

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

Minutes of October 21, 2021 Meeting

The regular meeting of the Representative Policy Board (“RPB”), of the South Central Connecticut Regional Water District, took place on Thursday, October 21, 2021, via remote access. Chairman Ricozzi presided.

PRESENT

RPB

Ansonia	Thomas P. Clifford III
Bethany	Brian Eitzer
Branford	Mario Ricozzi
Cheshire	Timothy Slocum
East Haven	Michelle Verderame
Guilford	Charles Havrda
Hamden	Stephen Mongillo
Killingworth	Jamie Mowat Young
Madison	Joseph A. Oslander
Milford	Richard Smith
New Haven	Naomi Campbell
North Branford	Peter DeSantis
North Haven	Anthony Rescigno
Orange	Jasper J. Jaser
Prospect	Robert E. Harvey, Jr.
Seymour	Michael H. Horbal
West Haven	T. Gregory Malloy
Woodbridge	Mark Levine
Governor’s Rep	Vincent M. Marino

Absent

Beacon Falls	Peter Betkoski
Derby	Frank Pepe

Regional Water Authority

Anthony DiSalvo
David Borowy
Kevin Curseaden
Catherine LaMarr
Suzanne Sack

Management

Larry L. Bingaman
Rochelle Kowalski
Edward O. Norris III
Jeanine Reckdenwald
Premjith Lakshman Singh

Counsel

Bruce McDermott

Office of Consumer Affairs

Jeffrey M. Donofrio

Staff

Jennifer Slubowski

Call to Order

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

Safety Moment

Chair Ricozzi reviewed the Safety Moment distributed to members.

Minutes

On motion made by Mr. Harvey, seconded by Mr. Clifford, the RPB approved the minutes of its September 23, 2021 special meeting as distributed, with 99 total weighted votes cast in the affirmative.

Ansonia (3)	Aye	Guilford (4)	Aye	No. Haven (5)	Aye
Beacon Falls (0)	Absent	Hamden (10)	Aye	Orange (3)	Aye
Bethany (5)	Aye	Killingworth (2)	Aye	Prospect (1)	Aye
Branford (6)	Aye	Madison (6)	Aye	Seymour (1)	Aye

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Cheshire (4)	Aye	Milford (10)	Aye	West Haven (8)	Aye
Derby (2)	Absent	New Haven (13)	Aye	Woodbridge (3)	Aye
East Haven (6)	Aye	No. Branford (8)	Aye	Gov. Rep. (1)	Aye

Communications

Chair Ricozzi:

- Reported that the RWA has developed its Ten Year Model and will be discussing it with RPB members at the November meetings of the Finance Committee and Consumer Affairs Committee. All RPB members are invited to attend the meetings.
- Noted that the RPB Quarterly Dashboard Report was included in the meeting package; questions should be addressed to the Finance Committee.
- Communicated that management is requesting a change to the RPB's monthly meetings for the 2022 calendar year. He stated that the meetings would be held on the fourth Thursday of each month, instead of the third Thursday, to allow management an additional week to gather financial information to report to the board. The months of November and December 2022 would be exempt from the change to avoid conflicts with the holidays. Chair Ricozzi will work with members to resolve conflicts. Ms. Slubowski will prepare calendar meeting dates for 2022 with both scenarios for the board's approval at its November meeting.
- Stated that 3rd quarter 2021 mileage forms were distributed and should be submitted to the board office.

Mr. Havrda, Chair of the RPB Nominating Committee read the communication recently sent to RPB members regarding the Nominating Committee's recommendation for the appointment of Authority member:

At its meeting on October 5, 2021, the Nominating Committee ("Committee") voted unanimously to recommend David Borowy for reappointment to the board of the South Central Connecticut Regional Water District ("RWA"), commencing on December 31, 2021 and serving until December 31, 2026.

The Committee adopted the selection guidelines, which it submitted for comment to the Representative Policy Board. After careful consideration, the Committee agreed that Mr. Borowy's financial background, leadership, and commitment to the Authority have contributed highly to the RWA.

Mr. Borowy has a substantial financial background and experience in board governance. He has also served as an elected Town Council member in the Town of Cheshire for nine years, as Deputy Mayor, and has served for two years as the Mayor and CEO of Cheshire. He currently serves as the Budget Committee Chair and is involved in various other community activities.

Mr. Borowy has served on the Authority since 2017 and currently serves as Chairman of the Authority and the Strategic Planning Committee. He has also held the following positions while on the board: Chairman of Audit-Risk Committee and Chairman of the Non-Core Revenue Committee (now the Commercial Business Committee)

Mr. Havrda moved for approval of the following resolution:

RESOLVED, that David J. Borowy, be, and hereby is, reappointed as a member of the South Central Connecticut Regional Water Authority, effective December 31, 2021, with his term to extend until December 31, 2026 and until his successor is appointed and has qualified.

Mr. Slocum seconded the motion. The Chair called for the vote and the RPB voted to approve the resolution, as presented, with 99 total weighted votes cast in the affirmative.

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

Mr. Slocum stated that Mr. Borowy not only acts as Chair for the Authority, but also serves the Town of Cheshire, as a town council member. He commented that Mr. Borowy is qualified and his demeanor and temperament make him perfect for the position.

RPB members congratulated Mr. Borowy on his reappointment to the Authority.

Mr. Smith moved for adoption of the following resolution:

RESOLVED, that, the proposed Findings of Fact, Conclusions of Law and Final Decision of the Representative Policy Board (“RPB”) with respect to the South Central Connecticut Regional Water Authority’s Application for a Rate Increase (#21-03), dated July 19, 2021, a copy of which is attached to these minutes, be, and hereby is, approved in the form submitted to the meeting; and be it further

RESOLVED, that the RPB of the South Central Connecticut Regional Water District hereby approves the water rates and related charges set forth in the 2021 issuance test rate application (the “2021 Rate Application”), filed by the South Central Connecticut Regional Water Authority (the “Authority”) with the RPB on July 19, 2021; and be it further

RESOLVED, that the water rates and related charges set forth in the 2021 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 January 5, 2022. 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 2021 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 Fifty-One Million Dollars (\$51,000,000).
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 January 5, 2022 through June 30, 2023 in accordance with a certain capital improvement plan adopted by the Authority on June 17, 2021, 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. Malloy seconded the motion. The Chair called for the vote and the RPB voted to approved the resolution, as presented, with 99 total weighted votes cast in the affirmative.

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

Mr. Jaser thanked Mr. Smith for working with the RWA’s management team to represent the RPB at the public hearing.

On motion made by Mr. Clifford, seconded by Mr. Levine, and unanimously carried, the RPB approved its third quarter 2021 member compensation, substantially in the form submitted to the meeting, with 99 total weighted votes cast in the affirmative.

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

Reports

Finance Committee – Mr. Ricoszi, Acting Chair of the October Finance Committee meeting, reported that the Committee met earlier in the month and received the fiscal 2021 audit and financial report from the RWA’s auditors, the quarterly financial report from management, and reviewed the quarterly dashboard report. The Committee also discussed changes to the 2022 RPB meeting dates. More information can be found in the minutes.

Land Use Committee – Mr. Harvey reported that the Committee met earlier in the month at Lake Saltonstall in Branford. The Committee held its annual pizza dinner and received an update on the recreation program at Lake Saltonstall. He also reported that the committee discussed upgrades to the signage at the lake. The Committee also discussed changes to the 2022 RPB meeting dates.

Consumer Affairs Committee – Mr. Mongillo, Chair of the Consumer Affairs Committee, reported on the Committee meeting earlier in the week. The committee met with management and Gradient Planning to receive a presentation on the RWA’s 2022 Business Continuity Work Plan. Attorney Donofrio, the Office of Consumer Affairs, reported no pending consumer complaints and commented on the opportunity to provide the RWA with a historical perspective on rate increases. The Committee’s November meeting will include a review of the Ten-Year Model, all RPB members are invited to attend.

Nominating Committee – Mr. Havrda, Chair of the Nominating Committee, had nothing further to report.

Authority/Management – Mr. Borowy, Chair of the Authority, thanked members of the RPB for their support and approval of the 2021 Rate Application.

He reported on the Authority Meeting earlier in the day. He stated that the Authority met as the Pension & Benefit Committee.

Ms. Sack, Chair of the Pension & Benefit Committee, reported on the Committee meeting earlier in the day. The committee met with Morgan Stanley to hear the market commentary and to review the performance of the plans. The Committee also held a discussion regarding receiving an annual report on the RWA’s 401K Plan.

Mr. Borowy also reported that at the Authority meeting earlier in the day, the Authority received a presentation of the Ten-Year Model Updated Budget Forecasting. The presentation will be provided to members of the RPB at the November Finance and Consumer Affairs Committee meetings.

Ms. Reckdenwald provided an update on the status of COVID at the RWA and associated planning.

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Mr. Bingaman reviewed revenues and operating and maintenance expenses through September 30, 2021. He reported maintenance test coverage of 114%, with no shortfall. He reported that the projection also takes into account the conversion of quarterly billing to monthly billing. Mr. Bingaman noted that there is still uncertainty regarding the short and long-term impacts of the pandemic, including on employment levels and customers' ability to pay. He also noted that the report does not reflect changes associated with the rate application.

He also reported that as of October 18, 2021 raw water storage levels are at 87%, compared to the long-term average and last year's levels of 66%.

Chair Ricozzi acknowledged Attorney Donofrio and Attorney McDermott, who had nothing to report.

In observation of the upcoming Veteran's Day, Chair Ricozzi thanked all the veterans of the RPB, Authority and management.

At 7:25 p.m., the meeting adjourned.

Respectfully submitted,

Charles Havrda, Secretary

Attachment:

Findings of Fact, Conclusions of Law and Final Decision of the Authority's 2021 Rate Application.