

**ALBANY WATER BOARD**  
**MINUTES OF REGULAR MEETING**  
March 27 2020

A regular meeting of the Albany Water Board was officially convened at 9:03 am, on Friday, March 27, 2020. Pursuant to Executive Order No. 202.1, issued by Governor Cuomo on March 12, 2020, and advisories issued by Federal, State, and Local officials related to the COVID-19 virus, the Albany Water Board convened its meeting by telephone conference call.

*The meeting notice provided information to the public to participate by teleconference or to communicate questions in advance via email. No members of the public participated in the teleconference and no inquiries were received from the public prior to the meeting.***PRESENT:** Charles Houghton, Chairperson; Barbara Smith, Secretary, Karen Strong, Assistant Secretary; Anthony Owens, Treasurer

**EXCUSED:** Rachel Johnson, Vice Chairperson

**STAFF PRESENT:** Joseph E. Coffey, Jr., P.E., Commissioner; Thomas Dufresne, CFO; William Simcoe, P.E., Deputy Commissioner; Emily Lyons, Confidential Assistant

**BOARD ADVISORS PRESENT:** William Kahn, UHY Advisors; TJ Ruane, Whiteman Osterman Hanna; Robert Hennes, Hugh Johnson Advisors

**Approval of Meeting Minutes**

Chairman Charles Houghton introduced the minutes of the Regular Meeting held on February 28, 2020, and the special meeting held on February 14, 2020. With no objection, the reading of the minutes was dispensed and Mr. Houghton called for a motion to approve the minutes of both meetings. A motion was made, seconded and passed unanimously.

**Public Comment Period**

No public comments.

**Committee and Staff Reports**

**Report of Investment Advisor:** Robert Hennes, Hugh Johnson Advisors

The investment environment has changed radically recently. We are in a bear market for stocks and entering a recession, and right now, we don't know how long it will last. Fed interest rates have been pushed to near zero. Interest rates are way down and will probably stay that way for the foreseeable future. We have been buying mostly treasuries, but now short term treasuries are slightly negative. We have found FDIC insured CDs that have better rates. The yields on the two portfolios have been in the low 2% rate - but we won't be able to hold that rate into the future. We have longer term portfolios so we are good until the beginning of next year.

**Report/Comments from Rate Consultant:** William Kahn

We are in a different world in regards to the future rate structure. Our expenses are fixed, but we are

too early in the year to see where those trends will be. We currently don't know where our revenues will be, but mostly likely the large users of SUNY and the State will be down. There is not currently an emergency, but we will have to watch how things develop in the coming months.

**Financial Report:** Tom Dufresne, CFO

February 2020 MTD/YTD Financials

- Good operating results for YTD and month. This February was similar to 2019 February, and slightly under for collections for the month, but up for the year.
- Operating expenses are similar to previous years, and the increase in spending is due to increased personnel/salaries. We are currently under budget YTD and have net positive cash flows.
- We have not spent any capital funds yet for the year.
- Grants that have been brought in this year will help with our cash flow.
- Overtime is slightly over for the year, but in line with previous year. This should get smoothed out over time as there is more overtime during the beginning and end of the year.
- Due to the City is \$2.7 million, which is similar to previous year... we will likely make a contribution of 1.7 million soon to get closer to 1 million due.
- Large user unpaid balance shows that we are collecting cash well. We think the online payment process has helped.
- We have received \$10.5 million YTD in grant and EFC funds.
- Large users' revenue is slightly higher this year compared to last year, which shows the effects of 2.5% rate increase.

Line of Credit RFP:

We put out an RFP for a \$9 million line of credit earlier this year. We received 2 proposals (Bank of America and M&T Bank) and the proposal from Bank of America has much better rates and terms. The Finance Authority authorizes to go forward with the Bank of America proposal yesterday.

**Commissioner's Report:** Joseph Coffey, P.E., Commissioner; William Simcoe, P.E., Deputy Commissioner

Key Performance Indicators: We have been doing well the first two months, but have reduced to essential staff starting in mid-March due to Covid 19. We are rotating water and sewer staff to about once every 2-3 weeks. The staff who are not working are getting paid and will continue to earn accrual, but they will be called in if needed. We think this will continue through April as we are right now. We may think of bringing back the restoration crew if circumstances improve. One staff member on the evening water crew tested positive for Covid, and resulted in 8 people in precautionary quarantine to end next week (1 on 3/30 and 7 on 4/1). We are still working regular hours for security, and rotating shifts at the water treatment plant. One of the plant operators plans to pick up his daughter today in NYC. He has been directed to not return to work for 14 days as a precautionary quarantine. We have directed only one individual to be in a vehicle, and all vehicles are being sanitized before and after every shift, and we currently have sufficient supplies of PPE and hand sanitizer, with a scheduled delivery of April 10 for additional N-95 masks.

We are falling behind on sewer preventative maintenance and distribution system leak detection. Might increase sewer jetting in the future.

We normally take about 100 samples from the distribution system at various locations, but now we are only down to 50 due to locations being closed. Looking into allowing samples to be taken from the outside of the building sometime in the future.

We are looking into a new way to teleconference, such as Zoom or Microsoft Teams.

Beaver Creek Clean River Project Update - Closed on financing on March 19. We can start working on execution of the \$5 million grant from DEC. The joint venture team has been working on the design. The screening project and work on Third Avenue will be the first projects to go out to bid.

Update on Capital/Construction Projects We had amendments to three bond resolutions at the Finance Authority to raise the amounts to the actual construction costs. We will move forward with EFC on long term financing and have the new line of credit.

Upper Washington Sewer Pump Station and Force Main - Finishing up with these projects and the majority of expenses are behind us.

Upper Washington Water Pump Station and Tank – There has been a delay of the delivery of the pump station due to COVID - 19.

I-90 Sewer Lining Project - This project is ongoing and related to the upper Washington project to upgrade existing sewers.

Project on Pearl St - This will mitigate the “geyser” we get at Arch St. during extreme weather events.

Sedimentation Building - We are executing the contracts and getting ready for pre-construction conference.

A recent fire on Krumkill - the water main broke when the hydrants were opened. We are working with the Fire Dept. to give them a layer of our GPS to show where we have dead end mains, to show them alternative locations to connect to. We will also look into locations where we can loop dead end mains.

#### **Old Business**

Melrose Stormwater Modeling - We are still waiting on deliverables from Arcadis. We hope to have a finalized report in April.

#### **New Business**

Bathymetric and Topographic Survey of Alcove and Basic Creek Reservoirs- This will provide a better idea of the actual volume in both the reservoirs. We received 7 responses from the Request for Proposals to do this work. The one we chose was the lowest fee, but also uses more advanced technology. We would like to get this project done before algal blooms this summer.

### Resolutions

Mr. Houghton called for a motion to approve each of the following resolutions. A motion was made and seconded for each; and each passed unanimously.

- Resolution 20-22: Authorizing Disbursement of Funds from Water Board Checking Account
- Resolution 20-23: Approval of Change Order #7 to the Tivoli Preserve Stream Daylighting Project
- Resolution 20-24: Authorizing Award of Professional Services Contract for Bathymetric and Topographic Survey of the Alcove and Basic Creek Reservoirs

The Board found no purpose to enter Executive Session for this meeting.

Being no further business, Mr. Houghton called for a motion to adjourn the meeting. A motion was made, seconded and passed unanimously. The meeting was adjourned at 10:10 AM.

Next regular meeting of the Water Board is scheduled for Friday, April 24, 2020 9:00am. The Audit Committee meeting will be at 8:00am; Governance Committee meeting will be at 8:30am

Recorded by: Emily Lyons, Confidential Assistant

Approved by: \_\_\_\_\_

Barbara Smith, Secretary