

**South Central Connecticut Regional Water Authority
Minutes of the August 17, 2017 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, August 17, 2017, at the office of the Authority, 90 Sargent Drive, New Haven, Connecticut, Chairman DiSalvo presided:

Present: Authority – Ms. Sack (via teleconference), Messrs. Borowy, Cermola, Curseaden and DiSalvo
Management – Mss. Discepolo, Kowalski, Lima, Nesteriak, Velasquez, Zanella-Dyer and Messrs. Bingaman and Hill
RPB –Mr. Gettinger
The Watershed Fund - Mr. Bell
GreatBlue Research – Mr. McNamee
Staff – Mrs. Slubowski

The Chair called the meeting to order at 12:30 p.m. He proposed to add RWA Chair Updates to Item G, *Updates*. On motion made by Mr. Curseaden, seconded by Mr. Cermola, and unanimously carried, the Authority voted to add RWA Chair Updates to Item G.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Mr. Bingaman, RWA’s Chief Executive Officer and President, reviewed the Safety Moment distributed to members.

Mr. Bell, President of The Watershed Fund (“Fund”), stated the RWA is the sole Member of The Watershed Fund. He recommended that in its capacity as sole Member, the Authority re-elect himself, Mr. DiSalvo, Mr. Geballe and Rev. Scott, as directors with terms expiring in 2020. He provided a biography of each director up for re-election and noted that all four directors expressed interest in serving another three-year term. Mr. Cermola moved for adoption of the following resolution:

RESOLVED, that the following persons be, and hereby are, elected as Directors of The Watershed Fund, Inc., to serve in such capacity until the annual meeting of the sole member in 2020, or until they otherwise lawfully cease to hold such office: Richard G. Bell, Esq., Anthony DiSalvo, Gordon Geballe and Rev. Prof. John Henry Scott III, Esq.

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

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Abstain
Sack	Aye

Mr. Bell reported on the year-end financial information for the Fund’s grant and scholarship programs. He stated that the Fund’s scholarship program is expecting budget challenges in the future.

Mr. DiSalvo thanked Mr. Bell for his stewardship with the Fund.

At 12:39 p.m., Mr. Bell withdrew from the meeting and on motion made by Mr. Curseaden, seconded by Mr. Borowy, and unanimously carried, it was voted to recess the regular meeting for the Authority to meet as the Pension & Benefit Committee.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 1:41 p.m., the Authority reconvened and Ms. Zanella Dyer and Mr. McNamee entered the meeting.

Ms. Zanella-Dyer, RWA's Vice President of Service Delivery, introduced Mr. McNamee of GreatBlue Research who provided an update on RWA's 2017 Customer Satisfaction Survey. Mr. McNamee stated that GreatBlue conducted telephone surveys with 600 of RWA's customers in May 2017. He discussed the project overview, areas of survey topics and research methodology. Mr. McNamee reported that the overall customer satisfaction index score remained consistent in 2017 at 89.8% and that key study findings concluded that customers listed the top three expectations of the RWA as good, clean, quality water; no interruptions in service; and fair pricing. The percentage of customers reporting that these expectations were met "all" or "most of the time" increased to 92.8% in 2017 from 90.4% in 2016. He reported that almost half the customers interviewed recalled receiving RWA's new bilingual newsletter "Waterlines," and reported the newsletter as informative.

GreatBlue's recommendations for the RWA included: (a) promoting non-profit status, (b) maximizing the "Waterlines" newsletter, and (c) investigating multiple customer contacts for enhanced first call resolution. Discussion took place regarding customer confidence level.

At 2:36 p.m., Mss. Sack, Zanella-Dyer and Mr. McNamee withdrew from the meeting and Mr. Norris entered the meeting.

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 July 20, 2017 meeting.
2. Approve capital budget authorization for September 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 \$2,700,000 for the month of September 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 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 monthly financial report for July 2017.
4. Receive accounts receivable update for July 2017.

5. Approve request for Non-substantial Land Use Plan Amendment to relocate a portion of the Quinnipiac Trail:

RESOLVED, that the Authority hereby accepts the Application to the Representative Policy Board (RPB) for the Non-substantial Land Use Plan Amendment to relocate the Quinnipiac Trail on Authority property in Bethany and Hamden on Land Units HA 29, HA 33A, and BE 17A, as a completed Application, substantially in the form submitted to this meeting, and authorizes filing said Application with the Representative Policy Board for approval.

6. Approve request for a Conservation Easement to the State of Connecticut on the former Rude Property:

RESOLVED, that Edward O. Norris III, RWA's Vice President of Asset Management, is hereby authorized to execute on behalf of the RWA a Grant Agreement and Conservation and Public Recreation Easement and Agreement under the Open Space and Watershed Land Acquisition Program with the State of Connecticut for financial assistance to acquire a permanent interest in land known as Rude Property – OSWA 518 (three parcels of land containing 28.90+/- acres located at 775 Gaylord Mountain Road Rear in Hamden, CT) and to manage said land as open space land pursuant to Section 7-131d of the Connecticut General Statutes; and

IT IS FURTHER CERTIFIED, that Edward O. Norris III was appointed as Vice President of Asset Management in 2013. Edward O. Norris III serves as the Vice President of Asset Management for the RWA and has both the authority and the office to sign on behalf of the RWA a Grant Agreement and Conservation and Public Recreation Easement and Agreement for financial assistance to purchase permanent interest in land under the Open Space and Watershed Land Acquisition Program.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Absent

Mr. Norris, RWA's Vice President of Asset Management explained the need for a Type A-1 Capital Budget Amendment to the Authority. He noted that approval is required for an additional \$1.5 million for the Lake Whitney Water Treatment Plant Underdrain. Mr. Curseaden moved for approval of the following resolution:

RESOLVED, that the proposed revisions to the Capital Budget for the Authority for the 2018 fiscal year presented at this meeting, including a revised plan of capital improvements for the fiscal years 2018 through 2022, 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, after discussion, the Chair called for the vote:

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Absent

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: a review of the active installations in Wolcott, Cheshire, North Branford, East Haven, and Branford; final notice letters to be mailed to customers in Wolcott and Cheshire; remaining accounts in North Branford and East Haven have been released; and the next release of accounts will be in North Haven with notification to town contacts. She reviewed the installation progress and the number of installations completed to date. The three-month look ahead includes continuing external communications and the upcoming communication schedule for North Haven. She reported on the use of a Geographic Information system to track installations.

Mr. Bingaman:

- Stated that he is continuing to work with the Connecticut Department of Public Health for alternatives to the license fee to fund its Water Supply section. He will keep the Authority informed of any progress.
- Noted that management met with GHD, RWA's new consulting engineer for its water system, including associated requirements under the General Bond Resolution, and asset management plan. An assessment of the plan is scheduled to be completed.
- Reported that he, Tony DiSalvo and Tom Clifford, RWA's Representative Policy Board Chairman, met with Mayor David Cassetti earlier in the week. He highlighted that the meeting was positive.
- Announced that RWA formed a Business Strategy Group for process improvement. The team will report to Beth Nesteriak.
- Stated that he was scheduled to meet with a company who was a possible acquisition candidate but the meeting is on hold until further notice.

Ms. Nesteriak provided the Authority with a non-core revenue update, including areas of focus.

Chair DiSalvo:

- Reported that the results of the RWA Self-Assessment Survey are in, and as a result, he would like to take the following actions:
 - The revitalization of the Strategic Planning Committee, effective September 2017. Mr. DiSalvo will chair the Committee and RWA's September agenda items will include:
 - Review tracking of goal attainment
 - Continued discussion of risk tolerance level
 - Review of mission/vision statement
 - October's agenda will include:
 - RWA Description of Organization and Bylaws review and discussion.
- Stated that he distributed a Special Topics list to members earlier in the week. He would like members to have a list of priorities and new topics for discussion by or before the September meeting.
- Reported a discussion with Mr. Bingaman, about RWA board member exposure at community events and he encouraged members to attend. Mr. DiSalvo requested that a copy of Mr. Bingaman's calendar of events be distributed to board members.

- Noted that a future discussion will include a review of RWA's HR practices and industry best practice.

Authority members reported on recent Representative Policy Board committee meetings.

At 3:15 p.m., on motion made by Mr. Borowy, seconded by Mr. Curseaden, and unanimously carried, the Authority voted to recess the regular meeting to allow the Authority to meet as the Audit-Risk Committee.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Absent

At 4:15 p.m., the Authority reconvened and Mss. Discepolo, Vasquez and Messrs. Flynn, Hill and Norris entered the meeting.

Mr. Hill, RWA's Special Project Manager of Operations, provided an update on RWA's proposal for a future renewable energy project. He stated that management is looking for the Authority's initial approval of a project allowing further procedural steps for a future renewable energy project at the Lake Gaillard Water Treatment Plant. Mr. Cermola moved for approval of the following resolution:

RESOLVED, that the Authority hereby authorizes the preparation of an application to the Representative Policy Board for a future renewable economic resource project at Lake Gaillard Water Treatment Plant with the recognition of an escape penalty, in accordance with Section 19 of Special Act 77-98, as amended.

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

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Absent

At 4:27 p.m., the meeting adjourned.

Respectfully submitted,

Kevin Curseaden, Secretary