



# SARATOGA COUNTY WATER AUTHORITY

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CHARLES WAIT

## SARATOGA COUNTY WATER AUTHORITY OFFICIAL BOARD MEETING MINUTES THURSDAY, FEBRUARY 23, 2012; 3:00 PM

PRESENT: Supervisor Anita Daly, SCWA Vice-Chairman; Supervisor Arthur Johnson, Kevin King, Treasurer, Mary Beth Hynes, Greg Connors, Charles Wait; SCWA Board Members; Craig Crist, SCWA Special Counsel; John Dowd, SCWA Special Counsel; Ed Hernandez, Acting Executive Director; Press. ABSENT: John E. Lawler, Chairman.

Vice-Chairman Daly called the regular meeting to order at 3:00 p.m. and welcomed all in attendance.

**A motion was made by Art Johnson and seconded by Greg Connors to adopt the draft minutes of the January 13, 2012 meeting as the official minutes of that meeting. The motion passed unanimously.** (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.)

Disinfection Byproducts: Ed Hernandez, Acting Director, discussed the results of testing for disinfection byproducts and commented that results are looking very good. Data has been received from Clifton Park Water Authority, as well, and their results were very good. He stated we did not anticipate any further issues in that regard. Ms. Hynes expressed her gratitude for Mr. Hernandez sending results on to the Town of Ballston Water Superintendent.

Production: Mr. Hernandez discussed the newly revised production charts. He discussed all municipality data. Mr. Connors confirmed that Global Foundries used just under 2 MGD during the month of January. Mr. Johnson commented that Wilton was back online as of February 1, 2012.

Financial: Mr. Hernandez discussed the included Profit and Loss Statement which would become a regular part of the Board Information packets. He reflected that operating costs for December and January were roughly \$247,000 and net losses were \$102,711. Mr. King reflected that the general accounting methods had improved significantly and that he has encouraged the confidential secretary to continue developing accurate cost measurements.

Ms. Daly queried Craig Crist, General Counsel regarding check signing authority. She confirmed that the signatories on the operating accounts were the Chairman and the Treasurer. Mr. Crist said it was his recollection that Ms. Daly was not a current signatory on bank accounts. He suggested that a resolution be presented to authorize Ms. Daly to have this authority if the Board desired there be a third signatory. Mr. King confirmed also that Ballston Spa National Bank would require Ms. Daly's information in order to add her. Ms. Daly expressed her concerns about check payments being done in a timely manner should the

Chairman be unavailable to sign checks over the \$5,000 that was currently required. **Mr. Wait moved to authorize that the position of Vice Chairman, currently held by Daly, be added as a signatory on the Ballston Spa National Bank Operating Account. Mr. Connors seconded the motion, with the stipulation that it should be the Vice Chairman and not Ms. Daly specifically.** Mr. Wait stated that the bank would require her signature as the current Vice Chair. **Motion was passed unanimously. (M2012-06)**

The next motion was to **authorize the payment of the vouchers for the month at a total cost of \$207,094.61, as reviewed and approved by Kevin King, Treasurer.** Mr. King reflected that he felt based upon the improved level of payment processing and accounting practices, that we scale back the scope of services provided by Reinhart and Associates as outside bookkeeping assistance, but to retain them as a measure of internal control. He discussed also the change in directorship and that it is a contractual relationship. He queried the Board as to whether or not an additional control feature should be in place to review Delaware Engineering payment requests, besides himself. Mr. Wait deferred to Mr. King's judgment on the matter based upon what had been presented to date. Mr. Connors stated that he also deferred to Mr. King as the sole authorizer of payments to Delaware Engineering. Ms. Daly concurred, with the stipulation that all supporting documents are acceptable to the Treasurer for time and billing detail to support amounts billed. Mr. Connors asked Mr. King what direction the scaling back of services from the outside accounting firm would take. King responded that due to the increased level of accounting competency, that the flat rate be reviewed. **Mr. Connors moved to authorize that vouchers, as proposed for payment, be paid subject to review by the Treasurer. The motion was seconded by Mr. Johnson and passed unanimously. (Motion 2012-07)**

The next matter discussed was to authorize the change in the investment portfolio for the Debt Service Reserve Fund. Mr. King discussed getting a better yield on our investment with Wells Fargo. He discussed that he and Chairman Lawler reviewed the investment comparisons as presented by Wells Fargo, the bond trustee. They also discussed a proposal by a previous financial consultant. He stated that it was more cost effective to stay with Wells Fargo. Mr. Connors inquired if we had a written investment policy. Mr. King affirmed that we did. Mr. Wait inquired what the previous yield was. Mr. King stated it was previously .2%. The recommendation is to move ½ of the fund to a 3 yr. Agency Non Call fund at .7% and the other ½ to a 7 yr. Agency Callable fund at 2.20% yield. **Mr. Connors made the motion to authorize the change in the investment portfolio as recommended by Wells Fargo. Motion was seconded by Mary Beth Hynes. Motion was passed unanimously. (Motion 2012-08)**

The next item on the Agenda was to authorize the execution of an amended contract with Delaware Engineering. **The matter was tabled at the regular meeting and moved to Executive Session.**

A resolution was made to ratify the temporary contract with Global Foundries until February 23, 2012. **Motion was presented by Mr. Wait and seconded by Mr. Johnson. Motion was passed unanimously. This Resolution was later vacated at this same meeting.)**

The next **motion was to amend the Personnel Policy as presented by Mr. Connors and Ms. Hynes of the Personnel Committee** as follows: To amend Page 34 of the employee manual under Section E.

“Overtime Pay and Compensatory Time”. Mr. Hernandez explained that the plant has now moved to a reduced work schedule on the weekends as plant efficiencies have improved dramatically. He explained that employees who work the 5 day work week and the weekend site visit now receive compensatory time as opposed to overtime for the weekend coverage. Mr. King brought to light that if an employee works 40 hours in one week and then works the weekend it would be considered overtime at time and one half. Therefore, the law regarding overtime and comp time for hours worked over 40 in one week is to be researched and that portion of the motion was tabled. The second item for motion was under the same Section, to change the amount of comp time employees are allowed to rollover from the previous year. The current policy stated comp time could not be carried over, but the proposed change is to allow employees to rollover a maximum of 80 hours of comp time. **Motion was made by Mr. Connors and seconded by Ms. Hynes. Motion passes unanimously. (Motion 2012-09)**

The next item from the Personnel Committee was to revise the vacation table on Page 35 of the Personnel Manual. The proposed change now revises the “Years of Service” section from “Date of Hire to End of Year One” to “Date of Hire to 4th Year” to allow new employees to take vacation time as it accrues as opposed to the previous policy which stated, “New employees may be allowed to take five of their earned vacation time after six months.” Mr. Wait inquired if there would no longer be a probationary period to which Mr. Hernandez reflected that the amount of time that accrues is minimal. **Mr. Wait made the motion to amend the Personnel Manual to include the changes as outlined above. Mr. Johnson seconded the motion. Motion was passed unanimously. (Motion 2012-10)**

The next change to the Personnel manual as presented was to strike the language regarding the Board’s right to provide vacation to newly hired staff based upon their prior governmental/water sector experience. Mr. King had a concern regarding striking the language to reserve the right to provide vacation benefits to newly hired employees with previous governmental/or water sector experience. The Board decided to retain the language at this time and no motion was presented.

The final item from the Personnel Committee was a change to Page 35 under Section H, “Vacation”. Under the current policy, employees were required to take their vacation in the calendar year, however Mr. Hernandez stated that based upon the current accrual system, this could create staffing difficulties during the latter part of the year. **A motion was made by Ms. Hynes to revise the language to allow employees to rollover up to the maximum days per year as listed in the vacation table based upon years of service. Motion was seconded by Mr. King. Motion passed unanimously. (Motion 2012-11)**

Ms. Daly asked for any further business from the Personnel Committee. Ms. Hynes responded that a proposed 2% COLA for all employees with one year of service or more be granted retroactive to January 1, 2012. **Motion was made by Mr. Connors to approve the 2% COLA raises retroactive to January 1, 201 and was seconded by Ms. Hynes.** Ms. Daly asked Mr. Johnson what the Saratoga County CSEA employees were granted. Mr. Johnson responded that a 2% increase was granted to all CSEA employees with the exception of management employees and the other unions were still negotiating. **Motion carried after a unanimous vote. (Motion 2012-12)**

The next Resolution was to confirm the Chairman's appointments/reappointments to the subcommittees as follows: Personnel Committee: Mr. Connors, Ms. Hynes & Mr. Lawler; Finance Committee: Mr. Connors, Mr. King, Mr. Johnson & Mr. Lawler; Governance Committee: Mr. Johnson, Mr. Wait, Mr. King & Mr. Lawler; Audit Committee: Mr. Johnson, Ms. Daly, Mr. Lawler & Mr. Wait. **Motion was made by Mr. Wait, seconded by Ms. Hynes. Motion passed unanimously. (Resolution 2012-04)**

New Business:

The Village of Ballston Spa sent a letter dated October 5, 2011, requesting a connection with our system. Mr. Hernandez discussed that the Chairman expressed reservations regarding municipalities contracted to take a minimum amount of water. Since Chairman Lawler was absent from the meeting and had extensive knowledge on this topic, a motion was made to table the matter until his return at the next meeting. **Motion was presented by Mr. Wait to table the request, seconded by Mr. King. Motion passed after unanimous vote.**

**A reminder for all Board members was discussed regarding the completion of the Financial Disclosure Statements provided by the County Attorney's office. All forms should be submitted by March 31, 2012 and returned to the County Attorney, with a copy to the Water Authority office.**

The next matter was the Wilton Water and Sewer Authority request for credit for the 4<sup>th</sup> quarter minimum usage amount of 27,900,000 gallons against future usage. Mr. Hernandez explained that Wilton had previously received a credit in 2011 for water not used under different circumstances. Hernandez discussed that during the last quarter of 2011, due to claimed DBP issues, Wilton did not take any water. The Board discussed and debated the matter. **Mr. Connors made a motion to grant a credit against future usage to both the Town of Wilton Water Authority and to the Town of Ballston Spa consistent with past practices and limited to the 4<sup>th</sup> quarter of 2011. Mr. Johnson seconded the motion.** Mr. King expressed his discomfort with the motion as presented and his understanding of the details of the events as they transpired. Mr. Johnson explained that Wilton did not begin taking water again until February because the connection was not completed due to the installation of valves. Mr. Wait also expressed his discomfort with the facts as presented. **Mr. Connors withdrew the motion at that time and the matter was tabled until the next meeting.**

The next matter presented was the request from the Clifton Park Water Authority for reimbursement of construction costs associated with the Round Lake interconnection to the SCWA system. This matter was tabled by Ms. Daly until the next Board meeting.

Craig Crist, Special Counsel, discussed that the Governance Committee would be completing the Year End Performance Evaluations as required by the Authorities Budget Office at the scheduled meeting in March.

The next matter was the additional crime policy insurance coverage for DCK Enterprises and Delaware Engineering and was discussed by Craig Crist, Special Counsel.

At this time, Mr. Wait excused himself from the meeting for discussions regarding matters with Adirondack Trust Insurance Agency.

Adirondack Insurance Agency was able to acquire the additional surety bond at no added cost to the Authority with an amendment to the Crime Policy for an additional \$1,000,000 of coverage for Mr. Hernandez. He indicated that our broker was still reviewing the Professional Liability coverages as presented by Delaware Engineering.

With regard to the matter of the quote provided by Adirondack Trust for an increase to the Authority's Disability Benefits policy, Mr. King and Ms. Daly discussed the various options as presented. Mr. Hernandez reflected that for an additional \$100 per year, the coverage for employees would increase to \$340 per week maximum. **Mr. Connors made a motion to increase the Disability Benefits coverage to \$340 per week with an annual premium of \$423 per year. Seconded by Ms. Hynes. Motion passed unanimously. (Motion 2012-13)**

At this time Mr. Wait rejoined the meeting.

**Mr. Connors proposed a Resolution that the Chairman be re-authorized to execute all easements at including but not limited to the easements from the New York State Office of Parks, Recreation and Historic Preservation and that the Resolution be memorialized by Counsel and made an official part of the minutes. Seconded by Ms. Hynes. Resolution was passed unanimously. (Resolution 2012-05)**

The next meeting of the SCWA Board of Directors was scheduled for March 22, 2012 at 2:45 p.m., with the Governance Committee meeting at 2:00 p.m. on that date.

**Upon motion by Mr. Wait, seconded by Ms. Hynes, the Board unanimously adjourned to executive session at 3:50 p.m. to discuss the Begum litigation and contract negotiations with Global Foundries.**

The Board returned to open meeting at 5:35 p.m. at which time Ms. Daly requested a Resolution to extend the temporary contract with Global Foundries from February 22, 2012 to March 22, 2012, thereby formally vacating the prior resolution on this matter. **Mr. Wait made the motion to change the date of the temporary contract with Global Foundries to March 23, 2012, which was seconded by Mr. Connors. The Resolution passed unanimously. (Resolution 2012-06)**

At this time, Ms. Daly asked for any further new business. **Motion was made by Mr. Wait to adjourn and seconded by Mr. Connors. The Board unanimously resolved to adjourn the meeting at 5:40 p.m.**

Respectfully submitted,  
Carol A. Alden  
Confidential Secretary