

**Representative Policy Board
South Central Connecticut Regional Water District**

Minutes of March 21, 2019 Meeting

A regular meeting of the Representative Policy Board (“RPB”) of the South Central Connecticut Regional Water District took place on Thursday, March 21, 2019, at the South Central Connecticut Regional Water Authority, 90 Sargent Drive, New Haven, Connecticut. Chairman Clifford presided.

PRESENT

RPB

| | |
|--------------|-------------------------|
| Ansonia | Thomas P. Clifford, III |
| Beacon Falls | Peter Betkoski |
| Bethany | Brian Eitzer |
| Branford | Mario Ricozzi |
| Cheshire | Timothy Slocum |
| Guilford | Charles Havrda |
| Hamden | Stephen Mongillo |
| Killingworth | Vacant |
| Madison | Joseph A. Oslander |
| Milford | Benjamin Gettinger |
| New Haven | Naomi Campbell |
| Orange | Jasper J. Jaser |
| Prospect | Robert E. Harvey, Jr. |
| West Haven | T. Gregory Malloy |
| Woodbridge | Mark Levine |

Absent

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|----------------|--------------------|
| Derby | Frank Pepe |
| East Haven | Michelle Verderame |
| North Branford | Jack Krasko |
| North Haven | Anthony Rescigno |
| Seymour | Frank Conroy |
| Governor’s Rep | Vincent Marino |

Call to Order

Chair Clifford called the meeting to order at 6:30 p.m.

Safety Moment

Chair Clifford reviewed the Safety Moment distributed to members.

Minutes

On motion made by Mr. Malloy, seconded by Ms. Campbell, and unanimously carried, the RPB approved the minutes of its February 21, 2019 meeting, with 73 total weighted votes cast in the affirmative.

Regional Water Authority

Anthony DiSalvo
David Borowy
Joseph Cermola
Kevin J. Curseaden
Suzanne Sack

Management

Rita Delvasto
Linda Discepolo
Rochelle Kowalski
Sean McDonald
Beth Nesteriak
Ted Norris
Robert Olejarczyk
Jeanine Reckdenwald
Beth Silvia-Aramendi

Counsel

Paul McCary

Office of Consumer Affairs

Jeffrey M. Donofrio

Staff

Jennifer Slubowski

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|------------------|--------|------------------|--------|----------------|--------|
| Ansonia (3) | Aye | Guilford (4) | Aye | No. Haven (5) | Absent |
| Beacon Falls (0) | Absent | Hamden (10) | Aye | Orange (3) | Absent |
| Bethany (5) | Aye | Killingworth (2) | Vacant | Prospect (1) | Aye |
| Branford (6) | Aye | Madison (6) | Aye | Seymour (1) | Absent |
| Cheshire (4) | Aye | Milford (10) | Aye | West Haven (8) | Aye |
| Derby (2) | Absent | New Haven (13) | Aye | Woodbridge (3) | Aye |
| East Haven (6) | Absent | No. Branford (8) | Absent | Gov. Rep. (1) | Absent |

At 6:32 p.m., Mr. Jaser entered the meeting.

Communications

Chair Clifford announced the special committee meeting dates to review the RWA's FY 2020 Capital and Operating and Maintenance Budgets. RPB members are invited to attend either session:

Finance Committee – April 22, 2019 @ 5:00 p.m.

Consumer Affairs Committee and Land Use Committee joint meeting – April 24, 2019 at 5:30 p.m.

Item for Consideration and Action

Mr. Ricoszi moved for adoption of the following resolution:

WHEREAS, prior capital improvement plans prepared by the South Central Connecticut Regional Water Authority's (the "Authority") included the construction of a water storage tank in Derby, Connecticut (the Original Project"); and

WHEREAS, the Authority has financed and spent approximately \$813,030 on preliminary expenditures for the Original Project; and

WHEREAS, the Authority wishes to finance a water storage tank in Derby, Connecticut less the amount previously authorized and incurred as well as the funding of reserve funds held under the General Bond Resolution (as defined below) and associated costs of such financing with bonds, internally generated funds and financial assistance from the State of Connecticut (the "State") Drinking Water Revolving Fund Program, for the qualified portion of this project; and

WHEREAS, the Authority proposes that it issue its Bonds which may be issued as Project Loan Obligations delivered to the State of Connecticut (the "Bonds") in accordance with Special Act 77-98 of the General Assembly of the State of Connecticut, as amended (the "Act") on a parity with or subordinate to bonds issued pursuant to the Water System Revenue Bond Resolution, General Bond Resolution, adopted by the Authority and approved by the Representative Policy Board of the South Central Connecticut Regional Water District (the "RPB") on July 31, 1980, as amended and supplemented (the "General Bond Resolution"); and

WHEREAS, the Act authorizes the Authority to borrow money and to issue its bonds subject to the approval of the RPB.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Bonds shall not exceed Five Million One Hundred Thousand Dollars (\$5,100,000) in aggregate principal amount which amount is in addition to the \$813,030 previously authorized and spent.
2. The Bonds may be issued as obligations in one or more series pursuant to a supplemental resolution to be adopted by the Authority for each series of Bonds, each of which shall specify the amount of the Bonds, the purposes for which the Bonds are to be issued, the date or dates, maturities, sinking fund installments if any, interest rates, series, denominations, form, redemption prices, security

provisions and such other details of the Bonds as the Authority shall determine in accordance with the limits established by the applicable provisions of the General Bond Resolution and hereby.

3. The purposes of the Bonds shall be to finance or refinance the cost of construction of a new water storage tank and associated site work, land acquisition and electrical implementation in Derby, Connecticut, the deposit to certain reserve funds held under the General Bond Resolution and the payment of costs of issuance of the Bonds.
4. The Bonds may be sold by negotiation as serial or term bonds with stated maturities and may be sold in a private placement to the State of Connecticut or a purchaser approved by the Authority.

Mr. Slocum seconded the motion. After discussion, the Chair called for the vote and the RPB adopted the motion with 76 total weighted votes cast in the affirmative.

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| Ansonia (3) | Aye | Guilford (4) | Aye | No. Haven (5) | Absent |
| Beacon Falls (0) | Absent | Hamden (10) | Aye | Orange (3) | Aye |
| Bethany (5) | Aye | Killingworth (2) | Vacant | Prospect (1) | Aye |
| Branford (6) | Aye | Madison (6) | Aye | Seymour (1) | Absent |
| Cheshire (4) | Aye | Milford (10) | Aye | West Haven (8) | Aye |
| Derby (2) | Absent | New Haven (13) | Aye | Woodbridge (3) | Aye |
| East Haven (6) | Absent | No. Branford (8) | Absent | Gov. Rep. (1) | Absent |

Reports

Finance Committee – Mr. Ricozzi reported that the Committee met earlier in the month to review the RWA’s FY 2019 audit plan with Blum Shapiro. The committee also discussed the RPB Dashboard report and received an update of RPB approved projects.

Land Use Committee – Mr. Levine reported that the Committee met earlier in the month and received an update from management on RWA’s rental houses and an invasive species update. He reported that reservoir levels are at 98% compared to the long-term average of 93%.

RPB Consumer Affairs Committee – Mr. Gettinger reported that the committee met earlier in the week and received a presentation from management on RWA’s cybersecurity insurance, received an update from the Office of Consumer Affairs (OCA), and approved the OCA’s billing for February, 2019.

Executive Committee – Mr. Clifford reported on the Executive Committee meeting last month. He stated that the Committee discussed the RPB Self-Assessment Survey and changes to the RPB’s governance documents related to public hearing venues. He stated that the Committee plans to meet in May to address these items more specifically.

Mr. DiSalvo reported that Mr. Bingaman, RWA’s President and Chief Executive Officer, is absent from the meeting to fulfill his residency requirement for school.

Authority/Management – Chair DiSalvo reported that at the Authority meeting earlier in the day the Authority met as the Environmental, Health & Safety Committee.

Mr. Curseaden, Chair of the Environmental, Health & Safety Committee reported that at the Committee meeting earlier in the day the Committee received presentations from management on aquatic plants, a health and safety update, and an environmental compliance update.

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Ms. Nesteriak, RWA's Senior Vice President of Operations & Business Strategy, provided an AMI update, which included:

- Installation progress and number of installations to date
- Total number of FlexNets and meters installed
- Upcoming communication schedules for Ansonia, Derby, Seymour, and Woodbridge
- Updates and next steps

At 6:48 p.m., Mr. Betkoski entered the meeting.

Ms. Discepolo, RWA's Executive Vice President and Chief Financial Officer reported:

- Stated that RWA's Government and Public Relations Specialist met with legislators to provide testimony regarding the Public Utilities Management Program. The bill is expected to be included as part of a larger bill.
- Noted that management will provide a short overview of the RWA's strategic plan for FY 2020-2025 as part of the FY 2020 Budget presentations in April.
- Reported that the RWA received its annual actuarial report findings, which will be included in the FY 2020 budget presentation. The Actuary will attend the RWA's Pension & Benefit Committee meeting in April to discuss its findings in more detail.
- Commented on planned changes to RWA's Affordability Program. The grant amount will be increased to \$175 and the plan will also be modified to include tenants who can demonstrate that they are responsible for paying the water bill. .

She also reviewed revenues and operating and maintenance expenses for the month ended February 28, 2019, and stated that the projected maintenance test for FY 2019 is 114%, with no projected draw from the Rate Stabilization Fund.

Discussion took place on recent work at the Lake Whitney Water Treatment Plant.

Mr. Donofrio, OCA, acknowledged the RWA's former OCA, Joseph Lee, who recently passed away.

At 6:55 p.m., the meeting adjourned.

Respectfully submitted,

Robert E. Harvey, Jr., Secretary

Attachment:

1. Resolution to approve financing for the project to construct a One Million Gallon Water Storage Tank in Derby, Connecticut