

Final July 22, 2014

MEETING OF THE BOARD OF DIRECTORS OF THE WATER AUTHORITY OF GREAT NECK NORTH HELD ON JUNE 16, 2014, 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
Steven Weinberg, 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
Village of Thomaston

ALSO PRESENT:

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

Bill Merklin

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
Dvirka & Bartilucci, Consulting Engineer

ALSO PRESENT:

Howell Moskowitz

Robert Kessler Agency

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

On the motion of Director Kreitzman, seconded by Director Causin, by Resolution #14-06-01, the Board acknowledged that the Minutes of the Board's May 19, 2014, 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 Lopatkin, by Resolution #14-06-02, 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 Causin, seconded by Director Lopatkin, by Resolution #14-06-03, 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.

Directors Celender and Weinberg entered the meeting at 6:03 p.m.

Bill Merklin presented the Engineer's Report:

The Electrical Improvements for Well 10A at Ravine Road have been started up and tested. Hinck Electrical Contractor, Inc. installed the generator. The generator cannot be tested until the gas service is installed. National Grid expects to install the gas service in approximately 3 weeks. Site restoration will be performed after the gas service has been installed.

D&B Engineers and Architects, P.C. is finalizing the 90 percent complete contract documents for the Rehabilitation of Well 11A at Watermill Lane. A review meeting with the Authority will be held shortly.

Design work is underway for Martin Court, Grassfield Road, and Kings Point Road Water Main Improvements. The contract documents will be ready for bidding in the early fall.

The Water Main Improvements for the proposed Nassimi Property Subdivision at 102 Kings Point Road have been completed and have been approved by the Nassau County Department of Health. The asphalt restoration will be scheduled at the developer's convenience.

Superintendent Graziano presented the Superintendent's Report:

Superintendent Graziano advised that the Authority's Chemical Contracts for Sodium Hypochlorite, Sodium Hydroxide, and Poly Orthophosphate expire on December 31, 2014. The Superintendent recommended that the contracts be put out for bid. On the motion of Director Levy, seconded by Director Kreitzman, by Resolution #14-06-04, the Board approved putting the contracts for Sodium Hypochlorite, Sodium Hydroxide, and Poly Orthophosphate out for bid. The vote was 8 for, 0 against, 0 abstentions.

Superintendent Graziano advised that after three categories of products from the Hydrants, Valves and Fitting contract were awarded to Clement J. Gaffney Water Meter Repairs Inc., he learned that Gaffney was prohibited from selling specific products to the Authority due to area protection distribution rights. The Superintendent recommended that the three categories that were awarded to Gaffney instead be awarded to Joseph G. Pollard Co., Inc., and T. Mina Supply Inc., the lowest bidders in those categories. On the motion of Director Weinberg, seconded by Director Levy, by Resolution #14-06-05, the Board approved awarding Brass Couplings and Curb Valves to Joseph G. Pollard Co., Inc. and MJ Tapping Sleeves to T. Mina Supply Inc. The vote was 8 for, 0 against, 0 abstentions.

Superintendent Graziano advised that the New York State Insurance Fund's ("NYSIF") premium will be going up, from \$56,833.80 in 2013 to an estimated amount of \$88,552.14 in 2014. The increase, which is approximately 65%, is due to the following:

New York State Rating Board

- Experience rating credit reduced from 17% to 15%.
- Construction class credit reduced from 14% to 4%.
- Assessment charge increased from 9.2% to 13.8%.
- Increased base rates across all classification codes.
- The maximum WC Benefit increased by over \$300.

New York State Insurance Fund

- Discount reduced from 25% to 20%.
- Increase in the Loss Cost Multiplier on all base rates.

Upon request from the Superintendent, Howell Moskowitz, from the Robert Kessler Agency, attended the Board meeting to address any questions on the increase. Mr. Moskowitz advised the Board that he had submitted the Authority's Workers' Compensation application to several other insurance companies. Most of the carriers declined due to the Authority's class of business. The few companies that were able to take on such classes of business could not compete because the Loss Cost Multipliers that they filed with the NYS Workers Compensation Board were not competitive against the State Insurance Fund. In addition, the companies could not compete with the 20% upfront discount that the NYSIF applies to the Authority's policy, or with the potential dividend received after the policy renews. Furthermore, the New York State Workers' Compensation Board recently changed the rules so that the Authority is no longer eligible for specialized municipal programs, such as PERMA, since the Authority is not a taxing entity. Superintendent Graziano recommended that the Board approve the renewal of the Workers' Compensation Policy with NYSIF. On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #14-06-06, the Board approved the renewal of the 2014 Workers' Compensation Policy with the New York State Insurance Fund. The vote was 8 for, 0 against, 0 abstentions.

Superintendent Graziano advised the Board that he appreciates the enormous amount of legwork Carol Frank has done following up on the issues surrounding the Town of North Hempstead's proactive stance in promoting and permitting the installation of geothermal wells. Director Frank advised the Board that she met with Supervisor Bosworth and asked her to take another look at the Town's position on geothermal wells. The Supervisor recommended a meeting with herself, Director Frank, Frances Reid, Chief Sustainability Officer for the Town, and Dr. Sarah Meyland, Director for the Center for Water Resources Management at the New York Institute of Technology, to get to the bottom of the issues surrounding geothermal wells. Director Frank advised that a pre-arranged meeting with those individuals was set for June 18 to discuss developing an

emergency drought plan in which she hoped there would be time to discuss the Authority's significant concerns with permitting geothermal wells. Director Frank also advised that she met with Joseph Canzoneri, Jr., Plan Examiner, for the Town's Department of Buildings. Mr. Canzoneri provided Carol with documentation that outlined a checklist of information that must be supplied to the Town's Building Department prior to the installation of a geothermal well. In addition, Mr. Canzoneri advised that he knows the location of the 6 geothermal wells that have been installed since 2012 when he joined the Town, but he is not able to retrieve the information in the system prior to 2012 to identify where the reported 700 geothermal wells that were previously installed are located.

On the motion of Director Weinberg, seconded by Director Causin, by Resolution #14-06-07, the Board went into Executive Session at 6:50 p.m. to discuss a personnel matter.

The Board emerged from Executive Session at 7:13 p.m. On the motion of Director Levy, seconded by Director Kreitzman, by Resolution #14-06-08, the Board authorized Christine Skrypek to be appointed as Treasurer, effective July 1, 2014, to fill the unexpired one-year term of Kathleen Friend, who has given notice that she is retiring and resigning from her position as Treasurer of the Authority on June 30, 2014. The annual rate of pay will be \$93,000.00, with the understanding that if she is reappointed the salary will remain the same in 2015. The vote was 8 for, 0 against, 0 abstentions. On the motion of Director Levy, seconded by Director Kreitzman, by Resolution #14-06-09, the Board authorized Kathleen Friend to work on a per diem basis until Christine Skrypek's current position of Principal Account Clerk is filled. The rate of pay will be \$425.00 per day. The vote was 8 for, 0 against, 0 abstentions.

On the motion of Director Kreitzman, seconded by Director Weinberg, by Resolution #14-06-10, the meeting was adjourned at 7:20 p.m.