

ALBANY CSO POOL COMMUNITIES CORPORATION

Annual Report - 2017

The following report is was created to satisfy the requirements of The Public Authorities Law (§ 2800) and Authority Budget Office PARIS questions. Because this is the first ever report for this complex program, the report summarizes the program since its inception, in addition to reporting on the period from the creation of corporation, May 28, 2016, to the end of the Corporation's first year, September 30, 2017.

Background

The Albany Pool Communities' Combined Sewer Overflow Long Term Control Plan and Albany CSO Pool Communities' Corporation accomplishments, 2007 to Date

Combined Sewer Systems are sewers that are designed to collect rainwater runoff, domestic sewage, and industrial wastewater in the same pipe. Most of the time, combined sewer systems (CSS) transport all of their wastewater to a sewage treatment plant, where it is treated and then discharged to a water body. During periods of heavy rainfall or snowmelt, however, the wastewater volume in a combined sewer system can exceed the capacity of the sewer system or treatment plant. For this reason, combined sewer systems are designed to overflow occasionally and discharge excess wastewater directly to nearby streams, rivers, or other water bodies.

The six Albany Pool Communities (APCs): the Cities of Albany, Cohoes, Rensselaer, Troy and Watervliet; and the Village of Green Island are required, as a condition of their Combined Sewer Overflow (CSO) State Pollution Discharge Elimination System (SPDES) Permits, to develop and implement Long Term Control Plans (LTCP) to comply with water quality standards in the Hudson River. Among the six Albany Pool Communities (APCs) there are nearly 100 permitted CSOs that discharge into the Hudson River and its tributaries. Due to the close proximity of the six communities and the tidal influence of this section of the Hudson River, the communities, rather than prepare six individual plans, worked cooperatively to prepare a single plan with a regional approach. More than \$4m was invested during the development of the LTCP to document water quality, perform analyses of the performance and capacity of the CSS and treatment facilities, model and characterize the CSS, and develop a program that delivered the maximum water quality benefit in the most cost effective manner. The Albany County Water Purification District and the Rensselaer County Sewer District are connected to the CSO program through their SPDES permits, and are cooperating with the Pool communities in implementation of the LTCP for the abatement of CSOs.

The Capital District Regional Planning Commission (CDRPC) is a regional planning and resource center serving Albany, Rensselaer, Saratoga, and Schenectady counties and is organized as a

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political subdivision of the four participating counties. Regional planning commissions such as CDRPC are authorized within article 12-b, section 239 of New York State's General Municipal Law. CDRPC serves the best interests of the public and private sectors by promoting intergovernmental cooperation; communicating, collaborating, and facilitating regional initiatives; and sharing information and fostering dialogues on solutions to regional problems. The CDRPC is the entity aiding in the implementation of the LTCP and coordination of the communities, acting both as a resource and a facilitator. CDRPC is recognized as program coordinator under the Order for the LTCP and the Corporation will establish CDRPC as the program administrator for LTCP Programs. More about CDRPC can be found on the organization's website, www.cdrpc.org.

Early on the in development of a program to jointly address CSO overflows, CDRPC was brought on board to aid in the development of a plan and as a facilitator and coordinator for the communities, acting both as a resource and providing staff support.

In January of 2014 the six Pool Communities, the Albany County Water Purification District, and the Rensselaer County Sewer Districts executed an Order on Consent administered by the New York State Department of Environmental Conservation (NYSDEC) and the department accepted the Pool's 15-year LTCP. Through this Plan, the Pool will implement more than 50 projects and programs that will significantly improve the water quality of the Hudson River and its tributaries. A copy of this plan, and the full scope of work to develop the plan, is available at <http://cdrpc.org/programs/water-quality/combined-sewer-overflow-cso>. Over the life of the program more than \$136m will be invested; \$100m of which will be invested by the communities and \$36m by the Districts.

The Order requires the communities retain a Program Coordinator for coordinating the smooth and efficient implementation of the LTCP and assisting the Respondents in meeting their obligations to comply with the terms of the Order. CDRPC had been providing this service since obtaining grant funds in 2007 to begin the Albany Pool Communities Combined Sewer Overflow Long Term Control Plan study.

The Order on Consent mandated that the Pool form an entity to aid in the implementation of the LTCP and the formative documents were to be submitted to the Department six months in advance of the fifteen-month deadline for the execution of the IMAs. Ultimately, the Pool Communities opted to create a non-profit that could act in the interest of the Pool as a single unit, and if needed, purchase goods or services, execute contracts, manage staff and operations, and pursue financing.

The Member Municipalities, as a pool of communities, share in the administrative and construction costs of all the LTCP Programs. Through a certain Intermunicipal Agreement by and among the Member Municipalities (referred to therein as the "Albany Pool Communities"), executed February 25, 2015, each Member Municipality's respective percentage share of LTCP Program Costs for projects required under the LTCP at the time of the execution of the Order

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is as follows: Albany – 58.68%, Troy – 34.76%, Cohoes – 2.74%, Rensselaer – 2.13%, Watervliet – 1.16%, and Green Island – 0.53% (each a “Member Municipality Share” and together, the “Member Municipality Shares”). This allocation formula for the Member Municipality Shares was determined 85% by CSO overflow volume and 15% by population, according to flow models and the 2010 census, respectively. The Corporation will receive contributions from each of the Member Municipalities for its respective Member Municipality Share of LTCP Program costs for the next three years (and in three to four year “tranches” for each successive period of LTCP implementation). These contributions will then be applied by the Corporation directly to LTCP Program costs, such as planning, design, engineering construction, maintenance, operations. The program revenue will also pay for engineering, legal, financial advisory, bond counsel, and administrative services provided by consultants to the Corporation. The LTCP Program facilitated by the Corporation is limited to planning and capital projects within the LTCP project schedule and listed in the Order.

On May 14, 2015, the Intermunicipal Board of the Pool Communities, an administrative body made up of representatives from each of the Pool Communities, resolved to create the Albany CSO Pool Communities Corporation. The Corporation will be the vehicle that facilitates administration of LTCP projects and programs – having the ability to bid, contract, and pay for project implementation. Because the Order is between the communities and DEC, the Corporation does not have standing to negotiate modifications or interpretations of the Order as it is not a party to the enforcement instrument. Thus, the necessity of the IMA Board and a separate entity, the Corporation.

The Corporation was formed as a New York not-for-profit and local development corporation by a pool of community municipalities consisting of the cities of Albany, Troy, Cohoes, Rensselaer, Watervliet, and the Village of Green Island, all of whom are members of the Corporation (together, the “Member Municipalities”), to lessen the burdens on local governments and provide a vehicle to jointly administer the construction, financing, operation, and maintenance of certain public utilities that will be repaired and constructed as part of a Combined Sewer Overflow (CSO) abatement program mandated by a New York State Department of Environmental Conservation enforcement order (the “Order”).

The purpose of the Corporation is to reduce discharge of wastewater and stormwater from combined sewer overflows within the Member Municipalities in order to protect the quality of the waters therein and to achieve compliance with all federal, state and local laws and permits applicable to the management of combined sewer overflows within the Member Municipalities. Among the six Member Municipalities there are nearly 100 permitted CSOs that discharge into the Hudson River and its tributaries located in the State of New York.

The Corporation will achieve this purpose through performing the following activities:

- The Corporation will facilitate the administration of more than 50 projects and programs (the “LTCP Programs”) that will aid in the clean-up of the Hudson River as

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identified through the Long Term Control Plan (LTCP), an initiative that was jointly developed by the Member Municipalities to study the current health of the Hudson River and to identify such LTCP Programs and to demonstrate and assess the effectiveness of such LTCP Programs through a sophisticated modeling system and post-construction water quality testing program. A copy of the LTCP is available at <http://cdrpc.org/programs/water-quality/combined-sewer-overflow-cso>.

- The Corporation will have the ability to bid, contract, perform and pay for project implementation in facilitation of the LTCP Programs.
- The Corporation will enter into agreements with the Albany County Water Purification District and the Rensselaer County Sewer District through which the districts may assist in the implementation of the LTCP Programs and in obtaining financing or funding; and
- The Corporation may also assist the Member Municipalities by applying for, obtaining and contracting with any federal, state, or local governmental agency or foundation, organization, or natural person for the purpose of obtaining grants, loans, or other forms of financial assistance, and expending or authorizing the expenditure of such funds in furtherance of the LTCP Programs and such other charitable purposes of the Corporation.

The mission of the Corporation is to enable facilitation of LTCP Programs and assist with the efficient and timely implementation of the LTCP by the Member Municipalities by securing goods and services, assisting in financing, and performing any additional acts that may be necessary and appropriate for the LTCP's implementation and facilitation of LTCP Programs.

In performing these activities, the Corporation has and will continue to act in the public interest and performing essential government functions.

The Corporation has and will continue to seek out funding from the federal government (IE Environmental Protection Agency Grants and Clean Water State Revolving Funds), state agencies (Such as NYSDEC's Water Quality Improvement Grants), and private foundations (sources of funding as of yet to be identified). These grants will be directed toward implementing LTCP projects in each of the six member municipalities of the Corporation. CDRPC is providing staff services to the corporation, and if the Corporation directs CDRPC to do so, CDRPC will actively seek out grant or foundation funding for LTCP projects.

The Albany CSO Pool Communities Corporation had its first meeting on June 11, 2015. At this meeting the directors of the corporation, directors' designees, and alternate board members took oaths of office. The Board also accepted director's designations and alternatives; established officers; established charters and populated the audit, governance, finance, and technical committees; established a regular meeting schedule, adopted the bylaws, mission

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statement and measurements, and adopted several polices including a Code of Ethics and Conflict of Interest Policy, a Fiscal Policy, Procurement Policy, a Freedom of Information Law Policy, an Open Meetings Law Recording Policy and a Whistleblower Policy. At the Board's next meeting, held July 9th, 2015, the Board adopted additional policies including a Salary and Compensation of Officers Policy, a Guidelines for Selection, an Appointment, and Review of Officers Policy, an Open Meetings Law Notice and Posting Policy, and an Investment Policy. The materials developed by the legal team were coalesced by CDRPC and organized into a Binder that each APC and District has received.

The Corporation's By-laws are provided at the organization's website at <http://cdrpc.org/programs/water-quality/combined-sewer-overflow-cso/albany-cso-pool-communities-corporation/> The Corporation's Mission Statement and Measurements are provided at this website as well.

A table summarizing projects completed during 2017 as well as those projects currently underway is provided as **Exhibit A** at the end of this report. The Corporation maintains a contract with CDRPC to provide staff support. CDRPC has sub contracts in place for bond counsel, financial advisors, and engineering services as they relate to Green Infrastructure Planning. The Corporation has contracts in place for audit and insurance services. The communities have letters of engagement for special counsel.

Corporation financial reports

The Corporation filed its Certificate of Incorporation on May 28, 2015 to the New York State Department of State (NYS DOS). The NYSDOS completed its review and accepted the Certificate of Incorporation on July 31, 2015. The Corporation drafted and accepted a proposed FY2017 Budget in September, 2016. The corporation does not possess physical assets. An audit report has been conducted and will be submitted separately.

Compensation schedule

The Corporation does not have employees. The Corporation does not compensate board members, designees or officers.

The Capital District Regional Planning Commission provides staff support services to the Corporation. CDRPC and Consultant services were retained by the member municipalities prior to the creation of the corporation. The DEC Order on Consent mandated the Pool Communities retain an independent program coordinator.

The Pool Intermunicipal Agreement, entered into by and among the Member Municipalities, executed February 25, 2015, is the instrument that binds each of the Member Municipalities together and, further, establishes CDRPC as the program administrator.

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CDRPC Employees provides staff to the Corporation through a contract executed on December 8, 2016. The contract is under review for renewal.

The Salary and Compensation of Board Members Policy is contained within the corporation by-laws, The Salary and Compensation of Officers Policy is provided on the organization's website at <http://cdrpc.org/programs/water-quality/combined-sewer-overflow-cso/albany-cso-pool-communities-corporation/>

Projects undertaken by the Corporation during the past year

A table summarizing projects completed prior to and during 2017 as well as those projects currently underway is provided as Exhibit A at the end of this report.

Lists of board meetings and attendance

The Corporation posts notice of all board and committee meetings on its webpage: <http://cdrpc.org/programs/water-quality/combined-sewer-overflow-cso/>. Meeting minutes, and the attendees of each meeting are posted following each meeting.

Names of Committees and Committee Members is provided at the organization's website at <http://cdrpc.org/programs/water-quality/combined-sewer-overflow-cso/albany-cso-pool-communities-corporation/>

Corporation's four-year financial plan, including current and projected capital budget

The Corporation's Current and projected budgets are provided at the organization's website at <http://cdrpc.org/programs/water-quality/combined-sewer-overflow-cso/albany-cso-pool-communities-corporation/>

During the development of the LTCP, the Member Municipalities' Engineering team developed an annual cost projection based upon expected project activity in a given year of the LTCP. This full 15-year capital plan, including estimates for vendor and coordination services, is provided at the organization's website at <http://cdrpc.org/programs/water-quality/combined-sewer-overflow-cso/albany-cso-pool-communities-corporation/>

The Member Municipalities also developed and approved their FY2017 budget in September 2016 and the 2018 Budget in September 2018. The Corporation has used this Community Pool Budget to extrapolate and project the revenue and expenses it may incur in facilitation of the LTCP Programs.

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Operating budget report, including an actual versus estimated budget, with an analysis and measurement off financial and operating performance

The Corporation drafted and accepted a proposed FY2017 Budget in September, 2016. The Corporation's budgets are provided at the organization's website at <http://cdrpc.org/programs/water-quality/combined-sewer-overflow-cso/albany-cso-pool-communities-corporation/>

Corporation board performance evaluations provided, however, that such evaluations shall not be subject to disclosure under article six of the public officer's law

Anonymous board evaluations were conducted in the fall of 2017 and presented to the Board on November 9, 2017. Upon completion, the summary results of the assessment was submitted to the Authority Budget Office in a separate document.

A description of the total amounts of assets, services or both assets and services bought or sold without competitive bidding

The Corporation has not purchased or sold services or goods without competitive bidding in 2017.

A description of any material pending litigation in which the Corporation is involved as a party during the reporting year, except that no provider of medical services need disclose information about pending malpractice claims beyond the existence of such claims.

The Corporation is not currently engaged in any litigation.

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Exhibit A

Projects and Programs completed during FY17.

LTCP Project Name, Location	Description	Milestone	Milestone Met
Quail St. Green Infrastructure Project	The proposed project lies along Quail Street from Madison Avenue to Central Avenue, approximately 3,850 linear feet, and includes a \$1.8M "Green Component" to increase infiltration and water quality. The project includes a collaborative educational component to be performed in conjunction with the College of St. Rose and the University of Albany's Downtown Campus.	Construction Completion Date & Operational Start Up Date	10/28/2016
Monument Square Green Infrastructure Project	The project would be located in a highly visible area of Downtown Troy (home of the popular Farmers Market), and would promote public education and awareness. Approximately 11,543 square-feet of sidewalk and 22,476 square-feet of roadway would be replaced with porous pavement or pavers; which would intercept stormwater runoff and reduce flow to the CSS.	Construction Completion Date & Operational Start Up Date	11/18/2016
"Big C" Disinfection and Floatables Control Facility	The proposed satellite treatment facility provides CSO controls for flows up to 75 mgd to reduce floatable and fecal coliform discharges to the Hudson River. The "Big C" Disinfection Project would provide treatment consisting of screening and disinfection for an additional ~285MGal on an average annual basis.	Begin SEQR & Eminent Domain 2/1/17	1/20/2017
Route 32 Green St. Project	Reconstruction of approximately 0.71 mile of Rt. 32. The project would remove and replace approximately 152,080 square-feet of roadway with new pavement, and 30,416 square-feet of new sidewalk. Porous surfaces would be evaluated for sidewalks, parking lanes and/or travel lanes. In addition, approximately 50 trees would be removed and replaced with environmentally friendly tree pits.	Construction Completion Date & Operational Start Up Date	1/30/2017
Swan St. and Hamilton St. Regulator Improvements	Optimization project that includes modification of two (2) existing regulator structures: Removal of the orifice at Swan Street, raise weir height at Hamilton Street.	NTP to Construction	3/9/2017
Improvements at up to Eleven Regulators	Optimization project that includes modification of eleven (11) existing regulator structures: Mohawk St (007), Duncan (012), Ontario (006), Main/Saratoga (015), Continental (005), Cedar (011), Hudson Ave (001), Bridge St (002), Van Schaick (003), Myrtle Ave (004), Peach St (010)	NTP to Construction	3/27/2017
Improvements at Five Regulators	Optimization project that includes modification of five (5) existing regulator structures: 25th Street, 14th Street, 7th Street, 6th Street, and 3rd Street.	NTP to Construction	3/28/2017

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18th St. and Ave. A Weir Improvements	Optimization project that includes modification of the existing regulator structure, increasing the size of the connection pipe.	NTP to Construction	3/29/2017
Middle Vliet St. Sewer Separation	Sewer separation and rehabilitation work in the vicinity of Middle Vliet Street, including: Harvard Street, Berkshire Street, Beacon Avenue, and Edward Road.	NTP to Construction	3/30/2017
Mariette Place Stormwater Storage Facility	Connection of catch basins in the Marietta Place vicinity to a storage facility to reduce peak flows conveyed to the CSS.	NTP to Construction	3/31/2017
Completion of a Feasibility Assessment for a "Green Infrastructure Banking System"	This task will identify and evaluate various models associated with the potential implementation of a green infrastructure banking system, including Stormwater In-Lieu Fees and Stormwater Retention Credit Banking.	Task Completion Date	4/3/2017
Swan St. and Hamilton St. Regulator Improvements	Optimization project that includes modification of two (2) existing regulator structures: Removal of the orifice at Swan Street, raise weir height at Hamilton Street.	Construction Completion Date & Operational Start Up Date	4/21/2017
18th St. and Ave. A Weir Improvements	Optimization project that includes modification of the existing regulator structure, increasing the size of the connection pipe.	Begin Collection System Cleaning and Inspection	7/11/2017
Improvements at up to Eleven Regulators	Optimization project that includes modification of eleven (11) existing regulator structures: Mohawk St (007), Duncan (012), Ontario (006), Main/Saratoga (015), Continental (005), Cedar (011), Hudson Ave (001), Bridge St (002), Van Schaick (003), Myrtle Ave (004), Peach St (010)	Construction Completion Date & Operational Start Up Date	7/18/2017
18th St. and Ave. A Weir Improvements	Optimization project that includes modification of the existing regulator structure, increasing the size of the connection pipe.	Construction and Operational Start Date - Block the 25th St. Bypass	7/27/2017
Mariette Place Stormwater Storage Facility	Connection of catch basins in the Marietta Place vicinity to a storage facility to reduce peak flows conveyed to the CSS.	Construction Completion Date & Operational Start Up Date	7/27/2017
Green Infrastructure Technical	Provides each community with assistance in developing green infrastructure guidance for public and private application of green infrastructure	Task Completion Date	8/1/2017

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Design Guidance			
18th St. and Ave. A Weir Improvements	Optimization project that includes modification of the existing regulator structure, increasing the size of the connection pipe.	Submit Engineering Report to NYSDEC	8/30/2017
Improvements at Five Regulators	Optimization project that includes modification of five (5) existing regulator structures: 25th Street, 14th Street, 7th Street, 6th Street, and 3rd Street.	Construction Completion Date & Operational Start Up Date	9/7/2017
Floatables Control Facility for CSO 026 Outfall (Regulators Maiden, Steuben and Orange)	The proposed floatables facility will collect floatable debris and materials associated with CSOs from the Maiden, Steuben and Orange regulator structures.	Completed Plans & Specs	9/28/2017
Floatables Control Facility for CSO 030 Outfall (Regulators Quackenbush, Jackson and Livingston)	The proposed floatables facility will collect floatable debris and materials associated with CSOs from the Quackenbush, Jackson and Livingston regulator structures.	Completed Plans & Specs	9/28/2017
Outside Community Metering	Monitoring of flows from outside communities to track I/I impacts on interceptor capacities; include up to 8 connections to Troy system. SCADA connections included to Troy and RCSD for automated reporting of metered flows.	Completed Plans & Specs	9/29/2017
Hoosick St. Storm Sewer Extension	Separation of existing storm sewer from the combined sewer.	Completed Plans & Specs	9/29/2017