

CORPORATION AGREEMENT
Between
THE COUNTY OF PUTNAM
and
EAST OF HUDSON WATERSHED CORPORATION

THIS AGREEMENT, dated the 12th day of June, 2012, by and between **THE COUNTY OF PUTNAM**, a municipal corporation of the State of New York, having an office and place of business at 40 Gleneida Avenue, Carmel, New York 10512, (hereinafter referred to as the “County”) and the **EAST OF HUDSON WATERSHED CORPORATION** (hereinafter referred to as the “Corporation”), an independent locally-based and locally administered not-for-profit corporation, organized and existing under Section 1411 of the New York State Not-For-Profit-Corporation Law and having its principal office at 2 Route 64, Patterson, New York 12563 (the County and the Corporation being collectively referred to as the “Parties”).

WHEREAS, the Corporation is a not-for-profit corporation established to, among other things, administer, coordinate and implement the East of Hudson regional stormwater retrofit plans approved by the New York State Department of Environmental Conservation (“NYSDEC”), as more fully described herein; and

WHEREAS, the County is a regulated municipal separate storm sewer system community and is obligated to develop a Stormwater Management Program which includes, but is not limited, to a stormwater retrofit plan; and

WHEREAS, the County, a member of the Corporation, together with the other members of the Corporation, are municipalities which lie wholly or partially within that part of the New York City watershed lying east of the Hudson River (“EOH Watershed”); and

WHEREAS, all of the municipalities who are members of the Corporation are subject to the terms and requirements of the Municipal Separate Storm Sewer Systems (“MS4”) SPDES General Permit No. GP-0-10-002 issued by the NYSDEC (“the MS4 Permit”), which, among other things, requires MS4s located in watersheds that exceed their Total Maximum Daily Load (TMDL) to address watershed specific additional requirements to achieve specified pollutant load reductions and to implement stormwater retrofit projects; and

WHEREAS, pursuant to the MS4 Permit, NYSDEC has approved the regional stormwater retrofit plans of the Putnam County MS4 Coordinating Committee (“PCMS4CC”), the Croton Kensico Watershed Intermunicipal Coalition and the East of Hudson Sub-Committee of the Dutchess County MS4 Coordination Committee, designed to attain compliance with the phosphorus reduction targets established by NYSDEC for the time period between January 1, 2010 to December 31, 2014 (hereinafter said plans and any

NYSDEC-approved revisions, amendments or extensions thereof should be referred to as the “Regional Stormwater Retrofit Plans”); and

WHEREAS, the members of the Corporation have formed the Corporation in order to assist them in complying with their obligations to implement their respective Regional Stormwater Retrofit Plans as required by the MS4 Permit; and

WHEREAS, the members of the Corporation agree to, among other things, cooperate in achieving their shared goal of meeting the heightened requirements under the MS4 Permit; and

WHEREAS, the New York City Department of Environmental Protection (“NYCDEP”) previously provided funds to the County in connection with the execution of the 1997 Watershed Memorandum of Agreement (“Watershed MOA”), including without limitation, the certain agreement by and between NYCDEP and the County, dated January 21, 1997, annexed to the Watershed MOA (“Program Agreement”), to create the East of Hudson Water Quality Investment Program (“EOH WQIP Funds”); and

WHEREAS, the County committed to fund years one through five of the MS4 Stormwater Retrofit Program through the PCMS4CC, with \$8,200,000 in earnings on the EOH WQIP Funds, toward the administration, design, construction, implementation and operation & maintenance of stormwater retrofit projects; and

WHEREAS, the County has already distributed a portion of the above-referenced funding for the MS4 Stormwater Retrofit Program on behalf of the PCMS4CC and provided the Corporation an initial transfer of funds in the amount of \$250,000 from such funds, in connection with the execution of the letter agreement between the County and the Corporation (“County Letter Agreement”), as more fully described herein; and

WHEREAS, the County has agreed to transfer the remaining balance of the above-referenced funds, previously earmarked for the PCMS4CCs Stormwater Retrofit Program, to the Corporation to fund the costs associated with administering, coordinating and implementing the Regional Stormwater Retrofit Plans, as more fully described herein; and

WHEREAS, the purpose of this Agreement is to distribute the remaining balance of the \$8,200,000 in earnings on the EOH WQIP Funds to the Corporation in order to facilitate the administration, design, construction, implementation and operation & maintenance of the stormwater retrofit projects included in the Regional Stormwater Retrofit Plans, as more fully described herein; and

WHEREAS, the County, the County of Westchester (“Westchester”) and the NYCDEP have agreed to execute a letter agreement approving the transfer of the reporting requirements and obligations related to the funds disbursed from the County to the Corporation (“DEP Letter Agreement”), as provided herein; and

WHEREAS, NYCDEP has agreed that the surviving clauses of the Program Agreement will be amended to permit the transfer of the County's reporting requirements and related obligations thereunder, including without limitation, Section 4 "Right to Audit and Records", to the Corporation for so long as it has control of the funds, which shall become effective upon execution of the DEP Letter Agreement.

NOW, THEREFORE, in consideration of the terms and conditions herein contained, the parties agree as follows:

ARTICLE I. RIGHTS AND RESPONSIBILITIES OF THE COUNTY

- A. It is acknowledged that the County has committed to fund the MS4 Stormwater Retrofit Program of the PCMS4CC with Eight Million Two Hundred Thousand Dollars (\$8,200,000) in earnings on the EOH WQIP Funds ("Putnam County Funds"). It is further acknowledged and agreed that the County has already distributed a portion of the Putnam County Funds and will transfer the "remaining balance" of such funds as described herein and in accordance with this Agreement for the purposes described herein.
- B. The County agrees that following receipt by the County of an executed DEP Letter Agreement, in a form substantially similar to that which is attached hereto and made a part hereof as Schedule "A" and incorporated by reference herein, the County intends to execute this Agreement and disburse the aforementioned funds in accordance with this Agreement. The County will disburse the remaining balance of the Putnam County Funds as described herein, within thirty (30) days following execution of this Agreement.
- C. It is acknowledged and agreed that in no event is the County obligated to extend any additional funds beyond the foregoing.
- D. It is expressly acknowledged and agreed that the County shall have no further responsibility for the funding, approval, implementation or completion of any stormwater retrofit project identified in the Regional Stormwater Retrofit Plans approved by the NYSDEC. The County's sole obligation, other than the administrative obligations described below, shall be to distribute the aforementioned funds.
- E. Subsequent to the execution of this Agreement, transfer of the funds hereunder by the County shall operate as a transfer of any and all obligations or liabilities associated therewith from the County to the Corporation, its members, and any of their respective contractors or subcontractors.

ARTICLE II. PAYMENT

- A. The County agrees to transfer the remaining balance of the Putnam County Funds in an amount not to exceed Seven Million Four Hundred Forty-Seven Thousand Eight Hundred Fifteen Dollars and Thirty-Five Cents (\$7,447,815.35), previously earmarked for the PCMS4CCs MS4 Stormwater Retrofit Program, to the Corporation to fund a portion of the eligible costs associated with administering, coordinating and implementing the Regional Stormwater Retrofit Plans, as more fully described herein. Payment shall be made in the form of an electronic funds transfer in proper amount to the designated account of the Corporation.
- B. The aforementioned remaining balance represents the total amount of the Putnam County Funds, less the total amount disbursed by the County, Seven Hundred Fifty-Two Thousand One Hundred Eighty-Four Dollars and Sixty-Five Cents (\$752,184.65), for costs associated with administering, coordinating and implementing the Regional Stormwater Retrofit Plans, as set forth in Schedule "B" attached hereto and made a part hereof.
- C. The Corporation acknowledges that the County, on behalf of the PCMS4CC, entered into a contract with Insite Engineering, Survey & Landscape Architecture, P.C. ("Insite"), for engineering and consulting services in connection with the MS4 Stormwater Retrofit Program. In the event there is a balance available of the funds allocated to Insite, as set forth in Schedule "B", upon completion of the services, the County agrees to transfer to the Corporation that portion of said funds not disbursed.

ARTICLE III. PROJECT APPROVAL AND FUNDING PROCEDURES

- A. The Corporation agrees to use the Putnam County Funds solely to pay the costs associated with the administration, design, construction, implementation and operation and maintenance of stormwater retrofit projects identified in the NYCDEC approved Regional Stormwater Retrofit Plans, including the general administrative expenses associated therewith, subject to the provisions of the Watershed MOA, the Program Agreement, the County Letter Agreement (a copy of said County Letter Agreement is incorporated by reference herein and attached hereto and made a part hereof as Schedule "C") and the DEP Letter Agreement ("eligible costs"). The parties hereto agree that eligible costs include, without limitation, the general administrative expenses of the Corporation not directly related to individual stormwater retrofit projects. Examples of such costs include, but are not limited to, staff compensation, office equipment and expenses, rent, legal expenses, audits, report preparation, board of directors meetings, board training, implementing plan revisions, preparing grant applications, and other similar administrative and related costs.

- B. The Parties hereto acknowledge and agree that the DEP Letter Agreement shall serve to further clarify the general administrative expenses set forth in Article III(A), noting that the Corporation shall not expend greater than 50% of such general administrative expenses not allocated to a specific project from the Putnam County Funds. Said allocation shall be determined within thirty (30) days upon receipt of the funds provided herein by the Corporation.
- C. The Corporation represents that it has adopted and implemented fiscal policies and procedures, and agrees to disburse the Putnam County Funds, provided by the County to the Corporation for the purposes described herein, in accordance with such policies and procedures.
- D. The Corporation acknowledges and agrees to use said Putnam County Funds in a fiscally responsible and prudent manner for the sole purpose of funding eligible costs pursuant to this and all agreements incorporated herein by reference and in accordance with the Watershed MOA and Program Agreement.
- E. The Parties hereto acknowledge that the Putnam County Funds provided by the County to the Corporation are not sufficient to fund all of the eligible costs associated with implementing the Regional Stormwater Retrofits Plans. The Corporation agrees that it is responsible for obtaining the additional funding necessary to implement the projects included in the Regional Stormwater Retrofit Plans. The Parties hereto acknowledge that the County committed the Putnam County Funds and is transferring the remaining balance to the Corporation on the reliance that the Corporation will use such funds, and any additional funding provided to the Corporation, including the Twenty Million Dollars (\$20,000,000) to be conveyed to the Corporation from the NYCDEP under Special Condition 34 of the Water Supply Permit and the Ten Million Dollars (\$10,000,000) to be conveyed by Westchester, for administering, coordinating and implementing the Regional Stormwater Retrofit Plans to comply with requirements of the MS4 Permit.
- F. The Corporation further agrees that prior to commencing construction or disbursing any Putnam County Funds for related costs incurred for a stormwater retrofit project, such project will be identified in the Regional Stormwater Retrofit Plans and approved by NYSDEC.

ARTICLE IV. REPRESENTATIONS, WARRANTIES & GUARANTEES

- A. The Corporation expressly represents, warrants and guarantees that:
 - 1. it is and will continue to be a not-for-profit local development corporation duly organized and validly existing pursuant to Section 1411 of the Not-for-Profit Corporation Law of the State of New York. The execution and performance of this Agreement by the Corporation has been duly authorized by its governing body. This Agreement, and any other

documents required to be delivered by the Corporation when so delivered, will constitute, the legal, valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their respective terms, and the Corporation will deliver to the County at the time of execution of this Agreement a resolution adopted by its governing body authorizing the execution of this Agreement, and any other documents required by the County to be delivered by the Corporation;

2. the person signing this Agreement on behalf of the Corporation has full authority to bind the Corporation to all of the terms and conditions of this Agreement pursuant to the authority granted by the Corporation's governing body, as noted above;
3. it is financially and technically qualified to perform, as well as fully able to comply with, its obligations hereunder, including, without limitation, implementation of the stormwater retrofit projects identified in the Regional Stormwater Retrofit Plans;
4. it has received a fully executed copy of the Watershed MOA, the Program Agreement, and the DEP Letter Agreement and is familiar with and will comply with said agreements, as well as all applicable general and special federal, state, municipal and local laws, ordinances and regulations, if any, that may in any way affect the performance of this Agreement; and
5. prior to commencing construction or funding any related costs for a stormwater retrofit project, such project must be identified in the Regional Stormwater Retrofit Plans and have been approved by the NYSDEC.

B. The Corporation acknowledges the County is acting in reliance on the above statements.

ARTICLE V. RIGHTS AND RESPONSIBILITIES OF THE CORPORATION

- A. The Corporation acknowledges and agrees that it will be responsible for administering, coordinating and implementing the Regional Stormwater Retrofit Plans on behalf of its members to insure compliance with the requirements of the MS4 Permit, and that it will use the funds deposited with the Corporation for this purpose.
- B. With respect to the implementation of the stormwater retrofit projects for the purposes described herein, the Corporation acknowledges and agrees that:
 1. it shall undertake the administration, design, construction, implementation and operation and maintenance of the stormwater retrofit projects and

shall not substantially deviate from the approved plans of such projects;
and

2. it shall ensure that the design, supervision and workmanship furnished with respect to construction of the stormwater retrofit projects shall be in accordance with currently accepted scientific standards and best engineering practices; and
 3. it shall expend the Putnam County Funds allocated to it pursuant to this Agreement solely for the purposes of funding the eligible costs incurred in accordance with this Agreement, all agreements incorporated herein, the Watershed MOA and the Program Agreement; and
 4. it shall be responsible for compliance with this Agreement and with all applicable requirements of the agreements incorporated herein, the Watershed MOA and the Program Agreement; and
 5. it shall be responsible for the implementation and completion of the stormwater retrofit projects, including the obtaining of all necessary approvals; and
 6. construction of the stormwater retrofit projects shall be carried on continuously, diligently and with dispatch to final completion, in accordance with the approved plans of such projects; and
 7. it shall review all invoices related to the stormwater retrofit projects, ensure that the supporting documentation is included therein and shall furnish the County, whenever requested to do so, satisfactory evidence showing that all monies heretofore advanced have been paid for and applied toward eligible costs.
- C. The Corporation agrees that all acts to be performed by it in connection with this Agreement shall be performed in compliance with the Watershed MOA, the Program Agreement, the County Letter Agreement, the DEP Letter Agreement and all applicable federal, state, municipal and local laws, rules and regulations, including without limitation, those related to the construction of a project, and that it shall procure and maintain in full force and effect for the term of this Agreement, all applicable permits, licenses and approvals from all governmental authorities having jurisdiction required for the lawful performance of its obligations hereunder. The Corporation further agrees that it shall be responsible for such compliance.
- D. The Corporation acknowledges and agrees that it will assume any and all of the County's obligations under the Watershed MOA, and the surviving clauses of the Program Agreement, including without limitation, those obligations set forth in

Section 4 “Right to Audit and Records” and the obligation to provide an annual report to NYCDEP, with a copy to the County, accounting for the receipt and disbursement of all Putnam County Funds, provided to the Corporation by the County, in accordance with the requirements of the Watershed MOA and the Program Agreement for so long as it has control of said funds. If any of the Putnam County Funds described herein are ever returned to the County, the County will resume its obligation to provide NYCDEP with annual accounting reports, as well as all other relevant obligations under the Watershed MOA and the Program Agreement.

- E. The Corporation agrees to provide the County with a copy of all reports provided to the NYCDEP relating to the implementation of the Regional Stormwater Retrofit Plans, including without limitation, the reports required under the funding agreement, by and between the Corporation and NYCDEP, regarding the funding in the amount of Twenty Million Dollars (\$20,000,000) to be conveyed to the Corporation from the NYCDEP under Special Condition 34 of the Water Supply Permit (“Funding Agreement”). The Corporation further agrees to provide such other information relating to the expenditure of funds for the purposes described herein, including without limitation, the Putnam County Funds provided by the County, as NYCDEP or the County may request. All receipts and disbursements of the funds provided hereunder and under the County Letter Agreement, together with earnings thereon, if any, are subject to audit by the City of New York, New York State and the County. The Corporation agrees to comply with any such audit.
- F. In addition to and not in limitation of the foregoing, the Corporation, in full compliance with Section 107(e) of the Watershed MOA, agrees that it shall create and maintain at its principal office a repository of information with full and detailed books, accounts, and records regarding each project undertaken, as may be necessary for a fair public assessment of the project.
- G. The Corporation agrees to obtain insurance of the kind and amount set forth in the Funding Agreement and shall maintain such insurance in full force and effect for the term of this Agreement. In addition to, and not in limitation of the insurance requirements contained in the Funding Agreement, the Corporation hereby acknowledges and agrees:
 - 1. that it shall indemnify and hold harmless the County, its elected officials, officers, employees and agents from and against any and all liability, damages, claims, actions, demands, costs, judgments, fees, attorneys’ fees or loss arising directly or indirectly out of this Agreement, including without limitation, implementation of any project, whether by any individual member municipality of the Corporation, or the Corporation itself, its contractors, vendors and subcontractors, its agents, officers or employees and of the acts or omissions hereunder by any individual

member municipality of the Corporation or the Corporation or third parties under the direction or control of any individual member municipality of the Corporation or the Corporation itself; and

2. to provide defense for and defend, any and all claims, demands or causes of action, as described above in subparagraph (G)(1), at its sole expense, and to bear all other costs and expenses related thereto.
- H. The Corporation agrees to provide the County, upon request, with any records relating to the expenditure of the Putnam County Funds disbursed pursuant to this Agreement and the County Letter Agreement.
- I. The Corporation will maintain accurate and complete records detailing the expenditure of Putnam County Funds provided by the County. Such records shall include, but are not limited to, financial records detailing the receipt, management and disbursement of all funds provided by the County pursuant to this Agreement and any additional funds transferred to the Corporation to use for the purposes described herein, such as copies of all invoices, with supporting documentation, and other such information which details the services and work which it performed and the expenditures made, payrolls and other data evidencing, or relating to, the direct and indirect costs and expenses incurred by the Corporation in the course of the performance of this Agreement. The Corporation shall prepare and maintain documentation and justification in support of the expenditure of Putnam County Funds provided by the County in accordance with generally accepted business practices and shall make such documentation available to the County, as the County considers necessary.
- J. The Corporation agrees to keep, maintain and preserve all records relating to this Agreement and required herein for the longer of five (5) years after termination of this Agreement or seven (7) years following the completion of a stormwater retrofit project. In addition to, and not in limitation of the foregoing, the Corporation shall keep, maintain and preserve all records relating to this Agreement and required herein, including without limitation, records not directly related to costs incurred in connection with a stormwater retrofit project for the longer of five (5) years after termination of this Agreement or seven (7) years after the generation of the record.
- K. The Corporation acknowledges that any stormwater retrofit project undertaken for the purposes described herein must be included in the Regional Stormwater Retrofit Plans approved by the NYSDEC, including any proposed changes, such as, revised scopes of work or increases of costs regarding the projects.
- L. Promptly upon receipt of the funds to be transferred herein, the Corporation agrees to place such funds in a separate dedicated account, bearing interest at market rates, in a bank located and authorized to do business in New York State. Any funds

provided to the Corporation under this Agreement and the County Letter Agreement, which are invested by the Corporation, shall be invested in a manner consistent with the New York State Comptroller's guidelines for municipalities.

- M. The Parties hereto acknowledge and agree that the Corporation is responsible for remaining in compliance with the terms of the MS4 Permit which requires that the Corporation implement the Regional Stormwater Retrofit Plans in a timely manner. The Parties hereto further acknowledge and agree that the Corporation will use Putnam County Funds, provided herein and provided under the County Letter Agreement, initially to pay for costs that are otherwise eligible for funding from other sources of funds until such other sources of funds are made available. Upon receipt of the funds provided by NYCDEP under the Funding Agreement, the Corporation agrees to reimburse the separate account dedicated to Putnam County Funds in accordance with the terms of the Funding Agreement. Upon receipt of funds provided by Westchester, the Corporation agrees to reimburse the separate account dedicated to Putnam County Funds for the costs paid from the Putnam County Funds provided by the County and that are eligible for funding, including without limitation, the general administrative expenses of the Corporation. For purposes of this paragraph, the Corporation agrees that reimbursement shall be made within ninety (90) days of receiving other sources of funds.
- N. The Corporation acknowledges and agrees that, in the event it is unable to expend all of the Putnam County Funds prior to the termination hereof, all such unexpended monies, included interest earned thereon, shall be remitted to the County, upon receipt of a written request from the County and as directed. The Corporation further acknowledges and agrees that should funds be received, whether by the Corporation or by an individual member municipality of the Corporation, from any other source for an eligible cost as defined herein, such funds must be used for that purpose in the first instance, or if the Corporation has already disbursed the funds for said purposes from the account holding Putnam County Funds, said funds shall be returned to the account designated to Putnam County Funds provided hereunder, as appropriate.
- O. The Corporation acknowledges and agrees that all of the provisions of this Article V shall survive the expiration or other termination of this Agreement.

ARTICLE VI. TERM

- A. This Agreement shall commence upon execution, and shall terminate upon full expenditure of the Putnam County Funds and full compliance with the annual reporting and records retention requirements provided herein, unless terminated sooner in accordance with the provisions hereof.

- B. The County may terminate this Agreement, in whole or in part, immediately for cause or upon dissolution of the Corporation.
- C. Upon receipt of notice that the County is terminating this Agreement, the Corporation shall deliver all funds and records to the County as directed. The Corporation agrees that in the event the Corporation is unable to expend all of the monies distributed hereunder by the termination hereof, the Corporation shall not incur any further financial obligation, and shall account for and return to the County all unallocated Putnam County Funds which have been transferred to the Corporation pursuant to this Agreement and the County Letter Agreement, including interest earned thereon, as of the date of termination and as may be directed by the County. It is expressly agreed and acknowledged by the Corporation that NYCDEP may enforce the County's rights hereunder.

ARTICLE VII. MISCELLANEOUS

- A. This Agreement, including all attachments hereto, contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings, if any, with respect thereto. This Agreement may not be modified, changed or supplemented except by written instrument signed by the parties hereto, subject to receipt of all necessary legal approvals. This Agreement shall apply to and bind any successor(s) in interest of the respective parties.
- B. If any provision of this Agreement or its application shall be determined to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, the validity, legality and enforceability of all other provisions and applications hereof shall not in any way be affected or impaired.
- C. The Corporation agrees that all acts to be performed by it in connection with this Agreement shall be performed in compliance with all applicable federal, state and local laws, rules, regulations and orders.
- D. The parties hereto further agree that no party shall make any assignment of their respective rights and responsibilities hereunder, without the prior written consent of the other party. Any assignment or attempt to assign, without the prior written consent of the other party hereto shall be void and unenforceable.
- E. Except as expressly set forth herein, this Agreement shall not be construed to confer upon or give any third party or its successors any rights, remedies or basis for reliance upon any provisions of this Agreement. Notwithstanding the foregoing, it is expressly acknowledged and agreed that the NYCDEP is an express third party beneficiary hereunder.
- F. Unless otherwise expressly provided in this Agreement, all notices required or permitted to be given hereunder shall be in writing and shall be delivered by hand or by certified mail, postage pre-paid or by facsimile transmission followed by certified

mail, postage pre-paid, to the respective addresses set forth below or to such other addresses as the respective parties may designate in writing:

County: County Executive's Office
40 Gleneida Avenue
Carmel, New York 10512

with a copy to: County Attorney
Putnam County Department of Law
48 Gleneida Avenue
Carmel, New York 10512

Corporation: East of Hudson Watershed Corporation
2 Route 64
Patterson, New York 12563

with a copy to: George A. Rodenhausen, Esq.
Rapport Meyers LLP
20 Spring Brook Park
Rhinebeck, New York 12572

Notices shall be effective upon receipt of same.

- G. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York. Any and all disputes and/or legal actions or proceedings arising out of this Agreement shall be venued in Putnam County, New York.
- H. This Agreement may be executed in counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument.
- I. It is acknowledged and agreed that any terms defined in the above "Whereas Clauses" are incorporated by reference into the body of this Agreement.
- J. Failure of the County to insist, in any one or more instances, upon strict performance of any term or condition herein contained shall not be deemed a waiver or relinquishment of its rights thereunder, but the same shall remain in full force and effect.
- K. This Agreement shall not be enforceable until signed by all parties and approved by the Putnam County Department of Law.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

READ & APPROVED:

THE COUNTY OF PUTNAM:

Jennifer S. Bumgarner Date 6/12/12
for Jennifer S. Bumgarner
County Attorney

MaryEllen Odell Date 6.12.12
MaryEllen Odell
County Executive

William J. Carlin, Jr. Date 6/12/12
William J. Carlin, Jr.
Commissioner of Finance

EAST OF HUDSON WATERSHED CORPORATION:

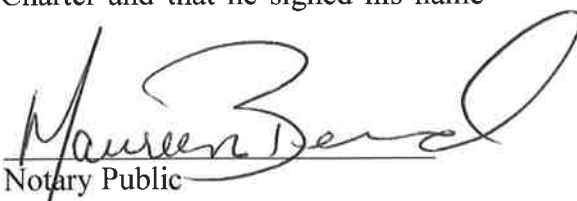
Mary Beth Murphy Date 6/12/12
East of Hudson Watershed Corporation
2 Route 64
Patterson, New York 12563

By: Mary Beth Murphy
President

ACKNOWLEDGMENT OF COUNTY:

STATE OF NEW YORK)
) ss.:
COUNTY OF PUTNAM)

On this 12 day of JUNE, 2012 before me personally came **MARYELLEN ODELL** to me known, who being by me duly sworn, did depose and say that she is the County Executive of Putnam County, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; and the same was affixed to said instrument under authority of the Putnam County Charter and that he signed his name thereto under the same authority.



Notary Public

MAUREEN BERNARD
Notary Public, State of New York
No. 01BE6109598
Qualified in Putnam County
Commission Expires May 10, 2016

ACKNOWLEDGMENT OF CORPORATION:

STATE OF NEW YORK)
) ss.:
COUNTY OF Westchester)

On this 12 day of JUNE, 2012 before me personally came Mary Beth Murphy to me known and known to me to be the person described in and who executed the foregoing instrument and he acknowledged to me that he executed the same.



Notary Public

PATRICIA KALBA
Notary Public, State of New York
No. 01KA6080158
Qualified in Westchester County
My Commission Expires Sept. 9, 2014

SCHEDULE "A"

Letter Agreement Concerning Reporting Requirements and Eligible General Administrative Costs for Certain East of Hudson Water Quality Investment Program Funds

MaryEllen Odell
Putnam County Executive
Putnam County Office Building
40 Gleneida Avenue, 3rd Floor
Carmel, New York 10512

Robert P. Astorino
Westchester County Executive
Michaelian Office Building
148 Martine Ave
White Plains, NY 10601

April 2012

This letter confirms the understanding of the New York City Department of Environmental Protection ("NYCDEP"), the County of Putnam ("Putnam"), and the County of Westchester ("Westchester" and together with Putnam, the "Counties") concerning the disbursement of certain earnings on monies previously provided by the City of New York ("City") to the Counties, respectively, under the 1997 New York City Watershed Memorandum of Agreement ("Watershed MOA" or "MOA"), including without limitation, the certain agreements by and between NYCDEP and Westchester, and by and between NYCDEP and Putnam, dated as of January 21, 1997, annexed to the MOA as attachments (the "Program Agreements") for the East of Hudson Water Quality Investment Program Fund ("EOH WQIP Fund"). This letter also sets forth the understanding of the Parties regarding what general administrative expenses of the East of Hudson Watershed Corporation ("EOHWC" or "the Corporation") are eligible for payment using the funds provided by the Counties under the Counties' existing Right of Objection ("RoO") letters.

NYCDEP understands that Putnam, subject to receipt of all applicable approvals, has agreed to use Eight Million, Two Hundred Thousand Dollars (\$8,200,000) and Westchester has agreed, subject to receipt of all applicable approvals, to use Ten Million Dollars (\$10,000,000) (together the "EOH Funds"), for a total of Eighteen Million, Two Hundred Thousand Dollars (\$18,200,000), from the EOH WQIP Fund, representing earnings on the principal of the EOH WQIP Fund conveyed by the City to the Counties under the Watershed MOA, toward the design, construction, implementation, operation and maintenance of stormwater retrofit projects as set forth in the first five year Regional Retrofit Plans of the Putnam County MS4 Coordinating Committee ("PCMS4CC") and the Croton Kensico Watershed Intermunicipal Coalition (together the "MS4 Stormwater Retrofit Program Plan"), approved by the New York State Department of Environmental Conservation ("NYSDEC"), including the administrative expenses associated therewith, subject to the applicable provisions of the Watershed MOA and the surviving provisions of the Program Agreements. It is further acknowledged by NYCDEP that Putnam, pursuant to the Watershed MOA, agreed to fund the stormwater retrofit projects in connection with the first five years of the MS4 Stormwater Retrofit Program, with \$8,200,000 and to administer the distribution of funds for said projects on behalf of the PCMS4CC until the EOHWC is fully operational.

NYCDEP also understands that Westchester intends to provide these funds in full and Putnam intends to provide whatever balance remains of these funds directly to the EOHWC, an independent locally-based and locally administered not-for-profit corporation, organized under Section 1411 of the New York State Not-For-Profit-Corporation Law, for the purpose of administering, organizing, implementing and maintaining projects to achieve compliance with the retrofit requirements of NYSDEC's Municipal Separate Storm Sewer Systems ("MS4") SPDES General Permit No. GP-0-10-002, and NYCDEP supports this arrangement. NYCDEP and the Counties agree that disbursement of EOH Funds is subject to the notification procedures outlined in Section 140 of the Watershed MOA. It is acknowledged that, pursuant to paragraph 107(c) of the MOA, Westchester issued the RoO to the requisite MOA parties on September 30, 2011. It is further acknowledged that no objections were received during the applicable timeframe. It is acknowledged that, pursuant to paragraph 107(c) of the MOA, Putnam issued the RoO to the requisite MOA parties on August 22, 2011. It is further acknowledged that no objections were received during the applicable timeframe.

As set forth in the Program Agreements, the Counties are each required to provide NYCDEP with an annual report accounting for the receipt and disbursement of all funds during the previous fiscal year, and to maintain accurate and complete records detailing the receipt and expenditure of all funds provided by the City under the Program Agreements. For so long as the EOH Funds described above are in the control of the EOHWC, NYCDEP agrees to accept reports from the EOHWC detailing the expenditure of those funds in lieu of an annual report from each of the Counties. The Counties may satisfy all of their respective obligations under the Watershed MOA with respect to the EOH Funds by including appropriate terms requiring compliance by the EOHWC with the applicable terms of the Watershed MOA in the agreements between the Counties and the Corporation providing for the funds' transfer to the EOHWC, and by enforcing their rights under those agreements with respect to those terms as appropriate. Accordingly NYCDEP and the Counties agree that the surviving clauses of the Program Agreements are hereby amended to permit transfer of the Counties' reporting obligations thereunder, including without limitation, pursuant to Section 4 - Right to Audit, to the EOHWC for so long as it has control of the EOH Funds. If any of the EOH Funds described above are ever returned to the Counties, the Parties agree that the Counties will resume their obligations to provide NYCDEP with an annual accounting report as set forth in the Program Agreements, and all other relevant obligations under the Watershed MOA.

It is acknowledged that Westchester's RoO letter authorized the use of \$10 million in EOH WQIP Fund earnings to fund overall program administration costs and eligible costs incurred in connection with the administration, design, construction management, construction and operation and maintenance of eligible stormwater retrofit projects identified in Schedule A to the RoO. The Westchester RoO letter also notes that "Section 140(b)(x) of the MOA lists 'administrative costs and expenses reasonably allocable to the designing, planning, environmental assessment, permitting, acquisition, financing, constructing, and installing of any Eligible Project' as eligible expenses for the EOH WQIP Funds." The Putnam RoO letter authorizes the use of \$8.2 million from the EOH WQIP Fund earnings to fund the stormwater retrofit projects in connection with the first five years of the MS4 Stormwater Retrofit Program.

The Parties agree that both RoO letters are sufficient to cover general administrative expenses of the Corporation (not directly related to individual stormwater retrofit projects) associated with

the implementation of the first five year MS4 Stormwater Retrofit Program Plan. The Parties understand that those general administrative expenses will include the expenses associated with:

- General overhead costs associated with administration of the Corporation, including staff compensation¹; office equipment and expenses; telephone, internet, heat, electric and other utility bills; rent; insurance; etc.
- Preparation for and holding of Corporation's Board of Directors' meetings and Board training.
- Revisions to the first five year MS4 Stormwater Retrofit Program Plan.
- General compliance activities associated with implementation of the first five year MS4 Stormwater Retrofit Program Plan not associated with specific projects, including merging of the Dutchess, Putnam and Westchester County Stormwater Management Programs into one regional stormwater management program, which requires filing with, and approval by NYSDEC.
- Preparation of an annual report to NYSDEC on the stormwater retrofit practices implemented in the previous year and the coming year's planned stormwater retrofit practices, for each year included in the first five-year plan.
- Preparation of other reports to outside agencies.
- Solicitation of grants or other forms of financial assistance for use in implementation of the first five-year MS4 Stormwater Retrofit Program Plan.
- All similar administrative expenses associated with the implementation of the first five years of the MS4 Stormwater Retrofit Program.

It is acknowledged that the EOH Funds provided by the Counties may be used to fund the foregoing general administrative expenses of the Corporation and, to the extent necessary, will be allocated on a pro rata basis between the Counties.

While all parties expect that as the EOHWC begins its work as an organization, it will be focused primarily, if not exclusively, on the implementation of the first five year MS4 Stormwater Retrofit Program Plan, and will utilize its existing funding in support of that implementation, the EOHWC's incorporation documents are broadly drafted to allow the Corporation to expand the scope of its work in the future in ways that may be extremely valuable and useful to its members, but which is not limited to implementation of the first five year MS4 Stormwater Retrofit Program Plan. Thus, it is expected that the Corporation might undertake activities that are unrelated to implementation of the first five-year plan and would be outside the current scope of the funding agreements between the Counties and the Corporation. The parties do not consider the following anticipated costs of the EOHWC to be general administrative costs that could be reasonably allocated for payment with the EOH Funds under the existing RoO letters:

- Costs associated with drafting the second five-year retrofit plan, such as preparing the list of stormwater retrofit project to be implemented in Years 6 through 10, including field evaluations for the Stormwater Retrofit Program.

¹ The parties expect that most staff time will be allocable to individual projects as activities "directly related" to project implementation, and thus will be eligible for payment using the "Stormwater Retrofit Funds" provided under the Funding Agreement between NYCDEP and the Corporation as capital project-related costs. However, to the extent staff of the Corporation performs general administrative tasks for the EOHWC that are not directly related to a project, those costs would be eligible for payment using the EOH WQIP Funds.

- Legal fees and expenses incurred to negotiate with NYCDEP regarding funding and other support for the second five year retrofit plan, including in connection with the discussions required under Special Condition 34(d) of the 2010 Water Supply Permit.
- Activities related to general MS4 compliance, beyond implementation of the MS4 Stormwater Retrofit Program.
- Acting as a clearing house for the Corporation's members' MS4 program generally, beyond implementation of the MS4 Stormwater Retrofit Program.

Please indicate agreement by signing in the space indicated below and returning one executed copy to NYCDEP.

Signed,

Paul V. Rush, P.E., Deputy Commissioner, Bureau of Water Supply
New York City Department of Environmental Protection

_____ Date: _____

Agreed and Accepted:

MaryEllen Odell, Putnam County Executive

_____ Date: _____

Robert P. Astorino, Westchester County Executive

_____ Date: _____

SCHEDULE "B"

County of Putnam's EOH WQIP Funds:

Remaining Balance of \$8.2 million

		Funds Allocated	Funds Disbursed/ Committed
PCMS4CC MS4 Stormwater Retrofit Program			
Insite: Engineering & Consulting Services ¹		\$67,000	\$67,000
Carmel - PA-18, Amawalk Watershed		\$37,000	\$0
Carmel - CF-119B, Croton Falls		\$70,000	\$0
Carmel - CF-123, Croton Falls		\$10,000	\$0
Patterson - PA-10, East Branch		\$14,270	\$0
Patterson - PAT-EB-09, East Branch		\$14,450	\$0
Southeast - PA-05, East Branch Swale ²		\$149,600	\$27,908.99
Southeast - PA-06B, East Branch Detention Pond ²		\$158,900	\$5,746.27
Southeast - SE-EB-05, East Branch ²		\$37,500	\$24,525.32
Kent - MB-NCL, Middle Branch		\$18,780.02	\$0
Carmel - AM-127, Amawalk Watershed		\$48,000	\$0
Southeast - SEPOT-02, Middle Branch ²		\$100,000	\$14,076.77
Brewster - Tonetta Brook & Wells Brook		\$2,700,000	\$330,504.82
Putnam Valley - Greenway Terrace/Wood Street ³		\$165,625	\$0.00
Rapport Meyers LLP			
Outstanding Balance of the Corporation: Legal services in relation to the formation of the Regional Stormwater Entity ("RSE")			\$29,961.10
Outstanding Balances of Members of the Corporation: Legal services in relation to the heightened requirements of the MS4 regulatory program			\$2,461.38
East of Hudson Watershed Corporation			
Initial Transfer for Regional Stormwater Retrofit Plans			\$250,000
Total		\$3,591,125.02	\$752,184.65
Total Committed to MS4 Retrofit Program			\$8,200,000
Less Total of Disbursements/Commitments			\$752,184.65
TOTAL REMAINING BALANCE			\$7,447,815.35

¹ Pursuant to the contract between the County and Insite, the maximum compensation to be paid to Insite is \$67,000. The total amount of funds identified herein as "allocated" and "disbursed/committed" represents the maximum compensation to be paid to Insite pursuant to said contract. To date, the County has paid Insite \$56, 980.36 for services rendered. Upon completion of the services and receipt of Insite's final request for payment by the County, the County will transfer to the Corporation the unexpended portion, if any, of the funds allocated to Insite for such purposes.

² The County received requests for reimbursements by the municipalities for project related costs. Disbursements pending receipt of the PCMS4CCs approval/recommendation for the costs, in writing.

³ The Greenway Terrace/ Wood project is represented herein with funds allocated to such project as result of the PCMS4CCs request that the County issue a purchase order for this project. A copy of PCMS4CCs letter to the County dated March 16, 2012 is annexed to this Schedule "B".

Carmel, Town of
Kent, Town of
Patterson, Town of
Philipstown, Town of
Putnam Valley, Town of
Southeast, Town of
Brewster, Village
Putnam County
Brewster Central School District
Carmel Central School District

PUTNAM COUNTY
MS4 STORMWATER
COORDINATING
COMMITTEE

Technical Advisory Committee
Richard Williams, Chair
Lauri Taylor, Vice Chair
Graham Trelstad, Secretary
Jeff Contelmo
Bruce Barber
Richard Franzetti
John Folchetti
Joseph Hertelendy

March 16, 2012

Mr. Bruce Walker, Deputy County Executive
Putnam County Office Building
40 Gleneida Avenue
Carmel, NY 10512

Re: PCMS4CC Stormwater Retrofit Program

Dear Mr. Walker:

The PCMS4CC Stormwater Technical Advisory Committee reviewed on March 14, 2012, the request for reimbursement of the design costs of the Village of Brewster dated March 2, 2012. Specifically, the Village of Brewster was seeking reimbursement for expenses incurred for the Wells Brook in the amount of \$22,166.42, and the Tonetta Brook stormwater retrofit practices in the amount of \$23,626.50. The Committee reviewed the request, found that the Projects were in substantial agreement with the original proposals and had no objection to the invoices being paid by the County. The Committee did not render an opinion on the amount of the invoices, as we assume that the Village of Brewster is reviewing whether the hours spent these projects are appropriate.

The Committee also discussed the Town of Southeast Stormwater Project located at Bloomer Road. It was decided that Insite Engineering, Surveying and Landscape Architecture, PC should submit the Project to Robert Capowski, NYS DEC to obtain approval for the phosphorus reduction being proposed before any recommendation is made on funding for construction of this project.

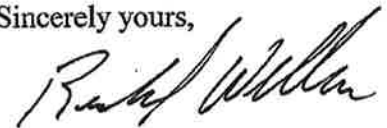
The Committee discussed The Greenway Terrace/Wood Street stormwater retrofit project in the Town of Putnam Valley. The Committee made a recommendation that a purchase order to Putnam Valley be issued to cover the engineering design estimate of this project in the amount of \$165,625.00. This amount is based on the estimated expenditures to date of \$13,000, plus the estimate from the letter dated January 30, 2012 from J. Robert Folchetti & Associates, LLC.. The recommendation was made with the condition that the purchase order number should not be issued until the NYS DEC has approved the phosphorus reduction credited to this project's current design. Similar to the Bloomer Road project and the Ryan Park Project, Insite

Engineering will be submitting these projects to Mr. Capowski with the NYS DEC.

Finally, the Stormwater Technical Advisory Committee (STAC) discussed the Ryan Field retrofit in the Town of Kent. This project, which was included in the PCMS4CC Year 3 Plan, has received partial funding from a NYS DEC grant. Unfortunately, the Project was not approved by the NYS DEC in the Year 3 submission made by the PCMS4CC. The Committee requested that Insite Engineering, re-evaluate this project and resubmit to the NYS DEC for approval. In addition, Insite Engineering will be developing a cost estimate for design and construction of this project, at which time the STAC will consider requesting a purchase order number be set up for this project.

In further discussions with Mr. Contelmo, we expect that the submission to Mr. Capowski, NYS DEC will occur not later than April 13. Please feel free to contact me if you have any additional questions.

Sincerely yours,



Richard Williams Sr.
CHAIRMAN

CC: Supervisor, Town of Carmel
Supervisor, Town of Kent
Supervisor, Town of Patterson
Supervisor, Town of Putnam Valley
Supervisor, Town of Southeast
Mayor, Village of Brewster
EOHWC Executive Director
Mary Beth Murphy, EOHWC
Danielle Harris, Putnam County Law Dept.

COPY

LETTER OF AGREEMENT

March 5, 2012

East of Hudson Watershed Corporation
335 Route 202
Somers, New York 10589

Attn: Mary Beth Murphy, President

Re: *The County of Putnam and East of Hudson Watershed Corporation*

Dear President Murphy:

This letter shall confirm that the following agreement has been reached between the COUNTY OF PUTNAM, a municipal corporation of the State of New York, having an office and place of business at 40 Gleneida Avenue, Carmel, New York 10512 ("County") and the EAST OF HUDSON WATERSHED CORPORATION, an independent, locally-based and locally administered not-for-profit corporation, organized and existing under Section 1411 of the New York State Not-For-Profit-Corporation Law and having its principal office in Somers, New York 10589 ("EOHWC" and/or "Corporation").

1. The EOHWC is a not-for-profit corporation established to, among other things, administer, coordinate and implement the East of Hudson regional stormwater retrofit plans of the Putnam County MS4 Coordinating Committee ("PCMS4CC"), the Croton Kensico Watershed Intermunicipal Coalition and the East of Hudson Sub-Committee of the Dutchess County MS4 Coordination Committee, approved by the New York State Department of Environmental Conservation ("NYSDEC"), pursuant to the terms and requirements of the Municipal Separate Storm Sewer Systems ("MS4") SPDES General Permit No. GP-0-10-002 issued by the NYSDEC ("the MS4 Permit") for the five year period from January 1, 2010 to December 31, 2014 (hereinafter said plans and any NYSDEC-approved revision, amendment or extension thereof are referred to as the "Regional Retrofit Plans").
2. The parties acknowledge that the members of the EOHWC are municipalities that lie wholly or partially within that part of the New York City water supply watershed that

lies east of the Hudson River ("EOH Watershed"). It is further acknowledged that the EOHWC will be responsible for implementing the Regional Retrofit Plans on behalf of its members and will use the funds deposited with the Corporation for this purpose.

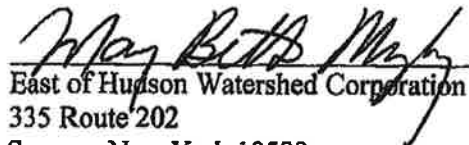
3. It is acknowledged that the County committed to fund years one (1) through five (5) of the MS4 Stormwater Retrofit Program through the PCMS4CC, with \$8,200,000 in earnings on the East of Hudson Water Quality Investment Program funds ("EOH Funds") which were previously provided by the New York City Department of Environmental Protection ("NYCDEP") to the County, under the 1997 New York City Watershed Memorandum of Agreement ("Watershed MOA") for the East of Hudson Water Quality Investment Program toward the design, construction, implementation and operation & maintenance ("O &M") of stormwater retrofit projects, including the administrative expenses associated therewith.
4. The County agrees to an initial transfer of funds in the total amount of disbursement of \$250,000, from the \$8,200,000 referenced above, to the Corporation to fund the costs associated with administrating, coordinating and implementing the first five years of the Regional Retrofit Plans, including without limitation, the general administrative expenses of the Corporation, not directly related to individual stormwater retrofit projects. Examples of such costs are such as staff compensation, office equipment and expenses, rent, legal expenses, audits, report preparation, board of directors meetings, board training, implementation plan revisions, grant applications, and other similar administrative and related costs.
5. The EOHWC agrees that the funds transferred pursuant to this Agreement may be used only to fund eligible costs associated with the Regional Retrofit Plans, and that said funds are subject to the provisions of the Watershed MOA and the Agreement between the NYCDEP and the County regarding the East of Hudson Water Quality Investment Program annexed to the Watershed MOA ("Program Agreement").
6. The EOHWC represents that it has adopted and implemented fiscal policies, and that it shall disburse the EOH Funds provided by the County to the Corporation in accordance with such policies.
7. The EOHWC agrees to assume any and all of the County's obligations which are set forth in the Watershed MOA and the surviving clauses of the Program Agreement, including without limitation, those obligation set forth in Section 4 "Right to Audit of the Program Agreement" and the obligation to provide a report to NYCDEP accounting for the receipt and disbursement of all EOH Funds provided to the EOHWC by the County with respect to the funds to be provided herein for so long as it has control of said Funds.
8. The County agrees that if any of the EOH Funds described above are ever returned to the County, it will resume its obligation to provide NYCDEP with an annual accounting report, as well as all other relevant obligations under the Watershed MOA.

9. The Corporation shall maintain copies of all invoices and other such information which details the services which it performs and the expenditures made from any and all funds transferred herein for a period of seven (7) years following completion of each Project.
10. The County, upon ten (10) days notice to the Corporation, may terminate this Agreement in whole or in part when the County deems it to be in its best interest. In addition to the foregoing, and not in limitation thereof, the Corporation hereby acknowledges and agrees that, should NYCDEP or the County determine that the Corporation has materially breached the terms hereof, the County, in addition to any other right or remedy it might have in law or equity, may terminate this Agreement immediately.
11. Upon receipt of notice that the County is terminating this Agreement, and in the event it is unable to expend all of the monies distributed hereunder by the termination hereof, the Corporation shall deliver all records and unexpended funds, including interest earned thereon, to the County as may be directed. Such records and funds shall be remitted to the County within thirty (30) days of receipt of a written request from the County for such items. It is expressly agreed and acknowledged by the Corporation that NYCDEP may enforce the County's rights hereunder.
12. The EOHWC agrees that all acts to be performed by it in connection with this Agreement shall be performed in compliance with the Watershed MOA, the Program Agreement, applicable federal, state and local laws, rules and regulations, including without limitation, those related to construction of a project, and that it shall procure and maintain in full force and effect for the term of this Agreement, all applicable permits, licenses and approvals from all governmental authorities having jurisdiction required for the lawful performance of its obligations hereunder.
13. The EOHWC agrees that it shall indemnify and hold harmless the County, its elected officials, officers, employees and agents from and against any and all liability, damages, claims, actions, demands, costs, judgments, fees, attorneys' fees or losses arising directly or indirectly out of the performance of this Agreement, whether by any individual member municipality of the Corporation or the Corporation, and from the acts or omissions hereunder by any such municipality or the Corporation or third parties under the direction or control of any such municipality or the Corporation. The EOHWC further agrees to provide defense for any and all claims, demands or causes of action arising directly or indirectly out of this Agreement, at its sole cost and expense, and to bear all other costs and expenses related thereto.
14. The parties hereto further agree that no party shall make any assignment of their respective rights and responsibilities hereunder, without the prior written consent of the other party. Any assignment or attempt to assign, without the prior written consent of the other party hereto shall be void and unenforceable.

15. Except as expressly set forth herein, this Agreement shall not be construed to confer upon or give any third party or its successors and assigns any rights, remedies or basis for reliance upon any provisions of this Agreement. Notwithstanding the foregoing, it is expressly acknowledged and agreed that the NYCDEP is an express third party beneficiary hereunder.

Please signify your agreement with the provisions of this letter agreement by signing on the line indicated below, and return the two (2) original copies of this letter to the Putnam County Department of Law. Once this letter of agreement is executed by Putnam County, a fully executed copy will be forwarded to you.

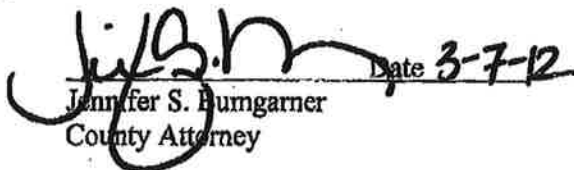
EOHWC, hereby concurs with the provisions of this letter agreement, and agrees to abide by the terms and conditions contained herein.


East of Hudson Watershed Corporation
335 Route 202
Somers, New York 10589

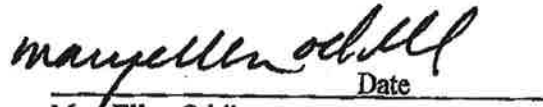
Date: 3/5/12


By: Mary Beth Murphy
President

READ & APPROVED:


Date 3-7-12
Jennifer S. Bumgarner
County Attorney

THE COUNTY OF PUTNAM:


Date 3.9.12
MaryEllen Odell
County Executive


Date 3/7/12
William J. Carlin, Jr.
Commissioner of Finance

Law Offices of

Rodenhausen Chale LLP

20 Spring Brook Park
Rhinebeck, New York 12572

July 27, 2016

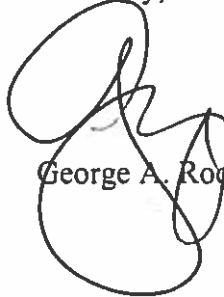
Michael Meyer, Associate Planner
NYC Department of Environmental Protection
Bureau of Water Supply
59-17 Junction Boulevard, 13th Fl.
Flushing, NY 11373

RE: Amendment to Corporation Agreement
Putnam County – East of Hudson Watershed Corp.

Dear Mike,

Enclosed please find the fully executed Amendment to the Corporation Agreement between Putnam County and the East of Hudson Watershed Corporation. Putnam County has its copy, and by copy of this letter I am delivering the third executed original to EOHWC.

Sincerely,



George A. Rodenhausen

Enc.
Cc: EOHWC

(845) 516-4323 ph
(845) 516-4528 fax
grodenhausen@rodenhausenchale.com

AMENDMENT TO CORPORATION AGREEMENT

THIS AGREEMENT made this 10th day of May, 2016, by and between:

THE COUNTY OF PUTNAM, a municipal corporation of the State of New York, having an office and place of business at 40 Gleneida Avenue, Carmel, New York 10512 (the "County")

And

EAST OF HUDSON WATERSHED CORPORATION, a not-for-profit local development corporation organized pursuant to Section 1411 of the Not-for-Profit Corporation Law, having an office and principal place of business at 2 Route 164, Patterson, New York 12563 (the "Corporation")

WHEREAS, the County and the Corporation entered into an agreement dated June 12, 2012, (the "Corporation Agreement") pursuant to which the County transferred to the Corporation the sum of Eight Million Two Hundred Thousand Dollars (\$8,200,000.00) (the "WQIP Funds") to facilitate the administration, design, construction management, construction, and operation and maintenance of certain eligible projects included in the Regional Stormwater Retrofit Plans, as defined in the Corporation Agreement; and

WHEREAS, the Corporation Agreement defined the Regional Stormwater Retrofit Plans as the plans designed to achieve compliance with the phosphorus reduction targets established by the New York State Department of Environmental Conservation ("NYSDEC") for the time period between January 1, 2010 to December 31, 2014; and

WHEREAS, the Corporation is nearing completion of implementation of the Regional Stormwater Retrofit Plans and wishes to use WQIP Funds used toward the design, construction, implementation, operation and maintenance of stormwater retrofit projects, including administrative expenses associated therewith, identified within the second five-year stormwater retrofit plan to be approved by NYSDEC for compliance with the applicable NYSDEC General Permit for Municipal Separate Storm Sewer Systems ("MS4 Permit"), and the County wishes to amend the Corporation Agreement to authorize the Corporation to do so.

NOW, THEREFORE, in consideration of the terms and conditions herein contained, the parties agree as follows:

1. The Corporation Agreement is hereby amended to authorize the use of WQIP Funds by the Corporation toward the design, construction, implementation, operation and maintenance of stormwater retrofit projects, including administrative expenses associated therewith, identified within the second five-year stormwater retrofit plan to be approved by NYSDEC to achieve compliance by Putnam County municipalities in the New York City Watershed with the MS4 Permit.

2. All other provisions of the Corporation Agreement remain in full force and effect in all respects and are applicable, without limitation, to the use of WQIP Funds as authorized by this Amendment.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized representatives.

THE COUNTY OF PUTNAM

By: Mary Ellen Odell
Name: Mary Ellen Odell
Title: County Executive

READ AND APPROVED

[Signature]
County Attorney
County of Putnam

[Signature]
Commissioner of Finance
County of Putnam

EAST OF HUDSON WATERSHED CORPORATION

[Signature]
By: _____
Name
Title:

STATE OF NEW YORK)
)SS.:
COUNTY OF PUTNAM)

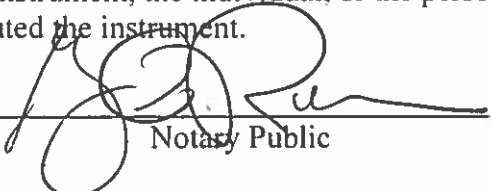
On this 10th day of May, 2016, before me, the undersigned, a Notary Public in and for said State, personally appeared Mary Ellen Odell, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

[Signature]
Notary Public

ADRIENNE SPADACINI
Notary Public - State of New York
Reg. No. 60-6144664
Qualified in Westchester County
Comm. Exp. May 1, 2018

STATE OF NEW YORK)
)SS.:
COUNTY OF Columbia)

On this 10th day of May, 2016, before me, the undersigned, a Notary Public in and for said State, personally appeared Peter Parsons, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

George A. Rodenhausen
Notary Public, State of New York
Columbia County, Reg. #4987196
Commission Expires 10/07/20 17