



SARATOGA COUNTY WATER AUTHORITY

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SARATOGA COUNTY WATER AUTHORITY BOARD OF DIRECTORS OFFICIAL MEETING MINUTES WEDNESDAY, JULY 26, 2023 @ 3:30 P.M.

PRESENT: Chairman Szczepaniak, Vice-Chairman Robert Wilcox, Treasurer Phil Barrett, Supervisor Mark Hammond, and Mr. Michael Mooney. **Absent:** Supervisor John Lawler, Deputy Treasurer Theodore Kusnierz. Also in attendance: Executive Director Ed Hernandez and General Counsel Leah Everhart by phone.

Chairman Szczepaniak opened the meeting and welcomed all in attendance at 3:30 p.m.

Chairman Szczepaniak inquired if there were any changes, additions or deletions to the July 5, 2023, meeting minutes. **On a motion by Mr. Wilcox and a second by Supervisor Hammond the minutes of the July 5, 2023, meeting was adopted. Unanimous (2023-0038)**

Reports:

Operations:

Mr. Hernandez reported average daily water flows for June 2023 were 9.42 mgd. The rolling annual average was 7.73 mgd.

Financials:

Mr. Hernandez reviewed the Administrative Summary as of June 30, 2023. Budgeted water revenues through June 30, 2023, were \$3.76 mil. Actual revenues through June 30, 2023, were \$3.85 mil. Budgeted expenses through June 30, 2023, were \$1.49 mil and actual expenses were \$1.26 mil. The next Debt Service payment is due Sept 1st, 2023, for \$1,390,082.15 for the 2016 Unrefunded Bonds and the 2022 EFC Bond. Cash available for operations after that payment was estimated at \$2.54 mil.

Capital Projects:

Mr. Hernandez stated the kickoff meeting with the engineers was scheduled for Tuesday for the Cordero Drive second tank. There was no activity to report on the Underpass Road project at this time.

Legal Update:

Ms. Everhart reviewed the legal memo issued and reviewed the question of resale of water by other municipalities we serve. She reiterated that this issue has been addressed several times by Bond Counsel.

The issue of “Private Use” was not in question relating to the sale of water from one municipality to another.

Motions & Resolutions:

A motion was made by Supervisor Hammond and seconded by Supervisor Barrett to approve the payment of the monthly vouchers at a cost of \$209,290.20 in operating costs. Motion carried unanimously. (2023-0039)

The next matter on the agenda was Authorization to Reinvest a \$5 mil CD that was coming to maturity. Mr. Hernandez reviewed interest rate quotes received from various banks in the area. He stated the highest rate was from NBT Bank at 5.05% for 5 months. With the second-best rate coming from Saratoga National Bank at 5.0% for 6 months. Discussion ensued regarding which was the best offer. **A motion was made to reinvest the \$5 million CD with Saratoga National Bank. The motion was made by Supervisor Barrett with a second by Mr. Wilcox. Motion carried unanimously. (2023-0040)**

Mr. Hernandez then discussed the issue of collateralization of Authority invested funds with a Letter of Credit (LOCs). One of the banks that has Authority funds has been issuing LOC’s in addition to third party collateralization. Mr. Hernandez read the formal opinion from Bond Counsel regarding this matter and the investment of Authority funds from tax exempt bonds. It was noted that the funds invested were not from bond proceeds. He reviewed the opinion and stated that LOC’s in place of collateralization was not acceptable. Mr. Mooney indicated that he believed that the LOC was a second form of collateralization not a replacement. Mr. Hernandez stated he would examine the monthly statements to ensure collateralization of Authority funds was not in violation of the original Bond Resolution.

Chairman Szczepaniak set the next meeting of the Authority for August 23, 2023 at 3:30 p.m.

The Chairman inquired if there was any further business before the Board. Mr. Hernandez reported that the NYS Department of Health Inspection Report from July 11th was included in the packet for Board members to review. He was pleased to report there were no critical or non-critical violations reported. There were two minor deficiencies that staff addressed immediately.

Chairman Szczepaniak inquired if staffing was sufficient at this time. Mr. Hernandez reported that interviews were being conducted to replace a staff member who had been promoted, leaving a vacancy for an Operator Trainee.

With no further business, the meeting was adjourned at 3:47 p.m. with a motion by Supervisor Hammond and a second by Mr. Mooney. Motion carried and meeting was adjourned.

**Respectfully submitted,
Carol A. Alden, Confidential Secretary**