

**South Central Connecticut Regional Water Authority  
Minutes of the December 15, 2016 Meeting**

The regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, December 15, 2016, at the office of the Authority, 90 Sargent Drive, New Haven, Connecticut, Chairman DiSalvo presided.

**Present:** Authority – Ms. Lieberman, Messrs. Cermola, Curseaden, DiSalvo and Marsh  
(via teleconference)  
Management – Mss. Discepolo, Kowalski, Nesteriak and Mr. Bingaman  
RPB – Mr. Oslander  
Staff – Mrs. Slubowski

The Chair called the meeting to order at 12:32 p.m.

Mr. Bingaman reviewed the safety moment distributed to members.

At 12:34 p.m., on motion made by Mr. Cermola, seconded by Mr. Curseaden, and unanimously carried, it was voted to recess the regular meeting for the Authority to meet as the Environmental, Health, Safety and Risk Assessment Committee.

Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 1:26 p.m., the Authority reconvened and on motion made by Mr. Curseaden, seconded by Mr. Cermola, and unanimously carried, it was voted to recess the regular meeting for the Authority to meet as the Strategic Planning Committee.

Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 2:53 p.m., the Authority reconvened.

On motion made by Mr. Cermola, seconded by Ms. Lieberman, and unanimously carried, the following items contained in the consent agenda were approved and adopted or received, as appropriate:

1. Approve minutes of the November 16, 2016 meeting.
2. Approve capital budget authorization for January 2017.

**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 \$2,250,000 for the month of January 2017 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget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 2017 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 is authorized to sign in her place.

3. Receive Capital Budget Transfer Notifications detailed in Ms. Discepolo's memorandum dated December 8, 2016.
4. Receive Accounts Receivable Update for November 2016.
5. Receive Key Performance Indicators for November 2016.
6. Approve Skiff Street Bid Exemption.
7. Approve Bid Exemption for Hydrants.

Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Ms. Kowalski reviewed the quarterly financial report as of November 30, 2016, including revenues, expenses, the balance sheet, and key changes since the last quarter. She also reviewed the November 2016 monthly financial report. Ms. Kowalski commented on the most significant variances in operating revenues and expenses and the projected fiscal year 2017 maintenance test. She stated the projected maintenance test for Fiscal Year 2017 is 121% with no projected draw from the Rate Stabilization Fund. Discussion took place regarding accounts receivables.

The Chair stated it would be appropriate to elect Authority officers for calendar year 2017. Mr. Curseaden moved for adoption of the following resolution:

**RESOLVED**, that Mr. Cermola be elected as Vice Chairperson for a one-year term, effective January 1, 2017, and until a successor is duly elected and has qualified.

Ms. Lieberman seconded the motion, the Chair called for the vote:

Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Mr. Cermola moved for adoption of the following resolution:

**RESOLVED**, that Mr. Curseaden be elected as Secretary/Treasurer for a one-year term, effective January 1, 2017, and until a successor is duly elected and has qualified.

Ms. Lieberman seconded the motion, the Chair called for the vote:

Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Chair DiSalvo announced the assignments for RWA Committee Chairs beginning January 1, 2017: Mr. Borowy – Audit-Risk Committee; Mr. Cermola – Compensation Committee; Mr. Curseaden – Environmental, Health & Safety Committee; and Mr. Marsh – Pension & Benefit Committee, who will act as Chair until a successor has been appointed.

Ms. Nesteriak, RWA's Senior Advisor to the President & Director of Business Strategy, provided a hiTechFOCUS update. She reported the major activities accomplished included: AMI software system is launched, live and in production system; AMI customer video is completed; RWA website for AMI is live; and customer notifications were mailed to pilot groups in Cheshire and Wolcott. The three-month look ahead includes: starting field readiness test; finalizing field readiness testing and training; finalizing the roll-out plan for meter route releases; conducting refresher training with field and customer service; and continuing external communications. Ms. Nesteriak highlighted a focus group that meets daily to review anomalies, create standard operating procedures for resolving issues, and understands the integration of the systems.

Mr. Bingaman:

- Reported that reservoir levels are at 51%, below the long-term average of 66% at the end of December. The advisory stage for drought is 45%, which is expected to continue through February. Mr. Bingaman stated that Lake Whitney Water Treatment Plant continues to run 24/7 at 100%, close to 5mg/day to allow Lake Gaillard to build capacity.
- Provided information on a demand study conducted by Hazen and Sawyer, consultants for utility management, related to the decline in water consumption at the national level. The study concluded that the water industry could expect a 35% decline in water consumption over the next 7-10 years.
- Highlighted a meeting of the Water Planning Council Steering Committee that took place earlier in the month. He noted that the committee discussed the current drought and water conservation efforts, including a discussion on irrigation systems and outdoor watering.
- Reported on a regional land trust forum hosted by RWA and led by the Connecticut Land Conservation Council. He communicated that Mr. Triana, RWA's Real Estate Manager, presented an excellent overview of RWA's history and land preservation policies. He noted that positive feedback was received.
- Stated that the United Way Campaign is coming to a close. He thanked members of the Board who contributed, and asked that those who have not contributed to consider making a donation.

Authority members reported on recent Representative Policy Board ("RPB") committee meetings.

Mr. Cermola, Co-Chair of the Representative Policy Board/Authority Joint Legislative Committee, discussed a Committee meeting that took place earlier in the month to review the proposed changes to the Enabling Legislation and approve a resolution to recommend the changes to the Authority and RPB. Mr. Curseaden moved for adoption of the following resolution:

**RESOLVED**, that the proposed amendments to the South Central Connecticut Regional Water Authority's enabling legislation attached hereto, which 1) authorize the authority to conduct or invest in certain additional non-core business activities including agriculture and energy areas, provided that these activities are located on property other than

class I or class II land owned by the authority, 2) specify financial limits for such investments or activities, 3) prohibit the authority's use of eminent domain for non-core businesses, 4) conform the duration of property liens for unpaid water bills to existing state law, 5) allow electronic submissions in the authority's procurement process in accordance with existing state procurement process, 6) impose conflict of interest and gift restrictions on subsidiaries and affiliates, and 7) allow open space conservation easements to be granted without the need for public hearing and approval by the Representative Policy Board; are deemed prudent and consistent with the South Central Connecticut Regional Water Authority's mission, and are hereby approved; and

**RESOLVED FURTHER**, that such proposed legislative amendments, together with any further appropriate modifications identified by management of the South Central Connecticut Regional Water Authority, provided that any such modifications do not fundamentally alter the intent of the proposal, be submitted to and promoted during the 2017 session of the Connecticut General Assembly.

Ms. Lieberman seconded the motion, the Chair called for the vote:

Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Chair DiSalvo stated that it would be in order to acknowledge Ms. Lieberman and her five years of service to the Authority.

**WHEREAS**, Gail F. Lieberman has faithfully served the South Central Connecticut Regional Water District as a member of the Regional Water Authority for five years; and

**WHEREAS**, Gail became a member of the Authority in January 2012, and served with great dedication as Chairman of the Strategic Planning Committee since that time; and

**WHEREAS**, Gail served as Secretary/Treasurer of the Authority since January 2015; and

**WHEREAS**, Gail displayed a deep commitment to the mission, vision, and STARS values of the Authority; and

**WHEREAS**, Gail's 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**, Gail unselfishly contributed her time and talents to the Authority and participated at all times in a respectable fashion while blending a keen insight of her corporate financial knowledge and experience;

**NOW THEREFORE BE IT RESOLVED**, that the South Central Connecticut Regional Water Authority hereby congratulates Gail F. Lieberman, gratefully acknowledges her five dedicated years of service, and wishes her well in the future.

Ms. Lieberman accepted her Honorary Resolution and thanked the Board.

Chair DiSalvo stated that Mr. Marsh would be resigning from the Board effective December 31, 2016 or until a successor has been appointed. He noted it would be in order to acknowledge Mr. Marsh and his 26 years of combined service to the Authority and the RPB.

**WHEREAS**, R. Douglas Marsh has faithfully served the South Central Connecticut Regional Water District as a member of the Regional Water Authority for seven years; and

**WHEREAS**, Doug became a member of the Authority in January 2010, and served with great dedication as Chairman of the Environmental, Health, Safety & Risk Assessment Committee from February 2010 to March 2015; and

**WHEREAS**, Doug led the Authority as Chairman of the Pension, Benefit & Compensation Committee since March 2015; and

**WHEREAS**, Doug served on the Representative Policy Board as the Branford representative from July 1991 to December 2009; and

**WHEREAS**, Doug served as Treasurer of the Representative Policy Board from July 1993 to June 1998; and

**WHEREAS**, Doug served as Chairman of the Representative Policy Board from February 1998 to June 2006; and

**WHEREAS**, Doug displayed a deep commitment to the mission, vision, and STARS values of the Authority; and

**WHEREAS**, Doug'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**, Doug 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 extensive knowledge and experience as a consultant and organization leader;

**NOW THEREFORE BE IT RESOLVED**, that the South Central Connecticut Regional Water Authority hereby congratulates R. Douglas Marsh, gratefully acknowledges his 26 dedicated years of continuous service, and wishes him well in the future.

Mr. Marsh accepted his Honorary Resolution and thanked the Board.

Mr. Bingaman provided highlights of his mid-year goals and strategic plan update for Fiscal Year 2017. He reported that his goals are on target under the Strategic Plan and it is anticipated that the organization will meet or exceed global metrics, with the exception of the injury severity rate and the customer satisfaction survey, which is expected to be completed in May 2017. His goals for the remainder of Fiscal Year 2017 include cash collections and aged receivables; capital budget expenditures; and process improvements. He communicated that Willis Towers Watson, RWA's consultant for Compensation Philosophy, is retained and the results will be presented to the Authority at its February meeting. He stated that his goals for Fiscal Year 2017 are on target and he expects it to be a successful year. The Authority thanked Mr. Bingaman and the Leadership Team for their continued efforts.

At 3:56 p.m., Mr. Oslander withdrew from the meeting and on motion made by Mr. Curseaden, seconded by Mr. Cermola, and unanimously carried, it was voted to go into executive session to discuss negotiations with the Town of Hamden. Present in executive session were Authority members, Mss. Discepolo, Kowalski, Nesteriak, Slubowski and Mr. Bingaman.

At 4:05 p.m., the Authority reconvened, and on motion made by Mr. Cermola, seconded by Ms. Lieberman, and unanimously carried, the meeting adjourned.

Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Respectfully submitted,

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Kevin Curseaden, Secretary