

**South Central Connecticut Regional Water Authority  
Compensation Committee**

**Minutes of the January 16, 2020 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority Compensation Committee took place on Thursday, January 16, 2020, at the office of the Authority, 90 Sargent Drive, New Haven, Connecticut. Chairman Cermola presided.

Present: Committee – Messrs. Cermola, Borowy, Curseaden, DiSalvo and Ms. Sack  
Management – Mss. Collins, Discepolo, Kowalski, Nesteriak, Reckdenwald, and Messrs. Bingaman, Norris and Singh  
RPB – Mr. Eitzer  
Staff – Mrs. Slubowski

The Chair called the meeting to order at 3:57 p.m.

On motion made by Mr. Borowy, seconded by Ms. Sack, and unanimously carried, the Committee voted to approve the minutes of its July 18, 2019 meeting.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Ms. Reckdenwald, RWA’s Senior Vice President of Employee Services, provided an update of the Employee Engagement Study conducted in 2018, which included:

- Introduction of “Town Hall” department meetings
- Update of employee action plans
- Leadership training and development
- Predictive index participation

Mr. Bingaman, RWA’s Chief Executive Officer and President, and Ms. Reckdenwald provided a succession planning update, which included:

- Vacancies and recruiting
- Long-term vision of organization
- Gap analysis
- Individual development plans

Mr. Bingaman reviewed the RWA’s FY 2020 strategic mid-year goals and global metrics based on 21 initiatives of four perspectives of the balanced scorecard.

At 4:24 p.m., Mss. Collins, Discepolo, Kowalski, Nesteriak, Reckdenwald, Slubowski, and Messrs. Eitzer, Norris, Singh withdrew from the meeting. On motion made by Mr. Curseaden, seconded by Mr. Borowy, and unanimously carried, the Committee voted to go into executive session to discuss officer compensation. Present in executive session were Authority members and Mr. Bingaman.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 5:00 p.m., the Committee came out of executive session.

It was the consensus of the Committee to recommend to the Authority salary increases for the Chief Executive Officer (CEO) and the Senior Executive Team, as presented and in conformance with a total compensation study of median comparable market data done by Willis Towers Watson in February 2017.

At 5:05 p.m., on motion made by Mr. Borowy, seconded by Mr. Cermola, and unanimously carried, the Authority voted to adjourn the meeting.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

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Joseph A. Cermola, Sr., Chair

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**Larry L. Bingaman**  
*President and Chief Executive Officer*

TO: Anthony DiSalvo  
Joseph A. Cermola  
Kevin J. Curseaden  
David Borowy  
Suzanne C. Sack

FROM: Larry Bingaman

DATE: May 21, 2020

SUBJECT: Fiscal Year 2021 Goals and Global Metrics

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Attached are the goals and global metrics for Fiscal Year 2021 (FY21) that are based on the four perspectives of the balanced scorecard and support our strategic plan. I look forward to your comments.

LLB:amc  
Attachment

## Mission

"Our mission is to provide customers with high quality water and services at a reasonable cost while promoting the preservation of watershed land and aquifers."

## Vision

"Our vision is to be an innovative water utility that sustains life, strengthens our communities, and protects resources for future generations."

## STARS Values

**Service   Teamwork   Accountability   Respect   Safety**

## Higher Purpose

**"Make life better for people by delivering water for life."**

## FY21 Action Plans



### GUIDEPOST: PUT THE CUSTOMER FIRST

**Strategic Goal 1: Meet or exceed customer expectations in all we do**

<b>Objectives</b>	<b>Provide a seamless customer experience focused on positive outcomes delivered in a multi-channel service environment.</b>
<b>Action Items</b>	Implement organizational design and process changes that take advantage of opportunities created in a post-COVID19 work environment including new ways of working in order to enhance customer service.
	Continue to execute on customer-directed service offerings and complete transition to 3rd party bill print to support the Bill Redesign & Monthly Billing project plans.
<b>Global Metrics</b>	<b>Ebill Participation Rate: 27%</b>



### GUIDEPOST: ENABLE OUR WORKFORCE TO SUPPORT A STRONG FUTURE

**Strategic Goal 2: Attract, retain and develop high-quality talent and engaged employees throughout the RWA**

<b>Objectives</b>	<b>Employees put safety first, take pride in their work and feel valued for their contributions toward delivering quality products and services.</b>
<b>Action Items</b>	Implement Safety protocols and responsibilities across all layers of the organization to raise individual and departmental awareness and accountability.
	Design an organizational structure that supports the business of a 21st century environmental services organization including creating succession plans for high potentials and to replace key positions.
	Promote and support training, continuing education, cross-training and career development that is aligned with the organization's strategic needs.
	Develop a recovery plan for returning to work (short term) and a task force to pivot on key learnings to improve our ways of working.
	Infuse RWA's customer-centric value system into training programs and hiring practices.
<b>Global Metrics</b>	<b>0 Preventable Injuries</b>



**GUIDEPOST: EFFECTIVELY MANAGE AND MAINTAIN OUR CORE BUSINESS**

**Strategic Goal 3: Enhance and increase environmental services to better serve our stakeholders**

<b>Objectives</b>	<b>Enhance the quality of life in our communities by leading the development and implementation of innovative resource management tools, expanding educational offerings, and building our portfolio of environmental products and services.</b>
<b>Action Items</b>	Capitalize on our successful educational program offerings to build more partnerships with additional schools, educators and students in our district, expanding on the use of remote delivery methods, including social media.
	Identify and develop a business plan for a new recreational service.
	Continue to develop and promote our existing recreational programs to effectively grow participation in our current environmental services portfolio and identify opportunities to improve profitability.
<b>Global Metrics</b>	<b>Complete the development of two new recreation programs such that they can be rolled out at the beginning of FY 2022.</b>



**GUIDEPOST: EFFECTIVELY MANAGE AND MAINTAIN OUR CORE BUSINESS**

**Strategic Goal 4: Deliver high-quality water on demand in a cost-efficient manner**

<b>Objectives</b>	<b>RWA's product and service delivery is grounded in a comprehensive source-to-tap perspective focused on environmental and operational customer perspectives.</b>
<b>Action Items</b>	Begin development of a master plan to identify opportunities for resiliency, redundancy and expansion to improve system reliability and reduce risk throughout our district.
	Continue implementation of an Asset Management program with keen focus on short term operational maintenance objectives.
<b>Global Metrics</b>	<b>DPB 10% below limits</b>

**GUIDEPOST: EFFECTIVELY MANAGE AND MAINTAIN OUR CORE BUSINESS**



**Strategic Goal 5: Embrace innovation and adopt state-of-the-art technology to drive performance**

<b>Objectives</b>	<b>Technology is a catalyst for innovation and realization of business capability and service objectives, driving efficiencies through automation and reduction of manual processes.</b>
<b>Action Items</b>	Establish an integrated advisory council as part of innovation hub that promotes employee-identified continuous improvement and innovation.
	Enhance cybersecurity protocols including adopting the latest principles and framework as recommended by EPA.
<b>Global Metrics</b>	<b>Implement Dashboard Analytics to track performance due to COVID-19 and enable transformation through innovation/process improvements, cyber compliance and business aligned technology roadmaps.</b>



**GUIDEPOST: EXERCISE FISCAL ACCOUNTABILITY THROUGHOUT THE RWA**

**Strategic Goal 6: Continue to strengthen our financial health in order to mitigate water rate escalation**

<b>Objectives</b>	<b>Implement CapEx/OpEx efficiency plans within the context of the COVID-19 financial reality and grow non-core revenue.</b>
<b>Action Items</b>	Continue to execute against the non-core strategy including evaluating lab opportunities and implementing the PipeSafe product and service roadmap.
	Achieve efficiencies while effectively executing against the Capital Program.
	Achieve operating efficiencies and savings, resulting in lower overall expenses while providing high quality water and excellent service every day.
<b>Global Metrics</b>	<b>114% coverage achieved with retaining discretionary funds at a minimum of 62% (or not more than a \$10 million reduction) of current balances.</b>
	<b>Effective Capital Budget Management of 96%</b>
	<b>Capital Efficiency Realization of 3% (\$535K)</b>

## FY21 Global Metrics

Global Metric	FY21 Target	Description	Perspective
<b>Ebill Participation Rate</b>	<b>27%</b>	Increase the number of residential, commercial & industrial customers who receive their bill electronically	Put the Customer First
<b>Safety</b>	<b>0 Preventable Injuries</b>	Continue the Safety Journey toward achieving 0 preventable injuries	Enable our Workforce to Support a Strong Future
<b>Environmental Services Growth</b>	<b>2 New Offerings Developed</b>	Complete the development of two new recreation programs such that they can be rolled out at the beginning of FY 2022	Effectively Manage and Maintain our Core Business
<b>Disinfection By-products</b>	<b>90%</b>	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	Effectively Manage and Maintain our Core Business
<b>Dashboard Analytics</b>	<b>3 Analytic Dashboards rolled-out</b>	Implement Dashboard Analytics for COVID impacts, Cyber Assessment & Compliance, and Innovation/Process improvements	Effectively Manage and Maintain our Core Business
<b>Discretionary Funds Retained</b>	<b>≥ 62%</b>	114% coverage achieved with retaining discretionary funds at a minimum of 62% (or not more than a \$10 million reduction) of current balances.	Exercise Fiscal Accountability Throughout the Organization
<b>Effective Capital Budget Management</b>	<b>96%</b>	Ensure that at least 96% of the FY2021 Capital Budget is put to work efficiently for the benefit of our customers	Exercise Fiscal Accountability Throughout the Organization
<b>Capital Efficiencies Realized</b>	<b>3%</b>	Achieve 3% (\$535K) in Capital Budget efficiencies	Exercise Fiscal Accountability Throughout the Organization



# Compensation Committee FY2021 Work Plan

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The Compensation Committee will assist the Regional Water Authority (RWA) in fulfilling its fiduciary responsibilities for oversight relating to compensation of RWA's executives, including annual review of RWA's compensation, review and approval of goals and objectives, and evaluation of the Officers and CEO performance and recommended annual compensation of CEO and other officers.

## July 2020

- CEO FY 2020 goals update
- CEO & Management performance review
- Review and recommend CEO & Officer compensation

## January 2021

- Review of Succession planning activities
- Employee Engagement update

## May 2020

## December 2020

- 6 Month CEO goals update
- Review compensation strategy
- FY 21 CEO Goals & Global Metrics
- Review committee FY21 work plan