



NORWICH BOARD OF PUBLIC UTILITIES' COMMISSIONERS
&
SEWER AUTHORITY OF THE CITY OF NORWICH
REGULAR MEETINGS

June 28, 2022

The Regular Meeting of the Norwich Board of Public Utilities' Commissioners and the Sewer Authority of the City of Norwich was held on Tuesday, June 28, 2022, by WebEx and in the 2nd Floor Board Room of Norwich Public Utilities (NPU), 16 South Golden Street, Norwich.

Item 1. The Meeting was called to order at 6:00 p.m. by Chairman Stewart Peil.

Present: Chairman Stewart Peil (via WebEx), Secretary William Warzecha, Commissioner Robert Staley, and Commissioner Michael Goldblatt. Vice-Chairman Ashon Avent joined the meeting at 6:30 p.m. (via WebEx). Also in attendance were General Manager Chris LaRose, Steve Sinko, Jeff Brining, Jeanne Kurasz, Laura Huren, Chris Riley, Mary Lou Rychling, Eric McDermott, and Larry Sullivan. Ruth Swift, John Covey, Dave Poore, and Barry Ellison were in attendance via WebEx. Attorney Joe Szerejko from Murtha Cullina LLP was also present via WebEx.

Item 2. Fifteen-Minute Public Comment Period. No members of the public were present for the initial public comment period. At 6:18 p.m. Chairman Peil reopened the public comment period to accommodate Evan Blum, owner of the former Atlantic Packaging Building on North Main Street. Mr. Blum spoke on several utility-related issues impacting his building.

Item 3. Minutes of the Regular Board of Public Utilities' Commissioners Meeting and Sewer Authority of the City of Norwich, held on Tuesday, May 24, 2022. Motion to approve made by Secretary Warzecha, seconded by Commissioner Staley. Voted in favor: Chairman Peil, Vice Chairman Avent, Secretary Warzecha, and Commissioners Staley and Goldblatt. Motion passed.

Item 4. Information and Updates provided to the Board in advance of the meeting.

- Leadership Team Update. Discussion followed.
- Financial Update. Informative.

Item 5. CMEEC Update. Chairman Peil and Commissioner Staley provided updates to the Board on CMEEC activity.

Item 6. Line of Credit Update. Laura Huren provided an update to the Board. Discussion followed.

Item 7. Sewer Assessment Process. Laura Huren and Attorney Szerejko provided a status update to the Board. Discussion followed.

Item 8. Strategic Presentations. Water System Update. Larry Sullivan presented information to the Board on water operations. Discussion followed.

Impact of Inflation on Energy Prices. Steve Sinko presented information to the Board on the impact of inflation and global activities on energy prices. Discussion followed.

Item 9. Executive Session – To Discuss Confidential Trade Secret & Commercially Valuable Confidential or Proprietary Information Not Subject to Inspection or Public Disclosure Pursuant to Section 1-210[5] and 7-232a of the CT General Statutes. This information is commercially valuable, confidential, and proprietary and is not public disclosure, pursuant to Public Act No. 98-212; and, To Discuss Personnel Matters of an Employee(s) and/or Public Official, pursuant to Chapter 14, Section 1-200 (6) (A) of the CT General Statutes.

Commissioner Goldblatt, seconded by Commissioner Staley moved to enter into Executive Session at 7:24 p.m. Unanimously approved. General Manager LaRose, Steve Sinko, Jeff Brining, Laura Huren, Eric McDermott, and Ruth Swift were asked to stay for part of the Executive Session.

The Board came out of Executive Session at 8:33 p.m.

Item 10. Action Items.

- Sewer Assessment Ordinances. Motion to approve made by Secretary Warzecha, seconded by Commissioner Goldblatt. Voted in favor: Chairman Peil, Vice Chairman Avent, Secretary Warzecha, and Commissioners Staley and Goldblatt. Motion passed.

AN ORDINANCE TO WAIVE DELINQUENT INTEREST ON SEWER BENEFIT ASSESSMENT INSTALLMENT PAYMENTS, TO BE CODIFIED IN CHAPTER 21, ARTICLE I, OF THE NORWICH CODE OF ORDINANCES AT SECTION 21-9

WHEREAS, the City of Norwich Sewer Authority (“Sewer Authority”) provides wastewater collection services to the City of Norwich’s (“City”) residents;

WHEREAS, the Sewer Authority is charged with, among other things, assessing and collecting sewer benefit assessments on the City’s property owners who either receive or have access to receive sewer services;

WHEREAS, as such, the Sewer Authority acts as the City’s tax collector and assessor for purposes of sewer benefit assessment payments;

WHEREAS, the Sewer Authority has allowed property owners to pay their sewer benefit assessments in installments pursuant to Connecticut General Statutes (“General Statutes” or “G.S.”) § 7-253;

WHEREAS, pursuant to General Statutes § 7-254, installment payments for sewer benefit assessments become delinquent and a lien on the subject property by operation of law when they are not paid within thirty (30) days of when they become due, and they also accrue interest in the same manner as delinquent property taxes;

WHEREAS, although property owners are required by law to pay sewer benefit assessment installment payments to the Sewer Authority when they become due by operation of law, the

Sewer Authority also should have sent notice of the sewer delinquencies and/or kept record of the accrued delinquent interest for some of these property owners, which, upon information and belief, it did not do;

WHEREAS, because some of the property owners who have accumulated delinquent interest on their sewer benefit assessment installment payments owed to the Sewer Authority may not have received notice of the delinquent interest accrual and/or due dates, it appears that the delinquencies occurred through no fault of the property owners;

WHEREAS, these property owners (hereinafter referred to as the “Owners”) still owe the balance of the principal installment payments due to the Sewer Authority;

WHEREAS, in the interest of expediency and fairness in the collection process for delinquent sewer benefit assessment installment payments for the Owners, the Sewer Authority wishes to waive the delinquent interest that has accrued on the Owners’ sewer benefit assessment installment payments;

WHEREAS, because sewer benefit assessment installment payments are collectible in the same manner as property taxes, delinquent interest can be waived on these payments in the same or similar manner as can be done for delinquent property taxes, pursuant to General Statutes § 12-145;

WHEREAS, pursuant to General Statutes § 7-247 and other applicable laws, the Sewer Authority has the power to enter into agreements with property owners regarding, among other things, the payment of sewer benefit assessment liens and installments thereof;

WHEREAS, the waiver of delinquent interest that has accrued on the Owners’ sewer benefit assessment installment payments will not affect the City’s ability to pay any of its bonds or its ability to meet any of its financial obligations with respect to sewer benefit assessments;

WHEREAS, the waiver of delinquent interest that has accrued on the Owners’ sewer benefit assessment installment payments will facilitate the Sewer Authority’s ability to, among other things, enter into agreements with the Owners pursuant to General Statutes § 7-247 and other applicable laws in order to ensure that the Owners can make full payment of the balance of the principal installment payments due to the Sewer Authority;

WHEREAS, the waiver of delinquent interest that has accrued on the Owners’ sewer benefit assessment installment payments will provide a public benefit insofar as it will not excessively penalize the Owners with being obligated to pay exorbitant delinquent interest amounts to the Sewer Authority where some or all of the accrual of same may have occurred through no fault of their own;

WHEREAS, nothing herein shall be construed as an admission or representation by the Sewer Authority that it made any mistakes in the collection of sewer benefit assessment payments;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH, that **Article I IN GENERAL** contained in Chapter 21 of the Norwich Code of Ordinances be amended by adding the following section 21-9 as set forth hereinafter.

[NEW] Sec. 21-9 Waiver of Delinquent Interest on Sewer Benefit Assessment Installment Payments.

- a. Pursuant to G.S. §§ 7-247, 7-254, and 12-145, the City of Norwich Sewer Authority (“Sewer Authority”) is authorized to enter into agreements (the “Agreements”) with various property owners who, as of the date of this Ordinance, have accrued the delinquencies on the payment of their sewer benefit assessment installment payments but who may have accrued such delinquencies through no fault of their own (hereinafter, the “Owners”).
- b. Pursuant to the Agreements set forth in the previous subsection of this section, the Sewer Authority may waive the delinquent interest that has accrued on the Owners’ sewer benefit installment payments that has become due and owing to the Sewer Authority per G.S. § 7-254 as of this date. Notwithstanding, pursuant to the Agreements, the Owners shall thereafter be obligated to pay the delinquent interest on these sewer benefit assessment installment payment liens in accordance with the Agreements, or as otherwise required by law.
- c. Pursuant to G.S. § 12-145, the City’s Tax Collector and Assessor—for purposes of the City’s sewer benefit assessment payments—have jointly determined that the delinquent interest that has and that will have accrued on these installment payments that the Owners owe to the Sewer Authority through the date on which the Agreements are executed occurred through no fault of the Owners, and because the collection of sewer benefit assessment installment payments for the Owners will be much swifter and more equitable, the delinquent accrued interest on these sewer benefit assessment installment payments shall be waived through the date on which the Agreements are executed with the Owners.

AN ORDINANCE AMENDING PORTIONS OF ARTICLE I OF CHAPTER 21 OF THE CODE OF ORDINANCES PROVIDING FOR ADJUSTMENTS IN SEWER ASSESSMENT PAYMENTS FOR DISABLED PROPERTY OWNERS

WHEREAS, section 7-253a of the Connecticut General Statutes (“General Statutes” or “G.S.”) allows any municipality, by ordinance, to permit any property owner who is eligible for property tax relief for (1) elderly taxpayers under the provisions of section 12-129b, section 12-170aa, or a plan for tax relief for elderly taxpayers provided by such municipality in accordance with subdivision (1) of subsection (a) of section 12-129n or (2) any property owner under age sixty-five who is eligible for tax relief under the provisions of a plan provided by such municipality in accordance with subdivision (2) of subsection (a) of section 12-129n of the General Statutes to apply to the municipality’s water pollution control authority for approval of a plan of payment of such property owner’s sewer assessment in a manner other than as provided under section 7-253 of the General Statutes; and

WHEREAS, section 7-253a of the General Statutes also provides that such ordinance may allow optional methods of payment of any sewer assessment by any eligible property owner, subject to approval and annual review by the municipality’s water pollution control authority; and

WHEREAS, the City of Norwich Sewer Authority (“Sewer Authority”) provides wastewater collection services to the City of Norwich’s (“City”) residents;

WHEREAS, the City has established a program whereby the Sewer Authority can allow certain qualifying elderly property owners to pay their sewer assessments as outlined under section 7-253a of the General Statutes and the statutes referenced therein, which program is codified in Section 21-3.6 of The Code of Ordinances, City of Norwich, Connecticut (the “Code”); and

WHEREAS, the City does not, however, have a program codified in the Code whereby the Sewer Authority can allow certain qualifying disabled property owners to pay their sewer assessments as outlined under section 7-253a of the General Statutes and the statutes referenced therein; and

WHEREAS, as set forth in Section 7-23 of the Code, the City does provide for property tax relief for both elderly and disabled taxpayers, in accordance with section 12-129n of the General Statutes;

WHEREAS, the City Council recognizes the public benefit of having a payment program as contemplated by section 7-253a of the General Statutes available for disabled property owners under the age of sixty-five who meet the qualifications for total or permanent disability as set forth in section 12-129n of the General Statutes and Section 7-23 of the Code;

WHEREAS, the City wishes to allow the Sewer Authority to make a sewer assessment payment program contemplated by section 7-253a of the General Statutes available to property owners who are under the age of sixty-five and who meet the qualifications for total or permanent disability as set forth in section 12-129n of the General Statutes and Section 7-23 of the Code.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH, that the following modifications be made to Article I of Chapter 21 of the Code:

[NEW] Sec. 21-3.7. Payment of disabled property owner’s sewer assessment.

Pursuant to G.S. § 7-253a, and under the provisions of G.S. §§ 12-129n and/or 12-170aa, the municipal water pollution control authority, the Sewer Authority, is granted the authority to approve a plan of the sewer assessment payments for property owners who are under age sixty-five and who meet all of the qualifications of being disabled, as outlined in G.S. §§ 12-129n and/or 12-170aa. Such authority may include an option to pay only the annual interest charge, as provided in G.S. § 7-253, on any deferred payments or outstanding balance of principal, provided in any such optional method of payment, the outstanding balance of principal deferred under such optional method of payment shall become due upon any transfer of title to the property subject to such assessment or upon death of such property owner. Any optional method of payment provided under this section shall be subject to approval and annual review by the Sewer Authority.

- DWSRF Resolution
 - Caribou Drive Project. Motion to approve made by Commissioner Staley, seconded by Secretary Warzecha. Voted in favor: Chairman Peil, Vice Chairman Avent, Secretary Warzecha, and Commissioners Staley and Goldblatt. Motion passed.

RESOLUTION APPROVING AN ORDINANCE APPROPRIATING \$3,350,000 FOR THE PLANNING, DESIGN AND CONSTRUCTION TO REPLACE A WATER MAIN ALONG CARIBOU DRIVE AND LAWLER LANE IN THE

CITY OF NORWICH, AUTHORIZING THE ISSUANCE OF \$3,350,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY WATER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND DEPARTMENT OF PUBLIC UTILITIES TO ENTER INTO GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO.

Resolved, the Board of Public Utility Commissioners (the "Board") having considered:

1. The costs for the planning, design and construction of to replace a water main along Caribou Drive and Lawler Lane in the City of Norwich, Connecticut (the "Project"),
2. An Ordinance proposed to be adopted by the Council of the City of Norwich (the "Council") entitled:

AN ORDINANCE APPROPRIATING \$3,350,000 FOR THE PLANNING, DESIGN AND CONSTRUCTION TO REPLACE A WATER MAIN ALONG CARIBOU DRIVE AND LAWLER LANE IN THE CITY, AUTHORIZING THE ISSUANCE OF \$3,350,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY WATER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND DEPARTMENT OF PUBLIC UTILITIES TO ENTER INTO GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO (the "Council Ordinance" attached hereto), and

3. The Joint Resolution of the City of Norwich, Connecticut and the Board of Public Utility Commissioners of the City of Norwich, Water System General Revenue Bond Resolution approved by the City Council on August 7, 2000 and the Board on July 17, 2000, as amended, (the "General Resolution"),

all of which are in connection with the planning, design and construction to replace a water main along Caribou Drive and Lawler Lane in the City of Norwich, including, but not limited to, all related site work, easements, land acquisition, materials, installation and deployment costs, and such additional improvements as may be accomplished within said appropriation provided herein, and including all administration, advertising, printing, legal, and financing costs as more fully set forth in the Ordinance attached hereto (the "Project"),

hereby authorizes, approves and ratifies: 1) the Ordinance and recommends its adoption to the City Council, and the General Resolution which it approves and ratifies, 2) the Project, and 3) entering into Project Loan and Subsidy Agreement with respect to the Project including any amendment, as applicable. The General Manager is authorized on behalf of the Board to enter into a loan agreement with such additions, revisions and deletions as in his judgment are in the best interest of the Board, including a schedule to fund a debt service reserve fund, and to revise the General Resolution, including the addition of information, completion of schedules, or such other changes as may facilitate the project and its financing, provided, the full faith and credit of the City shall not be pledged to secure the

bonds authorized to finance the Project. The Board specifically authorizes and approves the Project, the issuance of up to \$3,350,000 of water system revenue bonds (inclusive of any prior PLOs and any outstanding IFOs, if any), the pledge established by the General Resolution, the delegation to the General Manager of authority and responsibility, the terms and conditions of issuing debt, all as set forth therein, and covenants to establish the rates necessary to pay the bonds and to comply with the provisions and requirements therein. The Board recommends that the City Council take all action necessary to approve the Project and its financing, including approval of the Ordinance.

The General Manager is hereby authorized, on behalf of the Board, to enter into any other agreements, instruments, documents and certificates for the consummation of the transactions contemplated by this resolution. The General Manager is hereby authorized, on behalf of the Board, to apply for and accept any and all Federal and State grants for the Project, to expend said funds in accordance with the terms hereof, and in connection therewith to contract in the name of the City of Norwich Department of Public Utilities with engineers, contractors and others.

- Lead and Copper Project. Motion to approve made by Commissioner Staley, seconded by Secretary Warzecha. Voted in favor: Chairman Peil, Vice Chairman Avent, Secretary Warzecha, and Commissioners Staley and Goldblatt. Motion passed.

RESOLUTION APPROVING AN ORDINANCE APPROPRIATING \$500,000 FOR THE COSTS OF PLANNING A LEAD COPPER SERVICE LINE REPLACEMENT PROGRAM, IN THE CITY OF NORWICH, AUTHORIZING THE ISSUANCE OF \$500,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY WATER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND DEPARTMENT OF PUBLIC UTILITIES TO ENTER INTO GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO.

Resolved, the Board of Public Utility Commissioners (the “Board”) having considered:

1. The costs of planning a lead copper service line replacement program (“LSL”), including, but not limited to, the development of an electronic database and map of the various components of the water lines and prioritizing areas of the LSL replacement in the City of Norwich, Connecticut (the “Project”),
2. An Ordinance proposed to be adopted by the Council of the City of Norwich (the “Council”) entitled:

AN ORDINANCE APPROPRIATING \$500,000 FOR THE COSTS OF PLANNING A LEAD COPPER SERVICE LINE REPLACEMENT PROGRAM, IN THE CITY OF NORWICH, AUTHORIZING THE ISSUANCE OF \$500,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY WATER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND DEPARTMENT OF PUBLIC UTILITIES TO ENTER INTO

GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO (the "Council Ordinance" attached hereto), and

3. The Joint Resolution of the City of Norwich, Connecticut and the Board of Public Utility Commissioners of the City of Norwich, Water System General Revenue Bond Resolution approved by the City Council on August 7, 2000 and the Board on July 17, 2000, as amended, (the "General Resolution"),

all of which are in connection with the costs of planning a lead copper service line replacement program ("LSL"), including, but not limited to, the development of an electronic database and map of the various components of the water lines and prioritizing areas of the LSL replacement in the City of Norwich, Connecticut, and all related site work, easements, land acquisition, materials, installation and deployment costs, and such additional improvements as may be accomplished within said appropriation provided herein, and including all administration, advertising, printing, legal, and financing costs as more fully set forth in the Ordinance attached hereto (the "Project"),

hereby authorizes, approves and ratifies: 1) the Ordinance and recommends its adoption to the City Council, and the General Resolution which it approves and ratifies, 2) the Project, and 3) entering into Project Loan and Subsidy Agreement with respect to the Project including any amendment, as applicable. The General Manager is authorized on behalf of the Board to enter into a loan agreement with such additions, revisions and deletions as in his judgment are in the best interest of the Board, including a schedule to fund a debt service reserve fund, and to revise the General Resolution, including the addition of information, completion of schedules, or such other changes as may facilitate the project and its financing, provided, the full faith and credit of the City shall not be pledged to secure the bonds authorized to finance the Project. The Board specifically authorizes and approves the Project, the issuance of up to \$500,000 of water system revenue bonds (inclusive of any prior PLOs and any outstanding IFOs, if any), the pledge established by the General Resolution, the delegation to the General Manager of authority and responsibility, the terms and conditions of issuing debt, all as set forth therein, and covenants to establish the rates necessary to pay the bonds and to comply with the provisions and requirements therein. The Board recommends that the City Council take all action necessary to approve the Project and its financing, including approval of the Ordinance.

The General Manager is hereby authorized, on behalf of the Board, to enter into any other agreements, instruments, documents and certificates for the consummation of the transactions contemplated by this resolution. The General Manager is hereby authorized, on behalf of the Board, to apply for and accept any and all Federal and State grants for the Project, to expend said funds in accordance with the terms hereof, and in connection therewith to contract in the name of the City of Norwich Department of Public Utilities with engineers, contractors and others.

COUNCIL ORDINANCE

AN ORDINANCE APPROPRIATING \$500,000 FOR THE COSTS OF PLANNING A LEAD COPPER SERVICE LINE REPLACEMENT PROGRAM, IN THE CITY OF NORWICH, AUTHORIZING THE ISSUANCE OF \$500,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY WATER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND DEPARTMENT OF PUBLIC UTILITIES TO ENTER INTO GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH:

The sum of \$500,000 is appropriated for the costs of planning a lead copper service line replacement program (“LSL”), including, but not limited to, the development of an electronic database and map of the various components of the water lines and prioritizing areas of the LSL replacement in the City of Norwich, Connecticut, and all related site work, easements, land acquisition, materials, installation and deployment costs, and such additional improvements as may be accomplished within said appropriation provided herein, and including all administration, advertising, printing, legal, and financing costs as more fully set forth in this Ordinance (hereafter the “Project”) as shall be determined by the City of Norwich Department of Public Utilities (the “Department”). Said appropriation shall be inclusive of State and Federal grants in aid thereof. The Department is authorized to enter into contracts, expend the appropriation and implement the Project herein authorized.

The estimated useful life of the Project is thirty years. The total estimated cost of the Project is \$500,000. \$500,000 of the total Project cost is estimated to be financed by or through the State of Connecticut pursuant to its Clean Water Fund Program (as hereinafter defined), through a subsidized interest loan. The Project is a general benefit to the City of Norwich and its general governmental purposes.

To meet said appropriation:

- (i) bonds of the City or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the twentieth year after their date (or such longer term as may be authorized). Said bonds may be issued in one or more series as determined by the City Manager, the Comptroller - acting on behalf of the City herein - and General Manager of the City of Norwich Department of Public Utilities - acting on behalf of the Department and the Board of Public Utilities Commissioners (hereafter the “Board”) herein - (the “Issuer Officials”) and the amount of bonds of each series to be issued shall be fixed by the Issuer Officials in the amount necessary to meet the Issuer’s share of the cost of the Project determined after considering the estimated amount of the State and Federal grants-in-aid of the Project, or the actual amount thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of

and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, printing and legal costs of issuing the bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, or, be combined with other bonds of the Issuer and such combined issue shall be in the denomination per aggregate maturity of \$1,000 or a whole multiple thereof, be issued in bearer form or in fully registered form, be executed in the name and on behalf of the City by the facsimile or manual signatures of the Issuer Officials bear the City seal or a facsimile thereof, be certified by a bank or trust company designated by the Issuer Officials, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company designated by the Issuer Officials and be approved as to their legality by Bond Counsel. They shall bear such rate or rates of interest as shall be determined by the Issuer Officials. The issuance of such bonds in one or more series, the aggregate principal amount of bonds to be issued, the annual installments of principal, redemption provisions, if any, the date, time of issue and sale and other terms, details and particulars of such bonds shall be determined by the Issuer Officials, in accordance with the Joint Resolution. In the case of Parity Indebtedness as defined in the Joint Resolution between the City of Norwich and the Board (as hereinafter defined as the "Joint Resolution"), the Issuer Officials, shall also determine the revenues and property to be pledged for payment of such Parity Indebtedness; or

(ii) temporary notes of the City may be issued in one or more series pursuant to Section 7-244a of the General Statutes of Connecticut, as amended. The amount of such notes to be issued, if any, shall be determined by the Issuer Officials, and they are hereby authorized to determine the date, maturity, interest rate, form and other details and particulars of such notes, and to sell, execute and deliver the same; or

(iii) interim funding obligations and project loan obligations or any other obligations of the City (hereinafter "Clean Water Fund Obligations") evidencing an obligation to repay any portion of the costs of the Project determined by the State of Connecticut Department of Environmental Protection, Public Health or other department as applicable to be eligible for funding under Section 22a-475 et seq. of the Connecticut General Statutes, as the same may be amended from time to time (the "Clean Water Fund Program"). The General Manager of the Department is hereby authorized, on behalf of the City and the Board, to enter into any other agreements, instruments, documents and certificates for the consummation of the transactions contemplated by this Ordinance. The General Manager of the Department is hereby authorized, on behalf of the City and the Board, to apply for and accept any and all Federal and State grants for the Project, to expend said funds in accordance with the terms hereof, and in connection therewith to contract in the name of the Department with engineers, contractors and others. The City may issue Clean Water Fund Obligations in one or more series and in such denominations as the Issuer Officials shall determine, provided that the total of all such Clean Water Fund Obligations, bonds and notes issued and appropriation expended pursuant to this ordinance shall not exceed \$500,000. The Issuer Officials are hereby authorized to determine the amount, date, maturity, interest rate, form and other details and particulars of such interim funding obligations and project loan obligations, subject to the provisions of the Clean Water Fund Program, and to

execute and deliver the same. Clean Water Fund Obligations shall be secured solely from a pledge of water system revenues; or

(iv) promissory notes, bonds or other obligations made payable to the United States of America to meet any portion of the costs of the Project determined by the federal government, including acting through the Rural Utility Service of the United States Department of Agriculture (“USDA”) or other federal program or agency, to be eligible for loan and/or grant monies; or

(v) any combination of bonds, temporary notes, notes, or obligations as set forth in the preceding subsections may be issued, provided that the total, aggregate principal amount thereof outstanding, and including the amount of grant funding obtained pursuant to a Project Grant and Project Loan Agreement, at any time shall not exceed \$500,000.

Bonds, temporary notes, or water assessment notes, Clean Water Fund Obligations and federal obligations all as set forth in section 3 are hereafter referred to as “Bonds.” The Bonds shall be water revenue bonds of the City, the payment of principal and interest on which shall be secured solely by revenues derived from the operation of the water system, including use charges, connection charges, benefit assessments or any combination thereof, investment income derived therefrom, or other property of the water system or revenue derived from the operation of the water system in accordance with the Joint Resolution. Each of the Bonds shall recite to the effect that every requirement of law relating to its issue has been duly complied with, that such Bond is within every debt and other limit prescribed by law, that such Bond does not constitute a general obligation of the City for which its full faith and credit is pledged, and that such Bond is payable solely from revenues, assessments, charges or property of the water system specifically pledged therefore.

The bonds authorized to be issued by section 3 shall be, issued and secured pursuant to the Joint Resolution approved by the City Council on August 7, 2000, and the Board on July 17, 2000, as amended, and as supplemented by various supplemental Resolutions adopted pursuant to the Joint Resolution, and which is hereby ratified, confirmed and approved in its entirety, including without limitation, the rate and revenue covenants therein. The Board irrevocably agrees to comply with the provisions of the Joint Resolution, including Supplemental Resolutions, including but not limited to: to set, establish and collect and maintain rates and revenue as necessary to continually comply with the terms, conditions and covenants of the General Resolution. The City irrevocably agrees to comply with the provisions of the General Resolution. In order to implement the provisions of the Joint Resolution the City and the Board may enter into an indenture of trust with a bank and trust company which indenture may contain provisions customarily included in revenue bond financings, including provisions of a similar nature to those in the Joint Resolution and which are necessary, convenient or advisable in connection with the issuance of the Bonds and their marketability. The Issuer Officials are hereby authorized to execute and deliver on behalf of the City and the Board an indenture in such final form and containing such terms and conditions as

they shall approve, and their signatures on any such indenture shall be conclusive evidence of their approval as authorized hereby.

The Issuer Officials on behalf of the City and the Board are authorized to agree to additional terms and to delete or change existing terms and otherwise amend the form of Joint Resolution in order to obtain State or Federal funding, provide better security for the bonds, correct any matter, cure any ambiguity or defect or otherwise benefit the Issuer in their judgment. Such additional or different terms may include restrictions on the use of water funds or fund balance or water operations, coverage ratios, additional or changed reserve requirements, identification and pledge of revenues securing the Bonds, providing for the form of the Bonds, conditions precedent to the issuance of Bonds and additional Bonds, the establishment and maintenance of funds and the use and disposition there from, including but not limited to accounts for the payment of debt service, the payment of operating expenses, debt service reserve and other reserve accounts, providing for the issuance of subordinated indebtedness, defining an event of default and providing for the allocation of revenues in such event, credit enhancement, providing for a pledge and allocation of water revenues to pay for obligations issued by third parties, and provisions of a similar and different nature to those in the Joint Resolution and which are necessary, convenient or advisable in connection with the issuance of the Bonds and their marketability, and to obtain the benefits of any State or Federal grant or low interest loan program, including but not limited to the Clean Water Fund and Federal Department of Agriculture Programs. The Issuer Officials are hereby authorized, in addition to the General Resolution, to execute and deliver on behalf of the Issuer and the Board an indenture of trust in such final form and containing such terms and conditions as they shall approve, and their signatures on any such indenture shall be conclusive evidence of their approval as authorized hereby.

The issue of the Bonds aforesaid and of all other bonds or notes of the City heretofore authorized but not yet issued, as of the effective date of this Ordinance, would not cause the indebtedness of the City to exceed any debt limit calculated in accordance with law.

Said Bonds shall be sold by the Issuer Officials in a competitive offering or by negotiation, in their discretion. If sold in a competitive offering, the Bonds shall be sold upon sealed proposals at not less than par and accrued interest on the basis of the lowest not or true interest cost to the City. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If the Bonds are sold by negotiation, the Issuer Officials, are authorized to execute a purchase agreement on behalf of the City and Board containing such terms and conditions as they deem appropriate and not inconsistent with this Ordinance.

Resolution of Official Intent to Reimburse Expenditures with Borrowings. The City of Norwich (the "Issuer") hereby expresses its official intent pursuant to section 1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and after the date of passage of this Resolution in the maximum amount and for the capital project defined in Section 1 with the proceeds of bonds, notes, or other obligations ("Bonds") authorized to be issued by the Issuer. The

Bonds shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the project, or such later date the Regulations may authorize. The Issuer hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Comptroller, and General Manager of the City of Norwich Department of Public Utilities or their designee is authorized to pay project expenses in accordance herewith pending the issuance of reimbursement bonds, and to amend this declaration.

It is hereby found and determined that it is in the public interest to issue all, or a portion of, the Bonds, Notes or other obligations of the City authorized to be issued herein as qualified private activity bonds, or with interest that is includable in gross income of the holders thereof for purposes of federal income taxation. The Issuer Officials are hereby authorized to issue and utilize without further approval any financing alternative currently or hereafter available to municipal government pursuant to law, including but not limited to any “tax credit bond,” or “Build America Bonds” including Direct Payment and Tax Credit Versions.

This Ordinance shall be effective upon adoption by the City Council and its approval by the Board.

- Authorization for General Manager to participate in CMEEC PPA Project. Motion to approve made by Secretary Warzecha, seconded by Commissioner Staley. Voted in favor: Chairman Peil, Vice Chairman Avent, Secretary Warzecha, and Commissioners Staley and Goldblatt. Motion passed.

RESOLUTION

Be it resolved that it is in the best interests of Norwich Public Utilities (NPU) of Norwich, Connecticut to enter into contracts with the Connecticut Municipal Electric Energy Cooperative (CMEEC). In furtherance of this resolution, Christopher LaRose, the General Manager of NPU is duly authorized to enter into and sign said contracts on behalf of NPU. Christopher LaRose currently holds, and has held the office of General Manager, since July 2019. The General Manager is further authorized to provide such additional information and execute such other documents as may be required by the local, state or federal government in connection with said contracts and to execute any amendments, rescissions, and revisions thereto.

- AFSCME Union contract vote. Motion to approve made by Commissioner Goldblatt, seconded by Vice Chairman Avent. Voted in favor: Chairman Peil, Vice Chairman Avent, Secretary Warzecha, and Commissioners Staley and Goldblatt. Motion passed.
- Economic Development Rate Public Hearing. Motion to set a public hearing for July 26, 2022, made by Commissioner Goldblatt, seconded by Commissioner Staley. Voted in favor: Chairman Peil, Vice Chairman Avent, Secretary Warzecha, and Commissioners Staley and Goldblatt. Motion passed.
- Authorization for General Manager to execute gas supply project. Motion to approve made by Commissioner Staley, seconded by Commissioner Goldblatt. Voted in favor: Chairman Peil, Vice Chairman Avent, Secretary Warzecha, and Commissioners Staley and Goldblatt. Motion passed.

RESOLUTION

BE IT RESOLVED that Christopher LaRose, General Manager of the City of Norwich Department of Public Utilities, is duly authorized by the City of Norwich Board of Public Utilities Commissioners to execute Amendment #2 to the special gas services contract with Atlantic City Linen Supply subject to satisfactory negotiations. Said Amendment revises the gas rate commensurate with ACLS's post Covid load profile and is based on a cost of service methodology.

Item 11. Other Business. Commissioner Staley recommended appointing Commissioner Goldblatt to the Economic Development Subcommittee. Discussion followed.

Commissioner Staley, seconded by Secretary Warzecha moved to adjourn the meeting at 8:50 p.m. Unanimously approved.

The next Regular Meetings are scheduled to be held on Tuesday, July 26, 2022.

Attest:

William Warzecha
Secretary