

South Central Connecticut Regional Water Authority

Minutes of the January 16, 2014 Meeting

A regular meeting of the South Central Connecticut Regional Water Authority was held Thursday, January 16, 2014 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. Discepolo, Kowalski, Nesteriak, Zanella-Dyer, Messrs. Bingaman, Hawley, Norris, Triana
RPB – Messrs. Borowy, Krasko
Staff – Ms. Yoder
Leidos – Mr. Steiman
Don Schlenger & Associates – Mr. Schlenger
Hawthorne Associates – Mr. Hawthorne

The Chair called the meeting to order at 12:40 p.m. The Chair proposed to reorder the agenda to consider the consent agenda after agenda item IIIB. There were no objections.

Mr. Bell made a motion to add “Consider and Act on Purchase of Dandio Property and Related Capital Budget Transfer” to the agenda immediately following the consent agenda. Mr. Cermola seconded the motion and the Chair called for the vote:

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 12:45 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 strategy and pricing regarding the purchase of real estate. Present in executive session were the Authority members, Mss. Discepolo, Yoder and Messrs. Bingaman, Norris (1:22 p.m. – 1:35 p.m.) and Triana (1:22 p.m. – 1:35 p.m.).

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 1:48 p.m. the Authority came out of executive session.

Messrs. Norris, Schlenger and Steiman reviewed the Advanced Metering Infrastructure (“AMI”) feasibility study, focusing on the Regional Water Authority’s (“RWA”) current meter reading and meter management; the differences between Automatic Meter Reading and AMI; alternative strategies, including monthly reading; economic analysis of alternatives; the benefits and savings from AMI; triple bottom line considerations; recommendation to implement AMI; and implementation considerations. Authority members asked questions regarding the economic analysis, implementation of business process changes, ways to encourage customer participation, other utilities that have implemented AMI, useful life of the meters that would be installed, redundancy and future technology changes impacting AMI. At the

conclusion of discussion, it was the consensus of the Authority members that management proceed to prepare an application to the Representative Policy Board to implement AMI.

Messrs. Borowy and Krasko joined the meeting.

Ms. Zanella-Dyer presented information concerning monthly billing/payment options including the benefits of monthly billing to customers and the RWA; options for implementing monthly billing; an interim monthly "budget payment" option; and monthly "payment arrangements".

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 December 19, 2013 regular meeting.
- B. Approve capital budget authorization for February 2014.

Resolved, That the Controller is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$1,600,000 for the month of February 2014 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 January 9, 2014.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Mr. Bingaman briefly described the proposed purchase of the Dandio property and related capital budget transfer. Mr. Cermola moved for adoption of the following resolution:

Resolved, That the Authority hereby authorizes the purchase of the 61.05 acre Dandio parcel off of Great Hill Rd. in Guilford, CT (Assessor's ID # - 121011A) from the Estate of Frederick Dandio at a total purchase price of \$793,650, plus related legal and closing costs.

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

Mr. Cermola moved for adoption of the following resolution:

Resolved, That the Authority hereby authorizes the transfer of \$370,000 from the Fiscal Year 2014 Capital Budget Contingency Account to the Fiscal Year 2014 Capital Budget Land Management Account to fund a portion of the purchase price of the Dandio property in Guilford, CT.

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

Ms. Zanella-Dyer reviewed the components of corporate reputation; reputation strategy and steps; 2013 customer satisfaction survey results on certain company characteristics; customer expectations; RWA's historical focus; additional areas of RWA focus in 2013; and future plans to enhance RWA's reputation.

The Authority deferred discussion of the distribution system related topics and April meeting special topics until a future meeting.

Ms. Kowalski reviewed the December 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 provided an update on economic development related activities since the December Authority meeting.

At 4:35 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