

South Central Connecticut Regional Water Authority
Via Remote Access**

AGENDA

Regular Meeting of Thursday, April 15, 2021 at 12:30 p.m.

- A. Safety Moment
- B. Meet as Pension & Benefit Committee: S. Sack
 - 1. Approve Minutes – January 21, 2021 meeting
 - 2. Review 1/1/2021 Actuarial Reports for pension and VEBA and related contribution amounts: The Angell Pension Group, Inc.
 - 3. Review Actuarial Assumptions: The Angell Pension Group, Inc.
 - 4. Quarterly Investment Performance Review (Pension, VEBA, 401K): S. Kelliher, J. McLaughlin and A. Kantapin
 - 5. FY 2022 Committee Work Plan
- C. Act on matters arising from Committee meetings
- D. Consent Agenda
 - 1. Approve Minutes – March 18, 2021 and April 1, 2021 meetings
 - 2. Capital Budget Authorization - May 2021
 - 3. Capital Budget Transfer Notifications (no action required) – May 2021
 - 4. Monthly Financial Report – March 2021
 - 5. Accounts Receivable Update – March 2021
 - 6. Derby Tank Project Update
 - 7. North Cheshire Update
- E. Updates: L. Bingaman
 - 1. COVID Update: B. Nesteriak and R. Kowalski
 - 2. Monthly Board Letter Highlights: L. Bingaman
- F. Customer care realignment and AMI program closure: P. Singh, D. Bochan and L. Gonzalez
- G. Reports on RPB Committee Meetings
- H. Transfer of Olin Property Option: T. Norris and J. Triana
- I. *Executive Session to discuss personnel matters

**RPB Member (C. Havrda) will be excused at item I*

**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=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 Pension & Benefit Committee meeting)

Time: Apr 15, 2021 12:30 PM Eastern Time (US and Canada)

Join Zoom Meeting (*via conference call*)

Dial by your location

+1 646 876 9923 US (New York)

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

+1 346 248 7799 US (Houston)

+1 408 638 0968 US (San Jose)

+1 669 900 6833 US (San Jose)

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Meeting ID: 832 2315 5899

Passcode: 170240

Find your local number: <https://us02web.zoom.us/j/kc1UVIEbQ8>

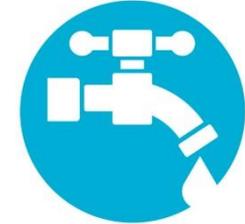
SAFETY MOMENT

ENVIRONMENTAL HEALTH HAZARDS

Environmental health hazards are any environmental factors or situations that can cause injury, disease or death. There are a range of environmental health hazards that affect our wellbeing. Hazards can be grouped together to improve understanding and action planning. The actions that you need to carry out to protect the health of your community depend on knowing how these hazards can affect us all. Hazards are generally categorized as follows:

- **Physical hazards** are those substances or conditions that threaten our physical safety. Fires, explosive materials, temperature (hot or cold), noise, radiation, spills on floors and unguarded machines are some examples of physical hazards.
- **Biological hazards** are organisms, or by-products from an organism, that are harmful or potentially harmful to human beings. They include pathogenic bacteria, viruses and parasites, and also toxins (poisons) that are produced by organisms.
- **Chemical hazards** are present when a person is exposed to a harmful chemical at home or at work. These can be in the form of gases, solids or liquids.
- **Cultural hazards** are practices that adversely affect health. These include cultural practices such as drinking water storage and not washing hands.
- **Social hazards** include alcoholism, obesity, smoking and drug use.

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

Proposed Resolution – Additional Pension Contribution- FY 2021

RESOLVED, that based, on the recommendation of the its Pension & Benefit Committee, the South Central Connecticut Regional Water Authority authorizes an increase of \$1,094,561 as a combined contribution to the South Central Connecticut Retirement Plan and the South Central Connecticut Regional Water Authority Salaried Employees' Retirement Plan during fiscal year 2021.

Proposed Pension Contribution Resolutions FY 2022

Salaried

RESOLVED, that the Authority approves a contribution of \$2,142,513 to the South Central Connecticut Regional Water Authority's Salaried Employees' Retirement Plan, effective for the actuarial valuation of January 1, 2021; and

FURTHER RESOLVED, that the Authority approves the South Central Connecticut Regional Water Authority's Salaried Employees' Retirement Plan be changed from the PubG-2010 Above Median Employee and Annuitant with Scale MP-2019 generational improvements (M/F) to the PubG-2010 Above Median Employee and Annuitant with Scale MP-2020 generational improvements (M/F), effective for the actuarial valuation of January 1, 2021.

Union

RESOLVED, that the Authority approves a contribution of \$1,077,926 to the South Central Connecticut Regional Water Authority's Union Employees' Retirement Plan, effective for the actuarial valuation of January 1, 2021; and

FURTHER RESOLVED, that the Authority approves the South Central Connecticut Regional Water Authority's Union Employees' Retirement Plan be changed from the PubG-2010 Total Employee and Annuitant with Scale MP-2019 generational improvements (M/F) to the PubG-2010 Total Employee and Annuitant with Scale MP-2020 generational improvements (M/F), effective for the actuarial valuation of January 1, 2021.

Proposed Resolution – FY 2022 VEBA Plan Contribution

RESOLVED, that the Authority approves a contribution of \$1,734,198 to the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust, effective for the actuarial valuation of January 1, 2021; and

FURTHER RESOLVED, that the Authority approves that the mortality table for the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust be changed from the PubG.H.-2010 Employee and Healthy Annuitant with Scale MP-2019 generational improvements (M/F) to the PubG.H.-2010 Employee and Healthy Annuitant with Scale MP-2020 generational improvements (M/F), effective as of the actuarial valuation of January 1, 2021.

**South Central Connecticut Regional Water Authority
Minutes of the March 18, 2021 Meeting**

The regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, March 18, 2020, via remote access. Chairman Borowy presided.

Present: Authority – Messrs. Borowy, Cermola, Curseaden, DiSalvo, and Ms. Sack
Management – Mss. Kowalski, Nesteriak, Reckdenwald and Messrs. Bingaman, Norris, Singh, and Triana
RPB – Mr. Jaser
Staff – Mrs. Slubowski

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

Ms. Reckdenwald, RWA’s Senior Vice President of Corporate Services, reviewed the Safety Moment distributed to members.

At 12:33 p.m., on motion made by Ms. Sack, seconded by Mr. Curseaden, and unanimously carried, the Authority voted to recess the regular meeting to meet as the Non-Core Business Committee.

Borowy Aye
Cermola Aye
Curseaden Aye
DiSalvo Aye
Sack Aye

At 1:47 p.m., the Authority reconvened and on motion made by Mr. Cermola, seconded by Ms. Sack, an unanimously carried, the Authority voted to recess the regular meeting to meet as the Environmental, Health & Safety Committee.

Borowy Aye
Cermola Aye
Curseaden Aye
DiSalvo Aye
Sack Aye

At 2:04 p.m., the Authority reconvened.

Mr. Curseaden reported on the Non-Core Business Committee meeting earlier. The committee recommended approval of the creation of RWA Commercial Enterprises, LLC, as a holding company, as discussed in executive session. He moved for approval of the resolution:

RESOLVED, the Authority hereby authorizes the organization of a subsidiary Connecticut limited liability company named “RWA Commercial Enterprises, LLC” (the “Subsidiary”); and

FURTHER RESOLVED, that the Subsidiary be organized as a single-member limited liability company with the South Central Regional Water Authority as the sole member and that the Subsidiary be organized under the laws of the State of Connecticut; and

FURTHER RESOLVED, that each of the Vice President of Financial Services and President & Chief Executive Officer (the “Authorized Persons”) be, and each of them hereby is, authorized and empowered to take all such further action and to execute and deliver all such further agreements, certificates, instruments, and documents, in the name and on behalf of the

Authority; to pay or cause to be paid all expenses; to take all such other actions as the Authorized Person shall deem necessary, desirable, advisable, or appropriate to consummate, effectuate, carry out, or further the transactions contemplated by and the intent and purposes of the foregoing resolutions.

Mr. Cermola seconded the motion, and the resolution was adopted unanimously.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

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

1. Minutes of the February 18, 2021 meeting.
2. Capital budget authorization for April 2021.

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 \$4,500,000 for the month of April 2021 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.

3. Capital Budget Transfer Notifications for April 2021.
4. Accounts Receivable Update for February 2021.
5. Key Performance Indicators
6. RPB Quarterly Dashboard Report
7. Derby Tank Update
8. Resolution regarding Derby Tank Executive Authorizations

Resolved, the resolution adopted on November 15, 2018, on application No. 12-02 regarding authorizations to take action on the Derby Tan project, is amended as follows:

The President and CEO, and the Executive Vice President and Chief Operating Officer, are authorized to take any and all actions necessary to complete the design and construction of the one-million-gallon water storage tank in Derby, Connecticut.

9. Resolution regarding West River Water Treatment Plant Executive Authorizations

Resolved, the resolution adopted on December 17, 2020, on application No. 20-05 regarding authorizations to take action on the West River Water Treatment Plant Improvements Project, is amended as follows:

The President and CEO, the Executive Vice President and Chief Operating Officer, are authorized to take any and all actions necessary to complete the construction of improvements at the West River Water Treatment Plant in Woodbridge, Connecticut

10. North Cheshire Update

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Ms. Kowalski, RWA's Vice President of Financial Services, reviewed the quarterly financial report for the quarter ended February 28, 2021, which included:

- Balance sheet
- Revenue and expenses
- Operating and maintenance expenses
- Capital budget report
- Rates of return
- FY 2022 projections

She commented that the RWA is expected to utilize the full FY 2021 capital budget prior to the end of the fiscal year.

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

- Employee health metrics
- Return to Work committee
- Operations and remote work

Mr. Bingaman:

- reported that earlier in the month management met with Leading Culture Solutions, a consultant group for RWA's diversity, equity and inclusion, to discuss the RWA's roadmap, which includes: listen, learn, and lean in. He stated that he attended the Advisory council's first meeting.
- provided an update of the RWA's search for a Director of Engineering and Environmental Services. Management is scheduled to meet with two top candidates for a second round of interviews.
- commented on the Leading by Walking Around program started last year to engage with employees and answer any questions. He will continue via zoom for virtual check-ins to help build rapport and engage employees.
- stated the he and Ms. Reckdenwald met with the Dean Emeritus at Southern Connecticut State University Schools of Business and the Assistant Director of External Relations to receive an update on the Public Utilities Management Program. He was happy to report that there has been major progress with enrollment and recruitment. Internships have recently been launched with area companies as part of the program.

- highlighted that he and members of management participated in the United Way's Read Across America event.

Authority members reported on recent Representative Policy Board ("RPB") committee meetings and assignments were made for attendance at the second quarter 2021 RPB committee meetings.

At 2:53 p.m., Mr. Jaser withdrew from the meeting and Mr. Triana entered the meeting.

Messrs. Norris and Triana provided an overview of the Application for the disposition of Ives Street in Hamden, which included:

- Property selection
- Property condition
- Background
- Reasons for disposition

Mr. Curseaden moved for approval of the following resolution:

Resolved, that the Authority hereby accepts the Application for the Disposition of 0.92 acres located south of Ives Street in Hamden that is part of Land Unit HA 13, as a completed application, substantially in the form submitted to this meeting, and authorizes filing said application with the Representative Policy Board; and

Further Resolved, if approved by the Representative Policy Board, the President and CEO, and the Executive Vice President and Chief Operating Officer, are authorized to take any and all actions necessary to complete the transfer interest in real estate.

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

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 3:06 p.m., the meeting adjourned.

Respectfully submitted,

Kevin Curseaden, Secretary

**South Central Connecticut Regional Water Authority
Minutes of the April 1, 2021 Special Meeting**

A special meeting of the South Central Connecticut Regional Water Authority took place on Thursday, April 1, 2021, via remote access. Chair Borowy presided.

Present: Authority – Messrs. Borowy, Cermola, Curseaden, DiSalvo and Ms. Sack
Management – Mss. Gaw, Kowalski, Nesteriak, Reckdenwald, Shah, and Messrs. Bingaman, Kelly, Moffat, Norris, and Singh
Staff – Mrs. Slubowski

The Chair called the meeting to order at 9:00 a.m.

Ms. Reckdenwald, the RWA’s Senior Vice President of Corporate Services, reviewed the safety moment distributed to members.

Mr. Bingaman, RWA’s President and Chief Executive Officer, reviewed the FY 2022 capital budget outline and summarized the key points of the capital budget history. He reviewed assumptions used to develop the proposed budget. He noted that the FY 2022 capital budget includes funding of 84 projects and programs in four categories: Natural Resources, Treatment, Transmission and Pumping, and General Plant. He reported that the total budget for capital projects would be approximately \$42.9 million and is within the recommended range of GHP’s expenditure forecast audit.

Mr. Norris, RWA’s Vice President of Asset Management, discussed the prioritization methodology and reviewed the capital project prioritization matrix with the Authority members.

Mr. Norris, Mr. Kelly, the RWA’s Capital Construction Lead, Ms. Nesteriak, the RWA’s Executive Vice President and Chief Operating Officer, and Mr. Singh, the RWA’s Chief Information Digital Officer & VP of Customer Care, provided a breakdown of costs and highlights of:

- Natural Resources
- Treatment
- Transmission & Pumping
- General Plant
- Five Year Plan Capital Improvements Plan

Mr. Bingaman discussed 5 new budget categories for FY 2023, which will include:

- Growth
- Long-Term Planning
- Regulatory Compliance
- Capital Renewal
- Technology

Mr. Bingaman summarized the FY 2022 proposed capital budget and stated that the organization would continue to pursue lower cost financing alternatives such as federal and state grants.

Discussion took place regarding regulatory changes, building maintenance, reduction in meter replacements, innovation savings, project prioritization, rate impacts, and industry standards.

At 10:25 a.m., Ms. Shah and Messrs. Kelly and Moffat withdrew from the meeting.

The Authority then reviewed the proposed FY 2022 operating budget. Mr. Bingaman provided an introduction of RWA's budget by reviewing its mitigating strategies due to COVID-19 uncertainties, reserve fund balances and FY 2021 capital sources.

Ms. Kowalski, RWA's Vice President of Financial Reporting & Analysis, provided the Authority with the FY 2022 Operating Budget financial summary. She stated that the proposed operating budget is \$59.7 million. She stated that the proposed budget assumes a "return to normal" business model compared to the FY 2021 budget, which was revised for the COVID pandemic. Ms. Kowalski also reviewed trends and revenue and expense assumptions, which included:

- Declining consumption trends
- Water and other revenues
- Payroll and employee benefits
- Outside/Professional Services
- Maintenance and repair
- Pump power
- Info tech and licensing & maintenance fees
- G&A
- PILOT, debt service and depreciation
- Opportunities and vulnerabilities

Discussion took place regarding PILOT increases, revenues, staffing, medical claims, pension contribution, and upcoming budgets.

Ms. Nesteriak stated that the FY 2022 capital budget takes into consideration an aging infrastructure with the focus on the most critical projects first and maintenance and renewal.

At the conclusion of the budget review, Mr. Curseaden moved for adoption of the following resolution:

RESOLVED, that copies of the proposed Capital Budget and Operating Budget for FY 2022 beginning on June 1, 2021 and ending on May 31, 2022, be distributed to members of the Representative Policy Board and the Office of Consumer Affairs.

Mr. DiSalvo seconded the motion. After discussion, the Chair called for the vote:

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

At 11:33 p.m., on motion made by Mr. DiSalvo, seconded by Mr. Curseaden, the meeting adjourned.

Borowy	Aye
Cermola	Aye
Curseaden	Aye
DiSalvo	Aye
Sack	Aye

Kevin Curseaden, Secretary

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

MEMORANDUM

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

FROM:  Rochelle Kowalski

DATE: April 9, 2021

SUBJECT: Capital budget authorization request for May 2021

Attached for your meeting on April 15, 2021 is a copy of the resolution authorizing expenditures against the capital improvement budget for May 2021. The amount of the requested authorization, for funds held by the trustee, is \$6,000,000.

In addition, from the Growth Fund, approximately \$200,000 is expected to be used for the Non-Core Billing project.

This would result in projected expenditures through May 2021 of \$21,924,466 or 90.6% of the total 2021 fiscal year capital budget, including State and Redevelopment and Growth Fund.

Attachment

RESOLVED That the Vice-President of Financial Reporting and Analysis is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$6,000,000 for the month of May 2021 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.

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

TO:

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

FROM: Rochelle Kowalski

Rochelle

DATE: April 9, 2021

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
Ansonia Derby Tank	\$30,000	Miscellaneous Pumping
Ansonia Derby Tank	\$39,000	InforEAM GIS Add-On Tool
Ansonia Derby Tank	\$40,000	Hamden Middle School
Ansonia Derby Tank	\$47,000	Well Rehabilitations
Ansonia Derby Tank	\$100,000	Valve Replacements
Ansonia Derby Tank	\$125,000	Ruden Street Cleaning & Lining
Ansonia Derby Tank	\$260,000	Lake Gaillard Pump Station
AMI Meters	\$145,000	Meters

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	03.01.21	Type	Log	Mo/Yr
Requesting Division:	Operations	B1	21-19	Mar/21
Requested By:	Beth Nesteriak			

Transfer From:	
Account Number:	01-0000-107142-170301
Project Description:	Ansonia Derby Tank
A) Original Budget	1,000,000
B) Total Previous Transfers (In or Out)	139,034
C) This Transfer	30,000
D) Revised Budget (A+/-B-C)	830,966
E) Estimated Project Costs	150,000
F) Remaining Funds Available for Transfer, if any (D-E)	680,966
Explanation why funds are available: As a result of protracted delays associated with the rendering of a legal opinion, the project schedule has been significantly altered. Expenditures in FY 2021 will be under budget.	

Transfer To:	
Account Number:	001-000-107125-116118
Project Description:	Miscellaneous Pumping
A) Original Budget	0
B) Previous Transfers (In or Out)	39,000
C) Revised Budget (A+/-B)	39,000
D) Amount to be Transferred	30,000
E) Proposed Revised Budget (C+D)	69,000
Explanation why funds are needed: This amendment will fund an inventory and assessment of the variable frequency drives (VFD's) within the system. The work will include an evaluation of VFDs, contactors, relays, circuit breakers, and switchgear. This evaluation will review panel condition, environmental condition, wiring condition and will provide a recommend improvement plan of our assets to help prioritization further investment and replacement. The work will also include a high level review of inventory and spare parts as well as data collection of our assets to be used to further populate RWA's asset management system (INFOR EAM). Total cost is estimated to be \$30,000.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>Beth Nesteriak</i>	3/16/21 (at CMC)
2) Donor Vice President/Director	<i>Edward O. Norris, III</i>	3/16/21 (at CMC)
3) Vice President - Finance	<i>Rochelle Kowalski</i>	3/16/21 (at CMC)
4) Executive Vice President & Chief Operating Officer		
5) Chief Executive Officer		
6) Authority Members	Copy of minutes attached if required	

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	03.16.21	Type	Log	Mo/Yr
Requesting Division:	Business Strategy	B1	21-21	Mar/21
Requested By:	Jim Gagnon			

Transfer From:	
Account Number:	01-0000-107142-170301
Project Description:	Ansonia Derby Tank
A) Original Budget	1,000,000
B) Total Previous Transfers (In or Out)	269,034
C) This Transfer	39,000
D) Revised Budget (A+/-B-C)	691,966
E) Estimated Project Costs	150,000
F) Remaining Funds Available for Transfer, if any (D-E)	541,966
Explanation why funds are available: As a result of protracted delays associated with the rendering of a legal opinion, the project schedule has been significantly altered. Expenditures in FY 2021 will be under budget.	

Transfer To:	
Account Number:	To be created
Project Description:	InforEAM GIS Add-On Tool
A) Original Budget	0
B) Previous Transfers (In or Out)	0
C) Revised Budget (A+/-B)	0
D) Amount to be Transferred	39,000
E) Proposed Revised Budget (C+D)	39,000
Explanation why funds are needed: These funds will be used to purchase/license the InforEAM GIS Add-On tool in order to integrate GIS data with the InforEAM system. The Authority currently uses InforEAM as its Asset Management system. There are no horizontal assets contained within InforEAM at this time. As a result the Field Operations group cannot create work orders against any of these assets, follow a maintenance schedule, assess time spent on work orders, or create a historical database for use to assess replacement cycles, etc. This tool allows for a synch process to be established between GIS and InforEAM, creating asset records in InforEAM based on the assets currently mapped in the Authority's GIS system. Going forward a 2-way synch process allows changes in GIS to be captured by InforEAM as well as alerting GIS of any changes made in InforEAM.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>Beth Nesteriak</i>	3/16/21 (at CMC)
2) Donor Vice President/Director	<i>Edward O. Norris, III</i>	3/16/21 (at CMC)
3) Vice President - Finance	<i>Rochelle Kowalski</i>	3/16/21 (at CMC)
4) Executive Vice President & Chief Operating Officer		
5) Chief Executive Officer		
6) Authority Members	Copy of minutes attached if required	

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	03.16.21	Type	Log	Mo/Yr
Requesting Division:	AssetManagement	B1	21-22	Mar/21
Requested By:	John Hudak			

Transfer From:	
Account Number:	01-0000-107142-170301
Project Description:	Ansonia Derby Tank
A) Original Budget	1,000,000
B) Total Previous Transfers (In or Out)	308,034
C) This Transfer	40,000
D) Revised Budget (A+/-B-C)	651,966
E) Estimated Project Costs	150,000
F) Remaining Funds Available for Transfer, if any (D-E)	501,966
Explanation why funds are available: As a result of protracted delays associated with the rendering of a legal opinion, the project schedule has been significantly altered. Expenditures in FY 2021 will be under budget.	

Transfer To:	
Account Number:	001-000-107112-791510
Project Description:	Hamden Middle School
A) Original Budget	120,000
B) Previous Transfers (In or Out)	0
C) Revised Budget (A+/-B)	120,000
D) Amount to be Transferred	40,000
E) Proposed Revised Budget (C+D)	160,000
Explanation why funds are needed: These funds are required to complete legal and regulatory actions necessary to close out the RWA's remedial obligations for the former Hamden Middle School and adjoining properties under a 2003 Connecticut Department of Energy and Environmental Protection (DEEP Consent Order. These actions include applications for Environmental Land Use Restrictions (ELURs) for DEEP approval, which will be recorded on municipal land records; preparation of a post-remediation groundwater monitoring plan for DEEP approval; and installation of monitoring wells in accordance with the DEEP approved post-remediation groundwater monitoring plan. The total cost estimated with these actions is \$40,000.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>Beth Nesteriak</i>	3/16/21 (at CMC)
2) Donor Vice President/Director	<i>Edward O. Norris, III</i>	3/16/21 (at CMC)
3) Vice President - Finance	<i>Rochelle Kowalski</i>	3/16/21 (at CMC)
4) Executive Vice President & Chief Operating Officer		
5) Chief Executive Officer		
6) Authority Members	Copy of minutes attached if required	

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	03.16.21	Type	Log	Mo/Yr
Requesting Division:	Operations	B1	21-23	Mar/21
Requested By:	Jim Hill			

Transfer From:	
Account Number:	01-0000-107142-170301
Project Description:	Ansonia Derby Tank
A) Original Budget	1,000,000
B) Total Previous Transfers (In or Out)	348,034
C) This Transfer	47,000
D) Revised Budget (A+/-B-C)	604,966
E) Estimated Project Costs	150,000
F) Remaining Funds Available for Transfer, if any (D-E)	454,966
Explanation why funds are available: As a result of protracted delays associated with the rendering of a legal opinion, the project schedule has been significantly altered. Expenditures in FY 2021 will be under budget.	

Transfer To:	
Account Number:	001-000-107132-062701
Project Description:	Well Rehabilitations
A) Original Budget	200,000
B) Previous Transfers (In or Out)	0
C) Revised Budget (A+/-B)	200,000
D) Amount to be Transferred	47,000
E) Proposed Revised Budget (C+D)	247,000
Explanation why funds are needed: This amendment will fund the addition of free chlorine analyzers at all groundwater sites that do not have clearwells, including Mount Carmel, South Sleeping Giant, North Sleeping Giant, Seymour, and Derby groundwater facilities. RWA experienced two water quality excursions related to chlorine which required CTDPH notification, both could have had an impact on public health. The addition of a second chlorine analyzer was recommended by the CTDPH and will provide advanced warning of free chlorine levels that are not within normal ranges and allow automated programming (or the control room) to shut off the facility before effected water can enter the distribution system and impact our customers. Currently, RWA has approval for 4-log inactivation for all of our groundwater facilities. This approval needs to be maintained but it has the drawback of a delayed free chlorine analysis after the point of Sodium Hypochlorite injection. A second analyzer is required at these sites. The total estimated cost associated with the installation of these analyzers is \$47,000.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>Edward O. Norris, III</i>	3/16/21 (at CMC)
2) Donor Vice President/Director	<i>Edward O. Norris, III</i>	3/16/21 (at CMC)
3) Vice President - Finance	<i>Rochelle Kowalski</i>	3/16/21 (at CMC)
4) Executive Vice President & Chief Operating Officer		
5) Chief Executive Officer		
6) Authority Members	Copy of minutes attached if required	

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	03.16.21	Type	Log	Mo/Yr
Requesting Division:	Operations	B2	21-20	Mar/21
Requested By:	Beth Nesteriak			

Transfer From:	
Account Number:	01-0000-107142-170301
Project Description:	Ansonia Derby Tank
A) Original Budget	1,000,000
B) Total Previous Transfers (In or Out)	169,034
C) This Transfer	100,000
D) Revised Budget (A+/-B-C)	730,966
E) Estimated Project Costs	150,000
F) Remaining Funds Available for Transfer, if any (D-E)	580,966
Explanation why funds are available: As a result of protracted delays associated with the rendering of a legal opinion, the project schedule has been significantly altered. Expenditures in FY 2021 will be under budget.	

Transfer To:	
Account Number:	001-000-107143-160005
Project Description:	Valve Replacements
A) Original Budget	150,000
B) Previous Transfers (In or Out)	0
C) Revised Budget (A+/-B)	150,000
D) Amount to be Transferred	100,000
E) Proposed Revised Budget (C+D)	250,000
Explanation why funds are needed: this amendment will fund the replacement of four pump control valves at the Woodbridge Pump Station requiring replacement. The existing valves do not operate properly and have been causing transient pressures within the service area. It is believed that these pressures are related to main breaks in the area. Total estimated cost of the replacement of these valves is \$100,000.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>Beth Nesteriak</i>	3/16/21 (at CMC)
2) Donor Vice President/Director	<i>Edward O. Norris, III</i>	3/16/21 (at CMC)
3) Vice President - Finance	<i>Rochelle Kowalski</i>	3/16/21 (at CMC)
4) Executive Vice President & Chief Operating Officer	<i>Larry L. Bingaman</i>	3/16/21 (at CMC)
5) Chief Executive Officer		
6) Authority Members	Copy of minutes attached if required	

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	03.16.21	Type	Log	Mo/Yr
Requesting Division:	Asset Management	B2	21-25	Mar/21
Requested By:	Thomas Adamo			

Transfer From:	
Account Number:	01-0000-107142-170301
Project Description:	Ansonia Derby Tank
A) Original Budget	1,000,000
B) Total Previous Transfers (In or Out)	655,034
C) This Transfer	125,000
D) Revised Budget (A+/-B-C)	219,966
E) Estimated Project Costs	150,000
F) Remaining Funds Available for Transfer, if any (D-E)	69,966

Explanation why funds are available:
 As a result of protracted delays associated with the rendering of a legal opinion, the project schedule has been significantly altered. Expenditures in FY 2021 will be under budget.

Transfer To:	
Account Number:	001-000-107144-511575
Project Description:	Ruden Street Cleaning & Lining, West Haven
A) Original Budget	0
B) Previous Transfers (In or Out)	150,000
C) Revised Budget (A+/-B)	150,000
D) Amount to be Transferred	125,000
E) Proposed Revised Budget (C+D)	275,000

Explanation why funds are needed:
 This amendment will provide funds to cover higher than anticipated costs for this project. Reasons for the expenditures being greater than the original estimate include increased policing costs, the decision to relocate a barrier valve, the decision to renew nine domestic services from main to curb valve, and greater than anticipated RWA labor charges as a result of RWA crews being on the project several weeks longer than originally expected.

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>Edward O. Norris, III</i>	3/16/21 (at CMC)
2) Donor Vice President/Director	<i>Edward O. Norris, III</i>	3/16/21 (at CMC)
3) Vice President - Finance	<i>Rochelle Kowalski</i>	3/16/21 (at CMC)
4) Executive Vice President & Chief Operating Officer	<i>Larry L. Bingaman</i>	3/16/21 (at CMC)
5) Chief Executive Officer		
6) Authority Members	Copy of minutes attached if required	

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	03.16.21	Type	Log	Mo/Yr
Requesting Division:	Asset Management	B2	21-24	Mar/21
Requested By:	Orville Kelly			

Transfer From:	
Account Number:	01-0000-107142-170301
Project Description:	Ansonia Derby Tank
A) Original Budget	1,000,000
B) Total Previous Transfers (In or Out)	395,034
C) This Transfer	260,000
D) Revised Budget (A+/-B-C)	344,966
E) Estimated Project Costs	150,000
F) Remaining Funds Available for Transfer, if any (D-E)	194,966
Explanation why funds are available: As a result of protracted delays associated with the rendering of a legal opinion, the project schedule has been significantly altered. Expenditures in FY 2021 will be under budget.	

Transfer To:	
Account Number:	001-000-107125-116106
Project Description:	Lake Gaillard Pump Station Improvements
A) Original Budget	0
B) Previous Transfers (In or Out)	778,000
C) Revised Budget (A+/-B)	778,000
D) Amount to be Transferred	260,000
E) Proposed Revised Budget (C+D)	1,038,000
Explanation why funds are needed: This amendment will provide additional funds necessary to complete the replacement of Pumps #1, #3, and #5 at the Lake Gaillard Pump Station, as well as the installation of new check and ball valves. This is an emergency project established in September 2020 following several failures at the pump station. At the time of budget development, full costs related to labor for installation of the valves was not fully known. An additional \$260,000 is needed for completion of the project.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>Edward O. Norris, III</i>	3/16/21 (at CMC)
2) Donor Vice President/Director	<i>Edward O. Norris, III</i>	3/16/21 (at CMC)
3) Vice President - Finance	<i>Rochelle Kowalski</i>	3/16/21 (at CMC)
4) Executive Vice President & Chief Operating Officer	<i>Larry L. Bingaman</i>	3/16/21 (at CMC)
5) Chief Executive Officer		
6) Authority Members	Copy of minutes attached if required	

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	03.16.21	Type	Log	Mo/Yr
Requesting Division:	Operations	B2	21-26	Mar/21
Requested By:	Brenda Valentin			

Transfer From:	
Account Number:	001-000-107146-000255
Project Description:	AMI Meters
A) Original Budget	230,000
B) Total Previous Transfers (In or Out)	0
C) This Transfer	145,000
D) Revised Budget (A+/-B-C)	85,000
E) Estimated Project Costs	85,000
F) Remaining Funds Available for Transfer, if any (D-E)	0
Explanation why funds are available: As a result of the pandemic, access to customer premises was not possible, resulting in the inability to complete the anticipated number of meter changes. Project has been rebudgeted for FY 2022.	

Transfer To:	
Account Number:	001-000-107146-XXXXXX
Project Description:	Meters
A) Original Budget	50,000
B) Previous Transfers (In or Out)	0
C) Revised Budget (A+/-B)	50,000
D) Amount to be Transferred	145,000
E) Proposed Revised Budget (C+D)	195,000
Explanation why funds are needed: This amendment will provide funds to allow for the purchase and replacement of large meters within the system.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>Beth Nesteriak</i>	3/16/21 (at CMC)
2) Donor Vice President/Director	<i>Edward O. Norris, III</i>	3/16/21 (at CMC)
3) Vice President - Finance	<i>Rochelle Kowalski</i>	3/16/21 (at CMC)
4) Executive Vice President & Chief Operating Officer	<i>Larry L. Bingaman</i>	3/16/21 (at CMC)
5) Chief Executive Officer		
6) Authority Members	Copy of minutes attached if required	

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

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Operating Revenues

FY21 revenue for water, including wholesale and fire service, is over budget by \$3,318k (approx. 3.4%) primarily due to higher than anticipated consumption. Metered water revenue is over budget by \$3,305k (approx. 3.8%)

Total net other revenue is \$610k above budget primarily due higher other water revenues and lower other water expense. Other proprietary revenues are also contributing to this favorable variance.

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.	\$ (610,000)
Employee Benefits are under budget primarily due to lower medical and dental expense, payroll tax, and 401k.	(754,000)
Administrative Building is over budget primarily due to custodial services and timing.	58,000
Utilities & Fuel is over budget primarily due to electric service and communications.	173,000
Pump Power is under the budget primarily due to timing.	(70,000)
Chemicals Expense is under budget primarily due to timing.	(65,000)
Road Repairs is under budget primarily due to timing.	(79,000)
Postage is under budget primarily due to lower than anticipated costs.	(70,000)
Business Improvement is under budget. However, this under run is largely offset in other proprietary expenses.	(105,000)
Public/Customer Information is under budget due to timing and lower than anticipated expenses.	(74,000)
Outside Services are under budget in multiple areas.	(185,000)
Worker's Compensation, Pre-Captive is under budget due to a reimbursement and reserve requirements.	(78,000)
Training and continued education is under budget primarily due to tuition reimbursement.	(51,000)
RPB Fees are under budget due to lower than anticipated consulting and meeting fees.	(51,000)
Central Lab/Water Quality is under budget primarily due to timing.	(93,000)
Info. Technology Licensing & Maintenance Fees are under budget primarily due to lower than anticipated costs.	(116,000)
Maintenance & Repairs are over budget due to tornado and COVID-19 expenditures and other higher than anticipated costs.	255,000
All Other	(119,000)
	<u>\$ (2,034,000)</u>

Interest Income

Interest Income is under budget due to lower investment earnings and interest in arrears.

PROJECTED MAINTENANCE TEST

The projected coverage is 1.18 without a shortfall. The budgeted shortfall is \$12.045 million.

**REGIONAL WATER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE MONTHS ENDING MARCH 31, 2021**

Page 2

	FY 2020 Actual	FY 2021 Budget	FY 2021 Actual	(Under)Over Budget
Operating revenues				
Metered water revenues	\$ 86,588	\$ 86,484	\$ 89,789	\$ 3,305
Fire service	10,046	10,062	10,132	70
Wholesale	736	707	650	(57)
Other revenue - water	2,700	2,298	2,735	437
Other revenue - proprietary	8,521	7,746	8,115	369
Total operating revenues	<u>108,591</u>	<u>107,297</u>	<u>111,421</u>	<u>4,124</u>
Operating expenses				
Operating and maintenance expense	45,930	46,410	44,376	(2,034)
Expense associated with other revenue - water	1,362	1,564	1,405	(159)
Expense associated with other revenue - proprietary	2,673	2,870	3,225	355
Provision for uncollectible accounts	900	822	813	(10)
Depreciation	21,000	21,000	21,000	-
Payment in lieu of taxes	7,011	7,270	7,130	(141)
Amortization Pension Outflows/Inflows	328	1,382	1,380	(2)
Amortization OPEB Outflows/Inflows	(301)	(455)	(455)	0
Total operating expenses	<u>78,903</u>	<u>80,863</u>	<u>78,873</u>	<u>(1,990)</u>
Operating income	<u>29,688</u>	<u>26,434</u>	<u>32,548</u>	<u>6,115</u>
Nonoperating income and (expense)				
Interest income	3,678	1,421	232	(1,189)
(Loss) Gain on disposal of assets	133		(229)	(229)
Realized and unrealized (losses) gains on investments	-		-	-
Interest expense	(20,342)	(18,662)	(18,556)	107
Amortization of bond discount, premium, issuance cost and deferred losses	2,872	2,250	2,233	(17)
Intergovernmental revenue	180		25	25
Total nonoperating income and (expense)	<u>(13,479)</u>	<u>(14,991)</u>	<u>(16,294)</u>	<u>(1,303)</u>
Income (expense) before contributions	<u>16,210</u>	<u>\$ 11,442</u>	<u>16,253</u>	<u>\$ 4,812</u>
Capital contributions	<u>884</u>		<u>1,566</u>	
Change in net assets	17,094		17,819	
Total net assets - beginning of fiscal year	<u>188,331</u>		<u>211,589</u>	
Total net assets - end of reporting month	<u>\$ 205,425</u>		<u>\$ 229,408</u>	

	Budget FY 2021 @114%	Projected FY 2021 @114%	(Under)Over FY 2021 @114%	(Under)Over FY 2021 Original Budget
FY 2021 MAINTENANCE TEST (Budget vs. Projected)				
Revenue Collected:				
Water sales	101,381	115,056	\$ 13,675	(2,146)
Interest Income	986	265	(721)	(1,058)
BABs Subsidy	656	656		
Other Net	6,302	6,752	450	(286)
Common Non-Core	(200)	(225)	(25)	(25)
Total	<u>109,124</u>	<u>122,504</u>	<u>13,379</u>	<u>(3,515)</u>
Less:				
Operating and maintenance expenses	(56,200)	(56,200)	-	4,851
Common Non-Core	100		(100)	(100)
Depreciation	(6,500)	(6,500)	-	
PILOT (A)	(8,700)	(8,550)	150	150
Net Avail for Debt Service (B)	<u>\$ 37,824</u>	<u>\$ 51,254</u>	<u>\$ 13,429</u>	<u>\$ 4,901</u>
Debt Service Payments (C)	<u>\$ 43,745</u>	<u>43,293</u>	<u>\$ (452)</u>	<u>\$ (475)</u>
Debt Service @ 114% (D)	<u>\$ 49,869</u>	<u>49,354</u>	<u>\$ (515)</u>	<u>\$ (542)</u>
Difference (B-D)	<u>\$ (12,045)</u>	<u>\$ 1,900</u>		
RSF, Growth and/or General Fund (D)	12,045			
Coverage (A+D/C)	<u>114%</u>	<u>118.4%</u>		

**REGIONAL WATER AUTHORITY
OPERATING AND MAINTENANCE EXPENSE
MARCH 31, 2021**

Pg 3

PERIOD ENDING MARCH 31, 2021

	FY 2020 Actual	FY 2021 Budget	FY 2021 Actual	(Under) Over
1 Payroll	\$ 18,755	\$ 19,174	\$ 18,564	\$ (610)
2 Employee Benefits	6,616	6,813	6,059	(754)
Pension Contributions	3,277	2,217	2,217	0
3 Administrative Building	950	780	838	58
4 General & Administrative	1,051	1,114	1,082	(32)
5 Transportation	534	557	574	17
6 Tools & Stores	273	252	278	26
7 Utilities & Fuel	1,067	1,046	1,220	173
8 Material From Inventory	203	197	164	(32)
9 Pump Power Purchased	2,190	2,480	2,410	(70)
10 Chemicals	1,383	1,544	1,479	(65)
11 Road Repairs	171	167	88	(79)
14 Postage	253	240	170	(70)
15 Printing & Forms	81	74	63	(11)
17 Collection Expense	518	506	465	(42)
18 Business Improvement	230	256	150	(105)
19 Public/Customer Information	215	235	161	(74)
20 Outside Services	1,898	1,925	1,740	(185)
21 Insurance Premiums	1,069	1,278	1,270	(8)
22 Worker's Compensation, pre-Churchill	225	45	(33)	(78)
23 Damages	37	50	53	3
24 Training & Cont. Education	163	159	108	(51)
25 Authority Fees	110	130	110	(21)
26 Consumer Counsel	17	52	21	(31)
27 RPB Fees	76	141	90	(51)
28 Organizational Dues	144	86	72	(14)
29 Donations	21	15	22	7
34 Central Lab/Water Quality	375	370	277	(93)
40 Environmental Affairs	68	75	94	19
44 Info. Technology Licensing & Maintenance Fees	1,665	1,899	1,784	(116)
45 Maintenance and Repairs	2,299	2,181	2,436	255
46 Regulatory Asset Amortization		351	351	(0)
	<u>\$ 45,930</u>	<u>\$ 46,410</u>	<u>\$ 44,377</u>	<u>\$ (2,034)</u>

South Central Regional Water Authority

Analysis of Accounts Receivable ("A/R")
(\$000 omitted)

Denotes City of New Haven Invoicing

Total Accounts Receivable Aging (in days)

	March	Feb	Jan	Dec	Nov	Oct	Sept	Aug	July	June	May	April	March
	2021	2021	2021	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020
Under 30	\$ 6,251	\$ 5,782	\$ 6,802	\$ 7,363	\$ 6,472	\$ 8,208	\$ 7,633	\$ 6,229	\$ 7,433	\$ 6,146	\$ 5,547	\$ 5,921	\$ 6,110
31-60	1,433	2,112	2,527	2,041	2,444	2,710	1,892	2,125	2,295	1,444	1,651	2,527	1,666
61-90	990	1,666	972	1,103	1,594	913	990	1,405	838	713	1,575	953	792
91-180	2,112	2,195	2,118	2,127	1,969	1,975	1,918	1,777	1,775	1,992	1,787	1,640	1,467
181-360	2,443	2,353	2,286	2,109	1,934	1,921	1,893	1,821	1,646	1,543	1,312	1,440	1,497
More than 1 year	4,969	4,720	4,621	4,576	4,408	4,388	4,449	4,207	4,266	4,331	4,207	4,333	4,243
Sub Total	18,198	18,828	19,326	19,319	18,821	20,115	18,775	17,564	18,253	16,169	16,079	16,814	15,775
Interest due	1,216	1,229	1,265	1,310	1,354	1,388	1,448	1,476	1,515	1,559	1,610	1,634	1,680
Total Gross A/R plus interest	\$ 19,414	\$ 20,057	\$ 20,591	\$ 20,629	\$ 20,175	\$ 21,503	\$ 20,223	\$ 19,040	\$ 19,768	\$ 17,728	\$ 17,689	\$ 18,448	\$ 17,455

Aged Accounts Receivable Focus of Collection Efforts

	March	Feb	Jan	Dec	Nov	Oct	Sept	Aug	July	June	May	April	March
	2021	2021	2021	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020
Greater than 60 days:													
A/R	\$ 11,710	\$ 12,143	\$ 11,242	\$ 11,208	\$ 11,235	\$ 10,585	\$ 10,677	\$ 10,659	\$ 10,011	\$ 10,114	\$ 10,470	\$ 9,930	\$ 9,248
Less: Multi-Tenants	(3,124)	(3,127)	(2,676)	(3,039)	(3,419)	(2,949)	(3,289)	(3,109)	(3,084)	(2,864)	(3,075)	(2,594)	(2,492)
Receiverships	(2,023)	(2,018)	(1,976)	(2,105)	(2,084)	(2,091)	(2,141)	(2,080)	(2,163)	(2,169)	(2,190)	(2,251)	(2,148)
Liens	(2,410)	(2,296)	(2,165)	(1,858)	(1,775)	(1,464)	(1,500)	(1,739)	(1,705)	(1,721)	(1,724)	(1,731)	(1,758)
Total	\$ 4,153	\$ 4,702	\$ 4,425	\$ 4,206	\$ 3,957	\$ 4,081	\$ 3,747	\$ 3,731	\$ 3,059	\$ 3,360	\$ 3,481	\$ 3,354	\$ 2,850
	35%	39%	39%	38%	35%	39%	35%	35%	31%	33%	33%	34%	31%

Collection Efforts

	March	Feb	Jan	Dec	Nov	Oct	Sept	Aug	July	June	May	April	March
	2021	2021	2021	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020
Shuts *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21
Red Tags **	-	-	-	-	-	-	-	-	-	-	-	-	7
Receivers	5	6	13	20	17	7	21	4	5	8	5	4	8
Top 100 Collection Calls	108	191	99	257	108	187							
Other ⁽¹⁾	1,104	1,093	1,425	1,290	1,163	1,319	1,544	1,192	1,338	1,282	1,159	989	1,409
Total	\$ 1,217	\$ 1,290	\$ 1,537	\$ 1,567	\$ 1,288	\$ 1,513	\$ 1,565	\$ 1,196	\$ 1,343	\$ 1,290	\$ 1,164	\$ 993	\$ 1,445

* Number of shuts

** Number of Red tags

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

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

FROM: Beth Nesteriak

DATE: April 6, 2021

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.

Oral arguments for the case were heard on September 22nd via Zoom. The main issues argued were related to RWA’s standing to submit a site plan application to the Planning and Zoning Commission, the exemption issued by the City for the height of the tank, the environmental impact of tank site development, and the lighting of the cars in the parking lot into the Marinelli house.

Judge Berger presided over the hearing. The City of Derby’s attorney Barbara Schellenberg and RWA’s attorney’s Kari Olson and Joe Szerejko represented the defendants. Attorney Greg Cava represented the plaintiffs. Rose Gavrilovic and Orville Kelly of RWA and Mayor Richard Dzieken attended on behalf of RWA and the City of Derby, respectively. By law, the judge has 120 days to make his ruling, or until January 20, 2021.

Court Proceedings: As previously noted, Judge Berger ruled on the appeal on January 19, 2021 in favor of the City of Derby and RWA. The plaintiffs filed a petition to the court for permission to appeal to the appellate court on February 26, 2021. The City and RWA (Murtha) subsequently filed a joint opposition to the petition on March 8, 2021. The appellate court generally has a guideline of making decisions within 120 days, though they could render a decision sooner based on the opposition being filed.

April 6, 2021 Update: The appellate court has not ruled on the plaintiff’s petition.

EON: Im

CC: Larry Bingaman
Ted Norris
Orville Kelly, Miles Moffatt

South Central Connecticut Regional Water Authority

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

<http://www.rwater.com>

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

FROM: Beth Nesteriak

DATE: April 6, 2021

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:

No change to previous update: 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 continued and a draft MOU was developed by Murtha Cullina. It is currently under review by RWA staff.

2. Town of Cheshire:

No change to previous update: 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.

No change to previous update: The MOU between RWA and the Town of Cheshire was approved by the Cheshire Town Council on December 8, 2020.

3. Southington Water Department:

No change to previous update: 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.

April 6, 2021 update: Work was completed on a draft MOU between the developer, the Town of Southington, and RWA. The MOU was sent to CTDPH for approval. Internal RWA review of the MOU will occur in April. Milestones submitted by the developer to RWA were approved and a draft Milestone MOU, between the developer and RWA, is being prepared.

EON: lm

CC: Larry Bingaman
Ted Norris
Hetal Shah

Customer Care Realignment & Transformation

April 2021

Table of Contents



01 RWA Customer Care Vision

Make every customer interaction simple, responsive, and consistently high quality. Enable customer service to deliver more digital experiences and self service options.

- Best **Value** for environmental services and a brand *customers can Trust*
- Making it **Easier** for customers to contact RWA as and when they want to
- Improving **Speed and Quality** of response resulting in improved customer service levels
- Innovative **Customer Engagement** on key product/services to reflect what matter to them
- Enhance customer **Self-Service** functionality to enable customer choice with multi-channel options
- **Monitor, Measure** and Digitize most important **Customer Journeys**
- Better use of Social Media data & transactional surveys to *respond to customers Effectively*
- Deliver **Proactive** *customer-focused service* through robust processes and increased revenue
- Build a **Resilient** resource model allowing the organization to deliver in an **Efficient & Cost Effective** manner

RWA Customer Experience (Cx) Strategy

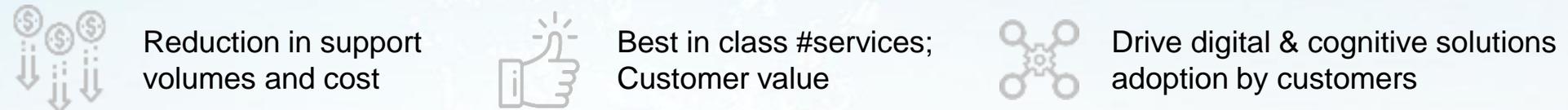
RWA Cx Vision

Make every customer interaction simple, responsive, and consistently high quality. Enable customer service to deliver more digital experiences and self service options.

RWA's Strategy



Key Objectives



Strategic Alignment/ Levers



Benefits / KPI's

20-30%	40%	42%	+20%	91.8%	+15%	100%	30%	20%
Call Volume Reduction	Self-Service Utilization	Ebill Enrollment	ACH Payment Channel	Customer Satisfaction	First Contact Resolution	AMI Deployment	CS Overtime Reduction	% Active Accts w/ Receivables Greater 60+

RWA Current Landscape

~150k
transactions

Voice, Mail
Email, Fax, Web

High Manual Effort, Little Automation/AI or Technology

- Recently Reorganized to focus on Operational Efficiency and Customer Experience

- 8 in-house contact center personnel (plus 2 vacancies)
- 8 back office customer service operations personnel (plus 1.5 vacancies)
- Customer Experience Manager role newly created

- Front Office & Back Office Functions

- Hours of Operation 8 a.m. to 5 p.m. (Mon-Fri)
- Language support services for non-English speaking customers
- Supporting over 100k inbound calls per year
 - Average Speed of Answer <70 seconds
 - Abandonment Rate < 5%
 - First Call Resolution Metric in development

- Collections and Billing

- High bill resolution, billing exception processing, payment processing
- Collections Master Plan in place
- Lien process was streamlined and resulted in the placement of 237 liens with a value of \$955k
- Top 100 Delinquent AR review process resulted \$950k of recoveries since October 2020

- Services Provided to 225K+ Customers

- Water Services (116K+); Market Offerings (105K+); Recreation (~5K), Lab Services (~150), Fleet (~1K)
- Processing over 6,000 property closings per year
- Field Service Appointment scheduling: Meter Exchanges; AMI installations, Seasonal meters, Leaks
- CBYD; ask.info; Social media
- E-billing 28% adoption rate with a best in class 42% goal by 2025; 400 customers targeted in March e-billing promotion

Contact Center System Landscape

Current Technologies

- SAP CIS, Avaya, Nuance, Nice, Redbox, Smartsheet, IVR
- SAP uPerform knowledge management system

Opportunities

- Lack of Omni channel capability, Remote agent
- Lack of modern technologies such as ChatBots etc.
- Low self serve penetration levels

Customer Journey & Roadmap

What do our customers want today? What will they value (pay for) in the future?
(Value proposition by customer segment)

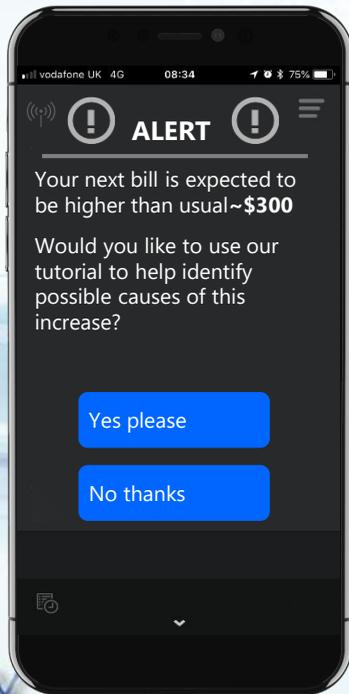
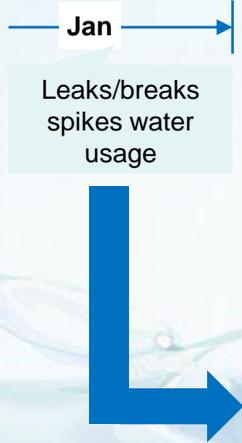
An example customer circumstance & journey

Residential customer in New Haven, cold January spikes water usage, 3 months from today in April this customer will receive a bill that is an order of magnitude higher than before to a degree that may even put pressure on ability to pay bills.

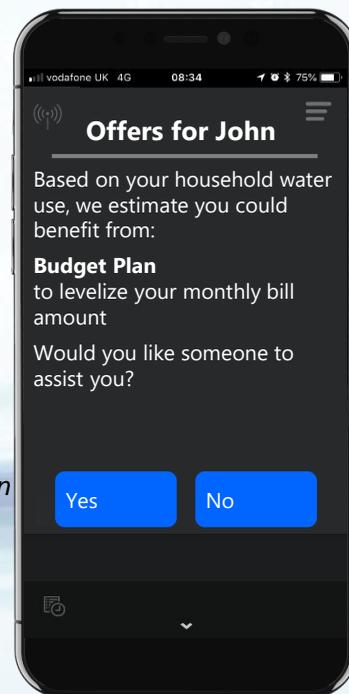
RWA customer experience with High Bill...



What we want to happen



Next screen

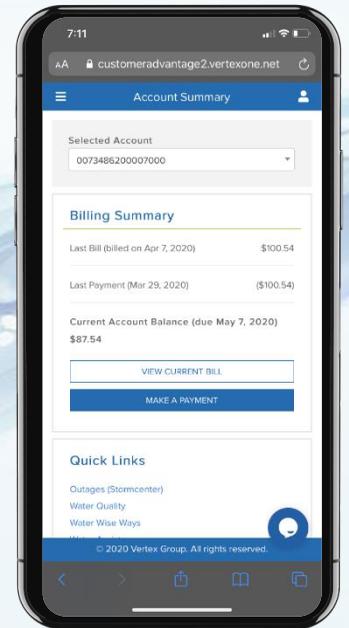


OTHER SCREENS

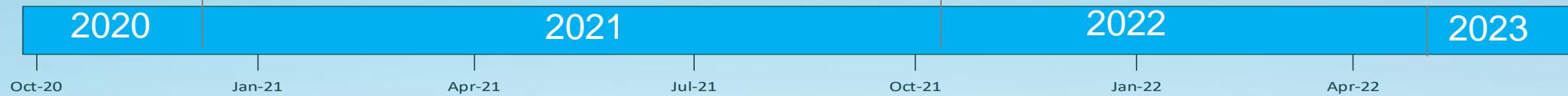
- See consumption history
- Request a service appointment
- Report a main break or hydrant problem
- Check the status of a disruption
- One-click enrollment to new offers



Happy Customer

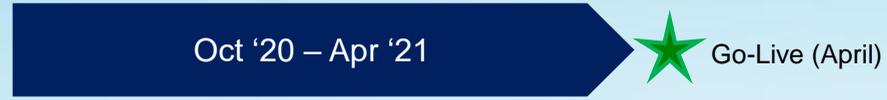


Customer Care Roadmap – Key Activities & Milestones



Bill Presentment/Print

- Launch Redesigned Bill
- Print/Mail Outsourcing



Customer Portal & Non-Core Solution

Release 1: Customer Portal

- Customer Portal
- Link with RWater.com



Release 2A: SAP Non-Core Solution

- New Product Structure
- Price Promo/Bundling
- New Product Offerings



Release 2B: SAP Non-Core Solution / Mobile App

- Enhanced Customer Portal
- Mobile App
- Communication Advantage
- Document Advantage
- Product Advantage



Monthly Billing Conversion

- Portion/Route Design
- Billing and Dunning Process Changes
- Conversion Execution



CIS Roadmap

- RFP
- RPB Application*
- Project Execution



*Tentative

Opportunities for RWA & Customers

Reduce Cost to Serve

Enhance Customer Experience

Increase Revenue Generation

Contact Channels

- Phone
- Web Chat
- Email
- Website
- Social Media
- Mobile App

Self Service

- Conversational IVR
- Visual IVR
- Online Chatbot
- Smart FAQ
- Online Ticketing
- Voice User Interfaces

Agent Assist

- Phone Agent
- Chat Agent
- Email Agent
- Social Media Monitoring & Engagement Agent

Agent System Enablers

- CRM
- Core Systems
- RPA/ RDA
- CIM
- Decision Tree
- Knowledge Management
- Callback Manager
- Visual Assist

Agent Training & Quality Management

- Quality Monitoring
- Interaction Analytics
- CSAT Survey
- Online Testing
- VR Training

Agent Performance Management

- Workforce Management
- Gamification & R&R

Insight Enablers

- Customer Journey Mapping
- Online Sentiment Analysis
- Operations Insights
- Visual Dashboards
- Recommendation Engine

Prioritizing the right digital interventions for RWA customers

☑ CURRENT OFFERINGS
 ☑ OPPORTUNITIES

Mobile Application for Self-Service



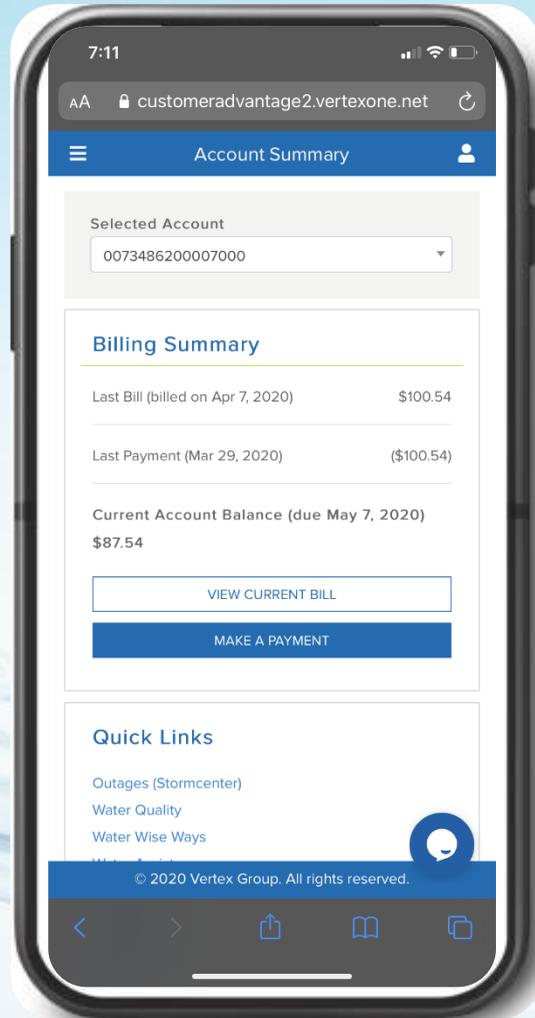
Billing



Usage Analytics



Self-service options



Payments



Chat & Email Support



Market Offerings & Services

- Device Agnostic
- Account Maintenance
- Communication Preferences
- Access Billing Statements
- Make and Schedule Payments
- Payment Allocation and Reconciliation
- Integration with Targeted Campaign / Marketing tools
- Upload, View, and Archive Documents
- Shop for Market Offering Products & Services
- WaterWatch Single-Sign (Consumption Analytics)
- Market Offering Ad Space
- Native or Pseudo (robotized) Integration with SAP for profile changes, plan changes / upgrades, payments etc.
- FAQs
- Email Support
- Raise a service request
- Organizational Content (Rate Schedule Board Agendas/Minutes)

Appendix



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

PUT THE CUSTOMER FIRST		
Strategic Goal 1: Meet or exceed customers' expectations in all we do to provide access to clean safe water and pristine environments.	Prioritize positive customer outcomes; ensure processes and decisions start and end with the customer in mind and are aligned with our higher purpose to make life better for people by delivering water for life.	<ul style="list-style-type: none"> Establish a First Contact Resolution metric and determine a baseline for this metric by 2022; drive a 15% improvement in that customer experience by 2025.
	Pursue new processes, technologies and solutions to improve how we operate and better serve our customers and community in today's digital age.	<ul style="list-style-type: none"> 40% of the customer base is using self-service options to meet their billing and water use needs by 2025.
	Bolster our customers' understanding and confidence in our high-quality product and services, stewardship of resources and overall brand image.	<ul style="list-style-type: none"> Maintain RWA best-in-class 91.8% Customer Satisfaction Index; introduce transaction surveys and establish a baseline for improvement by 2025.

Rise of Technology

Forced Agility

Telecommuting as a Norm

Greater Government Involvement

Financial Integrity Threats

Generational Changes for Customers

Generational Changes for Employees

Greater Focus on Clean, Safe Water for All

Key Transformation Themes & Potential Benefits

Four key digital transformation themes that can drive significant YOY benefits for RWA



1. Digital Deflection

- Omni channel enablement
- Conversational/Intelligent IVR
- Digital self service channels
- Voice enabled enterprise solutions

2. Effort Reduction

- Workflow automation
- Process Reengineering using RPA
- Unified Desktop
- Augmented Troubleshooting

3. Driving Proactive Care/Advanced Analytics

- Process/Data Mining
- Real-time operation analytics
- Customer behavior analytics
- Predictive analytics

4. Customer Operational Excellence

- Training Management System
- Quality Management System
- Intuitive – Intelligent Knowledge Management

Process improvement initiatives using Process & Task Mining

Potential Benefits

20-30%

Call Volume Reduction

40%

Self-Service Utilization

42%

Ebill Enrollment

+20%

ACH Payment Channel

91.8%

Customer Satisfaction

+15%

First Contact Resolution

100%

AMI Deployment

30%

CS Overtime Reduction

20%

% Active Accts w/ Receivables Greater 60+

Customer Led Digital Enablement in Alignment to RWA Vision

Digital First Approach

Mobile, web and social media connectivity and Omnichannel platform will digitally transform how RWA and its customers will interact and engage in a Digital CX led operating model

Services \ Channel	Email/SMS	Online Account & Website	IVR	Contact Center	Smart Phone App	Social Media	Conventional Post
Billing and Payments	HIGH	HIGH	HIGH	MEDIUM	HIGH	LOW	MEDIUM
Account Management	MEDIUM	HIGH	HIGH	MEDIUM	HIGH	LOW	LOW
AMI Transactions	HIGH	HIGH	HIGH	MEDIUM	HIGH	MEDIUM	LOW
Rates/Promotion	MEDIUM	HIGH	MEDIUM	HIGH	HIGH	HIGH	LOW
Quality of Supply/Assets	HIGH	MEDIUM	HIGH	HIGH	HIGH	HIGH	LOW

Relevance: Channel to Services

● HIGH
 ● MEDIUM
 ● LOW

“Striking a balance between the needs of the business operation and that of the customer experience to deliver value for both”

What Customer Wants?

Speed & Efficiency, Personalization, Proactive, Meaningful Interaction

What Business Wants?

Positive CSAT, Reduced Cost to Serve, Improved Profitability, Greater Loyalty

Digital First Approach prioritizes the right channel for the right customer query resulting in significant Digital deflections and self serve

Experience Journey



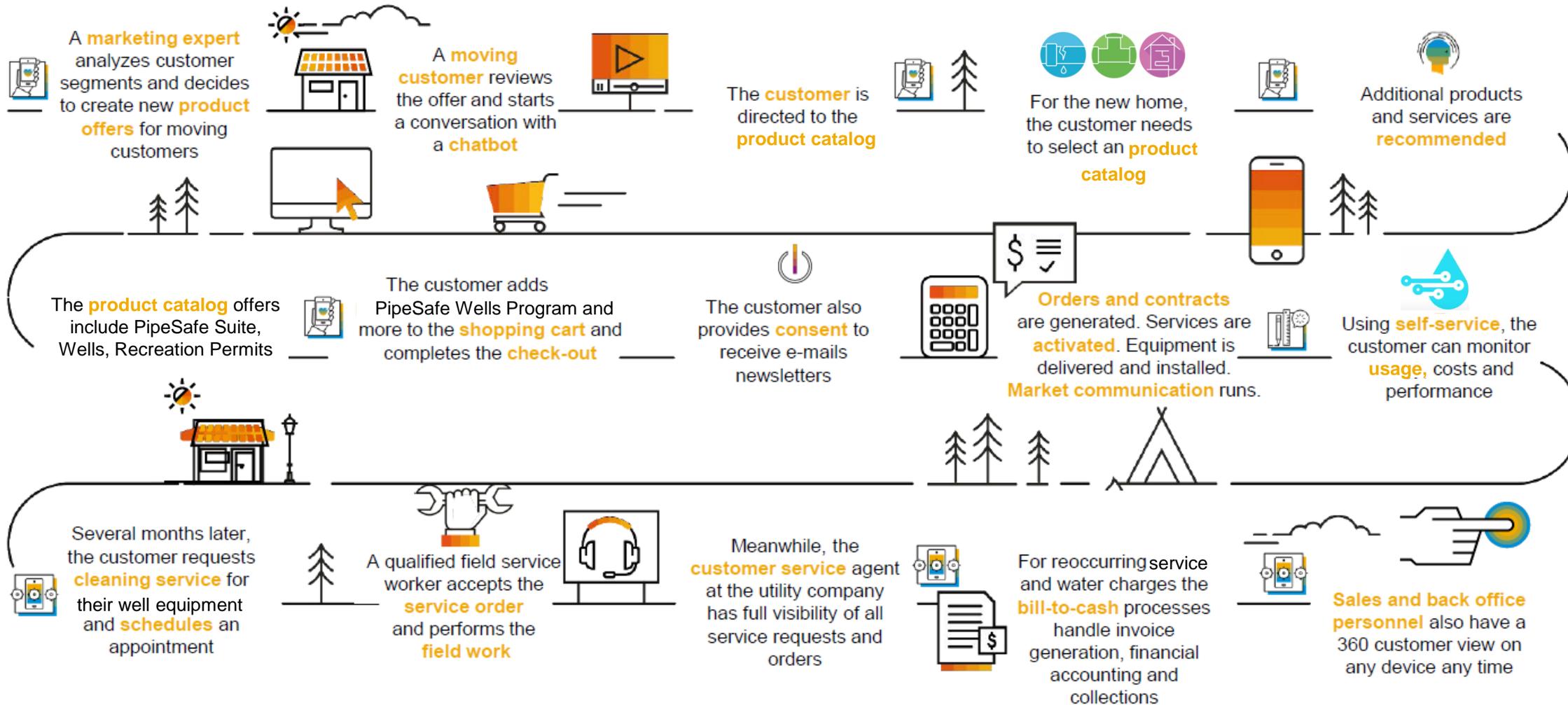
Winning the Digital Prosumer



Activation of Services and Equipment



Operations and Service



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A.I. Driven Virtual Assistants

DIGITAL-FIRST SERVICE

Omnichannel Virtual Assistants offers 24x7 self-service that both enhances CX and lowers Cost to Serve

Enhance the existing IVR with a **Voicebot** to serve common service needs for customers who have chosen the phone channel



Provide 24x7 online ChatBot on the **website**, with seamless handover to Live Chat or Messaging for issues that cannot be resolved by the ChatBot

In-app ChatBot operating as the first port of call for customers; resolving issues, directing customers to self-serve or connecting to agents as required



Provide 24x7 online support on **Social Media** via Chatbot, with seamless handover to Social Messaging for issues that cannot be resolved by the ChatBot

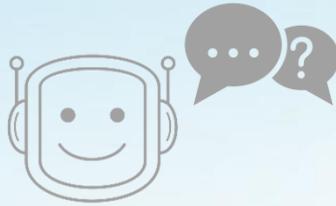


Offer integrated Voice User Interfaces (**VUI**) to provide **"Always-On"** service leveraging Smart Speakers such as the Amazon Echo, Google Home etc.

AI driven Virtual Assistant's driving deflection across the entire omnichannel contact center ecosystem

Shift Left - Moving from Simple to Conversational Virtual Assistant's

Q&A Bots

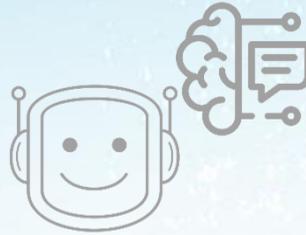


CUST :
Is there any water supply outage in Adam's street, Hartford, Connecticut ?

BOT :
Yes, there is an waterline maintenance planned for 12 hours. Please click here to check the status

Gen 1

Logic & Transactional Chat Bots



CUST :
Can you reset the password for me?

BOT :
Yes, Password reset done.

Gen 2

Voice Based Responsive Bots

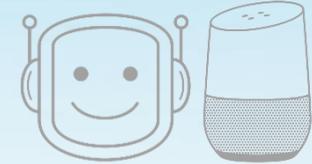


CUST :
My water leakage services are down and am not sure when it will be up

BOT :
I can notice there is a pipeline burst in your area, we will notify you when the service is restored

Gen 3

Integrated Voice Bot



CUST :
What can you do for me?

BOT :
I just got upgraded and got some friends with me too 😊.
Hey Alexa!

Gen 4



Conversational Virtual Assistant's providing proactive and personalized digital care services

Customer Portal/Mobile Application

Customer Advantage

Customer Advantage web and responsive mobile self-service site:

- **Self-service user access** and user profile management features
- Site branding, marketing and messaging features
- ADA compliant
- Account maintenance features
- **Account balance summary, consumption information**
- **Bill view and payment processing** features (integration with KUBRA)
- Un-authenticated payments
- Service request features
- **Hybrid App**
- Customer care proxy login
- Management Portal

Communication Advantage

Communication Advantage advanced self service communication preference engine

- Store **customers** preferred communication method and opt-in/opt-out **preferences**
- System Admins to **manage content** of communication template
- **Generate communications:** triggered by a file, processing a communication list via Management Portal or manually send communications to selected group of customers

Document Advantage

- Ability to **upload and archive documents** linked to a BP, contract, premise or unrelated CIS object
- Ability to access and review archived documents
- Ability for system admins to search for documents
- Ability for end users to **view their stored documents** in Communication Advantage

Non-Core Billing & Servicing

- **Non-Core billing and servicing** will complete the sales and warranty maintenance process upon completion of the **online non-core sales** processing.
- Processes will include the one-time and scheduled postings to allow for payments on the products sold via web and call center, as well as contractual information regarding initiation, completion, and maintenance of products sold within SAP.

AMI Benefits Realization Walk

Laura Gonzalez **Director of Customer Service**
Brenda Valentin **Manager of Field Service**

Key Points

- AMI reads resulted in fewer billing exceptions
- Process improvements reduced manual billing exceptions
- Fewer billing exceptions resulted in reduced OT
- Actual reads resulted in an increase in leak adjustments
- AMI resulted in a reduction of meter readers
- Fewer meter readers; reduced payroll & OT
- Reduction of vehicle related expenses
- Benefits to Unaccounted for Water

Annualized Cost/Benefit Realization

■ Increase ■ Decrease ■ Total



RWA Water Loss Analysis

MeterSense consumption data is utilized to determine water loss by comparing it to production. The tool extracts hourly consumption by service area and by meter for a 24 hour period and performs these analytics.





RPB COMMITTEE MEETINGS

Month	Meeting	Will Attend
April 2021	<i>Finance Committee</i> Monday, Apr 12 at 5:00 p.m.	Suzanne
	<i>Land Use Committee</i> Wednesday, Apr 14 at 5:30 p.m.	Kevin
	<i>Consumer Affairs Committee/LUC</i> <i>(Special Joint Meeting to rev. FY 22 Budget)</i> Monday, Apr 19 at 5:30 p.m.	David
	<i>Finance Committee (Special Meeting to rev. FY 22 Budget)</i> Tuesday, Apr 20 at 5:00 p.m.	David
May 2021	<i>Finance Committee</i> Monday, May 10 at 5:00 p.m.	Tony
	<i>Land Use Committee</i> Wednesday, May 12 at 4:30 p.m.	Kevin
	<i>Consumer Affairs Committee</i> Monday, May 17 at 5:30 p.m.	Suzanne
June 2021	<i>Finance Committee</i> Monday, June 14 at 5:00 p.m.	Suzanne
	<i>Land Use Committee</i> Wednesday, June 9 at 5:30 p.m.	Kevin?
	<i>Consumer Affairs Committee</i> Monday, June 21 at 5:30 p.m.	Tony

South Central Connecticut Regional Water Authority

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

<http://www.rwater.com>

DATE: April 15, 2021

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

FROM: Beth Nesteriak

SUBJECT: Transfer of option to purchase land at 475 Putnam Ave., Hamden

At the July 16, 2020 Authority Meeting, Ted Norris and John Triana discussed with you an option to purchase land at 475 Putnam Avenue, Hamden, that RWA holds. Ted and John requested permission from the Authority to begin discussions with the Hamden Land Conservation Trust (HLCT) for the possible transfer of the option to the HLCT. Discussions with the HLCT have proceeded to the point where transferring the option is the logical next step and Ted and John would like to discuss this with the Authority at your April 15, 2021 meeting. A resolution for adoption is attached should the Authority be amendable to the transfer.

Ted's memorandum to the Authority, dated July 16, 2020, is attached as background information.

cc: Larry Bingaman
Ted Norris
John Triana

**RESOLUTION FOR ADOPTION
BY THE REGIONAL WATER AUTHORITY**

Authority Meeting April 15, 2021

Resolved, That the Authority hereby approves the transfer of an Option to purchase 88.8 acres south of Treadwell St. in Hamden to the Hamden Land Conservation Trust. This Option was created by an Agreement between the Olin Mathieson Chemical Corporation and the New Haven Water Company on May 7, 1964 and is filed on the Town of Hamden Land Records in Volume 484, pages 384-389 on May 14, 1964.

and

Further resolved, the President and CEO, and the Executive VP and Chief Operating Officer, are authorized to take any and all actions necessary to complete the transfer.

South Central Connecticut Regional Water Authority

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

<http://www.rwater.com>

DATE: July 16, 2020

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

FROM: Ted Norris

SUBJECT: Option to purchase a portion of 475 Putnam Ave., Hamden

This memo is to advise you of an option the RWA owns to purchase 88.8 acres from the Olin Corporation at 475 Putnam Ave., Hamden. The property is currently owned by Olin and is located within the Lake Whitney watershed. The Hamden Land Conservation Trust (HLCT) is interested in obtaining the option from RWA to ensure that the land is held continually as open space.

Background:

In 1939, Western Cartridge Company, predecessor of Olin Corporation (Olin), and the New Haven Water Company (NHWC) entered into an agreement that gave the NHWC the option to purchase two parcels at "Pine Swamp" between Treadwell St. and Putnam Ave.

On May 7, 1964, the 1939 agreement was terminated and a new agreement was executed between the two entities. The 1964 agreement remains in force today. This agreement clarified that the NHWC would have an option of 88.8 acres of Olin's 102.5 acres between Treadwell St. and Putnam Ave. The 1964 agreement also states that if Olin were to sell the property, or any portion of it, they would be required to notify the NHWC who would have 60 days to invoke their option to buy the land for \$100 per acre. The option was apparently given to the RWA as we can find records of the NHWC buying this option and no cost is associated with it in the 1964 agreement. The agreement has a termination date that is contingent upon the lives of ten people who were three sets of siblings, all being the offspring of three men who were executives at Olin. The agreement terminates 20 years after the death of the last survivor. Genealogical research has shown that all ten people have died. The first died in 1989 and the last passed away on November 6, 2011. Therefore, the option agreement will terminate on November 6, 2031.

On January 21, 2020, John Triana and John Hudak met with representatives of HLCT, Connecticut Fund for the Environment, and Hamden town council to discuss the property. The site has been under a DEEP remediation order since 1986 as a hazardous waste disposal site. Some time ago, DEEP and Olin agreed to defer remedial actions until the massive Newhallville neighborhood remediation was completed, the RWA's remediation of the former Hamden Middle School being the last piece. The consent order for the Olin piece contained aggressive remediation requirements and predated the adoption of DEEP's Remediation Standards Regulations (RSRs), which are not as aggressive as the consent order. DEEP believes a new remedial plan should be developed in accordance with the RSRs. A former battery waste area on the property needs to be encapsulated. Additionally, investigation and possible remediation of pond sediments, along with other miscellaneous areas should take place.

There is great interest in preserving this property for open space uses for the surrounding community, especially considering the dearth of these opportunities in the disadvantaged communities within southern Hamden. Many of the meeting attendees had been on the property and touted its abundance of bird and wildlife habitat. It is unknown when Olin will commence remediation or what their intentions are for future use or disposition of the property. The group RWA met with fear that the town's desire for additional revenue may favor development of at least a portion of the property. They also believe, based on their discussions with DEEP, that the remediation may not be as extensive as once believed (consent order versus RSR's). We discussed the 1964 agreement with the option to purchase the 88.8 acres and noted that we would have no interest in exercising the option due to the need for remediation of the contamination on the property. At the meeting HLCT expressed interest in acquiring the option from us.

While RWA could retain the option, there is potential future liability if we were to ever own the property. Thresholds, limits, and standards change and once you are in the chain of title for a property, you become equally responsible for the cleanup. What may be an acceptable risk today, may later be seen as contamination that needs to be remediated at substantial cost. If we are out of the chain of title, the risk is zero.

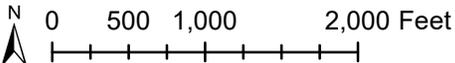
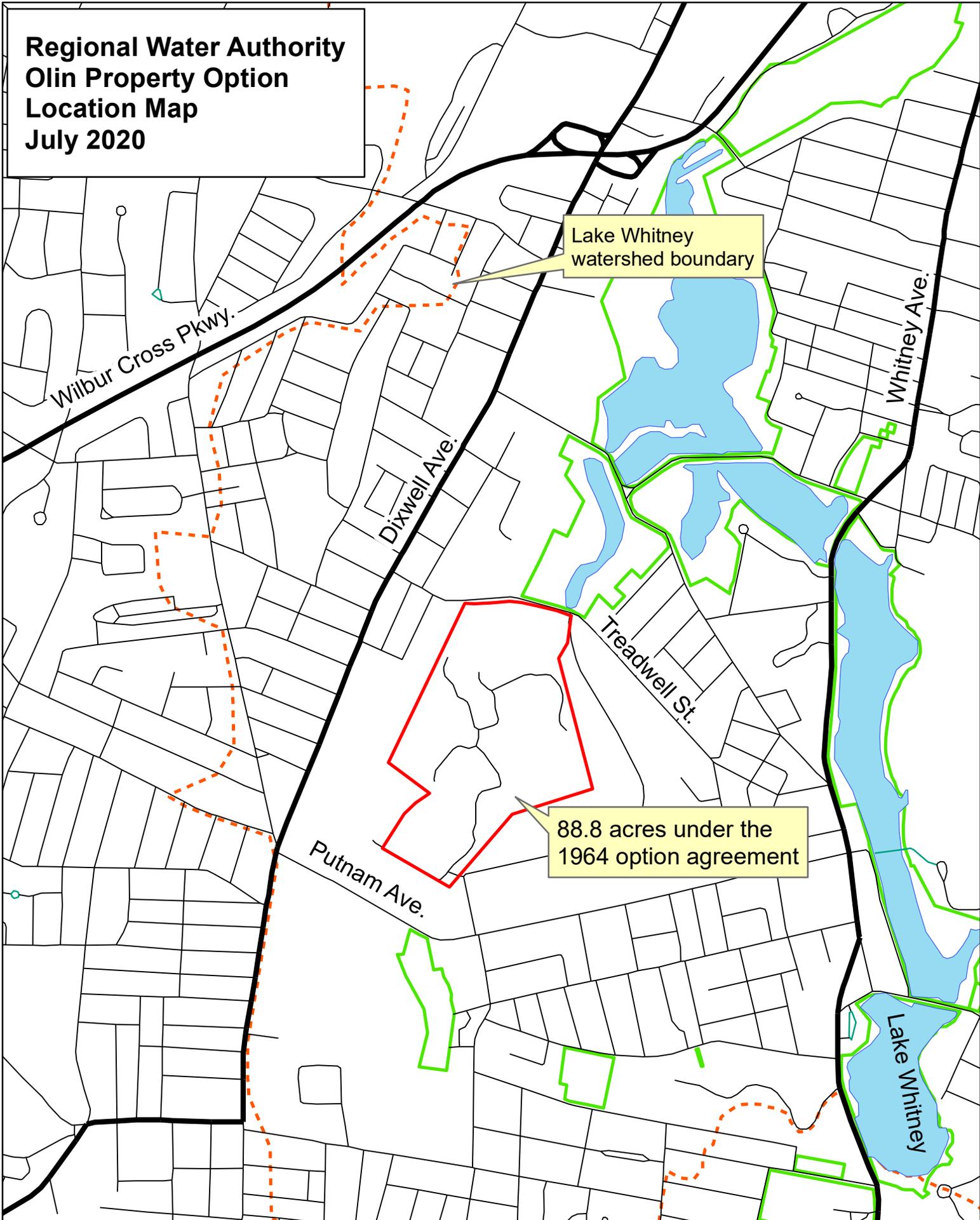
We contacted Murtha Cullina about two aspects of the option. First, we wanted to know if the option was transferable and, second, if it would be considered an interest in real property that would trigger our RPB disposition process. Murtha's opinion, based on Connecticut case law is that we can assign the option to another party. Murtha also stated that options to purchase property are not interests in real property and, therefore, would not have to go through our disposition process or otherwise to the RPB. The Authority, if it chooses to, can approve the transfer of the purchase option.

Unless you have any objections we will begin discussions with the HLCT. The next steps would be to develop a memorandum of understanding with them discussing the requirements that the land be held in perpetuity as open space, potentially adding an easement to construct and maintain a biologically active wetlands filter and sedimentation basin, and the legal release of RWA from any responsibilities or future liabilities for environmental contamination or remediation. Our thought is that should we reach agreement with the HLCT on the MOU that we would consider giving the option to them for no monetary remuneration considering that the option cost us nothing and the community service that would be accomplished. Also, in order to keep the RPB informed we plan to advise the Land Use Committee of this matter at their August 12, 2020 meeting.

Attached are a location map of the property and a copy of the 1964 agreement between Olin and the NHWC.

Cc: Larry Bingaman
Linda Discepolo
Beth Nesteriak
John Triana

**Regional Water Authority
Olin Property Option
Location Map
July 2020**



AGREEMENT

This AGREEMENT, made this 7th day of May, 1964, by and between OLIN MATHIESON CHEMICAL CORPORATION, a corporation organized under the laws of the State of Virginia and having an office and place of business in the Town and County of New Haven in the State of Connecticut (hereinafter referred to as "Olin"), and NEW HAVEN WATER COMPANY, a corporation chartered by the General Assembly of the State of Connecticut and located in said Town (hereinafter referred to as "New Haven");

WITNESSETH

WHEREAS, Olin is the successor corporation to Western Cartridge Company ("Western"), a corporation organized under the laws of the State of Delaware; and

WHEREAS, by a written Agreement ("the 1939 Agreement") dated June 29, 1939, and recorded in the Land Records of the Town of Hamden, Connecticut, in Volume 198 at page 189, Western granted to New Haven the option and privilege of purchasing on the terms and conditions set forth in the 1939 Agreement a tract of land at Pine Swamp consisting of two (2) parcels situated in the Town of Hamden, County of New Haven and State of Connecticut, more fully described in the 1939 Agreement and shown on a map referred to therein and on file in the Hamden Town Clerk's Office, entitled, "Western Cartridge Company - Map of Pine Swamp and Vicinity - Town of Hamden, Conn., - Scale 1" - 500' - April 6, 1939," which map was prepared by Clarence M. Blair, Inc. ("Blair") Civil Engineers & Surveyors, New Haven, Conn.; and

WHEREAS, said tract of land at Pine Swamp has been recently re-surveyed and revised boundaries have been established, as shown on a map to be filed in the Hamden Town Clerk's Office ("the 1964 Pine Swamp Map") dated February 1964, Scale 1" - 200', prepared by Clarence Blair Associates, Inc., Civil Engineers, and entitled, "Olin Mathieson Chemical

Corporation, Map Showing Revised Boundary Lines of Parcel Under Option to New Haven Water Co., Hamden, Conn.;" and

WHEREAS, by a written instrument dated June 28, 1939 entitled "Option" (the "1939 Option") and recorded in the Hamden Land Records in Volume 198 at page 195, New Haven granted to Western, its successors and assigns, as a part of the transaction of which the 1939 Agreement was the other part, (a) an exclusive option and privilege of purchasing on the terms and conditions set forth in the 1939 Option a tract of land ("Sherman Tract") situated in said Town of Hamden, bounded in part northerly by Sherman Avenue, more fully described in the 1939 Option and shown on a map referred to in the 1939 Option, and (b) an exclusive option and privilege of leasing from New Haven on terms and conditions set forth in the 1939 Option a tract of land situated north of Lake Wintergreen in said Town of Hamden, more fully described in the 1939 Option and shown on a map referred to in the 1939 Option; and

WHEREAS, New Haven has conveyed the Sherman Tract pursuant to the 1939 Option to an assignee of Olin in reliance upon the agreement of Olin to release the 1939 Option and to amend the 1939 Agreement in certain particulars by terminating the 1939 Agreement and agreeing upon a substitute therefor;

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements hereinafter contained, Olin and New Haven hereby agree as follows:

A. The 1939 Option is hereby terminated and hereafter shall not have any force or effect whatsoever.

B. The 1939 Agreement is hereby terminated and hereafter shall not have any force or effect whatsoever.

C. Parts A and B of this Agreement shall be binding upon and inure to the benefit of Olin and New Haven and their respective successors and assigns.

D. The following is hereby agreed upon as a substitute for the 1939 Agreement:

1. Olin agrees that for the period beginning at the date hereof and ending twenty years after the death of the survivor of those now living of the following named persons:

Thomas I. S. Boak, Jr.	Born January 19, 1917
Charles E. Boak	" July 26, 1919
John Boak	" June 11, 1927
Elizabeth Pugsley	" January 2, 1917
Dorothy Pugsley	" August 26, 1918
Edwin Pugsley, Jr.	" November 25, 1922
Edgar B. Taft	" November 16, 1916
Barrett L. Taft	" October 26, 1918
Caleb S. Taft	" July 4, 1922
John E. Taft	" October 26, 1925.

Olin will not sell Pine Swamp or any portion thereof to any person or company other than to a corporation engaged in the manufacture of arms or ammunition or to a subsidiary or successor of Olin, without first giving written notice at any time and from time to time to New Haven that it desires to sell Pine Swamp, or a portion or portions thereof, as the case may be, whereupon New Haven shall have the privilege and option of purchasing within sixty (60) days from the date of giving of each such notice, at the price of One Hundred Dollars (\$100) per acre, so much of Pine Swamp as may be described in such notice. The giving of such notice or notices shall not exhaust the privilege herein defined of Olin of giving a further notice or notices. "Pine Swamp" as used in this Part D of this Agreement, means a tract of land situated on Treadwell Street in said Town of Hamden, containing 88.8 acres, shown on the 1964 Pine Swamp Map, bounded easterly, southerly and westerly by other land of Olin, northwesterly by land of the N. Y., N.H. & H. R.R. Co., and northerly by Treadwell Street, and more particularly described as is set forth in the Description attached hereto and made a part hereof.

2. Olin agrees not to pollute the water on Pine Swamp and agrees that New Haven may in a reasonable manner enter any part of Pine Swamp for purposes of inspection and preservation of the purity of the water.

3. Olin agrees to assume and perform so long as Olin or its successors owns Pine Swamp or any portion thereof, such obligations to the Town of Hamden as may rest upon it or upon New Haven with regard to the maintenance of a culvert under Treadwell Street at the point where the water from Pine Swamp flows northerly under such street.

4. New Haven agrees that it will not raise, or reduce the length of, the spillway of its dam at the outlet of Lake Whitney beyond or below its present height and length, that is: height - Elevation 33, New Haven City Datum, length - 250 feet.

5. Paragraph 1 to 4 inclusive, above, shall be binding upon and shall inure to the benefit of the successors and assigns of each of Olin and New Haven.

IN WITNESS WHEREOF, the parties have hereunto and to a duplicate of like tenor and date, set their corporate names and caused their corporate seals to be affixed, each acting by an Officer hereunto duly authorized, on the day and year first above written.

Signed, sealed and delivered in the presence of:

H. G. Lake
H. G. Lake

Esther D. Stickle
Esther D. Stickle

Helen Lorenzo
Helen Lorenzo

Elmyra L. Iversen
Elmyra L. Iversen

OLIN MATHIESON CHEMICAL CORPORATION

By W. L. Wallace
Title Vice President
W. L. Wallace

Attest: Maynard H. Motz
Assistant Secretary
Maynard H. Motz

NEW HAVEN WATER COMPANY

By Arthur L. Corbin, Jr.
President
Arthur L. Corbin, Jr.

Attest: K. B. Johnson
Secretary
K. B. Johnson

5/17/64

NEW HAVEN WATER COMPANY

and

OLIN MATHIESON CHEMICAL CORPORATIONDESCRIPTION

Beginning at a point marked by a pipe in the southerly street line of Treadwell Street, said point being 321.5 feet northwesterly of the intersection of the extension southwesterly of the southeasterly street line of Martin Terrace with the southwesterly street line of Treadwell Street, when measured along the southwesterly street line of Treadwell Street;

Thence in a straight line bearing S-7°-33'40" W, a distance of 283.86 feet to a pipe;

Thence in a straight line bearing S-29°-27'-40" W, a distance of 179.77 feet to a pipe;

Thence in a straight line bearing S-14°-30'00" E, a distance of 1388.97 feet to a pipe;

Thence in a straight line bearing S-72°-23'-40" W, a distance of 868.71 feet to a pipe;

Thence in a straight line bearing S-40°-35'-30" W, a distance of 991.86 feet to a pipe;

Thence in a straight line bearing N-59°-49'-10" W, a distance of 802.54 feet to a pipe;

Thence in a straight line bearing N-32°-20'30" E, a distance of 419.86 feet to a pipe;

Thence in a straight line bearing N-46°-35'-45" E, a distance of 163.55 feet to a pipe;

Thence in a straight line bearing N-56°-17'-25" E, a distance of 175.17 feet to a pipe;

Thence in a straight line bearing N-53°-08'-05" W, a distance of 532.9 feet to a point marked by a pipe, said point being in the southeasterly right-of-way line of the N. Y., N. H., & H. R. R. Co., said point also being 85 feet perpendicularly distant southeasterly of the monumented center line at station 164 + 25 on the monumented center line of the N. Y., N. H. & H. R. R.;

Thence in a straight line bearing N-25°-40'E along the southeasterly right-of-way line of the N. Y., N. H. & H. R. R. Co., a distance of about 1840 feet to a point in the southerly street line of Treadwell Street;

Thence northeasterly, easterly and southeasterly along the southerly street line of Treadwell Street, a distance of about 1124 feet to the pipe marking the point of beginning.

IN WITNESS WHEREOF On this _____ day of July, A.D. 1970, said corporation, The New Haven Water Company has caused this instrument to be executed and delivered, and its corporate seal to be hereto affixed in its behalf by Charles E. Woods its President who is duly authorized and empowered; and said corporation Olin Mathieson Chemical Corporation has caused this instrument to be executed and delivered, and its corporate seal to be hereto affixed in its behalf by _____ its _____ who is duly authorized and empowered.

Signed, sealed and delivered in presence of

Elmyra L. Iversen
Elmyra L. Iversen

Harry Gow
Harry Gow

(as to Water Company)

~~THE~~ NEW HAVEN WATER COMPANY

BY Charles E. Woods
Charles E. Woods
Its President

OLIN MATHIESON CHEMICAL CORPORATION

BY _____

Its

(as to Olin Mathieson)

STATE OF CONNECTICUT)
NEW HAVEN COUNTY) SS.

New Haven, ~~July~~ August 10, 1970.

Personally appeared Charles E. Woods, President, as aforesaid, one of the signers and sealers of the foregoing instrument and acknowledged the same to be his free act and deed as such President, and the free act and deed of said corporation, before me,

Elmyra L. Iversen, Notary Public
My Commission Expires April 1, 1973

Elmyra L. Iversen Notary Public.
Elmyra L. Iversen

STATE OF CONNECTICUT)
NEW HAVEN COUNTY) SS.

New Haven, July 1970

Personally appeared as aforesaid, one of the signers and sealers of the foregoing instrument and acknowledged the same to be his free act and deed as such _____ and the free act and deed of said corporation, before me,

Notary Public.



CLARENCE BLAIR ASSOCIATES
 INC.
 CIVIL ENGINEERS
 NEW HAVEN, CONN.

NOTES 673:150
 677:102

DRAWN BY KEY

DATE FEB, 1964
 FILE K-564

We hereby certify this map
 to be substantially correct.
 CLARENCE BLAIR ASSOC.
 By *John M. Brent*
 L.S. #3341

OLIN MATHIESON CHEMICAL CORP.
 MAP SHOWING
 REVISED BOUNDARY LINES OF
 PARCEL UNDER OPTION TO
 NEW HAVEN WATER CO.
 HAMDEN, CONN.
 SCALE: 1" = 200' FEBRUARY, 1964

**SOUTH CENTRAL CONNECTICUT
REGIONAL WATER AUTHORITY
OPERATIONS ASSET MANAGEMENT DIVISIONS
May 2021**

MUNICIPALITY	Description of Work Distribution & Treatment	Description of Work Field Operations	Description of Work Capital Planning & Delivery	Description of Work Forestry	Description of Work Facilities & Security
ANSONIA	System-Wide RTU cut-over activities	RWA facility inspections and PM schedules; CBYD markings;	None Scheduled	None Scheduled	Routine landscape maintenance
BEACON FALLS	None scheduled	None scheduled	None Scheduled	None Scheduled	None scheduled
BETHANY	None scheduled	None scheduled	Chamberlain Subsurface investigation	Commercial firewood cutting north of Valley Road and off Sperry Road; Commercial firewood harvest east of Rt. 69; kids fishing event at Chamberlain	Routine landscape maintenance
BRANFORD	None scheduled	RWA facility inspections and PM schedules; CBYD markings.	Thimble Island Rd Capital Pipe Replacement	Boating in full swing at Saltonstall.	Routine landscape maintenance
CHESHIRE	None scheduled	RWA facility inspections and PM schedules.	None Scheduled	Have repeated tried to talk to town staff about cell tower proposal at SCWF. Will continue attempts to discuss.	Routine landscape maintenance
DERBY	System-Wide RTU cut-over activities	RWA facility inspections and PM schedules; CBYD markings	Derby Tank site work (tentative)	None scheduled	Routine landscape maintenance
DURHAM	None scheduled	None scheduled	None Scheduled	None scheduled	None scheduled
EAST HAVEN	LSWTP GAC Exchange	RWA facility inspections and PM schedules; CBYD markings	None Scheduled	None scheduled	Routine landscape maintenance
GUILFORD	None scheduled	None scheduled	None Scheduled	Commercial firewood cutting along Beaverhead Road & Goat Lot Road - Sale is on hold.	Routine landscape maintenance
HADDAM	None scheduled	None scheduled	None Scheduled	None scheduled	None scheduled
HAMDEN	None scheduled	RWA facility inspections and PM schedules; CBYD markings;	North Sleeping Giant WF Chemical Improvements; North Sleeping Giant Well 1B Pump & Motor Replacement	Salvage from tornado damage will be re-starting	Routine landscape maintenance
KILLINGWORTH	None scheduled	None scheduled	None Scheduled	None scheduled	None scheduled
MADISON	None scheduled	None scheduled	None Scheduled	Timber harvest beginning north of Nathan's Pond.	None scheduled
MILFORD	System-Wide RTU cut-over activities	RWA facility inspections and PM schedules; CBYD markings;	Pipe bridge maintenance	None scheduled	Routine landscape maintenance ;
NEW HAVEN	None scheduled	RWA facility inspections and PM schedules; CBYD markings;	Farnham Court - 8" main installation (developer pipe)	None scheduled	Routine landscape maintenance
NORTH BRANFORD	Lake Gaillard WTP Pump Station VFD installation; LGWTP GAC Exchange	RWA facility inspections and PM schedules; CBYD markings;	LGWTP Chemical Feed System Improvements;	Commercial firewood cutting on Totoket Mountain via Tommy's Path and Sea Hill Road Ext.; timber harvest resuming on Beech Street; Recreation event - archery for kids	Routine landscape maintenance
NORTH HAVEN	None scheduled	RWA facility inspections and PM schedules; CBYD markings;	None Scheduled	None scheduled	Routine landscape maintenance
ORANGE	System-Wide RTU cut-over activities	RWA facility inspections and PM schedules; CBYD markings;	None Scheduled	None scheduled.	Routine landscape maintenance
PROSPECT	None scheduled	None scheduled	None scheduled	None scheduled.	Routine landscape maintenance
SEYMOUR	None scheduled	None scheduled	Seymour Well Rehabilitations; Peat Swamp, Middle Reservoir, and Filter Pond clearing and tree removal	Timber harvest (off Silvermine Rd.).	Routine landscape maintenance
WEST HAVEN	System-Wide RTU cut-over activities	RWA facility inspections and PM schedules; CBYD markings.	None scheduled	None scheduled.	Routine landscape maintenance
WOLCOTT	None scheduled	None scheduled	None Scheduled	None scheduled	Routine landscape maintenance

**SOUTH CENTRAL CONNECTICUT
REGIONAL WATER AUTHORITY
OPERATIONS ASSET MANAGEMENT DIVISIONS
May 2021**

MUNICIPALITY	<u>Description of Work</u> Distribution & Treatment	<u>Description of Work</u> Field Operations	<u>Description of Work</u> Capital Planning & Delivery	<u>Description of Work</u> Forestry	<u>Description of Work</u> Facilities & Security
WOODBIDGE	None scheduled	RWA facility inspections and PM schedules; CBYD markings; Woodbridge Pump Station valve replacement.	Lake Glen Railing Base work; West River Effluent & Backwash Pumps; West River FRW Improvements (tentative)	Commercial firewood harvest along Sperry Road.	Routine landscape maintenance