

**South Central Connecticut Regional Water Authority
Minutes of the November 18, 2021 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, November 18, 2021, via remote access. Chair Borowy presided.

Present: Authority Members Present – Messrs. Borowy, DiSalvo, Curseaden, LaMarr and Ms. Sack
Management – Mss. Kowalski and Reckdenwald, and Messrs. Bingaman, Courchaine, Norris, and Singh
RPB –Mr. Oslander
Staff – Mrs. Slubowski

Chair Borowy called the meeting to order at 12:30 p.m.

Ms. Reckdenwald, RWA’s Senior Vice President of Corporate Services, reviewed the Safety Moment distributed to members.

At 12:31 p.m., on motion made by Ms. LaMarr, seconded by Mr. Curseaden, and unanimously carried, the Authority voted to recess the meeting to meet as the Environmental, Health & Safety Committee.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

At 1:10 p.m., the Authority reconvened.

On motion made by Ms. LaMarr, seconded by Ms. Sack, and unanimously carried, the Authority approved, received or adopted:

1. Minutes of its October 21, 2021 meeting.
2. Capital Budget Authorization for December 2021.

RESOLVED, that the Vice President of Financial Reporting and Analysis is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$2,500,000 for the month of December 2021 for transfer from the Construction Fund for capital expenditures. Each such requisition shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate amount budgeted for fiscal year 2022 for all Capital Improvement Projects to be exceeded.

3. Capital Budget Transfer Notifications for December 2021.
4. Monthly Financial Report for October 2021.
5. Accounts Receivable update for October 2021.
6. Calendar year 2022 regular board and committee regular meeting dates.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

Ms. Kowalski, the RWA’s Vice President of Financial Reporting and Analysis, reviewed the proposed FY 2023 budget schedule. The Authority set the date of its special meeting to review the proposed budget for March 31, 2022.

Ms. Kowalski reviewed the proposed Thirty-sixth Series Preliminary Official Statement and resolutions, providing for the public offering and sale of the Thirty-sixth Series Bonds. The proposed resolutions would allow new bond funding and refinancing opportunities at a lower rate without extending the maturity date. The new funding also allows for a small amount of green bonds designated for specific capital projects. Mr. DiSalvo moved for adoption of the following resolutions:

WHEREAS, Section 22 of Special Act 77-98, as amended, of the Connecticut General Assembly (the “Act”) provides, in pertinent part, that bonds shall be authorized by a resolution of the South Central Connecticut Regional Water Authority (the “Authority”) which shall provide for the terms and conditions of the bonds, and may provide for any matter which in any way affects the security or protection on the bonds; and

WHEREAS, Section 9 of the Act provides that the Authority may delegate to one or more of its members, officers, agents or employees, such powers and duties as it may deem proper; and

WHEREAS, on July 15, 2021, the Authority adopted and on October 21, 2021, the Representative Policy Board (the “RPB”) approved the resolutions which established the general terms and provisions of the Authority’s Water System Revenue Bonds in the aggregate principal amount not to exceed \$51,000,000 to finance, among other things, the cost of certain capital improvements to the water system and which may be issued in one or more series (the “New Money Bonds”); and

WHEREAS, the Authority may issue bonds to refund a series of outstanding bonds (the “Refunding Bonds”) without the approval of the RPB; and

WHEREAS, the Authority wishes to provide for the issuance, sale and delivery of the Authority’s Water System Revenue Bonds, Thirty-sixth Series A in one or more series which may include “Green Bonds” and Refunding Bonds (the “Thirty-sixth Series A Bonds”) and authorize the issuance, sale and delivery of the Authority’s Water System Revenue Refunding Bonds, Thirty-sixth Series B in one or more series (the “Thirty-sixth Series B Bonds” and together with the Thirty-sixth Series A Bonds, the “Thirty-sixth Series Bonds”).

NOW THEREFORE BE IT RESOLVED, that the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis be authorized (i) to issue, sell and deliver the Thirty-sixth Series A Bonds in one or more series which may include Green Bonds in an amount of New Money Bonds not to exceed \$51,000,000 and Refunding Bonds in an amount not to exceed \$5,000,000 and (ii) to determine the principal amount, date, date of maturity, interest rate, form and other details of any such series of the Thirty-sixth Series A Bonds, pursuant to the Act and the Water System Revenue Bond Resolution, General Bond Resolution as amended and supplemented (the “General Bond Resolution”) or any other provisions of law thereto enabling; and

BE IT FURTHER RESOLVED, that the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis be authorized (i) to issue, sell and deliver the Thirty-sixth Series B Bonds in one or more series in an amount not to exceed \$70,000,000 and (ii) to determine the amount, date, date of maturity, interest rate, form and other details of the Thirty-sixth Series B Bonds, pursuant to the Act and the General Bond Resolution or any other provisions of law thereto enabling; and

BE IT FURTHER RESOLVED, that the Authority hereby approves the Thirty-sixth Series A Supplemental Resolution authorizing the issuance of the Thirty-sixth Series A Bonds in one or more series, which may include Green Bonds, substantially in the form attached hereto as Exhibit A, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis shall deem advisable and which shall be as set forth in Certificates of Determinations attached thereto; and

BE IT FURTHER RESOLVED, that the Authority hereby approves the Thirty-sixth Series B Supplemental Resolution authorizing the issuance of the Thirty-sixth Series B Bonds in one or more series substantially in the form attached hereto as Exhibit B, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis shall deem advisable and which shall be as set forth in Certificate of Determinations attached thereto; and

BE IT FURTHER RESOLVED, that for the purpose of providing for the public offering and sale of the Thirty-sixth Series Bonds and further setting forth information relating to the Thirty-sixth Series Bonds, one or more official statements, substantially in the form of the official statement attached hereto as Exhibit C (the “Official Statement”) is hereby approved, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis shall deem advisable or shall be necessary to provide information concerning the Thirty-sixth Series Bonds; and such officers, in the name of the Authority, are hereby authorized to deem the Official Statement final when appropriate and are further authorized and directed to execute such Official Statement and any amendment or supplement thereto on and after the sale of any series of the Thirty-sixth Series Bonds; and

BE IT FURTHER RESOLVED, that the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis are hereby authorized to determine which of the Authority’s prior bonds are to be redeemed (the “Refunded Bonds”) with a portion of the proceeds of any series of the Thirty-sixth Series Bonds and to call irrevocably for redemption and to defease the Refunded Bonds all in accordance with the General Bond Resolution. The Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis or any one of them are authorized to appoint an escrow agent and a verification agent and to execute and deliver any and all purchase, escrow and related agreements necessary to provide for the sale of any series of the Thirty-sixth Series Bonds and the payment when due of the principal of, interest and the redemption premium, if any, on the Refunded Bonds; and

BE IT FURTHER RESOLVED, that the Chairperson, Vice Chairperson, the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis, or any one of them, are hereby authorized to appoint an underwriter or underwriters and a financial advisor and to purchase a municipal bond insurance policy to guarantee the payment of principal and interest on the Thirty-sixth Series Bonds, if the Authority’s financial advisor or the underwriter for the

Thirty-sixth Series Bonds deems it advisable, and execute and deliver such documents as may be necessary or desirable to issue, sell and deliver the Thirty-sixth Series Bonds, including but not limited to, the Purchase Contracts, the Tax Regulatory Agreements and the Continuing Disclosure Agreements and to take such actions or to designate other officials or employees of the Authority to take such actions and execute such documents in connection with the issuance, sale and delivery of the Thirty-sixth Series Bonds in one or more series as are determined necessary or advisable and in the best interests of the Authority and that the execution of such documents shall be conclusive evidence of such determination.

Mr. Curseaden seconded the motion. After discussion, the Chair called for the vote:

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

Authority members reported on recent RPB Committee meetings.

Mr. Borowy commented on the Ten Year Model (“Model”) and its relevance and impact on rate increases. He also noted the importance of RPB participation and understanding of the information required to prepare the Model.

At 1:30 p.m., on motion made by Mr. DiSalvo, seconded by Ms. Sack, and unanimously carried, the Authority voted to recess the meeting to meet as the Strategic Planning Committee.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

At 1:53 p.m., the Authority reconvened.

Mr. Bingaman, the RWA’s President and Chief Executive Officer, and Ms. Kowalski, provided a review of the proposed resolutions pertaining to subsidiary companies of the RWA. They stated that the resolutions would allow for expediting the expansion of RWA’s commercial business and approve the formation of two new companies under RWA Commercial Enterprises LLC. Mr. Curseaden moved for adoption of the following resolutions:

WHEREAS, RWA Commercial Enterprises, LLC is a Connecticut limited liability company and wholly-owned subsidiary of the Authority (“**RWA Enterprises**”); and

WHEREAS, the Board deems it to be advisable and in the best interest of the Authority to authorize and approve the formation of RWA Environmental Laboratory Services, LLC, a Connecticut limited liability company and wholly-owned subsidiary of RWA Enterprises (the “**Lab Services Sub**”); and

WHEREAS, the Board deems it to be advisable and in the best interest of the Authority to authorize and approve the formation of RWA Commercial Services, LLC, a Connecticut limited liability company and wholly-owned subsidiary of RWA Enterprises (the “**Commercial Services Sub**”).

NOW THEREFORE LET IT BE RESOLVED, the Authority hereby authorizes the organization of each of Lab Services Sub and Commercial Services Sub; and

FURTHER RESOLVED, that each of Lab Services Sub and Commercial Services Sub be organized as a single-member limited liability company under the laws of the State of Connecticut with RWA Enterprises as the sole member; and

FURTHER RESOLVED, that each of Larry L. Bingaman, the President and Chief Executive Officer of the Authority and a manager of RWA Enterprises, and Rochelle Kowalski, the Vice President of Financial Reporting and Analysis of the Authority and a manager of RWA Enterprises (each such person, an "**Authorized Officer**") be, and each of them hereby is, authorized and empowered to take all such further action and to execute and deliver all such further agreements, certificates, instruments, and documents, in the name and on behalf of the Authority; to pay or cause to be paid all expenses; to take all such other actions as the Authorized Officer shall deem necessary, desirable, advisable, or appropriate to consummate, effectuate, carry out, or further the transactions contemplated by and the intent and purposes of the foregoing resolutions.

Ms. LaMarr seconded the motion. After discussion, the Chair called for the vote:

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

Ms. Reckdenwald provided an update on the status of COVID at the RWA.

Mr. Bingaman:

- Reported that acquisitions for an environmental service lab and well services company are advancing. The RWA's PipeSafe program is seeking partnerships with communities outside the RWA's service territory and the piloting of the WellSafe suite of products later this month.
- Advised the Authority that the RWA has filled the position of Vice President of Engineering and Environmental Services. The candidate is a professional engineer with 30 years of experience in managing complex construction projects and experience in water and wastewater projects. Mr. Bingaman acknowledged Mr. Norris and thanked him for his consultation services during the past year while the RWA was recruiting for the position.
- Stated that the application for electrical improvements at Lake Saltonstall is included in the Senate Appropriation Committee's draft spending bill.
- Commented on the status of the Water Infrastructure Finance and Innovation Act ("WIFIA") letter of intent ("LOI") for the Lake Whitney Dam and Spillway improvements. The LOI has advanced to the next round (i.e., invited to submit an application). He stated that WIFIA is a low-cost loan program. .
- Reported that the FY 2021 annual report is in circulation and features a tribute page to former Authority member, Joe Cermola, for his 44 years of dedicated service to the board. He highlighted

that Joe was an original founding member of Authority board of the RWA. Mr. Bingaman stated that he and Mr. Borowy hand delivered a copy of the annual report to Mr. Cermola last week.

- Reported that voluntary employee meetings have resumed after a lapse due to COVID. He recently completed a series of 20 meetings to discuss organizational concerns.
- Highlighted a meeting that he and Ms. LaMarr attended yesterday with the Southern Connecticut State University Utility Management Advisory Council to discuss cybersecurity. The session was informative and he would encourage the panel members to attend an Audit-Risk Committee meeting for an extended discussion.

At 2:21 p.m., Mr. Oslander withdrew from the meeting and the Authority voted to go into executive session to discuss strategy and negotiations and personnel. Present in executive session were Authority members, Mss. Kowalski, Reckdenwald, Slubowski and Messrs. Bingaman, Courchaine, Norris, and Singh.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

At 2:27 p.m., the Authority came out of executive session and on motion made by Mr. DiSalvo, seconded by Ms. LaMarr, and unanimously carried, the meeting adjourned.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

Respectfully submitted,

Kevin Curseaden, Secretary