

TOP STORIES

SEWER CONTRACT OKD

- **Nassau lawmakers** approve privatization plan
- **\$1.14B, 20-year** deal said to save county \$233M

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A Nassau legislative committee gave final approval yesterday to a contract to pay New Jersey-based United Water at least \$1.14 billion over 20 years to manage the county's massive sewage treatment system.

Nassau County Executive Edward Mangano said the contract will save taxpayers a total of about \$233 million — largely by transferring many sewage treatment workers to the firm's payroll — and would help solve

persistent environmental problems in and around the treatment plants.

"The plants will be a better neighbor to the residents that reside by them," Mangano told lawmakers. "And, importantly, it will reduce the costs of operating these plants."

While the committee's three Democratic members voted for the contract, they have said it should have been subject to a vote by the full 19-member legislature.

Henry Boitel, president of the Rockville Centre Democrat-

ic Club, the only member of the public to speak at the committee meeting, called the panel's vote "an unwise precedent."

County Attorney Carnell Foskey said the sewer deal was a "personal services agreement" requiring approval by only the Rules Committee.

Minority Leader Kevan Abrahams (D-Freeport) called the deal "the best solution" to manage the plants, which have fallen into disrepair in recent years.

Presiding Officer Norma Gonçalves (R-East Meadow) said the deal gives Nassau a "promising option to forge a sustainable path forward for our sewage treatment infrastructure."

County Comptroller George Maragos said the agreement

would save taxpayers \$11 million per year or about \$240 million over the life of the contract.

But Maragos said the contract is not enough to overcome a projected \$65 million shortfall next year in the Sewer and Storm Water District, which funds most county sewer operations. "Other steps must be taken to increase the sewer revenues," he said.

Deputy County Executive Tim Sullivan said the administration does not project a deficit in the sewer district next year. He contends Maragos failed to account for the district's remaining fund balance of more than \$45 million and a \$25 million operating reserve, which gets rolled over from

year to year.

United Water, the nation's second-largest private water systems operator, plans to take over the system by year's end.

A subsidiary of Paris-based Suez Environment, United will be paid \$57.4 million per year — adjusted annually for inflation — to run Nassau's three major wastewater treatment plants, 53 pumping stations and 3,000 miles of sewers.

The firm will hire about half of Nassau's 300 sewer employees. The remaining sewer workers will be offered job vacancies in other county agencies.

The contract still must be approved by the Nassau Interim Finance Authority, a state-monitoring board that controls Nassau's finances.