

Final: February 9, 2016

**MEETING OF THE BOARD OF DIRECTORS OF  
THE WATER AUTHORITY OF GREAT NECK NORTH  
HELD ON January 11, 2016,  
AT 50 WATERMILL LANE, GREAT NECK, NEW YORK.**

**PRESENT:**

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

Village of Kings Point  
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:**

Robert Graziano, Deputy Chairperson  
Gregory Graziano, Superintendent  
Christine Skrypek, Treasurer  
Stephen Moriarty, Assistant Superintendent  
Robert McCormack, Supervisor, Water  
Plant Operations  
Lisa Schlichting, Secretary  
Stephen Limmer, Counsel  
Gary Stuart, Principal Engineer

Water Authority of Great Neck North  
Water Authority of Great Neck North  
Water Authority of Great Neck North  
Water Authority of Great Neck North  
Water Authority of Great Neck North

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

**ALSO PRESENT:**

Richard Tortora

Capital Markets Advisors, LLC

**NOT PRESENT:**

Howard Miskin, Vice Chairperson  
Carol Frank, Director  
Suet-Yee Huang, Civil Engineer

Water Authority of Great Neck North  
Town of North Hempstead  
Water Authority of Great Neck North

The Board meeting was called to order at 6:07 p.m. Seven members (Chairperson/Director Kalnick, Directors Causin, Celender, Kreitzman, Levy, Lopatkin, and Weinberg) were present, constituting a quorum.

On the motion of Director Levy, seconded by Director Kreitzman, by Resolution #16-01-01, the Board reviewed and approved the Minutes of the Board's December 7, 2015, meeting. The vote was 7 for, 0 against, 0 abstentions.

On the motion of Director Levy, seconded by Director Kreitzman, by Resolution #16-01-02, the Board reviewed and approved the Abstract of Claims. 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 Levy, seconded by Director Kreitzman, by Resolution #16-01-03, the Board reviewed and approved the Treasurer's Monthly Report. 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 Celender, seconded by Director Kreitzman, by Resolution #16-01-04, the Board reviewed and accepted the Notification from the Trustee that the account balances on hand as of December 31, 2015, 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.

Gary Stuart presented the Engineer's Report:

Camp Dresser McKee & Smith ("CDM Smith") completed the design for the Dock Lane Water Main Replacement and submitted it to the Nassau County Department of Health for approval.

CDM Smith submitted the Draft Engineering Report for Well 6 to the Authority for review.

CDM Smith submitted a summary memorandum documenting the initial recommendations for Well 8. A Draft Engineering Report is being prepared and will be submitted to the Authority by the end of the week.

A proposal for Wells 2A, 5, and 8 Storm Mitigation Design was submitted to the Authority.

A proposal for the 2016 Certification of Funds was submitted to the Authority.

Gregory Graziano presented the Superintendent's Report:

Superintendent Graziano submitted his draft of the Annual Performance Review for Calendar Year 2015 to the Board and stated that the Authority is in compliance with the Authority's Performance Measurements. On the motion of Director Lopatkin, seconded by Director Levy, by Resolution #16-01-05, upon the recommendation of the Superintendent, the Board reviewed and approved the Annual Performance Review for 2015 and authorized its filing with the Authority Budget Office and its posting on the Authority's website. The vote was 7 for, 0 against, 0 abstentions.

D&B submitted its proposed amendment, by letter dated January 8, 2016, for additional costs to provide Engineering Services for the Woodland Place Property Development Water Main Improvements Project. The original proposal was dated June 19, 2014. The original not to exceed fee was \$28,000.00. The additional fee now being requested is \$2,700.00, for salary increases since the time of the original proposal. The total not to exceed fee is proposed to be \$30,700.00. Superintendent Graziano reminded the Board that it was the obligation of the developer to pay the engineering fee and the developer is aware of and has agreed to the proposed amendment. On the motion of Director Levy, seconded by Director Kreitzman, by Resolution #16-01-06, the Board accepted D&B's amendment for the additional \$2,700.00 fee for the Woodland Place Property Development Water Main Improvements Project, upon the condition that the Developer pays the additional \$2,700.00 fee. The vote was 7 for, 0 against, 0 abstentions. A copy of the Proposal is on file with the Secretary.

CDM Smith submitted its proposal, by letter dated January 7, 2016, to provide Engineering Services for Improvements to Well No. 2A, 5, and 8 as part of the Storm Mitigation Loan Improvements. The wells are all below grade and are required to be raised to prevent flooding and provide a reliable source of potable water. The not to exceed fee is \$1,872,681.00. Included in the fee is \$507,000.00 for the Construction work that will be performed to develop a new Well 8A and to drill a test boring well for Well 5. However, if during the geotechnical subsurface investigation, it is determined that a pile foundation for the well houses is required, there will be an additional not to exceed fee of \$27,005.00 for design, construction, and inspection of the pile foundation. Superintendent Graziano recommended that the proposal be approved. On the motion of Director Causin, seconded by Director Weinberg, by Resolution #16-01-07, the Board accepted CDM Smith's proposal, by letter dated January 7, 2016, with the subject "Water Authority of Great Neck North Well No. 2A, 5 and 8 Storm Mitigation Design Proposal", for the not to exceed fee of \$1,872,681.00. The vote was 7 for, 0 against, 0 abstentions. A copy of the proposal is on file with the Secretary.

Director Causin presented the Governance Committee Report:

Director Causin informed the Board that the Governance Committee met on December 7, 2015, and reviewed the Authority's existing policies that had been distributed with the Board packet to the Directors in advance of the meeting for their review. After said review, the Committee, resolved to recommend to the Board that it revise the Procurement Policy to include the limits for approving purchase orders, and readopt the existing 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, 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 are posted on the Authority's website.

- On the motion of Director Causin, seconded by Director Weinberg, by Resolution #16-01-08, the Board approved the revision of the Procurement Policy and the designation of Gregory Graziano as the Contracting Officer for 2016. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Weinberg, by Resolution #16-01-09, the Board approved the re-adoption of the Mission Statement and Performance Measures for 2016. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Weinberg, by Resolution #16-01-10, the Board approved the re-adoption of the Investment Policy for 2016. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Weinberg, by Resolution #16-01-11, the Board approved the re-adoption of the Disposition of Property Policy for 2016. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Weinberg, by Resolution #16-01-12, the Board approved the re-adoption of the Defense and Indemnification Policy for 2016. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Weinberg, by Resolution #16-01-13, the Board approved the re-adoption of the Salary and Compensation Policy for 2016. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Weinberg, by Resolution #16-01-14, the Board approved the re-adoption of the Time and Attendance Policy for 2016. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Weinberg, by Resolution #16-01-15, the Board approved the re-adoption of the Travel and Meeting Policy for 2016. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Weinberg, by Resolution #16-01-16, the Board approved the re-adoption of the Whistleblowing Policy for 2016. The vote was 7 for, 0 against, 0 abstentions.

Director Causin reviewed the Annual Governance Committee 2015 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.

Satty, Levine & Ciacco, CPAs, P.C. ("SL&C"), submitted its engagement letter, dated November 16, 2015, for executing the Authority's External Audit for the year ending December 31, 2015. Pursuant to the Authority's 2014

Agreement with SL&C, the cost for the 2015 Audit is \$13,500.00. Additionally, there will be a \$5,000.00 fee for the Single Audit, which is a requirement of the Storm Mitigation Loan Program, and a \$1,500.00 fee for the examination of the Investment Report and its compliance with Part 201.3 of Title Two of the New York Code of Rule and Regulations. On the motion of Director Kreitzman, seconded by Director Celender, by Resolution #16-01-17, the Board authorized Satty, Levine & Ciacco, CPA's, to execute the Authority's External Audit for the year ending December 31, 2015. The vote was 7 for, 0 against, 0 abstentions. A copy of the memo is on file with the Secretary.

Richard Tortora, from Capital Markets Advisors, LLC ("CMA") reviewed the refunding of the Authority's 2008 bonds with the Board. CMA submitted its letter, dated December 7, 2015, outlining financing scenarios to refund \$20,685,000 original par amount of the Authority's 2008 Bonds associated with new money projects. A refunding benefits from the elimination of a debt service reserve fund for that portion of 2008 Bonds refunded and associated with new money projects. On the motion of Director Lopatkin, seconded by Director Celender, by Resolution #16-01-18, upon the recommendation of the Superintendent, the Board authorized CMA to prepare the documentation and to circulate a Request for Proposal for Underwriters and to proceed with the refunding of the Authority's 2008 Bonds associated with new money projects, with no change in the current maturity schedule, and a Bond size of \$21,630,000. The vote was 7 for, 0 against, 0 abstentions. A copy of the memo is on file with the Secretary.

CMA submitted its proposal to provide Financial Advisory Services regarding funding requirements in connection with refinancing the Authority's outstanding 2008 Bonds, at a fee of \$45,000.00. Superintendent Graziano recommended that the proposal be approved. On the motion of Director Celender, seconded by Director Lopatkin, by Resolution #16-01-19, the Board authorized retaining CMA, at a fee of \$45,000.00, to provide Financial Advisory Services related to refinancing the Authority's outstanding 2008 Bonds. The vote was 7 for, 0 against, 0 abstentions. A copy of the Proposal is on file with the Secretary.

Director Weinberg left the meeting at 7:15 p.m.

Hawkins Delafield & Wood LLP submitted its proposal, dated December 21, 2015, to represent the Authority as bond counsel in connection with the proposed refunding of the Authority's Water System Revenue Bonds, Series 2008, and the issuance of refunding bonds at a not to exceed fee of \$65,000.00. Superintendent Graziano recommended that the proposal be approved. On the motion of Director Kreitzman, seconded by Director Lopatkin, by Resolution #16-01-20, the Board authorized retaining Hawkins Delafield & Wood LLP, at a not to exceed fee of \$65,000.00, to represent the Authority as bond counsel in connection with the proposed refunding of the Authority's Water System Revenue Bonds, Series 2008 and the issuance of refunding bonds, providing that Exhibit A is included, and that the Chairperson speaks with Hawkins Delafield & Wood LLP to attempt to negotiate a lower not to exceed fee. The vote was 6 for, 0 against, 0 abstentions. A copy of the Proposal is on file with the Secretary.

CDM Smith submitted its proposal, dated January 4, 2016, to provide the Certification of Funds for five years of Revenues and Operating Expenses for the Bond Issuance. The Superintendent recommended that the proposal be approved. On the motion of Director Lopatkin, seconded by Director Levy, by Resolution #16-01-21, the Board authorized retaining CDM Smith, at a not to exceed fee of \$21,000.00, to provide the Certification of Funds for five years of Revenues and Operating Expenses for the Bond Issuance. The vote was 6 for, 0 against, 0 abstentions. A copy of the Proposal is on file with the Secretary.

The meeting was adjourned at 7:45 p.m.

Approved by Secretary:



Date:

