

**South Central Connecticut Regional Water Authority
Minutes of the November 16, 2017 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, November 16, 2017, at the office of the Authority, 90 Sargent Drive, New Haven, Connecticut. Chairman DiSalvo presided.

Present: Authority – Ms. Sack, Messrs. Borowy, Cermola, Curseaden, and DiSalvo
Management – Mss. Discepolo, Kowalski, Nesteriak, and Messrs. Bingaman, Norris and Triana
RPB –Mr. Krasko
Staff – Mrs. Slubowski

The Chair called the meeting to order at 12:30 p.m. He proposed to amend the Consent Agenda to remove item E, *Adopt schedule of Calendar Year 2018 meetings*. On motion made by Mr. Curseaden, seconded by Mr. Cermola, and unanimously carried, the Authority voted to remove Item E from the Consent Agenda.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Mr. Bingaman reviewed the safety moment distributed to members.

At 12:32 p.m., on motion made Mr. Borowy, seconded by Mr. Curseaden, and unanimously carried, the Authority voted to recess the regular meeting to meet as the Pension & Benefit Committee.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 1:35 p.m., the Authority reconvened, and on motion made by Mr. Curseaden, seconded by Mr. Borowy, and unanimously carried, the Authority voted to recess the regular meeting to meet as the Audit-Risk Committee.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 2:07 p.m., the Authority reconvened.

On motion made by Ms. Sack, seconded by Mr. Cermola, and unanimously carried, the Authority:

1. Approved minutes of the October 19, 2017 and the November 6, 2017 meetings.
2. Approved capital budget authorization for December 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 \$4,085,000 for the month of December 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate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. Approve the revision to the capital budget authorization for November 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 \$2,450,000 for the month of November 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.

4. Receive the monthly financial report for October 2017.
5. Received Accounts Receivable Update for the period ended October 31, 2017.
6. Adopt resolution authorizing exemptions from public bidding:

RESOLVED, that the Authority authorizes Management to negotiate the purchase of the following items without public bidding and such purchases without public bidding are hereby determined to be in the best interest of the Regional Water Authority:

- Lake Whitney Water Treatment Plant Filter Underdrain demolition and replacement
- Great Hill Tunnel Bypass Pipeline Sitework and Logistical Support
- Great Hill Tunnel Pipeline Repair 36” Taps, Valves, and 48” Line Stops

Borowy Aye
Cermola Aye
Curseaden Aye
DiSalvo Aye
Sack Aye

Ms. Kowalski, RWA’s Vice President of Finance and Controller, reviewed the proposed FY 2019 budgets schedule. She stated that the schedule is consistent with last year’s schedule to allow for a longer review period by the Authority and the Representative Policy Board. Discussion took place regarding possible special meeting dates for the Authority to review the FY 2019 Budget.

Ms. Kowalski reviewed the proposed supplemental resolutions providing for the issuance, sale, and delivery of the Thirty-third Series bonds. Mr. Borowy moved for adoption of the following resolutions:

WHEREAS, Section 22 of Special Act 77-98, as amended, of the Connecticut General Assembly (the “Act”) provides, in pertinent part, that bonds shall be authorized by a resolution of the South Central Connecticut Regional Water Authority (the “Authority”) which shall provide for the terms and conditions of the bonds, and may provide for any matter which in any way affects the security or protection on the bonds; and

WHEREAS, Section 9 of the Act provides that the Authority may delegate to one or more of its members, officers, agents or employees, such powers and duties as it may deem proper; and

WHEREAS, on July 20, 2017, the Authority adopted and on October 19, 2017, the Representative Policy Board (the “RPB”) approved the resolutions which established the general terms and provisions of the Authority’s Water System Revenue Bonds in the aggregate principal amount not to exceed \$32,000,000 to finance, among other things, the cost of certain capital improvements to the water system and which may be issued in one or more series; and

WHEREAS, the Authority wishes to provide for the issuance, sale and delivery of the Authority’s Water System Revenue Bonds, Thirty-third Series A (the “Thirty-third Series A Bonds”) and authorize the issuance, sale and delivery of the Authority’s Water System Revenue Refunding Bonds, Thirty-third Series B (the “Thirty-third Series B Bonds” and together with the Thirty-third Series A Bonds, the “Thirty-third Series Bonds”).

NOW THEREFORE,

BE IT RESOLVED, that the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller be authorized (i) to issue, sell and deliver the Thirty-third Series A Bonds in an amount not to exceed \$32,000,000, and (ii) to determine the principal amount, date, date of maturity, interest rate, form and other details of the Thirty-third Series A Bonds, 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.

BE IT FURTHER RESOLVED, that the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller be authorized (i) to issue, sell and deliver the Thirty-third Series B Bonds in an amount not to exceed \$72,500,000 in one or more series (a) to finance the cost of refunding certain prior bonds of the Authority (b) to provide funds for deposit in certain reserve funds held pursuant to the General Bond Resolution and (c) to pay costs of issuance of the Thirty-third Series B Bonds, and (ii) to determine the amount, date, date of maturity, interest rate, form and other details of the Thirty-third Series B Bonds, pursuant to the Act and the General Bond Resolution or any other provisions of law thereto enabling.

BE IT FURTHER RESOLVED, that the Authority hereby approves the Thirty-third Series A Supplemental Resolution authorizing the issuance of the Thirty-third Series A Bonds 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 or 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 Certificate of Determinations attached thereto.

BE IT FURTHER RESOLVED, that the Authority hereby approves the Thirty-third Series B Supplemental Resolution authorizing the issuance of the Thirty-third Series B Bonds

substantially in the form attached hereto as Exhibit B, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and President/Chief Executive Officer or 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.

BE IT FURTHER RESOLVED, that for the purpose of providing for the public offering and sale of the Thirty-third Series Bonds and further setting forth information relating to the Thirty-third Series Bonds, an official statement, substantially in the form of the official statement attached hereto as Exhibit B (the "Official Statement") is hereby approved, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and President/Chief Executive Officer or Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller shall deem advisable or shall be necessary to provide information concerning the Thirty-third Series Bonds; and such officers, in the name of the Authority, are hereby authorized to deem the Official Statement final when appropriate and are further authorized and directed to execute such Official Statement and any amendment or supplement thereto on and after the sale of the Thirty-third Series Bonds.

BE IT FURTHER RESOLVED, that the Chairperson or Vice Chairperson and President/Chief Executive Officer or Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller are hereby authorized to determine which of the Authority's prior bonds are to be redeemed (the "Refunded Bonds") with a portion of the proceeds of the Thirty-third Series B Bonds and to call irrevocably for redemption and to defease the Refunded Bonds all in accordance with the General Bond Resolution. The President/Chief Executive Officer and Executive Vice President and Chief Financial Officer and Vice President of Finance and Controller or either one of them are authorized to appoint an underwriter or underwriters, an escrow agent and a verification agent and to execute and deliver any and all purchase, escrow and related agreements necessary to provide for the sale of the Thirty-third Series B Bonds and the payment when due of the principal of, interest and the redemption premium, if any, on the Refunded Bonds.

BE IT FURTHER RESOLVED, that the Chairperson, Vice Chairperson, President/Chief Executive Officer and the Executive Vice President and Chief Financial Officer and Vice President of Finance and Controller, or any one of them, are hereby authorized to purchase a municipal bond insurance policy to guarantee the payment of principal and interest on the Thirty-third Series Bonds, if the Authority's financial advisor or the underwriter for the Thirty-third Series Bonds deems it advisable, and execute and deliver such documents as may be necessary or desirable to issue, sell and deliver the Thirty-third Series Bonds, including but not limited to, the Purchase Contract, the Escrow Agreement, the Tax Regulatory Agreement and the Continuing Disclosure Agreements 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 Thirty-third Series Bonds 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.

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

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Ms. Nesteriak, RWA's Senior Advisor to the President and Director of Business Strategy, provided a hiTechFOCUS update. She reported activities and milestones including:

- A review of the active installations in Cheshire, North Branford, East Haven, Branford and North Haven
- Final letters mailed to customers in Cheshire
- The transition to appointment only installations after dark
- A review of the installation progress and number of installations completed to date
- Upcoming communication schedule for North Haven, New Haven, and Hamden
- Available data from the Meter Data Management system

Mr. Bingaman:

- Provided an update of the Great Hill Tunnel and Pipeline Restoration Update. He reported on signed access agreements with Tilcon and communications with the Connecticut Department of Energy and Environmental Protection. A press release informing the Town of North Branford of the work is being published today in two local newspapers. Mr. Bingaman also stated that GHD, RWA's Consulting Engineer for its water system, is providing project oversight.
- Updated the Authority on the Lake Whitney Water Treatment Plant underdrain repairs. He stated that Tighe and Bond Engineers and Environmental Specialists are redesigning the underdrain system and C. H. Nickerson Water Treatment Company will be doing the installation.
- Noted that the Connecticut Department of Public Health's assessment fee passed with the budget. Mss. Kowalski and Nesteriak will attend a meeting tomorrow to discuss with other utilities.
- Reported on meeting(s) earlier in the month with credit-reporting agency(s), Moody's and Standard & Poor's. He reported that the meeting(s) were positive and management requested a credit rating increase from both agencies.
- Highlighted the RWA's Veterans Day Celebration that took place last week to recognize employees who served in the military. He noted that Authority member, Mr. Curseaden, Lieutenant Colonel in the U.S. Army, attended the celebration.
- Thanked everyone who supported RWA's United Way Campaign in raising \$39,000, exceeding its goal of \$35,000.

Mr. DiSalvo:

- Acknowledged that Mr. and Mrs. Bingaman will be honored on December 5, 2017 with the United Way Tocqueville Society Award.

Authority members reported on recent Representative Policy Board committee meetings.

At 2:35 p.m., Mr. Krasko withdrew from the meeting and Messrs. Norris and Triana entered the meeting.

Mr. Norris, RWA's Vice President of Asset Management, and Mr. Triana, RWA's Real Estate Manager, provided highlights of the Application for 752 Summer Hill Road in Madison. Mr. Cermola moved for approval of the following resolutions:

RESOLVED, that the Authority hereby accepts the Application for the Disposition of 1.84 acres located east of Summer Hill Road in Madison that is part of Land Unit MA 9, as a

completed Application, substantially in the form submitted to this meeting, and authorizes filing said Application with the Representative Policy Board; and

FURTHER RESOLVED, if approved by the Representative Policy Board, the President and Chief Executive Officer, and the Vice President of Asset Management, are authorized to take any and all actions necessary to complete the transfer interest in real estate.

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

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Messrs. Norris and Triana provided an update on RWA owned rental properties.

At 2:47 p.m., Messrs. Norris and Triana withdrew from the meeting.

Mr. DiSalvo asked board members to submit recommendations for special topics on long-range strategic issues by January 1, 2018 for discussion beginning in the spring of 2018.

At 2:50 p.m., on motion made by Ms. Sack, seconded by Mr. Cermola, and unanimously carried, the meeting adjourned.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Respectfully submitted,

Kevin Curseaden, Secretary