

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

AGENDA

Regular Meeting of Monday, May 10, 2021 at 5:00 p.m.

1. Safety Moment
2. Approval of Minutes:
 - a. April 12, 2021 meeting
 - b. April 20, 2021 special meeting
3. AMI Benefits Realization Walk: P. Singh, D. Bochan, L. Gonzalez, B. Valentin
4. Discuss Proposed FY 2022 Capital and Operating and Maintenance Budgets
5. Attendance at Authority May 20, 2021 meeting @ 12:30 pm – Mr. Marino
6. New Business
7. Adjourn

Note: As a reminder, the next meeting of the Finance Committee is scheduled for Monday, June 14, 2021 at 5:00 p.m. (regular meeting).

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

Topic: RPB Finance Committee Meeting

Time: May 10, 2021 05:00 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)

+1 408 638 0968 US (San Jose)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

Meeting ID: 828 2391 3706

Passcode: 880761

Find your local number: <https://us02web.zoom.us/j/82823913706>

SAFETY MOMENT

HEAT SAFETY TIPS

Summer is the season for working and playing outdoors. It's also the time to emphasize the importance of preventing and treating heat-related illness.

The common denominator of heat illness prevention is: **Water, Rest, Shade**. Getting plenty of all three when outdoors is the best way to beat the heat and stay out of trouble.

Heat Safety Tips:

- Stay hydrated throughout the day by drinking water steadily; don't wait until you're thirsty.
- Avoid caffeine and alcohol which cause us to lose water more rapidly.
- Take frequent breaks in the shade or indoors in an air conditioned space.
- Wear loose fitting, lightly colored and lightweight clothes.
- Check on friends and neighbors.
- Minimize use of heat-generating appliances like stoves or ovens.
- Do not exercise outdoors. If you must exercise outdoors, only exercise in the early morning hours, before 8 a.m.
- Take cool showers or baths to cool down.
- Check the local news and other outlets for important safety information.



Tap Into
Safety



Regional Water Authority

Service – Teamwork – Accountability – Respect – Safety

 Regional Water Authority

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

MINUTES

**Regular Meeting of the Finance Committee Monday, April 12, 2021 at 5:00 p.m.,
via remote access**

ATTENDEES: **Finance Committee Members:** Tim Slocum, Tom Clifford, Charles Havrda, Jasper J. Jaser, and Michelle Verderame
RPB: Mario Ricozzi
FMA: Suzanne Sack
Management: Larry Bingaman and Rochelle Kowalski
OCA: Jeffrey Donofrio
RPB Staff: Jennifer Slubowski

Chair Slocum called the meeting to order at 5:00 p.m. He reviewed the Safety Moment distributed to members

On motion made by Mr. Clifford, and seconded by Mr. Havrda, and unanimously carried, the minutes of March 8, 2021 meeting were approved.

Ms. Kowalski, the RWA's Vice President of Financial Reporting and Analysis, reviewed the quarterly financial report for the period ending February 28, 2021, which included:

- balance sheet
- revenues and expenses
- maintenance test
- key variances and assumptions
- operating and maintenance
- capital budget report
- investment earnings

Discussion took place regarding rates, subsidies, and inflation impact.

At 5:35 p.m., Mr. Clifford withdrew from the meeting.

Ms. Kowalski reviewed the RPB Dashboard for the third quarter ended February 28, 2021.

Chair Slocum reported on the status of the RPB member compensation increase from January 1, 2020 to December 31, 2021. Last quarter the consensus of the committee was to follow management's lead and continue to hold the increase for 2020 but agreed to remove

the freeze beginning January 1, 2021.

Mr. Bingaman reported that the RWA management received merit increases prospectively in 2021. Management is still considering whether or not to restore the remaining six months of 2020 but that there is still uncertainty due to the pandemic. He will have a better idea at the fiscal year-end.

After discussion, it was the consensus of the committee to follow management's guidance and allow management to continue to hold the increase freeze from 2020 and revisit the topic at the fiscal year-end.

Chair Slocum reminded members of the upcoming budget review meetings:

1. CAC/LUC Joint Meeting Monday, April 19, 2021 at 5:30 PM
2. Finance Committee – Tuesday, April 20, 2021 at 5:00 PM

Committee member attendance at Authority meeting was confirmed.

- April 15, 2021 – Mr. Havrda
- May 20, 2021 – Mr. Marino

The committee moved its regular meeting scheduled for July 12, 2021 to July 19, 2021 at 5:00 p.m.

The next regular meeting of the Finance Committee is scheduled for Monday, May 10, 2021 at 5:00 p.m.

There was no new business to report.

At 5:48 p.m., the meeting adjourned.

Timothy Slocum, Chairman

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

MINUTES

**Special Meeting of the Finance Committee
Tuesday, April 20, 2021 at 5:00 p.m.
via remote access**

ATTENDEES: **Finance Committee Members:** Tim Slocum, Tom Clifford, Charles Havrda, Jay Jaser, Vin Marino and Michelle Verderame

RPB: Mario Ricozzi and Greg Malloy

FMA: David Borowy, Kevin Curseaden and Tony DiSalvo

Management: Larry Bingaman, Rochelle Kowalski, Miles Moffat, Beth Nesteriak, Ted Norris, Jeanine Reckdenwald, and Prem Singh

OCA: Jeffrey Donofrio

RPB Staff: Jennifer Slubowski

Chair Slocum called the meeting to order at 5:00 p.m. He reviewed the Safety Moment distributed to members.

Chair Slocum stated that the meeting was taking place to review the proposed FY 2022 capital and operating budgets.

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, Ms. Nesteriak, RWA's Vice President and Chief Operating Officer, and Mr. Singh, RWA's Chief Information Digital Officer and VP of Customer Care, provided information, breakdown of costs, or highlights for the following:

- Prioritization methodology
- Natural resources
- Treatment
- General Plant
- 5-year Plan of Capital Improvements

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 contingency plan, debt service costs, Ansonia-Derby tank project status, Lake Whitney Dam duration and specialized firms for work, value engineering, and federal stimulus funding.

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. Ms. Kowalski also reviewed trends and revenue and expense assumptions, which included:

- Highlights
- Declining consumption trends
- Revenue and expense trends and assumptions
- Maintenance Test
- Opportunities and vulnerabilities

The committee acknowledged and thanked the RWA's management team for its preparation of the budgets and stated its appreciation for management's support of the organization during the pandemic.

Attorney Donofrio, Office of Consumer Affairs, reported that he has reviewed the FY 2022 proposed capital and operating budgets and will be preparing his letter for the RWA. He stated his appreciation of management's efforts commented on the RWA's challenges and adaptability for its FY 2021 budgets and deferment of the rate application due to the pandemic. The OCA's perspective of the FY 2022 budgets is that there is balance between the impact on customers while taking into consideration capital needs and deferred projects from FY 2021. His position is that he is satisfied with the proposed budgets.

At 5:48 p.m., the meeting adjourned.

Timothy Slocum, Chairman

AMI Benefits Realization Walk

Laura Gonzalez
Brenda Valentin

Director of Customer Service
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.



Q&A