



# 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, NOVEMBER 30, 2017 @ 3:00 P.M.

**PRESENT:** Chairman John Lawler, Vice Chair Anita Daly, Deputy Treasurer Tim Szczepaniak, Supervisor Art Johnson, and Board Members Darren O'Connor; Executive Director Ed Hernandez and General Counsel Mark Schachner, Esq. Also, Ken Gray and Lorraine Emerick of Marshall & Sterling Upstate Insurance. **ABSENT:** None

Chairman Lawler called the regular meeting to order at 3:00 p.m. and welcomed all in attendance. The meeting was held in the Board of Supervisors Meeting Room One.

**Motion was made by Mr. Szczepaniak and seconded by Mr. Johnson to adopt the draft minutes of the October 26, 2017 Meeting minutes as the official minutes of that meeting. Motion to adopt the minutes was adopted unanimously.**

**Motion was made by Ms. Daly and seconded by Mr. Johnson to adopt the draft minutes of the October 26, 2017 Audit Committee Meeting minutes as the official minutes of that meeting. Motion to adopt the minutes was adopted unanimously.**

**Motion was made by Mr. Johnson and seconded by Mr. Szczepaniak to adopt the draft minutes of the October 26, 2017 Governance Committee Meeting minutes as the official minutes of that meeting. Motion to adopt the minutes was adopted 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 2017 was 5.47 MGD. Rolling annual average was 5.26 MGD. Chairman Lawler noted that Global Foundries was taking a steady amount of water. Mr. Hernandez stated that they had recently inquired about the capacity of plant. He did not have specifics until they sent an email with those questions. Chairman Lawler inquired about our

current commitments. He noted that the plant still had capacity available currently. Mr. Cumm inquired how much water we can pump per day. Mr. Hernandez stated the plant could handle peak flows of 14mgd. He noted though that the plant is designed to handle 7mgd on an average daily basis. Mr. Hernandez stated he would like to discuss plant expansion further along in the agenda.

**Financial:** Mr. Hernandez discussed the financial reports through October 31, 2017. Revenues for the year were budgeted at \$4.25 million while actual revenues were \$4.6 million. Budgeted expenses through October 31, 2017 were \$1.6 million while actual expenses were \$1.33 million. Estimated cash available for operations at Dec. 1, 2017 is estimated at \$1.44 million. The next scheduled debt service payment is \$105,000 on Dec. 1 for the Series 2014 Bonds.

**Legal:** Attorney Schachner stated there were two issues handled during the previous month. The first was the issue regarding County enforcement of the State Building Code. He noted their findings in the monthly legal memo. The second item would be discussed in Executive Session under attorney/client privileged communication.

At this time, Mr. Ken Grey and Ms. Lorraine Emerick of Marshall & Sterling reviewed their commercial insurance proposal with the Board. He discussed the two proposals from Trident Insurance and Houston Casualty/Tokyo Marine. He recommended the Houston Casualty/Tokyo Marine policy, which is designed specifically for water authorities. It also included \$10mil of flood and earthquake coverage. He went through the additional coverages proposed versus current coverages. Mr. Lawler inquired about the deductibles and maximums on public officials' liability. He also inquired about any civil rights exclusions. Mr. Grey stated he would confirm both of those with Houston Casualty. Mr. Lawler also inquired about a cyber policy and a multi-year package. Mr. Grey noted it was proposed as a three year rate depending on claims history. Discussion ensued regarding the public officials limits. Mr. Grey stated he would come back with options for the Board to consider. **Motion was made by Mr. Szczepaniak and seconded by Mr. Cumm to approve and accept the proposal from Marshall & Sterling for the Commercial Insurance Package from Houston Casualty Company at a cost of \$45,032.63, along with the Hanover Company Crime coverage at a cost of \$845 annually. Motion carried unanimously. (2017-0050)**

**Motions & Resolutions:**

**Motion was made by Mr. Johnson and seconded by Mr. Szczepaniak to authorize the payment of the monthly vouchers at a cost of \$137,422.74 in operating costs and \$2,050.00 in Storage Barn Project Costs.** Mr. Hernandez also noted the December 1<sup>st</sup> Series 2014 Bond interest payment was made as scheduled. Mr. Cumm stated he had no additional comments on the monthly vouchers. **Motion carried unanimously. (2017-0051)**

**Motion was made by Mr. Szczepaniak and seconded by Mr. Johnson to accept the annual Arbitrage Reports from Amtec Corporation.** Mr. Lawler noted that this was an annual “housekeeping” item for the revenue bonds outstanding and that there were no rebates due at this time. **Motion carried unanimously. (2017-0052)**

**Motion was made by Mr. Szczepaniak and seconded by Mr. Cumm to approve an amendment to the C.T. Male Engineering Services contract for the Halfmoon Project to include the required MWBE language required by the NYS EFC. Motion carried unanimously. (2017-0053)**

Mr. Hernandez then discussed the proposed rate increase to the contract with Mahoney Notify for security and fire alarm services. He stated the increase was approximately 2.5% over last year’s rates and was recommending the Board consider approving the rate change. **Motion was offered by Mr. Cumm and seconded by Mr. O’Connor to renew the contract with Mahoney Notify for security and fire alarm services. Mr. Cumm inquired about bidding out that work.** Chairman Lawler requested that next year an RFP be prepared. **Motion to adopt carried unanimously. (2017-0054)**

Mr. Hernandez discussed the next matter which was a contract renewal with General Control Systems for automated controls professional services at a small increase of 2%. **Motion was offered by Ms. Daly and seconded by Mr. Smith to approve the contract renewal with General Control Systems at the proposed rate schedule. Motion carried unanimously. (2017-0055)**

The final agenda item was the purchase of a new Ford F250 utility truck. Mr. Hernandez stated that he had gotten a proposal from a Saratoga County dealer but had also placed a mini-bid with the NYS Office of General Services as well. He stated the results of that bid would not be available until December 11. He inquired if the Board would allow him to purchase the vehicle from the local dealer if the price was less than the mini-bid results. Chairman Lawler stated that he must follow procurement practices but that the Board encourages business within the County. Mr. Hernandez stated he would come back to the Board with the results of the mini-bid if the prices were lower. Discussion ensued regarding the specifications and previous bid results through the mini-bid process. **A motion was made by Mr. Szczepaniak and seconded by Mr. Smith to authorize the purchase of a 2018 Ford F250 Utility vehicle at a cost not to exceed \$35,452, if the mini-bids were at a higher cost. Motion carried unanimously. (2017-0056)**

**New Business:**

The next meeting of the Saratoga County Water Authority Board of Directors was scheduled for Thursday, December 28, 2017 at 3:00 p.m.

Mr. Hernandez then discussed the timeline of a plant expansion and that if the Authority wished to add capacity, the grant/loan applications and preliminary engineering report should begin now. Chairman Lawler inquired about the various options and costs. Mr. Hernandez stated he would include those in a

preliminary engineering report as previously done with the Halfmoon Project and as required by NYS EFC. Discussion ensued regarding Mr. Hernandez's firm doing the work and possible conflicts. A motion to authorize preliminary design work at a cost not to exceed \$15,000 for Adirondack Mountain Engineering was then withdrawn pending legal review of the existing contract with same.

**At 4:05 p.m., motion was made by Mr. Johnson and seconded by Ms. Daly to adjourn to Executive Session for privileged attorney/client discussions regarding a contractual matter. Unanimous.**

**At 4:10 p.m., motion was made by Ms. Daly and seconded by Mr. Johnson to return to open session. Unanimous.**

**With no further action, motion to adjourn was made by Mr. O'Connor and seconded by Mr. Smith. Motion passed and meeting was adjourned at 4:12 p.m.**

**Respectfully Submitted,**

**Carol A. Alden, Confidential Secretary**