

Final: November 18, 2013

**MEETING OF THE BOARD OF DIRECTORS OF THE WATER AUTHORITY OF
GREAT NECK NORTH HELD ON OCTOBER 21, 2013 AT 50 WATERMILL LANE,
GREAT NECK, NEW YORK**

PRESENT:

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

Village of Kings Point
Town of North Hempstead
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:

Howard Miskin, Vice Chairperson
Robert Graziano, Deputy Chairperson
Gregory Graziano, Superintendent
Kathleen Friend, 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
Water Authority of Great Neck North
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Water Authority of Great Neck North
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

The Board meeting was called to order at 6:00 p.m. Five members, (Chairperson/Director Kalnick, Directors Birnbaum, Celender, Kreitzman, and Lopatkin) were present, constituting a quorum.

On the motion of Director Lopatkin, seconded by Director Kreitzman, by Resolution #13-10-01, the Board approved the Minutes of the Board's September 16, 2013, meeting. The vote was 5 for, 0 against, 0 abstentions.

On the motion of Director Kreitzman, seconded by Director Lopatkin, by Resolution #13-10-02, the Board acknowledged that the Abstract of Claims was reviewed by the Directors and the Abstract was approved. The vote was 5 for, 0 against, 0 abstentions. A copy of the Abstract is on file with the Secretary.

On the motion of Director Kreitzman, seconded by Director Lopatkin, by Resolution #13-10-03, the Board acknowledged that the Treasurer's Monthly Report was reviewed by the Directors and the Report was accepted. The vote was 5 for, 0 against, 0 abstentions. A copy of the Report is on file with the Secretary.

On the motion of Director Lopatkin, seconded by Director Kreitzman, by Resolution #13-10-04, the Board acknowledged that the Treasurer's Revenue and Expenses Quarterly Report, for the period ended September 30, 2013, was reviewed by the Directors and the Report was accepted. The vote was 5 for, 0 against, 0 abstentions.

On the motion of Director Celender, seconded by Director Kreitzman, by Resolution #13-10-05, the Board reviewed and accepted the Construction Work in Progress Budget vs. the Actual Report for the period ended September 30, 2013. The vote was 5 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 Celender, seconded by Director Kreitzman, by Resolution #13-10-06, the Board confirmed that the Net Revenues for the 2013 fiscal year of the Authority will be sufficient to comply with the rate covenant 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, 2013. The vote was 5 for, 0 against, 0 abstentions.

Director Causin entered the meeting at 6:04 p.m.

Bill Merklin presented the Engineer's Report:

The Nassau County Department of Health ("NCDH"), D&B Engineers and Architects, P.C. ("D&B"), and Philip Ross Industries, Inc. are continuing to investigate the cause of the bacteria that is being detected in the sample results at the new Packed Tower Aeration Treatment System at Community Drive. Although the treatment system has been physically ready for operation for several months, the Authority has not been able to operate it to provide potable water to its customers because of recurring bacteriological problems. The contract requires that the system be disinfected with a chlorine solution and that samples be collected to verify that the disinfection process was successful. The Contractor has performed the process of disinfection and testing many times over the past several months, without success. The required samples are referred to as "bacteriological" samples. A time series of samples (0, 2, 5, 10 and 30 minutes) are collected from various locations along the treatment train (at the well head, the influent valve building, the tower influent, the tower effluent, and the booster pumps.) Recently, that procedure was repeated several times over

a period of weeks using water from Well 14 through Treatment Train B. The sampling has confirmed that the water entering Tower B (samples collected at the Well 14 pump head, the influent valve building, and the Tower B influent) is free from bacteriological contamination. However, the water leaving Tower B (at the Tower B effluent and Treatment Train B booster pumps) consistently fails one or more of the bacteriological time series tests. Those results indicate that the water is becoming contaminated within the Tower. The Authority and the Contractor have not yet determined the reason that the Tower is contaminating the water.

Hinck Electrical Contractor, Inc., has begun work on the Electrical Improvements for Well 10A at Ravine Road.

D&B is working on the draft contract documents for the Rehabilitation of Well 11A at Watermill Lane.

Bancker Construction Corp. has begun work on the Water Main Improvements at Cricket Lane and Pond Road. D&B is working on a separate bid document for the Kings Point Road portion of the project, which is scheduled to begin in the spring.

Gregory Graziano presented the Superintendent's Report:

The Authority opened bids for the Paving and Restoration Contract at the Authority's offices on September 26, 2013. Six bids were picked up by: 1) DeRosa Paving, Inc., 2) John McGowan & Sons, 3) American Paving & Masonry, Corp., 4) Gold Coast Pavers, 5) Bancker Construction Corp., and 6) Cesca Construction. Although six bids were picked up, only two bids, from DeRosa Paving, Inc., and American Paving & Masonry, Corp., were submitted. The price, per year, from DeRosa Paving, Inc., was \$16,556.25. The price, per year, from American Paving & Masonry, Corp., was \$18,015.00. The prices furnished in DeRosa's 2014, 2015, 2016 contract were approximately five percent (5%) lower than the pricing in their 2011, 2012, 2013 (\$19,007.75) contract. The Superintendent noted that the work DeRosa performed for the Authority from 2011 to 2013 was excellent and recommended that the 2014 contract be awarded to DeRosa Paving, Inc. On the motion of Director Celender, seconded by Director Lopatkin, by Resolution #13-10-07, the Board approved awarding the 2014 Contract for Paving and Restoration to DeRosa Paving, Inc. The vote was 6 for, 0 against, 0 abstentions.

Superintendent Graziano reported that the Great Neck Water Pollution Control District ("GNWPCD") advised D&B that all of the outstanding technical issues at the sewer crossing on East Shore Road were resolved and that they intended to perform the water main offset work as agreed upon. The NCDH and GNWPCD verbally advised D&B that they approved the field modifications that were suggested by Bancker Construction Corp. D&B will notify the Authority as soon as a start date is confirmed.

Stephen Limmer left the room while his firm's proposed retainer for the 2014 calendar year was discussed. At the conclusion of the discussion, Stephen Limmer was called back into the meeting. On the motion of Director Causin, seconded by Director Kreitzman, by Resolution #13-10-08, 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 2014 year, pursuant to Stephen Limmer's proposed retainer letter dated September 10, 2013. There will be an increase of slightly less than 3% in hourly rates, which is the first increase in three years. The vote was 6 for, 0 against, 0 abstentions. A copy of the letter is on file with the Secretary.

Director Levy entered the meeting at 6:10 p.m.

On the motion of Director Celender, seconded by Director Lopatkin, by Resolution #13-10-09, the Board adjourned to go into Executive Session at 6:11 p.m. to discuss possible litigation with regard to the Packed Tower Aeration System at Community Drive Facility.

Director Weinberg entered the meeting at 6:15 p.m.

The Board emerged from Executive Session at 6:55 p.m. On the motion of Director Lopatkin, seconded by Director Celender, by Resolution #13-10-10, with regard to the Authority's contract with Philip Ross Industries, Inc., for the Packed Tower Aeration System at Community Drive Facility, the Board authorized Counsel to send letters to the Surety on the Contractor's Performance Bond and to the Carrier of the Contractor's General Commercial Liability Insurance policy to put them on notice that there may be a claim against the Contractor with regard to the contract, and to determine if it is appropriate to also send notice to the Authority's General Commercial Liability Insurance Carrier to put it on notice. The vote was 8 for, 0 against, 0 abstentions.

On the motion of Director Kreitzman, seconded by Director Celender, by Resolution #13-10-11, the meeting was adjourned at 6:58 p.m.

The next Board of Directors Meeting is scheduled for
Monday, November 18, 2013 at 6:00 p.m.