

**South Central Connecticut Regional Water Authority
Minutes of the October 18, 2018 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, October 18, 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. Discepolo, Gavrilovic, Kowalski, Nesteriak, Silvia-Aramendi and Messrs. Bingaman and Norris
RPB –Mr. Eitzer
Staff – Mrs. Slubowski

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

Mr. Bingaman reviewed the safety moment distributed to members.

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

1. Approved minutes of its September 20, 2018 meeting.
2. Approved the Capital Budget Authorization for November 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 \$2,350,000 for the month of November 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate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. Received the Capital Budget Transfer Notifications detailed in Ms. Discepolo’s memorandum dated October 11, 2018.
4. Received Monthly Financial Report – September 30, 2018.
5. Received the Accounts Receivable Update for the period ended September 30, 2018.

Borowy Aye
Cermola Aye
Curseaden Aye
DiSalvo Aye
Sack Aye

Ms. Discepolo, RWA’s Executive Vice President and Chief Financial Officer, updated the Authority on the status of the Representative Policy Board (“RPB”) Dashboard Report, which included:

- Customer satisfaction and reputation
- Credit rating
- Accrued water rates
- Average daily production
- Water and other revenues

- Operating and maintenance expenditures
- Capital expenditures
- Cash collections
- Unaccounted-for-water
- Water quality compliance

The Authority will discuss the report with the RPB Finance Committee to review metrics for appropriateness and clarification.

Ms. Kowalski, RWA's Vice President of Finance and Controller, presented the RWA's Ten-Year Financial Model to the Authority. Ms. Kowalski reviewed the base financial model including:

- Summary results
- Key drivers
- Leverage trend
- Underlying assumptions
- Opportunities
- Vulnerabilities
- Various scenarios
- Next steps

At 1:55 p.m., Ms. Silvia-Armeni withdrew from the meeting.

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
- Schedule of upcoming installations in West Haven, Milford, and Orange
- Updates on system performance and optimization
- Capital spend analysis

Mr. Bingaman:

- Provided a handout and invited Authority members to attend the Connecticut Conscious Capitalism Chapter's Purpose and Profit discussion of conscious capitalism on October 30, 2018.
- Reported that The New Haven Biz celebrated the launch of its print magazine, which included an RWA advertisement.

Mr. Curseaden:

- Highlighted the Business Leadership Event that he and Mr. Borowy attended hosted by the Greater New Haven Chamber of Commerce on October 4, 2018.

Authority members reported on recent meetings of the RPB committee meetings.

At 2:11 p.m., Mr. Eitzer withdrew from the meeting and Ms. Gavrilovic and Mr. Norris entered the meeting.

Mr. Norris, RWA's Vice President of Asset Management, provided an update of recent negotiations with the Town of Derby for management's Application for a project to construct a One Million Gallon Water Storage Tank in Derby. He noted that management would like to submit the completed Application to the Authority at its November meeting.

At 2:26 p.m., Ms. Gavrilovic and Mr. Norris withdrew from the meeting, and on motion made by Mr. Curseaden, seconded by Mr. Cermola, and unanimously carried, the Authority voted to go into executive session to discuss strategy and negotiations. Present in executive session were Authority members, Mss. Discepolo, Kowalski, Nesteriak, Slubowski and Mr. Bingaman.

Borowy Aye
Cermola Aye
Curseaden Aye
DiSalvo Aye
Sack Aye

At 3:35 p.m., the Authority reconvened, and on motion made by Ms. Sack, seconded by Mr. Borowy, and unanimously carried, the meeting adjourned.

Borowy Aye
Cermola Aye
Curseaden Aye
DiSalvo Aye
Sack Aye

Respectfully submitted,

Kevin Curseaden, Secretary