



EAST OF HUDSON WATERSHED CORPORATION
QUARTERLY MEETING OF DIRECTORS AND MEMBERS

LOCATION: Business Office: 2 Route 164, Patterson, NY 12563

TIME and DATE: 10:00 a.m., Tuesday, August 8, 2017

Meeting Minutes

1) Open of Meeting at 10:00 a.m.

Voting Members in Attendance: Peter Parsons (Town of Lewisboro); Chris Burdick (Town of Bedford); Rich Williams (Town of Patterson); Warren Lucas (Town of North Salem); Rich Franzetti as alternate for Ken Schmitt (Town of Carmel); Bruce Walker as alternate for MaryEllen Odell (Putnam County); Sam Oliverio (Town of Putnam Valley); JoAnne Daley as alternate for Dave Kelly (Town of Pawling); Sabrina Charney-Hull as alternate for Robert Greenstein (Town of New Castle); Steve Ferreira as alternate for Linda Puglisi (Town of Cortlandt); Rick Morrissey (Town of Somers); Jon Powers as alternate for Richard Lyman (Town of Pound Ridge); Maureen Fleming (Town of Kent); Edward Brancati as alternate for J. Michael Cindrach (Town of Mount Kisco)

Others in Attendance: George Rodenhausen (Corporate Counsel); Vincent Giorgio (NYCDEP); Kevin Fitzpatrick (EOHWC); Joanne Tavino (EOHWC); Yvette Rivera (EOHWC); Linda Matera (EOHWC)

2) Pledge of Allegiance

3) Approve Meeting Minutes of May 9, 2017

Motion by Director Parsons, seconded by Director Oliverio to approve the Quarterly Board of Directors Meeting Minutes of May 9, 2017; all in favor.

4) Financial Update

a. Year-to-date and Inception-to-date

Joanne Tavino reported that currently there is approximately \$10.1 million on hand. Since the May Board meeting we've spent roughly \$630,000 on administrative expenses and projects. It is still estimated that Year 6 will finish with about \$5 million; however, the budget will be reworked as we move towards next year.

b. Investment Update

Joanne indicated that the treasuries are doing very well and yields have been increasing as we roll over the treasuries and move into new ones. To date, the annual yield amount to .5% opposed to .03% previously earned. The latest purchase is yielding 1.14%.

c. O & M Billing Update

Joanne informed members that O & M billing continues to move forward and the final piece of information which was required has been received today. Bills can now be put together and sent to the towns that have to meet the requirements and have not yet put anything towards it. Once the bills go out and payment is received, checks will be written to towns that submitted costs for O & M completed. Bills are expected to be sent out this week.

5) List of Reporting and Filing Due Dates

Director Parsons complimented Joanne on keeping all items up to date. Director Burdick thanked Joanne for continuing to provide the information contained on the worksheet which reflects that we are current on all expectations from both the New York City Department of Environmental Protection (NYCDEP) and New York State Department of Environmental Conservation (NYSDEC). Director Lucas added that the NYCDEP is pleased with our financials and feel that they have been very accurate over the past couple of years.

6) Project Update

Kevin Fitzpatrick reported that we are getting ready to make a submission to the NYSDEC to update our phosphorus credit numbers to approximately 400 kilograms. Any project for Years 1-5 highlighted in green on the spreadsheet are essentially closing out. The next round of credit is anticipated to be submitted when vegetation is in place. Projects highlighted in yellow are yet to be constructed. The intention is for all three projects to go to bid in the coming months. Recently, permits were received for the Brewster Heights project in the Town of Southeast (SE-POT-02), which contains 50 kilograms of credit. Once we receive the remaining permits from NYCDEP, we will go out to bid for construction.

The projects on the Year 6 workplan highlighted in yellow are moving forward. Although none have gone to construction yet, we expect to issue contracts to as many as possible in 2017 and 2018. Director Burdick requested that the Spring 2017 date be updated in the "Estimated Construction" column on the spreadsheet for B-MU-601. Director Parsons congratulated Kevin on the enormous amount of effort that he has put into making progress on SE-POT-02.

a. Program Summary

Kevin notified members that projects for Years 1-5 can be found in the Program Summary packet and welcomed questions regarding those projects.

7) O & M Discussion

Kevin addressed a question from Director Burdick regarding two items that were left on the reporting list. Both items address 2017 O & M expenditures, which everyone has and should have already incurred. It is important that each town continue to compile them. If you would like to make a submission to us towards the end of the year, we can begin looking at 2017 full expenditures for all towns and getting bills out early in 2018. Kevin requested that towns continue the effort on that aspect. He reminded members that projects will be inspected individually in each town.

Director Morrissey addressed the BOCES project (S-MU-03). The Town of Somers and East of Hudson Watershed Corporation (EOHWC) entered into an agreement to install channel stabilization on the BOCES campus. The project itself was installed successfully; however, when it came to the landscaping and screening, it was not as successful. The contractor was called to task and returned to replant. The plantings fared better than they had the first time around, but eventually failed the second time as well. The school, residents, and town are concerned that it's an incomplete project given the condition of the plantings. It has left a sour taste among the residents and school. Kevin has come out to look at the conditions a number of times. Consideration has been given to the fact the species of the planting may not flourish in the area and a different option may need to be chosen as well as hiring a landscape architect to address the issue. Kevin indicated that the approach currently being taken is that BOCES will utilize some of their students. During the fall, they intend to go out and do new plantings anyway, so we've asked them to address some of these new plantings and provide screening along the channel to help the process along and take some of the burden off of the Town of Somers and East of Hudson. In addition, there are gaps along the road because many of the trees died and were pulled out. The idea is to plant species that will have both a high growth and success rate in order to realign some of those gaps and adjust some of the trees to provide better screening. It would not be cost effective to go as far as replacing all the trees; however, any that are not succeeding should be removed. Further inspection would be necessary to determine the best approach. Sabrina Charney-Hull commented that a large part of survival of the plantings requires hands-on monitoring and a maintenance plan for at least the first year or two. Additional protocols should be in place for the rest of the life of the area as they are critical to any next step in trying to replant the area and complete the project. Director Parsons reminded members that EOHWC can only pay for installation and not maintenance. Director Lucas suggested that whoever is responsible for the trees should be maintaining the trees. Kevin clarified that the second set of trees replanted were essentially enclosed in water bags and records maintained reflect that they were visited regularly to be addressed. Director Morrissey indicated that BOCES will take on maintenance to some degree with their students. Sabrina suggested that a clear maintenance plan needs to be in place before trees are replanted again. Kevin mentioned that BOCES clearly indicated that they cannot put their students at risk to maintain the trees. Director Burdick reminded members that while project administration is important, the purpose of board meetings serves to address policy matters. George Rodenhause recommended entering into a two-year contract with a landscaper to ensure installation is guaranteed for two years. Sabrina requested an estimated cost on the replacement plantings. Kevin mentioned it could be as much as \$15,000 to replace close to 50 trees. A visit to the site is planned for tomorrow to assess the exact amount of trees requiring replacement and the species best suited to the area. Rich Franzetti asked that the length of time the contractor is held responsible be considered as a policy issue for the Board of Directors to think about and Kevin to include going forward. Director Parsons requested that Kevin make a proposal at the Board of Directors meeting in October on the length of time contractors should be held responsible for plantings on new projects.

8) Update FAD Agreement

Director Parsons informed members that he and Warren worked on getting the FAD agreement. A meeting is scheduled for August 30th with David Warne at NYC DEP, with George leading the charge to negotiate the contract. The arrival of the \$22 million in funds is not anticipated until roughly March 2019. At Director Parsons' request, Kevin and Joanne came up with a survival plan to operate for the next two years without running out of money until the FAD funds are received. Director Lucas added that if we continue to work as we should, we would run out of money in the fall of 2018. One of the items discussed with David was about cash flow and he has requested to see a cash flow analysis. Bruce Walker indicated that he is willing to go to his Board to possibly float bonded money to EOHWC if necessary, recognizing

that it will be repaid when the FAD funding is received. Director Parsons expressed thanks to Bruce Walker and Putnam County for the offer.

9) Watershed Planner Position

Director Parsons informed members that the Watershed Planner position will be placed on hold until October when there is more clarity on how we are going to move forward.

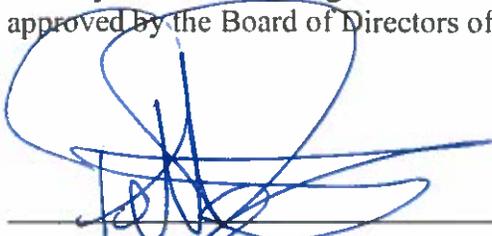
10) Other business

No other business was brought forward.

11) Adjournment – Motion to adjourn by Director Parsons, seconded by Director Burdick; all in favor. Adjourned 10:33 AM.

PRESIDENT'S CERTIFICATE

I certify that the foregoing is a true and correct copy of the August 8, 2017 meeting minutes approved by the Board of Directors of the East of Hudson Watershed Corporation.



Peter Parsons, President

10/17/2017
Date