



SARATOGA COUNTY WATER AUTHORITY

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ED HERNANDEZ, P.E., EXECUTIVE DIRECTOR

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VACANT

SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS OFFICIAL MEETING MINUTES THURSDAY, FEBRUARY 25, 2016 @ 2:30P.M.

PRESENT: Chairman John Lawler, Anita Daly, Treasurer Patrick Ziegler, Supervisor Arthur Johnson, Executive Director Ed Hernandez, SCWA General Counsel Mark Schachner, Esq. and Leah Everhart, Esq., Rick McCarthy of Environmental Capital, and Press. **Absent:** Board Member Tom Cumm, Board Member Jim Smith.

Chairman Lawler called the regular meeting to order at 2:40 p.m. and welcomed all in attendance.

Motion was made by Ms. Daly and seconded by Mr. Johnson to adopt the draft minutes of the January 21, 2016 Board Meeting minutes as the official minutes of that meeting. Motion carried. (2016-0010)

(As is the practice of the Board, the Board waived a reading of the draft minutes and the adopted minutes include the long form resolutions that were passed at said meeting and the Board waived the reading of the long form resolutions.)

Reports:

Production: Ed Hernandez, Executive Director, reported that production data for the month of January 2016 at 4.877 MGD. Rolling annual average was 5.755 MGD. There were no further inquiries from the Board about the production data.

Financial: Mr. Hernandez discussed the preliminary financial reports through January 31, 2016. Budgeted expenses were \$161,000 and actual expenses were \$79,000. Revenues for the year were budgeted at \$398,000 and actual revenues were \$435,000. Mr. Hernandez stated that income before depreciation to date was \$356,000. Estimated cash available for operations at March 1, 2016, (after bond payment) is \$1.1 million. The next bond payment for the 2014 Bond is due June 1, 2016.

Halfmoon-Waterford Connection Update: Chairman Lawler reiterated that he had requested that Mr. Hernandez prepare a Preliminary Design Report for a potential connection to the Water Authority with Waterford and Halfmoon. He discussed that this would be a secondary supply for both communities. He stated that they were considering 1 million gallons per day in demand. Mr. Hernandez then reviewed his preliminary design work, the available grant and what would be required financially from each stakeholder. He reviewed a map of the design with the Board in detail. He discussed that the whole project would estimate at \$6.6 million. He stated that the Water Authority would pay for the line to get it through the Town of Stillwater to the town line at Halfmoon. Halfmoon would be responsible for its share of the line through

Halfmoon and the Town of Waterford would be responsible for its portion. He stated that they are working on the Infrastructure Grant available and which was due by April 15th. He stated that the payback period for the Authority would be 3.5 years. Chairman Lawler inquired if the Authority had the funds to finance the project. Mr. Hernandez stated in the affirmative. Chairman Lawler then discussed that he felt it was unreasonable to expect Stillwater to share any cost. He stated that he asked Ed to apportion the costs appropriately between the two communities and the SCWA. He inquired if the Board was comfortable with the allocation of the costs. Mr. Johnson inquired where Stillwater's line ended. Mr. Hernandez showed that location on the map. Mr. Johnson inquired if Stillwater would achieve any benefit from the new line. Mr. Hernandez stated not at this time, but perhaps in the future. Chairman Lawler stated he had no expectation for Stillwater to share any cost at this time when they had recently installed a 12" line. Mr. Hernandez stated it was not designed to serve Stillwater. Chairman Lawler discussed that the water main break in Troy revealed a clear need to have a secondary source for Halfmoon and Waterford. Mr. Johnson inquired if the additional demand would require an expansion of the plant. Mr. Hernandez stated that as water demand increases there will be an eventual need to expand the water system and/or to limit peak daily water usage to some customers, but at this time there was sufficient capacity to provide sales of water to Halfmoon and Waterford to meet their average daily water demand. Ms. Daly inquired about the chances of acquiring the grant money. He stated that there were no guarantees but that the State has been promoting the consolidation of resources. Chairman Lawler stated that elected officials have an obligation to have a reliable source of water for their communities. Mr. Hernandez stated that in order to meet the timeline for the grants it was necessary to initiate the SEQR process immediately.

Legal: Ms. Everhart discussed ongoing negotiations with the City of Mechanicville. She stated only small legal details were left to work out. She also discussed the agreement with Stewarts Corporation for the proposed store at the Technology Campus. She stated all details were now worked out and the final draft was with Stewarts. Mr. Johnson inquired if Stewarts would be reselling water to Maltaville. Ms. Everhart stated that due to the limitations of the Bonds the Agreement had been structured so that it was not an option. Mr. Hernandez stated he was not aware of any interest on the part of Stewarts to sell water. Ms. Everhart then discussed the Addendum to the Water Sale Agreement with the Village of Stillwater. The Addendum was now complete and ready for signature by both parties. The final two legal items were closeouts of the Kubricky contract from the original construction and a closeout of a small amount with EW Tompkins. She stated that both had been reviewed and were approved for closeout by legal staff.

Motion to Further Authorize and Ratify the Series 2008 Bond Refunding. Chairman Lawler discussed that the Finance Committee met previous to the meeting with Rick McCarthy of Environmental Capital, the Authority's named Financial Expert, and that the Committee was recommending approval of the refunding to save the Authority approximately \$4 million over the life of the bond. **Motion was made by Mr. Johnson and seconded by Mr. Ziegler. Motion passed unanimously. (2016-0011)**

Motion to adopt the 2015 Investment Report as recommended by the Finance Committee. Motion was made by Mr. Ziegler and seconded by Mr. Johnson. Motion passed unanimously. (2016-0012)

Motion to approve the renewal of a Security Agreement with Mahoney Notify. Mr. Hernandez discussed that all rates for services had remained the same with the exception of those based on Prevailing Wage rates.

Mr. Johnson inquired when the contract would expire. Mr. Hernandez stated it was a year to year Agreement. Mr. Hernandez stated the Authority was saving a good deal of money with this firm and that next year he would do an RFP for a review of the costs. **Motion was offered by Ms. Daly and seconded by Mr. Ziegler. Motion passed unanimously. (2016-0013)**

The next matter was to authorize the renewal of the contract with Grasshopper Gardens for mowing of the pipeline at a cost of \$30,000. Mr. Ziegler inquired if Mr. Hernandez was happy with their work to which he stated in the affirmative. **Motion was offered by Mr. Ziegler and seconded by Mr. Johnson. Motion carried unanimously. (2016-0014)**

Next motion was to authorize the Executive Director to fill the open Water Treatment Operator to a qualified candidate at a rate not to exceed \$52,000 annual salary. Motion was made by Mr. Johnson and seconded by Ms. Daly. Motion carried unanimously. (2016-0015)

Motion was made to transfer all remaining funds in the Series 2014 Cost of Issuance account to the Series 2014 Debt Service Fund. Mr. Hernandez stated that all issuance costs had been completed and the balance remaining in the account was \$9,015.67. **Motion was offered by Ms. Daly and seconded by Mr. Ziegler. Motion passed unanimously. (2016-0016)**

Motion was made to authorize the final payout of the Kubricky Construction Contract 2G at a final cost of \$143,966.66. Motion was offered by Mr. Ziegler and seconded by Mr. Johnson. Mr. Ziegler inquired if the Jersen Construction contract was part of this. Mr. Hernandez stated it was a separate contract. **Motion passed unanimously. (2016-0017)**

Motion was made by Mr. Ziegler and seconded by Ms. Daly to authorize the final payout of the E.W. Tompkins contract 2H at a cost of \$1,000. Mr. Hernandez stated that with the settlement of the Kubricky Construction Contract there was a small amount due E. W. Tompkins. **Motion carried unanimously. (2016-0018)**

Motion was made by Ms. Daly and seconded by Mr. Ziegler to authorize the payment of the monthly vouchers at a cost of \$115,011.47 in operating costs, \$10,172.46 in SPDES Outfall Project costs, \$144,966.66 in 2008 Construction Costs, and \$7,390.60 in DBP Project Costs. Motion carried unanimously. (2016-0019)

Motion was made by Ms. Daly and seconded by Mr. Johnson to Approve a Water Supply Agreement with Stewart's Corporation and Further Authorize the Chairman to Execute the Agreement in a form acceptable to the Authority's General Counsel. Motion carried unanimously. (2016-0020)

Motion was made by Mr. Ziegler and seconded by Ms. Daly to Approve a Water Supply Agreement with the City of Mechanicville and Further Authorize the Chairman to Execute the Agreement in a form acceptable to the Authority's General Counsel. Motion carried unanimously. (2016-0021)

The next meeting of the Authority Board was scheduled for March 30, 2016 at 2:30 p.m. The Governance Committee will meet prior to that at 2:00 p.m. Members of that Committee are Lawler, Smith and Ziegler. The Audit Committee will conduct a brief meeting prior to that at 2:15 p.m. Members of that Committee are Cumm, Daly and Johnson.

New Business: Chairman Lawler then read the following Resolution relating the SEQR Application for the Halfmoon/Waterford Distribution Extension Proposed Project:

RESOLUTION 2016-0022 OF THE SARATOGA COUNTY WATER AUTHORITY DECLARING ITS INTENTION TO SERVE AS SEQRA LEAD AGENCY IN RELATION TO EXTENSION OF WATER TRANSMISSION FACILITIES IN THE TOWNS OF STILLWATER AND HALFMOON

WHEREAS, the Saratoga County Water Authority wishes to undertake certain modifications to its water distribution system by installing water transmission facilities in the Towns of Stillwater and Halfmoon; and

WHEREAS, such installation is an Action pursuant to the State Environmental Quality Review Act (SEQRA); and

WHEREAS, the Authority is the SEQRA Involved Agency having the most knowledge and expertise related to this Action.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Authority hereby declares its intention to serve as Lead Agency in connection with this Action; and
2. The Authority authorizes and directs its Chairman, Clerk, Engineers and/or Legal Counsel to take such further actions as may be necessary to effectuate the intent of this Resolution.

The question of the adoption of this Resolution was duly put to a vote on roll call which resulted as follows:

AYES: Lawler, Daly, Johnson, Ziegler
NAYS: None
ABSENT: Cumm, Smith

The Resolution was declared duly adopted on February 25, 2016.

State of New York)
)
County of Saratoga)

I, Carol Alden, Secretary of the Saratoga County Water Authority, do hereby certify that the foregoing is a true copy, and the whole thereof, of a resolution duly adopted by the Saratoga County Water Authority on the 25th day of February, 2016.

IN WITNESS WHEREOF, I have hereunto subscribed my name and signed this certificate this 25th day of February, 2016.

Carol A. Alden
Sec. of the Saratoga County Water Authority

The next motion before the Board was to **authorize the submission of the Water Infrastructure Grant Application for the Waterford/Halfmoon Distribution Extension Proposed Project. Motion was offered by Mr. Johnson and seconded by Mr. Ziegler. Motion carried unanimously. (2016-0023)**

The final motion before the Board was to **authorize a credit in the amount of \$7,398.40 to Wilton Water and Sewer Authority to settle a billing dispute. Motion was offered by Chairman Lawler and seconded by Ms. Daly. Motion carried unanimously. (2016-0024)**

Motion was offered by Ms. Daly and seconded by Mr. Ziegler to adjourn to Executive Session for purposes of attorney/client privileged discussions relating to a settlement of a legal action. Unanimous.

Motion to return to open session was made by Mr. Ziegler and seconded by Ms. Daly. Unanimous.

With no further action as a result of Executive Session, Motion to adjourn was made by Mr. Ziegler and seconded by Mr. Johnson. Motion passed and meeting was adjourned.

Respectfully Submitted,

Carol A. Alden, Confidential Secretary