

**South Central Connecticut Regional Water Authority  
Minutes of the February 15, 2018 Meeting**

The regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, February 15, 2018, at the office of the Authority, 90 Sargent Drive, New Haven, Connecticut. Chairman DiSalvo presided.

**Present:** Authority – Ms. Sack and Messrs. Borowy, Cermola, Curseaden, and DiSalvo  
Management – Mss. Bochan, Busko, DiGianvittorio, Discepolo, Kowalski, and Nesteriak and Messrs. Bingaman and Norris  
AAC Utility Partners – Messrs. Campbell and Wenke  
Business Growth Advisors – Mr. Viscomi  
Trifecta Ecosystems – Mr. Curry  
RPB – Mr. Marino  
Staff – Mrs. Slubowski

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

Chair DiSalvo reviewed the safety moment distributed to members.

Ms. Nesteriak, RWA’s Senior Advisor to the President and Director of Business Strategy, introduced Mr. Curry, Trifecta Ecosystems, Inc., Founder and Chief Executive Officer. At 12:32 p.m., on motion made by Mr. Cermola, seconded by Mr. Curseaden, and unanimously carried, the Authority voted to go into executive discussion to discuss strategy and negotiations. Present in executive session were the Authority members, Mss. DiGianvittorio, Discepolo, Kowalski, Nesteriak, Slubowski and Messrs. Bingaman, Curry, and Viscomi.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 1:35 p.m., the Authority came out of executive session and Mr. Curry withdrew from the meeting.

The board agreed that as a result of the discussion held in executive session and input received from Ms. Nesteriak and Mr. Viscomi, they were comfortable with the information as proposed. On motion made by Mr. Curseaden, seconded by Mr. Cermola, and unanimously carried, the Authority approved the following resolutions:

**RESOLVED**, that the Authority hereby approves the RWA’s initial investment, with finalized terms, in the amount of \$500,000 in Trifecta including a fixed interest of 6%, for a 36-month term, with restrictions on the use of funds and additional limitations.

**FURTHER RESOLVED**, that the President and Chief Executive Officer, and the Executive Vice President and Chief Financial Officer, are authorized to take any and all actions necessary to complete the initial investment.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 1:42 p.m., Mr. Viscomi withdrew from the meeting and Ms. Bochan and Messrs. Campbell and Wenke entered the meeting.

Ms. Bochan, RWA's Business Transformation Manager, introduced Messrs. Campbell and Wenke of AAC Utility Partners, RWA's consultant for Customer Information System Assessment (CIS). At 1:43 p.m., on motion made by Mr. Curseaden, seconded by Mr. Borowy, and unanimously carried, the Authority voted to go into executive session to discuss strategy and negotiations. Present in executive session were the Authority members, Mss. Bochan, DiGianvittorio, Discepolo, Kowalski, Nesteriak, Slubowski and Messrs. Bingaman, Campbell and Wenke.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 2:37 p.m., the Authority came out of executive session and Ms. Bochan and Messrs. Campbell and Wenke withdrew from the meeting.

It was the consensus of the Authority to authorize management to proceed with an Application to the Representative Policy Board for reasons presented in executive session.

At 2:45 p.m., Mr. Marino entered the meeting and on motion made by Mr. Curseaden, seconded by Ms. Sack, 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 3:55 p.m., the Authority reconvened.

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

1. Approved the minutes of the January 18, 2018 meeting.
2. Approved the capital budget authorization for March 2018.

**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 \$2,500,000 for the month of March 2018 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 Capital Budget Transfer Notifications for March 2018.
4. Received the Monthly Financial Report for January 2018.
5. Received the Accounts Receivable Update for January 2018.
6. Received Report on Code of Ethics compliance for the period ended November 30, 2017.

Borowy Aye  
Cermola Aye  
Curseaden Aye  
DiSalvo Aye  
Sack Aye

Ms. Kowalski, RWA's Vice President of Finance and Controller, provided an update of a recent market correction as a result of the reallocation of the RWA's Pension Fund assets. On motion made by Ms. Sack, seconded by Mr. Curseaden, and unanimously carried, the Authority approved the following resolutions:

**RESOLVED**, that effective January 23, 2018, the Authority hereby approves the Pension & Benefit Committee's asset allocation recommendation for the South Central Connecticut Regional Water Authority's salaried and union pension plans in order to provide Morgan Stanley with the flexibility to effectively manage the plans, in the context of market conditions, funded status timeline, and risk profile of the Authority. The asset allocation authorized is as follows: 1) Equity: 45% to 60%, with a target of 55%, 2) Fixed Income: 20% to 40%, with a target of 27%, and 3) Alternative/Hedge/Balanced: 10% to 22%, with a target of 18%; and

**FURTHER RESOLVED**, that effective January 23, 2018, the Authority hereby approves the Pension & Benefit Committee's asset allocation recommendation for the Voluntary Employees' Beneficiary Plan in order to provide Morgan Stanley with the flexibility to effectively manage this plan, in the context of market conditions, funded status timeline, and risk profile of the Authority. The asset allocation authorized is as follows: 1) Equity: 50% to 65%, with a target of 60%, 2) Fixed Income: 23% to 43%, with a target of 30%, and 3) Alternative/Hedge/Balanced: 2% to 14%, with a target of 10%; and

**FURTHER RESOLVED**, that the Executive Vice President and Chief Financial Officer or Vice President of Finance and Controller is hereby authorized to execute and deliver any and all documents as may be necessary or desirable to implement the asset reallocation.

Borowy Aye  
Cermola Aye  
Curseaden Aye  
DiSalvo Aye  
Sack Aye

Ms. DiGianvittorio, RWA's Vice President of Employee Services, discussed updates to RWA's Sexual Harassment Policy. On motion made by Mr. Borowy, seconded by Ms. Sack, and unanimously carried, the Authority adopted the following resolutions:

**WHEREAS**, on January 18, 2018, the South Central Connecticut Regional Water Authority ("Authority" or "RWA") reviewed RWA's existing Sexual Harassment Policy ("Policy") and discussed the process of how complaints of harassment made against the senior management team members are handled. The proposed revision to the Policy was presented by Attorney Michael Harrington of Murtha Cullina LLP; and

**WHEREAS**, the Authority requested that Murtha Cullina LLP revise the Policy to identify the senior management team.

**NOW, THEREFORE BE IT RESOLVED**, that RWA's Sexual Harassment Policy, substantially in the form presented to the Authority, is hereby adopted and approved, subject to such changes, additions or deletions, as may be deemed necessary or appropriate, from time to time, to carry out the objectives thereof, as approved by the Authority; and

**FURTHER RESOLVED**, that oversight, development, implementation and administration of RWA's Sexual Harassment Policy be, and hereby is, delegated to the Vice President – Employee Services of the RWA.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 4:00 p.m., Ms. Busko and Mr. Norris entered the meeting.

Ms. Busko, RWA's Integration Lead, provided an AMI Project update, which included:

- A review of the active installations in North Branford, East Haven, Branford, North Haven, New Haven, and Hamden
- A review of the final letters continuing in North Branford and East Haven
- A review of the installation progress and number of installations completed to date
- Upcoming communication schedule for New Haven, Hamden, Ansonia/Seymour/Woodbridge
- The number of meters being read using FlexNet

She then provided an Advanced Metering Infrastructure Progress Update, which included:

- Project accomplishments
- Upcoming improvements
- Integration to business
- Discussed instances where AMI data is being used to identify leaks and stuck meters.

At 4:12 p.m., Ms. Busko withdrew from the meeting.

Mr. Norris, RWA's Vice President of Asset Management, provided a Great Hill Tunnel and Pipeline Restoration Project update. He reported on activities and milestones including:

- Completed work to date
- Upcoming work
- Contractors working on-site
- Project notables

Mr. Norris also discussed a solar array layout change to the Lake Gaillard Water Treatment Plant Photovoltaic System Project.

At 4:23 p.m., Mr. Norris withdrew from the meeting.

Authority members reported on recent Representative Policy Board committee meetings.

Mr. Curseaden reported that he attended RWA's Boil Water Advisory meeting last week and noted that comments from outside agencies were positive.

Mr. Bingaman reported that RWA's Leadership Team met with Murtha Cullina LLP to review services provided to the RWA.

At 4:31 p.m., on motion made by Mr. Borowy, seconded by Ms. Sack, and unanimously carried, the Authority voted to go into executive session to discuss strategy and negotiations. Present in executive session were the Authority members, Mss. DiGianvittorio, Discepolo, Kowalski, Nesteriak and Slubowski and Mr. Bingaman.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 5:00 p.m., the Authority came out of executive session and on motion made by Mr. Cermola, seconded by Ms. Sack, and unanimously carried, the meeting adjourned.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Respectfully submitted,

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Kevin Curseaden, Secretary