

APPROVED MINUTES

SARATOGA COUNTY SEWER COMMISSION No. 1 MINUTES OF AUGUST 5, 2021 3:00 PM at the Treatment Plant

COMMISSIONERS PRESENT: Bisnett, Cannon, Doyle, Hotaling, Keegan

COMMISSIONERS EXCUSED: Howe, Fillion, Lansing

ALSO PRESENT: Dan Rourke P.E., Executive Director; Anne Gorman, Confidential Secretary; Chief Operator, Gene Hutchings; William Bills, Maintenance Manager; Andrew Marsden, Assistant Maintenance Manager; Michael Naughton, Assistant County Attorney; Erik Dougherty, Student Intern; Ridge Harris, Deputy County Administrator; Riley Flint, County Administrator Intern

Vice Chairman Bisnett called the meeting to order.

PLEDGE OF ALLEGIANCE: Led by Commissioner Hotaling

PUBLIC COMMENT: None

CHAIRMAN'S COMMENTS: Vice Chairman Bisnett welcomed and introduced Mike Butler and said he will be representing the City of Mechanicville once he is officially appointed. Vice Chairman Bisnett asked everyone to introduce themselves, who we are and what town we represent. Dick Doyle, Town of Ballston; Dan Keegan, Town of Clifton Park; Ridge Harris, Deputy County Administrator; Mike Naughton, Assistant County Attorney; George Cannon, City of Saratoga Springs; Paul Hotaling, Town of Halfmoon; Dan Rourke, Executive Director; Anne Gorman, Confidential Secretary; Fran Bisnett, Town of Stillwater.

Vice Chairman Bisnett thanked everyone for the introductions and welcomed Deputy County Administrator, Ridge Harris to the meeting.

APPROVAL OF MINUTES of July 8, 2021. *Commissioner Keegan made a motion to approve the minutes of July 8, 2021. Commissioner Cannon seconded the motion. No discussion. The minutes of July 8, 2021 were approved. 5 Ayes, 3 Absent, 0 Nays.*

Vice Chairman Bisnett turned the meeting over to Executive Director Rourke for updates on 2020 Capital Projects.

2020 CAPITAL PROJECTS

Storage Building/HVAC and Roof Replacement Design – Executive Director Rourke reported we are still currently working through design of all aspects of this project. To catch Mike Butler up to speed, Executive Director Rourke said this project is associated with a storage building we are looking to build onsite as well as replacing some of our HVAC equipment and doing some roof repairs. He added that some of the HVAC equipment has been here since the inception of the WWTP in 1975 and we are working with an engineer to design those upgrades.

Executive Director Rourke said one thing he wanted to bring forward today is the rising cost of the new storage building, with steel material and supply chain worries, we started looking at some different options as opposed to building onsite. One thing we are looking into is potentially purchasing property and were looking at the old DiSiena Furniture buildings in the City of Mechanicville. Executive Director Rourke said he met with Deputy County Administrator, Ridge Harris and County Administrator, Steve Bulger regarding this a couple of days ago and just to say we are interested. The building we are looking to build onsite is 15,700 square feet. We have a current estimate between \$1.8M and \$2.2M for that building. That estimate is approximately (1) year old now, so his guess is it's probably higher. The property we are looking at has a very nice storage warehouse, built approximately (7) years ago that has 23,000 square feet. There is also an 11,000 square foot old show room and a much older warehouse that is approximately 7,000 square feet. That property is currently listed at \$1.2M. Executive Director Rourke said we are going through the steps to understand if purchasing the property makes sense. After talking to Steve and Ridge, the next step is to potentially get an engineer on board to do an environmental assessment of the site and make sure we are not going to be stepping on any hornet's nests and to see if it makes sense economically. He said no action is needed today, he just wanted to bring it up for discussion. He added, not only is the storage building becoming more and more expensive right now with material costs, but also property on our WWTP site is very valuable. So, if there are any future expansions to actually treat wastewater, the thought is that it would happen on this property and saving it for future use is something that you can't put a dollar figure on and it is very important as well.

Commissioner Hotaling said he agreed with Executive Director Rourke on that. The property here is very valuable with infrastructure and with what we are going to have to support coming down the road we are going to need the space. His only concern is that the building probably would not be manned and inquired if it would just be a storage facility. Executive Director Rourke yes but we could potentially move staff there if needed and if we thought that was a concern. Commission Hotaling said if engineers are going to be assessing if they could also make sure everything is secure. Executive Director Rourke said absolutely, security is a good point and there would definitely have to be some money for upgrades there to get it to where we would want it, but still significantly cheaper than building here on site at the WWTP. Executive Director Rourke said we will continue down this road and potentially hire an engineer. Commissioner Bisnett asked what kind of engineer as that property abuts the old railroad yard and there have been issues with pollution in the City of Mechanicville. Executive Director said the realtor was upfront about that and if we were to build anything new, there would need to be mitigation on that soil. Commissioner Keegan inquired about taxation for a municipality. Executive Director Rourke said that is something we would have to look into. He said we typically don't pay property tax but we do pay school tax, so he would have to look into that. Executive Rourke said if there is an appetite to continue down this path at least looking into if it makes sense, then we will move forward. Commissioner Doyle said he thinks it is a good direction to go. Commissioner Bisnett added it certainly is a lot quicker. Executive Director Rourke thanked the Commission. He said all good questions and he will take them into consideration as we move forward.

Interceptor Relining Phase VIIB – Executive Director Rourke provided some background for Mike Butler. He said we use to phase out relining our interceptor. The interceptor sewer runs all the way from this plant to the City of Saratoga Springs. It ranges from 36 inches to 54 inches in size and diameter. We have relined approximately 5 miles of that in phased work and this last phase we want to bond it and do the rest which is approximately 14 miles of lining and we are currently under design for that work. Executive Director Rourke reported we had a good meeting with our design engineer (1) week ago and came up with some things that we think should be added into the plans, access requirements, building access roads, and adding manholes on Northline Road that are in bad shape. He met with Jason Kemper, Director of Planning for the county and discussed rehabilitation requirements on the Zim Smith Trail with some good expectations and guidelines of how he would like to see restoration done and that meeting went well.

Riverside (Stillwater) I&I Reduction Design – Motion to approve change order #3 for CKM Electrical. Executive Director Rourke said this change order is for the electrical contract. The contractor needed to install a transformer as well as some other appurtenances because the engineer failed to specify the correct voltage pump. The total change order amount is \$14,646.78 and above 10% of the original contract amount of \$111,815.00 bringing the total contract amount to \$126,461.78. Commissioner Hotaling asked if we could go after the engineer as they were supposed to inspect to make sure everything worked properly. Executive Director Rourke said the reality is we would have had to pay for the transformer anyway and it's the questions of betterment. He added that we learned a pretty good lesson about bringing lawsuits against engineers, that they don't exactly go very well sometimes, at least in our recent past. Executive Director Rourke said that is where he gets a little hesitant on going down that road. Commissioner Doyle said we have to remember not to trust that engineer. Executive Director Rourke said that's our repercussions that we have, remembering when they propose again. Commissioner Doyle said that's true and he thought Commissioner Hotaling had a good point, to specify the wrong voltage pumps was a lack of judgment. Executive Director Rourke agreed it's very frustrating and it delayed the project, but credit to the electrical contractor for figuring out a way to make it work and covering the cost to get the pump station up and running. Commissioner Doyle asked if the extra money would come out of the fund balance. Executive Director Rourke replied no, savings from other capital projects will pay for that additional cost.

Commissioner Doyle made a motion to forward a recommendation to the Board of Supervisors to authorize the chairman to execute an amendment to the agreement with CKM Electrical in the amount of \$14,646.78 for additional electrical construction services required at Riverside #1 Pump Station. This amendment increases the total contract amount from \$111,815.00 to \$126,461.78. Commissioner Cannon seconded the motion. No Discussion. Motion passed: 5 Ayes, 3 Absent, 0 Nays.

Saratoga Springs Pump Station and F.M. Evaluation and Design – Executive Director Rourke informed we received a couple of the reports back for the forcemain and for the pumps at the station. The forcemain report was encouraging, they took thicknesses of the pipe at locations that they could access at the crown of the pipe, thicknesses of the concrete as well as the seal and basically said that the pipe is in pretty good condition at those locations. That was only for (3) or (4) locations so, in order to do proper due diligence we want to dig up a spot closer to the pump station itself and test the crown of the pipe there. He said we also want to CCTV the last 1,500 foot section of the pipe that runs at a 0% slope as that is where we saw a majority of the H2S degradation at the last failure. Executive Director Rourke said we are contacting a third party vendor to help us with the CCTV because our camera don't go that far. We also need to rent specific equipment for that which is why it makes sense to go with a third party vendor which we are currently working on.

Executive Director Rourke said as far as the pumps go, we knew they were in rough shape and that is what the report said. He had a phone call today to go over the conclusions of that report and the manufacturer is recommending either a pure rebuild or straight replacement of those pumps. He said we are still working through which option makes the most sense with regard to the pumps but all in all, still moving forward with that design.

Commissioner Hotaling inquired about the transformer at the Riverside #1 pump station. He asked was it the voltage of the pumps or the voltage coming in that was wrong. Executive Director Rourke said he believes the pumps were 480 volts and the station was 208 volts so we had to bump the voltage up from 208 to 480. Maintenance Manager, William Bills added it worked to our favor as we would have upgraded to 480 from the start as opposed to having to wait and pay a little bit extra to get an expedited install. Commissioner Hotaling said thank you.

2021 CAPITAL PROJECTS

LED Lighting Upgrade – Executive Director Rourke said in the agenda packet there is a change order for additional work that needed to be done, including fixing a main lift cable on one of the high mast exterior lights, adding lights to a pole where another cable failed, replacing drivers due to the power issue and recycling our UV lamps. The total cost for the change order is \$12,355.77 and less than 10% of the original contract amount. This brings the total contract amount from \$326,845.94 to \$339,201.71. Executive Director Rourke said there is no action needed as he has the authority to approve change orders under 10% and he is just keeping the Commission informed as the project moves forward.

Commissioner Hotaling added his opinion to that and said it really goes into effect on payback even being so minimal. Executive Director Rourke agreed and said our payback for that project is approximately 7.5 years and he would be surprised if we even eclipsed 8 years with that additional cost.

Secondary Clarifier Gate and MCC Replacement – Executive Director Rourke said he had a meeting with the engineer to discuss the different options for both the clarifiers as well as the electrical upgrades. There are more upgrades than we were anticipating after that CFD modeling and physical modeling was performed and that budget has grown. Executive Director Rourke said the estimate right now for this project is \$9.1M and we currently have \$4.1M budgeted so there is a delta there. He added this project would be a great candidate for additional funding from the county Corona Virus Fiscal Recovery Funds. He said there is a gap here and we are going to have to figure out if we want to do everything all at once and figure out how to fund it and phase it.

CMMS & Asset Management Implementation– Executive Director Rourke said Erik our intern gathered a ton of data on assets over the last few weeks. He said he thinks we obtained new information for approximately 2,100 assets that have gathered and put into Microsoft Access, that includes everything from horsepower, frequencies, capacities, etc., and that information has been sent to our engineer who is helping to upload that to Utility Cloud who is our software platform network implementing for asset management and added that is going well.

Technical Determination of Local Limits – Executive Director Rourke said we are currently performing sampling this week. We are sampling (2) locations in the collection system as well as the influent and effluent of the WWTP and also some primary effluent samples as well. We priced out that effort and he said it's more expensive than he originally anticipated. It is approximately \$57,000.00 for that sampling effort. Part of the reason it's more expensive than he thought is a couple of the parameters we are testing for are much more expensive than a typical analysis and they are parameters that we need to test for because of GF (Global Foundries). He said of the \$57,000.00, approximately \$23,000.00 is analysis needed due to chemical discharged by GF so Executive Director Rourke said he will be reaching out to them to see if we can recoup any of that money that we are expending to figure out what our local limits should and need to be.

2022 CAPITAL PROJECTS

Biosolids Handling Facility – Executive Director Rourke said there are a couple of motions for this project as well as information in the agenda packet. He said the recommended alternatives to move forward was moved last month and a public hearing is scheduled for August 17, 2021. He informed that we need (2) resolutions, (1) a project resolution that approves the construction of the biosolids facility for a cost not to exceed \$51,900,000.00 and then (2) a subsequent bond resolution as well to recommend authorizing the issuance of bonds in the amount not to exceed \$51,900,000.00 for the biosolids facility. He said we talked a little about this last month with our engineer and did the alternatives analysis and came up with anaerobic

digestion, a thermal dryer and renewable natural gas skid to pump the gas back into the pipeline. He said that provided the most value for us and best annualized cost. Executive Director Rourke said the hope is that this project is cost neutral for what we do now. Commissioner Cannon inquired for how long. Executive Director Rourke said for the first year we would hope its cost neutral. He added we spend approximately \$2.7M on sludge hauling every year and the hope would be that the debt service and O&M would be about that same amount of money. Commissioner Keegan asked if there was any slush in the \$51M in case the cost goes up. Executive Director Rourke said there is a 25% contingency referenced on page 28 of the Biosolids Management Plan in the agenda packet under the cost estimate there is a construction contingency of 25% of \$34.3M which adds up to a decent slush fund should costs fluctuate. Executive Director Rourke entertained the 1st motion to approve construction of a Biosolids Management Facility with a cost not to exceed \$51,900,000.00.

Commissioner Cannon made a motion forward a recommendation to the County Board of Supervisors to approve the construction of a Biosolids Handling Facility at Saratoga County WWTP for a cost not to exceed \$51,900,000.00. Commissioner Keegan seconded the motion. No Discussion. The motion passed: 5 Ayes, 3 Absent, 0 Nays.

Executive Director Rourke said before we go into the 2nd resolution he wanted to touch on SEQR for this project. We are currently in coordinated review and the expectation is that at the Board meeting in August we would need to adopt a negative declaration and declare Saratoga County lead agency for SEQR. This 2nd motion is to recommend authorizing \$51, 900,000.00 in the issuance of bonds to finance the biosolids facility. Commissioner Cannon inquired if we were still going to be generating power and what would we recoup as a result of that. Executive Director Rourke said instead of power we would probably generate natural gas and more or less be a commodity market to produce renewable natural gas. There are large corporations that have sustainability goals that the federal government enforces them to meet and these corporations purchase sustainable energy from other sources which ranges from \$1.25 to \$3.25. Commissioner Cannon asked what the units were. Executive Director Rourke said he believes it's an equivalency to a gallon of gasoline or diesel. Commissioner Cannon stated either way it sounds like it will be a positive effect. Executive Director Rourke said low end we are hoping for \$1M in revenue from this and high end is \$3M with the commodity market. Commissioner Cannon said it is a very import thing to consider as we move forward. Commissioner Doyle agreed. Executive Director Rourke entertained the second motion to recommend authorizing the issuance of bonds in the amount \$51,900,000 for costs related to the construction of the biosolids facility.

Commissioner Cannon made a motion to forward a recommendation to the County Board of Supervisors to authorize the issuance of bonds in the amount of \$51,900,000 for construction of a Biosolids Handling Facility at Saratoga County WWTP. Commissioner Doyle seconded the motion. No Discussion. The motion passed: 5 Ayes, 3 Absent, 0 Nays.

Ammonia Related WWTP Upgrades – Executive Director Rourke said very similar to the last couple of motions, we are going to need the same for this project as well. He said we are all relatively aware of what this project is and why we need to do it. To catch Mike Butler up to speed Executive Director Rourke informed we have an industrial user that discharges a large amount of ammonia and we have more stringent ammonia limits being levied against us from NYSDEC and that industry is expanding. This would be again (2) motions. Executive Director Rourke entertained the 1st motion recommend approval of the proposed construction process upgrades to treat ammonia upgrade for a cost not to exceed of \$33,100,000.00.

Commissioner Keegan made a motion to forward a recommendation to the County Board of Supervisors to approve the proposed construction of process upgrades at the WWTP to treat ammonia and meet new limits proposed by NYSDEC. Commissioner Cannon seconded the motion. Discussion involved Commissioner Hotaling's ability to abstain. Attorney Naughton informed it is a Type II SEQR action as well as a consent

order action from NYSDEC so that mitigates any concern for conflict of interest. Further discussion included future ammonia projections through 2025 and Global Foundries possible future expansion. The motion passed: 5 Ayes, 3 Absent, 0 Nays.

Executive Director Rourke entertained the 2nd motion to recommend authorizing bonds in the amount \$33,100,000.00 for the proposed construction of the ammonia upgrade project and reiterated as Assistant County Attorney Naughton eluded, it is a Type II SEQR action as well as a consent order action from NYSDEC.

Commissioner Doyle made a motion to forward a recommendation to the County Board of Supervisors to authorize the issuance of bonds in the amount of 33,100,000 to finance the cost of construction of ammonia treatment for the WWTP Ammonia Upgrade Project. Commissioner Keegan seconded the motion. No Discussion. The motion passed: 8 Ayes, 0 Nays.

Bond Counsel – Executive Director Rourke said there was an engagement letter in the agenda packet from bond counsel to perform the work associated with bonding the (2) above projects. There is no specific lump sum for this work as it depends on when and where you bond and if you take our anticipation notes, etc. He said we need a motion to execute the engagement letter with Bond Schoeneck & King to perform bond counseling services for the Sewer District’s biosolids and ammonia projects.

Commissioner Doyle made a motion to forward a recommendation to the County Board of Supervisors to authorize the Chairman to execute an agreement with Bond Schoeneck and King to perform bond counseling services for Saratoga County Sewer District. Commissioner Hotaling seconded the motion. No discussion. The motion passed: 5 Ayes, 3 Absent, 0 Nays.

Executive Director Rourke thanked the Commission. He said he appreciates everyone’s willingness to move forward as these projects are necessary.

MISCELLANEOUS

2022 Scale of Charges – Executive Director Rourke wanted to bring the 2022 Scale of Charges up for discussion today. He said typically he brings the budget with the Scale of Charges in front of the Commission for consideration in October every year and then schedule a public hearing in November to pass in December. What we learned last year, when a question came up on the restaurant rate reduction we did, is if the BOS didn’t pass the Scale of Charges in December and pushed it back for us to look at again, there’s no time to make changes because the Scale of Charges becomes effective January 1st each year. If we can’t pass the Scale of Charges in December there’s no time to make changes and get them passed before January. Executive Director Rourke said he wants to shift the Scale of Charges up (1) month to allow extra time. He said instead of October, he would bring the proposed Scale of Charges to this Commission in September. He said there is no action needed but he wanted thought it would be a worthwhile discussion on it because of what we saw happen last year. The Commission agreed. Commissioner Hotaling said absolutely and that his assessor would love it. Executive Director Rourke said just on a side note with that, he is working on the budget now and preparing a budget with a \$0 rate increase and a budget with a \$5 rate increase. He said the \$5 rate increase is approximately 2% of our current annual charges.

Commissioner Bisnett inquired if this was a flat increase as opposed to a percentage increase. Executive Director Rourke said yes, it’s easier as there are so many different rates for each municipality. Commissioner Bisnett said his only thought was disparity for someone that has a higher rates vs. a lower rate and that the additional cost isn’t proportionate. Director Rourke said it comes back to the question of why they are different in the first place. He said if we do that, we are going to end up having much more discord amongst the

supervisors because one town would be seeing a greater rate increase than another. Executive Director Rourke said just a reminder too, our rates on a weighted average for the county are well below the 2% that the MHI (Median Household Income) and what EPA (Environmental Protection Agency) suggests. He also informed we are at 1.2% of the lowest quintile median household income for the county and we are still below the 2% threshold even for the lowest quintile for the county. Therefore keeping it level across the board make the most sense. Commissioner Cannon said we have always been consistently lower than other surrounding counties. Executive Director Rourke agreed, thanked the Commission and said we will move forward with the Scale of Charges in September.

Easement for Lineback Lateral over County Lands – Executive Director Rourke said this is an easement for a property on Ushers Road that wants to connect to our interceptor sewer via the Zim Smith Trail owned by the county. The county has to grant an easement to the property owner to connect to that pipe. So, we need a motion to recommend granting that easement to the property owner at 121 Ushers Road in the Town of Halfmoon.

Commissioner Cannon made a motion to recommend the Saratoga County Board of Supervisors authorize the acceptance and execution of the sewer line easement over property owned by Saratoga County as proposed by Duane J. and Catherine Lineback who reside at 121 Ushers Road in the Town of Halfmoon. Commissioner Hotaling seconded the motion. No Discussion. The motion passed. 5 Ayes, 3 Absent, 0 Nays.

ATTORNEY REPORT – Attorney Naughton reported the county received (2) checks in the amount of \$250,000.00 each in full settlement of the matter regarding the 2008 plant expansion litigation. He said the county also received the general release so, all parties have been released from the litigation.

DEDICATIONS – None

A motion to adjourn the meeting was made by Commissioner Keegan and seconded by Commissioner Hotaling. The motion passed unanimously.

**Next meeting September 2, 2021
3:00 P.M. at the Treatment Plant**