



Substitute Senate Bill No. 964

Special Act No. 13-20

AN ACT CONCERNING THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY.

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

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

It is found and declared as a matter of legislative determination that the creation of the South Central Connecticut Regional Water Authority for the primary purpose of providing and assuring the provision of an adequate supply of pure water and the safe disposal of wastewater at reasonable cost within the South Central Connecticut Regional Water District and such other areas as may be served pursuant to cooperative agreements and acquisitions authorized by section 11 of special act 77-98, as amended by section 5 of special act 78-24, [and] section 3 of special act 84-46 and [this act] section 7 of public act 02-85, and, to the degree consistent with the foregoing, of advancing water conservation and the conservation and compatible recreational use of land held by the authority, conducting water or environmental related activities within or without the district, provided at the time of any additional investment in such activities, the authority's outstanding principal debt investment in such activities

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made on and after June 30, 2013, shall not exceed five per cent of the authority's net utility plant devoted to water supply and distribution and wastewater collection and treatment and the carrying out of its powers, purposes, and duties under sections 1 to 33, inclusive, of special act 77-98, as amended by special act 78-24, special act 84-46, [and] sections 5 to 7, inclusive, of special act 99-12, [and this act] sections 2 to 21, inclusive, of public act 02-85 and this act, and for the benefit of the people residing in the South Central Connecticut Regional Water District and the State of Connecticut, and for the improvement of their health, safety and welfare, that said purposes are public purposes, and that the authority will be performing an essential governmental function in the exercise of its powers under sections 1 to 33, inclusive, of special act 77-98, as amended by special act 78-24, special act 84-46, [and] sections 5 to 7, inclusive, of special act 99-12, [and this act] section 2 of public act 02-85 and this act.

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

As used in sections 1 to 33, inclusive, of special act 77-98, as amended by special act 78-24, public act 02-85 and this act, unless a different meaning appears in the context: "Authority" means the South Central Connecticut Regional Water Authority created by section 5 of special act 77-98, as amended by section 4 of special act 78-24; [and this act]; "district" means the South Central Connecticut Regional Water District created by section 3 of special act 77-98, as amended by section 2 of special act 78-24; "Representative policy board" means the representative policy board of the South Central Connecticut Regional Water District created by section 4 of special act 77-98, as amended by section 3 of special act 78-24; "chief executive officer" means that full time employee of the authority responsible for the execution of the policies of the authority and for the direction of the other employees of

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the authority; "treasurer" means the treasurer of the authority; "customer" means any person, firm, corporation, company, association or governmental unit furnished water or wastewater service by the authority or any owner of property who guarantees payment for water or wastewater service to such property; "properties" means the water supply and distribution system or systems, wastewater collection and treatment systems and other real or personal property of the authority; "bonds" means bonds, notes and other obligations issued by the authority; "revenues" means all rents, charges and other income derived from the operation of the properties of the authority; "wastewater" means any substance, liquid or solid, which may contaminate or pollute or affect the cleanliness or purity of any water; "water supply system" means plants, structures and other real and personal property acquired, constructed or operated for the purpose of supplying water, including land, reservoirs, basins, dams, canals, aqueducts, standpipes, conduits, pipelines, mains, pumping stations, water distribution systems, compensating reservoirs, waterworks or sources of water supply, wells, purification or filtration plants or other plants and works, connections, rights of flowage or diversion and other plants, structures, conveyances, real or personal property or rights therein and appurtenances necessary or useful and convenient for the accumulation, supply or distribution of water or for the conduct of water or environment related activities; "wastewater system" means plants, structures and other real and personal property acquired, constructed or operated for the purpose of collecting, treating and discharging or reusing wastewater, whether or not interconnected, including wastewater treatment plants, pipes and conduits for collection of wastewater, pumping stations and other plants, works, structures, conveyances, real or personal property or rights therein and appurtenances necessary or useful and convenient for the collection, transmission, treatment and disposition of wastewater; "subsidiary corporation" means a corporation organized under the general statutes or by special act which owns or operates all

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

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

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

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property pursuant to section 18 of special act 77-98, as amended by section 7 of special act 78-24, [and this act] section 14 of public act 02-85 and section 5 of this act, a public hearing shall be held in the city or town in which such real property is situated. Any decision of the representative policy board on matters considered at such public hearing shall be in writing and shall be published in a newspaper or newspapers having a general circulation in each city and town comprising the district within thirty days after such decision is made.

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

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

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bidder qualified to perform the contract.

Sec. 5. Subsection (c) of section 18 of special act 77-98, as amended by section 7 of special act 78-24 and section 14 of public act 02-85, is amended to read as follows (*Effective from passage*):

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

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

The authority shall not (1) acquire, by purchase, lease or otherwise, any existing water supply system or parts thereof [,] or any wastewater system or parts thereof, [or] (2) commence any project costing more than two million dollars to repair, improve, construct, reconstruct,

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enlarge and extend any of its properties or systems, or (3) acquire or make a subsequent investment in any water or environment related business in an amount more than one million dollars without the approval, following a public hearing, of a majority of the total weighted votes of the membership of the representative policy board. In the case of the first acquisition by the authority of an existing water supply system or part thereof, after such approval by the representative policy board the authority shall file with the town clerk of each city and town in the district its plan for such acquisition. The legislative body of each such city and town shall approve or disapprove such acquisition plan within sixty days after such filing, provided failure to disapprove within such sixty days shall be deemed approval of such acquisition plan. The authority shall not first acquire an existing water supply system or part thereof except in accordance with an acquisition plan approved by at least sixty per cent of such legislative bodies.

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

(a) The authority, subject to the approval of the representative policy board, shall have the power and is authorized from time to time to issue its negotiable bonds for any of its corporate purposes, including incidental expenses in connection therewith, and to secure the payment of the same by a lien or pledge covering all or part of its contracts, earnings or revenues. The authority shall have power from time to time, [whenever it deems refunding expedient] without the approval of the representative policy board, to refund any bonds by the issuance of new bonds within the terms of any refunding provisions of its bonds, whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds then outstanding and partly for any of its public purposes. Except as may

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be otherwise expressly provided by the authority, every issue of bonds by the authority shall be preferred obligations, taking priority over all other claims against the authority, including payments in lieu of taxes to any municipality, and payable out of any moneys, earnings or revenues of the authority, subject only to any agreements with the holders of particular bonds pledging any particular moneys, earnings or revenues. Notwithstanding the fact that the bonds may be payable from a special fund, if they are otherwise of such form and character as to be negotiable instruments under the terms of the uniform commercial code, the bonds shall be negotiable instruments within the meaning of and for all the purposes of the uniform commercial code, subject only to the provisions of the bonds for registration.

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

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

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

(d) All net proceeds, after costs of disposition, from the disposition of such class I or class II land and dwelling or barn consistent with this

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section shall be used by the South Central Connecticut Regional Water Authority to protect or otherwise acquire interests, including, but not limited to, fee title to or conservation easements over additional watershed or aquifer land of public water systems. [No sale, lease, assignment or other disposition or change in use of class I or class II land pursuant to this section shall occur after October 1, 2008.]

Sec. 10. Subsection (a) of section 4 of special act 77-98, as amended by section 3 of special act 78-24, section 2 of special act 84-46, section 5 of public act 02-85 and section 2 of special act 03-11, is amended to read as follows (*Effective from passage*):

(a) There shall be a representative policy board of the South Central Connecticut Regional Water District which shall consist of one elector from each city and town within the district who shall be appointed by the chief elected official of such city or town, with the approval of its legislative body, and one elector of the state who shall be appointed by the governor. Members shall serve for a term of three years commencing July 1, except that the members first appointed shall serve terms commencing July 1, 1977, and such members appointed from Bethany, East Haven, Killingworth, New Haven, Orange and West Haven shall serve until June 30, 1978, such members appointed from Branford, Guilford, Madison, North Branford, Prospect and Woodbridge shall serve until June 30, 1979, such members appointed from Cheshire, Hamden, Milford, North Haven and Wallingford shall serve until June 30, 1980, and the member first appointed by the governor shall serve for a term commencing upon appointment and ending on the third June thirtieth thereafter; provided members shall continue to serve until their successors are appointed and have qualified. In the event of the resignation, death or disability of a member from any city or town or the state, a successor may be appointed by the chief elected official of such city or town, or in the case of the member appointed by the governor, for the unexpired

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portion of the term. The chief elected official of each such city or town may appoint a provisional member to serve until December 1, 1977, with full authority to act as a member until said date. Members and provisional members shall receive one hundred dollars, adjusted as provided in this subsection, for each day in which they are engaged in their duties and shall be reimbursed for their necessary expenses incurred in the performance of their duties. Such one-hundred-dollar-per-day compensation amount shall be adjusted on January 1, 2015, and every fifth year thereafter to reflect changes since 2012 in the Consumer Price Index for All Urban Consumers, Northeast Urban, All Items (1982-84=100) published by the United States Bureau of Labor Statistics or a comparable successor index. They shall elect a chairman and a vice-chairman, who shall be members or provisional members of the representative policy board, and a secretary. The chairman shall receive a per diem payment of 1.5 times the amount paid to members and provisional members. The representative policy board shall meet at least quarterly with the authority and such members of the staff of the authority as the representative policy board deems appropriate.

Approved July 2, 2013