



SARATOGA COUNTY WATER AUTHORITY

JOHN E. LAWLER, CHAIRMAN
ED HERNANDEZ, P.E., EXECUTIVE DIRECTOR

260 BUTLER ROAD, GANSEVOORT, NY 12831
TELEPHONE: (518) 761-2058
FACSIMILE: (518) 792-4942
www.saratogacountywaterauthority.com

THOMAS K. CUMM
ANITA M. DALY
ARTHUR J. JOHNSON
DARREN O'CONNOR
JAMES M. SMITH
TIMOTHY SZCZEPANIAK

SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS OFFICIAL MEETING MINUTES THURSDAY, JUNE 21, 2018 @ 3:30 P.M.

PRESENT: Vice Chair Anita Daly, Treasurer Tom Cumm, Deputy Treasurer Tim Szczepaniak, and Board Member Jim Smith; also Executive Director Ed Hernandez and General Counsel Leah Everhart, Esq. **ABSENT:** Chairman Lawler, Supervisor Art Johnson, and Board Member Darren O'Connor.

Ms. Daly called the regular meeting to order at 3:30 p.m. and welcomed all in attendance. The meeting was held in the Board of Supervisors Meeting Room One.

Motion was made by Mr. Smith and seconded by Mr. Szczepaniak to adopt the draft minutes of the May 24, 2018 meeting minutes as the official minutes of that meeting. Motion to adopt the minutes was unanimous.

(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 May 2018 was 6.325 MGD. Rolling annual average was 5.56 MGD.

Financial: Mr. Hernandez discussed the financial reports through May 31, 2018. Revenues year-to-date were budgeted at \$2.19 million while actual revenues were \$2.38 million. Budgeted expenses through May 31, 2018 were \$748,000 while actual expenses were \$674,000. Estimated cash available for operations at September 1, 2018 after the next debt service payment is estimated at \$1.7 million. The next scheduled debt service payment is \$1.4 million on September 1, 2018 for the Series 2016 Bonds.

Legal: Attorney Everhart reported that their firm had only one matter to discuss and recommended the Board adjourn to Executive Session for privileged attorney client discussions relating to that matter.

Capital Projects:

Mr. Hernandez stated that the Draft Engineering Report for the Water Treatment Plant Expansion was completed and had been distributed to the Board for their review and approval. Mr. Cumm had two inquiries relating to the report. First was related to a question in the Engineering Report related to an emergency contract agreement for the plant. Mr. Hernandez stated he would correct that question on the application. The second was any improvements required to the distribution system relating to the increase in production. Mr. Hernandez responded to both inquiries.

The Halfmoon Water Extension Project was moving along with design completion. Mr. Hernandez reported that the Department of Health had granted their approval of the engineering report to the project as of today. Work was continuing on obtaining easements along the extension and both he and Ms. Everhart would work towards completing those. He noted that plans had been sent to the Town of Stillwater who requested to review the plans. He stated he had not heard anything back at this time.

The Storage Utility Building Project was essentially on hold at this time. Mr. Hernandez stated that the project may be redesigned to lower the costs. He stated there was nothing further to report on that matter.

Motions & Resolutions:

Motion was made by Mr. Smith and seconded by Mr. Cumm to authorize the payment of the monthly vouchers at a cost of \$75,769.55 in operating costs, \$5,653.00 in Plant Expansion Project Costs, \$920.00 in Halfmoon Project Costs, and \$3,981.80 in Storage Building Costs. Mr. Cumm stated he had reviewed all vouchers and had no concerns with the payments. Motion carried unanimously. (2018-0021)

The following Negative Declaration for SEQR Determination was approved after Mr. Hernandez reviewed the Full Environmental Assessment Form (FEAF) Parts 2 and 3 by Mr. Hernandez and the Board authorized and discussed the responses:

RESOLUTION NO. 2018-0022

SARATOGA COUNTY WATER AUTHORITY

WATER TREATMENT PLANT EXPANSION

NEGATIVE DECLARATION (SEQRA)

JUNE 21, 2018

WHEREAS, the Saratoga County Water Authority (SCWA) plans to expand treatment capacity at its existing water treatment facility on Butler Road in the Town of Moreau, and

WHEREAS, the SCWA facility was designed with a Phase 1 capacity of 7.0 million gallons per day (mgd) annual average daily flow and a peak hourly flow capacity of 14 mgd. Current annual average daily flow for the facility exceeds 5.5 mgd. The SCWA recently signed contracts with the Town of Halfmoon and the City of Mechanicville with a minimum contractual required supply of 1.15 mgd. These flows along with continued growth in the County is anticipated to result in the capacity of the current treatment facility to be met within the next several years, and

WHEREAS, the purpose of this project is for a Phase II expansion of the facility to add an additional 4.0 mgd. This will bring the average daily flow capacity to 9 mgd and the peak hourly flow capacity to 18 mgd, and

WHEREAS, this action is subject to review under the State Environmental Quality Review Act (SEQRA) and is classified as a Type 1 action pursuant to SEQRA, as well as New York State Environmental Facilities Corporation Financing Requirements and the regulations found in 6 NYCCR Part 617, and

WHEREAS, involved and interested agencies in this action include the Saratoga County Sewer District #1, New York State Department of Health, the Town of Moreau, New York State Office of Parks, Recreation and Historical Preservation, New York State Department of Environmental Conservation and New York State Environmental Facilities Corporation, and

WHEREAS, the SCWA has declared itself as Lead Agency in a coordinated environmental review under SEQRA, and

WHEREAS, the SCWA has reviewed Part I of the Long Environmental Assessment Form (LEAF) and has completed Part II of the LEAF, and after review finds it to be complete and accurate, and

WHEREAS, the SCWA has determined that the project will not have a significant effect on the environment using the criteria set forth in 6 NYCCR §617.7,

THEREFORE, BE IT RESOLVED, that the SCWA hereby issues the attached Negative Declaration and authorizes the Chairman to sign the LEAF indicating thereon that this project will not have any significant adverse environment impacts.

The question of the adoption of this Resolution was duly put to a vote on roll call which resulted as follows:

AYES:	Cumm, Daly, Smith, Szczepaniak
NAYS:	None
ABSENT:	Johnson, Lawler, O'Connor
ABSTAIN:	None

The Resolution was declared duly adopted on June 21, 2018.

The next matter to be discussed was the Water Treatment Plant Expansion DWSRF Application prepared by Adirondack Mountain Engineering. Mr. Hernandez reviewed the application and funding briefly as the Board had previously discussed the report.

RESOLUTION NO. 2018-0023 AUTHORIZING THE ISSUANCE BY THE SARATOGA COUNTY WATER AUTHORITY OF ITS WATER SYSTEM REVENUE BONDS; PROVIDING FOR PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS; AND PROVIDING FOR THE RIGHTS OF THE HOLDERS THEREOF.

SARATOGA COUNTY WATER AUTHORITY – WATER TREATMENT PLANT EXPANSION

WHEREAS, the Saratoga County Water Authority ("**Authority**") has adopted the "Saratoga County Water Authority General Resolution" ("**Bond Resolution**") dated as of September 1, 2008; and

WHEREAS, said Bond Resolution has not been terminated or amended; and

WHEREAS, the Authority has made an application to the Environmental Facilities Corporation ("**Corporation**") under its New York Drinking Water State Revolving Fund, for a financing in an amount currently estimated to be Eight Million Two Hundred Thousand Dollars (\$8,200,000) for a project (the "**Project**") consisting of the following: (1) for the purpose of addressing water supply needs throughout Saratoga County and expansion of the Authority's existing water system (the "**Water System**") by adding plant treatment capacity of 4 million gallons per day ("mgd") at an estimated cost of \$8,200,000, but in no event to exceed \$8,500,000; and

WHEREAS, under the Bond Resolution, the Authority is authorized to issue additional Water System Revenue Bonds pursuant to a supplemental resolution authorizing such series, provided, however, that the conditions precedent to the delivery of a series of bonds as set forth in Section 3.02 of the Bond Resolution are met; and

WHEREAS, the Authority desires to obtain the financing in an amount currently estimated to be Eight Million Two Hundred Thousand Dollars (\$8,200,000) from the Corporation pursuant to the terms and conditions to be required by said Corporation and agreed to by the Authority or as are hereinafter stated, and to issue its bonds in said amount to evidence the said financing; and

NOW, THEREFORE, it is hereby,

RESOLVED, that any term or word not defined herein, shall have the same meaning as defined in the Bond Resolution, and it is further

RESOLVED, that the authorized principal amount of the Water System Revenue Bonds to be issued by the Authority pursuant to this Resolution shall be an amount up to Eight Million Two Hundred Thousand Dollars (\$8,200,000) plus such additional amount for debt reserves and other items, but not to exceed in the aggregate, Eight Million Five Hundred Thousand Dollars (\$8,500,000), as certified in writing by either the Chairman, or Vice Chairman or Treasurer of the Authority, which bonds are to be issued in denominations and mature at such dates as certified to in writing by the Chairman or Vice Chairman or Treasurer of the Authority and agreed to by the Corporation, all of which said bonds are to be sold to the Corporation; and it is further

RESOLVED, that series and subseries designation of said bonds is 2018A Series Bonds, if issued in 2018, and if the first issue, and if issued after 2018 and/or a subsequent issue in such year, at such series and subseries designation as established by the Chairman of the Authority; and it is further

RESOLVED, that either the Chairman or Vice Chairman or Treasurer of the Authority is hereby authorized to execute any and all instruments and documents (including a Project Financing and Loan Agreement) containing such provisions as are agreed to by the Chairman, Vice Chairman or Treasurer, on behalf of the Authority and to bind the Authority thereto, and upon the execution, the Authority is to perform the obligations and meet the conditions therein contained to be performed or met on the part of the Authority; and it is further

RESOLVED, that the purpose for the issuance of said series of bonds is for the financing of the acquisition, construction and installation of the Project and the net proceeds of said bonds are to be applied to pay for the acquisition, construction and installation and other costs associated with the Project; and it is further

RESOLVED, that the dates of said bonds and the maturity dates of said bonds of the series shall be those agreed to in writing by the Corporation and either the Chairman or Vice Chairman or Treasurer of the Authority; and it is further

RESOLVED, that the interest payable on said bonds shall be at the rate agreed to in writing by the Corporation and either the Chairman or Vice Chairman or Treasurer of the Authority, but not to exceed 4% per annum, and that said interest shall be paid on dates agreed to by said Chairman, or Vice Chairman or Treasurer and the Corporation aforesaid; and it is further

RESOLVED, that the Chairman or Vice Chairman or Treasurer of the Authority is hereby authorized by a certificate or certificates in writing to agree to the exact principal amount, dates, maturity dates, redemptions, redemption prices, and denominations of said bonds, as well as the annual principal installments and interest rate to be paid by the Authority on said bonds; and it is further

RESOLVED, that in anticipation of the issuance of said bonds, the Corporation may provide financing to the Authority in the form of short-term notes pursuant to the terms of the Project Financing and Loan Agreement and the Chairman or Vice Chairman or Treasurer of the Authority is hereby authorized by a certificate or certificates in writing to agree to the exact principal amount, dates, maturity dates, redemptions, redemption prices, and denominations of said notes, as well as the annual principal installments and interest rate to be paid by the Authority on said notes; and it is further

RESOLVED, that the Chairman or Vice Chairman or Treasurer of the Authority is hereby authorized to execute on behalf of and to bind, the Authority thereto, all certificates for bonds and notes and all other necessary documents and instruments reasonably necessary to carry out the transactions contemplated by the Bond Resolution, the Project Financing and Loan Agreement and this Resolution, and to determine the form and substance of said documents and instruments; and it is further

RESOLVED, that the Authority hereby designates Wells Fargo Bank, N.A. or such other Trustee as agreed to by the Authority and Corporation, as Paying Agent for the 2018A Series Bonds for so long as any of said bonds is registered in the name of the Corporation or a trustee on behalf of the owners of said bonds; and it is further

RESOLVED, that the proceeds of the 2018A Bonds shall be deposited, invested, disbursed and advanced in accordance with the terms and conditions of the Project Financing and Loan Agreement and the Bond Resolution; and it is further

RESOLVED, that all actions taken by the Authority in connection with the Project and the application to the Corporation are hereby ratified and confirmed; and it is further

RESOLVED, that the Authority has acted as the "lead agency" with respect to the Project and by resolution has issued a "negative declaration" with respect to the Project, and, therefore, no other determinations or procedures under the State Environmental Quality Review Act ("SEQR") are required; and it is further

RESOLVED, that the Authority shall, to the extent permitted by the Bond Resolution and applicable state and federal law, reimburse itself from the proceeds of the sale of said bonds for any funds expended by the Authority prior to the receipt of said proceeds for Project expenses incurred prior to said receipt and this

Resolution shall constitute the declaration of the Authority's "official intent" to reimburse the expenditures authorized by this Resolution with the proceeds of the bonds authorized herein, as required by United States Treasury Regulation Section 1.150-2; and it is further

RESOLVED, that the Chairman or Vice Chairman or Treasurer of the Authority is further authorized to take such actions and execute such documents as may be necessary to ensure the continued status of the interest on the bonds authorized by this resolution as excludable from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and, if applicable, to designate the bonds authorized by this resolution as "qualified tax-exempt bonds" in accordance with Section 265(b)(3)(B)(i) of the Code; and it is further

RESOLVED, that all provisions of the Bond Resolution not in conflict with the above resolutions remain in full force and effect and shall govern the rights, duties and powers of the Authority, the Corporation, the Trustee, and holders of the 2018A Series Bonds, and said parties shall enjoy the benefits pertaining under the Bond Resolution not in conflict with the above resolutions.

The question of the adoption of this Resolution was duly put to a vote on roll call which resulted as follows:

AYES:	<i>Cumm, Daly, Smith, Szczepaniak</i>
NAYS:	<i>None</i>
ABSENT:	<i>Johnson, Lawler, O'Connor</i>
ABSTAIN:	<i>None</i>

The Resolution was declared duly adopted on June 21, 2018.

The next matter was a motion by Mr. Szczepaniak and seconded by Mr. Cumm to authorize the Vice Chairman to sign the DWSRF Funding and Applications. Unanimous. (2018-0024)

The final motion was to authorize the creation of a new Ballston Spa National Bank account for financial activity related to the Halfmoon Extension Project. Motion was offered by Mr. Cumm and seconded by Mr. Smith. Unanimous. (2018-0025)

New Business:

The next meeting of the Saratoga County Water Authority Board of Directors was scheduled for Thursday, July 26, 2018 at 3:30 p.m.

The final item was offered by Mr. Cumm and seconded by Mr. Szczepaniak to schedule a Public Hearing for an Eminent Domain Proceeding to acquire a temporary easement for the proposed Halfmoon waterline expansion project. The Public Hearing will be scheduled for Thursday, July 26, 2018 at 3:25 p.m. at the Saratoga County Municipal Center. The hearing will be held in meeting room one of the Board of Supervisors. Unanimous. (2018-0026)

With no further action, motion to adjourn was made by Mr. Cumm and seconded by Mr. Smith. Motion passed and meeting was adjourned at 4:10 p.m.

Respectfully Submitted,

Carol A. Alden, Confidential Secretary