

**South Central Connecticut Regional Water Authority
Minutes of the August 16, 2018 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, August 16, 2018, 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. Bochan, Discepolo, Gavrilovic, Kowalski, Nesteriak, and Messrs. Bingaman and Norris
 The Watershed Fund - Mr. Bell
 GreatBlue Research – Mr. Quatrocelli
 Staff – Mrs. Slubowski

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

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 reported on the Fund’s financials through August 9, 2018 and reviewed the FY 2018 grants and scholarships. He recommended that in its capacity as sole Member, the Authority re-elect Atty. Clifford, Ms. Moore, Ms. Powell and Atty. Stone, as directors of the Fund, with new terms expiring in 2021. 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. Curseaden 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 2021, or until they otherwise lawfully cease to hold such office: Thomas P. Clifford III, Esq., Elisabeth Moore, Kate S. Powell, and Brian Stone, Esq.

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

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 12:46 p.m., Mr. Bell withdrew from the meeting. Mr. Curseaden requested that Item #6, *Murtha Cullina LLP - Conflict Waiver Letter – July 10, 2018*, be removed from the Consent Agenda for further discussion. On motion made by Mr. Cermola, seconded by Mr. Borowy, and unanimously carried, Item #6 was removed from the consent agenda.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

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

1. Minutes of the July 19, 2018 meeting.
2. Capital budget authorization for September 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 \$1,850,000 for the month of September 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 2019 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. Capital Budget Transfer Notifications for September 2018.
4. Monthly financial report for July 2018.
5. Accounts receivable update for July 2018.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Discussion took place regarding Murtha Cullina’s Conflict Waiver Letter dated July 10, 2018. It was the consensus of the Authority to delay voting for approval of the Conflict Waiver Letter until further discussion with Murtha Cullina and the Chairman of the Representative Policy Board. No action was taken.

Ms. Kowalski, RWA’s Vice President of Finance and Controller, reviewed revisions to amend and restate the General Bond resolution. Mr. Cermola moved for the approval of the following resolution:

WHEREAS, on May17, 2018 the South Central Connecticut Regional Water Authority (the “Authority”) adopted the 2018 Supplemental Resolution to Amend the General Bond Resolution (the “Original Resolution”) to clarify that revenues earned from a non-core business may be transferred to the Revenue Fund held under the General Bond Resolution and to delete the requirement that calculation of estimated operating expenses for the future period pursuant to Section 619(A)(2) be not less than the operating expenses for such historical period determined in accordance with Section 619(A)(1) of the General Bond Resolution; and

WHEREAS, in order for the Original Resolution to be effective the surety provider, National Public Finance Guaranty Corporation (“National”), must consent to such Original Resolution; and

WHEREAS, National required that the provision amending Section 619(A)(2) be deleted.

NOW THEREFORE, BE IT RESOLVED, that the amended and restated 2018 Supplemented Resolution to Amend the General Bond Resolution attached hereto is hereby adopted.

Mr. Curseaden 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 Vice President of Operations & Business Strategy, provided an AMI Update, which included:

- Installation progress and number of installations to date
- A status review of completed installations to date
- Schedule of upcoming installations in New Haven, Hamden, West Haven and Milford
- Upcoming work

She also provided an update of the past two weeks as Senior Vice President of Operations, which included:

- Meeting with staff
- Attending division meeting
- Field visit
- Four treatment vacancies filled
- Reviewing maintenance items
- Looking for ways to improve efficiencies

Authority members reported on recent Representative Policy Board committee meetings.

The Authority held a discussion regarding the 2005 Grossi report, *Shaping the Five Member Authority*, which included:

- Best practices
- Strategy vs Operational
 - Board direction
 - Outside perspective and stimulation
- Board size
 - Fill vacancies with experienced applicants for non-core revenue or expand the number of board members
- Best practices for startups

It was the consensus of the Authority to continue with informational discussions about core revenue vs. non-core revenue and portfolio diversity at the next Strategic Planning Committee in November.

At 2:18 p.m., on motion made by Mr. Cermola, seconded by Mr. Borowy, and unanimously carried, it was voted to recess the regular meeting for the Authority to meet as the Strategic Planning Committee.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 3:08 p.m., the Authority reconvened and Ms. Gavrilovic and Mr. Norris entered the meeting.

Ms. Gavrilovic, RWA's Director of Capital Planning and Delivery, and Mr. Norris, RWA's Vice President of Asset Management, discussed the Derby Tank Project, which included:

- Project Background
- Location
- Tank access
- Open space
- Project cost and schedule

It was the consensus of the Authority that management proceeds with the Application for approval at its September meeting.

At 3:27 p.m., Mss. Discepolo, Gavrilovic, Kowalski, Nesteriak, Slubowski and Mr. Norris withdrew from the meeting. On motion made by Mr. Cermola, seconded by Mr. Curseaden, and unanimously carried it was voted to go into executive session to discuss an employee matter. Present in executive session were Authority members and Mr. Bingaman.

At 3:40 p.m., the Authority came out of executive session and Mss. Discepolo, Kowalski, Nesteriak and Slubowski entered the meeting. Mr. Cermola moved for approval of the following resolutions:

RESOLVED, that the South Central Connecticut Regional Water Authority Salaried Employees' Retirement Plan (as amended and restated effective as of January 1, 2013) be, and it hereby is, amended by a Third Amendment thereto; and be it

FURTHER RESOLVED, that the Chairperson of the Authority be, and hereby is, authorized to executive the Third Amendment on behalf of the Authority and the appropriate officers of the Authority be, and they hereby are, authorized, empowered and directed to take any and all additional action which they deem necessary or appropriate in order to implement the same.

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

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 3:42 p.m., Mss. Bochan and Mr. Quatrocelli entered the meeting.

Ms. Bochan, RWA's Business Transformation Manager, introduced Mr. Quatrocelli, Senior Director of Research at GreatBlue Research, who provided an update on RWA's 2018 Customer Satisfaction Survey conducted in May 2018, which included:

- Project overview
- Areas of investigation
- Research methodology
- Key study findings
- Considerations and recommendations

He reported that RWA's overall customer satisfaction index is up 2.1% from last year.

At 4:15 p.m., on motion made by Mr. Borowy, seconded by Ms. Sack, and unanimously carried, the meeting adjourned.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Respectfully submitted,

Kevin Curseaden, Secretary

Attachments:

1. Resolution to amend the General Bond Resolution
2. 2018 Supplemental Resolution to amend the General Bond Resolution