

QUARTERLY MEETING OF DIRECTORS AND MEMBERS

TIME and DATE: 10:00 a.m., Tuesday, August 5, 2025

Meeting Minutes

1) Open of Meeting at 10:05 AM

Voting Members in Attendance: Robert Scorrano (Town of Somers); Ellen Calves (Town of Bedford); Michael Cazzari (Town of Carmel) for himself and as alternate for Jacqueline Annabi (Town of Putnam Valley); Warren Lucas (Town of North Salem); Michael Preziosi (Town of Cortlandt); Tony Goncalves (Town of Lewisboro); Ed Brancati as alternate for Michael Cindrich (Town of Mount Kisco); Lauri Taylor (Village of Pawling); Sabrina Charney-Hull as alternate for Lisa Katz (Town of New Castle); Ed Lachterman (Town of Yorktown); Neal Tomann as alternate for Kevin Byrne (Putnam County); Jaimie McGlasson (Town of Kent)

Others in Attendance: Dan Ciarcia (Town of Yorktown); Christine Chale (Corporate Counsel) via Zoom; Cassandra Britton (Corporate Counsel); Vincent Giorgio (NYCDEP); Steven Cutignola (NYCDEP); Millie Magraw (Westchester County Planning); Kevin Fitzpatrick (EOHWC); Keith Giguere (EOHWC); Linda Matera (EOHWC);

2) Pledge of Allegiance

3) Approve Meeting Minutes of May 6, 2025

Motion by Director Goncalves, seconded by Director Lucas to approve the Quarterly Board of Directors Meeting Minutes of May 6, 2025 with an edit to the second sentence in item #7 to read “It is not limited to capital improvements in the FAD areas only so we will burn through that quickly”; all in favor.

4) Financial Update

Keith Giguere reported that total cash is \$13,223,000 of which \$10,535,000 is FAD and \$2,687,000 is WQIP. He announced that the accounting system software vendor previously known as Abila is now Momenitive Software. Through the acquisition they announced they are increasing their prices by 8%.

5) Personnel Policy/Vacation

Keith explained that during the 2024 audit presentation, the auditor noted that our practice did not line up with what is stated in the Personnel Policy. We allow 40 hours to be carried at the end of the year; however, the end of the year often falls between two pay periods. We often have employees who are on vacation between the week of Christmas and New Year’s Day. It wouldn’t make sense to charge them vacation for the next year, therefore, we allow them to carry extra time over. We have

put an amendment into the policy to say that the 40 hours will be calculated at the end of the first pay period of the year, so that it will factor in any vacation time that is taken. For accounting purposes, we will have to make that adjustment for the actual time. This is for policy purposes only.

Motion by Director Lucas, seconded by Alternate Hull to approve the vacation amendment to the Personnel Policy of the East of Hudson Watershed Corporation.

WHEREAS, the Comptroller of the East of Hudson Watershed Corporation, in his July 22, 2025 memo, has recommended modifying the Corporation's Personnel Policies and Procedures Manual (the "Manual") in order to modify the policy regarding accrual of vacation hours to align with payroll procedures; and

WHEREAS, the Executive Committee has recommended to the Board of Directors amendments to the Manual to add additional language to correct the procedural discrepancy regarding vacation time; and

WHEREAS, the Manual has been amended to add the following language to page 6 to read as follows: *The forty-hour determination will be made subsequent to the first payroll of the year to account for year-end that straddles two pay periods*; and

WHEREAS, the Directors have reviewed the proposed amendments and find the Manual as amended corrects the current conflict between the Manual and current management practice.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the East of Hudson Watershed Corporation hereby adopts and approves the revised Personnel Policies and Procedures Manual.

Motion passed; all in favor.

R-0805-01

6) List of Reporting and Filing Due Dates

Linda Matera reported that the first round of 2024 O&M payments were sent out to the municipalities on June 26. The invoice and backup for the Westchester municipalities was submitted to Westchester County for review on July 8. We expect the review to be completed by the end of August with payment to the Westchester towns in October. The 2025 payroll second quarter form 941 and NYS-45 were filed with the IRS and New York State on July 18.

7) Project Update

Kevin Fitzpatrick reported that we currently sit at 755 kilograms of phosphorus reduction. Construction is expected to begin soon on Kent-MB-1000, which was awarded recently and is just shy of 80 kilograms. Projects on the spreadsheet that are currently in design will be moving to construction in the fall. We will have an active fall with many of the projects closing out in spring of 2026. For the program as a whole, we are starting to get a little clarity on funding. As we move forward in Years 11-15, we will look to submit the 2026 Annual Workplan to NYSDEC. It is due at the beginning of October and will account for projects over the next 5 years with a total phosphorus reduction 460 kilograms that will count towards the next goal. It is a snapshot of what we will complete in the 2026 calendar year for compliance. There is already much low hanging fruit that we will look to knock off. It can include projects that are not already on the list sent to the NYSDEC. If

there is something in your town, please make sure it gets to us so we can work with you to line it up so we can bank the credit.

a. Program Summary

Kevin presented the Program Summary and invited questions.

8) O & M discussion

Kevin reported that he is reviewing O&M and inspecting the work that has been done. We haven't seen any submittals come into us yet, other than a few inspection reports. He asked that towns do not wait to submit because if any work is being done, it is easier to review things that come in from the highway departments now so that we can give some tips, clues and advice to close out the year appropriately. Many of the retrofits have been out there a while and there is a lot of fence work that needs to be done as it is a requirement to keep the public out and keep it safe. The fences that go around a lot of the ponds and wetlands. Many of them are starting to decay and are in need of replacement. In order to get a better price, it would be helpful to do as many as we can and review where they are all located. We could do a Westchester RFP and a Putnam County RFP. He has seen enough of them out there that he thinks it's worth investigating. We can see what that price is going to be and then determine if we want to do that and move forward with it at the next Board of Directors' meeting in October. There are enough projects out there to justify bringing it to the table for review.

Westchester County has the 2024 O&M submittals from the towns for review. We will continue to work with Millie Magraw and the county to answer any questions and advance that forward. We would expect that we would be able to send out checks sometime in the fall depending on any details that they share or questions they have. He stressed that the 2024 reimbursement is the last round of checks from Westchester County and that towns should be prepared moving forward. In the future, Westchester municipalities will be responsible for funding their own O&M.

8) Other business

Kevin explained that at the July Executive Committee meeting Director Calves asked that we provide an update of future funding. The contract that we have been working on with NYCDEP for \$10 million is in process. It is going through the city for review. We will be able to use it for any projects that we look to take on in 2026, but of course we won't be able to take any major steps or actions until we have more of a solid timeline. We are advancing multiple discussions with both Westchester and Putnam Counties. The Putnam and Westchester County funds should be in the ballpark of what is needed to keep admin going and will also provide a safety net in the event we cannot use DEP funds. Most recently, we have started more serious discussions with the DEP to make sure that any FAD funding that we have from Years 6-10 will be available in Years 11-15. Whatever the amount, it will only be applicable to FAD and FAD-connected areas. Director Lucas explained that a financial report will need to be prepared showing where all of the money is. Vincent Giorgio explained that essentially the current contract would be closed out and the remaining money would be returned to the city. Then, subsequent to the \$10 million, there would be another registered contract. Christine Chale asked if the plan is to close out the current FAD contract while we are starting to use new \$10 million. Vincent said that the new \$10 million will register sometime in the fall and should be ready to use at the beginning of 2026. It is his understanding that sometime at the beginning of 2026, Years 1-10 projects will be completed and then we will begin working with the \$10 million. The DEP will require financial accounting of Years 6-10 funds. Those funds would then be returned, and a new contract will be written for the remaining funds. Christine asked if they would start working on the rollover contract during 2026, once we get the financial year closed out. Vincent said

once the financial year is closed out and we can get a dollar amount that we can use, then the rollover contract can start being worked on. Christine inquired if we can potentially get the contract registered in 2026, if not, then by the middle of 2027. Vincent said he cannot commit to any timeline. The city generally does not like two contracts open at the same time. He reminded everyone that the contract we are operating under is essentially based upon the original contract that was registered in 2012 and there have been many changes to the city's process since then. Christine said she wants to ensure that we can continue to work through the rollover contract in such a way that we don't have to wait to start working on it until after the \$10 million is spent because we are going to have a hiatus again and have to stop working because it is going to take another year. Vincent said they are going to work to try to make sure the funding is available when it is needed. Director Lucas said his concern is that the DEP wants to wait until we are done with the \$10 million and some of the projects may straggle along for an extended period of time. He asked if the DEP will be waiting for a year from now to begin discussions. Vincent said that the concept of starting a discussion came up a few months ago. He asked Director Williams to send him an email request so that they might start negotiations on the DEP side. He is still waiting for the email. The \$10 million contract will need to be registered before we can start negotiating on the Years 1-10 rollover. Kevin said that with the nature of the \$10 million contract, we are not going to be getting it all at once. There will be some money up front, and then as we start getting closer to spending it, there is going to be constant communication with the DEP. With our program, we are not going to burn through \$10 million in 3 years. He will do it as quickly as he can, but it is going to take some time. Christine asked if carryover funds are still for FAD only projects. Vincent confirmed that is his understanding as well. The new contract would essentially be the same as the \$10 million contract with an addendum. Director Cazzari asked if a motion is needed from the Board to begin negotiations. Director Lucas said we should authorize the president to send an email to the DEP requesting exactly what is needed from them to begin negotiations. Vincent asked Neal Tomann if Putnam County agreed to provide \$1.5 million and if they will sign the letter agreement. Neal confirmed that Putnam County will indeed. Vincent said the way he believes it worked the last time was that the counties signed the letter agreement first, and then sent it to the DEP. Vincent asked Neal if Putnam County could send an email saying that they would start negotiating the letter agreement. Neal agreed that Putnam County would send the email requested.

Motion by Director Cazzari, seconded by Director Calves to authorize the President to send an email to the New York City Department of Environmental Protection to start negotiations for the rollover of Years 1-10 funds; all in favor.

9) Adjournment – Motion to adjourn by Alternate Preziosi, seconded by Director Cazzari; all in favor. Adjourned: 10:33 AM.