



SARATOGA COUNTY WATER AUTHORITY

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SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS ADOPTED MEETING MINUTES TUESDAY AUGUST 3, 2021 @ 3:00 P.M.

PRESENT: Chairman John Lawler, Treasurer Phil Barrett, Deputy Treasurer Todd Kusnierz, Supervisor Darren O'Connor, Robert Wilcox, Art Johnson, Executive Director Ed Hernandez, and General Counsel Leah Everhart. Also, in attendance was Richard McCarthy of Capital Market Advisors LLC, Brian Osterhout, P.E. and Brandon Ferguson, P.E. of Environmental Design Partnership. **ABSENT:** Vice Chair Tim Szczepaniak.

Chairman Lawler inquired if there were any changes, additions or deletions to the June 22, 2021 meeting minutes. **On a motion by Supervisor O'Connor and a second by Mr. Wilcox the minutes of the June 22, 2021 meeting were adopted. Unanimous. (2021-0088)**

At this time, Chairman Lawler introduced the Authority's Financial Advisor for Bond related matters Richard McCarthy of Capital Market Advisors. The Chairman stated he had asked Mr. McCarthy to look at a possible refunding of the Authority's 2014 bonds due to the low interest rates in the market at this time. Mr. McCarthy discussed his presentation and the proposed annual savings. He also discussed the costs involved versus the savings. Chairman Lawler inquired what rates were used to do the calculations. Mr. McCarthy stated coupon rates varied between .46% and 2.78%. Mr. Hernandez directed the Board to a chart that was prepared showing all debt. He inquired if perhaps the Board consider using \$2 mil in cash plus money due to the County scheduled for this year to pay down the 2014 Bonds in an escrow when they come due. Chairman Lawler asked for McCarthy's opinion on this scenario. Mr. McCarthy stated there should always be healthy reserves first, but he would like to go back and take a second look at any bonds that are currently at 5% coupon. Chairman Lawler inquired what type of rates the state was charging for long term notes right now. Mr. Wilcox inquired how stable the rates presented were. Mr. McCarthy stated that it would be expeditious to do it quickly as rates are at rock bottom. Mr. Kusnierz inquired how long it would take Mr. McCarthy to recalculate the numbers, get them back to the Chairman and the Board could reconvene to discuss same. Mr. Hernandez notified the Board that the current trustee bank was being sold off to a new bank. He inquired if this would be the time to consider a new trustee. Chairman Lawler instructed Mr. Hernandez to reach out to a local bank for a proposal. Chairman Lawler thanked Mr. McCarthy for his time and travel to provide the Board with the Refunding presentation.

Chairman Lawler then asked Environmental Design Partnership representatives to present their projections in more detail for the Board on the previous presentation made at last month's meeting. Mr. Ferguson explained the county growth patterns and related water usage projections. The biggest projected changes would be from Clifton Park and the City of Mechanicville. Mr. Ferguson also anticipated that the Town of Ballston may grow their water demand as well. He then reviewed the four alternatives presented to the Board at the last meeting. Mr. Osterhout then discussed the long-term utility costs, annual maintenance costs and annual debt service. Chairman Lawler inquired about the actual increase in water flows to the southern end of the system with option four. Mr. Hernandez discussed the benefits of an additional pumping station and the increase in flow. Mr. Ferguson then discussed the calculations for utility costs. He then discussed possible locations for the additional tank and pumps. He reviewed those locations on a map. Chairman Lawler asked Mr. Hernandez what the next step would be. Mr. Hernandez stated securing a parcel would be the next step. Mr. Hernandez stated he would email the potential site property owners to the Board.

Mr. Hernandez then discussed a chart of all the water contracts and those coming due for renewal. Chairman Lawler stated he would reach out to Global Foundries personally as there's was coming due at the end of 2021. Ms. Everhart suggested that the Board work through the agenda and have an attorney client discussion in Executive Session relating to a current customer.

Reports:

Operations: Mr. Hernandez reported water consumption for June 2021 was 9.05 mgd and a rolling annual average was 7.25 mgd. Mr. Hernandez commented that due to all the rain, consumption for the month was down.

Financials: Mr. Hernandez read the Administrative Summary as of June 30, 2021. Budgeted water revenues through June 30, 2021 were \$3.17 mil and actual revenues were \$3.61 mil. Budgeted expenses through June 30, 2021 were \$1.05 mil and actual expenses were \$949k. The next debt service payment is due September 1st, 2021 for \$1.5 mil. Cash available for operations after debt service was estimated at \$839k.

Capital Projects: Mr. Hernandez reported that the Lagoon Project was moving along very quickly. The property had been cleared and Jersen Construction was doing very well. The Plant Expansion is still moving along very slowly.

Legal: Ms. Everhart stated the legal update memo was directed related to the Executive Session matter.

Motions & Resolutions:

Motion was made by Mr. Johnson and seconded by Supervisor Kusnierz to authorize the payment of the monthly vouchers at a cost of \$831,843.31 which included \$181,607.59 in operating expenses,

\$650,235.72 in Plant Expansion Project costs and \$14,950.00 in Distribution Study costs. Treasurer Barrett had reviewed all vouchers and was in favor of paying all presented. **Motion carried unanimously. (2021-0089)**

The next item was a motion to authorize an employee to attend an online class for Water Operator 1A training at a cost of \$525. On a motion by Supervisor Barrett and a second by Mr. Wilcox the motion carried. Unanimous. (2021-0090)

The next item was a motion to declare the Daily Gazette as the official news publication for Authority Public Notices. On a motion by Supervisor Barrett and a second by Mr. Johnson the motion carried. Unanimous. (2021-0091)

The next item was a motion to authorize payment for a property damage claim in the amount of \$2,200.00 due to a water main break on Bloomfield Road in Greenfield. Mr. Hernandez discussed the damage to a neighboring property that had flooded and stated the property owner requested the claim for loads of stone dust for the damaged training track on his property. On a motion by Supervisor O'Connor and a second by Mr. Wilcox the payment was authorized, as well as a notarized Waiver and Release from the property owner. Unanimous. (2021-0092)

At 4:09 p.m., on a motion by Mr. Wilcox and a second by Mr. Johnson, the Board went into Executive Session to discuss attorney/client privileged matters. At 4:29 p.m., the Board returned to open session.

There was no business as a result of Executive Session.

New Business:

Chairman Lawler stated the next Board meeting was proposed for August 26, 2021 at 3:30 p.m. Several Board members had a conflict, so a new date was scheduled for **September 2, 2021 at 3:30 p.m.** The Finance Committee will meet in advance of that meeting at 3:15 p.m. to review the 2022 Draft Operating Budget. Members of that committee are **Johnson, Kusnierz and Lawler.**

At 4:40 p.m., with no further business, a motion was made by Mr. Johnson and seconded by Mr. Wilcox to adjourn. Motion carried unanimously.

Respectfully Submitted,

Carol A. Alden, Confidential Secretary