

## South Central Connecticut Regional Water Authority

### Minutes of the September 19, 2012 Meeting

A regular meeting of the South Central Connecticut Regional Water Authority was held Wednesday, September 19, 2012 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, Moran, Soda, Zanella-Dyer, Mr. Bingaman  
RPB – Mr. Conroy  
Staff – Ms. Yoder

The Chair called the meeting to order at 8:00 a.m. 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 meetings of the Authority on August 15, 2012 and August 24, 2012.
- B. Approve capital budget authorization for October 2012

**Resolved**, That the Controller is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$2,294,000 for the month of October 2012 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate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 2013 for all Capital Improvement Projects to be exceeded. In the absence of the Controller, the Vice-President – Business Planning, Development and Finance or the Vice-President – Operations and Engineering is authorized to sign in her place.

- C. Receive capital budget transfer notifications detailed in Ms. Discepolo's memo dated September 12, 2012.
- D. Authorize filing of a motion for a protective order with the Representative Policy Board related to the Authority's Application for Approval of a Project for the Design and Construction of a Two Million Gallon Water Storage Tank Located in Derby, CT and related delegation

WHEREAS, the Authority wishes to provide certain confidential information in support of its Application to the Representative Policy Board for Approval of a Project for the Design and Construction of a Two Million Gallon Water Storage Tank Located in Derby, CT (the "Application") that the Authority considers "critical information" and believes to be exempt from disclosure under the Freedom of Information Act;

WHEREAS, the Authority wishes to delegate to its Chairperson and the Chief Executive Officer the authority to file requests for additional protective orders related to this Application should it be advisable to provide additional "critical information" in support of the Application;

NOW THEREFORE BE IT

RESOLVED, That the Authority authorizes its Chairperson and the Chief Executive Officer to file a motion and related materials with the Representative Policy Board to request issuance of a protective order to maintain confidential the Ansonia-Derby Service Area Alternative Tank Sites Investigation, Roald Haestad, Inc., July 2010; Ansonia Valley Area Low Service Tank Study and Report, Roald Haestad, Inc., May 2009; and Capital Efficiency Plan, SCCRWA Ansonia Valley Area, Tata and Howard, Inc, March 2009 provided in response to the Office of Consumer Affairs' Request for Production or Inspection of Documents in connection with the Application.

RESOLVED FURTHER, That the Authority delegates to its Chairperson and the Chief Executive Officer, acting jointly, the authority to file motion(s) and related materials with the RPB to request issuance of additional protective order(s), as necessary, to maintain confidential additional "critical information" to be filed in support of the Application.

E. Receive key performance indicators for the period ended August 31, 2012.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 8:01 a.m., on motion made by Mr. Marsh and seconded by Mr. Cermola, it was voted unanimously to recess the regular meeting to allow the Authority to meet as the Audit-Risk Committee.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 8:29 a.m. the Authority reconvened.

Ms. Discepolo reviewed the August 2012 monthly financial report. She commented on the most significant variances in operating revenues and expenses and the projected fiscal year 2013 maintenance test. She reviewed the quarterly financial report, focusing on the balance sheet and projected maintenance test with various assumptions. Ms. Discepolo distributed the proposed schedule for an issuance test rate application associated with issuance of the Authority's 28<sup>th</sup> Series Bonds to fund its capital improvement program.

Ms. Discepolo reviewed the updated five-year financial plan for the fiscal years 2013-2017, including its underlying revenue, financing and expense assumptions, calculation of the issuance test for the next three planned rate applications, projected maintenance test calculations and changes to reserve balances. Mr. Bingaman stated that the updated plan would be presented to the Representative Policy Board ("RPB") Finance Committee in October. Topics suggested for future strategic discussion included (1) the planned increases in coverage, including appropriate fund balances and affordability issues, and (2) the appropriate size of the capital budget and related impacts.

Ms. Zanella-Dyer summarized SAP post go-live stabilization period activities, the most recent quality assurance assessment, future information technology strategic initiatives, the benefits of having an organization-wide technology and current customer service metrics.

Chair DiSalvo requested reactions to the recent governance workshop with Ann Cohen. Mr. Bingaman summarized selected recommendations from that session. Beginning in January 2013, the

Authority members agreed to (1) use a quarterly meeting topic agenda with one meeting each quarter focused on general business, one on committee matters and one on a strategic topic, and (2) meet on the Thursday afternoon of the RPB meeting. Mr. DiSalvo stated he would meet with each committee chair individually to discuss governance recommendations regarding committees. Mr. Bingaman solicited input with respect to the monthly Board report.

At 10:45 a.m., on motion made by Mr. Bell and seconded by Mr. Cermola, it was voted unanimously to recess the regular meeting to allow the Authority to meet as the Environmental, Health and Safety Committee.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 11:25 a.m. the Authority reconvened.

Chair DiSalvo commented on the purpose of the board self-assessment and requested that members complete the self-assessment form and return it to Ms. Yoder by the end of September.

Assignments were made for attendance by Authority members at fourth quarter meetings of the RPB committees.

Mr. Bingaman:

- Announced that the RWA's Senior Land Use Manager is retiring in mid-October and the position is being evaluated.
- Announced a collections manager had been hired in the Customer Service Department.
- Reported on an upcoming meeting related to economic development.

At 11:35 a.m., on motion made by Mr. Bell and seconded by Mr. Cermola, it was voted unanimously to go into executive session to discuss strategy and acquisition of real estate. Present in executive session were the Authority members, Mr. Bingaman, Mss. DiGianvittorio, Discepolo, Soda, Yoder.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 12:25 p.m. the Authority came out of executive session and, 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