

Final: November 20, 2018

**MEETING OF THE BOARD OF DIRECTORS OF
THE WATER AUTHORITY OF GREAT NECK NORTH
HELD ON OCTOBER 15, 2018
AT 50 WATERMILL LANE, GREAT NECK, NEW YORK.**

PRESENT:

Michael C. Kalnick, Chairperson
Jean Celender, Director
Carol Frank, Director
Jay Johneas, Director
Dan Levy, Director
Susan Lopatkin, Director
Michael Smiley, Director
Steven Weinberg, Director

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

ALSO PRESENT:

Robert Graziano, Deputy Chairperson
Ralph J. Kreitzman, Vice-Chairperson
Gregory Graziano, Superintendent
Sue Huang, Civil Engineer
Judith Flynn, Treasurer
Debra Ray, Secretary
Stephen G. Limmer, Counsel
Gary Stuart, Engineer

Water Authority of Great Neck North
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Water Authority of Great Neck North
McLaughlin and Stern, LLP
CDM Smith, Consulting Engineers

NOT PRESENT:

Michael Rispoli, Assistant Superintendent

Water Authority of Great Neck North

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

On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #18-10-01, the Minutes of the Board's September 17, 2018, meeting were reviewed by the Directors and were approved as amended. The vote was 8 for, 0 against, 0 abstentions.

On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #18-10-02, the Board reviewed and approved the Abstract of Claims. The vote was 8 for, 0 against, 0 abstentions. A copy of the Abstract is on file with the Secretary.

Vice-Chairperson Ralph J. Kreitzman entered the meeting at 6:05 p.m.

On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #18-10-03, the Board reviewed and approved the Treasurer's Monthly Report. 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 Levy, seconded by Director Johnneas, by Resolution #18-10-04, the Board reviewed and accepted the Revenue and Expenses Quarterly Report for the period ended September 30, 2018. 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 Johnneas, seconded by Director Weinberg, by Resolution #18-10-05, the Board reviewed and accepted the Capital Improvement Projects Report for the period ended September 30, 2018. 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 Levy, seconded by Director Weinberg, by Resolution #18-10-06, the Board reviewed and approved the 2019 Final Budget. The vote was 8 for, 0 against, 0 abstentions. A copy of the Budget is on file with the Secretary.

Camp Dresser McKee & Smith ("CDM Smith") reviewed the financial condition of the Authority and the 2019 Final Budget that it received from the Authority. CDM Smith found that the budget sets forth a total aggregate debt service of \$2,485,480.00 and estimates net operating revenues, before interest and depreciation, of \$3,135,200.00. Accordingly, CDM Smith certified that the Net Revenues of the Authority for the 2019 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 of the Authority. By letter dated October 11, 2018, CDM Smith approved the 2019 Final Budget. On the motion of Director Lopatkin, seconded by Director Levy, by Resolution #18-10-07, the Board approved the Engineer's Certification of the 2019 Final Budget. The vote was 8 for, 0 against, 0 abstentions.

On the motion of Director Levy, seconded by Director Celender, by Resolution #18-10-08, the Board reviewed and accepted the Treasurer's Certification required by the Bond Resolution that the Net Revenues of the Authority for the 2018 Fiscal Year and the 2019 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, 2018. The vote was 8 for, 0 against, 0 abstentions.

The following is a summary of the status of the current projects:

1. **SMLP Project** – Improvements at several well sites to address flooding issues including the raising of well houses above flood elevations. **<EFC has granted an extension until September 2021.>**

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 new. New

chemical feed system. Includes new generator in enclosure. Project will be bid in fall of 2018 for anticipated December 2018 award, and anticipated construction start of September 2019.

- Finalizing the incorporation of the Authority's comments on the 90% design plans.

Well 5 – Due to the salt water modeling results, only SCADA and associated electrical work will be completed under EFC financing.

Well 6 – Demolition of portion of existing building and construction of new well pump portion of building such that new pump and associated equipment is above flood elevation. Project will be bid in January 2019 for anticipated March 2019 award. Anticipated construction start is September 2019.

- Working on the 30% design plans.

Well 8 – Demolition of existing building and construction of new well house (existing building is below grade and therefore potentially subject to flooding). An isolation test was performed in February/March 2018 to determine if the well casing was leaking as well as a cement bond log installed to evaluate the integrity of the cement seal within the annulus between the well casing and the surrounding formation. The findings of this test were that the screen is in good condition and no leaks were found. We are still awaiting DEC's response to the Superintendent's letter dated 7/12/17, whether a new well will be drilled or the existing well rehabilitated.

- No change from last month. Anticipated construction start is September 2020. Still no response from DEC (see No. 4 below).

2. **Weybridge Road Tank Catwalk Structural Project** – Funding to be provided by cellular companies for improvements to catwalk for new antenna to be installed on tank.

- Waiting for carriers to submit funding to WAGNN for the construction work.

3. **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.

- Win911 alarm testing is continuing this month.
- Eagle Control has submitted shop drawings for Well 9 and A-Plant control panels. These are being reviewed by CDM Smith.
- CDM Smith and Authority staff are finalizing the SCADA report requirements so that Eagle Control can proceed with report development.

4. **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 both the Lloyd and Magothy Aquifers.

- No change since last meeting. Modeling complete. Superintendent sent letter to DEC and we are awaiting DEC's response.

5. **2018 Water Main Improvements** – Replacement of approximately 14,124 feet of water main including valves, hydrants, and services in Great Neck Estates and Saddle Rock Estates.

- Bancker's work is progressing. As of 10/5/18, approximately 11,724 feet of new pipe and 112 services have been installed.

6. **Greenway Terrace Water Main** – Installation of approximately 800 feet of water main for new development.

- No change since last meeting. Developer's contractor is running behind schedule.
7. **Well 7 Electrical and Instrumentation Upgrades** – Various upgrades to improve reliability including new electrical service, motor control center, transformer, wiring, and chemical safety panel. This work is being performed as a change order to the SCADA Upgrade project.
 - The change order has been executed by all parties.
 8. **East Shore Road Water Main Improvements** – Replacement of approximately 8,000 feet of water main including valves, hydrants, and services along East Shore Road, from approximately Twin Ponds/Foxwood Road to Hick's Lane. Project will be designed in 2018 with anticipated construction in 2019.
 - Working on design.
 9. **Middle Neck Road Water Main Improvements** – Replacement of approximately 10,000 feet of water main including valves, hydrants, and services along Middle Neck Road, from approximately Appletree Lane to Great Neck Road. Project will be designed in 2018 with anticipated construction in 2020, dependent upon County paving plans/schedule.
 - Working on design.
 10. **Hydraulic Model** – Development of a hydraulic (computer) model of the Authority's water system to be used to evaluate future improvements, developments, etc. Model will be calibrated to real conditions by conducting hydrant flow tests.
 - Hydrant fire flow tests were completed in August.
 - The Authority's GIS has been converted into WaterGEMs (model software). Elevations and demands have been incorporated into the model. Data has been verified and back-checked.
 - Next step is to input the tank and pump info along the system logic, followed by the model calibration process.

Gregory Graziano presented the Superintendent's Report:

Superintendent Graziano explained that on September 6, 2018, the Water Authority opened bids for its 2019 Maintenance of Grounds contract with options to review for 2020 and 2021. Two bids were submitted:

	2019	2020	2021
Del Graz Enterprises, Inc.	\$34,250	\$34,900	\$35,600
Dom's Lawn Maker, Inc.	\$54,000	\$55,080	\$56,181.60

In 2018, the Water Authority used Del Graz Enterprises, Inc. and paid \$32,655, which represents a 4.8% increase (or \$1,595) for 2019. Based upon the excellent working relationship, the Superintendent recommended that the 2019 Maintenance of Grounds Contract be awarded to Del Graz Enterprises, Inc. On the motion of Director Celender, seconded by Director Smiley, by Resolution # 18-10-09, the Board approved the award of the 2019 Maintenance of Grounds contract to Del Graz Enterprises, Inc. The vote was 8 for, 0 against, 0 abstentions. (When the Authority approved a contract with Del Graz Enterprises, Inc., at a meeting on November 16, 2015, it was noted in the minutes that because of the similarity of last names, the Authority received a "no conflicts" letter from Anthony Graziano, President of Del Graz Enterprises, Inc., dated November 3, 2015, stating, in substance, that he is not related to Deputy Chairperson Robert J. Graziano or Superintendent Gregory C. Graziano,

and that no officer or employee of the Authority has any interest in the corporation.) Copies of the bids are on file with the Secretary.

Superintendent Graziano explained that a canvas of insurance companies offering Dental policies found that the Authority could save approximately \$939.12 annually by switching its Dental Insurance from MetLife to Guardian, for a one-year period, effective November 1, 2018. There are also additional benefits to the Guardian policy that the Authority does not presently have with MetLife, which also make Guardian a better option.

MetLife Renewal Proposal Annual Premium \$31,895.48

Guardian Proposal –Annual Premium (1 Year) \$30,758.38

Superintendent Graziano recommended that the Board approve the switch from MetLife to Guardian, for the annual premium of \$30,758.38, for a one-year period, effective November 1, 2018, for the Authority's Dental Insurance. On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #18-10-10, the Board approved the change to Guardian for Dental Insurance. The vote was 8 for, 0 against, 0 abstentions. A copy of the policy is on file with the Secretary.

Superintendent Graziano provided a current map of all the Well locations to the Directors.

Counsel, Stephen Limmer, updated the Board on the Department of Labor's now finalized model Sexual Harassment Prevention Policy and the extension of the date by which employees are mandated to take the first of their annual sexual harassment prevention training sessions. The new compliance date for training is October 9, 2019. He also discussed his proposed revised Sexual Harassment Prevention Policy modeled on the now final Department of Labor model policy. On the motion of Director Levy, seconded by Director Weinberg, by Resolution #18-10-11, the Board approved the proposed revised Sexual Harassment Prevention Policy for the Authority. The vote was 8 for, 0 against, 0 abstentions. A copy of the policy is on file with the Secretary.

On the motion of Director Smiley, seconded by Director Lopatkin, by Resolution #18-10-12, the Board approved the retention of Stephen Limmer and the firm of McLaughlin & Stern, LLP, as General Counsel for the Authority's fiscal 2019 year, pursuant to Stephen Limmer's proposed retainer letter dated October 27, 2018. The vote was 8 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 Smiley, by Resolution #18-10-13, the Board went into Executive Session at 6:25 p.m. The Board emerged at 6:50 p.m. Chairperson Kalnick announced that no action had been taken and no minutes would be produced.

The meeting was adjourned at 6:50 p.m.

Approved by Secretary:  Date: 11/20/2018