

**South Central Connecticut Regional Water Authority
Minutes of the December 18, 2014 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority was held Thursday, December 18, 2014 at the office of the Authority, 90 Sargent Drive, New Haven, CT, Chair DiSalvo presiding.

Present: Authority – Ms. Lieberman (via telephone conference), Messrs. Bell, Cermola, DiSalvo, and Marsh
Management – Mss. Discepolo, Dyer, Mr. Bingaman
RPB – Messrs. Borowy and Oslander
Murtha Cullina – Attorney Coates
Staff – Mss. Soda, Slubowski

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

The Chair introduced the new Board Administrator, Ms. Slubowski. The Chair introduced Attorney Coates as present to assist with the minutes.

At 12:32 p.m., on motion made by Mr. Cermola and seconded by Mr. Bell, and unanimously adopted, the following items contained in the consent agenda were approved and adopted or received, as appropriate:

1. Approve minutes of November 20, 2014.
2. Approve capital budget authorization for January 2015.

Resolved, That the Controller is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$2,700,000 for the month of January 2015 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated of such month and year in the current Capital Improvement Budget but will not cause the aggregate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 memorandum dated December 11, 2014.
4. Receive Key Performance Indicators for the period ended November 30, 2014.
5. Receive Land Use Plan Update regarding North Branford tracts.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 12:35 p.m. on motion made by Mr. Cermola and seconded by Mr. Bell and unanimously carried, the Authority voted to recess to allow the Authority to meet as the Environmental, Health, Safety & Risk Assessment Committee.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 1:45 p.m. the Authority reconvened and, on motion made by Mr. Bell and seconded by Mr. Cermola, it was voted unanimously to recess the regular meeting.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 1:48 p.m. the Authority reconvened.

The Chair stated that it would be appropriate to elect an Authority Vice Chairperson and Secretary-Treasurer for a one year term beginning January 1, 2015. On motion made by Mr. Marsh it was voted that Mr. Cermola serve as Vice Chairperson and Ms. Lieberman serve as Secretary-Treasurer with each to serve for a one-year term effective January 1, 2015 and until a successor is elected and has qualified.

Resolved, That Mr. Cermola be elected as Vice Chairperson for a one year term effective January 1, 2015 and until a successor is elected and has qualified.

Resolved Further, That Ms. Lieberman be elected as Secretary-Treasurer for a one year term effective January 1, 2015 and until a successor is elected and has qualified.

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. Peloquin reported on Employer Trends in Funding Health Care Plans. He covered changes in RWA medical plan benefits to date and trends in corporate funding for medical plans which included the Affordable Care Act and Health Care Reform Fees and Tax Update.

Ms. Kowalski reviewed the November 2014 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. She reviewed the balance sheet included in the quarterly financial report and the projected maintenance test with various assumptions.

Ms. Discepolo and Ms. Kowalski reviewed the proposed fiscal year 2016 budget schedule which included a discussion on efforts by Management to adjust the budget schedule to allow a longer review period for both the Authority and the Representative Policy Board (“RPB”).

Authority members reported briefly on recent RPB committee meetings. Assignments for attendance at first quarter 2014 RPB committee meetings were made.

Mr. Bingaman:

- Reported on the AMI Project. He noted conference calls with other utilities continued, the RFQ/RFP process has been developed and project documents and interrogatories reviewed. Employee presentations are scheduled and the new Business Transformation Leader will join the AMI team in January.
- Discussed BlaneCanada's study, which identified water-intensive industries to recruit to the New Haven area. The study also conducted a competitive analysis of the New Haven region with other similar areas, and the economic development progress in Connecticut.
- Highlighted discussions with the Connecticut Department of Economic Development and the Connecticut Economic Resource Center about how to use the state's water resources as a business recruitment strategy.

At 3:32 p.m. Mr. Borowy entered the Authority meeting.

Mr. Bingaman provided a mid-year goals update for fiscal year 2015 which include launching several strategic plan goals; launching the AMI project; a focus on improving processes to continue to free up resources; organic growth (expanding the customer base and increasing core revenues); new non-core revenue initiatives and pursuing economic development opportunities; establishing the Utility Management Degree at Southern Connecticut State University; and the Global Metrics.

At 3:46 p.m. on motion made by Mr. Bell and seconded by Mr. Cermola and unanimously carried, the Authority voted to go into executive session to discuss the competitive assessment of executive compensation prepared by Pearl Meyer & Partners, Inc. which counsel has advised is commercial or financial information exempt from public disclosure requirements. Present in executive session were the Authority members and Mr. Bingaman.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 3:46 p.m. Messrs. Borowy and Oslander withdrew from the meeting.

At 4:03 p.m. the Authority came out of executive session. Mr. Bell moved for the adoption of the following resolution:

Resolved, That effective December 1, 2014, based on comparable compensation data for senior leader positions, the salaries of the following officers of the South Central Connecticut Regional Water Authority shall be as follows:

Linda M. Discepolo, Vice President and Chief Financial Officer.....	\$202,000
Rochelle Kowalski, Controller.....	\$145,000
Edward O. Norris III, Vice President, Asset Management.....	\$167,000
Jean Zanella-Dyer, Vice President, Service & Technology.....	\$175,000

Mr. Cermola seconded the motion, the chair called for the vote:

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 4:05 p.m. on motion made by Mr. Bell and seconded by Mr. Cermola and unanimously carried, the Authority voted to go into executive session to discuss pending litigation with the Town of North Branford. Present in executive session were the Authority members and Mr. Bingaman, Attorney Coates, Mss. Discepolo, Soda, and Slubowski.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 4:27 p.m. the Authority came out of executive session.

At 4:28 p.m. on motion made by Mr. Cermola and seconded by Mr. Bell the meeting was adjourned.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye



Richard G. Bell, Secretary