

Final Minutes, As Amended: February 12, 2013

MEETING OF THE BOARD OF DIRECTORS OF THE WATER AUTHORITY OF GREAT NECK NORTH HELD ON JANUARY 14, 2013 AT 50 WATERMILL LANE, GREAT NECK, NEW YORK

PRESENT:

Michael C. Kalnick, Chairperson
Ellen Birnbaum, Director
Edward Causin, Director
Jean Celender, Director
Ralph J. Kreitzman, Director
Dr. Dan Levy, Director
Susan Lopatkin, Director
Steven Weinberg, Director

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

ALSO PRESENT:

Howard Miskin, Vice Chairperson
Robert Graziano, Deputy Chairperson
Gregory Graziano, Superintendent
Kathleen Friend, Treasurer
Stephen Moriarty, Assistant Superintendent
Robert McCormack, Supervisor, Water
Plant Operations
Lisa Schlichting, Secretary
Stephen Limmer, Counsel

Bill Merklin

Water Authority of Great Neck North
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Water Authority of Great Neck North
Ackerman, Levine, Cullen, Brickman &
Limmer, LLP
Dvirka & Bartilucci, Consulting Engineer

The award ceremony for the Authority's 2012 Marketing Contest for High School Students titled "Why is Hydrofracking an Environmental Concern?" commenced at 5:45 p.m. Chairperson Kalnick, on behalf of the Board, congratulated the winners on the quality of their campaigns and their efforts. The Secretary presented a \$75.00 check to each of the first place winners; Ori Sanilevich, Ronel Sasouness, Ethan Kimiabakhsh, and Boaz Sedaghatfar for their "Stop the Slacking, Down with Hydrofracking" campaign and a \$50.00 check to each of the second place winners; Timothy Pan, Justin Lee, and Greg Shwartz for their "End Hydrofracking Today For A Better Tomorrow" campaign. In addition, the Authority donated \$250.00 to Great Neck North High School to be used for the purchase of teaching tools related to environmental issues.

The Board meeting was called to order at 6:00 p.m. 7 members, (Chairperson/Director Kalnick, Directors Birnbaum, Causin, Celender, Kreitzman, Levy, and Lopatkin) were present, constituting a quorum.

The Secretary brought to the Board's attention a typographical error in Resolutions #11-12-07 and #11-12-08 in the minutes of the Board's December 11, 2011, meeting, which should have stated that Director Lopatkin was reappointed to the Audit Committee and that Director Celender was reappointed to the Governance Committee for a term of 3 years ending December 31, 2014; and Director Kreitzman brought to the Board's attention an error in Resolution #12-12-02 in the minutes of the Board's December 11, 2012 meeting, in that the last sentence of the paragraph should have said that the Treasurer advised she had checked with Flushing Bank, but that Flushing Bank was not a viable option for the Authority at this time. On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #13-01-01, the Board approved the Amended Minutes of the Board's December 12, 2011 meeting and the Amended Minutes of the December 10, 2012 meeting. The vote was 7 for, 0 against, 0 abstentions.

On the motion of Director Kreitzman, seconded by Director Causin, by Resolution #13-01-02, the Board acknowledged that the Abstract of Claims was reviewed by the Directors and the Abstract was approved. The vote was 7 for, 0 against, 0 abstentions. A copy of the Abstract is on file with the Secretary.

On the motion of Director Kreitzman, seconded by Director Causin, by Resolution #13-01-03, the Board acknowledged that the Treasurer's Monthly Report was reviewed by the Directors and the Report was accepted. The vote was 7 for, 0 against, 0 abstentions. A copy of the Report is on file with the Secretary.

On the motion of Director Kreitzman, seconded by Director Lopatkin, by Resolution #13-01-04, the Board reviewed and accepted the Notification from the Trustee that the account balances on hand as of December 30, 2012 met the Bond Resolution requirements. The vote was 7 for, 0 against, 0 abstentions. A copy of the Notification is on file with the Secretary.

Bill Merklin presented the Engineer's Report:

The Packed Tower Aeration System at Community Drive will be returned to service as soon as the testing of the water quality is completed.

Dvirka and Bartilucci Consulting Engineers will put out the bidding contract documents for the Electrical Improvements to Well 10A at Ravine Road in February.

The Water Main Improvements at the United States Merchant Marine Academy in Kings Point are completed with the exception of the asphalt restoration which will begin in the spring when the asphalt plants open.

The Rehabilitation of Well Pump No. 11 at Watermill Lane is on hold until the Packed Tower Aeration System at Community Drive is operational.

Gregory Graziano presented the Superintendent's Report:

D&B submitted its revised proposal for Engineering Services for Water Main Improvements for the proposed development on Bayport Lane North. Approximately 220 feet of 6 inch ductile iron pipe will be required to loop the new water main to match the existing configuration. As requested at the December 10, 2012 Board meeting, the proposal

was updated to reflect the reduction in costs associated with the looped water mains being installed in a common trench. The maximum fee for salary cost for Engineering Services was reduced from \$27,000.00 to \$24,000.00. The estimated cost for construction was reduced from \$85,000.00 to \$64,000.00. On the motion of Director Kreitzman, seconded by Director Lopatkin, by Resolution #13-01-05, the Board approved the not to exceed fee of \$64,000.00 for construction costs and the not to exceed fee of \$24,000.00 for Engineering Services for Improvements to the Water Main on Bayport Lane North, providing that the Authority is fully reimbursed by the developer. The vote was 7 for, 0 against, 0 abstentions. A copy of the proposal is on file with the Secretary.

Director Weinberg entered the meeting at 6:10 p.m.

Superintendent Graziano submitted his proposed response to the Annual Performance Review for Calendar Year 2012 to the Board and stated that the Authority is in compliance with the Authority's Performance Measures. On the motion of Director Celender, seconded by Director Causin, by Resolution #13-01-06, upon the recommendation of the Superintendent, the Board reviewed and approved the Annual Performance Review for 2012, and authorized its filing with the Authority Budget Office and its posting on the Authority's website. The vote was 8 for, 0 against, 0 abstentions.

Superintendent Graziano advised the Board that out of the 355 required deposits for the Authority's commercial accounts all but 62 have been received. The Superintendent recommended that red cards be issued to the 62 outstanding accounts that are beyond the 60 day shut off period. On the motion of Director Lopatkin, seconded by Director Levy, by Resolution #13-01-07, the Board authorized issuing red cards to the commercial accounts that have not submitted the required deposits in the required time frame. The vote was 8 for, 0 against, 0 abstentions.

Director Causin presented the Governance Committee Report:

Director Causin informed the Board that the Governance Committee reviewed the existing Mission Statement and Performance Measures, Procurement Policy, Investment Policy, and Disposition of Property Policy, each of which had been distributed with the Board packet to the Directors in advance of the meeting for their review. Copies of the policies are on file with the Secretary and are posted on the Authority's website.

- On the motion of Director Causin, seconded by Director Levy, by Resolution #13-01-08, the Board approved the re-adoption of the Mission Statement and Performance Measures for 2013. The vote was 8 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Levy, by Resolution #13-01-09, the Board approved the re-adoption of the Procurement Policy and the designation of Gregory Graziano as the Contracting Officer for 2013. The vote was 8 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Levy, by Resolution #13-01-10, the Board approved the re-adoption of the Investment Policy for 2013. The vote was 8 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Levy, by Resolution #13-01-11, the Board approved the re-adoption of the Disposition of Property Policy for 2013. The vote was 8 for, 0 against, 0 abstentions.

Director Causin reviewed the Annual Governance Committee Report with the Board and advised the Board that the Committee is satisfied that the Water Authority of Great Neck North 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.

Satty, Levine & Ciacco, CPAs, P.C. ("SL&C"), submitted its outline for executing the Authority's Audit for the year ending December 31, 2012. Pursuant to the Authority's 2012 Agreement with SL&C, the cost for the 2012 Audit is \$14,000.00.

On the motion of Director Celender, seconded by Director Causin, by Resolution #13-01-12, the Board went into Executive Session at 6:30 p.m. to discuss negotiations with Lockheed Martin and personnel compensation matters. The Board emerged from Executive Session at 7:40 p.m.

On the motion of Director Causin, seconded by Director Lopatkin, by Resolution #13-01-13, the Board approved a 4% increase for the Superintendent, increasing his salary from \$161,703.00 to \$168,171.00. Pursuant to the Board's discussion and resolution at its meeting on December 10, 2012, the increase shall be retroactive to January 1, 2013. The vote was 8 for, 0 against, 0 abstentions.

On the motion of Director Causin, seconded by Director Lopatkin, by Resolution #13-01-14, the Board authorized the Superintendent to respond to Lockheed Martin's Feasibility Study and Remedial Investigation Report for the former Unisys Facility, informing Lockheed Martin, in substance, that the Authority did not believe it was appropriate for the Authority to choose how Lockheed Martin would perform its required DEC remediation; however, the Authority expected that whatever manner was chosen for the remediation, as a result of the remediation: (a) there would be no impact from the VOC's coming from the former Unisys facility at any of the Authority wells; and (b) there would be no increase in salt water intrusion at any of the Authority wells. The vote was 8 for, 0 against, 0 abstentions

On the motion of Director Levy, seconded by Director Celender, by Resolution #13-01-15, the meeting was adjourned at 7:45 p.m.

The February Board of Directors Meeting is scheduled for:
Monday, February 11, 2013 at 6:00 p.m.