

**South Central Connecticut Regional Water Authority
Representative Policy Board Finance Committee**

Minutes of the March 15, 2013 Meeting

A special joint meeting of the South Central Connecticut Regional Water Authority and the Finance Committee of the Representative Policy Board (“RPB”) of the South Central Connecticut Regional Water District was held Friday, March 15, 2013 at the office of the Authority, 90 Sargent Drive, New Haven, CT, Authority Chair DiSalvo presiding. A quorum of the RPB Finance Committee was not present.

Present: Authority – Ms. Lieberman, Messrs. Bell, Cermola, DiSalvo, Marsh
RPB Finance Committee: Messrs. Borowy, Marino, Mongillo
RPB: Ms. Dybas, Messrs. Clifford, Curseaden
Management – Mss. DiGianvittorio, Discepolo, Spalletta, Messrs. Bingaman, Flynn, Hawley, Norris
FosterGrowth.biz – Mr. Reed
Staff – Ms. Yoder

The Chair called the meeting to order at 8:04 a.m. He called on Ms. Lieberman, Chair, Authority Strategic Planning Committee, who welcomed those present and reviewed the purpose of the meeting.

Mr. Bingaman introduced Doug Reed of FosterGrowth.biz and Tim Hawley, Strategic Plan and Business Analyst.

At 8:08 a.m., on motion duly made by Mr. Marsh and seconded by Mr. Bell, it was voted unanimously to go into executive session to discuss certain trade secrets and confidential financial information relating to current Regional Water Authority (“RWA”) non-core initiatives that are exempt from disclosure pursuant to the Connecticut Freedom of Information Act. Present in executive session were the Authority members, Mss. Dybas, DiGianvittorio, Discepolo, Yoder, Messrs. Bingaman, Borowy, Clifford, Hawley, Marino, Mongillo, Norris and Reed.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 8:20 a.m., the Authority came out of executive session. Mr. Bingaman provided an overview of non-core initiatives of eight investor-owned water utilities. He reviewed survey responses received from nine members of the Association of Metropolitan Water Agencies regarding non-core initiatives. He summarized the RWA current and previous initiatives and additional initiatives pursued by other water utilities.

Mr. Reed provided information focused on leveraging the RWA laboratory to generate additional revenue including the plan’s purpose and goals; planning team members; evolution of the laboratory to this point; strengths, weaknesses, opportunities and threats analysis; business models considered; and proposed business model.

At 9:25 a.m., on motion duly made by Mr. Cermola and seconded by Mr. Bell, it was voted unanimously to go into executive session to discuss certain trade secrets and confidential financial

information relating to the laboratory growth plan that are exempt from disclosure pursuant to the Connecticut Freedom of Information Act. Present in executive session were the Authority members, Mss. Dybas, DiGianvittorio, Discepolo, Spalletta, Yoder, Messrs. Bingaman, Borowy, Clifford, Curseaden, Flynn, Hawley, Marino, Mongillo, Norris and Reed.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 9:50 a.m., the Authority came out of executive session. Mr. Reed continued his presentation and described resource requirements, risks and rewards, financial projections and actions to implement the plan.

At 10:08 a.m. the meeting recessed. The meeting reconvened at 10:20 a.m.

Mr. Norris described the RWA's wholesale water interconnection strategies, including available supply, current wholesale water sales, current customers and activities, potential customers, infrastructure considerations, CT Department of Public Health thoughts and short and long term plans.

Ms. Discepolo described PipeSafe Plus program market potential and related considerations.

At 11:35 a.m., on motion duly made by Mr. Cermola and seconded by Mr. Bell, it was voted unanimously to go into executive session to discuss certain trade secrets and confidential financial information relating to the PipeSafe Plus program that are exempt from disclosure pursuant to the Connecticut Freedom of Information Act. Present in executive session were the Authority members, Mss. Dybas, DiGianvittorio, Discepolo, Yoder, Messrs. Bingaman, Clifford, Curseaden, Flynn, Hawley, Marino, Mongillo, and Norris.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 11:55 a.m., the Authority came out of executive session and recessed.

At 12:20 p.m. the meeting reconvened. Mr. Bingaman described the cell tower market, including the short and long range outlook.

Mr. Bingaman described other potential non-core initiatives including solar power, bio gas, utility revenue enhancement and cogeneration. He focused on a potential cogeneration initiative. He described on-site utility cogeneration services provided to customers and described cogeneration from the customer perspective.

At 12:43 p.m., on motion duly made by Mr. Marsh and seconded by Mr. Cermola, it was voted unanimously to go into executive session to discuss certain trade secrets and confidential financial information relating to a potential cogeneration opportunity that are exempt from disclosure pursuant to the Connecticut Freedom of Information Act. Present in executive session were the Authority members, Mss. DiGianvittorio, Discepolo, Yoder, Messrs. Bingaman, Clifford, Curseaden, Flynn, Hawley, Marino, Mongillo and Norris.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 1:07 p.m., the Authority came out of executive session. After discussion, it was the consensus of those present that additional due diligence be done with respect to the potential cogeneration opportunity.

Ms. Discepolo reviewed a non-core investment matrix, screening criteria for non-core initiatives, a decision matrix and financial metrics. She invited input from those present.

Discussion took place concerning the information provided during the meeting and next steps.

Ms. Lieberman thanked all present for their participation and reiterated that management and the Authority members would appreciate input regarding non-core strategic alternatives.

At 1:23 p.m., on motion made by Mr. Bell and seconded by Mr. Cermola, the meeting was adjourned.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Richard G. Bell, Secretary