



General Assembly

January Session, 2013

**Raised Bill No. 964**

LCO No. 2778



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:  
(PD)

**AN ACT CONCERNING THE SOUTH CENTRAL CONNECTICUT  
REGIONAL WATER AUTHORITY AND CONCERNING THE SALE OF  
WATER TO COMMUNITY WATER SYSTEMS.**

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. Section 1 of special act 77-98, as amended by section 5 of  
2 special act 99-12 and section 2 of public act 02-85, is amended to read  
3 as follows (*Effective from passage*):

4 It is found and declared as a matter of legislative determination that  
5 the creation of the South Central Connecticut Regional Water  
6 Authority for the primary purpose of providing and assuring the  
7 provision of an adequate supply of pure water and the safe disposal of  
8 wastewater at reasonable cost within the South Central Connecticut  
9 Regional Water District and such other areas as may be served  
10 pursuant to cooperative agreements and acquisitions authorized by  
11 section 11 of special act 77-98, as amended by section 5 of special act  
12 78-24, [and] section 3 of special act 84-46, [and this act] section 2 of  
13 public act 02-85 and this act, and, to the degree consistent with the  
14 foregoing, of advancing water conservation and the conservation and

15 compatible recreational use of land held by the authority, conducting  
16 water or environmental related activities within or without the district,  
17 provided that at the time of any additional investment in such  
18 activities, the authority's outstanding principal debt investment in  
19 such activities made on and after June 30, 2013, shall not exceed five  
20 per cent of the authority's net utility plant devoted to water supply and  
21 distribution and wastewater collection and treatment and the carrying  
22 out of its powers, purposes, and duties under sections 1 to 33,  
23 inclusive, of special act 77-98, as amended by special act 78-24, special  
24 act 84-46, [and] sections 5 to 7, inclusive, of special act 99-12, [and this  
25 act] sections 2 to 21, inclusive, of public act 02-85 and this act, and for  
26 the benefit of the people residing in the South Central Connecticut  
27 Regional Water District and the State of Connecticut, and for the  
28 improvement of their health, safety and welfare, that said purposes are  
29 public purposes, and that the authority will be performing an essential  
30 governmental function in the exercise of its powers under sections 1 to  
31 33, inclusive, of special act 77-98, as amended by special act 78-24,  
32 special act 84-46, [and] sections 5 to 7, inclusive, of special act 99-12,  
33 [and this act] section 2 of public act 02-85 and this act.

34 Sec. 2. Section 2 of special act 77-98, as amended by section 1 of  
35 special act 78-24 and section 3 of public act 02-85, is amended to read  
36 as follows (*Effective from passage*):

37 As used in sections 1 to 33, inclusive, of special act 77-98, as  
38 amended by special act 78-24, public act 02-85 and this act, unless a  
39 different meaning appears in the context: "Authority" means the South  
40 Central Connecticut Regional Water Authority created by section 5 of  
41 special act 77-98, as amended by section 4 of special act 78-24 and [this  
42 act] public act 02-85; "district" means the South Central Connecticut  
43 Regional Water District created by section 3 of special act 77-98, as  
44 amended by section 2 of special act 78-24; "Representative policy  
45 board" means the representative policy board of the South Central  
46 Connecticut Regional Water District created by section 4 of special act  
47 77-98, as amended by section 3 of special act 78-24; "chief executive

48 officer" means that full time employee of the authority responsible for  
49 the execution of the policies of the authority and for the direction of  
50 the other employees of the authority; "treasurer" means the treasurer of  
51 the authority; "customer" means any person, firm, corporation,  
52 company, association or governmental unit furnished water or  
53 wastewater service by the authority or any owner of property who  
54 guarantees payment for water or wastewater service to such property;  
55 "properties" means the water supply and distribution system or  
56 systems, wastewater collection and treatment systems and other real or  
57 personal property of the authority; "bonds" means bonds, notes and  
58 other obligations issued by the authority; "revenues" means all rents,  
59 charges and other income derived from the operation of the properties  
60 of the authority; "wastewater" means any substance, liquid or solid,  
61 which may contaminate or pollute or affect the cleanliness or purity of  
62 any water; "water supply system" means plants, structures and other  
63 real and personal property acquired, constructed or operated for the  
64 purpose of supplying water, including land, reservoirs, basins, dams,  
65 canals, aqueducts, standpipes, conduits, pipelines, mains, pumping  
66 stations, water distribution systems, compensating reservoirs,  
67 waterworks or sources of water supply, wells, purification or filtration  
68 plants or other plants and works, connections, rights of flowage or  
69 diversion and other plants, structures, conveyances, real or personal  
70 property or rights therein and appurtenances necessary or useful and  
71 convenient for the accumulation, supply or distribution of water or for  
72 the conduct of water or environment related activities; "wastewater  
73 system" means plants, structures and other real and personal property  
74 acquired, constructed or operated for the purpose of collecting,  
75 treating and discharging or reusing wastewater, whether or not  
76 interconnected, including wastewater treatment plants, pipes and  
77 conduits for collection of wastewater, pumping stations and other  
78 plants, works, structures, conveyances, real or personal property or  
79 rights therein and appurtenances necessary or useful and convenient  
80 for the collection, transmission, treatment and disposition of  
81 wastewater; "subsidiary corporation" means a corporation organized

82 under the general statutes or by special act which owns or operates all  
83 or part of a water supply system or a wastewater system within the  
84 district and all of the voting stock of which is owned by the authority.  
85 A reference in sections 1 to 33, inclusive, of special act 77-98, as  
86 amended by special act 78-24, [and] special act 84-46, public act 02-85  
87 and this act, to any general statute, public act or special act shall  
88 include any amendment or successor thereto.

89 Sec. 3. Section 10 of special act 77-98, as amended by section 6 of  
90 public act 02-85, is amended to read as follows (*Effective from passage*):

91 Whenever a public hearing is required under sections 1 to 33,  
92 inclusive, of special act 77-98, as amended by sections 1 to 11,  
93 inclusive, of special act 78-24, [and this act] sections 2 to 21, inclusive,  
94 of public act 02-85 and this act, notice of such hearing shall be  
95 published by the representative policy board at least twenty days  
96 before the date set therefor, in a newspaper or newspapers having a  
97 general circulation in each city and town comprising the district. If  
98 there is no such newspaper, such notice shall be published in one or  
99 more electronic media, including, without limitation, the authority's  
100 Internet web site, as are likely to reach a broad segment of persons  
101 within the district. Such notice shall set forth the date, time and place  
102 of such hearing and shall include a description of the matters to be  
103 considered at such hearing. A copy of the notice shall be filed in the  
104 office of the clerk of each such city and town and shall be available for  
105 inspection by the public. At such hearings, all the users of the water  
106 supply system or the wastewater system, owners of property served or  
107 to be served and other interested persons shall have an opportunity to  
108 be heard concerning the matters under consideration. When  
109 appropriate, the chairman of the representative policy board may  
110 convene more than one hearing on any matter and direct such hearings  
111 to be held in suitable locations within the district so as to assure  
112 broader participation by the general public in discussion of the matters  
113 under consideration, provided in the case of the sale or transfer of real  
114 property pursuant to section 18 of special act 77-98, as amended by

115 section 7 of special act 78-24, [and this act] section 14 of public act 02-85  
116 and section 5 of this act, a public hearing shall be held in the city or  
117 town in which such real property is situated. Any decision of the  
118 representative policy board on matters considered at such public  
119 hearing shall be in writing and shall be published in a newspaper or  
120 newspapers having a general circulation in each city and town  
121 comprising the district within thirty days after such decision is made.

122 Sec. 4. Section 16 of special act 77-98, as amended by section 12 of  
123 public act 02-85, is amended to read as follows (*Effective from passage*):

124 All contracts in excess of fifty thousand dollars for any supplies,  
125 materials, equipment, construction work or other contractual services  
126 shall be in writing and shall be awarded upon sealed bids or proposals  
127 made in compliance with a public notice duly advertised by  
128 publication in one or more newspapers of general circulation or, if  
129 there are no such newspapers, in appropriate electronic media,  
130 including, without limitation, the authority's Internet web site, as are  
131 likely to reach a broad segment of potential vendors, at least ten days  
132 before the time fixed for opening said bids or proposals, except for (1)  
133 contracts for professional services, (2) when the supplies, materials,  
134 equipment or work can only be furnished by a single party, [or] (3)  
135 when the authority determines by a two-thirds vote of the entire  
136 authority that the award of such contract by negotiation without  
137 public bidding will be in the best interest of the authority, or (4) when  
138 the procurement is made as a result of participation in a procurement  
139 group, alliance or consortium made up of other state or federal  
140 governmental entities in which the state of Connecticut is authorized  
141 to participate. The authority may in its sole discretion reject all such  
142 bids or proposals or any bids received from a person, firm or  
143 corporation the authority finds to be unqualified to perform the  
144 contract, and shall award such contract to the lowest responsible  
145 bidder qualified to perform the contract.

146 Sec. 5. Subsection (c) of section 18 of special act 77-98, as amended

147 by section 7 of special act 78-24 and section 14 of public act 02-85, is  
148 amended to read as follows (*Effective from passage*):

149 (c) After approval of land use standards and disposition policies in  
150 the manner provided in subsection (b) of this section, the authority  
151 shall not sell or otherwise transfer any real property or any interest or  
152 right therein, except for access or utility purposes, or develop such  
153 property for any use not directly related to a water supply function,  
154 other than for public recreational use not prohibited by section 25-43c  
155 of the general statutes, without the approval of a majority of the  
156 weighted votes of all of the members of the representative policy  
157 board, excluding vacancies, in the case of a parcel of twenty acres or  
158 less, and by three-fourths of the weighted votes of all of the members  
159 of said board, excluding vacancies, in the case of a parcel in excess of  
160 twenty acres. The representative policy board shall not approve such  
161 sale or other transfer or development unless it determines, following a  
162 public hearing, that the proposed action (1) conforms to the established  
163 standards and policies of the authority, (2) is not likely to affect the  
164 environment adversely, particularly with respect to the purity and  
165 adequacy of both present and future water supply, and (3) is in the  
166 public interest, giving due consideration, among other factors, to the  
167 financial impact of the proposed action on the customers of the  
168 authority and on the municipality in which the real property is located.

169 Sec. 6. Section 19 of special act 77-98, as amended by section 15 of  
170 public act 02-85, is amended to read as follows (*Effective from passage*):

171 The authority shall not (1) acquire, by purchase, lease or otherwise,  
172 any existing water supply system or parts thereof [,] or any wastewater  
173 system or parts thereof, [or] (2) commence any project costing more  
174 than two million dollars to repair, improve, construct, reconstruct,  
175 enlarge and extend any of its properties or systems, or (3) acquire or  
176 make a subsequent investment in any water or environment related  
177 business in an amount more than one million dollars without the  
178 approval, following a public hearing, of a majority of the total

179 weighted votes of the membership of the representative policy board.  
180 In the case of the first acquisition by the authority of an existing water  
181 supply system or part thereof, after such approval by the  
182 representative policy board the authority shall file with the town clerk  
183 of each city and town in the district its plan for such acquisition. The  
184 legislative body of each such city and town shall approve or  
185 disapprove such acquisition plan within sixty days after such filing,  
186 provided failure to disapprove within such sixty days shall be deemed  
187 approval of such acquisition plan. The authority shall not first acquire  
188 an existing water supply system or part thereof except in accordance  
189 with an acquisition plan approved by at least sixty per cent of such  
190 legislative bodies.

191 Sec. 7. Subsection (a) of section 22 of special act 77-98, as amended  
192 by section 17 of public act 02-85, is amended to read as follows  
193 (*Effective from passage*):

194 (a) The authority, subject to the approval of the representative  
195 policy board, shall have the power and is authorized from time to time  
196 to issue its negotiable bonds for any of its corporate purposes,  
197 including incidental expenses in connection therewith, and to secure  
198 the payment of the same by a lien or pledge covering all or part of its  
199 contracts, earnings or revenues. The authority shall have power from  
200 time to time, [whenever it deems refunding expedient] without the  
201 approval of the representative policy board, to refund any bonds by  
202 the issuance of new bonds within the terms of any refunding  
203 provisions of its bonds, whether the bonds to be refunded have or  
204 have not matured, and may issue bonds partly to refund bonds then  
205 outstanding and partly for any of its public purposes. Except as may  
206 be otherwise expressly provided by the authority, every issue of bonds  
207 by the authority shall be preferred obligations, taking priority over all  
208 other claims against the authority, including payments in lieu of taxes  
209 to any municipality, and payable out of any moneys, earnings or  
210 revenues of the authority, subject only to any agreements with the  
211 holders of particular bonds pledging any particular moneys, earnings

212 or revenues. Notwithstanding the fact that the bonds may be payable  
213 from a special fund, if they are otherwise of such form and character as  
214 to be negotiable instruments under the terms of the uniform  
215 commercial code, the bonds shall be negotiable instruments within the  
216 meaning of and for all the purposes of the uniform commercial code,  
217 subject only to the provisions of the bonds for registration.

218 Sec. 8. Section 23 of special act 77-98, as amended by section 18 of  
219 public act 02-85, is amended to read as follows (*Effective from passage*):

220 The authority shall have the power and is authorized to issue  
221 negotiable notes and may renew the same from time to time, but the  
222 maximum maturity of any such note, including renewals thereof, shall  
223 not exceed [five] eight years from date of issue of such original note.  
224 Such notes shall be paid from any moneys of the authority available  
225 therefor and not otherwise pledged or from the proceeds of the sale of  
226 the bonds of the authority in anticipation of which they were issued.  
227 The notes shall be issued and may be secured in the same manner as  
228 the bonds and such notes and the resolution or resolutions authorizing  
229 such notes may contain any provisions, conditions or limitations which  
230 the bonds or a bond resolution of the authority may contain. Such  
231 notes shall be as fully negotiable as the bonds of the authority.

232 Sec. 9. Subsection (d) of section 1 of special act 03-12 is amended to  
233 read as follows (*Effective from passage*):

234 (d) All net proceeds, after costs of disposition, from the disposition  
235 of such class I or class II land and dwelling or barn consistent with this  
236 section shall be used by the South Central Connecticut Regional Water  
237 Authority to protect or otherwise acquire interests, including, but not  
238 limited to, fee title to or conservation easements over additional  
239 watershed or aquifer land of public water systems. [No sale, lease,  
240 assignment or other disposition or change in use of class I or class II  
241 land pursuant to this section shall occur after October 1, 2008.]

242 Sec. 10. Subsection (a) of section 4 of special act 77-98, as amended

243 by section 3 of special act 78-24, section 2 of special act 84-46, section 5  
244 of public act 02-85 and section 2 of special act 03-11, is amended to  
245 read as follows (*Effective from passage*):

246 (a) There shall be a representative policy board of the South Central  
247 Connecticut Regional Water District which shall consist of one elector  
248 from each city and town within the district who shall be appointed by  
249 the chief elected official of such city or town, with the approval of its  
250 legislative body, and one elector of the state who shall be appointed by  
251 the governor. Members shall serve for a term of three years  
252 commencing July 1, except that the members first appointed shall  
253 serve terms commencing July 1, 1977, and such members appointed  
254 from Bethany, East Haven, Killingworth, New Haven, Orange and  
255 West Haven shall serve until June 30, 1978, such members appointed  
256 from Branford, Guilford, Madison, North Branford, Prospect and  
257 Woodbridge shall serve until June 30, 1979, such members appointed  
258 from Cheshire, Hamden, Milford, North Haven and Wallingford shall  
259 serve until June 30, 1980, and the member first appointed by the  
260 governor shall serve for a term commencing upon appointment and  
261 ending on the third June thirtieth thereafter; provided members shall  
262 continue to serve until their successors are appointed and have  
263 qualified. In the event of the resignation, death or disability of a  
264 member from any city or town or the state, a successor may be  
265 appointed by the chief elected official of such city or town, or in the  
266 case of the member appointed by the governor, for the unexpired  
267 portion of the term. The chief elected official of each such city or town  
268 may appoint a provisional member to serve until December 1, 1977,  
269 with full authority to act as a member until said date. Members and  
270 provisional members shall receive one hundred dollars, adjusted as  
271 provided in this subsection, for each day in which they are engaged in  
272 their duties and shall be reimbursed for their necessary expenses  
273 incurred in the performance of their duties. Such one-hundred-dollar-  
274 per-day compensation amount shall be adjusted on January 1, 2015,  
275 and every fifth year thereafter to reflect changes since 2012 in the

276 Consumer Price Index for All Urban Consumers, Northeast Urban, All  
 277 Items (1982-84=100) published by the United States Bureau of Labor  
 278 Statistics or a comparable successor index. They shall elect a chairman  
 279 and a vice-chairman, who shall be members or provisional members of  
 280 the representative policy board, and a secretary. The chairman shall  
 281 receive a per diem payment of 1.5 times the amount paid to members  
 282 and provisional members. The representative policy board shall meet  
 283 at least quarterly with the authority and such members of the staff of  
 284 the authority as the representative policy board deems appropriate.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	SA 77-98Section 1
Sec. 2	<i>from passage</i>	SA 77-98Section 2
Sec. 3	<i>from passage</i>	SA 77-98Section 10
Sec. 4	<i>from passage</i>	SA 77-98Section 16
Sec. 5	<i>from passage</i>	SA 77-98, Sec. 18(c)
Sec. 6	<i>from passage</i>	SA 77-98Section 19
Sec. 7	<i>from passage</i>	SA 77-98, Sec. 22(a)
Sec. 8	<i>from passage</i>	SA 77-98Section 23
Sec. 9	<i>from passage</i>	SA 03-12, Sec. 1(d)
Sec. 10	<i>from passage</i>	SA 77-98, Sec. 4(a)

**Statement of Purpose:**

To amend special act provisions concerning the South Central Connecticut Regional Water Authority.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*