

Final: October 21, 2015

**MEETING OF THE BOARD OF DIRECTORS OF
THE WATER AUTHORITY OF GREAT NECK NORTH
HELD ON SEPTEMBER 21, 2015,
AT 50 WATERMILL LANE, GREAT NECK, NEW YORK.**

PRESENT:

Michael C. Kalnick, Chairperson
Edward Causin, Director
Jean Celender, Director
Ralph J. Kreitzman, Director
Dan Levy, Director
Susan Lopatkin, Director
Steven Weinberg, Director

Village of Kings Point
Village of Great Neck Estates
Village of Great Neck Plaza
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

Water Authority of Great Neck North
Ackerman, Levine, Cullen, Brickman & Limmer, LLP
D&B Engineers and Architects, P.C., Consulting Engineer

NOT PRESENT:

Howard Miskin, Vice Chairperson
Carol Frank, Director

Water Authority of Great Neck North
Town of North Hempstead

The Board meeting was called to order at 6:04 p.m. Seven members (Chairperson/Director Kalnick, Directors Causin, Celender, Kreitzman, Levy, Lopatkin, and Weinberg) were present, constituting a quorum.

On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #15-09-01, the Board reviewed and approved the Minutes of the Board's August 17, 2015, meeting. The vote was 7 for, 0 against, 0 abstentions.

On the motion of Director Lopatkin, seconded by Director Kreitzman, by Resolution #15-09-02, the Board reviewed and approved the Abstract of Claims. The vote was 7 for, 0 against, 0 abstentions. The Treasurer noted that the Authority received its first check from the New York State Environment Facilities Corporation's ("EFC"), in the amount of \$795,924.94. A copy of the Abstract is on file with the Secretary.

On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #15-09-03, 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 Celender, by Resolution #15-09-04, the Board reviewed and approved the 2016 Draft Budget as the Final Budget. The vote was 7 for, 0 against, 0 abstentions. The total operating plan in the Final Budget shows an increase of 2.55% over the 2015 Final Budget. However, that increase is without taking into account reimbursable expenses. If you take account the reimbursable expenses, there is actually a 2.91% decrease from the 2015 Final Budget. Superintendent Graziano noted that there has been a 1% average decrease in the operating plan for the last 7 years. Director Lopatkin complimented the Superintendent for the job he is doing controlling costs. The vote was 7 for, 0 against, 0 abstentions. A copy of the Final Budget is on file with the Secretary.

D&B Engineers and Architects, P.C. ("D&B") reviewed the 2016 Final Budget that they received from the Authority as required under Section 7.08 of the Authority's Water System Revenue Resolution. The budget sets forth an aggregate debt service of \$2,967,000.00 and projects net operating revenues, before interest and depreciation, of \$3,498,900.00. The net operating revenues are greater than 110 percent of the aggregate debt service and therefore meet the Authority's minimum requirement. Based on that, by letter dated September 21, 2015, D&B certified that the Budget for 2016 provided for net operating revenues greater than 110 percent of the aggregate debt service and, therefore, meet the Authority's minimum requirement under the Authority's Bond Resolution and recommended adoption of the Budget. On the motion of Director Levy, seconded by Director Celender, by Resolution #15-09-05, the Board directed the Treasurer to file a copy of the letter with the Trustee. The vote was 7 for, 0 against, 0 abstentions. A copy of the letter is on file with the Secretary.

The meeting was temporarily adjourned at 6:22 pm and resumed at 6:28 p.m.

Bill Merklin presented the Engineer's Report:

A pre-construction meeting for the Rehabilitation of Well 11A at Watermill Lane was held with the Contractors. A Notice to Proceed will be sent to the Contractors to start work on October 1, 2015.

The Water Main Improvements on Kings Point Road, Martin Court, and Grassfield Road have been completed. 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 is scheduling a meeting to discuss the proposed repairs for the Weybridge Road Tank.

The work for Phase I of the Storm Mitigation Loan Program for Well 5 was completed.

D&B completed the hydraulic modeling and evaluation for the Brickman Estate Subdivision.

The performance of Well 6 improved after D&B had the screen cleaned. The Superintendent advised that it is not clear at this time how long the improvement in the well's performance will last. The well will be pulled from service in 2016 to assess the condition of the screen (to see if it is plugging disproportionately) to determine if the existing well is viable or if a new well should be drilled at the site at a different location. That determination will be made before any work is started for the design or construction of the existing well under the EFC project.

Gregory Graziano presented the Superintendent's Report:

The Authority awarded the 2015 annual contract for the Maintenance of Grounds to Global Industrial Services, Inc., with an option to the Authority to renew for a second year for 2016. The Superintendent recommended that the Authority not exercise its option to renew the contract with Global for another year, but, instead, to solicit bids for a new contract. On the motion of Director Kreitzman, seconded by Director Celender, by Resolution #15-09-06, the Board elected to solicit bids for the 2016 Maintenance of Grounds Contract. The vote was 7 for, 0 against, 0 abstentions.

Superintendent Graziano advised the Board that Item #2.2c (Investigative Work for the Electrical Motor Failure of Well 14) will be tabled until next month after he has received additional information.

Superintendent Graziano advised the Board that he is obtaining proposals from Fulbright & Jaworski LLP, (Bond Counsel) and Capital Markets Advisors, LLC, (Financial Advisory Services), regarding the potential for refinancing the Authority's 2008 Bonds. The Superintendent will report back to the Board after he receives their proposals.

Director Causin advised the Board that Item #2.3 (Review of Proposed Revisions to the Governance Committee Charter and Code of Ethics) will be tabled until next month.

On the motion of Director Levy, seconded by Director Loptakin, by Resolution #15-09-07, the Board went into Executive Session at 7:00 p.m. to discuss D&B's proposal for the preparation of O&M Plans for the Packed Tower Aeration Treatment Facilities, and a personnel matter. Director Weinberg exited the meeting at 7:26 p.m. The Board emerged from Executive Session at 7:30 p.m.

On the motion of Director Levy, seconded by Director Lopatkin, by Resolution #15-09-08, the Board accepted D&B's proposal, by letter dated September 11, 201, for Engineering Services for the preparation of O&M Plans for the Packed Tower Aeration Treatment Facilities for the not to exceed fees of \$7,000.00 for Community Drive, and \$4,500.00 for Watermill Lane. The vote was 6 for, 0 against, 0 abstentions. A copy of the proposal is on file with the Secretary.

On the motion of Director Levy, seconded by Director Causin, by Resolution #15-09-09, the Board increased the Deputy Chairperson's work schedule, effective immediately, to 20 hours per week, at an hourly pay rate equivalent to \$100,000.00 annually. The increase in the Deputy Chairperson's hours is needed to facilitate the additional workload required by the multiple EFC projects to assure their timely completion within the limited time period permitted by EFC for the Authority to obtain the maximum benefits of EFC's grant and loan agreement. The need for the Deputy Chairperson's work schedule to continue at 20 hours per week will be reviewed periodically and will end on December 31, 2016. The vote was 6 for, 0 against, 0 abstentions.

The meeting was adjourned 7:38 p.m.

Approved by Secretary:



Date:

10/21/15