

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

**October 21, 2021  
Meeting Transcription**

- Mario: All right, good majority of our members on, which is good. Welcome everyone. It is Thursday, October 21st, 2021, at 6:30. I'm Mario Ricoszi, chair representative policy board and this is our regular meeting. So welcome and thank you for coming. First item on the agenda is the safety moment. Jennifer was able to pull up deforestation as our safety moment. I think maybe she had Mark Levine's help in pulling this as a topic. So there's a lot of side effects to deforestation and that's why we always use sustainable forestry management. Is that not true, Mark? Mark says yes. Good. Okay. So please read the safety moment and adhere to that. Unless there's any questions, the next item is approval of the minutes of September 23rd, 2021, special meeting. Is there a motion?
- Greg: Approval, so move.
- Mario: Moves, second?
- Bob: Second.
- Jay: I'll second it.
- Mario: Okay. Got a second from Jay. Any corrections, additions to the minutes? I'm hearing none. All in favor say aye.
- Group: Aye.
- Mario: Anyone opposed? Anyone abstaining? Okay. Thank you very much. That brings us to communications. So the 10-year model has been developed and was discussed with the RWA today, and it's going to be presented at two different meetings of the RPB committees, our finance committee on November 8th, and consumer affairs November 15. So please attend one of those meetings and be thrilled and amazed at all the number crunching that Rochelle has done, and everyone with her,
- Charles: Are we thinking they're going to be Zoom, Mario, or where do you think we'll be by then?
- Mario: Well, this is only a few weeks away and yes, we will be Zoom. We will continue on that until I'm told we're switching to Teams, which I don't think we have a date for that yet.
- Charles: Oh, so we're going to go to Zoom to Teams, not live. Okay I understand.
- Suzanne: I think we're still virtual. Yes.

Stephen: Mario, this is Steve. What's the policy with RWA employees currently? They're still sometimes on there and sometimes at home.

Mario: Correct. [crosstalk].

Larry: Steve, where we're on a hybrid schedule. Employees are allowed to work at home up to two days a week in coordination with their supervisor and departmental needs, but they have to wear a mask anytime they're in the building, whether they're vaccinated or not.

Stephen: Yep, okay.

Mario: Yeah, we did discuss logistics of trying to make that work, Steve, and with the size of our group, trying to keep either separation distance or spacing, it didn't seem feasible in that room. And if you have a majority of the RPB in attendance in person, then you have to open it to the public in person.

Stephen: It's hard, even with the masks communication's not as good as it could be.

Mario: Correct. It's very muffled. And I know that Larry has been looking at different options for equipment and upgrading some of the equipment perhaps to make it work a little bit smoother so we could do a hybrid.

Greg: Mario, if you have a meeting where the general public attends, can you ask them to show their vaccination card?

Mario: Well, New Haven currently has a mask mandate. So I'm not sure about requiring a vaccination card. I think if you're going to require that of public, you have to require it of all the members. And I'm not sure that you could exclude someone for the vaccination card. That would be a legal question that I am not going to answer. I don't know if anyone else has run into that before, but it's a little bit tricky there, Greg. Any questions on the 10-year model presentation? Okay, that'll be sent out to everyone with the agendas for finance and consumer affairs. And Jennifer, you're going to send it to everyone on land use also because they might go to one meeting or the other.

Jennifer: I will. Yeah.

Mario: Okay. RPB quarterly dashboard report was in your packet and it was discussed at the finance committee meeting. And I think Steve, you're still possibly considering some other categories to add.

Stephen: I don't know, at this point, I'm not sure.

Mario: Okay. All right. Well, if there are then we can always bring that up in the future. 2022 RPB annual meeting date discussion. So last month we had a special meeting. We pushed it back a week because of a holiday. And I believe that it ended up being a little bit smoother for Rochelle and her team to get together some financial information and also to get some of the other reports in and have them vetted thoroughly. So David and

I had been discussing some possibilities along with Larry of looking at the fourth Thursday instead of the third Thursday for the RPB, but we wanted to have the authority meeting and the RPB meeting still aligned. And if it's okay with everyone, I'd ask David to tell us how they made out at the authority meeting today after their discussion on that topic.

David: Thank you, Mario. I appreciate the opportunity to talk to you folks about this. You're exactly right. By moving the September meeting to the fourth Thursday gave management more time to prepare reports and be ready for the meeting. And also you look at some months, we'd be meeting as early [inaudible] because the third Thursday could come that early and that's awfully tight. We're not all out [inaudible] comes out on the first day of the month and then makes corrections later. We would like to have the additional time and management has made the case to us. We unanimously felt that if that's what management wants, it didn't interfere with anything else the authority or the RPB were doing [inaudible].

So our recommendation to you was that we would be willing to go to the fourth Thursday if you folks would as well. It would also allow, as I think you hinted, it would allow for all of your committee meetings to be held prior to the RPB because on occasion the way the calendar falls, consumer affairs doesn't meet before your meeting. And then the following month, you get two meetings worth of updates. Sometimes they're quite old at that point. So I think it gives us an opportunity to have more fresh information, but it would also not happen for November and December because of the holidays. It would be the third Thursday, because you certainly couldn't have it on Thanksgiving and you certainly couldn't have it on Christmas for December. So it would be 10 months of the year. And then for the holidays, it would be the third Thursday.

Mario: Thank you, David. Yeah. I mentioned this at the finance committee meeting because I was in attendance and there was some discussion, but not a lot of objection. Also, I believe land used may have mentioned it.

Male: You did, and I don't think there were any real issues to it.

Mario: And Stephen, I didn't make your meeting on Monday, so I didn't bring it up then.

Stephen: We didn't talk about it either. I mean, I knew about it. Are there any other holidays that it interferes with? The fourth?

David: It's possible Easter is a moving holiday. Hanukkah is a moving holiday. Jennifer would have to look up those holidays each year, as is done every year. There are some months that happen to be the fourth Thursday anyway. So she looked that up for next month's vote by both boards for next year.

Mark: How about Thanksgiving?

Mario: November and December, Mark, would typically then be the third Thursday once again. Okay. Comments, questions, concerns?

Tim: Not a question but more of a ... actually it is a question. There's still four weeks between each meeting, eight, 10 times a year. It's just the fact that it's at the closer to the end of the month it's beneficial to Larry and staff. That's relatively the reason we're doing this?

Mario: Because they're doing the quarterly closings, financials and the monthly's.

Tim: Okay. I just wanted to know the reason.

Mario: And again [crosstalk] would meet before our meeting in pretty much all cases.

Tim: Right. Okay, great. Thanks.

Mario: Any objections? If the people have conflicts, that's a critical thing because I know when you get involved on a committee or a board and then things shift, you've already committed your calendar.

Bob: I think that's probably going to be the biggest thing. I know I'm going to have some conflicts.

Mario: Okay. All right.

Jamie: Mario, this is Jamie. This is not going to change the land use or the subcommittee meetings, right? This is just for the main meetings. Yeah.

Mario: The full RPB, correct.

Stephen: Mario, this is Steve. The third has worked well for me in the past, but I don't see any objection to if there's a real need to have it moved. I'm okay with it.

Jay: Mr. Chairman, Jay, I don't know if you're looking for a motion by the RPB [inaudible] or a headcount.

Mario: Well, I'm looking for if there's an issue with it. Next month, we'll have a calendar presented to adopt for the meetings for 2022. So I don't need a motion now, Jay.

Jay: Yeah. Okay, fine. Thank you.

Mario: Bob, so you're going to have conflict some of the months. All right. Let's take that offline, I guess, Bob, and see.

Bob: Yeah, I can see what I can do to try to change something.

Mario: All right. Let me know and Jennifer know and this way we can try and adjust.

Bob: Okay.

Mario: All right? Thank you very much, everyone. And we'll put together a calendar for next month. Jennifer, let's do two calendars, one with the third and one with the fourth.

Jennifer: Okay, I'll do that.

Mario: We'll present the fourth, but we'll have to have a backup just in case. So we do have to adopt next month.

Charles: Has anyone checked to see whether or not we need to change the charter in any way?

Mario: I do not believe it indicates when the meeting is.

Larry: If we're talking about the enabling legislation, we've checked that already and it just says that the authority will meet once a month. It doesn't specify the day or the date that it would meet.

Mario: And the RPB has less of a requirement.

Larry: Right. I think it has to be used quarterly.

Mario: Quarterly.

Larry: Yeah, but it doesn't specify the day.

Mario: Okay. Thank you very much. One other piece of communications. There was a mileage report form in your packet. Please get that to Jennifer if you have mileage reporting to do, especially if you attended a land use meeting out in the middle of the deep end of Branford. So get that to Jennifer. I think by email works well, correct? Okay.

Jennifer: Yes.

Mario: Now to the business part of the meeting. So thank you for bearing with us. Items for consideration and action. We have the nominating committee recommendation regarding appointment of authority member for term beginning December 3rd. Charles, as chair of the nominating committee, would you please take this?

Charles: Yes. Everyone has in their packet our recommendation and resolution in David's resume, but I'd like to read the recommendation if I could. At its meeting on October 5th, 2021, the nominating committee voted unanimously to recommend David Bowery for reappointment to the board of the South Central Connecticut Regional Water District commencing on December 31st, 2021, and serving until December 31st, 2026. The committee adopted this selection guidelines, which it submitted for comment to the representative policy board. After careful consideration, that committee agreed that Bowery's financial background, leadership and commitment to the authority have contributed highly to the RWA.

Mr. Bowery has a substantial financial background and experience in board governance. He has also served as an elected town council member in the town of Cheshire for nine years, as deputy mayor and served for two years as a mayor and CEO of Cheshire. He currently serves as the budget committee chair and is involved in various other community activities. Mr. Bowery has served on the authority since 2017 and currently serves as chairman of the authority in the strategic planning committee. He has also held the following positions while on the board, chairman of audit risk, committee and chairman of non-core revenue committee. I submit that as a recommendation and I have a resolution to that effect at this point.

Mario: Thank you.

Charles: I'm glad we resolved that. David Bowery, be and hereby is reappointed as a member of the South Central Connecticut Regional Water Authority effective December 31st, 2021. And with his term to extend until December 31st, 2026, until his successor is appointed and qualified. And I so move.

Mario: For a second to motion?

Tim: Second.

Mario: Second Tim. Thank you, everyone.

Tim: Happy to do it.

Mario: Any [crosstalk]?

Charles: Yeah. We met with management and Tony from the board and there was nothing but high praise and I'm proud to be able to bring this forward.

Mario: Thank you Charles. Other discussion?

Tim: I'd be happy to make a comment. Tim Slocum. David wears two hats beautifully. He serves the town of Cheshire, Connecticut as a town council member with a plum. He's just absolutely terrific. And I'm sure he's stressed to the max doing all the things he does. I just think he's about as qualified as one could get. his demeanor, temperament and everything else just makes him perfect for this job.

Mario: Thank you, Tim. Okay. There being no further comments, all in favor aye?

Group: Aye.

Mario: Anyone oppose? Any abstentions? Well, David, it's been a pleasure working with you and I look forward to continuing to work with you.

David: Thank you, Mario. I hope I can live up to the high standards and comments you all have made. I'm humbled by your comments and your support. Thank you.

Greg: Congratulations, Dave.

Mario: Okay. Thank you very much to the nominating committee and Charles. You did a good job working through that progress. The next item is the final decision on the authorities 2021 rate application. And if I could ask our presiding member for that hearing, Rich Smith, if you wouldn't mind making the resolution.

Rich: Certainly, Mario, thank you. So the proposed resolution, October 21st, 2021 for the South Central Connecticut Regional Water authorities application for a rate increase. It resolved that the proposed finding of fact, conclusions of law and final decision of the representative policy board known as RPB with respect to the South Central Connecticut Regional Water Authority's application for a rate increase with 21-03 dated July 19th, 2021, a copy of which is attached to these minutes, be and hereby is approved in the form submitted to the meeting and be it further resolved that the RPB, the South Central Connecticut Regional Water District hereby approves the water rates and related charges set forth in the 2021 issuance test rate application, to be known as the 2021 rate application, filed by the South Central Connecticut Regional Water authority and be known as the authority with RPB on July 19th, 2021.

And be further resolved that the water rates and related charges set forth in the 2021 rate application and attached hereto shall become effective upon the delivery of all or a portion of the authority's water system revenue bonds, a portion of which may be issued as project loan obligations delivered to the state of Connecticut to be known as the bonds. The bonds are currently expected to be delivered on or about January 5th, 2022. The water rates and related charges affected by this resolution will be adjusted at the time of the sale of the bonds in accordance with the table on page 31 of the 2021 rate application to reflect the interest rates on the bonds and resulting that service.

And be it further resolved that the water and related charges established by the authority and approved herein are hereby found to be just inequitable rates and charges, which together with other available funds will provide the authority with the funds and the amounts sufficient for the purposes set forth in section 14 of the authority's enabling legislation, special act 77-98 as amended, but not in excess of such amounts. Whereas South Central Connecticut Regional Water Authority proposes the issuance bonds, which may be issued as project loan obligations delivered to the state of Connecticut in accordance with special act 77-98 as amended of the general assembly of the state of Connecticut and the water system revenue bond resolution.

General bond resolution adopted by the authority and approved by the representative policy board of the South Central Connecticut Regional Water District, RPB, on July 31st, 1980 as amended and supplemented. And whereas the act authorizes the authority to issue its bonds from time to time, but subject to the approval of the RPB. Now therefore be it resolved that the RPB hereby approves the issuance of the authority's bonds in an aggregate principle amount not to exceed \$51 million. The bonds may be issued as obligations in one or more series pursuant to the general bond resolution and a supplemental resolution to be adopted by the authority for each series of bonds. Each of which shall specify the amount of the bonds, the purposes for which the bonds are to be issued, the date or dates, maturities, sinking fund installments, if any, interest rates,

series, denominations, form, redemption prices, security provisions, and such other detail of the bonds as the authorities shall determine in accordance with the limits established by the general bond resolution.

And hereby, the purposes of the bond shall be to finance or refinance the cost of certain capital improvements that the water system that the authority from approximately January 5th, 2022 through June 30th, 2023 in accordance with a certain capital improvement plan adopted by the authority on June 17th, 2021. As may be amended from time to time to provide funds for deposit to the capital contingency fund, debt reserve fund and operating reserve fund as necessary pursuant to the general bond resolution and as permitted by the internal revenue code of 1986, as amended and to pay cost of issuance. Bonds may be sold by negotiation as serial or term bonds with stated maturities and maybe sold in a private or direct placement to a bank or the state of Connecticut.

Mario: Thank you very much, Rich. Is there a second to the motion?

Greg: Second.

Mario: Second, Greg. Thank you very much. Any discussion? Okay hearing none. I'll try your minds, all those in favor of the resolution [inaudible] by saying aye.

Group: Aye.

Mario: All opposed?

Tom: Opposed.

Mario: Mr. Clifford, very good. Anyone abstaining? Okay. Thank you very much. I believe the ayes have it. Rich, thank you very much for being the presiding member.

Rich: You bet.

Jay: Jay. I'm sorry to interrupt. I just wanted to add one thing one. I'd just like to thank Rick Smith for his working with the management team and the attorneys and putting the time and effort into it to represent the RPB. I just want to thank him for that.

Mario: Noted.

Rich: Thank you, Jay.

Mario: Very good. Okay. Onto the third quarter 2021 representative policy board compensation. There was a spreadsheet in your packet. Anyone wish to make a motion? Mr. Levine?

Tom: I would move that, if financially, correct.



Mario: Mr. Clifford, thank you very much. Is there a second?

Mark: I'll second.

Mario: Okay. A second by Mark. Any corrections, additions, amendments? If you find something, please contact Jennifer because it's substantially correct. All those in favor, signify by saying aye.

Group: Aye.

Mario: Okay. Anyone oppose? Anyone abstaining? Okay. Thank you very much. Remember to get your mileage reports in if you have any. I think that's all the items for consideration and action, Jennifer.

Jennifer: That's correct.

Mario: We will move on to reports and I'm going to pinch hit for Mr. Slocum this evening, because he was told he would only be allowed to say nice things about David. Tim was not able to make the meeting in October 4th of the finance committee and so I pinch hit for him. We received the financial report from the auditors and everything was clean.

Male: [inaudible].

Mario: Sorry. We're catching someone. Okay. So we received the audit and an update from a Suzanne Sack on the pension and benefit committee, and their interpretation of the audit, which was good. And then we also received quarterly financial reports, and we discussed the dashboard metrics. And then we also discussed the meeting possibly on the fourth Thursday of the month. Any questions? More details are in the minutes because Jennifer does a good job. Okay, thank you. Onto Mr. Harvey, who's pinch hitting for Mr. Betkowski 00:42:33] on the land use committee.

Bob: Yes. Thank you, Mario. We had our meeting on last Wednesday, the 13th, and it was our meeting out at Lake Saltonstall where we had pizza. Everybody who was there, I don't think, went away hungry except for Jennifer. Jennifer didn't eat, yet she brought dessert too. But we did go over several things. Mr. Triana gave us an update on the RWA's recreation program that happens at Saltonstall, which included that they do ... they have five kayaks for rental now, and they've acquired a shipping container for the patrol boat so it's kept locked up and not subject to any vandalism, and the new fishing shack, which replaced the old one, which is still there. We were able to have our pizza at the picnic table that has the plaques and members of some of our past members from the RPB. And I myself liked seeing the fact that that table is being used.

We went over some of the things regarding how often and how boat rentals are happening. We also had some talk about what happens at Lake Saltonstall. It was mentioned how some of the signage needs to be worked on. I guess Mr. Yale is working on getting the signage repaired for the next year. I'll save the reservoir levels for Larry as he probably has some better numbers, seeing how mine are a week old, but it was a

very good meeting. We were given a heads up regarding the RPB meetings, possibly changing to the fourth Thursday of the month and that should take care of it.

Mario: Very good. Any questions for Bob? Excellent. Thank you very much.

Bob: You're welcome.

Mario: We'll move on to our cleanup hitter, Mr. Mongillo and the consumer affairs committee who does not have a pinch hitter coming in for him.

Stephen: No, pinch hitter. Thanks Mario. We met on Monday and Amanda Shankill, who is manager of environmental health, safety, and risk, and Kate Novak who is a consultant with gradient planning were at our meeting to discuss the 2022 business continuity work plan. Basically the work plan is there in place to protect against any unforeseen emergencies or events that may take place. And obviously the better preparation, better anticipation, and less likely that there would be interruptions in any operations and services. That preparedness cycle starts with assessing risks and plans. The second step is organizing and equipping. Three training, testing, and exercises, and four, evaluation and improvement. As much as trying to consider, obviously COVID-19 taught that you can't expect everything and the better prepared you are, the better you're going to be.

The 2022 work plan has a couple of factors that influence it. One is America Waters Infrastructure Act requiring an upgrade of the 2020 plan, obviously the COVID-19 pandemic event and the 2022 strategic goal to support climate and water quality resiliency. There were also several news events from different organizations that really highlighted the need for concerns about cybersecurity as well. So Kate went over recent tabletop exercises that were held, what happened, what was learned, et cetera. I did attend one in July and a particular event to be evaluated was an elevated PFAS level at one of the supply wells.

So some of the questions that get asked, if that were to happen, would be what exactly is this level? Is this a safe level for drinking quality water? What's the level in the supply? What's the level in the wine? How quickly can we get test information? Do we need to cut this supply and supplant it from another source? Are we capable of doing that? Do we need to communicate with residents? What do we tell them and when? What about communicating with first responders, police, fire, et cetera?

So you can see from the questions that if you're not prepared for these things, a lot of confusion and time can be lost in responding to these events. They went over the work plan overview, what activities are planned, what updates, exercises, et cetera. And then the training objectives are to strengthen both the incident management structure, which has a lot to do with communications in general and procurement of materials, and also strengthen the response plan roles and expectations.

The goals for the exercises are to develop an emergency preparedness culture so that staff is thinking about this all the time as they go through their regular activities. Also to

develop more in-house incident commanders and staff familiar with the system and test the plans. So the presentation took 40 minutes. It was rather comprehensive. We really appreciated Amanda and Kate providing the information that got passed on to our committee to understand this more in depth. Excellent presentation. Our OCA, Jeff [inaudible] reported that there are no current consumer pending issues, which is good. And he's been working with the RWA on providing some information to RWA staff regarding historical perspective on rate increases. So that was our meeting on Monday. And the next meeting, as you mentioned, will be regarding the financial model and anyone that wants to attend that can attend our meeting on the 15th, I believe.

Mario: Very good. Thank you. Questions for Steve? Okay. Thank you, Steve. Appreciate it.

Stephen: Sure.

Mario: Charles, is there anything else with the nominating committee?

Charles: I think my recommendation and resolution summed it up. I don't have anything else at this point.

Mario: Okay. Thank you very much. Appreciate it, again to the whole nominating committee. Authority and management, David Bowery and Larry Bingaman.

David: Good evening, everybody. Mr. Chairman, thank you, and members. Thank you on behalf of the authority and management for your support of our financial plan with the rate case. That is a big help to stability and continuing to move forward with our plans for the authority. We had a couple of robust items on the agenda and the first one is under the pension and benefit committee. So I will ask Suzanne Sack if she would give the report on that.

Suzanne: Sure. Thank you, David. And good evening, everyone. So the pension and benefit committee met today. We have presenters from Morgan Stanley, Steve Kelleher, Joe McLaughlin and Alan Kantapin, I think his last name is pronounced, and we reviewed market commentary and quarterly performance. And I'll give you performance of the VEBA and the pension plan on a quarterly yearly fiscal year and the previous 12 months so that you can see it from all full perspectives. So returns from the third quarter ended September 30th, 2021 for the pension and the VEBA plans and were reported as a negative 0.52%, which is 2.21% points lower than the actual return for the quarter of 1.69% based on the 6.75% annual rate.

Returns for the nine month period from December 31st, 2020 to September 30th, 2021 were reported as 6.69% or 1.63% percentage points more than the actual return for the period of 5.06% based on a 6.75% annual actuarial return currently in place. And prior to May 2021 it was 7%. The fiscal year-to-date performance for the period June 1, 2021, through September 30th, 2021, the return was reported to be approximately 0.17% or 2.08% points lower than the actuarial return for the quarter, which would have been 2.25% based on the annual rate of 6.75% for the period. And then lastly, the previous 12 months of performance was provided as well. And September 30th, 2020 to September

30th, 2021 was reported to be 16.11%. And it should be noted that in March of 2020 was the bottom of the market related to COVID-19.

So over that annual period, we had 16.11% performance, including that month of March. And then lastly, the committee also discussed receiving an annual report on the RWAs 401K plan. So that's the official report and I'll be happy to entertain any questions anybody may have about the VEBA and pension plans and the performance review that we heard today.

David: Questions for Suzanne? All right, seeing that as so thorough and mesmerizing, thank you.

Suzanne: Thank you, everyone.

David: We also had a robust discussion about the budget forecasting and tenure rate modeling. And as Mario said earlier in the evening, this presentation will also be made to a couple of the committees and you certainly are all invited and encouraged to come. This is a significant item and there's some adjustments we were able to get better forecasting now there were 45% done in the design of the Whitney dam. We also have some better numbers and have worked to get closer to reality numbers for the lead pipe issues and some other items. So it's an updated forecast and I think management has done a good job. We think management has done a good job with a preferred case that's going to try to be realistic about what we need to get done yet at the same time, yet at the same time be realistic about what we can afford to do. So hopefully I'll stay tuned the next month for the details of that. And with that, I'll hand it over to Larry for the business report.

Larry: Thank you very much, David, and good evening, everyone. Before I give the financial report, I'd like to have Jeanine report on COVID activities at the RWA. I neglected to do that last month and we have had a little bit of activity and she chairs the return to work committee. So Jeanine?

Jeanine: Sure. Thank you, Larry. So we have had for the first month, since I think March of 2020, no cases of COVID reported among our employees. So that was good news. We have seen that trend go down in the last couple of months. We're happy about that. Based on the fact that there has been very little activity in terms of the health of our employees, we haven't met as a return to a workplace group, which Larry mentioned I chair. We are still doing many of the things that we have been doing all along day, midday cleanings of the restrooms and common areas, floor treatments every weekend for the plants and 90 Sergeant Drive. So we are staying very, what's the word I'm looking for, we're staying very close to making sure that our employees and anybody that come into our buildings are as safe as they can be from a cleaning and disinfecting standpoint.

We have right now about 74% of our employees are currently vaccinated. We had responded most of our employees with the exception of about 70 some odd when we asked for people's vaccination status. So we just sent out letters to the 74 some odd employees that did not respond to our request to provide vaccination updates to us

with the idea that we know that there is a federal mandate that's coming down. We want to be prepared, knowing what our employee group looks like in terms of their vaccination status. After that letter got sent out, we did receive a number of employees that gives us some information. Some passed along their vaccination cards and others let us know that they were not currently vaccinated.

So we'll continue in that process with the hopes of reaching out to every single person and getting a real true sense with 100% of our workforce. We have return to work plans put into place effective November one for our customer care group, which comes up under Laura Gonzales and then Prem Singh, as you probably are aware. We have a number of different job categories returning to the office in a staggered basis starting November 1. We have reconstructed. If anybody's been to our building, they realize that there's a lot of people in a fairly small area. So we have reconstructed the barriers that we had put up, I guess over a year ago now, to ensure that our employees are safe when they return to work.

These barriers are much better than the ones that were done on the fly in the middle of COVID. January 1, there is a plan for the rest of the team to come back on a rotating basis and in much the same way that Larry mentioned the rest of the employees job dependent who can work in a hybrid basis three days in the office and two days outside of the office. That same group will follow along on that path. I think the last update I have for you is regarding the shuts. Now that there have been a moratorium on the shuts for a very long time now, that has been lifted. Letters were sent out to some of our delinquent payers on October 4th and next week [inaudible] is going to be the start shutting off some customers in the field. And so I think that's it. Any questions about our COVID update or situation?

Stephen: I have a question. I do have a question.

Jeanine: Sure.

Stephen: You referred to about what 74% of the respondents as being vaccinated and then the others, you're just not sure of?

Jeanine: Correct.

Stephen: Would it be the position of the authority, because you mentioned the federal mandate, but would it in fact be the position of the authority to dispatch with these individuals? It's something I'm not in favor of, but I have no voice and vote, but I'm asking the question. Have you guys addressed that, the terrible thought?

Jeanine: No, I think we're not anywhere close to there yet. I would like to really get a proper assessment of the entire group. I do know that the federal mandate ... I don't know how many legal challenges it may or may not come [crosstalk]. So I have no idea what's going to happen with that. I know that we're waiting for some OSHA guidance. I know that some organizations have been all over the mark from having this mandate and saying either do it or you're gone, like some healthcare providers. Other people are saying you

do it or you have to submit to weekly testing and everything in between. So we haven't gotten that far in a conversation. We're waiting. I would like to wait, and Larry and I have talked about this, to see what the OSHA guidance is before we relate a plan for us. I will be clear about this though, there is no possible way we would withstand losing a quarter of our workers.

Stephen: Absolutely.

Jeanine: Yeah, yeah. So we're hoping that number ... we do believe that number's a little higher. We got 11 people in the first couple of days respond to the letter that I sent to employees' home, hoping to raise a little bit of a stronger awareness around it, other than all the emailing that we had done. And we did have 11 people. More than half of them provided us their vaccination cards. I do believe that that number is 74% is probably higher. I don't think people realize how important it is for them to tell us. So hopefully we'll get to the bottom of that real soon.

Stephen: I appreciate it, Jeanine, thank you.

Jeanine: Yeah, no problem.

Greg: Jeanine? This is Greg.

Jeanine: Hi, Greg.

Greg: The employees that haven't been vaccinated, are they concentrated in any one particular department or are they just spread out throughout the company?

Jeanine: No, not at all. Interesting enough I've looked at all of that and done a bunch of sorts of the Excel file. They're everywhere. They're little pockets everywhere. It is not one particular group at all.

Greg: Thank you.

Jeanine: You're welcome.

David: Thank you, Jeanine.

Larry: Thank you, everyone. So for the financial results, after four months of actual results through September 30th, our operating revenues are over budget by about \$1.9 million. That's due to our water revenues being over budget by about 1.6 million. And that's due to the higher than budgeted consumption and our commercial and other revenues are also over budget by about \$254,000. And that's, as I say, contributed by our lab services and our pipe safe programs. And then our other water revenues are over budget as well. Our operating and maintenance expenses are about \$1.9 million under budget. So when you do the puts and takes on that, we're projecting coverage of about 114%, which is mandated under the general bond resolution. And we are projecting no shortfall compared to an original budgeted shortfall of \$922,000.

This revised projection reflects the higher than anticipated build consumption and a small reduction in the projected fiscal '22 debt service payments. It also reflects the one-time benefit associated with the big bang conversion to all of our customers going to monthly billing at the same time. So while it's still early in the fiscal year, there is some lingering uncertainty regarding the short and long-term impact of the pandemic and the associated variants that we're hearing about, and some of those impacts being on unemployment levels and customers' ability to pay. So we're optimistic at this point, but with some uncertainty. As of October 18th, I might add too that the projection does not reflect the changes associated with the rate application that you approved tonight. And as of October 18, our raw water storage was at 87% compared to a long-term average of 66% for this time of the year. So with that, I'd be glad to respond to any questions you might have.

Mark: Looked more than that when we were at Saltonstall. You sure?

Larry: I'm positive.

Mark: Okay, just checking because it looked like I stuck my finger in the water there. There looked like there was more water.

Larry: We're at 87%. Our new environmental analyst checked it out.

Mark: Good. Thank you.

Stephen: Hey, Larry, this is Steve. Do you track the draft of commercial accounts separately from the residential, and has that been trending in any direction?

Mark: No. I don't get a separate report on the draft for those accounts. I get it for the overall Oregon [inaudible] for the overall production, but we can obviously go into that at any time. But given that our residential customers are like 90% of our accounts, that's certainly the major impact.

Rochelle: And maybe I can just add, although we don't get production at that level, we do see build consumption customer class.

Mark: Okay. I mean, because we do have it commercially, the wholesale accounts. They've been taking the same amount of water?

Rochelle: Yeah, the wholesale accounts actually for their billings and consumption, they're just running slightly ahead.

Mark: Okay. Thank you, Rochelle.

Mario: That would be an interesting point, Rochelle, perhaps next month to just get a sense of what has been the trend in consumption by residential through COVID versus commercial and industrial. Not to go crazy over it. I'm sure you're monitoring that.

Larry: Yeah. And Steve, our wholesale water to other utilities, we delivered 101.7 million gallons in September of 2021, and that compared to 81.8 million gallons in September of 2020. So the wholesale utility sales are taking more water right now.

Stephen: Great, okay.

Mario: We like to hear, especially when their rates go up.

Larry: Absolutely.

Mark: That's a bigger percentage of going up than the water usage in our area. Isn't it? Our prime area? Are we down or up?

Larry: Yeah for our fiscal year to date we're about 5.7% below last year. And for the month we're down about 2.3% compared to last year.

Mark: Is that counting the wholesale too?

Larry: That's overall production.

Mark: Overall production. We got the wholesale then going up.

Larry: Yeah really.

Mario: Okay. Other questions for ... more report, Larry.

Larry: That's all I have for this evening. Thank you.

Mario: Okay. Thank you, David?

David: That was the conclusion of the authority's report. Thank you.

Mario: Thank you very much. Okay. Jeff Donofrio?

Jeff: No report from the OCA tonight. Thank you.

Mario: Thank you. Bruce McDermott. I feel bad because I asked Jeff. Any reports or are you keeping us from going to jail?

Bruce: No reports and no one's in jail.

Mario: Excellent. Thank you very much, Bruce. Appreciate that. Jennifer, other business? We're okay. I do want to take the opportunity before we all get together again as a total group to thank all the veterans that are on the RPB and the authority and management as we will have Veterans Day on November 11th. So keep that in mind as we go through the next month. Unless there's other business, I believe someone's going to make a motion to adjourn.



Male: I make the motion, Mr. Chairman.

Suzanne: I'll second it.

Mario: Okay. We have a motion and a second. I believe we're adjourned at 7:25. Thank you all very much. [crosstalk].

Male: Be good.

Male: Bye-bye.

Mark: Jennifer.

Jennifer: What?

Mark: I have a question for you.

Jennifer: What?

Mark: Where did we go to in the last three months for the land [crosstalk]? Where did we go? What were the three places.

Jennifer: You went to Eli Whitney, Lake Chamberlain and Lake Gaillard.

Mark: No, Lake Saltonstall.

Jennifer: No, Saltonstall was this quarter.

Mark: You're right, you're right, you're right. So Gaillard?

Jennifer: Gaillard, Chamberlain and Eli Whitney.

Mark: Okay. Gaillard was the first one, right? I think.

Bob: Gaillard was August.

Mark: August.

Jennifer: August. Eli Whitney was July.

Mario: Have a good night, all.

Jennifer: Bye, Mario.

Mario: See you later. Bye, Steve.

Stephen: Bye.

Male: He's just getting you to fill out this travel report right?

Mark: Oh no. I'm just trying to remember where we went. Eli Whitney in August you said?

Jennifer: That was July.

Mark: July? August was Gaillard?

Jennifer: Yes.

Bob: And Lake Chamberlain in August.

Mark: August, okay.

Bob: September.

Jennifer: September.

Mark: You think I'm going to remember that? No.

Jennifer: Do you want me to email it to you? That's what you're getting at right?

Mark: I don't have a pencil. I'm looking for a pencil on my desk.

Jennifer: I'll email it to you and you can just send it back with your mileage.

Mark: Thank you very much.

Jennifer: Okay. All right.

Mark: That's good, Jennifer. Bye-bye.

Jennifer: Bye. Bye, Bob.

Bob: Jennifer?

Jennifer: Yes.

Bob: Who's here? Just me and you?

Jennifer: Yeah.

Bob: Okay. I noticed I've been getting the automatic document signed from you. Should I be getting that or should Charles?

Jennifer: When did that change over, in June?

Bob: Yeah.

Jennifer: You know what? Yeah, Charles should be. Yeah, I have to change that. Thank you.

Bob: You're welcome.

Jennifer: All right. I just like the way you sign. You sign it and send it right back.

Bob: Oh, okay.

Jennifer: I'll send them to him. Thank you.

Bob: Okay. thank you very much. Bye now.

Jennifer: All right. Have a good night.

Bob: You too.