

Final: July 19, 2016

**MEETING OF THE BOARD OF DIRECTORS OF
THE WATER AUTHORITY OF GREAT NECK NORTH
HELD ON JUNE 20, 2016,
AT 50 WATERMILL LANE, GREAT NECK, NEW YORK.**

PRESENT:

Michael C. Kalnick, Chairperson
Pedram Bral, Director
Jean Celender, Director
Edward Causin, Director
Carol Frank, Director
Steven Weinberg, Director

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

ALSO PRESENT:

Ralph J. Kreitzman, Vice-Chairperson
Robert Graziano, Deputy Chairperson
Gregory Graziano, Superintendent
Stephen Moriarty, Assistant Superintendent
Christine Skrypek, Treasurer
Robert McCormack, Supervisor, Water
Plant Operations
Suet-Yee Huang, Civil Engineer
Lisa Schlichting, Secretary
Benjamin Kaplan, Counsel
Gary Stuart, Principal Engineer

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

NOT PRESENT:

Dan Levy, Director
Susan Lopatkin, Director

Village of Saddle Rock
Village of Kensington

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

On the motion of Director Causin, seconded by Director Weinberg, by Resolution #16-06-01, the Minutes of the Board's May 16, 2016, meeting were reviewed by the Directors and were approved. The vote was 6 for, 0 against, 0 abstentions.

On the motion of Director Causin, seconded by Director Celender, by Resolution #16-06-02, 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 Causin, seconded by Director Celender, by Resolution #16-06-03, 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.

Gary Stuart presented the Engineer's Report:

- Construction began on May 10, 2016 for the Dock Lane Water Main Replacement project. The installation of the water main was completed on June 2, 2016. Installation of services will begin this week.
- Camp Dresser McKee & Smith ("CDM Smith") presented the site and floor plans for Well 5 to the Authority for review. CDM Smith is working on the site and floor plans for Well 8.
- CDM Smith submitted its final report for the Weybridge Road elevated tank catwalk. The Authority is waiting for Verizon's comments on CDM Smith's report.
- CDM Smith will visit the site for the SCADA system upgrade on Thursday, June 23, 2016.

Stephen Moriarty presented the Assistant Superintendent's Report:

Philip Ross Industries issued a change order for \$49,000.00 to remove the unsuitable soil at Well 11A. The Authority met with D&B Engineers and Architects, P.C. ("D&B") to explore other options. The Authority and D&B determined that it would be preferable to redesign the foundation, so that the structure would sit above the water table, thereby making it less vulnerable to groundwater infiltration.

D&B submitted its proposal, by letter dated June 14, 2016, for an amendment to its agreement for Engineering Services to redesign the foundation at Well 11A to address the unanticipated soil conditions. The additional not-to-exceed fee is \$10,400.00, bringing the total fee from \$187,800.00 to \$198,200.00. The Deputy Chairperson noted that the work is eligible to receive funding from the New York State Environment Facilities Corporation. On the motion of Director Celender, seconded by Director Weinberg, by Resolution #16-06-04, the Board approved D&B's additional fee of \$10,400.000, to redesign the foundation for Well 11A. The vote was 6 for, 0 against, 0 abstentions. A copy of the proposal is on file with the Secretary.

Gregory Graziano presented the Superintendent's Report:

In 2015 the Authority awarded the annual contract for Poly Orthophosphate to Shannon Chemical Corporation with an option to renew in 2017, with a maximum increase of 5% in the cost per gallon. In 2015 the Authority also awarded the annual contracts for Sodium Hydroxide and Sodium Hypochlorite to H. Krevit & Company, Inc., with options to renew in 2017, with no increase in the costs per gallon. Both Shannon Chemical Corporation and H. Krevit & Company, Inc. have agreed to renew the 2017 contracts without a price increase.

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| • Shannon Chemical Corporation | Poly Orthophosphate | \$12.77 per gallon |
| • H. Krevit & Company, Inc. | Sodium Hydroxide | \$ 1.29 per gallon |
| • H. Krevit & Company, Inc. | Sodium Hypochlorite | \$ 1.90 per gallon |

The Authority has enjoyed very good relationships with both Shannon Chemical Corporation and H. Krevit & Company, Inc. Superintendent Graziano believes the prices to be fair and competitive and does not believe there is good reason to rebid the contracts to attempt to obtain a lower price. Superintendent Graziano recommended that the Authority renew the 2017 contracts for the supply of Poly Orthophosphate with Shannon Chemical Corporation, and with H. Krevit

& Company, Inc. for the supply of Sodium Hydroxide and Sodium Hypochlorite. On the motion of Director Weinberg, seconded by Director Causin, by Resolution #16-06-05, the Board approved the renewal of the 2017 contract for the supply of Poly Orthophosphate with Shannon Chemical Corporation at \$12.77 per gallon. The vote was 6 for, 0 against, 0 abstentions. On the motion of Director Weinberg, seconded by Director Causin, by Resolution #16-06-06, the Board approved the renewal of the 2017 contract with H. Krevit & Company for the supply of Sodium Hydroxide at \$1.29 per gallon and Sodium Hypochlorite at \$1.90 per gallon. The vote was 6 for, 0 against, 0 abstentions.

The New York State Insurance Fund Workers' Compensation Policy premium will be going down, from \$101,728.79 in 2015, to an estimated amount of \$98,256.94 in 2016. The decrease is due to the assessment charge decreasing from 13.2% to 12.9%. The Superintendent recommended that the Board approve the renewal of the Workers' Compensation Policy. On the motion of Director Weinberg, seconded by Director Celender, by Resolution #16-06-07, the Board approved the renewal of the 2016 Workers' Compensation Policy with the New York State Insurance Fund. The vote was 6 for, 0 against, 0 abstentions.

In accordance with Securities and Exchange Commission Rule 15(c) 2-12, as an issuer of tax exempt bonds with over \$10 million in outstanding debt, and in accordance with the Authority's Bond Resolutions, the Authority is required to provide certain continuing disclosure of its financial and operational information to the Electronic Municipal Market Access ("EMMA") system maintained by the Municipal Securities Rulemaking Board. The Authority's Bond Counsel, Hawkins Delafield & Wood LLP, outlined its proposed "Continuing Disclosure Controls and Procedure Policy" to ensure that the Authority fulfills those requirements and recommended its adoption by the Board. On the motion of Director Weinberg, seconded by Director Celender, by Resolution #16-06-08, the Board adopted the proposed Continuing Disclosure Controls and Procedures Policy. The vote was 6 for, 0 against, 0 abstentions. A copy of the Policy is on file with the Secretary.

Capital Markets Advisors, LLC submitted its proposal to provide services as the Authority's Dissemination Agent to assist the Authority in fulfilling its Continuing Disclosure obligations to the EMMA on an annual basis. The fee is \$3,500.00. Superintendent Graziano recommended that the proposal be approved. On the motion of Director Weinberg, seconded by Director Causin, by Resolution #16-06-09, the Board agreed to retain Capital Markets Advisors, LLC, at a fee of \$3,500.00, to provide services as the Authority's Dissemination Agent to assist the Authority in fulfilling its Continuing Disclosure obligations to the EMMA. 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 amended proposal for Engineering Services related to the Portable Emergency Generator. Walden Associates submitted its original proposal, by letter dated May 28, 2015, to provide Engineering Services for a Portable Emergency Generator capable of providing emergency backup power, for a not to exceed fee of \$45,000.00. The subsequent addition of two facilities (Watermill Lane Booster Station and Community Drive Well Field) fell outside the scope of the original project. The costs associated with the additional work are \$12,900.00, bringing the revised total project cost to a not to exceed fee of \$57,900.00. Superintendent Graziano advised the Board that this was necessary to provide redundancy back-up power at multiple locations and recommended that the proposal be approved. On the motion of Director Weinberg, seconded by Director Celender, by Resolution #16-06-10, the Board accepted the amended proposal from Walden Environmental Engineering, PLLC, for \$12,900.00, for additional work on the Portable Emergency Generator. The vote was 6 for, 0 against, 0 abstentions. A copy of the amended proposal is on file with the Secretary.

On the motion of Director Weinberg, seconded by Director Celender, by Resolution #16-06-11, the Board went into Executive Session at 6:35 p.m. to discuss a personnel matter. The Board emerged from Executive Session at 7:30 p.m. The Chairperson Kalnick announced that no action had been taken and no minutes would be produced.

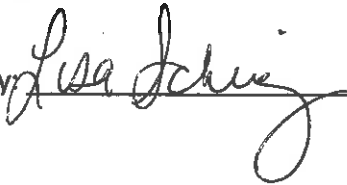
On the motion of Director Celender, seconded by Director Weinberg, by Resolution #16-06-12, the Board approved the appointment of Director Lopatkin to fill the unexpired term of Ralph Kreitzman as Chairperson of the Audit Committee. The term expires on December 31, 2016. The vote was 6 for, 0 against, 0 abstentions.

On the motion of Director Celender, seconded by Director Causin, by Resolution #16-06-13, the Board approved the appointment of Director Weinberg to fill the unexpired term of Ralph Kreitzman as a member of the Audit Committee. The term expires on December 31, 2016. The vote was 6 for, 0 against, 0 abstentions.

On the motion of Director Weinberg, seconded by Director Celender, by Resolution #16-06-14, the Board confirmed the appointment of Director Causin as the Chairperson of the Governance Committee. The term expires on December 31, 2018. The vote was 6 for, 0 against, 0 abstentions.

The meeting was adjourned at 7:35 p.m.

Approved by Secretary



Date:

