

WATER AUTHORITY OF NORTH SHORE
MINUTES OF BOARD MEETING HELD ON JUNE 29, 2022

The meeting took place at the Sea Cliff Village Hall, 300 Sea Cliff Avenue, Room C, New York, New York 11579.

Meeting was called to order at 7:05 PM.

PLEDGE OF ALLEGIANCE: All members and attendees joined in the pledge of allegiance.

ROLL CALL: All six (6) appointed Board members were in attendance:

Richard Arena (Glen Head/Glenwood Landing Representative)
James Greenberg, Esq. (Glen Cove Representative)
Sandeep Kapoor, M.D., MS-HPPL (Roslyn Harbor Representative)
George Pombar (Glen Head/Glenwood Landing Representative)
John Vasilakis (Old Brookville Representative)
James W. Versocki, Esq. (Sea Cliff Representative)

PRO TEM APPOINTMENTS: The Board members agreed to appoint Member Pombar, representing the hamlet of Glen Head, to preside as chairperson over the meeting and Member Versocki, representing the village of Sea Cliff, was appointed to act as the secretary for this meeting.

APPROVAL OF MINUTES. A motion was made by Member Greenberg and seconded by Member Arena, to approve the minutes of the May 25, 2022 meeting. The motion passed unanimously.

REPORT OF THE COMMITTEES:

Personnel. Dr. Kapoor provided an update on the committee activities since the last meeting. The personnel committee held a conference call meeting and discussed the job description for the CEO position. Member Pombar had prepared a draft that the committee discussed. The personnel committee made no recommendations to the board at this time as funding remains a concern. A discussion was held by the board on whether to post the position of CEO. After discussion, a motion was made by Member Versocki to refer the posting of a CEO position to the personnel committee for further review and recommendation to include a salary, job description, and other factors deemed advisable by the committee. The motion was seconded by Member Greenberg and passed unanimously.

Health and Safety Committee. No meeting was held of the committee. Dr. Kapoor advised that the committee anticipates having meetings after receiving initial safety information from Liberty and part of the joint proposal process. The board discussed that annual reports on water safety may be found on the Sea Cliff village website and the Liberty website. Members were also advised that some relevant materials may be on the American Water Must Go website.

Finance Committee. Member Vasilakis advised the Board that a bank account was opened on June 21, 2022 at First National Bank on behalf of the Authority.

Member Vasilakis advised the Board that the Office of the State Comptroller had contacted the committee concerning the filing of necessary forms to register with the Authorities Budget Office (ABO); he provided a copy of the correspondence from the ABO. The Board authorized Member Vasilakis to have further contact with the ABO to determine what information they needed to register the Authority with the ABO.

Member Versocki provided a copy of correspondence sent to the office of Senator Gaughran to assist in the process to obtain funds for the Authority which appear to be under the purview of the Department of State under its consolidation of government funding program.

Negotiations Committee. Member Versocki provided an update on the calls held by the committee. The committee reviewed and approved the sending of a dated June 24, 2022 to Liberty Utilities to commence the Joint Proposal process. Liberty has not responded as of the date of the meeting. A discussion was held about the timing of the Joint Proposal timeframes and concerns were discussed about the ability to meet them. Member Versocki advised that the Authority held the power of condemnation and that if Liberty did not enter into good faith negotiations, the Authority could always pursue that avenue and therefore Liberty has an interest in following the Joint Proposal as it remains a regulated utility provider by that agency and would want to negotiate with this Authority versus litigation over valuation in a Nassau County court.

OLD BUSINESS:

- a. State Authority Board Filing. A copy of the correspondence with the ABO was provided to the board.
- b. Walden Update. Member Versocki provided an update on the recent discussions between the Village of Sea Cliff and Walden. He advised that Walden is performing work for the two south shore authorities/districts in their discussions with Liberty. He also advised that Walden had performed a feasibility study for the Village of Sea Cliff as part of the Joint Proposal settlement; that study provided the initial basis for the determination that the municipalization of the Sea Cliff Water District was feasible. The Village of Sea Cliff has an existing grant and the Village is exploring whether the grant can be utilized to update the feasibility study; Member Versocki advised that the village grants administrator will be reviewing the issue. Member Versocki clarified that the grant is not one where the Village has the funds but that it is a "reimbursement" grant; this means the Village has to expend funds and the funds must be used for a purpose approved by the grant terms and then the Village gets reimbursed. Member Versocki will provide updates on the grant issue at upcoming meetings.
- c. Introduction Letter to Liberty Update. An initial letter, dated June 24, 2022, was sent to Liberty Utilities to begin the Phase 1 negotiations under the Joint Proposal. Member Versocki advised that the Board can expect Liberty to require a confidentiality agreement, which is provided for under the Joint Proposal.
- d. State Grant Funding /Finance Temporary Alternatives. Member Pombar discussed a potential additional avenue for support to the Authority. He advised that the Suffolk County Water Authority (SCWA) may be able to assist the Authority with administrative support, including negotiation support and also assisting in obtaining the funding provided to the Authority under its enabling legislation. Member Pombar did not speak with the SCWA yet and asked the Board for permission to do so.

A motion was made by Member Greenberg and seconded by Member Arena to authorize Member Pombar to have initial discussions with the SCWA concerning what administrative support the SCWA can provide to the Authority. A discussion ensued on what services the SCWA could provide and whether there are other entities that could provide similar services. The board discussed that its focus should be on obtaining funding as that will allow for necessary staff. The Board also discussed whether it can start the information phase set forth in the Joint Proposal itself; Member Pombar advised he has been in contact with Mr. Carey, who is providing services to other authorities, and has asked whether copies of the information requests from the other authorities/districts can be provided pro bono to the Authority. Member Kapoor asked what services from other connected water districts could be provided; it was discussed that such discussions could be problematic or a conflict as this Board may end up seeking to merge or enter into operational contracts with such inter-connected entities post municipalization. The motion was modified to authorize Member Pombar to have initial discussions with the SCWA concerning what administrative support the SCWA can provide to the Authority and then the negotiations and finance committees would participate in additional conversations with the SCWA. The motion, as amended, passed unanimously.

COMMUNICATIONS

Copies of the correspondence (i) received from and sent to the ABO; (ii) sent to Liberty Utilities; and, (iii) sent to Senator Gaughran's office were noted for the minutes.

RESOLUTIONS

There were no resolutions passed but a discussion was held on the bank account that was opened. The Board was advised that the account was opened by Member Pombar with \$50 of Member Pombar's personal funds. A motion was made by Member Versock to retroactively authorize the opening of a bank account at First National Bank of Long Island. After discussion, a motion was made by Member Kapoor, seconded by Member Greenberg, to table Member Versocki's motion; the motion to table passed unanimously.

OLD BUSINESS

Member Pombar discussed the need for the Authority to obtain insurance, especially Directors and Officers coverage, for the Authority. Member Versocki discussed that Board members should be indemnified by the Authority under law for official acts taken on behalf of the Authority and will provide an update to the Board on that process. The Board agreed to add "Insurance" as a recurring agenda item for the Authority.

PUBLIC COMMENT

Mr. Kennedy of Glen Cove advised that he has a copy of Mr. Stan Carey's resume which could be of assistance in drafting a CEO job description. The Board thanked Mr. Kennedy and asked if he could provide that information to the Board.

Mr. Lloyd Nadel of Glen Head inquired if Mr. Carey has been spoken with about the Authority and Member Pombar said "yes" as Mr. Carey was recommended as a possible resource to the Authority by the Town of Oyster Bay and a Mr. McAvoy. Member Nadel encouraged the Board to continue to move

forward as expeditiously as possible to avoid Liberty delaying the process as the community has been waiting for public water for five years.

Mr. Kennedy clarified that he was not recommending Mr. Carey for any position but was just providing his information. He further advised that the 2021 Water Quality Report prepared by American Water can be found on the Liberty website. Mr. Kennedy also advised that he secured multiple website names that could be used by the Authority and that he would gladly donate them to the Authority so it can set up its website.

Mr. Arthur Adelman of Sea Cliff asked who in the Town of Oyster Bay discussed the SCWA concept with Member Pombar. Member Pombar advised he spoke with Deputy Supervisor Carman. Mr. Adelman asked if the Sea Cliff feasibility study was available; the Board advised that it is not in possession of the study yet but that it is on the Public Service Commission website. Mr. Adelman inquired if prospective Authority employees are public employees.

Ms. Agatha Nadel of Glen Head asked for copies of all board member emails. She also inquired as to when the Authority will receive funding. She also discussed the fact that Mt. Vernon received \$150 million for its water authority/district and this community should also get grant money. She further discussed that the SCWA had discussed running other water districts. She encouraged the board to explore all options and that discussions with SCWA and all other districts should be taken.

Member Pombar reminded the Board and the public that the recent lower water bills experienced by the community will be ending as the credits have run out. Residents will start seeing large Liberty bills.

Ms. Nadel mentioned that there was a rate freeze as part of the PSC settlement and that the Board should be prepared for Liberty to seek a rate increase.

Mr. Kennedy asked the Board to review the Joint Proposal, particularly Step 3, as the Board will really only need any expert assistance when that step is reached.

Member Versocki asked the Board if the Authority should be listed as an interested party in the open Public Service Commission cases that impact the sea cliff water district. A motion was made by Member Pombar and seconded by Member Greenberg to authority Member Versocki to list/file the Authority as an interested party in the open PSC cases. The motion passed unanimously.

NEXT MEETING DATES

The next meetings were set for July 18, 2022 at 7pm and August 2, 2022 at 7pm at the Gold Coast Library.

The Board held a brief discussion on how to structure a possible CEO position and the opening of the bank account.

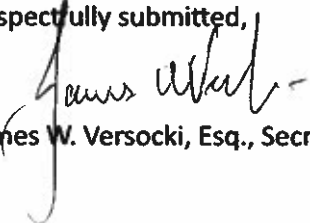
There being no further business before the board, a motion was made to adjourn the meeting at 8:59 p.m. by Member Versocki, seconded by Member Greenberg, and passed unanimously by the Board.

Respectfully submitted,


James W. Versocki, Esq., Secretary Pro Tem

I hereby certify that the foregoing is a true and accurate copy of the minutes of the meeting of the Board of the Water Authority of North Shoreheld on June 29, 2022.

Respectfully submitted,



James W. Versocki, Esq., Secretary Pro Tem