



SARATOGA COUNTY WATER AUTHORITY

JOHN E. LAWLER, CHAIRMAN
ED HERNANDEZ, P.E., EXECUTIVE DIRECTOR

260 BUTLER ROAD, GANSEVOORT, NY 12831
TELEPHONE: (518) 761-2058
FACSIMILE: (518) 792-4942
www.saratogacountywaterauthority.com

THOMAS K. CUMM
ANITA M. DALY
ARTHUR J. JOHNSON
KEVIN T. KING
JAMES M. SMITH
PATRICK S. ZIEGLER

SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS OFFICIAL MEETING MINUTES THURSDAY, APRIL 23, 2015 @ 2:30P.M.

PRESENT: Chairman John Lawler, Supervisor Anita Daly, Treasurer Kevin King, Supervisor Arthur Johnson, SCWA Board Members Tom Cumm and Jim Smith, Mark Schachner, Esq., SCWA Special Counsel; Ed Hernandez, Executive Director. Also in attendance: Joseph Lanaro, P.E., Chazen Companies, Jack Murray, Dept. Town Supervisor for Stillwater, Daryl Cutler, Esq., Attorney for Stillwater. Absent: Supervisor Patrick Ziegler.

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. Johnson to adopt the draft minutes of the March 26, 2015 Board Meeting minutes as the official minutes of that meeting.

Ayes: 5 Cumm, Daly, Johnson, Lawler, Smith
Nays: 0
Abstain: 1 King

Motion was made by Ms. Daly and seconded by Mr. Johnson to adopt the draft minutes of the February 26, 2015 Finance Committee minutes as the official minutes. Unanimous.

Motion was made by Ms. Daly and seconded by Mr. Johnson to adopt the draft minutes of the March 26, 2015 Audit Committee minutes as the official minutes. Unanimous.

Motion was made by Ms. Daly and seconded by Mr. Johnson to adopt the draft minutes of the March 26, 2015 Governance Committee minutes as the official minutes. Unanimous.

(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 March 2015 was 5.489 MGD. He noted the addition of customer minimum requirements that the Board had requested.

Financial: Mr. Hernandez discussed the financial reports through March 31, 2015. Budgeted expenses were \$489k and actual expenses were \$379k. Revenues year to date were budgeted at \$1.16 million and actual

revenues were \$1.29 million. He noted that the next bond payment is due June 1, which is for the new 2014 Series bond issuance. He noted that the additions to the financial reports had been completed. Chairman Lawler inquired if the 23% under budget variance would remain. Mr. Hernandez stated he felt it would reduce as the year progressed and summer maintenance projects were completed.

Capital Projects Update: Mr. Hernandez stated that the GAC building project was approximately 60 days behind schedule but was progressing well. He stated that the GAC would be put online in approximately two weeks and be run in manual mode. At this time, Mr. Hernandez turned the discussion over to Brock Juusola of Delaware Engineering, the Project Engineer. Mr. Juusola felt that substantial completion would be around mid-June. Mr. Cumm asked if the general contractor had made up some time in the schedule. Mr. Juusola stated they did not appear to have. Chairman Lawler stated that the general contractor made representations they would complete the project on time from the very start. Mr. Hernandez stated he was encouraging them to complete the project as quickly as possible. He then discussed the Change Request from Delaware Engineering for the extension of time to be onsite for the completion. Mr. Juusola then discussed the value of the contract with Delaware Engineering. Mr. Cumm inquired what Delaware staff was doing during the work stoppage in February. Mr. Hernandez stated he had requested that Delaware itemize the costs associated with any time beyond substantial completion. Chairman Lawler inquired about what responsibility Delaware had during the work stoppage and the inspection of the construction work that caused such delays. Chairman Lawler and Mr. Cumm both expressed serious concerns about paying for additional construction inspection services with Delaware when the delays were partly due to the lack of oversight during the pouring of the concrete wall that caused the delays. Mr. Juusola stated they do not interfere with means and methods of the construction and are not there to observe every aspect of the construction at every level. Mr. Hernandez stated that the rebar was all inspected before the pour, but that the concrete when poured was done incorrectly by the contractor. Mr. King stated that there were three values that Delaware was looking for. Chairman Lawler stated that the total additional request was at \$47,000. Mr. King inquired why Delaware needed another \$16,000 for construction administration. Mr. Juusola stated that Delaware was spending a lot of time responding to claims by the general contractor. Chairman Lawler then expounded on the history of the relationship with previous contractors and the Authority Board. He stated that the Board strongly felt that additional moneys would not automatically be paid due to errors made by contractors and engineers. At the conclusion of this discussion, the Board opted to table the Change Order request from Delaware at this time.

Legal Update: Mr. Schachner stated that the Continuing Disclosure Policy was close to completion. They were awaiting a comment back from Holland & Knight, Bond Counsel. He also discussed that the IDA Agreement was also in the process of completion. Mr. King inquired about how much time Holland & Knight would be taking to do their part.

Motion to authorize the payment of the vouchers for the month at a total cost of \$145,697.80 in operating costs, \$116.00 in SPDES Outfall Project Costs, \$505,771.92 in DBP Project as reviewed and amended by Kevin King, Treasurer. He also noted that the Holland & Knight recent invoice was reduced to the agreed upon cost during the Bond issuance. **Mr. Cumm moved to authorize that vouchers, as amended be approved for payment. The motion was seconded by Mr. Smith. Motion passed unanimously.**

The Board scheduled the next meeting of the SCWA Board of Directors for **2:30 p.m. on May 28, 2015.**

Motion was made at 3:15 p.m. by Mr. Smith to adjourn to Executive Session for purposes of discussing contractual financial arrangements with a partner municipal corporation. Motion was seconded by Mr. Johnson. Unanimous.

At 4:02 p.m. Motion to return to open session was made by Mr. Smith and seconded by Chairman Lawler. Unanimous.

At 4:05 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