

Representative Policy Board
South Central Connecticut Regional Water District
Via Remote Access**

AGENDA

Regular Meeting of Thursday, October 15, 2020 at 6:30 p.m.

- I Safety Moment
- II Approval of Minutes – September 17, 2020 meeting
- III Communications
 - A. RPB Dashboard Quarterly Report
- IV Items for Consideration and Action
 - A. Third Quarter 2020 Representative Policy Board Compensation
- V Reports
 - A. Finance Committee
 - B. Land Use Committee
 - C. Consumer Affairs Committee
 - D. Nominating Committee
 - E. RPB Bylaws and Rules Review Committee
 - F. Authority/Management
- VI Adjourn

**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=1435&meettype=&page=>. For questions, contact the board office at 203-401-2515.

Topic: RPB Regular Meeting

Time: Oct 15, 2020 06:30 PM Eastern Time (US and Canada)

Join Meeting *(via conference call)*

Dial by your location

+1 646 876 9923 US (New York)

+1 301 715 8592 US (Germantown)

+1 312 626 6799 US (Chicago)

+1 408 638 0968 US (San Jose)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

Meeting ID: 868 0675 2406

Passcode: 254458

Find your local number: <https://us02web.zoom.us/j/kj9aenlqh>

SAFETY MOMENT

OCTOBER – SAFETY CULTURE

What is Safety Culture? It is a culture of shared beliefs, practices and attitudes. We are always trying to improve our safety culture at the RWA. If you notice a hazardous condition please report it or correct it before someone gets injured.

The two basic causes of accidents and injuries:

1. Unsafe conditions; and
2. Unsafe acts

In a positive Safety Culture:

- Nothing takes precedent over safe work under any circumstances
- All personnel, from the front line to the senior leadership, share the same responsibility for safe work
- The safety system is informed by the workforce, not designed and enforced only by management
- Existing safety systems are constantly developed and improved
- Communication occurs openly between departments, members of the workforce and management. Communication is always open and encouraged



Tap Into
Safety



Regional Water Authority

Service – Teamwork – Accountability – Respect – Safety

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

 Regional Water Authority

**Representative Policy Board
South Central Connecticut Regional Water District**

Minutes of September 17, 2020 Meeting

A regular meeting of the Representative Policy Board (“RPB”) of the South Central Connecticut Regional Water District took place on Thursday, September 17, 2020, via remote access. Chair Ricozzi presided.

PRESENT

RPB

Ansonia	Thomas P. Clifford III
Beacon Falls	Peter Betkoski
Bethany	Brian Eitzer
Branford	Mario Ricozzi
Cheshire	Timothy Slocum
Derby	Frank Pepe
East Haven	Michelle Verderame
Guilford	Charles Havrda
Hamden	Stephen Mongillo
Killingworth	Jamie Mowat Young
Madison	Joseph A. Oslander
Milford	Richard Smith
New Haven	Naomi Campbell
North Branford	Peter DeSantis
North Haven	Anthony P. Rescigno
Orange	Jasper J. Jaser
Prospect	Robert E. Harvey, Jr.
Seymour	Mike Horbal
West Haven	T. Gregory Malloy
Woodbridge	Mark Levine
Governor’s Rep	Vincent M. Marino

Regional Water Authority

Anthony DiSalvo
David Borowy
Suzanne Sack

Management

Larry L. Bingaman
Rochelle Kowalski
Beth Nesteriak
Edward O. Norris III
Jeanine Reckdenwald
Premjith Lakshman Singh

Counsel

Bruce McDermott

Office of Consumer Affairs

Atty. Jeffrey Donofrio

Staff

Jennifer Slubowski

Call to Order

Chair Ricozzi called the meeting to order at 6:30 p.m.

Safety Moment

Chair Ricozzi reviewed the Safety Moment handout distributed to members.

Minutes

On motion made by Mr. Malloy, seconded by Ms. Campbell, the RPB approved the minutes of its August 20, 2020 meeting as distributed, with 102 total weighted votes cast in the affirmative.

Ansonia (3)	Aye	Guilford (4)	Aye	No. Haven (5)	Aye
Beacon Falls (0)	Aye	Hamden (10)	Aye	Orange (3)	Aye
Bethany (5)	Aye	Killingworth (2)	Aye	Prospect (1)	Aye
Branford (6)	Aye	Madison (6)	Aye	Seymour (1)	Aye
Cheshire (4)	Aye	Milford (11)	Aye	West Haven (8)	Aye
Derby (2)	Aye	New Haven (13)	Aye	Woodbridge (3)	Aye

East Haven (6) Aye

No. Branford (8) Aye

Gov. Rep. (1) Absent

Communications

Chair Ricoszi acknowledged Mr. Malloy, Chair of the RPB Nominating Committee for Authority member, who reported on the committee meeting last month. The committee met to review the proposed Criteria. The committee also met with Mr. Bingaman and Mr. DiSalvo to discuss qualities most needed by the Authority. After discussion, they made one minor change to the Criteria, which was emailed to RPB earlier in the month comments and revisions. The Committee will meet to interview the incumbent Authority member next week. No candidates have been suggested by Mayor Elicker to date.

It was the consensus of the board to accept the proposed changes to the Nominating Committee's proposed Criteria as presented.

Mr. Slocum, Chair of the Finance Committee reported that the committee met earlier in the week to discuss a proposed resolution for the interim financing of a draw down note. Ms. Kowalski, the RWA's Vice President of Financial Services, discussed the need, as a contingency, for the financing for unanticipated capital costs through December 31, 2020.

At 6:46 p.m., Mr. Marino entered the meeting.

Mr. Slocum moved for approval of the following resolution:

WHEREAS, the South Central Connecticut Regional Water Authority (the "Authority") proposes to issue its Bonds which may be issued as Project Loan Obligations delivered to the State of Connecticut (the "Bonds") in accordance with Special Act 77-98, as amended, of the General Assembly of the State of Connecticut (the "Act") and the Water System Revenue Bond Resolution, General Bond Resolution, adopted by the Authority and approved by the Representative Policy Board of the South Central Connecticut Regional Water District (the "RPB") on July 31, 1980, as amended and supplemented (the "General Bond Resolution"); and

WHEREAS, the Act authorizes the Authority to issue its bonds from time to time but subject to the approval of the RPB.

NOW THEREFORE BE IT RESOLVED THAT:

1. The RPB hereby approves the issuance of the Authority's Bonds in an aggregate principal amount not to exceed Five Million Dollars (\$5,000,000).
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 adopted by the Authority on June 18, 2020, as may be amended from time to time, 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.

Mr. Jaser seconded the motion and the resolution was approved unanimously.

Ansonia (3)	Aye	Guilford (4)	Aye	No. Haven (5)	Aye
Beacon Falls (0)	Aye	Hamden (10)	Aye	Orange (3)	Aye
Bethany (5)	Aye	Killingworth (2)	Aye	Prospect (1)	Aye
Branford (6)	Aye	Madison (6)	Aye	Seymour (1)	Aye
Cheshire (4)	Aye	Milford (11)	Aye	West Haven (8)	Aye
Derby (2)	Aye	New Haven (13)	Aye	Woodbridge (3)	Aye
East Haven (6)	Aye	No. Branford (8)	Aye	Gov. Rep. (1)	Aye

Reports

Finance Committee – Mr. Slocum, Chair of the Finance Committee, reported that the committee met earlier in the week to review the interim financing resolution, as discussed above. The committee also received a presentation from management on the AMI monthly billing project.

Land Use Committee – Mr. Betkoski, Chair of the Land Use Committee, reported that the committee met earlier in the month at Lake Whitney Water Treatment Plant and received a discussion from the resident bee keeper. The committee also discussed a Land Use Plan Modification for Renewable Energy Resource Projects with management.

Consumer Affairs Committee – Mr. Mongillo, Chair of the RPB Consumer Affairs Committee, reported that the next meeting of the committee will take place on September 21, 2020.

Nominating Committee – Mr. Malloy, Chair of the Nominating Committee had nothing further to report.

Authority/Management – Mr. DiSalvo reported on the Authority meeting earlier in the day. He stated that the Authority met as the Audit-Risk Committee, Environmental, Health and Safety Committee and the Non-core Business Committee.

Mr. DiSalvo, Acting Chair of the RWA’s Audit-Risk Committee reported that the board met with RWA’s auditors to review the FY 2020 audit results.

In Mr. Curseaden’s absence, Mr. DiSalvo reported on the Environmental, Health and Safety Committee meeting earlier in the day. The committee received four presentations from management: New Environmental, Health, Safety and Risk Department at the RWA, FY 2021 Business Continuity work plan, AWIA Emergency Response Plan submission and an Invasive species control update.

Ms. Nesteriak, RWA’s Executive Vice President and Chief Operating Officer, reported on activities over the past month, which included:

- Phase III re-opening
- Cleaning at sanitization practices
- Operational status
- COVID tracking software

Mr. Bingaman reported on the Authority meeting earlier in the day. He reviewed revenues, operating and maintenance expenses for the month ended August 31, 2020, and stated the projected maintenance test for FY 2021 is 114%, with a projected shortfall of \$4,961,000. He noted that there is continued uncertainty of the financial impact of the pandemic on RWA’s revised and reduced operating budget, which may be influenced by a resurgence of the pandemic later this year.

Mr. Bingaman also reported that the revised FY 2021 Budget has assumed a full return to normal in January 2021.

He also reported that reservoir levels as of September 14, 2020, 2020 were 72%, compared to the long-term average of 71%.

Chair Ricoszi announced that there was a correction to the next meeting of the Land Use Committee. The committee will meet at its regular meeting on Wednesday, October 14, 2020 at 4:30 p.m.

Chair Ricoszi acknowledge Attorney Donofrio, Office of Consumer Affairs, who reported that he received new information from the RWA on the PipeSafe program advertisement. He expressed his appreciation and stated that the ad was accurate and positive.

Mr. Smith commented that Mayor Blake of Milford sends his appreciation to Mr. Doyle, RWA's Manager of Corporate Communication, for his support with the town of Milford.

Mr. Bingaman reported that the RWA launched a revised community liaison program with district municipalities led by Mr. Doyle and employees of the Outreach & Communications department. The liaison will be a point of contact between the RWA and their assigned municipalities. Their responsibilities would include regular updates and keeping in contact with municipal officials, RPB members, and local health and fire departments.

At 7:12 p.m., the meeting adjourned.

Respectfully submitted,

Robert E. Harvey, Jr., Secretary

South Central Connecticut Regional Water Authority
90 Sargent Drive, New Haven, Connecticut 06511-5966 203.562.4020
<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.

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

REPRESENTATIVE POLICY BOARD - QUARTERLY COMPENSATION - 2020

Month	July					August						September											
	8	13	16	16	20		3	10	12	17	18	20	20	31		9	14	15	17	17	21	22	
T. P. CLIFFORD III		X		XX				X					XX	X			X			XX	X	X	
P. BETKOSKI	X			XX			X		X				XX			X				XX			
B. EITZER	X			XX					X				XX			X				XX	X		
M. RICOZZI		X	X	XX	X		X	X		X	X		XX					X	X	XX			
T. SLOCUM		X		XX				X					XX	X			X			XX	X	X	
F. PEPE				XX	X					X			XX							XX	X		
M. VERDERAME		X		XX				X					XX	X			X			XX		X	
C. HAVRDA		X		XX			X	X					XX				X			XX			
S. A. MONGILLO			X	XX			X			X			XX							XX	X		
JAMIE MOWAT YOUNG	X			XX					X				XX			X				XX			
J. A. OSLANDER	X			XX					X				XX			X				XX			
R. SMITH				XX	X					X			XX							XX	X		
N. CAMPBELL				XX	X					X			XX						X	XX			
PETER DESANTIS	X			XX					X				XX			X				XX			
A. P. RESCIGNO				XX	X					X			XX	X						XX		X	
J. J. JASER		X		XX				X					XX				X			XX			
R. HARVEY	X			XX			X		X				XX			X				XX			
M. HORBAL	X			XX					X				XX			X				XX			
T. G. MALLOY	X			XX			X		X				XX	X		X				XX		X	
M. LEVINE	X			XX			X		X	X		X	XX			X				XX	X		
V. M. MARINO		X		XX				X					XX				X			XX			
PURPOSE	L	F	RW	R	C		E	F	L	C	A	RW	R	N		L	F	a	RW	R	C	N	
Key: F=Finance, C=Consumer, E=Executive, L=Land Use, R=RPB, A=Ad Hoc, N=Nominating, RW=Authority, T=Town																							