



SARATOGA COUNTY WATER AUTHORITY

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CHARLES WAIT

SARATOGA COUNTY WATER AUTHORITY OFFICIAL BOARD MEETING MINUTES THURSDAY, MARCH 22, 2012; 3:00 PM

PRESENT: Chairman John Lawler, Supervisor Anita Daly, Supervisor Arthur Johnson, Kevin King, Treasurer, Mary Beth Hynes, SCWA Board Members; Craig Crist, SCWA Special Counsel; John Dowd, SCWA Special Counsel; Ed Hernandez, Acting Executive Director; Press. ABSENT: Greg Connors, Charles Wait, SCWA Board Members.

Chairman Lawler called the regular meeting to order at 3:00 p.m. and welcomed all in attendance.

Chairman Lawler discussed that the Governance Committee had met prior to regular Board Meeting and the results of that meeting would be discussed later in the meeting.

A motion was made by Anita Daly and seconded by Art Johnson to adopt the draft minutes of the February 23, 2012 meeting as the official minutes of that meeting. The motion passed unanimously.

A motion was made by Mr. Johnson to adopt the draft minutes of the March 9, 2012 meeting as the official minutes. Ms. Hynes seconded that motion.

Ayes: 4 - Lawler, Daly, Hynes, Johnson

No: 0

Abstain: 1 - King

(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.)

Production: Ed Hernandez, Acting Director, discussed that the flow data reflected increases due to Global Foundries doing more testing. Average flow was 3.3 MGD. Hernandez stated that the Village of Stillwater was completely on line now.

Financial: Mr. Hernandez discussed the included Profit and Loss Statement which would become a regular part of the Board Information packets. He also discussed the inclusion of all account balances so Board members would have current cash balances available to them. The quarterly Profit and Loss reflected a net loss of \$1.1 mil due to the bond interest expense payment almost equal to that amount. Operating expenses were even with budgeted expenses. Mr. King commented that the audited financial statements were ongoing should be available for next month's Board meeting.

Mr. Lawler discussed the recent visit of Pall Corporation and subsequent meeting with representatives of Pall. The major results of the meeting were that Pall Corporation was working diligently to correct and improve all necessary items to meet the expectations of the Water Authority.

The next resolution was to authorize the payment of the vouchers for the month at a total cost of \$113,064.25, as reviewed and approved by Kevin King, Treasurer. Mr. King added one voucher that was not currently listed to the NYS DEC for licensing and permits in the amount of \$125. Mr. King asked the Board for discussion relating the payment of Delaware Engineering vouchers for 2012 without the subsequent contract in place. Mr. Crist interjected that the Board approved a temporary contract in the Fall of 2011 that the Board could continue to work from that temporary contract. He suggested that the Board move towards finalizing a permanent contract. Chairman Lawler reflected that he would like to negotiate that contract and present it to the Board within the near future. Mr. Hernandez discussed that Delaware had not exceeded the original contracted amounts to date. Chairman Lawler discussed the scope of responsibilities relating to the Executive Director position and that appropriate compensation should be reflective of that scope. **Mr. Lawler moved to authorize that vouchers, as proposed for payment, be paid subject to review by the Treasurer and subject to the terms of the new contract with Delaware Engineering. The motion was seconded by Mr. Johnson and passed unanimously. (Motion 2012-15)**

The next matter discussed was to authorize the leasing of a new copier/scanner/fax machine for the administration building. Ms. Daly made a motion to approve the lease agreement with Seeley Office Systems for three years at a cost of \$125/month. **Ms. Daly made the motion to authorize entering into a 3 year lease agreement with Seeley Office Systems for a copier/scanner/fax machine. Motion was seconded by Ms. Hynes. Motion passed unanimously. (Motion 2012-16)**

The next item on the Agenda was to review the results of the annual bid summary for Powder Activated Carbon and approve a contract with the low bid company. SCWA received two bids. The low bid was received by Norit Americas, Inc. at .69 per pound for 40,000 pounds annually for three years. **Motion was made by Ms. Daly to enter into a contract with Norit Americas for the supply of Powder Activated Carbon. Motion was seconded by Mr. King. Motion was passed unanimously. (Motion 2012-17)**

The next resolution was to authorize the second amended contract with Luther Forest Technology Campus Economic Development Corp. Mr. Crist discussed that the Negotiating Committee has approved the terms of the contract and has recommended the contract for execution. **Motion to accept the Resolution was made by Ms. Daly and seconded by Mr. Johnson. Motion passed unanimously. (Resolution 2012-07)**

The next item was a Resolution authorizing the execution of the Global Foundries contract. Chairman Lawler discussed that this contract had the changes included from the March 9 meeting and that the contract is now in its final form. **Mr. Johnson made the motion to authorize execution of the Global Foundries permanent contract. Ms. Daly seconded the motion. Motion was passed unanimously. (Resolution 2012-08)**

New Business:

The first item was the Village of Ballston Spa request for an interconnection with the Water Authority for a backup water supply. Mr. Hernandez discussed that the Village did not wish to take a minimum amount of water. Chairman Lawler expressed that he was opposed to entering into a contract with any municipalities as a source of backup water supply. He felt that for purposes of cash flow, it would be detrimental to enter into any type of agreement with that type of arrangement. He queried the Board for their comments. Ms. Daly and Mr. Johnson concurred with Mr. Lawler's comments. Mr. Hernandez asked the Board if there was an absolute minimum that should be set for all communities to take when entering into agreements for the future. Ms. Daly discussed her concerns regarding capacity and that our first obligation is to our existing customers.

The next issue was the Clifton Park request for reimbursement for connection costs at their Ballston Spa connection. Chairman Lawler requested that the matter be tabled for Executive Session to discuss contractual matters with counsel.

The next item under new business was the recurring matter of a request for water usage credit from the Wilton Water and Sewer Authority. Mr. Johnson reflected that Wilton wanted to request a credit for 27 million gallons of water that was paid for but not taken during the fall of 2011 due to a one time extenuating previously discussed circumstance. Ms. Hynes commented that the Town of Ballston may follow suit. Chairman Lawler discussed that the cost to the Authority was minimal for issuing this credit. The credit would be used for any water above the required minimum daily usage. Mr. King felt it was a cash flow problem to grant the credit. Chairman Lawler felt it would not hurt the Authority substantially and that the circumstances were unique during that time period. Ms. Daly felt it would be a good decision to extend the credit to Wilton in the interest of future long term relationships with our customers. Ms. Hynes requested if Ballston would be included in that motion. Chairman Lawler stated that we needed a written request from the Town of Ballston. **A motion was offered by Mr. Johnson and seconded by Ms. Daly to grant the WWSA a credit for 27 million gallons of water paid for in 2011 to be drawn in 2012 above the minimum daily required usage.**

Ayes: 4 - Lawler, Daly, Hynes, Johnson

Opposed: 1 - King

Motion was passed. (Motion 2012-18)

The next item was the **motion to adopt the Summary of Board Evaluations results for submission to the Authorities Budget Office PARIS reporting.** Mr. Lawler was very happy with the results of the evaluations. The Governance Committee also recommended adopting the Performance Measurement Report as submitted by the Committee. Mr. Hernandez explained the various sections and that there would be a change to the financial section. Also changes were recommended to the Board to be made to the Procurement Policy by the Governance Committee. The various changes were discussed by Chairman Lawler. The changes were as follows:

Section 1: "...which will exceed \$20,000 in the fiscal year or public works contracts over \$35,000..."

Section II.A.(1): “Less than \$20,000 but greater than \$5,000....”

Section II.B.(1): “Less than \$35,000 but greater than \$10,000....”

Mr. Lawler recommended that the language in the policy change from the termed usage “purchaser” to specifically state “Executive Director”. **Upon a motion presented by Mr. Johnson and seconded by Mr. King the recommendations of the Governance Committee to the Procurement policy were approved by the Board. Motion passed after unanimous vote. (Motion 2012-19)**

The next meeting of the SCWA Board of Directors was scheduled for April 26, 2012 at 2:45 p.m., with the Audit Committee meeting at 2:00 p.m. on that date.

Upon motion by Mr. King, seconded by Mr. Johnson, the Board unanimously adjourned to executive session at 3:30 p.m. to discuss contract negotiations with Delaware Engineering and to discuss attorney-client matters.

The Board returned to open meeting at 4:12 p.m.

At this time, Chairman Lawler asked for any further new business. No further business was presented. **Motion was made by Ms. Hynes to adjourn and seconded by Ms. Daly. The Board unanimously resolved to adjourn the meeting at 4:15 p.m.**

Respectfully Submitted,

Carol A. Alden, Confidential Secretary