

**South Central Connecticut Regional Water Authority**

**Minutes of the September 18, 2014 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority was held Thursday, September 18, 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 and Albrecht  
Staff – Ms. LeMoine

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

The chair requested to change the order of the agenda. The agenda item—Updates on Pension Investment Manager and Custodial Services Search will be presented at Executive Session. A motion was made by Mr. Bell to approve the Authority agenda as amended and seconded by Mr. Cermola. The Chair called for the vote:

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

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

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 1:12 p.m. the Authority reconvened. At this time, Ms. Kowalski withdrew from the meeting.

At 1:13 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 Environmental, Health, Safety, and Risk Committee.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 2:14 p.m. the Authority reconvened, at which time on motion made by Mr. Bell and seconded by Mr. Marsh, it was voted unanimously to recess. There were no objections.

At 2:24 p.m. the Authority reconvened.

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

1. Approve minutes of the August 21, 2014 regular meeting.
2. Approve capital budget authorization for October 2014.

**Resolved**, That the Controller is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$1,800,000 for the month of October 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund.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 shall 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 September 11, 2014.
4. Receive Key Performance Indicators for the period ended August 31, 2014.

The Chair called for the vote:

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 2:28 p.m. Ms. Kowalski entered the meeting.

Chair DiSalvo stated that inadvertently the minutes of the July 17, 2014 meeting, previously approved, did not include a resolution adopted to approve the general terms and provisions of the Water System Revenue Bonds, in an amount not exceeding \$40,000,000. On a motion made by Mr. Bell and seconded by Ms. Lieberman, the revised minutes, amended to include the resolution, were approved. The Chair called for the vote:

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Ms. Kowalski reviewed the August 2014 financial report. She reviewed the balance sheet included in the quarterly financial report. She commented on the most significant variances in operating revenues and expenses and the projected fiscal year 2015 maintenance test. Mr. Bingaman commented briefly on the analysis of accounts receivable and noted that two properties have been selected for foreclosure.

Ms. Discepolo provided an update and review of outstanding bonds for possible refinancing opportunities. She indicated Management would provide additional information at the October 16, 2014 meeting.

At 2:52 p.m. Ms. Kowalski withdrew from the meeting.

Authority members reported on recent meetings of Representative Policy Board committees. Assignments were made for attendance to the fourth quarter RPB committee meetings.

In Updates by Mr. Bingaman:

- Reported that a meeting will be held next week with Southeastern Connecticut Water Authority (SCWA) regarding mutual interests in regional water supply issues. Forty questions were submitted to SCWA and RWA received replies to those questions.
- Reported on an economic development analysis being compiled by a consultant, including a review of the recent findings by graduate students from Sacred Heart University. A competitive assessment will be performed to compare the region to other water rich areas.
- Reported that Messrs. Marsh and Bingaman attended a meeting with members of the Worcester Chamber of Commerce regarding their business development activities in an effort to learn of their strategies for retention and growth in the Worcester, Massachusetts area.
- Noted that he is chair of the The Greater New Haven Chamber of Commerce's Strategic Planning Committee and it has created a new Economic Development council, which Ted Norris has been appointed as RWA's representative on that council.
- Reported on updates regarding the development of a Utility Management degree program at South Central Connecticut University (SCSU). A meeting will be held in October with representatives of SCSU, RWA, United Illuminating Company and Northeast Utilities. The university is collecting data and information in preparation for submitting a draft of the program model to the Connecticut Board of Regents for approval.

At 3:06 p.m. Messrs. Borowy and Albrecht withdrew from the meeting.

At 3:06 p.m. on motion duly made by Mr. Marsh and seconded by Ms. Lieberman, it was voted unanimously to go into executive session to receive updates regarding the pension investment manager and custodial services search, which counsel has advised is commercial or proprietary information exempt from public disclosure requirements. Present in executive session were the Authority members, Mss. Discepolo, Soda, LeMoine and Mr. Bingaman.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 3:34 p.m., on motion made by Mr. Cermola and seconded by Mr. Bell, to come out of executive session.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Mr. Marsh made a motion to authorize the Pension, Benefits and Compensation Committee to carry out the selection and negotiation of the pension investment advisory company and custodial services for the SCCRWA's pension portfolio. The motion was seconded by Ms. Lieberman. The Chair called for the vote:

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 3:36 p.m. a motion was made by Mr. Bell and seconded by Mr. Marsh, it was voted unanimously to recess. There were no objections.

At 3:40 p.m. on motion duly made by Mr. Bell and seconded by Mr. Cermola, it was voted unanimously to go into executive session to discuss pending litigation. Present in executive session were the Authority members, Mss. Discepolo, Soda, LeMoine, Messrs. Bingaman and White.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 4:44 p.m., on motion made by Mr. Cermola and seconded by Mr. Bell, to come out of executive session.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 4:45 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

Respectfully submitted,

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Richard G. Bell, Secretary