

AGENDA

REGULAR MEETING ON MARCH 26, 2019

3:00 P.M. AT OAKDALE, NEW YORK

PUBLIC HEARING - RATE INCREASE

PUBLIC COMMENT

PRESENTATION – 2020 Budget and Rate Proposal

**by Elizabeth Vassallo, Chief Financial Officer and
Christopher Cecchetto, Deputy Chief Financial Officer**

MINUTES FOR APPROVAL

1. Regular Meeting – February 26, 2019

CONTRACTS – EXTEND

- 2a. Contract 7332 – for fire extinguisher maintenance during the one-year period beginning May 1, 2019 – extend with Professional Fire Service Inc. of Copiague, New York.
- 2b. Contract 7426 – for installation of blow off basins – Zone 2 (Port Jefferson, Patchogue, Westhampton and East Hampton) during the one-year period beginning June 1, 2019 – extend with Ed Cork & Sons Inc. of Patchogue, New York.
- 2c. Contract 7428 – for furnishing, installation and cleanout of overflow drain pits and other miscellaneous work during the one-year period beginning May 1, 2019 – extend with D.F. Stone Contracting Ltd. of Medford, New York.
- 2d. Contract 7430 – for maintenance and installation of overhead garage doors at various sites during the one-year period beginning May 1, 2019 – extend with Superior Overhead Door Inc. of Selden, New York.
- 2e. Contract 7435 – for maintenance and repair of fire, burglar alarm systems and card access systems at various Authority sites during the one-year period beginning June 1, 2019 – extend with VSS Security Systems Inc. (VSS) of Selden, New York.

- 2f. Contract 7505 – for installation of water service lines using directional boring technology during the one-year period beginning May 1, 2019 – extend with Bancker Construction Corp. of Islandia, New York.
- 2g. Contract 7512 – for installation of new water service lines and reconnection of service lines (tie-overs) during the one-year period beginning June 1, 2019 – extend with Asplundh Construction Corp. of Yaphank, New York (Group I-West & II-East).
- 2h. Contract 7513 – for furnishing and delivery of rigid electrical conduit, fittings and associated electrical items during the one-year period beginning June 1, 2019 – extend with Wesco Distribution, Inc. of Hauppauge, New York (Group I, III, Group IV [A,C,E,F,P]; Group V [A,E,F,L,N]; and Aetna Electric LLC of New Hyde Park, New York (Group IV [H,I,J,L,N]; Group V [C,G,O,Q,R])).
- 2i. Contract 7514 – for furnishing and delivery of hydrogen peroxide to Commercial Boulevard during the one-year period beginning May 1, 2019 – extend with George S. Coyne Chemical Co, Inc. of Croydon, Pennsylvania.

CONTRACTS – AWARD/REJECT

- 3a. Contract 7590 – for supplying and installing high pressure spray-on bed liner.
- 3b. Contract 7594 – for cleaning services for Authority Buildings during the one-year period beginning April 1, 2019.
- 3c. Contract 7595 – for instrumentation, electrical control products and communications equipment during the one-year period beginning April 1, 2019.
- 3d. Contract 7596 – for furnishing and delivery of gate valves and butterfly valves during the one-year period beginning April 1, 2019.
- 3e. Contract 7597 – for general construction of water mains, appurtenances (Project 1); Installation of new water main and appurtenances by directional boring technology (Project 2); Roadway, shoulder and grass restoration on Speonk-Riverhead Road (Project 3).
- 3f. Contract 7598 – for furnishing and delivery of asphalt paving mixture for cold patching during the two-year period beginning April 1, 2019.
- 3g. Contract 7600 – for construction of asphalt driveways, paved yard areas and walkways (Western Zone) during the period April 1, 2019 to December 31, 2019.

- 3h. Contract 7601 – for constructing of a 20” x 10” diameter well (No. 1A) approximately 610 feet deep, Emjay Boulevard well field, Pine Aire, Town of Islip, during the one-year period beginning April 1, 2019.
- 3i. Contract 7603 – for sampling of monitor and observation wells during the one-year period beginning April 1, 2019.
- 3j. Contract 7604 – for supply of Granular Activated Carbon (GAC) Adsorption Systems at various Authority pump stations during the one-year period beginning May 1, 2019.

CONTRACT – EXTRA WORK

- 4. Contract 7507 – Approval of award of extra work to JPI Painting of Lowellville, Ohio, under Extra Work provision of Contract.

GENERAL

- 5. Special Services
 - a) RFP 1504 – Defense Counsel
Extend Agreement No. 1504 with O’Connor, O’Connor, Hintz & Deveney, LLP of Melville, New York,; with McCabe, Collins, McGeough & Fowler, Levine & Nogan, LLP of Carle Place, New York; with Milber, Makris, Plousadis & Selden LLP of Woodbury, New York; with Sobel Pevzner LLC of Huntington, New York; with LaSalle, LaSalle & Dwyer PC of Sea Cliff, New York, for defense counsel during the one-year period beginning May 1, 2019.
 - b) RFP 1516 – Inspection Services for Authority Pipeline and Road Restoration Projects
Extend Agreement No. 1516 with H2M Architects & Engineers Inc. of Melville, New York, for inspection services for Authority pipeline and road restoration projects during the one-year period beginning June 1, 2019.
 - c) RFP 1535 – Organizational Assessment
Accept the proposal of Ernst & Young of Jericho, New York, for consulting services for the purpose of providing the Authority with an organization assessment for a three-month engagement for an aggregate total cost of \$347,966.
- 6. Rules and Regulations
 - a) Rate Increase
Based upon recommendations of a rate study conducted by Municipal and Financial Services Group, and with additional information and recommendations of Elizabeth Vassallo, Chief Financial Officer, amend the Authority’s rates in accordance with the schedule effective April 1, 2019.

7. General
 - a) Budgets – Fiscal Year Ending May 31, 2020
Authorize the approval of Operating & Maintenance and Construction Budgets for Fiscal Year ending May 31, 2020.

8. Budget
 - a) Budget Amendment #6 - May 31, 2019
Authorize revision to the budget for year ending May 31, 2019, as follows:

Increase to Item 031-19 (Construction Contracts – Tapping)
in the amount of \$155,000

Increase to Item 035-19 (Developer Contracts) in the amount of \$415,000

The Capital Budget will be amended to \$87,410,000 (an increase of \$570,000).

9. Members
 - a) Approval of Recertification of the Record of Activities for Time Worked for Authority – M. Mattera
Approval of the Recertification of the Record of Activities for time worked for the Authority for Mario Mattera, for the purpose of retirement reporting; and approve and post the reporting resolution on the Authority’s website for 30 days, and thereafter file the resolution with the NYS Retirement System.
 - b) Audit Committee
Nominate Elizabeth Mercado to serve on the Audit Committee, effective immediately.

10. Policies
 - a) Policy and Procedures – Policy 302– Revision – Compensatory Time
Approve and adopt Revised Policy and Procedures – Policy 302 pursuant to attached outline.

11. Property Casualty Insurance
 - a) Renew policy with Starr Indemnity - Ace American Insurance Company at a cost of \$211,577.
 - i. Renew broker service agreement with Willis Towers Watson, Willis of New York, Inc. at a fee of \$20,000.
 - b) General Liability, Auto and Lead Umbrella (\$10,000,000)
Renew the above policies from Zurich America Insurance Company at a cost of \$299,196.

- c) Excess/Umbrella Liability
 2nd Layer, Coverage limit \$15 million limit: Purchase new with Great American Insurance Company at a cost of \$66,500.
 3rd Layer \$25 million limit: Purchase new from XL Insurance Company at a cost of \$51,000.
 - d) Purchase one OCP policy with Zurich America Insurance Company in the name of the Town of Brookhaven at an approximate cost of \$509.
 - e) Authorize the broker service agreement with USI Insurance Services at an approximate fee of \$25,000 for above coverages b), c) and d).
 - f) Directors & Officers Liability
 Renew with AIG the Not-For-Profit Risk Protector with Willis Towers Watson acting as the broker who will receive a commission on this line of coverage rather than a fee from the Authority. The premium, including commission, will be \$62,180.
 - g) Comprehensive Crime
 Renew with Travelers with Willis Towers Watson acting as broker who will receive a commission on this line of coverage rather than a fee from the Authority. The premium, including commission is \$11,658.
 - h) Cyber Insurance
 Purchase new a Cyber Insurance policy through Willis Towers Watson and issued by the Beazley Insurance Company. The premium, including commission, is \$18,606.
 - i) Surety – Street Opening Permit Bonds
 Renew with Hartford In. Co. with Willis Towers Watson, Willis of New York, Inc. acting as broker on a commission basis. The approximate cost is \$5,060.
 - j) Authorize the Risk Management Department, in consultation with the CEO and General Counsel, to be authorized to recommend settlements to our insurers on claims that occur between April 1, 2019 through March 31, 2020 and that fall within the policy retention or deductible limits.
 - k) Authorize the Risk Management Department, in conjunction with the CEO and General Counsel, to increase/decrease coverages or purchase additional insurance as required by the operations of the Authority during the period April 1, 2019 to April 1, 2020.
12. Workers' Compensation Self-Insured Program
- a) SCWA utilizes PMA Management Corp. to act as our Third Party Administrator (TPA) for Workers Compensation claims for the period April 1, 2018 to April 1, 2019. They have submitted a renewal proposal. SCWA also solicited and received an alternative proposal from Sedgwick Claims Management Services, Inc. We are recommending that we

change our TPA from PMA Management Corp. to Sedgwick Claims Management Services, Inc.

- b) Purchase excess workers compensation and employers liability policy from the Safety National Insurance Company providing coverage for any claim that exceeds \$750,000 at a premium of \$170,159 with a proposed two year rate guarantee which is subject to payroll audit;
- c) Enter into an agreement with Arthur J. Gallagher & Company, located at One Jericho Plaza, Suite 200, Jericho, NY, for insurance broker services relating to the purchase and servicing the excess insurance policy during the one-year period beginning April 1, 2019, at a cost of \$12,500.

13. Equipment

a) Flowrox Lime Slurry Pump

Authorize the purchase of Flowrox LPP hose pump for the Production Control Department from Flowrox, Inc. in the amount of \$6,790.

b) Hydraulic Model - Synergi

Renew the license and support agreement with DNV GL of Mechanicsburg, PA for the Synergi hydraulic modeling software, for the one-year period beginning February 28, 2019, in the amount of \$22,108.99.

c) Support Services Agreement - SCADA

Renew support services agreement for the SCADA system software, with Systems Integrated, of Orange, California, for a one-year period beginning May 1, 2019, for a total cost not to exceed \$100,000.

d) Fracta – Artificial Intelligence Predictor of Water Main Vulnerabilities

Enter into a one-year trial subscription to the Fracta – Artificial Intelligence Predictor of Water Main Vulnerabilities software, subject to review and approval by Authority's Legal Department, at a reduced cost of \$15,000 for the first year.

14. Meetings, Seminars, Training, Conferences

a) AWWA 2019 Annual Conference

Authorize the attendance of Jeremy Brandt, Field Supervisor in Production Control, Scott Meyerdieks, Lead Civil Engineer in Engineering, and Thomas Rae, Construction and Maintenance Field Supervisor to the AWWA Annual Conference and Exhibition in Denver, Colorado, from June 9, 2019 through June 12, 2019, at an approximate cost of \$2,500 per person.

b) McClellan Wildland Fire Training Center

Authorize the attendance of Shaun Ziegler of the Central Pine Barrens Commission to attend the McClellan Wildland Fire Training Course in Sacramento, California, from April 8 through April 12, 2019, at a total cost of \$2,025.

INVOICES - To be paid from the Operating Fund:

15a. <u>Dvirka & Bartilucci</u>	\$1,547.00
15b. <u>Heslin Rothenberg Farley & Mesiti P.C.</u>	13,118.78
15c. <u>Lasalle Lasalle & Dwyer PC</u>	8,193.50
15d. <u>McCabe, Collins, McGeough, Fowler, Levine & Nogan, LLP</u>	1,348.64
15e. <u>Milber Makris Plousadis & Seiden, LLP</u>	4,240.67
15f. <u>Putney, Twombly, Hall & Hirson LLP (Labor Counsel)</u>	2,883.00
15g. <u>Sobel Pevzner, LLC</u>	38,097.50

NEXT MEETING – Scheduled for April 30, 2019, at the Administration Building, Oakdale.

NEW BUSINESS & PUBLIC COMMENT

EXECUTIVE SESSION