



December 30, 2014

Emily Lloyd
Commissioner

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Dear Dr. Young and Mr. Sweeney:

With this letter, I am reporting on the following deliverables, due December 31, 2014, pursuant to the NYSDOH Revised 2007 Filtration Avoidance Determination (FAD).

Section 3.3 Community Wastewater Management Program of the Revised 2007 FAD requires the completion of the South Kortright Community Wastewater Management project by the end of 2014. The project involves the transmittal of South Kortright wastewater to a WWTP in Hobart. Additional time was required to design, obtain approvals and negotiate the agreements necessary to allow the transfer to occur. In addition, the project had to be rebid in the second half of 2014 due to higher than anticipated bids. The project has been successfully rebid and DEP has amended the Block Grant to add the necessary funding to this project. The Catskill Watershed Corporation (CWC) has reported that the Town awarded the construction contract on December 19, 2014 and expects to complete construction by December 31, 2015.

Section 4.2 Land Acquisition Program of the Revised 2007 FAD requires DEP to meet with NYSDOH, USEPA and NYSDEC to review the status of the Farm CE Program by December 31, 2015. Per our discussions, this meeting is now scheduled for January 7, 2015.

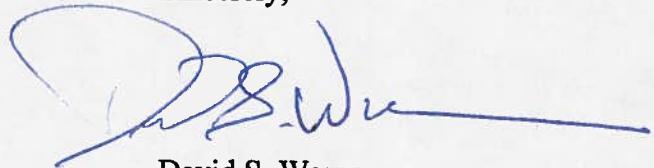
Section 4.6 Stream Management Program of the Revised 2007 FAD requires DEP to “execute contracts or contract changes with SMP partners to provide all necessary funding at the level provided during the First Five Year Period of the 2007 FAD plus an additional \$10.5 million total for all contracts for the remaining period of the 2007 FAD” “by 12/31/14, or as necessary to maintain program continuity.” The City has successfully negotiated program contracts with each of its Stream Management Program partners. Of these contracts, one has registered (CCE Ulster in the Ashokan Basin) and the remaining four partner contracts are in the administrative processing phase and are expected to

be registered in early 2015. Funding within existing contracts and related contract time-extensions are sufficient for continuity of program activities until the new contracts are registered.

The Revised FAD also requires DEP to execute a contract with CWC for \$17 million for the Flood Hazard Mitigation Implementation Program by December 31, 2014. By March 2014, the City had successfully negotiated a program contract with CWC. The negotiated contract, which is in the administrative processing phase and is expected to be registered in the first half of 2015; contains provisions allowing reimbursement by DEP to CWC of any funds that CWC transfers from its WOH Future Stormwater Controls Program. CWC has already approved program rules for and has transferred \$1,250,000 from its WOH Future Stormwater Controls Program to the Flood Hazard Mitigation Implementation Program, such that the program is now in implementation mode and is ready for the review of applications (once Local Flood Analyses, currently in progress, are completed). Upon registration of the Flood Hazard Mitigation Implementation Program, CWC will invoice and DEP will make payment to reimburse funds already transferred by CWC into the program.

As always, if you have questions about any aspects of the City's watershed protection efforts, please do not hesitate to contact me.

Sincerely,



David S. Warne
Assistant Commissioner

c: K. Kosinski, DEC