

**South Central Connecticut Regional Water Authority
Minutes of the July 25, 2024 Meeting**

The regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, July 25, 2024, at 90 Sargent Drive, New Haven, Connecticut and via remote access. Chair Borowy presided.

Present: **Authority** – Messrs. Borowy, Curseaden and Ricozzi, and Mss. LaMarr and Sack
 Management – Mss. Kowalski and Calo(R), and Messrs. Bingaman, Cosma(R),
 Hill(R), Lakshminarayanan, and Singh(R)
 RPB – Ms. Campbell(R)
 Staff – Mrs. Slubowski

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

A. SAFETY MOMENT

Chair Borowy reviewed the Safety Moment distributed to members.

B. PUBLIC COMMENT

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

C. MEET AS PENSION & BENEFIT COMMITTEE

At 12:31 p.m., on motion made by Ms. Sack and seconded by Mr. Ricozzi, the Authority voted to recess the meeting to meet as the Pension & Benefit Committee.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At 1:06 p.m., the Authority reconvened.

D. ACT ON MATTERS ARISING FROM COMMITTEE MEETING

There were no actions taken as a result of the Pension & Benefit Committee meeting.

E. CONSENT AGENDA

On motion made by Mr. Ricozzi, seconded by Ms. LaMarr, and unanimously carried, the Authority voted to approve, adopt, or receive, as appropriate the following items in the Consent Agenda:

1. Minutes of the June 27, 2024 regular meeting, July 2, 2024 special meeting, and July 10, 2024 special meeting.
2. Capital budget authorization for August 2024.

RESOLVED, that the Vice President & Chief Financial Officer is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$3,950,000 for the month of August 2024 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shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn,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 Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate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 2024 for all Capital Improvement Projects to be exceeded. In the absence of the Vice President & Chief Financial Officer, the Controller is authorized to sign in her place.

3. Capital budget transfer notifications detailed in Ms. Kowalski's memorandum dated July 17, 2024.
4. Monthly financial report for June 2024.
5. Accounts receivable update for June 2024.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

F. REPORTS ON RPB COMMITTEE MEETINGS

Authority members reported on recent RPB committee meetings.

G. BUSINESS UPDATES

1. Mr. Singh, the RWA's Chief Information Digital Officer & Vice President of Customer Care, provided a Customer Information System Update, which included:
 - Project testing
 - Accomplishments
 - Decisions, risks, and issues
 - Timeframe
2. At 1:17 p.m., Ms. Campbell withdrew from the meeting and on motion made by Mr. Curseaden and seconded by Mr. Ricozzi, the Authority voted to convene in executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(9), pertaining to reports and statements of strategy or negotiations with respect to collective bargaining. Present in executive session were Authority members, Messrs. Bingaman, Hill, Lakshminarayanan, Singh, and Mss. Kowalski, Calo and Slubowski.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At 1:38 p.m., the Authority came out of executive session. No votes were taken in, or as a result of executive session.

[BREAK FROM 1:39 P.M. TO 1:49 P.M.]

H. PRESENTATION OF ISSUANCE TEST RATE APPLICATION

At 1:49 p.m., on motion made by Mr. Ricozzi and seconded by Ms. LaMarr, the Authority voted to convene in executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(5)(B), pertaining to commercial and financial information. Present in executive session were Authority members, Messrs. Bingaman, Hill, Lakshminarayanan, Singh, and Mss. Kowalski, Calo and Slubowski.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At 2:23 p.m., the Authority came out of executive session.

After discussion, Mr. Curseaden moved for approval of the following resolutions:

1. Water System Revenue Bonds Resolutions:

RESOLVED that the Authority hereby establishes the general terms and provisions of the Authority's Bonds which may be issued as Project Loan Obligations delivered to the State of Connecticut (the "Bonds") which are to be issued under its Water System Revenue Bond Resolution, General Bond Resolution adopted by the Authority and approved by the Representative Policy Board on July 31, 1980, as amended (the "General Bond Resolution").

1. The Bonds shall not exceed Forty-five Million Dollars (\$45,000,000) in aggregate principal amount.
2. The Bonds may be issued as obligations in one or more series pursuant to the General Bond Resolution and a supplemental resolution to be adopted by the Authority for each series of Bonds, each of which shall specify the amount of the Bonds, the purposes for which the Bonds are to be issued, the date or dates, maturities, sinking fund installments if any, interest rates, series, denominations, form, redemption prices, security provisions and such other details of the Bonds as the Authority shall determine in accordance with the limits established by the General Bond Resolution and hereby.
3. The purposes of the Bonds shall be to finance or refinance the cost of certain capital improvements to the water system of the Authority (the "Projects") from approximately January, 2025 through June, 2026 in accordance with a certain capital improvement plan (the "Plan") adopted by the Authority on June 27, 2024, as may be amended from time to time, or in accordance with resolutions approved by the Authority for additional water system projects, (the "Resolutions"), to provide funds for deposit to the Capital Contingency Fund, Debt Reserve Fund, and Operating Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and to pay costs of issuance.
4. The Bonds may be sold by a competitive bid or by negotiation as serial or term bonds with stated maturities and may be sold in a private or direct placement to a bank or the State of Connecticut.
5. The Authority reasonably expects to incur expenditures (the "Expenditures") in connection with the Projects of which a general functional description is contained in the Plan and the Resolutions. The Authority reasonably expects to reimburse itself for

the cost of Expenditures with respect to the Projects with the proceeds of tax-exempt debt to be issued by the Authority within eighteen (18) months after the date of any Expenditure or the date the Project is placed in service or abandoned, whichever is later. The maximum principal amount of such debt with respect to the Projects is not expected to exceed \$45,000,000.

6. The form of this resolution entitled "Resolution Approving the Proposed Issuance of Bonds" a copy of which shall be filed with the records of the Authority, shall be submitted to the Representative Policy Board for its approval in accordance with Section 22 of Special Act No. 77-98, as amended.

BE IT FURTHER RESOLVED that:

1. 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 \$45,000,000 in anticipation of the receipt of the proceeds from the sale of such Bonds.
2. The President and Chief Executive Officer and the Vice President and Chief Financial Officer or any one of them may apply to the State Department of Public Health for eligibility and funding of the Projects and sign such application 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 Projects from the State's Drinking Water Fund Program and that any such action taken prior hereto is hereby ratified and confirmed.

2. Rate Application Resolutions:

RESOLVED that the South Central Connecticut Regional Water Authority (the "Authority"), subject to the approval of the Representative Policy Board ("RPB") pursuant to Section 14 of Special Act 77-98, as amended, hereby establishes water rates and related charges as set forth in the issuance test rate application submitted for discussion at today's meeting (the "2025 Issuance Test Rate Application") and listed in its Section 6, "Notice of Public Hearing and Filing of Rates and Other Charges for Water and Related Services," which shall become effective upon the delivery of all or a portion of the Authority's Water System Revenue Bonds, as detailed in the resolutions found in Section 6 of the 2025 Issuance Test Rate Application and resolutions previously issued by the Authority; and

RESOLVED that in light of the information contained in the 2025 Issuance Test Rate Application, the Authority hereby finds that the rates and charges adopted in the foregoing resolution will generate funds in amounts, which, together with other funds projected to be available, will suffice for and not be in excess of the amount of funds required as set forth in Section 14 of the Act; and

BE IT FURTHER RESOLVED that the Authority hereby authorizes the submission of an application, substantially in the form of the 2025 Issuance Test Rate Application submitted to this meeting and filed with its records, to the RPB for its approval.

Ms. Sack stated that the RWA's continued discipline and process has continued to fortify the organization in its financial strength and has continued with the ability to produce water at a reasonable rate for customers.

Mr. Curseaden commented that based on the presentation and discussion held in executive session, the proposed rates are appropriate for this time period and that the bond resolution supports the rate.

Ms. LaMarr seconded the motion, and the Chair called for the vote and the Authority voted unanimously to approve the resolutions:

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

I. PRESENTATION OF BLUE DROP ACQUISITION APPLICATION

At 2:25 p.m., Mr. Cosma joined the meeting and on motion made by Mr. Ricozzi and seconded by Ms. LaMarr, the Authority voted to convene in 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 commercial and financial information. Present in executive session were Authority members, Messrs. Bingaman, Cosma, Hill, Lakshminarayanan, Singh, and Mss. Kowalski, Calo and Slubowski.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At 4:12 p.m., the Authority came out of executive session.

After discussion, Ms. LaMarr moved for approval of the following resolution:

RESOLVED that the Authority Authorizes its President and CEO, or the Vice President & Chief Financial Officer, to file a motion and related materials with the Representative Policy Board to request issuance of a protective order to maintain confidential the information to be contained in Exhibits A and B, “Confidential Information,” of the Application.

Mr. Ricozzi seconded the motion, and the Chair called for the vote and the Authority voted unanimously to approve the resolutions:

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

After discussion, Mr. Curseaden moved for approval of the following resolutions:

RESOLVED that the Regional Water Authority (RWA), on behalf of itself and the Aquarion Water Authority (hereinafter referred to as the “Authority”), hereby accepts the Application, dated July 25, 2024 (the “Application”) for the acquisition of the Aquarion Water Company, as a completed application, substantially in the form submitted to this meeting, and authorizes filing said Application with the Representative Policy Board (“RPB”); and

RESOLVED that the Authority hereby establishes the general terms and provisions of bonds, notes or other obligations (the “Bonds”) which are to be issued under the General Statutes of Connecticut or any other law thereto enabling.

1. The Bonds shall not exceed the amount as set forth in the Application.
2. The Bonds may be issued as obligations in one or more series on parity or subordinate to each other pursuant to a resolution to be adopted by the Authority for each series of Bonds, each of which shall specify the amount of the Bonds, the purposes for which the Bonds are to be issued, the date or dates, maturities, sinking fund installments if any, interest rates, whether bonds are taxable or tax exempt, series, denominations, form, redemption prices, security provisions and such other details of the Bonds as the Authority shall determine in accordance with the limits established by the Application.
3. The purposes of the Bonds shall be to finance or refinance the cost of the acquisition of the Aquarion Water Company in accordance with resolutions approved by the Authority (the “Resolutions”), to provide funds for deposit to reserve funds, as necessary and as permitted by the Internal Revenue Code of 1986, as amended and to pay costs of issuance (the “Project”).
4. The Bonds may be sold by a competitive bid or by negotiation as serial or term bonds with stated maturities and may be sold in a private or direct placement.
5. The Authority reasonably expects to incur expenditures (the “Expenditures”) in connection with the Project of which a general functional description is contained in the Application and above. The Authority reasonably expects to reimburse itself for the cost of Expenditures with respect to the Project with the proceeds of tax-exempt debt within eighteen (18) months after the date of any Expenditure or the date the Project is placed in service or abandoned, whichever is later. The maximum principal amount of such debt with respect to the Project is not expected to exceed the amount as set forth in the Application.

FURTHER RESOLVED, if approved by the RPB, that the President & Chief Executive Officer the RWA and the Vice President & Chief Financial Officer (each such person) be, and each of them hereby is, authorized and empowered to take any and all actions necessary to complete the acquisition, upon satisfaction of all closing conditions, the execution of the Purchase & Sale Agreement, the issuance of the Bonds and all such further agreements as appropriate, to effectuate the transactions contemplated within the Application.

Ms. LaMarr seconded the motion, and the Chair called for the vote and the Authority voted unanimously to approve the resolutions:

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

Ms. LaMarr stated that based on discussions in executive session the Authority is in favor of providing opportunities to protect land and water in Connecticut, and the application fits with the overall strategy of the RWA and is in support of the application.

At 4:15 p.m., on motion made by Mr. Curseaden and seconded by Ms. LaMarr, the Authority voted to adjourn the meeting.

Borowy Aye

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Curseaden Aye
LaMarr Aye
Ricozzi Aye
Sack Aye

Catherine E. LaMarr, Secretary

(R) = Attended remotely.