

## **CLIFTON PARK WATER AUTHORITY BOARD MEETING**

**Tuesday, June 7, 2016  
7:00 PM**

### **AGENDA**

#### **Privilege of the Floor**

#### **Old Business**

#### **New Business**

- Approve Investment and Procurement Policies
- Tank Inspections at Knolltop, Miller and Blue Spruce
- Rexford Submetering
- Preserve Test Well
- Policy with Regard to Submetering Tenants
- Union Negotiations

#### **Other Business**

- Approve Minutes of April 12, 2016 Meeting



**Clifton Park Water Authority**

**Resolution # \_\_\_\_\_, 2016**

**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.

Motion to Accept \_\_\_\_\_ Seconded \_\_\_\_\_

Roll Call Vote:

	<u>Ayes</u>	<u>Noes</u>
Mr. Gerstenberger	_____	_____
Mr. Ryan	_____	_____
Mr. Peterson	_____	_____
Mr. Taubkin	_____	_____
Mr. Butler	_____	_____

# **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**

First Niagara Bank, M & T Bank, 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.

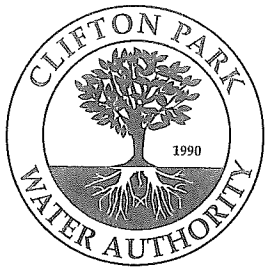
The Authority will encourage the purchase and sale of securities and certificates of deposit through a competitive or negotiated price involving telephone solicitation of at least three bids for each transaction.

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.



**Clifton Park Water Authority**

**Resolution # \_\_\_\_\_, 2016**

**Adopting CPWA Procurement Policy**

**RESOLVED**, that the Clifton Park Water Authority Board of Directors hereby approves the procurement policy as attached.

Motion to Accept \_\_\_\_\_ Seconded \_\_\_\_\_

Roll Call Vote:

	<u>Ayes</u>	<u>Noes</u>
Mr. Gerstenberger	_____	_____
Mr. Ryan	_____	_____
Mr. Peterson	_____	_____
Mr. Taubkin	_____	_____
Mr. Butler	_____	_____

## **CPWA Procurement Policy**

### **Determination of the Need for Competitive Bidding:**

General Municipal Law requires purchase contracts exceeding \$20,000 and public works contracts exceeding \$35,000, be awarded to the lowest responsible bidder after public advertising requesting sealed bids.

In determining the necessity for competitive bidding, the aggregate cost of an item or commodity estimated to be purchased in a fiscal year would be considered.

The term "public works contract" would apply to those items or projects involving labor, or both materials and labor. Included in this category would be construction, paving, printing, repair contracts, etc.

The advertisement for bids shall contain a statement of the time and place where all bids will be publicly opened and read. The Authority retains the right to reject any and all bids at any time.

The bid announcement will be placed in the Authority's designated official newspaper for at least one day as a minimum.

### **Purchases Exempt from Competitive Bidding:**

Provisions in State Law allow certain procurements to be exempt from the competitive bidding requirements as follows:

1. Purchases made from state contracts issued by the Office of General Services.
2. Prison Industries and Industries of the Blind purchases.
3. Professional services such as: insurances, medical services, legal services, engineering services, and accounting services.

### **Standardization of Purchase:**

When deemed necessary, for reasons of economy and efficiency, the Authority may approve a standard of purchase of a material or equipment.

Standardization, as the word implies, restricts a purchase to a specific make, model, or type of equipment or supply. For example, to limit the purchase of trucks to a particular make or model based on past performance or to reduce the inventory of spare parts, may

be acceptable, provided that sufficient justification is supplied to the Authority Board of Directors.

In order to apply this standardization, the Board must approve the purchase by a two-thirds majority vote.

#### **Inspection of Commodities after Delivery:**

Primary responsibility to ensure full vendor performance with contract requirements and commodity specifications, lies in the inspection at the point of receipt. This is particularly true with regard to delivery specifications, including damage to or shortage of, merchandise. Staff must inspect immediately upon delivery, and damaged goods should be refused for delivery.

If there is a shortage, personnel should insist on a notation to that effect on the freight receipt. Both the Authority and the contractor must be notified immediately. All packing slips must be forwarded to the office.

#### **Purchase Requisitions:**

All requirements for goods and services shall be recorded on a requisition form and forwarded to the Administrator for approval and line item assignment.

The following information is necessary on the requisition:

1. Date
2. Person requesting order
3. Place material is to be delivered
4. Delivery requirements (rush, time frame, special delivery vehicle requirements)
5. Description of item/service required, including part/catalog numbers (if applicable)
6. Suggested vendor and cost if available
7. Signature of person making request

Any additional information, such as price quotes or other available vendors or literature for specialized equipment should accompany the requisition form at the time of presentation to the Administrator.

All approved requisitions will generate a purchase order. One copy of the purchase order (pink) will be returned to the requisitioner. This copy will serve to verify that the item has been ordered. Another copy (yellow) will be forwarded to the Business Manager. Once the item has been delivered and inspected, the packing slip should be attached to the requisitioner's copy of the purchase order, and the copy should be signed indicating



that the item has been received in satisfactory condition. This copy shall be forwarded to the Business Manager for payment.

### **Blanket Purchase Orders:**

Blanket purchase orders are set up with local vendors from whom the Authority purchases a number of small items, such as nuts, bolts, small hand tools, hose, etc.

These blankets are set up for a specific dollar amount determined by historical purchases. Authorized Authority staff may make purchases totaling less than \$100 at these specified vendors. The vendor may bill the Authority monthly for a partial payment against the open purchase order.

### **Purchase Order Quotations:**

The following rules apply to all Authority purchases:

1. Purchases of more than \$1,500, but less than \$3,000, will require at least two verbal quotes recorded.
2. Purchases of \$3,000 or more, but less than \$5,000, will require three verbal quotes recorded.
3. Purchases of \$5,000 or more, but less than \$20,000, will require three written quotes filed.
4. Purchases of \$20,000 or more will require competitive bidding.

### **Board Approval of Purchases:**

All purchases require the prior approval of the Authority Administrator. In the absence of the Administrator, in instances where the purchase cannot be delayed, approvals will be determined by the Business Manager.

Any individual purchases over \$5,000 will require approval by the Authority's Board of Directors, with the exception of the following categories:

- Utility bills
- Equipment/Software service contracts
- Fuel
- Health insurance
- Workers' compensation insurance
- Treatment chemicals
- Purchased water
- Property and school taxes

## CAPITAL PROJECT COSTS

BOYACK WTP & VISCHER FERRY PRESERVE WELLS

Project	Year Completed	Project Costs
WTP, Wells & Raw Water Transmission Main	1997	\$4,515,000.00
Filter Vessel Painting, Filter Face Piping Work	2008	\$238,000.00
Pump Replacement	2013	\$95,000.00
Cartridge Filtration Addition	2014	\$830,000.00
Proposed Well Field Expansion		
Well Development/ Installation	Estimated	\$160,000.00
Well Building & Raw Water Main Extension	Estimated	\$700,000.00
National Grid Charges	Estimated	\$30,000.00 (estimated, awaiting National Grid quote)

SCWA CONNECTION

Magnola Way Connection	2010	\$469,000.00
Round Lake Metering Station & Contribution to East Line Road Main & Pump Station	2011	\$846,000.00
New Transmission & Pump Station (Option 3)	Estimated	\$4,996,000.00

# C.T. MALE ASSOCIATES

## BOYACK OPERATING COSTS/YEAR

2015

General Maintenance	50,000.00
Wage/Benefits	167,856.00
Canal Corp Lease	54,218.00
Cartridge Filters	140,000.00
DEC Discharge Permit	1,875.00
Boyack/Vischer Ferry - Electric	163,306.62
Boyack/Vischer Ferry - Chemicals	149,590.85
Sludge Disposal (Yearly)	25,000.00

Operating Cost \$751,846.47

Boyack Water Production 2015 621,646,600 gal

Boyack Operating Cost/1,000 gal \$1.21/1,000 gal

## SCWA WATER PURCHASE OPERATING COSTS/YR

2015

Electrical	2,739.45
Labor	0.00 (not estimated)
Chemicals	0.00 (not estimated)

Operating Cost \$2,739.45 (excludes water purchase cost)

Water Purchased From County 2015 359,757,000 gal

Operating Cost/1,000 gal \$.008/1,000 gal

Water Purchase Cost/1,000 gal \$2.176/1,000 gal

Operating Cost \$2.18/1,000 gal  
(County Water)

Stormwater devices and erosion and sedimentation controls will be installed pursuant to NYSDEC SPDES GP-0-10-001 specifications.

### III. Existing Water and Sanitary Sewer Utilities

Municipal water service is anticipated to be available at the project site prior to completion of construction. The Clifton Park Water Authority (CPWA) 10-inch diameter water main located in State Farm Boulevard, approximately 1,400 feet west of the proposed entrance to the Medical Park and approximately 1,400 feet south of Rt. 67 westerly entrance has been extended into the medical park property as part of the boulevard and infrastructure project. Water flows and pressures are expected to be adequate to serve the new facility.

The Project is located within Saratoga County Sewer District No. 1 (SCSD). A 48-inch SCSD interceptor is located approximately 3,600 feet southwest of the parcel along the access road to State Farm. The existing collection system is being extended up to the Project site as part of the current boulevard and infrastructure extension project. The sanitary sewer main is a 10-inch diameter gravity flow line with manholes placed at intervals to Saratoga County Sewer District No. 1 (SCSD) standards. Wastewater ultimately flows to the SCSD wastewater treatment plant in Mechanicville.

### IV. Projected Water and Wastewater Flows

Table 1 below provides information on the anticipated average potable water use and wastewater flow rates for the Project in gallons per day (gpd). Water use and wastewater flow are estimated to be equal for this study.

Table 1

Description	Use Rate	Total Use
(29) 1-bedroom units	110 gpd/unit <sup>1</sup>	3,190 gpd
(68) 2-bedroom units	220 gpd/unit <sup>1</sup>	14,960 gpd
(3) 3-bedroom units	330 gpd/unit <sup>1</sup>	990 gpd
(76) Seat Dining Room	35 gpd/seat <sup>1</sup>	2,660 gpd
(3) Seat Hair Salon	200 gpd/seat <sup>1</sup>	600 gpd
(10) Staff Employees	15 gpd/each <sup>1</sup>	150 gpd
<b>Total</b>		<b>22,550 gpd</b>

Average daily flow for wastewater is estimated to be 20.9 gallons per minute (gpm) based on an 18 hour day. Estimated peak hourly flow is 86.7 gpm (4.15 x average)<sup>2</sup>.