

NASSAU COUNTY INTERIM FINANCE AUTHORITY
MEETING OF THE DIRECTORS
MINUTES OF DECEMBER 14, 2016

The Directors of the Nassau County Interim Finance Authority met on December 14, 2016 at 6:45 PM at the Marriott Long Island Hotel & Conference Center located at 101 James Doolittle Blvd, Uniondale, NY 11553.

Directors present: Adam Barsky, Chairman
Paul Annunziato John Buran
Paul Leventhal
Lester Petracca
Howard Weitzman

Directors absent: Christopher Wright

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 6:45 PM.

2. Approval of Minutes

On a motion by Director Petracca, the Directors approved the minutes from the meeting on November 29, 2016.

Positive votes: 6

Negative votes: 0

Resolution No. 16-650

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE NOVEMBER 29, 2016 MEETING OF THE DIRECTORS OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLVED, that the Minutes of the meeting of the Authority held on November 29, 2016 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. Consideration of County Contract for Infinity Contracting Services, Corp.

The contract is to provide construction services for HVAC Perimeter Fan Coils in various County buildings. The contract is valued at \$7,945,774 with a term of 550 days.

On a motion by Director Leventhal, the Directors approved the contract with Infinity Contracting Service, Corp. in the amount of \$7,945,774.

Positive votes: 6 Negative votes: 0

Resolution No. 16-651

CONSIDERATION OF COUNTY CONTRACT FOR INFINITY CONTRACTING SERVICES, CORP.

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 any actions authorized by these resolutions shall have no force or take effect until such time as the Directors have approved Nassau County’s Multi-Year Financial Plan for FY 2017 – FY 2020; 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/disapproves the County’s Contract for Infinity Contracting Services, Corp., which is projected to cost \$7,945,774; 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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4. Consideration of County Contract for RJ Industries, Inc.

The contract is to provide construction services for Effluent Screening & Disinfection Facility Improvements at the Cedar Creek Water Pollution Control Plant. The contract is valued at \$11,197,700.

On a motion by Director Leventhal, the Directors approved the contract with RJ Industries, Inc. in the amount of \$11,197,700.

Positive votes: 6 Negative votes: 0

Resolution No. 16-652

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CONSIDERATION OF COUNTY CONTRACT FOR RJ INDUSTRIES, INC.

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 any actions authorized by these resolutions shall have no force or take effect until such time as the Directors have approved Nassau County’s Multi-Year Financial Plan for FY 2017 – FY 2020; 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/disapproves the County’s Contract for RJ Industries, Inc., which is projected to cost \$11,197,700; 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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5. Consideration of County Contract for Welsbach Electric Corp.

The contract is to provide services for the Traffic Signal Maintenance Program. The maximum amount of the contract is \$7,000,000 and covers both 2017 and 2018 fiscal years.

On a motion by Director Leventhal, the Directors approved the contract with Welsbach Electric, Inc. in the amount of \$7,000,000.

Positive votes: 6 Negative votes: 0

Resolution No. 16-653

CONSIDERATION OF CONTRACT FOR WELSBACH ELECTRIC CORPORATION
CONTRACT

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 any actions authorized by these resolutions shall have no force or take effect until such time as the Directors have approved Nassau County’s Multi-Year Financial Plan for FY 2017 – FY 2020; 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/disapproves the County’s Contract for the Welsbach Electric Corporation, which is projected to cost \$7,000,000; 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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6. Approving the County's Multi-Year Financial Plan for Fiscal 2017-2020 and the Taking of Related Actions

The Directors were asked to approve the County's Multi-Year Financial Plan for Fiscal 2017-2020. The modified plan that was submitted to NIFA on December 5, 2016, included \$36 million of new gap-closing measures designed to offset a \$36 million shortfall in budgeted public safety fee revenues.

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

Positive votes: 5 Negative votes: 1 (Director Weitzman)

Resolution No. 16-654

APPROVING THE COUNTY'S MULTI-YEAR FINANCIAL PLAN FOR FISCAL 2017 – 2020 AND THE TAKING OF RELATED ACTIONS

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

WHEREAS, the proposed Multi-Year Financial Plan Fiscal 2017 – 2020 ("Proposed Plan"), as presented to the County Legislature ("Legislature") by the County Executive in September 2016, had revenue sources, including a new "public safety" fee on traffic and parking tickets that required action by the Legislature; and

WHEREAS, before Election Day, the Legislature approved substantially all of the County Executive's Proposed Plan (hereinafter, the "Adopted Plan") while deferring a vote on certain ordinances, including the aforementioned public safety fee; and

WHEREAS, on November 21, 2016, the Legislature held its deferred vote on certain amendments to revenue-generating ordinances funding the Adopted Plan by (i) eliminating elements of the public safety fee equivalent to approximately \$36 million in projected revenues for FY 2017, and (ii) substituting projected revenues from a partial amnesty program designed to collect fees under a 2013 County law that is currently being challenged in court; and

WHEREAS, actions taken by the Legislature on November 21, 2016 were evaluated by NIFA staff

who prepared a report on the Adopted Plan and its funding sources, dated November 29, 2016 (“Report”), which Report was adopted by the Directors on November 29, 2016; and

WHEREAS, at the meeting on November 29, 2016 pursuant to Sections 3667(2)(e) and 3669(2)(a) of the NIFA Act, the Directors disapproved the Adopted Plan, because it:

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

WHEREAS, at the meeting on November 29, 2016 pursuant to Section 3667(2)(g) of the NIFA Act, NIFA ordered officials of the County to deliver by December 5, 2016 or such later date as shall be approved by the Chairman of NIFA, a modified version of the Adopted Plan (the “Modified Plan”) with the following details:

1. The Modified Plan shall not include any revenues from the Legislature’s income and expense law amnesty program ordinance passed on November 21, 2016;
2. The Modified Plan shall include at least \$36 million in verified expenditure reductions or revenue enhancements for FY 2017 in order to offset the reduction to revenues referenced in paragraph numbered 1 (at the same level of detail provided in the County’s Supporting Schedules to the budget);
3. The Modified Plan shall not reduce the \$75 million appropriation for tax certiorari payments included in the Adopted Plan; and
4. The Modified Plan shall not eliminate or reduce sources of revenues in the Adopted Plan other than to conform to the public safety fee ordinance passed on November 21, 2016 by the County Legislature, and shall not add or increase expenditures in the Adopted Plan; and

WHEREAS, on December 5, 2016 the Deputy County Executive for Finance delivered a memo (the “Memo”) (Attachment A), on behalf of the County Executive, with the details of a Modified Plan to address the concerns and requirements of the NIFA Directors; and

WHEREAS, in order for the Memo to be effectuated certain actions of the County Legislature were required including passage of legislation regarding Tax Map Verification Fees in Nassau County (the “Actions”), and

WHEREAS, on December 14, 2016 the Legislature adopted the Actions.

NOW, THEREFORE, BE IT RESOLVED that the FY 2017 – 2020 Multi-Year Financial Plan

(Attachment B), the first year of which is the FY 2017 Budget (Attachment C) are hereby accepted by NIFA provided that actions taken by the Legislature on December 14, 2016 in regard to the tax map verification fee are approved by the County Executive; and

BE IT FURTHER RESOLVED that the GAAP Deficit (as defined in the Report) shall not exceed \$60 million in FY 2017; and

BE IT FURTHER RESOLVED that the County is free to restore any program or budget cut that is included in the Memo only after an affirmative vote by the Directors, which shall be taken after proof has been provided that an equivalent amount of new revenue has arisen and unexpected risks have not arisen in FY 2017. New revenue, as defined for purposes of this resolution, cannot include revised projections of already anticipated revenue, which revenues shall be applied toward reducing the County's projected budgetary risks. If a program cut provided recurring savings, then the program cut can only be restored if the new revenue is recurring, and

BE IT FURTHER RESOLVED that the Chairman of NIFA or his designee(s) are hereby authorized to make such rules and regulations as they deem necessary to assist them and the County in fulfilling the intent of this resolution.

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7. Consideration of Issuance of General Obligation Bonds and BANs by Nassau County

The Directors were asked to approve a resolution for the County to issue General Obligation Bonds ("Bonds") in the amount of \$75,000,000 and Bond Anticipation Notes (BAN's) in the amount of \$16,027,244. At NIFA's direction, the County subsequently reduced the amount of the Bonds to \$52,000,000.

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

Positive votes: 6 Negative votes: 0

Resolution No. 16-655

CONSIDERATION OF ISSUANCE OF GENERAL OBLIGATION BONDS AND BOND ANTICIPATION NOTES BY NASSAU COUNTY

RESOLVED, that the materials presented to this meeting of the Directors (the "Materials") are incorporated into this Resolution and 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 discussions in the Materials and pursuant to Section 3669 2(e) of the Authority Act, the Authority has reviewed the terms of the County's proposed issuance(s) of Bonds and BANs and approves the issuance of up to:

- (i) \$52,000,000 of Bonds (plus cost of issuance) for the purposes described in Attachment A (general capital projects) in the Materials;

(ii) \$16,027,244 of BANs (plus cost of issuance) for the purposes described in Attachment A (sewer capital projects) in the Materials; and upon the conditions outlined in the Materials; 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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8. Adjournment

The Chairman made a motion to adjourn. The meeting was adjourned at 7:45 PM.

Respectfully submitted,

Laurie A. Giardina
Corporate Secretary