

ALBANY WATER BOARD
MINUTES OF REGULAR MEETING
June 28, 2019

A regular meeting of the Albany Water Board was officially convened at 9:00 am, in the Conference Room at the Albany Water Board, 10 North Enterprise Drive, Albany, NY on Friday, June 28, 2019.

PRESENT: Charles Houghton, Chairperson; Rachel Johnson, Vice Chairperson; Anthony Owens, Treasurer; Barbara Smith, Secretary, Karen Strong, Assistant Secretary

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: Madalyn DeThomasis, Corporation Counsel; Bill Kahn, UHY Advisors; Kim Saba, Hugh Johnson Advisors

ALSO PRESENT: John Giarrusso, UAlbany

Approval of Meeting Minutes

Chairman Charles Houghton introduced the minutes of the Regular Meeting held on May 17, 2019. With no objection, the reading of the minutes was dispensed and Mr. Houghton called for a motion to approve the minutes of said meeting. A motion was made, seconded and passed unanimously.

Public Comment Period

No public comments.

Committee and Staff Reports

Investment Report: Kim Saba, Hugh Johnson Advisors

Kim Saba shared the recent investment report and detailed that the two portfolios show attractive overall market yields. The market has changed with the Fed raising interest rates recently, but that trend will likely start reversing that soon. The economy is strong and unemployment is low, however there are concerns for a slowdown in the near future. When the maturities come due in the portfolio, the reinvestment rate is likely going to be lower.

The Ongoing Projects Reserves Fund has historically been funded with \$2 million per year to help build up for unexpected projects, which is exactly where we want it to be right now. Note that the \$2 million was not funded in 2018 due to cash flow. The Excess Fund is comprised of funds available to pay regular bills as opposed to capital expenditures. It is the overflow of what is immediately needed to pay bills, and keeping it in a Fidelity account allows us to earn interest on it.

Schuyler Building Stormwater Management Proposal: John Giarrusso, University at Albany
John Giarrusso gave a presentation about the Stormwater Management for the Schuyler Building Improvement Project.

The University is asking the board to authorize an agreement with the City to take money that was going to be used for stormwater management of the Schuyler building to do something more comprehensive to benefit the larger community.

Without an agreement with the City, the University would install an underground detention basin, which is required by regulation and estimated to cost \$350,000 - \$400,000. Instead of putting in the basin, we are proposing the Water Board to instead take the stormwater down to Washington Park Lake, to represent a neighborhood scale investment. This proposal would be better for UAlbany, as we would no longer need to maintain the basin; and UAlbany will offset the cost of the project in the equivalent amount to what we would have spent on the basin.

Bill Simcoe, Deputy Commissioner: This would be a continuation with other stormwater projects in the area and would be mutually beneficial. We currently control 7 million gallons in the lake with OPTI, and can draw the lake down during heavy rain events. The lake is more economical stormwater management as opposed to building basins underground.

Audit Committee Report: Barbara Smith, Audit Committee Chair.

The Board is in a good position and we are satisfied working with the Bonadio group for our auditing process. The Committee also recommends the board to accept the 2018 Audit Report.

Financial Report: Tom Dufresne, CFO

It has been another great month and a positive trend for the year. We are a little bit shorter for revenues for the month, but still up for the year; which we attribute to rate increase impact on residential customers. The money received from large user's remained more flat.

Expenses have gone up but generally controlled, with the biggest increase in personnel and equipment costs. Supplies and maintenance costs have remained flat.

We are slightly over budget on overtime compared to last year, but will probably be at the budgeted number by the end of year. So far, there are also less workers comp issues this year.

We currently have a large (\$5.6 million) due to the City due to large amounts of capital spending, and we are working to address this with the City Treasurer. The Department proposes to provide more money to the City to make sure they have enough funds to pay our bills timely. All board members unanimously agreed with this proposal.

Grants and financing is up from last year and our staff have been working hard to get these funds to the department quicker. Our capital spending in the last 5 years will be more than the 20 years prior.

Commissioner's Report: Joseph Coffey, P.E., Commissioner; William Simcoe, P.E., Deputy Commissioner
Key Performance Indicators:

Revenue and expenses are where we want them to be year-to-date and our gross margins are good.

Main breaks in the winter caused high overtime, however overtime numbers have been better in recent months, and should be close to the budget by end of summer.

We plan to create a report on Preventative maintenance and O&M after June.

We have had reduced lost work days over the last few months, and are planning this will help to reduce workers comp costs. Capital Safety Services have been doing surprise site visits to improve safety

protocols and our engagement with our crews and the safety consultant has been positive. We also had a vehicle rodeo for safety improvement and skills assessment. The crews had fun at the event and it has been a morale booster.

Water produced is lower than it has been years ago - due to leak detection and lower consumption. Our monthly flow to the sewer plant is higher than usual (higher rainfall) so our sewer bill will be higher.

Our social media has been performing well with good quality of posts and stats.

List of SEQRA Type II actions – We will work to make sure we get good advice from our Corporation counsel and consultants, and it is important to document the process. The entire list of type 2 actions has been shared with the Board members.

Beaver Creek Clean River Project: The alienation of parkland is through the legislature and waiting for the Governor's signature. We will have to establish ¼ to ½ acre park land somewhere else and we are working with the Planning Dept. and Housing Authority to identify potential locations. An agreement with the sewer district to improve their screenings removal process at the plant as part of the project has been reviewed and will be on the County legislature agenda in August, after the board signs the agreement today.

Tivoli Stream Daylighting Project: The Project is progressing after some setbacks due to weather this spring and will be done by September. We have a change order today to approve the extension of the work.

Ramsey Place Project: The project is starting in late July and will also involve the replacement of lead services.

Albany Colonie Emergency Water Interconnect: The contractor has been making progress and OBG is accepting all responsibility for all penalties related to the Karner Blue Butterfly habitat disturbance consent order. Once resolved, we can resume construction on 155.

Feura Bush WTP Project Update/Change Orders – We are moving along for employee office and public space improvements after some delays in cabinetry delivery. The project should be completed by end of August. Once work is done, we will plan a tour of Loudonville and Feura bush plant for the Board.

Alcove Working Woodlands - Easement with the Mohawk Hudson Land Conservancy has been signed and we are selling carbon credits to 2 organizations. The money will be set aside for watershed projects, and we will have an announcement in Sept. as part of climate week.

Floatables Project Update/Change Order - Orange Street is being opened up to traffic, and we will complete the facility soon at Quackenbush and Orange St. Jackson/Livingston is being backfilled now, and up to grade pretty soon and we will meet Dec. deadline to complete.

Normans Kill Farm Drainage Improvements Project Update/Change Order - Watershed staff identified some erosion of the transmission main that goes through Stevens Farm. We needed access to the road to get there and work is almost complete.

Beaver Creek Phase 6 Project Update/Change Order - Albany high school is building new stormwater detention facilities and we also decided to make other stormwater improvements in conjunction. Opti controls are being installed and will be started up in a few months.

Water System Improvements – Project Update – The Finance Authority passed a bond resolution to cover the debt reserve fund. We will not seek the \$33.5 million financing all at once, but wanted to do the bond resolution all at the one time. A public hearing will be scheduled to finalize.

Old Business

Mariette Place Green Infrastructure Project - A Change Order will add additional work from a project that was completed in 2016. Keller will sub contract with Arold to do sewer investigations, as there have been continued issues in the area after the work was completed.

New Business

Award of Engineering Services Agreement to ARCADIS for Stormwater Modeling & Flood Mitigation Study; Melrose, Western Avenue and Marion Avenue segment of the Beaver Creek Trunk Sewer:
The study will examine flooding issues in the area. The ground table in the area has been up and not allowing for groundwater recharge and over 40 houses did not have backwater valves and had backups last summer during extreme rain. This study should help ID projects to address flooding and backup issues. We recommend we award the contract to Arcadis to do modeling and a benefit cost analysis. The work could then be used as a prototype to replicate in other parts of the City.

CFA Letter of Support for CDRPC Program Administration:

If this grant is received by CDRPC, it would benefit all the pool communities.

Letter of Intent from UAlbany for Stormwater Improvements and Regulatory Approvals for the Schuyler Building Project at the Downtown Campus: Their timeframe is to award the project by late Nov. The board and department would like to add more consideration of green/blue infrastructure to delay more water running down the pipe to Washington Lake.

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 19-22R: Revising Resolution 19-22 to correct a typographic error in the value of the change order from \$12,202 to \$12,012 (revised contract amount is \$367,349).
- Resolution 19-41: Accepting the 2018 Financial Statements and Independent Audit Report
- Resolution 19-42: Authorizing Payment of invoice to Hugh Johnson Advisors in the amount of \$2,468.75 for Investment Advisory Services for the period 4/1/19

through 6/30/19; to Wilmington Trust in the amount of \$1,500 for annual trustee fee for the period 6/1/19-5/31/20 associated with the 2018-A Debt Service Fund; to Wilmington Trust in the amount of \$1,500 for annual trustee fee for the period 6/1/19-5/31/20 associated with the 2011-A Debt Service Fund

- Resolution 19-43: Determination that the South Wastewater Treatment Plant Modifications Associated with the Beaver Creek Clean River Project is a Type II Action and no further action is required under SEQRA
- Resolution 19-44: Authorizing the Chairman to execute an Intermunicipal Agreement with the Albany County Water Purification District.
- Resolution 19-45: Authorizing Change Order #3 to the contract with Wm. J. Keller and Sons Construction for the Tivoli Stream Daylighting Project.
- Resolution 19-46: Awarding Contract for Construction of the Ramsey Place Green Infrastructure Project to New Castle Paving, LLC in the amount of \$2,441,769.
- Resolution 19-47: Authorizing Change Order 1A-08 to contract 1A for construction of the Feura Bush Filtration Plant Employee and Public Space Improvements with U.W. Marx Construction Company.
- Resolution 19-48: Authorizing Change Order 1B-04 to contract 1B for construction of the Feura Bush Filtration Plant Employee and Public Space Improvements with Brunswick Electric, Inc.
- Resolution 19-49: Authorizing Change Order 1C-02 to contract 1C for construction of the Feura Bush Filtration Plant Employee and Public Space Improvements with Collett Mechanical, Inc.
- Resolution 19-50: Authorizing change order 1d-03 to contract with fpi mechanical for work under the Feura Bush filtration plant employee and public space improvements project
- Resolution 19-51: Authorizing Change Order #5 to the City of Albany Floatables Control Project with Wm. J. Keller & Sons Construction Corp.
- Resolution 19-52: Authorizing Change Order #1 to the Normans Kill Farm Drainage and Access Improvement Project with Wm. J. Keller & Sons Construction Corp.
- Resolution 19-53: Authorizing Change Order #1 to the Beaver Creek Phase 6 Combined Sewer Overflow Abatement Project with M. Sullivan Construction
- Resolution 19-54: Authorizing additional work in connection with the Mariette Place GI Project Contract with Wm. J. Keller & Sons Construction Corp. for Cleaning and Inspection of Sewers Using a WBE & DBE Subcontractor under a Time and Materials Task Order in an Amount Not To Exceed \$75,000.
- Resolution 19-55: Authorizing Engineering Services Agreement with ARCADIS of New York, Inc. for Stormwater Modeling & Flood Mitigation Study – Melrose, Western Avenue, Marion Avenue Segment of the Beaver Creek Trunk Sewer
- Resolution 19-56: Authorizing the Chairman to Issue a Letter of Support to the Capital Region Economic Development Council for the Capital District Regional Planning Commission's CFA for Albany Pool Communities Implementation and Program Management
- Resolution 19-57: Authorizing the Chairman to Execute a Letter of Intent with the University at Albany for the Purpose of Coordinating Stormwater Regulatory Improvements and Upgrades on, and adjacent to, the Schuyler Building Construction Project on the UAlbany Downtown Campus.

Executive Session

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 11:07 am.

Next regular meeting of the Water Board is scheduled for Friday, July 26, 2019 at 9:00 AM, and a Finance Committee Meeting on Friday, July 26, 2019 at 8:30 AM.

Recorded by: Emily Lyons, Confidential Assistant

Approved by: Barbara Smith
Barbara Smith, Secretary