

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

**April 15, 2021  
Meeting Transcription**

Mario:

That being the case, welcome everyone. Mario Rizzo, it will be the April 15th regular meeting of the representative policy board to order. The meeting is being recorded. The first item of business is the safety moment on environmental health hazards, so there's a whole lot of things to watch out for. I believe that HazWaste Central will be opening up in not too long, a few more weeks. Anyone confirm that? We have no confirmation of that. Okay.

Ted:

May 22nd, I believe.

Jennifer:

Yeah, I think it's not this weekend, the following weekend.

Ted:

May 22nd.

Jennifer:

Yeah.

Mario:

Okay. Very good. So keep your hazardous waste and then bring them there. Next item is the approval of the minutes of March 18th. There's a motion to approve.

Naomi:

I so move.

Mario:

Naomi, thank you. Second?

Frank:

Frank.

Mario:

Frank seconds. Okay, thank you. Any questions, comments, revisions? Jennifer did a perfect job as usual. Hearing non, all in favor of approving the minutes.

All:

Aye.

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Mario:

Anyone apposed? Anyone abstaining? Okay, thank you very much. Communications, the RPB quarterly dashboard report is in your packet. The finance committee went through it, so that's there for information, and if you have any specific questions. The next item is the RPB officer nominating committee. We usually wait until May to start this. Mr. Clifford's arm, I believe, is out of the sling by now, Tom?

Tom:

Yes, sir.

Mario:

He has agreed graciously to chair, and I ask for his assistance in that because most of the board is term-limited. So wanted to get a start a little bit early. Anyone who is either interested in being on the nominating committee with Tom, or running for one of the offices or being considered for one of the offices, please contact Jennifer. Give her all that information. Let her know either way. This way, hopefully by the May meeting we'll have a committee put together and everyone can get to work. All right? So please let Jennifer know whether you want to either be considered for an office or on the committee.

Greg:

Mario?

Mario:

Yes.

Greg:

This is Greg. Could you refresh my memory? How long is the term?

Mario:

It's a three-year term for all the officers, and I believe all the committee chairs. There is a potential for the chair to go to a fourth year.

Greg:

Yup.

Mario:

I believe that's the only position we had the extension on.

Stephen:

Mario, would this be your fourth year coming up?

Mario:

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I'm currently in my second, Steve.

Stephen:

Oh, okay. So which positions are sort of...

Mario:

All the positions other than chair.

Stephen:

Other than chair, okay.

Mario:

Okay. And then the committee chairs vary.

Stephen:

Mm-hmm (affirmative).

Mario:

All right. So if you're interested, please let Jennifer know. Yes, Jennifer?

Jennifer:

Committee chairs are four years.

Mario:

Four years on committee chairs. Okay, thank you.

Jennifer:

Yes.

Mario:

She keeps correcting me which is good. All right. If there's no questions on that, meetings to review the budget. Those are coming up Monday the 19th. That's this Monday. And Tuesday, the 20th. So Monday at 5:30; Tuesday at 5 PM. Both links have been sent out. Correct, Jennifer? Everyone should have received their budget package. If you have not, please let Jennifer know now. Should have been a nice little notebook left on your front door. Most of you I know have memorized it. We look forward to the presentation. Rochelle's going to wow us. Correct, Rochelle? Okay.

Stephen:

She always does.

Mario:

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Yes, definitely. Any other communications that we have? None? Okay, thank you. Items for consideration and action. The first one is a possible RPB land use committee recommendation. Mr. Betkoski, are you available to report on that?

Peter:

I am available. Yup. So last night we had our meeting. We all had a chance to review that before our meeting last night, and we voted to approve and recommend that it was complete, and the disposition for Ives Street in Hamden. We do have the proposal for resolution. Do you want to read that now?

Mario:

Certainly.

Peter:

Okay. So the represented policy board proposed resolution, April 15, 2021. Land use committee recommendations authority application for disposition of 0.92 acres located south of Ives Street in Hamden that is part of land unit HA-13. Whereas the South Central Connecticut Regional Water Authority on March 19, 2021 filed an application with the representative policy board for the disposition of 0.92 acres located south of Ives Street in Hamden. That is part of the land unit HA-13, the application, whereas the land use committee of representative policy board reviewed application and recommended that it be accepted by the RPB as completed. And whereas the land use committee recommends that the public hearing be conducted by presiding member, and whereas the RPB does of accepting the application as complete and schedule an application for public hearing in the court with special hearing Act 77-98 as amended in the RPB bylaws and rules of practice.

Peter:

Now therefore, be it resolved that the RPB be accepted authority application for the deposition of 0.92 acres located south of Ives in Hamden that is part of land unit HA13 and determines to hold public hearing on the application to be conducted by Stephen Mangello as presiding member on June 17, 2021 at 7 PM via remote access. And, resolve further that the chairperson is hereby directed to give notice of such hearing and accordance with section 11 of the rules of practice as amended.

Mario:

Okay, thank you, Peter. That was in a form of a motion.

Peter:

Mm-hmm (affirmative).

Stephen:

I'll second it.

Mario:

Steve seconds. Any discussion on the motion that's established a public hearing.

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Stephen:

Mario, I have a couple questions.

Mario:

Yes.

Stephen:

I don't know what can be discussed at this point. I was just curious about the status here. I had understood at one point the property was habitable, there's a house there. I mean, is the whole thing being sold as a house that could be inhabited? Is that the idea here? Will it go into why that was decided as opposed to just destroying the house and keeping that property as it's right on the water supply.

Mario:

Okay. Can I ask if you can address that? Would you be able to?

Ted:

I can address the first question. The second question, I think we should wait until the application comes in.

Stephen:

Okay.

Ted:

First question regarding why we decided to do that, is because the way we have disposed of all the rental houses, Steve, is by combining the house and the minimum size lot required by zoning.

Stephen:

Mm-hmm (affirmative).

Mario:

Okay. So that's how you carved out the piece of land.

Stephen:

Is this less than the minimum size for zoning in Hamden?

Ted:

No, it is at the minimum size.

Stephen:

At the minimum size, okay.

Mario:

Any other questions or discussion? Steve, I think the other part of your question will be part of that presentation.

Stephen:

Okay.

Mario:

Any other questions? Hearing none, all in favor of establishing the public hearing?

All:

Aye.

Mario:

Anyone opposed?

Speaker 14:

Aye.

Mario:

Okay. Anybody abstaining? Okay, thank you very much Peter.

Peter:

You're welcome.

Mario:

Steve, you're going to be coming up soon. June.

Stephen:

Okay.

Mario:

The next item on the agenda is the RPB nominating committee recommendation for candidate for authority member. And Greg, if you would please present.

Greg:

Okay. As you know, this is New Haven's pick, and the committee interviewed three candidates. During the interview process, it was determined that one candidate was ineligible because the candidate did not live in New Haven and/or was not a voter in New Haven. So we ended up with two candidates. The city said they were going to submit another candidate, which they... and at the last minute they decided not to.

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Greg:

We interviewed both candidates a second time, and I just want to resolve that Kathryn LaMarr hereby is appointed... Well, I can't say that. She's not appointed yet. Let me just go around, that's a proposed resolution. Let me just tell you a little bit about Catherine LaMarr. I think everybody has her resume. She currently acts as a deputy corporation council for the City of New Haven since 2019. As such, she manages a team of transaction authorities, providing advice to city departments concerning all non-litigation matter.

Greg:

Prior to that until the employment with the City of New Haven, she was general counsel to the treasurer of the State of Connecticut for 20 years. She advised the treasurer and managed all legal compliance and risk management matters for multi-billion dollar government financial services, such as investments, management, cash management, and workman's compensation.

Greg:

She managed the treasurer's relationship with the advisory committee to ensure that it was representative of the Board of Connecticut Finance Housing Authority. In her past life, she also has M&A experience, merger and acquisitions. Kathryn has extensive board experience and is very involved in the New Haven community. She's a graduate of Cornell University and received her law degree from Howard University.

Greg:

The committee voted on that unanimously, and we recommend Kathryn to become a member of the five-member board.

Peter:

Good job.

Mario:

I'd like to read the referendum.

Tony:

Hey, Greg?

Greg:

Yes?

Tony:

Greg, is it possible for the five members, or four members now, to get copies of the resume after you appoint?

Greg:

I thought they went out in the packet.

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Tony:

I didn't see them in mine.

Mark:

No, we did not get it as part of the packet, but...

Greg:

Okay. I have no problem with that.

Jennifer:

Okay. I'll send it to you. I thought I did.

Tim:

I thought I saw it, so it did go to the committee.

Mario:

It may not have gone to the authority. Okay. Greg, you want to read the resolution?

Greg:

Sure. Be happy to. Resolve that Catherine E. LaMarr be and hereby is appointed as a member of the South Central Regional Water Authority effective April 16, 2021 with her term consisting until January 1st, 2026 or until her successor is appointed and has qualified.

Tim:

Second.

Mario:

We have a second, Tim?

Tim:

Second, yes, Tim Slocum.

Mario:

Any discussion? I think you did a great job in doing the interviewing and interviewing twice and getting input from both the former chair and the current chair of the authority.

Stephen:

Hey, Mario, this is Steve.

Mario:

Yes, Steve.



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Stephen:

Just a couple of observations. Our arrangement with New Haven sort of inadvertently limits our ability to select a candidate with a background that time to time we would like to have on the board regardless of qualifications. The candidate that's put forth looks extremely well qualified as a candidate. With Joe leaving, if I'm correct, we don't have anybody with an engineering background now on the board, or someone with nuts and bolts understanding of the business of producing water. So just a thought for the future.

Mario:

Sure. Thank you, Steve.

Greg:

That probably should be put on the shoulders of the nominating committee when you send out the letter, I'd imagine, to the mayor.

Stephen:

I think that requires a renegotiation of the agreement.

Greg:

True. That's true too.

Stephen:

That's a good suggestion, Greg. I hadn't thought of that, but it's one way to address our side of it if they're open to it.

Mario:

Yeah, I think providing what we're looking for in a candidate is obviously open for the position that is New Haven's to provide nominees for. And then obviously each year there's one member whose term is up. So those are things for the nominating committee to look at each year. Tim, you had something.

Tim:

Yeah, well I was basically going to make the same statement. I don't think it's a criteria established for New Haven, but it's one that might be a criteria for a nominating committee for any of the open positions should be part of the nominating process to have some of these check-offs. It may or may not be possible. That's where staff comes in, and I know we all rely on staff clearly. But again, it's got to evolve in the nominating process, not just New Haven.

Mario:

Right.

Mark:

Mario, Jay [inaudible 00:17:57].

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Mario:

Yes, Mark.

Mark:

I think there's some good points being made by our fraternity here. Could we ask on the counsel, Jeff, to follow up on it with maybe a response, and using that background that Joe had or other people have to putting into the requirements for consideration for appointment.

Tony:

I think that the job description how it's currently written allows us to give favor to certain occupation groups that we may be looking for. Maybe you've changed that, but I seem to recall the last time I sat.

Mario:

No, Tony, every time, every year the nominating committee looks at the basic job description and qualifications and amends it or proposes amendments to the whole RPB.

Tony:

Mm-hmm (affirmative).

Mario:

So we do have that opportunity. I think what I'm hearing is maybe we want to start a dialogue with the City of New Haven about some more flexibility in the New Haven position. We are several years out from that.

Tony:

We just have to be careful that it's not reflecting on the person that was nominated and chosen. That would be bitter taste.

Mario:

Yes.

Stephen:

I thought I was clear in saying that the person nominated was very well qualified.

Tony:

I heard that, yeah, yeah. Just want us to be careful when we talk to them.

Mario:

Okay.

Mark:

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I guess I would come back to my point. You don't talk to them. You just make it the policy for all under consideration, that that's a criteria to be met. If it means you restate it to New Haven, that's one thing, but you have to restate it in all of those requests for nominee. Thank you.

Tony:

Thank you.

Suzanne:

Yeah, can you just clarify, you're not saying specifically for the New Haven going forward, not this candidate who sounds terrific. But going forward, we're not saying that just the New Haven candidate has to have this particular skill set, but any of the candidates. So it really isn't peculiar to the New Haven agreement, it's more broad than that. Is that correct? You're looking at all five candidates going forward, that ideally among the five candidates, these areas need to be covered: economic, labor, all the individual issues that we want to have covered by all of the candidates, and that's what we're looking for, right?

Mario:

That's correct. New Haven has to be type of a person. We should each year look at a rounded board as we look at what the criteria is that we should be reviewing.

Greg:

I believe all that criteria was in the original request.

Mario:

Yes.

Tony:

I was too.

Mario:

Okay. Other comments, questions? If not, all in favor?

All:

Aye.

Mario:

Anyone opposed? Anyone abstaining? Very good. Passes. Greg, I want to thank you and the committee for a great job. I know this wasn't a simple job this time around. We've had some discussions offline about it. I want to thank Joe Cermola for all the years he's put in with the authority. His experience from starting to negotiate the creation of it and being involved with that until now has been certainly well done.

Greg:

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I want to thank the committee also for their hard work, and I also want to thank Jennifer because without Jennifer, none of this would be done.

Mario:  
Correct.

Jennifer:  
Thank you.

Mario:  
The only one with a password to Zoom.

Greg:  
Jennifer keeps Peter and me on our toes.

Peter:  
I agree. I agree.

Mario:  
Okay. Thank you all very much. And David, we'll talk late about making contact.

David:  
Absolutely. The protocol will be you folks do your bat, and then we'll move forward.

Mario:  
Very good. Thank you. The next item, we have a representative policy board first board of compensation report that was in your packet. Is there a motion to accept substantially as submitted?

Greg:  
So move.

Mario:  
We have a motion.

Brian:  
Second.

Mario:  
And a second. Okay. Tim, is there anything that you want to opine on?

Tim:

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Unmute myself. Usually I don't have to do that, but nowadays with Zoom. Yeah, I guess I should bring to all's attention that we did discuss the freeze that is in place for last year, not the upcoming compensation. After discussion with the finance committee it was agreed that we should continue to follow management's guidance and allow the management to continue to hold the freeze from 2020, and revisit it at the end of the fiscal year. So we just thought it was appropriate. We're not talking huge numbers here, but it's sort of like the baseline we all want to be on. That's essentially what finance revisited the other day. We support this as presented.

Mario:

Thank you, Tim. And to clarify, this includes the increase a particular packet.

Tim:

It does.

Mario:

So the amount that was frozen too. Any questions, comments? All those in favor?

All:

Aye.

Mario:

Any opposed? And abstaining? Okay, thank you very much. And we're on to committee reports. Tim?

Tim:

Thank you, Mr. Chairman. Basically, finance met this week. We met on Monday. We discussed and reviewed the quarterly updates which are running pretty well. We're doing very well actually in the face of COVID. There are real positives. But there are still those unknowns. We reviewed the balance sheets, the revenues, expenses, the operating and maintenance funds, the capital budget report and things of that nature. The only thing that's sort of a disappointment, but it can't surprise anybody is investment earnings. But in other respects, we have the benefits going forward of just good water revenue et cetera.

Tim:

Then of course we did just discuss before you folks, the idea of holding the year-end fiscal increase in pay so to speak, until management agrees we should go forward with it. I guess other than that, I should just remind everybody that the finance committee will review the upcoming budget and capital budget on April 20th at a special meeting at 5:00. Other than that, our next... Oh, we did also announce, although it's not a big deal until it really happens, we need to change our regular committee meeting of July because of schedule conflicts.

Tim:

Then our next regular meeting is May 10th. So that's about it for me. Nothing more to report unless there's questions.

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Mario:

Questions for Tim? Thank you very much.

Tim:

Thank you.

Mario:

Peter, land use committee.

Peter:

Yup, good evening, everyone. Land use. First of all, I want to thank Bob Harvey for filling in for me last month. I heard he did a better job than I usually do. That's my lovely board. They always whack me around. I guess they keep me focused. But thank you, Bob. We had our meeting last night, reviewed our safety moment. Before I go ahead, our board administrator, Jennifer, you can always get the minutes through her, because we had a pretty detailed meeting last night, but I just wanted to bring that up too.

Peter:

So we approved our minutes from last month, and we had a special guest, Lisa DiFrancisco. How'd I do, Greg?

Greg:

Good, good.

Peter:

She was our special guest last night from Whitney Water Center. I never seems to be amazed with this whole Regional Water Authority organization with all that we have to offer the surrounding towns and cities, but you need to check out her Whitney Water Center, which I'm going to go sooner than later. She gave a great detailed report how she reaches out to all the schools. I was really impressed.

Peter:

Then of course we had John Triana, his update on the RWA properties and base of species. The other land items was the proposed resolution that I already read. We approved that. Our upcoming meetings, we got a big one, this one's going to be interesting for me, April 19th, a joint meeting to review the budget. I hope they go easy on us. Then our next regular meeting is May 12th, and hopefully we're getting outside... Someone help me out, what property did John suggest we're going to visit?

Brian:

The [inaudible 00:28:24].

Jennifer:

The Cheshire property.

Peter:

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Right. So any questions?

Stephen:

Hey, Mario, this is Steve. Just for clarity, when we have the public hearing on the house in Hamden, that will be virtual, correct?

Mario:

Correct.

Stephen:

Okay.

Peter:

I thought Steve was coming my way.

Tim:

I had a question if I may.

Mario:

Yes, Tim.

Tim:

I did not quite hear that Cheshire property that's up for disposition consideration.

Bob:

There is no Cheshire property. It was the Hamden property up for disposition, which is what their resolution on. We're visiting a property in Cheshire-

Tim:

Oh, visiting.

Bob:

Our next meeting is going to be at the piece that we just purchased, the [crosstalk 00:29:11] purchase.

Tim:

Oh, okay, excellent. That's the property on the Mill River in Cheshire, off of Fenn Road.

Peter:

I believe so.

Tim:

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Oh, that sounds terrific. Is that where more members are available to be welcomed to that little visitation?

Peter:

Tim, if you want to come, you can.

Tim:

I'd like to come. What is the date please?

Peter:

May 12th, 4:30.

Tim:

Okay, thank you very much.

Peter:

We expect you to be there.

Tim:

I will be there. So it's May 12th... no coffee allowed. There's a lot of fresh water. May 12th at what time, 4:00?

Peter:

4:30.

Tim:

4:30. Sounds excellent.

Peter:

Great.

Tim:

Thank you much.

Mario:

Any other questions for Peter? All right, thank you very much, Peter.

Peter:

You're welcome.

Mario:

And consumer affairs, Steve.



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Stephen:

Consumer affairs has not met since our last meeting, but as previously mentioned, we will have a meeting on Monday to get a presentation on the budget. Again, anyone on the RPB is welcome to attend our session.

Mario:

Yes, please attend one or the other session, whichever is more convenient for your schedule. If you need to attend both, I think that's okay. Is that okay, Jennifer? I have to ask permission from Jennifer.

Jennifer:

They can go as many times as they want.

Mario:

Limit it to two. Greg, you provided your report. Anything further?

Greg:

No, I can't... We met on March 25th. We went into executive session. We discussed the strengths and opportunities of each candidate. The committee voted unanimously to recommend Catherine E. LaMarr. This is anticlimactic.

Mario:

It's okay. It's okay. Any questions for Greg?

Stephen:

Good job, Greg.

Mario:

Very good. Thank you. Authority and management. David?

David:

Mario, thank you. Good evening, folks. Everybody welcome on this rainy night. Always nice to have rain when we need it. Good thing we're all home and safe. Before we begin, I do want to make mention that we did thank Joe for his service with the anticipation that you would vote the way you did this evening. Since he's not on, I checked the list, it doesn't look like he's here. I did hint around to him at other times when we've spoken that we'll try to do a little get together when he's back in Connecticut, and certainly we'll let everybody know. Mario, you and I have talked about that with Larry, and see about doing something. Maybe tie it in with a golf tournament or whatever that's coming up. We'll certainly let everybody know.

David:

The other thing, before we begin the meetings, we look forward to seeing all of you at the budget workshops next week. They are always quite interesting. It's always good to hear your input and your

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thoughts on the plans for not just the next year, but beyond that, because the capital budget, while it's the one year, it does have consequences for later years as well.

David:

All right, so onto our robust meeting that we had today. It started with meeting as a pension and benefit committee, so I will ask Suzanne Sack if she will give us a report on that, please.

Suzanne:

All right, thank you, David. I have a few things to report to the RPB this evening. First off, the Angel Pension Group presented their executive summaries of the January 21 valuation reports, assumptions, contributions that will be made in our fiscal year 2022. The monthly tables used for the January 2021 valuations for all the plans are the same historical setting as we used in the prior year. However, the valuations incorporated updated projections from 2019 to 2020, which is recommended.

Suzanne:

The discount rate used for calculating the contribution for all the plans is the 6.75%, which I recorded last time as being the new target rate. However, when I report some of the investment performance this year, our reports are still at 7%, so I'll be using that as the benchmark as we go forward, but just so everybody knows, the contribution target rate is 6.75%. The discount rate, excuse me, for calculating the contribution.

Suzanne:

The arc for the pension plans for January 2021 valuation reports is going to be \$3,221, 439.00. The recommendation for the full year 2021 VEBA contribution is the actuarial recommended cash contribution of \$1,734,198.00. The authority approved the above contributions that I just mentioned for full year 2022, but as well, we'll be doing an additional full year fiscal year 2021 contribution of \$1,094,561.00 to the pension plans. So we determined next year's contributions according to the arc, and we also are going to do an additional contribution.

Suzanne:

Morgan Stanley then reviewed our quarterly performance of the pension in the VEBA plans and returns for the quarter ended March 31st, 2021 for the pension and the VEBA plans were reported to be a 2.36, which is .61% more than the actuarial target of 1.75% based on 7% annual returns. So next time I report this out, it'll be the 6.75% annual target rate.

Suzanne:

Returns of the 12-month period from March 31st, 2020, to March 31st, 2021 were reported to be 31% and change, or 24% more than the actuarial return for the period of 7%. It should be noted that March of 2020 was the bottom of the market prior to COVID. So we had a big lift, but we prior had a big draw down. But nonetheless, good returns.

Suzanne:

For the period June 1, 2020 through March 31st, 2021, fiscal year to date, the return was approximately 18.96%. Morgan Stanley also discussed the asset allocation in the portfolio given the market

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environment, and we'll be updating our investment policy statement at our next pension meeting with the RWA. Morgan Stanley also discussed an additional comparison over the six years. Morgan Stanley has now been managing our portfolio for our plans for the last six years, and their return over that time was approximately 7.22%. So obviously the portfolio is set up to perform at that rate.

Suzanne:

Morgan Stanley expected long-term rate of returns just over 6%, so each year Morgan Stanley puts [inaudible 00:36:37] for what they think the performance will be for the long-term, and right now it stands a little over 6%. So that's it for the report from the pension committee unless there are any questions from the RPB.

David:

Seeing no hands, so I guess you're ready for me to continue on with the report. Okay. Thank you, Suzanne.

Suzanne:

Yup.

David:

We also met and received a report from the leadership team about the customer care realignment. They intend to do in alignment that will be a little more efficient and better serve our customers with regard to collection's master plan and customer experience, and focus on services provided to the consumers as they call in and as their needs are being met.

David:

We also received a report from the AMI program reviewing the original expected costs and the newer projected costs, which are actually better than what they were projected to be when the application came before the RPB. So the program is working a little better than expected in terms of its cost and impact on the authority. And with that, I will hand over the meeting for the business end of update to Larry.

Larry:

Thank you. Thank you, David. Good evening, everyone. I might note that the customer care realignment could be something that the consumer affairs committee might be interested in hearing about at a future date. The AMI program closure I think might be of interest to the finance committee at some point in the future. So as the agendas have the time and space, those could be two topics that could be [inaudible 00:38:29] for this team. Maybe open it up to the best of the RPB would be interested in hearing about that. Could be a way to handle that. So I'll leave that to you for your consideration.

David:

Thanks, Larry. Before I give the financial results, I'll have Beth give her monthly COVID update and lots of things going on there, so Beth, take it away.

Beth:

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Great. Good evening, everyone. I just want to report as I typically do on some of our health metrics. So as of April 13th year-to-date, we've had 32 confirmed cases since the start of the pandemic. Month-over-month we've seen that includes an increase of three employees. All cases emulated from outside the RWA, so it's good news that we haven't seen any transmission inside the building and the organization.

Beth:

Good news on the COVID front from our perspective is Janine and her team were able to set up a vaccination clinic yesterday so that was great. We had a lot of treatment operators take advantage, a lot of staff. We had about a little over 40 employees receive their vaccine through our clinic yesterday. That number had reduced over the past week or so given I think the employees were able to get availability by other means. But the good news is we anticipate by the second round of that clinic, which is May 7th, that just over half of our employees will have been vaccinated. So that's great news for us. We're very excited about that.

Beth:

As we work towards that milestone, Janine and I are also working on the return-to-work playbook, how we reintroduce staff and all those wonderful things as we reenter the real world that we're all looking forward to. Next month you'll know more about that as we welcome more staff back to [inaudible 00:40:18] Drive over the next few months. So quick update. Good news. I'm happy to answer any questions.

Larry:

Questions? Okay. Thanks Beth. So after 10 months of actual results through March 31, operating revenues are over budget by about \$4.1 million, and that's due to our ongoing residential water consumption being over budget by \$3.3 million. We continue to have higher consumption. Other revenues are over budget by about \$800,000 due to primarily our miscellaneous charges and our commercial business activities all being over budget. And our operating and maintenance expenditures are about \$2 million under budget.

Larry:

Right now we're projecting most of that, about \$1.1 million of that is timing, and we'll have a better feel for that as we get closer to the... probably in April. All told, when you do the puts and takes, we are projecting coverage of 118% without a shortfall. And that's provided that the operating and maintenance expenses that we are currently projecting continue at the lower revised budget level. And of course if I have cautioned before, there's still some uncertainty regarding the financial impact of the COVID. But we're cautiously optimistic that we'll be able to close out the year in a strong position.

Larry:

And finally, as of April the 12th, the well water storage was at 97% mark. This compares to the long-term average of 92% for this time of the year. So we are in good shape there and the inch or so of rainfall that we had will help that some more.

Mark:

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Oh, we'll go 100%.

Larry:

We hope so. I and the leadership team will try to answer any questions you might have.

David:

Thanks, Larry.

Jay:

Yeah. Larry, Jay. The [inaudible 00:42:47] I like that number, 118%. Is that the highest we've had in the last 10 years?

Larry:

No, we've actually had [crosstalk 00:42:58] year-end coverage as high as actually 1.3%, excuse me 130%.

Jay:

Okay.

Larry:

Actually, 133, Jay if I'm not mistaken.

Jay:

Yeah, with what we've been going through with the pandemic and all of that and the budget process, I think it's a great number to look at and good for funding as well.

Larry:

Yes. Thank you.

Jay:

Thank you.

Mario:

Other questions? Okay. Thank you, very much David and Larry.

David:

Thank you very much.

Mario:

Good job getting the vaccination clinic onsite.

David:

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Yeah, the team did a great job. Thanks to Janine and her folks for getting that up and running, so good job there. Glad to see that we had a number of employees take advantage of it.

Mario:

Yes. Jeff Donofrio, any words of wisdom?

Jeff:

Thank you, Mr. Chair. The OCA has reviewed the application on the very interesting I Street property. We'll hear in detail about that on June 17th. I've enjoyed reading the fiscal year '22 preliminary capital budget and proposed own end budget. We'll hear about those Monday and Tuesday next week. I've got one lingering consumer complaint that the consumer affairs committee will hear about Monday night.

Mario:

Okay.

Jeff:

Other than that, all quiet.

Mario:

All is quiet.

Jeff:

Yes, sir.

Mario:

Good. Very good. Any other business? Bruce, did you have anything? McDermott? Very quiet. Okay. He might have left. Check his invoice next time. Make sure... My sister who's a teacher always takes attendance at the end of the class on Zoom calls. All right. Hearing nothing else, motion to adjourn.

Frank:

So move.

Mario:

Okay. And a second. Meeting adjourned. It's 7:15.