

Final Minutes: March 3, 2015

MEETING OF THE BOARD OF DIRECTORS OF THE WATER AUTHORITY OF GREAT NECK NORTH HELD ON JANUARY 29, 2015, AT 50 WATERMILL LANE, GREAT NECK, NEW YORK

PRESENT:

Michael C. Kalnick, Chairperson
Edward Causin, Director
Jean Celender, Director
Carol Frank, Director
Ralph J. Kreitzman, Director
Dr. Dan Levy, Director
Susan Lopatkin, Director

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

ALSO PRESENT:

Robert Graziano, Deputy Chairperson
Gregory Graziano, Superintendent
Robert McCormack, Supervisor, Water
Plant Operations
Christine Skrypek, Treasurer
Lisa Schlichting, Secretary
Stephen Limmer, Counsel

Mike Savarese, P.E.

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
Dvirka & Bartilucci, Consulting Engineer

Not Present:

Howard Miskin, Vice Chairperson
Steven Weinberg, Director
Stephen Moriarty, Assistant Superintendent

Water Authority of Great Neck North
Village of Thomaston
Water Authority of Great Neck North

The Board meeting was called to order at 4:20 p.m. Six members, (Chairperson/Director Kalnick, Directors Causin, Celender, Frank, Kreitzman, and Lopatkin) were present, constituting a quorum.

On the motion of Director Celender, seconded by Director Lopatkin, by Resolution #15-01-01, the Board acknowledged that the Minutes of the Board's December 8, 2014, meeting were reviewed by the Directors and the Minutes were approved, with the following addition to page 2: In accordance with the Bargaining Unit Agreement and the Non-Union Benefits Agreement, benefits are set at 60% of the monthly pay up to a maximum of \$4,000.00 for union employees and \$6,000.00 for management. "All disability benefits will be solely as provided by the Disability Insurance Carrier". The vote was 6 for, 0 against, 0 abstentions.

On the motion of Director Lopatkin, seconded by Director Celender, by Resolution #15-01-02, the Board acknowledged that the Abstract of Claims was reviewed by the Directors and the Abstract was approved. 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 Kreitzman, seconded by Director Lopatkin, by Resolution #15-01-03, the Board acknowledged that the Treasurer's Monthly Report was reviewed by the Directors and the Report was accepted. The vote was 6 for, 0 against, 0 abstentions. A copy of the Report is on file with the Secretary.

On the motion of Director Causin, seconded by Director Kreitzman, by Resolution #15-01-04, the Board reviewed and accepted the Notification from the Trustee that the account balances on hand as of December 31, 2014, met the Bond Resolution requirements. The vote was 6 for, 0 against, 0 abstentions. A copy of the Notification is on file with the Secretary.

Mike Savarese presented the Engineer's Report:

The Contractor is working on the final punch list items for the Electrical Improvements for Well 10A at Ravine Road. D&B Engineers and Architects, P.C. ("D&B") is submitting the required paperwork to obtain a waiver from the New York State Environment Facilities Corporation's ("EFC") funding requirements.

Provisions that are required for the EFC funding have been included in the contract documents for the Rehabilitation of Well 11A at Watermill Lane. The contract documents were sent to the New York State Department of Health ("NYSDOH") for review.

Due to the weather, work has stopped on the Water Main Improvements on Martin Court, Grassfield Road, and Kings Point Road. Work will resume as soon as the weather allows.

Design work has been completed and the contract for construction will be publically bid in the spring of 2015 for the Woodland Place Development Water Main Improvements.

D&B is working with the Authority to negotiate an agreement with the cellular carriers to pay the cost of structural enhancements on the Weybridge Road Tank catwalk and handrails required to support their equipment.

Gregory Graziano presented the Superintendent's Report:

Superintendent Graziano submitted his draft of the Annual Performance Review for Calendar Year 2014 to the Board and stated that the Authority is in compliance with the Authority's Performance Measures. On the motion of Director Lopatkin, seconded by Director Kreitzman, by Resolution #15-01-05, upon the recommendation of the Superintendent, the Board reviewed and approved the Annual Performance Review for 2014 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.

Superintendent Graziano reported the good news that the New York State Department of Environmental Conservation ("NYSDEC") has adopted the "FS Recommended option" referred to in the Agreement in Principle Among Lockheed Martin Corporation, The Manhasset-Lakeville Water District, and The Water Authority of Great Neck North, entered into in May of 2013, thereby satisfying the sole condition for the implementation of that agreement. NYSDEC issued an Amended Record of Decision (AROD) for the Unisys Corporation Site that describes the remedy selected to address contamination associated with Operable Unit 01 (remedial program on-site) and a Record of Decision (ROD) describing the remedy selected for Operable Unit 02 (offsite groundwater). Following the NYSDEC's approval of the ROD, Lockheed Martin requested the Authority's assistance in developing a Public Water Supply Protection and Mitigation Program which will include:

- an installation, operation and maintenance plan for public water supply wellhead treatment systems on wells affected by site-related contamination, now or in the future, to assure that drinking water standards are achieved; and a response plan that will be implemented if site related contaminant concentration(s) in the sentinel well(s) approach or exceed specific action levels.

Lockheed Martin also requested the Authority's assistance in developing a Site Management Plan ("SMP") which will include:

- a Monitoring Plan to assess the performance and effectiveness of the remedy; an Operation and Maintenance ("O&M") Plan to ensure continued operation of the remedy including an O&M Plan for a treatment system on the Lake Success irrigation well should it be used again; and periodic certification of compliance with the Department approved SMP.

The Superintendent and the Deputy Chairperson will meet with Lockheed Martin on February 4, 2015.

Superintendent Graziano advised the Board that the Authority, while performing work in the Village of Saddle Rock, hit an underground Village electrical line that had not been marked out. Superintendent Graziano informed the Board that the Authority had provided the required notice pursuant to General Business Law Article 36. Counsel Limmer informed the Board that pursuant to § 765(4) of that Article, so long as the Authority had not violated any of the provisions of Article 36, the Authority was not liable to the Village for the repairs to its line. In deference to Director Levy, the issue was tabled to the next meeting for further investigation of the facts.

Walden Environmental Engineering, PLLC submitted its proposal outlining the additional costs for Engineering Services related to the environmental review component of the EFC's Storm Mitigation Loan Program ("SMLP") financing applications. The original project cost was \$6,500.00. The additional costs are \$3,640.00, for a total project cost of \$10,140.00. The additional costs are for Lead Reviewing Agency (\$1,680.00), the Full Environmental Assessment Form [instead of a Short Environmental Assessment Form] (\$1,120.00), and Project Coordination (\$840.00). On the motion of Director Celender, seconded by Director Kreitzman, by Resolution #15-01-06, the Board authorized the additional costs associated with the SMLP financing applications, at a fee not to exceed \$3,640.00. The vote was 6 for, 0 against, 0 abstentions. A copy of the proposal is on file with the Secretary.

Walden Environmental Engineering, PLLC submitted its proposal outlining the costs associated for the additional items associated with the SMLP financing application required per the EFC's January 14, 2015, letter. The fees for the additional Walden tasks are not to exceed \$6,950.00. The additional costs are for the Draft Negative Declaration Document (\$3,150.00), contacting NYSDEC to obtain sign-off letter regarding effects to the Aquifer (\$500.00), coordinating Freshwater Wetlands Delineations with NYSDEC (\$750.00), participating in Conference calls (\$1,800.00), and attending the EFC's January 22, 2015, SMLP Training Session in Westbury (\$750.00). On the motion of Director Loptakin, seconded by Director Celender, by Resolution #15-01-07, the Board approved the additional costs associated with SMLP financing applications, at a fee not to exceed \$6,950.00. The vote was 6 for, 0 against, 0 abstentions. A copy of the proposal is on file with the Secretary.

The NYC Department of Environmental Protection ("DEP") hired CDM Smith ("CDM") to scope a model to assess the effects of the reactivation of NYC Wells on the water tables. The Superintendent advised that he is in the process of investigating what the model will actually encompass. Unless the model incorporates all of Nassau County in addition to Queens County, a true picture of the impact of the reactivation cannot be determined. The Superintendent advised that multiple groups have been formed to assess the reactivation and that he would like to see these groups consolidated into one large group. The Superintendent has been in touch with Senator Jack Martins and Assemblywoman Michelle Schimel in the hope that one of them will step forward to spearhead a united front. Additionally, the U.S. Geological Survey ("USGS") is reviewing CDM's preliminary scope for the Committee and is preparing a list of questions and priorities that will be utilized to build an effective model to evaluate CDM's proposal. The USGS's \$3,000,000.00 proposal is important not only to assess the NYC reactivation of wells, but also to protect the long term sustainability of Nassau County.

Director Levy entered the meeting at 5:30 p.m.

The Treasurer recommended that the Authority hire Sound Actuarial Consulting for meeting compliance with GASB 45 regarding post-employment benefits. On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #15-01-08, the Board approved hiring Sound Actuarial Services, in accordance with its proposal dated January 21, 2015. 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:

On the motion of Director Causin, the Board meeting was temporarily adjourned at 6:10 p.m. so that the Governance Committee could meet. After the conclusion of the Governance Committee meeting, at 6:15 p.m. the Board meeting resumed.

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. After said review, the Committee, resolved to recommend to the Board of Directors that it readopt the existing Mission Statement and Performance Measures, Investment Policy, Procurement Policy, and Disposition of Property Policy without any modifications and submit them to the Authority Budget Office. The Committee also resolved to recommend to the Board of Directors that it reappoint Superintendent Gregory C. Graziano as the Contracting Officer.

- On the motion of Director Causin, seconded by Director Levy, by Resolution #15-01-09, the Board approved the re-adoption of the Mission Statement and Performance Measures for 2015. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Levy, by Resolution #15-01-10, the Board approved the re-adoption of the Procurement Policy and the designation of Gregory Graziano as the Contracting Officer for 2015. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Levy, by Resolution #15-01-11, the Board approved the re-adoption of the Investment Policy for 2015. The vote was 7 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Levy, by Resolution #15-01-12, the Board approved the re-adoption of the Disposition of Property Policy for 2015. The vote was 7 for, 0 against, 0 abstentions.

Copies of the policies are on file with the Secretary and are posted on the Authority's website.

Director Causin reviewed the Annual Governance Committee 2014 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 Report will be amended to remove: "to facilitate public access and or accommodate any Board members who wished to comment or ask information of the Committee". The Committee will continue to review the Authority's policies and procedures and to offer suggestions as necessary.

Satty, Levine & Clacco, CPAs, P.C. ("SL&C"), submitted its outline for executing the Authority's External Audit for the year ending December 31, 2014. Pursuant to the Authority's 2014 Agreement with SL&C, the cost for the 2014 Audit is \$13,500.00.

On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #15-01-13, the meeting was adjourned at 6:15 p.m.

Approved by Secretary: Lisa Chung

Date: March 3, 2015