

**South Central Connecticut Regional Water Authority
Minutes of the June 20, 2019 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, June 20, 2019 at the office of the Authority, 90 Sargent Drive, New Haven, Connecticut, Chairman DiSalvo presided:

Present: Authority–Messrs. DiSalvo, Borowy, Cermola, Curseaden, and Ms. Sack
Management – Mss. Discepolo, Kowalski, Nesteriak, Reckdenwald and Messrs. Bingaman and Norris
RPB – Ms. Campbell and Ms. Mowat Young
Staff – Mrs. Slubowski

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

Mr. DiSalvo reviewed the Safety Moment distributed to members.

At 12:31 p.m., on motion made by Mr. Cermola, seconded by Mr. Borowy, and unanimously carried, the Authority voted to recess the meeting to meet as the Environmental, Health and Safety Committee.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 1:40 p.m., the Authority reconvened.

Ms. Sack requested that Item #9, *Derby Tank Update*, be removed from the consent agenda for discussion. Mr. Norris, RWA’s Vice President of Asset Management, discussed details concerning meetings with the Town of Derby and next steps. After discussion, it was the consensus of the committee to return the item to the Consent Agenda.

On motion made by Mr. Cermola, seconded by Mr. Borowy, and unanimously carried, the Authority voted to approve, adopt, or receive, as appropriate:

1. The minutes of its May 16, 2019 and May 28, 2019 meetings.
2. Capital budget authorization for July 2019.

RESOLVED, that the Vice President of Finance and Controller is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$2,000,000 for the month of July 2019 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn, pursuant to such requisition, is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget, but will not cause the aggregate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 2020 for all Capital Improvement Projects to be exceeded. In the absence of the Vice President of

Finance and Controller, the Executive Vice-President and Chief Financial Officer or the Vice-President – Asset Management are authorized to sign in her place.

3. Capital budget transfer notifications detailed in Ms. Discepolo's memorandum dated June 13, 2019.
4. Key Performance Indicators for the period ended May 31, 2019.
5. Accounts receivable update for May 2019.
6. FY 2020 RPB Weighted Vote Calculation.
7. FY 2020 Application Schedule.
8. RPB Dashboard Quarterly Report.
9. Derby Tank Project Update.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Ms. Kowalski, RWA's Vice President of Finance and Controller, reviewed the Year-end Financial Report for the fiscal year ended May 31, 2019, which included:

- Balance sheet
- Statement of revenues, expenses, and changes in net position
- Maintenance test
- Operating and maintenance expenses
- Capital budget
- Investment earnings report

Ms. Kowalski distributed to Authority members a memorandum dated June 20, 2019, regarding "Distribution of Fiscal Year 2019 Revenue Fund Balance and General Fund Balance per Section 404D of the *General Bond Resolution*." She commented on the funds available for allocation, the required transfer to the Operating Reserve Fund, and the transfers proposed by management to the General Fund, the Construction Fund, and the Growth Fund.

Mr. Cermola moved for adoption of the following resolution:

WHEREAS, the Vice President of Finance and Controller has and will make certain transfers from the Revenue Fund as required by Section 404D of the General Bond Resolution; and

WHEREAS, the balance remaining in the Revenue Fund after taking into account such transfers as of year-end is approximately \$14,029,965 and pursuant to the General Bond Resolution will be deposited to the General Fund.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that after such transfer is made to the General Fund, the balance of the General Fund is approximately \$24,103,338; and

BE IT FURTHER RESOLVED, that \$575,000 is deposited in the General Fund.

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

Borowy	Aye
Cermola	Aye

Curseaden Aye
DiSalvo Aye
Sack Aye

Mr. Cermola moved for adoption of the following resolution:

WHEREAS, pursuant to section 410 of the General Bond Resolution, the Authority may apply any moneys in the General Fund to any lawful purpose of the Authority.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Regional Water Authority, that the Vice-President of Finance and Controller is hereby authorized and directed to transfer and pay over from the General Fund, \$12,454,965 to the Construction Fund.

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

Borowy Aye
Cermola Aye
Curseaden Aye
DiSalvo Aye
Sack Aye

Mr. Cermola moved for adoption of the following resolution:

WHEREAS, pursuant to Section 410 of the General Bond Resolution, the Authority may apply any moneys in the General Fund to any lawful purpose of the Authority; and

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Regional Water Authority, that the Vice-President of Finance and Controller is hereby authorized and directed to transfer from the General Fund, \$1,000,000 to the Growth Fund.

Mr. Borowy seconded the motion. The Chair called for a vote:

Borowy Aye
Cermola Aye
Curseaden Aye
DiSalvo Aye
Sack Aye

Ms. Kowalski described proposed revisions to the fiscal year 2020 Capital Budget totaling \$1,092,000, resulting in an amended capital budget totaling \$35,757,000 (excluding state and redevelopment). Mr. Cermola moved for adoption of the following resolution:

RESOLVED, that the proposed revisions to the Capital Budget for the Authority for the 2020 fiscal year presented to this meeting, including a revised plan of capital improvements for the 2020 through 2024 fiscal years, is hereby adopted and ordered to be filed with the records and the U.S. Bank National Association pursuant to Section 614 for the General Bond Resolution.

Mr. Borowy seconded the motion. The Chair called for a vote:

Borowy Aye
Cermola Aye
Curseaden Aye
DiSalvo Aye
Sack Aye

Authority members reported on recent Representative Policy Board committee meetings and assignments were made for attendance at the third quarter 2019 RPB committee meetings.

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

- Installation progress and number of installations completed to date
- Upcoming town schedule: Woodbridge, Derby, Seymour and Ansonia
- General updates

Mr. Bingaman:

- acknowledged Ms. Kowalski, who provided an overview of RWA's recent 34th Series Financing. She highlighted the favorable interest rate environment, resulting in lower than expected rates and provided an update on the savings associated with RWA's refinancing. She also reported on Green Bonds for the Great Hill Tunnel Project for sustainable infrastructure.
- highlighted RWA's 170th Anniversary celebration, which will take place next week at East Rock Brewing Company in New Haven, featuring Modern Pizza. Authority members are invited.

Mr. DiSalvo:

- reminded Authority members that the Chief Executive Officer evaluation should be turned in no later than July 10, 2019 for an oral discussion, in executive session, at next month's Authority meeting

At 2:45 p.m., Mss. Campbell, Discepolo, Kowalski, Mowat Young, Nesteriak, Reckdenwald, Slubowski and Mr. Norris withdrew from the meeting. On motion made by Ms. Sack, seconded by Mr. Cermola, and unanimously carried, the Authority voted to go into executive session to discuss personnel and strategy & negotiations. Present in executive session were Authority members and Mr. Bingaman.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 3:00 p.m., Mr. Bingaman withdrew from the meeting.

At 3:20 p.m., Mss. Discepolo, Kowalski, Nesteriak, Reckdenwald, Slubowski and Messrs. Bingaman and Norris entered the meeting.

At 4:15 p.m., Mss. Kowalski, Nesteriak, Reckdenwald, Slubowski and Messrs. Bingaman and Norris withdrew from the meeting.

At 4:25 p.m., the Authority reconvened and Mr. Bingaman and Ms. Slubowski entered the meeting.

On motion made by Mr. Borowy, seconded by Mr. Cermola and unanimously carried, the Authority voted to approve the extension of Mr. Bingaman's existing contract effective January 1, 2020 through December 31, 2024 as discussed in executive session.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 4:27 p.m., on motion made by Mr. Cermola, seconded by Mr. Curseaden, and unanimously carried, the Authority voted to adjourn.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Kevin Curseaden, Secretary