



NORWICH BOARD OF PUBLIC UTILITIES' COMMISSIONERS
&
SEWER AUTHORITY OF THE CITY OF NORWICH
REGULAR MEETING
JULY 27, 2021

The Regular July Meeting of the Norwich Board of Public Utilities' Commissioners and Sewer Authority of the City of Norwich was held on Tuesday, July 27, 2021 at 16 South Golden Street in Norwich, CT and via WebEx.

Item 1. The Meeting was called to order at 6:05 p.m. by Chairman Robert Staley.

Present in person: Chairman Robert Staley, Vice Chairman Stewart Peil, Secretary Michael Goldblatt, and Commissioner Ashon Avent. Commissioner William Warzecha joined the meeting at 6:45 pm. Also in attendance were General Manager Chris LaRose, and NPU staff members Steve Sinko, Jeff Brining, Laura Huren, John Covey and Jeanne Kurasz. NPU staff members Larry Sullivan, Kerri Kemp, Mary Lou Rychling, Eric McDermott and Ruth Swift participated via WebEx.

Item 2: Chairman Staley welcomed Commissioner Avent to the Board of Public Utilities Commissioner and Sewer Authority of the City of Norwich.

Item 3: Fifteen-Minute Public Comment Period. Mayor Peter Nystrom, on behalf of the citizens of Norwich, congratulated Commissioner Avent on his appointment to the Board of Commissioners and Sewer Authority.

Item 4: Minutes of the Special Board of Public Utilities Commissioners and Sewer Authority of the City of Norwich Meeting, held on Wednesday, July 7, 2021. Vice Chairman Peil, seconded by Secretary Goldblatt moved to approve the Minutes of the Special Board of Public Utilities Commissioners and Sewer Authority of the City of Norwich Meeting, held on Wednesday, July 7, 2021. Voted in favor: Chairman Staley, Vice Chairman Peil, Secretary Goldblatt. Abstained: Commissioner Avent. Absent: Commissioner Warzecha.

Item 5. The Leadership Team Update and Financial Update were provided to Commissioners prior to the meeting. Informative.

Chairman Staley asked for a motion to adjust the Agenda to allow for a presentation by the City of Norwich Comptroller, Josh Pothier, and Attorney John Stafstrom Jr, Bond Counsel, on Item 11. Action Items - Pension Obligation Bond (POB) Resolution. The motion was made by Vice Chairman Peil and seconded by Secretary Goldblatt. Voted in favor: Chairman Staley, Vice Chairman Peil, Secretary Goldblatt, Commissioner Avent. Absent: Commissioner Warzecha.

Following the presentation and discussion, Secretary Goldblatt, seconded by Commissioner Avent, moved to approve the Pension Obligation Bond Resolution as presented. Voted in favor: Chairman Staley, Vice Chairman Peil, Secretary Goldblatt, Commissioner Avent. Absent: Commissioner Warzecha.

NORWICH BOARD OF PUBLIC UTILITIES COMMISSION RESOLUTION

RESOLUTION AUTHORIZING THE ADOPTION OF A PENSION OBLIGATION BOND DEBT SERVICE REPAYMENT AGREEMENT BY AND AMONG THE CITY OF NORWICH, THE NORWICH DEPARTMENT OF PUBLIC UTILITIES AND THE NORWICH BOARD OF EDUCATION

WHEREAS, the City Council of the City of Norwich, Connecticut (the "City") is considering the adoption of an ordinance authorizing the City to appropriate up to \$145 million to fully fund the City's unfunded actuarial accrued liability in the Employees Retirement Fund (the "Fund") and to authorize the issuance of taxable general obligation pension bonds to meet said appropriation (the "2021 POBs"); and

WHEREAS, the City's Department of Public Utilities ("DPU") endorses the City's issuance of the 2021 POBs as an effective strategy to fund the City's unfunded actuarial accrued liability, and endorses the creation of a pension reserve fund as an effective strategy to stabilize future operating budgets (the "Pension Reserve Fund");

WHEREAS, the City, the DPU, and the City's Board of Education ("BOE") (collectively, the "Parties") intend that the debt service on the 2021 POBs be paid pro rata by each of the Parties, in accordance with an analysis of the actuarial valuation used to determine the unfunded actuarial accrued liability in the Fund attributable to each of the City, DPU and BOE employees and former employees; and

WHEREAS, the Parties agree that any surplus in the Pension Reserve Fund shall be distributed, and any contributions required to be made to the Pension Reserve Fund shall be made, in the same pro rata share as determined for purposes of debt service on the 2021 POBs and all in accordance with Article VI of Chapter 7 of the Norwich Code of Ordinances as proposed to be amended to establish the Pension Reserve Fund; and

WHEREAS, the Parties desire to enter into a Debt Service Repayment Agreement, in substantially the form attached hereto as Exhibit A (the "Agreement"), to set forth the agreements between them governing the repayment of debt service on the 2021 POBs and governing the distributions and contributions to the Pension Reserve Fund.

NOW THEREFORE, BE IT RESOLVED, the Norwich Board of Public Utilities Commission (the "Board") hereby:

1. Approves the Agreement in the form presented to the Board with such non-material changes as the General Manager deems necessary or appropriate; and
2. Authorizes the General Manager to execute the Agreement on behalf of the DPU, and to execute and deliver on behalf of the DPU all such other documents and agreements, and to take all action, necessary and proper for the sale, issuance and delivery of the 2021 POBs including, but not limited to, repayment agreements, memoranda of understanding, instruments and documents with the City and the BOE;
3. Provides that these resolutions be placed in the records of NPU along with the minutes of the meetings of the Board and that the Secretary of the Board is hereby authorized to certify that the foregoing resolutions have been adopted at a duly convened meeting of the Board.

Item 6. Vice Chairman Peil provided an overview of CMEEC activity. Informative.

Item 7. Secretary Goldblatt provided a summary of the July 2021 Finance and Audit Subcommittee meeting. Informative.

Item 8. Customer Bill Update. Jeff Brining, Customer Service Division Manager, provided a project update. Informative.

Item 9. CEN Public WIFI Update. John Covey, NPU IT Manager, updated the Board on the status of the CEN Public WIFI project. Informative.

Item 10. Laura Huren, NPU Financial Manager, presented information on a proposed Debt Policy. Discussion followed.

Item 11. Division Manager Steve Sinko and Laura Huren presented information on proposed rate tariff language changes and a proposed new Economic Development Electric Rate. Discussion followed. Commissioner Warzecha, seconded by Commissioner Avent moved to schedule a Rate Public Hearing for August 31, 2021. Approved unanimously.

Item 12. The Board provided input to Chris LaRose on updating the Strategic Plan. Chairman Staley recommended reconstituting the Board of Commissioners Economic Development Subcommittee and will be looking for nominations for new subcommittee members at the August 31, 2021 Board Meeting.

Item 13. 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. Commissioner Warzecha, seconded by Secretary Goldblatt moved to enter into Executive Session at 7:35 p.m. Unanimously approved. General Manager LaRose, Steve Sinko, and Jeff Brining were asked to stay for Executive Session.

The Board came out of Executive Session at 7:55 pm.

Item 14. No other business was discussed.

Following a motion by Vice Chair Peil and seconded by Secretary Goldblatt, the Board voted unanimously to adjourn the meeting at 7:56 pm.

The next Regular Meeting is scheduled to be held on Tuesday, August 31, 2021.

Attest:

Michael Goldblatt
Secretary