

**South Central Connecticut Regional Water Authority**  
Via Remote Access\*\*

**AGENDA**

**Regular Meeting of Thursday, December 16, 2021 at 12:30 p.m.**

---

- A. Safety Moment
- B. Commercial Business Committee: K. Curseaden
  - 1. Approve Minutes – September 23, 2021 special meeting
  - 2. Commercial Business update – Including Executive Session: D. Donovan, R. Kowalski, and P. Singh
  - 3. Mid-year Commercial Business metrics review and update – Including Executive Session: D. Donovan and P. Singh
- C. Audit-Risk Committee: C. LaMarr
  - 1. Approve minutes – September 23, 2021 special meeting
  - 2. Cyber/Technology Resiliency Update – Including Possible Executive Session: P. Singh and Kevin Schnaitmann
  - 3. Risk Management Update: A. Schenkle and R. Kowalski
- D. Act on matters arising from Committee meetings
- E. Consent Agenda
  - 1. Approve Minutes – November 18, 2021 meeting
  - 2. Capital Budget Authorization – January 2022
  - 3. Capital Budget Transfer Notifications (no action required) – January 2022
  - 4. Accounts Receivable Update – November 2021
  - 5. Key Performance Indicators
  - 6. RPB Quarterly Dashboard Report
- F. Finance: R. Kowalski
  - 1. Quarterly Financial Reports
- G. Elect Officers for Calendar Year 2022, *Including Chair*
- H. RPB Committee assignments and reports on RPB Committee meetings
- I. Updates: L. Bingaman
  - 1. COVID Update: J. Reckdenwald
  - 2. Board Letter Highlights: L. Bingaman
- J. RPB Project Application - Lake Gaillard WTP Clarifiers, Recycle Pump Station and Concrete Restoration Project and Lake Gaillard WTP HVAC and Electrical Improvements Project (“Project Application”): O. Kelly and J. Hill
  - 1. Discussion regarding Project Application
  - 2. Consider and act on Project Application approval for submission to Representative Policy Board (“RPB”)
  - 3. Affidavit of Edward O. Norris III regarding confidential information within said Project Application
  - 4. Motion for Protective Order for confidential information within said Project Application

5. Protective Order concerning confidential information within said Project Application for submission to the RPB
6. Consider and act on proposed resolution for associated Project Application financing and submission to the RPB: R. Kowalski

**\*\*** Members of the public may attend the meeting via conference call. For information on attending the meeting and to view meeting documents, please visit <https://www.rwater.com/about-us/our-boards/board-meetings-minutes?year=2021&category=1422&meettype=&page=>. For questions, contact the board office at [jslubowski@rwater.com](mailto:jslubowski@rwater.com) or call 203-401-2515.

*\*RPB Member (J. Mowat Young) is excused at item J*

**Topic: Authority Regular Meeting** (including Audit-Risk Committee and Commercial Business Committee)

Time: Dec 16, 2021 12:30 PM Eastern Time (US and Canada)

Join Zoom Meeting (*via conference call*)

Dial by your location

+1 646 876 9923 US (New York)

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 408 638 0968 US (San Jose)

Meeting ID: 862 4829 6361

Passcode: 585073

For questions contact the board office at 203-401-2515 or by email at [jslubowski@rwater.com](mailto:jslubowski@rwater.com)

# Table of Contents

Table of Contents	1
Safety Moment	2
09 23 2021 RWA Commercial Business Minutes DRAFT	3
09 23 2021 RWA Audit Minutes DRAFT	4
Risk Management Update	6
11 18 2021 RWA Minutes DRAFT	18
Capital Budget Authorization - January 2022	24
Capital Budget Transfers	26
Aging Accounts Receivable	29
FY 2022 2Q KPI Report	30
RPB Dashboard Report	32
Q2 FY 2022 Financials	35
RPB Comm Mtgs Oct to Dec 2021	47
RPB Comm Mtgs Jan to Mar 2022	48
Lake Gaillard Application Presentation	49
LGWTP Resolution	62
Affidavit	63
Motion for Protective Order	64
Protective Order	65
Drinking Water Bonds - Resolution	72

# SAFETY MOMENT

## CYBERSECURITY PHISHING

Cyber actors have conducted increasingly impactful attacks against U.S. entities on or around holiday weekends over the last several months. Cyber criminals, however, may view holidays and weekends—especially holiday weekends—as attractive timeframes in which to target potential victims, including small and large businesses.

### What are common indicators of phishing attempts?

- Suspicious sender's address – look for altered or omitted characters
- Generic greeting and signature – Ex: "Dear Valued Customer"
- Spoofed hyperlinks and websites – spelling variations in hyperlinks
- Spelling and layout – poor grammar and sentence structure
- Suspicious attachments – **DO NOT OPEN!!!!**

**Increase in phishing email is expected with holiday shopping and holiday travel season coming up.**

Service – **Teamwork** – Accountability – **Respect** – Safety

**Tap Into  
Safety**



Regional Water Authority



**South Central Connecticut Regional Water Authority  
Commercial Business Committee  
Minutes of the September 23, 2021 Meeting**

A special meeting of the South Central Connecticut Regional Water Authority Commercial Business Committee took place on Thursday, September 23, 2021, via remote access. Chairman Curseaden presided.

Present: **Committee** – Messrs. Curseaden, Borowy, DiSalvo, and Ms. Sack  
**Management** – Mss. Kowalski, Reckdenwald and Messrs. Bingaman, Donovan, Norris, and Singh  
**Staff** – Mrs. Slubowski

The Chair called the meeting to order at 2:23 p.m.

On motion made by Ms. Sack, seconded by Mr. DiSalvo, and unanimously carried, the committee voted to approve the minutes of its June 17, 2021 meeting.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Absent
Sack	Aye

Committee members reviewed changes to the Committee Charter based on comments from the committee’s last meeting. After discussion, on motion made by Ms. Sack, seconded by Mr. Borowy, and unanimously carried, the committee voted to approve the revised charter, as presented.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Absent
Sack	Aye

At 2:26 p.m., Mr. Mongillo withdrew from the meeting and on motion made by Mr. Borowy, seconded by Mr. DiSalvo, and unanimously carried, the Committee voted to go into executive session to discuss proprietary information. Present in executive session were Committee members, Mss. Kowalski, Reckdenwald, Slubowski and Messrs. Bingaman, Donovan, Norris, and Singh.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Absent
Sack	Aye

At 3:02 p.m., the Committee came out of executive session and the meeting adjourned.

---

Kevin Curseaden, Chairman

**South Central Connecticut Regional Water Authority  
Audit-Risk Committee**

**Minutes of the September 23, 2021 Meeting**

A special meeting of the South Central Connecticut Regional Water Authority Audit-Risk Committee took place on Thursday, September 23, 2021, via remote access. In Chair LaMarr’s absence, Mr. DiSalvo presided as Acting Chair.

Present: **Committee** – Messrs. DiSalvo, Borowy, Curseaden, and Ms. Sack  
**Management** – Mss. Kowalski, Reckdenwald, and Messrs. Bingaman, Norris, Schnaitmann, and Singh  
**CliftonLarsonAllen (“CLA”)** – Messrs. Flint, Nossek, and Ziplow  
**RPB** – Mr. Mongillo  
**Staff** – Mrs. Slubowski

Mr. DiSalvo called the meeting to order at 12:31 p.m. He stated that he would serve as Acting Chair in Ms. LaMarr’s absence.

Mr. DiSalvo stated that it would be appropriate to reorder the agenda to move item B.2, *Review FY 2021 Audit Results*, after Item B.3, *Executive cyber SCADA Audit/Assessment Review*.

On motion made by Mr. Curseaden, seconded by Mr. Sack, and unanimously carried, the Committee approved the minutes of its meeting held on May 20, 2021, as presented.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Absent
Sack	Aye

At 12:33 p.m., on motion made by Mr. Curseaden, seconded by Mr. Borowy, and unanimously carried, the Authority voted to go into executive session to discuss cyber security matters. Present in executive session were the Authority members, Messrs. Bingaman, Norris, Schnaitman, and Singh, Mss. Kowalski, Reckdenwald and Slubowski, and Mr. Ziplow from CLA.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Absent
Sack	Aye

At 12:54 p.m., the committee came out of executive session and Mr. Ziplow withdrew from the meeting and Messrs. Flint and Nossek entered the meeting.

Messrs. Flint and Nossek of CLA, RWA’s external auditor, provided a review of the RWA’s audit and financial statements for the fiscal year ended May 31, 2021, which included:

- Audit scope
- Reporting results
- Financial highlights and variances
- Required communications

At 12:50 p.m., Ms. Sack withdrew from the meeting.

At 1:04 p.m., Ms. Sack and Mr. Mongillo entered the meeting.

In response to an inquiry regarding accounting standards, Mr. Nossek reported on three requirements under the General Accounting Standards Board (“GASB”):

1. GASB 84, associated with reporting of fiduciary activities
2. GASB 69 – associated with government combinations and disposals (e.g., mergers and acquisitions); and
3. GASB 87 – that pertains to the definition of leases, that is broad, s and the associated accounting, which changes the accounting of lease agreements.

At 1:15 p.m., Messrs. Flint and Nossek withdrew from the meeting.

Committee members reviewed changes to the committee’s charter. On motion made by Mr. Curseaden, seconded by Mr. Borowy, and unanimously carried, the committee voted to approve the charter, as revised.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Absent
Sack	Aye

At 1:19 p.m., on motion made by Mr. Borowy, seconded by Mr. Curseaden, and unanimously carried, the committee meeting adjourned.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Absent
Sack	Aye

---

Anthony DiSalvo, Acting Chairman

# Risk Management Update

December 16, 2021



# Agenda

- Risk Mitigation Team Updates
- Risk Register Methodology Update
- Claim Update
- RWA Commercial Enterprises Insurance

# Risk Mitigation Strategic Goals

## *2025 Goal*

Enhance RWA's enterprise risk management by reviewing and improving 50% of risk perspectives within the Risk Register with a focus on mitigating risk, improving redundancy and safeguarding resiliency.

## *FY22 Actions*

*Reconstitute the **Risk Mitigation Team** and review top 10 enterprise risks and execute their associated mitigation and prevention plans.*

# Risk Mitigation Team Update

<b>Leadership Oversight</b>	<b>Chairperson</b>
Rochelle Kowalski	Amanda Schenkle

Member	LT	Dept
Laura Gonzalez	Prem	Customer Care
Joseph Antinozzi	Jeanine	Safety
Jim Hill	Jim C.	Operations
Kevin Schnaitmann	Prem	IT
Peter Bocciarelli	Rochelle	Purchasing/Finance
April Capone	Jeanine	C&O
John Hudak	Ted/Sunny	Environmental Services
Larry Marcik	Ted/Sunny	Engineering Services

# Methodology Updates

## The COSO Enterprise Risk Management (ERM) Framework

- Used to identify and mitigate a variety of organizational risks
- Framework focuses on the possibility that events will occur and affect the achievement of strategy and business objectives
- Provides a consistent assessment of risks across all levels of an organization

# Former Guidelines for Risk Assessment

Impact		
Scale	Definition	Rating
High	An event that will result in a fundamental strategic realignment of operations. A threat to the continuation of business	4-5
Medium	An event that can be handled within the confines of the business, where third parties may be affected and resulting in a financial or operational impact	3
Low	An event that can be managed within the day to day financial and operational business, while providing business as usual	1-2

Probability		
Scale	Definition	Rating
High	Event expected to occur (i. e. highly probable that event <u>will</u> occur) in the current or next business period (1 year)	61-99%
Medium	Event expected to occur (i.e. highly probable that event <u>will</u> occur) during the strategic planning period (2 – 5 years)	41-60%
Low	Event is possible but Management does not reasonably expect it to occur within the current environment	1-40%

# COSO Framework

Likelihood of Occurrence		
Scale	Existing Controls	Frequency of Noncompliance
<b>5</b> <b>Almost Certain</b>	<ul style="list-style-type: none"> <li>No controls in place</li> <li>No policies or procedures, no responsible person(s) identified, no training, no management review</li> </ul>	<p>Expected to occur in most circumstances</p> <p>More than once per year</p>
<b>4</b> <b>Likely</b>	<ul style="list-style-type: none"> <li>Policies and procedures in place but neither mandated nor updated regularly</li> <li>Controls not tested or tested with unsatisfactory results</li> <li>Responsible person(s) identified</li> <li>Some formal and informal (on-the-job) training</li> <li>No management reviews</li> </ul>	<p>Will probably occur</p> <p>At least once per year</p>
<b>3</b> <b>Possible</b>	<ul style="list-style-type: none"> <li>Policies mandated, but not updated regularly</li> <li>Controls tested only occasionally, with mixed results</li> <li>Responsible person(s) identified</li> <li>Training is provided when needed</li> <li>Occasional management reviews are performed, but not documented</li> </ul>	<p>Might occur at some time</p> <p>At least once in 5 years</p>
<b>2</b> <b>Unlikely</b>	<ul style="list-style-type: none"> <li>Policies mandated and updated regularly</li> <li>Controls tested with mostly positive results</li> <li>Regular training provided to the identified responsible person(s), but not documented</li> <li>Regular management reviews are performed, but not documented</li> </ul>	<p>Could occur at some time</p> <p>At least once in 10 years</p>
<b>1</b> <b>Rare</b>	<ul style="list-style-type: none"> <li>Policies mandated and updated regularly</li> <li>Controls regularly tested with positive results</li> <li>Regular mandatory training is provided to the identified responsible person(s), and the training is documented</li> <li>Regular management reviews are performed and documented</li> </ul>	<p>May occur only in exceptional circumstances</p> <p>Less than once in 10 years</p>

# COSO Framework (Con't)

Impact of Risks						
Scale	Legal	Financial	Operational (Potential Disruption)	Reputation (Image)	Health and Safety	Ability to Pursue Strategic Goals
<b>1 Insignificant</b>	In compliance	< \$1 million	< 1/2 day	No press exposure	No injuries	Little or no impact
<b>2 Minor</b>	Civil violation with little/no fines	\$1–\$5 million	< 1 day	Localized negative impact on reputation (such as a single large customer) but recoverable	First aid treatment	Minor impact
<b>3 Serious</b>	Significant civil fines/penalties	\$5–\$25 million	1 day–1 week	Negative media coverage in a specific U.S. region or a foreign country	Medical treatment	Major impact
<b>4 Disastrous</b>	Serious violation, criminal prosecution probable	\$25–\$100 million	1 week–1 month	Negative U.S. national or international media coverage (not front page)	Death or extensive injuries	Significant impact
<b>5 Catastrophic</b>	Significant violation, criminal conviction probable, loss of accreditation or licensure	> \$100 million	> 1 month	Sustained U.S. national (and international) negative media coverage (front page of business section)	Multiple deaths or several permanent disabilities	Loss of accreditation or license

# Updates to Risk Register

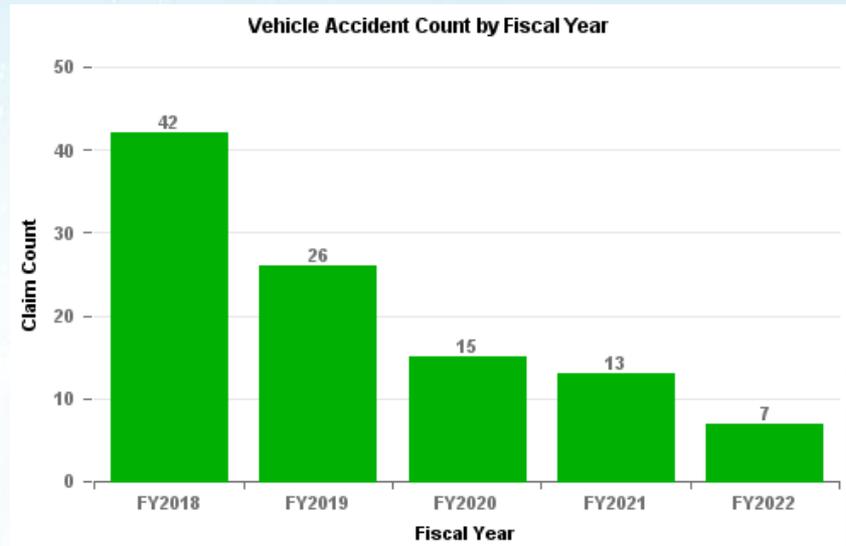
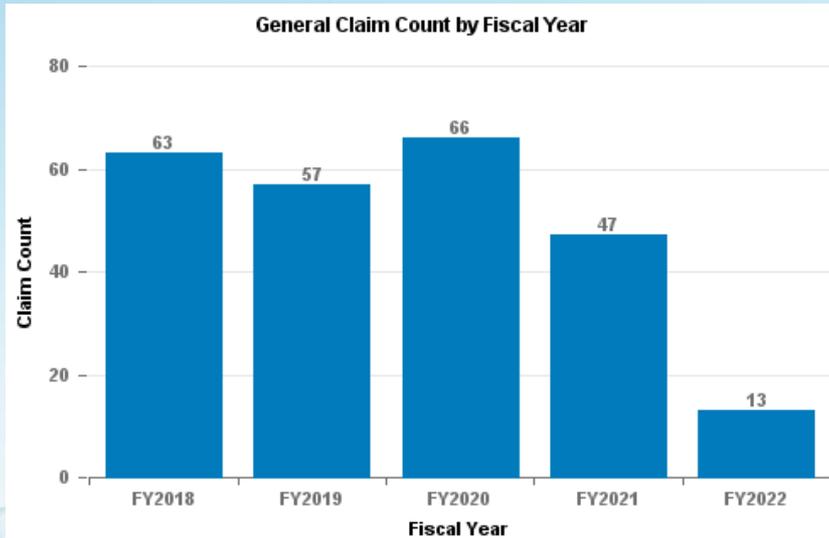
**21 of 48** Risk Perspectives have been reviewed and updated against the new COSO Framework

Example:

Hazardous Trees (I16- Internal Business Process)

Prev Impact	Prev Likelihood	Prev Risk Level	New Impact	New Likelihood	New Risk Level
3.0	20%	.06	3	3	9

# Insurance and Claims Management



Large Claim: Holland Companies - Received \$200,000

- Claim involved inferior Aluminum Sulfate at our Gaillard Water Treatment Plant. We were able to recoup all costs related to repairs of our Alum feed system as well as labor related to remediating our filter bed media.

# RWA Commercial Enterprise

- As of 7/1/2021, RWA Commercial Enterprises and its subsidiaries are currently covered by Churchill Casualty LLC.
- Through RWA's position as a member of the captive, we were able to cover all assets and future claims at \$0 in premium due to exposures for the holding company falling below 10% of RWA's total exposures.
- As RWA Commercial Enterprises continues to add additional subsidiaries, the insurance program will be reassessed for most cost efficient options.

# Questions & Discussion

**South Central Connecticut Regional Water Authority  
Minutes of the November 18, 2021 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, November 18, 2021, via remote access. Chair Borowy presided.

**Present:** Authority Members Present – Messrs. Borowy, DiSalvo, Curseaden, LaMarr and Ms. Sack  
Management – Mss. Kowalski and Reckdenwald, and Messrs. Bingaman, Courchaine, Norris, and Singh  
RPB –Mr. Oslander  
Staff – Mrs. Slubowski

Chair Borowy called the meeting to order at 12:30 p.m.

Ms. Reckdenwald, RWA’s Senior Vice President of Corporate Services, reviewed the Safety Moment distributed to members.

At 12:31 p.m., on motion made by Ms. LaMarr, seconded by Mr. Curseaden, and unanimously carried, the Authority voted to recess the meeting to meet as the Environmental, Health & Safety Committee.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

At 1:10 p.m., the Authority reconvened.

On motion made by Ms. LaMarr, seconded by Ms. Sack, and unanimously carried, the Authority approved, received or adopted:

1. Minutes of its October 21, 2021 meeting.
2. Capital Budget Authorization for December 2021.

**RESOLVED**, that the Vice President of Financial Reporting and Analysis is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$2,500,000 for the month of December 2021 for transfer from the Construction Fund for capital expenditures. Each such requisition shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate amount budgeted for fiscal year 2022 for all Capital Improvement Projects to be exceeded.

3. Capital Budget Transfer Notifications for December 2021.
4. Monthly Financial Report for October 2021.
5. Accounts Receivable update for October 2021.
6. Calendar year 2022 regular board and committee regular meeting dates.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

Ms. Kowalski, the RWA’s Vice President of Financial Reporting and Analysis, reviewed the proposed FY 2023 budget schedule. The Authority set the date of its special meeting to review the proposed budget for March 31, 2022.

Ms. Kowalski reviewed the proposed Thirty-sixth Series Preliminary Official Statement and resolutions, providing for the public offering and sale of the Thirty-sixth Series Bonds. The proposed resolutions would allow new bond funding and refinancing opportunities at a lower rate without extending the maturity date. The new funding also allows for a small amount of green bonds designated for specific capital projects. Mr. DiSalvo moved for adoption of the following resolutions:

**WHEREAS**, Section 22 of Special Act 77-98, as amended, of the Connecticut General Assembly (the “Act”) provides, in pertinent part, that bonds shall be authorized by a resolution of the South Central Connecticut Regional Water Authority (the “Authority”) which shall provide for the terms and conditions of the bonds, and may provide for any matter which in any way affects the security or protection on the bonds; and

**WHEREAS**, Section 9 of the Act provides that the Authority may delegate to one or more of its members, officers, agents or employees, such powers and duties as it may deem proper; and

**WHEREAS**, on July 15, 2021, the Authority adopted and on October 21, 2021, the Representative Policy Board (the “RPB”) approved the resolutions which established the general terms and provisions of the Authority’s Water System Revenue Bonds in the aggregate principal amount not to exceed \$51,000,000 to finance, among other things, the cost of certain capital improvements to the water system and which may be issued in one or more series (the “New Money Bonds”); and

**WHEREAS**, the Authority may issue bonds to refund a series of outstanding bonds (the “Refunding Bonds”) without the approval of the RPB; and

**WHEREAS**, the Authority wishes to provide for the issuance, sale and delivery of the Authority’s Water System Revenue Bonds, Thirty-sixth Series A in one or more series which may include “Green Bonds” and Refunding Bonds (the “Thirty-sixth Series A Bonds”) and authorize the issuance, sale and delivery of the Authority’s Water System Revenue Refunding Bonds, Thirty-sixth Series B in one or more series (the “Thirty-sixth Series B Bonds” and together with the Thirty-sixth Series A Bonds, the “Thirty-sixth Series Bonds”).

**NOW THEREFORE BE IT RESOLVED**, that the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis be authorized (i) to issue, sell and deliver the Thirty-sixth Series A Bonds in one or more series which may include Green Bonds in an amount of New Money Bonds not to exceed \$51,000,000 and Refunding Bonds in an amount not to exceed \$5,000,000 and (ii) to determine the principal amount, date, date of maturity, interest rate, form and other details of any such series of the Thirty-sixth Series A Bonds, pursuant to the Act and the Water System Revenue Bond Resolution, General Bond Resolution as amended and supplemented (the “General Bond Resolution”) or any other provisions of law thereto enabling; and

**BE IT FURTHER RESOLVED**, that the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis be authorized (i) to issue, sell and deliver the Thirty-sixth Series B Bonds in one or more series in an amount not to exceed \$70,000,000 and (ii) to determine the amount, date, date of maturity, interest rate, form and other details of the Thirty-sixth Series B Bonds, pursuant to the Act and the General Bond Resolution or any other provisions of law thereto enabling; and

**BE IT FURTHER RESOLVED**, that the Authority hereby approves the Thirty-sixth Series A Supplemental Resolution authorizing the issuance of the Thirty-sixth Series A Bonds in one or more series, which may include Green Bonds, substantially in the form attached hereto as Exhibit A, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis shall deem advisable and which shall be as set forth in Certificates of Determinations attached thereto; and

**BE IT FURTHER RESOLVED**, that the Authority hereby approves the Thirty-sixth Series B Supplemental Resolution authorizing the issuance of the Thirty-sixth Series B Bonds in one or more series substantially in the form attached hereto as Exhibit B, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis shall deem advisable and which shall be as set forth in Certificate of Determinations attached thereto; and

**BE IT FURTHER RESOLVED**, that for the purpose of providing for the public offering and sale of the Thirty-sixth Series Bonds and further setting forth information relating to the Thirty-sixth Series Bonds, one or more official statements, substantially in the form of the official statement attached hereto as Exhibit C (the “Official Statement”) is hereby approved, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis shall deem advisable or shall be necessary to provide information concerning the Thirty-sixth Series Bonds; and such officers, in the name of the Authority, are hereby authorized to deem the Official Statement final when appropriate and are further authorized and directed to execute such Official Statement and any amendment or supplement thereto on and after the sale of any series of the Thirty-sixth Series Bonds; and

**BE IT FURTHER RESOLVED**, that the Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis are hereby authorized to determine which of the Authority’s prior bonds are to be redeemed (the “Refunded Bonds”) with a portion of the proceeds of any series of the Thirty-sixth Series Bonds and to call irrevocably for redemption and to defease the Refunded Bonds all in accordance with the General Bond Resolution. The Chairperson or Vice Chairperson and the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis or any one of them are authorized to appoint an escrow agent and a verification agent and to execute and deliver any and all purchase, escrow and related agreements necessary to provide for the sale of any series of the Thirty-sixth Series Bonds and the payment when due of the principal of, interest and the redemption premium, if any, on the Refunded Bonds; and

**BE IT FURTHER RESOLVED**, that the Chairperson, Vice Chairperson, the President/Chief Executive Officer or Vice President of Financial Reporting & Analysis, or any one of them, are hereby authorized to appoint an underwriter or underwriters and a financial advisor and to purchase a municipal bond insurance policy to guarantee the payment of principal and interest on the Thirty-sixth Series Bonds, if the Authority’s financial advisor or the underwriter for the

Thirty-sixth Series Bonds deems it advisable, and execute and deliver such documents as may be necessary or desirable to issue, sell and deliver the Thirty-sixth Series Bonds, including but not limited to, the Purchase Contracts, the Tax Regulatory Agreements and the Continuing Disclosure Agreements and to take such actions or to designate other officials or employees of the Authority to take such actions and execute such documents in connection with the issuance, sale and delivery of the Thirty-sixth Series Bonds in one or more series as are determined necessary or advisable and in the best interests of the Authority and that the execution of such documents shall be conclusive evidence of such determination.

Mr. Curseaden seconded the motion. After discussion, the Chair called for the vote:

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

Authority members reported on recent RPB Committee meetings.

Mr. Borowy commented on the Ten Year Model (“Model”) and its relevance and impact on rate increases. He also noted the importance of RPB participation and understanding of the information required to prepare the Model.

At 1:30 p.m., on motion made by Mr. DiSalvo, seconded by Ms. Sack, and unanimously carried, the Authority voted to recess the meeting to meet as the Strategic Planning Committee.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

At 1:53 p.m., the Authority reconvened.

Mr. Bingaman, the RWA’s President and Chief Executive Officer, and Ms. Kowalski, provided a review of the proposed resolutions pertaining to subsidiary companies of the RWA. They stated that the resolutions would allow for expediting the expansion of RWA’s commercial business and approve the formation of two new companies under RWA Commercial Enterprises LLC. Mr. Curseaden moved for adoption of the following resolutions:

**WHEREAS**, RWA Commercial Enterprises, LLC is a Connecticut limited liability company and wholly-owned subsidiary of the Authority (“**RWA Enterprises**”); and

**WHEREAS**, the Board deems it to be advisable and in the best interest of the Authority to authorize and approve the formation of RWA Environmental Laboratory Services, LLC, a Connecticut limited liability company and wholly-owned subsidiary of RWA Enterprises (the “**Lab Services Sub**”); and

**WHEREAS**, the Board deems it to be advisable and in the best interest of the Authority to authorize and approve the formation of RWA Commercial Services, LLC, a Connecticut limited liability company and wholly-owned subsidiary of RWA Enterprises (the “**Commercial Services Sub**”).

**NOW THEREFORE LET IT BE RESOLVED**, the Authority hereby authorizes the organization of each of Lab Services Sub and Commercial Services Sub; and

**FURTHER RESOLVED**, that each of Lab Services Sub and Commercial Services Sub be organized as a single-member limited liability company under the laws of the State of Connecticut with RWA Enterprises as the sole member; and

**FURTHER RESOLVED**, that each of Larry L. Bingaman, the President and Chief Executive Officer of the Authority and a manager of RWA Enterprises, and Rochelle Kowalski, the Vice President of Financial Reporting and Analysis of the Authority and a manager of RWA Enterprises (each such person, an "**Authorized Officer**") be, and each of them hereby is, authorized and empowered to take all such further action and to execute and deliver all such further agreements, certificates, instruments, and documents, in the name and on behalf of the Authority; to pay or cause to be paid all expenses; to take all such other actions as the Authorized Officer shall deem necessary, desirable, advisable, or appropriate to consummate, effectuate, carry out, or further the transactions contemplated by and the intent and purposes of the foregoing resolutions.

Ms. LaMarr seconded the motion. After discussion, the Chair called for the vote:

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

Ms. Reckdenwald provided an update on the status of COVID at the RWA.

Mr. Bingaman:

- Reported that acquisitions for an environmental service lab and well services company are advancing. The RWA's PipeSafe program is seeking partnerships with communities outside the RWA's service territory and the piloting of the WellSafe suite of products later this month.
- Advised the Authority that the RWA has filled the position of Vice President of Engineering and Environmental Services. The candidate is a professional engineer with 30 years of experience in managing complex construction projects and experience in water and wastewater projects. Mr. Bingaman acknowledged Mr. Norris and thanked him for his consultation services during the past year while the RWA was recruiting for the position.
- Stated that the application for electrical improvements at Lake Saltonstall is included in the Senate Appropriation Committee's draft spending bill.
- Commented on the status of the Water Infrastructure Finance and Innovation Act ("WIFIA") letter of intent ("LOI") for the Lake Whitney Dam and Spillway improvements. The LOI has advanced to the next round (i.e., invited to submit an application). He stated that WIFIA is a low-cost loan program. .
- Reported that the FY 2021 annual report is in circulation and features a tribute page to former Authority member, Joe Cermola, for his 44 years of dedicated service to the board. He highlighted

that Joe was an original founding member of Authority board of the RWA. Mr. Bingaman stated that he and Mr. Borowy hand delivered a copy of the annual report to Mr. Cermola last week.

- Reported that voluntary employee meetings have resumed after a lapse due to COVID. He recently completed a series of 20 meetings to discuss organizational concerns.
- Highlighted a meeting that he and Ms. LaMarr attended yesterday with the Southern Connecticut State University Utility Management Advisory Council to discuss cybersecurity. The session was informative and he would encourage the panel members to attend an Audit-Risk Committee meeting for an extended discussion.

At 2:21 p.m., Mr. Oslander withdrew from the meeting and the Authority voted to go into executive session to discuss strategy and negotiations and personnel. Present in executive session were Authority members, Mss. Kowalski, Reckdenwald, Slubowski and Messrs. Bingaman, Courchaine, Norris, and Singh.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

At 2:27 p.m., the Authority came out of executive session and on motion made by Mr. DiSalvo, seconded by Ms. LaMarr, and unanimously carried, the meeting adjourned.

Borowy	Aye
Curseaden	Aye
DiSalvo	Aye
LaMarr	Aye
Sack	Aye

Respectfully submitted,

---

Kevin Curseaden, Secretary

**South Central Connecticut Regional Water Authority**  
90 Sargent Drive, New Haven, Connecticut 06511-5966 203.562.4020  
<http://www.rwater.com>

**MEMORANDUM**

**TO:** David J. Borowy  
Kevin J. Curseaden  
Anthony DiSalvo  
Catherine LaMarr  
Suzanne C. Sack

**FROM:**  Rochelle Kowalski  
Vice-President of Financial Reporting and Analysis

**DATE:** December 10, 2021

**SUBJECT:** Capital budget authorization request for January 2022

Attached for your meeting on December 16, 2021 is a copy of the resolution authorizing expenditures against the capital improvement budget for January 2022. The amount of the requested authorization, for funds held by the trustee, is \$2,500,000.

In addition, from the Growth Fund, approximately \$10,000 is expected to be used for the Non-Core Billing project.

This would result in projected expenditures through January 2022 of \$16,235,119 or 36.8% of the total 2022 fiscal year capital budget, including State and Redevelopment and Growth Fund.

Attachment

**RESOLVED**

That the Vice-President of Financial Reporting and Analysis is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$2,500,000 for the month of January 2022 for transfer from the Construction Fund for capital expenditures. Each such requisition shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate amount budgeted for fiscal year 2022 for all Capital Improvement Projects to be exceeded.

South Central Connecticut Regional Water Authority  
 90 Sargent Drive, New Haven, Connecticut 06511-5966 203-562-4020  
<http://www.rwater.com>

TO: David J. Borowy  
 Kevin J. Curseaden  
 Anthony DiSalvo  
 Catherine LaMarr  
 Suzanne C. Sack

FROM: *Rochelle Kowalski* Rochelle Kowalski

DATE: December 8, 2021

SUBJECT: Capital Budget Transfers

The status of all capital projects are reviewed on a monthly basis. In an effort to obtain efficiencies in our capital program, any anticipated unspent funds are reallocated to support reprioritized projects or existing projects. Below is a summary of the attached capital budget transfers and amendments.

	Available Funds	Reallocation of Project/Funds
Lake Gaillard Chemical Feed System Improvements	\$29,000	Reservoir Sampling Equipment Replacement
North Sleeping Giant Wellfield Facility Improvements	\$425,000	Wayne Road, Milford, 8" Water Main Replacement

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	11/22/2021	Type	Log	Mo/Yr
Requesting Division:	Engineering & Environmental Services	B1	22-23	Nov/21
Requested By:	Will Henley			

<b>Transfer From:</b>	
Account Number:	001-000-107132-116110
Project Description:	Lake Gaillard Water Treatment Plant Chemical Feed Improvements
A) Original Budget	900,000
B) Total Previous Transfers (In or Out)	558,000
C) This Transfer	29,000
D) Revised Budget (A+/-B-C)	313,000
E) Estimated Project Costs	200,000
F) Remaining Funds Available for Transfer, if any (D-E)	113,000
Explanation why funds are available: This project will complete under budget as a result of the project schedule being accelerated during the final quarter of Fiscal Year 2021.	

<b>Transfer To:</b>	
Account Number:	To be Created
Project Description:	Natural Resources Equipment - Reservoir Sampling Equipment Replacement
A) Original Budget	0
B) Previous Transfers (In or Out)	0
C) Revised Budget (A+/-B)	0
D) Amount to be Transferred	29,000
E) Proposed Revised Budget (C+D)	29,000
Explanation why funds are needed: This amendment will fund the replacement of the current water quality equipment used to monitor our 10 active reservoirs. The existing equipment has reached the end of its useful life and is no longer going to be supported by the manufacturer. This equipment provides the data used to make treatment intake window selection, movement of water from upstream reservoirs, and the health of our water bodies. It is critical to effective source water management. This project is being accelerated from FY 2023. Total cost is estimated at \$29,000.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>E. H. [Signature]</i>	11.24.2021
2) Donor Vice President/Director	<i>[Signature]</i>	11.24.2021
3) Vice President - Finance	<i>K. [Signature]</i>	11/30/2021
4) Executive Vice President & Chief Operating Officer		
5) Chief Executive Officer		
6) Authority Members	Copy of minutes attached if required	

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	12/7/2021	Type	Log	Mo/Yr
Requesting Division:	Engineering & Environmental Services	B2	22-24	Dec/21
Requested By:	Tom Adamo			

<b>Transfer From:</b>	
Account Number:	001-000-107132-066014
Project Description:	North Sleeping Giant Wellfield Facility Improvements
A) Original Budget	1,100,000
B) Total Previous Transfers (In or Out)	0
C) This Transfer	425,000
D) Revised Budget (A+/-B-C)	675,000
E) Estimated Project Costs	600,000
F) Remaining Funds Available for Transfer, if any (D-E)	75,000
Explanation why funds are available: This project will complete under budget as a result of the project schedule being accelerated during the final quarter of Fiscal Year 2021.	

<b>Transfer To:</b>	
Account Number:	001-000-107143-090028
Project Description:	Wayne Road, Milford 8" Water Main Replacement
A) Original Budget	587,000
B) Previous Transfers (In or Out)	(587,000)
C) Revised Budget (A+/-B)	0
D) Amount to be Transferred	425,000
E) Proposed Revised Budget (C+D)	425,000
Explanation why funds are needed: This amendment will fund the reinstatement of this capital water main project, which was deferred as a result of the City of Milford paving the area of planned work prior to its commencement. However, as a result of a recent main break, it was determined that regardless of the recent paving, it is now necessary to proceed with this project. Additionally, main replacement on two other streets - Wanda Road and Cora Place - have been included in the scope of the work. The total cost of this project is estimated at \$850,000. Work to be completed in FY 2022 is estimated at \$425,000. The remaining work (approximately \$425,000) will be budgeted as part of the annual capital water main replacement budget in FY 2023.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>[Signature]</i>	12.06.2021
2) Donor Vice President/Director	<i>[Signature]</i>	12.06.2021
3) Vice President - Finance	<i>[Signature]</i>	12/8/21
4) Executive Vice President & Chief Operating Officer		
5) Chief Executive Officer	<i>[Signature]</i>	12/9/2021
6) Authority Members	Copy of minutes attached if required	

*[Handwritten initials]*

**South Central Regional Water Authority**

**Analysis of Accounts Receivable ("A/R")**

(\$000 omitted)

Denotes City of New Haven Invoicing

**Total Accounts Receivable Aging (in days)**

	Nov 2021	Oct 2021	Sept 2021	Aug 2021	July 2021	June 2021	May 2021	April 2021	March 2021	Feb 2021	Jan 2021	Dec 2020	Nov 2020
Under 30	\$ 8,276	\$ 7,638	\$ 8,164	\$ 6,789	\$ 8,080	\$ 6,782	\$ 5,664	\$ 6,227	\$ 6,251	\$ 5,782	\$ 6,802	\$ 7,363	\$ 6,472
31-60	2,042	2,743	1,990	2,081	2,546	1,548	1,987	2,185	1,433	2,112	2,527	2,041	2,444
61-90	1,436	686	842	1,465	887	966	1,344	891	990	1,666	972	1,103	1,594
91-180	1,775	1,881	1,946	1,705	2,023	2,095	2,063	2,016	2,112	2,195	2,118	2,127	1,969
181-360	2,071	2,120	2,149	2,212	2,284	2,404	2,197	2,331	2,443	2,353	2,286	2,109	1,934
More than 1 year	5,111	5,341	5,388	5,134	5,150	5,102	4,964	4,998	4,969	4,720	4,621	4,576	4,408
Sub Total	20,711	20,409	20,479	19,386	20,970	18,897	18,219	18,648	18,198	18,828	19,326	19,319	18,821
Interest due	1,112	1,014	1,026	1,055	1,067	1,088	1,130	1,171	1,216	1,229	1,265	1,310	1,354
Total Gross A/R plus interest	\$ 21,823	\$ 21,423	\$ 21,505	\$ 20,441	\$ 22,037	\$ 19,985	\$ 19,349	\$ 19,819	\$ 19,414	\$ 20,057	\$ 20,591	\$ 20,629	\$ 20,175

**Aged Accounts Receivable Focus of Collection Efforts**

	Nov 2021	Oct 2021	Sept 2021	Aug 2021	July 2021	June 2021	May 2021	April 2021	March 2021	Feb 2021	Jan 2021	Dec 2020	Nov 2020
<b>Greater than 60 days:</b>													
A/R	\$ 11,360	\$ 11,012	\$ 11,334	\$ 11,554	\$ 11,393	\$ 11,640	\$ 11,683	\$ 11,386	\$ 11,710	\$ 12,143	\$ 11,242	\$ 11,208	\$ 11,235
Less: Multi-Tenants	(3,104)	(2,569)	(2,831)	(2,941)	(2,765)	(3,095)	(3,124)	(2,641)	(2,847)	(3,127)	(2,676)	(3,039)	(3,419)
Receiverships	(1,971)	(1,985)	(2,008)	(1,961)	(2,125)	(1,966)	(1,995)	(2,048)	(2,023)	(2,018)	(1,976)	(2,105)	(2,084)
Liens	(2,189)	(2,196)	(2,281)	(2,472)	(2,112)	(2,274)	(2,236)	(2,304)	(2,410)	(2,296)	(2,165)	(1,858)	(1,775)
Total	\$ 4,096	\$ 4,262	\$ 4,214	\$ 4,180	\$ 4,391	\$ 4,305	\$ 4,328	\$ 4,393	\$ 4,430	\$ 4,702	\$ 4,425	\$ 4,206	\$ 3,957
	36%	39%	37%	36%	39%	37%	37%	39%	38%	39%	39%	38%	35%

**Collection Efforts**

	Nov 2021	Oct 2021	Sept 2021	Aug 2021	July 2021	June 2021	May 2021	April 2021	March 2021	Feb 2021	Jan 2021	Dec 2020	Nov 2020
Shuts *	\$ 113	\$ 15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Red Tags **	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivers	8	33	6	5	5	12	5	9	5	6	13	20	17
Top 100 Collection Calls	38	257	334	142	237	318	250	242	108	191	99	257	108
Other <sup>(1)</sup>	1,576	1,404	1,217	1,344	878	1,345	1,028	1,222	1,104	1,093	1,425	1,290	1,163
Total	\$ 1,735	\$ 1,709	\$ 1,557	\$ 1,491	\$ 1,120	\$ 1,675	\$ 1,283	\$ 1,473	\$ 1,217	\$ 1,290	\$ 1,537	\$ 1,567	\$ 1,288

\* Number of shuts

211 24

\*\* Number of Red tags

<sup>(1)</sup> Includes: Notices and letters and legal initiatives.

## November 2021 FY22 KPI Report: Q2 Results

KPI Name	Level	Description	Q2 Target	Q2 Actual	GAR	Q2 Commentary
Electronic Bill Delivery	Global	Increase the number of residential, commercial and industrial customers who receive their RWA bill electronically.	30.0%	30.4%		Electronic billing adoption continues to grow as we promote organically through onbill messaging, our website, and bill inserts. We anticipate continued growth as we launch our new Customer Portal and mobile application.
Safety	Global	Achieve zero preventable injuries and lead safety initiatives to promote a culture of prevention.	0	3		We are continuing our efforts to provide high visibility reflective trim, High intensity lighting and flashing brake lights on our vehicles to reduce the possibility of rear end crashes and subsequent recordable injuries. We are also providing hand tool training to various departments to help reduce hand injuries. These actions directly correlate to our current losses.
Capital Planning Management	Global	Unplanned capital expenditures will represent no more than 5% of the FY22 capital budget.	5.0%	0.9%		We currently project that we will meet this target.
Water System Needs	Exec	Review five existing Effective Practice Guidelines (EPG) for efficacy and develop three new EPGs in both Treatment and Operations to maintain top performance of business practices.	2	3		Within Operations, Treatment and Distribution staff continually review and develop EPGs
Disinfection By-products	Global	Maintain 100% compliance with drinking water standards by ensuring that 90% of disinfection by-product tests are at least 10% below maximum drinking water thresholds.	100%	100%		There were 0 near-misses for the THMs and HAAs in September, our last compliance sampling period. DBP research and management activities are on-going.
Process Improvement	Global	Implement four process improvements to achieve efficiencies.	2	2		<p>COMPLETED</p> <ul style="list-style-type: none"> <li>- Automated, proactive Continuous Consumption Alerts using AMI data</li> <li>- Customer Escalation Dashboard with streamlined tracking and reporting</li> </ul> <p>IN PROGRESS</p> <ul style="list-style-type: none"> <li>- AMI remote shut prototype</li> <li>- NoDes Flushing innovations</li> <li>- eRequisition processes</li> <li>- Employee On/Off Boarding tracking and automations</li> <li>- Capital Planning &amp; Budgeting improvements</li> </ul>
Cybersecurity	Exec	Complete external cybersecurity SCADA assessment and implement four critical recommendations for improvement.	4	7		<ul style="list-style-type: none"> <li>- Centralized Event Logging for servers: COMPLETE</li> <li>- Create plan for updating out of date hardware firmware: COMPLETE</li> <li>- Restrict access to out of date PLC Devices and routers: COMPLETE</li> <li>- Finalize SCADA Business Continuity Plan: COMPLETE</li> <li>- Cybersecurity CISA OT/IT training for SCADA Staff: COMPLETE</li> <li>- Creation of SCADA Incident response plans: COMPLETE</li> <li>- Off Site SCADA Backup: COMPLETE</li> <li>- Remove or Upgrade unsupported operating systems from Scada Network: IN PROGRESS; 95 Percent Complete - Pending RTU project completion</li> </ul>
Coverage	Global	Meet 114% coverage without a draw from discretionary funds.	114% Coverage \$0 Draw	114% Coverage \$0 Draw		We are projecting to maintain 114% coverage with no draw.
Commercial Enterprise Growth	Global	Acquire two profitable acquisitions to contribute to mitigating rates.	1	1		Acquisition of Roach Plumbing complete. 2 additional acquisitions in progress.
Commercial Services Revenue	Exec	Achieve commercial net revenues of \$6.0M in FY22 to support overall target of \$9.2M for FY25.	On Target at year-end	Projected to be On Target at year-end		<p>We anticipate meeting the fiscal 2022 budget and are aggressively pursuing actions to achieve the stretch goal reflected in the KPI target.</p> <p>PipeSafe and Well Services are above expectations. Lower outside lab services net revenue is largely offset by lower utility O&amp;M expenses. Common expenses are reflective of the high level of activity.</p>
Capital Budget Management	Global	Ensure that at least 96% of the FY22 capital budget is put to work efficiently for the benefit of our customers.	30.2%	25.4%		While spending is behind, amendments have been processed, and we expect to meet the YE target.

KPI Name	Level	Description	Q2 Target	Q2 Actual	GAR	Q2 Commentary
Capital Budget Management	Global	Ensure that at least 96% of the FY22 capital budget is put to work efficiently for the benefit of our customers.	30.2%	25.4%		While spending is behind, amendments have been processed, and we expect to meet the YE target.

Representative Policy Board  
Dashboard Metric - 2Q FY22

Metrics	Quarter ended 11/30/20 (2Q FY 2021)	Quarter ended 5/31/21 (4Q FY 2021)	Quarter ended 8/31/21 (1Q FY 2022)	Quarter ended 11/30/21 (2Q FY 2022)
<b>Customer/Stakeholders</b>				
<i>Combined Customer Satisfaction &amp; Reputation (Note 1)</i>	Target: 96% +/-2%	Target: 96% +/-2%	Target: 96% +/-2%	Target: 96% +/-2%
	Results: 93.1%*	Results: 93.1%*	Results: 93.1%*	Results: 93.1%*
	*Period ending March 2020, most recent available			
<i>Underlying Credit Rating</i>	S&P rating <b>AA-</b> , affirmed 10/2019	S&P rating <b>AA-</b> , affirmed 10/2019	S&P rating <b>AA-</b> , affirmed 10/2019	S&P rating <b>AA-</b> , affirmed 12/2021
	Moody's rating <b>Aa3</b> , affirmed 10/2019	Moody's rating <b>Aa3</b> , affirmed 10/2019	Moody's rating <b>Aa3</b> , affirmed 10/2019	Moody's rating <b>Aa3</b> , affirmed 12/2021
<i>Water Rates</i>	Update to be provided with the next Official Statement	Update to be provided with the next Official Statement	Update to be provided with the next Official Statement	Update included in Preliminary Official Statement is attached
<b>Financial Metrics (Note 2)</b>				
<i>Accrued Metered Water Revenues to Budget (000 omitted)</i>	Budget: \$54.540 million	Budget: \$102.878 million	Budget: \$28.384 million	Budget: \$55.461 million
	Budget Org: \$56.028 million	Budget Org: \$104.712 million	NA	NA
	Result: <b>\$58.581 million</b>	Result: <b>\$108.012 million</b>	Result: <b>\$30.324 million</b>	Result: <b>\$55.782 million</b>
<i>Other Net Revenues to Budget</i>	Budget: \$2.753 million	Budget: \$5.734 million	Budget: \$1.409 million	Budget: \$2.851 million
	Result: <b>\$2.932 million</b>	Result: <b>\$5.667 million</b>	Result: <b>\$1.470 million</b>	Result: <b>\$2.863 million</b>
<i>O&amp;M Expenditures to Budget (Note 2)</i>	Budget: \$27.582 million	Budget: \$56.200 million	Budget: \$14.750 million	Budget: \$29.562 million
	Budget Org.: \$29.915	Budget Org.: \$61.051	NA	NA
	Result: <b>\$25.741 million</b>	Result: <b>\$55.054 million</b>	Result: <b>\$13.335 million</b>	Result: <b>\$26.844 million</b>
<i>Capital Expenditures to Budget (Note 3)</i>	Budget: \$9.885 million	Budget: \$19.281 million	Budget: \$4.749 million	Budget: \$12.190 million
	Result: <b>\$7.126 million</b>	Result: <b>\$18.550 million</b>	Result: <b>\$3.986 million</b>	Result: <b>\$10.248 million</b>
<i>Cash Collections (Water and Fire Service)</i>	Budget: \$43.30 million	Budget: \$101.381 million	Budget: \$30.247 million	Budget: \$59.677 million
	Budget Org: \$60.23 million	Budget Org: \$117.202 million	NA	NA
	Result: <b>\$61.80 million</b>	Result: <b>\$117.333 million</b>	Result: <b>\$32.896 million</b>	Result: <b>\$61.713 million</b>
<i>Coverage</i>	Budget: 1.14 w/draw	Budget: 1.14 w/draw	Budget: 1.14 w/draw	Budget: 1.14 w/draw
	Projected: <b>1.14 w/draw</b>	Projected: <b>1.28 w/o draw</b>	Projected: <b>1.14 w/o draw</b>	Projected: <b>1.14 w/o draw</b>
<i>Draw Requirement</i>	Budget: \$12.045 million	Budget: \$12.045 million	Budget: \$922 thousand	Budget: \$922 thousand
	Projected: <b>\$0.6 million</b>	Projected: <b>\$0 million</b>	Projected: <b>\$0 million</b>	Projected: <b>\$0 million</b>

**Representative Policy Board  
Dashboard Metric - 2Q FY22**

Metrics	Quarter ended 11/30/20 (2Q FY 2021)	Quarter ended 5/31/21 (4Q FY 2021)	Quarter ended 8/31/21 (1Q FY 2022)	Quarter ended 11/30/21 (2Q FY 2022)
<b>System Metrics</b>				
<i>Average Daily Production (Draft) to Budget (MG/D)/Prior Year (Note 4)</i>	Prior Year: 47.106 MGD	Prior Year: 42.504 MGD	Prior Year: 56.883 MGD	Prior Year: 50.707 MGD
	Result: <b>50.707 MGD</b>	Result: <b>45.209 MGD</b>	Result: <b>53.416 MGD</b>	Result: <b>48.344 MGD</b>
<i>Disinfection By-products (5)</i>	Target: 90%	Target: 90%	Target: 90%	Target: 100%
	Result: <b>100%*</b>	Result: <b>100%*</b>	Result: <b>100%*</b>	Result: <b>100%*</b>
	* As of Sept. 30, 2020, updated	* As of Mar. 31, 2021, updated	* As of June 30, 2021, updated	* As of September 30, 2021, updated
	quarterly based on calendar year	quarterly based on calendar year	quarterly based on calendar year	quarterly based on calendar year
<i>Net Unaccounted For Water (annualized)</i>	Target: 10.0%	Target: 10.0%	Target: 10.0%	Target: 10.0%
	Result: <b>10.97%</b> for the annualized period of Sept. 2019 to August 2020	Result: <b>11.88%</b> for the annualized period of April 2020 to March 2021	Result: <b>11.64%</b> for the annualized period of June 2020 to May 2021	Result: <b>11.73%</b> for the annualized period of Sept. 2020 to August 2021
<i>Reservoir Levels (% full)</i>	<b>67% vs. 66% LTA</b>	<b>97% vs. 93% LTA</b>	<b>92% vs. 74% LTA</b>	<b>85% vs. 66% LTA</b>

Notes:

Note 1: Metric is Northeast Average for Customer Billing & Payment

Note 2: Excludes impact of governmental accounting standards for pension and opeb and may include expenses from non-revenue fund sources

Note 3: Excludes State and Redevelopment and contingency. FY 2021 and FY 2022 also excludes capital funded by Growth Fund

Note 4: Fiscal 2021 and FY 2022 is vs. prior year

Note 5: Fiscal 2022 target is 100% representing that tests are at least 10% below the maximum drinking water thresholds

**Comparison of Typical Quarterly Water Bills (a)**

(in \$)

Quarterly Water Consumption in Cubic Feet (b)	Quarterly Water Consumption in Cubic Feet(b)					
	2,500	10,000	50,000	100,000	500,000	2,000,000
<b>South Central Connecticut Regional Water Authority</b>	171	502	2,226	4,236	20,312	80,597
<b>Connecticut Municipal Water Utilities:</b>						
Hartford Metropolitan District Commission						
Customers Within District	146	450	2,258	4,283	20,483	81,233
Customers Outside District	197	500	2,820	4,845	21,045	81,795
New Britain Water Department						
Customers Within New Britain	89	317	1,640	3,159	15,311	60,881
Customers Outside New Britain	152	539	2,787	5,369	26,028	103,497
Customers Within District	41	139	753	1,407	6,643	26,278
Customers Outside District	58	196	1,063	1,980	9,310	36,799
City of Waterbury	78	277	1,337	2,662	13,262	53,012
<b>Investor-Owned Water Utilities located within Connecticut:</b>						
Aquarion Water Company						
Eastern Division	159	507	2,475	3,618	12,765	47,066
Eastern Division (United) (c)	172	557	2,649	4,958	23,429	92,693
Western Division	135	411	2,072	3,216	12,362	46,663
Connecticut Water Company	248	928	3,294	6,267	30,055	119,260
<b>Water Utilities in the Northeast:</b>						
Boston, MA (Municipal)	152	673	3,694	7,577	39,860	161,147
New Jersey American Water (d)	199	617	3,262	6,050	28,350	111,974
Suez, New Jersey	172	528	2,797	5,172	24,171	95,416
Aqua America, PA (e)	299	1,059	4,150	7,874	41,469	136,122
Providence, RI (Municipal)	132	436	2,185	4,301	21,231	84,717
Suez, New York (f)	389	1,644	4,898	5,547	31,478	128,721
Springfield, MA (Municipal)	113	427	2,108	4,203	20,963	83,813

(a) Data as of November 6, 2021

(b) Bills computed for 5/8" meter service up to 10,000 cubic feet and for two inch meter for commercial service above 10,000 cubic feet where responding utilities made service class differentiation. Not all utilities have the same rate block structure.

(c) Formerly known as United Water, Connecticut

(d) Formerly known as United Water New Jersey and Elizabethtown Water Company, NJ

(e) Formerly known as Philadelphia Suburban Water Company, PA

(f) Formerly known as United Water New York

**South Central Connecticut Regional Water Authority**  
90 Sargent Drive, New Haven, Connecticut 06511-5966 203.562.4020  
<http://www.rwater.com>

TO: David J. Borowy  
Kevin J. Curseaden  
Anthony DiSalvo  
Catherine E. LaMarr  
Suzanne C. Sack

FROM:  Rochelle Kowalski  
Vice President of Financial Reporting & Analysis

DATE: December 10, 2021

SUBJECT: Quarterly financial statements for fiscal year 2022 (ending May 31, 2022)

---

Attached are the following financial reports regarding the second quarter of fiscal year 2022. i.e., the quarter ended November 30, 2021:

- Statements of net position as of November 30, 2021 and November 30, 2020;
- Schedules A-1 & A-2: Statements of revenues, expenses and changes in net position as of November 30, 2021, maintenance test, and commentary;
- Schedule B: Operating and maintenance expenses;
- Schedule C: Capital budget report;
- Schedule D: Investment earnings report - comparison of investment rates of return

The reports bulleted above incorporate the Authority's experience from June 2021 through November 2021. For the remainder of fiscal year 2022, the reports include the projections shown on schedules A-2 and B which use the assumptions explained below.

## **Schedule A-2: Statements of Revenues, Expenses and Changes in Net Position**

### Section of page entitled "Six Months Ended November 30"

The figures shown present June through November 30 as well as comparative budget vs. actual results for the six months ended November 30, 2021.

### Section of page entitled "Year Ending May 31, 2022"

The "budget" column is the budget for fiscal year 2022, as approved by the Five-Member Authority.

#### Assumption 1

The column labeled *Assumption 1* presents earned metered water revenues that reflect six months (June through November 2021) of consumption and six months of budgeted consumption for (December 2021 through May 2022).

Other revenues and expenses shown in this column reflect six months of results and six months, as projected.

#### Assumption 2

The column labeled *Assumption 2* projects consumption for the months of December 2021 through May 2022 at 3% above budget. Operating expense for "pump power" and chemicals for these same months is adjusted to reflect the 3% increase.

#### Assumption 3

The column labeled *Assumption 3* projects consumption for the months of December 2021 through May 2022 at 3% below budget. Operating expense for "pump power" and chemicals for these same months is adjusted to reflect the 3% decrease.

### Section of page entitled "Maintenance Test"

The maintenance test reflects the same three assumptions described above except that water sales are not accrued revenue, but cash collections from June through November 2021, plus projected cash collections for December 2021 through May 2022. Management assumes that the billings are collected over the course of twelve months.

### **Schedule B: Operating and Maintenance Expense**

This schedule provides details of the operating and maintenance expense for the second quarter of fiscal year 2022, as well as projections for December 2021 through May 2022 under the three assumptions presented above.

### **Schedule C: Capital Budget Report**

This schedule shows capital expenditures for June through November 2021, as well as projections for the full fiscal year 2022.

### **Schedule D: Interest Earned**

Compared here are “budgeted” versus “actual” interest rates earned on the Authority’s invested funds.

Attachments

REGIONAL WATER AUTHORITY  
STATEMENTS OF NET POSITION  
AS OF NOV 30, 2021 AND 2020

Assets	FY 2022	FY 2021	Y/Y Variance	Liabilities and Net Assets	FY 2022	FY 2021	Y/Y Variance
Utility plant				Liabilities			
Property, plant and equipment in service	\$ 907,166,879	\$ 892,096,243	\$ 15,070,636	Revenue bonds payable, less current portion	\$ 474,140,000	\$ 495,615,000	\$ (21,475,000)
Accumulated depreciation	(396,643,877)	(374,541,227)	(22,102,651)	Net premiums and discounts from revenue bonds payal	38,963,262	43,228,233	(4,264,972)
Utility plant in service	510,523,001	517,555,016	(7,032,015)	DWSRF loans payable, less current portion	24,677,625	20,600,934	4,076,691
Land	27,993,988	28,090,328	(96,340)	Net pension liability	9,651,739	19,071,269	(9,419,530)
Construction work in progress	32,933,279	27,115,743	5,817,536	Net OPEB obligation	17,772,589	18,344,539	(571,950)
Total utility plant, net	571,450,269	572,761,087	(1,310,819)	Total noncurrent liabilities	565,205,215	596,859,976	(31,654,761)
Nonutility land, at cost	64,983,522	64,983,522	-	Current liabilities			
Goodwill	14,423,704	14,423,704	-	Current portion of revenue bonds payable	21,475,000	20,565,000	910,000
Current assets				Current portion of DWSRF loans payable	1,300,003	1,033,618	266,385
Cash and cash equivalents	48,658,080	52,811,008	(4,152,928)	Accounts payable	3,407,192	3,885,196	(478,005)
Investments	-	-	-	Notes payable	50,500	5,937,343	(5,886,843)
Accounts receivable, less allowance for doubtful accounts	15,606,091	16,393,560	(787,469)	Customer deposits and advances	1,597,015	1,353,737	243,277
Accrued revenue	17,783,528	17,505,693	277,835	Other accrued liabilities	7,784,986	8,427,316	(642,330)
Accrued interest receivable	9,359	10,014	(655)	Total current liabilities	35,614,695	41,202,211	(5,587,516)
Materials and supplies	1,919,630	1,874,421	45,209	Liabilities payable from restricted assets			
Prepaid expenses and other assets	2,843,722	2,235,589	608,133	Accounts payable for construction	1,226,238	1,340,287	(114,049)
Total current assets	86,820,411	90,830,285	(4,009,874)	Accrued interest payable	6,920,196	7,209,198	(289,002)
Note Receivable	500,000	500,000.0	-	Customer deposits and advances	1,290,192	1,379,169	(88,977)
Pension Assets	-	-	-	Total liabilities payable from restricted assets	9,436,626	9,928,654	(492,028)
OPEB Assets	-	-	-	Other liabilities	28,182.18	41,385	(13,203)
Restricted assets	102,151,594	103,533,360	(1,381,765)	Total liabilities	610,284,718	648,032,226	(37,747,508)
Regulatory assets	9,622,000	10,205,549	(583,549)	Deferred inflows of resources			
Total assets	849,951,499	857,237,507	(7,286,008)	Deferred inflows related to pensions	5,740,431	90,445	5,649,985
Deferred Outflows of Resources				Deferred inflows related to OPEB	4,166,099	3,650,863	515,236
Deferred charge on refunding	16,522,874	17,878,258	(1,355,384)	Net Position			
Deferred charge on pension plans	1,837,103	3,991,167	(2,154,064)	Invested in capital assets, net of related debt	91,124,037	67,302,501	23,821,535
Deferred charge on OPEB plans	2,008,091	1,028,049	980,041	Restricted assets	94,441,207	95,444,993	(1,003,786)
Total	\$ 870,319,567	\$ 880,134,981	\$ (9,815,414)	Unrestricted assets	64,563,075	65,613,952	(1,050,877)
				Total net assets	250,128,319	228,361,446	21,766,872
				Total liabilities and net assets	\$ 870,319,567	\$ 880,134,981	\$ (9,815,414)

REGIONAL WATER AUTHORITY  
REVIEW OF FINANCIAL DATA  
Nov 30, 2021 (FY 2022)

SCHEDULE A-1 - COMMENTARY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Operating Revenues

FY22 revenue for water, including wholesale and fire service, is over budget by \$342k (approx. 0.6%) primarily due to higher than anticipated consumption. Metered water revenue is over budget by \$321k (approx. 0.6%)

Total net other revenue is \$87k below budget due primarily to lower field collection charges and higher year-to-date expenses.

Operating Expenses

Operating and Maintenance Expenses are currently under budget due to the following:

Payroll is under budget primarily due to head count under runs.	\$ (584,000)
Employee Benefits are under budget primarily due to lower medical and dental expense, payroll tax, and 401k.	(689,000)
Transportation is under budget due to timing and insurance.	(83,000)
Material From Inventory is under budget primarily due to timing.	(68,000)
Pump Power is under budget primarily due to timing.	(196,000)
Chemicals Expense is over budget primarily due to pricing and timing.	154,000
Road Repairs are over budget due to higher than anticipated costs and timing.	77,000
Collection Expense is under budget due to lower year-to-date collections related expenses and affordability fund contributions.	(56,000)
Public/Customer Information is under budget primarily due to timing.	(154,000)
Outside Services are under budget in multiple areas.	(516,000)
Insurance Premiums are over budget primarily due to mix (vehicle insurance, included in transportation) and timing.	70,000
Training and continued education is under budget across multiple areas.	(58,000)
Central Lab/Water Quality is under budget primarily due to the mix between internal and outside lab services.	(158,000)
Maintenance & Repairs are under budget primarily due to timing.	(302,000)
All Other	(155,000)
	<u>\$ (2,718,000)</u>

Interest Income

Interest Income is under budget due to lower investment earnings and interest in arrears.

PROJECTED MAINTENANCE TEST

The projected coverage is 1.14 with no shortfall. The budgeted shortfall is \$922k.

REGIONAL WATER AUTHORITY  
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 FOR THE MONTHS ENDING NOV 30, 2021

Schedule A-1

	FY 2021 Actual	FY 2022 Budget	FY 2022 Actual	(Under)Over Budget
<b>Operating revenues</b>				
Metered water revenues	\$ 58,581	\$ 55,461	\$ 55,782	\$ 321
Fire service	6,066	6,071	6,077	7
Wholesale	400	406	420	14
Other revenue - water	1,828	1,949	1,989	40
Other revenue - proprietary	4,932	4,737	5,019	282
Total operating revenues	71,807	68,624	69,287	663
<b>Operating expenses</b>				
Operating and maintenance expense	25,741	29,562	26,844	(2,718)
Expense associated with other revenue - water	952	994	1,078	84
Expense associated with other revenue - proprietary	1,999	1,924	2,248	324
Provision for uncollectible accounts	455	475	249	(226)
Depreciation	12,600	12,300	12,307	7
Payment in lieu of taxes	4,347	4,475	4,336	(140)
Amortization Pension Outflows/Inflows	798	427	427	(0)
Amortization OPEB Outflows/Inflows	(273)	(313)	(313)	(0)
Total operating expenses	46,619	49,844	47,175	(2,669)
Operating income	25,188	18,780	22,112	3,333
<b>Nonoperating income and (expense)</b>				
Interest income	147	1,011	208	(803)
(Loss) Gain on disposal of assets	-	-	(84)	(84)
Realized and unrealized (losses) gains on investments	-	-	-	-
Interest expense	(11,182)	(10,854)	(10,789)	65
Amortization of bond discount, premium, issuance cost and deferred losses	1,378	1,257	1,245	(12)
Intergovernmental revenue	-	-	-	-
Total nonoperating income and (expense)	(9,658)	(8,585)	(9,420)	(834)
Income (expense) before contributions	15,531	\$ 10,194	12,692	\$ 2,499
<b>Capital contributions</b>	1,242		740	
Change in net assets	16,773		13,433	
Total net assets - beginning of fiscal year	211,589		236,696	
Total net assets - end of reporting month	\$ 228,362		\$ 250,128	

	Budget FY 2022 @114%	Projected FY 2022 @114%	(Under)Over FY 2022 @114%
<b>FY 2022 MAINTENANCE TEST (Budget vs. Projected)</b>			
Revenue Collected:			
Water sales	116,629	117,379	\$ 750
Interest Income	150	150	-
BABs Subsidy	657	657	-
Other Net	7,154	7,179	25
Common Non-Core	(250)	(275)	(25)
Total	124,340	125,090	750
Less:			
Operating and maintenance expenses	(59,741)	(59,741)	-
Common Non-Core	-	-	-
Depreciation	(6,500)	(6,500)	-
PILOT (A)	(8,950)	(8,950)	-
Net Avail for Debt Service (B)	\$ 49,149	\$ 49,899	\$ 750
Debt Service Payments (C)	\$ 43,922	43,771	\$ (151)
Debt Service @ 114% (D)	\$ 50,071	49,899	\$ (172)
Difference (B-D)	\$ (922)	\$ 0	
RSF, Growth and/or General Fund (D)	922		
Coverage	114%	114%	

REGIONAL WATER AUTHORITY  
Fiscal Year 2022  
(\$000 Omitted)

SCHEDULE A-2

STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS

	Six Months Ending November 30				Twelve Months Ending May 31			
	FY 2021 Actual	FY 2022 Budget	FY 2022 Actual	(Under)Over Budget	Budget	Assumption 1	Assumption 2	Assumption 3
<b>Operating Revenues</b>								
Metered Water Revenues	\$ 58,581	\$ 55,461	\$ 55,782	\$ 321	\$ 104,060	\$ 104,382	\$ 105,340	\$ 103,423
Fire Service	6,066	6,071	6,077	7	12,207	12,213	12,213	12,213
Wholesale Water	400	406	420	14	760	760	760	760
Other revenue - water	1,828	1,949	1,989	40	3,713	3,713	3,713	3,713
Other revenue - proprietary	4,932	4,737	5,019	282	9,623	9,623	9,623	9,623
Total Operating Revenues	<u>71,807</u>	<u>68,624</u>	<u>69,287</u>	<u>663</u>	<u>130,363</u>	<u>130,691</u>	<u>131,650</u>	<u>129,733</u>
<b>Operating Expenses</b>								
Operating and Maintenance	25,741	29,562	26,844	(2,718)	59,741	59,741	59,807	59,675
Expenses associated with other revenue-water	952	994	1,078	84	1,966	1,966	1,966	1,966
Expenses associated with other revenue-proprietary	1,999	1,924	2,248	324	3,809	3,809	3,809	3,809
Provision for uncollectible accounts	455	475	249	(226)	950	850	850	850
Depreciation	12,600	12,300	12,307	7	24,600	24,600	24,600	24,600
Payment in lieu of taxes	4,347	4,475	4,336	(140)	8,950	8,950	8,950	8,950
Amortization Pension Outflows/Inflows	798	427	427	(0)	868	868	868	868
Amortization OPEB Outflows/Inflows	(273)	(313)	(313)	(0)	(626)	(626)	(626)	(626)
Total Operating Expenses	<u>46,619</u>	<u>49,844</u>	<u>47,175</u>	<u>(2,669)</u>	<u>100,258</u>	<u>100,158</u>	<u>100,224</u>	<u>100,092</u>
Operating Income	<u>25,188</u>	<u>18,780</u>	<u>22,112</u>	<u>3,333</u>	<u>30,105</u>	<u>30,534</u>	<u>31,427</u>	<u>29,642</u>
<b>Nonoperating income and (expense)</b>								
Interest Income	147	1,011	208	(803)	1,986	1,581	1,581	1,581
(Loss)/Gain on disposal of assets	-	-	(84)	(84)	(200)	(200)	(200)	(200)
Interest Expense	(11,182)	(10,854)	(10,789)	65	(21,515)	(21,502)	(21,502)	(21,502)
Amortization of bond discount, premium issuance cost and deferred losses	1,378	1,257	1,245	(12)	2,428	2,428	2,428	2,428
Intergovernmental revenue	-	-	-	-	-	350	350	350
Total nonoperating income & (expense)	<u>(9,658)</u>	<u>(8,585)</u>	<u>(9,420)</u>	<u>(834)</u>	<u>\$ (17,302)</u>	<u>\$ (17,344)</u>	<u>\$ (17,344)</u>	<u>\$ (17,344)</u>
(Expense) income before contributions	<u>15,530</u>	<u>\$ 10,194</u>	<u>12,692</u>	<u>\$ 2,499</u>	<u>\$ 12,803</u>	<u>\$ 13,190</u>	<u>\$ 14,083</u>	<u>\$ 12,298</u>
<b>Capital contributions</b>	<u>1,242</u>		<u>740</u>					
Change in net assets	<u>16,773</u>		<u>13,433</u>					
Total net assets - beginning of fiscal year	<u>211,589</u>		<u>236,696</u>					
Total net assets - end of reporting month	<u>\$ 228,362</u>		<u>\$ 250,128</u>					

MAINTENANCE TEST

	Twelve Months Ending May 31			
	Budget	Assumption 1	Assumption 2	Assumption 3
<b>Revenue Collected:</b>				
Water Sales	\$ 116,629	\$ 117,379	\$ 118,190	\$ 116,568
Interest Income	150	150	150	150
BABs Subsidy	657	657	657	657
Other Net	7,154	7,179	7,179	7,179
Common Non-Core	(250)	(275)	(275)	(275)
Total	<u>124,340</u>	<u>125,090</u>	<u>125,901</u>	<u>124,279</u>
<b>Less:</b>				
Operating and Maintenance Expenses	(59,741)	(59,741)	(59,807)	(59,675)
Common Non-Core	0	-	-	-
Depreciation	(6,500)	(6,500)	(6,500)	(6,500)
PILOT (A)	(8,950)	(8,950)	(8,950)	(8,950)
Net Avail for Debt Service (B)	<u>49,149</u>	<u>49,899</u>	<u>50,644</u>	<u>49,154</u>
Debt service payments (C)	<u>\$ 43,922</u>	<u>\$ 43,771</u>	<u>\$ 43,771</u>	<u>\$ 43,771</u>
Debt Service @ 114% (D)	<u>\$ 50,071</u>	<u>\$ 49,899</u>	<u>\$ 49,899</u>	<u>\$ 49,899</u>
Difference (B-D)	<u>\$ (922)</u>	<u>\$ 0</u>	<u>\$ 745</u>	<u>\$ (745)</u>
RSF, Growth and/or General Fund (D)	<u>\$ 922</u>	<u>\$ -</u>	<u>\$ 745</u>	<u>\$ 745</u>
Coverage	<u>114%</u>	<u>114%</u>	<u>116%</u>	<u>114%</u>
Required Coverage	<u>114%</u>	<u>114%</u>	<u>114%</u>	<u>114%</u>

REGIONAL WATER AUTHORITY  
 OPERATING AND MAINTENANCE EXPENSES  
 Fiscal Year 2022  
 (\$000 Omitted)

SCHEDULE B

	SIX MONTHS ENDING NOVEMBER 30				YEAR ENDED MAY 31, 2022			
	FY 2021 Actual	FY 2022 Budget	FY 2022 Actual	(Under) Over	Budget	Assump 1	Assump 2	Assump 3
1 Payroll	\$ 10,746	\$ 11,647	\$ 11,061	\$ (586)	23,577	23,452	23,452	23,452
2 Employee Benefits Allocation	3,550	4,009	3,319	(690)	8,045	8,027	8,027	8,027
Pension	1,330	1,351	1,351	-	2,664	2,664	2,664	2,664
3 Administrative Building Space Alloc	500	445	492	47	944	967	967	967
4 General & Administrative	558	639	677	38	1,513	1,523	1,523	1,523
5 Transportation Allocation	380	353	270	(83)	728	728	728	728
6 Tools & Stores Allocation	185	161	166	6	295	295	295	295
7 Utilities & Fuel	683	706	681	(25)	1,405	1,405	1,405	1,405
8 Material From Inventory	96	180	112	(68)	376	376	376	376
9 Pump Power Purchased	1,516	1,650	1,454	(196)	3,050	3,050	3,090	3,010
10 Chemicals	960	1,036	1,190	154	1,997	2,147	2,173	2,121
11 Road Repairs	62	62	139	77	162	232	232	232
14 Postage	106	144	97	(47)	421	421	421	421
15 Printing & Forms	40	43	25	(18)	77	77	77	77
17 Collection Expense	270	384	328	(56)	1,175	1,165	1,165	1,165
18 Business Improvement	32	59	36	(23)	129	129	129	129
19 Public/Customer Information	85	209	56	(154)	409	409	409	409
20 Outside Services	797	1,781	1,265	(516)	3,601	3,601	3,601	3,601
21 Insurance Premiums	760	808	879	70	1,643	1,643	1,643	1,643
22 Worker's Compensation, pre-Churc	8	24	(4)	(28)	46	46	46	46
23 Damages	47	32	19	(13)	65	65	65	65
24 Training & Cont. Education	46	112	54	(58)	269	269	269	269
25 Authority Fees	66	78	69	(10)	157	157	157	157
26 Consumer Counsel	12	30	11	(19)	60	60	60	60
27 RPB Fees	51	84	52	(33)	169	169	169	169
28 Organizational Dues	47	26	56	30	102	102	102	102
29 Donations	5	18	4	(14)	37	37	37	37
34 Central Lab/Water Quality	115	231	72	(158)	447	347	347	347
40 Environmental Affairs	49	61	33	(28)	115	115	115	115
44 Info. Technology Licensing & Maintenance Fees	1,090	1,259	1,243	(16)	2,465	2,465	2,465	2,465
45 Maintenance and Repairs	1,338	1,727	1,425	(302)	3,179	3,179	3,179	3,179
46 Regulatory Asset Amortization	210.58	211	212	1	422	422	422	422
	<u>\$ 25,741</u>	<u>\$ 29,562</u>	<u>\$ 26,844</u>	<u>\$ (2,718)</u>	<u>\$ 59,741</u>	<u>\$ 59,741</u>	<u>\$ 59,807</u>	<u>\$ 59,675</u>

	Period Ending November 30, 2021			Period Ending May 31, 2022		
	Budget	Expenditures	(Under)/Over	Budget	Projected	(Under)/Over
<b>I. NATURAL RESOURCES</b>						
Watershed Protection	125	9	(116)	125	125	-
Land Management	12	2	(10)	20	20	-
Hamden Middle School Remediation	15	18	3	48	48	-
Lake Whitney Dam & Spillway Improvements	300	119	(181)	600	600	-
Lake Menunketuc Dam Intake Valves Stem Replacement	165	6	(159)	175	175	-
Prospect Dam Subsurface Investigation	100	105	5	200	200	-
Stream Flow Regulations Improvements	60	-	(60)	150	150	-
Tunnel Diversion Raw Water Main Rehabilitation Program	153	151	(2)	480	480	-
Lake Saltonstall Raw Water Bldg. Compressor Replacement	-	-	-	11	11	-
Fence & Guardrail Replacements	70	27	(43)	100	100	-
Miscellaneous Natural Resources	25	17	(8)	30	36	6
Prior Year	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,025</b>	<b>454</b>	<b>(571)</b>	<b>1,939</b>	<b>1,945</b>	<b>6</b>
<b>II. TREATMENT</b>						
Filter Media Replacement	302	307	5	500	500	-
Water Treatment Plant Valve Replacement Program	11	1	(10)	110	100	(10)
Water Treatment Plant Critical Spare Parts	-	-	-	165	165	-
LGWTP - Chemical Feed Improvements	359	178	(181)	341	200	(141)
LGWTP - Backwash Polymer System Upgrades	141	179	38	300	275	(25)
LGWTP Local Control Console Upgrade	-	-	-	75	75	-
LGWTP -Clarifiers Recycle & Building Improvements	61	68	7	306	306	-
LGWTP-Raw Water Flow Control Valve Replacement	196	-	(196)	700	700	-
LGWTP-HVAC Upgrades	32	73	41	235	235	-
LSWTP-Electrical Upgrades	110	-	(110)	300	300	-
LSWTP -Chemical Treatment System Improvements	51	50	(1)	1,242	1,242	-
LSWTP -Elevator Improvement	18	89	71	415	415	-
LWWTP Plant Improvements	33	156	123	765	765	-
LWWTP Partial Green Roof Replacement	-	-	-	108	108	-
West River WTP-Dissolved Air Flotation (DAF, Electrical & Chemical)	380	302	(78)	7,000	7,000	-
West River WTP-Effluent Pipe Injection	20	10	(10)	215	80	(135)
WRWTP Backwash Lagoon Diversion Vault Valves	-	-	-	100	100	-
Treatment Plant Graphics Upgrades	-	6	6	200	200	-
NSG Wellfield Facility Improvements	245	372	127	1,100	600	(500)
SSG Wellfield Facility Improvements	62	52	(10)	1,700	1,700	-
NSG Well 1B Pump Motor Replacement	144	153	9	144	165	21
Well Rehabilitations	28	1	(26)	230	230	-
Well Replacements	-	-	-	110	110	-
NSG Well No. 4 Motor Control Center (MCC) Replacement	15	-	(15)	100	100	-
Treatment Plant Driveway Replacement Program	70	-	(70)	100	100	-
WRWTP Backwash & Surface Wash Pump Repl	35	35	0	150	65	(85)
LSWTP -Hypochlorite System	-	6	6	5	6	1
Miscellaneous Treatment	75	1	(74)	263	263	-
Prior Year	-	(1)	(1)	-	(1)	(1)
<b>TOTAL</b>	<b>2,387</b>	<b>2,038</b>	<b>(349)</b>	<b>16,979</b>	<b>16,104</b>	<b>(875)</b>
<b>III. TRANSMISSION AND DISTRIBUTION</b>						
Pipe	2,719	2,337	(382)	4,988	5,557	568
Valve Replacements	180	139	(41)	300	300	-
Service Connections	900	904	4	1,500	1,500	-
Capital Pipe Service Connections	225	524	299	500	650	150
Meters	220	230	10	485	485	-
AMI Meters	290	168	(122)	230	230	-
Hydrants and Connections	75	62	(13)	125	125	-
Northern Service Area Expansion	288	556	268	1,800	1,800	-
Service Area Improvements - East West Transmission System	186	246	60	295	295	-
State Street Pipe Bridge	180	32	(148)	600	600	-
Ansonia-Derby Tank	80	20	(60)	2,830	2,830	-
WRWTP Finished Water Reservoirs Improvements	660	611	(49)	850	700	(150)
West Avenue Tank Painting	-	-	-	24	24	-
Variable Frequency Drive Replacement Program	100	30	(70)	150	150	-
Burwell Hill Pump Station Equipment Replacement	140	422	282	647	647	-
Rabbit Rock Pump Station Generator Replacement	5	-	(5)	100	100	-
Critical Pump Station & Transmission Facilities Upgrades	55	-	(55)	350	350	-
Spring Street Pump Station Replacement	9	0	(9)	305	305	-
Lake Gaillard Pump Station Improvements	-	17	17	33	33	-
Hill Street Pump Station Repairs	-	107	107	165	225	60
Sanford Street Pump Station Rehabilitation	-	(2)	(2)	3	3	-
Skiff Street Bridge Betterment, Hamden	-	-	-	10	10	-
Brushy Plains System Upgrade-Phase II	-	17	17	18	17	(1)
Water Quality Improvements	2	1	(1)	150	150	-
Miscellaneous Transmission & Pumping	27	-	(27)	75	75	-
Main Breaks 10' or Longer	-	39	39	-	39	39
Prior Year	-	0	0	-	-	-
<b>TOTAL</b>	<b>6,341</b>	<b>6,461</b>	<b>119</b>	<b>16,534</b>	<b>17,200</b>	<b>666</b>
<b>IV. GENERAL PLANT</b>						

	Period Ending November 30, 2021			Period Ending May 31, 2022		
	Budget	Expenditures	(Under)/Over	Budget	Projected	(Under)/Over
SAP Business Enhancements	40	-	(40)	50	50	-
SAP Work Management	30	-	(30)	50	50	-
LIMS Business Enhancements	105	105	0	105	105	0
Infor Business Enhancements	-	-	-	-	-	-
AMI Software Business Enhancements	-	-	-	10	10	-
SAP Enhancement Pack/HANA Upgrades	-	-	-	250	250	-
Innovation	-	-	-	-	-	-
Business Analytics Platform	-	-	-	75	75	-
SAP Customer Channels Sales Marketing	183	81	(102)	225	225	-
Robotic Process Automation/Machine Learning/AI	10	-	(10)	100	100	-
SAP SQL Upgrade	-	-	-	70	70	-
SAP Monthly Billing	603	211	(393)	950	950	-
Cyber Security Enhancements	100	43	(57)	100	100	-
System-Wide Radio Telemetry Unit (RTU) Upgrade	480	457	(23)	700	700	-
SCADA	55	48	(7)	120	120	-
Information Systems	326	279	(47)	905	905	-
Miscellaneous Information Systems	125	-	(125)	373	373	0
Equipment	300	6	(294)	475	475	-
Miscellaneous Equipment	24	34	10	127	160	33
Miscellaneous 90 Sargent Drive	55	26	(29)	60	60	-
Prior Year	-	5	5	-	5	5
<b>TOTAL</b>	<b>2,436</b>	<b>1,295</b>	<b>(1,142)</b>	<b>4,745</b>	<b>4,783</b>	<b>38</b>
<b>V. CONTINGENCY</b>	-	-	-	<b>110</b>		<b>(110)</b>
<b>TOTAL</b>	<b>12,190</b>	<b>10,248</b>	<b>(1,942)</b>	<b>40,307</b>	<b>40,032</b>	<b>(275)</b>
<b>VI. STATE &amp; REDEVELOPMENT PIPE</b>	<b>2,250</b>	<b>459</b>	<b>(1,791)</b>	<b>3,000</b>	<b>1,750</b>	<b>(1,250)</b>
<b>VII. NON-CORE BILLING</b>	<b>585</b>	<b>593</b>	<b>8</b>	<b>745</b>	<b>745</b>	<b>-</b>
<b>TOTAL</b>	<b>15,025</b>	<b>11,299</b>	<b>(3,725)</b>	<b>44,052</b>	<b>42,527</b>	<b>(1,525)</b>

Investment Earnings Report  
Comparison of Investment Rates of Return

Fund Type	Balance @ November 30, 2021	Budgeted Return	Rate of Return November 30, 2021	Rate of Return Fiscal Year to Date
<b><u>Less than Six Months</u></b>				
Revenue Investment (A)	\$ 24,711,591	0.15%	0.09%	0.09%
Revenue (B)	3,335,502	0.00%	0.09%	0.08%
Rate Stabilization (A)	10,000,000	0.15%	0.09%	0.09%
Operating Reserve (A)	8,185,679	0.15%	0.09%	0.09%
Operating Reserve (C)	1,500,000	0.15%	0.01%	0.01%
Capital Contingency (A)	5,561,075	0.15%	0.09%	0.09%
Debt Reserve (A)	15,254,715	0.15%	0.09%	0.09%
Debt Service (A)	16,894,461	0.15%	0.09%	0.09%
PILOT (A)	3,727,779	0.15%	0.09%	0.09%
General Fund (A)	13,126,128	0.15%	0.09%	0.09%
<b>Sub-Total</b>	<b>\$ 102,296,930</b>			
<b><u>Long Term Investments</u></b>				
Operating Reserve	\$ 500,000	0.15%	0.51%	0.51%
Capital Contingency	500,000	0.15%	0.38%	0.38%
Debt Reserve	5,772,226	0.15%	0.52%	0.51%
<b>Sub-Total</b>	<b>\$ 6,772,226</b>			
<b><u>Other</u></b>				
Construction (A)	\$ 33,161,886	0.15%	0.09%	0.09%
Construction (C)	444	0.15%	0.01%	0.01%
Growth Fund	5,534,850	0.00%	0.05%	0.06%
Interim Financing	897	0.00%	0.03%	0.03%
<b>Sub-Total</b>	<b>\$ 38,698,077</b>			
<b>Total</b>	<b>\$ 147,767,233</b>			

(A) Investments are in the Connecticut Short Term Investment Fund (STIF).

(B) Reflects new sweep product with balances fully insured. Balances earn credits to offset bank fees.  
Percentage based on month-end book balance.

(C) Investment is in the First American Government Obligation Fund.  
Requested transfer of Operating Reserve balance to STIF.

Fund	Budgeted Interest (Cash Basis) as of November 30, 2021	Interest Received (Cash Basis) as of November 30, 2021	(Under)/ Over
Debt Reserve	15,900	13,906	(1,994)
Operating Reserve	7,912	4,432	(3,480)
Capital Contingency	4,666	3,051	(1,615)
PILOT	1,747	1,108	(639)
Debt Service	12,841	6,811	(6,030)
Revenue	8,333	8,488	155
Rate Stabilization	7,752	4,181	(3,571)
General	12,889	5,494	(7,395)
Sub Total	<u>72,040</u>	<u>47,471</u>	<u>(24,569)</u>
Construction	26,919	14,679	(12,240)
Growth Fund	-	1,686	1,686
Interim Financing	-	-	-
Total	<u>98,959</u>	<u>63,836</u>	<u>(35,123)</u>

## RPB COMMITTEE MEETINGS

<b>Month</b>	<b>Meeting</b>	<b>Will Attend</b>
<b>October 2021</b>	<i>Finance Committee</i> Monday, Oct. 4 at 5:00 p.m.	Suzanne
	<i>Land Use Committee</i> Wednesday, Oct. 13 at 4:30 p.m.	Catherine
	<i>Consumer Affairs Committee</i> Monday, Oct. 18 at 5:30 p.m.	Kevin
<b>November 2021</b>	<i>Finance Committee</i> Monday, Nov. 8 at 5:00 p.m.	Tony
	<i>Land Use Committee</i> Wednesday, Nov. 10 at 5:30 p.m.	Suzanne
	<i>Consumer Affairs Committee</i> Monday, Nov. 15 at 5:30 p.m.	Kevin
<b>December 2021</b>	<i>Finance Committee</i> Monday, Dec. 13 at 5:00 p.m.	Kevin
	<i>Land Use Committee</i> Wednesday, Dec. 8 at 5:30 p.m.	Catherine?
	<i>Consumer Affairs Committee</i> Monday, Dec. 20 at 5:30 p.m.	Tony

## RPB COMMITTEE MEETINGS

<b>Month</b>	<b>Meeting</b>	<b>Will Attend</b>
<b>January 2022</b>	<i>Finance Committee</i> Monday, Jan 10 at 5:00 p.m.	
	<i>Land Use Committee</i> Wednesday, Jan 12 at 5:30 p.m.	
	<i>Consumer Affairs Committee</i> Monday, Jan 24 at 5:30 p.m.	
<b>February 2022</b>	<i>Finance Committee</i> Monday, Feb 14 at 5:00 p.m.	
	<i>Land Use Committee</i> Wednesday, Feb 9 at 5:30 p.m.	
	<i>Consumer Affairs Committee</i> Monday, Feb 28 at 5:30 p.m.	
<b>March 2022</b>	<i>Finance Committee</i> Monday, Mar 14 at 5:00 p.m.	
	<i>Land Use Committee</i> Wednesday, Mar 9 at 5:30 p.m.	
	<i>Consumer Affairs Committee</i> Monday, Mar 21 at 5:30 p.m.	

# Lake Gaillard Water Treatment Plant Clarifiers, Recycle Pump Station, and Concrete Restoration Project and the HVAC and Electrical Improvements

---

## Project Presentation to the Regional Water Authority



Regional Water Authority Meeting  
December 16, 2021  
Orville Kelly and Jim Hill

# Project Background

---

- Lake Gaillard WTP located in North Branford, CT
- The largest water treatment plant operated by RWA
- Provides water directly to New Haven and Branford service areas and indirectly to other service areas through pump stations and pressure reducing stations
- Direct filtration with a design capacity of 80 MGD
- Treats water from the Lake Gaillard surface supply

# Project Approach

---

- Multi-Project Application consisting of two distinct projects
  - Lake Gaillard Water Treatment Plant Clarifiers, Recycle Pump Station, and Concrete Restoration Project
  - HVAC and Electrical Improvements at the Lake Gaillard Water Treatment Plant Project
  - Total Combined Project Cost: \$14.79 Million
- Projects will be bid separately
- Provides management with efficiency to complete more projects without filing separate RPB applications
- Increase the efficiency of conducting RWA's capital programs

# Project Scope

## Clarifiers, Recycle Pump Station, and Concrete Restoration

---

### ➤ Washwater Clarifiers

- Replace lamella plates, effluent troughs, sludge scrapers and drives, frames (Clarifiers 1 & 2 only), and associated appurtenances
- Walk-on FRP covers, walkways and railings, and associated electrical work

### ➤ Recycle Pump Station

- Replace four vertical turbine recycle pumps, motors, and VFDs
- Provide progressive cavity sludge pumps, piping, and valves
- Concrete equipment pads, associated electrical work

### ➤ Concrete Restoration

- Chemical grout injection and spalled concrete surfaces



# Project Scope

## HVAC and Electrical Improvements

---

### ➤ HVAC

- Complete renovation including: Air handling units, dehumidification air handling unit, return and exhaust fans, condensers, condensing hot water boiler plant, Building Management System, Control Room cooling system

### ➤ Electrical/Lighting

- Light fixtures, LED bulbs, motion sensors, replacement power wiring, HVAC equipment/light fixtures conduit

### ➤ Trombe Wall

- Remove vegetation and seal duct openings
- Provide insulated metal panels with architectural façade

# Project Need

## Clarifiers, Recycle Pump Station, and Concrete Restoration

---

- Clarifiers are beyond useful life over 30 years old
  - Increase reliability, resiliency and reduce maintenance
  - Increase system capacity and improve water quality
  - Improve safety by reducing confined space entry
- Recycle pumps are approximately 30 years old
  - Replacing aged pumps improves operating efficiencies
  - Increase system reliability
  - Reduce risk of downstream environmental impacts

# Project Need

## Clarifiers, Recycle Pump Station, and Concrete Restoration

- Sludge pumps
  - Replace with pumps better suited for high solids content
  - Increases reliability and maintainability
  - Reduced water discharge to sanitary sewer saving approximately \$30K annually
- Concrete Restoration
  - Increase structural integrity
  - Reduce safety hazards

# Project Need

## HVAC and Electrical Improvements

---

- HVAC equipment nearing end of useful service life
  - Increase efficiency and maintainability (AHUs, fans, boilers, etc.)
  - Replaces obsolete BMS and controls
  - Reduce safety hazards; achieve adequate building dehumidification
- Electrical/Lighting
  - Replace lighting fixtures and bulbs with LED
  - Reduce electrical cost – install motion sensors
- Trombe Wall
  - Demolish system - Yellowed panels infiltrated by plant growth
  - Energy savings does not justify capital cost and maintenance required

# Summary of Alternatives Analysis

## Clarifiers, Recycle Pump Station, and Concrete Restoration

---

- Status Quo
  - Not an acceptable alternative due to age and required maintenance
- Rebuild Recycle Pumps
  - Recycle pumps have already been rebuilt twice
  - Lower efficiency
- Convert System to Alternative Thickening Technology
  - Cost-prohibitive and does not utilize existing clarifiers
- Replace with Upgraded Equipment
  - New clarifier plates have 25% higher capacity
  - New recycle pumps are more efficient
  - Better sludge handling

# Summary of Alternatives Analysis

## HVAC and Electrical Improvements

---

- Status Quo
  - Not an acceptable alternative due to age and required maintenance
- Replace in Kind
  - System remains at same efficiency
  - HVAC load calculations would not be used to appropriately size equipment
  - Expensive to replace Trombe Wall panels
- Replace with Upgraded Solutions
  - Efficient equipment that is sized correctly for current loads
  - Reduce equipment maintenance and possible failure
  - Improve safety with efficient LED bulbs and fixtures
  - Insulated metal panels with architectural facade

# Budget

## Summary of Combined Project Costs and Variability

Project	AACE Estimate Type	Accuracy	Minimum Cost	Maximum Cost	Calculated Cost
Clarifiers, RPS and Concrete Restoration	Class 1	-10% to +15%	\$6,777,000	\$8,659,500	\$7,530,000
HVAC and Electrical Improvements	Class 3	-20% to +30%	\$3,772,800	\$6,130,800	\$4,716,000
TOTAL			\$10,549,800	\$14,790,300	\$12,246,000

- Requested approval amount is not-to-exceed \$14.79 Million

# Schedules

---

- Proposed Project Schedule – Clarifiers, RPS & Concrete
  - Anticipated RPB Approval – March 2022
  - Anticipated Bidding – June to July 2022
  - Construction & Startup – August 2022 to November 2023
- Proposed Project Schedule – HVAC & Electrical Improvements
  - Anticipated RPB Approval – March 2022
  - Final Design & Bidding – April 2022 to October 2022
  - Construction & Startup – December 2022 to May 2024

# In Summary

---

- The proposed projects:
  - Replaces equipment that has reached the end of its useful life.
  - Increases operational flexibility and clarifier uptime by reducing amount of solids recycled to head of plant.
  - Reduces maintenance and labor effort throughout facility, with less confined space entries and 25% higher capacity to recycle.
  - Improves overall facility efficiency, safety and reliability by replacing aging pumps, HVAC and electrical systems.
  - New HVAC and electrical equipment will be appropriately sized requires less maintenance and more efficient.

**South Central Connecticut Regional Water Authority**  
90 Sargent Drive, New Haven, Connecticut 06511-5966; 203-562-4020  
<http://www.rwater.com>

**RESOLUTIONS FOR ADOPTION  
BY REGIONAL WATER AUTHORITY**

Authority Meeting December 16, 2021

**Resolved**, that the Authority hereby accepts the new Application, dated December 16, 2021, for a Project of the Lake Gaillard Water Treatment Plant Clarifiers, Recycle Pump Station, and Concrete Restoration Project and the HVAC and Electrical Improvements located in North Branford, Connecticut, as a completed Application, substantially in the form submitted to this meeting, and authorizes filing said Application with the Representative Policy Board (“RPB”); and

**Further Resolved**, if approved by the RPB, the President and CEO, the Vice President of Operations and Business Practices, or the Vice President of Engineering and Environmental Services, are authorized to take any and all actions necessary to complete the construction improvements at the Lake Gaillard Water Treatment Plant in North Branford, Connecticut.



**REPRESENTATIVE POLICY BOARD  
OF THE  
SOUTH CENTRAL CONNECTICUT REGIONAL WATER DISTRICT**

**RE: Application to the Representative )                    DATE: December 16, 2021**  
**Policy Board for Approval of a Project )**  
**of the Lake Gaillard Water Treatment )**  
**Plant Clarifiers, Recycle Pump Station, )**  
**and Concrete Restoration Project and )**  
**the HVAC and Electrical Improvements,) )**  
**Dated December 16, 2021                    )**

**MOTION FOR PROTECTIVE ORDER**  
**OF THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY**

The South Central Connecticut Regional Water Authority (the "Authority") moves herein that the Representative Policy Board of the South Central Connecticut Regional Water District (the "RPB") issue the attached Protective Order, so that certain confidential information (the "Information") provided to the RPB in the above-referenced proceeding, also attached hereto, be maintained under protective seal, subject to review by the RPB's personnel, as well as representatives of the Office of Consumer Affairs, and subject to appropriate safeguards as spelled out in the proposed Protective Order.

Specifically, the release of this information could potentially pose a security risk to the Authority's water supply. Because of the sensitivity of this information, the Authority respectfully requests that the RPB grant its Motion for Protective Order. In support of this Motion, also attached hereto is the affidavit of Mr. Edward O. Norris, III, P.E., Vice President-Asset Management.

Respectfully submitted,

SOUTH CENTRAL CONNECTICUT REGIONAL  
WATER AUTHORITY

By: \_\_\_\_\_  
David Borowy, Chairperson

By: \_\_\_\_\_  
Larry L. Bingaman, Chief Executive Officer

**REPRESENTATIVE POLICY BOARD  
OF THE  
SOUTH CENTRAL CONNECTICUT REGIONAL WATER DISTRICT**

**RE: Application to the Representative ) DATE: December 16, 2021**  
**Policy Board for Approval of a Project )**  
**of the Lake Gaillard Water Treatment )**  
**Plant Clarifiers, Recycle Pump Station, )**  
**and Concrete Restoration Project and )**  
**the HVAC and Electrical Improvements, )**  
**Dated December 16, 2021 )**

**PROTECTIVE ORDER CONCERNING THE SOUTH CENTRAL  
CONNECTICUT REGIONAL WATER AUTHORITY'S  
CONFIDENTIAL AND SENSITIVE INFORMATION**

WHEREAS, the South Central Connecticut Regional Water Authority (the "Authority") is providing information in the above-referenced proceeding to the Representative Policy Board of the South Central Connecticut Regional Water District (the "RPB") and the Office of Consumer Affairs ("OCA") and, upon direction of the RPB, to certain authorized parties and or consultants, which would, in the judgment of the Authority, result in the disclosure of confidential and sensitive information, and which information the Authority contends is exempt from disclosure and constitutes safety risk within the meaning of General Statutes § 1-210(b)(19).

NOW, THEREFORE, IT IS HEREBY ORDERED, that the following procedure is adopted for the protection of the information provided by the Authority ("Confidential Information"):

1. Any Confidential Information provided by the Authority, whether in documentary form or otherwise, shall be identified as follows: "Authority's Confidential Information", and

will be governed by the terms of this Protective Order (the "Order"). The Order is applicable to all such Confidential Information, whether in the form of documents, data, testimony, studies, or otherwise.

2. All Confidential Information made available pursuant to this Order shall be given only to Members and staff of the RPB, the OCA, and its staff, upon execution of the Acknowledgment referenced below. Consultants retained by, and other parties approved by the RPB and consultants retained by the OCA shall also be provided with the Confidential Information upon execution of the Acknowledgement referenced below and becoming signatories to the Order ("Signatories" and in the singular, "Signatory") and executing the attached form of nondisclosure agreement. Upon a showing of good cause, the RPB may place additional restrictions upon the access to Confidential Information.

Members and staff of the RPB are bound by the terms of the Order. The OCA (including staff members) shall be bound by the terms of the Order, provided that representatives thereof have executed the Acknowledgement found at the close of the Order.

All Signatories to this Order agree to be bound by its terms and shall not use or disclose the Confidential Information except for purposes of this proceeding. All parties in receipt of any Confidential Information under the Order shall maintain a written log of all individuals granted access to said Confidential Information. All persons granted access to the Confidential Information shall neither use nor disclose the Confidential Information for any other purpose, other than the purpose of preparation for and conduct of this proceeding solely as contemplated herein and shall in good faith take all reasonable precautions to keep the Confidential Information secure in accordance with the purposes and intent of the Order.

3. Confidential Information will be marked as such and delivered in sealed envelopes to the Executive Secretary of the RPB and the OCA. A statement in the following form shall be placed prominently on each envelope:

"CONFIDENTIAL"

"This envelope is not to be opened nor the contents to be displayed or revealed except pursuant to the pertinent Protective Order issued to the Authority by the RPB in Application to the Representative Policy Board For Approval of a Project of Lake Gaillard Water Treatment Plant Clarifiers, Recycle Pump Station, and Concrete Restoration Project and the HVAC and Electrical Improvements located in North Branford, CT, dated December 16, 2021."

4. Any Confidential Information made available pursuant to the Order shall be part of the record in the docket cited above, subject to the same relevancy and other evidentiary considerations as non-confidential information, subject to the conditions stated in Paragraphs Five and Six of the Order.

5. If the Confidential Information is used in any manner in any interrogatory, letter, petition, brief or other writing ("Document"), all reference to the Confidential Information in the Document shall be either:

- (a) in a separate document, prominently labeled "Confidential Information", which document shall be safeguarded in accordance with the Order and distributed only to Members and staff of the RPB and to OCA; or

(b) solely by title or exhibit reference, in a manner reasonably calculated not to disclose the Confidential Information.

6. If the Confidential Information is used in any manner in any proceeding or during the course of a public hearing before the RPB or its Members ("Hearing"), the proceeding or Hearing shall not be held before, nor any record of it made available to, any party, intervenor, or other person or entity not a Signatory, other than the appropriate RPB or OCA staff. Presence at the Hearing shall be limited to RPB Members and appropriate staff of the RPB, staff of OCA, representatives of the Authority, and any other Signatories. No record shall be disclosed nor any communication made, of use of the Confidential Information in the Hearing to any person or entity not a Signatory, other than the appropriate RPB and OCA staff. Any transcript or other recording of the Hearing which relates to the Confidential Information shall be placed in sealed envelopes or containers and a statement in the following form placed prominently on such envelope or container:

"CONFIDENTIAL"

"This envelope is not to be opened nor the contents to be displayed or revealed except pursuant to the pertinent Protective Order issued to the Authority by the RPB in Application to the Representative Policy Board For Approval of a Project of Lake Gaillard Water Treatment Plant Clarifiers, Recycle Pump Station, and Concrete Restoration Project and the HVAC and Electrical Improvements located in North Branford, CT, dated December 16, 2021."

7. Nothing herein shall be construed as a final determination that any of the Confidential Information will be admissible as substantive evidence in this proceeding or at any hearing or trial. Moreover, nothing herein shall be considered a waiver of any party's right to assert at a later date that the material is or is not proprietary or privileged. A party seeking to change the terms of the Order shall by motion give every other party five (5) business days prior written notice. No Confidential Information protected by the Order shall be made public until the RPB rules on any such motion to change the terms of the Order. Confidential Information otherwise properly discovered, even though also subject to the terms of the Order, shall not be considered protected by the Order.

8. All copies of such Confidential Information shall be returned to the Authority no later than thirty (30) days after the expiration of all appeal periods applicable to the final decision rendered in this proceeding.

REPRESENTATIVE POLICY BOARD OF THE  
SOUTH CENTRAL CONNECTICUT REGIONAL  
WATER DISTRICT

DATED: \_\_\_\_\_

By \_\_\_\_\_  
Member

**REVIEWED AND ACKNOWLEDGED:**

The undersigned hereby acknowledges that he or she has reviewed this Protective Order, and hereby agrees to abide by the terms thereof, in exchange for receipt of the Confidential Information from the South Central Connecticut Regional Water Authority.

RECIPIENT: \_\_\_\_\_

REPRESENTING: Office of Consumer Affairs

DATE: \_\_\_\_\_

RECIPIENT: \_\_\_\_\_

REPRESENTING: \_\_\_\_\_

DATE: \_\_\_\_\_

RECIPIENT: \_\_\_\_\_

REPRESENTING: \_\_\_\_\_

DATE: \_\_\_\_\_

**NONDISCLOSURE AGREEMENT AND AGREEMENT  
TO BE BOUND BY THE TERMS OF THE PROTECTIVE ORDER**

The undersigned hereby acknowledges review of the Protective Order filed on December 16, 2021 in Application to the Representative Policy Board For Approval of a Project of Lake Gaillard Water Treatment Plant Clarifiers, Recycle Pump Station, and Concrete Restoration Project and the HVAC and Electrical Improvements located in North Branford, CT, dated December 16, 2021, and hereby agrees to abide by the terms thereof in exchange for receipt of the Confidential Information from the South Central Connecticut Regional Water Authority.

**PARTY:** \_\_\_\_\_

Recipient: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

Affiliation: \_\_\_\_\_

**SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY  
RESOLUTION  
APPROVING THE PROPOSED ISSUANCE OF BONDS**

**WHEREAS**, the Authority wishes to finance the Project with financial assistance from the State of Connecticut (the “State”) Drinking Water Fund Program and to approve the form of a loan agreement related to the Project.

**RESOLVED:** That the South Central Connecticut Regional Water Authority (the “Authority”) hereby establishes the general terms and provisions of the Authority’s Bonds which may be issued as Project Loan Obligations delivered to the State of Connecticut (the “Bonds”) and which may be on a parity with or subordinate to bonds issued pursuant to the Water System Revenue Bond Resolution, General Bond Resolution adopted by the Authority and approved by the Representative Policy Board on July 31, 1980, as amended (the “General Bond Resolution”).

1. The Bonds shall not exceed Seven Million Dollars (\$7,000,000) in aggregate principal amount.
2. The Bonds may be issued as obligations in one or more series pursuant to a supplemental resolution to be adopted by the Authority for each series of Bonds, each of which shall specify the amount of the Bonds, the purposes for which the Bonds are to be issued, the date or dates, maturities, sinking fund installments if any, interest rates, series, denominations, form, redemption prices, security provisions and such other details of the Bonds as the Authority shall determine in accordance with the limits established by the applicable provisions of the General Bond Resolution and hereby.
3. The purposes of the Bonds shall be to finance or refinance the construction cost of the Lake Gaillard Water Treatment Plant (LGWTP) Clarifier Project; and to pay costs of issuance of the Bonds (the “Project”) and associated reserves.
4. The Bonds may be sold by negotiation as serial or term bonds with stated maturities and may be sold in a private placement to the State of Connecticut or a purchaser approved by the Authority.
5. The form of this resolution entitled “Resolution Approving the Proposed Issuance of Bonds,” a copy of which shall be filed with the records of the Authority, shall be submitted to the Representative Policy Board for its approval in accordance with Section 22 of Special Act No. 77-98, as amended.

**BE IT FURTHER RESOLVED that:**

1. Temporary notes of the Authority which may be issued as Interim Funding Obligations delivered to the State of Connecticut may be issued by the Authority in the amount of \$7,000,000 in anticipation of the receipt of the proceeds from the sale of such Bonds.
2. The President / Chief Executive Officer, the Vice President of Financial Reporting and Analysis and any Vice President or any one of them may apply to the State Department of Public Health for eligibility and funding of the Project and sign such application and any other documents which may be necessary or desirable to apply for eligibility of and to apply for and obtain financial assistance for the Project from the State's Drinking Water Fund Program and that any such action taken prior hereto is hereby ratified and confirmed.

**BE IT FURTHER RESOLVED:** That for the purposes of providing to the Authority the loan and grant from the State for the Project, the Authority hereby approves the form of the loan agreement previously approved by the Authority for the Lake Gaillard Water Treatment Plant Generator Project and that the President / Chief Executive Officer, the Vice President of Financial Reporting and Analysis and any one of them may sign such loan agreement with such changes, omissions, insertions and revisions as the President/Chief Executive Officer and the Vice President of Financial Services and Analysis or any one of them shall deem advisable and the approval of the Authority shall conclusively be determined from any of their signatures thereon.

**BE IT FURTHER RESOLVED:** That the Authority hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and any time after the date of passage of this resolution in the maximum amount authorized hereby and for the Project defined herein with the proceeds of bonds, notes, or other obligations authorized to be issued by the Authority. Such bonds, notes or other obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, or such later date the Regulations may authorize. The Authority hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date.