

**APPROVED MINUTES**

**SARATOGA COUNTY SEWER COMMISSION No. 1**  
**MINUTES OF April 25th, 2024**  
**3:00 PM at the SCSD # 1**

**COMMISSIONERS PRESENT:** Chairman Bisnett, Commissioner Doyle, Commissioner Smassanow, Commissioner Fillion, Commissioner Scirocco, Commissioner Hotaling, Commissioner Butler

**COMMISSIONERS EXCUSED:** Commissioner O’Hara and Commissioner Lansing

**ALSO PRESENT:** Dan Rourke P.E., Executive Director; William Bills, Maintenance Manager, Andrew Marsden, Assistant Maintenance Manager; Gene Hutchings Jr., Chief Operator; Alex Yacobucci, Assistant Chief Operator, George Conway, Atty. And Petra Holden, Asst County Attorney

Chairman Bisnett called the meeting to order. Pledge led by Commissioner Fillion.

**PUBLIC COMMENTS:** NONE

**CHAIRMAN’S COMMENTS:** Discussed last year doing a break for Firemen and EMT’s, and we had agreed since had not yet been put in place by the County, that we would wait. I talked with Dan about this they have already done their first year so now we can get a list of the people from the county and take a look at the financial impact and then if we still want to go ahead forward with it we can do that when we do the scale of charges in October. I just wanted to make sure everyone is still on board with it and that we will continue to move ahead with it.

Chairman Bisnett asked for a motion to approve the March 28<sup>th</sup>, 2024 minutes.

**APPROVAL OF MINUTES of March 28th, 2024.** *Commissioner Fillion made a motion to approve the minutes of March 28<sup>th</sup>, 2024. Commissioner Doyle seconded the motion. No discussion. The minutes of March 28th, 2024 were approved: 6 Ayes, 1 Abstain, 2 Absent, 0 Nays.*

**2020 CAPITAL PROJECTS**

**HVAC Upgrade at WWTP** – Executive Director Rourke gave a status update. There is not a lot of movement, we are still awaiting final equipment delivery schedule so this work can get completed.

**Interceptor Relining Phase VIIB** – *Motion to Amend 2024 Budget* - Executive Director Rourke gave a status update. The total project cost here is \$26,338,455.00 we took out a \$24,000,000.00 BAN (bond anticipation note) thinking that we would be able to roll the couple of final pay apps into our long-term financing, in September, where we actually roll it into a bond. Well, the project has gone faster than anticipated, which is good, but that means that we have a cash flow problem, it is just a budget problem. But we have to move money from our fund balance to our account that we pay this project out of. So, we would move \$2,300,000.00 I think the project is going to come in less when it is all said and done, but I suggest we just move the full amount over to fund the full \$26.3 million and then when we go for our full long-term financing in September

we have a couple different options. We can just pay it out of the fund balance and bond for the \$24 million or we can bond for the full \$26.3 million and then actually pay ourselves back and refund our fund balance.

Chairman Bisnett and I talked a little bit about this and I am kind of indifferent. Our fund balance right now is around \$17.2 million, if we take that \$2.3 out that reduces our fund balance to \$14.9 million, still a very healthy fund balance. That is why I am a little bit indifferent, and that is why I wanted to bring it up for discussion on what way we need to do it, but either way we need a motion to amend the budget, to move the money from fund balance to our HP account to fund the remaining portion of this interceptor relining project.

Chairman Bisnett stated that in his position he and Dan talked about it and I really feel I do not want to see that fund balance to be coming down, if something big comes along, it's another \$2-3 million we do not have. So, my personal opinion is that when we take our borrowing, we borrow and repay. Take the money out now to do what we have to do to repay the money we take out of the fund balance and keep it where it was.

Executive Director Rourke stated also just to give some numbers to it. If we borrow \$24 million, we will repay over a 30-year bond at a 4% rate (just some assumptions on my part) \$41 million. If we borrow the \$26 million we will pay back \$44.5 million, so over 30 years it is about a \$ 3.5 million savings.

Chairman Bisnett stated that is about \$ 120,000.00 per year, which \$ 10,000.00 a month is relatively small amount of impact if we don't finance the whole thing so again, I still lean towards keeping the fund balance.

Commissioner Smassanow asked about sometimes when go for loans you get into different categories by dollar amounts, have you talked with the bonding company or is the bond interest set by some government rule or something?

Executive Director Rourke, explained it is almost like a bid, so you say we have this amount of borrowing we want to do as a County, and then all these different banks and financial institutions will bid a base interest price and then like the last ban we did they gave us what is called a premium, which was a certain amount of money that it was a cash payment that said we want to do this business. They then take that premium and factor that into the interest rate, so if the base interest rate is 5%, and then they give us some good premium it actually gives us a net interest rate of something less than 5 %. Then what the bond company does it ranks all of them based on what is the base interest rate and what is the premium, which gives a net interest rate and then they go with the lowest net interest rate for whoever bids on it.

Commissioner Smassanow states just so he understands so we are part of the larger county so the dollar amount doesn't matter or are we an individual and what I am saying is at \$24 million there may be one rate of 5.25 % and at \$25 plus million it might be 4.75 %. So, I am asking how do they look at it, those companies are funny they have categories. We might want to know we might save money. I like idea of fund balance not going down, but if we end up with a better interest rate going with a higher amount and then it could be paid some of the bond you could retire yourself if you do not use the money.

Executive Director Rourke stated I don't think it is that straight forward, they literally bid on how much interest they want to recover.

Also, this is a private market rate bond that we are doing, the ammonia project is going to go through EFC, that is going to be funded by NYS. So, we are not going to have as big as a sum of money because we are going to be pulling out the ammonia project come September and it is really going to be just this project, so we do not have a lot of leverage we can pull to actually increase the amount of money we are borrowing.

Commissioner Scirocco asked historically the fund balance is at \$17 million? Executive Director Rourke stated \$17 million is probably the highest and the lowest was \$10-11 million, it is usually pretty healthy. Raftelis, our rate analysis, always says that they are very comfortable with our fund balance. The commission in the past has set where they want the fund balance at, just as kind of a policy and it has always been we want approximately one year of O & M costs in fund balance, based on the mindset was in case the world is going to end, and that is right now \$ 12- 12.5 million to run this place for one year with no other costs just barebones, so that is where the goal was and we are well above that goal. That is why I can see saving the money is great and I can use the \$120 grand to budget for other stuff every year but I also understand wanting the fund balance. I get that, I get both sides.

Commissioner Doyle stated he thinks the base number cost has increased. So where we were a few years ago and you just throw inflation on it should be a little more. This would still work , but if we could put the money back in it would probably be a better deal.

Commissioner Hotaling asked if we are under county bond rating not a separate entity type, and Executive Director Rourke responded, that is correct.

These are general obligation bonds and we have the full taxing authority of the county behind us. Do not quote me that the rating is AA at this point.

**MOTION TO AMEND 2024 BUDGET: to include reimbursing the fund balance with long term financing.** *Commissioner Doyle motioned to amend 2024 Budget and to include reimbursing the fund balance with long term financing; Commissioner Hotaling seconded. Approved 7 Ayes, 0 Abstain, 2 Absent, 0 Nays.*

**Saratoga Springs Pump Station and F.M Evaluation and Design** – Executive Director Rourke gave a status update. The roof is complete the general contractor is still performing some of the ancillary work around the station. We have to install new VFD's and install new controls still. The HVAC equipment submittals still have to be submitted to the engineer, so that project is ongoing. The hope is even with the HVAC and Plumbing work being a little delayed that project is totally wrapped up by October or November of this year.

Commissioner Smassanow asked if looking to do any lining where it dumps to gravity where it collapsed or are you going to go back and manhole it? Executive Director Rourke's response was when we did the emergency repair we went back and found solid forcemain pipe, and that is where we connected and then we went plastic there on out. Commissioner Smassanow asked but are we thinking of lining the whole thing that way never have to worry, and Executive Director Rourke stated we would have to look at what technology is available to do that. Commissioner Smassanow then asked if we can bypass it? Executive Director Rourke, advised but you would still with the forcemain and with the fittings it is tough to actually get a line, you would have to dig up each fitting spot in order to receive the pipe liner and cut it and put the forcemain back together, it is easy with gravity because it is a straight run, but when you have different bends in a forcemain it is harder to line.

## **2021 CAPITAL PROJECTS**

**Secondary Clarifier Gate and MCC Replacement** – Executive Director Rourke gave a status update. We are still awaiting clarifier submittals on this. This one has been very slow going, it seems like the different manufacturers talking with each other has been an issue. The clarifier manufacturer has to talk with all the other manufacturers of all the other ancillary parts that go in the tank and everybody has to be happy with one another, so it seems to be taking longer. The electrical work has continued though, a lot of demo has been done and a lot of layout for the new conduits have been done as well, so that is at least progressing on that side of the project.

## **2022 CAPITAL PROJECTS**

**Biosolids Handling Facility** –Executive Director Rourke gave a status update. In talking with them yesterday it looks like we will schedule a 60% design review meeting here in the next probably 4 weeks, so that is on schedule. We were hoping for an early summer 60% design, so that is good.

**Ammonia related WWTP Upgrades** – Motion to Increase Project Cost Motion to set a Public Hearing Due to Increase Cost. Executive Director Rourke gave a status update. This has to do with the Change Order we have been discussing for the additional concrete work for the south basins for quite some time. We got a price to do that. It is a ball park price, it is not a finalized price. That is the same for the other change orders that are going to be lumped into this total increase. I wish we had final pricing but the reality is in order to meet the timing of the EFC we need to move this forward now to get the project resolutions/bond resolutions by June 18<sup>th</sup>. Because they need to close by September 30<sup>th</sup> for us to get that subsidized financing. So there is some contingencies built in and there are some ball park numbers built in, and I will dive into those. The concrete repair work on the south side, the ball park number I received from the contractor was \$ 3,035,000.00. Some of the other smaller change order work order work that we are looking at is concrete repairs, replacing some gates, we are looking at demoing some existing drain piping and doing a little bit different set up now that we can put eyes on it and it is not underwater anymore. Those ancillary repairs are rightfully going to be around \$ 400,000.00, which brings us to about 3.4 million. It is my suggestion so that we do not have to come back here that we add a pretty healthy contingency on top of that and make it a \$ 4 million as a project increase cost. That would raise our total project cost from \$ 44,228,452.00 to \$ 48,228,452.00. Then we would set the Public Hearing, this has to obviously go through the Board of Supervisors. The Public Hearing would occur at the Law and Finance Meeting in June and then the final Resolution would be passed in the June Board of Supervisors meeting.

Commissioner Hotaling asked where would we have to pull the \$4 million from fund balance to increase cost? Executive Director Rourke stated this would come from the NYS EFC financing. So, whether we close short term this year with EFC financing, like with a BAN through EFC. The nice part with EFC BANS are 0% interest. Where we have an interest payment due for our BAN on the market rate that we took out there will be 0% there, or if we have no project costs by September then we can roll into a full bond long term financing through EFC. In doing that we don't have to take anything from anywhere it will just be an increased amount that we need to borrow.

Commissioner Hotaling asked so that will be within any budget, where we have to pay it back, and Executive Director Rourke response was that the debt service number, when I know that, will become part of our annual budget. I think that we currently pay about \$ 3million in debt services for past Capital Projects that we have done.

**MOTION TO SET PUBLIC HEARING:** *Commissioner Hotaling motioned to set Public Hearing and Commissioner Scirocco seconded. Approved 7 Ayes, 0 Abstain, 2 Absent, 0 Nayes*

Commissioner Hotaling asked if the Public Hearing would be set by the County, and the answer per Executive Director Rourke was yes they will set the Public Hearing date at the May Board of Supervisors meeting for the June Law and Finance meeting.

**MOTION TO INCREASE PROJECT COST:** *Commissioner Hotaling motioned to Increase Project Cost and Commissioner Doyle seconded. Approved 7 Ayes, 0 Abstain, 2 Absent, 0 Nayes*

**D&R P.S. Upgrade** – Executive Director Rourke gave a status update. This project is substantially complete. Start up went well and there is some ancillary stuff that still has to get done but looks like that project went relatively smooth and that will come off the agenda next month.

**Strategic Infrastructure Planning and Financing** – Executive Director Rourke gave a status update. We are still working through the Viall Ave and Lakeview Landing issues under this item. The only real update here is the potential pilot opportunity and partnering with Global Foundaries. Well Global gave a hard no, they have zero interest in partnering with us, so I will reach back out to the engineer and will finalize a best value bid package. We will still go out and see what kind of responses we get, not that we have to award the bid, but it will give us an idea if we did want to do it on our own what the cost would be.

## **2023 CAPITAL PROJECTS**

**Ace Pump Station Upgrade** – Executive Director Rourke gave a status update. I think this station is slated to be started up the week after next. We are close and once that start up happens and goes smooth, that project will be substantially complete. We will keep this on the agenda to make sure everything goes smooth for next month.

**Building 5 Roof Replacement** - Per Executive Director Rourke, this work is underway on that roof and expected to be completed in 2-3 weeks.

**Spa Park Station Upgrade and South Broadway Design** – Per Executive Director stated no real update. The engineer is still working on the pump station design, as well as the planning for the South Broadway Sewer extension.

## **2024 CAPITAL PROJECTS**

**North Side Primary Clarifier Upgrade** – Executive Director Rourke stated no update here. We are still awaiting final pricing from the vendor for the pieces and parts to that, as well as finalizing the installation specification.

**Town of Wilton Forcemain Capacity Upgrade Design** – **MOTION TO AMEND RESOLUTION** Executive Director Rourke stated the original resolution had the wrong business entity in it. It had M & J Engineering of Hyde Park, we just need to make sure that gets changed to MJ Engineering Land Surveying PC of Clifton Park. So, just a friendly amendment there.

*Commissioner Scirocco motioned to Amend Resolution and Commissioner Hotaling seconded.  
Approved 7 Ayes, 0 Abstain, 2 Absent, 0 Nays.*

## **MISCELLANEOUS**

**Heritage Springs Valuation** – Executive Director Rourke recommended to go into Executive Session.

**MOTION TO GO INTO EXECUTIVE SESSION:** *Commissioner Fillion motioned to Go Into Executive Session and Commissioner Butler seconded. All in Favor: Aye 7.*

**MOTION TO GO COME OUT OF EXECUTIVE SESSION:** *Commissioner Fillion motioned to Come Out of Executive Session and Commissioner Smassanow seconded. All in Favor: Aye 7.*

*No Action Taken in Executive Session*

**Damage Claim** – Executive Director Rourke stated we have received a Damage Claim. Gurba Pump Station in Town of Stillwater, went into a high wet well in December. We have 2 forcemains for that station and we were only operating on 1 forcemain. We went and turned the 2<sup>nd</sup> forcemain on and the wet well lowered. So, while that station was in high wet well a homeowner said (and they have the date and it matched everything we had) their basement did backup. They do have a bathroom in their basement. So, I wanted to bring up for discussion. Right now that round number is \$ 5,000.00. I think we need to nail that down a little bit more and understand what that is, but I wanted to bring it up for discussion today to see if we feel that we should entertain this claim or if because we did respond in a somewhat reasonable time, that we are ok? She did get denied she said by her homeowner’s insurance. We are going to ask for proof for that as well.

Per Chairman Bisnett he stated Dan and he talked about it and they will want proof and a written estimate from a licensed contractor to support the \$ 5,000.00 she is asking for, before we entertain accepting that.

Executive Director Rourke stated the difference in his mind here is we had capacity and we were not using the capacity. It is a little bit gray, so I can see where it is a potential pitfall for us, so I just want to lay that out there. The other issue here though is there are other properties obviously that discharge to this, one of those is the mobile home park, Saratoga Hills, so they have lots with open lateral connections that are not capped so a ton of water is coming in there, so that is causing a lot of this I & I but again, that is not the fault of the homeowner, so this is a tough one.

Commissioner Smassanow, asked to give him a sense of there is the Gurba pump station, yes. So how far away is the house? It must be pretty close, yes. It is 109 Gurba So., like 900ft. Commissioner Smassanow asked if we took any shots on the inverts? Maintenance Manager Bills stated he went off of the plans.

Commissioner Smassanow stated one time this happened to a lady in Clifton Park and a back up into her basement and we took shots and the manholes were lower than her inverts so it would of come out of the manholes first and it didn’t so it was a blockage in her own line.

Executive Director Rourke stated and that is something I had asked Bill to check and he did check it and stated, it is a possibility. You can’t prove that their lateral was clogged the same exact time as a rainstorm, but with all the facts that I have looked at it is tough. We can go shoot it. Commissioner Smassanow asked and did they get a permit to build a bathroom in the basement? Executive Director Rourke stated that would be a code enforcement thing

Commissioner Doyle asked if there is anything saying that you have to get permission to have bathroom in basement? Executive Rourke stated that is what is the Town and Building Enforcement.

**ATTORNEY REPORT** – NONE

**DEDICATIONS**

**Creekview Development Co., LLC**- Town of Halfmoon - requested dedication of the sanitary sewer infrastructure servicing the Creekview Estates, in the Town of Halfmoon.

*A motion to accept Resolution 3-2024 dedication of Creekview Estates was made by Commissioner Hotaling and seconded by Commissioner Scirocco.*

Discussion involved conditions of dedication, Resolution 3-2024 accepting dedication of Creekview Estate, Consisting a pump station, (24) manholes, and approximately 1,319 lf of 2” HDPE low pressure Force Main, 1,121 lf of 3” DR-11 HDPE low pressure Force Main, 3,203’ of SDR 26 Heavy Wall Sewer pipe (Gravity), and 1,475 lf of 3” DR11 HDPE Force Main from pump station sewer in the Town of Halfmoon **conditioned upon receipt of the original letter of credit.**

*Passed: 6 Ayes, 0 Abstain, 2 Absent, 0 Nays*

*Executive Director Rourke thanked everyone. A motion to adjourn was made by Commissioner Butler and seconded by Commissioner Fillion and passed unanimously.*

**Next meeting May 29th, 2024  
3:00 P.M. at the Sewer District # 1 Office  
1002 Hudson River Road  
Mechanicville, NY 12118**