

Final: February 13, 2018

**MEETING OF THE BOARD OF DIRECTORS OF  
THE WATER AUTHORITY OF GREAT NECK NORTH  
HELD ON DECEMBER 11, 2017,  
AT 50 WATERMILL LANE, GREAT NECK, NEW YORK.**

**PRESENT:**

Michael C. Kalnick, Chairperson  
Pedram Bral, Director  
Jean Celender, Director  
Carol Frank, Director  
Susan Lopatkin, Director  
Michael Smiley, Director  
Steven Weinberg, Director

Village of Kings Point  
Village of Great Neck  
Village of Great Neck Plaza  
Town of North Hempstead  
Village of Kensington  
Village of Great Neck Estates  
Village of Thomaston

**ALSO PRESENT:**

Ralph J. Kreitzman, Vice-Chairperson  
Robert Graziano, Deputy Chairperson  
Gregory Graziano, Superintendent  
Michael Rispoli, Assistant Superintendent  
Sue Huang, Civil Engineer  
Judith Flynn, Treasurer  
Lisa Schlichting, Secretary  
Stephen G. Limmer, Counsel  
Keith Kelly, Senior Vice-President

Water Authority of Great Neck North  
Water Authority of Great Neck North  
Water Authority of Great Neck North  
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Water Authority of Great Neck North  
Water Authority of Great Neck North  
Water Authority of Great Neck North  
McLaughlin and Stern, LLP  
CDM Smith, Consulting Engineers

**NOT PRESENT:**

Dan Levy, Director

Village of Saddle Rock

The Board meeting was called to order at 6:00 p.m. Six members (Chairperson/Director Kalnick, Directors Bral, Celender, Frank, Smiley, and Weinberg) were present, constituting a quorum.

On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-01, the Minutes of the Board's November 20, 2017, meeting were reviewed by the Directors and were approved. The vote was 6 for, 0 against, 0 abstentions. A copy of the Minutes is on file with the Secretary.

On the motion of Director Celender, seconded by Director Weinberg, by Resolution #17-12-02, the Board reviewed and approved the Abstract of Claims. The vote was 6 for, 0 against, 0 abstentions. A copy of the Abstract is on file with the Secretary.

On the motion of Director Celender, seconded by Director Weinberg, by Resolution #17-12-03, the Board reviewed and approved the Treasurer's Monthly Report. The vote was 6 for, 0 against, 0 abstentions. A copy of the Report is on file with the Secretary.

The Treasurer advised that Satty, Levine & Ciacco, CPAs, P.C. sent their Engagement and their Audit Engagement Letters, both dated November 14, 2017, for signature. The Board had approved the retention of Satty, Levine & Ciacco, CPAs, P.C. as the Authority's External Auditor for 2017 at the October 2017 Board meeting, and on the motion of Director Celender, seconded by Director Weinberg, by Resolution #17-12-04, the Board approved the two engagement letters. The vote was 6 for, 0 against, 0 abstentions. Copies of the engagement letters are on file with the Secretary.

Director Lopatkin entered the meeting at 6:04 p.m.

Keith Kelly presented the Engineer's Report:

1. SMLP Project – Improvements at several well sites to address flooding issues including the raising of well houses above flood elevations. The EFC granted an extension until September 2021.  
Well 2A – Demolition of existing building and construction of new well house that will be approximately 8 feet higher than existing. Reusing existing well, but replacing the existing pump with new. New chemical feed system. The EFC has approved moving forward with incorporating the booster pump station improvements and emergency generator relocation into Well 2A construction documents.  
Well 5 – Due to salt water modeling results only SCADA work will be completed under EFC SMLP financing.  
Well 6 – Demolition of portion of existing building and construction of new well pump portion of building such that new pump and associated equipment is above flood elevation. CDM Smith submitted conceptual sketches to the Authority.  
Well 8 – Demolition of existing building and construction of new well house (existing building is below grade). CDM Smith submitted a proposal to perform an isolation test on the well to determine if the well casing is leaking as well as a cement bond log to evaluate the integrity of the cement seal within the annulus between the well casing and the surrounding formation. Waiting for the DEC's response to the Superintendent's letter to determine whether a new well will be drilled or the existing well will be rehabilitated. In the process of executing the Task Order.
2. Weybridge Road Tank Catwalk Structural Review – Review of design plans submitted by Verizon for new antenna to be installed on tank. Received final construction plans from cell companies' engineer. Working on bid documents. Construction scheduled for the spring.
3. SCADA Upgrade – Installation of new control panels, communications equipment, and associated work at all sites so that all SCADA equipment is consistent and up-to-date. Work at some sites is being funded through SMLP program. Eagle Control Corporation is preparing submittals. CDM Smith is reviewing the construction schedule and proposed schedule of values.
4. Salt Water Intrusion Modeling for Wells 5, 6, 7, and 8 – Development of a dual-density groundwater flow model to evaluate the potential for salt-water intrusion in both the Lloyd and Magothy Aquifers. The modeling is complete. Waiting for Dec's response to the Superintendent's letter.
5. 2017 Water Main Improvements – Replacement of approximately 13,000 feet of water main including valves, hydrants, and services in Great Neck Estates & Saddle Rock Estates. CDM Smith is working on the final design.

6. Greenway Terrace Water Main – Installation of approximately 800 feet of water main for new development. Notice of award of contract issued to Bancker Construction. The Developer's contractor is behind schedule. Spring construction is anticipated.
7. Well 7 Electrical and Instrumentation Upgrades – Various upgrades to improve reliability including new electrical service, motor control center, transformer, wiring, and chemical safety panel. CDM Smith submitted the draft design drawings and specifications to the Authority for review. Comments were received and incorporated. The only outstanding item is the new electrical transformer on the electrical service. Project is 99% completed, except for PSEG. PSEG attended a site visit with CDM Smith and the Authority is working on providing their standards to furnish new service to Well 7. The existing transformers and service line to the site will be replaced but are owned by the Authority, not PSEG. PSEG will provide a new pad mounted transformer.

Gregory Graziano presented the Superintendent's Report:

On the motion of Director Celender, seconded by Director Weinberg, by Resolution #17-12-05, the Board reviewed and approved the schedule for the regular monthly meeting in 2018, as follows: January 8, February 12, March 19, April 16, May 21, June 18, July 16, August 20, September 17, October 15, November 19, and December 10. The vote was 7 for, 0 against, 0 abstentions. A copy of the schedule will be posted on the Authority's website and will be posted at the Authority's office on Watermill Lane.

On the motion of Director Lopatkin, seconded by Director Weinberg, by Resolution #17-12-06, the Board accepted CDM Smith's proposal, by letter dated November 27, 2017, to provide Annual Engineering Services for 2018 as the Authority's Engineer. The monthly fee for services is \$750.00, plus a not to exceed fee of \$3,000.00 for Albert Risk Management Consultants to certify the amounts of insurance. Gary Stuart, P.E., will attend the monthly Board of Director meetings. Keith Kelly, P.E., will serve as the Officer-in-Charge, handling all contractual issues. The vote was 7 for, 0 against, 0 abstentions. A copy of the proposal is on file with the Secretary.

The Robert Kessler Agency, by letter dated December 2, 2017, submitted its recommendation that the Authority renew its insurance with Houston Casualty Insurance Company ("HCC") for the period 12/28/17 through 12/28/18. The HCC Program is rated "A++" and is a New York State Licensed carrier that is protected by the New York State Guarantee Fund. The renewal carries forward the three-year guarantee for the rate, so that while the premiums can change due to changes in exposure (i.e. losses, payrolls, and vehicle), the rate itself will not change. The rate guarantees do not bind the Authority to the carrier for three years; annual renewals will be at the option of the Authority. The change in premium from \$120,730.12 in 2017 to \$123,613.23 in 2018 is due to adding a Portable Generator, increasing the value of the Well 10A pump from \$150,000.00 to \$200,000.00, and increasing the value of the new Well 11A from \$25,000.00 to \$1,000,000.00. Based upon that recommendation, on the motion of Director Weinberg, seconded by Director Bral, by Resolution #17-12-07, the Board authorized the Robert Kessler Agency to renew the Authority's insurance with Houston Casualty Insurance Company in accordance with the Robert Kessler Agency's letter dated December 2, 2017, for the period 12/28/17 through 12/28/18. The vote was 7 for, 0 against, 0 abstentions. A Copy of the letter is on file with the Secretary.

The Authority solicited proposals for Engineering Services to provide Bi-Annual Sanitary Inspection Services and Reports for the Authority's three water storage tanks. Two proposals were received:

<u>Inspection Services</u>	<u>Bi Annual Rate</u>	<u>Annual Rate</u>
1. H2M Architects + Engineers	\$3,100.00	\$6,200.00
2. D&B Engineers & Architects, P.C.	\$4,500.00	\$9,000.00

The Superintendent recommended that H2M Architects + Engineers be awarded the contract for Engineering Services to provide bi-annual sanitary inspection services and reports for the Authority's three water storage tanks. On the motion of Director Celender, seconded by Director Bral, by Resolution #17-12-08, the Board approved awarding H2M Architects + Engineers, as the lowest responsible bidder, the contract for Engineering Services to provide bi-annual sanitary inspection services and reports for the Authority's three water storage tanks. The vote was 7 for, 0 against, 0 abstentions. Copies of the Proposals are on file with the Secretary.

The Authority solicited proposals for Engineering Services to provide inspection services for on-call daily elevated water storage tank construction observation and technical services. The services are required to observe construction and maintenance work that is performed by third party contractors associated with the cellular carriers on the Authority's elevated water storage tank. Two proposals were received:

<u>Construction Observation Services</u>	<u>Daily Rate</u>
1. D&B Engineers & Architects, P.C.,	\$800.00 - \$880.00
2. H2M Architects + Engineers	\$875.00

The Superintendent recommended that H2M Architects + Engineers be awarded the contract for Engineering Services to provide inspection services for on-call elevated storage tank construction observation and technical services. This will allow continuity with whom the Authority is utilizing and, hopefully, will ensure that the overloading of the catwalk at the Weybridge Road elevated tank does not re-occur. On the motion of Director Bral, seconded by Director Weinberg, by Resolution #17-12-09, the Board approved awarding H2M Architects + Engineers the contract for Engineering Services to provide inspection services for on-call elevated storage tank construction observation and technical services. The vote was 7 for, 0 against, 0 abstentions. Copies of the Proposals are on file with the Secretary.

Director Lopatkin advised the Board that the Audit Committee met to approve the Annual Audit Committee Report on December 11, 2017, and that the Committee was satisfied that the audits of the Authority are being made in accordance with the requirements of the Government Accounting Standards Board, and that the Committee will continue to review the financial condition of the Authority and will review the independent external audit for 2017 when it is completed. A copy of the Report is on file with the Secretary.

On the motion of Director Weinberg, seconded by Director Bral, by Resolution #17-12-10, the Board approved the reappointment of Director Celender to the Governance Committee for a term of 3 years, from January 1, 2018, to December 31, 2020. The vote was 7 for, 0 against, 0 abstentions.

Director Smiley reviewed the Annual Governance Committee 2017 Report with the Board and advised the Board that the Committee is satisfied that the Authority is following all necessary and appropriate procedures and rules, and that the Authority actively seeks cost saving and environmental efficiencies wherever possible. The Committee will continue to review the Authority's policies and procedures and to offer suggestions as necessary. A copy of the Report is on file with the Secretary.

Director Smiley informed the Board that the Governance Committee met to review the Authority's existing policies. After said review, the Committee, resolved to recommend to the Board that it readopt the existing Procurement Policy, Mission Statement and Performance Measures, Investment Policy, Disposition of Property Policy, Defense and Indemnification Policy, Salary and Compensation Policy, Time and Attendance Policy, Travel and Meeting Policy, and Whistleblowing Policy, Workplace Violence Policy, and Non Harassment Policy, without any modifications, and submit them to the Authority Budget Office. The Committee also resolved to recommend to the Board that it reappoint Superintendent Gregory C. Graziano as the Contracting Officer. Copies of the policies are on file with the Secretary and will be posted on the Authority's website.

- On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-11, the Board approved the re-adoption of the Procurement Policy and the designation of Gregory Graziano as the Contracting Officer for 2018. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-12, the Board approved the re-adoption of the Mission Statement and Performance Measures for 2018. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-13, the Board approved the re-adoption of the Investment Policy for 2018. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-14, the Board approved the re-adoption of the Disposition of Property Policy for 2018. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-15, the Board approved the re-adoption of the Defense and Indemnification Policy for 2018. The vote was 7 for, 0 against, 0 abstentions.

- On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-16, the Board approved the re-adoption of the Salary and Compensation Policy for 2018. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-17, the Board approved the re-adoption of the Time and Attendance Policy for 2018. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-18, the Board approved the re-adoption of the Travel and Meeting Policy for 2018. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-19, the Board approved the re-adoption of the Whistleblowing Policy for 2018. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-20, the Board approved the re-adoption of the Workplace Violence Policy for 2018. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-21, the Board approved the re-adoption of the Non Harassment Policy for 2018. The vote was 7 for, 0 against, 0 abstentions.

On the motion of Director Weinberg, seconded by Director Celender, by Resolution #17-12-22, the Board went into Executive Session at 6:15 p.m. to discuss employee relations. The Board emerged from Executive Session at 6:50 p.m.

On the motion of Director Lopatkin, seconded by Director Levy, by Resolution #17-12-23, the Board made the following reappointments and/or increases in compensation, effective January 1, 2018:

- The Board reappointed Michael Kalnick, as Chairperson, for a term of four years, from January 1, 2018 to December 31, 2021.
- The Board reappointed Judith Flynn, as Treasurer, for a term of one year, from January 1, 2018 to December 31, 2018.
- The Board reappointed Lisa Schlichting, as Secretary, for a term of one year, from January 1, 2018 to December 31, 2018.
- In accordance with the Authority's 2016 agreement with Gregory Graziano, the Board authorized the contractual 4.00% increase in compensation to Gregory Graziano, as Superintendent, to \$210,790.53, from the \$202,683.20 received in 2017.
- The Board authorized a \$10,000.00 adjustment in compensation to Michael Rispoli, as Assistant Superintendent, to \$125,000.00, from the \$115,000.00 received in 2017.
- The Board authorized a \$5,000.00 adjustment to Judith Flynn, plus a 3.5% increase in compensation to \$117,478.63, from the \$108,675.00 received in 2017.
- All management/top executive positions, except the Superintendent and the Assistant Superintendent, will receive a 3.5% increase in the rate of compensation from what they received in 2017.

The vote was 6 for, 0 against, 1 abstention. (Chairperson Kalnick abstained from the discussion and the vote involving his position as Chairperson.)

The meeting was adjourned at 6:55 p.m.

Approved by Secretary:  Date: February 13, 2018