



# SARATOGA COUNTY WATER AUTHORITY

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## SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS OFFICIAL MEETING MINUTES THURSDAY, DECEMBER 17, 2020 @ 3:30 P.M.

**PRESENT:** Chairman John Lawler, Vice Chair Anita Daly, Treasurer Tim Szczepaniak, Supervisor Darren O'Connor, Art Johnson. Also, Executive Director Ed Hernandez and General Counsel Mark Schachner, Esq. **ABSENT:** Deputy Treasurer Todd Kusnierz and Supervisor Phil Barrett.

Chairman Lawler welcomed all to the meeting and inquired if there were any changes, additions or deletions to the November 19, 2020 meeting minutes. **On a motion by Mr. Szczepaniak and a second by Ms. Daly the minutes of the November 17, 2020 meeting were adopted. Unanimous.**

### Reports:

**Operations:** Mr. Hernandez reported water flows for November were 6.45 mgd and a rolling annual average of 7.1 mgd.

**Financials:** Mr. Hernandez read the Administrative Summary as of November 30, 2020. Budgeted water revenues through November 30, 2020 were \$5.81 mil and actual revenues were \$7.2mil. Budgeted expenses through November 30, 2020 were \$1.93 mil and actual expenses were \$1.56 mil. The next Bond payment is due March 1<sup>st</sup>, 2021 for \$776,147. Cash available for operations after that payment and a Service Fee repayment of \$2 mil to the County was estimated at \$1.7 million. Chairman Lawler expressed that after the final payment to the County, the Authority was in a profitable position going forward and he thanked the past and present Board members, as well as Mr. Hernandez, for the success of the Authority.

**Capital Projects:** Mr. Hernandez discussed the Plant Expansion Project and remarked that the project was moving along slowly. He stated that there are long lead times on some of the equipment. He also remarked that the City of Mechanicville, who was expected to be connected to the Authority by now, was still having some issues and were not ready yet.

**Legal:** Mr. Schachner discussed the Draft response letter to Clifton Park Water Authority that had been discussed at length at the October meeting. Mr. Schachner stated that Mr. Hernandez had reviewed the draft response and agreed on all items outlined in the response. Chairman Lawler requested that he be copied in when the email response was sent.

**Motions & Resolutions:**

**Motion was made by Mr. Johnson and seconded by Mr. Szczepaniak to authorize the following budget transfers:**

- Transfer of \$3,000 from Salaries & Wages: Contingency to Health Ins. Expense**
- Transfer of \$1,000 from Pipeline Equipment to Equip. Parts: Plant**
- Transfer of \$15,000 from Plant Rep. & Maint. To Bank Fees.**

Mr. Hernandez explained that the first two were year-end adjustments and the last one was due to unanticipated bank fees relating to EFC closings. **Motion carried unanimously. (2020-0049)**

**Motion was made by Ms. Daly and seconded by Mr. Szczepaniak to authorize the payment of the monthly vouchers at a cost of \$158,790.56 in operating costs, \$11,827.08 in Halfmoon Project costs and \$666,878.51 in WTP Plant Expansion costs.** Treasurer Szczepaniak had reviewed all payments and was amenable to the payments with the inclusion of the payment to Marshall & Sterling for the 2021 Commercial Insurance Package which the Board would be considering later in the meeting. **Motion carried unanimously. (2020-0050)**

The next matter was to authorize the Deputy Treasurer to execute Certificates of Determination for any NYS Environmental Facilities Corp. disbursement requests. **Motion was made by Ms. Daly and seconded by Chairman Lawler to authorize the Deputy Treasurer to execute Certificates of Determination to the NYS EFC. Motion carried unanimously. (2020-0051)**

The next matter was to consider the Proposal from RPR Studios to produce an educational video for school populations within Saratoga County. Supervisor O'Connor discussed the proposal and associated draft script which the Outreach Committee had worked on with the Studio. Ms. Daly wanted to express her gratitude to Supervisor O'Connor for all of his hard work along with Mrs. O'Connor who had made great contributions as well. Chairman Lawler commended the Committee on the progress they had made thus far and was looking forward to the finished product. **A motion was made by Supervisor O'Connor and seconded by Mr. Johnson to accept the proposal from RPR Studios in the amount of \$15,820 for the production of the SCWA Video Production Project. Motion carried unanimously. (2020-0052)**

At this time, Mr. Hernandez requested that the Board consider a 2% pay increase to all eligible employees of the Water Authority. He stated that as in past practice, his recommendation was in line with what County employees under the CSEA contract were receiving. He stated the increase would be effective January 1, 2021. **Motion was made by Mr. Szczepaniak and seconded by Ms. Daly to approve the 2% COLA adjustment for all eligible employees effective January 1, 2021. Motion carried unanimously. (2020-0053)**

The next matter was **a motion to authorize a one-year renewal of Commercial Insurance Coverage, as well as Cyber Security Insurance as presented in the Proposal from Marshall & Sterling in the amount of \$56,176.50 made by Mr. Szczepaniak and seconded by Mr. Johnson.** Chairman Lawler discussed that he had reviewed the package proposal and felt the limits and coverages were appropriate. He also mentioned the additional coverages included in the package as well as the cybersecurity component which was becoming a very real threat to many small communities. **Motion carried unanimously. (2020-0054)**

At this time, Mr. Hernandez opened a discussion regarding his request to commence with annual replacement of the membrane modules at the water plant. He went on to discuss that the useable life of the modules is typically 10 to 15 years. He was requesting that the Board consider allowing him to purchase two racks of 92 membranes each over the next year. Each rack replacement would cost approximately \$134,320. Chairman Lawler inquired how many would be delivered at one time as he recalled the shelf life was not long if they were not installed promptly. He also inquired when the membranes would be invoiced to the Authority. Mr. Hernandez stated they would be invoiced upon delivery. Mr. Hernandez stated he would like to commence with the first order in January and then again in the fall. Supervisor O'Connor requested that it be specified that 92 units must be delivered all at once on the order. Mr. Szczepaniak inquired about other options for the membranes. Mr. Hernandez stated that these were the lowest and best cost option he had been able to locate and that other manufacturers he had experience with were charging more per membrane unit. Chairman Lawler inquired about the SCWA Procurement Policy and inquired of Mr. Schachner if this purchase would follow all applicable NYS bidding requirements as well as procurement policies. Mr. Schachner was directed to review the procurement process to ensure that the purchase was completed in accordance with applicable policies and regulations. **On a motion by Ms. Daly and a second by Mr. Johnson the Board authorized the Executive Director to purchase up to 184 membranes to replace two existing racks at a cost not to exceed \$268,000. Motion carried unanimously. (2020-0055)**

The next matter was a Resolution Adopting Post Issuance Tax Compliance Procedures as recommended by bond counsel, Hodgson Russ. Mr. Hernandez stated that bond counsel requested that Board adopt this resolution as it was a requirement by NYS to comply with the necessary post issuance tax matters. Mr. Schachner concurred that this was a bonding and funding requirement by most agencies now, along with the Continuing Disclosure policies already in place. **A motion was made by Supervisor O'Connor and seconded by Mr. Szczepaniak to adopt the Resolution regarding Post Issuance Tax Compliance Procedures. Motion carried unanimously. (2020-0055)**

The final matter before the Board was a request by Mr. Hernandez to authorize a transfer of \$800,000 to the Renewal and Replacement Fund as outlined in the Original Bond Resolution. He indicated that he was requesting \$400k for last year and \$400k for this year to meet that requirement. He indicated a recommendation had been made by the Authority's Engineer, Delaware Engineering. **Motion was made by Mr. Johnson and seconded by Ms. Daly to authorize the transfer of \$800,000 from the Revenue**

**Fund to the Renewal & Replacement Fund and to place those funds in Certificates of Deposit after rate proposals had been received. Motion carried unanimously. (2020-0054)**

Mr. Johnson inquired if reappointments would be made at this meeting. Chairman Lawler stated that is done at the County Organizational meeting and was looking forward to working with all Board members. He stated he appreciated all the members hard work and good decisions for the benefit of the County residents. He also stated the Board was invaluable to the Authority and to him and he looked forward to the work they would accomplish in the future.

Chairman Lawler stated the next Board meeting was currently scheduled for January 21, 2021 at 3:30 p.m.

**At 4:25 p.m., with no further business, a motion was made by Mr. Szczepaniak and seconded by Supervisor O'Connor to adjourn. Motion carried unanimously.**

**Respectfully Submitted,**

**Carol A. Alden, Confidential Secretary**