

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

**AGENDA**

**Regular Meeting of Thursday, January 21, 2021 at 6:30 p.m.**

- I      Safety Moment
- II     Approval of Minutes – December 17, 2020 meeting
- III    Communications
  - A. Standard Mileage Rate - Effective January 1, 2021
  - B. RPB Dashboard Quarterly Report
- IV    Items for Consideration and Action
  - A. Finance Committee's recommendation regarding the completeness of the Authority's Application for the approval of a project to construct improvements at the West River Water Treatment Plant located in Woodbridge, Connecticut and associated financing
  - B. Representative Policy Board Fourth Quarter 2020 Compensation
- V     Reports
  - A. Finance Committee
  - B. Land Use Committee
  - C. Consumer Affairs Committee
  - D. Nominating Committee
  - E. 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 meeting will be held remotely. 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: Jan 21, 2021 06:30 PM Eastern Time (US and Canada)

Join Zoom Meeting (*via conference call*)

Dial by your location

+1 301 715 8592 US (Washington D.C)

+1 312 626 6799 US (Chicago)

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+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: 836 1195 0915

Passcode: 953753

Find your local number: <https://us02web.zoom.us/j/klmsHSXg3>

# SAFETY MOMENT

**Tap**Into  
**Safety**



Regional Water Authority

## **JANUARY – Safety at Home**

Extreme cold is generally defined as a prolonged period of excessively cold weather. Extreme cold conditions are often, but not always, part of winter storms.

Prepare for cold weather:

- Make sure your home is well insulated
- Check battery powered equipment and stock extra batteries
- Keep emergency heating equipment available
- Stock an extra supply of food/water
- Insulate water pipes
- Stay indoors during extreme cold
- Move pets indoors
- Wear loose, layered clothing
- Check heating supply



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 December 17, 2020 Meeting**

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

**PRESENT**

**RPB**

Ansonia	Thomas P. Clifford III
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 Haven	Anthony P. Rescigno
Orange	Jasper J. Jaser
Prospect	Robert E. Harvey, Jr.
Seymour	Mike Horbal
West Haven	T. Gregory Malloy
Woodbridge	Mark Levine

**Absent**

Beacon Falls	Peter Betkoski
North Branford	Peter DeSantis
Governor’s Rep	Vincent Marino

**Regional Water Authority**

Anthony DiSalvo  
Kevin Curseaden  
David Borowy

**Management**

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

**Counsel**

Bruce McDermott, Esq.

**Office of Consumer Affairs**

Jeffrey Donofrio, Esq.

**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 November 19, 2020 meeting as distributed, with 93 total weighted votes cast in the affirmative.

Ansonia (3)	Aye	Guilford (4)	Aye	No. Haven (5)	Aye
Beacon Falls (0)	Absent	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)	Absent	Gov. Rep. (1)	Absent

## Communications

Chair Riconzi reported on recent reappointments to the board.

Chair Riconzi acknowledged Mr. Slocum, Chair of the Finance Committee, who moved for approval of the following resolution:

**WHEREAS**, Executive Order 7W, which extended Executive Order 7S Section 6 applicable to municipalities, to quasi-municipal corporations, extending the tax deferral and the interest rate reduction program to water charges among other types charges (e.g., sewer and electric), and which Executive Order ends July 1, 2020; and

**WHEREAS**, management recommended extending the time period concerning abatement of interest (a zero interest rate) through December 31, 2020 and presented such recommendation at the Representative Policy Board (“RPB”) Finance Committee meeting on June 8, 2020 and at the RPB Consumer Affairs Committee meeting on June 15, 2020; and

**WHEREAS**, the RPB Finance Committee and RPB Customer Affairs Committee agreed to recommend to the full RPB management’s recommendation and concurs that this is the right approach in light of the COVID-19 pandemic and associated economic impacts.

**WHEREAS**, on June 18, 2020 the full RPB approved a zero interest rate through December 31, 2020.

**WHEREAS**, the COVID-19 pandemic continues and the associated economic impacts, management recommended to the RPB Finance Committee on December 14, 2020 extending the time period of the abatement of interest (0% interest rate) through at least March 31, 2021.

**WHEREAS**, the RPB Finance Committee agreed to recommend to the full RPB management’s recommendation and concurs with their recommendation.

**NOW THEREFORE BE IT RESOLVED** that the full RPB approves the continuation of the abatement of interest on arrears, authorizing a zero interest rate through at least March 31, 2021 and not longer than May 31, 2021.

Ms. Young seconded the motion. The Chair called for the vote and the board adopted the resolution with 93 total weighted votes cast in the affirmative:

Ansonia (3)	Aye	Guilford (4)	Aye	No. Haven (5)	Aye
Beacon Falls (0)	Absent	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)	Absent	Gov. Rep. (1)	Absent

## Reports

**Finance Committee** – Mr. Slocum, Chair of the Finance Committee, reported that the Committee met earlier in the month to discuss the zero interest rate extension and received a presentation from management on Risk, Resiliency and Redundancy (3Rs).

**Land Use Committee** – In Mr. Betkoski’s absence, Mr. Harvey reported on the Committee meeting earlier in the month. The Committee received a presentation from management on the Water Chestnut Harvest at Furnace Pond.

**Consumer Affairs Committee** – Mr. Mongillo, Chair of the RPB Consumer Affairs Committee, reported that the Committee is scheduled to meet next week and will receive the 3Rs presentation from management. All RPB members are invited to attend.

**RPB Bylaws and Rules Review Committee** – Mr. Ricoszi reported on the meeting earlier in the month. The Committee reviewed revisions to the capital project timeline and rate application timeline. He will report to the board in January with possible action at the RPB's February meeting.

**RPB Nominating Committee** – Mr. Malloy, Chair of the Nominating Committee, reported that the Committee received Mayor Elicker's list of candidates, which did not include the incumbent. Committee members discussed the interview process.

**Authority/Management** – Mr. DiSalvo, Chair of the Authority, reported on the Authority meeting earlier in the day. He stated that due to health issues he will be stepping down in his role as Chairman of the Authority, effective December 31, 2020. He will continue with his directorship until his term expiration on December 31, 2023. Mr. DiSalvo stated that under the circumstances he thought it was necessary to appoint another Chairman as part of RWA's succession planning.

He reported on the Authority meeting earlier in the day. Mr. Borowy was elected as Chairman, effective January 1, 2021, to fill his unexpired term of one year. The board elected Mr. DiSalvo as Vice Chair to serve until December 31, 2021. He will support Mr. Borowy in his new role.

The Authority also met as the Audit-Risk Committee, Environmental, Health and Safety Committee and the Non-Core Business Committee.

Mr. Curseaden, Chair of the Environmental, Health & Safety Committee, reported on the meeting earlier in the day. The Committee received three presentations from management: 2021 Legislative Outlook, Deer Hunt Update, and a Recreation Update.

Mr. Borowy, Chair of the Non-Core Business Committee, reported that the Committee met earlier in the day to review strategies for the PipeSafe program and to continue diversification and expansion. The Committee also discussed ways to increase water testing.

At 7:03 p.m., Mr. Curseaden withdrew from the meeting.

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

- Status of COVID at RWA
- Disinfection and cleaning procedures
- Reporting requirements
- Pulse survey results

Mr. Bingaman, President & Chief Executive Officer, reviewed revenues, operating and maintenance expenses through November 30, 2020, and stated the projected maintenance test for FY 2021 is 114%, with a projected draw of \$600,000. He stated that there is still considerable uncertainty of the financial impact of the pandemic and that it is important to note that it is less likely to be back to normal in January, due to the resurgence of COVID. Management will continue to watch expenses for the remainder of the fiscal year.

He also reported that reservoir levels as of December 14, 2020, were 75%, compared to the long-term average of 69%.

Chair Ricoszi thanked everyone for their efforts in 2020 and the RPB commended Mr. DiSalvo for his contributions and good judgment, as Chairman of the Authority.

Representative Policy Board, December 17, 2020

**UNAPPROVED DRAFT**

At 7:16 p.m., the meeting adjourned.

Respectfully submitted,

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Robert E. Harvey, Jr., Secretary



# IRS issues standard mileage rates for 2021

IR-2020-279, December 22, 2020

WASHINGTON — The Internal Revenue Service today issued the 2021 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning on January 1, 2021, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:


- 56 cents per mile driven for business use, down 1.5 cents from the rate for 2020,
- 16 cents per mile driven for medical, or moving purposes for qualified active duty members of the Armed Forces, down 1 cent from the rate for 2020, and
- 14 cents per mile driven in service of charitable organizations, the rate is set by statute and remains unchanged from 2020.

The standard mileage rate for business use is based on an annual study of the fixed and variable costs of operating an automobile. The rate for medical and moving purposes is based on the variable costs.

It is important to note that under the Tax Cuts and Jobs Act, taxpayers cannot claim a miscellaneous itemized deduction for unreimbursed employee travel expenses. Taxpayers also cannot claim a deduction for moving expenses, unless they are members of the Armed Forces on active duty moving under orders to a permanent change of station. For more details see [Moving Expenses for Members of the Armed Forces](#).

Taxpayers always have the option of calculating the actual costs of using their vehicle rather than using the standard mileage rates.

Taxpayers can use the standard mileage rate but must opt to use it in the first year the car is available for business use. Then, in later years, they can choose either the standard mileage rate or actual expenses. Leased vehicles must use the standard mileage rate method for the entire lease period (including renewals) if the standard mileage rate is chosen.

Notice 2021-02 , contains the optional 2021 standard mileage rates, as well as the maximum automobile cost used to calculate the allowance under a fixed and variable rate (FAVR) plan. In addition, the notice provides the maximum fair market value of employer-provided automobiles first made available to employees for personal use in calendar year 2021 for which employers may use the fleet-average valuation rule in or the vehicle cents-per-mile valuation rule.

*Page Last Reviewed or Updated: 22-Dec-2020*

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

December, 14, 2020

### **An Important Note About Second -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 second-quarter Fiscal Year 2021 results show that through November 2020, we are seeing increased billed consumption and have not yet experienced 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, vaccine availability, and if the virus continues the current 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 - 2Q FY21

Metrics	Quarter ended 11/30/19 (2Q FY 2020)	Quarter ended 5/31/20 (4Q FY 2020)	Quarter ended 8/31/20 (1Q FY 2021)	Quarter ended 11/30/20 (2Q FY 2021)
<b>Customer/Stakeholders</b>				
<i>Combined Customer Satisfaction &amp; Reputation (Note 1)</i>	Target: 96% +/-2% Results: 96.2%* *Period ending September 2019, most recent available	Target: 96% +/-2% Results: 93.1%* *Period ending March 2020, most recent available	Target: 96% +/-2% Results: 93.1%* *Period ending March 2020, most recent available	Target: 96% +/-2% Results: 93.1%* *Period ending March 2020, most recent available
<i>Underlying Credit Rating</i>	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	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>	Rates as of Sept. 2019, prepared for refinancing	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
<b>Financial Metrics (Note 2)</b>				
<i>Accrued Metered Water Revenues to Budget (000 omitted)</i>	Budget: \$55.931 million Result: <b>\$55.036 million</b>	Budget: \$105.736 million Result: <b>\$103.686 million</b>	Budget: \$28.174 million Result: <b>\$30.429 million</b>	Budget: \$54.540 million Budget Org: \$56.028 million Result: <b>\$58.581 million</b>
<i>Other Net Revenues to Budget</i>	Budget: \$3.111 million Result: <b>\$3.550 million</b>	Budget: \$6.243 million Result: <b>\$6.196 million</b>	Budget: \$1.376 million Result: <b>\$1.555 million</b>	Budget: \$2.753 million Result: <b>\$2.932 million</b>
<i>O&amp;M Expenditures to Budget (Note 3)</i>	Budget: \$30.302 million Result: <b>\$27.285 million</b>	Budget: \$61.049 million Result: <b>\$55.585 million</b>	Budget: \$13.915 million Result: <b>\$12.772 million</b>	Budget: \$27.582 million Budget Org.: \$29.915 Result: <b>\$25.741 million</b>
<i>Capital Expenditures to Budget (Note 4)</i>	Budget: \$14.075 million Result: <b>\$12.211 million</b>	Budget: \$31.614 million Result: <b>\$26.001 million</b>	Budget: \$4.683 million Result: <b>\$3.355 million</b>	Budget: \$9.885 million Result: <b>\$7.126 million</b>
<i>Cash Collections (Water and Fire Service)</i>	Budget: \$60.317 million Result: <b>\$58.701 million</b>	Budget: \$116.16 million Result: <b>\$114.14 million</b>	Budget: \$22.60 million Result: <b>\$31.76 million</b>	Budget: \$43.30 million Budget Org: \$60.23 million Result: <b>\$61.80 million</b>
<i>Coverage</i>	Budget: 1.14 w/draw Projected: <b>1.14 w/o draw</b>	Budget: 1.14 w/draw Result: <b>1.30 w/o draw</b>	Budget: 1.14 w/draw Projected: <b>1.14 w/draw</b>	Budget: 1.14 w/draw Projected: <b>1.14 w/draw</b>
<i>Draw Requirement</i>	Budget: \$829,000 Projected: <b>\$0</b>	Budget: \$829,000 Result: <b>\$0</b>	Budget: \$12.045 million Projected: <b>\$4.961 million</b>	Budget: \$12.045 million Projected: <b>\$0.6 million</b>

Representative Policy Board  
Dashboard Metric - 2Q FY21

Metrics	Quarter ended 11/30/19 (2Q FY 2020)	Quarter ended 5/31/20 (4Q FY 2020)	Quarter ended 8/31/20 (1Q FY 2021)	Quarter ended 11/30/20 (2Q FY 2021)
<b>System Metrics</b>				
<i>Average Daily Production (Draft) to Budget (MG/D)/Prior Year (Note 5)</i>	Budget: 48,361 MGD Result: <b>47,106 MGD</b>	Budget: 43,598 MGD Result: <b>42,504 MGD</b>	Prior Year: 51.816 MGD Result: <b>56.883 MGD</b>	Prior Year: 47.106 MGD Result: <b>50.707 MGD</b>
<i>Disinfection By-products</i>	Target: 90% Result: <b>99%*</b> * As of Sep 30, 2019, updated quarterly based on calendar year	Target: 90% Result: <b>100%*</b> * As of Mar 31, 2020, updated quarterly based on calendar year	Target: 90% Result: <b>100%*</b> * As of June 30, 2020, updated quarterly based on calendar year	Target: 90% Result: <b>100%*</b> * As of Sept. 30, 2020, updated quarterly based on calendar year
<i>Net Unaccounted For Water (annualized)</i>	Target: 10.0% Result: <b>11.7%</b> as of 8/31/2019	Target: 10.0% Result: <b>10.58%</b> as of 2/29/2020	Target: 10.0% Result: <b>10.35%</b> for the annualized period of June 2019 to May 2020	Target: 10.0% Result: <b>10.97%</b> for the annualized period of Sept. 2019 to August 2020
<i>Reservoir Levels (% full)</i>	<b>79% vs. 66% LTA</b>	<b>96% vs. 93% LTA</b>	<b>75% vs. 74% LTA</b>	<b>67% vs. 66% LTA</b>

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. FY 2021 also excludes capital funded by Growth Fund

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

## **REPRESENTATIVE POLICY BOARD**

### Proposed Resolutions

January 21, 2021

*(Finance Committee's recommendation re Authority's Application for the West River Water Treatment Project Improvements)*

**WHEREAS**, the South Central Connecticut Regional Water Authority, on December 18, 2020, filed an Application with the Representative Policy Board ("RPB") for a Project to Construct Improvements at the West River Water Treatment Plant located in Woodbridge, Connecticut (the "Application"); and

**WHEREAS**, the Finance Committee of the Representative Policy Board reviewed the Application and the associated financing resolution and recommends that it be accepted by the RPB as complete; and

**WHEREAS**, the Finance Committee recommends that a public hearing be conducted by a Presiding Member; and

**WHEREAS**, the RPB is desirous of accepting said Application as complete, accepting the associated financing resolution, and scheduling said Application for a public hearing in accordance with Special Act 77-98, as amended, and the RPB Bylaws and Rules of Practice.

**NOW THEREFORE BE IT RESOLVED**, that the RPB accepts the Authority's Application for a Project to Construct Improvements at West River Water Treatment Plant located in Woodbridge, Connecticut and determines to hold a public hearing on the Application, to be conducted by Mark Levine, as Presiding Member, on February 18, 2021 at 7:00 p.m., via remote access; and

**RESOLVED FURTHER**, that the Chairperson is hereby directed to give notice of said hearing in accordance with Section 11 of the Rules of Practice, as amended.

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

**PROPOSED RESOLUTION**

**Resolution Approving The Issuance Of Bonds**

**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 Seventeen Million Five Hundred Thousand Dollars (\$17,500,000).
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 (I) to finance or refinance the cost of certain capital improvements to the water system of the Authority including improvements to the West River Water Treatment Plant consisting of (a) the construction of three new dissolved air floatation (DAF) basins within a new DAF building to the south of the existing filter building; (b) the replacement of the hypochlorite system with an on-site hypochlorite generation system with a brine or salt silo, day tank, metering pumps, and two on-site sodium hypochlorite generators; and (c) electrical service upgrades including new utility service, new transformer (furnished by UI), new exterior switchgear and automatic transfer switch with walk-in enclosure and new emergency stand-by generator; (II) to provide funds for deposit to the Capital Contingency Fund and the Debt Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and (III) to pay costs of issuance (the “Project”).
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.