

Final: October 20, 2016

**MEETING OF THE BOARD OF DIRECTORS OF  
THE WATER AUTHORITY OF GREAT NECK NORTH  
HELD ON OCTOBER 17, 2016,  
AT 50 WATERMILL LANE, GREAT NECK, NEW YORK.**

**PRESENT:**

Michael C. Kalnick, Chairperson  
Edward Causin, Director  
Jean Celender, Director  
Carol Frank, Director  
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 Saddle Rock  
Village of Kensington  
Village of Thomaston

**ALSO PRESENT:**

Ralph J. Kreitzman, Vice-Chairperson  
Robert Graziano, Deputy Chairperson  
Gregory Graziano, Superintendent  
Stephen Moriarty, Assistant Superintendent  
Judith Flynn, Treasurer  
Robert McCormack, Supervisor, Water  
Plant Operations  
Lisa Schlichting, Secretary  
Stephen Limmer, Counsel  
Gary Stuart, Principal Engineer

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

**NOT PRESENT:**

Pedram Bral, Director  
Suet-Yee Huang, Civil Engineer

Village of Great Neck  
Water Authority of Great Neck North

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

The Minutes of the Board's September 19, 2016, meeting were reviewed by the Directors. Vice Chairperson Kreitzman suggested that Resolution #16-09-06 be divided into two resolutions, one waiving the conflict of Stephen G. Limmer in preparing the proposed Declaration, and the other approving and authorizing the execution and delivery of the Declaration; and, instead of authorizing Vice Chairperson Ralph Kreitzman to act on behalf of the Authority, by stating his name, to authorize him by stating his title. With that revision, on the motion of Director Lopatkin, seconded by Director Levy, by Resolution #16-10-01, the Board approved the Minutes of the Board's September 19, 2016, meeting. The vote was 7 for, 0 against, 0 abstentions.

On the motion of Director Celender, seconded by Director Weinberg, by Resolution #16-10-02, 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 Celender, seconded by Director Levy, by Resolution #16-10-03, the Board reviewed and approved the Treasurer's Monthly 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 Weinberg, by Resolution #16-10-04, the Board reviewed and approved the 2017 Final Budget. The vote was 7 for, 0 against, 0 abstentions.

Camp Dresser McKee & Smith ("CDM Smith") reviewed the financial condition of the Authority and the 2017 Final Budget that they received from the Authority. CDM Smith found that the budget sets forth a total aggregate debt service of \$2,416,563.00 and estimates net operating revenues, before interest and depreciation, of \$3,451,800.00. Accordingly, CDM Smith certified that the Net Revenues of the Authority for the 2016 Fiscal Year and for the 2017 Fiscal Year are sufficient to comply with the Net Revenue Requirement covenant as set forth in section 7.11 of the Water System Revenue Bond Resolution, dated March 21, 2016, of the Authority. By letter dated October 11, 2016, CDM Smith approved the 2017 Final Budget.

On the motion of Director Levy, seconded by Director Weinberg, by Resolution #16-10-05, the Board reviewed and accepted the Revenue and Expenses Quarterly Report for the period ended March 31, 2016. 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 Weinberg, by Resolution #16-10-06, the Board reviewed and accepted the Capital Improvement Projects Report for the period ended September 30, 2016. The vote was 7 for, 0 against, 0 abstentions.

On the motion of Director Lopatkin, seconded by Director Weinberg, by Resolution #16-10-07, the Board reviewed and accepted the Treasurers Certification required by the Bond Resolution that the Net Revenues of the Authority for the 2016 Fiscal Year and for the 2017 Fiscal Year are sufficient to comply with the Net Revenue Requirement covenant as set forth in section 7.11 of the Water System Revenue Bond Resolution, dated March 21, 2016, 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, 2016. The vote was 7 for, 0 against, 0 abstentions.

#### Gary Stuart presented the Engineer's Report:

1. Dock Lane Water Main Replacement – The replacement of approximately 3,800 feet of water main including valves, hydrants, and services on Dock Lane in Kings Point has been completed. The contractor is Bancker Construction. The only remaining item is updating the GIS.
2. Storm Mitigation Loan Program ("SMLP") Project – Improvements at several well sites to address flooding issues including the raising of well houses above flood elevations.



Well 2A – Demolition of existing building and construction of new well house that will be approximately 8 feet higher than existing. Reusing the existing well, but replacing the existing pump with a new one. CDM Smith is working on the design.

Well 5 – Demolition of existing building and construction of new well house. New pump will be installed that is above flood elevation (it is currently in below-grade vault). New screen will be installed in existing well. CDM Smith is working on cost analysis for replacing entire building vs. new building for pump only. Design completion is scheduled for end of December 2016.

Well 6 – CDM Smith is currently determining whether a new well building can be constructed above flood elevation to reuse the existing well or if a new well needs to be drilled. The Deputy Chairperson advised the Board that the decision as to whether to drill a new well or to raise up and build a new building over existing Well 6 is a difficult decision as it is a risk either way. Although the CDM Smith report states that the existing Well 6 is in good working order, there is no guarantee as to how long the well will continue to perform at its current production level. However, there is also a risk that if a new well is drilled, the new well would not produce a sufficient amount of water. There is no guarantee in either instance that the water supply will be sufficient at this site. The consensus of the Board, based on the current data and CDM Smith's recommendation, is to raise and build a new building over existing Well 6.

Well 8 – Demolition of existing building and construction of new well house (existing building is below grade and therefore potentially subject to flooding). New well will be drilled. The DEC issued comments on the permit application to install the new well and CDM Smith is working on response to the comments. Design completion is scheduled for March 2017.

3. Weybridge Road Tank Catwalk Structural Review – Verizon Wireless has paid the Authority for all previous engineering work and has also paid for upcoming engineering work that will begin shortly. Verizon Wireless advised Gary Stuart that they will be furnishing new drawings to the Authority shortly and that these drawings will address CDM Smith's comments from January.
4. SCADA Upgrade – Installation of new control panels, communications equipment, and associated work at all Authority facilities/sites so that all SCADA equipment is consistent and up-to-date. Work at some sites is being funded through SMLP program. Working on the 90% design. Design is scheduled to be completed by December 31, 2016.
5. Salt Water Intrusion Modeling for Wells 5, 6, 7, and 8 – Development of a dual-density groundwater flow model to evaluate the potential for salt-water intrusion in the Lloyd Aquifer. Model development is underway and should be completed by the end of October. Actual simulations will be run for each well.

Stephen Moriarty presented the Assistant Superintendent's Report:

The Assistant Superintendent reported that the prefabricated concrete building at Well 11A was delivered and installed. The well contractor will be installing the Well 11 pump and motor in Well 11A. Electrical equipment is expected to be installed in the next two weeks. Well 11A is expected to be operational before the end of the year.

Gregory Graziano presented the Superintendent's Report:

The annual contract for the Maintenance of Grounds was awarded in 2016 to Del Graz Enterprises, Inc., with an option to renew for 2017 at \$32,492.00. The 2016 cost was \$32,012.00. Del Graz Enterprises, Inc., agreed to renew its 2017 contract for the Maintenance of Grounds at \$32,492.00. Superintendent Graziano stated that the company has been extremely reliable, has a good working relationship with the Authority, and the proposed price is fair and competitive, and recommended approval of the renewal. On the motion of Director Lopatkin, seconded by Director Levy, by Resolution #16-10-08, the Board approved renewing the 2017 contract for the Maintenance of Grounds with Del Graz Enterprises, Inc., at the estimated price of \$32,492.00. The vote was 76 for, 0 against, 0 abstentions.



Walden Environmental Engineering, PLLC, ("Walden") opened proposals at the Authority's offices on October 3, 2016, for the Portable Emergency Generator Installation and Associated Electrical Modification Project. Two bids were received: 1) Roland's Electric, Inc. for \$193,600.00 and 2) Hinck Electrical Contractor, Inc. for \$243,264.00. Walden submitted its bid recommendation, by letter dated October 11, 2016, advising that after review of the bid documents, that Roland's Electrical Inc., the lowest bidder, be retained. Director Celender noted that she has had very positive experience with Roland's Electric, Inc. Superintendent Graziano agreed with the recommendation. On the motion of Director Levy, seconded by Director Celender, by Resolution #16-10-09, the Board awarded Roland's Electric, Inc., the Portable Emergency Generator Installation and Associated Electrical Modification Project. The vote was 7 for, 0 against, 0 abstentions. A copy of the Proposal is on file with the Secretary.

CDM Smith submitted its proposal to provide Engineering Services for the 2017 Water Main Improvements Project. Approximately 13,000 linear feet of new 12-inch and 8-inch diameter water mains in Great Neck Estates and Saddle Rock Estates in the Town of North Hempstead will be replaced. The not-to-exceed fee is \$400,300.00.

	<u>CDM Fee</u>	<u>Sub consultant</u>	<u>Total</u>
Design and Survey	\$113,100	\$42,700	\$155,800
Bidding Assistance	\$11,100	\$0	\$11,100
Engineering Services	\$59,700	\$0	\$59,700
Construction Observation	\$173,700	\$0	\$173,700
			\$400,300

On the motion of Director Celender, seconded by Director Causin, by Resolution #16-10-10, the Board awarded the 2017 Water Main Improvements Project in Great Neck Estates and Saddle Rock Estates to CDM Smith for the not-to-exceed fee of \$400,300.00. The vote was 6 for, 1 (Director Levy) against, 0 abstentions. A copy of the Proposal is on file with the Secretary.

The Superintendent presented a draft outline to the Board for the Winter Newsletter:

Page 1: Customer Friendly: Visit New User Friendly Website / No Rate Increase for 2017 / New Email Addresses

Page 2: Fall Winter Conservation Tips / Keep Fire Hydrants Visible During Snow Storms

Page 3: EFC Project Update

Page 4: Bottled Water from the Tap / 2016 Lead and Copper Testing Program Completed

The Directors approved the outline for the Winter Newsletter.

On the motion of Director Lopatkin, seconded by Director Levy, by Resolution #16-09-09, the Board adjourned for advice of counsel at 6:50 p.m. The Board returned from its advice of counsel and resumed the meeting at 7:10 p.m.

The Authority's current policy on Crime Insurance is from Utica Surety. It has a \$1,000,000 Limit of Insurance with an annual Premium of \$2,595.00. Since the banking industry can no longer be relied on to take responsibility for fraud and other financial theft, the Board decided to increase the Authority's Crime Insurance with The Hartford, which has a \$5,000,000 Limit of Insurance with an annual premium of \$9,358.00.

<u>Utica Surety (Current)</u>	<u>Limit of Insurance</u>	<u>Deductible</u>	<u>Premium</u>
Employee Theft per Loss w/ Faithful performance of duty	\$900,000	N/A	
Employee Theft per Employee w/Faithful performance	\$100,000	\$10,000	
Forgery & Alterations	\$1,000,000	\$10,000	
Money & securities Inside the Premises	\$10,000	\$1,000	
Outside the premises	\$10,000	\$1,000	
<u>Computer and Funds Transfer Fraud</u>	<u>\$1,000,000</u>	<u>\$10,000</u>	
<b>Total Premium for a one year term</b>			<b>\$2,595.00</b>

**Hartford CrimeShield**

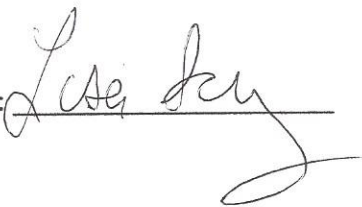
	<u>Limit of Insurance</u>	<u>Deductible</u>	<u>Premium</u>
Employee Theft	\$5,000,000	\$50,000	
Employee Theft Client Premises	\$3,000,000	\$25,000	
Outside Premises Money & Securities & Other Property	\$100,000	\$5,000	
Depositors Forgery & Alteration	\$3,000,000	\$25,000	
Credit, Debit or Charge Card Forgery	\$100,000	\$5,000	
Money Orders & Counterfeit Currency	\$100,000	\$5,000	
Computer & Funds Transfer Fraud	\$3,000,000	\$25,000	
<u>Inside Premises Money &amp; Securities &amp; Other Property</u>	<u>\$100,000</u>	<u>\$5,000</u>	
<b>Total Premium for a one year term</b>			<b>\$9,358.00</b>

On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #16-10-11, the Board approved increasing the Authority's Crime Insurance with The Hartford. The policy has a \$5,000,000 Limit of Insurance with an annual premium of \$9,358.00. The vote was 7 for, 0 against, 0 abstentions.

On the motion of Director Lopatkin, seconded by Director Celender, by Resolution #16-10-12, the Board unanimously approved the request of Stephen G. Limmer, by letter dated October 5, 2016, that if Ackerman Levine, Cullen, Brickman & Limmer, LLP ("Ackerman Levine") becomes associated with McLaughlin & Stern, LLP ("McLaughlin Stern") before December 31, 2016, the Authority will recognize and acknowledge McLaughlin Stern as its general counsel, in lieu of Ackerman Levine, for the balance of the 2016 calendar year, in accordance with and on the same terms and conditions as Ackerman Levine's annual retainer for the 2016 calendar year that the Authority previously approved; and, thereafter, for the 2017 calendar year, the Board approved his proposed retainer, which would be with McLaughlin Stern, with, in substance, a 1% increase for the period from January 1, 2017, through December 31, 2017. The vote was 7 for, 0 against, 0 abstentions. A copy of the letter is on file with the Secretary.

The meeting was adjourned at 7:15 p.m.

Approved by Secretary:



Date:

11/22/16