

**South Central Connecticut Regional Water Authority
Minutes of the May 26, 2022 Meeting**

The regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, May 26, 2022, via remote access.

Present: **Authority** – Messrs. Borowy, Curseaden, DiSalvo, and Mss. LaMarr and Sack
 Management – Mss. Bochan, Bradley, DelVasto, Gonzalez, Hill, Kowalski, Lynn, Lufkin, Valentin, Verdisco, and Messrs. Bingaman, Courchaine, Donovan, Jansen, Henley, Lakshminarayanan, Perugini, Prathigadapa, Singh, and Woodward
 RPB – Mr. Jaser
 AAC Utility Partners – Mr. Wenke
 Staff – Mrs. Slubowski

The Chair called the meeting to order at 12:30 p.m. He reviewed the Safety Moment distributed to members.

At 12:31 p.m., on motion made by Mr. Curseaden, seconded by Mr. DiSalvo, and unanimously carried, the Authority voted to recess the meeting to meet as the Audit-Risk Committee.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

At 1:19 p.m., on motion made by Mr. Borowy, seconded by Ms. Sack, and unanimously carried, the Authority voted to meet as the Environmental, Health & Safety Committee.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

At 2:10 p.m., the Authority reconvened.

On motion made by Ms. LaMarr, seconded by Mr. Curseaden, and unanimously carried, the board:

1. Approved the minutes of the April 28, 2022 meeting.
2. Approved capital budget authorization for June 2022.

RESOLVED, that the Vice President of Financial Reporting and Analysis is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$1,950,000 for the month of June 2022 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn, pursuant to such requisition, is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate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 2022 for all Capital Improvement Projects to be exceeded.

3. Received capital budget transfer notifications detailed in Ms. Kowalski's memorandum dated May 20, 2022.
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, 2022 to May 31, 2023 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. Kowalski's memorandum of May 20, 2022, a copy of which is to be filed with the records:

- Programmable Logic Controllers
- John Deere Equipment
- Variable Frequency Drives
- Pick Up of Patch, Sand, Gravel, Stone and Topsoil
- Polymers
- Fire Hydrants
- GHP Media Inc.
- Cla-Val Hydraulic Control Valves
- Associated Electro-Mechanics (AEM)
- Val Matic Air and Water Valves
- Johnson Controls HVAC Software and Hardware
- Charter Oak Enterprises
- Ductile Iron Pipe
- WellJet
- F.J. Dahill

5. Received monthly financial report for April 2022.
6. Received accounts receivable update for April 2022.
7. Received a Derby Tank Update dated May 26, 2022.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

Ms. Kowalski, the RWA's Vice President of Financial Reporting and Analysis, provided information on changes to the Drinking Water State Revolving Fund's interim loan agreement and loan obligations with the RWA and opportunities for interim financing for the West River Water Treatment Plant improvements. After discussion, on motion made by Ms. LaMarr, seconded by Ms. Sack, and unanimously carried, the Authority voted to approve the following resolution:

WHEREAS, on December 17, 2020, the Authority adopted (the "Authority Resolution") and on March 18, 2021, 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 in one or more series delivered to the State of Connecticut, in the aggregate principal amount not to exceed \$17,500,000 (I) to finance or refinance the cost of certain capital improvements to the water system of the

Authority including improvements to the West River Water Treatment Plant consisting of (a) the construction of three new dissolved air floatation (DAF) basins within a new DAF building to the south of the existing filter building; (b) the replacement of the hypochlorite system with an on-site hypochlorite generation system with a brine or salt silo, day tank, metering pumps, and two on-site sodium hypochlorite generators; and (c) electrical service upgrades including new utility service, new transformer (furnished by UI), new exterior switchgear and automatic transfer switch with walk-in enclosure and new emergency stand-by generator; (II) to provide funds for deposit to the Capital Contingency Fund and the Debt Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and (III) to pay costs of issuance (the "Project"); and

WHEREAS, the Authority Resolution also provided that 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 \$17,500,000 in anticipation of the receipt of the proceeds from the sale of such bonds or project loan obligations; and

WHEREAS, the Authority wishes to provide for the issuance, sale and delivery of the Authority's one or more interim funding obligations (the "IFO") and project loan obligations for the Project (the "PLO") in one or more series and approve the Project Loan and Subsidy Agreement by and between the State of Connecticut and the Authority related to the Project (the "Loan Agreement").

NOW THEREFORE,

BE IT RESOLVED, that the President/Chief Executive Officer and the Vice President of Financial Reporting and Analysis or any one of them may apply to the State Department of Public Health for eligibility and funding of the Project and sign such applications 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 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 the Chairperson or Vice Chairperson and President/Chief Executive Officer or Vice President of Financial Reporting and Analysis be authorized (i) to issue, sell and deliver the IFO and the PLO in a total amount not to exceed \$17,500,000, and (ii) to determine the principal amount, date, date of maturity, interest rate, form and other details of the IFO and 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 IFO (the "IFO Supplemental Resolution") in one or more series 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 Vice President of Financial Reporting and Analysis shall deem advisable and which shall be as set forth in one or more Certificates of Determination attached thereto; and

BE IT FURTHER RESOLVED, that the Authority hereby approves the Supplemental Resolution authorizing the issuance of the PLO (the “PLO Supplemental Resolution”) in one or more series 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 Vice President of Financial Reporting and Analysis shall deem advisable and which shall be as set forth in one or more Certificates of Determination attached thereto; and

BE IT FURTHER RESOLVED, that for the purposes of providing to the Authority the loan and grant from the State, the Authority hereby approves the Loan Agreement substantially in the form as the President/Chief Executive Officer or Vice President of Financial Reporting and Analysis 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 Chairperson, Vice Chairperson, President/Chief Executive Officer and Vice President of Financial Reporting and Analysis, 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 IFO or the PLO, as the case may be, including but not limited to, the Loan Agreement, 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 IFO or the PLO, as the case may be, 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, Vice Chairperson, President/Chief Executive Officer or Vice President of Financial Reporting and Analysis or any one of them are hereby authorized to accept such grants from the State for the Project as set forth in the Loan Agreement and to apply the proceeds of the grant to the Project, as applicable.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

From 2:15 to 2:25 p.m., the Authority recessed for a break.

At 2:25 p.m., Ms. Sack withdrew from the meeting and the Authority reconvened.

Mr. Bingaman, RWA’s President and Chief Executive Officer reported that a COVID update was provided at the Health and Safety Update presented to the RWA’s Audit-Risk Committee earlier in the day.

He stated the RWA is preparing to send a real estate sale and purchase agreement and asset purchase agreement to the owner of an environmental testing lab. The topic is expected to be presented to the board at its June meeting. He acknowledged Mr. Donovan and Ms. Kowalski for their work in developing a tool to assist with indicative value for potential acquisitions, which will reduce the need for outsourcing.

Mr. Bingaman commented on his field visits during May.

He highlighted two town hall meetings held in May at the Whitney Water Center to discuss the Application for the Lake Whitney Dam and Spillway Initial Design project, which provided an opportunity for the RWA to share information with the public, review the timeline, provide opportunities for the public to speak and address concerns. Questions addressed will be distributed to Authority members. Mr. Mongillo, the Representative Policy Board Hamden Representative, attended both meetings, was a great contributor, and helped to address concerns. Another meeting will be scheduled for the summer. The RWA's Director of Public Affairs is also contacting municipal officials and community influencers.

Four work teams, comprising of 21 cross-functional employees, examined the 2025 Plan strategies and goals, brainstormed with internal subject-matter experts, prioritized strategic initiatives for FY 2023 based on the four perspectives of the balanced scorecard. Recommendations were presented to the Leadership team who will present the strategic initiatives with members of the work team, who will co-present with management at the Strategic Planning Committee meeting in June.

As Co-Chair of the Advisory Council of Southern Connecticut State University's Utility Management Degree Program, Mr. Bingaman had the honor of introducing the keynote speaker Raj Sisodia, the Co-founder and Chair Emeritus of Conscious Capitalism, Inc., who spoke about the importance of stakeholder integration.

Mr. Bingaman reported that as part of the RPB Public hearing this evening for the Lake Gaillard Water Treatment Plant Filter Influent Valve Project a video presentation that may be of interest would be shown to the RPB. Members of the Authority previewed the video presentation.

Finally, he stated that issues are resolved with the Derby Tank, but under the RPB Rules of Practice, costs that exceed 10% of the original approved price require RPB approval. Since the costs now exceed 10%, the RWA will need to advise the RPB Finance Committee who will provide their recommendations to the RPB. However, cost escalation clause is still in compliance.

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

At 2:46 p.m., Mr. Jaser withdrew from the meeting.

Mr. Bingaman and Mr. Singh, the RWA's Chief Information Digital Officer & VP of Customer Care, provided opening comments for the Customer Information System Solution.

At 2:51 p.m., on motion made by Mr. Curseaden, seconded by Ms. LaMarr, and unanimously carried, the Authority voted to go into executive session to discuss strategy and negotiations. Present in executive session were Authority members, Mss. Bochan, Bradley, DelVasto, Gonzalez, Hill, Kowalski, Lynn, Lufkin, Slubowski, Valentin, Verdisco, and Messrs. Bingaman, Courchaine, Donovan, Jansen, Henley, Lakshminarayanan, Perugini, Prathigadapa, Singh, Wenke, and Woodward.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Absent

At 2:57 p.m., Ms. Sack entered the meeting.

At 4:17 p.m., the Authority came out of executive session.

Ms. LaMarr moved for approval of the following resolutions as discussed in executive session:

1. *Resolutions to approve the recommendation of the Application to the RPB:*

RESOLVED, that the Authority hereby accepts the new Application, dated May 26, 2022, for a Customer Information System Solution Project as a completed Application, substantially in the form submitted to this meeting, and authorizes filing said Application with the Representative Policy Board (“RPB”); and

FURTHER RESOLVED, if approved by the RPB, the President and CEO, the Chief Information Digital Officer and Vice President Customer care, or the Vice President of Financial Reporting & Analysis, are authorized to take any and all actions necessary to complete the Customer Information System Solution Project.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

2. *Resolution to approve the recommendation of the issuance of a Protective Order for the Application’s confidential information to the RPB:*

RESOLVED, that the Authority authorizes its President and Chief Executive Officer, the Vice President of Operations and Business Practices, or the Vice President of Engineering and Environmental Services, to file a motion and related materials with the RPB to request issuance of a protective order to maintain confidential the information to be contained in Appendices D, F, I, K, and L, “Confidential Information,” of the Application.

Ms. Sack stated the team that provided the rationale, due diligence, and explanation of the financial impact and were highly prepared. They set the groundwork to be successful.

Ms. Sack seconded the motion. The Chair called for the vote:

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

At 4:20 p.m., the Authority voted to recess the meeting to attend the RPB meeting. Chair Borowy announced the Authority would reconvene immediately following the RPB meeting.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

At 7:40 p.m., the Authority reconvened. Present were Authority members, Messrs. Bingaman, Courchaine, Eitzer, Harvey, Lakshminarayanan, Singh, and Ms. Slubowski.

Chair Borowy requested approval of the budgets for the fiscal year June 1, 2022 – May 31, 2023 and authorization to file the budgets with the trustee, as required by the *General Bond Resolution*.

Mr. DiSalvo moved for adoption of the following resolutions:

RESOLVED, that the Authority’s Capital Improvements budget for Fiscal Year (“FY”) 2023 from June 1, 2022 – May 31, 2023, including a plan of capital improvements for the FY 2023 through FY 2027 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*; and

FURTHER RESOLVED, that the Authority’s Operating budget for FY 2023 from June 1, 2022 – May 31, 2023, 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*.

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

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

At 7:41 p.m., on motion made by Ms. Sack, seconded by Ms. LaMarr, the meeting adjourned.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

Catherine E. LaMarr, Secretary