



# SARATOGA COUNTY WATER AUTHORITY

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## SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS OFFICIAL MEETING MINUTES THURSDAY, JUNE 25, 2015 @ 2:30P.M.

**PRESENT:** Chairman John Lawler, Supervisor Anita Daly, Supervisor Patrick Ziegler, SCWA Board Members Tom Cumm and Jim Smith; SCWA Special Counsel Mark Schachner, Esq.; Ed Hernandez, Executive Director. **Absent:** Treasurer Kevin King and Supervisor Arthur Johnson. Also in attendance were: Supervisor Ed Kinowski, Town of Stillwater, Michael Crowe, Esq., attorney for the Town of Stillwater, Joseph Lanaro, P.E., The Chazen Group, and Jeffrey Williams, Tanski Development Corp.

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

**Motion was made by Mr. Ziegler and seconded by Mr. Cumm to adopt the draft minutes of the May 28, 2015 Board Meeting minutes as the official minutes of that meeting. Motion carried unanimously.**

(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 May 2015 has set a new record for the plant at 7.93 MGD. He noted that during May there were periods that the plant reached capacity at 14MGD. He also noted that at some point in the future it may be necessary to limit the maximum withdrawal rate of some customers.

Financial: Mr. Hernandez discussed the financial reports through May 31, 2015. Budgeted expenses were \$808k and actual expenses were \$619k. Revenues year to date were budgeted at \$1.94 million and actual revenues were \$2.38 million. Mr. Hernandez stated that net income to date was \$974K. Some discussion followed regarding increasing production at the plant. Chairman Lawler noted that future contracts should be carefully worded regarding maximum daily supply. Mr. Hernandez noted that the next bond payment is due Sept. 1, which is for the 2008 Series bond issuance. He estimated that there would be no Service Fee request from the County for this payment.

Capital Projects Update: Mr. Hernandez stated that we have now reached substantial completion and that the contractor was working on a few punch list items and paper work required for final completion. He invited the Board to hold the next meeting at the Water Plant in order for them to see the completed GAC system in operation.

New Business:

**The first motion was to approve a 2% rate increase in the contract with General Control Systems. Motion was made by Mr. Cumm to approve the 2% rate increase with a second by Mr. Smith. Motion carried unanimously.**

**Motion to authorize the payment of the vouchers for the month at a total cost of \$90,355.71 in operating costs, \$591.60 in SPDES Outfall Project Costs, \$339,997.33 in DBP Project as reviewed previously by Kevin King, Treasurer. Chairman Lawler noted that he had reviewed the payments with Mr. King and all appeared to be in order. Mr. Ziegler moved to authorize that vouchers be approved for payment. The motion was seconded by Ms. Daly. Motion passed unanimously.**

The next matter was a report by the Personnel Committee, which had met prior to the full Board meeting. Mr. Cumm reported that the Committee discussed a requested revision to the Education Reimbursement Policy by an employee. After lengthy discussion by members of the Committee it was determined that no special allowances should be made and that the Policy worked well as is. The Committee felt that employees should have a vested interest in their education and that full reimbursement upon successful completion was the best procedure for all parties.

The other matters discussed by the Committee were the following recommendations for Board approval:

- 1. To add an additional position of Water Treatment Operator to the Authority. Motion was made by Mr. Ziegler and seconded by Mr. Smith. Unanimous.**
- 2. To abolish the position of Maintenance Mechanic upon the impending retirement of the current employee. Motion was made by Mr. Cumm and seconded by Mr. Ziegler. Unanimous.**
- 3. Authorize the Executive Director to extend an offer for a Water Operator at an annual rate not to exceed \$55,000. Motion was made by Mr. Cumm and seconded by Mr. Ziegler. Unanimous.**

The Board scheduled the next meeting of the SCWA Board of Directors for **2:30 p.m. on July 23, 2015** at the Water Plant in the Town of Moreau.

The final matter for discussion was a potential contract with the Town of Stillwater. Chairman Lawler welcomed all the parties from the Town of Stillwater. At this time, Attorney Schachner discussed the ongoing review of the contract. Attorney Crowe commented that in the interest of time, they would be looking for conditional approval from the SCWA Board to proceed. Supervisor Kinowski spoke regarding the red-lined version of the most recent revision. Chairman Lawler stated that the Board would not be ready to make a recommendation without prior attorney review. Chairman Lawler noted there was some discrepancies in the volume of water taken by the Town. At this point, Joe Lanaro of The Chazen Group, outlined the graduated schedule of water demands from the Town of Stillwater. For year one demand would be 22,000gpd. At commencement of year two demand would be 44,000gpd. At commencement of year three demand would

be 63,100gpd. Final demand at the end of three years would be 198,600gpd. Mr. Lanaro then commented on emergency situations between the City of Mechanicville, Village of Stillwater and the Town of Stillwater. Chairman Lawler stated that any emergency situation would have to be clearly defined in the contract language. Mr. Lanaro then inquired if the Board could make a motion to act on the Agreement in the interest of time. Attorney Schachner stated for the record that there would most likely not be any legal issues but rather particulars in the contract that would need to be ironed out. Mr. Lanaro inquired about redundant water supplies for the Water Authority. Mr. Hernandez stated that the Authority met all regulatory redundancy requirements for supply purposes. At this time, Chairman Lawler polled the Board regarding an authorization pending attorney review and recommendation. Chairman Lawler stated that once Special Counsel was comfortable with the Agreement, they would forward to the Board for a 72 hour review and comment period. At this time, Chairman Lawler proposed a **Resolution Authorizing the Chairman to execute an Agreement with the Town of Stillwater, upon the review and approval by the Authority Attorney, and a minimum 72 hour review period by the remainder of the Board prior to the Execution of the contract. Motion was made by Ms. Daly and seconded by Mr. Cumm. Unanimous.**

**Motion was made at 3:30 p.m. by Mr. Smith to adjourn to Executive Session for purposes of discussing a negotiated settlement with a contractor from the 2008 original construction. Motion was seconded by Mr. Ziegler. Unanimous.**

**At 4:00 p.m. Motion to return to open session was made by Mr. Ziegler and seconded by Mr. Cumm. Unanimous.**

**At this time, a motion was offered by Mr. Cumm and seconded by Mr. Ziegler to authorize a settlement Agreement with Kubricky Construction, pending attorney review, for \$50,000 in additional electrical contractor costs \$120,000 in stipulated penalties and \$38,000 for electrical supply costs to the Authority for a total settlement amount due the Authority of \$208,000 from Kubricky. Motion carried unanimously.**

**At 4:10 p.m. Motion to adjourn was made by Mr. Cumm and seconded by Ms. Daly. Motion passed and meeting was adjourned.**

**Respectfully Submitted,**

**Carol A. Alden, Confidential Secretary**