



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, May 8, 2018

Meeting Minutes

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

Voting Members in Attendance: Rich Williams (Town of Patterson); Warren Lucas (Town of North Salem) for himself and as alternate for Peter Parsons (Town of Lewisboro); Chris Burdick (Town of Bedford); JoAnne Daley as alternate for James Schmitt (Town of Pawling); Vincent Tamagna as alternate for MaryEllen Odell (Putnam County); Sam Oliverio (Town of Putnam Valley); Ian Gilbert (Town of Yorktown); Michael Quinn (Town of Yorktown); Steve Ferreira as alternate for Linda Puglisi (Town of Cortlandt); Steve Woelfle as alternate for Rick Morrissey (Town of Somers); Joseph Zarecki as alternate for Robert Liffland (Village of Pawling); Tony Hay (Town of Southeast); Maureen Fleming (Town of Kent); Sabrina Charney-Hull as alternate for Michael Greenstein (Town New Castle); Rich Franzetti as alternate for Ken Schmitt (Town of Carmel)

Others in Attendance: George Rodenhausen (Corporate Counsel); Tracey Corbitt (Westchester County); Lisa Melville (NYS DOS); Vincent Giorgio (NYCDEP); Kevin Fitzpatrick (EOHWC); Joanne Tavino (EOHWC); Linda Matera (EOHWC); Yvette Rivera (EOHWC)

2) Pledge of Allegiance

3) Approve Meeting Minutes: January 9, 2018

Motion by Director Lucas, seconded by Director Oliverio to approve the Annual Board of Directors Meeting Minutes of January 9, 2018; all in favor.

Motion by Director Lucas, seconded by Director Oliverio to approve the Quarterly Board of Directors Meeting Minutes of January 9, 2018; all in favor.

4) Financial Update

Joanne Tavino reported that the general, administrative and project expenditures for the first quarter was \$612,000. The total fund balances on March 31st were \$9 million with \$3.5 million being Putnam and \$5.5 million Westchester. We currently have signed contracts in the amount of \$2.1 million with 95% of those projects in upstream FAD basins. Our commitment going forward will be to go more into the four FAD basins. Investments in treasuries for the first four months yielded \$35,000 which is an average of about 1.4%. The latest purchase was in the amount of \$1 million and is yielding 2.17%.

5) List of Reporting and Filing Due Dates

Joanne reported that all checks for the 2017 O&M billings have been received with the exception of the Village of Brewster, which we are told is being processed. Once the last check is received, we will write checks to all the towns that have completed the 2017 O&M. Kevin and Joanne will be reaching out to the municipalities to talk about the 2018 O&M documentation.

Joanne reminded members that the Financial Disclosure completion deadline required by New York State is May 15th. While a few more people have completed and filed them since the last meeting, there continue to be some that have not. A link was sent containing the form which can be resent upon request.

6) Audit

a) Director Williams announced that not only has the audit has been completed, but has done so ahead of time. Joanne noted that the auditor has provided bound copies which are available for anyone interested in taking a copy.

b) Joanne reported that the Form 990 and CHAR 500 have also been completed and are being presented for signature today. It was requested that the Board of Directors accept both the audit and tax returns which are to be filed by May 15. The Executive Committee has already reviewed and accepted the audit and has recommended that the Board now approve it for filing.

Motion by Director Hay, seconded by Director Oliverio to accept the 2017 Audit, Form 990 and CHAR 500; all in favor.

7) Re-adopt Procurement Policy

Director Williams announced there were no changes to the Procurement Policy that is being presented today for re-adoption.

Motion by Director Lucas, seconded by Director Burdick to re-adopt the Procurement Policy as written.

At the Quarterly Meeting of the Board of Directors of the East of Hudson Watershed Corporation held on May 8, 2018

WHEREAS, the East of Hudson Watershed Corporation (EOHWC) Board of Directors is composed of the chief elected officials of municipalities that are required under law to follow General Municipal Law Section 103 (GML103) for all purchases and to adopt internal policies and procedures governing all procurement of goods and services not subject to the bidding requirements of (GML103) or any other law; and

WHEREAS, the Directors of the East of Hudson Watershed Corporation deemed it desirable and essential to adopt a policy for the procurement of goods and services by and for the East of Hudson Watershed Corporation, and did adopt a policy for the procurement of goods and services on March 1, 2012, revised and adopted by the Board of Directors on February 5, 2013 and January 10, 2017, and

WHEREAS, said procurement policy requires that the Directors conduct an annual review of the Procurement Policy at their Organizational Meeting, and

WHEREAS, the Directors have reviewed the attached EOHWC Procurement Policy and find the policy maintains a fair and open process, while procuring goods and services for the best value at the lowest price;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the East of Hudson Watershed Corporation hereby re-adopts and approves the attached Procurement Policy.

Motion passed; all in favor.

(R-0508-01)

8) O & M discussion

Kevin applauded towns for getting all their documentation and payments in quickly. Checks are expected to be sent out to towns sometime in June for the O&M work they've completed in 2017. We are seeing an improvement with every cycle and will be notifying all the highway departments that their efforts are appreciated. On the whole, we are pleased with the progress being made and encourage everyone to keep pushing ahead. The cost of O&M will level off somewhat. As new projects get put into the ground, there will be a rising cost per kilogram. Currently, construction is at a low; however, towards the end of Years 6-10 project cycle we will see it pick up. Kevin extended his assistance to anyone requiring help in an effort to keep things moving along.

a) Availability of WQIP Funds

Kevin reported that EOHWC recently met with the Westchester County to discuss the availability of the Water Quality Improvement Funds (WQIP) that could be put towards Westchester County's O&M payments, which are going to be somewhere in the ballpark of approximately \$750,000 to cover the last two years of Westchester's work and the next five years per the budget. The agreement continues to be worked on and will essentially need to go through all the correct channels. It will take a big load off of many of the municipalities. Vincent Tamagna inquired if the \$750,000 is for seven years. Director Burdick responded that more was requested but it covered a longer period of time and in addition there were more actual numbers rather than estimates, therefore, it went from the initial request of \$1.1 million to the actual \$750,000. In May of 2016, the Northern Westchester Watershed Committee (NWWC) voted unanimously to recommend it to the Board of Legislators. Director Burdick thanked Kevin for attending the meeting that was held among a number of the supervisors in Westchester County and with one of the county legislators and acting director of the Planning Department. It is anticipated that we will have the Intermunicipal Agreement (IMA) that will go before the Board of Legislators before too long. Vincent Tamagna inquired for further clarification that the reason for the reduction in the amount requested was they had actual costs for two years and so they adjusted from \$1.1 million to \$750,000 realistically. Kevin confirmed the inquiry that the initial numbers were off of what everything was projected to cost, but now the actual costs are available. Vincent asked how it would be handled if it were to go over budget. Kevin replied it would need to be readdressed with the group to see whether or not there's additional funding that could be made available. In conclusion, Director Williams added that the amount we are getting is a lump sum, consequently if we see we are going to run short of Westchester funds, the Westchester communities would have to go back to see if they could get additional funding.

9) Follow-up on Progress of New Castle, Somers and Yorktown WQIP Funds

Kevin identified various projects which are outstanding in Westchester County that require readdressing with the NYCDEP for the availability of funding for Westchester County projects. Presently, the only fund source is for projects that are going to occur in the FAD basins. We cannot go very far down the road in non-FAD projects until we have a little clarity on the availability to negotiate with the NYCDEP. An update was requested from New Castle, Yorktown and Somers on where those projects stand and what kind of timeline we may have towards actively addressing the NYCDEP again.

Sabrina Charney-Hull spoke on behalf of New Castle and addressed Vincent Giorgio with regard to internal issues with third-party review of conceptual upgrade plans. The municipal groups who are part of New Castle's larger project are moving forward to do their design work for the determination of diversion versus upgrade. The NYCDEP is working to put entities in place to review those conceptual upgrade plans. That will be contingent upon the NYCDEP putting into action their obligations under the Memorandum of Agreement (MOA.) The conceptual upgrade plans should be developed by June or July of this year, then they are going to sit with the NYCDEP until they can resolve the third-party review, because the Environmental Facilities Corporation (EFC) will not necessarily be their third-party review entity. Director Williams inquired about the progress of the EFC contracts. Vincent Giorgio indicated that he was not involved with the EFC, although his understanding was that they were challenging to work with the past few months. In terms of water quality fund earmarks that were for these particular projects, Yorktown had a more viable project. Vincent added that there is an upgrade obligation with the MOA. The NYCDEP is obligated to upgrade these facilities under the Wastewater Treatment Plan Upgrade Program. Sabrina stated that both of New Castle's wastewater treatment plants and the homeowner's association associated with plants were told to revise the conceptual upgrade plans so that NYCDEP had a clearer understanding of what the cost comparison would be with their obligations under the Wastewater Treatment Plan Upgrade Program and what it would take to divert those plants outside to a more localized system. In one instance, there's effluent going to the Mount Kisco Pump Station and in another it's going to a county manhole in the Town of Ossining because they are two larger discharge points leading to larger facilities in Yonkers. The City expects the conceptual upgrade plans to be developed and verified before they will give the green light for diversion. Further, Sabrina pointed out that New Castle's \$10 million dollars is at play because it is up to the NYCDEP how much they feel is their obligation under the upgrade versus the \$10 million that has been allocated to the projects. Vincent Giorgio stated that if the City is requesting an updated figure, then that sounds absolutely correct. In all likelihood, they trying to determine what would make more sense. Sabrina said for that reason they are being prevented from moving forward on the diversion. Vincent Giorgio asked if the updated figures have been provided to NYCDEP. Sabrina responded that the communities have funded the revised conceptual plans themselves because NYCDEP does not have a third-party to rely on to execute them so New Castle's homeowner groups have funded those upgrades which are expected to be completed in June. It would be helpful to know who the third-party review will be so that there is a clear understanding of the direction that needs to be taken. The question remains how much money is needed compared to what NYCDEP's obligation is. Vincent Giorgio suggested that the delay may be due to the updated estimates not having been submitted.

Director Lucas pointed out that Somers' project is not as far along as New Castle's. Director Gilbert referred to the Town of Yorktown's engineer Michael Quinn to provide a progress update on the project in question. Michael Quinn specified that Yorktown's project is to install sewers in the ground within the sewer district. The town attorney is in the process of reviewing the IMA they had been working on with

Tracy Corbitt at the Westchester County Planning Department. Tracy mentioned that Westchester County is waiting for Yorktown to agree to the terms of the IMA. It is being evaluated if the last three \$10 million projects are what they originally were. The allocations were not to a town but to a project. Sabrina stated that New Castle's project has changed from the original plan. The groups revisited it and now it is being changed again over cost efficiency. Tracy added that these areas were selected for the number of septic systems that should be corrected and indicated that New Castle's is still very close to the original plan. Somers original plan was reduced from 668 to 100 homes. Director Burdick asked about the cost of Yorktown's project. Michael said the project they submitted originally was between \$16 and \$17 million of which \$10 million has already been used.

Sabrina said one of the reasons New Castle has changed the direction of their project was to try to reduce the cost efficiency so it could be done for \$10 million or less. Ideally, the NYCDEP would pick up a larger portion of the cost due to the upgrade aspect of the project, but the diversion monies would be less impactful. The \$10 million essentially took \$16 million to execute the project when everyone agreed upon it. Both the County and NYCDEP agreed to IMAs; however, it was not cost-feasible for the homeowner and the Controller would not approve of it. This is an attempt to revisit and try to introduce Mount Kisco into New Castle's project for better cost-efficiency by sending half of the properties to Mount Kisco versus everything down to the County. Tracy clarified that the IMA was never executed and stated that there was a \$10 million grant and a \$6 million loan allocated by the Board of Legislators which were never fully-executed. Director Burdick inquired if the idea was to have the Northern Westchester Watershed Committee (NWWC) reconvene to consider the New Castle and Yorktown projects and then move it to the legislators. Tracy explained that Yorktown is still on the same pathway and nothing has changed, therefore, it will not be necessary to go back. It has been the policy to go to the NWWC, but as everyone is aware, it is not required in order to allocate funds to EOHWC. Tracy said that full direction is expected from the administration. Director Williams asked that the remainder of the discussion be reserved for the Advisory Committee and stated that the concern of this organization is that there is money which needs to be spent so that the NYCDEP will then consider future funding.

10) Appoint Replacement for Rick Morrissey to Finance Committee

Director Williams explained that Director Morrissey declined the appointment of his nomination to the Finance Committee. Director Oliverio has graciously agreed to step in.

Motion by Director Burdick, seconded by Rich Franzetti to approve the appointment of Director Oliverio to the Finance Committee of EOHWC thereby replacing Director Morrissey.

At the Meeting of the Board of Directors of the East of Hudson Watershed Corporation held on May 8, 2018,

WHEREAS, at the Annual Meeting of the Board of Directors on January 9, 2018, Rick Morrissey was appointed to the Finance Committee; and

WHEREAS, Rick Morrissey has declined to accept the appointment and the Board wishes to appoint Sam Oliverio, Supervisor of the Town of Putnam Valley, to fill the vacancy;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the East of Hudson Watershed Corporation hereby appoints Sam Oliverio to the Finance Committee of the East of Hudson Watershed Corporation, with all rights and privileges thereof;

AND BE IT FURTHER RESOLVED that the members of the Finance Committee shall serve until the next annual meeting of the East of Hudson Watershed Corporation, to be held on, or about January 2019, or until such time as the Board of Directors of the East of Hudson Watershed Corporation shall appoint new members.

Motion passed; all in favor.

(R-0508-03)

11) Project Update

Kevin reported that we are currently relying heavily on projects in FAD basins. Many of the projects in yellow on the spreadsheet are within Putnam County; FAD and connected basins and will continue until further notice. Since the last meeting, the construction contract for SE-POT-02 in Brewster Heights has been awarded and is a substantial channel stabilization project that we hope to complete this calendar year. Looking ahead at the 2019 Workplan, we are specifically going to be targeting FAD basin projects, which unfortunately limits us to four basins; Boyds Corner, West Branch, Croton Falls and Cross River. We will be looking at any towns that happen to have a sliver of property in those basins to see what we can find. We have to stir up as many valid projects that we can and pull together in order to make an impact. These areas are where we need to spend a minimum of \$7 million per the FAD funding agreement with the NYCDEP. We will have to spend \$7 million in those four reservoirs in order to qualify for the full \$22 million that will be awarded. Supervisors were asked to reach out to their highway departments for any potential projects. Kevin promised to reach out as well and follow up with an email. George Rodenhausen asked which Westchester towns were located in the FAD basin. Kevin detailed that Westchester towns include primarily Lewisboro, a very small amount of Somers, a portion of Pound Ridge and an even smaller piece of North Salem. All possibilities are currently being investigated. The kilogram goal should be attainable, but our concentration must be turned from the connected basins to the FAD basins entirely. Director Williams expressed his personal opinion that he is not in favor of looking in Boyds Corner or West Branch because they are not phosphorus limited.

a) Program Summary

Kevin presented the program summary and invited any questions supervisors might have.

12) Summer Intern

Kevin discussed that there is an interest in bringing on a summer intern for the months of June, July and part of August. Daniel LaPietra is a very qualified candidate who is considering our offer among others he has on the table. He has been asked to confirm his acceptance of the offer as soon possible. A summer intern would be involved with looking at all of the existing projects, taking photographs, any necessary mapping, and assisting in identifying any new projects for the upcoming years. Mileage will be reimbursed at the federal rate and we are offering \$10 per hour in compensation for his time. Even if Daniel does not accept the offer, another candidate will be sought to fill that position. Director Williams invited questions and a resolution was presented.

Motion by Director Oliverio, seconded by Vincent Tamagna to approve the hire of a part-time summer intern to work a maximum of 20 hours per week at an hourly rate of \$10 per hour plus mileage for a maximum of 3 months to be offered to Daniel LaPietra, subject to approval by the Board of Directors.

WHEREAS, on April 26, 2018, the Executive Committee by resolution recommended to the Board of Directors that it approve the position of “Part-Time Summer Intern” to work a maximum of 20 hours per week at an hourly rate \$10.00 per hour, plus mileage, for a maximum of 3 months, and authorized the Director of Engineering to offer the position to Daniel LaPietra, subject to approval of the position by the Board of Directors; and

WHEREAS, the duties of the position recommended by the Executive Committee are: 1) to perform field evaluations of existing stormwater retrofit projects throughout the East of Hudson New York City Watershed installed by or on the behalf of EOHWC, including creation of a field log with project specific information and photos of each project site; and 2) to perform investigations of new project sites within the Watershed;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Directors of the East of Hudson Watershed Corporation that the position of Part-Time Summer Intern is approved, with a maximum for the position of 20 hours per week, without benefits, at a rate of pay of \$10.00 per hour, plus mileage, subject to the discretion of the President; and

BE IT FURTHER RESOLVED, that the duties of the Part-Time Summer Intern position shall be as described above; and

BE IT FURTHER RESOLVED, that Daniel LaPietra is approved to fill the Part-Time Summer Intern position this year, and the President is authorized to take whatever actions are required to implement this approval.

Motion passed; all in favor

(R-0508-02)

13) Other business

No other business was brought forward.

14) Adjournment

Motion to adjourn by Director Lucas, seconded by Vincent Tamagna; all in favor. Adjourned 10:50 AM.

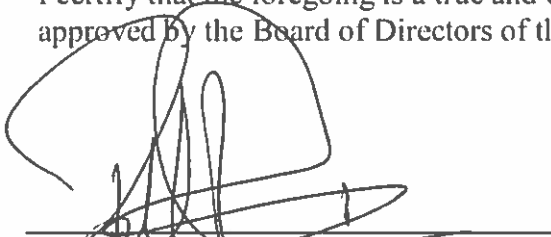


East of Hudson Watershed Corporation

2 Route 164, Suite 2
Patterson, NY 12563

PRESIDENT'S CERTIFICATE

I certify that the foregoing is a true and correct copy of the May 8, 2018 Quarterly Meeting Minutes approved by the Board of Directors of the East of Hudson Watershed Corporation.



Peter Parsons, President


Date

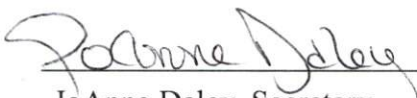


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SECRETARY'S CERTIFICATE

I certify that the foregoing is a true and correct copy of the May 8, 2018 Quarterly Meeting Minutes approved by the Board of Directors of the East of Hudson Watershed Corporation.



JoAnne Daley, Secretary

August 14, 2018
Date