



# SARATOGA COUNTY WATER AUTHORITY

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ED HERNANDEZ, P.E., EXECUTIVE DIRECTOR

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## SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS OFFICIAL MEETING MINUTES THURSDAY, SEPTEMBER 26, 2019 @ 3:30 P.M.

**PRESENT:** Chairman John Lawler, Vice Chair Anita Daly, Deputy Treasurer Tim Szczepaniak, Supervisor Art Johnson, Supervisor Darren O'Connor and Board Member Jim Smith; also, Executive Director Ed Hernandez, General Counsel Mark Schachner, Esq. **ABSENT:** Treasurer Tom Cumm

Chairman Lawler welcomed all to the meeting and inquired if there were any requests for changes to the meeting minutes of August 27, 2019.

**Motion was made by Mr. O'Connor and seconded by Mr. Johnson to adopt the draft minutes of the August 27, 2019 meeting minutes as the official minutes of that meeting. Motion passed.**

**Motion was made by Mr. Johnson and seconded by Ms. Daly to adopt the draft minutes of the August 27, 2019 Finance committee meeting minutes as the official minutes of that meeting. Motion passed.**

(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:** Mr. Hernandez reported that production data for the month of August was 6.4 MGD. Rolling annual average was 5.7 MGD. He stated the Town of Halfmoon would be coming online soon so he expected a substantial increase during the next quarter. Chairman Lawler inquired about Clifton Park's sharp uptick during the summer months and how it will affect capacity. Mr. Hernandez stated that the current capacity of the plant is an average of 7 mgd with max flows of 14 mgd. As a result, the plant could handle the peak summer months at this time.

**Financial:** Mr. Hernandez discussed the financial reports through August 31, 2019. Revenues for the year were budgeted at \$3.6 Million while actual revenues were \$4.26 Million. Budgeted expenses for the year were \$1.3 million while actual expenses were \$1.2 million. Estimated cash available for operations at December 1, 2019 is \$1 million after the next debt service payment of \$101,000 and a debt repayment to the county of \$1 million. Mr. Hernandez stated the Authority planned to make a second payment of \$1 million in December. He inquired if Chairman Lawler would like to make a presentation to the

County Board at its October meeting. The Chairman asked if other Board members would be able to attend. He expressed his appreciation for a good financial year at the Authority.

**Capital Projects:** The Halfmoon Project is completed on the SCWA side and is awaiting completion by the Town of Halfmoon to begin serving that community.

The Storage Building Project was 50% completed with the electrical job. Work is expected to be completed by the next Board meeting.

The Water Plant Expansion Project was ongoing with some documents that required the Chairman to execute for the closing with NYS EFC. Chairman Lawler inquired about a resolution that authorized him to execute said documents. Mr. Hernandez expected the project to go out to bid late winter with construction commencing in the spring of 2020.

**Legal Update:** Mr. Schachner reported that the only item they were working on was the NYS EFC closing.

**Motions & Resolutions:**

**Motion was made by Mr. O'Connor and seconded by Mr. Szczepaniak to authorize the payment of the monthly vouchers at a cost of \$254,407.57 in operating costs, \$996,482.15 in Halfmoon Project Costs, and \$4,452.50 in Phase II Expansion Costs. Motion carried unanimously. (2019-0036)**

The next matter was to award the contract for Audit Services as recommended by the Audit Committee to Cusack & Company at a cost of \$10,200 for 2019, \$10,400 for 2020 and \$10,600 for 2021. Mr. Johnson stated that six RFP's were sent out but only two responses were received. **Motion was made by Mr. Johnson and seconded by Ms. Daly to award the three year contract to Cusack & Company for audit services. Motion carried unanimously. (2019-0037)**

Mr. Hernandez then reviewed a spreadsheet supplied by the Authority's health benefits insurance agent, The Heritage Group. Mr. Hernandez indicated our agent would be in attendance at the next meeting. He then reviewed another spreadsheet of the historical costs of health benefits. Mr. Johnson inquired if the HRA is 100% funded, which Mr. Hernandez indicated it was. He then reviewed the increase for the upcoming year of 6.7% if we continue with the MVP plan currently in place. Ms. Daly inquired how the broker is paid. Mr. Hernandez indicated the insurance company pays them directly in NYS. Mr. Szczepaniak indicated he would like a presentation by the agent. Mr. Johnson inquired if other plans increased by the same rate. Chairman Lawler indicated he thought the agent providing an overview would be a good idea. He indicated that it's difficult to obtain qualified water operators so a good benefits package helps retain that talent. Mr. Hernandez indicated that the proposed costs were still lower than the County plan. Mr. Johnson inquired about usage of the HRA account.

The next agenda item was proposed budget transfers to cover the emergency repairs costs to the pipeline. **Motion was made by Mr. Szczepaniak and seconded by Mr. Johnson to approve the following budget transfers:**

- Lab Supplies to Pipeline Equipment \$10,000
- Safety Equipment to Pipeline Equipment \$ 5,000
- PSC: Legal to Water System Maintenance \$40,000
- PSC: SCADA & Instr. to Water System Maintenance \$10,000
- Equipment Parts: Plant to Water System Maintenance \$20,000
- Utilities to Water System Maintenance \$75,000

**Motion carried unanimously. (2019-0038)**

**The next item was a motion to authorize the Chairman to execute documents relating to the Phase II Expansion Project funding agreement with the NYS Environmental Facilities Corporation in a form acceptable to counsel. Motion was made by Ms. Daly and seconded by Mr. O’Connor. Unanimous. (2019-0039)**

**New Business:**

The next meeting of the Saratoga County Water Authority Board of Directors was scheduled for Thursday, October 17, 2019 at 1 p.m. with a follow up meeting at a location to be determined for the Strategic Planning Meeting. **There will also be a Governance Committee meeting running concurrently on the 17<sup>th</sup>. Members of that committee are Lawler, Smith and Szczepaniak.**

Ms. Daly then indicated that the Board had discussed at its previous meeting the points to be discussed at the Strategic Planning Meeting. She discussed some items like communities extending contracts, public relations for the Authority, expanding educational tours for school groups, Mr. Schachner expressed it should be held as an open meeting to the public. Chairman Lawler indicated an offsite location would be preferable. It was decided to hold the meeting on October 17<sup>th</sup> as well at 2 p.m.

Mr. Hernandez then brought up the schedule of customer contracts included in the member packets. He requested that counsel begin preparing a renewal contract for those that are expiring. Chairman Lawler indicated he would prefer to wait for the Strategic Planning Meeting to review all contracts and revise any language, terms, or areas of confusion that should be changed now. It was agreed upon to do so. Mr. Hernandez offered to prepare an agenda and Chairman Lawler instructed the Board to reach out to Ms. Alden with ideas for the meeting agenda.

The final item discussed was the proposed agreement between the Towns of Malta and Stillwater to serve the Maltaville area. Mr. O’Connor indicated that the proposal was moving along to the Malta Town Board.

**With no further action, motion to adjourn was made by Mr. Johnson and seconded by Ms. Daly. Motion passed and meeting was adjourned at 4:20 p.m.**

**Respectfully Submitted,**

**Carol A. Alden, Confidential Secretary**