



SARATOGA COUNTY WATER AUTHORITY

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ED HERNANDEZ, P.E., EXECUTIVE DIRECTOR

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SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS DRAFT MEETING MINUTES WEDNESDAY, JANUARY 26, 2022 @ 3:30 P.M.

PRESENT: Chairman John Lawler, Vice Chair Tim Szczepaniak, Treasurer Philip Barrett, Deputy Treasurer Theodore Kusnierz, Supervisor Mark Hammond, Art Johnson (joined by phone) and Robert Wilcox. Also, Executive Director Ed Hernandez and General Counsel Leah Everhart, Esq. **ABSENT:** None

Chairman Lawler thanked all in attendance for coming and discussed personal and professional obligations he was facing. He expressed that with the additional obligations he felt it was a good time to step down as Chairman and indicated he had reached out to the Vice Chair Tim Szczepaniak to ask him to take over as Chairman. **Chairman Lawler then made a motion to nominate Tim Szczepaniak as Chairman for the coming year. Supervisor Barrett seconded, and motion passed unanimously. (2022-0001)** At this time, Chairman Lawler turned the meeting over to Chairman Szczepaniak to proceed.

Chairman Szczepaniak thanked Supervisor Lawler and proceeded to discuss Committee appointments for the coming year. He asked for a nomination for Vice Chairman. **Supervisor Barrett nominated Mr. Wilcox and Supervisor Kusnierz seconded. Motion carried unanimously. (2022-0002)**

The following officer nominations were made:

Treasurer: **Supervisor Kusnierz nominated Supervisor Barrett. Seconded by Robert Wilcox. Unanimous.**

Deputy Treasurer: **Supervisor Kusnierz nominated by Mr. Wilcox. Seconded by Mr. Johnson. Unanimous.**

Secretary: **Carol Alden nominated by Supervisor Hammond. Seconded by Supervisor Lawler. Unanimous. Motions carried. (2022-0003)**

Chairman Szczepaniak inquired if there were any changes, additions or deletions to the December 22, 2021 meeting minutes. **On a motion by Supervisor Kusnierz and a second by Mr. Wilcox the minutes of the December 22, 2021 meeting were adopted. Unanimous. (2022-0004)**

Reports:

Operations: Mr. Hernandez reported water flows for December were 6.71 mgd and a rolling annual average of 7.12 mgd.

Financials: Mr. Hernandez then directed the Board's attention to the enclosed 10-year Capital Plan. He discussed the accomplishments that had been achieved and reviewed those planned. He indicated that some items in the plan were conditional upon water consumption and demand by any new or existing customers. He then read the Administrative Summary as of December 31, 2021. Budgeted water revenues through December 31, 2021 were \$6.38 mil. Actual revenues through December 31, 2021 were \$7.29 mil. Budgeted expenses through December 31, 2021 were \$2.16 mil and actual expenses were \$2.25 mil. The next Bond payment is due March 1st, 2022 for \$605,522. Cash available for operations after that payment was estimated at \$759k. Mr. Hernandez then discussed that the \$5 mil CD had matured. He reviewed rate offerings from three different local banks. Discussion ensued regarding information released today from the Federal Reserve Bank regarding interest rates. Further discussion ensued whether to hold the funds in the Revenue Fund until March or to renew. Chairman Szczepaniak asked for a motion to renew the \$5 mil CD for another six months. Motion was offered by Supervisor Barrett and seconded by Mr. Wilcox. Supervisor Lawler opposed the motion. Motion carried by majority.

Capital Projects: Mr. Hernandez stated that the Sludge Lagoon was on winter hold. Supervisor Lawler discussed that the Governor had released information relating to Water Infrastructure Federal Funding that would be available. Chairman Szczepaniak asked Mr. Hernandez to see what he could learn about that.

Legal: Ms. Everhart discussed the matter of sale of water to a private water company who had requested a connection. She had drafted an email to bond counsel for their opinion due to the nature of the tax-exempt bonds and "bad use". She expected to have a response from them by the next meeting. Mr. Hernandez offered to have the water company's engineer attend the next meeting to present more information to the Board.

Motions & Resolutions:

Motion was made by Supervisor Barrett and seconded by Mr. Johnson to authorize the following budget transfers:

- Transfer of \$5,000 from Salaries & Wages: Contingency to NYS Retirement Expense.**
- Transfer of \$4,000 from Professional Services: Legal to Misc. Services Contracts.**
- Transfer of \$1,500 from Professional Services: Security to Misc. Services Contracts.**
- Transfer of \$600 from Equipment Parts: Distribution to Equipment Parts: Plant.**
- Transfer of \$1,000 from Insurance Expense to Bank Fees.**

Motion carried unanimously. (2022-0005)

Mr. Hernandez also requested an amendment to the 2021 Operating Budget due to the impacts of chemical costs and utility costs on the budget overall. He requested an amendment to any line items left under budget to transfer to Utility Expense. He also requested a budget increase of \$95,440. Supervisor Barrett requested that the Board see each line item change before voting. Mr. Hernandez stated he would come back to the Board with those changes itemized.

Motion was made by Supervisor Barrett and seconded by Supervisor Hammond to authorize the payment of the monthly vouchers at a cost of \$198,275.20 in operating costs, \$8,823.69 in Bond Issuance costs and \$535,022.52 in WTP Plant Expansion costs. Supervisor Barrett had reviewed all vouchers and was amenable to the payments. **Motion carried unanimously. (2022-0006)**

The next item was a **motion to amend the Authorized Signers for all bank accounts to remove Supervisor Lawler and to add Mr. Wilcox as the new Vice Chairman.** **Motion was made by Supervisor Hammond and seconded by Supervisor Kuznierz. Motion carried unanimously. (2022-0006)**

The next agenda item was a **motion to authorize Mr. Hernandez to hire two appraisers for a potential property purchase in the Town of Ballston.** Mr. Hernandez reviewed each of the three proposals. His recommendation was to hire the firms of the two lowest proposals. Discussion ensued whether it was necessary to hire two. **On a motion by Supervisor Lawler and a second by Supervisor Hammond, Mr. Hernandez was asked to hire GAR Associates at a cost of \$2,500 and Armstrong Appraisals at a cost of \$2,100, with the exclusion that no retainer will be paid in advance. Motion carried unanimously. (2022-0007)**

Chairman Szczepaniak stated the next Board meeting was currently scheduled for February 23, 2022 at 3:30 p.m. There would also be a Finance Committee Meeting prior to that at 3:15 p.m. Members of that Committee are Johnson, Kusnierz and Szczepaniak. Mr. Hernandez inquired if the Chairman had any issue with him joining by phone to which the Chairman responded it was fine.

Chairman Szczepaniak inquired if there was any other business before the Board. Mr. Hernandez directed the Board to a letter received from the County Administrator indicating that the Water Authority had paid in full all debts owed under the Service Agreement. Supervisor Lawler indicated it had been a long road to the success of the Authority but with the help of many good Board members the Authority had become a profitable entity with good leadership. He also stated the Authority had many accomplishments to come as well.

At 4:15 p.m., with no further business, a motion was made by Supervisor Lawler and seconded by Mr. Wilcox to adjourn. Motion carried unanimously.

Respectfully Submitted,

Carol A. Alden, Confidential Secretary