

Final February 11, 2019

**MEETING OF THE BOARD OF DIRECTORS OF
THE WATER AUTHORITY OF GREAT NECK NORTH
HELD ON JANUARY 14, 2019,
AT 50 WATERMILL LANE, GREAT NECK, NEW YORK.**

PRESENT:

Michael C. Kalnick, Chairperson
Jean Celender, Director
Carol Frank, Director
Jay Johneas, Director
Dan Levy, Director
Steven Weinberg, Director

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

ALSO PRESENT:

Ralph J. Kreitzman, Vice-Chairperson
Robert Graziano, Deputy Chairperson
Gregory Graziano, Superintendent
Sue Huang, Civil Engineer
Judith Flynn, Treasurer
Debra Ray, Secretary
Stephen Limmer, Counsel
Gary Stuart, Principal Engineer

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:

Susan Lopatkin, Director
Michael Smiley, Director
Michael Rispoli, Assistant Superintendent

Village of Kensington
Village of Great Neck Estates
Water Authority of Great Neck North

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

On the motion of Director Levy, seconded by Director Johnneas, by Resolution #19-01-01, the Minutes of the Board's December 10, 2018, 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 Levy, seconded by Director Weinberg, by Resolution #19-01-02, the Board reviewed and approved the Abstract of Claims for January. 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 Frank, seconded by Director Levy, by Resolution #19-01-03, the Board reviewed and approved the Treasurer's Monthly Report for January. The vote was 6 for, 0 against, 0 abstentions. A copy of the Report is on file with the Secretary.

Gary Stuart 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. **<EFC has granted 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 the existing well but replacing the existing pump with a new one. Includes new chemical feed system and generator in enclosure. Anticipated construction start of September 2019.

- Project is out to bid. Pre-bid conference was held on 1/4. February award is anticipated.

Well 5 – Additional options are being evaluated for the site and may be implemented depending upon how much EFC monies are available once the costs associated with the other wells are determined.

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. Project will be bid in Spring 2019 and anticipated construction start is September 2019.

- Evaluating options to incorporate 1,4-dioxane into well treatment scheme.

Well 8 – Demolition of existing building and construction of new well house (existing building is below grade and therefore potentially subject to flooding). An isolation test was performed in February/March 2018 to determine if the well casing was leaking as well as a cement bond log installed to evaluate the integrity of the cement seal within the annulus between the well casing and the surrounding formation. The findings of this test were that the screen is in good condition and no leaks were found. Anticipated construction start is September 2020.

- Submitted proposal for revised concept for site.

2. **Weybridge Road Tank Catwalk Structural Project** – Funding to be provided by cellular companies for improvements to catwalk for new antenna to be installed on tank.

- No funding has been received by the Authority. CDM Smith provided anticipated cost increase based on discussions with Contractor and the carriers are to provide funding for the work that is slated for Spring 2019.

3. **SCADA Upgrade** – Installation of new control panels, communications equipment, and associated work at all Authority facilities/sites so that all SCADA equipment is consistent and up-to-date. Work at some sites are being funded through SMLP program.

- Shop drawings have been reviewed for Well 9, Well 10A, A-Plant, and the Wildwood Booster station. Most comments have been addressed, and we are awaiting resubmission on a few outstanding comments. Eagle Control is expected to begin control panel fabrication and PLC programming this month for Well 9, Well 10A, A-Plant, and Wildwood.
4. **2018 Water Main Improvements** – Replacement of approximately 14,124 feet of water main including valves, hydrants, and services in Great Neck Estates, Saddle Rock Estates, and Great Neck Plaza.
 - Punch list items are being addressed. Due to the time of year, the remaining lawn restoration, including seeding, will be done in Spring 2019. However, all properties that were disturbed were freshly topsoiled.
 5. **Greenway Terrace Water Main** – Installation of approximately 800 feet of water main for new development.
 - No change since last meeting. Developer’s contractor is running behind schedule.
 6. **Well 7 Electrical and Instrumentation Upgrades** – Various upgrades to improve reliability including new electrical service, motor control center, transformer, wiring, and chemical safety panel. This work is being performed as a change order to the SCADA Upgrade project.
 - Eagle Control has been submitting shop drawings. The demolition work of the interior of the building was completed in December. Installation of the new electrical service is scheduled for January once all related shop drawings are approved.
 7. **East Shore Road Water Main Improvements** – Replacement of approximately 8,000 feet of water main including valves, hydrants, and services along East Shore Road, from approximately Twin Ponds/Foxwood Road to Hick’s Lane. Project will be designed in 2018 with anticipated construction in 2019.
 - Final Design was submitted on 12/18 and review meeting was held with Authority on 1/4. Anticipate issuing for bid in late January with award in March.
 8. **Middle Neck Road Water Main Improvements** – Replacement of approximately 10,000 feet of water main including valves, hydrants, and services along Middle Neck Road, from approximately Appletree Lane to Great Neck Road. Project will be designed in 2019 with anticipated construction in 2020, dependent upon County paving plans/schedule.
 - Working on design.
 9. **Hydraulic Model** – Development of a hydraulic (computer) model of the Authority’s water system to be used to evaluate future improvements, developments, etc. Model will be calibrated to real conditions by conducting hydrant flow tests.
 - Model is complete and we are finalizing the calibration.
 10. **Pheasant Run Water Main Extension** - Installation of approximately 1,280 feet of water main for new development.
 - Working on design.

CDM Smith retained Albert Risk Management Consultants (“Albert Risk”) to certify compliance with the insurance requirements of the 2016 Bond Resolution. Albert Risk reviewed the Authority’s 2019 insurance and by letter dated December 14, 2018, found the insurance to be appropriate for the exposures, assets, and resource of the

Authority, and superior to the existing programs and current practices of other water utilities, including some of much greater size than the Authority. Albert Risk had no recommendations as it found the insurance coverage to be high quality, solid, well priced, and responsive to the Authority's exposure and needs. CDM Smith concurred that the Authority's insurance for 2019 was adequate and in accordance with the requirements of the Bond Resolution adopted March 21, 2016. On the motion of Director Levy, seconded by Director Johnneas, by Resolution #19-01-04, the Board accepted the Annual Insurance Certification for 2019 prepared by Albert Risk Management Consultants, to which the CDM Smith, the Authority's Consulting Engineers concurred, and instructed the Treasurer to file the Certification with the Trustee. The vote was 6 for, 0 against, 0 abstentions. A copy of the letter is on file with the Secretary.

Suet-Yee Huang presented the Civil Engineer's Report:

The Water Authority solicited proposals for Engineering Services to provide Bi-Annual Inspection Services and Reports for the Authority's three water storage tanks. H2M satisfactorily performed tank inspection services in 2018 for the same cost it is now proposing for 2019 and therefore Engineer Huang recommended that H2M be awarded the contract for Engineering Services to provide Bi-Annual Inspection Services and Reports for the Authority's three water storage tanks for \$3,100 for each bi-annual inspection, a total of \$6,200 for the year. On the motion of Director Levy, seconded by Director Frank, by Resolution #19-01-05, the Board approved the Civil Engineer's recommendation that H2M be awarded the contract for Engineering Services to provide Bi-Annual Inspection Services and Reports for the Authority's three water storage tanks for \$3,100 for each bi-annual inspection, a total of \$6,200 for the year. The vote was 6 for, 0 against, 0 abstentions. Copies of the contract are on file with the Secretary. A copy of the proposal is on file with the Secretary.

Gregory Graziano presented the Superintendent's Report:

Superintendent Graziano submitted his draft of the Annual Performance Review for Calendar Year 2018 to the Board and stated that other than having a higher salt content than in the past three years in any of its wells, over which the Authority has no control, the Authority is in compliance with the Authority's Performance Measurements. On the motion of Director Johnneas, seconded by Director Weinberg, by Resolution #19-01-06, upon the recommendation of the Superintendent, the Board reviewed and approved the Annual Performance Review for 2018 and authorized its filing with the Authority Budget Office and its posting on the Authority's website. The vote was 6 for, 0 against, 0 abstentions. A copy of the Review is on file with the Secretary.

Superintendent Graziano stated that CDM Smith, by letter dated August 14, 2018, proposed to provide design, survey, bidding assistance, engineering services during construction, and construction observation, for a total of \$37,300 for the Old Mill II Water Main Project. The Authority has received a check from the developer in the amount of \$23,900, which would cover CDM Smith's proposal for the design, survey, and bidding assistance portions of that Project. Accordingly, Superintendent Graziano recommended authorization of CDM to perform those tasks for the not-to-exceed fee of \$23,900. On the motion of Director Levy, seconded by Director Frank, by Resolution #19-01-07, the Board accepted CDM Smith's proposal, by letter dated August 14, 2018, to provide Engineering Services for the Authority's Old Mill II Water Main Project, for a not-to-exceed fee of \$23,900.00. The vote was 7 for, 0 against, 0 abstentions. A copy of the proposal is on file with the Secretary.

CDM Smith submitted a revised proposal, by letter dated January 8, 2019, for engineering services for improvements to Well 8 due to reuse of the existing well and building design changes. On the motion of Director Levy, seconded by Director Johnneas, by Resolution #19-01-08, the Board approved CDM Smith's amended proposal for improvements to Well No. 8. The vote was 6 for, 0 against, 0 abstentions. A copy of the proposal is on file with the Secretary.

In the absence of Audit Committee Chairperson Lopatkin, Audit Committee Member Weinberg reviewed the Annual Audit Committee Report with the Board and advised the Board that the Committee is satisfied with the Authority's 2019 budget and that it will carefully review the overall scope of the external audit for 2018 and will continue to monitor the plans and progress of the audit. To date, the Committee has been satisfied that the audits of


the Authority have been made in accordance with generally accepted accounting principles. A copy of the report is on file with the Secretary.

On the motion of Director Celender, seconded by Director Johneas, by Resolution #19-01-09, the Board approved the reappointment of Director Levy as a Member of the Audit Committee for a term of 3 years, from January 1, 2019, to December 31, 2022. The vote was 6 for, 0 against, 0 abstentions.

In the absence of Governance Committee Chairperson Smiley, Director Weinberg reviewed the Annual Governance Committee 2018 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.

On the motion of Director Levy, seconded by Director Weinberg, by Resolution #19-01-10, the Board went into Executive Session at 6:45 p.m. to discuss pending litigation with Dow Chemical Company. The Board emerged at 7:15 p.m. Chairperson Kalnick stated that confidential minutes of the Executive Committee meeting would be produced.

The meeting was adjourned at 7:20 p.m.

Approved by Secretary: 

Date: February 11, 2019

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THE WATER AUTHORITY OF GREAT NECK NORTH
HELD ON JANUARY 14, 2019,
AT 50 WATERMILL LANE, GREAT NECK, NEW YORK.**

CONFIDENTIAL EXECUTIVE COMMITTEE MINUTES

PRESENT:

Michael C. Kalnick, Chairperson
Jean Celender, Director
Carol Frank, Director
Jay Johnas, Director
Dan Levy, Director
Steven Weinberg, Director

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

ALSO PRESENT:

Ralph J. Kreitzman, Vice-Chairperson
Robert Graziano, Deputy Chairperson
Gregory Graziano, Superintendent

Water Authority of Great Neck North
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NOT PRESENT:

Susan Lopatkin, Director
Michael Smiley, Director
Michael Rispoli, Assistant Superintendent

Village of Kensington
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Stephen G. Limmer, Esq., of the firm of McLaughlin & Stern, LLP, informed the Board that, subsequent to his reviewing and “approving as to form” the Authority’s fee agreement with Sher Edling LLP (“Sher Edling”) pertaining to the 1,4 dioxane litigation, Sher Edling informed Mr. Limmer that it intended to give him 5% of its net fees in the matter for assisting it as local counsel. Mr. Limmer advised the Board that he would keep a record of the fees paid to him by the Authority in that matter and, to the extent that he may eventually receive any portion of Sher Edling’s fees in that matter, he would reimburse the Authority for the fees it had already paid to Mr. Limmer in that matter. The Board acknowledged that it was satisfied with that arrangement.