

NASSAU COUNTY INTERIM FINANCE AUTHORITY  
MEETING OF THE DIRECTORS  
MINUTES OF NOVEMBER 19, 2015

The Directors of the Nassau County Interim Finance Authority met on November 19, 2015 at 4:53 PM at the Marriott Long Island Hotel & Conference Center located at 101 James Doolittle Blvd, Uniondale, NY 11553.

Directors present:     Jon Kaiman, Chairman  
                          Paul Annunziato  
                          John Buran  
                          Adam Haber  
                          Paul Leventhal  
                          Lester Petracca  
                          Christopher Wright

Directors absent:

Staff present:         Evan Cohen, Executive Director  
                          Carl Dreyer, Treasurer  
                          Laurie Giardina, Corporate Secretary  
                          Maria Kwiatkowski, Deputy Director  
                          Jeremy Wise, General Counsel

**1. Call to Order/Roll Call**

The meeting was called to order at 4:53 PM.

**2. Approval of Minutes**

On a motion by Director Wright, the Directors approved the minutes from the meeting on October 19, 2015.

Positive votes: 7       Negative votes: 0

Resolution No. 14-585

**APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE OCTOBER 19, 2015 MEETING OF THE DIRECTORS OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY**

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RESOLVED, that the Minutes of the meeting of the Authority held on October 19, 2015 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Authority.

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**3. Authorization to Increase the Amount of NIFA's Contract with Lamont Financial Services Corporation and to Take Related Actions**

The Directors were asked to approve a resolution to increase NIFA's contract with Lamont Financial.

On a motion by Director Wright, the Directors approved the resolution.

Positive votes: 7      Negative votes: 0

Resolution No. 15-586

AUTHORIZATION TO INCREASE THE AMOUNT OF NIFA'S CONTRACT WITH LAMONT FINANCIAL SERVICES CORPORATION AND TO TAKE RELATED ACTIONS

WHEREAS, the Nassau County Interim Finance Authority ("NIFA") or the ("Authority") was created by Chapter 84 of the Laws of 2000 (the "Act") to be a corporate governmental agency constituting a public benefit corporation to issue bonds that are backed by county sales tax revenues as well as to perform certain budgetary oversight functions as set out in the Act; and

WHEREAS, the Directors deem these to be extraordinary circumstances that may require emergency actions to be taken by the Authority to fulfill its statutory responsibilities; and

WHEREAS, Lamont Financial Services Corporation ("Lamont") had previously been selected by NIFA as its Financial Advisor;

NOW, THEREFORE, BE IT RESOLVED, that the materials presented to this meeting (the "Materials") are ordered to be filed with the records of the Nassau County Interim Finance Authority ("NIFA"); and be it further

RESOLVED, that the Executive Director or his designee(s) shall take all actions necessary to amend NIFA's existing contract with Lamont for financial advisory service for an additional amount not to exceed \$200,000, plus disbursements, and be it further

RESOLVED, that the Chairman or his designees shall negotiate the terms of the service(s) to be provided by Lamont; and be it further

RESOLVED, that all actions heretofore taken by the Chairman or his designee(s) in furtherance of the foregoing resolutions are hereby ratified and approved.

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**4. Authorization to Re-Appoint a Law Firm and to Take Related Actions**

The Directors were asked to approve a resolution to re-appoint Skadden, Arps, Slate, Meagher & Flom LLP and Affiliates (“Skadden”) to represent NIFA against possible litigation and provide legal advice.

On a motion by Director Wright, the Directors approved the hiring of Skadden.

Positive votes: 7      Negative votes: 0

Resolution No. 15-587

AUTHORIZATION TO RE-APPOINT A LAW FIRM TO PROVIDE ASSISTANCE TO THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

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RESOLVED, that the materials presented to this meeting (the “Materials”) are ordered to be filed with the records of the Nassau County Interim Finance Authority (the “NIFA”); and be it further

RESOLVED, that based upon the Materials presented to this meeting, including the need for real time legal advice and the possibility of litigation against NIFA and or its Directors or staff, we hereby re-appoint and approve the extension of the existing contract with Skadden, Arps, Slate, Meagher & Flom LLP and Affiliates (“Skadden”); and be it further

RESOLVED, that the continued utilization of Skadden is necessitated by extraordinary circumstance confronting the County of Nassau and NIFA as well as their unique expertise and knowledge of NIFA; and be it further

RESOLVED, that the Chairman or his designees may take all steps deemed necessary or appropriate to carry out the intent of this resolution.

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**5. Permission to Replace the Remarketing Agent for NIFA’s 2008D-1 Bonds**

The Directors were asked to approve the replacement of NIFA’s current remarketing agent with which NIFA was dissatisfied.

On a motion by Director Buran, the Directors approved the resolution to replace the current remarketing agent.

Positive votes: 6      Negative votes: 0      Recusal: 1 (Director Wright)

Resolution No. 15-588

PERMISSION TO REPLACE THE REMARKETING AGENT FOR THE NIFA’S 2008D-1 SALES

## TAX SECURED VARIABLE RATE DEMAND BONDS

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RESOLVED, that the materials presented to this meeting of the Directors (the “Materials”) are ordered to be filed with the records of the Nassau County Interim Finance Authority (“NIFA”) and be it further

RESOLVED, that the Directors approve the replacement of the current remarketing agent for NIFA’s 2008D-1 Sales Tax Secured Variable Rate Bonds with Bank of America Merrill Lynch Merrill Lynch, Pierce, Fenner & Smith Incorporated as well as the employment of a financial advisor, Lamont Financial Services Corporation, and a law firm, Sidley Austin LLP; and be it further

RESOLVED, that this replacement is deemed an emergency due to disclosures from the current remarketing agent; and be it further

RESOLVED, that staff may take all actions and do all things that they deem necessary to carry out the intent of this resolution.

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### **6. Consideration of Posillico Civil, Inc. Contract**

The contract is for \$41.5 million. \$39.6 million is 100% grant covered by FEMA for restoration at Bay Park and \$1.9 million for improvements at Cedar Creek, therefore, the Chairman recused himself.

On a motion by Director Annunziato, the Directors approved the contract with Posillico Civil, Inc. in the amount of \$41,516,000.

Positive votes: 6      Negative votes: 0      Recusal: 1 (Chairman Kaiman)

### Resolution No. 15-589

## CONSIDERATION OF COUNTY CONTRACT FOR POSILLICO CIVIL, INC.

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RESOLVED, that the materials presented to this meeting of the Directors (the “Materials”) are ordered to be filed with the records of the Nassau County Interim Finance Authority (the “Authority”); and be it further

RESOLVED, that based upon the discussion in the Materials and pursuant to Section 3669 2(d) of the Authority Act, the Authority hereby approves the County’s Contract for Posillico Civil, Inc., which is projected to cost \$41,516,000; and be it further

RESOLVED, that NIFA’s approval of the agreement is given with the caveat that NIFA does not

guaranty that it will approve any borrowing for this project; and be it further

RESOLVED, that staff may take all actions and do all things that they deem necessary to carry out the intent of this resolution.

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**7. Consideration of Resolution Disapproving the County's Multi-Year Financial Plan for Fiscal 2016-2019, and Requiring that the County Shall Provide a Modified Plan by November 30, 2015.**

The Directors were asked to disapprove the County's Multi-Year Financial Plan which fails to meet the requirements of the NIFA Act. The County was instructed to submit a Modified Plan by November 30, 2015.

On a motion by Director Wright, the Directors approved the resolution to reject the County's Multi-Year Plan.

Positive votes: 7      Negative votes: 0

Resolution No. 15-590

**DISAPPROVING THE COUNTY'S MULTI-YEAR FINANCIAL PLAN FOR FISCAL 2016 – 2019, AND REQUIRING THAT THE COUNTY SHALL PROVIDE A MODIFIED PLAN BY NOVEMBER 30, 2015**

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WHEREAS, Nassau County is operating in a control period, which was imposed by the Nassau County Interim Finance Authority ("NIFA") on January 26, 2011; and

WHEREAS, the proposed Multi-Year Financial Plan Fiscal 2016 – 2019 ("Proposed Plan"), as presented to the County Legislature by the County Executive on September 15, 2015, had many questionable revenue sources; and

WHEREAS, the County Legislature eliminated or reduced various sources of revenue included by the County Executive in his Proposed Plan, and substituted alternative measures, and on October 29, 2015 the County Legislature adopted a Multi-Year Financial Plan for Fiscal 2016 – 2019 (the "Adopted Plan");

WHEREAS, the County Executive vetoed a portion of the Adopted Plan, but said veto was overturned by the County Legislature thereby leaving the Adopted Plan unchanged; and

WHEREAS, the NIFA Staff has prepared a report on the Adopted Plan;

NOW, THEREFORE, BE IT RESOLVED, that the NIFA Staff report on the Adopted Plan is hereby adopted by the NIFA Directors; and

BE IT FURTHER RESOLVED that pursuant to Sections 3667(2)(e) and 3669(2)(a) of the NIFA Act, NIFA hereby disapproves the Adopted Plan, because it:

1. Fails to contain projections of revenues and expenditures that are based on reasonable and appropriate assumptions and methods of estimation; and
2. Fails to provide that operations of the County will be conducted within the cash resources available according to NIFA's revenue estimates; and
3. Fails to comply with the requirements of the NIFA Act.

BE IT FURTHER RESOLVED that NIFA adopts the annexed Statement of Disapproval, reciting some of the considerations underlying today's action; and

BE IT FURTHER RESOLVED, that pursuant to Section 3667(2)(g) of the NIFA Act, NIFA hereby requires that the County shall provide NIFA no later than November 30, 2015, with a modification of the Adopted Plan ("Modified Plan") with the following details:

1. The County shall modify the Adopted Plan in a manner that addresses and resolves the risks identified in the staff report dated November 19, 2015, which was adopted by the Directors this day; and
2. The Modified Plan shall not eliminate or reduce sources of revenues in the Adopted Plan, and shall not add or increase expenditures in the Adopted Plan.

BE IT FURTHER RESOLVED, that pursuant to Sections 3667(2)(g) and 3669(2)(a)(iv) of the NIFA Act, NIFA stands ready, should the County fail to provide a Modified Plan in detail and within the time period specified above, to make an appropriate finding of such failure, and to formulate and adopt its own modifications to the Adopted Plan, such modifications to become effective on their adoption by NIFA.

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## **8. Adjournment**

The Chairman made a motion to adjourn. The meeting was adjourned at 6:15 PM.

Respectfully submitted,

Laurie A. Giardina  
Corporate Secretary