



## CLIFTON PARK WATER AUTHORITY BOARD MEETING

Tuesday, March 13, 2018  
7:00 PM

### AGENDA

#### Privilege of the Floor

#### Old Business

- Water Main Replacement on Plank Road
- Health Coverage for Medicare-eligible Employees/Retirees
- Project to Increase Capacity from SCWA

#### New Business

- Annual Financial Audit Presentation
- Village of Round Lake Water Purchase Agreement Extension
- Amendment to Vischer Ferry Nature Preserve Lease Agreement
- Sprint Modification Request Contract Issue

#### Other Business

- Approve Minutes of February 13, 2018 Meeting

**Clifton Park Water Authority**

**Resolution # \_\_\_\_\_, 2018**

**Adopting Policy for Medicare-eligible Retiree Health Insurance**

**WHEREAS**, the Clifton Park Water Authority wishes to adopt a policy related to the provision of health insurance to retirees that are eligible to receive health benefits through Medicare, now therefore be it

**RESOLVED**, that the Clifton Park Water Authority Board of Directors hereby adopts a policy to provide said coverage, 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	_____	_____

### **Medicare Advantage/Supplement Plan**

The Clifton Park Water Authority will offer a Medicare Advantage or Supplement Group Plan to all eligible retirees and employees. Medicare-eligible employees will not be required to leave the Authority's regular health plan coverage, but will have the option to do so, if they choose. Medicare-eligible retirees and Medicare-eligible spouses of retirees will be transferred to a Medicare Advantage or Supplement Plan selected and sponsored by the Water Authority.

### **Retiree Responsibility**

Medicare-eligible retirees and their spouses will be responsible for paying their Medicare Part B premiums, which are typically deducted from their Social Security check. The CPWA will not reimburse these costs. Medicare-eligible retirees and their spouses will also be responsible for all copayments, coinsurances and deductibles associated with the Medicare Advantage or Supplement Plan.

Medicare-eligible retirees and their spouses will be responsible for a percentage of the premium cost of the Authority-sponsored Medicare Advantage or Supplement Plan in accordance with the schedule set forth under "Continuation of Health Benefits in Retirement" in this Handbook. If the retiree has sick leave accruals banked, these will be used to cover the Advantage or Supplement Plan premium responsibilities of both the retiree and eligible spouse until they are exhausted.

Employees may apply any unused, unpaid sick leave credits to pay their portion of their health insurance premiums. At retirement, sick leave credit will be converted to a dollar amount based on the employee's rate of pay at retirement and used to pay the employee's health insurance contributions until the amount is exhausted. Once the amount is exhausted, the retiree will be required to submit payment to the Authority for each contribution within thirty (30) days of the Authority's payment of premium. Failure to make any premium contributions required herein shall result in the cancellation of the retiree's health insurance.

**Continuation of Health Benefits in Retirement – Hired Prior to 7/1/13** - For employees employed by the Authority as of July 1, 2013, and who retire directly from the Authority, upon retirement, under the New York State Retirement System, an employee shall be eligible for medical insurance and prescription drug coverage as follows until Medicare eligible. Upon becoming Medicare eligible, the retiree must enroll in Medicare. Coverage is also available for the retiree's eligible spouse if the spouse was covered under the Authority's medical insurance plan on the retiree's last date of employment with the Authority and married at least two (2) years.

In the event the retiree predeceases the retiree's eligible spouse and is age 65 or older, the surviving spouse may continue medical insurance and prescription drug coverage for a period of three (3) months from the death of the retiree after which the spouse shall pay the full cost of the Medicare/Advantage premiums.

In the event that the surviving spouse has not reached age 65, the surviving spouse shall continue receiving medical coverage until age 65 on an individual basis and will pay a percentage of the premium at the same rate the deceased was paying. In the event of legal separation or divorce, the retiree's spouse from whom he/she is separated or divorced, shall not be eligible for coverage except as provided under the COBRA and the law.

Upon the retiree or the retiree's eligible spouse, as the case may be, meeting the eligibility or criteria for Medicare coverage, the eligible retiree or spouse must enroll in a Medicare Supplemental / Advantage plan. If there are sick leave accruals banked, the retiree or surviving spouse may utilize them to pay their portion of the Medicare Supplement/Advantage Plan premiums until they are exhausted.

A retired employee shall be eligible for coverage under this provision as follows, which shall also apply to the Medicare Supplement / Advantage Plan:

Years of Continuous Full-Time Authority Service	Retiree Premium Contribution
15 Years	25%
20 Years	20%
25 Years	15%
30 Years	10%

**Post-Retirement Health Benefits for Employees Hired After July 1, 2013** – All employees of the CPWA are eligible for the same post-retirement benefits, however, these benefits, as defined in this Employee Handbook, are subject to modification by the CPWA Board of Directors at any time for all employees hired after July 1, 2013. Post-retirement health benefits for employees hired prior to that date are as stated herein and in accordance with the Collective Bargaining Agreement between the CPWA and its union employees.

NEW YORK STATE CANAL CORPORATION AMENDED LEASE  
AGREEMENT

AGREEMENT BETWEEN THE NEW YORK STATE  
CANAL CORPORATION AND THE CLIFTON  
PARK WATER AUTHORITY RELATING TO THE  
LEASING OF NEW YORK STATE CANAL  
CORPORATION REAL PROPERTY

This FIRST AMENDED AGREEMENT (hereinafter referred to as the "First Amended Lease Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by and between the NEW YORK STATE CANAL CORPORATION (hereinafter referred to as the "Canal Corporation"), a subsidiary of the New York State Power Authority, organized and operating as a public benefit corporation pursuant to Section 1005-b of the Public Authorities Law, as amended, with its principal office at 30 South Pearl Street, Albany, New York 12207, and the CLIFTON PARK WATER AUTHORITY (hereinafter referred to as "Lessee"), a public benefit corporation authorized by Title 6-B of Article 5 of the Public Authorities Law, with offices located at 661 Clifton Park Center Road, Clifton Park, New York, 12065.

WITNESSETH:

WHEREAS, the Canal Corporation was created in 1992 as a subsidiary corporation of the New York State Thruway Authority, and then continued and reconstituted as a subsidiary corporation of the New York Power Authority on January 1, 2017 pursuant to Section 1005-b of the N.Y. Public Authorities Law; and

WHEREAS, the Board constituting the Canal Corporation, pursuant to Resolution No. 117, adopted at Meeting No. CC-47 held on April 24, 1997, authorized the Executive Director of the Canal Corporation to execute a lease agreement with the Lessee for the lease of Canal Corporation real property located within the area known as the Vischer's Ferry Nature and Historic Preserve in the Town of Clifton Park, Saratoga County, New York and consisting of approximately 684 acres of land (hereinafter "Premises") on the terms contained in the agenda item; and

WHEREAS, the Canal Corporation and the Lessee executed a lease agreement (hereinafter referred to as the "Lease") dated February 18, 1998 for the Premises with an initial term of 20 years; and

WHEREAS, the Lease provides the Lessee the right to extend the Lease for two additional successive ten-year terms, upon the same terms and conditions as contained in the Lease (except for adjustment of rental) by written notice of the Lessee to the Canal Corporation; and

WHEREAS, Lessee has been making rental payments annually, rather than quarterly, and the Canal Corporation has not adjusted the Minimum Rental rate charged since 2003.

WHEREAS, the Canal Corporation and Lessee desire to amend and renew the Lease for a ten-year term beginning February 18, 2018 and ending February 18, 2028.

NOW, THEREFORE, the Canal Corporation and Lessee, acting through their duly authorized representatives, hereby agree as follows:

1. The parties agree to extend the Lease for a ten-year term beginning February 18, 2018 and ending February 18, 2028.
2. All references to the New York State Thruway Authority or NYSTA, shall be understood to be referring to the New York State Power Authority, a corporate municipal instrumentality of the state of New York under which the Canal Corporation operates.
3. Lessee will provide the Canal Corporation with an acceptable Certificate of Insurance, as required by Paragraph 12 of the Lease, naming both the Canal Corporation and the New York Power Authority as insureds.
4. The following rates shall replace those listed in Exhibit B of the Lease:

Gallons Pumped Annually	Price Per 1,000 Gallons Pumped
<u>up to 730,000,000</u>	\$0.079
<u>the next 146,000,000</u>	\$0.079
<u>the next 146,000,000</u>	\$0.073
<u>the next 146,000,000</u>	\$0.067
<u>all gallons thereafter</u>	\$0.061

5. The parties agree to amend certain provisions of the Lease as follows:

SECOND: The term of the lease shall be for a period of ten (10) years from February 18, 2018; provided however that this lease may be extended for one additional successive term of ten (10) years, upon the same terms and conditions as herein contained (except for adjustment of rental as hereinafter provided) by written notice of the CPWA given to the Canal Corporation, such notice to be given at least six (6) months prior to the end of the then expiring term. Either party hereto may withdraw from this Agreement provided two (2) years written notice is given to the other.

THIRD: The rental payment for leasing the Premises shall require CPWA to pay the Canal Corporation a minimum rental for access and control of the Premises (hereinafter the "Minimum Rental"). The Minimum Rental shall be calculated at the rate of

730,000,000 gallons of raw water pumped from the Premises for treatment and conduct to the interconnection with CPWA's water system but in no event shall such Minimum Rental be less than \$57,670.00. (except as provided for in Paragraph 19). The rental payment for quantities of water drawn over and above the minimum shall be calculated in accordance with the chart contained in Exhibit B of the Lease as amended. Lease payments shall be made annually. The Minimum Rental plus the value of the cumulative volume of water pumped during the year that exceeded the Minimum Rental shall be paid 30 days following the end of the year. If the CPWA shall fail to pay any rent for a period of ten days after such payment shall have become due, then CPWA agrees to pay interest on such overdue rent at an interest rate of one and one half per cent (1.5%) per month from the date when such payment shall have become due to the date of payment thereof. The rent shall be increased, annually during the term of the lease or any renewal period, based upon the same percentage increases fixed from time to time by resolutions of the CPWA for finished water furnished through meters to residential customers of the CPWA. If the CPWA decreases said rate to residential customers, the rent payment due hereunder shall not be effected. If the CPWA shall fail to make two successive rental payments, then the Canal Corporation shall have the right to terminate this lease and to take control of the Premises. In the event that the Canal Corporation exercises its right to terminate this Lease, the CPWA shall be responsible for the costs of capping the wells.

EIGHTEENTH: It is expressly understood and agreed to by the parties that in the event that during the term of this lease or any renewal thereof, CPWA sells water to another water district, water board, water authority or like entity outside of the current service area served by CPWA, then the Canal Corporation shall receive \$0.183/1,000 gallons from the gross revenues received by CPWA from the sale of such water (subject to increases pursuant to paragraph 3).

All conditions of the Lease not amended above remain in full force and effect.

IN WITNESS WHEREOF, the parties, by their duly authorized representatives, have executed this Agreement as of the day and year first above written.

SIGNATURE PAGE FOLLOWS

**NEW YORK STATE CANAL  
CORPORATION**

By: \_\_\_\_\_  
Name: Ruth Colón  
Title: VP – Enterprise Shared  
Services

**CLIFTON PARK WATER  
AUTHORITY**

By: \_\_\_\_\_  
Name: Donald J. Austin Jr.  
Title: Authority Administrator





STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF ALBANY )

On this \_\_\_ day of \_\_\_\_\_, 2018, before me personally came RUTH COLÓN, to me known and known to me to be the VICE PRESIDENT OF ENTERPRISE SHARED SERVICES of the NEW YORK STATE CANAL CORPORATION, who being by me duly sworn, did depose and say that she is the VICE PRESIDENT OF ENTERPRISE SHARED SERVICES of the NEW YORK STATE CANAL CORPORATION, located at 30 South Pearl Street, Albany, New York 12207, the public corporation described in and which executed the foregoing instrument; that the Board constituting the NEW YORK STATE CANAL CORPORATION, has authorized her to execute the foregoing instrument; and that she signed her name thereto by such authority.

---

Notary Public