

**South Central Connecticut Regional Water Authority
Minutes of the May 18, 2017 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority took place on Thursday, May 18, 2017, at the office of the Authority, 90 Sargent Drive, New Haven, Connecticut, Chair DiSalvo presided.

Present: Authority – Ms. Sack and Messrs. Borowy, Cermola, Curseaden (via teleconference) and DiSalvo
Management – Mss. Discepolo, Kowalski, Lima, Nesteriak and Mr. Bingaman
Staff – Mrs. Slubowski

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

Mr. Bingaman reviewed the safety moment distributed to members.

At 12:31 p.m., on motion made by Ms. Sack, seconded by Mr. Cermola, and unanimously carried, the Authority meeting recessed to meet as the Pension & Benefit Committee.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 1:37 p.m., on motion made by Mr. Borowy, seconded by Mr. Cermola, and unanimously carried, the Pension & Benefit Committee adjourned and the Authority met as the Audit-Risk Committee.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 2:21 p.m., the Authority reconvened.

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

1. Approve minutes of the April 20, 2017 meeting.
2. Approve Capital Budget Authorization for June 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 \$1,500,000 for the month of June 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate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 FY 2018 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 May 11, 2017.
4. Adopt resolutions authorizing exemptions from public bidding:

RESOLVED, that the Authority authorizes Management to negotiate the purchase of the following items for the fiscal year June 1, 2017 to May 31, 2018 without public bidding and such purchases without public bidding are hereby determined to be in the best interest of the Regional Water Authority for the reasons set forth in Ms. Discepolo's memorandum of May 11, 2017, a copy of which is to be filed with the records:

- a. Programmable Logic Controllers
 - b. John Deere Equipment
 - c. Variable Frequency Drives
 - d. Pick Up of Patch, Sand Gravel, Stone and Topsoil
 - e. Polymers
 - f. Fire Hydrants
 - g. Underdrain Demolition and Replacement for Lake Whitney Water Treatment Plant
5. Receive monthly financial report for April 2017.
 6. Receive accounts receivable update for April 2017.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Ms. Kowalski, RWA's Vice President and Controller, reviewed the FY 2017 Operating and Maintenance Budget revision that reflects an additional contribution to RWA's Salaried and Union Pension Plans for FY 2017 and other revisions. Discussion took place regarding the amount of the proposed additional pension contribution requested. Mr. Borowy moved for adoption of the following resolution:

RESOLVED, that the proposed revision to the FY 2017 Operating and Maintenance Budget dated May 11, 2017, as presented at this meeting, is hereby adopted and ordered to be filed with the records and with the Trustee pursuant to Section 613 of the General Bond Resolution.

Mr. Cermola seconded the motion. After discussion, the Chair called for the vote:

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Ms. Discepolo, RWA's Executive Vice President and Chief Financial Officer, reviewed the Resolutions to approve the Proposed Issuance of Bonds for the Water Tank Paint Project. Funding for this program is through the Connecticut Drinking Water State Revolving Fund and these are the final

resolutions required to enter into the loan obligation for this specific project. The request is for \$3,000,000. Mr. Cermola moved for adoption of the following resolutions:

WHEREAS, on April 21, 2016, the Authority adopted and on October 20, 2016, the Representative Policy Board (the “RPB”) approved the resolutions which established the general terms and provisions of the Authority’s bonds which may be issued as project loan obligations delivered to the State of Connecticut in the aggregate principal amount not to exceed \$3,000,000 to finance, among other things, the cost of certain capital improvements to the Authority’s water system, specifically the Water Tank Paint Project (the “Water Tank Project”); and

WHEREAS, on January 19, 2017, the Authority approved the form of a Project Loan and Subsidy Agreement by and between the State of Connecticut and the Authority related to the Water Tank Project (the “Water Tank Agreement”); and

WHEREAS, the Authority wishes to provide for the issuance, sale and delivery of the Authority’s Project Loan Obligation to finance the Water Tank Project (the “Water Tank PLO”).

NOW THEREFORE BE IT RESOLVED, that the Chairperson or Vice Chairperson and the President/Chief Executive Officer, Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller be authorized (i) to issue, sell and deliver the Water Tank PLO in an amount not to exceed \$3,000,000, and (ii) to determine the principal amount, date, date of maturity, interest rate, form and other details of the Water Tank PLO, pursuant to the Act and the Water System Revenue Bond Resolution, General Bond Resolution as amended and supplemented (the “General Bond Resolution”) or any other provisions of law thereto enabling; and

BE IT FURTHER RESOLVED, that the Authority hereby approves the Supplemental Resolution authorizing the issuance of the Water Tank PLO substantially in the form attached hereto as Exhibit A, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and President/Chief Executive Officer, Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller shall deem advisable and which shall be as set forth in a Certificate of Determination attached thereto; and

BE IT FURTHER RESOLVED, that the Chairperson, Vice Chairperson, President/Chief Executive Officer, the Executive Vice President and Chief Financial Officer and the Vice President of Finance and Controller, or any one of them, are hereby authorized to execute and deliver such documents as may be necessary or desirable to issue and deliver the Water Tank PLO and to take such actions or to designate other officials or employees of the Authority to take such actions and execute such documents in connection with the issuance, sale and delivery of the Water Tank PLO as are determined necessary or advisable and in the best interests of the Authority and that the execution of such documents shall be conclusive evidence of such determination; and

BE IT FURTHER RESOLVED, that the Chairperson or Vice Chairperson and President/Chief Executive Officer, Executive Vice President and Chief Financial Officer or the Vice President of Finance and Controller are hereby authorized to accept such grants from the State of Connecticut for the project as set forth in the Water Tank Agreement and to apply the proceeds of the grants to the project.

Ms. Sack seconded the motion. After discussion, the Chair called for the vote:

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Ms. Discepolo reviewed the Resolutions to approve the Proposed Issuance of Bonds for the Lake Saltonstall Intake and Raw Water Pump Station Project. Funding for this program is through the Connecticut Drinking Water State Revolving fund and these are the final resolutions required to enter into the loan obligation for this specific project. The request is for \$3,000,000. Mr. Borowy moved for adoption of the following resolutions:

WHEREAS, on April 21, 2016, the Authority adopted and on October 20, 2016, the Representative Policy Board (the “RPB”) approved the resolutions which established the general terms and provisions of the Authority’s bonds which may be issued as project loan obligations delivered to the State of Connecticut in the aggregate principal amount not to exceed \$3,000,000 to finance, among other things, the cost of certain capital improvements to the Authority’s water system, specifically the Lake Saltonstall Intake and Raw Water Pump Station Project (the “Lake Saltonstall Project”); and

WHEREAS, on September 15, 2016, the Authority approved the form of the Project Loan and Subsidy Agreement by and between the State of Connecticut and the Authority related to the Lake Saltonstall Project (the “Lake Saltonstall Agreement”); and

WHEREAS, the Authority wishes to provide for the issuance, sale and delivery of the Authority’s Project Loan Obligation to finance the Lake Saltonstall Project (the “Saltonstall PLO”).

NOW THEREFORE BE IT RESOLVED, that the Chairperson or Vice Chairperson and the President/Chief Executive Officer, Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller be authorized (i) to issue, sell and deliver the Saltonstall PLO in an amount not to exceed \$3,000,000, and (ii) to determine the principal amount, date, date of maturity, interest rate, form and other details of the Saltonstall PLO, pursuant to the Act and the Water System Revenue Bond Resolution, General Bond Resolution as amended and supplemented (the “General Bond Resolution”) or any other provisions of law thereto enabling; and

BE IT FURTHER RESOLVED, that the Authority hereby approves the Supplemental Resolution authorizing the issuance of the Saltonstall PLO substantially in the form attached hereto as Exhibit A, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and President/Chief Executive Officer, Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller shall deem advisable and which shall be as set forth in a Certificate of Determination attached thereto; and

BE IT FURTHER RESOLVED, that the Chairperson, Vice Chairperson, President/Chief Executive Officer, the Executive Vice President and Chief Financial Officer and Vice President of Finance and Controller or any one of them, are hereby authorized to execute and deliver such documents as may be necessary or desirable to issue and deliver the Saltonstall PLO and to take such actions or to designate other officials or employees of the Authority to take such actions and execute such documents in connection with the issuance, sale and delivery of the Saltonstall PLO as are determined necessary or advisable and in the best interests of the Authority and that the execution of such documents shall be conclusive evidence of such determination; and

BE IT FURTHER RESOLVED, that the Chairperson or Vice Chairperson and President/Chief Executive Officer, Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller are hereby authorized to accept such grants from the State of Connecticut for the project as set forth in the Lake Saltonstall Agreement and to apply the proceeds of the grants to the project.

Mr. Cermola seconded the motion. After discussion, the Chair called for the vote:

Borowy	Aye
Cermola	Aye

Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Ms. Discepolo reviewed the Resolutions to approve the Proposed Issuance of Bonds for the Burwell Hill Tank Replacement Project. Funding for this program is through the Connecticut Drinking Water State Revolving fund program. The request is for \$2,900,000. Mr. Curseaden moved for adoption of the following resolutions:

WHEREAS, the Burwell Hill Tank Replacement Project, described below (the “Project”) was included initially in the South Central Connecticut Regional Water Authority’s (the “Authority”) FY 2016 and FY 2017 capital improvement plans; and

WHEREAS, the Authority wishes to finance the Project with financial assistance from the State of Connecticut (the “State”) Drinking Water Fund Program and to approve the form of a loan agreement related to the Project.

NOW THEREFORE BE IT RESOLVED: That the Authority hereby establishes the general terms and provisions of the Authority’s Bonds which may be issued as Project Loan Obligations delivered to the State of Connecticut (the “Bonds”) and which may be 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 on July 31, 1980, as amended (the “General Bond Resolution”).

1. The Bonds shall not exceed Two Million Nine Hundred Thousand Dollars (\$2,900,000) in aggregate principal amount.
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 demolition and replacement of a 1.0 million gallon water storage tank, installation of a mixing system to improve water quality, installation of tank stairs and associated fencing, and site electrical and instrumentation upgraded all in the Burwell Hill Service area; and to pay costs of issuance of the Bonds (the “Burwell Project”).
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.
5. The form of this resolution entitled “Resolution Approving the Proposed Issuance of Bonds,” a copy of which shall be filed with the records of the Authority, shall be submitted to the Representative Policy Board for its approval in accordance with Section 22 of Special Act No. 77-98, as amended; and

BE IT FURTHER RESOLVED that:

1. Temporary notes of the Authority which may be issued as Interim Funding Obligations delivered to the State of Connecticut may be issued by the Authority in the amount of \$2,900,000 in anticipation of the receipt of the proceeds from the sale of such Bonds.
2. The President / Chief Executive Officer, the Executive Vice President and Chief Financial Officer, the Vice President of Finance and Controller and any Vice President or

any one of them may apply to the State Department of Public Health for eligibility and funding of the Burwell Project and sign such application and any other documents which may be necessary or desirable to apply for eligibility of and to apply for and obtain financial assistance for the Burwell Project from the State's Drinking Water Fund Program and that any such action taken prior hereto is hereby ratified and confirmed; and

BE IT FURTHER RESOLVED: That for the purposes of providing to the Authority the loan and grant from the State for the Burwell Project, the Authority hereby approves the form of the loan agreement previously approved by the Authority for the Lake Gaillard Water Treatment Plant Generator Project with such changes, omissions, insertions and revisions as the President/Chief Executive Officer or Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller shall deem advisable and the approval of the Authority shall conclusively be determined from any of their signatures thereon; and

BE IT FURTHER RESOLVED: That the Authority hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and anytime after the date of passage of this resolution in the maximum amount authorized hereby and for the Burwell Project defined herein with the proceeds of bonds, notes, or other obligations authorized to be issued by the Authority. Such bonds, notes or other obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Burwell Project, or such later date the Regulations may authorize. The Authority hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date.

Mr. Cermola seconded the motion. After discussion, the Chair called for the vote:

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Ms. Discepolo reviewed the Resolutions to approve the Proposed Issuance of Bonds for the North Sleeping Giant Well Project. Funding for this program is through the Connecticut Drinking Water State Revolving fund program. The request is for \$1,500,000. Mr. Cermola moved for adoption of the following resolutions:

WHEREAS, the North Sleeping Giant Well Project, described below (the "Project") was included initially in the South Central Connecticut Regional Water Authority's (the "Authority") FY 2016 and FY 2017 capital improvement plan; and

WHEREAS, the Authority wishes to finance the Project with financial assistance from the State of Connecticut (the "State") Drinking Water Fund Program and to approve the form of a loan agreement related to the Project.

NOW THEREFORE BE IT RESOLVED: That the Authority hereby establishes the general terms and provisions of the Authority's Bonds which may be issued as Project Loan Obligations delivered to the State of Connecticut (the "Bonds") and which may be 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 on July 31, 1980, as amended (the "General Bond Resolution").

1. The Bonds shall not exceed One Million Five Hundred Thousand Dollars (\$1,500,000) in aggregate principal amount.

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 well and associated piping, electrical, support facilities, and equipment to back-up the existing Well No. 1 in Hamden; and to pay costs of issuance of the Bonds (the “North Sleeping Giant Well Project”).
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.
5. The form of this resolution entitled “Resolution Approving the Proposed Issuance of Bonds,” a copy of which shall be filed with the records of the Authority, shall be submitted to the Representative Policy Board for its approval in accordance with Section 22 of Special Act No. 77-98, as amended; and

BE IT FURTHER RESOLVED that:

1. Temporary notes of the Authority which may be issued as Interim Funding Obligations delivered to the State of Connecticut may be issued by the Authority in the amount of \$1,500,000 in anticipation of the receipt of the proceeds from the sale of such Bonds.
2. The President / Chief Executive Officer, the Executive Vice President and Chief Financial Officer, the Vice President of Finance and Controller and any Vice President or any one of them may apply to the State Department of Public Health for eligibility and funding of the North Sleeping Giant Well Project and sign such application and any other documents which may be necessary or desirable to apply for eligibility of and to apply for and obtain financial assistance for the North Sleeping Giant Well Project from the State’s Drinking Water Fund Program and that any such action taken prior hereto is hereby ratified and confirmed; and

BE IT FURTHER RESOLVED: That for the purposes of providing to the Authority the loan and grant from the State for the North Sleeping Giant Well Project, the Authority hereby approves the form of the loan agreement previously approved by the Authority for the Lake Gaillard Water Treatment Plant Generator Project with such changes, omissions, insertions and revisions as the President/Chief Executive Officer or Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller shall deem advisable and the approval of the Authority shall conclusively be determined from any of their signatures thereon; and

BE IT FURTHER RESOLVED: That the Authority hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations, Title 26 (the “Regulations”), to reimburse expenditures paid sixty days prior to and anytime after the date of passage of this resolution in the maximum amount authorized hereby and for the North Sleeping Giant Well Project defined herein with the proceeds of bonds, notes, or other obligations authorized to be issued by the Authority. Such bonds, notes or other obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the North Sleeping Giant Well Project, or such later date the Regulations may authorize. The Authority hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date.

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

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Ms. Discepolo reviewed the Resolutions to approve the Proposed Issuance of Bonds for the Saltonstall Water Storage Tanks Project. Funding for this program is through the Connecticut Drinking Water State Revolving fund program. The request is for \$1,700,000. Ms. Sack moved for adoption of the following resolutions:

WHEREAS, the Saltonstall Water Storage Tanks Project, described below (the “Project”) was included initially in the South Central Connecticut Regional Water Authority’s (the “Authority”) FY 2016 and FY 2017 capital improvement plan; and

WHEREAS, the Authority wishes to finance the Project with financial assistance from the State of Connecticut (the “State”) Drinking Water Fund Program and to approve the form of a loan agreement related to the Project.

NOW THEREFORE BE IT RESOLVED: That the Authority hereby establishes the general terms and provisions of the Authority’s Bonds which may be issued as Project Loan Obligations delivered to the State of Connecticut (the “Bonds”) and which may be 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 on July 31, 1980, as amended (the “General Bond Resolution”).

1. The Bonds shall not exceed One Million Seven Hundred Thousand Dollars (\$1,700,000) in aggregate principal amount.
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 replacement of buried valves, removal of existing steel roofs and installation of new aluminum roof covers, replacement of interior and exterior paint coating and installation of stairs and associated fencing; and to pay costs of issuance of the Bonds (the “Saltonstall Tank Project”).
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.
5. The form of this resolution entitled “Resolution Approving the Proposed Issuance of Bonds,” a copy of which shall be filed with the records of the Authority, shall be submitted to the Representative Policy Board for its approval in accordance with Section 22 of Special Act No. 77-98, as amended; and

BE IT FURTHER RESOLVED that:

1. Temporary notes of the Authority which may be issued as Interim Funding Obligations delivered to the State of Connecticut may be issued by the Authority in the amount of \$1,700,000 in anticipation of the receipt of the proceeds from the sale of such Bonds.
2. The President / Chief Executive Officer, the Executive Vice President and Chief Financial Officer, the Vice President of Finance and Controller and any Vice President or any one of them may apply to the State Department of Public Health for eligibility and funding of the Saltonstall Tank Project and sign such application and any other documents which may be necessary or desirable to apply for eligibility of and to apply for and obtain financial assistance for the Saltonstall Tank Project from the State's Drinking Water Fund Program and that any such action taken prior hereto is hereby ratified and confirmed; and

BE IT FURTHER RESOLVED: That for the purposes of providing to the Authority the loan and grant from the State for the Saltonstall Tank Project, the Authority hereby approves the form of the loan agreement previously approved by the Authority for the Lake Gaillard Water Treatment Plant Generator Project with such changes, omissions, insertions and revisions as the President/Chief Executive Officer or Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller shall deem advisable and the approval of the Authority shall conclusively be determined from any of their signatures thereon; and

BE IT FURTHER RESOLVED: That the Authority hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and anytime after the date of passage of this resolution in the maximum amount authorized hereby and for the Saltonstall Tank Project defined herein with the proceeds of bonds, notes, or other obligations authorized to be issued by the Authority. Such bonds, notes or other obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Saltonstall Tank Project, or such later date the Regulations may authorize. The Authority hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date.

Mr. Cermola seconded the motion. After discussion, the Chair called for the vote:

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Ms. Discepolo reviewed the Resolutions to approve the Proposed Issuance of Bonds for the Cherry Hill/Brushy Plains Water Quality Project. Funding for this program is through the Connecticut Drinking Water State Revolving fund program. The request is for \$1,700,000. Mr. Borowy moved for adoption of the following resolutions:

WHEREAS, the Cherry Hill / Brushy Plains Water Quality Project, described below (the "Project") was included initially in the South Central Connecticut Regional Water Authority's (the "Authority") FY 2016 and FY 2017 capital improvement plan; and

WHEREAS, the Authority wishes to finance the Project with financial assistance from the State of Connecticut (the "State") Drinking Water Fund Program and to approve the form of a loan agreement related to the Project.

NOW THEREFORE BE IT RESOLVED: That the Authority hereby establishes the general terms and provisions of the Authority's Bonds which may be issued as Project Loan

Obligations delivered to the State of Connecticut (the “Bonds”) and which may be 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 on July 31, 1980, as amended (the “General Bond Resolution”).

1. The Bonds shall not exceed One Million Seven Hundred Thousand Dollars (\$1,700,000) in aggregate principal amount.
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 upgrades to the Cherry Hill Pump Station and associated appurtenances, and the removal and demolition of the Brushy Plains Standpipe each located in Branford, Connecticut; and to pay costs of issuance of the Bonds (the “Brushy Plains Project”).
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.
5. The form of this resolution entitled “Resolution Approving the Proposed Issuance of Bonds,” a copy of which shall be filed with the records of the Authority, shall be submitted to the Representative Policy Board for its approval in accordance with Section 22 of Special Act No. 77-98, as amended; and

BE IT FURTHER RESOLVED that:

1. Temporary notes of the Authority which may be issued as Interim Funding Obligations delivered to the State of Connecticut may be issued by the Authority in the amount of \$1,700,000 in anticipation of the receipt of the proceeds from the sale of such Bonds.
2. The President / Chief Executive Officer, the Executive Vice President and Chief Financial Officer, the Vice President of Finance and Controller and any Vice President or any one of them may apply to the State Department of Public Health for eligibility and funding of the Brushy Plains Project and sign such application and any other documents which may be necessary or desirable to apply for eligibility of and to apply for and obtain financial assistance for the Brushy Plains Project from the State’s Drinking Water Fund Program and that any such action taken prior hereto is hereby ratified and confirmed; and

BE IT FURTHER RESOLVED: That for the purposes of providing to the Authority the loan and grant from the State for the Brushy Plains Project, the Authority hereby approves the form of the loan agreement previously approved by the Authority for the Lake Gaillard Water Treatment Plant Generator Project with such changes, omissions, insertions and revisions as the President/Chief Executive Officer or Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller shall deem advisable and the approval of the Authority shall conclusively be determined from any of their signatures thereon; and

BE IT FURTHER RESOLVED: That the Authority hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations, Title 26 (the “Regulations”), to reimburse expenditures paid sixty days prior to and anytime after the date of passage of this resolution in the maximum amount authorized hereby and for the Brushy Plains Project defined herein with the proceeds of bonds, notes, or other obligations authorized to be issued by the

Authority. Such bonds, notes or other obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Brushy Plains Project, or such later date the Regulations may authorize. The Authority hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date.

Ms. Sack seconded the motion. After discussion, the Chair called for the vote:

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Ms. Discepolo and Ms. Kowalski reviewed the proposed Rate Application schedule.

Ms. Nesteriak, RWA's Senior Advisor to the President & Director of Business Strategy, provided a hiTechFOCUS update. She reported on the major activities accomplished, which included: installations in Wolcott, Cheshire, North Branford, East Haven, and Branford; a revised release schedule; and increased public press in Branford. She reviewed the installation progress and the number of installations completed to date. The three-month look ahead includes continuing external communications and revising the installation dates in Branford and North Haven. Ms. Nesteriak noted that key milestones remain unchanged.

Mr. Bingaman:

- Reported that reservoir levels are at 93% of full storage, compared to the long-term average of 93% as of mid-May. He noted that Lake Gaillard is currently at 91% of full storage.
- Stated that Lori Vitagliano, RWA's Government and Public Relations Specialist, met with several legislators to discuss the proposed changes to RWA's Enabling Legislation. He reported that he and Ms. Vitagliano met with Senator Fasano and would also discuss the proposed changes with Senator Looney next week.
- Noted that the RWA joined with other water utilities to reject the Department of Public Health's (DPH) proposal to charge a license fee to raise funds for its drinking water section to enforce provisions of the Safe Water Drinking Act. Mr. Bingaman stated that he and other water utilities had met with DPH to assist in developing an alternative proposal that would include a fee for connections and revenues. The DPH presented the proposal to the Connecticut Office of Policy and Management (OPM) and who rejected the alternate proposal.
- Reported that Sal Nesci, RWA's Police Captain, met with six individuals from Homeland Security who will conduct a cybersecurity audit and a physical audit of RWA's facility. He will keep the board updated on the progress of the audits.
- Highlighted that RWA's laboratory scored the highest for testing water samples in a recent test case conducted by the State of New Hampshire, using a method developed by the RWA.

Authority members reported on recent meetings of Representative Policy Board committees.

At 3:08 p.m., on motion made by Mr. Cermola, seconded by Mr. Borowy, and unanimously carried, the Authority recessed to meet as the Compensation Committee.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 3:39 p.m., the Authority reconvened and on motion duly made by Mr. Cermola, seconded by Mr. Borowy, and unanimously carried, it was voted to go into executive session to discuss negotiating strategy and personnel matters. Present in executive session were Authority members, Mss. Discepolo, Kowalski, Lima, Nesteriak, Slubowski and Mr. Bingaman.

Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

At 3:41 p.m., Mr. Curseaden withdrew from the meeting.

At 4:05 p.m., the Authority reconvened.

Ms. Sack discussed an increase to the FY 2017 Pension Contribution. She moved for adoption of the following resolution:

RESOLVED, that based on the recommendation of its Pension & Benefit Committee, the South Central Connecticut Regional Water Authority authorizes an increase of \$1,250,000 to the combined contribution of the South Central Connecticut Regional Water Authority Retirement Plan and the South Central Connecticut Regional Water Authority Salaried Employees' Retirement Plan during FY 2017.

Mr. Cermola seconded the motion. After discussion, the Chair called for the vote:

Borowy	Aye
Cermola	Aye
Curseaden	Abstain
DiSalvo	Aye
Sack	Aye

At 4:07 p.m., on motion made by Mr. Borowy, seconded by Mr. Cermola, the Authority meeting recessed to attend the Representative Policy Board meeting. Chair DiSalvo announced the Authority meeting would reconvene immediately following the RPB meeting.

Borowy	Aye
Cermola	Aye
Curseaden	Abstain
DiSalvo	Aye
Sack	Aye

At 7:15 p.m., the Authority reconvened.

Mr. DiSalvo noted the Representative Policy Board's ("RPB") comments on the FY 2018 budgets, as expressed at the RPB's meeting. Mr. Bingaman requested approval of the budgets for the fiscal year June 1, 2017 – May 31, 2018 and authorization to file the budgets with the trustee, as required by the *General Bond Resolution*. Mr. Cermola moved for adoption of the following resolutions:

RESOLVED, that the Authority’s Operating and Maintenance Budget for the fiscal year from June 1, 2017 – May 31, 2018 (“FY 2018”), showing on a monthly basis projected Operating Expenses and deposits and withdrawals from the several Funds required by the *General Bond Resolution*, is hereby adopted and ordered to be filed with US Bank, Trustee, pursuant to Section 613 of the *General Bond Resolution*; and

RESOLVED, that the Authority’s Capital Improvements Budget for the fiscal year from June 1, 2017 – May 31, 2018 (“FY 2018”), including a plan of capital improvements for FY 2018 through FY 2022 and the additional information required by Section 614 of the *General Bond Resolution*, is hereby adopted and ordered to be filed with US Bank, Trustee, pursuant to Section 614 of the *General Bond Resolution*.

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

Borowy	Aye
Cermola	Aye
Curseaden	Abstain
DiSalvo	Aye
Sack	Aye

At 7:20 p.m., on motion made by Mr. Borowy, seconded by Mr. Cermola, the meeting adjourned.

Cermola	Aye
Curseaden	Abstain
DiSalvo	Aye
Lieberman	Aye
Marsh	Aye

Kevin Curseaden, Secretary

Attachments:

1. SCCRWA Project Loan Obligation Supplemental Resolution – Lake Saltonstall Project
2. SCCRWA Project Loan Obligation Resolution – Lake Saltonstall Project
3. SCCRWA Project Loan Obligation Supplemental Resolution – Water Tank Project
4. SCCRWA Project Loan Obligation Resolution – Water Tank Project