



SARATOGA COUNTY WATER AUTHORITY

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SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS OFFICIAL MEETING MINUTES THURSDAY, JULY 25, 2019 @ 3:30 P.M.

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

Motion was made by Ms. Daly and seconded by Mr. Johnson to adopt the draft minutes of the June 27, 2019 meeting minutes as the official minutes of that meeting. Motion passed.

(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 June was 6.4 MGD, which was a decrease over the prior year due to a very wet early part of the month. Rolling annual average was 5.65 MGD.

Financial: Mr. Hernandez discussed the financial reports through June 30, 2019. Revenues for the year were budgeted at \$2.7 Million while actual revenues were \$2.93 Million. Budgeted expenses for the year were \$995,000 while actual expenses were \$752,000. Estimated cash available for operations at September 1, 2019, after the next debt service payment of \$1,454,272, is \$1.33 million. Mr. Lawler inquired about the variance between budgeted and actual earnings before depreciation. Mr. Hernandez ran through the calculation with Mr. Lawler regarding the capital expenses and the effect on the variance.

Capital Projects: The Halfmoon Project is moving along well. He estimated the contractor was 30 to 60 days out on completion but well ahead of the November deadline.

The Water Plant Expansion Project continues and there has been several discussions back and forth regarding design aspects. There is a possibility of another manufacturer under consideration for the membrane expansion and they offer a larger rack which may be a better option. Cost versus risk is also a consideration and is being analyzed. A final report will be sent to DOH very soon. Mr. Johnson inquired about the bidding process for the additional membranes. Mr. Hernandez responded with various options.

Legal Update: Ms. Everhart stated there was no significant legal activity during the prior month. She discussed the drafting of a Water Sale Agreement with a potential customer and gave a minor update on the EFC financing for the plant upgrade project.

Motions & Resolutions:

Motion was made by Mr. O'Connor and seconded by Mr. Szczepaniak to authorize the payment of the monthly vouchers at a cost of \$103,291.23 in operating costs, \$1,295,749.12 in Halfmoon Project Costs. Motion carried unanimously. (2019-0029)

Mr. Hernandez asked the Board to consider authorizing the purchase of a new Ford F250 pickup truck which was bid under the NYS Vehicle Marketplace. Low bid was placed by Metro Ford Sales for \$36,078.44. **Motion was made by Mr. Johnson and seconded by Mr. O'Connor to award the purchase to Metro Ford for the bid amount of \$36,078.44. Motion carried unanimously. (2019-0030)**

The next agenda item was for the Board to consider a revision to the previously approved Toadflax Nursery agreement for sludge disposal. Mr. O'Connor had requested we go back to the vendor and request increases aligned with annual CPI adjustments. Mr. Hernandez stated the vendor was amenable to that change. **A motion was made by Mr. O'Connor and seconded by Ms. Daly to authorize the remaining four years of the contract with the adjusted CPI increases. Motion carried unanimously. (2019-0031)**

Mr. Hernandez then inquired of the Board some guidance on how to apply partial rate increases between municipal and industrial/commercial customers. Chairman Lawler expressed his interpretation of the contracts. Ms. Everhart stated she had reviewed this matter some time ago but wanted to revisit the contracts for clarification. Mr. O'Connor stated the increase should be proportional to the increases that affect municipal customers. Chairman Lawler instructed Mr. Hernandez to draft budgets with full contractual increases, one with a partial rate increase and one with no rate increase so that the committee can compare the differences. Mr. O'Connor inquired about inflation increases versus contractual limitations. Chairman Lawler asked the Board to consider a strategic planning meeting in September for long term goals for the Authority. He inquired if the Board would be interested in doing this at a separate time so there was no other business involved and they could focus on planning where the Authority was heading after 10 years of operation.

New Business:

The next meeting of the Saratoga County Water Authority Board of Directors was scheduled for Tuesday, August 27, 2019 at 3:30 p.m. The Finance Committee will meet prior to that meeting at 3:15 p.m. Members of that committee are: Cumm, Johnson & Lawler.

The Board also scheduled the September meeting for September 26th, 2019 at 3:30 p.m. at the Water Plant. The Audit Committee will meet prior to that meeting at 3:15 p.m. for annual housekeeping matters.

With no further action, motion to adjourn was made by Mr. Szczepaniak and seconded by Mr. O'Connor. Motion passed and meeting was adjourned at 4:20 p.m.

Respectfully Submitted,

Carol A. Alden, Confidential Secretary