South Central Connecticut Regional Water Authority

Via Remote Access**

AGENDA

Regular Meeting of Thursday, February 18, 2021 at 12:30 p.m.

- A. Safety Moment
- B. Meet as Audit-Risk Committee: T. DiSalvo
 - 1. Approve Minutes December 17, 2021 meeting
 - Plan of Audit FY 2021: D. Smith and R. Nossek
 - 3. Cyber Security Update Including Executive Session: P. Singh
- C. Consent Agenda
 - 1. Approve Minutes January 21, 2021 meeting
 - 2. Capital Budget Authorization March 2021
 - 3. Capital Budget Transfer Notification (no action required) March 2020
 - 4. Monthly Financial Report January 2021
 - 5. Accounts Receivable Update January 20216. Derby Tank Update

 - 7. North Cheshire Update
- D. Finance: R. Kowalski
 - 1. Resolution to ratify Authority's long-term investment return assumption
- E. Report on Code of Ethics compliance for the period ended November 30, 2020: J. Reckdenwald
- F. Updates: L. Bingaman
 - 1. COVID Update: B. Nesteriak and R. Kowalski
 - Monthly Board Letter Highlights: L. Bingaman
- G. Board Resolution
- H. Distribution System Overview: L. Bingaman, B. Nesteriak, and J. Courchaine
- RPB Committee meeting reports Ι.
- J. Meet as Strategic Planning Committee: D. Borowy
 - 1. Approve Minutes November 19, 2020 meeting
 - 2. Future of RWA Blue Sky Roadmap and revised 2025 Strategic Plan: L. Bingaman and B.
 - *Update on CEO's priorities Including Executive Session: L. Bingaman
- K. Act on matters arising from Committee meetings
- L. Executive session to discuss acquisition and real estate negotiations: L. Bingaman. D. Donovan, and T. Norris

**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-meetingsminutes?year=2021&category=1422&meettype=&page=. For questions, contact the board office at jslubowski@rwater.com or call 203-401-2515.

Topic: Authority Regular Meeting (including Strategic Planning Meeting)

Time: Feb 18, 2021 12:30 PM Eastern Time (US and Canada)

Join Zoom Meeting (via conference call)

Dial by your location

- +1 301 715 8592 US (Washington DC)
- +1 312 626 6799 US (Chicago)
- +1 646 876 9923 US (New York)
- +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: 884 0182 2054

Passcode: 139890

Find your local number: https://us02web.zoom.us/u/kdLCE7f9XH

South Central Connecticut Regional Water Authority Strategic Planning Committee

Minutes of the November 19, 2020 Meeting

The regular meeting of the Strategic Planning Committee of the South Central Connecticut Regional Water Authority took place on Thursday, November 19, 2020, via remote access. Chair DiSalvo presided.

Present: Committee Members Present– Messrs. DiSalvo, Borowy, Cermola, Curseaden and Ms.

Management - Mss. Collins, Kowalski, Nesteriak, Reckdenwald and Messrs. Bingaman,

Norris, and Singh RPB – Mr. Oslander Staff – Mrs. Slubowski

The Chair called the meeting to order at 1:21 p.m. On motion made by Mr. Cermola, seconded by Mr. Borowy, and unanimously carried, the Strategic Planning Committee voted to go into executive session to discuss strategy related to the Future of the RWA and the Chief Executive Officer Priorities Action Plan. Present in executive session were the Authority members, Mss. Collins, Kowalski, Nesteriak, Reckdenwald, Slubowski and Messrs. Bingaman, Norris and Singh.

Borowy Aye Cermola Aye Curseaden Aye DiSalvo Aye Sack Aye

At 2:31 p.m., the committee came out of executive session and Mr. Oslander entered the meeting.

Mr. Singh, RWA's Chief Information & Digital Officer and Vice President of Customer Service, provided a Strategic Plan Update, which included:

- 2020-2025 Strategic goals and targets
- Overview of FY 2021 targets and specific actions

On motion made by Mr. Cermola, and seconded by Mr. Curseaden, and unanimously carried, the committee approved the minutes of its August 20, 2020 meeting.

At 2:44 p.m., on motion made by Mr. Cermola, seconded by Mr. Curseaden, and unanimously carried, the committee meeting adjourned.

Borowy	Aye					
Cermola	Aye					
Curseaden	Aye					
DiSalvo	Aye					
Sack	Aye					
			Anthony D	iSalvo, Ch	airman	

Five-Year Strategic Plan Refresh

2020-2025
Course Evaluation and Correction
to Address Mega Trends

February 18, 2021



The Journey

- Megatrend Exercise
- 2025 Strategic Plan Refresh
 - Reviewed each goal
 - Objectives and Targets
 - Refined direction and focus



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Generational Changes for Employees



New Areas of Opportunity and Risk

- Customers as activists for the environment and sustainability practices
- Diversity, Equity and Inclusion
- Employee engagement and alternative work arrangements
- Asset and work management: Risk, Resiliency and Redundancy
- Framework for assessing, refining and integrating process improvements
- Constituent communication and key partnerships
- Industry image and thought leadership
- Financial model enhancements and alternative funding sources



Refined Direction and Focus by Perspective

Put the Customer First

- Prioritize positive outcomes on the first contact
- Grow self-service via digital offerings
- Refocus on customer satisfaction with Great Blue surveys

Enable Our Workforce to Support a Strong Future

- · Embed more diversity, equity and inclusion through policy and engagement
- Promote flexible work practices
- Enable critical knowledge transfer



Refined Direction and Focus by Perspective

Effectively Manage and Maintain Our Core Business

- Build and promote recreation and environmental services
- Establish Water Resources Management Group for long-range practices
- Strengthen asset management and preventive maintenance focus
- Reduce risk, improve resiliency and increase redundancy
- Drive efficiency and innovation with Centers of Excellence and industry thought leadership
- Increase constituent communication and key partnerships

Exercise Fiscal Accountability Throughout the RWA

- Maintain focus on non-core revenue growth and internal cost management
- Enhance financial model and introduce scenario planning tools
- Incorporate new grant funding into the Capital Program



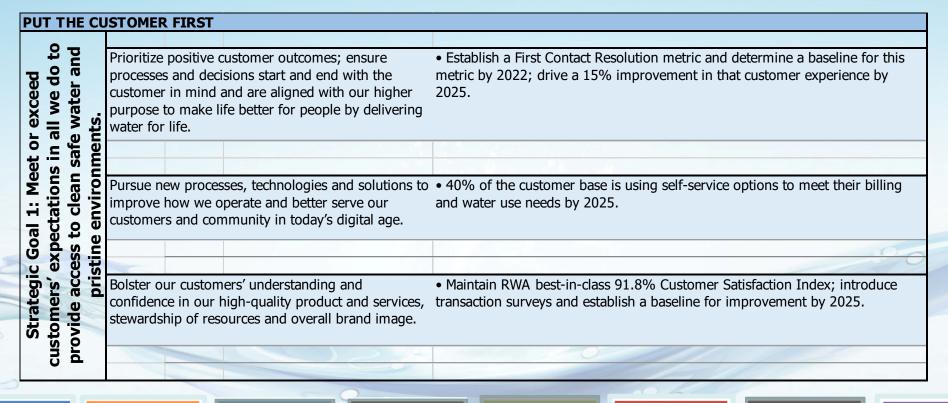


- Review of all FY22-FY25 Action Plans
- Develop the FY2022 Operating Plan
 - Focused initiatives to drive the Action Plans
 - KPIs to monitor and track progress
 - Global Metrics aligned with outcomes





Strategic Goal 1: Meet or exceed customers' expectations in all we do to provide access to clean safe water and pristine environments.



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Strategic Goal 2: Attract, retain and develop high quality, engaged employees throughout the RWA family to better fulfill our purpose.

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Instill a culture of safety in all RWA employees so they always put safety first.	 Proactively improve organizational safety to achieve our goal of zero preventable injuries and accidents by 2025.
Enhance Diversity, Equity and Inclusion (DE&I) to	Address and revise policies and practices that lack DE&I considerations, while
improve cultural competence	achieving workforce diversity in all underrepresented job groups by 2025.
Improve company culture and increase employee	- Implement and cupport alternative work arrangements by 2025
engagement.	 Implement and support alternative work arrangements by 2025. Increase overall employee engagement by 30% by 2025 using an enterprise-wice employee engagement survey.
in the state of th	
Facilitate the transfer of critical knowledge and skills	 Identify critical knowledge and skills and create time bound development and succession plans to ensure the transfer of knowledge in the workplace by 2025.
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Strategic Goal 3: Enhance and expand recreational and environmental services to improve people's lives and better serve our stakeholders.

EFFECTIVELY MANAGE AND MAINTAIN OUR CORE BUSINESS ₽ Enhance the quality of life in our communities by • Add two new environmental services to our portfolio by 2025. recreational and environmental services leading the development and implementation of innovative resource management tools that include sustainable water management solutions, land Bolster the Recreation Program by adding new • Reduce the Recreation Program's annual operating deficit by 30%, based on the activities and expanding permitted recreation areas, FY21 P/L, by 2025. while managing costs and efficiencies. Add three new recreation programs to our portfolio by 2025, including evaluating the opening of a new multifunction recreation area by 2025. 's lives Goal Develop an integrated long-range approach to • Establish a Water Resources Management Group for development and managing our reservoirs, watersheds and related implementation of management policies and strategies by 2025. resources in order to sustain raw water quality and quantity at the highest levels without compromising vital ecosystems.

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Strategic Goal 4: Reliably deliver clean, safe water on demand in an efficient manner.

EFFECTIVELY MANAGE AND MAINTAIN OUR CORE BUSINESS 4: Reliably deliver clean, Ensure continued delivery of high-quality water by Perform a condition assessment of 100% of our assets and link to an Enterprise water on demand in an efficient Asset Management System by 2025. executing against a strong asset management focusing on the appropriate preventive maintenance and asset renewal and replacement. Decision making will be focused on mitigating risk, • Develop control strategies that minimize the formation of regulated disinfection byimproving redundancy and ensuring the products to ensure levels are at least 10% below the regulated limits by 2025. organization's resiliency for the future. Strategic Goal Ensure our distribution system is operating and • Unaccounted-for water will be less than 10% by 2025. delivering water efficiently. safe Lead in innovative water management and quality • Research and evaluate at least 4 emerging technologies by 2025 for applicability and potential implementation at RWA. solutions.

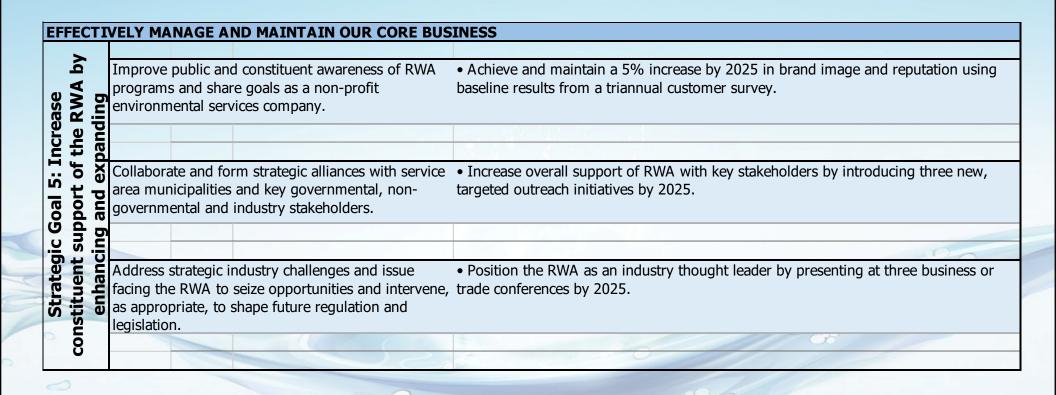
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Strategic Goal 5: Increase constituent support of the RWA by enhancing and expanding communications and relationships with key alliances.



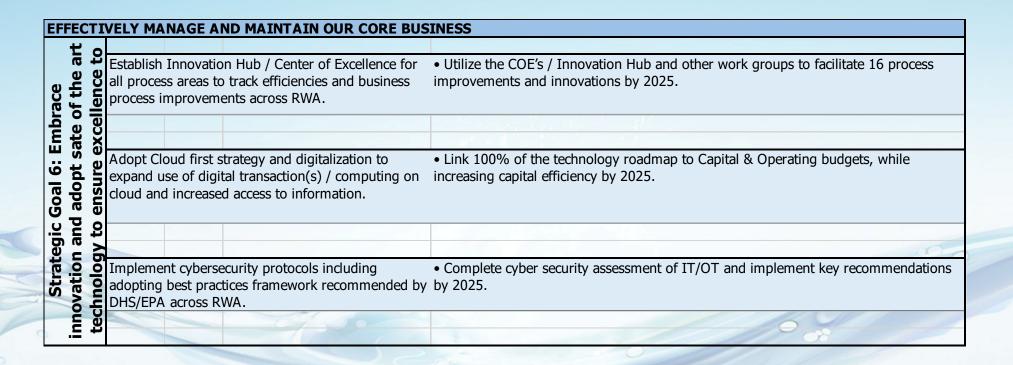
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Strategic Goal 6: Embrace innovation and adopt sate of the art technology to ensure excellence to support our purpose.



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Strategic Goal 7: Continually strengthen our financial health to ensure RWA's long term sustainability.

EXERCISE FISCAL ACCOUNTABILITY THROUGHOUT THE RWA • Increase other net revenue by \$3 million from \$6.2 million to \$9.2 million by 2025. Increase non-core revenue sources by acquistions, Continually strengthen our innovations, organic growth and investments to help ensure RWA's long term mitigate future rate increases for our customers. Reduce costs and continue to strengthen the • Achieve 100% funding of pension obligation by the end of Fiscal Year 2025. organization's financial health to ensure adequate • Increase funding status of Other Post Retirement Employee Benefits reserves and debt service coverage. (OPEB)/Voluntary Employees' Beneficiary Association (VEBA) plan to 35% by the end of 2025. • Reduce RWA debt to capital plant ratio to 80% by 2025. Enhance existing ten-year financial model and • Add at least one enhancement to existing financial model and by 2025 have a develop process for scenario planning proposed process and tool(s) for periodic scenario planning. financial health to Investigate and obtain additional grant funding • Identify at least one additional grant funding source during Fiscal Year 2021 for sources for our Capital Improvement Program. implementation in Fiscal Year 2022 Strategic Drive shared ownership of financial outcomes. • Increase employee (particularly budget and capital project managers) understanding of the business model and their role in financial outcomes and audits, as evidenced through before/after survey(s) and increased adherence/engagement to budgeting and monthly/year-end protocols, including 100% of budget and project managers following year-end protocols.

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