



SARATOGA COUNTY WATER AUTHORITY

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SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS OFFICIAL MEETING MINUTES THURSDAY, MARCH 26, 2015 @ 2:30P.M.

PRESENT: Chairman John Lawler, Supervisor Anita Daly, Supervisor Pat Ziegler, SCWA Board Members Tom Cumm and Jim Smith, Leah Everhart, Esq., SCWA Special Counsel; Ed Hernandez, Executive Director. **Absent:** Treasurer Kevin King and Supervisor Arthur Johnson.

Chairman Lawler called the regular meeting to order at 2:30 p.m. and welcomed all in attendance.

Motion was made by Ms. Daly and seconded by Mr. Ziegler to adopt the draft minutes of the February 27, 2015 Board Meeting minutes as the official minutes of that meeting. Motion passed unanimously.

No members of the Finance Committee were present, therefore adoption of the minutes of the February 26, 2015 Finance Committee were tabled.

(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 February 2015 was 5.526 MGD. Chairman Lawler stated that this was a record month for the Authority. Mr. Cumm noted that the last five months production exceeded 5 MGD. Chairman Lawler noted that if this continued then the Authority may be in a position to commence repayment of the County loan. He also noted that Global Foundries has still not met the amount of water that has been estimated for the last five years. Mr. Cumm asked if the report could include what each customer's minimum requirements are.

Annual Water Quality: Ed Hernandez reviewed the Annual Water Quality Report. He noted that the Authority met all water quality requirements for 2014 and that the report had been approved by New York State Department of Health. Mr. Lawler asked that a press release be prepared regarding the AWQR.

Financial: Mr. Hernandez discussed the financial reports through February 28, 2015. Budgeted expenses were \$328k and actual expenses were \$214k. Revenues year to date were budgeted at \$776k (with no billing except for Global Foundries) and actual revenues were \$570k. He noted that the next bond payment is due June 1, which is for the new bond issuance. Chairman Lawler asked Mr. Hernandez to comment on the budget variances versus the actual costs. He requested that a variance column be added to the report for reader

ease. He also requested that revenues precede expenses on the reports as well. Mr. Cumm inquired if the Authority was pursuing other water customers within Saratoga County. Mr. Hernandez noted that there is interest from another community within the County. He also noted that the possibility of a water treatment capacity expansion may become a reality if water sales continue to increase. Chairman Lawler noted that there was some potential in the southern part of the County but that there is considerable infrastructure that would have to take place beforehand. Mr. Cumm noted that if one more community came online, then the Authority would be a long term profitable organization, which in turn, would benefit the residents with reduced rates. Mr. Hernandez stated that the plant was able to pump up to 26MGD from the river, but currently could only filter 14 mgd without expansion. He stated that the plant was able to expand another 4 mgd without considerable cost. Chairman Lawler asked that Counsel review all the water contracts for the language relating to minimums.

Legal Update: Ms. Everhart named some of the pending legal matters. **Chairman Lawler made a motion to adjourn to Executive Session to discuss privileged attorney client communications at 2:45 p.m. Motion was seconded by Ms. Daly. Unanimous.**

Motion was made by Mr. Cumm and seconded by Mr. Ziegler to close Executive Session and return to open session at 3:00 p.m. Unanimous.

Motion to authorize the payment of the vouchers for the month at a total cost of \$125,247.32 in operating costs, \$374.00 in SPDES Outfall Project Costs, \$676,984.63 in DBP Project costs and \$3835.00 of reimbursable costs as reviewed and approved by Kevin King, Treasurer. Mr. Cumm moved to authorize that vouchers, as presented and audited for payment by the Treasurer, are approved for payment. The motion was seconded by Mr. Ziegler. Motion passed unanimously.

Motion was made to approve the 2014 Performance Measurement Report as recommended by the Governance Committee for posting to PARIS. Motion was made by Mr. Smith and seconded by Mr. Lawler. Motion carried unanimously.

Motion was made by Anita Daly of the Audit Committee to adopt the 2014 Audited Financial Statements and to approve posting same to PARIS. Motion was seconded by Mr. Ziegler. Discussion ensued regarding the outstanding receivable from LFTC EDC. Ms. Daly commented if we should pursue an Agreement with them to receive some sort of remuneration in the form of land if any is sold in the park. Ms. Daly noted that the receivable is currently at \$1.7 million. There was an allowance to write off the majority of the receivable, but Chairman Lawler stated that he would meet with LFTCEDC to discuss same.
Motion passed unanimously.

The next matter was a motion to enter into a contract for IT Professional Services with North Country Computer Services. Motion was offered by Ms. Daly and seconded by Mr. Ziegler. Mr. Cumm abstained from the voting on this matter. Motion carried.

Motion was offered by Ms. Daly and seconded by Mr. Smith to adopt the Petty Cash Policy as recommended by the Governance Committee. Unanimous.

Next matter was the Continuing Disclosure Policy which had been tabled from the previous month's meeting. Ms. Everhart stated that she had been reaching out to Rick McCarthy of Environmental Capital to conclude the outstanding items that the Executive Director had reviewed with her. Chairman Lawler stated he was meeting with Mr. McCarthy the next day and would discuss same with him at that meeting. No further business was carried out relating the Continuing Disclosure Policy at this time.

The Board scheduled the next meeting of the SCWA Board of Directors for **2:30 p.m. on April 23, 2015.**

Motion was made at 3:45 p.m. by Mr. Smith to adjourn to Executive Session to discuss privileged attorney client communications relating to a litigation matter. Motion was seconded by Mr. Ziegler. Unanimous.

At 4:29 p.m. Motion to return to open session was made by Mr. Smith and seconded by Chairman Lawler. Unanimous.

At 4:30 p.m. Motion to adjourn was made by Mr. Smith and seconded by Mr. Cumm. Motion passed and meeting was adjourned.

Respectfully Submitted,

Carol A. Alden, Confidential Secretary