

## AGENDA

NASSAU COUNTY INTERIM FINANCE AUTHORITY

### **DIRECTOR'S MEETING**

**TUESDAY, MARCH 5, 2019, 7:00 PM**

MARRIOTT LONG ISLAND HOTEL & CONFERENCE CENTER  
101 JAMES DOOLITTLE BLVD., UNIONDALE, NY 11553

Call to Order

Action Items

- I. Approval of the Minutes of Director's Meeting on December 18, 2018
- II. Delegation of Authority to Set Employee Benefits
- III. Authorization to Modify Employment Agreement with Zimmerman Edelson and to Take Related Actions
- IV. Authorization to Participate in Proposed Municipal Derivatives Settlements and Take any Related Actions
- V. Authorization for the Chair to Make Certain Decisions on Behalf of the Directors
- VI. Authorization to Enter into a Liquidity Facility in Connection with NIFA's 2008A Variable Rate Demand Bonds and to Take Related Actions
- VII. Consideration of County Contract for Hazen and Sawyer/Malcom Pirnie (JV)

Adjournment

DRAFT – SUBJECT TO REVIEW AND REVISION

NASSAU COUNTY INTERIM FINANCE AUTHORITY

**MEETING OF THE DIRECTORS**

MINUTES OF DECEMBER 18, 2018

The Directors' Meeting of the Nassau County Interim Finance Authority was convened on December 18, 2018 at 7:00 PM at the Marriott Long Island Hotel & Conference Center located at 101 James Doolittle Blvd, Uniondale, NY, pursuant to legal notice given on December 13, 2018 and electronic notice posted on the Authority's website.

Directors present: Adam Barsky, Chairman  
Paul Leventhal  
Lester Petracca  
Howard Weitzman  
Christopher Wright

Absent: Paul Annunziato  
John Buran

Staff present: Evan Cohen, Executive Director  
Carl Dreyer, Treasurer  
Kathleen Stella, Corporate Secretary  
Jeremy Wise, General Counsel  
Martha Worsham, Deputy Director

**Call to Order/Roll Call**

The meeting was called to order at 7:03 PM.

**1. Approval of Minutes**

Upon a motion made and seconded, the Directors approved the minutes from the meeting on November 27, 2018.

Positive votes: 5      Negative votes: 0

Resolution No.18-731

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE  
NOVEMBER 27, 2018 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 November 27, 2018 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such

DRAFT – SUBJECT TO REVIEW AND REVISION

Minutes, are hereby in all respects ratified and approved as actions of the Authority.

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**2. Consideration of County Contract for Welsbach Electric of L.I.**

The Directors were requested to consider the County’s contract with Welsbach Electric of L.I. The vendor was selected through a County RFP process. The term is for eighteen months from execution. The contract is valued at \$8,989,422.00, 80% of which is Federally funded, leaving \$1,797,884.40 that is to be financed to the County. The financing for this project had been approved by NIFA on April 18, 2017

After a briefing by Treasurer Carl Dreyer, a motion was made by Director Wright and seconded. The Directors approved the resolution.

Positive votes: 5      Negative votes: 0

Resolution No. 18-732

CONSIDERATION OF COUNTY CONTRACT FOR WELSBACH ELECTRIC OF L.I.

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 Welsbach Electric of L.I. in the amount of \$8,989,422.00; 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(s); 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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**3. Authorization to Appoint a Law Firm and to Take Related Actions**

The Directors were requested to approve the retention of Dallaverson, P.C as a legal consultant(s) to the Authority on the terms outlined in the materials presented and the resolution. Mr. Dellaverson’s resume was attached to the materials for discussion.

Jeremy Wise, General Counsel, briefed the Directors stating that Staff has negotiated a tentative fee of \$25,000 per month with the addition of limited disbursements and is currently negotiating the other details of a possible engagement. The contract will be terminable by

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NIFA on thirty days' notice and will continue until such time as the Directors determine that his services are no longer required.

After the briefing by Jeremy Wise, a motion was made by Director Wright and seconded by Chairman Barsky. The Directors approved the resolution.

Positive votes: 5      Negative votes: 0

Resolution No. 18- 733

AUTHORIZATION TO 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, the Chairman or his designee(s) are hereby delegated the authority to hire Gary J. Dellaverson of the law firm of Dellaverson, P.C., the ("Firm") to represent NIFA; and be it further

RESOLVED, that the Firm may be paid for emergency work and necessary disbursements, completed prior to the adoption of this resolution, which work was done with the understanding that their contract was subject to approval of the Directors; 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; and be if further

RESOLVED, that the Chairman or his designee(s) may take all actions deemed necessary to complete the negotiations with the Firm and execution of a final agreement with the Firm, substantially upon the terms outlined in these Materials.

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**Adjournment**

The Chairman made a motion to adjourn. The Director's meeting was adjourned at 7:12 PM.

Respectfully submitted,

Kathleen Stella  
Corporate Secretary

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

March 5, 2019

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Employee Benefits

REQUEST FOR: Delegation of Authority to Set Employee Benefits

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### **Background**

In September of 2000, the Directors delegated to the Executive Director, subject to the approval of the Chair, the authority to set employee benefits. This responsibility was transferred to the Employment and Compensation Committee (the "Committee") on April 16, 2008, but has proven to be unnecessarily cumbersome.

### **Discussion**

To date, benefits have been given to employees, subject to the explicit approval of the Directors or the Committee or pursuant to the aforesaid delegation. The benefits have been codified, updated periodically, and incorporated into an employee handbook.

### **Requested Action**

Delegate to the Chair of the Committee the authority to set non-salary benefits for staff after he has consulted with his co-Directors and those benefits are not inconsistent with the Authority's Budget.

### **Attachment**

Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

RESOLUTION NO. 19-735

AUTHORIZATION TO SET EMPLOYEE BENEFITS

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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 are incorporated into this Resolution by reference; and be it further

RESOLVED, that the Employment and Compensation Committee (the “Committee”) of NIFA was delegated the authority in its Charter to discharge the responsibilities of the NIFA Directors regarding the compensation of NIFA’s employees; and be it further

RESOLVED, that the Directors hereby determine that henceforth the Chair of the Committee is delegated the authority to set non-salary benefits to be provided to staff after he has consulted with his co-Directors and those benefits are not inconsistent with NIFA’s Budget; and be it further

RESOLVED, that the Chair of the Committee or his designee(s) are further authorized to take all actions deemed necessary or appropriate to implement the foregoing and to take related actions.

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Adam Barsky  
Chair

March 5, 2019

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

March 5, 2019

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Media Consultant

REQUEST FOR: Authorization to Modify Employment Agreement with Zimmerman Edelson and to Take Related Actions

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## **Background**

In May of 2015, the Directors determined that the complexity of recent decisions made by NIFA, combined with the desire to fully and clearly inform the public, warranted the employment of a media consultant. At that time the Directors selected the firm of Zimmerman/Edelson, Inc. (the “Firm”).

## **Discussion**

The Firm has an understanding of Nassau County and the media that covers the County. For more than 20 years, they have worked with various municipalities, as well as state authorities, to develop effective messaging platforms and execute communications initiatives. Moreover, they have existing relationships with local and regional media, government and public affairs reporters and editors.

The Firm started providing public relation services to NIFA in 2015. Since that time, it has worked to establish a positive community narrative surrounding NIFA’s role in the County, maintain its presence in regional media outlets in matters related to Nassau County budgeting, and articulate NIFA’s messaging with journalists. The Firm has been able to achieve these goals through several means, including:

- Attending monthly internal NIFA meetings, consulting with the Board on key budgeting issues in the County and developing proactive communication strategies.
- Facilitating meetings/conference calls with local media outlets—including *Newsday*, *Long Island Business News*, *News 12*, *Bond Buyer* and *Long Island Herald*—while developing lasting relationships with institutional reporters.
- Drafting and releasing NIFA statements to media when necessary to clearly articulate its position in the respective matter.

### **Rate History**

When the Firm began its work with NIFA in 2015 it was agreed that they would charge a blended rate of \$250 an hour. This was established to accommodate for various levels of staffing that would work to provide services– both junior and senior staff. Over the past two years their Co-President, Robert Zimmerman, Vice President, Jake Mendlinger, and Executive Vice President, David Chauvin have provided representation for the account.

In addition to providing services to NIFA, the Firm's senior staff works with various similar municipal clients. These clients are currently being billed at a more direct rate for senior staff which is considerably higher, ranging from \$375 to \$450. The Firm has shifted its senior staff to focus on assignments given by NIFA.

### **Requested Action**

After a review of past billings and to more properly reflect the uneven workload required of the Firm, staff requests approval of an amendment to their contract to allow for a monthly retainer of \$2,500, plus disbursements, and authority for the Chair or his designees to negotiate and execute an agreement that meets the requirements outlined in these materials.

### **Attachment:**

Resolution

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## RESOLUTION NO. 19-736

### AUTHORIZATION TO MODIFY THE EMPLOYMENT AGREEMENT WITH ZIMMERMAN EDELSON AND TO TAKE RELATED ACTIONS

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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 are incorporated into this Resolution by reference; and be it further

RESOLVED, Zimmerman/Edelson, Inc. (the “Firm”), NIFA’s current media consultant, was first employed in 2015 and has served satisfactorily in that position, but without any increase in remuneration; and be it further

RESOLVED, that the Chair of NIFA or his designees(s) be, and each of them hereby is, authorized in the name and on behalf of NIFA to execute an amendment to the Firm’s employment agreement such that they shall be paid a monthly retainer of \$2,500, plus disbursements, and to take any related actions as outlined in the Materials.

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Adam Barsky  
Chair

March 5, 2019

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

March 5, 2019

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Participation in Municipal Derivatives Settlements

REQUEST FOR: Authorization to Participate in Proposed Municipal Derivatives Settlements and Take any Related Actions

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### **Introduction**

Over the years staff has executed settlements on behalf of the Authority in several matters related to NIFA's use of derivative products. These settlements have garnered significant recoveries.

Last year staff, with the concurrence of the Chair, filed several claims for recovery in a class action matter in Federal Court entitled *Alaska Electrical Pension Fund vs. Bank of America, N.A.*, Lead Case No. 14-cv-7126 (JMF) with defendants Bank of America, N.A.; Barclays Bank PLC and Barclays Capital Inc.; Citigroup Inc.; Credit Suisse AG, New York Branch; Deutsche Bank AG; The Goldman Sachs Group, Inc.; HSBC Bank USA, N.A.; JPMorgan Chase & Co.; Royal Bank of Scotland PLC; and UBS AG (the Alaska Class Action").

The settlement agent is requesting specific authorizations from the Board for staff to file for recoveries in the Alaska Class Action.

### **Background**

The lawsuit alleges that the Defendants, engaged in anticompetitive acts that affected the market for ISDAfix Instruments in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1. The lawsuit also alleges that certain Defendants, were unjustly enriched under common law, and breached ISDA Master Agreements, by their anticompetitive acts.

ISDAfix Instrument" means (i) any and all interest rate derivatives, including, but not limited to, any swaps, swap spreads, swap futures, variance swaps, volatility swaps, range accrual swaps, constant maturity swaps, constant maturity swap options, digital options, cash-settled swaptions, physically-settled swaptions, swapnote futures, cash-settled swap futures, steepeners, flatteners,

inverse floaters, snowballs, interest rate-linked structured notes, and digital and callable range accrual notes, where denominated in USD or related to USD interest rates; and (ii) any financial instrument, product, or transaction related in any way to any USD ISDAfix Benchmark Rates, including, but not limited to, any instruments, products, or transactions that reference USD ISDAfix Benchmark Rates and any instruments, products, or transactions relevant to the determination or calculation of USD ISDAfix Benchmark Rates.

**Requested Action**

You are hereby requested to affirm the authority of the Chair, Executive Director or General Counsel of NIFA to file and settle any outstanding claims that arose from or may arise from the Alaska Class Action.

**Attachment**

Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

RESOLUTION NO. 19-737

**AUTHORIZATION TO PARTICIPATE IN PROPOSED MUNICIPAL DERIVATIVES  
SETTLEMENTS AND TAKE ANY RELATED ACTIONS**

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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 are incorporated into this Resolution by reference; and be it further

RESOLVED, that NIFA hereby grants to the Chair, Executive Director or General Counsel the authority to file any documents or execute any agreements or settlements necessary to participate in the Alaska Class Action referenced in the Materials, and be it further

RESOLVED, that NIFA 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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Adam Barsky  
Chair

March 5, 2019

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

March 5, 2019

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Labor Related Delegation

REQUEST FOR: Authorization for the Chair to Make Certain Decisions on Behalf of the Directors

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## **Background**

Substantially all of Nassau County's unionized work force have been without collective bargaining agreements since January 1, 2018. During a Control Period, the Directors are required to approve any contracts with the County's unions. At a prior meeting you indicated your desire to expedite the negotiating process and as a consequence approved NIFA's retention of a representative(s) "at the table" who could verbalize NIFA's conditions for approval of any agreement(s).

On December 18, 2018 you approved the retention of Dellaverson, P.C. as a legal consultant(s) to the Authority. Mr. Dellaverson has been retained and has begun to consult with staff and the County concerning matters related to the County's upcoming labor negotiations

## **Discussion**

To expedite NIFA's involvement in the union-related discussions, there are interim agreements and directions that Mr. Dellaverson or staff need to execute/give on an expedited basis. Most recently, the County requested that NIFA sign a "Confidentiality and Common Interest Agreement" that clarified certain matters between the County and NIFA. It is likely that other matters and pre-decisional agreements may need to be signed by NIFA

## **Requested Action**

It is hereby requested that the Directors approve the delegation to the Chair of NIFA the authority to give guidance to the County regarding labor negotiation related matters and/or sign interim pre-decisional agreements (such as the aforementioned Confidentiality and Common Interest Agreement). Such delegation would be subject to promptly notifying the Directors of his actions and with the further caveat that he may not bind NIFA to any final agreements with the County's unions without the consent, at a public meeting, of the Directors.

## **Attachment**

Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

RESOLUTION NO. 19-738

**AUTHORIZATION FOR THE CHAIR TO MAKE CERTAIN DECISIONS ON BEHALF OF THE DIRECTORS**

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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 are incorporated into this Resolution by reference; and be it further

RESOLVED, that based upon the Materials presented to this meeting, the Chair or his designee(s) are hereby delegated the authority to give guidance to the County regarding labor negotiation related matters and/or sign interim pre-decisional agreements subject to promptly notifying the Directors of their actions and with the further caveat that they may not bind NIFA to any final agreements with the County’s unions without the consent, at a public meeting, of the Directors; and be it further

RESOLVED, that all actions heretofore taken by the Chair or his designees, including but not limited to the execution of a Confidentiality and Common Interest Agreement, are ratified and confirmed.

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Adam Barsky  
Chair

March 5, 2019

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

March 5, 2019

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Replacement Liquidity Facility

REQUEST FOR: Authorization to Enter into a Liquidity Facility in Connection with NIFA's 2008A Variable Rate Demand Bonds and to Take Related Actions

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### **Introduction**

You are being asked for authorization to enter into a Standby Bond Purchase Agreement ("SBPA"), and/or a Direct Placement, for the full par amount of \$125,000,000 of replacement liquidity capacity related to the Authority's Series 2008A VRDBs that are currently in weekly mode. The current SBPA expires on May 7, 2019.

### **Discussion**

After publication in the "New York State Contract Reporter," NIFA released a Request for Bids ("RFP") on February 20, 2019. In addition to the publication, we sent the RFP directly to 15 other potential bidders. Responses to the RFP are due on March 13, 2019 after which they will be opened and evaluated by a screening committee with the assistance of our proposed Financial Advisor.

<b>Date</b>	<b>Principal Due</b>	<b>Outstanding Balance 2008C</b>
11/15/2019		125,000,000
11/15/2020		125,925,000
11/15/2021	27,425,000	97,575,000
11/15/2022	28,475,000	69,100,000
11/15/2023	29,650,000	39,450,000
11/15/2024	30,600,000	8,850,000
11/15/2025	8,850,000	

The legal documents for the new facility will be modeled on the existing Series 2008A documents and will indicate a term of no greater than approximately 6 ½ years (through maturity) with a maximum commitment fee on the facility not to exceed 0.65% on an annualized basis.

Staff also recommends the use of Michael Burke (and others at his firm, as needed) of Norton Rose Fulbright as NIFA's outside counsel and Lamont Financial Services Corporation as our Financial Advisor. Each has unique experience in dealing with NIFA and knowledge of our variable rate bonds that would be hard, if not impossible, to duplicate by similarly situated professionals in the available timeframe.

**Requested Action**

It is requested that the Directors authorize the Chair or his designee(s) to negotiate and execute an agreement substantially upon the terms and conditions discussed in the materials and resolution attached hereto, together with such additional or related actions as they may find necessary.

**Attachment**

Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

RESOLUTION NO. 19-739

**AUTHORIZATION TO ENTER INTO LIQUIDITY FACILITY IN CONNECTION WITH NIFA'S 2008A VARIABLE RATE DEMAND BONDS AND TO TAKE RELATED ACTIONS**

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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 are incorporated into this Resolution by reference; and be it further

RESOLVED, that in accordance with the Materials, the Chair or his designee(s) is hereby authorized to negotiate and execute one or more agreements in connection with NIFA's 2008A Variable Rate Demand Bonds (the "Bonds") substantially upon the terms and conditions discussed in the Materials; and be it further

RESOLVED, that in connection with the substitution of liquidity providers for the Bonds, the Chair or his designee(s) is authorized, if required, to cause a mandatory tender of said Bonds, and to take such steps as are necessary for the reoffering of said Bonds by the Remarketing Agent, including the preparation and distribution of a reoffering circular with respect to such Bonds, in such form as he may deem reasonable and appropriate; and be it further

RESOLVED, that reasonable outside counsel fees and disbursements for this liquidity provider substitution are hereby approved, as well as fees and disbursements for Norton Rose Fulbright as NIFA's outside counsel and Lamont Financial Services Corporation as NIFA's financial advisor, as well as such other expenditures or agreements as are deemed necessary or appropriate in connection with the completion of the aforesaid actions; and be it further

RESOLVED, that all actions heretofore taken by the Chair or his designee(s) in furtherance of the foregoing resolutions are hereby ratified and approved; and be it further

RESOLVED that the Chair or his designee(s) are further authorized to take all actions deemed necessary or appropriate to implement the foregoing and related actions.

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Adam Barsky  
Chair

March 5, 2019

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

March 5, 2019

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Hazen and Sawyer/Malcom Pirnie (JV)

REQUEST FOR: Consideration of County Contract for Hazen and Sawyer/Malcom Pirnie (JV).

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## **Introduction**

On March 24, 2011 NIFA adopted the Contract Approval Guidelines, as subsequently amended, which include the Contract Approval Request Form. The Guidelines delineate the dollar thresholds and approval process of all County contracts that must be submitted to NIFA for approval.

On January 10, 2019, the County submitted a contract with Hazen and Sawyer/Malcom Pirnie (JV) (the "Firm") to NIFA for approval. The vendor was selected through a County RFP process and this is the fifth amendment. The term is being extended from 01/01/2019 through 12/31/2023 and is valued at \$24,352,000.00.

## **Discussion**

On December 17, 2018, the County Legislature approved the contract for services between the Nassau County Department of Public Works and the Firm. The principal features of the work under this contract include: additional services to manage the Superstorm Sandy recovery program at the Bay Park Sewage Treatment Plant.

The funding will be entirely through borrowing and NIFA anticipates receiving a bonding request in the near future. Any bonding will require the approval from the NIFA Directors.

## **Requested Action**

You are requested to consider the County's Contract with Hazen and Sawyer/Malcom Pirnie (JV).

## **Attachments**

Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

RESOLUTION NO. 19-740

CONSIDERATION OF COUNTY CONTRACT FOR HAZEN AND SAWYER/MALCOM PIRNIE (JV).

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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 are incorporated into this Resolution by reference; 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 Hazen and Sawyer/Malcom Pirnie (JV) in the amount of \$24,352,000.00; 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(s); 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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Adam Barsky  
Chair

March 5, 2019