

South Central Connecticut Regional Water Authority
Via Remote Access**

AGENDA

Regular Meeting of Thursday, September 17, 2020 at 12:30 p.m.

- A. Safety Moment
- B. RWA Blue Sky Authority Feedback – Including Executive Session: G. Buccini
- C. Meet as Audit-Risk Committee: J. Cermola
 - 1. Approve Minutes – May 21, 2020 meeting
 - 2. Review FY 2020 Audit Results – Including Executive Session: J. Aniskoff and R. Nossek
- D. Meet as Environmental, Health & Safety Committee: K. Curseaden
 - 1. Approve Minutes – June 18, 2020 meeting
 - 2. New Environmental, Health, Safety and Risk Department: A. Schenkle
 - 3. FY 2021 Business Continuity Work Plan: T. Norris
 - 4. AWIA Emergency Response Plan submission: T. Norris
 - 5. Invasive Species Control Update: J. Tracy
- E. Consent Agenda
 - 1. Approve Minutes – August 20, 2020 meeting
 - 2. Capital Budget Authorization - October 2020
 - 3. Capital Budget Transfer Notifications (no action required) – October 2020
 - 4. Key Performance Indicators
 - 5. Accounts Receivable Update – August 2020
 - 6. RPB Dashboard Report
 - 7. Derby Tank Update
 - 8. North Cheshire Update
- F. Finance: R. Kowalski
 - 1. Quarterly Financial Reports
- G. RPB Committee Assignments and Reports on RPB Committee Meetings
- H. Updates: L. Bingaman
 - 1. COVID-19: B. Nesteriak and R. Kowalski
 - 2. Other: L. Bingaman
 - 3. North Cheshire Diversion Permit – Including Executive Session: T. Norris
- I. Land Use Plan Amendment for modifications of the Procedure for Future Renewable Energy Resource Projects: T. Norris and A. Velasquez
- J. Meet as Non-core Business Committee: D. Borowy
 - 1. Approve Minutes – June 11, 2020 meeting
 - 2. Non-core update – Including Executive Session: B. Nesteriak and P. Singh
 - 3. Non-core White Paper – Including Executive Session
- K. Act on matters arising from Committee meetings

L. Executive Session to discuss personnel matters

******In accordance with the Governor Lamont's, Executive Order No. 7B for the Protection of Public Health and Safety during COVID-19 Pandemic and Response, the public hearing will be held remotely under the requirements of Paragraph 1 of Executive Order No. 7B - Suspension of In-Person Open Meeting Requirements. Members of the public may attend the meeting via conference call, videoconference or other technology. For information on attending the meeting via remote access, and to view meeting documents, please visit <https://www.rwater.com/about-us/our-boards/board-meetings-minutes?year=2020&category=1422&meettype=&page=>. For questions, contact the board office at jslubowski@rwater.com or call 203-401-2515.

**RPB member (N. Campbell) should be excused at Item H.3*

Topic: Authority September Meeting

Time: Sep 17, 2020 12:30 PM Eastern Time (US and Canada)

Join Meeting *(via conference call)*

Dial by your location

+1 312 626 6799 US (Chicago)

+1 646 876 9923 US (New York)

+1 301 715 8592 US (Germantown)

+1 346 248 7799 US (Houston)

+1 408 638 0968 US (San Jose)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

Meeting ID: 860 9584 1819

Passcode: 955591

Find your local number: <https://us02web.zoom.us/j/keaOcfZ8d7>

SAFETY MOMENT

September – Workstation Ergonomics

Working on your computer for long periods of time without thinking about proper setup can cause various types of musculoskeletal disorders. Paying attention to setting up your workstation with a focus on ergonomics can prevent these conditions. Please review the following tips to position your computer and monitor to avoid these conditions:

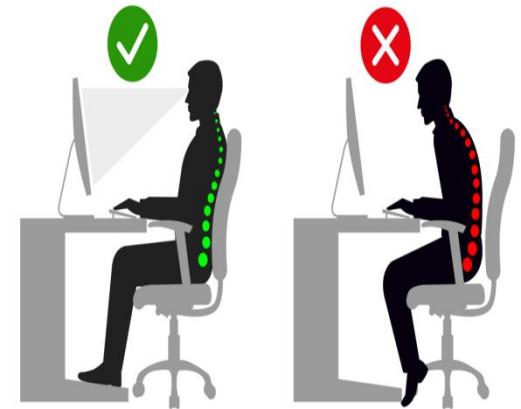
- Head and neck should be upright, not bent down/back
- Head and neck should face forward
- Shoulders and upper arms should be in-line with the torso
- Thighs should be parallel to the floor and the lower legs to be perpendicular to floor
- Feet should rest flat on the floor or are supported by a stable footrest
- Backrest should provide support for your lower back
- Seat front should not press against the back of your knees and lower legs
- Top of the screen is at or below eye level
- Monitor position is directly in front of you so you don't have to twist your head or neck

Service – Teamwork – Accountability – Respect – Safety

Tap Into
Safety



Regional Water Authority



Safety is a core company value at the Regional Water Authority .
It is our goal to reduce workplace injuries to zero.

Regional Water Authority

**South Central Connecticut Regional Water Authority
Minutes of the August 20, 2020 Meeting**

A regular meeting of the South Central Connecticut Regional Water Authority took place on Thursday, August 20, 2020, via remote access. Chairman DiSalvo presided.

Present: Authority Members present – Messrs. DiSalvo, Borowy, Cermola, and Curseaden
Authority Members absent – Ms. Sack
Management – Mss. Kowalski, Nesteriak, Reckdenwald and Messrs. Bingaman, Norris and Singh
Claire C. Bennett Watershed Fund – Mr. Stone
RPB – Mr. Levine
Staff – Mrs. Slubowski

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

Mr. Bingaman, the RWA's President & Chief Executive Officer, reviewed the safety moment distributed to members.

Mr. Stone, President of the Claire C. Bennett Watershed Fund ("Fund"), provided an update of the financial status of the Fund, which included:

- Grant and scholarship applications
- Financial status
- Upcoming grant applications
- Leadership training program at the Community Foundation for Greater New Haven
- Fundraising
- Board recruitment
- Upcoming audit report

After discussion, Mr. Stone asked the Authority and management for suggestions on aggressive fundraising and board recruitment.

Mr. Stone also reported that three directors of the Claire C. Bennett Watershed Fund were up for reappointment: A. DiSalvo, G. Geballe and Rev. Scott. Background information was provided to the Authority for its review. Mr. Cermola moved for approval of the following resolution:

RESOLVED, that the following persons be and hereby are, elected as Directors of the Claire C. Bennett Watershed Fund, Inc. to serve in such capacity until the annual meeting of the sole Member in 2023 or until they otherwise lawfully cease to hold such office: Anthony DiSalvo, Gordon Geballe, and Rev. Prof. John Henry Scott, III, Esq.

Mr. Borowy seconded the motion. The Chair called for the vote and the resolution was approved.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Abstain
Sack	Absent

At 12:42 p.m., Mr. Stone withdrew from the meeting.

On motion made by Mr. Curseaden, seconded by Mr. Cermola, and unanimously carried, the Authority voted to approve, adopt, or receive, as appropriate the following items in the Consent Agenda:

1. Minutes of the July 16, 2020 meeting.
2. Capital budget authorization for September 2020.

RESOLVED, that the Vice President of Financial Services is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$2,000,000 for the month of September 2020 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 FY 2021 for all Capital Improvement Projects to be exceeded. In the absence of the Vice President of Financial Services, the Vice-President of Asset Management is authorized, to sign in her place.

3. Monthly Financial Report for July 2020.
4. Exemption from Public Bidding - Lake Gaillard Pump Station Emergency Repair.
5. Derby Tank Update.
6. North Cheshire Update.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Absent

Ms. Kowalski, RWA's Vice President of Financial Services, reviewed the resolutions for the approval of the proposed issuance of bonds. Mr. Borowy moved for approval of the following resolutions:

RESOLVED: That 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") which are to be issued under its 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 Five Million Dollars (\$5,000,000) in aggregate principal amount.
2. The Bonds may be issued as obligations in one or more series pursuant to the General Bond Resolution and 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 General Bond Resolution and hereby.
3. The purposes of the Bonds shall be to finance or refinance the cost of certain capital improvements to the water system of the Authority from approximately September 1, 2020 through December 31, 2021 in accordance with a certain

capital improvement plan (the “Plan”) adopted by the Authority on June 18, 2020, as may be amended from time to time, (the “Projects”) to provide funds for deposit to the Capital Contingency Fund, Debt Reserve Fund, and Operating Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and to pay costs of issuance.

4. The Bonds may be sold by negotiation as serial or term bonds with stated maturities and may be sold in a private or direct placement to a bank or the State of Connecticut.
5. The Authority reasonably expects to incur expenditures (the “Expenditures”) in connection with the Projects of which a general functional description is contained in the Plan. The Authority reasonably expects to reimburse itself for the cost of Expenditures with respect to the Projects with the proceeds of tax-exempt debt to be issued by the Authority within eighteen (18) months after the date of any Expenditure or the date the Project is placed in service or abandoned, whichever is later. The maximum principal amount of such debt with respect to the Projects is not expected to exceed \$5,000,000.
6. 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 \$5,000,000 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 Services and any Vice President or any one of them may apply to the State Department of Public Health for eligibility and funding of the Projects 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 Projects from the State’s Drinking Water Fund Program and that any such action taken prior hereto is hereby ratified and confirmed.

Mr. Cermola seconded the motion. The Chair called for the vote:

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Absent

Ms. Nesteriak, RWA’s Executive Vice President and Chief Operating Officer, provided an update of COVID-19 at the RWA, which included:

- Three phase re-opening
- Self-certification application
- Operational plans and procedures

- Travel advisory procedures

Mr. Bingaman and the Authority thanked the Return to Work Committee, headed by Mss. Nesteriak and Reckdenwald, for their leadership and work in preparing for the safe return of employees.

Mr. Kowalski provided an update of the COVID-19 Key Metrics Data, which included:

- Cash receipts
- Budget projections

Mr. Singh, the RWA's Chief Information Digital Officer & Vice President of Customer Service, provided a PipeSafe marketing update, which included:

- Overview
- Target audience
- New branding approach
- Media marketing launch

Mr. Bingaman:

- provided a review of revisions to the Board Report. He stated that the new look of the report is more user friendly and part of continuous improvement at the RWA.

Authority members reported on recent Representative Policy Board committee meetings.

At 1:23 p.m., on motion made by Mr. Cermola, seconded by Mr. Curseaden, and unanimously carried, the Authority voted to recess the regular meeting to allow the Authority to meet as the Strategic Planning Committee.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Absent

At 1:55 p.m., the Authority reconvened and Mss. Kowalski, Nesteriak and Messrs. Levine, Norris and Singh withdrew from the meeting. On motion made by Mr. Cermola, seconded by Mr. Borowy, and unanimously carried the Authority voted to go into executive session to discuss personnel matters. Present in executive session were the Authority members, Mr. Bingaman, and Mss. Reckdenwald and Slubowski.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Absent

At 2:27 p.m., the Authority came out of executive session and the meeting adjourned.

Respectfully submitted,

Kevin Curseaden, Secretary

Attachments:

1. SCCRWA Resolution approving the Proposed Issuance of Bonds.

SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY

RESOLUTION APPROVING THE PROPOSED ISSUANCE OF BONDS

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2. The President / Chief Executive Officer, the Vice President of Financial Services and any Vice President or any one of them may apply to the State Department of Public Health for eligibility and funding of the Projects 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 Projects from the State’s Drinking Water Fund Program and that any such action taken prior hereto is hereby ratified and confirmed.

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

MEMORANDUM

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

FROM:  Rochelle Kowalski
Vice-President of Financial Services

DATE: September 14, 2020

SUBJECT: Capital budget authorization request for October 2020

Attached for your meeting on September 17, 2020 is a copy of the resolution authorizing expenditures against the capital improvement budget for October 2020. The amount of the requested authorization, for funds held by the trustee, is \$2,300,000.

This would result in projected expenditures through October 2020 of \$7,243,557 or 30.0% of the total 2021 fiscal year capital budget.

Attachment

RESOLVED

That the Vice-President of Financial Services is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$2,300,000 for the month of October 2020 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 2021 for all Capital Improvement Projects to be exceeded. In the absence of the Vice-President of Financial Services, the Vice-President of Asset Management is authorized to sign in her place.

South Central Connecticut Regional Water Authority
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<http://www.rwater.com>

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

FROM: *Rochelle* Rochelle Kowalski

DATE: September 14, 2020

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 Water Treatment Plant Roof Replacement	\$178,000	Lake Gaillard Pump Station Improvements \$178,000
West Avenue Tank Painting	\$150,000	Lake Gaillard Pump Station Improvements \$150,000

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	9/11/2020	Type	Log	Mo/Yr
Requesting Division:	Operations	B2	21-02	Sep/20
Requested By:	Lisa Burns			

Transfer From:	
Account Number:	001-000-107142-090023
Project Description:	West Avenue Tank Painting
A) Original Budget	1,054,000
B) Total Previous Transfers (In or Out)	150,000
C) This Transfer	150,000
D) Revised Budget (A+/-B-C)	754,000
E) Estimated Project Costs	750,000
F) Remaining Funds Available for Transfer, if any (D-E)	4,000
<p>Explanation why funds are available:</p> <p>As a result of more work than anticipated being performed during FY 2020, project work for FY 2021 will be completed under budget.</p>	

Transfer To:	
Account Number:	001-000-107125-116106
Project Description:	Lake Gaillard Pump Station Improvements
A) Original Budget	450,000
B) Previous Transfers (In or Out)	0
C) Revised Budget (A+/-B)	450,000
D) Amount to be Transferred	150,000
E) Proposed Revised Budget (C+D)	600,000
<p>Explanation why funds are needed:</p> <p>Amendment 1 of 2: This amendment will fund the materials, equipment, and labor necessary to complete the rehabilitation of Pump #1 at the Lake Gaillard Pump Station, including replacement of a motor starter that caught fire on June 23, 2020. Pump #1 will be rebuilt. The work also includes installation of new check and ball valves. This pump station is critical infrastructure, and the pump is vital to maintaining reliability of service. Total project cost is estimated to be \$778,000.</p>	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>Beth Nestor</i>	9-11-20
2) Donor Vice President/Director	<i>Glenn H. ...</i>	09.11.2020
3) Vice President - Finance	<i>Rochelle Kowalski</i>	9/11/2020
4) Executive Vice President & Chief Operating Officer	<i>Beth Nestor</i>	9-11-20
5) Chief Executive Officer	<i>James Benjamin</i>	9/11/2020
6) Authority Members	Copy of minutes attached if required	

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	9/11/2020	Type	Log	Mo/Yr
Requesting Division:	Operations	B2	21-03	Sep/20
Requested By:	Lisa Burns			

Transfer From:	
Account Number:	001-000-107132-116112
Project Description:	Lake Gaillard Water Treatment Plant Roof Replacement
A) Original Budget	200,000
B) Total Previous Transfers (In or Out)	0
C) This Transfer	178,000
D) Revised Budget (A+/-B-C)	22,000
E) Estimated Project Costs	2,000
F) Remaining Funds Available for Transfer, if any (D-E)	20,000
<p>Explanation why funds are available:</p> <p>This project has been deferred to a future budget year.</p>	

Transfer To:	
Account Number:	001-000-107125-116106
Project Description:	Lake Gaillard Pump Station Improvements
A) Original Budget	450,000
B) Previous Transfers (In or Out)	150,000
C) Revised Budget (A+/-B)	600,000
D) Amount to be Transferred	178,000
E) Proposed Revised Budget (C+D)	778,000
<p>Explanation why funds are needed:</p> <p>Amendment 2 of 2: This amendment will fund the materials, equipment, and labor necessary to complete the rehabilitation of Pump #1 at the Lake Gaillard Pump Station, including replacement of a motor starter that caught fire on June 23, 2020. Pump #1 will be rebuilt. The work also includes installation of new check and ball valves. This pump station is critical infrastructure, and the pump is vital to maintaining reliability of service. Total project cost is estimated to be \$778,000.</p>	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>Beta Nestor</i>	9-11-20
2) Donor Vice President/Director	<i>Rockelli Kowalski</i>	09.11.2020
3) Vice President - Finance	<i>Rockelli Kowalski</i>	9/11/2020
4) Executive Vice President & Chief Operating Officer	<i>Beta Nestor</i>	9-11-20
5) Chief Executive Officer	<i>Lara Bingham</i>	9/11/2020
6) Authority Members	Copy of minutes attached if required	

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<http://www.rwater.com>

September 14, 2020

An Important Note About First-Quarter FY2021 Results

The disruptions caused by COVID-19 are shaping a new financial reality for the world and for the RWA.

The uncertainty about the future – given all the unknowns – guided the Leadership Team's decision early on to plan and reduce our Fiscal Year 2021 capital and operating budgets, not pursue a rate increase filing until July 2021 (effective January 2022), take additional steps and implement shared sacrifices. These actions helped to preserve employment for RWA employees.

Our first-quarter Fiscal Year 2021 results show that through August 2020, we are seeing increased billed consumption and have not yet experienced a significant erosion in cash receipts.

Despite this encouraging result, it's too soon to know for certain the full financial impact of the pandemic on our business. A lot will depend on what happens with employment levels, changes in government support such as enhanced unemployment payments, subsidies for businesses, and if the virus makes a resurgence coupled with the flu season that could cause additional business closures and unemployment.

What happens in the next few months is especially important as the revised and reduced Fiscal Year 2021 budget assumed a full back-to-normal as of January 2021 with strong cash flows in the latter part of this fiscal year. To that end, if the financial fallout of the pandemic is less than anticipated and we are projecting no or a minimal draw from discretionary funds, the Leadership Team is prepared to revisit the shared sacrifices and other deferred expenditures.

Executive Summary of FY2021 Key Performance Indicators (KPIs)

Purpose: To make life better for people by delivering water for life.

Mission: Provide customers with high quality water and services at a reasonable cost while promoting the preservation of watershed land and aquifers.

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

Cat.	Measure	FYTD	Target	Comments
Customer/Constituent	Average Speed of Answer (seconds)	27	70	RWA representatives handled 4,615 in the month August; 15,402 YTD. In August, emergency calls were directed back to the contact center during normal business hours. Edwards continues to support overflows of 5 minutes or more wait time which resulted in 83 calls to Edwards for the month.
	% Abandoned	3.9%	5.0%	Ensuring minimum staffing levels for call handling is key to mitigating abandoned calls and a negative customer experience. CS Support Specialist cover breaks, vacations and absences as needed. In August 168 calls were abandoned.
	Ebill %	26.0%	27.0%	As of August 31, there are 29,956 customer enrolled in electronic billing.
	Complaints/1000 Accounts	0.70	1.46	There have been 30 complaints FYTD, less than half the number received at the same time last year.
	Disruptions/1000 Accounts	0.25	0.32	There have been 29 disruptions FYTD, including 9 emergency shutdowns, and 20 scheduled shutdowns. These disruptions lasted a total of 127.5 hours and affected 134 customers.
	Positive/Neutral News items	94	50	There were a total of 32 positive or neutral media mentions of the RWA in June.
Employee	Preventable Injuries	0	0	There have been 0 Preventable Injuries FYTD.
	Preventable MVAs per 100,000 miles	0.85	1.01	RWA employees have driven over 300K miles and had 3 PMVAs FYTD.
	Near Miss Reports with Corrective Actions Taken	NA	100%	None reported, YTD. A near miss is an unplanned event that did not result in injury, illness or damage- but had the potential to do so.
	Training Hrs per FTE	1.00	3.23	FYTD RWA employees have received 267 hours of training, despite social distancing restrictions and modified work schedules. Electronic and other delivery methods to maintain appropriate social distancing have enabled continued developmental and safety training.
	Discretionary Funds Retained (\$M)	\$4.96	\$10.00	We are currently projecting to meet this target; however, our projected draw on discretionary funds, to meet coverage requirements, is still significant at \$4.961 million. RWA has not had a draw to meet coverage requirements for the last ten years.
	Capital Efficiencies Realized	TBD	3.0%	Not yet available for 1Q. Currently anticipate meeting 3% target.
	Effective Capital Budget Management	96.0%	96.0%	FYTD is 72%. While under budget for 1Q, we anticipate meeting/exceeding the 96% target based on identified capital needs

Executive Summary of FY2021 Key Performance Indicators (KPIs)

Purpose: To make life better for people by delivering water for life.

Mission: Provide customers with high quality water and services at a reasonable cost while promoting the preservation of watershed land and aquifers.

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

Cat.	Measure	FYTD	Target	Comments
Financial	Coverage YE Projection	1.14 w/ shortfall of \$4.961 m	1.14 w/ shortfall of \$12.045 m	While favorable vs. budget, the shortfall to meet our coverage requirement is still very significant. This variance is due to the impact of COVID-19 on cash receipts, to date, not being as severe as anticipated and higher than anticipated billings. However, there continues to be considerable uncertainty regarding the financial impacts of the pandemic, including on employment levels and a potential resurgence. It is important to note that our revised budget assumes a full "back to normal" in January 2021. The projected shortfall, to meet coverage requirements, is still significant. RWA has not had a draw to meet coverage requirements in the past ten years
	Cash Collections (\$M)	\$31.76	\$22.60	Cash collections of approximately \$11.7 million, for the month of August, were approximately \$4.6 million higher than the revised (adjusted for anticipated impacts of COVID-19) budget. The August revised budget reflects a substantial reduction in cash receipts. This variance, as well as ytd variance, is due to the impact of COVID-19 on cash collections, to date, not being as severe as anticipated, higher than anticipated billings, and timing. While favorable to the revised reduced budget, we are still projecting a significant draw to meet our 1.14 coverage requirement. There continues to be considerable uncertainty regarding the financial impacts of the pandemic, including on employment levels and a potential resurgence. Our revised budget assumes a full "back to normal" in January 2021.
	Net - Other Proprietary and Forestry (\$M)	\$1.55	\$1.38	Variance is favorable vs. budget and is primarily driven by Pipesafe. However, the other proprietary offers and forestry are also contributing to the favorable variance
	Capital (\$M)	\$3.36	\$4.68	The capital expenditure budget for FY 2021 has been significantly reduced. While under budget through August, we currently anticipate needing the full budgeted amount. Explanation has been provided for projects with more than \$100k variance. This metric does not include contingency or State & Redevelopment
	O&M (\$M)	\$12.77	\$13.92	Discretionary spending guidelines are in place due to COVID-19. At this time, variances are primarily timing and we are projecting to be at our revised budget at year-end.
Excellence	Disinfection Byproducts	100%	90%	There were 0 near-misses for the THMs and HAAs in June, our last compliance sampling period. Our aggressive flushing and source water management appear to be working. Additional DBP research and management activities are on-going. THM and HAA levels continue to fluctuate widely and, while well within USEPA standards, remain high enough to bear continued focus.
	Environmental Services Growth	0%	0%	Efforts are underway to provide kayak fishing at Saltonstall and mountain biking trails in Madison.
	Environmental Compliance	93%	90%	FYTD there have been 2 parameters that fell outside the Near Miss threshold. The Gaillard daily sewer flow exceeded the discharge limit on 4 days in August. Treatment is investigating a leak in the hydropower generator cooling water loop which is discharging ~15K gpd.

Executive Summary of FY2021 Key Performance Indicators (KPIs)

Purpose: To make life better for people by delivering water for life.

Mission: Provide customers with high quality water and services at a reasonable cost while promoting the preservation of watershed land and aquifers.

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

Cat.	Measure	FYTD	Target	Comments
Process Ex	Watershed Inspection Completion	26	20	One violation noted and corrected in August. YTD there have been 4 violations and 4 violations corrected.
	Dashboard Analytics Rollout	33%	25%	The first of 3 dashboards, a COVID-19 Impacts Dashboard, has been developed and rolled out to the Leadership Team, providing insight to Production, Financial, and Overtime impacts.
	Net Unaccounted For Water	10.35%	10.00%	The YTD Net Unaccounted for Water calculation is 10.35% for the annualized reporting period of June 1, 2019 through May 31, 2020 (FY 2020). This represents a decrease from the previous month, and reflects a reduction of 0.28% from the same reporting period in the prior year.
	I.T. Help Desk Tickets Closed in 4 Hours	82.2%	80.0%	Of the 836 tickets YTD, 687 were able to be closed within 4 hours.
At or better than target		21		
Near Target		2		
Off Target		2		

Blue shading indicates a Global Metric.

8 of the 8 Global Metrics are currently on Target.

South Central Regional Water Authority

Analysis of Accounts Receivable ("A/R")

(\$000 omitted)

Total Accounts Receivable Aging (in days)

	Aug	July	June	May	April	March	Feb	Jan	Dec	Nov	Oct	Sept
	2020	2020	2020	2020	2020	2020	2020	2020	2019	2019	2019	2019
Under 30	\$ 6,229	\$ 7,433	\$ 6,146	\$ 5,547	\$ 5,921	\$ 6,110	\$ 5,618	\$ 6,277	\$ 6,796	\$ 6,657	\$ 7,789	\$ 7,106
31-60	2,125	2,295	1,444	1,651	2,527	1,666	1,784	2,584	1,915	2,209	2,504	1,734
61-90	1,405	838	713	1,575	953	792	1,430	883	912	1,459	705	863
91-180	1,777	1,775	1,992	1,787	1,640	1,467	1,313	1,387	1,488	1,318	1,615	1,613
181-360	1,821	1,646	1,543	1,312	1,440	1,497	1,335	1,448	1,592	1,528	1,280	1,353
More than 1 year	4,207	4,266	4,331	4,207	4,333	4,243	4,092	4,174	4,272	4,063	4,104	4,216
Sub Total	17,564	18,253	16,169	16,079	16,814	15,775	15,572	16,753	16,975	17,234	17,997	16,885
Interest due	1,476	1,515	1,559	1,610	1,634	1,680	1,715	1,728	1,721	1,700	1,636	1,648
Total Gross A/R plus interest	\$ 19,040	\$ 19,768	\$ 17,728	\$ 17,689	\$ 18,448	\$ 17,455	\$ 17,287	\$ 18,481	\$ 18,696	\$ 18,934	\$ 19,633	\$ 18,533

Aged Accounts Receivable Focus of Collection Efforts

	Aug	July	June	May	April	March	Feb	Jan	Dec	Nov	Oct	Sept
	2020	2020	2020	2020	2020	2020	2020	2020	2019	2019	2019	2019
Greater than 60 days:												
A/R	\$ 10,659	\$ 10,011	\$ 10,114	\$ 10,470	\$ 9,930	\$ 9,248	\$ 9,487	\$ 9,124	\$ 9,542	\$ 9,678	\$ 8,941	\$ 8,859
Less: Multi-Tenants	(3,109)	(3,084)	(2,864)	(3,075)	(2,594)	(2,492)	(2,677)	(2,345)	(2,704)	(2,680)	(2,155)	(2,356)
Receiverships	(2,080)	(2,163)	(2,169)	(2,190)	(2,251)	(2,148)	(2,172)	(2,231)	(2,155)	(2,135)	(2,082)	(1,769)
Liens	(1,739)	(1,705)	(1,721)	(1,724)	(1,731)	(1,758)	(1,757)	(1,831)	(2,050)	(1,844)	(1,904)	(2,151)
Total	\$ 3,731	\$ 3,059	\$ 3,360	\$ 3,481	\$ 3,354	\$ 2,850	\$ 2,881	\$ 2,717	\$ 2,633	\$ 3,019	\$ 2,800	\$ 2,583
	35%	31%	33%	33%	34%	31%	30%	30%	28%	31%	31%	29%

Collection Efforts

	Aug	July	June	May	April	March	Feb	Jan	Dec	Nov	Oct	Sept
	2020	2020	2020	2020	2020	2020	2020	2020	2019	2019	2019	2019
Shuts *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21	\$ 58	\$ 63	\$ 39	\$ 33	\$ 54	\$ 34
Red Tags **	-	-	-	-	-	7	15	22	9	13	16	9
Receivers	4	5	8	5	4	8	15	30	8	14	48	15
Other ^{(1), (2)}	1,192	1,338	1,282	1,159	989	1,409	1,671	1,647	1,468	1,261	1,551	1,328
Total	\$ 1,196	\$ 1,343	\$ 1,290	\$ 1,164	\$ 993	\$ 1,445	\$ 1,759	\$ 1,762	\$ 1,524	\$ 1,321	\$ 1,669	\$ 1,386
* Number of shuts	0	0	0	0	0	65	162	210	125	124	153	123
** Number of Red tags	0	0	0	0	0	32	83	80	60	78	91	68

⁽¹⁾ Includes: Notices and letters, Code Red, internal calling effort and legal initiatives.

⁽²⁾ Code Red reflects payments in all aging categories 60 days and older.

South Central Connecticut Regional Water Authority
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September 14, 2020

An Important Note About First-Quarter FY2021 Results

The disruptions caused by COVID-19 are shaping a new financial reality for the world and for the RWA.

The uncertainty about the future – given all the unknowns – guided the Leadership Team’s decision early on to plan and reduce our Fiscal Year 2021 capital and operating budgets, not pursue a rate increase filing until July 2021 (effective January 2022), take additional steps and implement shared sacrifices. These actions helped to preserve employment for RWA employees.

Our first-quarter Fiscal Year 2021 results show that through August 2020, we are seeing increased billed consumption and have not yet experienced a significant erosion in cash receipts.

Despite this encouraging result, it’s too soon to know for certain the full financial impact of the pandemic on our business. A lot will depend on what happens with employment levels, changes in government support such as enhanced unemployment payments, subsidies for businesses, and if the virus makes a resurgence coupled with the flu season that could cause additional business closures and unemployment.

What happens in the next few months is especially important as the revised and reduced Fiscal Year 2021 budget assumed a full back-to-normal as of January 2021 with strong cash flows in the latter part of this fiscal year. To that end, if the financial fallout of the pandemic is less than anticipated and we are projecting no or a minimal draw from discretionary funds, the Leadership Team is prepared to revisit the shared sacrifices and other deferred expenditures.

Representative Policy Board
Dashboard Metric - 1Q FY21

Metrics	Quarter ended 8/31/19 (1Q FY 2020)	Quarter ended 5/31/20 (4Q FY 2020)	Quarter ended 8/31/20 (1Q FY 2021)
Customer/Stakeholders			
<i>Combined Customer Satisfaction & Reputation (Note 1)</i>	Target: 96% +/-2% Results: 96.1%* <small>*Period ending March 2019, most recent available</small>	Target: 96% +/-2% Results: 93.1%* <small>*Period ending March 2020, most recent available</small>	Target: 96% +/-2% Results: 93.1%* <small>*Period ending March 2020, most recent available</small>
<i>Underlying Credit Rating</i>	S&P rating AA- , affirmed 6/2019 Moody's rating Aa3 , affirmed 6/2019	S&P rating AA- , affirmed 10/2019 Moody's rating Aa3 , affirmed 10/2019	S&P rating AA- , affirmed 10/2019 Moody's rating Aa3 , affirmed 10/2019
<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
Financial Metrics (Note 2)			
<i>Accrued Water Revenues to Budget (000 omitted)</i>	Budget: \$29.054 million Result: \$27.880 million	Budget: \$105.736 million Result: \$103.686 million	Budget: \$28.174 million Result: \$30.429 million
<i>Other Net Revenues to Budget</i>	Budget: \$1.505 million Result: \$1.651 million	Budget: \$6.243 million Result: \$6.196 million	Budget: \$1.376 million Result: \$1.555 million
<i>O&M Expenditures to Budget (Note 3)</i>	Budget: \$15.299 million Result: \$13.571 million	Budget: \$61.049 million Result: \$55.585 million	Budget: \$13.915 million Result: \$12.772 million
<i>Capital Expenditures to Budget (Note 4)</i>	Budget: \$5.808 million Result: \$5.328 million	Budget: \$31.614 million Result: \$26.001 million	Budget: \$4.683 million Result: \$3.355 million
<i>Cash Collections (Water and Fire Service)</i>	Budget: \$30.883 million Result: \$29.724 million	Budget: \$116.16 million Result: \$114.14 million	Budget: \$22.60 million Result: \$31.76 million
<i>Coverage</i>	Budget: 1.14 w/draw Projected: 1.14 w/draw	Budget: 1.14 w/draw Result: 1.30 w/o draw	Budget: 1.14 w/draw Projected: 1.14 w/draw
<i>Draw Requirement</i>	Budget: \$829,000 Result: \$465,000	Budget: \$829,000 Result: \$0	Budget: \$12.045 million Projected: \$4.961 million

Representative Policy Board
Dashboard Metric - 1Q FY21

Metrics	Quarter ended 8/31/19 (1Q FY 2020)	Quarter ended 5/31/20 (4Q FY 2020)	Quarter ended 8/31/20 (1Q FY 2021)
System Metrics			
<i>Average Daily Production (Draft) to Budget (MG/D)/Prior Year (Note 5)</i>	Budget: 52,348 MGD Result: 51,816 MGD	Budget: 43,598 MGD Result: 42,504 MGD	Budget: 56.883 MGD Result: 51.816 MGD
<i>Disinfection By-products</i>	Target: 90% Result: 96%* * As of June 30, 2019, updated quarterly based on calendar year	Target: 90% Result: 100%* * As of Mar 31, 2020, updated quarterly based on calendar year	Target: 90% Result: 100%* * As of June 30, 2020, updated quarterly based on calendar year
<i>Net Unaccounted For Water (annualized)</i>	Target: 10.0% Result: 10.65% as of 5/31/2019	Target: 10.0% Result: 10.58% as of 2/29/2020	Target: 10.0% Result: 10.58% for the annualized period of April 2019 to March 2020
<i>Reservoir Levels (% full)</i>	87% vs. 74% LTA	96% vs. 93% LTA	75% vs. 74% LTA

Notes:

Note 1: FY 2020 metric is Northeast Average for Customer Billing & Payment

Note 2: FY 2020 results have been updated to reflect final numbers

Note 3: Excludes impact of governmental accounting standards for pension and opeb and may include expenses from non-revenue fund sources

Note 4: Excludes State and Redevelopment and contingency

Note 5: FY 2020 is vs. budget and FY 2021 is vs. prior year

South Central Connecticut Regional Water Authority

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<http://www.rwater.com>

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

FROM: Ted Norris

DATE: September 17, 2020

SUBJECT: Derby Tank Update

This memo is written to provide the Authority with an update on the Derby Tank Project and the land purchases associated with it.

Property Acquisition:

No change to previous update: Second Amendments to the Purchase and Sale Agreements for the Saint Peter and Saint Paul Church (Chatfield Street) and Durante (Lombard Drive) properties were executed and extend the closing date until final decisions are made on the pending litigation, as provided for in the First Amendments.

Planning and Zoning Approval:

No change to previous update: The Derby Planning and Zoning Commission unanimously approved our site plan application on June 18, 2019. After the approval, an appeal was filed with the Superior Court by Attorney Cava, representing two residents – Sharlene McEvoy and Dorothy Marinelli (the only residential neighbor near the tank site), against the City and RWA.

As previously noted, Attorney Cava raised a potential issue regarding proper notice, more specifically related to the Board of Aldermen/Alderwomen's (BOA) requirement to post a sign associated with the transfer of land and that RWA had 'no standing' to file the site plan application. Attorney Cava and attorneys for the City of Derby and RWA submitted. The judge providing a ruling in our favor on January 9th related to the BOA notice issue. Following that ruling, a status conference call was held on January 16th to set the schedule for the next steps, related to the site plan approval appeal. Attorneys for both the plaintiffs and defendants have filed briefs, however, the court schedule has since been delayed due to the COVID-19 pandemic. Status Conferences were held on July 15th and July 28th, at which time oral arguments have been scheduled for September 22nd.

eon/lm

cc Larry Bingaman
Beth Nesteriak
Rose Gavrilovic

South Central Connecticut Regional Water Authority

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<http://www.rwater.com>

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

FROM: Ted Norris

DATE: September 17, 2020

SUBJECT: North Cheshire Development Update

The following is an update to the Authority on the status of the discussions with the Developer, Town of Cheshire, and Town of Southington Water Department (SWD) regarding the Stone Bridge Crossing development at the northwest quadrant of the intersection of Routes 10 and I-691.

1. Developer, Paul Bowman and his partners:

Mr. Bowman was informed that RWA has been working through the details of the MOUs with Cheshire and SWD staff, as well as their respective Town Council and Board, to come to agreements on the terms and conditions of the MOUs. Mr. Bowman took part in a meeting in early September between RWA and SWD to discuss the terms and conditions of the MOU as they relate to the development. Discussions with both parties will continue.

2. Town of Cheshire:

The Town of Cheshire Council proposed, and RWA agreed to the following terms related to the Town's financial support for the project.

- a. A five-year waiver, estimated at \$175,000, of the PILOT payments for the water mains within the development when and if RWA takes over these mains and;
- b. A 50% discount (reduction) for five years of the PILOT, estimated at \$215,000 (approximately \$108,000 discounted), for the water mains along Route 10 and on west side of the development connecting at Dickerman Road. This item would remain contingent upon the sale and/or redevelopment of the state-owned property.

RWA's attorney, Murtha Cullina, is preparing a draft MOU between RWA and the Town of Cheshire summarizing the terms and conditions.

3. Southington Water Department:

RWA has been in discussions with the SWD to discuss the terms and conditions that would allow Southington to initially own and operate the distribution system to the development, then transfer ownership to RWA. While not the entire cost of the mains, the SWD Board determined that RWA should make some payment to Southington when the transfer of ownership occurs. The Southington Board rejected our initial offer of \$150,000. Following multiple discussions, a one-time payment of \$200,000 was agreed to by both parties.

Subsequently, a meeting between SWD, the developer and RWA was held to discuss other conditions of the MOU relate to design standards, future phasing and looping of water mains, and the timing and mechanism to transfer ownership of the distribution system. Murtha Cullina is memorializing the terms and conditions in a (second) draft MOU for review by the parties.

CC: Larry Bingaman
Beth Nesteriak
Rose Gavrilovic

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September 14, 2020

An Important Note About First-Quarter FY2021 Results

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<http://www.rwater.com>

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

FROM:  Rochelle Kowalski
Vice President of Financial Services

DATE: September 14, 2020

SUBJECT: Quarterly financial statements for fiscal year 2021 (ending May 31, 2021)

Attached are the following financial reports regarding the first quarter of fiscal year 2021. i.e., the quarter ended August 31, 2020:

- Statements of net position as of August 31, 2020 and August 31, 2019;
- Schedules A-1 & A-2: Statements of revenues, expenses and changes in net position as of August 31, 2020, 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 2020 through August 2020. For the remainder of fiscal year 2021, 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 "Three Months Ended August 31"

The figures shown present June through August 31 as well as comparative budget vs. actual results for the three months ended August 31, 2020.

Section of page entitled "Year Ending May 31, 2021"

The "budget" column is the budget for fiscal year 2021, as approved by the Five-Member Authority.

Assumption 1

The column labeled *Assumption 1* presents earned metered water revenues that reflect three months (June through August 2020) of consumption and nine months of budgeted consumption for (September 2020 through May 2021).

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

Assumption 2

The column labeled *Assumption 2* projects consumption for the months of September 2020 through May 2021 at 4% above budget. Operating expense for "pump power" and chemicals for these same months is adjusted to reflect the 4% increase.

Assumption 3

The column labeled *Assumption 3* projects consumption for the months of September 2020 through May 2021 at 2% below budget. Operating expense for "pump power" and chemicals for these same months is adjusted to reflect the 2% 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 August 2020, plus projected cash collections for September 2020 through May 2021. Management assumes that the billings are collected over the course of the subsequent twelve months.

Schedule B: Operating and Maintenance Expense

This schedule provides details of the operating and maintenance expense for the first quarter of fiscal year 2021, as well as projections for September 2020 through May 2021 under the three assumptions presented above.

Schedule C: Capital Budget Report

This schedule shows capital expenditures for June through August 2020, as well as projections for the full fiscal year 2021.

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 AUGUST 31, 2020 AND 2019**

Assets	FY 2021	FY 2020	Y/Y Variance
Utility plant			
Property, plant and equipment in service	\$ 891,642,301	\$ 874,944,509	\$ 16,697,792
Accumulated depreciation	(368,241,227)	(345,182,326)	(23,058,901)
Utility plant in service	523,401,074	529,762,183	(6,361,109)
Land	28,090,328	28,015,380	74,948
Construction work in progress	23,232,036	16,313,727	6,918,309
Total utility plant, net	574,723,438	574,091,290	632,148
Nonutility land, at cost	64,983,522	64,913,351	70,171
Goodwill	14,423,704	14,423,704	-
Current assets			
Cash and cash equivalents	47,515,905	36,762,622	10,753,283
Investments	-	-	-
Accounts receivable, less allowance for doubtful accounts	15,703,384	13,419,738	2,283,646
Accrued revenue	18,082,476	18,137,746	(55,270)
Accrued interest receivable	15,087	93,958	(78,871)
Materials and supplies	1,835,187	1,507,670	327,517
Prepaid expenses and other assets	4,754,637	4,320,692	433,945
Total current assets	87,906,676	74,242,425	13,664,250
Long-Term Note Receivable	500,000	500,000	-
Pension Assets	-	-	-
OPEB Assets	-	-	-
Restricted assets	93,098,574	104,811,945	(11,713,371)
Regulatory assets	10,393,678	11,044,010	(650,332)
Total assets	846,029,592	844,026,725	2,002,867
Deferred Outflows of Resources			
Deferred charge on refunding	18,217,105	17,714,473	502,632
Deferred charge on pension plans	4,962,081	4,079,484	882,597
Deferred charge on OPEB plans	1,133,089	1,303,565	(170,476)
Total	\$ 870,341,866	\$ 867,124,247	\$ 3,217,620

	530,960,000.00		
	35,345,000.00	\$ (20,565,000)	\$ 14,780,000
Liabilities and Net Assets	FY 2021	FY 2020	Y/Y Variance
Liabilities			
Revenue bonds payable, less current portion	\$ 495,615,000	\$ 509,660,000	\$ (14,045,000)
Net premiums and discounts from revenue bonds payable	44,388,854	54,561,050	(10,172,196)
DWSRF loans payable, less current portion	20,859,981	21,132,138	(272,157)
Net pension liability	19,071,269	17,122,195	1,949,074
Net OPEB obligation	18,344,539	20,030,271	(1,685,732)
Total noncurrent liabilities	598,279,643	622,505,654	(24,226,011)
Current liabilities			
Current portion of revenue bonds payable	20,565,000	19,045,000	1,520,000
Current portion of DWSRF loans payable	1,033,618	990,891	42,727
Accounts payable	3,604,584	3,326,288	278,296
Notes payable	5,883,656	5,298,622	585,035
Customer deposits and advances	2,065,794	2,445,580	(379,786)
Other accrued liabilities	8,369,688	7,183,331	1,186,357
Total current liabilities	41,522,340	38,289,712	3,232,627
Liabilities payable from restricted assets			
Accounts payable for construction	1,776,131	1,658,625	117,506
Accrued interest payable	1,802,299	2,055,877	(253,578)
Customer deposits and advances	1,292,377	1,107,938	184,439
Total liabilities payable from restricted assets	4,870,808	4,822,441	48,367
Other liabilities	114,000	636,399	(522,399)
Total liabilities	644,786,791	666,254,207	(21,467,416)
Deferred inflows of resources			
Deferred inflows related to pensions	625,437	2,212,789	(1,587,352)
Deferred inflows related to OPEB	3,892,394	3,392,061	500,333
Net Assets			
Invested in capital assets, net of related debt	84,001,659	70,050,614	13,951,045
Restricted assets	88,727,767	90,894,007	(2,166,240)
Unrestricted assets	48,307,819	34,420,569	13,887,249
Total net assets	221,037,245	195,365,190	25,672,054
Total liabilities and net assets	\$ 870,341,866	\$ 867,224,247	\$ 3,117,619

REGIONAL WATER AUTHORITY
REVIEW OF FINANCIAL DATA
August 31, 2020 (FY 2021)

SCHEDULE A-1 - COMMENTARY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Operating Revenues

FY21 revenue for water, including wholesale and fire service, is over budget by \$2,238 (approx. 7.1%) primarily due to higher than anticipated consumption. Metered water revenue is over budget by \$2,255k (approx. 8.0%)

Total net other revenue is \$417k above budget primarily due to both higher other water and other proprietary revenues.

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.	\$ (175,000)
Employee Benefits are under budget primarily due to lower medical and dental expense and payroll tax.	(204,000)
General & Admin is under budget primarily due to timing.	(75,000)
Pump Power is under the budget primarily due to timing.	(51,000)
Outside Services are under budget in multiple areas.	(186,000)
Central Lab/Water Quality is under budget primarily due to timing.	(81,000)
Info. Technology Licensing & Maintenance Fees are under budget primarily due to timing.	(81,000)
Maintenance & Repairs are under budget primarily due to timing of expenditures.	(111,000)
All Other	(179,000)
	<u>\$ (1,143,000)</u>

Interest Income

Interest Income is under budget due to lower investment earnings.

PROJECTED MAINTENANCE TEST

The projected shortfall to meet 1.14 coverage is \$4.961 million vs. a budgeted shortfall of \$12.045 million.

REGIONAL WATER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE MONTHS ENDING AUGUST 31, 2020

Schedule A-1

	FY 2020 Actual	FY 2021 Budget	FY 2021 Actual	(Under)Over Budget
Operating revenues				
Metered water revenues	\$ 27,880	\$ 28,174	\$ 30,429	\$ 2,255
Fire service	2,900	3,018	3,035	16
Wholesale	262	239	206	(33)
Other revenue - water	884	689	890	201
Other revenue - proprietary	2,416	2,253	2,500	247
Total operating revenues	34,343	34,373	37,059	2,686
Operating expenses				
Operating and maintenance expense	13,571	13,915	12,772	(1,143)
Expense associated with other revenue - water	384	479	462	(17)
Expense associated with other revenue - proprietary	769	861	909	48
Provision for uncollectible accounts	538	287	162	(125)
Depreciation	6,300	6,300	6,300	-
Payment in lieu of taxes	2,184	2,205	2,202	(4)
Amortization Pension Outflows/Inflows	112	362	362	(0)
Amortization OPEB Outflows/Inflows	(90)	(136)	(136)	(0)
Total operating expenses	23,768	24,273	23,032	(1,241)
Operating income	10,575	10,100	14,027	3,928
Nonoperating income and (expense)				
Interest income	1,205	316	103	(213)
(Loss) Gain on disposal of assets	-	-	-	-
Realized and unrealized (losses) gains on investments	-	-	-	-
Interest expense	(6,252)	(5,682)	(5,660)	22
Amortization of bond discount, premium, issuance cost and deferred losses	924	695	690	(6)
Intergovernmental revenue	-	-	-	-
Total nonoperating income and (expense)	(4,123)	(4,670)	(4,867)	(196)
Income (expense) before contributions	6,452	\$ 5,430	9,160	\$ 3,732
Capital contributions	583		288	
Change in net assets	7,035		9,448	
Total net assets - beginning of fiscal year	188,331		211,589	
Total net assets - end of reporting month	\$ 195,365		\$ 221,037	

	Budget	Projected	(Under)Over
FY 2021 MAINTENANCE TEST	FY 2021	FY 2021	FY 2021
(Budget vs. Projected)	@114%	@114%	@114%
Revenue Collected:			
Water sales	101,381	108,881	\$ 7,500
Interest Income	986	260	(726)
BABs Subsidy	656	656	
Other Net	6,302	6,452	150
Common Non-Core	(200)	(200)	-
Total	109,124	116,049	6,925
Less:			
Operating and maintenance expenses	(56,200)	(56,200)	-
Common Non-Core	100	100	-
Depreciation	(6,500)	(6,500)	-
PILOT (A)	(8,700)	(8,700)	-
Net Avail for Debt Service (B)	\$ 37,824	\$ 44,749	\$ 6,925
Debt Service Payments (C)	\$ 43,745	43,605	\$ (140)
Debt Service @ 114% (D)	\$ 49,869	49,710	\$ (160)
Difference (B-D)	\$ (12,045)	\$ (4,961)	
RSF, Growth and/or General Fund (D)	12,045	4,961	
Coverage (A+D/C)	114%	114%	

REGIONAL WATER AUTHORITY
May 31, 2021
(\$000 Omitted)

SCHEDULE A-2

STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	Three Months Ending August 31				Twelve Months Ending May 31			
	FY 2020 Actual	FY 2021 Budget	FY 2021 Actual	(Under)Over Budget	Budget	Assumption 1	Assumption 2	Assumption 3
Operating Revenues								
Metered Water Revenues	\$ 27,880	\$ 28,174	\$ 30,429	\$ 2,255	\$ 102,888	\$ 105,143	\$ 107,134	\$ 104,132
Fire Service	2,900	3,018	3,035	16	12,074	12,091	12,091	12,091
Wholesale Water	262	239	206	(33)	846	813	813	813
Other revenue - water	884	689	890	201	2,889	3,039	3,039	3,039
Other revenue - proprietary	2,416	2,253	2,500	247	9,427	9,427	9,427	9,427
Total Operating Revenues	34,343	34,373	37,059	2,686	128,123	130,512	132,503	129,501
Operating Expenses								
Operating and Maintenance	13,571	13,915	12,772	(1,143)	56,200	56,200	56,333	56,133
Expenses associated with other revenue-water	384	479	462	(17)	1,906	1,889	1,889	1,889
Expenses associated with other revenue-proprietary	769	861	909	48	3,338	3,386	3,386	3,386
Provision for uncollectible accounts	538	287	162	(125)	975	850	850	850
Depreciation	6,300	6,300	6,300	-	25,200	25,200	25,200	25,200
Payment in lieu of taxes	2,184	2,205	2,202	(4)	8,700	8,696	8,696	8,696
Amortization Pension Outflows/Inflows	112	362	362	(0)	1,674	1,674	1,674	1,674
Amortization OPEB Outflows/Inflows	(90)	(136)	(136)	(0)	(546)	(546)	(546)	(546)
Total Operating Expenses	23,768	24,273	23,032	(1,241)	97,447	97,349	97,482	97,282
Operating Income	10,574	10,100	14,027	3,928	30,676	33,163	35,021	32,219
Nonoperating income and (expense)								
Interest Income	1,205	316	103	(213)	1,910	1,070	1,070	1,070
(Loss)/Gain on disposal of assets	-	-	-	-	-	(100)	(100)	(100)
Interest Expense	(6,252)	(5,682)	(5,660)	22	(22,370)	(22,325)	(22,325)	(22,325)
Amortization of bond discount, premium								
issuance cost and deferred losses	924	695	690	(6)	2,670	2,670	2,670	2,670
Intergovernmental revenue	-	-	-	-	-	800	800	800
Total nonoperating income & (expense)	(4,123)	(4,670)	(4,867)	(196)	\$ (17,789)	\$ (17,885)	\$ (17,885)	\$ (17,885)
(Expense) income before contributions	6,451	\$ 5,430	9,160	\$ 3,732	\$ 12,887	\$ 15,277	\$ 17,136	14,334
Capital contributions								
Change in net assets	7,035		9,448					
Total net assets - beginning of fiscal year	188,331		211,589					
Total net assets - end of reporting month	\$195,366		\$221,037					

MAINTENANCE TEST

Revenue Collected:

	Budget	Assumption 1	Assumption 2	Assumption 3
Water Sales	\$ 101,381	\$ 108,881	\$ 110,551	\$ 108,046
Interest Income	986	260	260	260
BABs Subsidy	656	656	656	656
Other Net	6,302	6,452	6,452	6,452
Common Non-Core	(200)	(200)	(200)	(200)
Total	109,124	116,049	117,719	115,214

Less:

	Budget	Assumption 1	Assumption 2	Assumption 3
Operating and Maintenance Expenses	(56,200)	(56,200)	(56,333)	(56,133)
Common Non-Core	100	100	100	100
Depreciation	(6,500)	(6,500)	(6,500)	(6,500)
PILOT (A)	(8,700)	(8,700)	(8,700)	(8,700)
Net Avail for Debt Service (B)	37,824	44,749	46,286	43,981
Debt service payments (C)	\$ 43,745	\$ 43,605	\$ 43,605	\$ 43,605
Debt Service @ 114% (D)	\$ 49,869	\$ 49,710	\$ 49,710	\$ 49,710
Difference (B-D)	\$ (12,045)	\$ (4,961)	\$ (3,424)	\$ (5,729)
RSF, Growth and/or General Fund (D)	\$ 12,045	\$ 4,961	\$ 3,424	\$ 5,729
Coverage (A+D/C)	114%	114%	114%	114%
Required Coverage	114%	114%	114%	114%

REGIONAL WATER AUTHORITY
OPERATING AND MAINTENANCE EXPENSES
MAY 31, 2021 (FY 2021)
(\$000 Omitted)

SCHEDULE B

THREE MONTHS ENDING AUGUST 31				
	FY 2020	FY 2021	FY 2021	(Under)
	Actual	Budget	Actual	Over
1 Payroll	\$ 5,500	\$ 5,765	\$ 5,590	\$ (175)
2 Employee Benefits Allocation	2,121	2,062	1,858	(204)
Pension	983	665	665	-
3 Administrative Building Space Allo	246	232	233	1
4 General & Administrative	298	275	200	(75)
5 Transportation Allocation	148	164	174	10
6 Tools & Stores Allocation	34	75	94	19
7 Utilities & Fuel	266	298	310	12
8 Material From Inventory	64	49	45	(4)
9 Pump Power Purchased	750	900	849	(51)
10 Chemicals	461	463	477	14
11 Road Repairs	41	50	35	(15)
14 Postage	72	72	41	(31)
15 Printing & Forms	18	24	19	(5)
17 Collection Expense	131	158	131	(27)
18 Business Improvement	35	49	13	(36)
19 Public/Customer Information	91	58	21	(37)
20 Outside Services	549	626	440	(186)
21 Insurance Premiums	310	381	369	(11)
22 Worker's Compensation, pre-Chur	69	13	(8)	(21)
23 Damages	7	15	28	13
24 Training & Cont. Education	42	38	17	(21)
25 Authority Fees	33	39	33	(6)
26 Consumer Counsel	3	16	6	(10)
27 RPB Fees	22	42	25	(17)
28 Organizational Dues	31	0	17	17
29 Donations	17	6	0	(6)
34 Central Lab/Water Quality	130	136	55	(81)
40 Environmental Affairs	15	22	6	(16)
44 Info. Technology Licensing &				
Maintenance Fees	442	576	495	(81)
45 Maintenance and Repairs	644	647	536	(111)
	<u>\$ 13,571</u>	<u>\$ 13,915</u>	<u>\$ 12,772</u>	<u>\$ (1,143)</u>

YEAR ENDED MAY 31, 2021			
PROJECTED	ACTUAL		
Budget	Assump 1	Assump 2	Assump 3
23,088	23,088	23,088	23,088
6,971	6,971	6,971	6,971
3,872	3,872	3,872	3,872
928	928	928	928
1,347	1,347	1,347	1,347
673	673	673	673
305	305	305	305
1,253	1,253	1,253	1,253
239	239	239	239
2,970	2,970	3,052	2,929
1,855	1,855	1,906	1,829
200	200	200	200
288	288	288	288
83	83	83	83
648	648	648	648
366	366	366	366
289	289	289	289
2,756	2,756	2,756	2,756
1,540	1,540	1,540	1,540
54	54	54	54
60	60	60	60
214	214	214	214
157	157	157	157
63	63	63	63
169	169	169	169
102	102	102	102
19	19	19	19
433	433	433	433
93	93	93	93
-	-	-	-
2,293	2,293	2,293	2,293
2,876	2,876	2,876	2,876
<u>\$ 56,200</u>	<u>\$ 56,200</u>	<u>\$ 56,333</u>	<u>\$ 56,133</u>

	Period Ending August 31, 2020			Period Ending May 31, 2021		
	Budget	Expenditures	(Under)/Over	Budget	Projected	(Under)/Over
I. NATURAL RESOURCES						
Hamden Middle School Remediation	26	29	3	120	120	-
Lake Whitney Dam & Spillway Improvements	90	46	(44)	450	450	-
Peat Swamp Dam Modifications Filtration Pond	-	-	-	25	-	(25)
Tunnel Diversion Raw Water Main Rehabilitation Program	-	1	1	25	25	-
Miscellaneous Natural Resources	5	5	0	75	75	-
Prior Year	-	56	56	-	56	56
TOTAL	121	138	17	695	726	31
II. PUMPING						
Raynham Hill Pump Station Equipment & Generator Replacement	8	-	(8)	50	-	(50)
Burwell Hill Pump Station Equipment Replacement	179	172	(7)	1,439	800	(639)
Lake Gaillard Pump Station Improvements	420	338	(82)	450	778	328
MCC Replace/Improvements -Northwest Cheshire Pump Station	-	28	28	92	92	-
Hill Street Pump Station Repairs	40	10	(30)	350	350	-
Miscellaneous Pumping	-	-	-	40	40	-
Prior Year	-	12	12	-	12	12
TOTAL	647	561	(86)	2,421	2,072	(349)
III. TREATMENT						
Filter Media Replacement	-	31	31	425	425	-
LGWTP - Process Valve Replacements	-	-	-	30	30	-
LGWTP - Chemical Feed Improvements	2	3	1	100	500	400
LGWTP - Backwash Polymer System	75	0	(75)	300	300	-
LGWTP -Roof Replacements	50	2	(48)	200	2	(198)
LGWTP -Electrical Upgrades	-	-	-	70	70	-
LGWTP -Structural Improvements	-	1	1	66	66	-
LGWTP -Clarifiers Recycle Pumps	5	-	(5)	80	80	-
LSWTP - Lagoon Discharge Pipe Replacement Footbridge Rehab	4	1	(2)	20	3	(17)
LSWTP -Hypochlorite System	45	24	(21)	165	45	(120)
LSWTP -Chemical Treatment System Improvements	100	89	(11)	120	120	-
LWWTP Improvements	6	1	(5)	30	30	-
West River WTP-Dissolved Air Flotation (DAF)	10	2	(8)	100	100	-
West River WTP-Effluent Pipe Injection	-	2	2	304	304	-
West River WTP-Chemical System Improvements	-	-	-	50	50	-
Seymour Wellfield Back-Up Well and Metering	15	42	27	70	55	(15)
Seymour Wellfield Treatment System Improvements	23	-	(23)	75	75	-
NSG Wellfield Facility Improvements	30	5	(25)	800	800	-

SCHEDULE C
QTR 1

	Period Ending August 31, 2020			Period Ending May 31, 2021		
	Budget	Expenditures	(Under)/Over	Budget	Projected	(Under)/Over
Well Rehabilitations	45	20	(25)	200	200	-
Well Replacements	15	2	(13)	75	75	-
Rocky Corner Satellite System	10	2	(8)	30	30	-
WRWTP Backwash & Surface Wash Pump Repl	150	-	(150)	700	700	-
Prior Year	-	4	4	-	4	4
TOTAL	584	234	(350)	4,010	4,064	54
IV. TRANSMISSION AND DISTRIBUTION						
Pipe	1,197	912	(285)	2,967	3,005	38
Ruden Street Cleaning Lining, West Haven	-	2	2	150	150	-
Valve Replacements	38	53	16	150	150	-
Service Connections	375	341	(34)	1,500	1,500	-
Capital Pipe Service Transfers	50	12	(38)	350	350	-
Meters	5	13	8	50	50	-
Hydrants and Connections	30	42	12	100	100	-
AMI Meters	20	8	(12)	230	230	-
Sanitary Survey Improvements-LGWTP Finished Water Reservoirs	3	-	(3)	200	200	-
West Johnson Ave Transmission Main Connection	-	-	-	75	75	-
Brushy Plains System Upgrade-Phase II	90	94	4	151	151	-
Grand Avenue Pipe Bridge & Main Replacement	-	1	1	6	6	-
Ansonia-Derby Tank	5	3	(2)	1,000	1,000	-
West Avenue Tank Painting	650	370	(280)	904	750	(154)
Water Quality Improvements	130	-	(130)	130	130	-
Lake Saltonstall WTP FWR Roof Improv Valve Replac	63	8	(55)	66	40	(26)
Western Service Area Bulk Fill Station, Ansonia	40	36	(4)	92	92	-
Miscellaneous Transmission and Distribution	-	21	21	-	188	188
Prior Year	-	67	67	-	68	68
TOTAL	2,695	1,984	(711)	8,121	8,234	114
V. GENERAL PLANT						
SAP Business Enhancements	10	-	(10)	50	50	-
SAP SQL Upgrade	90	-	(90)	190	190	-
SAP Customer Channels Sales Marketing	-	-	-	150	150	-
Monthly Billing	135	-	(135)	900	900	-
Cyber Security Enhancements	-	-	-	150	150	-
System-Wide Radio Telemetry Unit (RTU) Upgrade	30	32	2	1,000	1,000	-
SCADA Upgrades	30	6	(24)	100	100	-
LIMS Upgrades	289	377	88	710	710	-

SCHEDULE C
QTR 1

	Period Ending August 31, 2020			Period Ending May 31, 2021		
	Budget	Expenditures	(Under)/Over	Budget	Projected	(Under)/Over
Information Systems	30	-	(30)	400	400	-
Miscellaneous IT	3	-	(3)	3	3	-
Equipment	-	1	1	100	100	-
Miscellaneous Equipment	5	10	5	37	37	-
90 Sargent Drive	10	-	(10)	50	50	-
Miscellaneous 90 Sargent Drive	5	12	7	60	70	10
Prior Year	-	0	0	-	-	-
TOTAL	637	439	(198)	3,900	3,910	10
 VII. CONTINGENCY	 -	 -	 -	 500	 640	 140
 TOTAL	 4,683	 3,355	 (1,328)	 19,647	 19,647	 (0)
 VIII. STATE & REDEVELOPMENT PIPE	 1,700	 341	 (1,359)	 3,800	 3,800	 -
 IX. NON-CORE BILLING	 -	 -	 -	 746	 746	 -
 TOTAL	 6,383	 3,696	 (2,687)	 24,193	 24,193	 (0)

Investment Earnings Report
Comparison of Investment Rates of Return

Fund Type	Balance @ August 31, 2020	Budgeted Return	Rate of Return August 31, 2020	Rate of Return Fiscal Year to Date
<u>Less than Six Months</u>				
Revenue Investment (A)	\$ 17,805,856	1.01%	0.11%	0.22%
Revenue (B)	6,210,128	0.00%	0.00%	0.02%
Rate Stabilization (A)	10,000,000	1.01%	0.11%	0.22%
Operating Reserve (A)	8,435,679	1.01%	0.11%	0.22%
Capital Contingency (A)	6,005,834	1.01%	0.11%	0.22%
Debt Reserve (A)	20,377,354	1.01%	0.11%	0.22%
Debt Reserve (C)	5,592	0.25%	0.01%	0.01%
Debt Service (A)	4,078,976	1.01%	0.11%	0.22%
Debt Service (C)	140,510	0.25%	0.01%	0.01%
PILOT (A)	2,744,857	1.01%	0.11%	0.22%
General Fund (A)	16,126,128	1.01%	0.11%	0.22%
Sub-Total	\$ 91,930,914			
<u>Six Months or more</u>				
Operating Reserve	1,750,000	1.97%	1.79%	1.61%
Debt Reserve	306,157	2.12%	1.53%	1.27%
Sub-Total	\$ 2,056,157			
<u>Other</u>				
Construction (A)	\$ 35,840,049	1.01%	0.11%	0.22%
Construction (C), (D)	1,127,695	0.25%	0.01%	0.01%
Construction (E)	46,137	0.00%	0.00%	0.00%
Growth Fund	6,449,661	0.00%	0.15%	0.19%
Interim Financing	897	0.00%	0.78%	0.10%
Sub-Total	\$ 43,464,440			
Total	\$ 137,451,511			

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

(B) Overnight investment sweep. Balances earn credits to offset bank fees.
On September 10, 2020, \$2.0m was invested in the STIF.

(C) Investments are in the First American Government Obligation Fund.

(D) On September 14, 2019, \$982k was invested in the STIF.

(E) Cash Balance as of August 31, 2020.

RPB COMMITTEE MEETINGS

Month	Meeting	Will Attend
July - 2020	<i>Finance Committee</i> Monday, July 13 at 5:00 p.m.	Joe
	<i>Land Use Committee</i> Wednesday, July 8 at 5:30 p.m.	David
	<i>Consumer Affairs Committee</i> Monday, July 20 at 5:30 p.m.	Kevin
August - 2020	<i>Finance Committee</i> Monday, August 10 at 5:00 p.m.	David
	<i>Land Use Committee</i> Wednesday, August 12 at 5:30 p.m.	Kevin
	<i>Consumer Affairs Committee</i> Monday, August 17 at 5:30 p.m.	Joe
September - 2020	<i>Finance Committee</i> Monday, September 14 at 5:00 p.m.	Suzanne
	<i>Land Use Committee</i> Wednesday, September 9 at 5:30 p.m.	David
	<i>Consumer Affairs Committee</i> Monday, September 21 at 5:30 p.m.	Suzanne

RPB COMMITTEE MEETINGS

Month	Meeting	Will Attend
October - 2020	<i>Finance Committee</i> Monday, October 5 at 5:00 p.m.	
	<i>Land Use Committee</i> Wednesday, October 14 at 4:30 p.m.	
	<i>Consumer Affairs Committee</i> Monday, October 19 at 5:30 p.m.	
November - 2020	<i>Finance Committee</i> Monday, November 9 at 5:00 p.m.	
	<i>Land Use Committee</i> Wednesday, November 18 at 5:30 p.m.	
	<i>Consumer Affairs Committee</i> Monday, November 16 at 5:30 p.m.	
December - 2020	<i>Finance Committee</i> Monday, December 7 at 5:00 p.m.	
	<i>Land Use Committee</i> Wednesday, December 9 at 5:30 p.m.	
	<i>Consumer Affairs Committee</i> Monday, December 21 at 5:30 p.m.	

Land Use Plan Amendment Application: Modification of the Procedure for Future Renewable Economic Resource Projects

Presentation to:
The Regional Water Authority
September 17, 2020

Amy Velasquez
Environmental Compliance & Sustainability Lead

Current Procedure

- Created in 2011, first used in 2017
- Lacks clarity
- Burdensome for small renewable energy projects (i.e. rooftop solar arrays)
- RPB member/host municipality meeting raises concerns about *ex parte* communication
- Promotes redundancy and project delays



Modified Procedure

- Facilitates future renewable energy projects
- Streamlines the procedure
- Clarifies procedure



Modified Procedure

- Name changed to include energy
- Defines renewable energy
- A de minimis category added for small solar projects
- RPB member/host municipality meeting replaced with LUC meeting
- Added provisions to avoid ex parte communication
- Additional language added to provide clarity



Non-substantial Amendment

- No environmental impacts
- Consistent with local, state and regional Plans of Conservation & Development

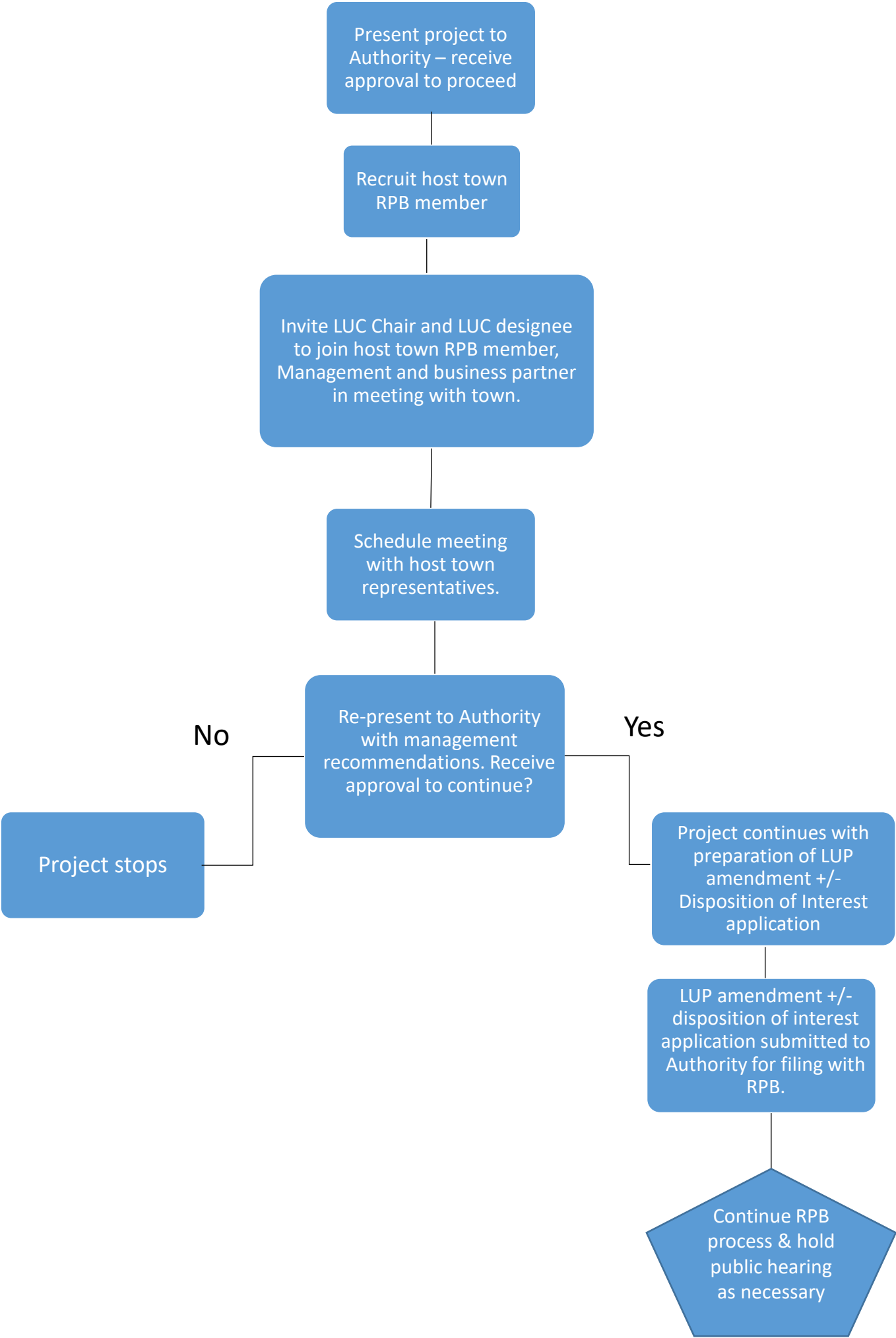


[Link to 2011
schematic](#)

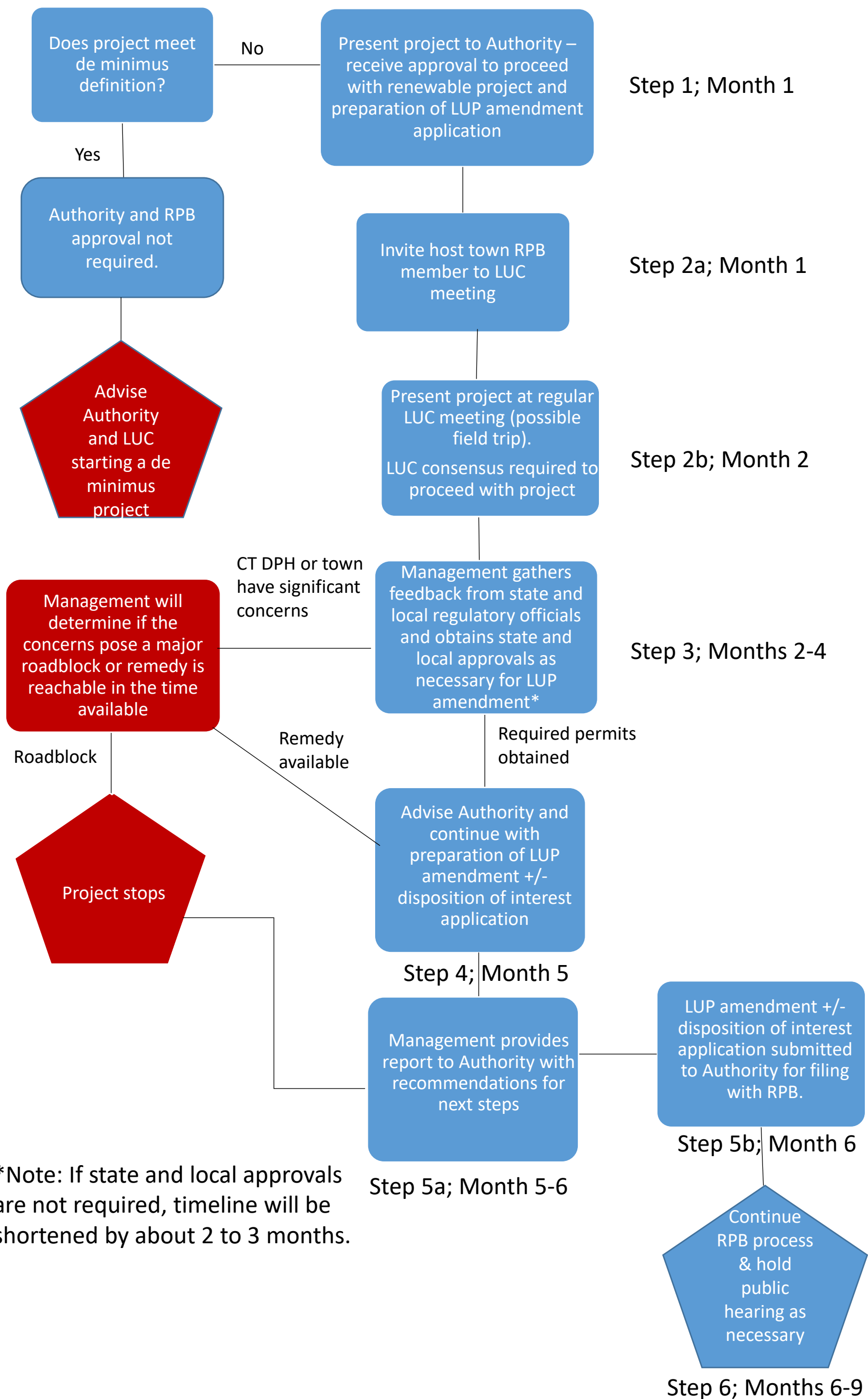
[Link to 2020
schematic](#)

Appendix B

2011 Future Renewable Economic Resource Project Procedure



Appendix C
2020 Procedure for Future Renewable Energy Resource Projects



South Central Connecticut Regional Water Authority

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

DATE: September 17, 2020

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

FROM: Ted Norris

SUBJECT: Land Use Plan Amendment – Proposed Modification of the Current Procedure for Future Renewable Economic Resource Projects

Enclosed for your review is an application to the Representative Policy Board (RPB) for the approval of a non-substantial amendment to the Land Use Plan (LUP).

In November 2011, the Regional Water Authority (RWA) Management (Management), and the Land Use Committee (LUC) of the RPB collaboratively created a procedure for approving new renewable energy projects on RWA Land. That procedure, known as the Procedure for Future Renewable Economic Resource Projects (Procedure) was incorporated as Appendix D of the LUP updated in 2016. This amendment proposes to revise the Procedure.

This amendment proposes to modify the current Procedure in order to facilitate future renewable energy projects. The current procedure does not reference or define renewable energy resources, does not include an exemption for small renewable energy projects, requires a meeting between Management, RPB members and host town officials and requires Management to make a second presentation to the Authority Board following the meeting with host town officials. The new procedure will include a new procedure name and a definition of renewable energy, streamline the procedure, improve procedure clarity, avoid redundant approvals, and provide a de minimis category for small solar projects, for example, roof-top solar panels. Because there will be no impact to the public water supply, this amendment is being submitted as a non-substantial amendment.

Amy Velasquez and I are available to discuss this application at your September 17, 2020 meeting, and upon your approval, submit it to the RPB. If you have any questions prior to your meeting, please contact me.

CC: Larry Bingaman
Beth Nesteriak
Jeanine Reckdenwald

South Central Connecticut Regional Water Authority

90 Sargent Drive, New Haven, Connecticut 06511-5966 203-562-4020

<http://www.rwater.com>

**RESOLUTION FOR ADOPTION
BY REGIONAL WATER AUTHORITY**

Authority Meeting September 17, 2020

Resolved, That the Authority hereby accepts the Application to the Representative Policy Board (RPB) for the non-substantial Land Use Plan Amendment to Modify the Current Procedure for Future Renewable Economic Resource Projects (Appendix D of the Land Use Plan), as a completed Application, substantially in the form submitted to this meeting, and authorizes filing said Application with the Representative Policy Board for approval.

South Central Connecticut Regional Water Authority

90 Sargent Drive, New Haven, Connecticut 06511-5966 203-562-4020

<http://www.rwater.com>

Date: September 17, 2020

To: Members of the Representative Policy Board
South Central Connecticut Regional Water Authority

Subject: Land Use Plan Amendment – Modification of the Current Procedure for Future Renewable
Economic Resource Projects

Ladies and Gentlemen:

The South Central Connecticut Regional Water Authority requests that the Representative Policy Board ("RPB") accept the following enclosed document as complete:

Application for a non-substantial amendment to the Land Use Plan to Modify the Current
Procedure for Future Renewable Economic Resource Projects

Based on our conclusion that the proposed Land Use Plan amendment is in support of the goals of the South Central Connecticut Regional Water Authority and is in the public interest, we are further requesting that the RPB approve this action.

Any questions regarding this Application may be directed to Ted Norris, Vice President Asset Management or Amy Velasquez, Environmental Compliance and Sustainability Lead.

Sincerely,

South Central Connecticut Regional Water Authority

Anthony DiSalvo, Chair
David Borowy
Joseph A. Cermola
Kevin J. Curseaden
Suzanne C. Sack

Enclosures

Request for Approval of Land Use Plan Amendment

Modification of the Current Procedure for Future Renewable Economic Resource Projects

Application to the Representative Policy Board From the Regional Water Authority

September 2020

Application for an Amendment to Land Use Plan

The Regional Water Authority (Authority) requests that the Representative Policy Board (RPB) approve the Land Use Plan amendment (LUP) described in this application, in accordance with the provisions of Connecticut State Act No. 77-98, as amended. This application and its annexed materials meet the requirements set forth in Connecticut State Act No. 77-98, as amended, and the Rules of Practice of the RPB. The format below follows that of a typical Land Use Plan Amendment application. This application seeks to modify a procedure found in the Land Use Plan and therefore some sub-sections below have been noted as 'not applicable' (N/A).

The proposed LUP was discussed with the Land Use Committee (LUC) on September 9, 2020 who gave their consensus to proceed. The documents provided to the LUC and meeting minutes are included as Appendix A.

I. Proposed Amendment

A. Type of Amendment

In April 2011 the RWA Management (Management) applied for a LUP amendment that would allow for the development of renewable economic resources on Authority land, subject to regulatory approval at the federal, state and local levels as required. This application was denied by the RPB due to concerns that it provided blanket approval for all renewable projects, which cost less than \$2 million, did not provide for public participation, and could allow for the clearing of large areas of RWAs forest land. As a result of the denial, Management and the LUC of the RPB collaboratively created a procedure for approving new renewable energy projects on RWA Land. That procedure, known as the Procedure for Future Renewable Economic Resource Projects (Procedure) was incorporated as Appendix D of the LUP updated in 2016 and is included as Appendix B in this application as written and schematic descriptions. Appendix C in this application provides written and schematic descriptions of the proposed procedure.

This application seeks to modify the current procedure as discussed below. Because there will be no impact to the public water supply, this amendment is being submitted as a non-substantial amendment.

B. Location

N/A

C. Objectives of, and Need for, the Amendment

- 1) Rename the Procedure, the “Procedure for Future Renewable Energy Resource Projects” to make it clear this procedure is only intended for renewable energy projects as the current procedure does not specifically reference renewable energy. A definition of renewable energy has also been added.
- 2) Add a “de minimis” category that excludes specific small solar projects from the Procedure. The current procedure is overly burdensome for small solar energy projects.
- 3) Revise the existing Procedure to provide clarity, and avoid redundancy and delays. Meeting with town officials prior to applying for town permits, as the current procedure requires, is redundant as meetings with town boards are necessary to obtain local approvals. As currently written, the Procedure provides no time for obtaining state and local approvals or direction if obstacles are encountered. The modified Procedure allows an off ramp for, and faster approval of, de minimis projects and provides direction if obstacles are encountered.
- 4) Add provisions to avoid *ex parte* communication as communications with RPB members outside the legislated approval process risks raising questions about the legality of the application.

D. Watershed Classification of Affected Areas

N/A

E. Land Use Plan Classification

N/A

F. Description of Proposed Amendment

The purpose of the proposed amendment is to revise the current Procedure for Future Renewable Economic Resource Projects. The new Procedure (Appendix C) will rename the procedure and define renewable energy, simplify the Procedure, provide clarity, avoid redundant approvals, and provide a de minimis category for small solar projects, for example, roof-top solar panels. The current Procedure does not reference or define renewable energy, does not include an exemption for small renewable energy projects, requires a meeting between Management, RPB members and host town officials and requires Management to make a second presentation to the Authority following the meeting with host town officials. The revised procedure includes a “de minimis” category that exempts small solar projects that meet specific criteria from needing a LUP amendment, and replaces the host town meeting with a LUC meeting with the host town RPB member invited. The proposed revisions to the current Procedure are summarized below:

DESCRIPTION OF PROPOSED CHANGES BETWEEN THE 2011 PROCEDURE AND PROPOSED PROCEDURE:

1. The current Procedure refers to future renewable economic resource projects. This reference is not readily identifiable as renewable energy projects. As such, the Procedure’s title is proposed to be changed to “Procedure for Future Renewable Energy Resource Projects”. A definition of renewable energy is being added to the new procedure so it is clear what types of renewable energy projects are allowed. The definition is based on energy sources associated with noncore business as defined in RWA’s enabling legislation (Class I and III energy sources as defined by the Connecticut General Statutes, excluding wind sources in the district).

2. The current Procedure is to present the project to the Authority for approval and authorization to prepare a LUP amendment. The proposed procedure is the same with an added exemption for Authority or RPB approvals if it is a de minimis project. To meet the definition of de minimis a project must be for a solar array located on a rooftop or be a ground mount solar array with a total array footprint of 0.5 acres or less; and be located on a RWA property with the use designation of “Water Supply Facility” in the RWA Land Use Plan. The solar array size was chosen based on United Illuminating’s (UI) and Eversource’s requirements for the medium and small zero emissions renewable energy credit (ZREC) program, 250 kW or less. The maximum kW is equivalent to 0.5 acres. By choosing 250 kW, Management has the option of participating in the medium or small ZREC program, which have separate funding amounts, payment types and approval processes.

The purpose of this change is to provide a procedure for relatively small projects to proceed without requiring approvals by the Boards. The addition of the de minimis category will allow RWA to pursue smaller solar projects that would previously have been too costly and time consuming compared to the energy savings achieved. The return on investment was insufficient for these projects to be pursued.

3. The current Procedure requires a meeting between Management, RPB members and host town officials. When the Procedure was created in 2011, solar energy projects were relatively new and unfamiliar. This is no longer the case as solar arrays are commonplace throughout Connecticut. The meeting with the host town officials, RPB members and Management causes additional delay of the process while adding an un-needed layer of redundancy. In most cases, local approvals are already required for these projects, and requiring a formal pre-approval process adds time and expense without guaranteeing a favorable outcome when the application is filed. Staff can also provide regular updates to the host town RPB member.

The proposed procedure replaces the host town meeting with a presentation of the project at the regular monthly LUC meeting, with an invitation to the host town RPB member. This provision still allows RPB members to provide input prior to staff moving forward with obtaining approval from state and local regulatory agencies without delaying the process and, provides the LUC with an opportunity to give consensus for the project to proceed or stop.

4. The format of the host town meeting under the current Procedure does not provide any provisions to avoid *ex parte* communications with RPB members. Communications with RPB members regarding the project outside of the legislated RPB approval process risks raising questions about the legality of the application and validity of the final project or LUP Amendment approval by the RPB. In order to avoid *ex-parte* communications, a requirement has been added to the modified Procedure to include minutes of the LUC meeting (described above) and presentation materials to the LUP amendment application.
5. Under the current Procedure, Management is required to make a presentation to the Authority following the meeting with host town officials. The way this step is written either the project stops or a LUP amendment application is filed. It does not allow time to obtain state and local approvals. In the new procedure, Management gathers feedback from state and local regulatory officials (CT DPH, P&Z, and IWWC) and obtains state and local approvals as necessary. If the host community, CT DPH, or other regulatory agencies do not have significant concerns, and it is believed that necessary permits and approvals can be obtained, Management advises the Authority and continues preparation of LUP amendment application. Alternately, if the host community, CT DPH, or other regulatory agencies have significant concerns Management will determine whether the concerns pose a significant roadblock warranting discontinuing the project or if a remedy is reachable in

the timeframe available. Depending on what Management determines, either the project will be stopped or Management will continue with preparation of the LUP amendment application.

The reason for this change is to provide clarity to Management on what should be done during the process steps. The step discussed above caused confusion during the development of a solar array project in 2017 that was ultimately stopped. The confusion resulted in an additional presentation to the Authority that was not necessary. That presentation caused a delay of a month or more, which is significant based on the deadlines for construction required by UI and Eversource. The current Procedure also does not provide Management with the opportunity to stop the project if significant roadblocks are encountered with state and local regulatory agencies. Additional steps have been added to provide Management direction depending on the outcome of meetings with state and local regulatory agencies.

6. Steps five through eight of the current Procedure, regarding providing a report to the Authority, preparation of the LUP amendment, filing of the LUP amendment application by the Authority, and the RPB following its normal process for applications are largely the same as steps five and six of the proposed procedure. The only change is the proposed procedure provides the option to perform the Authority meeting in executive session while the current procedure requires executive session. This change was made because the Authority may choose not to enter executive session.
7. Projects presented to the Authority and RPB will be either 1) a project where RWA owns, operates and maintains the project with the potential for a vendor to operate or maintain the project or 2) a project that encompasses a power purchase agreement (PPA) coupled with a revocable license agreement that will be entered into with a developer for the construction, operation and maintenance of the project. The purpose for this change is to define the ownership and operating responsibilities. It is advantageous for RWA to own and operate de minimus projects because RWA will own the Renewable Energy Credits (RECs) associated with these projects. This will allow RWA to reduce our carbon footprint associated with our fuel usage. Since these will be smaller projects, large energy savings will not be achieved. Developing a project under a PPA will allow RWA to build a larger structure such as a one megawatt solar array and therefore achieve greater energy savings. The RECs are sold under a PPA but this does not hurt RWA because it already has sufficient RECs to cover its energy usage through our electricity supplier.

II. Existing Environment

A. Watershed function

N/A

B. Physical/Biological

N/A

C. Present land use

N/A

D. Social/Political environment (including surrounding land use)

N/A

E. Cost of maintaining the land in its present use

N/A

III. Environmental Impact Statement

A. Summary of potential impact

The amendment proposes to revise an existing procedure, which prescribes the requirements for the approval of renewable energy projects. As noted in the Preliminary Assessment (Appendix D) the impact of this procedural change is minimal and therefore this amendment is being submitted as a non-substantial amendment. Any de minimus projects exempt from the new Procedure must either have a total footprint less than 0.5 acres and be located on a property with the use designation of “Water Supply Facility” in the RWA Land Use Plan or be located on a rooftop of a facility owned by the RWA. The solar array size was chosen based on UI’s and Eversource’s requirements for the medium and small ZREC program, 250 kW or less. The 250 kW is equivalent to 0.5 acres of solar array. By choosing 250 kW as the maximum size, Management has the option of participating in the medium or small ZREC program, which have separate funding amounts, payment types and approval processes.

B. Impact on public water supply

N/A

C. Financial impact on the RWA

The addition of the de minimis category will allow RWA to pursue smaller solar projects that would previously have been too costly and time consuming compared to the energy savings achieved. The return on investment was insufficient for these smaller projects to be pursued with a PPA. Installing solar power at some of our facilities will help lower energy costs.

IV. Land Use Controls

A. Conformity with Authority land use policies

The revised procedure complies with the policies of the 2016 Land Use Plan. The Land Use Plan states that “renewable and non-renewable resources must be managed in an environmentally-sound manner to protect the environment and ensure the long term productivity of the land. Timber, prime farmland, and sites for renewable energy are among the resources on Authority land.”

B. Conformity with other applicable plans

As noted in the Preliminary Assessment - Section H, the proposed procedural modification conform with the Conservation and Development Policies Plan for Connecticut, 2013-2018, the South Central Regional Plan of Conservation and Development, the Hamden Plan of Conservation and Development, and the Draft North Branford Plan of Conservation and Development 2019-2029.

V. Summary Statement

The Authority is putting forth this application to modify of the Procedure for Future Renewable Economic Resource Projects that was originally created in 2011. The current Procedure is overly burdensome for small renewable energy projects and the new procedure will provide clarity and avoid redundancy. The modified Procedure will also create a “de minimus” category that will exempt specific small solar projects from the LUP amendment process and provide a procedure to avoid *ex parte* communication. The modified procedure is in conformance with the 2016 Land Use Plan and other state, regional and local conservation and development plans and will have a beneficial financial impact on the RWA by allowing the pursuit of small solar array projects.

VI. Authority's Final Evaluation and Recommendation

The Authority requests that this application, to modify the Procedure for Future Renewable Economic Resource Projects, be approved by the Representative Policy Board. The Authority recommends that the RPB approve this amendment for the following reasons:

This modification will streamline the Procedure to avoid redundant steps and increase the clarity of the process. Modifying the Procedure will not have an adverse impact on the water supply. The creation of a de minimis category will have a positive financial impact.

Appendix A

LUC Meeting Minutes and Presented Documents

UNAPPROVED DRAFT

**Representative Policy Board
Land Use Committee
South Central Connecticut Regional Water District**

Minutes of September 9, 2020 Meeting

A regular meeting of the Land Use Committee of the Representative Policy Board of the South Central Connecticut Regional Water District (“RWA”) took place on Wednesday, September 9, 2020 at the Lake Whitney Water Treatment Plant, 900 Whitney Avenue, Hamden, Connecticut. Chair Betkoski presided.

Present: Committee Members: P. Betkoski, P. DeSantis, B. Eitzer, R. Harvey, M. Horbal, M. Levine, G. Malloy, J. Oslander and J. Mowat Young
Authority: D. Borowy
Management: T. Norris, J. Tracy, J. Triana, and A. Velasquez
Resident Bee Keeper: V. Kay
RPB Staff: J. Slubowski

Chair Betkoski called the meeting to order at 4:30 p.m. He reviewed the Safety Moment distributed to members.

On motion made by Mr. Malloy, seconded by Mr. Harvey, and unanimously carried the Committee approved the minutes of its August 12, 2020 meeting.

Mr. Kay, RWA’s resident bee keeper, provided a discussion on the care and maintenance of bees and beehives and their contribution to the environment. He also reported that he currently manages 500 hives located in in Bethany, Woodbridge and Madison, a quarter of which are located on RWA property. Four of the hives that were onsite at the meeting harvested 400 lbs. of honey. Committee members toured the hives at the end of the meeting.

At 4:40 p.m., Mr. Levine entered the meeting.

Mr. Norris, the RWA’s Vice President of Asset Management, and Ms. Velasquez, RWA’s Environmental Compliance and Sustainability Lead, provided an update on modifications to the Procedure for Future Renewable Economic Resource Projects (“Project”). Mr. Norris stated that revisions were necessary to provide for clarity, as well as include language for de minimis projects on parcels less than ½ an acre or on rooftops, which would no longer require RPB approval. Ms. Velasquez reported that the process was first developed in 2011 and included an initial meeting between management, town officials, and the RPB representative of the designated town. Mr. Norris reported that such meetings, where the LUC was hearing about the project for the first time, presented potential ex parte communication issues and is one reason that the current procedure needed to be revised. As such, under the revised procedure management would first meet with the Land Use Committee for its concurrence on a Project. If the LUC concurred with the project, management would proceed with town official meetings.

Ms. Norris stated that the following modifications are proposed to be made in the revised procedure:

- Name Change
- Added a de minimis category
- Presentation to Land Use Committee prior to meeting with town officials
- Language for roadblocks
- Clarifications of management’s process

After discussion, it was the consensus of the committee to authorize management to move forward with the changes as presented. Next steps will include a presentation to the Authority at its September meeting.

Update on *The Land We Need for the Water We Use Program* – J. Triana reported:

Reservoir Levels (Percent Full)

	Current Year	Previous Year	Historical Average	Drought Status
August 31, 2020	75	87	74	None

Rainfall (inches)

	Current Year	Previous Year	Historical Average
August 2020	2.84	4.03	3.98
Fiscal YTD (6/1/20 – 8/31/20)	8.44	12.73	11.40

Land We Need for the Water We Use Program (Dispositions/Acquisitions)

Hamden/Bethany, DePodesta and Hendrickson properties – Sent conservation easements for the Hendrickson property to both towns to be filed on the land records. Forwarded the Certificate of Title for the DePodesta property to DEEP. Responded to several questions they had.

Branford, Todd's Hill Rd development – Attorney for developer informed us that the owner will be donating the open space land to the Branford Land Trust.

Rental houses:

- Seymour, 59 Rimmon Rd. (SE 11) – Met buyers with their mortgage inspector to check out the house.
- Hamden, 95 Ives St. (HA 13) and 233 Skiff St. (HA 9A) – Submitted application for lot split at Skiff St. Hamden Engineer had comments on the application.
- Orange, 499 Derby Ave. – Reviewed plans to convert the garage to a larger living space. We rejected the proposal.
- Madison, 760 Summer Hill Rd. – Spoke to owner about new shed that was on the property.

Forestry Update

- Guilford – West of Sugar Loaf ash salvage (GU 4) – 40% complete
- North Branford - Beech Street Softwood (NB 4) – 85% complete
- Killingworth - East Hammonasset Leaf Screen Thinning, (KI 4) - Contract not yet awarded.
- Hamden - Overstory removal and Tornado Salvage, (HA 36) – Not started yet
- Bethany – East of Lake Bethany hardwood (BE 18) – 70% complete.
 - Marked timber harvests in two different areas; Seymour and Madison.
 - Coordinated with Connecticut Agricultural Experiment Station (CAES) to delineate and mark slash wall harvests and plots to monitor regeneration.
 - Worked with CAES to mark their current silvicultural experiment plots at Nathan's Pond (a 30+ year study).
 - Interviewed by multiple news crews about the storm damage (wind/salt) of tropical storm Isaias.

Recreation

- Recreation permit holders – 5,615.
- Bill insert ended on August 21.
- Boating continued at Lake Saltonstall with only one refusal to wear a mask due to religious objections.
- Held first walk since COVID period started. Nine people attended botany walk at Dudley Pond on August 15th.
- Had repeated problems with people vandalizing the lock and gate at Maltby Lakes.
- Spent much time cutting and removing trees from a tropical storm on August 4th and a tornado on August 27th.
- Reblazed white trails at Pine Hill.

Special Activity Permits

- Milford Police Department (Lieutenant Luke Holder and designees) – Police dive training, Maltby Lakes, (8/17/20)
- C. Thomas Paul – (Permit renewal) Conduct research on American Indian and pre-Columbian culture as related to the Hammonasset Line - Killingworth, Madison and Guilford (6/26/2020-6/26/201).

REVISION: A professor from the University of Washington may come to RI and CT on September 4th – September 11th, Dr. Jim Feathers who has an Optically Simulated Luminescence lab at the school. The test is to determine how long a rock or soil has been out of the sun light. A stone sample is taken 1” in OD about an inch down. A soil sample is taken a few inches down, about 7 oz. in size. The sample or samples (1 or 2 samples) will be taken on the Hammonasset Line in Madison.

Other items

- Encroachments/agreements –
 - Agricultural fields – Executed license agreement with Urbano for use of the Sperry Rd. field for Christmas trees. Tanev supplied his certificate of insurance to hay the fields in Prospect, Bethany, and Woodbridge. Discussed other fields with three potential farmers.
 - Hamden, Skiff St. – Sent draft agreement to neighbor to potentially park his employees’ vehicles at the house.
 - North Haven, Davis Rd. (NO 9A) – Issued letter to abutter about pet grave on our property.
- Invasive plants – Contractor completed harvesting water chestnut in Furnace Pond. Established second hardware cloth plot for Japanese knotweed in the West River area. Collected more data on herbicide plots in Prospect. Treated invasives in Bethany and East Haven. Conducted drone flights at Furnace Pond and Lake Menunketuc.

Invasive Species Documented/ Mapped (ac)	~1.5 acres
Invasive Species Treated (ac/MH)	~5 acres

- Deer hunt – Check station volunteers were selected and contacted.
- Durham, Vasel driveway easement – Corresponded with Vasel’s attorney about settling the matter of the driveway easement.
- Land Use Plan – Worked with Communications staff to post the Land Use Plan amendments online with the full plan.

There were no other land items to report.

Assignments were made for the next quarter Authority meetings.

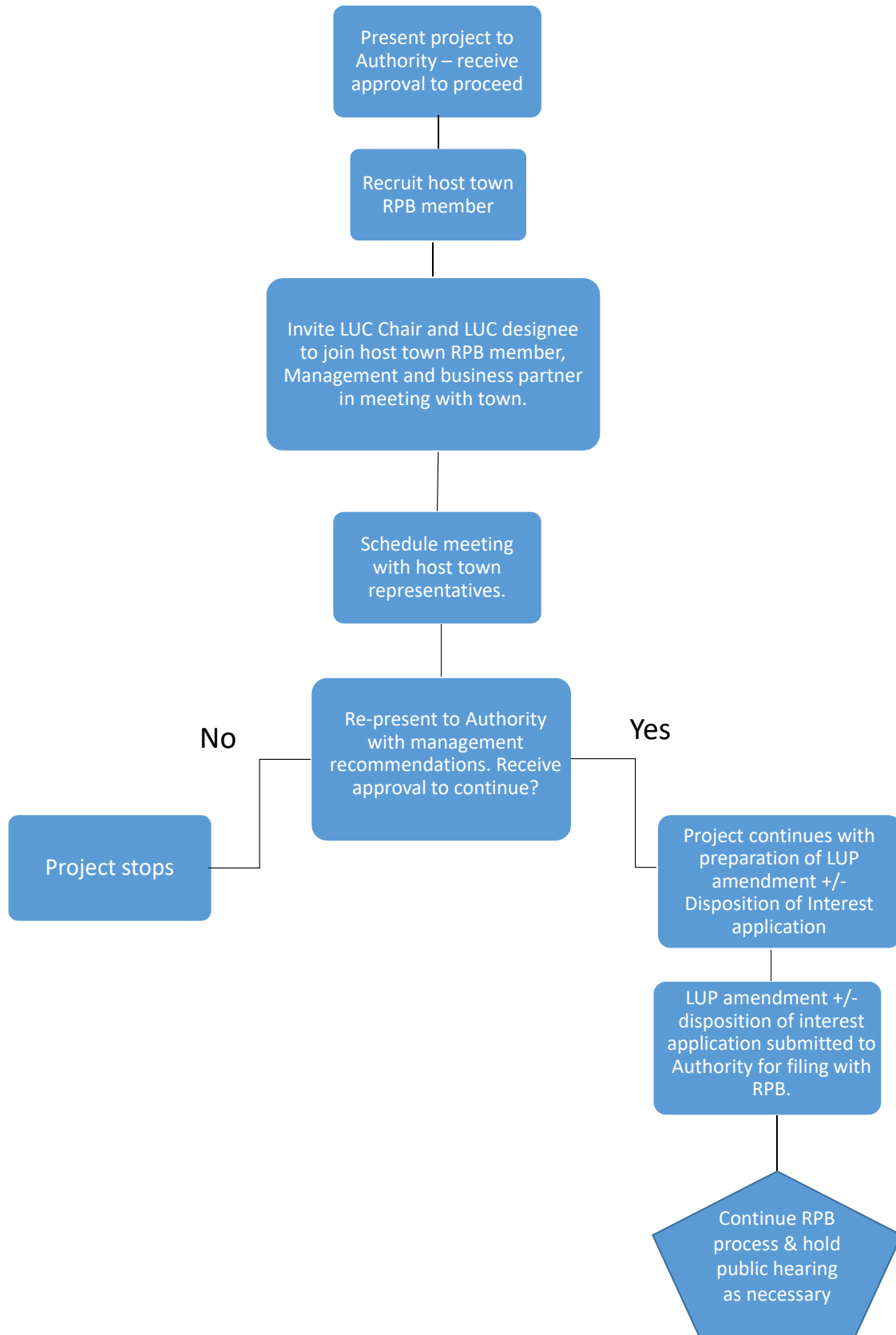
The next regular meeting of the committee is Wednesday, October 14, 2020 at 4:30 p.m.

At 5:19 p.m., the meeting adjourned.

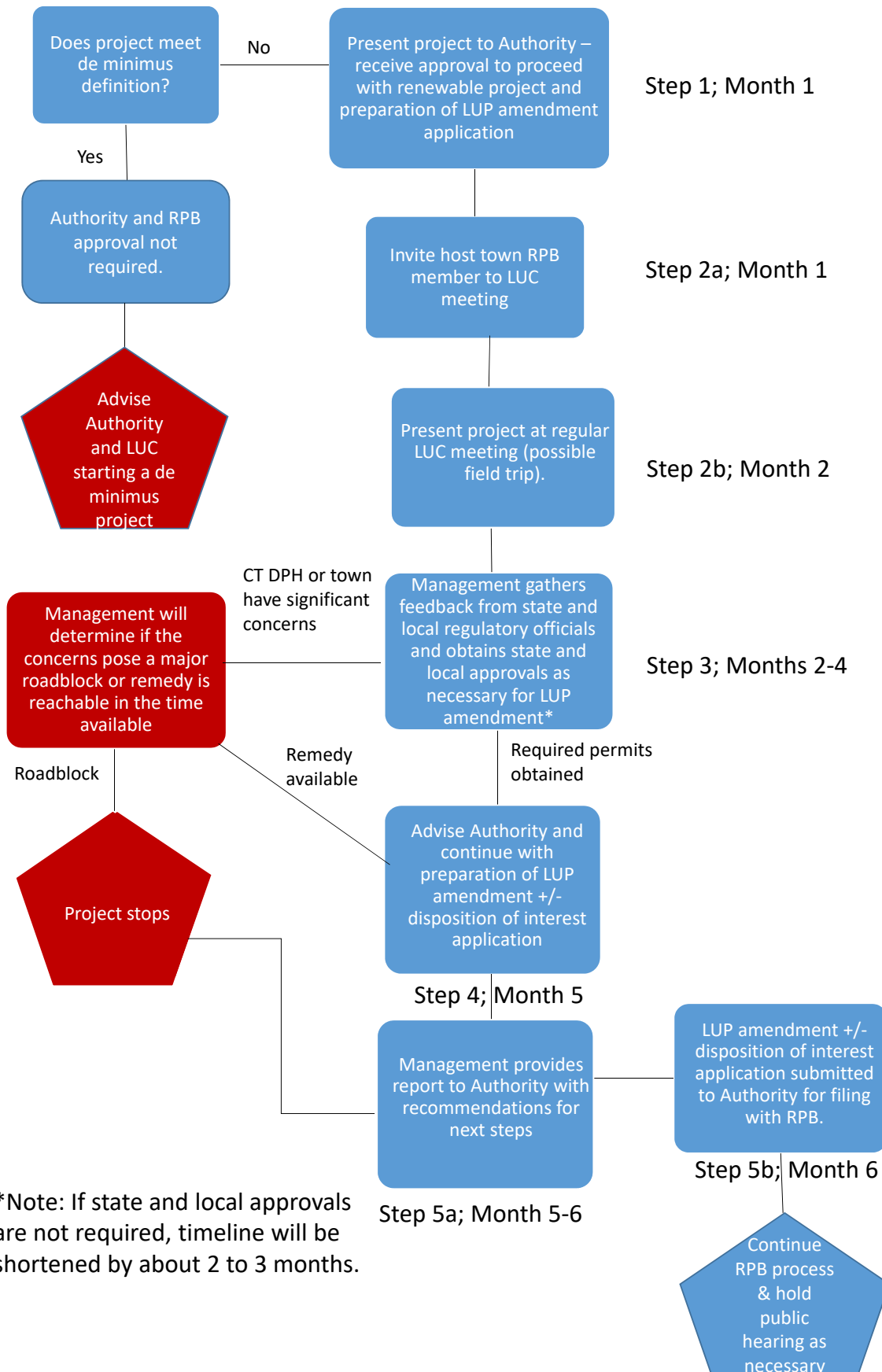
Peter Betkoski, Chairman

Appendix A

2011 Future Renewable Economic Resource Project Procedure



Appendix A 2020 Procedure for Future Renewable Energy Resource Projects



*Note: If state and local approvals are not required, timeline will be shortened by about 2 to 3 months.

Appendix B

Current Procedure for Future Renewable Economic Resource Projects and Schematic

November 3, 2011

**Procedure
For
Future Renewable Economic Resource Projects**

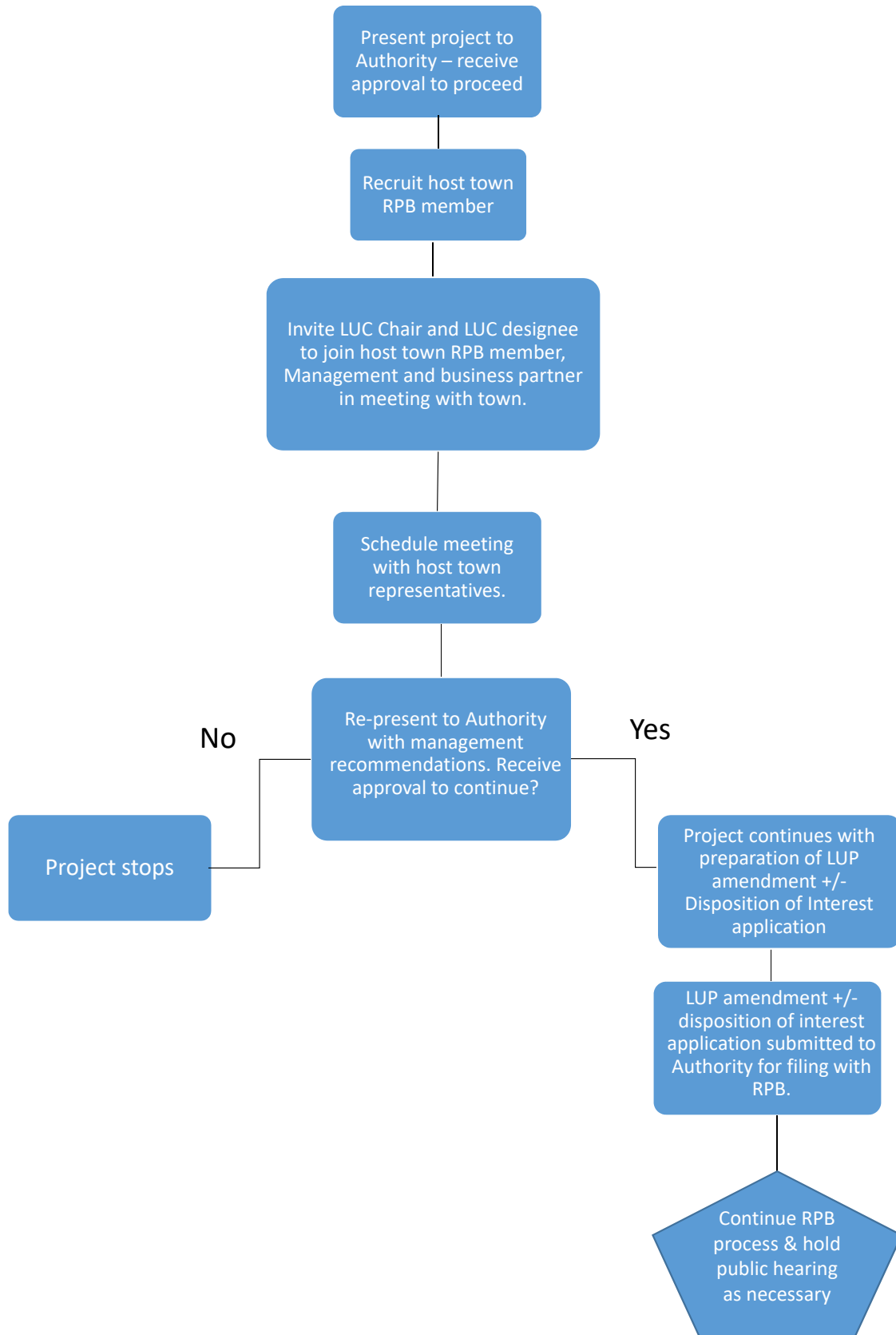
1. Present project to Authority* to obtain (a) approval for a renewable resource project and, if needed, (b) authorization to prepare a LUP amendment application +/- disposition of interest in land application (based upon revocable license agreement suitability)
2. Recruit RPB member from community where project will be sited on RWA land.
3. Invite LUC chair and one LUC designee to join the host RPB member **(total of three RPB members)** along with mgmt and the business partner for the project.
4. Schedule meeting with host town representatives one week prior to requested meeting.
5. Conduct meeting with host town representatives to discuss
 - Benefits of project for host community,
 - Controls over project available to host community regulatory agencies, and
 - Controls using environmental protection best management practices to minimize impacts/disturbance of Class I, II and III land.

This discussion with all attendees is completed with the limitation of a hand-shake agreement to keep topic confidential until the business partner and mgmt are ready for public communication plan roll-out.
6. In executive session (confidentially), mgmt provides report to Authority with recommendation for next steps that might be:
 - Project stops
 - Project continues and Land Use Plan application +/- Disposition of Interest application is filed by Authority for filing with RPB
7. RPB follows normal process for applications and schedules public hearing in host town.
8. RPB approves application or not and project continues forward or not.

*In some cases, the Authority may be requested by Management to approve a sole source for the project based upon a justification to be defended by Management.

Appendix B

2011 Future Renewable Economic Resource Project Procedure



Appendix C

Proposed Procedure for Future Renewable Energy Resource Projects and Schematic

**Procedure For
Future Renewable Energy¹ Resource Projects**

Proposed September 2020

1. Unless it is a de minimis project², present project to Authority³ to obtain:
 - (a) Approval for a renewable resource project and, if needed;
 - (b) Authorization to prepare a Land Use Plan (LUP) amendment application +/- disposition of interest in land application (based upon lease/revocable license agreement suitability).

In some cases, Management may request the Authority to approve a sole source for the project based upon a justification to be defended by Management.

Depending on the nature of the project, it may be presented in one of the following ways:

1. RWA owns project
 2. Power purchase agreement (PPA) coupled with a lease or revocable license agreement as applicable.
2. Present project at regular monthly Land Use Committee (LUC) meeting, with an invitation to the host municipality RPB member. LUC consensus is required in order for project to continue. To avoid ex-parte communication, minutes of the LUC meeting and presentation materials will be added to the LUP amendment application.
3. Management gather's feedback from state and local regulatory officials (CT DPH, P&Z, IWWC) and obtains state and local approvals as necessary.
4. If the host community, DPH, or other regulatory agencies have no significant concerns, and it is believed that necessary permits and approvals can be obtained, advise the Authority and continue preparation of LUP amendment application +/- disposition of interest in land application (based upon revocable license agreement suitability). Move to step 5 once necessary permits have been obtained and the LUP amendment application is ready.

If the host community, CT DPH, or other regulatory agencies have significant concerns, Management shall determine whether the concerns pose a significant roadblock warranting discontinuing the project or if a remedy is reachable in the timeframe available.

5. Management provides a report to the Authority with recommendation for next steps, such as:
 - Project stops, or
 - Project continues and LUP amendment application +/- disposition of interest application is filed by Authority for filing with RPB.

September, 2020

Appendix C

6. RPB follows normal process for applications and schedules public hearing in host town.

7. RPB approves application or not and project continues forward or not.

Footnotes:

¹Renewable energy resource is defined as a class I renewable energy source or a class III source as defined in the Connecticut General Statutes and referenced in RWA's Enabling Legislation, but excluding wind sources located within the district;

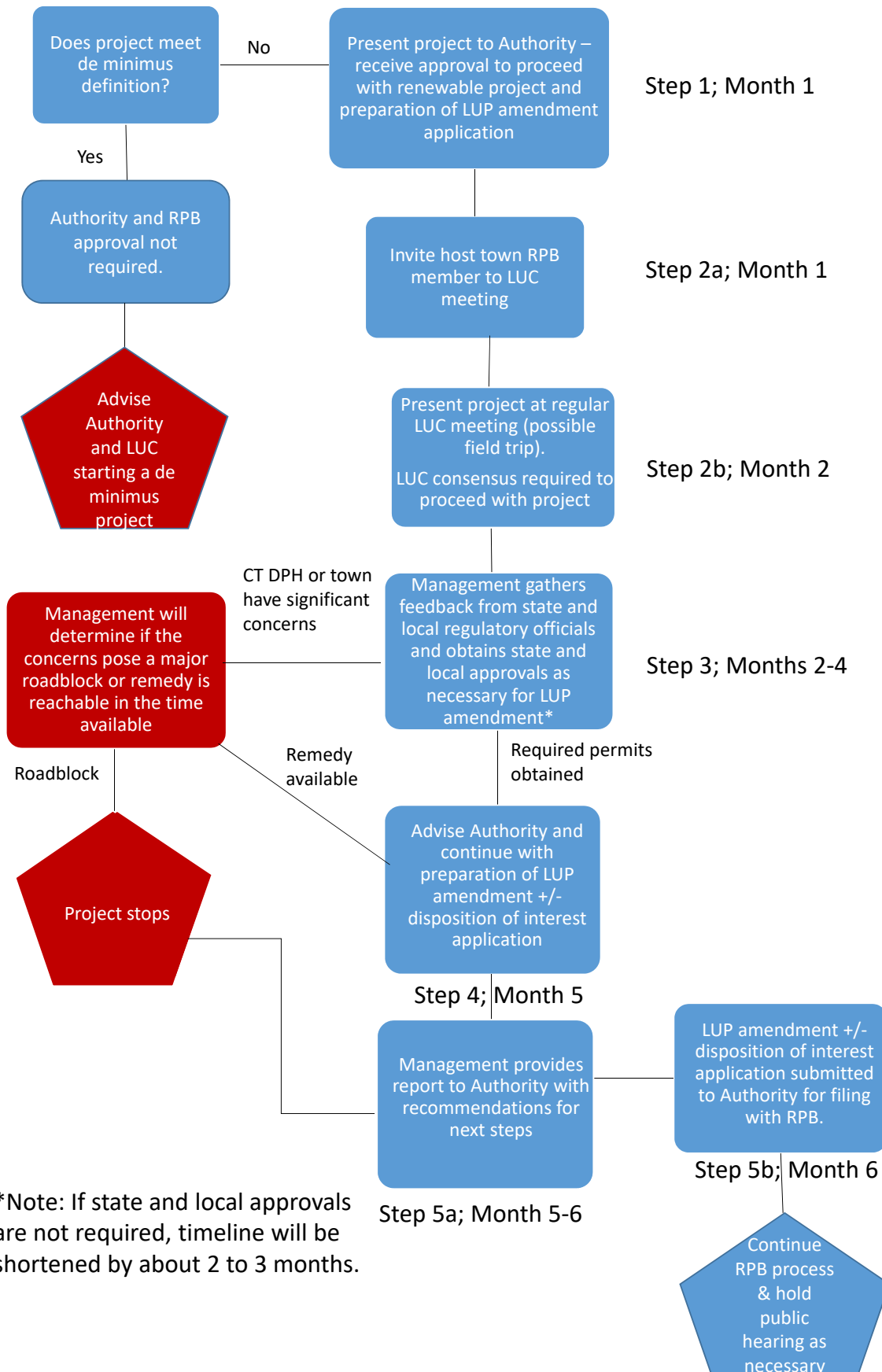
²De minimis project – to be considered a de minimis photovoltaic project the following conditions must be met:

- Be located on a rooftop of a RWA owned facility, or;
- Be a ground mount solar array with a total footprint of 0.5 acres or less, and be located on a property with the use designation of "Water Supply Facility" in the RWA Land Use Plan

³The Authority may choose to meet in executive session if confidentiality is warranted, including when considering a PPA with an outside party.

Appendix C

2020 Procedure for Future Renewable Energy Resource Projects



*Note: If state and local approvals are not required, timeline will be shortened by about 2 to 3 months.

Appendix D

Preliminary Assessment

APPENDIX D

PRELIMINARY ASSESSMENT

Modification of Procedure for Future Renewable Economic Resource Projects

Location: N/A

Proposed Action: Revise the Procedure for Future Renewable Economic Resource Projects known as Appendix D of the RWA's Land Use Plan updated in 2016. The modifications include renaming the procedure to clearly identify its use for renewable energy projects, creating a category of small de minimis projects to be exempted from the procedure, and developing a clear, more efficient process for larger projects.

Study Prepared By: Amy Velasquez

Date: June 29, 2020

Study Reviewed By: Ron Walters

Date: July 28, 2020

Study Approved By: John Hudak

Date: August 7, 2020

Note: This application seeks to modify a procedure found in the Land Use Plan. Approval of this modification will not in itself authorize any specific project or disturbance of RWA land; therefore some sub-sections below have been noted as 'not applicable' (N/A).

Introduction

This Preliminary Assessment form provides for consideration of potential impacts on specific aspects of the environment, subdivided into eight general areas:

- A. Geology, Topography, Soils
- B. Hydrology and Water Quality
- C. Air Quality, Climate, Noise
- D. Biotic Communities
- E. Land Use
- F. Natural Resources and Other Economic Considerations
- G. Public Safety and Health
- H. Community Factors

All phases of the proposed action are considered - planning, construction, and operation - as well as possible secondary or indirect effects. This project is for the revision of an existing procedure, therefore the impact is minimal.

For each “yes” response, the indicated specific information is provided in the space for notes. Elaborations of negative responses may also be provided if appropriate (e.g., to indicate positive impacts on a given environmental factor); “no” answers for which explanatory notes are provided are indicated by an asterisk. Sources of information, including individuals consulted, are also listed in each section.

A. <u>Geology, Topography, Soils</u>	Yes	No
<p>1. Is the site subject to geologic hazards (e.g., seismic, landslide)? If yes, specify type of hazard, extent, relative level of risk, whether or not the proposed action is vulnerable to damage from such hazard, and any measures included in the proposed action to avoid or minimize the risk of damage.</p>		N/A
<p>2. Will the proposed action create a geologic hazard or increase the intensity of such a hazard? If yes, specify the type of hazard, the extent to which it will be increased by the proposed action, and whether or not the proposed action can be modified to reduce the hazard.</p>		N/A
<p>3. Does the site include any geological features of outstanding scientific or scenic interest? If yes, describe the features and their relative importance, the extent to which they will be impacted by the proposed action, and any measures included in the proposed action to avoid or minimize damage to important geologic features.</p>		N/A
<p>4. Is the site subject to soil hazards (e.g., slump, erosion, subsidence, stream siltation)? If yes, specify hazards, their extent, the relative level of risk to the proposed action, and any measures included in the proposed action to avoid or minimize damage from soil hazards.</p>		N/A
<p>5. Does the site have any topographic or soil conditions that limit the types of uses for which it is suitable (e.g., steep slopes, shallow-to-bedrock soils, poorly drained soils)? If yes, specify the conditions, the of limitations on use, the extent to which the proposed action requires the use of such areas, and any measures included in the proposed action to minimize adverse impacts of these uses.</p>		N/A
<p>6. Does the site include any soil types designated as prime farmland? If yes, indicate the area of prime farmland soils and whether the proposed action requires any irreversible commitment of these soils to non-farm uses.</p>		N/A

B. Hydrology and Water Quality**Yes No**

1. Is the site located on a present or projected public or private water-supply watershed or aquifer recharge area?

N/A*

If yes, specify the location, type, and volume of the water supply, the extent to which the proposed action involves construction or other use of the watershed or recharge area, and any measures included in the proposed action to minimize adverse effects on water supplies.

2. Does the proposed action create a diversion of water from one drainage basin to another or significantly increase or decrease the flow of an existing diversion?

X

If yes, specify the location, watershed area, and flow rates of the diversion, whether it involves a transfer of water between sub-regional drainage basins, the extent to which it will affect any required downstream flow releases and actual downstream flows, and the type and extent of expected impacts on the downstream corridor.

3. Does the site include any officially designated wetlands, areas of soils classified as poorly drained or somewhat poorly drained, or other known wetlands?

N/A

If yes, specify the extent and type of wetlands on the site and indicate whether the proposed action involves any construction, filling, or other restricted use of wetlands.

4. Will the proposed action seriously interfere with the present rate of soil and subsurface percolation?

N/A

If yes, specify the nature of the interference (compaction, paving, removal of vegetation, etc.), the extent to which the percolation rate will be hampered, and whether the project can be redesigned to minimize the interference.

5. Is the site located in a floodprone area?

N/A

If yes, specify the frequency and severity of flooding, the area of the site subject to inundation, and the relative level of risk; indicate whether the proposed action will be subject to damage from flooding, the anticipated amount and type of damage, and any preventive measures included in the proposed action to minimize flooding damage.

6. Will the proposed action increase the effects of flooding, either on-site or downstream?

N/A

If yes, specify the anticipated amount and location of increased flooding, the estimated damage from this increase, and any measures included in the proposed action to minimize the risk of flooding.

7. Will the proposed action generate pollutants (pesticides, fertilizers, toxic wastes, surface water runoff, animal or human wastes, etc.)? If yes, specify the type and source of pollutant, amount of discharge by volume, and parts per million, and the relative level of risk to biotic and human communities. X

Notes (including sources of information):

B. Hydrology and Water Quality

B.1 There is a high likelihood that future renewable energy projects will be located on or near existing water supply facilities that could be on or off the RWA watershed or aquifer areas. Projects disturbing land within these areas are subject to review and permitting by the Connecticut Department of Public Health (DPH).

C. <u>Air Quality, Climate, Noise</u>	Yes	No
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- | | | |
|--|--|------|
| <p>1. Is the present on-site air quality below applicable local, state, or federal air quality control standards?
If yes, specify the extent to which the air quality fails to attain such standards and the potential effects of sub-standard air quality on the proposed action.</p> | | N/A |
| <p>2. Will the proposed action generate pollutants (hydrocarbons, thermal, odor, dust, or smoke particulates, etc.) that will impair present air quality on-site or in surrounding area?
If yes, specify the type and source of pollutants, the peak discharge in parts per million per 24-hour period, and the relative level of risk to biotic and human communities.</p> | | N/A* |
| <p>3. Is the site located in a high wind hazard area?
If yes, specify the range and peak velocity and direction of high winds; identify any features of the proposed action subject to damage from high winds, the relative level of risk, and any measures included in the proposed action to minimize wind damage.</p> | | N/A |
| <p>4. Will the proposed action involve extensive removal of trees or other alteration of the ecosystem that may produce local changes in air quality or climate?
If yes, describe the nature and extent of the changes, potential adverse effects, areas likely to be affected, possible cumulative effects of removal of natural vegetation and addition of new pollutant sources, and any measures that could be included to reduce the adverse effects.</p> | | X* |
| <p>5. Is the site subject to an unusually high noise level?
If yes, specify the sources of noise, the noise levels, and any measures included in the proposed action to minimize the effects of noise.</p> | | N/A |
| <p>6. Will the proposed action generate unusually high noise levels?
If yes, specify the source of noise, the range of noise levels, and any measures incorporated into the project to minimize generation of, or exposure to, excessive noise levels.</p> | | N/A |

Notes (including sources of information):

C. Air Quality, Climate, Noise

C.2 Renewable energy projects reduce reliance on coal-fired electricity generation, which is a known source of airborne toxins and pollutants. They include mercury, lead, sulfur dioxide, nitrogen oxides, particulates, and various other heavy metals. The burning of coal also adds carbon dioxide, a greenhouse gas, to the atmosphere. Modifying this procedure will help facilitate renewable energy projects and help reduce overall air pollution in Connecticut.

C.4 A de minimis category has been added with limitations to solar arrays on rooftops and those with small footprints of RWA water supply facility designated land. These projects are unlikely to pose a significant impact because the projects will be sited on rooftops or non-forested land. These as well as larger projects may be subject to other required environmental reviews by other agencies, such as local inland wetlands agencies and DPH, as applicable. This modification will assist RWA in pursuing renewable energy projects, which will result in a reduction in greenhouse gas emissions and other air pollutants. The reduction of greenhouse gas emissions is important to mitigate the effects of climate change and improve overall air quality.

D. Biotic Communities**Yes No**

1. Are there any rare or endangered plant or animal species on the site?

If yes, specify the species, the degree of rarity, and the estimated population on the site; indicate the extent to which the proposed action will disturb the species and its habitat, and specify any measures included in the proposed action to minimize such disturbance.

N/A

2. Are there unusual or unique biotic communities on the site?

If yes, specify type of community and its relative significance; indicate the extent to which the proposed action will destroy significant biotic communities and specify any measures included in the proposed action to minimize such damage.

N/A

3. Is the site used as a nesting site by migrating waterfowl, or is it critical to the movement of migratory fish or wildlife species?

If yes, specify the species, the extent to which nesting or migration will be disturbed as a result of the proposed action, and any measures included in the proposed action to minimize disturbance.

N/A

4. Does the proposed action significantly reduce the amount, productivity, or diversity of the biotic habitat?

If yes, specify the amount and types of habitat lost, types of wildlife or plants likely to be seriously affected by the proposed action, and any measures to mitigate impacts on biotic communities.

X*

Notes (including sources of information):

D. Biotic Communities

D.4 The addition of a de minimis category for small projects will limit these projects to small rooftop solar arrays or those with a small footprint located on RWA water supply facility designated land. These projects are unlikely to affect important habitats for plants and wildlife, as they will be located on rooftops or non-forested land. It is highly likely the renewable energy projects will be on RWA water supply facility property, on or off watershed or aquifer areas, and may require several layers of local and state approvals (Inland Wetlands, Planning & Zoning, Connecticut Department of Energy and Environmental Protection, DPH).

E. Land Use	Yes	No
<p>1. Does the site include any officially designated historic or archaeological sites, or other sites of known historic, archaeological, or cultural significance?</p> <p>If yes, specify their type and significance, the extent to which they will be disturbed by the proposed action, and any measures to reduce such disturbance.</p>		N/A
<p>2. Does the site have any outstanding scenic or aesthetic characteristics, especially as viewed from public highways or recreation areas?</p> <p>If yes, specify the type and significance of scenic features, the extent to which they will be disturbed by the proposed action, and any measure to reduce the extent of such disturbance.</p>		N/A
<p>3. Is the site presently used for recreation?</p> <p>If yes, indicate the type of recreation, the amount of use, and the extent to which the proposed action will interfere with present recreational uses or limit recreation options on the site.</p>		N/A
<p>4. Is the site presently used for residence or business?</p> <p>If yes, specify the type of use and the extent to which the proposed action will displace present occupants, especially disadvantaged persons or businesses, and any measures included in the proposed action for relocation of such occupants.</p>		N/A
<p>5. Will the proposed action break up any large tracts or corridors of undeveloped land?</p> <p>If yes, specify the area of undeveloped land surrounding the site, the amount of development the proposed action will involve, and the distance to the nearest developed land.</p>		X
<p>6. Does the proposed action include features not in accord with the Authority's Land Use Plan or land disposition policies?</p> <p>If yes, specify the nature and extent of conflict.</p>		X
<p>7. Is the proposed action part of a series of similar or related actions that might generate cumulative impacts?</p> <p>If yes, specify the type and extent of related actions, implemented or planned, and the general nature of potential cumulative impacts; indicate whether a generic or programmatic impact assessment has been or will be prepared for this series of actions.</p>		X

Notes (including sources of information):

E. Land Use

F. <u>Natural Resources and Other Economic Considerations</u>	Yes	No
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- | | | |
|---|--|------|
| <p>1. Does the proposed action involve any irreversible commitment of natural resources?</p> <p>If yes, specify the type of resource, the importance and scarcity of the resource, the quantity that will be irreversibly committed, and any measure that could be included in the proposed action to reduce irreversible commitments of resources.</p> | | X |
| <p>2. Will the proposed action significantly reduce the value and availability of timber or other existing economic resources?</p> <p>If yes, specify the type and extent of resources affected, the estimated revenue loss, and any measures that could be included in the proposed action to improve the efficiency of resource utilization.</p> | | X |
| <p>3. Will the proposed action require expenditures greater than the projected revenues to the Authority?</p> <p>If yes, specify the estimated difference.</p> | | X |
| <p>4. Will the proposed action require any public expenditure (e.g., provision of municipal services) that might exceed the public revenue it is expected to produce?</p> <p>If yes, specify the estimated difference.</p> | | X |
| <p>5. Will the proposed action cause a decrease in the value of any surrounding real estate?</p> <p>If yes, estimate the amount and distribution of altered real estate values.</p> | | N/A* |

Notes (including sources of information):

F. Natural Resources and Other Economic Considerations

F.4 No research was readily available regarding the effect of renewable energy projects on surrounding real estate. This issue can be considered, if necessary, in the RPB approval process for individual projects.

G. Public Safety and Health**Yes No**

1. Is the site subject to unusual fire hazard (from flammable vegetation, difficulty of access, lack of water for fire fighting, or other causes)?

N/A

If yes, specify the type of hazard, the extent to which the proposed action might increase the fire hazard, the extent to which it is subject to damage from such fires, and any measures included in the proposed action to reduce the risk of fire damage.

2. Does the site include any features that present potential safety hazards under the proposed conditions of use, or will the proposed action create any hazards to public safety?

N/A

If yes, specify the hazards, the extent to which the public, workers, or others will be exposed to the hazard, the degree of risk, and any measures that will be included in the proposed action to eliminate hazards or reduce the risk of injury.

3. Does the proposed action have the potential to create increased risks to public health?

If yes, specify the nature of the health hazards, population at risk, the degree of risk, and any measures that will be incorporated in the proposed action to avoid adverse impacts on public health.

X*

Notes (including sources of information):

G. Public Safety and Health

G.3 Projects that will disturb aquifer or Class I or II water supply lands will require a DPH Water Company Lands permit. This permit approval process insures the project will not impact the public water supply.

H. Community Factors

Yes No

1. Does the proposed action include any features that are not in conformity with local, regional, or state plans of conservation and development?

X*

If yes, specify the plan(s), the nonconforming features, and the extent of the nonconformity, and any measures that could be incorporated into the proposed action to improve conformity.

2. Does the proposed action differ from the established character of land use in the surrounding area?

N/A*

If yes, specify the nature and extent of the conflict and any actions that might be taken to resolve it.

3. Will the proposed action require any service by public facilities (streets, highways, schools, police, fire) or public utilities that are expected to exceed capacity within 5 years?

X

If yes, specify the type of facility or utility, its capacity, present and projected use, the additional capacity required to implement the proposed action, any public plans to increase the capacity, and any measures that can be incorporated into the proposed action to reduce excessive demands on public facilities.

4. Will the proposed action produce any substantial increase in nonresident traffic to the area (construction or other temporary workers, permanent workers, recreational users, etc.)?

N/A

If yes, specify the amount and type of traffic, its potential impact on the surrounding neighborhood, and any measures included in the proposed action to reduce adverse effects from increased traffic.

5. Will the proposed action produce an increase in projected growth rates for the area?

N/A

If yes, specify the extent to which growth will be increased, the project ability of the community to cope with higher growth rates, and any measures include in the proposed action to reduce anticipated adverse effects from increased growth.

6. Is there any indication that the proposed action can be expected to generate public opposition or conflict over environmental concerns?

N/A*

If yes, indicate the type and source of conflict, whether it is limited to immediate neighbors of the site or extends to the larger community, and any measures that have been taken or could be taken to resolve the conflict.

Notes (including sources of information):

H. Community Factors

H.1. State, regional, and local conservation and development plans have similar principles with regard to the use of renewable energy. The proposed modification of the Procedure does not go against these principles, and may even benefit the cause by increasing the access to small scale renewable energy projects. Selected principles that support renewable energy are listed in the table below for the Conservation and Development Policies Plan for Connecticut, 2013-2018¹ (CT C&D Plan), the South Central Regional Plan of Conservation and Development (SCR POCD),² the Hamden Plan of Conservation and Development, Town of Hamden, Connecticut (HA POCD),³ and the Draft North Branford Plan of Conservation and Development 2019-2029, Town of North Branford (NB POCD)⁴.

Note that the CT C&D Plan, although dated ending in 2018, is current. A Draft 2018-2023 State C&D Plan is under consideration by the General Assembly in the 2020 legislative session.⁵ The only POCD currently available in North Branford is the Draft 2019-2029 plan.

Plan	Policies/Strategies
State CT C&D Plan	“Utilize the state’s renewable power generation potential to the extent that is compatible with state goals for environmental protection, and minimize potential impacts to rural character and scenic resources when siting new power generation facilities and/or transmission infrastructure.”
Regional SCR POCD	<ul style="list-style-type: none">• “Support and promote local energy task forces and the Clean Water Fund’s efforts to advance towards 100% renewable energy use.”• “Assist members with research and guidance on new technologies, such as floating solar, anaerobic digestion, and assist in navigating the complex regulations and procedures involved in introducing renewable energy into the regional system.
Local Hamden POCD	<ul style="list-style-type: none">• “Increase the use of renewable of renewable energy sources such as solar, wind, and electric car charging stations...”• “Promote the use of alternative energy sources including solar and wind”

¹ <https://portal.ct.gov/-/media/OPM/IGP/ORG/cdplan/20132018-FINAL-CD-PLAN-rev-June-2017.pdf?la=en>

² <https://scrcog.org/wp-content/uploads/2018/07/2018-07-SCRCOG-POCD-report-online.pdf>

³ <https://www.hamden.com/DocumentCenter/View/1989/Hamden-2019-POCD-Approved-09-17-19-Effective-09-27-19-With-Maps-RFS%2011-19-09%20EFF%2012-21-09.pdf>

⁴ http://nbpocd2019.com/nbpocd2019/resources/site1/General/Draft_North_Branford_POCD_06202019_online.pdf

⁵ <https://portal.ct.gov/OPM/IGPP-MAIN/Responsible-Growth/Conservation-and-Development-Policies-Plan/Conservation-and-Development-Policies-Plan>

Local North Branford POCD	<ul style="list-style-type: none"> • “Continue to support community efforts to increase public and private use of renewable energies as a means of reducing housing costs.” • “Install photovoltaic or other renewable energy systems on public buildings and promote and support alternatives and clean-fuel technologies for public fleets, as feasible.”
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H.2 A de minimis category has been added with limitations to solar arrays on rooftops and those with small footprints on RWA water supply facility designated land. Larger projects are also likely to be installed at water supply facility, as there needs to be a use for the power generated. These water supply facilities may or may not conform to the land use in the surrounding area.

H.6 Any proposed projects enabled by this action that require local, state, and/or RPB approval will include opportunities for stakeholder input.