

**South Central Connecticut Regional Water Authority**  
**February 24, 2022**  
**Meeting Transcription**

David:

Good afternoon, everyone. I'll call the Regional Water Authority's February to order. I will note that we have in attendance, four board members, but we do not have Tony DiSalvo who's ill. We wish him the best.

David:

We'll move on to the safety moment. Who do we have? We can all read it, but do we have-

Larry:

Paul Joseph was going to read it, but our safety moment is actually one that he had suggested, because he was coming in to work and the sun was hitting him in the face. He has put together one on driving in sun glare and things you could do to minimize that, like wearing polarized glasses, and using the sun visor, and slowing down. Good tips there. Suggest everyone read it.

David:

Good. Thank you, Larry. All right. Then we'll move right into meeting as the audit risk committee. Who would like to move that we recess as the authority and meet as the Audit Risk committee.

Kevin:

So moved.

David:

Moved by Kevin. Is there a second?

Suzanne:

Second.

David:

Second by Suzanne. All those in favor, signify by saying aye.

Suzanne:

Aye.

David:

Four-zero. All right. Catherine, it's all yours. Thank you.

[AUDIT-RISK COMMITTEE MEETING STARTS AT 12:31 PM]

Catherine:

Good afternoon, everybody. The first thing we'd like to talk about today is, get an update on our cyber security. Let me quickly introduce and then we can move into an executive session. Michael Steinmetz, is that correct?

Mr. Steinmetz:

Mike Steinmetz. Yes.

Catherine:

Okay, Mike is a Security Advisor and Principal at Digital Executive Limited. My colleague, Rick Fontana from The City of New Haven heads the city's Office of Emergency Management and Homeland Security. I'd like to entertain a motion to go into executive session for the purpose of discussing security strategies related to cyber security.

Kevin:

So moved.

David:

Second.

Catherine:

We moved and seconded the discussion. All in favor indicate by saying aye.

Group:

Aye.

[AUDIT COMMITTEE MEETS IN EXECUTIVE SESSION FROM 12:32 PM TO 1:16 PM]

Catherine:

All right. The next item on the committee agenda is related to the plan of audit. Rochelle, would you like to introduce our guests?

Rochelle:

Sure. We have Ron Nossek and David Flint. They're the partner and the manager that's on the engagement. They were also on the engagement last year. They'll be giving you a date regarding the process that's going to be used for fiscal 2022 year-end audit.

Catherine:

Okay. So, this is the second audit following the acquisition of BlumShapiro by CLA?

Rochelle:

Yes, it is. It is the first audit, is my understanding that's going to follow, fully the CLA methodology.

David Flint:

That's correct.

Rochelle:

Last year was a bit of a transition year.

Catherine:

Thank you.

Rochelle:

Okay. Ron and Dave, take it away.

Mr. Nossek:

Hi, everybody. It's good to see you. You did receive, I see it up on screen now, our communication. This is the template. This is a little bit different from the very beginning, relative to what you may have been used to see from BlumShapiro. This is the correspondence to those charged with governance, to be communicated to you during the planning phase of the engagement.

Mr. Nossek:

For the most part, what this goes through, and I'll summarize it very quickly for you. It really is solely about CLA's responsibilities, your auditor's responsibilities under general accepted auditing standards and generally accepted governmental auditing standards relative to the performance of our engagement that we've contracted to perform with you.

Mr. Nossek:

Its relevance, really is to the financial statements, and the process of identifying and assessing the risk of material misstatement to the financial statements and the fact that our audit plan is developed based off of the identification and assessment of those risks. Then also, relative to our responsibility under governmental auditing standards, to the internal control system that is relevant to the financial reporting process of the authority.

Mr. Nossek:

In the case of the internal control, if there are any significant deficiencies or material weaknesses relative to internal control, we will communicate those to you in a written communication at the end of the audit engagement.

Mr. Nossek:

We will, probably if there's any, or not probably, if there's anything of real significance that comes to our attention during the performance of our procedures, we'll reach out to you immediately, relative to something of that matter. If it's general in nature, if you will, it may just wait until the end of the engagement, prior to issuance but during the wrap-up phase.

Mr. Nossek:

Timing-wise, we're scheduled right now to be out there, begin our work on April 11th. As Rochelle clarified, this is the second audit, if you will that, the audit opinion will be on CLA letterhead, but we are under full CLA audit methodology for the first time since performing work for the authority.

Mr. Nossek:

Last year, due to the timing of the engagement, we were grandfathered into BlumShapiro methodology, to be able to utilize BlumShapiro methodology. This year, that will not be the case. You will, and I guess when I say you, more focused towards management. You will see quite a few changes relative to the work we're doing and the work we have to do.

Mr. Nossek:

Perhaps areas of focus, although they shouldn't change all that much relative to where we're going to focus the bulk of our time, but one of the things that we used to integrate into this communication with you, with the board was our fraud risk inquiries to those charged with governance.

Mr. Nossek:

In this meeting, I don't want to cut off, if there's any communication that you would like to convey to us right now, relative to areas that you think are important for us to look at, or if there are any concerns relative to fraud, be it actual, or perhaps considered an area of weakness, certainly you can communicate those to us today.

Mr. Nossek:

We will reach out to the board chair and actually have an interview with the board chair as well as this committee chair in order to go through a formal fraud risk inquiry with you. It's probably 20 to 30 minutes worth of time depending on what percolates up from that conversation.

Mr. Nossek:

That will be something that's a little bit different. We may, although we haven't made a final decision on this, but we may send related party inquiries out to certain board members as well, as part of our audit process. That will be something that's a little bit different than what you're used to.

Mr. Nossek:

What I would respectfully ask is if communications of that nature do come to you that, you turn them around and get them back to us as quickly as you can. Most of them are in written form, but if you feel it would be a lot more efficient to your day and your responsibilities just to pick up a phone and talk to us about it, that's more than acceptable from our perspective. We just want to get a response from you, somehow, some way that we can document within our work product.

Mr. Nossek:

One of the bigger changes that's down on the backside is the national review process. There's a group of folks. The acronym we use is NATG. It's the National Assurance Technology Group, our technical group. All of our audits go through a second review with them. That is a relatively large difference from what BlumShapiro did.

Mr. Nossek:

BlumShapiro, we used to do what's referred to in the industry as concurrent review. So, another partner would look at it, but not necessarily someone who does technical reviews 24/7, if you will.

Mr. Nossek:

That does, because it is a rather large group, and they've got some folks that do it, maybe 50% of the time as well when there's overload and they need to get some more people involved. To give you, I guess a frame of reference, right now, I believe they're promising or assuring us there's about a 72-hour turnaround from when we submit a job to tech review.

Mr. Nossek:

BlumShapiro used to come back to us in a day. On top of that, the focus of the review extends into the work paper product quite a bit more than what Blum concurrent review did. The focus, typically at Blum wasn't just on the financial statements.

Mr. Nossek:

I'm really telling you all this so that ... We have had this communication with Rochelle. It takes a little more time, from the moment in time when we submit to second review, to when we're ready to finally issue those financial statements. We're trying to plan that into our work schedule. Trying to feather that into, if you will, working with management, with Rochelle and her team because there's a certain timeline that they need in order to prepare for us.

Mr. Nossek:

We'll work together and we'll communicate a lot, but I guess I just want to forewarn you that timing might get tight down the back end. That's what we've been experiencing, but we'll do everything we can to meet the deadlines that we have committed to.

Mr. Nossek:

Then finally, just from the perspective of risk areas that, perhaps ... Not perhaps in this case, but are new to the Authority is based off of the acquisition activity that has taken place. There will be some additional work we're going to be doing, relative to that transaction and/or those transactions, if anything else transpires between now and the end of the fiscal year that is unique, relative to what we've seen or what I've seen in my time with you.

Mr. Nossek:

One of the things that we will need to do is that, that is an area, a transactional area that will have to go through our national office as well. That will be Rochelle, I guess. I'm really, I guess, giving you the heads-up on this.

Mr. Nossek:

That's going to be one of the first things that we're going to address when we get in to begin final fieldwork because at that point in time we're going to want to kick it to NATG immediately and get their clearance on it. If we need to tweak the work we've done, have plenty of time still left in the field, to be able to do that.

Mr. Nossek:

Those are the areas I was just going to address with you today, relative to this meeting. I'll turn it back to you. If you have any questions, we're here to answer them. If not, we're only a phone call away and always willing to take the call.

Catherine:

Are there any questions concerning the audit plan?

Larry:

Ron, hi. This is Larry Bingaman.

Mr. Nossek:

Hi, Larry.

Larry:

Any changes in regulations or standards that we should be aware of, or that you could be looking at our financials a little differently?

Mr. Nossek:

No. There's nothing really significant in, so far as accounting standards. There is one GASB statement that's, year of implementation is the year that will be under audit, but it has to do with construction projects and the capitalization of interest during the course of that project. That's not a big deal. It's not that big of a lift.

Mr. Nossek:

What you do have coming down the pike next year is the lease standard. That'll be something that we'll talk to you about on the exit meeting subsequent to the audit. I guess for now I would tell you that, that is a heavy lift. That standard is going to be a heavy lift to implement.

Mr. Nossek:

CLA has some implementation strategies that we can assist you with. At that point in time I'll communicate what those are to you, and the decisions are going to be yours relative to, is it something you're going to do in-house or is it something that you're going to look to from an outside resource.

Mr. Nossek:

Again, just the heads-up, so to speak is that it is a heavy lift. It's going to take some time to gather the information and evaluate the information in order to implement that standard.

Catherine:

Any other questions for our guest? I see none. Mr. Chairman, I think we can ... Well actually, entertain-

David:

Well, you're the chairman. Why don't we move to adjourn the risk audit committee.

Jennifer:

We have minutes. We're going to approve the minutes.

Catherine:

Oh.

Rochelle:

Yeah. Thank you, Ron and Dave. We'll be in touch.

Mr. Nossek:

Okay. Thanks a lot, guys. Good to see you again.

Rochelle:

Thank you.

Kevin:

I make a motion to approve the minutes.

Catherine:

I missed one thing. I'm sorry. Did I hear, motion to approve the minutes of the audit risk committee?

Kevin:

You did.

Suzanne:

By Kevin. I'll second it.

Catherine:

Thank you. All in favor.

Group:

Aye.

Catherine:

Actually, that was unanimous so that's fine. All right. That being said, I entertain a motion to move out of ...

David:

Adjourn this audit risk and then reconvene as Authority. I'll move that if that's all right?

Catherine:

Okay.

Suzanne:

I'll second it.

Catherine:

All in favor.

Group:

Aye.

Catherine:

Aye. Did you vote, Kevin? I'm sorry.

Suzanne:

He did.

Catherine:

Yeah. That was for. All right. That concludes the meeting.

[AUDIT-RISK COMMITTEE MEETING ADJOURNS AT 1:29 PM]

David:

All right, so we are back as the Authority. Thank you, Catherine. Very good meeting. We had a lot going on there. I'm sorry, Suzanne, I talked over you. Sorry.

Suzanne:

I said the same thing you did. Thank you.

David:

Oh. Okay. All right. Now we're back to the Authority meeting and we are on the consent agenda. Are there any items you need clarification on, or you would like to remove?

Suzanne:

I'd like to make a motion to approve the consent agenda as listed.

David:

All right. Is there a second? Any points of clarification or discussion? Seeing none. Sensing you're all ready to vote. All those in favor, signify by saying aye.

Suzanne:

Aye.

David:

I heard four ayes. All right, so now we're into finance. Rochelle is going to give us a rundown of sodium hypochlorite tank replacement.

Rochelle:

Yes. This is actually a critical project that we need to be able to fund for fiscal '22 as well as fiscal '23. What you see here, and this is due to the dollar value that this is before you. We have an amendment to move \$500,000, and the funding is across multiple projects into this critical project. It's a Lake Gaillard treatment plant.

David:

Do we have questions or comments? All right. I believe we have amendments in here that we need to move forward with?

Rochelle:

Yes, there is a resolution.

David:

At the bottom there, right.

Rochelle:

The bottom?

David:

Okay. Who would like to move that? Don't all be shy. All right, Kevin would like to move that. Who would like to second it?

Suzanne:

I'll second it.

David:

All right. Two seconds. All right, very good. Any further discussion?

Rochelle:

Thank you on that.

David:

All right. Then we'll vote on that, and all those in favor, signify by saying aye.

Suzanne:

Aye.

David:

I heard all four votes. Thank you so much. All right, so the type B contingency with the West River.

Rochelle:

Yeah. This is actually an amendment to move money across, actually four projects. The two biggest ones being The West River Treatment Plant as well as the Derby Tank, to put aside money within our

construction fund for these particular projects. The Derby Tank, I believe you're aware is being influenced by some of, I'll call it the legalese in the proceeding.

Rochelle:

The West River Treatment Plant is being influenced, really through delays in the global supply chain and issues, as well as the two other projects. This paperwork would facilitate us moving just a little over \$7.4 million into our contingency.

Rochelle:

By doing that, what we will end up doing is we would carry that over through our carryover process next year and reallocate it back to these critical projects that do need to proceed. What it does from an actual perspective is, we really will be putting the money aside within our construction fund.

Rochelle:

We think that's the prudent thing to do, to save that money for this critical project especially in light of what you saw when we presented the model. Some pretty significant capital spend years in '24 and '23 and even into '25. This recommendation is to, basically put aside money for these projects. We think, again that it's a prudent way to handle the supply situation as well as this situation with the Derby Tank.

David:

Folks, any questions or comments? Pretty straightforward, I guess. Would someone like to move this motion that's there?

Catherine:

I'll move the approval of the amendments as described.

David:

Moved by Catherine. Is there a second?

Kevin:

Second.

Suzanne:

I'll second that.

David:

Seconded by the two remaining members [inaudible 00:21:46].

Suzanne:

It takes a minute to get your mic off, so you-

David:

I understand. Sure. All right. Any further discussion? Seeing none. You're ready to vote? All those in favor, signify by saying aye.

Kevin:

Aye.

Suzanne:

Aye.

David:

I heard four votes. Good, we are unanimous with that. Now the third item within this area is the project loan obligation, which these we come pretty standard with, which are really good because they indicate we're getting grants and loans at reasonable rates. That's helpful. Rochelle.

Rochelle:

Great. Yes, thanks for that introduction. These are two projects that we're now ready to go forward to the last stage of the loan agreement, the subsidy, the project loan agreement. We are expecting that these projects will close on the fifth, so we're really working with those involved in the signature process.

Rochelle:

I will say, we are finalizing the exact amounts with a DPH, but we are expecting for these projects to get, I would say, at least 20% and probably a little bit more than that in grant money.

Rochelle:

Just a little bit of a refresher, this will be our 11th and 12th loan and grant. We currently have 10, and excluding these two new loans and grants, we've gotten 3.8 million. Actually, a little bit over that in grants since we started to work with DWSRF.

Rochelle:

I'll also add that we have, I think, a really good relationship with them. They're working with us, as well on coordinating with WIFIA for the dam projects. I think, a good working relationship.

David:

Good. All right. Any questions or more discussion? All right. Who would like to move this motion?

Catherine:

I move approval of the ... Before I do this, are you looking for approval of one resolution at a time, or both?

Rochelle:

It's written for both together, so-

Catherine:

Kind of, what I thought. Just wanted to confirm it. Okay, I move approval of the resolutions for the project loan agreement.

Kevin:  
Second.

David:  
Seconded by Kevin. All right. Any further discussion? All those in favor, signify by saying aye. Aye.

Suzanne:  
Aye.

David:  
Passed unanimously. That's great. Thank you.

Rochelle:  
Thank you.

Prem:  
David, you're on mute.

David:  
Sorry. All right. Next item is reports, our RPB committee meetings, and we'll go in order shown here on this place. Finance committee. Tony's not here, but they had two items on their agenda. Larry, you were there, right, or Rochelle was there because she gave a report. Would you folks like to report on it? I was not there.

Larry:  
Sure. Rochelle can go ahead since she reported at the meeting.

Rochelle:  
The key topic, the special topic was an updating of the finance committee on our refinancing. We shared the savings that we had gotten on our two recent refinancing as well as a perspective on what we've gotten over the last five years. We will be presenting that again at the consumer affairs meeting.

David:  
Okay. The other item on the agenda, which I was pleasantly surprised to see and very appreciative was the fact that the committee recommended an increase in our compensation. Generally, they don't do it two years in a row, but last year had been done as a one-year equivalency. They generously thought they would really visit the issue, and unanimously recommended to the full RPB tonight, an increase in our compensation as well. I thank them for that consideration and we'll see how it goes tonight.

David:  
All right, so the next item would be land use committee. Catherine, did you attend that?

Catherine:

I did. The land use committee started up, obviously with the safety moment which addressed heart health because it was heart health month, February. There was a really fascinating presentation made by one of the people who has a permit to conduct research on RWA land. It's a very interesting report on how he researches beetles.

Catherine:

The catching of them was a little bit odd, at least for me, but the most interesting thing is, of course the land use committee asked, as this gentleman said, more questions than anybody that has taken his class. I thought that was very interesting.

Catherine:

As usual, John Triana presented a very comprehensive report, the highlights of which would be that our reservoir levels are at 87% as of the end of January. A lot of that was due to significant rain that the region has experienced. The property in Hamden that has been of interest for a while, at 95 Ives Street has been now sold, which I think Larry updated us on that as well.

Catherine:

Some interesting things going on with respect to recreation. Although permit holders are down, there continues to be some activity there. There are a couple of new aluminum boats for the fishing season, for Lake Saltonstall. There are also additional activity permits on the property.

Catherine:

There are so many things. It's really difficult for me to pick which are the most interesting. If anyone has any questions, I'm happy to respond.

David:

I've to read the minutes now. You've piqued our interest.

Catherine:

Well, their land use committee is always very interesting.

David:

Yes. It is. Yeah. All right. Very good. So consumer affairs is not meeting till next Monday, so we will hold off, I guess because of the holiday this past Monday. We will move on.

David:

Well actually, the next item on the agenda is strategic planning. Would we like to take a 10-minute break before we go into strategic planning and then the updates and all? Why don't we do that. Let's take a 10-minute break until 1:55. All right? Shortly.

David:

All right. Suzanne, are you there? I see you're connected. Okay. Suzanne? Well, it's 1:55 so we can at least get started with ministerial acts like the minutes. All right. We are back as the Authority, and I'll entertain a motion to recesses the Authority to meet as a strategic planning committee.

Larry:

So moved.

David:

Is there a second? Second by Catherine. Suzanne, ah, there you go. Okay. All right. All those in favor, signify it by saying aye. Aye. Passes. We are now in the strategic planning committee.

[STRATEGIC PLANNING COMMITTEE MEETING STARTS AT 1:55 PM]

David:

All right. With that, I will ask for a motion to approve the minutes if we've all had a chance to look at them.

Suzanne:

I'll make a motion to approve the minutes.

David:

All right. Moved by Suzanne. Who would like to second.

Catherine:

Second.

David:

Seconded by Catherine. Any discussion? All those in favor, signify it by saying aye.

Group:

Aye.

David:

Aye. Passes unanimously. We will move on to our work plan for the upcoming fiscal year. I'm sure it's going to be put up on display. Are there any questions regarding that?

Larry:

This is very similar to the work plan that was presented for fiscal '22.

David:

We're consistent. That's good. All right. That doesn't require a action, but just for your awareness. Then we'll move into the meat of the meeting, which is the fiscal year strategic plan of initiatives and a preview of employee meetings. Quite a bit of interest, so that's good. Larry, I'll hand it over to you.

Larry:

Before I get into the actual discussion of the strategic plan initiatives, I did want to take a moment and introduce Donna Verdisco who is our new VP of HR and Chief Human Resources Officer. She's been on the job now, two and a half days and she's likened it to drinking from a fire hose.

Larry:

I wanted to have her attend this meeting and have meet her because you will be hearing more from her as time goes on. Welcome, Donna.

Donna:

Thank you.

David:

Welcome, Donna. It's great to have you here.

Donna:

Thank you very much. Looking forward to working with all of you.

David:

Good.

Larry:

As you know, our fiscal '23 strategic planning cycle is underway, and we've been working on it for over a month. As we were beginning to formulate our fiscal '23 strategic planning initiatives under the four perspective of the balanced scorecard, we took into account the survey and focus groups that Andrea Hawkins and her group led as part of the DE&I roadmap.

Larry:

There were three themes that came from those surveys. One, employees wanted to have the opportunity to share authority. Two, they wanted to collaborate in making decisions. And, three, they wanted the leadership team and other management within the organization to consider diverse perspectives.

Larry:

With those three commitments in mind, we invited all employees of the RWA to provide input into our strategic planning initiatives for fiscal '23. We have done that two other times. One of them in 2018 and then one of them for fiscal '19 strategic plan, and had good representation across the organization.

Larry:

For the past three Thursdays in February, the leadership team and directors of other departments worked together with the representatives of Leading Culture Solutions, Andrea's group and co-facilitated a series of strategic planning focus groups. We will have a total of eight of them. As a matter of fact, the final two are being held today.

Larry:

We had about 90 employees sign up to participate in particular sessions, which is a good turnout because in the past we've had somewhere between 100 and 110. I think given that we're working more remotely now, I think having that kind of a turnout is very good. They've been participating in offering their thoughts and observations for our fiscal '23 strategic plan.

Larry:

Here you can see the list of the dates that the focus groups are scheduled. If you'll go to the next slide, Jennifer, this shows the four perspectives of the balanced scorecard on the left. Customers and constituents, employee, financial, and internal business process, and some of the actions and themes that are coming out of those focus group sessions.

Larry:

In the external customer/constituent perspective, there was a suggestion that we provide a training plan for employees to understand the importance of accountability, and how they can provide outstanding internal as well as external customer service.

Larry:

That can be things as simple as understanding what the timeline is for returning an email, or how long to return a phone call, as well as communicating to, either an internal or an external customer when you will be able to meet a commitment. If that date changes, keep that individual advised.

Larry:

Another important theme in the employee section that came out was succession planning and cross-training as well as the transfer of institutional knowledge of longer-term employees. Lots of discussion around those key areas and the need for the organization to do more, to not only develop employee skills and abilities, and knowledge, but to use that as a way to retain employees, and to ensure that we have adequate in-house resources to carry out all of the various initiatives.

Larry:

We've been hearing a lot from employees that there's a lot going on at the organization. We've analyzed what we need to do about that issue. We have hired some additional resources as part of our budget, to help alleviate some of that stress. That was reinforced during the strategic planning focus groups.

Larry:

Another item that came up around our commercial enterprise as a way to support the utility, and there was an emphasis on the four pillars of our commercial enterprises and why new business development is very important to the customers of the company, as you know, as a way to offset rate increases moving forward.

Larry:

Then finally, under the process and project management, a lot of conversation around the need to have more effective and efficient project and resource management to help us execute on some very significant initiatives that are going on in the organization particularly along the line of business transformation. That involves using technology. Lots of conversation around the need to have adequate resources and more effectively managing large enterprise-wide projects.

Larry:

The next steps in the process are Leading Culture Solutions will take all that input that the employees provided in the focus sessions and they will synthesize and present to the leadership team in early

March. We will take all of those themes and consider what will be included in the fiscal '23 plan, which will help us also determine the budgets that we'll need in order to execute those initiatives.

Larry:

We did tell employees that even though they may not see their particular idea in the fiscal '23 strategic plan, to not be concerned because we will capture all ideas that have been offered and put them in an appendix. Even though we may not be able to pick a particular initiative for fiscal '23, we can certainly use that for the next fiscal year. If we find that we need to substitute one initiative for another, that could provide an opportunity to use some of those in the appendix as well.

Larry:

Ultimately, the final fiscal '23 strategic initiatives and global metrics will be shared with you at the June meeting when we have the next strategic planning committee meeting. So we'll show you the results of not only all of that input, but what the leadership team decides, moving forward.

Larry:

We'll also show an initial draft to employees in an all-employee team meeting near the end of March, so they can see the results of all their input as well before we finalize the plan. A bit of a preview of what's been happening for the past few weeks. Really some exciting thoughts and ideas are coming forward.

Larry:

Great to see the level of engagement that we have from employees, and their willingness to offer ideas on how to guide the RWA's strategic plan for the next year. With that, I'll be glad to take any questions you might have.

David:

I can't see you all at once so speak up. Don't be afraid. No? Okay. Thank you, Jennifer. Anyone have any questions regarding the work so far on the strategic plan for next year, and the update?

Suzanne:

I just have a question, David. We had talked last time. Dennis made a presentation about putting together some metrics that help us identify things that we've already done to invest in our business enterprises, and how they're performing, and what indications of success there are.

Suzanne:

Two, some sort of metrics or plan that helps us see what's on the horizon for that development in that area. I'm just wondering where we are on that.

Larry:

Dennis is still working on that information I believe and we will be sure and include that in the June strategic plan update.

David:

We may get an update sooner on the commercial business because we have a meeting of that coming up.

Larry:

I'm not sure whether he'll have that information completed by then.

David:

Could actually fit for either one when it's ready, and just an update.

Prem:

Just to add, and thank you, Larry. We are working on that, to your point. As you all know, we actually have a formal monthly governance that we meet every month to review the different commercial enterprise's divisions. We are preparing for that, so we should have that update in the upcoming meeting, David as you mentioned. We'll be ready for that. We'll come back to you, Larry, on that.

Larry:

To Prem's point, management is reviewing the business status monthly. It's not like we're not doing anything with it. We just haven't formally presented the metrics to the board.

Prem:

Yeah.

David:

All right. Anything else? Any other questions or comments regarding this?

Catherine:

Well, this probably can wait until we actually have some metrics, but do you have a sense, Larry, of how this employee input is affecting morale? Positive, flat, negative, anything.

Larry:

That is an interesting question. My sense is that working remotely has presented some extra challenges in terms of keeping employees engaged and involved in the business. This past Tuesday, as you know, we had everybody come back into the office that had been working remotely, back on three days in the office and two days working remotely.

Larry:

I think one of the things that the leadership team's going to take up beginning tomorrow is, we'll start considering other things that we can do to enhance engagement. I think the fact that we had 90 employees participate in these strategic planning sessions, I think is a good, strong indicator because our best sessions, a few years ago only had 110.

Larry:

While it's about 20% less, it's still, I think, a good turnout. The remote working does present extra challenges.

Catherine:

Thank you.

David:

Not to put Donna on the spot her first meeting and whatnot, but this is over a third of our workforce participating in this. In your experiences with other companies, is that good? Is that low? Do we need to get in a concerted effort to get more involvement or are we ... How do we fairing?

Donna:

It's a very good point. I think that, that's probably normal, especially given that you have a large workforce in field operations. Some of it could be just accessibility and them not being able to carve out the time, but I would say that, that's ... I think, Larry, you had said that it was about half of the population that you typically find that, responds to those types of things.

Donna:

I think that, that's actually, generally good, given just the dynamics of the workforce.

David:

Thank you. All right. Any other questions regarding this? All right. Then I'll ask for an adjournment of the strategic planning committee, and reconvene as the Authority.

Suzanne:

So moved.

David:

Moved by Suzanne. Seconded by Kevin. All those in favor, signify it by saying aye.

Suzanne:

Aye.

David:

Passes unanimously.

[STRATEGIC PLANNING COMMITTEE ADJOURNS AT 2:09 P.M.]

David:

All right. Item G is, act on matters arising from committee meetings, and there are none that we need to vote on. There's a body that was voted on in that committee, so we'll move to updates. We'll get a brief COVID update from Paul. There he is. I see him.

Paul:

I am here.

Larry:

He'll provide the COVID update and this will be Paul's last meeting. He's been working with Donna this past week in a transition mode.

David:

Thank you very much for your service with us. We appreciate it.

Paul:

It was a pleasure, and I really enjoyed working with the Authority and everybody at the RWA. So, a very, very quick COVID update. I'm very happy to report that we had no additional cases this month, which is the first time that we've had that in an extremely long period of time.

Paul:

Our vaccination rate has stayed stable at 85%. Overall, in Connecticut, the positivity rate in the last report that I gave to the board last month, the positivity rate was 11.36. As of Tuesday it was 3.51, which is a very, very significant drop. It's reflective of what's been going on, basically in the Tri-state area with all the numbers going down.

Paul:

In terms of making sure that our staff is safe, we continue the cleaning protocols that we had in place. We still have a mask mandate for all public space within our facilities. If you're walking in halls, if you're in the cafeteria, you're required to wear a mask.

Paul:

As Larry mentioned, we moved away from having everybody who can work at home, remotely due to COVID, back to our hybrid schedule of three in and two out. It's a little too early to evaluate exactly how many employees are actually following that. It's something that we will monitor moving forward.

David:

Thank you. Any questions regarding the COVID update? All right. Larry, the rest of the updates?

Larry:

I'll highlight a few items from my board letter. One of the items that I mentioned is that we did present a letter of intent, including a deal structure with the owner of a local well services company, and due diligence is underway. That is progressing well. We're continuing to have conversations with a regional environmental testing lab.

Larry:

I also wanted to let you know that Rochelle will participate in an upcoming panel discussion on the Infrastructure Investment and Jobs Act that is being held by The Certified Construction Managers Connecticut chapter, which will be up in Hartford.

Larry:

She will be joined by representatives of DOT, The Office of State Broadband and a real estate consulting firm to discuss the infrastructure bill and how it impacts business. It's her opportunity to provide an

advertisement on why Regional Water District should be included in that funding, since so much of that funding does come through federal legislation.

Larry:

Also, too, Jim Courchaine is away this week. He's in Florida, and he is a panelist on a half-day session on workforce development. How to develop the whole person, so it's not only the hard skills, but also the soft skills, such as discipline techniques, effective writing, presentations in front of small groups. He's presenting to the Water Utility Management Conference of The Water Environmental Federation, which is a very large water and environmental and waste water group. He's there representing the RWA and flying the flag. Those are all of my key updates for this month.

David:

Great. Any questions regarding that? I actually have a question in there. Within your report, you talked about, obviously the phone volume going up because of the monthly billing. Now that we're near the end of February, have we seen ... So we have more information on what's contained in the report, are we seeing a decent collection rate for the people that are now getting monthly instead of every other month? How is that? Every third month. How is that going?

Larry:

I'll have Prem talk a little bit more about that because he's putting together a plan that the customer service representatives that handle collections are prioritizing those accounts that are the largest. They're going after those that provide the greatest opportunity to reduce the accounts receivable.

David:

I didn't mean ones were behind on. I'm sorry I used the wrong terminology, but I'm just wondering how the regular monthly bills are being paid, now that they're monthly instead of quarterly? Now that we have another month, almost another month because we're near the end of February already now, and the report, the information is dated through January. I'm just wondering-

Prem:

If you don't mind, I'll take that question-

David:

Thank you.

Prem:

I think, overall, David, as you know, we changed the frequency of the billing monthly. We still have customers who, probably are getting a bill based on the number of days. Let's say their last bill was in October and then their bill comes in January. There are certain variations.

Prem:

A frequency has changed. In terms of the collection, first to talk about the calls. January was a pretty hard month for us. At certain peak times, we received almost 650 calls a day. It was almost twice the number of calls that we used to receive. We started to taper down a little bit because, as you know there's always a spike after a big conversion that happens.

Prem:

We are close to 420 calls a day now. We are tapering down, but that's not going end until the end of March because that's when all the customers would have been converted. That's what's happening there.

Prem:

In terms of the collection charges, we are getting those calls about clarifications on billing. In terms of customers making the payments, those are going pretty well. I don't see it as a challenge.

Prem:

Of course, to Larry's point earlier, we had to shift certain of these resources. We have special billers. We used to actually use some of them for our collection strategy, but because of the volume of calls, we have shifted the gear a little bit. They're actually, also taking calls now, but we will pick it back on.

Prem:

One strategy we are using is, we are looking at the highest ... Let's say, based on the outstanding bills that we have, we have prioritized commercial customers, and we are really making calls for those customers. That's the way we are approaching it, but I do believe that by end of March we should be pretty much in a normal state. We should get back in the normal state.

Prem:

It will still be pre-pandemic levels. If you remember, the call volumes did go down because of COVID. We will be expecting those calls, but at least it's not going to be thrice the number of calls, et cetera. I think that's what we are approaching it. I don't know, Rochelle, if you have other insights you would like to add.

Rochelle:

I would just add that as Prem mentioned, January was very much a transition month, so some people got a bill for a few days. Some people got bills for almost three quarters. I think the return to normal will really be more in February. We're expecting that to be a more normal month. We'll definitely be watching to see, do the collection patterns change with monthly billing?

David:

All right. Any other questions or comments? All right. Then we've actually come to the last-

Larry:

David?

David:

Yes.

Larry:

There's one item that I wanted to discuss very quickly as part of my highlights. That would involve an executive session concerning real estate.

David:

All right. Well, then let's do this. Our next item on the agenda is executive session. We planned on discussing personnel matters and we also can add land and negotiations as well. Then we're ready at that time now. Charles, I want to say thank you for being with us this afternoon. We will see you tonight.

Suzanne:

Bye, Charles.

David:

I see your mouth going and I'm sure you're saying goodbye or thank you, but you are on mute.

Charles:

Bye, everyone. Thank you.

David:

All right. Bye. See you tonight. Thank you. All right. I'll accept a motion to go into executive session to discuss land matters as well as personnel matters. For the land matters, we are inviting who?

Larry:

Let's see. We'll invite, I think the leadership team. They've been involved in land matters.

David:

Makes sense. All right, as well as Jennifer. Okay. Then for the personnel matters, it'll actually just be the board. With that, I will call for a motion. Who would like to move that?

Catherine:

I'll move the question.

David:

Thank you, Catherine. Seconded, Suzanne's pressing her button there. I can see.

Suzanne:

Yeah. I'll second it.

David:

All right. All those in favor, signify it by saying aye. Aye.

Group:

Aye.

David:

All right. We are in executive session and we will discuss the land matters first.

[AUTHORITY MEETS IN EXECUTIVE SESSION FROM 2:19 PM TO 3:06 PM]

David:

All right. Executive session has ended and I will set the motion to adjourn.

Catherine:

I move we adjourn.

Suzanne:

I second that motion.

David:

Seconded by Suzanne. All those in favor of adjournment, signify it by saying aye. Aye.

Group:

Aye.

David:

Unanimous. All right, folks. See you in a little while. Thank you. Public hearing-

[AUTHORITY MEETING ADJOURNS AT 3:06 PM]