

Final: November 17, 2015

**MEETING OF THE BOARD OF DIRECTORS OF
THE WATER AUTHORITY OF GREAT NECK NORTH
HELD ON OCTOBER 19, 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
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:

Howard Miskin, Vice Chairperson
Robert Graziano, Deputy Chairperson
Gregory Graziano, Superintendent
Christine Skrypek, Treasurer
Stephen Moriarty, Assistant Superintendent
Suet-Yee Huang, Civil Engineer
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
D&B Engineers and Architects, P.C., Consulting Engineer

NOT PRESENT:

Steven Weinberg, Director

Village of Thomaston

The Board meeting was called to order at 6:05 p.m. Seven members (Chairperson/Director Kalnick, Directors Causin, Celender, Frank, Kreitzman, Levy, and Lopatkin) were present, constituting a quorum.

On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #15-10-01, the Board reviewed and approved the Minutes of the Board's September 21, 2015, meeting. The vote was 7 for, 0 against, 0 abstentions.

On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #15-10-02, 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 Lopatkin, by Resolution #15-10-03, the Board reviewed and approved the Treasurer's Monthly Report. Director Levy thanked the Superintendent and the Treasurer for adding the Cash Flow Worksheet to the 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 Levy, seconded by Director Lopatkin, by Resolution #15-10-04, the Board reviewed and approved the Treasurer's Revenue and Expenses Quarterly Report for the period ended September 30, 2015. 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 Levy, seconded by Director Lopatkin, by Resolution #15-10-05, the Board reviewed and approved the Construction Work in Progress Budget vs. the Actual Report for the period ended September 30, 2015. The vote was 7 for, 0 against, 0 abstentions.

In accordance with section 7.12 (c) of the Authority's Bond Resolution, after reviewing the Treasurer's annual review of the Authority's financial condition, on the motion of Director Kreitzman, seconded by Director Levy, by Resolution #15-10-06, the Board confirmed that the Net Revenues for the 2015 fiscal year of the Authority will be sufficient to comply with the rate covenant of Section 7.12(b) of the Authority's Bond Resolution and directed the Treasurer to file a certified copy of the resolution, with the information required by the Bond Resolution, with the Trustee on or before November 1, 2015. The vote was 7 for, 0 against, 0 abstentions.

Bill Merklin presented the Engineer's Report:

Work has commenced on the Rehabilitation of Well 11A at Watermill Lane.

The Water Main Improvements on Kings Point Road, Martin Court, and Grassfield Road have been completed. D&B Engineers and Architects, P.C. ("D&B") is reviewing the final invoices.

The contract for construction for the Water Main Improvements for the Woodland Place Development will be publically bid. The work is on hold and is dependent on the developer's schedule and the receipt of required permits.

D&B held a meeting with Verizon to discuss the responsibility and cost sharing for the repairs and structural enhancements on the Weybridge Road Tank.

The Well 6 emergency well and pump rehabilitation has been completed.

D&B has begun the preparation of the O&M Manuals for Community Drive and Watermill Lane.

Gregory Graziano presented the Superintendent's Report:

D&B submitted its third amendment, dated September 21, 2015, to its proposal for Engineering Services for assistance with the New York State Environment Facilities Corporation's ("EFC") Funding. The original agreement was dated October 17, 2014. The amendment addresses additional fees required for the preparation of calculations and certificates related to Operating Revenues and Operating Expenses to show that the new debt meets all of the conditions in Section 2.05 of the 1993 bond resolution. The additional fee for these services is \$2,000.00, which will

increase the total fee from \$16,000.00 to \$18,000.00. On the motion of Director Kreitzman, seconded by Director Levy, by Resolution #15-10-07, the Board approved D&B's third amendment for Engineering Services to its proposal for assistance with the EFC Funding, for the additional amount of \$2,000.00. The vote was 7 for, 0 against, 0 abstentions. A copy of the amendment is on file with the Secretary.

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 revisions to the Governance Committee Charter and the Code of Ethics that Counsel Limmer proposed in response to the new Recommended Practice ["RP"] that was issued by the State Authorities Budget Office ["ABO"], in regard to conflicts of interest policies for public authorities, and recommended that the Board adopt the proposed revisions. In order to comply with the new RP a provision was added authorizing the Governance Committee to provide guidance when there is a question of whether or not a conflict of interest exists, and the first section was amended restating the general language of the new RP defining a conflict of interest. In addition, the Code of Ethics was revised to address the RP and to expand the authority of the Governance Committee to include the authorization of the Committee to provide guidance when there is a question of whether or not a conflict of interest exists. On the motion of Director Causin, seconded by Director Levy, by Resolution #15-10-08, the Board adopted the revisions of the Governance Committee Charter and the Code of Ethics as recommended by the Governance Committee. The vote was 7 for, 0 against, 0 abstentions. Copies of the Governance Committee Charter and the Code of Ethics are on file with the Secretary and are posted on the Authority's website.

On the motion of Director Lopatkin, seconded by Director Kreitzman, by Resolution #15-10-09, the Board unanimously approved the retention of Stephen Limmer and the firm of Ackerman, Levine, Cullen, Brickman & Limmer, LLP, as General Counsel for the Authority's fiscal 2016 year, pursuant to Stephen Limmer's proposed retainer letter dated September 24, 2015. There will be a rounded increase of 1% in hourly rates. The vote was 7 for, 0 against, 0 abstentions. A copy of the letter is on file with the Secretary.

On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #15-10-10, the Board went into Executive Session at 6:20 p.m. to discuss CDM Smith's proposal for Annual Services as Authority Engineer. The Board emerged from Executive Session at 6:40 p.m. The Chairperson announced that no action had been taken during the Executive Session and no minutes would be produced.

On the motion of Director Lopatkin, seconded by Director Levy, by Resolution #15-10-11, the Board accepted CDM Smith's proposal, by letter dated October 9, 2015, to provide Annual Engineering Services for 2016 as the Authority's Engineer. The monthly fee for services is \$700.00. There will also be a \$5,000.00 fee, for the first year, for Albert Risk Management Consultants to certify the amounts of insurance. Gary Stuart, P.E., will attend the monthly Board of Director meetings. Keith Kelly, P.E., will serve as the Officer-in-Charge, handling all contractual issues. The vote was 7 for, 0 against, 0 abstentions. A copy of the proposal is on file with the Secretary.

The meeting was adjourned at 6.45 p.m.

Approved by Secretary: Lisa Schlicy Date: 11/17/15