

South Central Connecticut Regional Water Authority

Minutes of the August 21, 2014 Meeting

A regular meeting of the South Central Connecticut Regional Water Authority was held Thursday, August 21, 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, Soda, Mr. Bingaman
RPB – Messrs. Borowy, Leary
Staff – Ms. LeMoine

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

The Chair requested adding two items to the agenda: discussion of “Special Topics for October” and an action related to the Southeastern Connecticut Water Authority.

A motion made by Mr. Cermola to approve the agenda as amended and seconded by Mr. Bell. The Chair called for the vote:

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| Bell | Aye |
| Cermola | Aye |
| DiSalvo | Aye |
| Lieberman | Aye |
| Marsh | Aye |

At 12:32 p.m., on motion made by Mr. Cermola and seconded by Ms. Lieberman, it was voted unanimously to recess the regular meeting to allow the Authority to meet as the Pension, Benefit and Compensation Committee.

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| Bell | Aye |
| Cermola | Aye |
| DiSalvo | Aye |
| Lieberman | Aye |
| Marsh | Aye |

At 1:02 p.m. the Authority reconvened.

At 1:04 p.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 Committee.

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| Bell | Aye |
| Cermola | Aye |
| DiSalvo | Aye |
| Lieberman | Aye |
| Marsh | Aye |

At 1:45 p.m. the Authority reconvened.

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

1. Approve minutes of the July 17, 2014 regular meeting.
2. Approve capital budget authorization for September 2014.

Resolved, That the Controller is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$1,825,000 for the month of September 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund.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 2015 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.

3. Receive capital budget transfer notifications detailed in Ms. Discepolo's memo dated August 14, 2014.

The Chair called for the vote:

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| Bell | Aye |
| Cermola | Aye |
| DiSalvo | Aye |
| Lieberman | Aye |
| Marsh | Aye |

Ms. Kowalski reviewed the July 2014 monthly financial report. She commented on the most significant variances in operating revenues and expenses and the projected fiscal year 2015 maintenance test.

At 1:55 p.m. Ms. Kowalski withdrew from the meeting.

Authority members reported on recent meetings of Representative Policy Board committees.

Mr. Bell stated the Regional Water Authority is the sole Member of The Watershed Fund. He recommended that in its capacity as sole Member the Authority elect Messrs. Bell, Geballe, and Henry-Scott as directors with terms expiring 2017. Mr. Marsh moved for adoption of the following resolution:

Resolved, that the following persons be, and they hereby are, elected Directors of The Watershed Fund, Inc. to serve in such capacity until the Annual Meeting of the sole Member in 2017 or until they otherwise lawfully cease to hold such office: Richard G. Bell, Gordon Geballe, and Prof. John Henry Scott, III, Esq.

Ms. Lieberman seconded the motion and, after brief discussion, the Chair called for the vote:

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| Bell | Abstain |
| Cermola | Aye |
| DiSalvo | Aye |
| Lieberman | Aye |
| Marsh | Aye |

At 2:00 p.m., on motion made by Mr. Cermola and seconded by Mr. Marsh, it was voted unanimously to recess. There were no objections, and Mr. Borowy withdrew from the meeting.

At 2:10 p.m. the Authority reconvened.

Mr. Bingaman presented the Special Topics for the October meeting. After discussion, the Authority selected (#5) "What water treatment technology advances are becoming more effective and/or efficient? At what point should RWA contemplate their adoption vis-à-vis the anticipated life of assets already in place?" The Authority suggested Mr. Bingaman use outside speakers for the Special Topics. The Authority will invite members of the RPB to attend the presentations as appropriate.

In Updates by Mr. Bingaman:

- Reminded the Authority of today's economic presentation by Don Klepper-Smith.
- Provided an update on our engagement with an economic development consultant.
- Reported on the article the RWA submitted for a book called "The Value of Water."
- In conjunction with Ms. Lieberman, revisited the Laboratory Growth Plan and the current efforts to expand revenues from RWA's laboratory testing services.

At 2:42 p.m. Mr. Leary withdrew from the meeting.

At 2:44 p.m. on motion duly made by Mr. Bell and seconded by Mr. Marsh, it was voted unanimously to go into executive session to discuss options for investment in alternative energy projects. Present in executive session were the Authority members, Mss. Discepolo, Soda, LeMoine, Mr. Bingaman and consultants from Cronus Partners.

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| Bell | Aye |
| Cermola | Aye |
| DiSalvo | Aye |
| Lieberman | Aye |
| Marsh | Aye |

At 4:20 p.m., on motion made by Mr. Cermola and seconded by Mr. Bell, to come out of executive session.

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| Bell | Aye |
| Cermola | Aye |
| DiSalvo | Aye |
| Lieberman | Aye |
| Marsh | Aye |

At 4:20 p.m. on motion duly made by Mr. Cermola and seconded by Mr. Bell, it was voted unanimously to go into executive session to discuss updates regarding pending litigation. Present in executive session were the Authority members, Mss. Discepolo, Soda, LeMoine and Mr. Bingaman.

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| Bell | Aye |
| Cermola | Aye |
| DiSalvo | Aye |
| Lieberman | Aye |
| Marsh | Aye |

At 4:26 p.m., on motion made by Mr. Cermola and seconded by Mr. Marsh, to come out of executive session.

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| Bell | Aye |
| Cermola | Aye |
| DiSalvo | Aye |
| Lieberman | Aye |
| Marsh | Aye |

After discussion, on motion made by Mr. Bell and seconded by Ms. Lieberman to approve the formation of an ad-hoc committee to explore with the Southeastern Connecticut Water Authority common interests in regional water issues. Committee members will be Messrs. DiSalvo, Cermola, Bingaman and Ms. Discepolo. The Chair called for the vote:

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| Bell | Aye |
| Cermola | Aye |
| DiSalvo | Aye |
| Lieberman | Aye |
| Marsh | Aye |

At 4:27 p.m., on motion made by Mr. Bell and seconded by Mr. Marsh, the meeting was adjourned.

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| Bell | Aye |
| Cermola | Aye |
| DiSalvo | Aye |
| Lieberman | Absent |
| Marsh | Aye |

Richard G. Bell, Secretary