

## AGENDA

**NASSAU COUNTY INTERIM FINANCE AUTHORITY  
FRIDAY, APRIL 1, 2016, 6:30 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 February 3, 2016 Meeting
- II. Consideration of County Contract for Nassau County Bar Association
- III. Consideration of County Contract for Peter Scalamandre & Sons, Inc.
- IV. Consideration of County Contract for WHM Plumbing & Heating Contractors, Inc
- V. Authorization to Enter into a Liquidity Facility in Connection with NIFA's 2008C Variable Rate Demand Bonds and to Take Related Actions
- VI. Nassau County to Appoint a Director of Procurement Compliance, Create a Stand-Alone Position of Commissioner of Investigations, and the Taking of Related Actions
- VII. Temporary Suspension of NIFA's Amended Guidelines for the Review of Nassau County Contracts

Adjournment

DRAFT – SUBJECT TO REVIEW AND REVISION

NASSAU COUNTY INTERIM FINANCE AUTHORITY  
MEETING OF THE DIRECTORS  
MINUTES OF FEBRUARY 3, 2016

The Directors of the Nassau County Interim Finance Authority met on February 3, 2016 at 5:20 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

Directors absent: Lester Petracca  
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 5:20 PM.

**2. Approval of Minutes**

On a motion by Director Buran, the Directors approved the minutes from the meeting on January 6, 2016.

Positive votes: 5      Negative votes: 0

Resolution No. 16-606

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE JANUARY 6, 2016 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 January 6, 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.

\* \* \*

DRAFT – SUBJECT TO REVIEW AND REVISION

**3. Replacement of a Remarketing Agent and Division of its Duties Between Two Existing Remarketing Agents**

The Directors were asked to approve a resolution to replace Goldman Sachs as a remarketing agent for the Authority’s variable rate debt. It is estimated that this will save the County approximately \$400,000 over the remaining life of the bonds.

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

Positive votes: 5      Negative votes: 0

Resolution No. 16-607

**REPLACEMENT OF A REMARKETING AGENT AND DIVISION OF ITS DUTIES BETWEEN TWO EXISTING REMARKETING AGENTS**

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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 reorganization of NIFA’s VRDB remarketing agents such that all of the bonds will be remarketed by Bank of America Merrill Lynch, Pierce, Fenner & Smith or Citigroup Global Markets Inc. such that over the remaining life of the bonds their fees will be approximately equal, and be it further

RESOLVED, that to accomplish this reorganization, the Directors authorize the employment of a financial advisor, Lamont Financial Services Corporation, and a law firm, Sidley Austin LLP, 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. Extension of Comment Period Regarding NIFA’s Amended Guidelines for the Review of Nassau County Contracts**

The Directors were asked extend the comment period for the Amended Guidelines so that NIFA and the County can continue to work together on the Guidelines.

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

Positive votes: 5      Negative votes: 0

DRAFT – SUBJECT TO REVIEW AND REVISION

Resolution No. 16-608

RESOLUTION EXTENDING THE COMMENT PERIOD REGARDING NIFA’S AMENDED GUIDELINES FOR THE REVIEW OF COUNTY CONTRACTS AND THE TAKING OF 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 (the “Authority”) and are incorporated into this Resolution by reference; and be it further

RESOLVED, that the Authority hereby approves the staff’s recommendation that the time period for the County to comment on the Authority’s Amended Guidelines for the Review of Contracts (“Amended Guidelines”), which amendments were passed at the Authority meeting on January 6, 2016, is hereby accepted and the deadline is extended until March 1, 2016); and be it further

REOLVED, that the Revised Guidelines shall automatically go into effect on March 2, 2016 unless further extensions or revisions are approved by the Directors; and be it further

RESOLVED, that Authority 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 Release the Findings of a Consultant Regarding the County’s Proposed Long-Term Lease of its Wastewater Treatment Facilities and the Taking of Related Actions**

The Directors were asked to approve a resolution to release the report from Lamont Financial Services Corporation regarding the County’s P3 Project for wastewater treatment.

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

Positive votes: 4      Abstention: 1 (Chairman Kaiman)

Resolution No. 16-611

AUTHORIZATION TO RELEASE THE FINDINGS OF A CONSULTANT REGARDING THE COUNTY’S PROPOSED LONG-TERM LEASE OF ITS WASTEWATER TREATMENT FACILITIES AND THE TAKING OF RELATED ACTIONS

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WHEREAS, the Nassau County Interim Finance Authority ("NIFA") was asked by Nassau County to comment about the County’s proposal to privatize its wastewater treatment facilities (“P3 Project”); and

WHEREAS, the Directors deemed the decision to proceed with a P3 Project to be both technically complicated and financially significant and as a consequence hired a nationally recognized expert, Lamont Financial Services Corporation (“Lamont”), to review the proposal and advise the Directors;

DRAFT – SUBJECT TO REVIEW AND REVISION

and

WHEREAS, Lamont has issued a report (the “Report”) discussing the first steps that it recommends if the County is going to proceed with the P3 Project;

WHEREAS, the Lamont Report is by an independent consultant whose views are its own and not necessarily shared by the Directors of NIFA; and

WHEREAS, notwithstanding disagreements with certain conclusions and suggestions in the Report, the Directors believe it presents valuable insights that should be put in a form that can be shared with the County;

NOW, THEREFORE, BE IT RESOLVED, that the Report submitted to NIFA by Lamont be transmitted to the County together with this resolution, and be it further

RESOLVED that based on NIFA’s own analysis and that of Lamont, we believe that a potential P3 Project may be viable should specific issues be resolved and constraints adhered to as outlined in the Report; and be it further

RESOLVED that the items in the Report relate solely to NIFA's assessment of the possible viability of the P3 Project and offers guidance to the County on how to proceed with a request for proposals to hire a financial expert to advise accordingly; and be it further

RESOLVED that NIFA will have the opportunity to review and approve any such contract with a financial expert should the County decide to proceed.

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**6. Consideration of the County Contract with Atlantic Tactical, Inc.**

The contract is for \$5 million. This is 100% funded within the police funds operating budget.

On a motion by Director Buran, the Directors approved the contract with Atlantic Tactical, Inc. in the amount of \$5 million.

Positive votes: 5      Negative votes: 0

Resolution No. 16-609

CONSIDERATION OF THE COUNTY CONTRACT WITH ATLANTIC TACTICAL, 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

DRAFT – SUBJECT TO REVIEW AND REVISION

“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 Nassau County’s Contract with Atlantic Tactical, Inc., in the amount of \$5,000,000; 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.

\* \* \*

**7. Consideration of County Contract with Stratis Contracting Corp.**

The contract is for approximately \$6.9 million to provide corrections and mitigation to the sewer system overflows from the Baldwin sewage collection system. This is 100% funded with capital funds that have already been approved by the County and NIFA. There is a 25% portion that is NYS grant funded.

On a motion by Director Buran, the Directors approved the contract with Stratis Contracting Corp., in the amount of \$5 million.

Positive votes: 5      Negative votes: 0

RESOLUTION NO. 16-610

CONSIDERATION OF THE COUNTY CONTRACT WITH STRATIS CONTRACTING CORP.

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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/disapproves Nassau County’s Contract with Stratis Contracting Corp., in the amount of \$6,880,000; 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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The Chairman then announced that he was stepping down as NIFA Chairman. He stated that NIFA has saved the County hundreds of millions of dollars over the years. He thanked the Directors and staff for all of their hard work.

**8. Adjournment**

DRAFT – SUBJECT TO REVIEW AND REVISION

The Chairman made a motion to adjourn. The meeting was adjourned at 5:43 PM.

Respectfully submitted,

Laurie A. Giardina  
Corporate Secretary

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

April 1, 2016

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Nassau County Bar Association Contract

REQUEST FOR: Consideration of County Contract for Nassau County Bar Association

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### **Introduction:**

On March 24, 2011 NIFA adopted the Contract Approval Guidelines, as subsequently amended (“Guidelines”), 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 February 25, 2016, the County submitted a contract for the Nassau County Bar Association to NIFA for approval. The vendor is a sole source provider. The contract is a 12 month contract valued at \$7,300,000.

### **Discussion:**

Pursuant to County Law, the County is mandated to provide legal representation to criminal defendants and civil litigants in certain Family Court and Surrogate Court proceedings. Legal representation is provided through the Legal Aid Society and through a panel of private attorneys screened by the Nassau County Bar Association.

### **Requested Action:**

You are requested to approve the County’s contract with Nassau County Bar Association.

### **Attachment:**

Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

**RESOLUTION NO. 16-612**

**APPROVAL OF COUNTY CONTRACT FOR NASSAU COUNTY BAR ASSOCIATION**

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 the Nassau County Bar Association, which is projected to cost \$7,300,000; 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  
Chairperson

April 1, 2016

## NASSAU COUNTY INTERIM FINANCE AUTHORITY

### **FOR CONSIDERATION**

April 1, 2016

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Peter Scalamandre & Sons, Inc. Contract

REQUEST FOR: Consideration of County Contract for Peter Scalamandre & Sons, Inc.

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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 February 10, 2015, the County submitted a contract with Peter Scalamandre & Sons, Inc. to NIFA for approval. The vendor was selected through a County RFP process. The term is for 15 months and is valued at \$15,327,000.

### **Discussion:**

On December 7, 2015, the County Legislature approved the contract for services between the Nassau County Department of Public Works and Peter Scalamandre & Sons, Inc. (collectively, the "Firm") to provide labor and materials associated with the Barnes Avenue Sanitary Sewer Overflow (SSO) Correction Project. Principle features of the project provide for construction of a new flow diversion pump station and associated force main to divert one-half of existing sewage from the Village of Hempstead to the Cedar Creek Water Pollution Control Plant.

The contract is to be funded with capital funds that require a future borrowing and partial reimbursement during construction from the NYS Environmental Facilities, Corp ("EFC") Storm Mitigation Loan Program.

### **Requested Action:**

You are requested to consider the County's Contract with Peter Scalamandre & Sons, Inc.

### **Attachments:**

Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

**RESOLUTION NO. 16-613**

**CONSIDERATION OF COUNTY CONTRACT FOR PETER SCALAMANDRE & SONS, 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 Peter Scalamandre & Sons, Inc. in the amount of \$15,327,000; 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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Adam Barsky  
Chairperson

April 1, 2016

## NASSAU COUNTY INTERIM FINANCE AUTHORITY

### **FOR CONSIDERATION**

April 1, 2016

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: WHM Plumbing & Heating Contractors, Inc. Contract

REQUEST FOR: Consideration of County Contract for WHM Plumbing & Heating Contractors, Inc.

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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 February 10, 2016, the County submitted a contract with WHM Plumbing and Heating Contractors, Inc. to NIFA for approval. The term of the contract is 20 months and is valued at \$5,939,500 (the, "Contract"). The purpose of the contract is to provide labor and materials for the rehabilitation and replacement of mechanical and process equipment associated with clarifiers at the Glen Cove Wastewater Treatment Plant.

### **Discussion:**

On October 19, 2015, the Legislative Rules Committee by a vote of 6-0 approved the contract for the amount of \$5,939,500 for services between the Nassau County Department of Public Works and WHM Plumbing and Heating Contractors, Inc. (collectively, the "Firm") to provide improvements to clarifier equipment at the Glen Cove Wastewater Treatment Plant. The capital project 35114 has existing approval but the funding for this project will require a future borrowing that must be approved by the NIFA Board of Directors. The County does not anticipate any reimbursement for this project.

### **Requested Action:**

You are requested to consider the County's Contract with WHM Plumbing and Heating Contractors, Inc.

### **Attachments:**

Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

**RESOLUTION NO. 16-614**

**CONSIDERATION OF COUNTY CONTRACT FOR WHM PLUMBING AND HEATING CONTRACTORS, 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/disapproves the amendment of the County’s Contract for WHM Plumbing & Heating Contractors, Inc. in the amount of \$5,939,500; 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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Adam Barsky  
Chairperson

April 1, 2016

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

April 1, 2016

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Replacement Liquidity Facility

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

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### **Introduction:**

You are being asked for authorization to enter into a liquidity facility with BMO Harris Bank N.A. ("BMO"). The Liquidity Facility will be in the form of a Standby Bond Purchase Agreement ("SBPA") for the full amount of \$150,000,000 par amount of replacement liquidity capacity related to the Authority's Series 2008C Variable Rate Demand Bonds ("VRDBs"), which are currently in weekly mode. The liquidity facility will run through the final maturity of the Bonds on November 15, 2019.

### **Discussion:**

After publication in the "New York State Contract Reporter," NIFA released a Request for Bids ("RFP") on January 22, 2016. In addition to the publication, we sent the RFP directly to approximately 11 other potential bidders

<b>Date</b>	<b>Principal Due</b>	<b>Outstanding Balance 2008C</b>
11/15/2016		150,000,000
11/15/2017	27,075,000	122,925,000
11/15/2018	58,100,000	64,825,000
11/15/2019	64,825,000	0

Three banks responded: BMO Harris Bank, Sumitomo Mitsui Banking Corporation, and JPMorgan Chase Bank (whose current liquidity facility on the Series 2008C bonds expires April 30, 2016). A request for "best and final" offers was made on February 22, and each bank improved its bid.

Lamont and staff recommends proceeding with BMO Harris, which proposed the lowest fees. BMO Harris has the highest short-term ratings from all three rating agencies and long-term ratings of A2/A+/AA- from Moody's, S&P, and Fitch. NIFA has an existing facility from BMO Harris

on its Series 2008D-1 bonds and the weekly resets on those bonds have been in line with the market and with the resets on other NIFA Series 2008 VRDBs supported by facilities from other banks. The legal documents for the new facility will be modeled on the existing Series 2008D1 documents. BMO Harris's best and final proposal reduced its quote for the commitment and legal fees.

The commitment fee proposed by BMO Harris for the 3 ½ years remaining on the Series 2008C bonds was 32.5 basis points, followed by 43 basis points from Sumitomo and 55 basis points by JPMorgan. In addition, JPMorgan proposed varying commitment fees to extend the existing facility for one, two and three years, all of which exceeded the bid by BMO Harris through maturity.

Details of all the bids can be discussed in Executive Session.

Staff also recommends the use of Sidley Austin LLP 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.

### **Requested Action**

It is requested that the Directors authorize the Chairman or his designee(s) to negotiate and execute an agreement(s) with BMO 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. 16-615**

**AUTHORIZATION TO ENTER INTO LIQUIDITY FACILITY IN CONNECTION WITH NIFA'S 2008C VARIABLE RATE DEMAND BONDS AND TO TAKE 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 ("NIFA"); and be it further

RESOLVED, that in accordance with the Materials, the Chairman or his designee(s) is hereby authorized to negotiate and execute one or more agreements with BMO Harris Bank N.A. in connection with NIFA's 2008C 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 Chairman or his designee(s) is authorized 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 Sidley Austin LLP as NIFA's outside counsel and Lamont Financial Services Corporation as NIFA's financial advisor, as well as such other expenditures 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 Chairman or his designee(s) in furtherance of the foregoing resolutions are hereby ratified and approved; and be it further

RESOLVED that the Chairman 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  
Chairperson

April 1, 2016

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

April 1, 2016

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Nassau County Contract Review

REQUEST FOR: Nassau County to Appoint a Director of Procurement Compliance, Create a Stand-Alone Position of Commissioner of Investigations, and the Taking of Related Actions

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### **Background:**

The County has been discussing the creation of a Director of Procurement Compliance and the removal of the Commissioner of Investigations responsibilities from the Office of the County Attorney.

#### The Commissioner of Investigations

This position was created by Local Law 21- 2002 of the Nassau County Legislature. It became effective on November 15, 2002 and is embodied in §206 of the Nassau County Charter. The position is currently filled by the County Attorney, Carnell Foskey.

The position of Commissioner of Investigations has the "power to examine the financial and other records of the Comptroller and Treasurer and to make such other examinations "as deemed in the best interest of the County." The position has the same authority as the "Commissioner of Accounts" who had subpoena power and the authority to investigate "...the accounts and activities of each department...of the County and of the towns and special districts ...."

The Commissioner of Investigations has substantially the same investigative authority within the County of Nassau as the New York State Inspector General - a position appointed by the Governor- has within the State, and the New York City Inspector General- a position appointed by the New York City Mayor- has within the five boroughs of New York City.

#### The Director of Procurement Compliance

This is a totally separate position that the County is considering based on a recommendation in the Zarb report to appoint a director of procurement to oversee "all aspects of the County's contracting processes, including its public transparency through web access" and, among other things, to assist in preparing requests for proposals. The director would also be responsible for developing and

implementing additional steps to further review disclosures submitted by bidders and to research their backgrounds and verify the information provided therein.

The director would play an important role in ensuring that best practices are implemented and appropriate processes are in put in place. This position would be similar to the position of Chief Procurement Officer, who is appointed by the NYC Mayor and heads the Mayor's Office of Contract Services.

**Discussion:**

The position of Commissioner of Investigations and Director of Procurement Compliance are two distinct positions with different responsibilities: the first having full investigative authority; and the latter having oversight responsibilities. Notwithstanding that, should the Director of Procurement Compliance believe an impropriety has occurred during a procurement process or finds irregularities following random audits of contracts, s/he will have the duty to refer that to the Commissioner of Investigations. By the same token, the Commissioner could investigate- on his/her own initiative- any matter when information warranting same is brought to his/her attention by any person or entity.

Currently, the Commissioner of Investigations (the County Attorney) utilizes trained investigators to conduct investigations when warranted. Where such investigations uncover matters of a criminal nature, they are referred to the Nassau County District Attorney's Office for whatever action that Office deems appropriate.

**Requested Actions:**

Appointment by Nassau County of a Director of Procurement Compliance, the creation of a stand-alone position of Commissioner of Investigations, and the taking of related actions.

Attachment:  
Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

**RESOLUTION NO. 16-616**

**DIRECTIVES TO NASSAU COUNTY REGARDING APPOINTMENT OF A DIRECTOR OF PROCUREMENT COMPLIANCE, CREATION OF A STAND-ALONE POSITION OF COMMISSIONER OF INVESTIGATIONS, AND THE TAKING OF RELATED ACTIONS**

WHEREAS, the Nassau County contracting process has come under increased scrutiny and criticism due to its procedures for letting of contracts; and

WHEREAS, the criticism has come from the Directors of the Nassau County Interim Finance Authority and other sources including: the Nassau County District Attorney; an independent blue ribbon review panel; and numerous publications; and

WHEREAS, the Majority Leader of the New York State Senate was recently convicted of a crime, which resulted from the County's contracting procedures; and

WHEREAS, the County's contracting process was criticized in an independent report issued by the New York State Comptroller; and

WHEREAS, the County is in a Control Period brought about by its inability to properly manage its finances; and

WHEREAS, under the Control Period, NIFA is required to establish procedures to review County contracts; and

WHEREAS, on January 6, 2016 NIFA amended its Contract Procurement Guidelines in a manner that was intended to improve transparency and its review of the County's contracting process; and

WHEREAS, the County has repeatedly asserted that the amended Guidelines are not required because they are in the process of improving their contract procedures; and

WHEREAS, improvements to the County's contracting process have been slow and largely ineffective; and

WHEREAS, NIFA believes that part of its mission is to require the County to police its spending, including expenditures incurred through contracts;

NOW, THEREFORE, BE IT 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 are incorporated into this Resolution by reference; and

be it further

RESOLVED, that the NIFA Directors deem the hiring a Director of Procurement Compliance and the creation of an independent stand-alone position of Commissioner of Investigations as essential first steps toward improving its contracting processes; and be it further

RESOLVED, that the NIFA Directors recommend that the Director of Procurement Compliance and the Commissioner of Investigations be given employment contracts co-terminus with the term of the current County Executive; and be it further

RESOLVED, that NIFA recommends that the Director of Procurement Compliance and the Commissioner of Investigations each be given budgets sufficient to hire such staff as they deem necessary to fulfill their responsibilities; and be it

RESOLVED, that NIFA will no longer tolerate delays in improving the County's contracting process that that are universally accepted as necessary and will use all resources at its disposal, consistent with its mission, to improve the County's financial position; and be it further .

RESOLVED, that Authority 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  
Chairman

Dated: April 1, 2016

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## **FOR CONSIDERATION**

April 1, 2016

TO: NIFA Directors

FROM: Evan Cohen

SUBJECT: Nassau County Contract Review

REQUEST FOR: Temporary Suspension of NIFA's Amended Guidelines for the Review of Nassau County Contracts

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## **Background**

At their meeting on January 6, 2016 the Directors of the Nassau County Interim Finance Authority ("NIFA") amended their Guidelines for the review of County Contracts. In accordance with the NIFA Act, the County was given 30 days to comment on the Amended Guidelines. Subsequently, at their meeting on February 3, 2016 the comment period was extended.

NIFA actions were taken pursuant to Section 3669 of the NIFA Act, which mandates certain activities by NIFA during a control period. These activities include the creation of Contract Guidelines for any contract or other obligation which NIFA determines to be subject to review.

## **Discussion**

Subsequent to the adoption of the Amended Guidelines staff met and has continued to meet with County personnel. The County has agreed to many of the terms of the Amended Guidelines and expressed concerns with the feasibility of other sections.

Simultaneously with the aforementioned discussions, the County has explored a series of changes to its contracting process that, if completed, might obviate the need for certain provisions in the Amended Guidelines. The changes include the employment of a Director of Procurement Compliance and the separation of the Commissioner of Investigations' duties from the Office of the County Attorney.

## **Requested Action**

In light of the changes currently being contemplated by the County in regard to its contracting process and the progress that has been made in discussions between staff and County personnel, it

is recommended that that implementation of the Amended Guidelines be suspended until May 31, 2016 and that in the interim, the Guidelines in effect prior to January 6, 2016 shall remain in effect.

Attachment:  
Resolution

**NASSAU COUNTY INTERIM FINANCE AUTHORITY**

**RESOLUTION NO. 16-617**

**RESOLUTION TEMPORARILY SUSPENDING THE IMPLEMENTATION OF NIFA'S  
AMENDED CONTRACTED GUIDELINES FOR THE REVIEW OF COUNTY CONTRACTS  
AND THE TAKING OF 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 (the "Authority") and are incorporated into this Resolution by reference; and be it further

RESOLVED, that the County has made insufficient progress in reforming its contract process, but based upon its current consideration of meaningful changes including: (1) hiring a Director of Procurement Compliance; (2) separating its Commissioner of Investigations' duties from the Office of the County Attorney; and (3) agreeing to comply with many of the provisions of NIFA's Amended Contract Guidelines, which were enacted on January 6, 2016, the Directors hereby agree to suspend the implementation of the aforementioned Amended Contract Guidelines until the date of their next meeting; and be it further

RESOLVED, the Contract Guidelines in effect prior to January 6, 2016 shall remain in effect until May 31, 2016; and be it further

RESOLVED, that Authority 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  
Chairman

Dated: April 1, 2016