

South Central Connecticut Regional Water Authority
July 16, 2020
Meeting Transcription

A regular meeting of the South Central Connecticut Regional Water Authority took place on Thursday, July 16, 2020, via remote access. Chairman DiSalvo presided.

Present: Authority – Messrs. DiSalvo, Borowy, Cermola, Curseaden, and Ms. Sack
Management – Mss. Burns, Discepolo, Kowalski, Nesteriak, Reckdenwald and Messrs. Bingaman, Norris and Singh
RPB – Messrs. Mongillo and Ricozzi
Staff – Mrs. Slubowski

Tony:

Okay, let's call the meeting to order and the safety moment first.

Larry:

Yes, the safety moment we are entering into hurricane season. So the safety moment are all the things you should do to prepare for a hurricane. So make sure you take a moment to read through that it's got some great tips.

Tony:

Are you just trying to jinx us?

Larry:

No, I figured if I bring it up, it won't happen.

Tony:

Sorry, too late. Okay. Entertain a motion to recess as the authority and to convene as the pension and benefit committee.

Linda:

So moved.

David:

Second.

Tony:

All in favor.

Group:

Aye.

[PENSION & BENEFIT COMMITTEE MEETS 12:31 P.M. TO 1:40 P.M.]

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Tony:

Motion carries. Thank you. Let's see. Let's do the consent agenda and before we go to finance, we'll take a quick break. Okay?

Suzanne:

I'd like to make a motion to approve the consent agenda as stated.

Kevin:

Second.

Tony:

All in favor, "Aye."

Group:

Aye.

Tony:

Opposed? Consent agenda goes. Let's take a two and a half minutes. No, maybe all three and we'll be right back.

Tony:

You're ready? Let's move into finance.

Rochelle:

So, we just have one item on the agenda for this afternoon. And this is for the authorization for a project loan and subsidy for AMI. This would be the fourth tranch, just as a little bit more background on this. Most probably, we're not going to be ready to close with the state before our two notes come due. They're coming due in late August. So what we are going to be doing is, and we already have an authorization for what I'm going to mention, we're going to be reissuing the two interim notes, but we definitely want to be all set and ready to close with DWSRF on the last tranch of the AMI project and that's the authorization before you. This will be our 10th DWSRF loan.

Tony:

Remind me again, what are we getting out of this AMI?

Joe:

Monthly billing.

Rochelle:

[crosstalk 01:18:14] as about the loan, we're getting 2% in a grant. Beth, do you want to respond to that?

Beth:

I thought that was a rhetorical question.

Larry:

Right, I did too.

Beth:

Just checking.

Tony:

It was a needle.

David:

Do you want a motion to approve that as recommended?

Tony:

Yes please. Yes, please, Dave.

David:

So, moved. [crosstalk 01:18:34] moved?

Joe:

[crosstalk 01:18:36] Second.

Rochelle:

Thank you for the [crosstalk 01:18:39] and I just want to mention for the interim notes, we'll be sending out for those who have to sign, we'll do it via mail would be the current plan.

Tony:

Okay. Hearing no discussion, all in favor say "Aye."

Group:

[crosstalk 00:10:57] Aye.

Tony:

Opposed? I think Suzanne is abstaining. Rest of us are all in. Thank you. Let's move on to updates, Larry. Larry?

Larry:

Thank you. Yes. We'll have Beth do a brief COVID-19 update and then Rochelle will give an overview of our COVID key metrics dashboard and then we'll move into a presentation that Beth and our new director of operations will do, kind of an overview of the distribution system. So with that, Beth.

Beth:

Sure. I'm happy to report no real news on the COVID front. Thankfully, we have continued to maintain a healthy workforce from that perspective. So no new sicknesses reported or employees in isolation as a result of the COVID-19. As you are aware, we've been working on our reopening plan. So since June, we've spent a lot of time on facility improvements, real kind of some of that back office work. We were able to put together some welcome back kits for employees, for those employees that were going to start to return to the office at the end of June. That included an employee handbook or playbook, we're calling it, with some of the kind of rules of the road as we have to address this pandemic within these square, these four walls at 90 Sergeant Drive. Also, included things about traveling and other policies that are appropriate included in that kit.

Beth:

Also, we provided RWA logoed masks, one per employee, as well as hand sanitizer and some mints. So, it was a nice touch that Janine's team and Phil VC worked on. In addition, we also worked on procuring a self-certification application where employees, while they have been asked to self-certify their temperatures, but before coming to work, since end of March, we have deployed a technology to help record that. So, that's something that we've been working on and launched this week actually with our employees, it's a simple five question survey that asks them if their temperature is over 100.4, as well as any signs of sickness and any travel. So, we're slowly launching that and working on people, participating in that self-certification.

Beth:

We've also installed plexiglass in workplaces where we cannot maintain six feet of separation. This was an area in our customer service area. With that, the way the cubicles are arranged, we had to physically put up these barriers to help with that social distance and also just reviewed all common space, occupancy levels, including conference rooms, the cafeteria, touch less faucets, things like that. So, we're happy to report our first return to work from this phase was the end of June, where we had our customer service department full time reporting since then. We are continuing to stagger a return in other areas doing part time, working from home, part time reporting. We have reopened our cafeteria here this week on a limited basis, but from an operational perspective, we are continuing to isolate our treatment plants, use work site reporting as much as possible to limit congregation of any staff and 90 Sergeant still does remain closed and is open by appointment only.

Beth:

If you remember, my kind of guide map of our plan, we have our next phase scheduled for the end of July. We are planning to do... If you remember, we had done a poll survey of the organization probably six weeks ago, eight weeks ago, that'll be another kind of way to measure what's going on in our workforce and will help guide us in this next phase of our reopening. But, obviously, I'd be remiss not to say that we are watching what's going on in the rest of the country in terms of infection rates and going to kind of keep a close eye on that as well as our own employee health to kind of see what that next state looks like. Right now-

Tony:

[crosstalk 01:23:34] cases inside?

Beth:

I'm sorry, what Tony?

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Tony:

No additional cases inside or...

Beth:

Correct. That is correct. So, right now we're planning end of July for that next phase, but really, again, it's a slow and steady progress continuing to enforce social distancing, mask wearing and the like, so that's where we are and that's my update regarding COVID.

Tony:

Cafeteria is a high risk activity.

Beth:

Yeah. We've installed plexiglass there. We've reduced the seating capacity in that... We've also encouraged people to order ahead. It's a very small operation. There's still not a lot of people in the buildings. So, I've been in there all week and there's really not a lot of people here to utilize. We're not have people standing in lines, people are ordering ahead. So it seems to be working, but definitely an area we are keeping a close eye on.

Tony:

Okay.

Beth:

Well, we got to eat Tony. We got to eat.

Tony:

I know.

Beth:

Keep me fed.

Tony:

I've been doing my best.

Beth:

Yeah.

Larry:

Okay. So, Rochelle's going to give a brief, a high level overview of how we're doing on our kind of financial aid with the COVID in place. So, Rochelle?

Rochelle:

Okay. Thanks. First from a production perspective, just to share with you, while June was up considerably year over year, actually in July, it's the opposite. So, July for the month, so far, we're

actually under where we were last year. So I just wanted to share that with you. From a cash receipt perspective, to date the cash receipts and the impact of COVID-19 on those cash receipts has not been as severe as we had anticipated for the month of June. And so far for the month in July, one of the particular items are we're working for the month of July, we bill our semi-annual public fire in July and it's a considerable portion of our expected cash receipts.

Rochelle:

In the first 10 days, which is the last update that we have from the cash receipts, we would not have expected [inaudible 01:25:58] receive any public fire revenues so adjusted for that, we are running ahead. But we're going to be watching very closely what we get in from public fire and to see how the municipalities are actually paying, pre coated, they are basically pay a hundred percent of what we deal over July and August. So, that's one of the particular things that we're looking at. We are looking at cash every week. Another item I do want to share is as you know Yale is our largest customer and the Yale payment that we did get in June was under, even under our forecast. So again, we're paying attention to what some of our larger customers are doing. It's my understanding that for Yale, they're going to have three classes instead of four back, for both the fall and the spring semester so, that could have an impact.

Rochelle:

And I think one of the reasons I wanted to provide some additional background is there really are very significant uncertainties still relative to what the impacts are going to be throughout our fiscal year. And also just to remind the authority board that in our revised budget, we assumed a full back to normal in January. So, even though to date, we are doing better than our conservative estimate. It's still very early in the fiscal year and there's still quite a number of uncertainties. One of the other adjustments that we made in... You can see it in the financials and the consent agenda. We did have to lower our projections for interest earnings because the interest rates are even lower and what we had assumed when we revised the budget. So overall, to date better than anticipated, but still considerable uncertainties. Any questions?

Larry:

Any Questions? Nope. Okay, great.

Tony:

Jennifer, who's a 6143?

Jennifer:

I think that's Stephen?

Stephen:

Steve. That's Steve.

Tony:

Oh, okay. I thought he was going to leave.

Jennifer:

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[crosstalk 01:28:25] updates.

Stephen:

Jennifer terminated me out of the meeting. I'm not sure why.

Jennifer:

I didn't.

Stephen:

I can't get back in.

Tony:

Okay. I thought you were going to leave at the updates, Steve.

Suzanne:

Does he think it's Steve from Morgan Stanley?

Stephen:

I was going to leave after the updates, but that's okay. Whatever.

Tony:

No, it's all right.

Suzanne:

Oh, okay.

Tony:

It's all right.

Larry:

Okay. All right. Now, we'll go into a presentation on the distribution system that Beth and Lisa Burns will do and then I've got a couple of quick updates after the presentation.

Jennifer:

I have one question now, I can't get back to my screen share to get the other documents. Does anybody know how to minimize?

Beth:

If you hit escape, Jennifer you should [crosstalk 00:21:24].

Jennifer:

Escape?

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Prem:

I think you could just close the [crosstalk 01:29:32] now.

Tony:

Yep. There you go.

Jennifer:

Hey, it popped up. Great, thank you.

Beth:

Great. So, I'm just going to kick it off, I'd like to introduce all of you to our director of operations, Lisa Burns. I don't think anyone else is more excited to have her join the team than I am. Lisa comes to us from the city of Norwalk. She's a professional engineer in civil engineering with a master's in engineering management. She started early December, actually on my birthday, which was just a coincidence, but a nice gift. Lisa learned a lot about our distribution system. It's a very complex distribution system.

Beth:

And given what's happened, especially over mid-June, when we did see a large discoloration event, we thought it would be prudent to kind of walk you through a little bit about a good old overview of our system that supplies our customers on a daily basis, as well as some of our strategies moving forward. So with that, I'll have Lisa introduce herself, and we're happy to take questions as we walk through the slides.

Suzanne:

Can I just ask you a quick question first?

Beth:

Yeah.

Suzanne:

Is Lisa ostensibly a replacement for Jim, old Jim?

Beth:

Lisa actually was a replacement for Tony Delvecchio. He was our director of operations who had been with the organization 20 plus years and had retired in the fall.

Suzanne:

Okay. Reporting directly to you.

Beth:

Yes.

Suzanne:

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Okay. Thank you very much.

Beth:

Yep.

Suzanne:

And welcome Lisa.

Lisa:

Thank you.

Tony:

Are there any more people reporting to you, you won't have to do any work then.

Beth:

That's what I'm planning Tony.

Suzanne:

I like that you have another female engineer which is awesome.

Beth:

Great.

Lisa:

Yeah. Thank you. It's nice to meet you, be nicer to meet you in person, but it's good to see you all on Zoom. I had the pleasure of working with Steve Mongillo in the past but Steve I don't know if you remember me because my last name was different, Lisa [Barden 00:01:31:43].

Stephen:

Oh okay. Sure.

Lisa:

And, also [Joe Cermola 00:23:53], when I was at the city of Norwalk, I mean, city of New Haven, we had worked on the waterfront street project together so. Like I said, I joined RWA in December, beginning of my career I started off at a firm called Malcolm Pirnie. It's a firm down in White Plains, New York, and...

Tony:

Lisa, I'm having a hard time hearing you. Is there a way you can either increase your volume or get closer to your speaker? I know I'm getting old, but...

Lisa:

I have my headphones on so I'm not really sure...

Tony:

Oh there you go, that's better.

Lisa:

Is that better? [crosstalk 01:32:32]

Suzanne:

When you tilt your head down and get closer to your mic, it's better. And everybody goes through this orientation with Tony, don't worry about it.

Lisa:

Okay. I sit in an open area so the headphones are a necessity. So, like I said, I started my career at a firm called Malcolm Pirnie down in White Plains, New York. And I worked in with water and wastewater utilities across the United States, really looking at optimization opportunities. And in 2000, I joined the city of Norwalk, I was on the road quite a bit. I mean, sorry, city of New Haven, I was on the road quite a bit and from there I ended up becoming the assistant general manager of the New Haven Water Pollution Control Authority when they were going through their strategic plan and regionalization efforts to at that point, Regional Water Authority was also a participant in that project. So that, it past 15 years as Beth has said, I've been down in the city of Norwalk. First as the operations director for Public Works, as well as having full management of the Norwalk Regional Water Pollution Control Authority that had about 25,000 customers separate from the constituents that I served in Public Works the residents of 90,000 people.

Lisa:

The last four and a half years of my career, I was the city engineer for the city of Norwalk and also still retained my management of the Water Pollution Control Authority though my background is engineering my career and experience through that particular part of my job, I worked in with the financial modeling going into doing bond ratings with the city, rate setting, customer service. So although my background is engineering, my experience in the utility industry covers a broader range. And I know that some of you all are technical on the board and some or you are financial and I'm mindful of both of those components. So if you wanted to go to the slide unless anyone... And if you can go interactive on this, if you want to jump in, ask any questions.

Tony:

No, we don't want to ask any questions.

Lisa:

Okay. So, I'm sure you know this much better than I do that the regional water authorities, water distribution system, it is complicated and vast and extremely interesting. I love coming to work every day and learning about the system. Geographically, it's very diverse system covering the 16 towns and hopefully you can see it okay on the map that's up on the screen. What makes us system complicated is there's a wide range of geography that's covered and attacking my husband, who's a finance guy about it. And he says, "Well, it's kind of like Connecticut. You can't really drive East and West all that easy." And that's really what the system's like.

Lisa:

It's easier to move water North and South than it is East and West. And so that complication, the valleys and the rivers we cross present an interesting set of challenges to the system. As well as the 1700 miles of pipe in this system and the 35 storage tanks and 26 pump stations there's just thousands of valves and hydrants, area leases, meters, all these things need operations and maintenance work. And then, we have the forest surface water treatment plants, the six supply well fields, and then the 37 different pressure zones, which is definitely something that makes RWA the system very different than most other places.

Lisa:

An example of how different it is, we work with vendors who work with water companies across the country. And I've asked them recently, "How do you think about the Regional Water Authorities system?" And kind of in lay people's terms it's, imagining you have three parking lots that you own and operate in three different strip malls and those three parking lots could be interconnected by one driveway, but you have in each parking lot, a whole bunch of ways to get into the parking lot. And then you only have a few ways to get out of the parking lot. And all of a sudden, all these cars start coming in and need to get out and you got to direct them and sometimes the drivers maybe distracted, or maybe not following your rules or whatever, but that's what the Regional Water Authorities system's like, it's like I said, a very complicated in diverse system so lots of moving parts. If you can go to the next slide.

Suzanne:

Can I ask you a question? Does that present any unique challenges or problems that are, or are you going to get into all that? In terms of the future, how we shape our capital plan, etc.

Lisa:

Yeah, absolutely. That ties right into that. Excellent question, because it's complicated, how do we un-complicate it, right? Because when you un-complicate things and it makes everyone's life more predictable and easier to operate and manage. And so that gets into what is the vision for how do we want to operate the water distribution system? And, it's really getting back to the basics. I worked at Malcolm Pirnie in the early 1990s. I worked with some really brilliant engineers. Those engineers actually heavily participated in the design and construction and planning of the New Haven water system, going back at least into the '50s, if not earlier than that. So, these brilliant folks built the system, there was a long-term vision of where the system was going to go. And really, we just need to get back to those basics and start executing against that long-term plan while integrating new technologies where we can. And so, the vision is what we're calling the 3Rs.

Lisa:

How can we reduce our risks in the system? How do we identify what that critical infrastructure is, what needs to be fixed? That will drive our master planning and the investments we make into the system, to your point, what does that mean? That means, we try to eliminate water system components when we can, and going back to driving down that overall O&M cost and making the system more stable.

Lisa:

The second of the 3Rs is resiliency, using our experience and data to predict outcomes, to scan through the water system about what's going on and to drill and practice that with our staff. And then the last R

is to provide system redundancy. That was the long-term vision. That's a vision that every operating water company should have, and we need to identify those single points of failure. Those could be system. We had a pump station failure that occurred in April. That was a critical station, if we weren't able to get that system up and running, there was no redundancy to that part of the system. That was the Hill Street pump station that serves to other storage areas, Kimberly Ave tank and Ford tank that are out in the Valley systems. So, how do we provide redundancy, should something like that happen again? And, redundancy can also be a re- Sorry.

Lisa:

Redundancy could also mean in people like if we only have the one staff person who knows where that valve is to turn to prevent that thing from happening, we need to provide redundancy through succession planning and training. And then we need to look at things like just the physical infrastructure when we're building things, are we providing redundancy within that system? So as we're planning and doing pump station projects, do we have redundant systems within that pump station so if one critical component fails, the whole station does not go out of service? So that's the kind of thinking we're bringing to each decision we're presented with. And as RWA's managers, we really need to ask ourselves and we need to instill this in our staff and our culture. Every decision before us, how does that reduce our risk, improve our resiliency and provide redundancy in the system to stabilize it? And it's really what our customers expect from us. The healthy water system and healthy operation of the system supports our RWA's strategic plan and better positions itself to execute on any potential non-core initiatives more effectively.

Lisa:

So you can go to the next slide, if there's any other questions moving on. We can dig in a little bit on how are we going to do that and what does it mean, in reality. And I'm coming into a position where I'm learning the system, I'm learning the culture and the people. So there's some near term things, and then there's some longer term things that we're all going to have to work on together. And you as the board and the authority are setting that strategic direction and we can provide the input to you for you to be able to guide us. So for addressing risk near term, we're just making sure we have all those basic things in place like plans and documentations, proper SOPs, revisiting those, making sure that they're still valid. We're working with our teams to identify what is the critical infrastructure.

Lisa:

We have a lot of talented people here and we have great plans. And so maybe revisiting some of those plans. Ted's group's done a great job with starting a robust asset management program and we'll continue to use that when we are making decisions near and long-term to understand the status of the critical infrastructure. And then there's things in the system that need to be triaged, quite honestly, right now, because they perform a critical function and we need to use them. So what can we do short term to get those functional, and then how are we communicating across the different organizations? Like I said, we have a lot of talented staff and making sure that we're getting all that subject matter knowledge about the system, kind of all communicated and we're setting expectations organizationally. And I'll give you an example at the end of this so you can kind of see how we would apply a little bit more in a concrete way.

Lisa:

So long-term, this falls right into our long range master planning. How do we get those, how do we again execute against that long-term vision of how the system was to operate and how does that fit in with our financial modeling component? Reducing risk means eliminating system components, the fewer things you have in your system, the fewer things can break. And there's long-term master planning that's already been developed about how we can achieve that goal. And that all comes back to, how do we improve our system reliability, stop the unexpected things from happening, and looking at how we can control our ongoing O&M expenses down the road. Eliminating things in the system can reduce energy costs and that sort of thing.

Lisa:

So a concrete example of one I've got here, is there's two main ways of providing water from the Lake Gaillard water treatment plant, and to the New Haven system, which is our largest water plant. It provides 60% of the water to our customers. It has two ways to get water into the system. It's like two big veins into the system. And they're designed to be redundant to each other. So if one failed, you can use the other. One of those systems right now, it has a route 80, it's on [inaudible 01:47:36] Boulevard. There's a critical valve there that is not operable. And how do we get that operable?

Lisa:

And we have a short term solution, because it is critical. We do have a redundant system, but this is one that has to come up to the higher level to be fixed just because of its criticality. So we have, and we're working with a cross functional team in house, about how can we near-term get that valve operational as quickly as possible? And it's not a small undertaking, but we have a way we can do that. And then long-term, there's been a project on the books, on RWA's books, to relocate and improve that valve, but the route 80 throttling valve arguably has been in the process of looking to acquire property to move this valve. It's in the location of [inaudible 01:48:40] Boulevard and Quinnipiac and a really busy intersection. So do we move that project up on the list when we go into the future project planning? Let me go to the next slide, please.

Suzanne:

So Beth or Lisa, is this sort of a byproduct of a fresh set of eyes taking a look at something and putting the pieces together of project list, risk, criticality of something. Is that why something like this has been identified or was it already identified and we're just talking about for today.

Beth:

I think it's a little bit of both, Suzanne. I think it's definitely part of a fresh set of eyes. One of the challenges or just facts of any institution with a lot of tenure employees is there's a lot of things that become folklore or it's like a game of telephone. I think in the past, we depended on a few people to be that institutional knowledge. And when that happens and those people leave, it forces kind of the new regime to really dig in and understand the why behind that folklore, why we never open this valve, why do we [inaudible 01:50:00] these things? So I think to Lisa's credit, what we've been focusing on is really understanding, digging deep into the original master planning documents, finding the why behind things and making sure every everyone understands what the critical infrastructure was meant to do.

Beth:

To be quite honest, I don't think anyone really understood this, your specific question about how come now we're elevating this. I don't think there were enough people that understood some of the critical

infrastructures and how it was supposed to work and how critical it really was. So having that, going back to some of those original master planning documents have really enlightened us in terms of, this is what it was supposed to do, this is what it's not doing and we need to fix it. But A fresh set of eyes has definitely brought a lot of things to fruition.

Beth:

The other big thing we're doing is using data to make decisions instead of the folklore, looking at everything from pressure spikes to customer calls, to, we're kind of trying to scan what we see going on in the distribution and getting rid of what we've, kind of that confirmation bias of, "Oh, well we had dirty water because someone opened a hydrant." we're good at kind of jumping to conclusions. Well, do we see a trend in this area? So between those two factors, we're trying to have that add to the prioritization and the work that's getting done, but to be honest, a very different cultural kind of attitude that we're trying to change to.

Suzanne:

Thank you for that answer.

Beth:

I hope that answered your question.

Suzanne:

No, it did. Thank you.

Lisa:

I think that's why Beth and I are a good team together is that we have this kind of natural curiosity to ask the why questions that drives those kinds of conversations. And especially, I think I'm the person... I'm an engineer, but not really an engineer, I'm more of a management person, but I'm enough of an engineer and I've worn an operations hat, so engineering and operations, sometimes... I run a group of both engineers and operations and there's always kind of a yin and yang that you're dealing with. And so having kind of worn both hats and sit on both sides, I think it helps me, I understand the operational wise and then the design wise. But again, your question really, it kind of led into the next R, which is resiliency.

Lisa:

And this is pretty basic stuff. In your term, we need to use our opportunities to drill and practice these things, and we need to conduct these root cause analysis for system failures. So I have this giant white board right next to me about, I drive to know really why something happened and I want the data behind that so that we can prevent it from happening again or something even worse happening. If something little could lead to something big and if you catch it early and you plan for it, then you're in much better position. So that's something that I'm working with our team on, and then long-term we have these tools. We have asset management tools, we have our GIS, we have our hydraulic model, customer information.

Lisa:

Every piece of customer information is extremely important to me as an operations person. It's important to me because although initially we may tell the customer, "Well, someone opened a hydrant," or, "Oh, the leak wasn't a leak." I still need to know, I want to know that data that's coming in because I can be more predictive about, maybe it isn't a leak. Maybe the leak is something else. Maybe it's a pressure problem. So using and further using and leveraging the tools we already have, especially the technology tools and integrating them so I can have a big picture dashboard about what's going on is really important long-term, including our SCADA system, which operates our water distribution and supply system. And that will allow us to scan ahead before events occur.

Lisa:

And an example of that would be, we live through a June discolored water period. Predictably it happened where the system told us it would, from the data. And so in some ways we were able to prevent some historic ones that had occurred in the past. We had, from what I've seen in records, a lot of times we would historically see problems in Hamden around these high demand days. And what we were able to do was we worked with the team and said, "Let's not operate these pump stations that we know will cause discolored water until we can move some water at night and try to clear these lines out any discoloration because of the high demands." So we made a conscious decision when we didn't see discolored water in an area that we would predict to see discolored water, because in that area we have online pipes that have capacity issues.

Lisa:

Scanning the system after that and understanding patterns, I start looking at all the customer service calls that come in from the answering service. I get them all. I have, I don't know, 2,000 of them in my inbox. I scan them all the time, looking for patterns. I try to map them if I can. And we saw some come in, a handful the other day, but in one area. And I got up and I went to the control room, which is right next to my office. And I look at what's going on and there's a valve closed. As soon as they opened the valve up, scanning that system, getting that real time data, we were able to stop a discolored water event from occurring that could have been much bigger.

Lisa:

And then from the root cause failures, we recently had a fire at the Lake Gaillard pump station. Pump number one caught on fire, it's our major distribution system. And we brought in a forensic engineer to help us root cause that, and we're working with the risk management team on a possible insurance claim, if that's the route we choose to go. But not just, "Okay, this component failed, but why did this component fail? And what are the risks do we have in this pump station for the same type of failure?" So conducting root cause analysis, scanning the system-

Tony:

No thanks, I need the... Hang on.

Lisa:

And another thing we're doing is we're putting transient pressure gauges on some of our system where we're testing that now, transient pressures. I think Beth talks about, RWA talks about flow a lot, this flow, that flow. I think that when we're understanding system pressures are contributing to a lot of water system issues, that's something we got to get our arms around. And we have a great SCADA system that can do that, but transient pressures are things that are not able to be picked up by our

SCADA system. And we're trying a new technology in the West River Woodbridge system where we are picking up transient pressures at the rate of 200 times per second to try to identify transient pressure issues. And those transient pressure issues are things that can cause major system failures. So that's a really important thing to make us a more resilient organization.

Beth:

So Suzanne, to your point, these are the things that we're changing as we kind of walk through and move forward in the operations and really change the way we've looked at things in the past to help prevent things from happening in the future. And I don't know, I know Lisa, we're getting a little short on time if we want to-

Lisa:

Sorry.

Beth:

I know you love to talk about this stuff, but let's move on to redundancy and then we can kind of happy to answer any questions at the end.

Lisa:

Sure. So we did touch a lot on the redundancy already, that we have, again, near term areas where we know we need to provide redundancy, people and system-wide. We've got to leverage opportunities in our current projects to try to address those, if we can, for projects that are currently underway or repairs we're making as components fail. And then that long term vision is removing things from the system. So instead of having 36 different pressure zones, getting onto some common pressure zones and getting rid of components that was a long-term plan going back to the sixties and a lot of components are there. And we just really need to execute our system investments based on that master plan, and linking those priorities to the financial model and rate tolerance.

Lisa:

So it's where do these things fall on the continuum? If we know where we're going, we have that vision, but an opportunity presents itself, maybe not in the linear path, but it's a good time to do it because we know where we're going in the future, we get that done at that point. And then we really do need to address succession planning and cross training because the workforce here, as people on my team leave, we're going to have a really difficult time finding those people who could take those roles in this industry. And that's every utility is having difficulty recruiting and finding skilled technical people in the water operations and engineering functions. So I think Beth, you were going to wrap up, right?

Beth:

Yeah. I think what we, and Jennifer, if you can go to the next slide, I think what you've heard us talk about is, there's no new problem, right? This is just going back, improving our fundamentals. We really are trying to take a holistic approach to our operations and our vision. This is the people process technology and of course investments and making cross functional teams to help educate people about some of the critical functionality and what we've learned about how the system is supposed to operate. And really leveraging what we have today for budgets and staffing and really looking at how we execute differently within the constraints of our existing budgets and staffing levels. I think we have what we

need, it's about prioritization. And some of that just comes from more education about how the system truly was designed to operate and how we need to operate it to ensure long-term success.

Beth:

It's a big job. This is not an easy system, as Lisa earlier explained the parking lot. It's very, very complicated and there's a lot of moving parts. So we're trying not to boil the ocean, but take small steps in all these directions to bring us into plan for the future. But it's been a lot of fun and we're looking forward to it. And while I know some of you might think this is kind of a little boring, we happen to love it. And this is really the core of our business and what gets us the revenues that we need to survive. So you'll always hear me be the advocate for talking about the water distribution system and making sure that the board understands the challenges we have. Just as we were preparing for this, New York City is what, gravity by 40 miles into the city. We're not, we constantly pump, we always have a pump running at Gaillard. Think about being in a car and always having it on. That's what we do, and that serves 60% of our system. So with that, I know you are all dying to ask questions.

Suzanne:

I, for one, didn't find it boring at all.

Beth:

Thank you.

Suzanne:

And I can't tell you how much I appreciate the systemic thinking associated with this. So I'm looking forward to hearing more about what you discover as you look at customer calls, visit the operations room, look at other reports and core systems, from maps from years ago. I think this is going to be a fun journey.

Beth:

It is. For those of you, the Neil deGrasse fans, we are on it. We talk about him a lot, about curiosity and ensuring our teams have curiosity and don't accept the status quo and really use those types of skills to help progress this organization forward.

David:

If I could, I think this is a piece that was missing between having the consultant look at our overall big picture of spending and what we should be as a gross number in order of magnitude and the other plans that we've done on a more small level, where we've had the operational reviews by the consultants. I think this is a missing piece that makes the holes understanding on our part and how they're all going to end up working together and have to all be working in the same direction. I think this is good. Terrific stuff.

Beth:

It absolutely is David, you're right on the money. I think that those consultants are a great resource for us, but we need to lead them, right? We need to point them in the direction based on the knowledge of what we have about the operations and how the system operates. We're having this discussion right now is, how do we lead the consultants and say, "Here's where we think the master planning should be.

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And here are the three areas in these big projects we know are important, help us get there, help us fill in the details." But this piece will definitely help lead those discussions in a more fruitful manner. Absolutely.

David:
Good work.

Lisa:
Thank you.

Beth:
Thanks Lisa.

Lisa:
All right.

Larry:
Thanks Lisa, good job. Thanks Beth.

Lisa:
Thank you. Nice meeting you all.

Tony:
You guys all done with the updates?

Larry:
One more. I just wanted to just circle back to the board. You all completed the board report and meetings survey, which we thank you. There was about a dozen questions there. I quite frankly was surprised that you found the materials, both the board report, as well as the materials that were provided, apparently to the level of detail that appealed to you. There were some interesting suggestions there about making sure we highlight issues of importance in the material that should be focused on, making sure that the topics include top level information in order to get the board to follow. And your subject matter was cybersecurity, financial, which includes operating and capital budget updates and changes, workforce, new initiatives, water quality capacity and usage, and new strategic directions.

Larry:
And certainly that presentation that you just heard, I think, is a part of that. So we'll take these survey results and where there have been suggestions to do things a little differently, we'll do that going forward, but thank you for taking the time to complete it. We are going to look at the board report though. Our feeling is that there's far too much detail in that board report. And even though most of you, I think three agreed that it's your primary source, that it provides clear and important information. I think we could probably do a little bit better job to make it perhaps a little bit more useful and readable. Although you didn't indicate that you found it too difficult.

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Tony:

We did or didn't?

Larry:

You did not. You did not think it was too detailed.

Tony:

We lied.

Larry:

I suspected it might've been colored, but...

Tony:

Thank you.

Larry:

So unless any of you have any comments, that'll be it for our updates.

Tony:

Thank you. Entertain a motion to recess as the authority and to meet as a compensation committee.

Jennifer:

Are you going to do RPB committee reports?

Tony:

Oh yeah. Thank you. Sorry.

Jennifer:

Sorry.

Tony:

Don't let it happen again. Let's see. Finance committee? Who was that, Joe?

Joe:

Yeah, I did. Monday. We went over, Rochelle reported on the financial condition of the authority to the finance committee. That was pretty much the whole meeting.

Tony:

We in good shape, Joe?

Joe:

Pretty good shape. We've got good people watching our money.

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Tony:

Okay. Land use, David?

David:

Yes. They were supposed to have a field trip to Furnace Pond, but the weather looked a little iffy so they decided to do a Zoom meeting, and they got an update on the invasive species of the water chestnut and the eradication program for that, that's underway, or actually should have just been concluded now. And big news, Peter Betkoski is the new chairman.

Tony:

Wow. That is news. Consumer affairs has not met yet Kevin, so who met last month with it?

Suzanne:

That seems like 600 years ago, I'm not sure.

Tony:

Okay. Can't remember, huh? Thank you guys. Now can we recess as the authority and convene as a compensation committee?

David:

So moved, or second.

Tony:

Thank you. All in favor, aye.

Group:

Aye.

[COMPENSATION COMMITTEE MEETS AT 2:40 P.M. TO 3:15 P.M.]

[TRANSCRIPTION UNAVAILABLE – SEE MEETING MINUTES FOR AUTHORITY MEETING FROM 3:15 P.M. TO 3:40 P.M.]