

RESOLUTION – ANNUAL REPORT (2018)

At a meeting of the Rensselaer County Water and Sewer Authority, held at 1600 Seventh Avenue, Troy, New York, on the 28th day of March, 2019, at 3:00 p.m. local time, the following Members of the Authority were:

	PRESENT:	ABSENT:
Robert Pasinella, Jr.	<u>X(via phone)</u>	_____
Kenneth M. Harting	<u>X(via phone)</u>	_____
John Mooney	_____	<u>X</u>
John Fetscher	<u>X</u>	_____

ALSO PRESENT:

John J. Bonesteel, Chief Executive Officer
Robert Hotz, Chief Financial Officer
Jay H. Sherman, Secretary
Philip H. Dixon, Authority Counsel

After the meeting had been duly called to order, the following Resolution was offered by Mr. Fetscher and seconded by Mr. Harting, to wit:

WHEREAS, the Chief Financial Officer of the Rensselaer County Water and Sewer Authority (the “Authority”) has prepared an Annual Report for calendar year 2018 for the Authority and the members of the Authority have reviewed such report.

NOW, THEREFORE, it is hereby

RESOLVED, that the Annual Report for calendar year 2018, in the form annexed hereto, is hereby approved; and it is further

RESOLVED, that the Annual Report be filed/posted as required by applicable provisions of law.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Robert Pasinella, Jr.	voting <u>Yes</u>
Kenneth M. Harting	voting <u>Yes</u>
John Mooney	voting <u>Absent</u>
John Fetscher	voting <u>Yes</u>

The foregoing Resolution was thereupon declared duly adopted.

Rensselaer County Water and Sewer Authority
2018 Annual Report

March 2018

Robert Pasinella, Jr., Chairman
Kenneth M. Harting, Treasurer
John Mooney
John Fetscher, Vice Chairman

John J. Bonesteel, Chief Executive Officer
Robert Hotz, Chief Financial Officer
Jay H. Sherman, Secretary
Philip H. Dixon, Authority Counsel
Henry V. LaBarba, P.E., Authority Consulting Engineer

Overview

On June 26, 2008, the Rensselaer County Water and Sewer Authority (RCWSA) closed on an \$8,005,000 Water Service Bond Issue and a \$6,555,000 Sewer Service Bond Issue to fund sewer projects in the Town of East Greenbush and water projects in the Joint Water District, consisting of East Greenbush and the City of Rensselaer. By the end of 2015, virtually all of the water project funds were disbursed and, by mid-2018, all the sewer projects were completed. In March of 2015, the City of Rensselaer refinanced \$3,495,000, the City's share of the Water Service Bond Issue, using bond proceeds from the New York State Environmental Facilities Corporation (EFC). The remainder of the Water Service bonds (\$3,930,000) were redeemed in December of 2017 by the Town of East Greenbush using EFC proceeds with the assistance of RCWSA. Similarly, in September of 2018 the Town of East Greenbush, working with RCWSA and the New York State EFC, redeemed the \$6,555,000 in Sewer Bonds using \$5.28 million in EFC bond proceeds and the remaining bond balances the Authority maintained on their behalf. This brought the successful relationship between the RCWSA and the Town of East Greenbush to an end.

In 2018, the Town finalized improvements to East Greenbush's wastewater collection and treatment system, focusing on pump station upgrades and control panels at the Hampton Manor and 3rd Avenue Stations. The remaining Sewer Bond proceeds of about \$135,320 was used to pay down bond principal.

The Authority also owns the Pheasant Run sewer system, a fifteen unit system in the Town of Schodack. The Authority collects \$875.00 per year per unit for its maintenance expenses. Due to the age of the system, there were a significant number of pump replacements and electrical system repairs performed in the last three years, as most of the pumps are over 20 years old. This work depleted the existing reserves for Pheasant Run to \$16,500. The Pheasant Run account does not receive any County, Town or State direct support and is totally funded by the 15 serviced homes. The 2018 year-end balance was \$27,800. The Authority will continue to pursue a more permanent operation and financing arrangement for this small system.

The Authority is also working with the Town of North Greenbush to finalize agreements for maintenance of the sewer line that the Authority owns along Valley View Road and the collection of hook-up fees for recent residential development along Haywood Lane. The 2018 year-end balance in the Authority's General Account, which is used for all non-Pheasant Run related expenses was \$48,670. Any funds collected from new hook-up fees will be deposited into this account.

Finally, in the fall of 2018, the Authority was asked by the Rensselaer County Executive's Office to participate in applying for a \$1.5 million grant to extend an existing sewer line in the Town of Schodack along Maple Hill Road up to NY Route 9.

Accomplishments/Operations

The following is an account of the RCWSA's sewer project accomplishments and operations during calendar 2017-18.

PUMP STATION PROJECTS

Hampton Manor

The Hampton Manor pump station rehabilitation project is completed. Work included new pumps, control panels and miscellaneous equipment.

3rd Avenue Pump Station

The 3rd Avenue pump station rehabilitation project, which included new pumps, valves and control panels, was completed in the late fall of 2017. The rehabilitation was needed in part to accommodate development in the area, including the Regeneron Warehouse Project.

Rensselaer County Water and Sewer Authority Mission Statement

It is the mission of the Rensselaer County Water and Sewer Authority to foster public health and well-being and to promote economic development through the financing, management and operation of public water and sewer utilities for Rensselaer County and its local governments. In doing so, the Authority shall strive to provide such services in a cost-efficient manner.

Authority Measurement Report in Accordance with Section 2824 – a of the PAL

With the completion of the water system improvement and sewer system improvement projects listed in the Official Statement and expenditure of the Water Bond proceeds, the focus of the Authority returned to maintenance and operation of the small waste water collection and treatment systems it owns in Rensselaer County. The Authority assisted the Town of East Greenbush in refinancing their existing Sewer Bond debt with the Authority, which will save the Town's taxpayers in both the short and long term.

Management Report on Internal Controls

During 2017 Management's review of banking needs found that the Authorities current bank, Key Bank, began charging approximately \$300 per month in service fees for maintenance of its four accounts and for electronic banking services. Efforts to reduce or eliminate the fees were unsuccessful. Management investigated charges by other banking institutions for similar services and found that TD Bank N.A, could provide similar services for approximately \$10 per

month and transferred its accounts commencing in 2018. Management's focus in 2018 was on efforts to collect sewer fees it was owed by various entities.

Board Members

Robert Pasinella, Jr., Chairman - Mr. Pasinella is the Director of the Rensselaer County Office of Economic Development and Planning, as well as the Executive Director of the Rensselaer County Industrial Development Agency.

Kenneth M. Harting, Treasurer - Mr. Harting is the former supervisor of the Town of East Greenbush's water system for the Department of Public Works and is the operator of a number of small private water systems in Rensselaer County.

John Mooney - Mr. Mooney is a licensed real estate broker with Realty USA and the President of the Rensselaer City School District Board of Education.

John Fetscher - Mr. Fetscher is the former Secretary of the Water and Sewer Authority and a retired staff member of the Rensselaer County Office of Economic Development and Planning.

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