



SARATOGA COUNTY WATER AUTHORITY

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TIMOTHY J. SZCZEPANIAK

SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS ADOPTED MEETING MINUTES THURSDAY, JULY 23, 2020 @ 3:30 P.M.

PRESENT: Chairman John E. Lawler, Vice Chair Anita Daly (joined via telephone at 3:48 p.m. due to prior obligation), Treasurer Tim Szczepaniak, Deputy Treasurer Todd Kusnierz, Supervisor Darren O'Connor also, Executive Director Ed Hernandez and General Counsel Leah Everhart, Esq. **ABSENT:** Supervisor Phil Barrett and Board Member Art Johnson.

Chairman Lawler welcomed all to the meeting and inquired if there were any changes, additions or deletions to the June 25, 2020 meeting minutes. **On a motion by Mr. Szczepaniak and a second by Mr. Kusnierz the minutes of the June 25, 2020 meeting were adopted. Unanimous.**

Reports:

Operations: Mr. Hernandez reported water sales for June were 9.73 mgd and rolling annual average was 6.51 mgd.

Financial: Mr. Hernandez read the Administrative Summary as of June 30, 2020. Budgeted water revenues through June 30, 2020 were \$3.17 mil and actual revenues were \$3.54 mil. Budgeted expenses through June 30, 2020 were \$1.02 mil and actual expenses were \$775k. The next Bond payment was due September 1st, 2020 for \$1.47mil. Cash available for operations after that payment were estimated at \$1.97 million. Chairman Lawler inquired if Mr. Hernandez had a forecast for cash available at year end. Mr. Hernandez indicated he was working on the 2021 budget and would have a better picture at the next meeting. Chairman Lawler indicated that if it is possible to pay more to the County, he would like the Board to consider it. Mr. Hernandez indicated that the Authority would be picking up more debt for construction projects.

Capital Projects: Mr. Hernandez reported that the Plant Expansion Project contracts were awarded at the last meeting. There were some minor insurance requirements that are being worked out. Counsel indicated that the Chairman could execute the contracts today and Notice to Proceed would be issued once the insurance issues were ironed out. The Halfmoon Project is ready for permanent financing. The Water Tank Project is still in the SEQRA process and the next round of grant applications has not opened yet from the State. The final project to discuss would be addressed later in the meeting.

Legal: Ms. Everhart stated that they had reviewed the construction contracts, bonds and insurance requirements for the Phase II Construction Project. Chairman Lawler inquired if counsel was amenable to his execution of the contracts today. She indicated that it was.

Outreach Committee: Chairman Lawler indicated that Ms. Daly was not present and would like to table that for next month's meeting.

Motions & Resolutions:

Motion was made by Mr. Szczepaniak and seconded by Mr. Kusnierz to authorize the payment of the monthly vouchers at a cost of \$118,328.75 in operating costs and \$6,8800.48 in WTP Plant Expansion costs, and \$12,100 in #2 Water Tank Project. Motion carried unanimously. (2020-0023)

The next agenda item was to **Authorize the Execution of the Construction Contracts for the Plant Expansion Project by the Chairman on a motion by Mr. Kusnierz and seconded by Mr. O'Connor. Motion carried unanimously. (2020-0024)**

At this time Mr. Hernandez discussed the RFP for expanding the Distribution System at the Board's instruction last month. He indicated he had prepared the RFP and would like to forward it on to the Engineering Committee, however, there was only one remaining member of that committee at this time, Mr. O'Connor. He requested that the Board assign two new members to that committee for the purpose of reviewing proposals when they were received and make a recommendation to the Board. Chairman Lawler volunteered to sit on that Committee and Mr. Kusnierz did as well. Mr. Hernandez indicated he would send the RFP to the Engineering Committee and await comments. Chairman Lawler inquired what the timeline might be for construction of this type of project. He indicated that perhaps Mr. O'Connor could reach out to Global Foundries about any potential expansion and increase in water supply.

Ms. Daly joined the meeting at this time and provided a quick update on the Outreach Committee preliminary work. She had a meeting with Dr. O'Connor of Malta, and she has graciously agreed to be a mentor for the project. Ms. Daly indicated the targeted audiences would be K-12 and the second would be residents of Saratoga County and beyond. Ms. Daly stated that Dr. O'Connor had assisted with the conceptual idea of the video projects. She urged the other members of the committee to join in and get it off the ground with Board approval along the way. She indicated that a production company would be needed at some point. Chairman Lawler noted it sounded interesting and would like to see an overview of what is envisioned and what are the elements of the project. She indicated that some elements and costs of the project were unknown at this time but would be presented as the project moves forward. She requested that Mr. O'Connor and Mr. Szczepaniak please provide availability so the full Committee could meet.

The next matter was a **Supplemental Resolution to Provide Funding of the Debt Service Reserve Fund relating to the long-term financing of the Halfmoon Project as follows:**

RESOLUTION #2020-0026 AMENDING CERTAIN TERMS OF THE SUPPLEMENTAL BOND RESOLUTION NO. 2016-0044 DATED JUNE 15, 2016 AND ADOPTED BY THE SARATOGA COUNTY WATER AUTHORITY.

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WHEREAS, on June 15, 2016, the Saratoga County Water Authority (the "**Authority**") adopted a supplemental bond resolution (the "**Supplemental Bond Resolution**") entitled:

"RESOLUTION NO. 2016-0044 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."

WHEREAS, the Supplemental Bond Resolution previously recited that 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 Twelve Million Seven Hundred Twenty Three Thousand Dollars (\$12,723,000) for a project (the "**Project**") consisting of the following: (1) for the purpose of addressing water supply needs in the Towns of Halfmoon and Waterford and consolidating existing infrastructure, extension of the Authority's existing water system (the "**Water System**") using a 16" or 20" water main running from the Authority's 30" main on Cordero Boulevard, Stillwater to a 12" main on Johnson Road owned by the Town of Halfmoon at an estimated cost of \$3,547,875, but in no event to exceed \$4,500,000; and (2) the refinancing of debt of the Authority in the amount of \$8,223,000 (the "**Prior Debt**"), which Prior Debt was used to pay for some or all of the costs of the planning, construction, maintenance, and operation of the Water System; and

WHEREAS, on April 26, 2018, the Authority adopted a resolution (the "First Amended Resolution") amending the Supplemental Bond Resolution entitled:

"A RESOLUTION AMENDING CERTAIN TERMS OF THE SUPPLEMENTAL BOND RESOLUTION NO. 2016-0044 DATED JUNE 15, 2016 AND ADOPTED BY THE SARATOGA COUNTY WATER AUTHORITY."

WHEREAS, the First Amended Resolution authorized certain amendments to the Supplemental Bond Resolution; and

WHEREAS, since the date of the Supplemental Bond Resolution and the First Amended Resolution, the Authority has done additional work with the Corporation for the purpose of finalizing the description and the estimated costs of the proposed improvements to the Water System described and approved by the Supplemental Bond Resolution (the "**Water System Project**"), and, further, the Corporation has advised the Authority that the Water System Project is now ready for completion of the long-term financing with the Corporation; and

WHEREAS, the Authority desires to further amend the Supplemental Bond Resolution in order to finalize the description and the estimated costs of the Water System Project contained in the Supplemental Bond Resolution;

NOW, THEREFORE, it is hereby

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

RESOLVED, that the description and the estimated costs of the Water System Project, as described in Exhibit A and Exhibit B, respectively, as attached to this Resolution, are amended as follows:

“the Water System Project shall consist of the following: (A) the acquisition, construction, reconstruction and installation of the improvements described in Exhibit A attached, (B) the financing of all or a portion of the costs of the foregoing by the issuance of tax-exempt revenue bonds of the Authority in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to not exceed \$2,700,000 (the “Obligations”), with the balance of such costs to be paid with the proceeds of certain NYS grants and local municipal contributions; and (C) the paying of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and the funding of any reserve funds as may be necessary to secure the Obligations,

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 Two Million Seven Hundred Thousand Dollars (\$2,700,000) and included in such principal amount are costs for debt reserves and other items, including costs of issuance, 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 all actions taken by the Authority in connection with the Water System Project and the application to the Corporation are hereby ratified and confirmed; and it is further

RESOLVED, that the Supplemental Bond Resolution, as amended by the First Amended Resolution and this Resolution, shall otherwise remain in full force and effect in accordance with its terms, and is hereby ratified and confirmed.

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

AYES:	DALY, LAWLER, KUSNIERZ, O’CONNOR, SZCZEPANIAK
NAYS:	NON
ABSENT:	BARRETT, JOHNSON
ABSTAIN:	NONE

The Resolution was declared duly adopted on July 23, 2020.

The next meeting of the Saratoga County Water Authority Board of Directors was scheduled for Thursday, August 27, 2020 at 3:30 p.m. at the County. Mr. Szczepaniak indicated he would be out of town.

Chairman Lawler indicated there would also be a meeting of the Finance Committee at 3:15 p.m. Members of that Committee are Johnson, Kusnierz and Lawler.

At 4:00 p.m., with no further business, a motion was made by Mr. Szczepaniak and seconded by Mr. O'Connor to adjourn. Motion carried unanimously.

Respectfully Submitted,

Carol A. Alden, Confidential Secretary