



SARATOGA COUNTY WATER AUTHORITY

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SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS OFFICIAL MEETING MINUTES THURSDAY, OCTOBER 29, 2015 @ 2:30P.M.

PRESENT: Chairman John Lawler, Supervisor Anita Daly, Treasurer Kevin King, Supervisor Patrick Ziegler; Ed Hernandez, Executive Director, and SCWA General Counsel Mark Schachner, Esq. Also in attendance were Berny Terpening of the Heritage Group, Chuck Marshall, Stewarts Corporation. **Absent:** Supervisor Arthur Johnson, SCWA Board Members Tom Cumm and Jim Smith.

Chairman Lawler called the regular meeting to order at 2:25 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 September 29, 2015 Board Meeting minutes as the official minutes of that meeting. Motion carried.

The adoption of the minutes of the September 4, 2015 Governance Committee meeting 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.)

At this time, a presentation on health insurance options for employees was presented by Berny Terpening of The Heritage Group of Latham, NY. Ms. Terpening reviewed the various options available for the Authority to be effective December 1, 2015. The biggest change that CDPHP is making is to cap the amount of funds an employer can contribute to their employees HRA. She noted that this has not been well received by many employers. She states that their philosophy is a consumer driven healthcare making employees be more responsible for their own health and costs. Mr. Ziegler inquired if employers could fund 75% if employees participated in the Wellness Programs. She stated they could but that it was difficult to get 100% participation in those programs in order to qualify. Mr. King stated that it was his belief that MVP did not have this requirement. He stated it was a better alternative for his municipality. Mr. Ziegler stated that the CDPHP plan worked well for his municipality as it reduced healthcare costs. Ms. Daly stated it would be a hardship for some employees with the additional costs. Ms. Terpening stated that CDPHP was going to be reducing to 11 plans for 2016. She stated that the only drawback with MVP was lower prescription coverage. Mr. Hernandez stated that he had concerns about delaying any decisions due to the deadline for the new coverage year. He offered some suggestions for alternatives. Mr. Ziegler disclosed that an FSA only allows a rollover \$500 to a new year. Mr. Hernandez discussed the new rates and impacts to the budget. Ms. Terpening reviewed some of the changes for the 2016 plan year. She noted that in 2016 there would be major changes to the prescription coverages. She offered to get rates from MVP and get them to the Board as soon as possible. Mr. King discussed the Domestic Partner coverage that he was not in favor of. Mr.

Hernandez stated that would not affect the decision on which plan to choose. Mr. Lawler requested more information on how an employee proves domestic partnership before the next meeting. Ms. Terpening stated she would supply that. Mr. Hernandez thanked Ms. Terpening for coming and for her assistance.

Reports:

Production: Ed Hernandez, Executive Director, reported that production data for the month of September 2015 was 6.21 MGD. There were no inquiries from the Board about the production data.

Financial: Mr. Hernandez discussed the financial reports through September 30, 2015. Budgeted expenses were \$1.45 million and actual expenses were \$1.21 million. Revenues year to date were budgeted at \$3.49 million and actual revenues were \$4.31 million. Mr. Hernandez stated that net income to date was \$447,182. The next bond payment for the 2014 Bond was due December 1, 2015.

Legal Update: There was only one item on the legal update to be discussed in Executive Session. Mr. Schachner stated there was not much movement on any legal matters this month.

Motion was made to approve a budget transfers as follows:

- From budget line "Engineering" to "Miscellaneous Service Contracts" in the amount of \$5,000.**
- From budget line "Safety Equipment" to "Equip. Parts - Plant" in the amount of \$3,000.**
- From budget line "Other Operating - Contingency" to "Residual Solids" in the amount of \$4,000.**
- From budget line "Insurance" to "Saratoga Co. Sewer" in the amount of \$3,000.**

Motion was offered by Ms. Daly and seconded by Mr. King. Motion carried unanimously.

Motion to authorize the payment of the vouchers for the month at a total cost of \$108,137.35 in operating costs, \$322.00 in SPDES Outfall Project Costs, \$7,172.00 in DBP Project costs, and \$4,289.37 in 2008 Construction Costs, as reviewed by the Treasurer. Mr. King moved to authorize that vouchers be approved for payment. The motion was seconded by Mr. Ziegler. Mr. Ziegler wished to disclose that his employer was Wells Fargo and there was a payment to same on the voucher listing. He inquired if he should abstain from voting on the voucher payments because of that. Mark Schachner General Counsel, stated it was not necessary as long as there was disclosure of impartiality on his part. Mr. Ziegler stated in the affirmative. **Motion passed unanimously.**

Motion to approve the transfer of \$200,000.00 to the Renewal & Replacement Fund. Motion was offered by Mr. King and seconded by Mr. Ziegler. Motion carried unanimously.

Motion to approve the annual Arbitrage Reports for the 2008 and 2014 Bond Issuances. Mr. Hernandez stated that the reports reflected that no rebate liabilities were due to bondholders this year. **Motion was offered by Ms. Daly and seconded by Mr. Ziegler. Motion carried unanimously.**

The next motion was to award the contract for Granular Activated Carbon that was put out to bid in October. The results of the Bid and the recommendation of the Executive Director was to award Calgon Corporation a one year contract with the option of two additional years at a cost of \$1.36 per pound and \$.86 per pound for regenerated carbon. **Motion to award the Granular Activated Carbon contract to Calgon Corporation was offered by Mr. Ziegler and seconded by Mr. King. Motion carried unanimously.**

Motion to approve a proposal from Delaware Engineering to reallocate \$7,500.00 from Design and Survey to Construction Administration. There was also a request to increase the contract cost by \$5,300.00 for additional ACOE permitting. Mr. Hernandez explained that due to delays with the construction, the ACOE was now requiring tree surveys for the Northern Long-eared bat. There will be an additional easement survey necessary as well. He stated there would now be a limitation as to when tree cutting can occur and needed to be accomplished by March 31st. Otherwise the project will need to wait until the fall of 2016. Mr. Lawler stated that he did not want to see any change orders later on in the contract for an additional \$7,500.00 in construction administration costs. **Motion was offered by Mr. Ziegler and seconded by Ms. Daly. Motion carried unanimously.**

The next matter was a request by Stewart's Corporation for the sale of water for Public Benefit and residents of Maltaville. Mr. Chuck Marshall from Stewart's Corporation was there to represent Stewarts. Mr. King inquired if there was currently a contract. Chairman Lawler noted that Stewart's was aware of the pending issues with Saratoga Water Services. Mr. Marshall stated that if the Water Authority refused to sell the water he was at the point of exhausting all options for Stewart's. Ms. Daly inquired how much water was required. Mr. Marshall stated approximately 25,000 gallons per day. He stated it was a very minimal amount compared to other SCWA customers. Mr. Marshall stated that the problem is that there needs to be a contract between SWS and SCWA due to the language in the PDD, as well as the benefit issue. Ms. Daly inquired why SWS couldn't just sell the water. He replied that they did not have a source there. Chairman Lawler stated it was not fair to withhold the agreement from the residents of Maltaville, but he also stated it should be the concerns of the Town of Malta. He stated he really wanted to help Stewart's and that the Board would discuss in Executive Session due to the legal concerns. Mr. Marshall excused himself at this time and Mr. Hernandez stated he would advise Mr. Marshall of the outcome.

At 3:10 p.m. motion was made to enter into Executive Session to discuss Privileged Attorney Client matters. Motion was made by Mr. Ziegler and seconded by Mr. King.

The next meeting of the Authority Board was scheduled for November 19th, 2015 at 2:30 p.m. Mr. Johnson stated he would not be able to attend.

Motion was made by Mr. Ziegler to return to open session at 3:50 p.m. Seconded by Ms. Daly. Motion to return to open session carried unanimously.

At this time, the Board directed General Counsel to draft a contract with Saratoga Water Services to provide water to the residents of Maltaville and Stewarts Corporation.

At 4:05 p.m. Motion to adjourn was made by Mr. Ziegler and seconded by Mr. King. Motion passed and meeting was adjourned.

Respectfully Submitted,

Carol A. Alden, Confidential Secretary