

June 8, 2004

**DEPARTMENT OF
ENVIRONMENTAL
PROTECTION**

59-17 Junction Boulevard
Flushing, New York 11373

**Christopher O. Ward
Commissioner**

William A. Zutt, Esq.
Bolger, Hinz & Zutt, P.C.
P.O. Box 8 -11 Oscawana Lake Road
Putnam Valley, New York 10579

Re: Lake Peekskill Improvement District, Town of Putnam Valley

Dear Mr. Zutt:

In response to your letter dated June 4, 2004 addressed to Mark Hoffer, please be advised that if the Lake Peekskill Improvement District ("District") decides to disconnect its' existing connection to the Catskill Aqueduct, the District must submit plans and specifications to the New York City Department of Environmental Protection ("DEP") for the removal of the Connection Facilities and all appurtenant piping at this location and restore the City's property to the condition it was in prior to the installation of the Connection. Such plans must be submitted to Paul Aggarwal, P.E., Supervisor, Engineering Design Review Group, Bureau of Water Supply, NYC DEP, 465 Columbus Avenue, Valhalla, New York 10595 (Telephone (914/ 773-4456).

Thereafter, if the District desires to reconnect to the Catskill Aqueduct at some point in the future, the District, must submit a formal request for a new connection to the DEP, in accordance with the requirements for new connections to the City System set forth in Title 15, Section 22-01 of the Rules of the City of New York (15 RCNY 22-01). Enclosed for ease of reference are copies of both the Water Supply Act of 1905 as amended, which now appears as Section 24-360 of the New York City Administrative Code, and the regulations, 15 RCNY 22-01.

The formal request must be accompanied by:

1. a complete set of plans and specifications for engineering review and approval by DEP,
2. an authorizing resolution or resolutions from the Town, in a form satisfactory to DEP;
3. an updated water supply agreement, executed by the Town and the District in a form satisfactory to DEP;
4. a report on the population of the District, based on the latest U.S. decennial census; and
5. if the District contemplates taking water in excess of its entitlement amount under the Water Supply Act, a permit from the New York State Department of Environmental Conservation authorizing such a taking.



With regard to the existing agreement for the District's connection to the Catskill Aqueduct, and as a follow-up to our telephone conversation, I was unable to locate an updated water supply agreement for the District and believe that none was ever finalized. There is a note in my file that an updated agreement was sent out in the early 1980's, but was never signed. Therefore, it appears that the 1930 permit issued to Water District No. 1 is the only agreement for this connection. Also enclosed is a copy of the 1930 Permit, along with a copy of the temporary land use permit that was issued to the Lake Peekskill Water District No. 1 in 1946 for the extension of the pumping station on City property adjacent to the Catskill Aqueduct.

Please feel free to contact me at 718 595-6516 or via e-mail at rpetersen@dep.nyc.gov if you have any questions. In any event, I would appreciate it if you would notify me after a decision is made, what the District's plans are with respect to the existing Catskill Connection.

Sincerely yours,



Roberta O. Pedersen
Assistant Counsel

Enclosures

cc: Mark Hoffer, Esq.- General Counsel-NYC DEP
Frank Schiano, Esq.-Bureau of Legal Affairs-NYC DEP
Thomas Hook, P.E., Director, Capital Design & Construction
Bureau of Water Supply-NYC DEP, Valhalla, NY
Paul Aggarwal, P.E. Supervisor, Engineering Design Review Group,
Bureau of Water Supply-NYC DEP, Valhalla, NY
Monty Arvanaghi, C.E., Community Water Supply Group
Bureau of Water Supply-NYC DEP, Valhalla, NY

bxc: Judy Lapine - OWSC ✓
discussion w/ RP obligatory - need amended permit

LAW OFFICES
BOLGER, HINZ & ZUTT, P.C.

P. O. BOX 8
11 OSCAWANA LAKE ROAD
PUTNAM VALLEY, N. Y. 10579
(845) 528-4410

FAX NO. (845) 528-2566

HAROLD W. HINZ
WILLIAM J. BOLGER
WILLIAM A. ZUTT

June 4, 2004

Mark Hoffer, Esq.
Office of Legal Counsel
New York City Department of Environmental Protection
59-17 Junction Blvd.-19th Floor
Flushing, NY 11373

Re: Lake Peekskill Improvement District("LPID")-Town of Putnam Valley, Putnam County

DEPARTMENT OF
ENVIRONMENTAL PROTECTION
GENERAL COUNSEL'S OFFICE
RECEIVED
2004 JUN -7 P 2:41

Dear Mr. Hoffer:

I am Town Attorney for the Town of Putnam Valley, Putnam County. The LPID is an improvement district within the Town which provides a seasonal water supply to its residents via a Catskill Aqueduct water tap agreement with the city.

Pursuant to the Surface Water Treatment Rule, the LPID has been ordered by the NY State Health Department to either abandon its seasonal system, construct a filtration plant, or locate an alternative groundwater source. Public hearings are being conducted by the Town Board, but no final decision has been made as to which option will be selected.

Among the considerations raised by the State Health Department during the hearing process has been the District's ability to reconnect to the aqueduct at some future date (should the need arise) if the Town Board elects to terminate the seasonal system at this time. In that regard we were referred to Section K51-42.0 of the New York City Water Supply Act of October 1963, which appears to entitle any municipality or water district in Putnam County (among others) to "take and receive" water from the aqueduct "without the consent of any board, officer, bureau or department of the State or any subdivision thereof," provided fair and reasonable compensation is paid for the water drawn therefrom.

Based on the above section, am I correct in understanding that the LPID would be entitled to reconnect to the aqueduct in the future (if the present tap is disconnected)? If not, could you explain why not? It is understood, of course, that the details of the reconnection would be the subject of a new agreement with the City.

Our public hearing is scheduled to resume on June 16, 2004, so a response from you prior to that date would be appreciated.

Thank you very much.

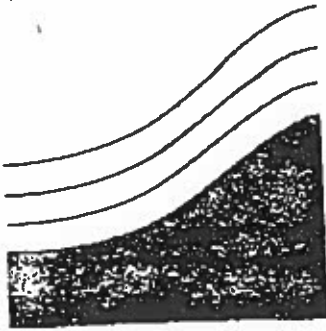
Very truly yours,

~~BOLGER, HINZ & ZUTT, P.C.~~


WILLIAM A. ZUTT, ESQ.
Town Attorney, Town of Putnam Valley

cc: Supervisor Santos and Town Board
Ms. Theresa Boepple, NYS Health Department

BARKOW
LAKE PEEKSKILL W.D. PUB



CITY OF NEW YORK
DEPARTMENT OF ENVIRONMENTAL PROTECTION
BUREAU OF WATER SUPPLY
1250 BROADWAY, NEW YORK, N. Y. 10001

(212) 971-6796

JOSEPH P. CONWAY, P.E., Director
Assistant Commissioner

APR. 26-1982

Mrs. Sallie Sypher, Supervisor
Town of Putnam Valley
R.D. 2, Town Hall
Putnam Valley, New York 10579

Re: New Intake in Catskill
Aqueduct of Lake Peekskill
Water District in Town of
Putnam Valley.

Dear Mrs. Sypher:

This is in reference to your letter of March 3, 1982 to Mr. George Mekenian, P.E. requesting the expediting of approval of the above-referenced project, and your subsequent telephone conversation with Mr. David Barkow, P.E. on March 17, 1982.

We shall make every effort to work with you and Mr. Norman Lindsay, P.E. of Riddick Associates, P.C. to expedite installation of the new intake. There are several matters, however, which need resolution before final approval can be given. They are:

1. Revision of the existing Permit (copy enclosed as per your request) which was issued in 1931, and execution of a revised Agreement by the parties concerned.
2. Revision of the specifications titled "Improvements to Lake Peekskill Water Supply System-August 1981", as prepared by Riddick Associates, P.C., Design & Consulting Engineers, 1722 First Avenue, New York, N.Y. 10028.
3. Submission of resolutions and documentation by the Town of Putnam Valley consisting of:
 - a. Two certified copies of the resolution designating and authorizing an official to make an application to and to execute an agreement with the New York City Department of Environmental Protection on behalf of the Water District.

2) Resolved: That the Lake Peekskill Water District agrees to comply with the provisions of Chapter 51, Title K, of the Administrative Code of the City of New York which relates to obtaining and receiving a supply of City water from the water supply system of the City of New York.

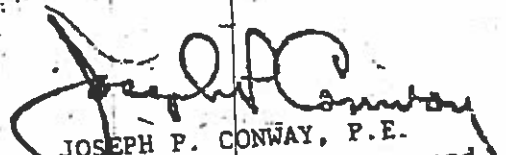
A copy of a typical recent Agreement is attached as you requested. Not all provisions would apply to the Lake Peekskill Water District and the proposed revised Agreement would be tailored to meet Lake Peekskill W.D.'s special requirements.

In parallel with efforts on your part to submit the aforementioned items, this Department shall concurrently submit in the near future required revisions of the engineering specifications to Riddick Associates, P.C. and draft the proposed revised Agreement. The latter shall be submitted to you for your comments and approval as soon as possible.

In the interim, I wish to assure you that we do not anticipate any significant lowering of the water level of the Catskill Aqueduct during the foreseeable future. Therefore, your present intake should be adequate at least for the present and near future.

Please contact Mr. David Barkow, P.E. at (212)971-6849 should you have any questions.

Yours truly,


JOSEPH P. CONWAY, P.E.
Assistant Commissioner and
Director of Water Supply

DB/um

Attachments: 1. L. Peekskill W.D. Permit
2. Marlborough W.D. Agreement

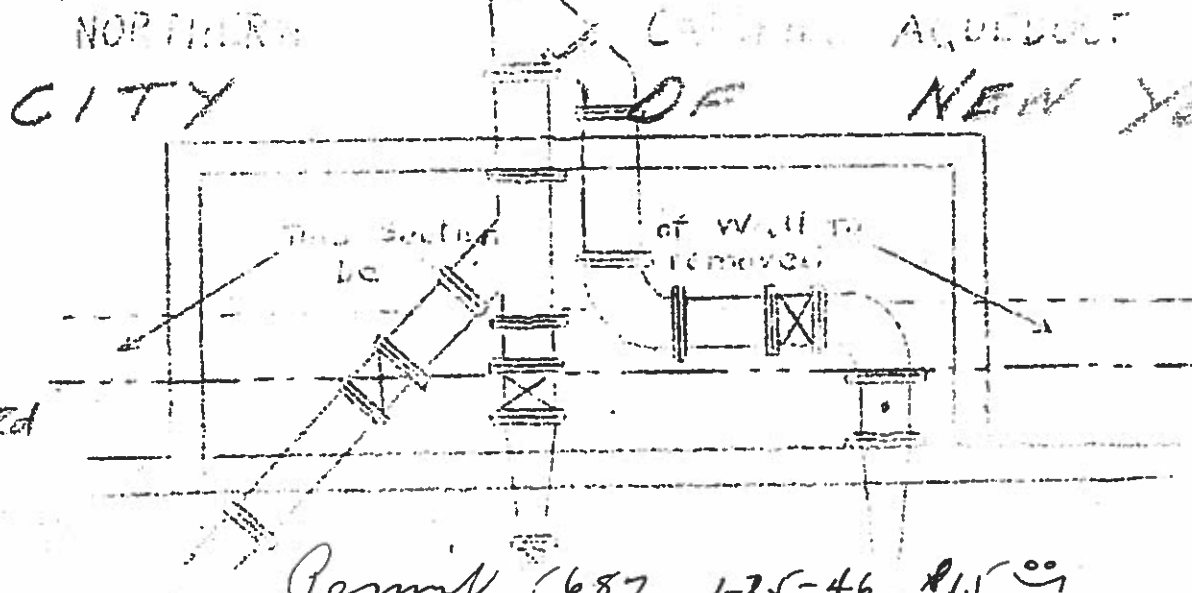
CC: Conway w/attachments
O'Connell "
Bealy "
Barkow (2) "
Mekenian (2) "
Mr. Norman Lindsay, P.E.
Riddick Associates, P.C.
1722 First Avenue
New York, N.Y. 10028

CITY OF NEW YORK—DEPARTMENT OF WATER SUPPLY, GAS & ELECTRICITY—BUREAU OF WATER SUPPLY
REPORT ON REVOCABLE PERMIT FOR USE OF CITY PROPERTY

Located..... **GATSKILL AQUEDUCT** { Town of **Phillipstown** No. **1325**
County..... **PUTNAM** { Borough **PUTNAM VALLEY**

Putnam Valley W.D. Station 2916+8 Misc. 160 1031 1112 100'S of Travers Rd

Sketch of Property to be occupied or used:



Permit 5687 1-25-46 \$15.00

Requested by (give name and address of applicant): **LAKE PEEKSKILL WATER DIST. c/o H.S. SCHENFELD 65 EIGHTH ST., NEW ROCHELLE, N.Y.**

Purpose for which use of property is requested: **INSTALLATION OF PUMPING STATION AND CONNECTION TO GATSKILL AQUEDUCT ON CITY PROPERTY ADJACENT TO GATSKILL AQUEDUCT. See plan of H. J. Schenfeld.**

Approval subject to rules of Dept. of Water Supply, Gas & Electricity as promulgated July 1, 1938 and filed with the City Clerk and as subsequently amended and to the special conditions following or attached:

1. The use of this property shall be in accordance with the rules, regulations and conditions of the Dept. of Water Supply, Gas and Electricity of the City of New York and of the State Department of Public Health.
2. The permittee may remove 25' of the City's boundary wall and extend their pumping plant onto City property at this location. The new ends of the wall shall be neatly and carefully butted up in such a manner as to prevent raveling. The surplus material may be used in connection with the construction of the pumping station or piled at a convenient point indicated by the resident engineer.
3. The permittee shall and will at all times indemnify and save harmless the City from and against any and all detriment, damages, loss, claims, demands, suits, costs or expenses which the City may suffer, sustain, or be subject to directly or indirectly, caused either wholly or in part by reason of this use of the City property.
4. This charge of \$15 per annum is in addition to the charge for taking water from the aqueduct at meter rates.
5. The installation, maintenance and use of this new connection is subject to all of the conditions as stipulated in the original permit to the Lake Peekskill Water Dist. #1 issued by this Department under date of February 3, 1930.

Hatez

PUTNAM VALLEY
163-1091

Accepted by W.D. (See letter to Commissioner)

* 71447

PERMIT ISSUED TO WATER DISTRICT
NO.1 AT LAKE PEKSKILL, TOWN OF PUTNAM VALLEY, PUTNAM COUNTY,
NEW YORK, FOR OBTAINING A SUPPLY OF WATER FROM THE
CATSKILL AQUEDUCT.

As Water District No.1 at Lake Peekskill, Town of Putnam Valley, a municipal corporation, located in Putnam County, New York, has, under date of January 18, 1930, made application through the Chairman of its Water Commissioners, Frank H. Oelschlager, for a supply of water from the water supply system of the City of New York by means of a connection to the Catskill Aqueduct, and in such application has indicated the place and manner in which it is proposed to make a connection to said aqueduct, such place of connection to be at or near Station 2916 / 23 of said aqueduct in Putnam County, a permit is hereby granted to said Water District No.1 of the Town of Putnam Valley, to obtain water by means of such connection, under the terms of Section 6, Chapter 525 of the Laws of 1928, and subject to the following conditions:

Amount of
water
taken

1. The amount of water taken through such connection shall not average, for any calendar month, a greater amount than the proportional quantity that is used by the City of New York, the proportion being calculated according to the number of inhabitants, respectively, of the said City of New York and of Water District No.1 of the Town of Putnam Valley, as shown by the last preceding census of the United States.

The amount of water taken in any one calendar day may be double the average amount allowed on a monthly basis.

tail plan
connec-
on.

2. The work of installing the proposed connection to the Catskill aqueduct shall be performed in accordance with a plan prepared by the Hudson Valley Engineering Company, Inc., dated January 1930, print of which is attached hereto. Said plan shall, if required, be modified in such manner as may be deemed necessary by the Chief Engineer of the Bureau of Water Supply of the Department of Water Supply, Gas and Electricity of the City of New York to properly safeguard the structures and lands forming part of the water supply system of the City of New York, and no work shall be done in making the said proposed connection until such plan, if modified, shall be approved by the said Chief Engineer.

iming.

3. No water from any outside source shall, under any circumstances, be used for priming the pump which the Water District will operate in pumping the supply from the aqueduct.

inspection
work.

4. At least five (5) days prior to the commencement of the work of installing any materials or building any structures to complete that portion of the connection that may lie within the limits of the lands of the City of New York, notice of the intention of Water District No.1 of the Town of Putnam Valley to begin such work shall be given to the Chief Engineer by the duly authorized authorities of said Water District. The said work shall be expeditiously prosecuted under the direction of an inspector to be appointed by the Com-

missioner and paid by Water District No.1 of the Town of Putnam Valley, at a rate not to exceed seven (\$7.00) dollars a day. The services of this inspector shall commence on the day when, in accordance with the notice of duly authorized authorities of the said Water District, construction work is to be started, and is to continue until the connection is completed. If the work of construction is necessarily to be suspended for a period of one week or more, the services of the inspector may be discontinued for such period, provided written notice of such period of suspension be given by the Water District at least 48 hours in advance of the day of suspension of the work.

Measurement
water

5. To measure the water delivered, a 4-inch Trident dist. meter, after having been submitted to and passed the tests prescribed by the Department of Water Supply, Gas and Electricity of the City of New York, be installed on the delivery line from the pump. This meter shall be set in accordance with the rules and regulations of the Department of Water Supply, Gas and Electricity of the City of New York. Access to this meter shall at all times be available to representatives of both the City of New York and the Water District. If meter is placed outside of building, entrance to the meter chamber shall be protected by a suitable cover or door, provided with a lock of acceptable design. Two

keys shall be delivered to the Engineer of the City, and the Water District shall furnish keys only to the official or officials responsible for the examination and reading of the meter.

No charge will be made for testing of the meter, but the Water District shall bear all charges for delivering the meter to, and removing the meter from New York City's meter testing station.

If the meter at any time fails to properly measure the water delivered through the connection, the meter shall, at the request of the Department, be removed, repaired, and reset by and at the expense of the Water District. During such time as the meter fails to register accurately or is removed for any purpose, the amount of water delivered shall be determined by the City of New York in accordance with the rules followed in determining the charge made for metered supplies within the limits of New York City, unless the City of New York installs a suitable measuring device, such as the pitometer and takes measurements on which to base the amount of water passing through the connection during such period.

readings of
meters.

6. Daily readings of the meter shall be taken and recorded and copy of such record shall be furnished to the Department at the end of each month.

notice to be
given of com-
mencement and
discontinuation

7. The Water District shall give written notice twenty-four (24) hours in advance of the intention to take water through the connection, and shall also give

notice of discontinuance of taking of such water twenty-four (24) hours in advance of the time of shutting off the flow through the connection. If, due to an emergency, there is not sufficient time available to give the written notice herein provided, verbal notice shall be given as promptly as possible, such verbal notice to be confirmed in writing with an explanation why the written notice could not be given.

ment for
er taken.

8. The meter shall be read by a representative of the Department at such intervals as may be deemed advisable and bills for the water taken will be rendered at such intervals as may be determined by the Department. The charge for water will be as established in accordance with Section 6 of Chapter 525 of the Laws of 1928; up to December 1, 1938 it will be at the rate of seventy-five (75) cents per thousand (1000) cubic feet.

Payment shall be made within the period fixed for payment of similar bills for water delivered through meters to consumers located within the City of New York. Failure to make such payment will involve the imposition of penalties in accordance with Section 476 of the Greater New York Charter.

airs and
placements.

9. If any appurtenances of the connection installed by the Water District and located within the lands of the City of New York shows any defect, or fails to properly perform its function, the necessary repairs and replacements shall be promptly made by the Water District upon written notice from the Department. If the defect is of such nature that the interests of the City of New York will be jeopardized by the delay incident to the issuing of such notice to the Water District, the City of New York may make such repairs as are necessary to safeguard its interests and charge to the Water District the cost of such repairs.

terations
connection.

10. If any modification is to be made in the connection as installed, such modification shall be submitted for approval and the work performed under the regulations applying to a new connection.

removal of
connection.

11. If the Water District desires to remove the connection or its appurtenances, written notice shall be given at least (10) days in advance of the date when it is desired to commence the removal of same. All work necessary to remove that portion of the connection which may be located within the lands of the City of New York, shall be performed under the supervision of an inspector appointed and paid in the manner prescribed under the installation of the connection. After the pipe, valves, meters and other appurtenances have been removed, the

property of the City of New York shall be restored to a condition equal to that which obtained prior to the installation of the connection and to the satisfaction of the Chief Engineer of the Bureau of Water Supply of the City of New York.

12. No water shall be withdrawn from the water supply system of the City of New York under the provisions of this permit, except such as be withdrawn for the uses and purposes of the said Water District, No.1 of the Town of Putnam Valley.

13. The Water District No.1 of the Town of Putnam Valley shall indemnify and save harmless the City of New York against and from all claims, suits and actions of every name and description brought against it and all costs and damages to which it may be put on account or by reason of any injury or alleged injury to persons or property of another, resulting from the making or operation of the said connection or from negligence or carelessness in the performance of said work or by or on account of any act or omission of the said Water District or its agents.

14. In case any injury is done to any property of the City of New York in consequence of any act or omission on the part of the said Water District or its employees or agents, in making said connection or in the operation thereof, the Water District shall

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make such repairs as are necessary in consequence thereof at its own expense and to the satisfaction of the Chief Engineer.

15. The entire expense of making said connection and of the installation of meter shall be borne by Water District No.1 of the Town of Putnam Valley.

16. Wherever the words "Engineer" or "Chief Engineer" are used, reference is made to the Chief Engineer of the Bureau of Water Supply of the Department of Water Supply, Gas and Electricity of the City of New York. All notices in reference to the utilization of the said connection shall be sent to his office on the 24th floor, Municipal Building, Borough of Manhattan, New York City.

17. It is understood and agreed that the City of New York shall not be liable to the permittees for any damage, direct or indirect, that the permittees or any of its inhabitants may sustain by reason of the shutting off or interruption of the flow of water or reduction in head in the City aqueduct occasioned by an inspection thereof or the making of repairs thereto or for any purpose that the Engineer may deem necessary.

18. The Catskill water is now partially treated with chlorine at the Ashokan headworks, but the City of New York will not assume responsibility for the

continuous or complete chemical treatment of the water furnished through the connection, and the Water District shall install, maintain and operate, at its own cost and expense, any additional chemical treatment it may desire.

_____ 1930.

Commissioner of Water Supply,
Gas and Electricity.

Accepted by Water District No.1
of Putnam Valley.

By _____

RECEIVED JUN 11 1930

Daniel Ricci
Town Council

Steve Johnson
Town Council



Robert Tendy
Town Council

Fred Finger
Town Council

Carmelo J. Santos, Supervisor

Town of Putnam Valley

June 23, 2004

Mr. Michael E. Burke, P.E.
Director Bureau of Water Supply Protection
N.Y.S. Board of Health
Flanigan Square
547 River Street
New York, New York 12180-2216

RE: Lake Peekskill Seasonal Water District
Town of Putnam Valley
PWSID# NY3911223

Dear Mr. Burke,

On June 18, 2004, the Putnam Valley Town Board voted on closure of the Lake Peekskill Seasonal Water System. Enclosed you will find a certified copy of the resolutions authorizing its closure at the end of 2004. This will put the Town of Putnam Valley in compliance with the NYS Board of Health Tribunal Order concerning the EPA's filtration rule.

Efforts are on the way to locate water wells on those homes, which are affected (number is 34.) Note some of these homeowners have already applied for well drilling permits and were denied them in anticipation of the Town's decision on this issue. The decision has been made and we are in the process of authorizing the engineers to assist in locating wells on the properties needing variances.

The Plan will be forwarded to you, as soon as it is available.

Thank you for your attention and assistance throughout this trying issue. Sincere thanks for your efforts.

Respectfully,



Carmelo J. Santos
Supervisor
Town of Putnam Valley

CJS/slm

cc: Teresa Boepple – NYS Department of Health
Michael Budzinski – PC Department of Health
Ann Bittner Department of Health
Roberta O. Pedersen – City of NY Department of Environmental Protection
Steven Adams – Laberge Group

Enclosure

RECEIVED JUN 15 10:01 AM 2011



Town of Putnam Valley

TOWN BOARD MEETING

JUNE 16, 2004

**RESOLUTION AUTHORIZING SHUT-DOWN OF SEASONAL WATER SYSTEM
IN THE LAKE PEEKSKILL DISTRICT**

Presented by Supervisor Santos:

RESOLUTION #R 04-220

WHEREAS, the Lake Peekskill Improvement District ("LPID") is a consolidated improvement district in the Town of Putnam Valley; and

WHEREAS, the LPID provides a seasonal water supply to District residents from the Catskill Aqueduct, owned and operated by the City of New York; and

WHEREAS, there are 943 properties in the LPID, of which 909 have their own private wells, leaving 34, with the LPID system as their sole water source; and

WHEREAS, the New York State Health Department, pursuant to an Administrative Tribunal Decision issued April 23, 2002, and acting pursuant to Part 5-1.30(b) of the NY State Sanitary Code, ordered the LPID to effect one of the following measures on or before September 1, 2002:

- (a) install a filtration plant on the aqueduct tap; or
- (b) abandon the aqueduct tap and develop an alternate satisfactory ground water source; or
- (c) abandon the aqueduct tap and interconnect to another public water system; or
- (d) abandon the aqueduct tap, cease operation of the system, and provide a comprehensive plan prepared by a professional engineer that addresses the need of each lot whose sole current water source is the seasonal system supplied by the LPID; and

WHEREAS, pursuant to correspondence with the Health Department, culminating in an April 12, 2004 letter to the Putnam Valley Town Attorney, William A. Zutt, from Michael E. Burke, P.E., of the Health Department, and assuming one of the options "a" through "c" above was adopted, the LPID was required to update its distribution system in compliance with Subpart 5-1 of the State Sanitary Code, including the requirements specified in "Recommended Standards for Water Works"; and

WHEREAS, the LPID, through the Town Board engaged Laberge Engineering as its consulting engineers in respect to fulfilling and complying with the Health Department's requirements; and

WHEREAS, option © above (interconnection with another public water system) was unsuccessfully attempted through the Northern Westchester Joint Consolidated Water Works; and

WHEREAS, option (b) above (alternate groundwater source) was investigated both within and outside the LPID and, after consultation with Laberge, was determined to be speculative, problematic, and of questionable long-term reliability; and

WHEREAS, other communities which have developed groundwater sources for community water supplies have experienced problems in terms of both quantity and quality; and

WHEREAS, option (a) was determined to reflect the only practical, reliable, long-term compliance solution consistent with the continued maintenance and operation of the LPID water supply system; and

WHEREAS, the operation of the LPID water system under any of option "a" through "c" requires the LPID distribution system to be upgraded pursuant to Subpart 5-1; and

WHEREAS, the estimated cost of a filtration plant and upgraded distribution system as required by the Health Department was estimated by Laberge at \$18.6 million, of which approximately \$13.6 million was attributed to the distribution system; and

WHEREAS, a public referendum with respect to the selection for a compliance option is not lawfully permitted under NY State Law; and

WHEREAS, the Town Board, in lieu of a referendum, distributed a survey form to all LPID property owners in an effort to elicit their preference in terms of either a filtration plant and new distribution system on the one hand, or a shutdown of the existing system on the other; and

WHEREAS, the survey generated a response rate of over 70% and, of those responding, nearly 80% favored a system shutdown; and

WHEREAS, the Town Board, as required by law, scheduled a public hearing under Town Law Section 202-b to consider funding the construction of a filtration plant and new distribution system; and

June 16, 2004

WHEREAS PUBLIC HEARINGS WERE CONDUCTED on May 26, 2004 and June 16, 2004, whereat testimony was received from the public and from representatives of the NY State and Putnam County Health Departments; and

WHEREAS, the Town Board has investigated, through the Town Attorney, the legal consequences of abandoning the current NY City aqueduct water tap, and has determined that the Town of Putnam Valley, including the LPID, is legally entitled to draw water now and in the future from the NY City aqueduct, subject to an appropriate new Tap Agreement, and that the shutdown of the current tap will not foreclose reconnection to the aqueduct in the future; and

WHEREAS, with respect to those properties whose sole water source is the LPID system, the Administrative Tribunal Order and the Health Department's requirement is that the Town provide an engineering plan for the installation of a well (either individual or shared) with respect to each such affected lot, but that the obtainment of permitting and construction of such wells shall be the responsibility of the individual lot owners; and

WHEREAS, the cost of any of the three alternatives which would preserve the LPID water system would involve debt service payments of approximately \$1,490 per annum to a property whose assessment represents the average of all properties in the LPID district; and

WHEREAS, the Health Department has informed the Town Board that, if the new system were installed, all property owners would be required to connect their properties to said system; and

WHEREAS, the connection cost for the average property owner was estimated by Laberge Engineering at between \$5,000 - \$10,000; and

WHEREAS, the town Board has investigated available funding sources for the preservation for the LPID system, and has determined that the average per-property cost based on available funding would be as set forth above (\$1,490 per annum); and

WHEREAS, the Town Board has determined that, despite the benefits of an upgraded, year-round community water supply, the financial burden upon the vast majority of LPID property owners would be prohibitive, and outweighs the benefits to be derived from the upgraded system; and

WHEREAS, the opportunity exists, in the future, to reconnect to the NY City aqueduct system should existing, private wells become deficient or fail; and

WHEREAS, the Town Board has determined that this is a Type II action under the NY State Environmental Quality Review Act ("SEQRA"), which determination has been confirmed by Counsel to the NY State Department of Environmental Conservation ("DEC"); and

NOW THEREFORE BE IT RESOLVED, that the Town Board of the Town of Putnam Valley selects option "2" in the NY State Health Department's Administrative Tribunal Decision, issued April 23, 2002; and

BE IT FURTHER RESOLVED, that Laberge Engineering, as the Town's Consulting Engineers, prepare in behalf of the Town Board a written report for submission to the NY State Health Department describing how the LPID will cease operation, and provide a comprehensive plan that addresses the need of each of the 34 properties which will be deprived of their sole water source, as required by said Administrative Tribunal Decision.

Seconded by Councilman Johnson

ROLL CALL VOTE

Councilman Fred Finger	Absent
Councilman Robert Tendy	Nay
Councilman Stephen Johnson	Aye
Councilman Daniel Ricci	Aye
Supervisor Carmelo Santos	Aye

Motion carried by majority vote.

OFFICE OF THE TOWN CLERK

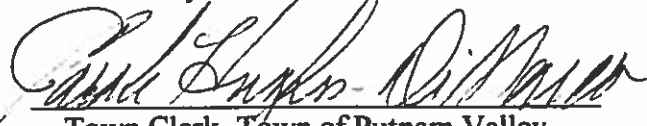
STATE OF NEW YORK
COUNTY OF PUTNAM ss:
TOWN OF PUTNAM VALLEY

I have compared the preceding or annexed copy of

TOWN BOARD MEETING JUNE 16, 2004 RESOLUTION #R 04-220

with the original filed in this office and DO HEREBY CERTIFY the same to be a correct transcript therefrom and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the seal of said town this 22nd day of June 2004


Town Clerk, Town of Putnam Valley



**DEPARTMENT OF
ENVIRONMENTAL
PROTECTION**

59-17 Junction Boulevard
Flushing, New York 11373

**Christopher O. Ward
Commissioner**

**Mark D. Hoffer
General Counsel
Bureau of Legal
Affairs**

Tel (718) 595-6555
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www.nyc.gov/dep

June 8, 2004

William A. Zutt, Esq.
Bolger, Hinz & Zutt, P.C.
P.O. Box 8 -11 Oscawana Lake Road
Putnam Valley, New York 10579

Re: Lake Peekskill Improvement District, Town of Putnam Valley

Dear Mr. Zutt:

In response to your letter dated June 4, 2004 addressed to Mark Hoffer, please be advised that if the Lake Peekskill Improvement District ("District") decides to disconnect its' existing connection to the Catskill Aqueduct, the District must submit plans and specifications to the New York City Department of Environmental Protection ("DEP") for the removal of the Connection Facilities and all appurtenant piping at this location and restore the City's property to the condition it was in prior to the installation of the Connection. Such plans must be submitted to Paul Aggarwal, P.E., Supervisor, Engineering Design Review Group, Bureau of Water Supply, NYC DEP, 465 Columbus Avenue, Valhalla, New York 10595 (Telephone (914/ 773-4456).

Thereafter, if the District desires to reconnect to the Catskill Aqueduct at some point in the future, the District, must submit a formal request for a new connection to the DEP, in accordance with the requirements for new connections to the City System set forth in Title 15, Section 22-01 of the Rules of the City of New York (15 RCNY 22-01). Enclosed for ease of reference are copies of both the Water Supply Act of 1905 as amended, which now appears as Section 24-360 of the New York City Administrative Code, and the regulations, 15 RCNY 22-01.

The formal request must be accompanied by:

1. a complete set of plans and specifications for engineering review and approval by DEP,
2. an authorizing resolution or resolutions from the Town, in a form satisfactory to DEP;
3. an updated water supply agreement, executed by the Town and the District in a form satisfactory to DEP;
4. a report on the population of the District, based on the latest U.S. decennial census; and
5. if the District contemplates taking water in excess of its entitlement amount under the Water Supply Act, a permit from the New York State Department of Environmental Conservation authorizing such a taking.



With regard to the existing agreement for the District's connection to the Catskill Aqueduct, and as a follow-up to our telephone conversation, I was unable to locate an updated water supply agreement for the District and believe that none was ever finalized. There is a note in my file that an updated agreement was sent out in the early 1980's, but was never signed. Therefore, it appears that the 1930 permit issued to Water District No. 1 is the only agreement for this connection. Also enclosed is a copy the 1930 Permit, along with a copy of the temporary land use permit that was issued to the Lake Peekskill Water District No. 1 in 1946 for the extension of the pumping station on City property adjacent to the Catskill Aqueduct.

Please feel free to contact me at 718 595-6516 or via e-mail at rpedersen@dep.nyc.gov if you have any questions. In any event, I would appreciate it if you would notify me after a decision is made, what the District's plans are with respect to the existing Catskill Connection.

Sincerely yours,



Roberta O. Pedersen
Assistant Counsel

Enclosures

cc: Mark Hoffer, Esq.- General Counsel-NYC DEP
Frank Schiano, Esq.-Bureau of Legal Affairs-NYC DEP
Thomas Hook, P.E., Director, Capital Design & Construction
Bureau of Water Supply-NYC DEP, Valhalla, NY
Paul Aggarwal, P.E. Supervisor, Engineering Design Review Group,
Bureau of Water Supply-NYC DEP, Valhalla, NY
Monty Arvanaghi, C.E., Community Water Supply Group
Bureau of Water Supply-NYC DEP, Valhalla, NY

brc: Judy Lapine - OWSL

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