



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

October 24, 2023

The Regular Meeting of the Norwich Board of Public Utilities' Commissioners and the Sewer Authority of the City of Norwich was held on Tuesday, October 24, 2023, 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, Secretary William Warzecha, Commissioner Robert Staley and Commissioner Michael Goldblatt joined the meeting at 6:00 p.m. Vice Chairman Ashon Avent joined the meeting remotely at 6:12 p.m. NPU staff in attendance were General Manager Chris LaRose, Steve Sinko, Jeff Brining, Michele Addabbo, Laura Huren, Larry Sullivan, Ruth Swift, John Covey, Kyle Cioffi, Eric McDermott, Chris Riley, Barry Ellison, Dave Poore, Mary Lou Rychling, Simone Oliva, and Tom Finn. Attorney Mike Andreana of Pullman & Comley was also present.

Item 2. Fifteen Minute Public Comment Period. There were no public comments provided.

Item 3. Approval of the Minutes of the Regular Board of Public Utilities' Commissioners Meeting and Sewer Authority of the City of Norwich, held on Tuesday, September 26, 2023. Motion to approve made by Secretary Warzecha, seconded by Commissioner Staley. Unanimously approved.

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

- Leadership Team Update. Brief discussion followed. Informative.
- Interdepartmental Loan Resolution, Sewer Department Promissory Note. This item was to be discussed later in the meeting.
- Financial Update. Informative. Brief discussion on accounting terms and practices between Commissioner Goldblatt and Laura Huren.

Item 5. Information and Updates

- Rates: Communication Plan / Bill Schedule – Chris Riley provided an update. Informative.
- Winter Moratorium – Ruth Swift provided an update. Informative.
- School Sewer Connection Fee - Chris Larose provided an overview and explanation of options. Informative.

- Sewer Plant Update – Larry Sullivan provided an update on the project. Mike Andreana reviewed and led a discussion of the Interdepartmental Loan Resolution. Informative.

Item 6. Action Items

- Interdepartmental Loan Resolution

Motion to approve the resolution made by Chairman Peil and seconded by Commissioner Warzecha. Unanimously approved.

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.

Secretary Warzecha, seconded by Commissioner Staley moved to enter into Executive Session at 7:12 p.m. Unanimously approved. General Manager LaRose, Steve Sinko, Jeff Brining and Chris Riley, and Mary Lou Rychling were asked to stay for the Executive Session.

The Board came out of Executive Session at 8:35 p.m. No votes were taken.

Commissioner Goldblatt, seconded by Commissioner Staley moved to adjourn the meeting at 8:36 p.m. Unanimously approved.

The next Regular Meetings are scheduled to be held on Tuesday, November 28, 2023.

Attest:

William Warzecha
Secretary

Norwich Board of Public Utilities Commission Resolution

RESOLUTION AUTHORIZING THE EXECUTION AND ISSUANCE OF A PROMISSORY NOTE BY THE SEWER DIVISION TO THE ELECTRIC DIVISION AND ANY RELATED DOCUMENTS IN ORDER TO FUND IMPROVEMENTS AND EXPANSION OF THE WASTEWATER TREATMENT FACILITY IN THE CITY OF NORWICH

WHEREAS, the City of Norwich, Connecticut (the “City”) has determined that it is in the public interest to undertake a program for upgrades to the Norwich Department of Public Utilities’ (“NPU”) wastewater treatment facility (the “Facility”), including, but not limited to, septage receiving and pumping, influent pipeline improvements, preliminary treatment, influent pumping, primary treatment, aeration and biological nutrient removal, secondary treatment, ultraviolet light disinfection, effluent pumping, odor control, sludge handling, storage and pumping, facility wide electrical and instrumentation/SCADA improvements, replacement of the existing administration and laboratory facilities and the closure of the adjacent Hollyhock Island waste disposal area, and such additional improvements as shall be determined by the Sewer Authority of the City of Norwich (hereinafter the “Project”); and

WHEREAS, the City and NPU anticipate entering into Project Loan and Project Grant Agreement CWF 743-C with the State of Connecticut in the near future (the “Project Agreement”) in order to finance the Project through a grant and a loan to NPU pursuant to the Clean Water Fund Act; and

WHEREAS, NPU is comprised of the Electric Division, the Gas Division, the Water Division, and the Sewer Division, which operate independently of each other; and

WHEREAS, the Sewer Division of NPU will be required to front certain Project costs from time to time prior to entering into the Project Agreement and receiving grant and loan funding from the State; and

WHEREAS, the Electric Division desires to assist the Sewer Division in the Project and proposes to provide a short-term line of credit to the Sewer Division in the maximum amount of \$15,500,000.00, with such line of credit evidenced by a Line of Credit Promissory Note (the “Note”) in substantially the form attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED, the Norwich Board of Public Utilities Commission (the “Board”) hereby authorizes, approves and ratifies:

1. That the General Manager, including any Acting General Manager, of NPU is authorized to execute and enter into, on behalf of both the Sewer Division and the Electric Division, the Note and any other agreements, documents, certificates or writings that the General Manager, in his discretion, believes are necessary and appropriate to carry out the intent of the Note and this resolution.

2. That the maximum loan amount under the Note shall not exceed \$15,500,000.00. That the interest rate on the Note shall be equal to the variable rate earned in the M&T Bank, City of Norwich Dept. of Public Utilities account #15005093625700.

3. That the repayment of principal on the Note is anticipated to be paid out of grant and loan monies from the Project Agreement and the repayment of interest is anticipated to be paid from Sewer Division revenues.

4. That the maturity date on the Note, if not sooner paid, shall be June 30, 2024.

5. That this resolution 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 resolution has been adopted at a duly convened meeting of the Board.

APPROVED AT A REGULAR MEETING OF THE BOARD HELD ON OCTOBER 24, 2023.

WILLIAM WARZECHA
Secretary, Norwich Board of Public Utilities
Commission

Exhibit A

Form of Promissory Note

Line of Credit Promissory Note

\$15,500,000.00

October 24, 2023

FOR VALUE RECEIVED, the undersigned, the **NORWICH PUBLIC UTILITIES SEWER DIVISION** (the "Sewer Division"), a division within the City of Norwich Department of Public Utilities, a Department of the City of Norwich, Connecticut ("NPU") agrees to borrow from the **NORWICH PUBLIC UTILITIES ELECTRIC DIVISION** (the "Electric Division"), a division within NPU, and the Electric Division agrees to lend to the Sewer Division, in incremental advances which will not exceed, in the aggregate, \$15,500,000.00 (the "Loan Amount"). Interest shall be a rate equal to the applicable variable rate earned in the M&T Bank, City of Norwich Dept. of Public Utilities account #15005093625700. Interest shall accrue and be payable on the first business day of each month in arrears on the outstanding principal amount advanced hereunder for the period of time outstanding. The loan is not a revolving loan; amounts repaid may not be re-borrowed. The final payment of principal and interest, if not sooner paid, shall be due on the 30th day of June, 2024. All such payments on account of the indebtedness evidenced by this Note shall be applied first to accrued and unpaid interest on the unpaid principal balance and the remainder to principal.

1. Payments. All principal and interest payments are to be made at 16 South Golden Street, Norwich, Connecticut, or at such other place as the legal holder of this Note may from time to time in writing appoint. All amounts owing under this Note shall be payable in legal tender of the United States of America.

2. Prepayment. The Sewer Division may prepay the indebtedness evidenced by this Note, in whole or in part, at any time, without penalty.

3. Severability. If any one or more of the provisions of this Note shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part, or in any respect, or if any one or more of the provisions of this Note shall operate, or would prospectively operate, to invalidate this Note, then such provision or provisions only shall be deemed to be null and void and of no force or effect and shall not affect any other provision of this Note, and the remaining provisions of this Note shall remain operative and in full force and effect, shall be valid, legal and enforceable, and shall in no way be affected, prejudiced or disturbed thereby.

4. Modifications; Governing Law. This Note may not be modified or terminated orally, but only by a written instrument signed by both parties. This Note shall be governed by and construed in accordance with the laws of the State of Connecticut.

5. References. As used in this Note, words of any gender shall be deemed to apply equally to any other gender, the plural shall include the singular and the singular shall include the plural (as the context shall require), and the word "person" shall refer to individuals, entities, authorities and other natural and juridical persons of every type.

6. Successors and Assigns. This Note and all covenants, agreements and provisions set forth in this Note shall be binding on the Sewer Division and its, legal representatives, successors and assigns. This Note and all covenants, agreements and provisions set forth in this Note shall inure to the benefit of Electric Division and its successors and assigns.

IN WITNESS WHEREOF, the Sewer Division has caused this Note to be executed by its duly authorized officer as of the day and year first above written.

**NORWICH PUBLIC UTILITIES
SEWER DIVISION**

By: _____
Christopher LaRose
General Manager of Norwich Public
Utilities and Authorized Representative
of its Sewer Division