



SARATOGA COUNTY WATER AUTHORITY

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SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS OFFICIAL MEETING MINUTES WEDNESDAY, JUNE 15, 2016 @ 3:00P.M.

PRESENT: Chairman John Lawler, Vice Chair Anita Daly, Board Members Tom Cumm and Jim Smith; Executive Director Ed Hernandez, SCWA General Counsel Leah Everhart, Esq., and Special Counsel Chris Martell, Esq., Hodgson Russ LLP. **Absent:** Supervisor Art Johnson, Treasurer Patrick Ziegler, and Darren O'Connor.

Chairman Lawler called the regular meeting to order at 3:05 p.m. and welcomed all in attendance.

Chairman Lawler thanked all members who could attend this special meeting to discuss the financing opportunity before the Board. He reviewed the DWSRF (Drinking Water State Revolving Fund) loan that is available to the SCWA for the potential extension of the distribution system to Halfmoon. He also discussed the low interest on the loan and the refinancing of the existing debt that is owed to Saratoga County. Mr. Hernandez then distributed a chart to all members showing the potential savings through the refinancing option.. Chairman Lawler inquired if any members had questions concerning the revised application to EFC. Mr. Cumm inquired about the grant portion of the project to which Mr. Hernandez stated those funds would go directly to the towns involved in the extension of the system, Halfmoon and Waterford, if approved by EFC.

At this time, the following resolution was offered by Mr. Cumm and seconded by Ms. Daly:

RESOLUTION NO. 2016-0057 AUTHORIZING THE ISSUANCE BY THE SARATOGA COUNTY WATER AUTHORITY OF ITS WATER SYSTEM REVENUE BONDS; PROVIDING FOR PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS; AND PROVIDING FOR THE RIGHTS OF THE HOLDERS THEREOF.

SARATOGA COUNTY WATER AUTHORITY - 16" or 20" WATER MAIN CONNECTING FROM CORDERO BOULEVARD, STILLWATER TO JOHNSON ROAD, HALFMOON AND THE REFINANCING OF EXISTING DEBT

WHEREAS, the Saratoga County Water Authority ("**Authority**") has adopted the "Saratoga County Water Authority General Resolution" ("**Bond Resolution**") dated as of September 1, 2008; and

WHEREAS, said Bond Resolution has not been terminated or amended; and

WHEREAS, the Authority has made an application to the Environmental Facilities Corporation ("**Corporation**") under its New York Drinking Water State Revolving Fund, for a financing in an amount currently estimated to be Twelve Million Seven Hundred Twenty Three Thousand Dollars (\$12,723,000) for a project (the "**Project**") consisting of the following: (1) for the purpose of addressing water supply needs in the Towns of Halfmoon and Waterford and consolidating existing infrastructure, extension of the Authority's existing water system (the "**Water System**") using a 16" or 20" water main running from the Authority's 30" main on Cordero Boulevard, Stillwater to a 12" main on Johnson Road owned by the Town of Halfmoon at an estimated cost of \$3,547,875, but in no event to exceed \$4,500,000; and (2) the refinancing of debt of the Authority in the amount of \$8,223,000 (the "**Prior Debt**"), which Prior Debt was used to pay for some or all of the costs of the planning, construction, maintenance, and operation of the Water System; and

WHEREAS, under the Bond Resolution, the Authority is authorized to issue additional Water System Revenue Bonds pursuant to a supplemental resolution authorizing such series, provided, however, that the conditions precedent to the delivery of a series of bonds as set forth in Section 3.02 of the Bond Resolution are met; and

WHEREAS, the Authority desires to obtain the financing in an amount currently estimated to be Twelve Million Seven Hundred Twenty Three Thousand Dollars (\$12,723,000) from the Corporation pursuant to the terms and conditions to be required by said Corporation and agreed to by the Authority or as are hereinafter stated, and to issue its bonds in said amount to evidence the said financing; and

NOW, THEREFORE, it is hereby,

RESOLVED, that any term or word not defined herein, shall have the same meaning as defined in the Bond Resolution, and it is further

RESOLVED, that the authorized principal amount of the Water System Revenue Bonds to be issued by the Authority pursuant to this Resolution shall be an amount up to Twelve Million Seven Hundred Twenty Three Thousand Dollars (\$12,723,000) plus such additional amount for debt reserves and other items, but not to exceed in the aggregate, Twelve Million Seven Hundred Twenty Three Thousand Dollars (\$12,723,000), as certified in writing by either the Chairman, or Vice Chairman or Treasurer of the Authority, which bonds are to be issued in denominations and mature at such dates as certified to in writing by the Chairman or Vice Chairman or Treasurer of the Authority and agreed to by the Corporation, all of which said bonds are to be sold to the Corporation; and it is further

RESOLVED, that series and subseries designation of said bonds is 2016A Series Bonds, if issued in 2016, and if the first issue, and if issued after 2016 and/or a subsequent issue in such year, at such series and subseries designation as established by the Chairman of the Authority; and it is further

RESOLVED, that either the Chairman or Vice Chairman or Treasurer of the Authority is hereby authorized to execute any and all instruments and documents (including a Project Financing and Loan Agreement) containing such provisions as are agreed to by the Chairman, Vice Chairman or Treasurer, on behalf of the Authority and to bind the Authority thereto, and upon the execution, the Authority is to perform the obligations and meet the conditions therein contained to be performed or met on the part of the Authority; and it is further

RESOLVED, that the purpose for the issuance of said series of bonds is for the refinancing of existing debt of the Authority and the financing of the acquisition, construction and installation of the Project and the net proceeds of said bonds are to be applied to refinance the existing debt of the Authority and to pay for the acquisition, construction and installation and other costs associated with the Project; and it is further

RESOLVED, that the dates of said bonds and the maturity dates of said bonds of the series shall be those agreed to in writing by the Corporation and either the Chairman or Vice Chairman or Treasurer of the Authority; and it is further

RESOLVED, that the interest payable on said bonds shall be at the rate agreed to in writing by the Corporation and either the Chairman or Vice Chairman or Treasurer of the Authority, but not to exceed 2% per annum, and that said interest shall be paid on dates agreed to by said Chairman, or Vice Chairman or Treasurer and the Corporation aforesaid; and it is further

RESOLVED, that the Chairman or Vice Chairman or Treasurer of the Authority is hereby authorized by a certificate or certificates in writing to agree to the exact principal amount, dates, maturity dates, redemptions, redemption prices, and denominations of said bonds, as well as the annual principal installments and interest rate to be paid by the Authority on said bonds; and it is further

RESOLVED, that in anticipation of the issuance of said bonds, the Corporation may provide financing to the Authority in the form of short-term notes pursuant to the terms of the Project Financing and Loan Agreement and the Chairman or Vice Chairman or Treasurer of the Authority is hereby authorized by a certificate or certificates in writing to agree to the exact principal amount, dates, maturity dates, redemptions, redemption prices, and denominations of said notes, as well as the annual principal installments and interest rate to be paid by the Authority on said notes; and it is further

RESOLVED, that the Chairman or Vice Chairman or Treasurer of the Authority is hereby authorized to execute on behalf of and to bind, the Authority thereto, all certificates for bonds and notes and all other necessary documents and instruments reasonably necessary to carry out the transactions contemplated by the Bond Resolution, the Project Financing and Loan Agreement and this Resolution, and to determine the form and substance of said documents and instruments; and it is further

RESOLVED, that the Authority hereby designates Wells Fargo Bank, N.A., or such other Trustee as agreed to by the Authority and Corporation, as Paying Agent for the 2016A Series Bonds for so long as any of said bonds is registered in the name of the Corporation or a trustee on behalf of the owners of said bonds; and it is further

RESOLVED, that the proceeds of the 2016A Bonds shall be deposited, invested, disbursed and advanced in accordance with the terms and conditions of the Project Financing and Loan Agreement and the Bond Resolution; and it is further

RESOLVED, that all actions taken by the Authority in connection with the Project and the application to the Corporation are hereby ratified and confirmed; and it is further

RESOLVED, that the Authority has acted as the "lead agency" with respect to the Project and by resolution has issued a "negative declaration" with respect to the Project, and, therefore, no other determinations or procedures under the State Environmental Quality Review Act ("SEQR") are required; and it is further

RESOLVED, that the Authority shall, to the extent permitted by the Bond Resolution and applicable state and federal law, reimburse itself from the proceeds of the sale of said bonds for any funds expended by the Authority prior to the receipt of said proceeds for Project expenses incurred prior to said receipt and this Resolution shall constitute the declaration of the Authority's "official intent" to reimburse the expenditures

authorized by this Resolution with the proceeds of the bonds authorized herein, as required by United States Treasury Regulation Section 1.150-2; and it is further

RESOLVED, that the Chairman or Vice Chairman or Treasurer of the Authority is further authorized to take such actions and execute such documents as may be necessary to ensure the continued status of the interest on the bonds authorized by this resolution as excludable from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and, if applicable, to designate the bonds authorized by this resolution as "qualified tax-exempt bonds" in accordance with Section 265(b)(3)(B)(i) of the Code; and it is further

RESOLVED, that all provisions of the Bond Resolution not in conflict with the above resolutions remain in full force and effect and shall govern the rights, duties and powers of the Authority, the Corporation, the Trustee, and holders of the 2016A Series Bonds, and said parties shall enjoy the benefits pertaining under the Bond Resolution not in conflict with the above resolutions.

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

AYES:	Cumm, Daly, Lawler, Smith
NAYS:	None
ABSENT:	Johnson, O'Connor, Ziegler
ABSTAIN:	None

The Resolution was declared duly adopted on June 15, 2016.

Chairman Lawler then discussed the necessity of water contracts with both the Towns of Halfmoon and Waterford in order to proceed with the DWSRF process. **Motion was made by Ms. Daly and seconded by Mr. Smith to Authorize Counsel to Draft Water Agreements with the Town of Halfmoon and the Town of Waterford in a form acceptable to counsel. Motion carried unanimously. (2016-0058)**

With no further action, motion to adjourn was made by Mr. Smith and seconded by Mr. Cumm. Motion passed and meeting was adjourned at 3:25 p.m.

Respectfully Submitted,

Carol A. Alden, Confidential Secretary