

**Representative Policy Board**

South Central Connecticut Regional Water District  
90 Sargent Drive, New Haven, Connecticut

or

**\*\*Dial in by phone**

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Phone conference ID: 658 836 233#

**AGENDA**

**Special Meeting of Thursday, September 5, 2024 at 6:30 p.m.**

- I Safety Moment
- II Public Comment: The time limit granted to each speaker shall be three (3) minutes. Residents and customers may address the Board.
- III Items for Consideration and Action
  - A. Final Decision, Findings of Fact and Conclusions of Law of the Representative Policy Board for the Application for approval to submit a bid and, if approved, the Acquisition of the Aquarion Water Company - *Upon 2/3 vote convene in possible executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(5)(A)(B), pertaining to trade secrets and commercial and financial information.*
  - B. Associated financing for the Application for approval to submit a bid and, if approved, the Acquisition of the Aquarion Water Company - *Upon 2/3 vote convene in possible executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(5)(A)(B), pertaining to trade secrets and commercial and financial information.*
- IV Adjourn

**\*\*Members of the public may attend the meeting in person or via conference call. In the event of an executive session, members of the public will be asked to leave but may return when the executive session has ended. For information on attending the meeting and to view meeting documents, please visit <http://tinyurl.com/yyxk7xcs>. For questions, contact the board office at 203-401-2515 or by email at [jslubowski@rwater.com](mailto:jslubowski@rwater.com).**

## Safety Topic

## Title: Battery Awareness

Tap Into  
Safety

Regional Water Authority

We use batteries to power cars, trucks, tractors, forklifts, construction equipment, and power tools. A lead-acid battery usually uses sulfuric acid to create the intended reaction. Zinc-air batteries rely on oxidizing zinc with oxygen for the reaction. Potassium hydroxide is the electrolyte in common household alkaline batteries. The most common electrolyte in lithium batteries is a lithium salt solution. The main difference between lithium cells and lithium-ion cells is that Lithium-ion batteries are rechargeable, while their counterparts are not. Because of these chemical reactions, use caution while handling and recharging batteries, and follow safe work practices.

## Activity/Process

Identifying the Hazards:

1. **Acid** - The electrolyte in a battery is corrosive and can burn skin or eyes, eat holes in clothing, or even damage a concrete floor.
2. **Flammable gas** - Batteries emit hydrogen gas, which is flammable. It ignites easily and can cause a fire or explosion if allowed to build up in a small area.
3. **Electrical shock** - Many of us know this danger because we may have seen sparks fly when jumper cables are attached to a car battery. Some battery systems are capable of discharging at extremely high rates of current. Accidental shorting of terminals or cables can result in severe electrical arcing, causing you to get burned and shocked.
4. **Weight** - Batteries, like those used in forklifts, are heavy and require proper material handling equipment to lift them safely.
5. **Bulging or Swelling** - Batteries can swell for several reasons, including aging, overheating, or damage to the battery. When a battery swells, it can indicate that something has gone wrong inside, and it poses a safety risk. **(Contact Safety & Risk Dept. if you encounter a bulging battery.)**

Safe Battery Handling

Proper personal protective equipment (PPE). Examples include:

- Safety glasses or goggles and a face shield to protect your eyes and face from chemical splashes.
- Rubber gloves provide both acid protection and electrical resistance to prevent shocks.
- Safety shoes or boots to protect your feet from a spill.
- Be sure to know where the eyewash and shower facilities are located.

Resources for Recycling

- Visit [RecycleNation.com](http://RecycleNation.com). You can also call 1-800-RECYCLING.
- Visit [Call2Recycle.org](http://Call2Recycle.org) to locate the closest battery drop-off location.
- Contact your local Household Hazardous Waste program.

**Summary** - Don't leave devices unattended while charging and disconnect them from the charger once they're fully charged. Avoid charging batteries in living areas, on bedding, or in direct sunlight. Don't charge batteries that are damaged or hot. Only use the charging equipment that comes with the product.

**REPRESENTATIVE POLICY BOARD  
OF THE  
SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY**

SEPTEMBER 5, 2024

PROPOSED RESOLUTION

*(Application for approval to submit a bid and, if accepted, the Acquisition of Aquarion Water Company)*

**RESOLVED**, that the proposed Findings of Fact, Conclusions of Law and Final Decision of the Representative Policy Board, acting as itself and on behalf of the Aquarion Water District Representative Policy Board, with respect to the Application for approval to submit a bid and, if accepted, the Acquisition of the Aquarion Water Company and conversion to a not-for profit authority, dated July 26, 2024, which copy is attached hereto, be and hereby is, approved in the form submitted to the meeting.

**Representative Policy Board  
South Central Connecticut Regional Water District**

**Application for Approval to submit a** :  
**binding bid and, if successful, the** : **September 5, 2024**  
**Acquisition of Aquarion Water Company** :

**Final Decision, Findings of Fact and Conclusions of Law  
of the Representative Policy Board**

A. The Applicant’s Request

On July 26, 2024, the South Central Connecticut Regional Water Authority (“RWA” or the “Applicant”), acting as itself and on behalf of the newly created Aquarion Water Authority, inclusive of amendments to the RWA’s enabling legislation, Special Act 77-98, and Public Act No. 1 – SS1 passed in the June 2024 Special Session, through its five-member Authority, submitted an application, under the expedited process, for approval to submit a binding bid and, if successful, the acquisition of Aquarion Water Company (the “Application”) to convert it into a not-for-profit authority, and as further described in the application and in executive session.

Aquarion Water Company (“AWC”) has been in the water supply business since 1857 and is the public water supply company for approximately 242,000 customer accounts in 72 cities and towns in Connecticut, Massachusetts, and New Hampshire. AWC is currently the largest investor-owned water utility in New England and among the seven largest in the United States. The proposed acquisition of the AWC and converting it into the proposed newly created Aquarion Water Authority (“AWA”), would mean that the towns of Beacon Falls, Bethel, Bridgeport, Brookfield, Burlington, Canaan, Cornwall, Danbury, Darien, East Derby, East Granby, East Hampton, Easton, Fairfield, Farmington, Goshen, Granby, Greenwich, Groton, Harwinton, Kent, Lebanon, Litchfield, Mansfield, Marlborough, Middlebury, Monroe, New Canaan, New Fairfield,

New Hartford, New Milford, Newtown, Norfolk, North Canaan, Norwalk, Norwich, Oxford, Plainville, Redding, Ridgefield, Salisbury, Seymour, Shelton, Sherman, Simsbury, Southbury, Southington, Stamford, Stonington, Stratford, Suffield, Torrington, Trumbull, Washington, Weston, Westport, Wilton, Wolcott, and Woodbury would become part of the AWA District, pursuant to enabling legislation. Each of the towns in the AWA District would have voting representation on the Aquarion Water District Representative Policy Board (the “RPB”) in proportion to the number of customers and the amount of land owned in each community.

The Application also includes a request for RPB approval for both the non-contingent bridge financing for the binding bid and the issuance of the take-out financing. The acquisition and associated financing are structured such that there is no adverse impact on RWA customers (“RWAc”) as they would receive benefits, as would Aquarion Water customers (“AWc”). The RWA would also structure the acquisition debt such that there is not an impact on RWAc or AWc rates.

The Application is submitted under unusual circumstances associated with the timing of submitting a non-binding bid, a binding bid, and if successful, executing the Purchase & Sale Agreement.

Due to the confidential information related to the competitive bidding process, the Application is subject to a Protective Order accompanying the Application, pursuant to C.G.S. Section 1-200(6)(E), for matters covered by Section 1-210(b)(5)(A)(B). The Protective Order was granted by Stephen Mongillo on behalf of the RPB on July 27, 2024.

The Application for approval of the transaction was filed pursuant to the statutory authority set forth the RWA’s enabling legislation, Section 19 of Special Act No. 77-98, as amended, and under the requirements of an expedited process.

B. Participants

In addition to the Representative Policy Board (“RPB”) and the RWA, the district’s Office of Consumer Affairs (“OCA”) participated in this proceeding. The OCA is authorized by Section 15 of Special Act No. 77-98, as amended, to act as the advocate for consumer interests in all matters that may affect water customers in the district.

C. Statutory Standard

Pursuant to the legislation cited in paragraph A above, the RWA is required to obtain approval from the RPB prior to acquiring or making a subsequent investment in any acquisition in an amount costing more than \$1.5 million dollars.

D. Notice and Procedures

Effective July 1, 2021, Senate Bill 1202, Section 163, permitted the RPB to hold the public hearing on the Application using electronic equipment or technology that facilitates real-time public access to meetings, including, but not limited to, telephonic, video, or other conferencing platforms. On July 31, 2024, under the expedited process, upon recommendation of the Finance Committee, the RPB Chairman, on behalf of the RPB, accepted the Application as complete and called public hearings on Thursday, August 22, 2024 at 7:00 p.m., Tuesday, August 27, 2024 at 10 a.m., and Tuesday, August 27, 2024 at 6:30 p.m. at the Hotel Marcel, 500 Sargent Drive, New Haven and via remote access. The RPB designated Timothy Slocum (Cheshire) to serve as Presiding Member at the public hearing.

As required by Section 10 of Special Act. No. 77-98, as amended, the RPB published in the *Connecticut Post*, *New Haven Register*, *Danbury News-Times*, *Greenwich Time*, *Norwalk Hour*, *Stamford Advocate*, and the *Waterbury Republican-American* a Notice of Public hearing with the date, time, and place of the public hearings to be held by the RPB to consider the

Application for approval. The dates of publication were August 1, 2024, August 8, 2024, August 15, 2024, and August 20, 2024. A copy of this notice, including information about electronic participation for the meeting, was filed with the Office of the Clerk of each city and town within the Districts of the RWA and Aquarion, as noted in Section A, the Connecticut Secretary of State, and posted on the RWA's website.

E. Public Hearings

At the public hearing on August 22, 2024, the Applicant provided sworn testimony from Larry L. Bingaman, the RWA's President & Chief Executive Officer; Rochelle Kowalski, the RWA's Vice President and Chief Financial Officer. Atty. Jeffrey Donofrio, Office of Consumer Affairs, also provided testimony.

Members of the public who provided sworn testimony included: Charles Firlotte, Shelton resident; Michael Freda, First Selectman of the Town of North Haven; Vicki Tesoro, First Selectman of the Town of Trumbull; Laura Hoydick, Mayor of the City of Stratford; Dionna Carlson, First Selectwoman of the Town of New Canaan; Dana Benson, Activist and Easton resident; Garrett Sheehan, President of the Greater New Haven Chamber of Commerce; and Fred Camillo, First Selectman of the Town of Greenwich.

The Applicant provided a public presentation that included an overview and background, governance structure, summary of how the Authority operates, a summary of the transaction opportunity, an explanation of the potential regional structure, a summary of the benefits of conversion, and the Authority's proposed financial management approach and structure.

The OCA provided a public summary of his analysis of the Application as noted in his memorandum to the RPB dated August 15, 2024 and an explanation of the basis for his

recommendation. For the reasons set forth in his memorandum and testimony, the OCA recommended approval of the Application.

The RPB also convened in executive session, pursuant to the Connecticut Freedom of Information Act, to discuss commercial and/or financial information given in confidence, bearing on the Application.

At the public hearing on August 27, 2024, at 10 a.m., the Applicant provided sworn testimony from Larry L. Bingaman, and Rochelle Kowalski. Atty. Jeffrey Donofrio also provided testimony.

Members of the public who provided sworn testimony included: Gregory Leonard, a resident of Groton; State Representative; Joe Gresko, CT General Assembly District 121, and a resident of Stratford; Kathy Czepiel, Save the Sound; Jon Zagrodzky, First Selectman of the Town of Darien; Jen Tooker, First Selectwoman of the Town of Westport; Daniel Jerram, First Selectman of the Town of New Hartford; Melissa Lindsey, First Selectwoman of the Town of New Fairfield; Paul Timpanelli, Trumbull resident; Harry Fisher, citizen of Greenwich; Jeffrey Capecci, First Selectman of the Town of Newtown; and Senator Tony Hwang.

The Applicant provided a condensed public presentation that included an overview and background, a summary of the governance structure and how the Authority operates, a summary of the transaction opportunity, an explanation of the potential regional structure, a summary of the benefits of conversion, and a summary of the proposed financial management approach and structure.

The Applicant also answered questions related to Payment In Lieu of Taxes (PILOT), water rates, debt acquisition impacts, governance structure, land management and resources, recreation, and government vs. private ownership.



After the RPB received testimony and comments from members of the public, the OCA provided testimony responsive to several comments and questions raised by those who testified. For the reasons set forth in his memorandum and testimony, the OCA recommended approval of the Application.

At the public hearing on August 27, 2024, at 6:30 p.m., the Applicant provided sworn testimony from Larry L. Bingaman, and Rochelle Kowalski. Atty. Jeffrey Donofrio also provided testimony.

Members of the public who provided sworn testimony included: Dan Onofrio, President of the Bridgeport Regional Business Council; Wanda Howard, USW Local 12160, President Rate payer and an RWA employee; Janice Beecher, Ph.D., Michigan State University; State Senator Ryan Fazio; Atty. Timothy Herbst, Branford; Tina Courpas, Candidate for State Representative, 149<sup>th</sup>; Tod Laudonia, concerned senior; Bill Gerber, First Selectman of the Town of Fairfield; and Tony Boucher, First Selectman of the Town of Wilton.

The Applicant provided a condensed public presentation that included an overview and background, summary of governance structure and how the Authority operates, a summary of the transaction opportunity, an explanation of the potential regional structure, a summary of the benefits of conversion, and an overview of the potential financial management approach and structure.

The Applicant also answered questions related to Payment In Lieu of Taxes (PILOT), water rates, debt acquisition impacts, governance structure, land management and resources, recreation, and government vs. private ownership.

After the RPB received testimony and comments from members of the public, the OCA provided testimony responsive to several comments and questions raised by those who testified as well as

a public summary of his analysis of the Application as noted in his memorandum to the RPB dated August 15, 2024. For the reasons set forth in his memorandum and testimony, the OCA recommended approval of the Application. The Application also contained confidential information, subject to protection under C.G.S. Section 1-200(6)(E), for matters covered by Section 1-210(b)(5)(A)(B), pertaining to trade secrets and commercial and financial information given in confidence and not required by statute to be revealed. At each of the three public hearings, following the completion of each public session, the RPB also convened in executive session to discuss trade secrets and confidential commercial and financial information.

At each executive session, the OCA also provided a summary of his analysis of the confidential portions of the Application, as noted in his memorandum to the RPB dated August 15, 2024. The OCA's Memorandum discussed trade secrets and commercial and financial information protected under C.G.S. Section 1-210(b)(5)(A)(B) and was filed subject to the RPB-approved Protective Order.

Members of the public were invited to attend all public sessions, in person or via remote access.

#### F. Analysis

After considering all the evidence presented, the RPB believes that the Application is consistent with the RWA's mission, vision, and values. It supports the RWA's mission to provide customers with high-quality water and services at a reasonable cost while promoting the preservation of watershed lands and aquifers, and its vision to be an innovative environmental services organization and water utility that sustains life, strengthens communities, and protects natural resources for future generations. The presentations at the public hearing reinforced the need for, and importance of, the Application.

G. Conclusion

We therefore conclude that the Application should be approved. Separately stated findings of fact and conclusions of law are attached hereto as Exhibit A.

**Exhibit A**  
**Representative Policy Board**  
**South Central Connecticut Regional Water District**

**Application for Approval to submit a binding bid and, if successful, the Acquisition of Aquarion Water Company** : : **September 5, 2024**

**Findings of Fact**

1. The South Central Connecticut Regional Water Authority (“RWA”), through its five-member Authority, submitted an application to the Representative Policy Board (“RPB”), acting as itself and on behalf of the Aquarion Water District RPB, for approval to submit a binding bid and, if successful, the Acquisition of Aquarion Water Company (“Application”) to convert it to a not-for-profit governmental authority, on July 26, 2024, under the requirements of an expedited process and as further described in the application and executive sessions.
2. The Application also includes a request for RPB approval for both the non-contingent bridge financing for the binding bid and the issuance of the take-out financing.
3. The Application was submitted under unusual circumstances in that the bid solicitation process selected, as determined by Eversource, required the Application to be submitted and adjudicated on an expedited basis.
4. Due to the uniqueness and confidentiality of the competitive bidding process, the RWA was granted a Protective Order by the RPB, dated July 27, 2024, pursuant to C.G.S. Section 1-200(6)(E), for matters covered by Section 1-210(b)(5)(A)(B), related to trade secrets and commercial and financial information contained in the Application.
5. Aquarion Water Company (“AWC”) has been in the water supply business since 1857 and is the public water supply company for approximately 242,000 customer accounts in 72 cities and towns in Connecticut, Massachusetts, and New Hampshire. AWC is currently the largest investor-owned water utility in New England and among the seven largest in the United States.

6. In 2024, the RWA's enabling legislation, Special Act 77-98, and Public Act No. 1 – SS1, amended the RWA's enabling legislation to act as itself and on behalf of the Aquarion Water District RPB to submit a binding bid and, if successful, the Acquisition of AWC to convert it into a not-for profit governmental authority.
7. The proposed acquisition of the AWC would mean that the 59 towns noted in Section A of the Final Decision, would become part of the Aquarion Water District, pursuant to enabling legislation.
8. The acquisition and associated financing will have no adverse impact on RWA or AWC customers as they would receive benefits from the transaction.
9. Benefits to RWA and AWC customers include public ownership, economies of scale and operational efficiencies, local control and community focus, operational and financial management, talent pool and expertise, and environmental stewardship.
10. The RWA would also structure the acquisition debt such that there is not an impact on RWA customers or AWC customer rates.
11. The rare and time-sensitive opportunity aligns with the RWA's strategic mission, vision and values, strategic goals, and regional water supply strategies.
12. The Application is necessary, advances the policies and goals of the South Central Connecticut Regional Water Authority, and is in the best interest of the RWA and its customers and the AWC and its customers.
13. The OCA recommended approval of the Application for the reasons set forth in his Memorandum and testimony to the RPB.

### **Conclusions of Law**

1. The South Central Connecticut Regional Water Authority's ("RWA") application for approval to submit a binding bid and, if successful, the Acquisition of Aquarion Water Company ("Application") dated July 26, 2024, was filed pursuant to the statutory authority set forth in the RWA's amended enabling legislation Special Act 77-98, and Public Act No. 1 – SS1, enabling RWA to act as itself and on behalf of the Aquarion Water District RPB to submit a binding bid and, if successful, own and operate the Aquarion Water Company (AWC) as a not-for-profit governmental authority.
2. Notice of the public hearings to consider the Application and to allow interested persons, including water users and property owners within the district, to be heard was made on August 1, 2024, August 8, 2024, August 15, 2024, and August 20, 2024, pursuant to Section 10 of Special Act No. 77-98, as amended.
3. Pursuant to Sections 10 and 19 of Special Act 77-98, as amended, three public hearings were held on August 22, 2024 at 7:00 p.m., August 27, 2024 at 10 a.m., and August 27, 2024 at 6:30 p.m.
4. Based upon the above Findings of Fact, the Representative Policy Board concludes that the RWA's application to purchase the AWC meets all requirements for approval and the Application, in its entirety, is hereby approved.