

WATER COMMITTEE MEETING

April 10, 2007 – 3:00 p.m.

PRESENT: Chairman Callanan; Supervisors Connors, Gutheil, A. Johnson, Sausville; Lucia, Keyrouze; David Wickerham, Co. Administrator; Mark Rider, Co. Attorney; Wes Carr, Project Coordinator; Jasper Nolan, Saratoga Springs; Press

Chairman Callanan called the meeting to order.

Mr. Sausville moved to approve the minutes of the February 5th meeting. Mr. Johnson seconded. Unanimous.

Mr. Rider stated resolutions are needed to **Authorize the Memorandum of Understanding between Saratoga County and the Saratoga County Water Authority** and to **Authorize the Service Agreement between Saratoga County and the Saratoga County Water Authority**.

Mr. Rider said the Memorandum of Understanding sets forth the transition of the transfer of the water project from the County to the Water Authority. This Memorandum talks about all of the things needed to transfer the project, and the first is the transfer of the property in Moreau, he said. He stated we will obtain the volunteer easements that will be assigned to the Authority, and the Authority will do any eminent domain that is required. A significant portion of the pipeline is on County property, and we agree to give them easements on our property, he said. The land we own we will transfer without consideration, he added. Mr. Gutheil asked if the Legislature approved us disposing that land, and Mr. Rider said yes. He said we will transfer all permits that we have to the Authority including plans, specifications and documents. He stated Lemery Greisler is representing the County, and the Authority will have to hire their own counsel, he said.

Mr. Rider stated the FAB money will be used to reimburse all of the County's expenses we have had on this project, largely Malcolm Pirnie, Inc.'s bills, but other things as well. The County agrees any balance will be transferred to the Authority for their purposes. We will be using some of the costs they incur to get us the \$10 million, and between \$3 and \$5 million will be repaid to the County.

Mr. Rider said right now, we are the grant recipient for the Pipeline For Jobs funds. The State will have the grant contract directly with the Water Authority, and they will ask us to guarantee the Authority's obligation under the grant. He said he guesses the Economic Development Corporation loan will go to the Authority, but if it does not, we will turn it over, and they will accept it.

Mr. Rider said in the service agreement, we agree to enter into it, and we will pay the shortfall of the money that the Authority gets for the sale of water from the operating costs and debt retirement. There will be no reduction in price from the business plan rates until we are paid back, he said.

Mr. Connors said under the FAB grant, are there any expenses the County has incurred that may not be reimbursable? Mr. Carr said on the Chairman's desk for signature is an application for \$3,916,000+ for the County to receive reimbursement for the costs of engineering, legal work, some work that was done for appraisal for the mitigation site in Wilton, Pall Corporation's pilot test, court steno for last year's public hearing. He said all of that should be approved.

Mr. Rider said he sent the agreement to the Authority today. If the Committee thinks there is something not covered, let me know, he said. Mr. Gutheil said he has quite a few questions on it. Where are we with contracts to sell water, he asked. Mr. Rider said it's his understanding SEDC was going to send their contracts right to the Water Authority. He said he has the Town of Ballston's on file. He said he believes Mr. Lawler has Wilton's. Mr. Gutheil said we should know the terms of the SEDC loan. He asked if the County had all of the permits. Chairman Callanan said we do not have the one from the Army Corps of Engineers yet.

Ms. Keyrouze asked if there will be an assessed value on the land the County is turning over to the Water Authority. Mr. Rider stated it is all tax exempt. Ms. Keyrouze asked how much would the land cost if sold to somebody else. Mr. Wickerham stated the land the plant is on was given to the County under the Reforestation Act and cannot be sold to anyone. It has already been authorized through Home Rule to use it for this purpose, he said.

Mr. Connors moved to authorize the Chairman to sign the Memorandum of Understanding between Saratoga County and the Saratoga County Water Authority and Authorizing the Service Agreement between Saratoga County and the Saratoga County Water Authority. Mr. Sausville seconded. Discussion:

Mr. Gutheil said he is concerned about things coming to us at the eleventh hour. We are voting on a 36-page document, and most Supervisors have not seen this, he said. He said this is not the way business should be done. In concept, I support this, but everything is always at the last minute, he stated. Mr. Johnson said it is his understanding we all have input into these agreements. Mr. Rider stated the Board authorizes contracts that do not exist yet and then they rely on him. The concept of the Service Agreement has been on the table for several months, he said. We need to have an agreement to turn the project over, he said. Chairman Callanan said the letter from the EFC acknowledging the award of \$11 million made it necessary for us to have a meeting and accept the grant and with that, we brought those other documents forward. Mr. Gutheil said he expects to see a final document before he votes on it at the Board Meeting.

The motion was adopted by a unanimous vote.

Mr. Connors moved to authorize the Chairman to accept \$11.25 million in funding under the Pipeline For Jobs (PFJ) Fund Program and transfer of agreement to the Saratoga County Water Authority. Mr. Sausville seconded. Unanimous.

Mr. Gutheil asked what is being done to sell water. Are we done as a Committee or will we work with the Water Authority, he asked. He said he would hate to think Clifton Park is a dead issue. Do we feel our work is done, and if so, we should disband. Mr. Johnson said we could still work together even though the actual responsibility would be with the Water Authority. Mr. Gutheil said a lot of press coverage is inaccurate and does not do us any justice. Somebody should respond to those and put corrections in the paper, he said. He stated letters are sent to the Editor that repeats the same mistakes, and someone should respond to those.

On a motion by Mr. Sausville, seconded by Mr. Connors, the meeting was adjourned.

Respectfully submitted,

Elaine M. Sodemann