

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

Minutes of April 18, 2019 Meeting

A regular meeting of the Representative Policy Board (“RPB”) of the South Central Connecticut Regional Water District took place on Thursday, April 18, 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 |
| Bethany | Brian Eitzer |
| Branford | Mario Ricozzi |
| Cheshire | Timothy Slocum |
| Derby | Frank Pepe |
| Guilford | Charles Havrda |
| Killingworth | Vacant |
| Madison | Joseph A. Oslander |
| New Haven | Naomi Campbell |
| North Haven | Anthony Rescigno |
| Orange | Jasper J. Jaser |
| Prospect | Robert E. Harvey, Jr. |
| Woodbridge | Mark Levine |

Absent

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|-----------------|--------------------|
| Beacon Falls | Peter Betkoski |
| East Haven | Michelle Verderame |
| Hamden | Stephen Mongillo |
| Milford | Benjamin Gettinger |
| North Branford | Jack Krasko |
| Seymour | Frank Conroy |
| West Haven | T. Gregory Malloy |
| Governor’s Rep. | Vincent Marino |

Regional Water Authority

Anthony DiSalvo
David Borowy
Joseph Cermola
Kevin Curseaden
Suzanne Sack

Management

Larry L. Bingaman
Linda Discepolo
Dan Doyle
Rochelle Kowalski
Beth Nesteriak
Ted Norris
Jeanine Reckdenwald
Beth Silvia-Aramendi
Phil Vece

Counsel

Paul McCary
Bruce McDermott

Office of Consumer Affairs

Louis Dagostine

Staff

Jennifer Slubowski

Call to Order

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

Safety Moment

Chair Clifford asked everyone to review the Safety Moment handout distributed to members.

Minutes

On motion made by Mr. Slocum, seconded by Mr. Harvey, and unanimously carried, the RPB approved the minutes of its March 21, 2019 meeting, with 32 total weighted votes cast in the affirmative.

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|------------------|--------|------------------|--------|----------------|---------|
| Ansonia (3) | Aye | Guilford (4) | Aye | No. Haven (5) | Abstain |
| Beacon Falls (0) | Absent | Hamden (10) | Absent | 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) | Absent | West Haven (8) | Absent |

Representative Policy Board, April 18, 2019

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| Derby (2) | Abstain | New Haven (13) | Abstain | Woodbridge (3) | Aye |
| East Haven (6) | Absent | No. Branford (8) | Absent | Gov. Rep. (1) | Absent |

Communications

Chair Clifford:

- Announced that RPB member terms are expiring on June 30, 2019. Letters to Municipal Chief Elected Officials regarding reappointments will be mailed later this month.
- Stated that RPB committee meetings to review the FY 2020 budgets will take place on Monday, April 22, 2018 at 5:00 p.m. with the Finance Committee and on Wednesday, April 24, 2019 at 5:30 p.m. with the Consumer Affairs Committee and Land Use Committee. He noted that members are welcome to attend either meeting.

At 6:33 p.m., Mr. Jaser entered the meeting.

Items for Consideration and Action

Mr. Slocum moved for adoption of the following resolution:

RESOLVED, that the Representative Policy Board of the South Central Connecticut Regional Water District (the “RPB”) hereby approves the water rates and related charges set forth in the 2019 issuance test rate application (the “2019 Rate Application”), filed by the South Central Connecticut Regional Water Authority (the “Authority”) with the RPB on January 4, 2019; and be it further

RESOLVED, that the water rates and related charges set forth in the 2019 Rate Application and attached hereto shall become effective upon the delivery of all or a portion of the Authority’s Water System Revenue Bonds, a portion of which may be issued as Project Loan Obligations delivered to the State of Connecticut (the “Bonds”). The Bonds are currently expected to be delivered on or about July 1, 2019. The water rates and related charges affected by this resolution will be adjusted at the time of the sale of the Bonds in accordance with the table on page 31 of the 2019 Rate Application to reflect the interest rate on the Bonds and resulting debt service; and be it further

RESOLVED, that the water and related charges established by the Authority, and approved herein, are hereby found to be just and equitable rates and charges which, together with other available funds, will provide the Authority with funds in amounts sufficient for the purposes set forth in Section 14 of the Authority’s enabling legislation, Special Act 77-98, as amended, but not in excess of such amounts.

WHEREAS, the South Central Connecticut Regional Water Authority (the “Authority”) proposes to 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, as amended, of the General Assembly of the State of Connecticut (the “Act”) and 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 issue its bonds from time to time but subject to the approval of the RPB.

NOW THEREFORE BE IT RESOLVED THAT:

1. The RPB hereby approves the issuance of the Authority’s Bonds in an aggregate principal amount not to exceed Eighteen Million Dollars (\$18,000,000).
2. The Bonds may be issued as obligations in one or more series pursuant to the General Bond Resolution and 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 General Bond Resolution and hereby.
3. The purposes of the Bonds shall be to finance or refinance the cost of certain capital improvements to the water system of the Authority from approximately July 1, 2019 through December 31, 2020 in accordance with a certain capital improvement plan adopted by the Authority on June 21, 2018, as may be amended from time to time, to provide funds for deposit to the Capital Contingency Fund, Debt Reserve Fund, and Operating Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and to pay costs of issuance.
4. The Bonds may be sold by negotiation as serial or term bonds with stated maturities and may be sold in a private or direct placement to a bank or the State of Connecticut.

Mr. Jaser seconded the resolution. The Chair called for the vote, the RPB unanimously approved the resolution with 52 total weighted votes cast in the affirmative.

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| Ansonia (3) | Nay | Guilford (4) | Aye | No. Haven (5) | Aye |
| Beacon Falls (0) | Absent | Hamden (10) | Absent | 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) | Absent | West Haven (8) | Absent |
| Derby (2) | Aye | New Haven (13) | Aye | Woodbridge (3) | Aye |
| East Haven (6) | Absent | No. Branford (8) | Absent | Gov. Rep. (1) | Absent |

The Chair thanked the Presiding Member, the Authority and the OCA for their assistance in the presentation of the Application.

On motion made by Mr. Levine, seconded by Mr. Harvey, and unanimously carried, the RPB approved the first quarter 2019 member compensation, substantially in the form submitted to the meeting, with 55 total weighted votes cast in the affirmative.

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|------------------|--------|------------------|--------|----------------|--------|
| Ansonia (3) | Aye | Guilford (4) | Aye | No. Haven (5) | Aye |
| Beacon Falls (0) | Absent | Hamden (10) | Absent | 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) | Absent | West Haven (8) | Absent |
| Derby (2) | Aye | New Haven (13) | Aye | Woodbridge (3) | Aye |
| East Haven (6) | Absent | No. Branford (8) | Absent | Gov. Rep. (1) | Absent |

Reports

Finance Committee – Chair Ricoszi reported that the Committee met earlier in the month and reviewed management’s quarterly financial statements.

Representative Policy Board, April 18, 2019

Land Use Committee – Mr. Harvey reported that the Committee met earlier in the month after the Annual Recreation Meeting. The committee discussed the meeting and received a monthly report on land items from management. Mr. Levine reported that the committee will be holding a meeting at Lake Saltonstall to view the process for the cleanup of aquatic invasive species.

Consumer Affairs Committee – In Mr. Gettinger’s absence, Mr. Levine reported that the Committee met earlier in the week and received an aquatic invasive species update from management.

Authority/Management – Chair DiSalvo reported on the Authority meeting that took place earlier in the day. He stated that the board received a presentation from Janney Montgomery on the economic outlook. He noted that the Authority met as the Pension & Benefit Committee and the Strategic Planning Committee.

Ms. Sack reported that at the Pension & Benefit Committee meeting earlier in the day, the Committee met with RWA’s actuarial experts to review contributions to RWA’s Pension Plans. The Committee also met with Morgan Stanley to receive a Quarterly Performance Update.

Ms. Nesteriak, RWA’s Senior Advisor to the President and Director of Business Strategy, provided an AMI update, which included:

- A review of the active installations
- A review of the project efficiency audit
- A review of the installation progress and number of installations completed to date
- Quarterly review of capital spending analysis

Mr. Bingaman, RWA’s President and Chief Executive Officer, reviewed revenues, and operating and maintenance expenses for the month ended March 31, 2019, and stated that the projected maintenance test for FY 2019 is 114%, with no projected draw expected from the Rate Stabilization Fund.

He also reported that reservoir levels are at 98% as of April 15, 2019 compared to the long term average of 94%.

Mr. Bingaman updated the RPB on Senate Bill 1029, concerning workforce development. He stated that the bill seeks to encourage collaboration between technical and career schools and state universities that offer programs in public utility management. He noted that the bill passed out of the Commerce Committee and will be going to the Senate for action.

He also reported that the Connecticut Pension Sustainability Commission met on April 4, 2019 to revise their report on state owned assets. Nothing further has developed.

Mr. Bingaman highlighted the release of RWA’s 2018 Water Quality Report, which will be available this week to district customers. The RWA’s Director of Communication and Outreach will be contacting area newspapers for public notification. He stated that suggestions from Authority members were incorporated into the report.

He noted that earlier this year, at Mr. DiSalvo’s request, RWA’s Director of Communication and Outreach and the Public Affairs & Communications Manager, contacted local businesses in the New Haven area that tie water to their products and beginning on May 6th, to kick off Drinking Water Week, ads will be placed in the New Haven Register which ties in Modern Pizza and East Rock Brewing Company to the RWA. RWA will also be holding radio ads during May, June and July.

Mr. DiSalvo reported that at the Strategic Planning Committee meeting earlier in the day, the Committee reviewed the RWA’s 5 year Strategic Plan, which will be discussed in more detail at a future RPB meeting.

Representative Policy Board, April 18, 2019

At 7:00 p.m., the meeting adjourned.

Robert E. Harvey, Jr., Secretary

Attachment:

1. Finding of Fact, Conclusions of Law and Final Decision of the Authority's 2019 Rate Application.