

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

REVISED
AGENDA

Regular Meeting of Thursday, December 15, 2022 at 6:30 p.m.

- I Safety Moment
- II Public Comment: The time limit granted to each speaker shall be three (3) minutes. Residents and customers may address the Board.
- III Approval of Minutes – November 17, 2022 meeting
- IV Communications
 - A. RPB Committees FY 2024 Proposed Budget Review Meetings:
 - a. Finance Committee and Consumer Affairs Committee Joint Meeting – Monday, April 17, 2023 at 5:00 pm (Consumer Affairs Committee Regular Meeting and Finance Committee Special Meeting)
 - b. Land Use Committee Special Joint Meeting – Wednesday, April 19, 2023 at 5:30 pm
- V Reports
 - A. Finance Committee
 - B. Land Use Committee
 - C. Consumer Affairs Committee
 - D. Authority/Management
- VI Adjourn

| |
|--|
| <p>**Members of the public may attend the meeting via conference call. For information on attending the meeting and to view meeting documents, please https://tinyurl.com/4z6mujwr. For questions, contact the board office at 203-401-2515 or by email at jslubowski@rwater.com</p> |
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REPRESENTATIVE POLICY BOARD

DECEMBER 15, 2022 AT 6:30 P.M.

Remote Meeting Instructions:

Call in (*audio only*)

[+1 469-965-2517,,423512156#](#) United States, Dallas

Phone Conference ID: 423 512 156#

For questions, contact the board office at 203-401-2515 or by email at jslubowski@rwater.com

the Twelve Days of **SAFETY**

**Tap Into
Safety**



Regional Water Authority

1. Never leave a burning candle unattended
2. Turn off tree lights, decorations, and portable space heaters when away or asleep
3. Never throw wrapping paper in the fire
4. Only use outdoor and indoor lights as indicated on packaging
5. Don't overload circuits, extension cords, or electrical sockets
6. Never leave cooking or baking unattended
7. Keep holiday plants away from pets
8. Check your smoke detector battery
9. Celebrate small and don't drink and drive
10. Choose a fire-resistant artificial tree and water a natural tree daily
11. Maintain woodburning fireplaces and chimneys
12. Travel safely and don't overshare on social media



Service – Teamwork – Accountability – Respect – Safety

Safety is a core company value at the RWA . It is our goal to reduce workplace injuries to zero.

 Regional Water Authority

**Representative Policy Board
South Central Connecticut Regional Water District
Minutes of November 17, 2022 Meeting**

A regular meeting of the Representative Policy Board (“RPB”) of the South Central Connecticut Regional Water District took place on Thursday, November 17, 2022, via remote access. Chair Ricozzi presided.

PRESENT

RPB

| | |
|----------------|------------------------|
| Ansonia | Thomas P. Clifford III |
| Beacon Falls | Peter Betkoski |
| Bethany | Brian Eitzer |
| Branford | Mario Ricozzi |
| Cheshire | Timothy Slocum |
| East Haven | Michelle Verderame |
| Guilford | Charles Havrda |
| Hamden | Stephen Mongillo |
| Killingworth | Jamie Mowat Young |
| Madison | Joseph A. Oslander |
| Milford | Richard Smith |
| New Haven | Naomi Campbell |
| North Branford | Peter DeSantis |
| North Haven | Anthony P. Rescigno |
| Orange | Jasper J. Jaser |
| Prospect | Robert E. Harvey, Jr. |
| Seymour | Mike Horbal |
| West Haven | T. Gregory Malloy |
| Woodbridge | Mark Levine |

Absent

| | |
|----------------|-------------------|
| Derby | Frank Pepe |
| Governor’s Rep | Vincent M. Marino |

Regional Water Authority

David Borowy
Anthony DiSalvo
Catherine LaMarr
Suzanne Sack

Management

Larry L. Bingaman
Rochelle Kowalski
Elizabeth Calo
Dennis Donovan
Jim Hill
Sunny Lakshminarayanan
Premjith Lakshman Singh

Counsel

Bruce McDermott, Esq.

Office of Consumer Affairs

Jeffrey Donofrio, Esq.

Staff

Jennifer Slubowski

Call to Order

Chair Ricozzi called the meeting to order at 6:30 p.m.

Safety Moment

Chair Ricozzi reviewed the Safety Moment handout distributed to members.

Public Comment

Chair Ricozzi offered the opportunity for members of the public to comment. There were no members of the public present at the meeting.

Minutes

On motion made by Mr. Rescigno, seconded by Mr. Jaser, the RPB approved the minutes of its October 27, 2022 meeting as distributed, with 96 total weighted votes cast in the affirmative.

| | | | | | |
|------------------|--------|------------------|--------|----------------|--------|
| Ansonia (3) | Aye | Guilford (4) | Aye | No. Haven (5) | Aye |
| Beacon Falls (0) | Aye | Hamden (10) | Aye | Orange (3) | Aye |
| Bethany (5) | Aye | Killingworth (2) | Absent | Prospect (1) | Aye |
| Branford (6) | Aye | Madison (6) | Aye | Seymour (1) | Aye |
| Cheshire (4) | Aye | Milford (11) | Aye | West Haven (8) | Aye |
| Derby (2) | Absent | New Haven (13) | Aye | Woodbridge (3) | Aye |
| East Haven (6) | Aye | No. Branford (8) | Aye | Gov. Rep. (1) | Absent |

Communications

Chair Ricozzi stated that the RWA Code of Ethics requires members to file a Conflict of Interest/Profit/Gift/Food Disclosure Report for the period ended November 30, 2022. Forms should be completed and returned to the board office by December 7, 2022.

He also stated that an RWA email address has been created for the public to provide information to the boards. The email address is Boards@rwater.com.

On motion made by Mr. Eitzer, seconded by Mr. Malloy, and unanimously carried, the RPB approved the proposed 2023 calendar year meeting dates, as presented, with 96 total weighted votes cast in the affirmative.

| | | | | | |
|------------------|--------|------------------|--------|----------------|--------|
| Ansonia (3) | Aye | Guilford (4) | Aye | No. Haven (5) | Aye |
| Beacon Falls (0) | Aye | Hamden (10) | Aye | Orange (3) | Aye |
| Bethany (5) | Aye | Killingworth (2) | Absent | Prospect (1) | Aye |
| Branford (6) | Aye | Madison (6) | Aye | Seymour (1) | Aye |
| Cheshire (4) | Aye | Milford (11) | Aye | West Haven (8) | Aye |
| Derby (2) | Absent | New Haven (13) | Aye | Woodbridge (3) | Aye |
| East Haven (6) | Aye | No. Branford (8) | Aye | Gov. Rep. (1) | Absent |

Reports:

Finance Committee – Mr. Slocum, Chair of the Finance Committee, reported that the committee met earlier in the week and received presentations from management, held in executive session, on the Lead & Copper Regulation Revisions and Ten Year Model. The committee also adopted its 2023 calendar of regular meeting dates.

Land Use Committee – Mr. Betkoski reported on the Land Use Committee meeting earlier in the month. He stated that the committee met and reviewed the safety moment and approved the minutes of its October meeting. The special topic was removed from the agenda due to procedural matters. The committee also received land updates from management and were asked to submit topics of interest to management for discussion at future meetings. The next meeting is on Wednesday, December 14, 2022 at 5:30 p.m.

Consumer Affairs Committee – Mr. Mongillo, Chair of the RPB Consumer Affairs Committee, reported that the committee is scheduled to meet on Monday, November 21, 2022 to review the Lead & Copper Regulation Revisions and the Ten Year Model. All RPB members are invited and encouraged to attend.

Authority/Management – Mr. Borowy, Chair of the Authority, reported on the Authority meeting earlier in the day. He stated that the Authority also met as the Environmental, Health & Safety Committee and the Strategic Planning Committee.

In Mr. Curseaden's absence, Mr. Borowy reported on the Environmental, Health & Safety Committee meeting earlier in the day. The committee met with management to discuss the Connecticut Department of Energy and Environmental Protection Stream Flow Regulations, the RWA's Safe Reservoir Yield Model, and to receive a Legislative Session update.

Mr. Borowy, Chair of the Strategic Planning Committee reported that the committee met earlier in the day to receive an update on the RWA's business process improvements.

Ms. Calo, the RWA's Sr. Director of Employee Relations & HR Operations, provided an update on the status of COVID at the RWA. She reported that there were 5 new cases among RWA employees for a total of 124 since the start of the pandemic. Discussion ensued regarding return to work requirements, tracing, and remote working conditions.

Mr. Bingaman, the RWA's President and Chief Executive Officer, reviewed revenues, operating and maintenance expenses for the month ended October 31, 2022 and stated the projected maintenance test for FY 2023 is 121%, with no shortfall due to higher interest and increased water revenue, lower than expected payment in lieu of taxes (PILOT) and debt service expense.

He also reported that raw water storage levels as of November 14, 2022, were 71%, compared to the long-term average of 66%.

At 7:13 p.m., Ms. Young entered the meeting.

Chair Ricoszi acknowledged Atty. Donofrio who stated the importance of attending the Lead & Copper Rule Regulation Revisions presentation at the Consumer Affairs Committee meeting on Monday, November 21st. He noted the importance of becoming educated on the subject in preparation of expected outreach that may be required of members.

Chair Ricoszi wished everyone a Happy Thanksgiving.

At 7:17 p.m., the meeting adjourned.

Respectfully submitted,

Charles Havrda, Secretary

Representative Policy Board
Dashboard Metric - 1Q FY23

| Metrics | Quarter ended 8/31/21 (1Q FY 2022) | Quarter ended 5/31/22 (4Q FY 2022) | Quarter ended 8/31/22 (1Q FY 2023) |
|---|--|--|--|
| Customer/Stakeholders | | | |
| <i>Combined Customer Satisfaction & Reputation (Note 1)</i> | Target: 96% +/-2% | Target: 96% +/-2% | Target: 96% +/-2% |
| | Results: 93.1%* | Results: 93.1%* | Results: 93.1%* |
| | *Period ending March 2020, most recent available | *Period ending March 2020, most recent available | *Period ending March 2020, most recent available |
| <i>Underlying Credit Rating</i> | S&P rating AA- , affirmed 10/2019 | S&P rating AA- , affirmed 12/2021 | S&P rating AA- , affirmed 12/2021 |
| | Moody's rating Aa3 , affirmed 10/2019 | Moody's rating Aa3 , affirmed 12/2021 | Moody's rating Aa3 , affirmed 12/2021 |
| <i>Water Rates</i> | Update to be provided with the next Official Statement | Update to be provided with the next Official Statement | Update to be provided with the next Official Statement (update was provided in 2Q FY 2022) |
| Financial Metrics (Note 2) | | | |
| <i>Accrued Metered Water Revenues to Budget (000 omitted)</i> | Budget: \$28.384 million | Budget: \$104.060 million | Budget: \$29.159 million |
| | Result: \$30.324 million | Result: \$106.964 million | Result: \$33.339 million |
| <i>Other Net Revenues to Budget (Note 2)</i> | Budget: \$1.409 million | Budget: \$5.916 million | Budget: \$1.297 million |
| | Result: \$1.470 million | Result: \$5.539 million | Result: \$1.484 million |
| <i>O&M Expenditures to Budget (Note 3)</i> | Budget: \$14.750 million | Budget: \$59.741 million | Budget: \$16.337 million |
| | Result: \$13.335 million | Result: \$57.595 million | Result: \$13.913 million |
| <i>Capital Expenditures to Budget (Note 4)</i> | Budget: \$4.749 million | Budget: \$30.792 million | Budget: \$7.246 million |
| | Result: \$3.986 million | Result: \$29.581 million | Result: \$5.616 million |
| <i>Cash Collections (Water and Fire Service)</i> | Budget: \$30.247 million | Budget: \$116.629 million | Budget: \$32.351 million |
| | Result: \$32.896 million | Result: \$125.810 million | Result: \$34.704 million |
| <i>Coverage</i> | Budget: 1.14 w/draw | Budget: 1.14 w/draw | Budget: 1.14 w/o draw |
| | Projected: 1.14 w/o draw | Projected: 1.40 w/o draw | Projected: 1.16 w/o draw |

Representative Policy Board
Dashboard Metric - 1Q FY23

| Metrics | Quarter ended 8/31/21 (1Q FY 2022) | Quarter ended 5/31/22 (4Q FY 2022) | Quarter ended 8/31/22 (1Q FY 2023) |
|--|--|--|--|
| <i>Draw Requirement</i> | Budget: \$922 thousand | Budget: \$922 thousand | Budget: \$0 million |
| | Projected: \$0 million | Projected: \$0 million | Projected: \$0 million |
| System Metrics | | | |
| <i>Average Daily Production (Draft) to Budget (MG/D)/Prior Year (Note 5)</i> | Prior Year: 56.883 MGD | Prior Year: 45.181 MGD | Prior Year: 53.416 MGD |
| | Result: 53.416 MGD | Result: 43.329 MGD | Result: 55.730 MGD |
| <i>Disinfection By-products (6)</i> | Target: 90% | Target: 100% | Target: 100% |
| | Result: 100%* | Result: 100%* | Result: 100%* |
| | * As of June 30, 2021, updated | * As of March 31, 2022, updated | * As of June 30, 2022, updated |
| <i>Net Unaccounted For Water (annualized)</i> | Target: 10.0% | Target: 10.0% | Target: 10.0% |
| | Result: 11.64% for the annualized | Result: 13.52% for the annualized | Result: 13.85% for the annualized |
| | period of June 2020 to May 2021 | period of March 2021 to February 2022 | period of June 2021 to May 2022 |
| <i>Reservoir Levels (% full)</i> | 92% vs. 74% LTA | 96% vs. 93% LTA | 74% vs. 74% LTA |

Notes:

Note 1: Metric is Northeast Average for Customer Billing & Payment

Note 2: Excludes impact of governmental accounting standards for pension and opeb and may include expenses from non-revenue fund sources

Note 3: Does not include common "non-core" expense or RWA subsidiaries

Note 4: Excludes State and Redevelopment, Growth Fund, and contingency

Note 5: FY 2022 and FY 2023 is vs. prior year

Note 6: Target is 100% representing being at least 10% below the maximum drinking water thresholds on annual rolling average

Representative Policy Board

Dashboard Metric - 1Q FY23 - Revised Metrics

| Metrics | Quarter ended 8/31/21 (1Q FY 2022) | Quarter ended 5/31/22 (4Q FY 2022) | Quarter ended 8/31/22 (1Q FY 2023) |
|--|---|---|--|
| Financial Metrics | | | |
| <i>Coverage</i> | Budget: 1.14 w/draw | Budget: 1.14 w/draw | Budget: 1.14 w/o draw |
| | Projected: 1.14 w/o draw | Projected: 1.40 w/o draw | Projected: 1.16 w/o draw |
| | | | |
| <i>Draw Requirement</i> | Budget: \$922 thousand | Budget: \$922 thousand | Budget: \$0 million |
| | Projected: \$0 million | Projected: \$0 million | Projected: \$0 million |
| | | | |
| <i>Capital Expenditures to Budget (Note 1)</i> | Budget: \$4.749 million | Budget: \$30.792 million | Budget: \$7.246 million |
| | Result: \$3.986 million/9.9% of total fiscal year budget | Result: \$29.581 million/96.1% | Result: \$5.616 million/10.3% of total fiscal year budget |
| | | | |
| <i>Aged Account Receivables - Total Water (Note 2)</i> | Feb 2020: \$6,659,551 | Feb 2020: \$6,659,551 | Feb 2020: \$6,659,551 |
| | Aug. 2021: \$9,181,780 (+37.9%) | May 2022: \$8,893,501 (+33.5%) | Aug. 2022 : \$8,951,804 (+34.4%) |
| <i>Aged Account Receivables - Residential (Note 2)</i> | Feb 2020: \$5,833,160 | Feb 2020: \$5,833,160 | Feb 2020: \$5,833,160 |
| | Aug. 2021: \$8,674,250 (+48.7%) | May 2022: \$8,435,718 (+44.6%) | Aug. 2022 : \$8,449,516 (+44.9%) |
| | | | |
| <i>Pension Market Values (Note 3)</i> | Aug. Mkt Value: \$73,111,077 | May Mkt. Value: \$67,311,833 | Aug. Mkt Value: \$66,527,775 |
| | June 2021 Mkt. Value: \$71,696,963 | See above | June 2022 Mkt. Value: \$63,189,971 |
| | June Return: 22.98% | May Return: Negative 4.9% | June Return: Negative 10.6% |
| | Actuarial Return Assumption: 6.75% | Actuarial Return Assumption: 6.75% | Actuarial Return Assumption: 6.75% |

Representative Policy Board

Dashboard Metric - 1Q FY23 - Revised Metrics

| Metrics | Quarter ended 8/31/21 (1Q FY 2022) | Quarter ended 5/31/22 (4Q FY 2022) | Quarter ended 8/31/22 (1Q FY 2023) |
|--|--|--|--|
| System Metrics | | | |
| <i>Average Daily Production (Draft) to Budget (MG/D)/Prior Year (Note 5)</i> | Prior Year: 56.883 MGD | Prior Year: 45.181 MGD | Prior Year: 53.416 MGD |
| | Result: 53.416 MGD | Result: 43.329 MGD | Result: 55.730 MGD |
| | | | |
| <i>Disinfection By-products (6)</i> | Target: 90% | Target: 100% | Target: 100% |
| | Result: 100%* | Result: 100%* | Result: 100%* |
| | * As of June 30, 2021, updated | * As of March 31, 2022, updated | * As of June 30, 2022, updated |
| | | | |
| <i>Net Unaccounted For Water</i> | Target: 10.0% | Target: 10.0% | Target: 10.0% |
| <i>(annualized)</i> | Result: 11.64% for the annualized | Result: 13.52% for the annualized | Result: 13.85% for the annualized |
| | period of June 2020 to May 2021 | period of March 2021 to February 2022 | period of June 2021 to May 2022 |
| | | | |

Notes:

Note 1: Excludes State and Redevelopment, Growth Fund, and contingency/reserve. Percentage is of fiscal year budget

Note 2: Reflects aged receivables over 90 days - total water and total residential. Comparison is to pre-pandemic level

Note 3: Fiscal year-end based on audited financials. Other quarters based on latest available reports and net returns

REPRESENTATIVE POLICY BOARD

December 15, 2022

Proposed Resolution

WHEREAS, on December 12, 2022 management reviewed updates to the Representative Policy Board (“RPB”) Dashboard Report (“Report”) with the RPB Finance Committee; and

WHEREAS, after review, it was the consensus of the RPB Finance Committee to accept the updated Report made by management and recommends the updated Report to the RPB.

NOW THEREFORE BE IT RESOLVED that based on the recommendation of the Finance Committee, the RPB hereby adopts the updated Report, as presented.