

## REPRESENTATIVE POLICY BOARD

OCTOBER 26, 2023

### MEETING TRANSCRIPTION

Bob:

Hello, everyone. I'd like to welcome you to the October RPB meeting. Starting off, we'll do the safety moment, which has to do with fall safety. It has to do with a lot of possibility of falls, slipping on leaves that have fallen. So, be careful, and watch your step. Be mindful of what may be beneath the leaves. Clean up fallen leaves, regularly rake them up. Driving, slow down, take extra distance and time so that you don't hit the car in front of you or stave off the road. And being visible. It's getting darker, so wear reflective clothing when working outdoors in diminishing daylight. I don't know if there's any public here that has anything they want to share. I don't see any, but we'll only allow them three minutes each, I guess. Moving on, the approval of the minutes from last month.

Greg:

So moved

Jamie:

Seconded.

Bob:

Jamie. Any discussion? Any outside discussion via Teams? Hearing none. All those in favor, please say aye, or wave your hand.

RPB Members:

Aye.

Bob:

Any opposed? Hearing none, votes are ordered. Communications. There's going to be some 10-year model presentations. November 13th is going to be at the Finance Committee, and November 20th is going to be at Consumer Affairs. I imagine anyone can attend either or both meetings. The quarterly dashboard I believe was in the packet also if anyone has any comments or questions regarding that. Next, would be items per consideration in action. Nominating Committee, Charles?

Charles:

Everybody, you probably saw Tom's letter in the packet. The Nominating Committee voted unanimously to recommend Mario Rizzo for reappointment to the Five-member Authority. We met early on with David and Larry and reviewed the criteria and their comments. As you remember, we forwarded the criteria without any changes to the RPB. We didn't receive back any comments. We met live with Mario, and reviewed how he's doing, and his reaction to the criteria, et cetera. And like I said, in Tom's letter again, we recommended unanimously to recommend Mario for reappointment. So, I have a resolution to that effect. Resolved Mario Rizzo being, and hereby is, reappointed as a member of the South

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Central Connecticut Regional Water Authority, effective January 1st, 2024, with his term to extend until January 1st, 2029. And until his successor is appointed as qualified.

Tim:

Second.

Bob:

Any discussion?

Jay

Charles, you didn't interview other people, did you?

Charles:

No, we did not.

Bob:

I guess it's time to vote. Mario has left. So, if anybody has anything they wanted to say and not have him hear, now would be your time. All those in favor of the resolution, please say aye.

RPB Members:

Aye.

Bob:

Any opposed? Any abstentions? Looks like it's good. Thank you very much, Charles. Mario want to come back? Or has he left?

Charles:

Nobody likes to leave when we vote.

Mario:

Thank you. At today's meeting that David ran for five hours. I'm not sure. Thank you very much.

Bob:

I'll remember that comment when you take over as chairman someday. Next would be a final decision regarding Beech Street and Poms Lane in North Branford. Charles, I think that's you again.

Charles:

Yes. We have two resolutions each property separately. Be it resolved that the proposed findings of facts, conclusions of law, and final decision that the Representative Policy Board with respect to the South Central Regional Water Authority's application for the disposition of 17.22 acres located west of Beech Street in North Branford that is part of Land Unit NB 4, a copy of which is attached to these minutes, be and hereby is approved in the form submitted to the meeting. And I so move it.

Jamie:

I'll second it.

Bob:

Okay, we have a motion and a second. Is there any discussion? Hearing none. We'll actually vote here. All those in favor? I believe the first one here is Beech.

RPB Members:

Aye.

Bob:

Any opposed? Any abstentions? Hearing none. It's good to go. On to the next.

Charles:

And then the second one is Pumps Lane be it resolved that the proposed finding of facts, conclusions of law, and final decision of Representative Policy Board with respect to South Central Connecticut Regional Water Authority's application for the disposition of 19.462 acres located north of Pumps Lane in North Branford that is part of Land Unit NB 4. The copy of which is attached to these minutes, be and hereby is approved in the form submitted to the meeting. And I so move.

Brian:

Second.

Bob:

Okay. Brian, we'll have you as seconding it. Any discussion? Hearing none. All those in favor?

RPB Members:

Aye.

Bob:

All those opposed? Any abstentions? So ordered. I believe it shouldn't have been a problem that one either. Next, we have the Third Quarter Representative Policy Board Compensation. Everybody should have gotten the chart. If you had any expenses, please fill out the forms and get them in to Jennifer, so that they can then get approved. But we need a motion to approve them as the chart's been printed.

Tim:

I'll move.

Tony:

Bob, I'll second it.

Bob:

Okay, thank you. Any discussion regarding the compensation? All those in favor, please say aye.

RPB Members:

Aye.

Bob:

Any opposed? Any abstentions? Great. Thank you very much. We'll move on to reports. Start with the finance committee. [inaudible 00:09:01]. Anybody want to fill in for Lynn?

Tim:

[inaudible 00:09:19] I didn't pick them out myself.

Bob:

Thank you, Tim. Now for RPB Committee reports. First, Finance.

Charles:

I can say that Mr. Marino was at that. Okay, yeah. The auditor was in and basically described that they had reviewed the statements for fiscal year [inaudible 00:09:43]. They discussed changes in audit implementation and new accounting standard regarding leases, et cetera. They approved the meeting and we basically voted to approve the minutes of the last meeting. And we then went over all the financial statements. I can't remember all of them. There were a lot of fine number stuff. And she also reported that the billings were lower than expected due to cooler weather. And the rates have increased, the earnings are higher as a result of interest rates. Pilot is favorable. The timing of the drinking water state above fund finance and is also having a favorable impact. However, there's decline in cash collections, the Regional Water Authority's taken actions to postpone discretionary expenses. So, the organization is always confident, paying attention to what's going on, and thank goodness we have a job. So with that, that concludes our report.

Bob:

Thank you very much.

Charles:

Thank you.

Bob:

Any questions of the Finance Committee? Hearing none. We'll move on to Land Use. Jamie, are you going to fill in for Pete?

Jamie:

I guess so. I can because you have this here, so that's thankful. I'm glad you did. We had that annual meeting at Lake Gaillard, and there were a number of folks present, and folks represented. A lot of the staff were there as well. And along with Captain Ruggiero and Sergeant Button, who I don't think I had met before. There was great pizza, there was food there. John Triana gave an update, which is all the

details in here, so I'm not going to repeat it, but good status of everything being done. The highlight of our meeting, had to do with the drone. An explanation of how the drones work. And then going back and forth about how they work and what they're used for, and what other opportunities that different types of drones could bring.

And he did a live demo where he put it up in the air and it moved around, and I was able to take pictures of us from afar, and it was really nifty. We learned that drones, they can move very quickly, and they counter wind, and they can go right up to a bridge and stop before hitting it. And that a bird can't catch it. It won't hit a bird in flight. Some of the simplistic questions, but that were interesting to us, how the drones are used to look at some of the property that we have. For instance, bridges where we have piping underneath, they're able to fly and go under these bridges. Where if we had to pay someone to do the apparatus to get there, it would be significant. And these drones can now go where they need to go. Go up and under. Hover. Get what they need to get for photographs, and get back out without any safety issues for the staff. So, that's pretty significant. And I think he has now what, two sets of wings? I don't know. He did the various certification.

There was questions about how the drones are operated in terms of batteries and battery life, and whether we want to consider upgrading some of the... there's different levels of ability that drones can have, and there was some discussion about whether that should be advanced or not, and I guess we'll get some more information. And those are the highlights. Am I missing anything, anybody? Yeah, I think that the officers that were there talked about the use of drones for some of their work as well, which I found really interesting. And I like how we're able to intersection between our humans and technology, and how we're using it to benefit, and really expand the benefit for our staff. Thank you.

Bob:

Thank you. Any questions?

Tim:

I did have a question. Probably [inaudible 00:13:56] the answer, but how many properties [inaudible 00:13:58]. How many regional properties are still on the disposal list?

Larry:

I couldn't tell you the number. It's probably somewhere around 2000 acres, but I couldn't tell you how many parts that is.

Tim:

Oh, okay. So, it's fairly significant then?

Larry:

Yes.

Tim:

Skiff Street. I know we did talk about Skiff Street. That's one continuous... Sunny, would you like to help us out?

Sunny:

Sure, absolutely. I think in regards to the property, Tim's right. There's only Skiff Street in Hamden. But I think the Class III lands, as and when the time comes, and if there is a request for Class III lands, then we look at disposing them all. They could run into hundreds of acres, but in terms of just the rental houses, there's only one.

Tim:

There's only one, okay. Very good. Thank you.

Stephen:

At the Executive Committee, there was a schedule of different things coming up. Last house, if we hear back from Hamden, it's scheduled to be disposed of early next year.

Tim:

Oh good. I missed that meeting. I apologize. I had a conflict. So [inaudible 00:15:11]. Thank you.

Bob:

Any other questions? Moving on to Consumer Affairs.

Mark:

Hi everybody. We met on October 16th, and we moved pretty quickly into executive session. I got there late, I was having trouble getting on my computer, so Mr. Mongillo opened the meeting. It went into executive session, which, I can't tell you exactly what they said, but I'll give you an update. It had to deal with billing, and it had to deal with how the monthly system is working out. And their procedures for collecting debts and collecting bills. And that's about all I can tell you about it because it went into executive sessions. Mr. Donofrio reported on a property that a man has tampered with a water meter box, and they're working it out. We hope for a good resolution there. And Mr. Donofrio also reported that he submitted additional testimony to the Department of Public Health for interpretation and support of RWA's obligations under the Lead and Copper Rule. We also attended two public hearings last month for disposition of Class 3 lands in North Branford submitted the memo of the dispositions. Any questions? Thank you.

Bob:

Hold on. Steve, did you have a question?

Stephen:

Yes, since I started that meeting, I just want to compliment the staff. They gave a great report on the billing process. It was a lot of detail and very helpful information to understand what they were doing.

Bob:

Any other questions?

Mark:

Ditto for me. They did a wonderful job. Okay, anything else? Thank you.

Bob:

I guess not. Next will be the Nominating Committee. Charles?

Charles:

I think I pretty well summed that up at the earlier resolutions.

Bob:

Thank you very much. And the committees also. Executive committee met last Wednesday, and I have to say it was a good meeting. We discussed an awful lot. One of the major things we discussed had to deal with having our meetings in person versus hybrid. And we all realized that it's very convenient to have the meeting hybrid. And I guess what came of all of our discussion was that we really would like the RPB meetings, that will still be offered hybrid, we want to encourage everyone to attend and be here in person. It's just easier. We can have better discussion. Sometimes there's technical difficulties. So, at the executive committee we wanted to encourage that the RPB meetings, everyone should try to be here. I went through, as Steve mentioned, some of the proposals that may be becoming for us.

We adopted our schedule for 2024, and we also were asked to look into... And I guess we're going to try to form a subcommittee to look into possibility of changes to the enabling legislation for the RWA. So, I would like to have some volunteers that would like to be on this committee. You can get back to Jennifer or myself. And it's going to be the committee made up of RPB people, several from the five-member Authority. And we'll see if there's any reason to look into opening the legislation for all changes.

Tony:

Hey Bob, this is Tony Rescigno. I'm happy to volunteer to be on this committee.

Bob:

Okay, Tony. Thank you.

Stephen:

Bob?

Bob:

Yes?

Stephen:

If I may, this is a significant issue, and the email that came to you from Kevin was given to us at the very end of the meeting. None of us had seen it or had a chance to really review it. I'm not quite clear on why this committee's being formed. If the FMA management is proposing changes to the legislation, they ought to put that together and present it to the RPB for review and approval. I'm not sure it's appropriate for everybody to be involved in doing that. You can't be the applicant and approving your

application at the same time. And vice versa. If it comes to us, the RPB members shouldn't be part of the FMA discussion on it. And it comes to us, it's the RPB. Am I wrong in this?

Larry:

Well, I would just say that we've amended the legislation at least twice since I've been here. And both times that we went to the legislature that were joint committees made up of RPB Authority and Management to review the proposed changes in the legislation. So, it was very much a collective [inaudible 00:21:07] in the past.

Stephen:

I sort of understand that. Jeff, do you have any thoughts on this?

Jeff:

Well, I think at this point it's conceptual. Talking about just having the doubts coming back to the RPB for approval. No?

Larry:

No approval needed.

Jeff:

No, I think they're just exploratory, and that's the way that I read the comments from Kevin. There were some suggestions that he was a conduit for an RPB committee to have a discussion. I think having a discussion is better than not having a discussion.

Tim:

I know I was unable to attend the meeting, so I can see that invitation. But I know at RPB we've had some questions that a review of that could be helpful for, whether we can do this or that. It's almost like reviewing the charter in a town. They come up for review once in a while. I think some serious-minded folks can probably take a look at a lot of things in addition to what-

Jeff:

Times have changed. There's no question. I'm just talking about the process. There's no question about at different times, needing to look at the way you operate.

Tim:

Right. Okay. Well, maybe I'm not as familiar with the process then.

Jeff:

For example, one of the proposed changes was to increase the amount.

Tim:

Well, I'm not sure if it was a proposed change. No. It was an item to be discussed, that's all. It's not a proposed change.

Jeff:

It's just conceptual?

Tim:

Yes.

Jeff:

Right.

Tim:

I would look at it holistically unless we're limited to what we can look at. To me, I'd be happy to serve on the committee if I'm asked.

Larry:

There's a lot of different concepts that have been discussed over the past year that was included in that bulleted list that Kevin presented to the executive committee. We want to hear your thoughts as well. We talk among ourselves. You probably talk among yourselves. And following the model of the last two times, I think I was on one of them years ago when I was in your seat. And the two boards, we don't ask your permission for anything, and you certainly don't need ours for anything, but we don't want to go to the legislature without being in agreement. So, we want to talk about is it time to go to the legislature? That's the first question. What issues might we need to go? And let's hear from all 25, 26 members.

Stephen:

I was assuming it needed RPB approval.

Larry:

No. We wanted and we won't go forward without knowing that we are agreeing because you guys, all 21 of you, could go out to your legislators of your towns and say, "No, don't do this. We don't want that. We want to be together." And that's quite frankly what we're looking for, is to see what you think needs to be updated. This is just a talking point.

Stephen:

And the legislature in the past have always asked, do both of your boards agree to these changes? So, it's important that we collaborate and come to an agreement before we submit a proposal to the legislature.

Jeff:

What type of changes are you looking at?

Larry:

Well, I don't remember all of them, but for instance, there had been discussion about expanse to the Authority order to seven members. Perhaps having only two members of the Authority be from outside the district. Giving the Authority flexibility to meet less than once [inaudible 00:24:51]. There's some

months during the summer in which there is no business, so it could be handled with a report or something. So, to give the Authority the flexibility to not meet every month if you deem it appropriate. We also proposed looking at the amount of capital projects, the level of capital projects that you apply an inflationary factor to that. Because the last time that was changed, which went from 1 billion to \$2 million, was in 2002. We thought if you apply an inflation factor, that number of \$2 million would be somewhere around three and a half million dollars. So, should we look at just from an inflation standpoint, should the amount of the capital projects be changed? Those are the ones that are off the top of my head because I don't have the list.

Bob:

Thank you. And I have to say to the Executive Committee, I only got the information earlier that day, so I didn't have it to share. Although I did get it to Jennifer to make copies so that we could share it at the executive committee.

Jamie:

But the idea right, is that these are just notions that you've been collecting of things that we should just think about. But that the group would collectively work together to say, does this make sense or not? And sort of everybody in the working group has an equal load all up or all down?

Bob:

Right.

Jamie:

So, you're looking for if there's not consensus on something, it won't go forward is what I'm hearing.

Bob:

That would make sense.

Jamie:

So, it sounds like it's a collaborative effort, but it's not like any group is going to push... RPB is not going to push you and vice versa. So, it's an inclusive conversation about what's best for all three. The corporation, the RWA and the RPB. Thank you.

Stephen:

It's a couple of members though. It's not the whole RPB.

Larry:

No, but we would want you folks to endorse it if it came out. Like I said, we would want to endorse it in our board. So, if you get four or five members and we get one or two members, that's been ratio that we've had in past committees of this, and other kinds. So, that would be a good working group that could review the documents and the rules of practice, the law that created us. And if there's any updates, Larry hit the high points.

Stephen:

And would you also entertain suggestions from the RPB?

Larry:

Of course. Absolutely because I know we've had some. In our [inaudible 00:27:48].

Stephen:

Would we get a draft of the items that are going to be reviewed?

Bob:

I could get that ready for the people that are on the committee, yes.

Stephen:

To be able to look at it, and then we have to have a vote.

Larry:

The committee should also see if they have any other things that they thought of that want to be possibly changed in the legislation.

Tim:

I think a draft at this point would be beneficial to us on the board to review and maybe add to it or take away from it.

Larry:

Correct.

Tim:

We'd have a better position to be in judgment of making a committee and having the committee to go forward.

Bob:

Any other discussion? I'm just sharing from the Executive Committee.

Tim:

Well, maybe it's implied, but obviously anyone involved is going to have some very good understanding what the legislation is. So, there's some homework to do before you even volunteer on this.

Larry:

Yes.

Bob:

First, it would be the possibility of looking into certain things versus what it would take. It couldn't be a lengthy committee. That's going to be me discussing some of these things. It's not going to be a 30-minute discussion about this.

Tim:

It's charter review.

Bob:

Yes, very similar.

Stephen:

My suggestion is before you go up to Hartford, I think every RPB member should be aware of what's going up there.

Bob:

Oh yes.

Stephen:

And if they have some differences, air it before it goes up.

Bob:

Yes. And I think that... Move over to page two. I think that was pretty much everything that happened at the Executive Committee.

Jamie:

Bob, was there a discussion about each of the committees and whether they were going to be hybrid or not?

Bob:

Yes, and we only spoke to the chairs, so I'm not sure the committee consensus is going to be. I want to reiterate here is that the Executive Committee did feel that it would be best to have everybody in person here at the RPB meetings. But the committees, yes, they're still going to have the option of doing hybrid also or solely virtual. Probably virtual totally is the way they're going to be if they decide not to do it in person. Any other questions? Okay, I guess that brings us to Authority and Management. I know it's been a long day for you guys.

David:

It's all right. We do important work and we can let you know some of this. But we appreciate your time. Thank you so much for reappointing Mario. It's great to have him. He's just getting started. He's already been a great value added to us, and we appreciate that. We started the meeting as a Pension and Benefit Committee, so that's why Catherine is getting ready here and hand it over to her.

Catherine:

Good evening everybody. We had our quarterly review today. Morgan Stanley reviewed the quarterly performance of the pension and legal plans. The performance and market values have unfortunately deteriorated since the last quarter. Returns for the quarter ended September 30th, 2023 for the pension and legal plans. They were reported to be negative 2.9%, which is 4.57 percentage points below the actuarial return. The quarter of 1.69% based on the 6.75% annual rate. However, it's important to understand that the benchmarks for the period ranged between the negative 2.8% to a negative 3.81%. The period May 31st, 2023 through September 30th, 2023, which is fiscal year to date, the returns were 0.14%, which is 2.11 percentage points lower than the actuarial return for the positive 2.25%. Returns for calendar year to date were reported to be 3.47%, which is 1.59 percentage points lower than the actuarial return for the period of 5.06%.

As additional comparisons, returns for the trailing 12 months were reported to be 10.49%. Returns for the trailing five years were reported to be 3.94%. And returns for the trailing eight years were reported at 5.91%. Morgan Stanley also discussed the asset allocation and the market environment. And we also looked at the liability analysis for the two pension bucks. Additionally, the committee members looked at the investment policy statement. After some discussion, we decided that there will be tweaks to the IPS language and that will be considered at the next regular or special meeting of the committees. Later in the meeting in executive session, the committee members discussed a strategy regarding a request or information for the investment advisor, and that discussion continues. Are there any questions? Yes, Jeff?

Tim:

I know nobody wants you to do a forecast [inaudible 00:34:23] some sense in range how they feel could be though? Did you get any of that in the conversation?

Catherine:

Yes, there was some discussion about improvements in the bond market, and an expectation that we will see better returns on the fixed income side. I don't have my crystal ball with me tonight.

Tim:

Well, they never do either. [inaudible 00:34:52]. I just didn't know if we had any of that [inaudible 00:34:55].

Catherine:

Well, there are actually clearly at this point in time, improvements in the bond market. So, that's-

Tim:

Thank you.

Catherine:

Any other questions? Okay, thank you.

David:

Thank you. All right. And then we also met for over two hours. Reviewed with Rochelle, the 10-year model and the various iterations of that. I think there was almost a dozen different iterations that had different emphasis on different metrics that may be used. And they're going to put some finishing touches on some of that, and we'll be presenting that as you heard earlier in the meeting at two meetings of your committees coming up in November. So hopefully, you'll be able to avail yourself of at least one of those two meetings and then see some. Bottom line is it's better than it was a year ago, the expectations, which is nice. But there's a lot of different policy decisions that go into the one that gets set and approved going forward. So, we want to hear your thoughts on that please.

And then, what we thought would be short was an hour update on the Lake Whitney Dam and the status of the designing of that. And the attempts for grants and things like that for that, and the process going forward with it. So that was that part of the meeting and I think we'd give it over to Larry for the business part of the meeting.

Larry:

All right, thank you very much. After four months of actual results through September 30th, operating revenues are under budget by about \$2.6 million. And that's due to water revenues, which includes residential meter, wholesale and fire. They're under budget by about \$2.9 million due to primarily lower water consumption. And other revenues are above budget by about \$324,000. And that's due to some charges like backflow testing, jobbing, and other service charges. On the operating and maintenance expense side, they are about \$1.9 million below budget. And right now, that's primarily timing. We'll have to monitor that throughout the year. When you do the pluses and the minuses, we are projecting at this point 114% coverage with no shortfall, which is equal to budget. But I do want to point out that during the months of July, August, and even into September, we experienced production levels significantly lower than last year. So, we're projecting that water revenue will probably remain under budget due to the cool wet summer that we had.

However, some good news on that rise in the higher interest rates on the cost more to finance things, we're also making more on the funds that we have invested. Also, PILOT is slightly favorable, so we budget a certain amount of Pilot that we expect to receive. The Pilot bills are coming in a little bit over, so that's a bit of a surplus. And then, our DWSRF financing is also having a favorable impact because we expected to actually have that financing in place for I think three projects sooner than what ultimately will happen. Those are debt payments that we didn't have to make, so that's helping a little bit. But it's still early in the fiscal year and we are taking action. We've asked all budget managers to see how they can curtail all discretionary spending so that we can make sure that we beat at least 114%. Maybe better, but we'll see. And then, for our reservoir storage levels, we are at 87% versus a long-term average of 67%, so we're ready for a hot winter. We're all ready to go.

And before I conclude my report tonight, I do want to amend an answer that I gave last month to a question, which was do we take money from the commercial business, and put it into the construction fund monthly? I misspoke. While we record the revenues and the net income monthly, the cash doesn't actually go into the construction fund until year end, when we make the disposition of cash from the utility and all the other miscellaneous services. So, a bit of a correction there to the answer that I gave last month. With that, I'd be glad to answer any questions you might have.

Stephen:

How are the commercial businesses doing?

Larry:

They're above budget, so they're doing well. It's slower earlier in the year primarily because of some of the economic downturn, but it has picked up considerably within the past couple of months. So, they're above budget at this point.

Stephen:

And this past week there was a couple of articles about the other two major water companies in Connecticut?

Larry:

Yes.

Jeff:

Do we have anything to worry about?

Larry:

Well, that's a good question. We are actually having a memo prepared by outside counsel on what they think to do a risk assessment for litigation. But that said, and I can have Sunny provide more background, but generally our PFAS levels are lower than what the DPH guideline is. The other two water utilities, their levels are a little bit higher than we are. They're still below, I believe the DPH guidelines. We do have a plume in the Cheshire area that we are monitoring and we're investigating different forms of treatment for that, but we've not settled on a particular treatment aspect yet. Do you want to add anything to that?

Sunny:

Sure, I think only the numbers. We are looking at 10 parts per trillion and 16 parts per trillion. We are close to say four parts per trillion in some metal fields, and it needs about say four. After treatment, it goes down to two. And for the South Cheshire, it's about eight, and after treatment it still comes down. At this point of time, we don't really see any risk associated with the present limits. But if the limits do get lowered in the future, I would say coming months of years, then we would have to do some treatments. But just going back to what Larry said, we are already attempting to see what kind of safety PFAS treatments might work. Identify the plume as well as we are piloting some new technologies, which we will enhance the abolishing of the PFAS removal.

Stephen:

Thank you. If I'm not mistaken, is it one of the companies being sued?

Larry:

Two of them are.

Jeff:

They both are?

Larry:

They both are. There's a class action suit against both companies, which is unfortunate.

Stephen:

Yeah. I just want to give Naomi credit for giving me a heads up on this issue. And I looked in the New Haven Register, there were two front-page articles about this. And the companies who were claiming that they meet all federal standards, but there's no-

Larry:

There's no official standard yet. It's only a guideline. Big loss, but there's a guideline.

Sunny:

Right. It says the EPA guidelines are [inaudible 00:42:34], so they're still pretty high at this point of time, but that includes a whole family of PFAS. It's about say 20 chemicals and there is short chain compounds and long chain compounds. Overall, there is accumulative value of 70 parts per trillion, but the DPH also have subfamily divisions to it, where they have individual, I would say, parameters. The ones that we actually, I would say, what we have in our billed units are still lower what the DPH has got right now. If those numbers go lower, then we would end up with much more, I would say, tighter numbers to meet, but I think we can easily meet it.

Stephen:

Is it expensive to do the testing?

Sunny:

It's not the testing itself. The testing is not expensive. It's more the removal of the PFAS. PFAS at this time cannot be removed neither biologically or chemically. The way we remove it is physical adsorption using granular-activated carbon. It's almost like filtration. That's what we are using right now, but we are piloting some technologies with oxidizing and all that where it could enhance the treatment processes to the point where it's much more efficient.

Jamie:

What do we do with our spent carbon?

Sunny:

It gets regenerated. Typically, the spent carbon is again region regenerated by [inaudible 00:44:04].

Jamie:

So, you're cleaning it and redoing it, okay.

Sunny:

But eventually, that's a very good question because ultimately, they have to be disposed of. So, the final disposal of PFAS is always going to be an issue. And one of, I would say, the seminars that I sat last week, this came up because the state is also getting into a class action. They have already filed a class action

lawsuit against the president, I would say, 3M has this potential settlement. So, the state has filed a class action lawsuit along with other states. I think we are waiting for our lawyer to guide us to see how we want take the position of this, and that next week we are supposed to get their feedback.

But eventually, your question is right, where do we dispose of these? You have to incinerate. But again, the question comes down to is once you incinerate, it again goes to the atmosphere, and it's going to get picked up by rain. So, it's going to contaminate the surface water streams, and watersheds, and all that. So, this continuous cycle is going to be challenging for us to even mitigate the effects in say five years, 10 years. It's evolving anyway, so plenty of examples to it.

Stephen:

If you didn't burn it, you wouldn't get that, but then you'd have to store it.

Sunny:

Right, you have to store it.

Stephen:

And you can't, right?

Sunny:

Right. But I think there are research that is ongoing where there could be a biological or chemical breakdown where you don't really need to burn it from the GAC. [inaudible 00:45:46] can be broken down. Then in that case, it makes it easier.

Jeff:

And Sunny, I received a call from a friend of mine who lives in Madison who has Connecticut Water, and he's concerned. He has a water filter in his house. Does that help with that? Does that affect us?

Sunny:

It depends on what kind of filter he has, and how often does he replace the filters. It will help as long as he's able to test both the influent side and the affluent side. The input and output to see whether it is actually doing the job. In case of GAC filters, it'll certainly filter the PFAS that's coming in. But if the efficiency is low, and as you keep using the filter media more and more, the efficiency keeps dropping down. So, he has to replace the filter media once in a while. It is a subjective question, but we can certainly help. I think that's where our commercial business comes in.

Bob:

Brian, do you have a question?

Brian:

Just a comment on the PFAS stuff. I know that the federal levels are coming down a lot and I had looked at the two lawsuits to see what the concentrations were and, compare them to the concentrations that we have seen in some of our systems. And it looks like we're lower than these two water companies that have been sued. But I think we really have to be proactive on it because the federal levels are going

to continue to come down, and it is such a host of chemicals that I think we have to start taking into consideration of putting in several systems to remove the PFAS. I know it's going to be costly, but I think we could get sued too, because there are supposedly no safe levels. Even though they'll have recommended levels at the government level, there will always be consumer safety advocates who say that no level is okay. And so if we have any detections, they could come after us. That's just a comment from the technical side.

Bob:

Thanks. Any other questions?

Stephen:

What about this bottled water that you're buying in the store? How safe is that with the PFAS?

Larry:

The bottle water?

Stephen:

Yes.

Jamie:

It depends on your bottle.

Sunny:

It depends on the source. The most unregulated, I would say-

Stephen:

So, there's really no check on it, right?

Sunny:

Yes.

Brian:

If you look at bottled water, that could be-

Larry:

[inaudible 00:48:23] bottled water. It's not as strict as what the water utility standards are. They do have standards set by the Federal Consumer Affairs Bureau.

Bob:

Any other questions? Tim?

Tim:

Yes, I had a question, Larry, about the water consumption. The quarter just closed. It's probably the greatest water consumption quarter, so that's why you're leading to the conclusion that we're not going to catch up?

Larry:

Right. The summer's our holiday season, so-

Tim:

So, basically, that's the Christmas past? [inaudible 00:49:01]. So, we really can look forward to not a lot of makeup.

Larry:

Correct.

Jamie:

So, we need more beer drinkers in New Haven. [inaudible 00:49:09] Oh, there you go. In the non [inaudible 00:49:14]. Maybe that'll help over the holidays.

Bob:

Sure. Go ahead, Stephen.

Stephen:

Larry, you mentioned the companies are doing better than the budget developed for them. I don't want an answer tonight, but hopefully, we can have the meeting that the OCA and EXCOM suggested to understand more about how that's developed and what the expectations are.

Larry:

I agree, absolutely. And Bob and I had a discussion about maybe having management come to the Executive Committee meeting in, I think January is your next meeting?

Bob:

Yes.

Larry:

And perhaps give it over on the strategy for this commercial business. And we can certainly provide more detail about how the businesses is doing. And you'll recall that we certainly agreed to give an annual update during the budget process is going. But given some of the questions that came up at executive committee, we're more than happy to come to the next meeting and provide [inaudible 00:50:18] strategy and what our longer term plan is.

Bob:

Seeing how we're on Authority management, how are we doing with the Derby tank? I guess that's going to be Sunny?

Larry:

That's Sunny. We're doing well.

Sunny:

The Derby tank is almost done, we believe end of November. We should be completed that. So, the valve vault, which was delayed a little bit by two or three weeks, is pretty much installed and ready to go. The tie ins we're happening last week. The fencing contract were mobilized a couple of weeks ago. So, pretty much we are putting the finishing touches to it. We plan to put it into service by end of November.

Jamie:

We don't break bottles on those, right?

Larry:

We might. Should've brought a hose. Don't waste the champagne.

Bob

Thank you.

Sunny:

Sure.

Bob:

Anything else, Larry?

Larry:

No, thank you.

Bob:

Okay. Anyone else have any other questions? If not, Jeff, OCA?

Jeff:

Nothing from me, thanks.

Bob:

Nothing? Okay. Guess that's good to hear. I have a reminder that because we have holidays at the ends of the month in November and December, our meetings are going to be moved to the third Thursday.

So, they'll be the third. They won't be the fourth Thursday, they'll be the third. So, that should make them November 16th and December 21st. Anyone else have anything else to discuss?

Mark:

I move we adjourn.

Bob:

I think after the long meeting that the Five-member Authority had today, we probably still got another three, four hours to go.

Mark:

I don't think so.

David:

Mark, it was very nice to have him today.

Mark:

Is that what a compliment is?

Bob:

I have a motion to adjourn. Do I have a second?

Tim:

Second.

Bob:

All those in favor?

RPB Members:

Aye.

Bob:

Take care. Thank you very much.