EAST OF HUDSON WATERSHED CORPORATION

EXECUTIVE COMMITTEE MEETING

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

TIME and DATE: 9:30 AM, Thursday, June 28, 2018

Meeting Minutes

1) Open Meeting

Voting Members in Attendance: Peter Parsons (Town of Lewisboro); Warren Lucas (Town of North Salem); Chris Burdick (Town of Bedford); Rich Williams (Town of Patterson); Vincent Tamagna as alternate for MaryEllen Odell (Putnam County); JoAnne Daley as alternate for James Schmitt (Town of Pawling); Rich Franzetti as alternate for Ken Schmitt (Town of Carmel)

Others in Attendance: Christine Chale (Corporate Counsel); Vincent Giorgio (NYCDEP); Nimat Maloney (NYCDEP); Kevin Fitzpatrick (EOHWC); Joanne Tavino (EOHWC); Yvette Rivera (EOHWC); Linda Matera (EOHWC)

2) Approve Meeting Minutes of May 24, 2018

Motion by Director Parsons, seconded by Director Burdick to approve the meeting minutes of May 24, 2018; all in favor.

3) Financial Update

Joanne Tavino reported that expenditures year-to-date are approximately $687,000. The fund balance as of May 31st is $8.8 million, of which $3.4 is Putnam and $5.4 is Westchester. Checks written today totaled $24,378. Additional treasury purchases were executed in June. The current yield is 1.89% and interest earned year-to-date totals roughly $40,000.

Our contract with New York City Department of Environmental Protection (NYCDEP) has been issued contract number CRO-574. All information requested for PassPort has been submitted online. We now await their response. Director Lucas thanked Joanne for handling the application process.

4) List of Reporting and Filing Due Dates

Joanne reported that the tax returns have been finalized and sent out. The checks for 2017 O & M have been finalized and mailed out to all the municipalities that completed the work. All other items are up to date.

5) Project Update

Director Williams inquired about catch basin insert projects which have been postponed as detailed on the Project Status Table. Kevin clarified that the issue is not the catch basin inserts themselves, but the fact

that they are located on private property. Mount Kisco Commons is a very large commercial development which a response has not been received from. While we plan to actively pursue them, we should not rely on those kilograms as we push to reach our goal. The same situation applies to Putnam Hospital Center in which we reached out on several occasions, but have not gotten a response. Although we will continue to track them, their lack of response will not affect our goal.

Kevin announced that 7.7 kilograms of reduction credit were received at no cost to East of Hudson Watershed Corporation (EOHWC) for the development of the property at Chappaqua Crossing in New Castle and will be applied to Years 6-10. Until that time it was 100% untreated. The New York State Department of Environmental Conservation (NYSDEC) agreed that New Castle went above and beyond their reduction requirement and that we could take phosphorus credit for what the developer had done. Kevin requested that members keep any similar projects in mind where there may be a possibility for us to obtain credit for work done above and beyond what is required. Director Lucas pointed out that there are horse farms in North Salem of which one recently installed stormwater practices that might be worth looking into. Kevin mentioned that oftentimes the difference in working with the Westchester Agricultural Council (WAC) is that the projects that get installed on horse farms do not necessarily qualify because they do not meet NYSDEC requirements in our program. To that point, if they are going to be doing those types of projects anyway, it would be useful to have them meet those requirements so that we could get the reduction credit. Kevin agreed to reach out to the NYSDEC to inquire if we can accept phosphorus credit for the practices installed on horse farms. Vincent Tamagna suggested speaking with Lauri Taylor in Putnam County and possibly adding it as an item on the agenda for the agricultural district to let people know that there is an opportunity to get credit for those types of projects, if they do it the right way. Kevin agreed to reach out and have a conversation with Lauri. In conclusion, Director Lucas suggested that it might be worthwhile to contribute to the projects to help meet the NYSDEC requirements of the EOHWC program.

a. 30% Initial Evaluation: Kent-MB-601

Kevin Fitzpatrick reported that the initial evaluation for Kent-MB-601 is for a multiple pond system located off of Route 311 in Lake Carmel. The project engineer is Larry Paggi. It is estimated that we'll get 12.7 kilograms of phosphorus reduction. The town brought it to us a few years ago and it's to be installed on municipal property. They visited the site multiple times for O & M and everyone is on board. It's a project worth moving forward with. It is a FAD-connected project in the Middle Branch Reservoir. Director Burdick inquired about the status of easements. Kevin responded that no easements were necessary but an installation agreement will be done with the town so that they take on the O & M. The installation agreement has not been signed at this time. Kevin indicated that he feels Paggi's estimate of $25,000 per kilogram is low but stated that even at double that cost, which is likely more accurate, it would still be worthwhile. Director Lucas questioned if Kevin inquired why it came in so low. Kevin did not question why they felt that was a more appropriate number but felt that given the fact that it could be doubled and still be an efficient project for us seemed reasonable. Director Parsons asked Kevin if he had doubts about the probable cost. Kevin pointed out that his estimate could be high and Paggi's could be low because he didn't put enough emphasis on the material work. In addition, there is no new infrastructure being installed in the way of pipes or catch basins. Even at

$50,000 per kilogram, it would still be an efficient project for us. The next step is to go to 100% design.

Motion by Director Burdick, seconded by Director Lucas to approve proceeding with Kent-MB-601; all in favor.

b. Former FAD Projects to be Revisited

Kevin discussed a table of FAD projects circulated to all about a month ago which was unable to be printed today due to copier maintenance. The general update was that we looked into some of the older FAD projects that we had in the past from Years 3, 4 and 5. At that time it was determined that they were not the most efficient use of our funding. In other cases, it was an installation agreement that prevented us from moving forward. There were a variety of roadblocks that stopped us. We are going to revisit them in an effort to fulfill our NYCDEP requirement for the individual FAD basins. Since we are required to show $7.5 million of projects budgeted, we need every project we can find in order to meet the funding qualification. Any project that we've applied any design effort toward is back on the table. By October, we must show $7.5 million worth of FAD projects budgeted. They do not have to be fully-executed, but budgeted for the next few years. Presently, we are at $5.5 million, which means we need $2 million more. Kevin mentioned that he has been speaking with Rich Franzetti to work towards the effort with the Town of Carmel projects. Unfortunately, there just aren't many top-notch projects left in the individual FAD basins so we are left with less efficient ones. Director Williams inquired if this is only for the FAD basins or if it includes upstream as well. Kevin said that our requirement is to meet $7.5 million of budgeted projects within Boyds Corner, West Branch, Croton Falls, and Cross River. It was noted that although Lake Gleneida is not listed individually, it is included in the FAD basin. In order to qualify for the additional $15 million in funding, that portion could be applied to the upstream. Kevin reiterated that if we do not have $7.5 million in those individual FAD basins, we do not get all of our funding, therefore, we need to come up with as many projects as we can. Director Parsons expressed concern with the possibility of running out of kilograms. Kevin felt that although we have ideas for projects, they tend to not be the most cost-efficient. Director Lucas mentioned that North Salem now owns some property where the Peach Lake inlet is and perhaps it can be used toward meeting the $7.5 million budget goal. Kevin reminded Director Lucas that Peach Lake is FAD-extended and would not qualify. Additionally, the Town of Kent mentioned that they have a few sites in Croton Falls but it's suspected that they will fall short of the remaining $2 million needed. Investigating will continue until the goal is reached. A few conversations were had with both John Tully and Fred Pena of Putnam County to identify any work that might be done on county property. Director Lucas asked Vincent Giorgio if the NYCDEP had any work that needed to be done around the reservoirs. Vincent responded that he wasn't aware of any but will look into the possibility. Director Burdick said that a project they are considering in Bedford is located on the northern end of Cherry Street and involves an intermunicipal agreement with Lewisboro. Kevin said that although it is not in the FAD, we may still be able to use the credit. Further, Director Burdick indicated that there are a number of stormwater management projects being done on dirt roads in Bedford which he will discuss with Kevin Winn when he returns from vacation. Director Parsons asked about the possibility of doing a project in Ridgefield, Connecticut. The possible concern is that water coming from Ridgefield is bringing a mess with it into Lake Truesdale. He asked Kevin to confirm that is the issue and he will set

up a meeting with Ridgefield's First Selectman, Rudy Marconi. Kevin mentioned the only issue would be with regard to O & M and that a private contractor would have to be hired to do the maintenance. Director Parsons requested that Kevin make note of Janet Anderson's name. She sits on the Lewisboro Planning Board, Three Lakes Council and has facilitated the Mead Street project.

Director Williams stressed that there isn't much time to come up with the remaining $2 million in projects and he agrees with Director Parsons that at this point the kind of metric being used for $85,000 per kilogram may not be the correct one to use at this particular time. Also discussed was the possibility of acquiring land in order to satisfy the NYCDEP budget requirement. Director Parsons expressed full agreement with Director Williams' point. Director Lucas recounted his previous idea to ask the NYCDEP if they have anything on their short list that they don't want to deal with that we could execute for them. Kevin stated that his cost per kilogram has gone from $85,000 per kilogram to $150,000 due to the NYCDEP requirement and further noted that many of these projects were taken off the shelf because they were too expensive. Director Williams added that if more efficient projects are found they can be substituted in. Kevin agreed and emphasized that the projects need to be budgeted by October. Execution of $7.5 million worth of projects will happen down the road; however, at the present time, a workplan which is as realistic and practical as possible needs to be put together that will arrive at that value. It was clarified that the projects cannot be FAD-connected, but must be in the FAD basin.

6) Approve Purchase of Catch Basin Inserts from Fabco (Sole Source Provider)

Kevin stated that this item will be tabled for today. He is working with Chris Chale and George Rodenhausen to refine the documents so that we have correct justification and backup for everything. The item was added to the agenda in an effort to be proactive. We hoped to get it done in advance but in speaking with counsel, they advised that more backup information and actual data be provided. Chris Chale explained that they talked about conceptually walking through the justification requirements, but then actual pricing is part of that recommendation that Kevin would provide to the Executive Committee. Currently, we only have conceptual pricing and no headcount for the project. It was suggested that perhaps a cafeteria pricing structure could be arranged. Kevin indicated that he's been told that we would be given a price from the Nassau County BPO that went out a few years ago and that Fabco would match that; however, a bit more data is required before it can be done.

7) O & M Program Update

Kevin reported that all towns have been sent the checks they were owed. Although we haven't received any of the 2018 documentation from towns, a notice will be sent. We will continue to encourage everyone to keep up to date and make sure that their documentation is current as they are doing the work. Rich Franzetti mentioned that his should arrive within the next two weeks.

Director Parsons inquired if a letter from the Land Use Permit Division of NYCDEP about stabilization and catch basin inserts was received, and if so, was it satisfactory. Kevin indicated that he had received the letters and that essentially it's what was asked for a few months ago. It states that we don't have to provide a maintenance bond for catch basin inserts and stabilization projects, which frees up a lot of projects that we were cautious about moving forward with.

8) Update on Sublease to Putnam County

Joanne informed members that we are waiting on Putnam County to submit the plans to Larry Maxwell at Hudson Valley Trust about putting in a door on the other side. Once he and his board approve it, they can move forward with completing the work. Vincent Tamagna pointed out that the sublease is not to Putnam County but the Industrial Development Council (IDA) and requested that for future reference it be changed. Joanne mentioned that she spoke with George and Christine regarding how to proceed. It was indicated that once we have the approval from Hudson Valley Trust, we'll write up the document regarding monthly rent. Vincent indicated that he has the report and plans in his possession today and would leave them at the EOHWC office for Larry. He invited Larry to contact him with any questions.

9) Checks and vouchers

Monthly checks and vouchers were signed. No action taken.

10) Other business

No other business was brought forward.

11) Motion by Director Parsons, second by Director Burdick to enter into Attorney-Client Session; all in favor.

Thereupon the Executive Committee entered into Attorney-Client Session.

12) Motion by Director Parsons, second by Director Burdick to come out of Attorney-Client Session; all in favor.

Director Parsons reported no decisions made and no actions taken in Attorney-Client Session.

13) Adjournment - Motion to adjourn by Director Parsons, seconded by Director Burdick; all in favor. Adjourned 9:59 AM.

East of Hudson Watershed Corporation
2 Route 164, Suite 2
Patterson, NY 12563

PRESIDENT'S CERTIFICATE

I certify that the foregoing is a true and correct copy of the June 28, 2018 meeting minutes approved by the Executive Committee.

Peter Parsons, President

7/26/18
Date

East of Hudson Watershed Corporation
2 Route 164, Suite 2
Patterson, NY 12563

SECRETARY'S CERTIFICATE

I certify that the foregoing is a true and correct copy of the June 28, 2018 meeting minutes approved by the Executive Committee.

JoAnne Daley, Secretary

August 01, 2018
Date