

BOARD OF COMMISSIONERS

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**GREAT NECK
WATER POLLUTION CONTROL DISTRICT**



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May 22, 2008

Mr. Raymond A. Ribeiro, P.C.,
Commissioner
County of Nassau
Department of Public Works
1194 Prospect Avenue
Westbury, New York 11590-2723

Re: Declination of Diversion to Cedar Creek

Dear Commissioner Ribeiro:

Thank you for taking the time to meet with representatives of the District to discuss the discrepancy between the District's figure of \$65 Million and the County's figure of \$30 Million for the cost of diversion.

The District's engineers have serious questions about the methodology and assumptions upon which the County is basing its \$30 Million estimate for diversion. The County first offered this figure in 2007, when the cost of oil was \$63 per barrel. Today, oil is at \$135 per barrel. Construction and material costs have likewise escalated radically. The District cannot accept that the cost would remain locked when many factors, such as oil, steel, and concrete costs have risen exponentially. It is unrealistic for the County to assume that its \$30 Million estimate is immune to these market forces.

There are clearly differences between the type and methodology of how the County calculated the cost. The District's estimate, which was prepared by an industry-recognized cost estimating firm was based on a construction date of 2010. Further, the District's estimate was site specific. The County's estimate was based on 2006 costs of projects and not site specific -- some were located in Florida and California. The County's costs are without justification. The cost of \$65 Million is still the most accurate. As such, the District has concluded that it would not be a beneficial or responsible utilization of time, consultants and taxpayer money to continue looking at a diversion to Cedar Creek.

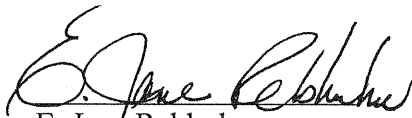
At a recent public meeting called by the Town of North Hempstead Supervisor Jon Kaiman, it was clear that all residents who had the opportunity to speak were opposed to the idea of diverting the sewage from Great Neck's two facilities to a County facility. Conversely, the public was very supportive of the District's plan to construct a facility that would efficiently treat and dispose of the sewage from both the District's and Village's systems.

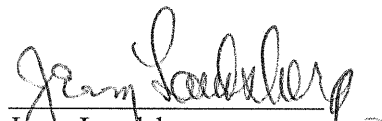
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Because the District is under strict timelines imposed by the New York State Department of Environmental Conservation, and our window of opportunity for three years of interest-free financing from the New York State Environmental Facilities Corporation is rapidly closing, it would be an irresponsible utilization of District resources to revisit diversion.

As stated in our letter to you dated, December 11, 2007, (enclosed) "Through careful consideration of all information available, the District decided that it was in the best interest of its taxpayers, and the environment to upgrade our facility to the newer Oxidation Ditch technology." This decision was further reinforced by our constituents at the May 14th meeting. For these reasons, the District will continue to move expeditiously in the direction of one consolidated facility on East Shore Road. We agree with Supervisor Kaiman in his decision to push for such a facility.

We trust that this will close the issue of diversion of Great Neck's sewage to the County, and look forward to working with the County on future, non-diversion related issues.


E. Jane Rebhuhn
Commissioner


Jerry Landsberg
Commissioner


Deena Lesser
Commissioner

Enclosure

cc: Hon. Thomas DiNapoli, NYS Comptroller
Hon. Craig Johnson, NYS Senator
Hon. Michelle Schimel, NYS Assemblywoman
Hon. Thomas Suozzi, Nassau County Executive
Hon. Jon Kaiman, TONH Supervisor
Mayor Ralph Kreitzman – Village of Great Neck
William Spitz – NYSDEC Region 1
Matthew Millea – NYSEFC