



CLIFTON PARK WATER AUTHORITY

BOARD MEETING MINUTES

MAY 13, 2021

Due to COVID-19 the Clifton Park Water Authority board meeting was held via Zoom.

Those present were: Mr. Helmut Gerstenberger, Chairman; Mr. John Ryan (4:08pm), Vice Chairman; Mr. William Butler, Treasurer; Ms. Alexis Osborne, Secretary; Mr. Donald Austin Jr., Administrator; Mr. James Trainor, Attorney; Mr. Chad Kortz, CT Male Associates; and Mr. Anthony Morelli, Town of Clifton Park Liaison. Absent: Mr. Peter Taubkin, Board Member.

Mr. Gerstenberger called the meeting to order at 4:02pm.

PRIVILEGE OF THE FLOOR

OLD BUSINESS

PROJECT TO INCREASE CAPACITY FROM SCWA

Mr. Kortz reported the tentative delivery date for the pumpstation is June 17th. Once the pumpstation is delivered he estimated the project to be complete in approximately four weeks. Mr. Austin reported that we received the first grant disbursement of \$400,146.35 from NYS Environmental Facilities Corporation.

SCWA WATER PURCHASE AGREEMENT RENEWAL

Mr. Gerstenberger made a **motion** to move into executive session at 4:20pm to discuss ongoing contract negotiations with the SCWA; seconded by Mr. Ryan. The **motion** carried 4-0, 1 absent.

Mr. Gerstenberger made a **motion** at 4:58pm to move out of executive session; seconded by Mr. Butler. The **motion** carried 4-0, 1 absent.

PROJECT TO INVESTIGATE CAPACITY IMPROVEMENTS IN PRESERVE

The two wells have been drilled. We will be borrowing pumping equipment from the well driller to run tests on the wells. The driller will be back sometime next week to put the pumps in the wells so they can be run and tested. Mr. Austin stated that each well will be run individually and be run non-stop for a few weeks to see how they produce and whether the water quality changes over that period of time. He estimated 2-3 months to fully test the wells and get test results back from the lab.

VERIZON REQUEST FOR INSTALLATION OF TELECOMMUNICATIONS TOWER AT BOYACK WTP

Mr. Ryan recused himself from this conversation. Mr. Austin has no updates. When he spoke with the representative from Verizon last month, she stated that they are still interested but are struggling with our rental requirements.

WATER MAIN REPLACEMENT ON PLANK ROAD

The Town of Clifton Park went out to bid for their culvert replacement project. Our water main replacement project was also part of that as a separate bid item. The bids came in 50% higher than when we went out to bid on it on our own. The lowest bidder was \$150,000.00. At this time, Mr. Kortz and Mr. Austin recommend not awarding the bid on this project. Mr. Austin explained that the problem we have now is the Town is replacing the culvert and they need our water main out of the way in order to do that work. We have two options: 1) we can scale back the project to do it differently for less money, only doing the work necessary to get the water main dropped down underneath their culvert; or 2) abandon the project altogether, in which case the Town would have to pay to move the water main. He has asked Mr. Kortz to put together a set of plans for a reduced scope of work to move the water main so it drops down underneath the culvert and back up connected on both sides so it no longer rides across the top of the culvert. Once the plan is complete, he will present it to the Town and have them ask Carver Construction, the low bidder on the project, to give them a price to do that work as a change order on their contract and we would potentially reimburse them for that work.

NEW BUSINESS

APPROVE INVESTMENT AND PROCUREMENT POLICIES

Mr. Butler made a **motion** to adopt the CPWA Procurement Policy; seconded by Mr. Gerstenberger.

RESOLUTION# 13, 2021 – ADOPTING CPWA PROCUREMENT POLICY

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

Roll Call Vote:

Mr. Gerstenberger	- Aye
Mr. Ryan	- Aye
Mr. Butler	- Aye
Mr. Taubkin	- Absent
Ms. Osborne	- Aye

Mr. Ryan made a **motion** to adopt the CPWA Investment Policy; seconded by Mr. Gerstenberger.

RESOLUTION# 14, 2021 – 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. Butler	- Aye
Mr. Taubkin	- Absent
Ms. Osborne	- Aye

OTHER BUSINESS

- Ms. Osborne suggested the CPWA website be updated. She noticed that the Investment Policy is a marked-up document. She stated that the Twitter account is very up to date and very active. She also suggested setting up a Facebook account.

APPROVE MINUTES OF APRIL 15, 2021 MEETING

A **motion** was made by Mr. Gerstenberger to approve the minutes of April 15, 2021; seconded by Ms. Osborne. The **motion** carried 4-0, 1 absent.

The Board has decided to go back to in person meetings beginning next month. The next board meeting has been scheduled for Wednesday, June 16th at 7pm.

A **motion** was made by Mr. Gerstenberger to adjourn the meeting at 5:06pm; seconded by Mr. Ryan. The **motion** carried 4-0, 1 absent.

Respectfully submitted,
Sheri Collins
Recording Secretary

cc: CPWA Board of Directors
Trainor Law PLLC

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.
4. Emergencies arising out of accident or unforeseen circumstances that impair the CPWA's ability to pump, treat or deliver water, as necessary, to its customers.
5. Purchases made under "piggyback" contracts that are made available through any county within the State of New York.

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 vendors from whom the Authority purchases a number of small items, such as nuts, bolts, small hand tools, hose, etc., or for purchases of identical items or services that are made from an individual vendor frequently over the course of the year.

Vendors that may be issued blanket purchase orders are:

- Local hardware stores
- Treatment chemical suppliers
- Suppliers of cartridge filters for the Boyack Treatment Plant
- Contracted IT service provider
- Shipping vendors (UPS, Fedex)

Authorized Authority staff may make purchases at these specified vendors. Vendors will be approved by the Authority Administrator and will be set up with maximum per-purchase dollar amounts, determined by historical purchases, at the time the blanket purchase order is created. All invoices will be matched to receipts or delivery tickets by the Business Manager for verification of approved purchase.

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
- Emergency repairs

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, 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.