

**South Central Connecticut Regional Water Authority
Minutes of the June 26, 2025 Meeting**

The regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, June 26, 2025, at 90 Sargent Drive, New Haven, Connecticut, and via remote access. Chair Borowy presided.

Present: Authority – Messrs. Borowy, Curseaden, Ricozzi, and Mss. LaMarr and Sack
Management – Mss. Kowalski and Calo(R), and Messrs. Lakshminarayanan, and Hill
RPB – Mr. Havrda
Staff – Mrs. Slubowski

1. CALL TO ORDER

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

1.1 SAFETY MOMENT

He reviewed the Safety Moment distributed to members.

2. PUBLIC COMMENT

Chair Borowy offered the opportunity for members of the public to comment. There were no members of the public present.

3. MEET AS STRATEGIC PLANNING COMMITTEE

At 12:30 p.m., on motion made by Mr. Curseaden and seconded by Mr. Ricozzi, the Authority voted to recess the regular meeting to meet as the Strategic Planning Committee.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At the Strategic Planning Committee, Chair Sack stated it would be appropriate to remove Authority consent agenda items 4.4, *FY 2026 Strategic Plan & Global Metrics*, and Item 4.5, *FY 2020-2025 Strategic Plan Results Report*, to the RWA Strategic Planning Committee agenda. On motion made by Mr. Borowy and seconded by Mr. Ricozzi, the Authority voted to add items 4.4, *FY 2026 Strategic Plan & Global Metrics*, and Item 4.5, *FY 2020-2025 Strategic Plan Results Report*, from the Authority agenda to the Strategic Planning Committee agenda.

At 12:51 p.m., the Authority reconvened.

4. CONSENT AGENDA

On motion made by Mr. Curseaden and seconded by Ms. Sack, the Authority voted to approve, adopt, or receive, as appropriate, the following items in the amended Consent Agenda, as discussed:

4.1 Minutes of the May 22, 2025 meeting

4.2 Capital budget authorization for July 2025

RESOLVED, that the Senior Vice President, Chief Financial Officer & Head of Corporate Development is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$4,500,000 for the month of July 2025 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund.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 2026 for all Capital Improvement Projects to be exceeded. In the absence of the Senior Vice President, Chief Financial Officer & Head of Corporate Development, the Controller is authorized to sign in her place.

4.3 Key Performance Indicators – Q4 FY 2025.

4.4 FY 2026 Strategic Plan & Global Metrics (*moved to Strategic Planning Committee agenda*)

4.5 FY 2020-2025 Strategic Plan Results Report (*moved to Strategic Planning Committee agenda*)

4.6 Accounts Receivable Update for May 2025.

4.7 FY 2026 RPB Weighted Vote Calculation.

4.8 RPB Dashboard Report.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

5. FINANCE

5.1 Fiscal Year-end Financial Report

Ms. Kowalski, RWA's Senior Vice President, Chief Financial Officer & Head of Corporate Development, reviewed the Year-end Financial Report for the fiscal year ended May 31, 2025, which included:

- Balance sheet
- Statement of revenues, expenses, and changes in net position
- Maintenance test year-end projections
- Operating and maintenance key variances
- Capital budget overview
- Investment earnings report

5.2 Allocation of Year-end Revenue Balance

Ms. Kowalski distributed to Authority members a memorandum dated June 20, 2025, regarding "Distribution of Fiscal Year 2025 Revenue Fund Balance and General Fund Balance per Section 404D of the *General Bond Resolution*." She reported on funds available for allocation.

Mr. Ricozzi moved for adoption of the following resolutions:

1. **WHEREAS** the Senior Vice President, Chief Financial Officer & Head of Corporate Development has and will make certain transfers from the Revenue Fund as required by Section 404D of the General Bond Resolution; and

WHEREAS the balance remaining in the Revenue Fund after taking into account such transfers as of year-end is approximately **\$20,324,037** and pursuant to the General Bond Resolution will be deposited to the General Fund.

NOW THEREFORE BE IT HEREBY RESOLVED, that after such transfer is made to the General Fund, the balance of the General Fund is approximately **\$33,330,637**.

2. **WHEREAS**, pursuant to section 410 of the General Bond Resolution, the Authority may apply any moneys in the General Fund to any lawful purpose of the Authority; and

NOW THEREFORE BE IT HEREBY RESOLVED by the Regional Water Authority;

the Senior Vice President, Chief Financial Officer & Head of Corporate Development is hereby authorized and directed to transfer and pay over from the General Fund, **\$16,074,037** to the Construction Fund.

3. **WHEREAS**, pursuant to section 410 of the General Bond Resolution, the Authority may apply any moneys in the General Fund to any lawful purpose of the Authority; and

NOW THEREFORE BE IS HEREBY RESOLVED by the Regional Water Authority;

the Senior Vice President, Chief Financial Officer & Head of Corporate Development is hereby authorized and directed to transfer from the General Fund **\$1,750,000** to the Growth Fund.

Ms. LaMarr seconded the motion. After discussion, the Chair called for the vote.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

5.3 Proposed revisions to FY 2026 Capital Budget Projects and Release of Project Reserves.

Ms. Kowalski described management's request for Authority approval to distribute and carry over the project reserve as follows: 1) \$1,197,272 of project reserve to the Lake Gaillard WTP Clarifiers & Recycle Building, CIS, Enterprise Data Archive, and Trucks, 2) \$1,155,000 for the following projects requiring increased funding: Derby Wellfield Facility Upgrades, Future Regulatory Treatment Compliance, LIMS Upgrades, and Large Tapping Machine, and 3) \$150,000 to the West River Rooftop Air Handling Unit for projects identified in late FY 2054 needing funding in 2026, and 4) \$500,000 for the West River WTP Rooftop Air Handling Unit project carried over from FY 2025.

Management is also requesting approval to carry \$500,000 of the remaining FY 2025 project reserve into FY 2026 capital budget to be held in reserve. Ms. Sack moved for adoption of the following resolution:

RESOLVED: The proposed revision to the Capital Budget for the Authority for the 2026 fiscal year presented to this meeting, including the revised capital improvements plan, for fiscal 2026 through fiscal 2030, is hereby adopted and ordered to be filed, with the records, to U.S. Bank Trust Company, National Association pursuant to Section 614 of the General Bond Resolution.

Authority members stated that for the reasons given, the plan of allocation is logical and makes sense.

Ms. LaMarr seconded the motion. After discussion, the Chair called for the vote.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

5.4 Consider and act on modification to Lead Service Line Resolution to authorize for Interim Funding Obligation and Project Loan Obligation.

Ms. Kowalski noted that the resolutions allow for a project loan obligation and interim financial obligations for lead service line projects. After discussion, Mr. Ricozzi moved for approval of the following resolutions:

WHEREAS, on August 22, 2024, the Authority adopted (the “Authority Resolution”) and on September 26, 2024, the Representative Policy Board approved the resolutions (the “RPB Resolution” and together with the Authority Resolution, 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 (the “State”) in the aggregate principal amount not to exceed \$8,500,000 (the “Bonds”) or so much as may be necessary after deducting grants or other sources of funds available therefore to (i) finance or refinance the cost of planning and efforts associated with inventory development for certain capital improvements to the water system of the Authority related to the Lead Service Line-Planning Project; (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 “Lead Service Line-Planning Project”). The Resolutions also provided that it is expected that the Authority will receive grant funding in the amount of 75% of the contract cost of the Lead Service Line-Planning Project, but not exceeding \$5,000,000: and

WHEREAS, the Authority Resolution further 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 \$8,500,000 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 Bonds issued as a project loan obligation each, as the case may be, to be delivered to the State for the Lead Service Line-Planning Project (the “PLO”) in one or more series and approve the Project Loan and Subsidy Agreement by and between the State and the Authority related to the Lead Service Line-Planning Project (the “Loan Agreement”).

NOW THEREFORE, BE IT RESOLVED, that the President/Chief Executive Officer and the Senior Vice President, Chief Financial Officer and Head of Corporate Development or any one of them may apply to the State Department of Public Health for eligibility and funding of the Lead Service Line-Planning 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 Lead Service Line-Planning 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 Senior Vice President, Chief Financial Officer and Head of Corporate Development be authorized (i) to issue, sell and deliver the IFO and PLO in a total amount not to exceed \$8,500,000, 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, 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”) 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 Senior Vice President, Chief Financial Officer and Head of Corporate Development 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”) 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 Senior Vice President, Chief Financial Officer and Head of Corporate Development 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 Senior Vice President, Chief Financial Officer and Head of Corporate Development 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 Senior Vice President, Chief Financial Officer and Head of Corporate Development, 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 and PLO, 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 and PLO 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 Senior Vice President, Chief Financial Officer and Head of Corporate Development, or any one of them are hereby authorized to accept such grants from the State for the Lead Service Line-Planning Project as set forth in the Loan Agreement and to apply the proceeds of the grant to the Lead Service Line-Planning Project, as applicable.

Authority members noted that the interim funding obligation presents an opportunity for funds to be utilized more effectively as it allows for lower borrowing rates and can facilitate project closeout by ensuring the grant is accessed incrementally, reducing the need for larger loans.

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

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

6. RPB COMMITTEE MEETING ASSIGNMENTS AND REPORTS ON RPB COMMITTEE MEETINGS

Authority members reported on recent Representative Policy Board committee meetings.

7. BUSINESS UPDATES

7.1 MONTHLY BUSINESS HIGHLIGHTS

Mr. Lakshminarayanan, the RWA's Interim President & Chief Executive Officer:

- Reported that leadership team members met with individual departments and/or divisions, via town halls to review metrics and discuss feedback on initiatives and global metrics, as discussed at the Strategic Planning Committee meeting earlier.
- Highlighted that the acquisition of 24 acres of property in Madison is completed and was supported by a grant.
- Reported on the RWA's collaboration with ClimateHaven to develop a water innovation hub on the East Coast, focusing on technologies such as lead pipe detection and water quality testing. Invitations for RFPs for technology proposals are underway and ClimateHaven will provide the RWA with a presentation of some potential startup companies for consideration.
- Provided an update on the recent Customer Information System, including challenges. He stated that although the system is operational there are still defects yet to be worked. Training is ongoing with improvement expected by July or August.

Mr. Lakshminarayanan provided an update on unaccounted for water. He reviewed the Infrastructure Leakage Index for reporting water loss, which aligns with industry standards.

8. MEET AS COMMERCIAL BUSINESS COMMITTEE

At 2:57 p.m., on motion made by Ms. LaMarr and seconded by Ms. Sack, the Authority voted to recess the regular meeting to meet as the Strategic Planning Committee.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At 4:12 p.m., the Authority reconvened and Mr. Havrda withdrew from the meeting.

9. ACT ON MATTERS ARISING FROM COMMITTEE MEETINGS

There were no actions arising from Committee meetings.

10. LAND DISPOSITION APPLICATION – 233 SKIFF STREET, HAMDEN, CT

Mr. Curseaden moved for approval of the following resolutions:

RESOLVED that the Authority hereby accepts the Application for Disposition of 0.32 acres located at 233 Skiff Street in Hamden that is part of Land Unit HA 9A, 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 Interim CEO is authorized to take any and all actions necessary to complete the transfer interest in real estate.

Ms. Sack seconded the motion. After discussion, the Chair called for the vote.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At 4:13 p.m., on motion made by Ms. LaMarr, and seconded by Ms. Sack, the Authority voted unanimously to adjourn the meeting.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

Respectfully submitted,

Catherine E. LaMarr, Secretary

(R) = Attended Remotely.