

QUARTERLY MEETING OF DIRECTORS AND MEMBERS
LOCATION: Business Office: 2 Route 164, Suite 2, Patterson, NY 12563
TIME and DATE: 10:00 a.m., Tuesday, October 11, 2022

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 Jacqueline Annabi (Town of Putnam Valley) and Richard Becker (Town of Cortlandt); Matthew Slater (Town of Yorktown); Warren Lucas (Town of North Salem); Ellen Calves (Town of Bedford); Tony Hay (Town of Southeast); Tony Goncalves (Town of Lewisboro); Jamie McGlasson (Town of Kent); JoAnne Daley as alternate for James Schmitt (Town of Pawling); Rich Franzetti as alternate for Michael Cazzari (Town of Carmel) and MaryEllen Odell (Putnam County); Steve Woelfle as alternate for Robert Scorrano (Town of Somers); Ed Brancati as alternate for Gina Picinich (Town of Mount Kisco)

Others in Attendance: Christine Chale (Corporate Counsel); Dan Ciarcia (Town of Yorktown); Vincent Giorgio (NYCDEP); Kevin Fitzpatrick (EOHWC); Keith Giguere (EOHWC); Linda Matera (EOHWC); Cory Lapidus (EOHWC)

2) Pledge of Allegiance

3) Approve Meeting Minutes: August 9, 2022

Motion by Alternate Daley, seconded by Director Lucas to approve the Quarterly Board of Directors Meeting Minutes of August 9, 2022; all in favor.

4) Financial Update

Keith Giguere reported that as of October there was total cash and investments of \$15,254,000, of which \$9,841,000 is FAD-related. Over the past couple of weeks money has been transferred out of our accounts at M&T which was earning .05% interest to Putnam County Savings Bank (PCSB), which is currently earning 2.4% interest. It will add considerable market income, which will be reflected in the 2023 Budget being presented today. For every 75 basis points the fed rate increases, \$52,000 is added to our bottom line.

Director Lucas asked that a moment be taken to introduce our selves to members whose first time it is attending a Board meeting in person.

5) Building Lease Renewal

Keith informed the Board that the building lease is up for renewal. There are no changes to the

existing terms of the lease.

Motion by Director Lucas, seconded by Alternate Franzetti to approve the extension of the office lease for an additional 3-year term.

WHEREAS, the East of Hudson Watershed Corporation (the “Corporation”) has entered into a Lease Agreement dated as of April 1, 2012, as amended by a rider dated June 10, 2014, a Rider dated December 6, 2016, and a Rider dated December 10, 2019, for a term currently ending January 31, 2023 (as amended, the “Existing Lease”), provided for the lease by The Hudson Valley Trust, Inc. to the Corporation; and

WHEREAS, the Corporation finds it necessary and in the best interests of the Corporation to further renew the Existing Lease for an additional three-year term commencing February 1, 2023, on the same terms and conditions as the Existing Lease;

NOW THEREFORE IT IS HEREBY RESOLVED, by the Board of Directors of the East of Hudson Watershed Corporation that the execution and delivery by President of the Corporation of a rider to the Existing Lease providing for a three-year term commencing February 1, 2023, on the same terms and conditions as the Existing Lease, is hereby approved.

Motion passed; all in favor.

R-1011-02

6) Adoption of 2023 ABO Budget

Director Lucas presented the 2023 Budget. He pointed out that the first line item “Funding-NYC DEP” has been changed to “Funding-NYS DEC”. This is the grant for the Sanitary Water Issues Study. The interest income will likely earn more than the \$250,000 listed due to the increasing interest rates. Much of the project costs are guesstimates. If we spend the money, it comes out of cash, if not, it remains in cash. The personnel line item is up a bit. 10% is the number used for NYSHIP health insurance increase. There is also a salary adjustment of 8%, which has not been completely decided on yet. The cost for legal services has not increased. Keith added that we may see a significant increase in the pollution insurance. Director Lucas said the ending fund balance will go from \$15 million in 2022 to \$8 million 2023 with the estimated project costs. Kevin noted that before we are eligible for additional funding, we must spend down what we currently have. In theory we could be eligible for another \$15 million. If we receive it and don’t use it on eligible expenses, it must be returned to the DEP. Kevin further explained that we have to have a certain number of projects in the FAD basins (Boyd’s Corner, West Branch, Croton Falls, Cross River) and meet a certain threshold of spending in those areas. Director Lucas invited questions.

Motion by Director Lucas, seconded by Alternate Franzetti to approve the 2023 Budget with a correction to the first line item from “Funding-NYC DEP” to “Funding-NYS DEC. Motion passed; all in favor.

7) Award Solicitation 2022-03/Sanitary Water Issues Study

Kevin explained that over the summer we advertised for proposals from design firms regarding the wastewater study which has been put together over the last calendar year or so. The funding is coming from New York State Department of Environmental Conservation (NYSDEC). We had 3 responses to the RFP. The Review Committee has recommended that we move forward and award the contract to Woodard and Curran in the amount of \$227,000. It was previously discussed at the last Executive Committee meeting and was recommended to be brought before the Board today for award. Copies of the RFP have been sent up to Tom Snow and the manager of our contract at the NYSDEC for review and comment. We haven't received anything back to date. Woodard and Curran is comfortable moving forward with the contract as provided to them. Christine Chale noted that approval of the resolution is subject to formal approval by NYSDEC. A "pay when paid" provision has been added to the agreement. Kevin said that Woodard and Curran has been made aware and is agreeable to the terms as long as we keep up with the reimbursement schedule. We have the opportunity in our contract with NYSDEC to set up an advance payment schedule, which is currently being discussed with them so we can keep up with a positive flow of cash coming in and pay Woodard and Curran on time. Keith added that the first grant advance was process by New York State on September 16. Christine pointed out that the contract with Woodard and Curran will not be signed until we receive NYSDEC approval. Director Williams emphasized the importance of getting it done as quickly as possible and informed members that there will be a lot of questions as they begin the study. The consultants will be reaching out to towns to get answers as they pull it together. It will take a while, but we will do as expeditiously as we can.

Motion by Alternate Brancati, seconded by Director Lucas to approve the contract award for professional engineering services for Sanitary Water Issues Study to Woodard and Curran.

WHEREAS, the East of Hudson Watershed Corporation (EOHWC) has entered into a State of New York Master Contract for Grants, Contract No. DEC01-C01367GG-3350000 with NYS Department of Environmental Conservation dated as of March 29, 2022 for the Study of Sanitary Water Issues within the EOHWC watershed area ("Grant Agreement"); and

WHEREAS, pursuant to the Grant Agreement, funding is provided for the EOHWC to retain a consultant for the conduct of wastewater concerns and for the related allocable costs of EOHWC;

WHEREAS, EOHWC published a Request for Proposals (RFP) for Professional Engineering Services known as Solicitation 2022-03; and

WHEREAS, the Scope of Services for Solicitation 2022-03 consists of the study and identification of deficiencies in the current wastewater treatment practices in the East of Hudson Watershed and the proposal of treatment practices to address said deficiencies (the "Project"); and

WHEREAS, the RFP was advertised and three (3) proposals were received at the EOHWC offices at 2 Route 164, Suite 2, Patterson, NY 12563 on August 11, 2022; and

WHEREAS, the Review Committee of the EOHWC has reviewed all proposals according to the requirements set forth in the EOHWC Procurement Policy and found the proposal of best value as described in the committee report to have been submitted by Woodard and Curran in the amount of \$227,000; and

WHEREAS, EOHWC contacted the references for Woodard and Curran and contacted Woodard and Curran directly and was assured that they can complete the Project for the amount proposed; and

WHEREAS, the EOHWC Review Committee has recommended that EOHWC accept Woodard and Curran as best value proposer for the Project and proceed with contracts pending the submission of all necessary documents per the EOHWC Procurement Policy.

NOW THEREFORE IT IS HEREBY RESOLVED, by the Executive Committee of EOHWC's Board of Directors that it accepts Woodard and Curran as best value proposer for the Project and authorizes the President or Vice President of EOHWC to execute the engineering contract with Woodard and Curran subject to the following conditions:

1. Submission of insurance by the proposer as required by the engineering contract and the terms of the Grant Agreement; and
2. Review of the engineering contract by EOHWC's Counsel including provisions for payment from proceeds of the Grant, and such other provisions as may be required to comply with the Grant Agreement.
3. Approval of award by DEC in accordance with the Grant Agreement.

Motion passed; all in favor.

R-1011-02

8) Project Update

Kevin reported that we are currently have 672 kilograms of phosphorus reduction credit with New York State. We are starting to construct projects this fall, which will add about another 57 kilograms with the intention, by mid-spring, to have 125 kilograms worth of projects in active construction. Winter and spring will be very active. Projects involving plantings and work with asphalt will be delayed until the spring, which at this point is in our best interest to not open up a roadway and have the project held open over the winter or have the project sitting at 90% complete with plantings to be done in April. Those that have been postponed are still on a timeline to get started in the spring. Director Lucas asked the logic behind using the project year on the Project Update Table. Kevin said that it corresponds to the workplan year that was submitted to the state for review. Every year we look to send prospective projects to the NYSDEC that we feel are in the best interest of the Corporation to complete for that calendar year. Director Lucas noted that there are some catch basin insert projects on the spreadsheet. He noted that they work in some areas very well but in other areas not so much. Kevin emphasized that all the projects involving catch basin inserts have been vetted. Everything combined will bring us to about 850 kilograms of phosphorus reduction in the summer of 2023. Our goal is 920 and there will still be two major projects leftover that will help us exceed that goal. Director Lucas asked when our virtual Year 10 was. Kevin said that a corrective action plan was sent to New York State. They looked at where we are with everything and haven't provided a definitive date. They just want us to continue working towards the goal and complete it. As part of the new permit which is under debate and adjustment presently with New York State, there will be a new goal for us to reach and to continue doing stormwater retrofit projects, but it has not been set as of right now. Once we hit the 10-year goal of 920 kilograms without the permit in place, we will have to change what we're doing or make sure that our funding agreements are adjusted because our current funding agreements do not allow us to

exceed 920 kilograms and continue to work on projects. We cannot have a best faith effort to do storm water projects past 920 kilograms because there is no mandate in place. Kevin asked that the Board of Directors keep this in mind as we are moving forward over the next few months if we need to adjust the Westchester County, Putnam County and FAD contracts, which is something that needs to begin preferably soon. Director Lucas asked if we could just keep going over the 920. Alternate Brancati asked if a little more time and effort could be used to work on projects that are going to come next, this way they are lined up for when the funding does come through. Director Williams said he believes we can design for this permit term and then pick and choose what we are going to construct. Kevin asked Vincent Giorgio to clarify whether that is acceptable. Vincent said it's a very gray area, but he will try to get Kevin an answer. Kevin said he brings up the question now because it's a question that must be answered by the NYCDEP first. Director Williams said that he anticipates the NYSDEC Permit coming out soon. Tom Snow had the TMDL plan ready to go months ago but it was his choice to hold it back until after the permit was done. It is expected that things will remain the same as Years 1-10. Director Goncalves asked if the 920 is tied to the term of agreement. Kevin said the 920 is tied to the original permit that came out which covered 10 years for the storm water program. Our funding agreements are all tied to that 920, specifically design and construction efforts to complete the 10-year program for the retrofit. The anticipation is that the NYSDEC is going to ask us to do the same again over a specified number of years. The TMDL document being referred to earlier is what is going to give us our roadmap.

a. **Program Summary**

Kevin presented the Program Summary and invited questions.

9) O&M discussion

Kevin reported that he and Cory have been going through the watershed and looking at the projects in each town. You should expect to see notices from our office as to some touch ups that can be done on some of the sites. It is our hope that everybody will be able to address those this calendar year heading into 2023. All bills and documentation should be submitted to us before the end of the calendar year. The sooner it is submitted to us the better so that we are not processing every single town all within the first week of January.

Director Lucas asked if any problems were found during the inspections. Kevin said the common thing observed across all municipalities is that because there hasn't been much rain, there is a unique opportunity to get excavators out there and start removing silt and buildup from the ponds. Many of the ponds have been installed there for well over 5 years, some even 10, so with the complete lack of rain that we've experienced it's a great opportunity to do some cleaning and touch ups. Additionally, there are some that have build up and need a vac truck to go out there more often. We will come up with a complete schedule and prepare a write up for every town.

10) Proposed 2023 Meeting Dates

Director Williams presented the 2023 Meeting Schedule.

Motion by Director Williams, seconded by Alternate Brancati to approve the 2023 Board of Directors and Executive Committee Meetings schedule; all in favor.

11) Other business

No other business was brought forward.

12) Adjournment – Motion to adjourn by Alternate Franzetti, seconded by Alternate Brancati; all in favor. Adjourned: 10:41 AM.

DRAFT