



CLIFTON PARK WATER AUTHORITY

BOARD MEETING MINUTES

JULY 15, 2020

Due to COVID-19 the Clifton Park Water Authority board meeting was closed to the public and was conducted via Zoom.

Those present were: Mr. Helmut Gerstenberger, Chairman; Mr. John Ryan, Vice Chairman; Mr. George Peterson, Treasurer; Mr. Peter Taubkin, Secretary; Mr. James Trainor, Attorney; and Mr. Chad Kortz, CT Male Associates. Absent: Mr. William Butler, board member.

Mr. Gerstenberger called the meeting to order at 3:06pm.

PRIVILEGE OF THE FLOOR

OLD BUSINESS

PROJECT TO INCREASE CAPACITY FROM SCWA

Mr. Kortz reported that the Environmental Facilities Corporation (EFC) is now able to proceed with new grant agreements. He has received the comment letter from the NYSDOH and is preparing a response to be mailed tomorrow. The project will be going back out to bid on Friday. Mr. Austin explained that once we have DOH approval, hopefully by next week, we can begin to prepare the grant agreement with EFC. Mr. Kortz reported that the date for completion for the project is set at February 28, 2021.

COMMUNITY SOLAR PROPOSAL

Mr. Austin received an agreement earlier today to review. He will forward a copy to the Board and Mr. Trainor to review as well.

KNOLLTOP WATER STORAGE TANK REFURBISHMENT

Bids were opened on July 8th. A total of six bids were received. C.T. Male Associates reviewed the bids for accuracy and conformance with the bid requirements. The apparent low bidder, Pittsburg Tank & Tower Maintenance Co., Inc. was verified and deemed acceptable.

A **motion** was made by Mr. Ryan to award the contract for the Knolltop Water Storage Tank Refurbishment; seconded by Mr. Gerstenberger.

**RESOLUTION #14, 2020 - AMENDING RESOLUTION #25, 2019 – AWARD
CONTRACT FOR KNOLLTOP WATER STORAGE TANK REFURBISHMENT**

WHEREAS, the Clifton Park Water Authority (CPWA) has received bids for the refurbishment of the Knolltop Water Storage Tank in accordance with specifications created by CT Male Associates, and

WHEREAS, the CPWA has received sealed bids for the work, as well as a recommendation of award from CT Male Associates, and

WHEREAS, the low bidder was Pittsburg Tank and Tower Group, whose bid was \$524,015, and

WHEREAS, the Clifton Park Water Authority Board of Directors passed Resolution #25, 2019 adopting the Capital Budget for 2020, now therefore be it

RESOLVED, that the Clifton Park Water Authority hereby awards the bid for the refurbishment of the Knolltop Water Storage Tank to Pittsburg Tank and Tower Group, in the amount of \$524,015, and amends the 2020 Capital Budget to include a line item of the same amount for the work.

Roll Call Vote:

Mr. Gerstenberger	- Aye
Mr. Ryan	- Aye
Mr. Peterson	- Aye
Mr. Taubkin	- Aye
Mr. Butler	- Absent

GENERAL LEGAL SERVICES RFP

A **motion** was made by Mr. Peterson to approve the Engagement Agreement with Trainor Law PLLC; seconded by Mr. Ryan.

**RESOLUTION # 15, 2020 – APPROVE ENGAGEMENT AGREEMENT WITH
TRAINOR LAW PLLC**

WHEREAS, the Clifton Park Water Authority sent out a Request for Proposal to a number of local law firms for the ongoing performance of general legal services on behalf of and in service to the CPWA, and

WHEREAS, after reviewing proposals from several law firms, the CPWA wishes to engage with Trainor Law PLLC for general legal services, now therefore be it

RESOLVED, that the Clifton Park Water Authority Board of Directors hereby wishes to enter into an engagement agreement, as attached, with Trainor Law PLLC and authorizes the CPWA Chairman to execute all necessary documents to implement this agreement.

Roll Call Vote:

Mr. Gerstenberger	- Aye
Mr. Ryan	- Aye
Mr. Peterson	- Aye
Mr. Taubkin	- Aye
Mr. Butler	- Absent

SCWA PURCHASE AGREEMENT RENEWAL

Mr. Trainor has reviewed the Purchase Agreement and stated that from a legal standpoint there is nothing that stands out to him. It is just a question of whether the CPWA wants to agree to the new provisions that they have added. One major change is how the amount of water purchased will be calculated on a quarterly basis instead of an annual basis. He also spoke about the limitation of liability that was added to the new agreement which states the SCWA can only be held liable for providing contaminated water and even then, the remedies that the CPWA would have are limited against them as direct monetary damages, nothing special or punitive. Mr. Trainor feels that's an area where we can improve on that language and if it can't be changed then he would recommend to make it reciprocal.

Mr. Austin has spoken with the Wilton Water & Sewer Authority about this contract and they have expressed a great deal of issue with the contract as well. He is going to email Mike Mooney from WWSA to see if it's okay for him to have Mr. Trainor contact their attorney to see what his thoughts are on this contract.

NEW BUSINESS

APPROVE INVESTMENT POLICY

A **motion** was made by Mr. Ryan adopting the CPWA Investment Policy; seconded by Mr. Gerstenberger.

RESOLUTION # 16, 2020 – ADOPTING CPWA INVESTMENT POLICY

RESOLVED, that the Clifton Park Water Authority Board of Directors hereby approves the policy with regard to the investment of Authority funds as attached.

Roll Call Vote:

Mr. Gerstenberger	- Aye
Mr. Ryan	- Aye
Mr. Peterson	- Aye
Mr. Taubkin	- Aye
Mr. Butler	- Absent

PROJECT TO INVESTIGATE CAPACITY IMPROVEMENTS IN PRESERVE

A preliminary discussion was had with NYSDOH about drilling additional shallow wells along the river bank down in the Preserve. Mr. Kortz explained that there have been a lot of test and production wells drilled down at the Preserve with mixed results, so he doesn't expect that

there's any formula to get a new ground water well that is of better water quality and/or can offer more capacity. When the existing wells were determined to be under the influence of surface water and the filtration system was installed at the Boyack Water Treatment Plant, it essentially converted that Plant into a surface water treatment plant. Mr. Kortz feels this opens up some possibilities, one of which is drilling shallow wells close to the edge of the river, essentially pulling water out of the river through the river bank, pumping it to the Boyack Water Treatment Plant and treating it. A couple of potential advantages are: 1) may be able to get significantly more capacity; 2) the water quality, particularly in terms of iron, manganese, and hardness, may improve. Currently, he is in the process of putting together a proposal for doing a hydrogeologic investigation with some test wells, doing some pumping tests and DOH Part 5 water sampling and testing to determine if this is really a feasible alternative for replacing some of the lost capacity over the years down at the Preserve and using it as a way to plan for the future. Mr. Kortz is waiting for quotes back from Layne Christensen Co. and Smith Well Drilling and is drafting a proposal to present to Mr. Austin hopefully by next month's meeting. Mr. Austin stated that there are potentially some changes at the WTP that may need to be addressed depending on the results of the testing.

OTHER BUSINESS

- Mr. Austin explained the unprecedented demand on the water system in the month of June, breaking our previous record for water usage in the system for a calendar month (158 million gallons) by 17 million gallons. The 175 million gallons used in June averages out to 5.83 million gallons per day. A temporary watering ban was put in place on June 21st through June 22nd to help ease the demand on the system and allow the tank levels to return to normal levels. This was done to maintain safe levels of storage throughout the system. Lawn watering restriction signs have also been placed at the entrances of developments to remind customers of the odd/even watering restrictions. The Board recommended Mr. Austin place an article on the website thanking customers for adhering to the watering ban/restrictions that are in effect.
- Mr. Austin and Mr. Kortz were speaking with Kevin Kenyon from the NYS Department of Health on another issue when he brought up the fact that they are approving new developments in the Town of Clifton Park on a near daily basis. Mr. Kenyon stated that there have been conversations about putting a halt to any approvals in Clifton Park until the CPWA handles their capacity issues. Mr. Austin explained that the NYSDOH is aware of the system's top end capacity. They also know, based on the monthly reports, that we operate very close to our limits in the summer time.
- Mr. Kortz has been working with the Town of Clifton Park's engineer to do a joint bid for the replacement of water main over the box culvert on the corner of Plank Road and Bruno Road. Mr. Austin is not sure of the bid schedule at this time.

APPROVE MINUTES OF JUNE 18, 2020 MEETING

A **motion** was made by Mr. Taubkin to approve the minutes of June 18, 2020; seconded by Mr. Ryan. The **motion** carried 4-0, 1 absent.

A **motion** was made by Mr. Gerstenberger to adjourn the meeting at 4:14pm; seconded by Mr. Taubkin. The **motion** carried 4-0, 1 absent.

Respectfully submitted,

Sheri Collins

Recording Secretary

cc: CPWA Board of Directors
Trainor Law PLLC

CLIFTON PARK WATER AUTHORITY AND SUBSIDIARIES

INVESTMENT POLICY

The objectives of the investment policy of the Clifton Park Water Authority (Authority) and Subsidiaries are to minimize risk, to ensure that investments mature when the cash is required to finance operations, construction schedules and debt service payments, and to ensure a competitive rate of return. In accordance with this policy, the Authority Administrator is hereby authorized to invest all funds, exclusive of those held by the bond trustee(s) in accounts directly related to the Authority's bond obligations, in:

1. Direct obligations of the United States of America,
2. Securities fully and unconditionally guaranteed by the United States of America,
3. Direct obligations of any state of the United States of America or any subdivision or agency thereof,
4. Federal funds, certificates of deposit, time deposits, or bankers' acceptances of any domestic bank authorized to do business in New York State,
5. Investment in money market funds,
6. Time deposit accounts in a bank or trust company authorized to do business in New York State.

All investments made pursuant to this investment policy shall comply with the following conditions:

1. Collateral

- a. Certificates of deposit and time deposit accounts shall be fully secured by insurance of the Federal Deposit Insurance Corporation, obligations of New York State, obligations of the United States, obligations of federal agencies with principal and interest which are guaranteed by the United States or obligations of New York State local governments. Collateral shall be delivered to the custodial bank with which the Authority has entered into a custodial agreement. The market value of the collateral shall at all times equal or exceed the principal amount of the certificate of deposit or balance of the time deposit accounts.
- b. Collateral shall not be required with respect to the direct purchase obligations of New York State, obligations of the United States, and the obligations of federal agencies with principal and interest of which are guaranteed by the United States government.

2. Delivery of securities

Payment shall be made by or on behalf of the Authority for obligations of New York State, obligations the principal and interest of which are guaranteed by the United States. United States obligations, certificates of deposits, and other purchase securities upon the delivery thereof to the custodial bank, or in the case of a book-entry transactions, when the purchased securities are credited to the custodial bank's federal reserve system account. All transactions shall be confirmed in writing.

3. Written contracts

Written contracts are required for certificates of deposit, and custodial undertakings. With respect to the purchase of obligations of the United States, New York State, or other governmental entities, etc., in which monies may be invested, the interest of the Authority will be adequately protected by conditioning payment on the physical delivery of purchased securities to the Authority or custodian, or in the case of book-entry transactions, on the crediting of purchases security to the custodian's federal reserve system account. All purchases will be confirmed in writing to the Authority.

It is therefore the policy of the authority to require written contracts as follows:

- a. Written contracts shall be required for the purchase of all certificates of deposit.
- b. A written contract shall be required with the custodial bank.

4. Designation of custodial bank

KeyBank and BNY Mellon, chartered by the State of New York, are designated to act as custodial banks of the Authority's investments. However, securities may not be purchased through a repurchase agreement with the custodial bank.

5. Investment of Bond Obligations and Bond Reserve Funds

Investment of bond obligations and bond reserve funds are subject to the limitations and guidelines set forth in the Water System Revenue Bond Resolution, Article 1, Section 1.01 under "Authorized Investments", Section 6.03 "Investment of Certain Funds" and Section 6.04 "Valuation or Sale of Investments", adopted November 16, 1993.

6. Financial strength of institutions

All trading partners must be credit worthy. Their financial statements must be reviewed at least annually by the Authority Administrator, or the Authority Administrator may use credit rating agencies or credible online rating services to determine satisfactory financial strength of trading partners. Concentration of investments in financial institutions should be avoided.

Investments in time deposits and certificates of deposit are to be made with banks or trust companies. Their annual reports must be reviewed by the Authority Administrator to determine satisfactory financial strength.

When purchasing eligible securities, the seller shall be required to deliver the securities to the custodial bank.

7. Operations audit and reporting

The Authority Administrator or Business Manager shall authorize the purchase or sale of all securities and execute contracts for certificates of deposit on behalf of the Authority. Oral directions concerning the purchase or sale of securities shall be confirmed in writing. The Authority shall pay for purchased securities upon the delivery or book entry thereof.

The Authority will encourage the purchase and sale of securities and certificates of deposit through a competitive or negotiated price involving telephone solicitation of at least three bids for each transaction.

At the time independent auditors conduct the annual audit of the accounts and financial affairs of the Authority, the independent auditors shall audit the investments of the Authority for compliance with provisions of these investment guidelines.

Within 120 days of the end of the fiscal year, the Authority Administrator or Business Manager shall prepare and submit to the Board of the Authority, or designated committee thereof, an annual investment report, recommendations for change in these investment guidelines, the results of the annual independent audit, the investment income record, a list of total fees, commissions, or other charges (if any) paid to the custodial bank, and such other matters as the Authority Administrator or Business Manager deems appropriate. The Board of the Authority shall review and approve the annual investment report if practicable at its May meeting.

At least annually, and if practicable, at the May meeting of the Board of the Authority, the members shall review and amend, if necessary, these investment guidelines.

The provisions of these investment guidelines and any amendments hereto shall take effect prospectively and shall not invalidate the prior selection of any custodial bank or prior investment.