

Final: April 21, 2015

**MEETING OF THE BOARD OF DIRECTORS OF
THE WATER AUTHORITY OF GREAT NECK NORTH
HELD ON MARCH 16, 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
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:

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
Bill Merklin

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

NOT PRESENT:

Howard Miskin, Vice Chairperson

Water Authority of Great Neck North

The Board meeting was called to order at 6:10 p.m. Eight members (Chairperson/Director Kalnick, Directors Causin, Celender, Frank, Kreitzman, Levy, Lopatkin, and Weinberg) were present, constituting a quorum.

On the motion of Director Levy, seconded by Director Weinberg, by Resolution #15-03-13, the Board acknowledged that the Minutes of the Board's March 2, 2015, meeting were reviewed by the Directors and were approved. The vote was 8 for, 0 against, 0 abstentions.

On the motion of Director Levy, seconded by Director Weinberg, by Resolution #15-03-14, the Board acknowledged that the Abstract of Claims was reviewed by the Directors and the Abstract was approved. The vote was 8 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 Weinberg, by Resolution #15-03-15, the Board acknowledged that the Treasurer's Monthly Report was reviewed by the Directors and the Report was accepted. The vote was 8 for, 0 against, 0 abstentions. A copy of the Report is on file with the Secretary.

On the motion of Director Kreitzman, seconded by Director Levy, by Resolution #15-03-16, the Board accepted, as final, the Audited Financial Statements for the years ended December 31, 2014 and 2013. The Board instructed the Treasurer to file the Audit, as required by law. The vote was 8 for, 0 against, 0 abstentions. A copy of the Audit Report will be on file with the Treasurer and will be posted on the Authority's website. The Board acknowledged that revenue may exceed expenses from year to year and noted that projections for Capital Improvements were in the Five Year Plan.

Satty, Levine & Ciacco, CPAs, P.C., submitted its Independent Accountants' Report on Investment Compliance to confirm that the Authority was in compliance with Part 201.3 of Title Two of the New York Code of Rules and Regulations during the year ending December 31, 2014. The Report advised that the Authority was in compliance, with the exception that the Investment Policy did not provide for a systematic and periodic evaluation of Investment Program compliance. Superintendent Graziano and Director Causin noted that although the Authority did not state it in the Investment Policy, it did provide for a systematic and periodic evaluation of its Investment Program compliance by the furnishing of monthly and quarterly reports at the monthly Board meetings. The Investment Policy is being revised to comply with Part 201.3. On the motion of Director Lopatkin, seconded by Director Weinberg, by Resolution #15-03-17, the Board accepted the Independent Accountants' Report on Investment Compliance. The vote was 8 for, 0 against, 0 abstentions.

Bill Merklin 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 working with the New York State Environment Facilities Corporation's ("EFC") to obtain the required Minority and Women Owned Business Enterprises ("MWBE") waivers.

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. The contract will be advertised for public bidding upon receipt of approval of the contract documents from the NYSDOH and EFC.

The Contractor for the Water Main Improvements on Martin Court, Grassfield Road, and Kings Point Road intends to resume work next week, if the weather allows.

Design work has been completed for the Woodland Place Development Water Main Improvements and the contract for construction will be publically bid in the spring of 2015. The work is dependent on the developer's schedule and the receipt of required permits.

D&B is working with the Authority to negotiate an agreement to pay the cost of structural enhancements on the catwalk and handrails that are required to support their equipment for the Weybridge Road Tank with the cellular carriers. D&B will climb the tank with Verizon's Engineer, in a collaborative effort, to investigate the most cost effective

ways to remedy issues with the tank. Verizon will pay the cost of D&B climbing the tank for the investigation. D&B will report its findings to the Superintendent.

Gregory Graziano presented the Superintendent's Report:

Pace Analytical Services, Inc. agreed to extend its Agreement for Laboratory Testing Services from June 1, 2015, to May 31, 2016, without any price increases. Superintendent Graziano recommended approval of the renewal. On the motion of Director Levy, seconded by Director Frank, by Resolution #15-03-18, the Board approved extending the Agreement for Laboratory Testing Services with Pace Analytical Services, Inc. through May 31, 2016, at the prices quoted in Pace Analytical Services, Inc.'s letter dated February 16, 2015. The vote was 8 for, 0 against, 0 abstentions. A copy of the letter and Agreement are on file with the Secretary.

On the motion of Director Frank, seconded by Director Kreitzman, by Resolution #15-03-19, the Board agreed with Counsel's opinion that since the Village of Saddle Rock was not participating as an operator with the One-Call center in July of 2014 when contractors for the Authority inadvertently damaged some of the Village's underground electric lines, the Authority was not responsible for and should not reimburse the Village for the cost of the repairs. The vote was 7 for, 1 (Director Levy) against, 0 abstentions.

The Superintendent informed the Board that the Annual Drinking Water Quality Report for the year ending December 2014 will be on the Authority's website by the end of March. Copies of the Annual Drinking Water Quality Report will be available at the Authority's offices this week. Director Kreitzman made suggestions to improve the Report that will be incorporated next year. Director Frank is going to submit suggested revisions as well.

Walden Environmental Engineering, PLLC submitted its proposal, by letter dated March 3, 2015, outlining the revised costs associated for the additional items associated with the Storm Mitigation Loan Program (SMLP) financing application required pursuant to the EFC's January 14, 2015, letter. The additional tasks were not included in Walden's January 19, 2015, proposal, which had an estimated cost of \$6,950.00. The not to exceed fees for the additional tasks are \$5,400.00, for a total project cost of \$12,350.00. On the motion of Director Weinberg, seconded by Director Kreitzman, by Resolution #15-03-20, the Board accepted the proposal from Walden for the additional work associated with the SMLP financing applications, at an additional fee not to exceed \$5,400.00. The vote was 8 for, 0 against, 0 abstentions. A copy of the letter, is on file with the Secretary.

Director Lopatkin exited the meeting at 7:15 p.m.

D&B submitted its proposal, by letter dated March 9, 2015, for a second amendment to its agreement dated October 17, 2014, for Engineering Services for Assistance with EFC Funding. The first amendment was on February 23, 2015. The proposed second amendment requests additional fees for additional services required to participate in meetings and conference calls as required to complete the EFC funding application and to submit additional documents requested by the EFC for Well 10A and Well 11A. The additional not-to-exceed fee for these services is \$8,000.00, bringing the total fee from \$8,000.00 to \$16,000.00. On the motion of Director Levy, seconded by Director Weinberg, by Resolution #15-03-21, the Board approved D&B's proposal for Engineering Services related to amendments for assistance with EFC funding. The vote was 7 for, 0 against, 0 abstentions. A copy of the letter is on file with the Secretary.

Director Celender exited the meeting at 7:20 p.m.

D&B submitted its proposal, by letter dated March 4, 2014, to provide Engineering Services for the Condition Assessment of the Elevated Water Storage Tank located on Weybridge Road. As part of the condition assessment, D&B will evaluate the tank's overall condition, sanitary compliance, security, and safety compliance, as well as the sound design and operating practices. D&B will also evaluate the condition of the coating system (thickness, adhesion, corrosion, condition of substrate). Using this data, the cost and life expectancy of various repairs and recoating options will be calculated, and a recommendation will be made to the Superintendent. The not-to-exceed fee will be \$7,000.00. On the motion of Director Weinberg, seconded by Director Kreitzman, by Resolution #15-03-22, the Board approved

D&B's proposal for Engineering Services for the Condition Assessment of the Elevated Water Storage Tank located on Weybridge Road. The vote was 6 for, 0 against, 0 abstentions. A copy of the letter is on file with the Secretary.

The Peninsula Aquifer Committee (PAC) sent a letter to Michael E. White, Environmental Lawyer and Consultant for Nassau County, regarding plans to pump 33 million gallons of water per day on the border of Nassau County and Queens. The Board of Directors and the Superintendent signed off on the letter. The PAC urged Mr. White to take the United States Geological Survey (USGS) study under advisement. The PAC's position is that until the USGS proposal is adopted and completed, producing the technical information necessary to allay Nassau County's concerns, the permits to reactivate the wells should not be re-issued. The risks include salt water intrusion to coastal communities, redirection of significant underground plumes of hazardous pollutants, and general depletion of Nassau County's sole source aquifer water resources.

Director Causin presented the Governance Committee Report:

Director Causin advised the Board that the Governance Committee had reviewed the Summary of the Self Evaluation forms for Calendar Year 2014 submitted by each of the Directors and unanimously voted to approve it. He noted that as to each of the items on the evaluation form, all of the Directors had checked the most positive "agree" response. On the motion of Director Levy, seconded by Director Weinberg, by Resolution #15-03-23, upon the recommendation of the Governance Committee, the Board approved the Summary of the Evaluation of Board of Directors and authorized its filing with the Authority Budget Office. The vote was 6 for, 0 against, 0 abstentions.

Director Causin informed the Board that the Governance Committee reviewed the existing Defense and Indemnification Policy, Salary and Compensation Policy, The Time and Attendance Policy, The Travel and Meeting Policy, and the Whistleblowing 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 that it readopt the existing Defense and Indemnification Policy, Salary and Compensation Policy, The Time and Attendance Policy, The Travel and Meeting Policy, and the Whistleblowing Policy, without any modifications.

- On the motion of Director Causin, seconded by Director Levy, by Resolution #15-03-24, the Board approved the re-adoption of the Defense and Indemnification Policy for 2015. The vote was 6 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Levy, by Resolution #15-03-25, the Board approved the re-adoption of the Salary and Compensation Policy for 2015. The vote was 6 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Levy, by Resolution #15-03-26, the Board approved the re-adoption of the Time and Attendance Policy for 2015. The vote was 6 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Levy, by Resolution #15-03-27, the Board approved the re-adoption of the Travel and Meeting Policy for 2015. The vote was 6 for, 0 against, 0 abstentions.
- On the motion of Director Causin, seconded by Director Levy, by Resolution #15-03-28, the Board approved the re-adoption of the Whistleblowing Policy for 2015. The vote was 6 for, 0 against, 0 abstentions.

Director Causin informed the Board that the Governance Committee had reviewed and recommended to the Board for approval the revisions to the Authority's Code of Ethics proposed by the Authority's General Counsel in order to comply with Authorities Budget Office Policy Guidance No. 14-01, [Explanatory Statement of the Circumstances of Property Disposal by Negotiation](#), which was issued on January 28, 2014. Copies of the proposed revisions were distributed with the Board packet to the Directors in advance of the meeting for their review. Director Weinberg suggested non-substantive modifications to section 3.6, to which General Counsel agreed. On the motion of Director Causin, seconded by Director Weinberg, by Resolution #15-03-29, the Board adopted the proposed Code of Ethics as modified by Director Weinberg. The vote was 6 for, 0 against, 0 abstentions. A copy of the policy, as revised, is on file with the Secretary and will be posted on the Authority's website.

Director Causin informed the Board that the Governance Committee had reviewed and recommended to the Board for approval the revisions to the Authority's Investment Policy proposed by the Authority's General Counsel in order to comply with Authorities Budget Office Policy Guidance No. 14-01, which was issued on January 28, 2014. Copies of the proposed revisions were distributed with the Board packet to the Directors in advance of the meeting for their review. On the motion of Director Causin, seconded by Director Levy, by Resolution #15-03-30, the Board approved the adoption of the proposed revision of the Investment Policy. The vote was 6 for, 0 against, 0 abstentions. A copy of the policy, as revised, is on file with the Secretary and will be posted on the Authority's website.

On the motion of Director Levy, seconded by Director Weinberg, by Resolution #15-03-31, the Board adjourned for advice of counsel at 7:40 p.m. The Board emerged at 7:45 p.m. and the Chairperson stated that no action had been taken and no minutes would be prepared.

On the motion of Director Levy, seconded by Director Weinberg, by Resolution #15-03-32, the Board amended Resolution #13-12-10, from the December 9, 2013, Board meeting, to provide that when a Prior Employee qualifies pursuant to the first five criteria set forth in said resolution for reimbursement of the Prior Employee's portion of the monthly premium of the State Health Insurance Plan, up to but not exceeding \$166.67 per month, and in lieu of the Prior Employer collecting a portion of the monthly premium for the State Plan from the Prior Employee, the Prior Employee's balance of the monthly premium is deducted from the prior Employee's pension, the Authority will reimburse the Prior Employee for the Prior Employee's portion of the monthly premium of the State Plan, up to but not exceeding \$166.67 per month for so long as the employee remains in the State Plan

On the motion of Director Levy, seconded by Director Weinberg, by Resolution #15-03-33, the meeting was adjourned at 7:50 p.m.

Approved by Secretary: Lisa Schlichty Date: April 21, 2015