

ALBANY WATER BOARD
MINUTES OF REGULAR MEETING
March 26, 2021

A regular meeting of the Albany Water Board was officially convened at 9:00am. 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 video conference call.

The meeting notice provided information to the public on how to participate. No members of the public participated and no inquiries were received from the public prior to the meeting.

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

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

BOARD ADVISORS PRESENT: William Kahn, UHY Advisors; TJ Ruane, Whiteman Osterman Hanna

Approval of Meeting Minutes

Chairperson Houghton introduced the minutes of the Regular Meeting February 26, 2021. With no objection, the reading of the minutes was dispensed and Mr. Houghton called for a motion to approve the minutes. A motion was made, seconded and passed unanimously.

Public Comment Period

No public comments.

Report of Investment Advisor – Robert Hennes/Kim Saba, JNB Advisors

Robert Hennes presented a brief backdrop of the investment environment and how it will affect short term interest rates. Kim Saba summarized the Portfolio. She also noted, the first page of the report is the summary, the second page is where the Board's accounts are displayed; they are not funding debt service at the moment, so there are no transfers from the Authority, the last page is the transaction details for everything done this year; making transfers on the transfer schedule and making any payments owed for funding's with the EFC.

Presentation of Safe Yield Analysis of the Alcove/Basic Creek Reservoir System and Basic Creek Dam Hazard Assessment - Greg Daviero, P.E., PhD, Schnabel Engineering

Greg Daviero gave a presentation on the issues at Basic Creek Dam and what the safe yield means and why we are doing the assessment. A higher hazard dam requires more care and maintenance. An engineering assessment was done on the Dam. The Embankment at Basic Creek dam does not meet the required standards. The safe yield is how much water you can take from your system during the worse drought of record and how much is viable. The Safe Yield Analysis helps to determines how much the

Watershed can produce. The safe yield study indicated the system can provide 30.5 million gallons per day.

Presentation: Utility Cloud Asset Management Software - Mike Ruede, AWD Operations Manager

Mike Ruede gave a brief explanation of how the software program "Utility Cloud" is utilized in the field. The program takes all of our information and stores it in a database for Operations. Everything is being done in the field with the tablets, everything is digitized, and it is real-time. Anytime any of the staff are in the field and they respond to a call, Dispatch puts it out there and it shows up on the tablet on a map. It shows every customer's house, every building will have a box attached to it and they are all assets in the program. The staff will see any reports that are existing or that need to be completed. The staff have been trained to know what to click on to complete. Whatever work has been done, Dispatch will take that asset and will change it to the next progression. Everything is tracked and documented.

Committee and Staff Reports

Financial Report – Tom Dufresne, CFO

- **2020 Audit Status** –The Audit Meeting was cancelled for this morning. The Auditors are almost done with their testing, and we should have the completed financials/Audit for the April Meeting.
- **Modification to the 2021 Summary Budget AND Transfer Document** – This is the document that is provided at the end of the year and used by the City, Tom and the Trustees for the movement of funds and payments of the Board's expenses and debt. Schedule A has no changes, Schedule B and C have no changes because they have nothing to do with debt. First change is on Schedule D. The 2021 debt service for calendar year 2021 is \$1.88 million is new debt and \$2.7 million is the total for the year. The difference between the 2011 bonds and the 2021 bonds was about \$4.5 million in debt service a year and the new bonds are about \$1.9 million a year. We gave our debt service significant relief and significantly increased our cash flow which can be used for other things.
- **February MTD/YTD Financials -**
 - We collected \$5.8 million in cash compared to previous year which was inflated due to a timing of 2019 billings which increased the cash flow into January 2020 and why we are seeing a variance of \$2.5 million.
 - Operating maintenance cost coming in at \$2.9 million compared to \$2.6 million from the previous year; we are up \$380,000 due to the timing of our retirement contribution payment which was made in January, instead of being made in April.
 - Net Operating Cash flows are positive for the year at almost \$3 million.
 - After debt service costs we come to net cash flow positive at \$2.1 million,

Budget:

Comparing revenue to the budget we were slightly over budget of \$1.1 million due to the increase from the previous year cash collections

- Investment income is \$78,000/\$79,000 short from previous year of \$166,000 because interest rates are lower.

Operating Expenses:

- Retirement contribution was previously made in April 2020; Made in January 2021.
- Spending right in line with previous year.
- Capital projects, no expenses recognized as of March 2021.
- We brought in \$581,000 in Grants and \$1.9 million in Financing for a total of \$2.5 million.

KPI's

- Overtime: Over budget by \$35,000 over trend from previous year of \$110,000.
- Owed to the City: \$2.6 million.
- Large User Unpaid Balance: \$1 million.
- Grant Financing and Other Income: \$2.5 million received for Jan and Feb 2021; for all of 2020 we received \$10.5 million.
- There are two Large Users that are in the 120 plus days overdue bucket: Buckeye had an issue with estimated reads and Tom in the process of straightening out their bill and 99 Washington more investigation is being done.
- Year to Date Billings with Large Users come in at \$2.6 million for 2020; Come in at \$2.1 million for 2021; the OGS Meters are not reading correctly and the billings have not gone out correctly for January and February, the difference not reported is 178,000 additional consumption revenue and will be added into the OGS line and corrected in the next round of reports.
- \$800,000 of cash received for 2021 through online portal; 400,000 transactions is a stable number that we collect through online payments each month
- Cash increased slightly over the period by \$722,000

Commissioner's Report – Joe Coffey, Commissioner; Bill Simcoe, Deputy Commissioner
Katie McKittrick issues a bi-weekly update status report on what is happening with the Lead Service Replacement program. Two things that need to be done before we roll the program out to the Board for approval; One - We need to get a Code Change with the City; Two - We are working with Marisa Franchini and Common Council to develop a local law that says you can't do a partial repair on a lead service; line has to be replaced with Copper. Emily Lyons will be coming back to work on Monday, March 29, 2021 as our Communications Coordinator, Part Time.

Beaver Creek River Update:

- Opti system has been updated.
- Malloy has Phase 1 Construction Contract – Third Avenue at Gansevoort St.
- Notice to Proceed on Phase 2 - South Plant Screens.
- Phase 3 and Phase 5 G started with Keller; holding off on Phase 4 for lack of funding.
- Awarding Electrical Contract and Plumbing Contract for Phase 5.
- Rebidding 5 H – HVAC Contract, April 6th new bids to be received.
- South Plant Modulating Gate – EFC had a technical concern with the gate in front of the screens, the County and Consultants came up with putting up a Modulating Gate upstream and in a manhole in front of the Pre Treatment Facility, Estimated to be \$400,000.

- Albany Joint Venture Team – Construction Phase Services, need to have at least 24% WMBE participation.
- \$55 Million Total Project cost, need to work with EFC on additional funding in order to proceed with Phase 4.
- Keller Construction has a Proposal to take the extra material that is being excavated from the Satellite Treatment Facility to improve the playing fields by filling in the bowl at Lincoln Park.
- Modification of Part Three of SEQR, EFC will hold
- Received SHPO Letter indicating no issues with filling the “bowl with excavation materials.

New Business

The Nature Conservancy/Forest Stewardship Council Annual Report of the Working Woodlands Project - We have another payment for the voluntary carbon credits. We have now received approximately \$350,000. All credits are sold until the next period later this year.

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 21-23: Approving Payment of Quarterly Invoice to JNB Advisors in amount of \$2,468.75 for period 1/1/21 - 3/31/21.
- Resolution 21-24: Approval of Modified 2021 Summary Budget & Transfer Schedule.
- Resolution 21-25: Awarding Beaver Creek Clean River Project: Phase 5 – Beaver Creek Satellite Treatment Facility; Contract No. 5-E, Electrical
- Resolution 21-26: Awarding Beaver Creek Clean River Project: Phase 5 – Beaver Creek Satellite Treatment Facility; Contract No. 5-P, Plumbing
- Resolution 21-27: Authorizing Chairman to execute Contract Amendment No.3 with the Albany Pool Joint Venture Team for Construction Support Services

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 11:15am.

Next regular meeting of the Water Board is scheduled for Friday, April 23, 2021 9:00am. Note Finance Committee meeting 8:00am. Audit Meeting at 8:30am. Special Meeting, Friday April 2, 2021 at 9:00am.

Approved by:  _____

(Assistant) Secretary