

**South Central Connecticut Regional Water Authority
Minutes of the February 19, 2015 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority (“RWA”) was held Thursday, February 19, 2015 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 and Messrs. Bingaman and Norris
RPB – Messrs. Borowy and Havrda
Staff – Mrs. Slubowski

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

At 12:30 p.m. on motion made by Mr. Bell and seconded by Mr. Marsh, it was voted unanimously to recess the meeting to allow the Authority to meet as the Pension, Benefit and Compensation Committee.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 1:48 p.m. the Authority reconvened and, on motion made by Ms. Lieberman and seconded by Mr. Marsh, it was voted unanimously to recess the meeting to allow the Authority to meet as the Audit Committee.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 2:40 p.m. the Authority reconvened and, on motion made by Mr. Marsh and seconded by Mr. Bell, it was voted unanimously to recess for a short break.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 2:46 p.m. the Authority reconvened.

On motion made by Mr. Cermola and seconded by Mr. Marsh, it was voted unanimously that the following items contained in the consent agenda were approved and adopted or received, as appropriate:

1. Approve minutes of the January 15, 2015 regular meeting.
2. Approve capital budget authorization for March 2015.

Resolved, That, the Controller is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$2,900,000 for the month of March 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate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 memorandum dated February 12, 2015.

4. Receive Report on Code of Ethics Compliance for Six-Month Period ended November 30, 2014.

5. Adopt the following resolution:

Resolved, That, the Authority authorizes Management to negotiate and contract for work described in the Request for the Water Main Installation Work for the Route 34 Bridge Over the Naugatuck River, Derby without public bidding and such purchase without public bidding is hereby determined to be in the best interest of the Regional Water Authority for the reasons set forth in Request for Exemption from Public Bidding for Water Main Installation Work, Route 34 Bridge Over the Naugatuck River, Derby, as required by Connecticut Special Act No. 77-98, as amended, request dated February 2015, a copy of which is to be filed with the records.

6. Receive Land Use Updates regarding Prospect & Birmingham Tracts.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Mr. Bell moved for adoption of the following resolution:

Whereas, Regional Water Authority Management requested that the Authority approve an action to submit a request to the Representative Policy Board for additional project funds in the amount of \$400,000 for the Lake Saltonstall Intake Project; and

Whereas, The Authority reviewed the materials and approved the submission of the request for additional project funds to the Representative Policy Board;

Now Therefore Be It Resolved, That, the actions taken by the Authority to approve submission of a request for additional project funds in the amount of \$400,000 for the Lake Saltonstall Intake Project to the Chairman of the Representative Policy Board and the Chairman of the Representative Policy Board Finance Committee are hereby ratified and confirmed.

Mr. Marsh seconded the motion and, after discussion, the Chair called for the vote:

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Ms. Kowalski reviewed the January 2015 monthly financial report. She commented on the most significant variances in operating revenues and expenses, interest income and the projected fiscal year 2015 maintenance test. Discussion took place regarding revenues, operating and maintenance expenses for the month ended January 31, 2015 and she stated the projected draw from the Rate Stabilization Fund would be about \$1.6 million, which is \$1 million less than budgeted from the Rate Stabilization Fund to meet the 114% coverage test for FY2015.

Ms. Kowalski provided an update on accounts receivable collections and call center strategies.

At 3:08 Ms. Kowalski withdrew from the meeting.

Mr. Bingaman:

- Provided an update on the AMI project. He noted that CT Department of Health has granted approval of the Procurement Strategy and Request for Quotation, which is required in order to follow appropriate funding regulations.
- Announced that Ebill enrollment is at 6,914 customers, compared to zero in April 2013. He stated that the goal was to increase enrollment by 25% and that we are at 59%, thereby exceeding the goal. Mr. Bingaman stated that the ultimate goal was to reach 10,000 enrollments.
- Highlighted that Phase I has been completed with the economic development firm that performed a competitive analysis of the New Haven area, and identified large water using industries. He reported that Phase II of the project will identify specific companies in target industries and develop marketing messages, tactics, and a two-year marketing plan.
- Expressed that one of his objectives was to evaluate entering into malting operations as a possibility to increase non-core revenue. Counsel has advised Mr. Bingaman that malting does not meet the definition of environmental activities and therefore RWA is not able to pursue malting at this time.

Mr. Marsh made a motion to adopt the following resolution:

Whereas, Richard G. Bell has faithfully served the South Central Connecticut Regional Water District as a member of the Regional Water Authority for more than 12 years; and

Whereas, Dick became a member of the Authority in January 2003, and served with great dedication as Chairman of the Risk Management Committee from 2006 through 2010; and

Whereas, Dick led the Authority as Secretary-Treasurer since January 2012; and

Whereas, Dick led the Authority as Chairman of the Pension, Benefit and Compensation Committee since January 2010; and

Whereas, Since September 2009, Dick served as President of the Watershed Fund, which supports the protection of water supply watersheds by funding the acquisition of important parcels of land and financially supporting education programs to enhance the environmental knowledge of youth; and

Whereas, Dick displayed a deep commitment to the mission, vision, and STARS values of the Authority; and

Whereas, Dick's hard work, dedication and leadership contributed greatly to the Regional Water Authority's reputation as a leader in the water industry and as a strong steward of the environment; and

Whereas, Dick unselfishly contributed his time and talents to the Authority and participated at all times in a gentlemanly fashion while blending a keen insight with his legal knowledge and experience;

Now Therefore Be It Resolved, That the South Central Connecticut Regional Water Authority hereby congratulates Dick, gratefully acknowledges his 12 years of dedicated service, and wishes him well in the future.

Mr. Cermola seconded the motion and it was adopted by acclamation.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 3:24 p.m. Mr. Norris entered the meeting.

Mr. Norris discussed the following proposed Representative Policy Board applications for the disposition of two parcels of land in Madison and related Land Use Plan Amendments.

(i) Application to the Representative Policy Board for Land Use Plan Amendment and Disposition of 16+/- acres located north of Route 80 (Old Toll Rd.) in Madison that is part of Land Unit MA 9; and

(ii) Application to the Representative Policy Board for Land Use Plan Amendment and Disposition of 47+/- acres located east of Summer Hill Rd. in Madison that is part of Land Unit MA 9.

He stated both parcels of land are situated entirely on Class III land.

Ms. Lieberman made a motion to adopt the following resolutions:

Resolved, That, the Authority hereby accepts the Application for a Land Use Plan Amendment and Disposition for 16+/- acres located north of Route 80 (Old Toll Rd.) in Madison, CT, which are currently part of Land Unit MA 9 as referred to in the Land Use Plan, as a completed Application, substantially in the form submitted to this meeting, and authorizes filing said Application with the Representative Policy Board; and

Resolved Further, That, the Authority hereby accepts the Application for a Land Use Plan Amendment and Disposition for 47+/- acres located east of Summer Hill Rd. in Madison, CT, which are currently part of Land Unit MA 9 as referred to in the Land Use Plan, as a

completed Application, substantially in the form submitted to this meeting, and authorizes filing said Application with the Representative Policy Board.

Mr. Cermola seconded the motion. At the close of discussion, the Chair called for the vote.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 3:30 p.m. Messrs. Borowy, Havrda and Norris withdrew from the meeting.

At 3:30 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 litigation with the Town of North Branford and lab acquisition strategies, which counsel has advised is commercial or financial information exempt from public disclosure requirements. Present in executive session were the Authority members, Mss. Discepolo, Slubowski, Soda and Mr. Binghaman.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 4:08 p.m. the Authority came out of executive session and, on motion made by Mr. Cermola and seconded by Mr. Marsh, it was voted unanimously to adjourn the meeting.

Bell	Aye
Cermola	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Gail Lieberman, Secretary