



SARATOGA COUNTY WATER AUTHORITY

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SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS OFFICIAL MEETING MINUTES TUESDAY, NOVEMBER 22, 2016 @ 3:00 P.M.

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

Chairman Lawler called the regular meeting to order at 3:10 p.m. and welcomed all in attendance. The meeting was held in the Board of Supervisors Meeting Room One.

Motion was made by Mr. Cumm and seconded by Mr. Johnson to adopt the draft minutes of the October 27, 2016 Meeting minutes as the official minutes of that meeting. Motion carried unanimously.

Motion was made by Chairman Lawler and seconded by Mr. Smith to adopt the draft minutes of the September 29, 2016 Governance Committee meeting 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: Mr. Hernandez reported that production data for the month of October 2016 was 4.92 MGD. Rolling annual average was 5.08 MGD. Chairman Lawler inquired about the drop in supply to Clifton Park Water Authority. Mr. Hernandez stated there were no issues he was aware of and that demand typically drops off this time of year.

Financial: Mr. Hernandez discussed the financial report through October 31, 2016. Budgeted expenses were \$1.6 mil and actual expenses were \$1.27 million. Revenues for the year were budgeted at \$3.98 million and actual revenues were \$4.5 million. Estimated cash available for operations at March 1, 2017, (after the first 2016 bond payment) is estimated at \$5.7 million. The next payment for the 2016 Bonds is

due March 1, 2017. Mr. Hernandez noted that the revenue fund balance was higher than normal due to the funds received from the settlement of a litigation matter.

Legal: Mr. Schachner stated there were just a couple of items they were currently working on for the Authority. The first being the documents necessary to close out the Outfall Project with Saratoga County IDA and the second being contract negotiations with a new water customer. Chairman Lawler discussed in further detail about completion of the contract and how the Authority would proceed once that was accomplished.

Motions & Resolutions:

Motion was made by Mr. Johnson and seconded by Mr. O'Connor to authorize two budget line transfers. The first was a transfer of \$6,000 from Professional Legal Services to Water System Maintenance Expense. The second was a transfer of \$2,500 from Insurance Expense to Saratoga County Sewer District Expense. Net Effect is Zero to the 2016 Budget. Motion carried unanimously. (2016-0086)

Motion was made by Mr. Cumm and seconded by Mr. Smith to authorize the payment of the monthly vouchers at a cost of \$114,690.62 in operating costs and \$50,042.70 in SPDES Outfall Project costs. The December 1st interest Payment for the 2014 Bonds was made at a cost of \$105,925.00. Mr. Hernandez stated that all vouchers had been reviewed previously by Mr. Cumm and were approved. He noted the NYS Retirement invoice was the largest expense this month. Motion carried unanimously. (2016-0087)

Mr. Hernandez then discussed the recent surplus asset sale conducted through the website Auctions International. He reviewed the bid activity and that he was pleased with the results. With the Board's approval he requested to accept the bids as follows: \$10,200 for the 2010 Ford F250 Pickup, \$3,300 for the 2009 Ford Escape, and \$11,200 for the 2010 Kubota RTV. **Motion was made by Mr. O'Connor and seconded by Mr. Smith to accept the bids at a total sale price of \$24,700 and approved the sale of the assets. Motion carried unanimously. (2016-0088)**

The next matter was Board approval to transfer small balance amounts in the following Trustee Accounts with Wells Fargo and close out those accounts no longer needed. **Mr. Cumm made a motion to authorize the transfer and closeout of the following:**

- Transfer \$.16 from 2008 Construction Fund to 2008 Debt Service Fund
- Transfer \$2.16 from 2008 Debt Service Reserve Fund to 2008 Debt Service Fund
- Transfer \$15,290.41 from 2016 Cost of Issuance Fund to 2016 Debt Service Fund.
- Transfer \$370,097.80 from 2014 Construction Fund to 2014 Debt Service Fund.

Motion was seconded by Mr. Johnson. Motion carried unanimously. (2016-0089)

Mr. Hernandez then referred the Board to the enclosed memo regarding the Annual Renewal & Replacement Transfer as outlined by the General Resolution for the original construction Bond Issuance. He discussed the 10 year capital plan and the need to be as prepared as possible for any emergency repairs as well. He recommended that the Board consider transferring \$200,000 for the annual transfer as well as transferring the proceeds of the litigation settlement to the same fund. He reiterated that the funds could be used for several purposes if necessary according to the General Resolution. Mr. Cumm inquired about repaying the County. Chairman Lawler stated that was going to be addressed in 2017. **Mr. Johnson made a motion to authorize the transfer of \$3,915,274.20 to the Renewal and Replacement Fund. Motion was seconded by Mr. Cumm. Motion carried unanimously. (2016-0090)**

The next item was a request by Mr. Hernandez to fill a recent Water Operator vacancy with another new Operator Trainee position. He noted that since the Authority had just completed a posting and interviews for that same position, he had a large pool of candidates to interview from. He stated he had conducted additional interviews and was **requesting the Board to authorize the creation of the second trainee position and to authorize filling of the position at an established salary of \$45,000. Motion was made by Mr. O'Connor and seconded by Mr. Smith. Motion carried unanimously. (2016-0091).**

Next agenda item was the ongoing discussion of the 2017 Commercial Insurance Package presented by The Winfield Group from Selective Insurance. The acceptance of the quote was tabled from last month's meeting so the agent could provide additional details for the Board regarding Bonding of the Board members, a breakdown of comp and collision charges for the Authority vehicles and the individual results from each carrier a quote had been requested from. Mr. Hernandez reviewed the information provided for each of those items from the Winfield Group. The additional fee for the bonding for all board members and the secretary was \$852 for 2017. The vehicle information was reviewed and it was noted that some of those vehicles had been sold or would be traded for newer vehicles in the near future. **After further discussion, motion was made by Mr. Johnson and seconded by Mr. Smith to accept the proposal from The Winfield Group at a cost of \$59,193 for the Commercial Package and \$852 for the additional bonding coverage. Motion carried unanimously. (2016-0092)**

The next matter was the renewal of the Fire and Security Agreement with Mahoney Notify. Mr. Hernandez noted that the **prevailing wage rates would be increasing from \$110 per hour to \$112.50 per hour and the after hours, weekend and holiday prevailing wage rate would increase from \$165 to \$168.75 per hour. Motion was made by Mr. Smith to authorize renewal of the Security Agreement with Mahoney Notify and was seconded by Mr. Cumm. Motion carried unanimously. (2016-0093)**

The final matter on the agenda was a motion to set the date for the Public Hearing to approve the contractual increase of water rates for 2017 to municipal and commercial/industrial users for Thursday,

December 22, 2016 at 3:05 p.m. **Motion was made by Mr. Smith and seconded by Mr. Cumm to publish the Public Hearing Notice, notify all customers and schedule the Hearing as discussed. Motion carried unanimously. (2016-0094)**

New Business:

The next meeting of the Saratoga County Water Authority Board of Directors was scheduled for Thursday, December 22nd, 2016 at 3:00 p.m. Mr. Johnson indicated he would be unable to attend that meeting.

With no further action, motion to adjourn was made by Mr. Smith and seconded by Mr. Cumm. Motion passed and meeting was adjourned at 3:45 p.m.

Respectfully Submitted,

Carol A. Alden, Confidential Secretary