

NASSAU COUNTY INTERIM FINANCE AUTHORITY
MEETING OF THE DIRECTORS
MINUTES OF OCTOBER 13, 2016

The Directors of the Nassau County Interim Finance Authority met on October 13, 2016 at 6:37 PM at the Marriott Long Island Hotel & Conference Center located at 101 James Doolittle Blvd, Uniondale, NY 11553.

Directors present: Adam Barsky, Chairman
John Buran
Paul Leventhal
Christopher Wright
Howard Weitzman

Directors absent: Paul Annunziato
Lester Petracca

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

1. Call to Order/Roll Call

The meeting was called to order at 6:37 PM.

2. Approval of Minutes

On a motion by Director Wright, the Directors approved the minutes from the meeting on June 30, 2016.

Positive votes: 4 Abstention: (Director Weitzman) Negative votes: 0

Resolution No. 16-633

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE JUNE 30, 2016 MEETING OF THE DIRECTORS OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLVED, that the Minutes of the meeting of the Authority held on June 30, 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. Approve Submission of NIFA’s 2017 Budget and FY 2017 – FY 2020 Financial Plan to the Office of the State Comptroller and the Authorities Budget Office to Comply with 2 NYCRR, Part 203

The Directors were asked to approve a resolution to disclose, and if no negative comments are received from the public, file NIFA’s budget with the NYS Comptroller. NIFA’s budget was approved by the Audit and Internal Control Committee just prior to this meeting.

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

Positive votes: 5 Negative votes: 0

Resolution No. 16-634

APPROVE SUBMISSION OF NIFA’S 2017 BUDGET AND FY 2017 – FY 2020 FINANCIAL PLAN TO THE OFFICE OF THE STATE COMPTROLLER AND THE AUTHORITIES BUDGET OFFICE TO COMPLY WITH 2 NYCRR, PART 203 AND THE TAKING OF RELATED ACTIONS

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 “Authority”); and be it further

RESOLVED, that the Authority acknowledges enactment of 2 NYCRR, Part 203 (the “Regulations”) and its requirement that the Directors of the Nassau County Interim Finance Authority receive, review and approve a proposed Budget for FY 2017 (“Budget”) and a proposed Financial Plan for FY 2017 – FY 2020 (“Plan”); and be it further

RESOLVED, that the Authority hereby conditionally approves the Budget and Plan subject to the conditions outlined in the Materials; and be it further

RESOLVED that the Chairman of the Authority or his designees(s) be, and each of them hereby is, authorized in the name and on behalf of the Authority to publish and file the Budget and Plan with the State Comptroller and any other necessary parties and to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider necessary or proper to effectuate the foregoing and related actions.

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4. Consideration of the Use of Additional Funds for Nassau County from an Environmental Facilities Corporation Financing

The Directors were asked to approve a request from the County to draw down up to \$3,120,900 for the initial phase of the Bay Park Sewage Treatment Plant Project rather than the \$2,000,000

that NIFA previously authorized in June.

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

Positive votes: 5 Negative votes: 0

Resolution No. 16-635

CONSIDERATION OF USE OF ADDITIONAL FUNDS BY NASSAU COUNTY FINANCING FROM A THE NEW YORK STATE ENVIRONMENTAL FACILITIES CORPORATION FINANCING

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 financing through the New York State Environmental Facilities Corporation and approves the use of up to \$3,120,900 for the initial phase of engineering services and legal expenses, which includes the planning, geotechnical, permitting and design of an ocean outfall for the Bay Park Sewage Treatment Plant that is owned by Nassau County; 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. Authorization to Continue the Employment of a Law Firm and to Take Related Actions

The Directors were asked to approve a resolution to hire Bond, Schoeneck & King to assist the Authority on legal issues on an as-needed basis.

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

Positive votes: 5 Negative votes: 0

Resolution No. 16-636

AUTHORIZATION TO CONTINUE THE EMPLOYMENT OF A LAW FIRM TO PROVIDE ASSISTANCE TO THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

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, the Chairman or his designee(s) are hereby delegated the authority to continue the employment, of Bond Schoeneck & King, the ("Firm") to represent NIFA; and be it further

RESOLVED, that the Firm has significant experience advising NIFA on labor related matters and unique knowledge that would make the hiring of any other firm impractical and inappropriate under the current circumstances; and be it further

RESOLVED, that the Firm shall be employed for a term of five years from the date of this resolution or such time as their fees and disbursements exceed \$500,000 and upon such other terms and conditions as the Chairman or his designee(s) shall determine; and be it further

RESOLVED, that the immediate utilization of the Firm is deemed to be an extraordinary circumstance which makes advertising impractical or inappropriate.

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6. Authorization to Continue to Employ a Consultant to Provide Assistance and to Take Related Actions

The Directors were asked to approve a resolution to continue the employment of Albrecht, Viggiano, Zureck & Company.

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

Positive votes: 5 Negative votes: 0

Resolution No. 16-637

**AUTHORIZATION TO CONTINUE THE EMPLOYMENT OF ALBRECHT, VIGGIANO,
ZURECK & COMPANY AS CONSULTANTS TO THE NASSAU COUNTY INTERIM
FINANCE AUTHORITY**

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 Authority currently has a Treasury Department that performs a variety of functions, including the principal and interest payments on approximately \$921.6 million of outstanding NIFA bonds; and

WHEREAS, as a result of NIFA's Treasurer resigning on March 28, 2008, the Directors authorized

the employment of the accounting firm of Albrecht, Viggiano, Zureck & Company, P.C. (“AVZ”) to assist NIFA staff; and

WHEREAS, AVZ continues to have a large presence on Long Island and has experience in the types of areas that NIFA needs to compliment the skills of its Treasurer; and

WHEREAS, AVZ has adequately performed its assigned tasks and responsibilities since being hired; and

WHEREAS, AVZ was previously hired from the State approved procurement contract vendor list, but said list no longer exists for accounting firms; and

WHEREAS, the experience gained by AVZ would make issuance of a request for proposals both impractical and inappropriate because of the extensive depth of experience that they have gained by working for NIFA over the past eight years.

NOW, THEREFORE, BE IT RESOLVED, that the Materials presented to this meeting are hereby ordered to be filed with the records of the Authority; and be it further

RESOLVED, that the Chairman or his designee(s) shall take all actions deemed necessary to continue the employment of AVZ as consultants to the Authority for an additional term commencing January 1, 2017 and continuing for five years or the total additional expenditure of \$200,000, whichever comes first, and all in accordance with the Materials; and be it further

RESOLVED that the Chairman or his designee(s) make take all steps and do all things deemed necessary to carry out the intent of this resolution.

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7. Authorization to Continue to Employ a Consultant to Provide Assistance and to Take Related Actions

The Directors were asked to approve a resolution to continue the employment of Public Financial Management Group (“PFM”).

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

Positive votes: 5 Negative votes: 0

Resolution No. 16-638

AUTHORIZATION TO HIRE PFM AS A CONSULTANT TO ASSIST THE AUTHORITY WITH GASB 53 AND 72 COMPLIANCE, AS WELL AS SWAP MONITORING AND THE TAKING OF RELATED ACTIONS.

RESOLVED, that the materials presented to this meeting (the “Materials”) are ordered to be filed

with the records of the of the Nassau County Interim Finance Authority (“NIFA”) and be it further

RESOLVED, that based upon the Materials, you are hereby requested to permit the Executive Director, in consultation with the Chairman, to contract with PFM Asset Management LLC to assist NIFA with its swap monitoring, GASB 53 compliance and GASB 72 compliance testing for a term not to exceed five years at an annual rate not to exceed \$16,000.; and be it further

RESOLVED, that this resolution shall take effect immediately.

* * *

8. Consideration of County Contract for 60 CLB Owner LLC

The contract is a 20 year lease for property on Charles Lindbergh Blvd, which houses the health and human services department. The contract is valued at \$174 million.

On a motion by Director Wright, the Directors approved the contract with 60 CLB Owner LLC in the amount of \$174 million.

Positive votes: 4 Recusal: (Director Weitzman) Negative votes: 0

Resolution No. 16-639

CONSIDERATION OF COUNTY CONTRACT FOR 60 CLB OWNER LLC

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/disapproves the County’s amended lease with 60 CLB Owner LLC for property located at 60 Charles Lindbergh Boulevard, Mineola, New York (the “Amended Lease”) in the amount of \$174,167,647; and be it further

RESOLVED, that the hiring of Toscano & Associates as counsel to review the Amended Lease is approved retroactively to the date of the hiring and is deemed an emergency due to the limited timeframe available for review of the Amended Lease; and be it further

RESOLVED, that the Chairman or his designee(s) may take all actions and do all things that they deem necessary to carry out the intent of this resolution.

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9. Consideration of County Contract for G&M Earth Moving, Inc.

The contract is for services to remove and replace the deteriorated seawall along West Shore Road in Mill Neck. The contract is valued at \$14,409,000.

On a motion by Director Wright, the Directors approved the contract with G&M Earth Moving, Inc. in the amount of \$14,409,000.

Positive votes: 5 Negative votes: 0

Resolution No. 16-640

CONSIDERATION OF COUNTY CONTRACT FOR G&M EARTH MOVING, 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 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 G&M Earth Moving, Inc. in the amount of \$14,409,000; 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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10. Adopting the Staff Report Concerning the Proposed Nassau County Multi-Year Financial Plan, Fiscal 2017-2010 and the Recommendations Contained Therein

Executive Director Cohen gave a summary of the Staff Report. He stated that NIFA projects significant deficits in each year of the plan on a GAAP basis, totaling approximately \$217 million in 2017 and much greater amounts in the Out-Years, if all of the identified risks are not resolved. The Chairman stated that NIFA will not accept a budget from the County that has a GAAP deficit greater than \$60 million.

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

Positive votes: 5 Negative votes: 0

Resolution No. 16-641

ADOPTING THE STAFF REPORT CONCERNING THE PROPOSED NASSAU COUNTY MULTI-YEAR FINANCIAL PLAN, FISCAL 2017-2020 AND THE RECOMMENDATIONS CONTAINED THEREIN

WHEREAS, Nassau County continues to operate in a control period, which the Nassau County Interim Finance Authority (“NIFA”) imposed on January 26, 2011; and

WHEREAS, on September 15, 2016, as required by law, the County Executive submitted to NIFA his proposed Multi-Year Financial Plan for Fiscal 2017 – 2020 (“Proposed Plan”), the first year of which is his proposed 2017 Budget; and

WHEREAS, the NIFA staff has prepared a report (the “Staff Report”) on the County Executive’s Proposed Plan in which the staff identified a number of risks; and

WHEREAS, the County Legislature has the opportunity to address the risks that NIFA staff has identified; and

WHEREAS, in accordance with Section 3667(2) the NIFA Act, NIFA will not take any final action in regard to the Proposed Plan until the concerns in the Staff Report are adequately addressed by the County Legislature such that the budgeted GAAP Deficit (as defined in the Staff Report) can be reasonably estimated to be no higher than \$60 million in FY 2017 and there is “approval by the county of a budget in accordance with the provisions of the county charter and approval of the financial plan by the legislature;”

NOW, THEREFORE, BE IT RESOLVED, that the NIFA Directors adopt the Staff Report on the County Executive’s Proposed Plan.

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11. Adjournment

The Chairman made a motion to adjourn. The meeting was adjourned at 7:11 PM.

Respectfully submitted,

Laurie A. Giardina
Corporate Secretary