall review the application and recommendation and approve, modify or deny the reimbursement request.

10:01:04 Coordination with DEP

1. **CWC will provide quarterly progress reports to DEP including, but not limited to, approved reimbursement requests in a manner that is consistent with the contract.**
2. Based on DEP procedures for septic waste disposal at its wastewater treatment plants in the West of Hudson Watershed, septic waste from the Program may be disposed at City WWTP's at no charge and at a time and at such intervals acceptable to DEP , subject to the following terms and conditions:
  - a. The WWTP has adequate capacity to handle such waste;
  - b. The WWTP is permitted to accept such waste;
  - c. The design of the WWTP allows for the practical acceptance of septic waste by truck; and
  - d. The acceptance of waste will not cause or contribute to an upset of the treatment processes or violation of the plant's SPDES permit.

10:01:05 Persons authorized by CWC to perform pump-out and maintenance

1. Only a New York State Department of Environmental Conservation-licensed septage hauler is permitted to pump septage for reimbursement through this program.

10:01:06 Pump-out and Inspection Protocols

1. Funding of pump-outs for an eligible system cannot exceed once every three years.
2. The Septic Inspection will include the completion of an Inspection Checklist. It will require the inspector to uncover and inspect the septic tank through the manholes and to visually inspect the influent and effluent pipes, and clean the effluent filter in the tank as well as uncover and inspect inside the distribution box.

10:01:07 Duty to Maintain

1. The Program does not relieve any property owner of any duty to properly maintain a subsurface sewage treatment system.

**Voice Vote, carried unanimously**

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Approval of Bid for Roof Replacement at CWC Offices – Tab 13

A motion to approve Resolution No. 2924 was made by James Eisel and seconded by Mark McCarthy.

August 2, 2016

RESOLUTION NO. 2924

ACCEPTANCE OF BID TO REPLACE CWC BUILDING ROOF

WHEREAS, the Catskill Watershed Corporation (CWC) Board of Directors, on January 2, 1998, by Resolution Number 99, authorized the purchase of 905 Main Street in the Village of Margaretville to be used as the corporate offices; and

WHEREAS, the flat roof on 905 Main Street has experienced leaks, is at the end of its useful life, and now needs to be replaced; and

WHEREAS, CWC staff requested responses to a request for proposal to replace the roof; and

WHEREAS, the CWC Finance Committee has reviewed the two bids received and recommend the CWC Board approve the bid of Aktor Corporation in the amount of Forty-Four Thousand Two Hundred Dollars (\$44,200.00) to replace the roof at 905 Main Street and provide a twenty-year warranty on the new roof.

NOW THEREFORE BE IT RESOLVED, the CWC Board of Directors accepts the bid of Aktor Corporation and authorizes the Executive Director to execute a contract with Aktor Corporation in the amount of Forty-Four Thousand Two Hundred Dollars (\$44,200.00) to replace the roof at 905 Main Street.

Voice Vote, carried unanimously

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**Approval of Bid for Parking Lot & Handicap Repairs at CWC Offices – Tab 14**

A motion to approve Resolution No. 2925 was made by Thomas Hynes and seconded by Berndt Leifeld.

August 2, 2016

**RESOLUTION NO. 2925**

**ACCEPTANCE OF BID TO REPAIR CWC PARKING LOT AND HANDICAP RAMP**

**WHEREAS**, the Catskill Watershed Corporation (CWC) Board of Directors, on January 2, 1998, by Resolution Number 99, authorized the purchase of 905 Main Street in the Village of Margaretville to be used as the corporate offices; and

**WHEREAS**, the parking lot at 905 Main Street is at the end of its useful life, and now needs to be repaired, and the paved handicap ramp at 905 Main Street no longer meets building code standards and needs to be replaced; and

**WHEREAS**, CWC staff requested responses to a request for proposal to repair the parking lot and replace the handicap ramp; and

**WHEREAS**, the work to be performed at 905 Main Street handicap ramp requires that a stormwater pollution prevention plan be reviewed and approved by the New York City Department of Environmental Protection, and CWC staff estimate the additional cost of construction to install required stormwater controls will not exceed Two Thousand Dollars (\$2,000.00); and

**WHEREAS**, the CWC Finance Committee has reviewed the four bids received and recommend the CWC Board approve the bid of Evergreen in the amount of Fourteen Thousand Three Hundred Dollars (\$14,300.00) to repair the parking lot and handicap ramp to meet building code standards and recommends up to an additional Two Thousand Dollars (\$2,000.00) to provide for required stormwater controls for the handicap ramp.

**NOW THEREFORE BE IT RESOLVED**, the CWC Board of Directors accepts the bid of Evergreen and authorizes the Executive Director to execute a contract with Evergreen in the

amount of up to Sixteen Thousand Three Hundred Dollars (\$16,300.00) to repair the parking lot and handicap ramp and install required stormwater controls for the ramp.

**Voice Vote, carried unanimously**

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2016 Legal Services Contract Amendment – Whiteman, Osterman & Hanna – Tab 15

A motion to approve Resolution No. 2926 was made by James Eisel and seconded by Tina Molé.

August 2, 2016

RESOLUTION NO. 2926

**ADDITION TO 2016 LEGAL SERVICES CONTRACT
WITH WHITEMAN, OSTERMAN & HANNA**

WHEREAS, pursuant to the Catskill Watershed Corporation (“CWC”) procurement policy personal service contracts likely to exceed Twenty-Five Thousand Dollars (\$25,000.00), shall be made on a competitive basis unless specifically exempted by the procurement policies; and

WHEREAS, the CWC Policy committee has reviewed response(s) to a request for proposal for outside counsel to the CWC; and

WHEREAS, Whiteman, Osterman & Hanna has represented CWC as outside counsel since 1996; and

WHEREAS, the CWC Policies and Procedures requires the CWC Board of Directors must approve all contracts for services over Ten Thousand Dollars (\$10,000.00); and

WHEREAS, by Resolution Number 2802, the Board of Directors approved the firm of Whiteman, Osterman & Hanna as external legal firm for the CWC for a term of one year, commencing on January 1, 2016 and terminating on December 31, 2016 for an amount not to exceed Seventy-Five Thousand Dollars (\$75,000.00); and

WHEREAS, since January, 2016, CWC has actively been engaged in negotiations with New York City Department of Environmental Protection, New York State Departments of Environmental Conservation and Health regarding first an amended Land Acquisition Permit and now proposed 2017 Filtration Avoidance Determination; and

WHEREAS, CWC has sought the advice of and attendance by Whiteman, Osterman, and Hanna at negotiations as well as review and comment to proposed changes to CWC programs and New York City Watershed Regulations; and

WHEREAS, the amount allocated by Resolution Number 2802 is expected to be exhausted by the August invoice from Whiteman, Osterman and Hanna; and

WHEREAS, the CWC Policy Committee recommends the additional contract amount of Seventy-Five Thousand Dollars (\$75,000.00), for total contract not to exceed One Hundred Fifty Thousand Dollars (\$150,000.00).

NOW, THEREFORE BE IT FURTHER RESOLVED, that the Board of Directors approves and authorizes the Executive Director and/or the President to retain Whiteman, Osterman & Hanna for legal services in an amount not to exceed One Hundred Fifty Thousand Dollars (\$150,000.00).

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 James Eisel and seconded by Tina Molé.

**Voice Vote, carried unanimously**

A motion to resume the regular meeting was made by Berndt Leifeld and seconded by Robert Pelham.

**Voice Vote, carried unanimously**

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CFF REDI Loan – Village of Fleischmanns Note – Tab 16

A motion to approve Resolution No. 2927 was made by Berndt Leifeld and seconded by Richard Parete.

August 2, 2016

RESOLUTION NO. 2927

APPROVAL OF APPLICATION OF

VILLAGE OF FLEISCHMANN'S FOR CFF FUNDS FOR FLOOD RELATED REPAIRS

WHEREAS, the Catskill Watershed Corporation (“CWC”) is a not for profit corporation whose purpose as described in its Certificate of Incorporation 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, the CWC manages the Catskill Fund for the Future to assist in the economic revitalization of the Catskill Watershed communities, in a manner consistent with the protection of water quality in the West of Hudson Watershed, through the funding of Qualified Economic Development Projects, as defined in the Memorandum of Agreement

WHEREAS, pursuant to the By-Laws of CWC, Article IX, Section 1 (a), the CWC Board is charged with managing the Catskill Fund with the goal of maintaining it in perpetuity for the benefit of the Catskill Watershed communities; and

WHEREAS, as a result of severe flooding in 2011, the Village of Fleischmanns experienced damage to infrastructure within the town, inside the West of Hudson Watershed; and

WHEREAS, the Village of Fleischmanns applied to and was approved by the Federal Emergency Management Agency (FEMA) for grants to repair/replace damaged infrastructure within the town; and

WHEREAS, the Village of Fleischmanns is unable to bear the expenses to make such repairs while awaiting reimbursement by FEMA; and

WHEREAS, FEMA does not provide reimbursement for bond interest expense and such expense will therefore be passed on to property owners within the Village of Fleischmanns through real property taxes; and

WHEREAS, the Village of Fleischmanns desires to make infrastructure repairs for the Village within the West of Hudson Watershed but will incur interest expense for debt; and

WHEREAS, the Village of Fleischmanns requests that the CWC Board of Directors approve up to Five Hundred Thousand Dollars (\$500,000.0) in notes or bonds at a 0% interest rate for a term of one year renewable up to four times for reimbursement of FEMA eligible expenses related to infrastructure repairs to the Village of Fleischmanns within the West of Hudson Watershed (“financed projects”) with such bonds or notes secured by general obligation pledge of the Town to be repaid upon receipt of reimbursement by FEMA for said expenses; and

WHEREAS, the CWC Economic Development Committee recommends that the CWC Board of Directors approve the Village of Fleischmanns request for a Five Hundred Thousand Dollar (\$500,000.00) note or bond at a 0% interest rate for a term of one year renewable up to four times for FEMA eligible expenses related to infrastructure repairs for the Village of Fleischmanns within the West of Hudson Watershed, with such bonds or notes secured by general obligation pledge of the Village provided that the Village shall also agree to divert any FEMA funds related to financed projects to pay down such debt; and

WHEREAS, the Executive Director, pursuant to the NYCDEP CFF Program Contract and the CFF Program rules, has evaluated and determined that this bond anticipation note meets the criteria for a qualified economic development project, which recommendation is attached hereto and made a part hereof; and

NOW, THEREFORE BE IT RESOLVED, the CWC Board approves the bond or note application of the Village of Fleischmanns in an amount up to Five Hundred Thousand Dollars (\$500,000.00) at a 0% interest rate for a term of one year renewable up to four times for reimbursement of FEMA eligible expenses related to infrastructure repairs for the Village of Fleischmanns within the West of Hudson Watershed, with such bonds or notes secured by general obligation pledge of the Village provided the Village also agree to divert any FEMA funds related to financed projects to pay down such debt.

NOW, THEREFORE BE IT FURTHER RESOLVED, the CWC staff is authorized and directed to issue a commitment letter informing the applicant of its intention to issue the bond or note subject to applicant’s 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 and the right of objection and staff is directed to develop the bond agreement, promissory notes and other documentation necessary to effectuate this bond in a form agreed upon by CWC.

NOW, THEREFORE BE IT FURTHER RESOLVED, that upon said approval of bond documentation, the CWC is authorized to close on said bond or note and is authorized to disburse proceeds thereof in accordance with the bond 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 Bond Application of the Village of Fleischmanns.

The Executive Director of the CWC makes the following evaluation concerning a REDI Fund Bond to the Village of Fleischmanns, 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 infrastructure to be repaired in the Village of Fleischmanns 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 infrastructure to be repaired in the Village of Fleischmanns as a result of flooding 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) Village of Fleischmanns will repair infrastructure damaged by flood waters.
 - (ii) The projects are located within the WOH Watershed in the Village of Fleischmanns
 - (iii) The project will not utilize a municipal sewer system or septic systems.
 - (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 some of the projects may be 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 Colchester.
 - (i) The project is consistent with current zoning.
 - (ii) The project is compatible with surrounding land uses.
 - (iii) The project will not generate excessive traffic.
 - (iv) The project as described is of such magnitude that it does not appear likely to promote secondary growth and therefore requires not additional review of land use plans or infrastructure.
4. The project is consistent with the West of Hudson Economic Development Study, which has been completed.
5. Not applicable.

Mark McCarthy requested that the Board require to see the Village of Fleischmanns FEMA blue book information regarding the full amount of funds received under the FEMA grant. Innes Kasanof asked if the funds from CWC would be required to be paid back. Alan Rosa stated that CWC staff would request a copy of the blue book information from the Village, and that the Village will need to repay CWC funds and hold a bond to do so. James Eisel inquired how long it usually takes to receive funds from FEMA, and Alan responded that it varies greatly from applicant to applicant.

Voice Vote, carried unanimously

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**CFF REDI Loan – Collateral Change – Masserson Properties, Inc. – Tab 17**

A motion to approve Resolution No. 2928 was made by Thomas Hynes and seconded by Tina Molé.

August 2, 2016

**RESOLUTION NO. 2928**

**APPROVAL OF COLLATERAL CHANGE FOR  
MASSERSON PROPERTIES, 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**, by Resolution Number 2338, the CWC Board approved the loan application of Masserson Properties, Inc., to consolidate, modify and extend an existing CWC loan, with additional funding, in an amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000.00), 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 two hundred forty (240) equal monthly payments, with the one hundred and eightieth (180<sup>th</sup>) being a balloon a payment, such that the outstanding principal is fully paid on the one hundred eightieth (180<sup>th</sup>) payment date; and

**WHEREAS**, said loan is secured by first mortgage on 2289 County Highway 41, Roxbury, NY and a second mortgage on 2258 County Highway 41, Roxbury, 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**, Masserson Properties, Inc. requests that CWC subordinate its second mortgage on 2258 County Highway 41, Roxbury, NY to a mortgage in an amount not to exceed Six Million Dollars (\$6,000,000.00) during construction and permanent mortgage financing of up to Five Million One Hundred Thousand Dollars (\$5,100,000.00) to be issued by a bank to allow the owner to seek financing for construction of a commercial project at Stratton Falls, also located in the Town of Roxbury.

**NOW, THEREFORE BE IT RESOLVED**, that the CWC Board of Directors approves the request of Masserson Properties, Inc., and the CWC Executive Director is authorized and directed to subordinate the second mortgage on 2258 County Highway 41, Roxbury, NY to a mortgage in an amount not to exceed Six Million Dollars (\$6,000,000.00) during construction and permanent mortgage financing of up to Five Million One Hundred Thousand Dollars (\$5,100,000.00) to be issued by a bank and is directed to complete a subordination agreement other documentation necessary to effectuate this resolution in a form agreed upon by CWC.

**Voice Vote, carried unanimously**

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VIII. Announcements from the Chair:

IX. Board Member Discussion:

A motion to adjourn was made by Donald ‘Mike’ Brandow and seconded by Thomas Hynes.

Voice Vote, carried unanimously

X. Adjournment: @ 1:27 p.m.