

**SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY**

NOVEMBER 17, 2022

MEETING TRANSCRIPTION

David:

I will call the Regional Water Authority's November 17th, 2022 meeting to order at 12:30. Our safety moment... Larry, we didn't talk about this. What are we doing with this?

Larry:

This is winter weather preparation, which a number of tips to weatherproof your home and make sure your chimney is inspected. Have smoke detectors, keep an easy to read thermometer in your home and most importantly, have an emergency car kit with you in the event you get stranded in bad weather. So that was some good tips on surviving winter storms in general.

David:

Very good, thank you. And we had a little bit of snow a couple nights ago up north here. So, all right, so we have public comment is our next item. Jennifer, is there anybody from the public here?

Jennifer:

No, I don't see anybody from the public.

David:

Okay. Then next we go right into the Environmental Health and Safety Committee. So would someone like to move that we recesses the Authority and meet as the Environmental Health and Safety Committee?

Tony:

So moved.

David:

Is there a second?

Catherine:

Second.

David:

Seconded by Catherine. All those in favor signify by saying aye.

Group:

Aye.

David:

Pass is unanimous. Kevin, it's all yours.

[ENVIRONMENTAL, HEALTH & SAFETY COMMITTEE MEETS FROM 12:31 P.M. TO 1:19 P.M.]

David:

Thank you, Kevin. Very good discussion. Very important and thank you for that. We are as the Authority now, so I would entertain a motion to recess as the Authority and meet as the Strategic Planning Committee.

Tony:

So moved.

Kevin:

Second.

David:

All those in favor signify by saying aye.

Group:

Aye.

[STRATEGIC PLANNING COMMITTEE MEETS FROM 1:19 P.M. TO 1:14 P.M.]

David:

All right. Can we take a 15 minute break? I know we've got some... Jennifer had something she had to do with the documents. And it's probably a good time to take a break because we've got some stuff coming up too. So, why don't we meet back at 2:00? And we'll be ready to go for the rest of our agenda.

[15 MINUTE BREAK]

David:

All right. Well, we're all back. So let's get started. And item E: Act on matters arising from committee meetings, so there were none. Item F is the consent calendar. What's your pleasure with that, folks?

Catherine:

Mr. Chairman, I have one question for clarification.

David:

Sure.

Catherine:

So, item six is a bid exemptions. I assume that those are just categories of exemptions. I just want to clarify. I didn't have a document that was related to that.

Jennifer:

Catherine, I can respond to that. They are specific exemptions. So, one is relative to the emergency repair contract, related to our RWA well services, which is actually... At this point, it's relative to the plumbing work. And then the other is related to bill printing and mailing.

Catherine:

Okay. Oh, I don't... I see the documents on the screen, but I didn't... Maybe I... Oh, it doesn't seem to be attached to my agenda. Okay. All right. With that said, I move acceptance of the consent agenda.

Suzanne:

And I'll second.

David:

And there's a second. All right. Any further points of clarification? No? Sensing you're all ready to vote, all in favor signify by saying aye.

Group:

Aye.

David:

Passes unanimously, I assume, Tony. Tony, you're all right with it, right? I didn't hear your voice. Okay. Reports G: Reports on RPB committee meetings. So, we had November 14th just a couple days ago with Finance Committee. They had quite a heavy topic anyway, a couple topics. So, Catherine, how did that go?

Catherine:

I did attend and it was a very interesting and lengthy meeting. However, the vast majority of it was an executive session.

Catherine:

The vast majority of it was in executive session. So there is very little that I can say. There was a very good briefing on the lead and copper rule division, where many questions were asked by members of the finance committee and others who joined the meeting as well. And their questions were, they were great answers, but again, this is a public meeting and the information that was in that section of the meeting was an executive session. Next, also in executive session was a discussion of the 10 model, most of which we have already seen actually both with the lead and copper rule and the 10 year model. These are things that we have seen, but these are reports that were given to the committee and again, many questions were asked and were answered. The minutes were approved and the calendar was established for next year and the meeting adjourned. It was a very productive meeting, even though I can catch it so much about it.

Suzanne:

[inaudible 01:34:23] Catherine, Can I just ask one question?

Catherine:

Sure.

Suzanne:

I know we got a revised note regarding the estimations of our lead piece. Were those available at the time of the meeting or did that come after that?

Catherine:

They were, the revisions were discussed.

Suzanne:

Okay, great. Thank you.

David:

Catherine, was there comments from the RPB finance members that we should know what they said and have benefit of their thoughts? And maybe you could write that to us in a memo briefly, or I guess we could go into executive session and add that as a topic, because I think if they have input that could be helpful to us in making decisions, I'd like to know that if really they just asked questions that were answered and then they said fine things were good, then that's fine. But if they had comments that we should be aware of that might make us change our mind on something or have a different point of view, then I'd like to know that.

Catherine:

I would say that the questions that were asked and answered were things that had been discussed by this board in the past. I don't think it would change anybody's mind. I think they think that they were fine, that the members were fine with the answers that were given. But if you like in more extensive info, I'm happy to track one.

David:

That's fine. No, that said what I'm comfortable with knowing and what their thoughts were and stuff. None of them said, "oh no, this is way too high, you got to cut it back in half". And that was the consensus.

Catherine:

No, that was not said.

David:

Okay.

Catherine:

All Right. That concludes my report.

David:

Very good. Thank you. All right, Land Use, Tony were you able to go to that? I don't remember. Tony?

Tony:

So a lot of people came, it was a good meeting. There was an update on the land we need for the water we use. The Hamden Skiff Street house is now been tested again in getting ready for demolition. We had 170 participants at the North Branford Women's Club. It was a bird walk with 23 people and approximately 1300 finger Lynn size walleye was stocked in Lake Saltonstall. So get those rods out, we must get ready. Invasive plants. There are documented 151 acres of maps space, and they've treated 8.24 of those acres. The deer hunt started and five deer have been harvested as of October 28th. There we go, I'm going to try it. Sunny Lakshminarayanan, am I close?

David:

Close enough.

Tony:

Has suggested that gather ideas for recommendations for future special topics, and Mr. Levine said he was interested in water related educational programs for inner city children. That was it. Thanks.

David:

Okay. Any questions? No, thank you. And Kevin? I see Consumer Affairs is next Monday.

Kevin:

Very good.

David:

All right. So then next item is business updates. Are there any significant update with regard to COVID, Liz? Where are we?

Liz:

No, we had five additional cases, but everything else is status quo processes and procedures.

David:

That's a good number again, a bad number, a significant a number.

Liz:

It's going up and down. It's the new flu I think.

Tony:

Where do the cases occur Liz? Out in the field?

Liz:

Yeah, out in the field. They're not like clustered or anything per se that is work related or passing in on that. It's all sporadic.

Tony:

Nothing inside that we should be worrying about?

Liz:

Nope, we're still keeping up with the cleaning precautions and all the processes and the reporting are all the same. Nothing has changed, everyone is aware of it.

Tony:

Thanks.

Liz:

You're welcome.

David:

Thank you. All right, Larry, monthly business highlights.

Larry:

Sure. In addition to the points that I made in my board letter, but one item I want to mention, it does mention in there that we are continuing with our acquisition work, including an environmental lab and two plumbing companies. I'll be meeting with the owner of the same environmental lab probably the week after Thanksgiving. And Dennis and Rochelle have been working diligently on putting together a term sheet for one of the two plumbing companies that are mentioned in my letter, and we plan on submitting that term sheet to the owner before the holiday. And the significance there is that, that will probably result in an RPB application. So given the size of the business, it's a little larger than what we have been looking at in the past. And depending on how due diligence goes through December, we may be able to submit that application maybe as early as January, most likely February. And that's all my updates on that particular topic.

Tony:

I want to say I had an experience with the sewer service plus. I always said, heck, I'd never need that one, I'll take the water insurance, but not the sewer insurance. I want to say that I've signed up for the sewer insurance.

Larry:

I'm sorry to hear that you had to spend the money Tony, but I'm glad to hear that you signed up for the program, that's great.

Tony:

Yep. Better learn later.

Larry:

Well, we have plumbing complete, Tony, so that takes care of the pipe, safe water, sewer and the inside plumbing you may want to think about.

David:

Nothing like a happy customer who's also a board member.

Kevin:

That's right.

David:

All right, so then we can move on to item three, proposed RPB revised Dashboard. I know Rochelle did a lot of work on that. I don't know if it's with.

Larry:

Yeah, you recall that, and I think it was September that the finance committee had asked for a revision to the quarterly RPB dashboard that we submitted them, which had 14 different metrics on it, and they said, "we'd like to know what management really pays attention to". And so Rochelle and I worked together to look at that. And I think in your board package you have both the current one and the proposed dashboard. So in the previous dashboard we had 14 metrics, and as we looked at those, six of them we thought were very good in terms of managing the business, but we eliminated eight of them. So the first three, first six were eliminated. The cash collections one was eliminated and the reservoir levels was eliminated. But we kept the coverage, the draw, the capital expenditures to budget, the average daily production and the disinfection byproducts and the net unaccounted for water, because those are things that we pay particular attention to in terms of running the business.

And while some of those average daily production, we can't do anything to change that, but it may dictate, for instance, other actions that we take in terms of looking at how that translates into build consumption, which results in cash collections, which ultimately results in coverage. So we might be able to take other action as a result of one of these indicators. So the purpose of presenting this to you today is one, to get any input and thoughts that you might have on the nine new metrics that we're proposing for review with the finance committee in December. Six of which are the same as in the previous one, three are new. And if you agree with those, then we will proceed with presenting them to the finance committee with a discussion on each one of the items and see if that meets their needs, in terms of knowing how the business is doing with some dashboard type items.

David:

Anybody have any concerns about the proposed new revised dashboard?

Tony:

Well, I've come to think that it's important for us to look at whatever we can look at and sooner or later we'll decide whether it's a value or not. But why I'm not opposed to any part of it.

David:

As opposed to any part of changing it?

Tony:

No, the changes are fine for me.

David:

Okay.

Larry:

Coverage is obviously one of the key items because that there's so many things that go into that. Cash collections, expenses and the like. So that's a key item that we look at. Now, some of these we report on a monthly basis, for instance, as you know coverage is one that we report to the RPB on a monthly basis along with the pension information that is proposed here, they get quarterly from the pension committee that meets, but we're suggesting that we can consolidate that information into a dashboard type of reading as well.

Rochelle:

I think the only other things like I'll add is for some of these, like accounts receivable, what we are looking at is where we are versus pre pandemic level. That may evolve at some point later on where it's year over year. But right now we are comparing ourselves to pre pandemic level and the pension is also something that we are definitely keeping an eye on due to what's happening in the market. So that's how that made the list.

David:

Great.

Larry:

So Suzanne, do you have any concerns about including the pension market value since that directly relates to your committee?

Suzanne:

No, I don't have any issue. I think that's an important thing to cover. It's always a high risk issue. So I'm sorry, my buds are going in and out, that's what's happening. I thought I lost you guys, but it went to my buds instead.

Larry:

Thank you.

David:

All right, so then see no other comments, pro or con. It looks as though you've got our consensus to move forward with what you've proposed, thank you.



Larry:

[inaudible 01:47:10] propose that at the December Finance Committee. So thank you very much for that.

David:

Good. Okay. All right. Anything else under reports? Larry? Business is updates?

Larry:

Nope, that's it. Thank you.

David:

Okay, then we'll go to I, which is finance then we'll go to...

Suzanne:

David, can I ask one question? On the [inaudible 01:47:29] report, and I'm sorry, I'm using my board pack PC to see this, so I can't refer to the document. But at the end of his document he talks about in his written highlights, he has some metrics after that. And there was one about, was it the accounts receivable piece? I'm sorry, forget it. I'll look and see if I can come up with the question. I just can't remember if I'm not looking at it.

David:

Right. If not, just give a call. If can't find it right away. You'll find it another time and...

Suzanne:

Okay, thanks.

David:

Give a call and ask, that's fine. All right. Then we will move on to I, Finance, and we will discuss the fiscal year 2024 Budget Schedule. Rochelle or Larry?

Rochelle:

Yeah, I'll cover this. This is straightforward. The schedule follows the same overall schedule as it followed in past years, giving the board sufficient time to review and giving the RPB sufficient time to review. We do want to, if at all possible at the meeting today to determine what works for the Authority as far as your special meeting. The schedule that was provided would have it either be on Thursday the 30th, or Friday the 31st, depending on [inaudible 01:49:05] March.

Tony:

What month? Okay, Thanks.

Rochelle:

And then that will determine what day it actually gets sent off to the RPB and the OCA.

David:

Well, I mean, just my first thought is, is that so far away? I'm not sure yet on my schedule daily.

Tony:

[inaudible 01:49:23] Thursday, I don't know.

David:

Yeah, Thursdays have generally been our meetings. Any objection to staying with Thursday?

Tony:

Nope. No problem.

Larry:

No.

David:

Okay, good. And this is usually an early morning meeting that takes most of the morning. So we'll plan on maybe an 8:00 o'clock, 8:30 in the morning and breaking by lunchtime hopefully.

Rochelle:

That sounds good.

David:

Good. Anything else you need from us?

Rochelle:

I think that that's it for now on that topic.

David:

Right, now the next topic is going to be a Rate Application planning. So Joe, since this is going to be going to you, I think it's your time to get out early today.

Joe:

Okay. Well I just want to thank you folks. I enjoy the meeting and you really are very busy, busy people. Just like to make one comment in terms of a article that was in the New Haven Register recently, by you David, and also with Larry. And titled, "Water is the Lifeline of Our Community". I thought it was a terrific article, covered everything in depth, gave people plenty of notice of things to be concerned about. And the final paragraph says it all, "it is time to uncover this hidden infrastructure and make reinvestment in water systems a local state and national priority as no one will have to imagine a day without water". I think that says it all and I appreciate the article and I obviously saved it because I was impressed by what the message it was sending to everybody. So thank you for the meeting and today and I enjoyed myself and good luck with the rest of your meeting.

David:

Great, thank you. And we'll see you tonight.

Joe:

Thank you, bye.

Larry:

Thanks Joe.

David:

Okay. All right, so now for the rate application planning. There you go, all right, so Rochelle, I think this will be yours again.

Rochelle:

Yes, thank you. So this some schedule, just a little bit of background other than the very beginning parts, which I'll get back to in a minute, actually follows what was agreed and discussed back in December of 2020. When we revisited both for the rate applications as well as the capital projects, the expedited schedule or the modified timeline. So for this particular rate application that, based on the timeline would be effective in July of 2023, fiscal 24, or possibly in early or possibly in later June. It follows that format. So a couple key things that I wanted to mention, so today we're going to go through the schedule. The application would be mailed. I do have this being mailed or provided to the Authority on Monday, December 18th. The reason that it's not December 8th just has to do with a very short timeframe when the first of the month is a Thursday and the timing of the meeting.

So we have targeted Monday, December 12th to provide the application. It will be reviewed at that time based on input that we received. We do have here a possible special meeting where the rate application can be further discussed if the Authority board is not ready to make a decision at the December meeting. If possible, it would be good if we could pick what day that would be. It's scheduled here just any day in the first week of January. Depending on what day you pick, that will dictate what day it will actually get sent to the RPB, we did allow a little bit of time, as you may have changes, we just want to give ourselves and the team some time to make any updates and then get it off to the RPB and the OCA.

Tony:

When is the December meeting? The 22nd?

Rochelle:

It's the 15th.

Tony:

15th. Okay, thank you.

David:

And I want to make a comment about that, Rochelle, before we go too much further. That is something different. And that's something that I asked Larry to give us an opportunity, because generally we are

presented with the rate case application and then we vote on it at the same meeting that it's explained to us. And it appears as though this one is going to follow along with the tenure models projections that were done last year, and therefore that's something we approve. So it may be that we still vote on it the night, the day that we're given it on the 15th of December, but I asked that we have another date in there following that, in case we wanted some more deliberative time. We've never done that before, it's something different, I want to bring it to your attention that it's something different.

And so it's not that we anticipate not wanting to vote on the 15th, but that it gives us the opportunity to not have to vote that night if we as a Jewish soldier said, have some changes, maybe we recommend or management wants to do in collaboration with our discussion or just we want time to think about it and deliberate in our minds and then come back together as a group to decide. So the date we pick for the first week of January is something we've never done before, but something that I thought we might want to have, now if you all say to me, "no, we're going to vote on it same night, we always do". That's fine. I'll certainly accept that. But just wanted you to be aware that's a significantly different schedule thought.

Tony:

I want to point out that historically we'll use any time you give us.

David:

Well, that could be.

Tony:

Whether we need it or not.

David:

But it's all right before and right after the holidays, so if we are ready to vote that night and don't have any reason to withhold our support of it, and then we just do it and move forward.

Tony:

Okay. I don't think things work that way but.

David:

Well, okay. So are you saying you don't want the backup date of January?

Tony:

I don't think we need it, that's all I'm saying is that if you think we need it, that's fine. Put it in. But.

Larry:

Let me suggest we have the backup date and Tony, we'll make sure you're there.

Tony:

Okay.

David:  
Yeah.

Larry:  
We'll have the backup date and in case you need it, you can decide on the 12th of December whether or not you do need it. And we'll keep it accordingly just from a scheduling standpoint.

David:  
On the 15th of December. But anyway. Okay.

Larry:  
Correct.

David:  
All right, any objection to that?

Tony:  
No.

David:  
Kevin or Suzanne or Catherine?

Kevin:  
No.

David:  
All right.

Catherine:  
No.

David:  
So we'll plan that. We may very well act on the 15th, but we've got a date just in case. All right. Thank you Rochelle.

Rochelle:  
And I just want to mention regarding the date, if it's earlier in the week, I think it will be better because if you look further down the schedule. The earlier in the week, the earlier we would get it out to the RPB and the more time the finance committee would have to make a determination on the completeness. I don't know if that will fit with your schedule, but I just want to mention that.

David:

Well doesn't it go to the full RPB on their January meeting and then they refer it to the Finance Committee?

Rochelle:

It'll actually get sent to everyone once the Authority board says it's okay to send, and then it would be up to the Finance Committee to decide if it is complete and then recommend to, if we have the schedule where at the January meeting, the full RPB would indicate that it's okay to post the notice of the hearing and all the notice that we put in the paper.

David:

So it doesn't wait until the January RPB meeting for them to receive it and send it to the finance committee, it's the new schedule that was approved that Suzanne and I were on the committee that did that. And then it would go to Finance before it goes to the full RPB.

Rochelle:

No, it would go to everyone, but the finance committee would decide if it's complete or not and then make that recommendation.

David:

Before the full RPB meets to send it. RPB doesn't need to meet to send it to the finance committee. That's the new...

Rochelle:

Correct.

David:

Program. Okay, so that's a little different then what I was thinking when I was talking to Mario about this. All right, so I mean, what's your pleasure? I just pulled up January's calendar and do we want the backup date to be Tuesday the third, or Wednesday the fourth I think, and probably not Monday the second, some people probably have that as a holiday. But do we want to do the third or the fourth? Make it a little bit easier for management?

Suzanne:

Either date is fine with me.

David:

All right.

Tony:

January, David?

David:

Yes, sir.

Tony:

Okay.

David:

Yes, Tony.

Tony:

They're both good for me.

David:

All right? Suzanne? Third or fourth makes no difference? Okay. Then why don't we plan the third to help you out, Rochelle, with the timing, help us all out with the timing. That if we need a backup date and we're not anticipating one from the 15th of December, but if we need it'll be the 3rd of January.

Catherine:

And are we talking about a morning or an evening?

David:

I'd say probably a morning if we could to.

Catherine:

Okay. I do have an 8:00 AM appointment on the third.

David:

All right

Catherine:

But probably available by 9:30, 10:00.

David:

Well, we could do that. We could do 10:00 o'clock or we could do the next morning at 08:30. Rochelle is it?

Rochelle:

Whatever works best.

David:

What does it do to everybody's schedules? Kevin, well Tony, you're really tight.

Kevin:

That's fine. I would just do the third at 10:30.

David:

Do the third at around 10:00 or 10:30. Okay, that or late morning. All right, that's fine. I mean, it's not anticipated it would be a long meeting. You're going to send out any changes if we do make them from that, and so I'll have had time to look at it and it's really just probably proforma to what we verbally agreed to on the 15th.

Catherine:

Okay.

Suzanne:

And we're agreeing ahead of time, it's a remote meeting, right? Cause it's a...

Catherine:

Correct, correct. Absolutely. I'll get into that before we are done with the meeting. Talk about remote meetings, but that'll be remote for sure. All right.

Rochelle:

Then. So thank you for determining the date, the only other thing that I'll mention, and this was a key change relative to what was discussed back in the end of 2020, the way this schedule is actually set up, the hearing and the decision is actually a month earlier than it was previously. And what that actually does at the end of the schedule, it allows us to monitor the market and decide at least within a longer period of time when we want to price. And then depending on when we price, it actually gives us a little flexibility on when we actually implement the rating freeze. So that's a benefit of the revision.

David:

Okay. Any other questions on the timing and the schedule? All right, very good, thank you Rochelle.

Rochelle:

Thank you.

David:

All right, so the last item on our agenda today is item three under Finance, and that's accounts receivable collection strategy update. Obviously we're talking about strategy for collection, so we would request that this be an executive session. So would somebody like to move?

Tony:

So moved with the reason stated and inviting all present to be part of this discussion. Is there a second?

Kevin:

Second.



David:

All right, seconded by the two attorneys. That's good. All right, all in favor signify by saying Aye.

All:

Aye.

[AUTHORITY MEETS IN EXECUTIVE SESSION FROM 2:31 P.M. TO 3:13 P.M.]

David:

Alright, thank you. Well, since we're done with this issue, I'll declare us out of executive session and I'll ask for adjournment. This is the last item on the agenda.

Catherine:

I move that we adjourn.

Suzanne:

Second.

David:

Thank you. I was beginning to worry you all wanted to stay here until the next meeting. All those in favor signify by saying aye, aye.

Group:

Aye.

David:

Passes unanimously.