

South Central Connecticut Regional Water Authority

Minutes of the November 21, 2013 Meeting

A regular meeting of the South Central Connecticut Regional Water Authority was held Thursday, November 21, 2013 at the office of the Authority, 90 Sargent Drive, New Haven, CT, Chair DiSalvo presiding.

Present: Authority – Ms. Lieberman, Messrs. Bell, Cermola, DiSalvo, Marsh
Management – Mss. DiGianvittorio, Discepolo, Kowalski, Soda, Mr. Bingaman
RPB – Messrs. Albrecht, Oslander
Staff – Ms. Yoder

The Chair called the meeting to order at 12:30 p.m. The Chair proposed that the Executive Session be deferred until later in the meeting. There were no objections.

At 12:31 p.m., on motion made by Mr. Bell and seconded by Mr. Cermola, it was voted unanimously to recess the meeting to allow the Authority to meet as the Pension, Benefit and Compensation Committee.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 2:50 p.m. the Authority reconvened. Mr. Bell reported briefly on the Pension, Benefit and Compensation Committee’s review of the restatements of the Regional Water Authority pension and 401K plans and stated the Committee recommended adoption of the restatements. He moved for adoption of the following resolution:

RESOLVED: That the Authority Voluntary Investment Plan be, and it hereby is, amended and restated, effective except where otherwise indicated as of January 1, 2013; and be it

FURTHER RESOLVED: That the South Central Connecticut Regional Water Authority Retirement Plan be, and it hereby is, amended and restated, effective except where otherwise indicated as of January 1, 2013; and be it

FURTHER RESOLVED: That the South Central Connecticut Regional Water Authority Salaried Employees’ Retirement Plan be, and it hereby is, amended and restated, effective except where otherwise indicated as of January 1, 2013; and be it

FURTHER RESOLVED: That the Chairperson of the Authority be, and he hereby is, authorized to execute the Plan restatements on behalf of the Authority; and the appropriate officers of the Authority be, and they hereby are, authorized, empowered and directed to take any and all additional action which they deem necessary or appropriate in order to implement the same, including without limitation submitting the restated Plans for approval by the Internal Revenue Service.

Mr. Cermola seconded the motion and, after brief discussion, the Chair called for the vote:

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Mr. Bell reported briefly on the Pension, Benefit and Compensation Committee's discussion of funding policy for the pension plans and stated further consideration will be deferred until additional information is available.

Ms. DiGianvittorio provided an update on implementation of the workforce flexibility initiative in the Field Operations Department.

At 3:00 p.m., on motion made by Mr. Bell and seconded by Mr. Cermola, it was voted unanimously to recess the meeting to allow the Authority to meet as the Audit Committee.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 3:25 p.m. the Authority reconvened.

On motion made by Mr. Cermola and seconded by Mr. Bell, the following items contained in the consent agenda were approved and adopted or received, as appropriate:

- A. Approve minutes of the October 17, 2013 regular meeting.
- B. Approve capital budget authorization for December 2013.

Resolved, That the Controller is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$2,550,000 for the month of December 2013 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 2014 for all Capital Improvement Projects to be exceeded. In the absence of the Controller, the Vice-President and Chief Financial Officer or the Vice-President – Asset Management is authorized to sign in her place.

- C. Receive capital budget transfer notifications detailed in Ms. Discepolo's memo dated November 14, 2013.
- D. Adopt the following schedule of regular meetings in calendar year 2014 with all meetings to begin at 12:30 p.m. and take place at the Regional Water Authority headquarters: January 16, February 20, March 20, April 24, May 15, June 19, July 17, August 21, September 18, October 16, November 20 and December 18.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

The Chair proposed to reorder the agenda to receive reports on Representative Policy Board ("RPB") committee meetings prior to discussing the financials. There were no objections.

Authority members reported briefly on recent RPB committee meetings.

Ms. Kowalski reviewed the October 2013 monthly financial report. She commented on the most significant variances in operating revenues and expenses, interest income and the projected fiscal year 2014 maintenance test. Mr. Bingaman commented briefly on the analysis of accounts receivable.

Mr. Bingaman:

- Provided an update on activities related to non-core revenues, including the laboratory services marketing campaign.
- Reported he met with the President of the Connecticut Economic Resource Center to discuss economic development in Connecticut.
- Reported on the status of installation of the photovoltaic renewable energy system at the North Sleeping Giant Water Treatment facility.
- Summarized RWA's campaign for United Way of Greater New Haven and invited participation by the Authority members.

At 3:55 p.m., on motion made by Mr. Cermola and seconded by Mr. Marsh, it was voted unanimously to go into executive session to discuss strategy regarding litigation with the Town of North Branford and the acquisition of real estate. Present in executive session were the Authority members, Mss. Discepolo, Soda, Yoder and Mr. Bingaman.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 4:10 p.m. the Authority came out of executive session. On motion duly made by Mr. Cermola and seconded by Ms. Lieberman, it was voted unanimously to add "Consider and Act on Purchase of Lorman Property in Killingworth" to the agenda.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Mr. Bingaman stated the Authority previously acted on the purchase of the Lorman parcel in 2012; however, since that time the transaction specifics have changed. He described the location, strategic importance and circumstances related to the purchase of the 65.4 acre parcel in Killingworth. He noted that the Regional Water Authority ("RWA") received a grant of \$335,000 from the Connecticut Department of Energy and Environmental Protection toward the purchase of this property, resulting in a net cost to RWA of \$440,000. Mr. Cermola moved for adoption of the following resolution:

Resolved, That the Authority hereby authorizes the purchase of the 65.4 acre Lorman parcel located off Burr Hill Road in Killingworth, CT on the Hammonasset Reservoir watershed at a total purchase price of \$775,000, to be offset in part by a grant from the Connecticut Department of Energy and Environmental Protection.

Resolved Further, That the Authority authorizes the appropriate officers to execute any and all documents relating to the purchase of this property.

Mr. Bell seconded the motion and, after brief discussion, the Chair called for the vote:

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 4:20 p.m., on motion made by Mr. Bell and seconded by Ms. Lieberman, the meeting was adjourned.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Richard G. Bell, Secretary