

QUARTERLY MEETING OF DIRECTORS AND MEMBERS
LOCATION: Business Office: 2 Route 164, Suite 2, Patterson, NY 12563
TIME and DATE: 10:33 a.m., Tuesday, October 12, 2021
Zoom Videoconference

Meeting Minutes

1) Open of Meeting at 10:00 AM

Voting Members in Attendance: Richard Williams, Sr. (Town of Patterson) for himself and as alternate for Tony Hay (Town of Southeast); Peter Parsons (Town of Lewisboro); Warren Lucas (Town of North Salem); JoAnne Daley as alternate for James Schmitt (Town of Pawling); Rich Franzetti as alternate for Kenneth Schmitt (Town of Carmel); Michael Preziosi as alternate for Linda Puglisi (Town of Cortlandt); Steve Woelfle as alternate for Rick Morrissey (Town of Somers); Dan Ciarcia as alternate for Matthew Slater (Town of Yorktown); Ed Brancati as alternate for Gina Picinich (Town of Mount Kisco); Lauri Taylor (Village of Pawling); Maureen Fleming (Town of Kent); MaryAnn Carr (Town of Bedford)

Others in Attendance: Christine Chale (Corporate Counsel); Patrick Logan (Corporate Counsel); Vincent Giorgio (NYCDEP); Millie Magraw (Westchester County Planning); Kevin Fitzpatrick (EOHWC); Keith Giguere (EOHWC); Linda Matera (EOHWC); Cory Lapidus (EOHWC)

2) Pledge of Allegiance

3) Approve Meeting Minutes: August 10, 2021

Motion by Director Williams, second by Alternate Franzetti to approve the Quarterly Board of Directors Meeting Minutes of August 10, 2021; all in favor.

4) Financial Update

Keith Giguere reported that as of September 30th the total fund balance was \$17,144,000 of which \$2,618,000 is Putnam and \$3,840,000 for Westchester and \$10,686,000 is FAD. Investment income year to date is \$18,000. When Joanne Tavino was here she decided that there was no yield to be had in investments so she was moving a lot of the money into the money market account. Unfortunately, the money market account is now paying .01% so we will look to move it out to investments especially because the treasury rates have come up.

At approximately 10:37am Director Fleming left the meeting.

5) 401(k) discussion

Director Williams explained that the topic of a 401(k) came up when the employees inquired about it approximately 2 years ago. Director Lucas and Keith have done significant research. Director Lucas sent members an email containing information. Safe Harbor is the IRS construct for companies with

just a few employees. Keith took over the research because he has past experience with it and inquiries were made into a few different companies. The other plans had very specific requirements that we could not meet as well as fees to the employees for ongoing balances in the plan. The plan that would work best for EOHWC is the Human Interest Advisors Concierge Plan. For the employer, there is an annual administrative charge in the amount of \$2,088 for EOHWC to administer the plan that includes all record keeping, the fidelity bond and the plan administration. There are no other fees paid by the employer. There are employee and employer contributions to the plan. The employee doesn't have to do anything if they don't want to join the plan. The reason we originally looked into this is that employees asked. The towns offer pension plans to their employees of about 12%-15% of their pay. While the employees use NYSHIP medical, the pension system can't be used for EOHWC because it wasn't legally allowed so we looking at the 401(k).

There are 3 employer contribution options: a non-elective 3% contribution for each employee; a one for one match for 3% that would cost the Corporation \$10,500; and an enhanced contributions/match of one for one on the first 3% and a 50% match on up to the 4% which would be \$14,000 and for a max of 5% would be \$17,500 if the employee puts in up to 7% of their salary. It would be budgeted like salaries and everything else. The total cost including plan fees would range from approximately \$12,500 to \$19,500 annually depending on match. Current salaries are approximately \$350,000. The option being recommended is the enhanced contribution where the first 3% is matched 1 for 1 and 50% match on up to the next 4% for a maximum of 5%. It is presented to the Board today as something that we would like to offer the employees. Keith indicated that Human Interest uses Vanguard funds. Director Parsons questioned if offering this to the employees is legal. Christine explained that it's a form of compensation and we are entering into a service contract with the provider to provide management services. Under the rules of the plan, the employees are fully vested immediately and it is portable. In addition to that is the record keeping and all else. Director Williams inquired about voting due to Director Fleming having left the meeting. Christine said that the EOHWC By-laws have a requirement for a quorum of 2/3. The By-laws state that Directors present in person at a duly called meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum provided the action is approved by a majority of the entire board.

Motion by Alternate Brancati, second by Alternate Franzetti to approve the resolution for the 401(k) plan as submitted.

At a Regular Meeting of the Board of Directors of the East of Hudson Watershed Corporation held on October 12, 2021

WHEREAS, the Executive Committee has recommended the adoption of a qualified safe harbor 401(k) plan program for the Corporation, with a plan initially providing for eligibility for enrollment for permanent full-time employees following a 90-day waiting period, an employer match of employee contributions dollar for dollar up to 3% of employee gross salary, and a 50% match on amounts above 3% to a maximum match of 5%; and

WHEREAS, the Executive Committee has researched available programs and recommended the adoption of a plan to be administered by Human Interest, Inc., with certain services provided by its wholly-owned subsidiary, Human Interest Advisors LLC (collectively "Human Interest"), and including administration, recordkeeping, fiduciary, compliance, distributions, and preparation of annual filings, pursuant to a Services Agreement substantially in the form on file with the Secretary; and

WHEREAS, there is on file with the Corporation's Secretary an amendment to the Corporation's Personnel Policy and Procedures Manual to include reference to such 401(k) plan;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the East of Hudson Watershed Corporation as follows:

1. The Board of Directors of the Corporation hereby approves the adoption of a safe harbor 401(k) Plan for the Corporation, with a plan document in form prepared by Human Interest to be approved by the Executive Committee consistent with the terms described in this resolution.
2. The Board of Directors of the Corporation hereby authorizes the execution and delivery by the President, or in their absence or unavailability the Vice President, of a Services Agreement with Human Interest substantially in the form on file with the Secretary providing for services in connection with the 401(k) Plan.
3. The Board of Directors of the Corporation hereby adopts the amendment to Personnel Policy inserting a new Section 20 entitled “401(k) Plan” to Article 3 of the Personnel Policy in the form attached hereto.
4. A copy of such policy amendment shall be promptly provided to all employees.
5. The Corporation’s Board of Directors, other officers, employees and agents are hereby authorized and directed for, and in the name and on behalf of the Corporation, to do all acts and things required or provided to implement the 401(k) Plan.

Motion passed; all in favor

Yes:12, No:0, Abstain:0, Absent: 7

R-1012-01

6) Adoption of 2022 ABO Budget

Keith pointed out that the personnel line on the budget includes the 401(k) as proposed. Not much has changed in this budget from previous years. Kevin provided numbers as far as what is anticipated in construction costs, which are the biggest pieces in the budget, presuming we get approvals to do all the work. Kevin added that the opportunity to do Year 11 design and construction was added as a place holder within the budget.

Motion by Director Parsons, second by Director Lucas to adopt the ABO Budget for 2022 as presented; all in favor.

7) Project Update

Kevin reported that the projects at Eleanor Drive (Carmel-CF-601) and Parkview Drive (PR-CR-701) are both FAD projects that total about 16.8 Kilograms of additional credit. Kilogram certification letters will be submitted to the NYSDEC for both. Catch basin insert filters will be installed at Mt. Kisco Commons (MK-NC-602) at the end of this week or the beginning of next. There will most likely be a fall construction installation at Scolpino Park (SE-EB-715.) A late fall/early winter installation is expected for the Courtmel Road project (NewC-NCR-715) along with a few other catch basin insert projects.

a. Program Summary

Kevin presented the Program Summary and invited questions.

b. Year 11 Work Plan

Kevin reported that we still have a good amount of projects as Year 10 wraps up. Our projected kilogram total from the last 10 years still far exceeds the 920 required for reduction. We continue to wait for clear written direction and requirements from NYSDEC in order to be planning ahead for Years 11-15. That would most likely include a determination from them that we can carry over the credits much like in the first 5 years. We don't expect any issue with exceeding the 920 and not being able to carry it over to the next cycle. The NYSDEC wants to see the trend continue to move and for us to keep doing the projects. Until we have clear direction from them, we will just continue to keep working on first Year 10 projects.

Director Lucas asked if there was any update on the new MS4 documents. Director Williams said he speaks with Tom Snow just about every other week and was told that it is coming any day now. We need that document to say that we still have an obligation so we can go back to the NYCDEP and ask them to fund that obligation. Alternate Brancati asked if there would be a comment period or if this was the final. Director Williams said there is usually a comment period.

8) Proposed 2022 Meeting Dates

Director Williams presented the 2022 Board of Directors and Executive Committee meeting dates.

Motion to Alternate Franzetti, second by Alternate Brancati to accept the 2022 proposed meeting dates; all in favor.

9) EOHWC Orientation for New Town Supervisors

Director Williams announced there will be a number of new supervisors in 2022. He, Director Lucas and the EOHWC staff of EOHWC will be sitting down with the new supervisors and doing orientation so that they understand what the MS4 program is and what EOHWC does. Director Lucas expressed concern with the further away from when the Corporation was started back in 2011 people forget why it's here and the work that had to be done to create it. It's more difficult to get supervisors and mayors to step into the officer positions but at some point in time current officers will retire and others will have to step up. We thought it would be beneficial to sit down with all incoming supervisors/mayors and go over how EOHWC started and what happens if it isn't here and causes more work on everyone individually.

10) O&M discussion

Kevin asked if towns have any outstanding bills that they submit them to EOHWC. It's easier to send it in as it happens.


11) Other business

No other business was brought forward.

12) Adjournment – Motion to adjourn by Director Parsons, seconded by Director Lucas; all in favor. Adjourned: 11:01 AM.

PRESIDENT'S CERTIFICATE

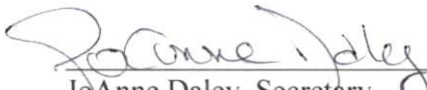
I certify that the foregoing is a true and correct copy of the October 12, 2021 Quarterly Meeting Minutes approved by the Board of Directors.


Richard Williams, Sr., President


Date

SECRETARY'S CERTIFICATE

I certify that the foregoing is a true and correct copy of the October 12, 2021 Quarterly Meeting Minutes approved by the Board of Directors.



JoAnne Daley, Secretary

January 07, 2022

Date