

SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY

FEBRUARY 23, 2023

MEETING TRANSCRIPTION

David:

It's 12:30, will call the South Central Connecticut Regional Water Authority meeting for February 23rd, 2023 to order. I will note the first item on our agenda as a moment of silence for our friend Tony DiSalvo.

Thank you. Tony really was... We are a much better organization because he was here as a very active member for 24 years, chairman for 10 of those. We're very fortunate to have had a good mentor for me and others as well. I think we all have some stories and some enjoyment of having worked with him. He's touched so many people, and I think we clearly will miss him. I do already.

Not everybody makes a lasting impression on an organization and he really did, [inaudible 00:01:42] do so many things about this place. That will be how we started that. That's why this is here. Tony did it.

Catherine:

Also, an influence for me, even though I'm the new kid on the block.

David:

Yes.

Catherine:

He was just always very generous with his time. I appreciated that.

David:

Well, thank you. All right. With that, we'll move on to the safety moment. Liz, did you want to do a quick overview of this or... I see she's trying to find her audio.

Liz:

Sure, so it's flu prevention. A little bit late. Everyone should have already gotten their flu shot in October. We encourage that. Just a reminder, CDC recommends getting the-

[Audio issues]

David:

All right. In the meantime then the safety moment is that we watch out for flu. It's the time of year. With the change of weather, that's something to be aware of. So thank you. Next, we move on to public comment. This is a time where we ask members of the public to present to us if they have any comments or anything to say to us or that we need to hear. Jennifer, is there anybody from the public?

Jennifer:

No.

David:

Remotely? Okay. So move right on to the Audit-Risk Committee. So I'll ask if we can recess as the Authority and meet as the Audit-Risk Committee. Who would like to do that?

Suzanne:

I'll move that.

David:

Okay. Is there a second?

Catherine:

Second.

David:

Okay. I know Kevin is participating. He's here.

Kevin:

Yeah, I'm here.

David:

Yes, there he is. Okay, good. All right. So all those in favor say aye.

Group:

Aye.

[AUDIT-RISK COMMITTEE MEETS FROM 12:34 P.M. TO 12:3 P.M.]

[AUDIT-RISK COMMITTEE MEETING STARTS AT 12:34 P.M.]

David:

Passing unanimous. We are now the Audit-Risk Committee.

Catherine:

Good morning everybody. I'll entertain a motion to approve the minutes.

Suzanne:

I'll make the motion.

David:

I'll second that.

Catherine:

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Thank you. It's been moved and seconded to approve the minutes from the January... Well, this is December. Can't be right. From the January 26th meeting.

David:

December. It's the 15th meeting.

Catherine:

Oh, right. I'm sorry. Thank you. All right. For the December 15th meeting 2022. All in favor?

Group:

Aye.

Catherine:

I'm going to oppose unanimous. So, okay, moving on. We have a presentation from David Flint and Ron Nasik of the plan for our audit. Rochelle, do you want to-

Rochelle:

I think I'll just mention that David and, I believe, Ron, if he's also joining, are just going to go through what the plan is for the fiscal 2023 audit. With that, I'll turn it over to David.

Ron:

Can everyone hear me?

David:

Yes.

Ron:

Okay, so I'm going to just jump in first. This is Ron Nossik, and say hello to everybody. I was able to see you earlier, but now I'm looking at the communication itself, but I wanted to say that Dave is going to be taking over as the partner on the engagement for this current year, the fiscal '23 year audit. I actually retire at the end of this year, so we've kind of worked this into a situation where I'll be here for a year as technical advisor. Dave did work on the engagement last year as the engagement manager, so he is quite familiar with the organization, but I'll be by his side throughout this year just to get a smooth transition moving forward. So with that, I'll turn it over to Dave and he can just kind of take you quickly through the communication.

David:

Thanks Ron, and good afternoon everyone. As Ron said, my name is David Flint with CLA. Of course, your auditors. So you guys should have all been distributed by now our planning communication to those charged with governance, which of course, is yourself. This was one of two required communications, the first one being initially before the audit. And then, of course, at the conclusion of the audit. We would like to stress that our line of communication is always open to you guys outside of these two formal communications. If you guys ever have any questions, comments, concerns as it relates to the audit or just the finances in general, please feel free to reach out to us. So hopefully, you all had a

chance to read our initial planning letter, but basically, it highlights at a high level the responsibilities of both us as your auditors, as well as management's responsibilities as it relates to the audit.

Our objective is, of course, to provide reasonable assurance that the financial statements are free from material misstatement. I'd just like to stress that we use the word reasonable assurance because we cannot, of course, provide absolute insurance unless we were to review 100% of your transactions. So just kind of a outline for the audit this year, we are still kind of working through the dates for our preliminary audit procedures, but we will be doing our final fieldwork on the weeks of July 17th and July 24th with an anticipated completion date of September 15th. This is a pretty quick turnaround. Historically, we have been able to achieve this, but I just want to make it very clear, in order for us to meet that deadline of September 15th, management has to be ready for us for those two weeks in July. So with that said, I just wanted to open it up to you guys, see if you guys have any questions or concerns or any related discussion items as it relates to the 2023 audit.

Suzanne:

I have a question, chair.

Catherine:

Yes.

Suzanne:

My question is, do you have the staff prepared and ready to do the audit? Are you having any staffing issues?

David:

Yeah, so staffing issues in obviously everywhere, but particularly public accounting. It's a real problem right now. The lower level staff, people out of college in their twenties, they're just not entering public accounting like they used to be. We've taken great measures over the last couple of years as far as salaries go to retain the workforce. We have, and our particular group has a pretty good workforce still, but you guys are fortunate in the fact that your fieldwork is in July. So our typical busy season starts in September, and that's kind of when we start going full force with other GASMI-related audits. But since you guys are in July, that's kind of our slower time. So finding staffing for your particular audit has never been an issue.

Suzanne:

So you don't think there'll be any delays for the audit due to staffing?

David:

Not staffing.

Suzanne:

Thank you.

Catherine:

Any other questions?

David:

Actually, the same question. So are we set too with the [inaudible 00:11:04]

Rochelle:

Yes, especially with our interim director is very helpful.

David:

Good, thank you.

Catherine:

All right. I'd like to just clarify a couple of things. Well, really one thing. In your statements of work and in also the accompanying letter, you identified that if there are significant risks of material mismanagement, including management override of controls and revenue recognition, I understand that that's an issue, but I want to know if you identified or at least clarified that you haven't identified specific issues with respect to the RWA.

David:

Nope. So those are standard fraud risks. So those two risks will apply essentially to all clients. The first one being, an entity could have the best policies, procedures, and controls in place, but if management's overriding them, how effective are they, right? So that's always going to be a fraud risk. And then, of course, revenue recognition is going to be a fraud risk standard across the board. So that's not something that we've identified as an additional risk, that's just a standard fraud risk that would apply to any client.

Catherine:

Okay. Great. I just wanted to clarify.

Suzanne:

I asked the same question.

David:

No, that's a great question.

Catherine:

I don't have any other questions. I just want to say thank you to Ron for all of his work. It's a pleasure working with you last year and we're sorry to see you go.

David:

Me too.

Ron:

Thank you very much. I appreciate that.

Catherine:

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And look forward to continuing to work with David.

David:

Thank you.

Catherine:

I have nothing else for the Audit Committee.

David:

Then we adjourn as the Audit Committee and reconvene as the Authority and we'll thank our auditors and let them get on their way.

Catherine:

All right.

Suzanne:

So I'll second that.

Catherine:

Thank you.

David:

Thank you, guys.

Ron:

Thank you very much. Have a good day.

[AUDIT RISK COMMITTEE ADJOURNS AT 12:43 P.M.]

David:

Thank you. All right. Then we are moved on to the consent calendar. What's your pleasure with that?

Suzanne:

I'd like to make a motion to approve second agenda.

David:

All right. Is there someone who'd like to second that?

Catherine:

I will second that motion.

David:

Are there questions or points of clarification? I would just bring your attention, Kevin, your committee, Environmental, Health, and Safety, oversees that we have a report in here with the beekeeper activities, which is quite interesting and tied in with the field trip the Land Use Committee made last year to the Hamden Whitney Center.

Kevin:

Yes.

David:

All right. Any other questions or comments? All right. All those in favor signify by saying aye.

Group:

Aye.

David:

Good. All four of us. All right. Finance. Type B3 Amendment. Rochelle, we go right to you, I think.

Rochelle:

Yes.

David:

Okay.

Rochelle:

So this is, we think, a straightforward amendment in that we actually are able to accelerate the purchase of the clarifier mechanism, which is one of our ongoing projects from fiscal '24 into fiscal '23 due to some available funds for the West River project. And it is over the 500,000. So we're requesting approval to move 550,000 from West River to the clarifier project at [inaudible 00:14:45].

David:

Are you and I expecting us to have any problems with the fact that you're accelerating a project that's running ahead of schedule?

Rochelle:

The whole project's not clear running ahead of schedule-

David:

No, it's not, but it's [inaudible 00:14:52] that you're able to fill in where some things are moving and that happens. All the moving pieces. All right. What's your pleasure folks?

Catherine:

I move the question.

David:

Do you have a question? Sure.

Catherine:

I said I moved the-

David:

Oh, move the question. I'm sorry. Okay. Is there a second?

Catherine:

And it's the resolved portion.

David:

It's the... Right.

Suzanne:

I'll second.

David:

Second. Any further discussion? None. Sensing you're all ready to vote. All those in favor signify by saying aye.

Group:

Aye.

David:

Thank you, Kevin. We heard that. B3 amendment is passed. All right. Watershed Fund. Jennifer sent something earlier to us a couple of weeks ago just so that we could be aware that the bylaws do call for a member of the authority to be a member of the watershed fund. They do have four meetings once a quarter, 8:00 AM meetings that last not an hour, Zoom meetings for the time being. And they do other things as well. They have committees that some can meet and some members are not as active. Primarily what we know them from is grants that they provide for when we purchase land. And then they also provide grants for education and they also provide grants for students for college tuition. And the big fundraiser is the golf tournament in July. I always go play golf in public, but...

Catherine:

I'll play with you.

David:

Yeah, it would be a lot of extra steps. That's my part of the way. So is anybody interested in serving on this?

Catherine:

Are you guys looking at me?

David:

Well, because you have a smile on your face. You're not scared in trying to hide. No, in fairness, Kevin has already served on it, so we might not ask. He was the RPS member because they also have a member who's Tom Clifford.

Catherine:

It will probably help me to learn more about our various organizations.

David:

Okay.

Catherine:

Since you guys are pushing me into this.

David:

No, sincerely not. I was just looking because you were smiling.

Catherine:

Yeah, I would do it if nobody else wants to. I just can't imagine [inaudible 00:17:12]

David:

Okay.

Suzanne:

Catherine, it's really up to you. If you feel like you can't, then I'll do it.

Catherine:

I have quite a few things on my plate, but if it's just a quarterly meeting, I think I could do that.

David:

All right. And Tony was on the Audit Committee, which actually didn't meet as a regular. You don't have to fill that seat. You can talk to Brian about that. [inaudible 00:17:34] Brian Stone. Then there you go. Yes, that's right up your alley. I know.

Catherine:

That's right.

David:

All right, so then I'll take a motion that we appoint Catherine LaMarr to the Watershed Fund.

Suzanne:

Okay. I'll make a motion.

David:

Make that motion. Who would like to second?

Kevin:

Second.

David:

Oh, that was so quick on his part. All in favor signify by saying aye.

Group:

Aye.

David:

Thank you, Catherine, very much. I appreciate your [inaudible 00:18:04]

Suzanne:

And let me know if it gets too much.

Catherine:

Okay. I'll let you know.

David:

All right. So next are reports of RPB committee meetings. Let's see. We have met, so we only have the February meetings; February 13th, Finance, Kevin were you able to go to that? [inaudible 00:18:25] Can we ask... Rochelle, do you mind giving us, do you remember?

Rochelle:

Yes. Virtually the entire meeting was regarding the Authority compensation. They did not make a decision. It was delayed for further discussed.

David:

Okay. All right. Land Use from Wednesday the 8th.

Catherine:

I did attend. The Land Use committee meeting began with a moment of silence and reflection for Tony DiSalvo. Then following the safety moment and the minutes were approved. And then RWA natural resources analyst, Nicole Smith, gave a very interesting presentation and thorough presentation on the 2022 controlled archery hunt. She outlined the history and purpose of the hunt, which began in 2009 to control deer browsing. She provided statistics about the number of applicants, participants, scouting days, hunting days. And the deer harvested committee members were also informed about safety enhancements employed this year to avoid accidents similar to the one that happened, not the prior year. And the only question that was raised by committee members was just why Sundays were reserved for non-hunting activities, which are for research and firewood cutting. The committee

discussed its interest in having a hybrid meeting in March. The beekeeper will be making a presentation and I will be at that meeting.

David:

Yes. That's good.

Catherine:

Yes, I am very allergic to bees. Then John Triana gave his usual very thorough report on all land management matters. Just a few highlights. There's a purchase and sale agreement executed for the acquisition of about 43 acres in prospect, expected to close in April. And the RWA has applied to the watershed fund for \$20,000 to offset the cost. The purchaser of 95 Ives Street in Hamden has begun to work on the property. There was an interesting article attached to the materials for the committee meeting. Apparently, there's been some speculation of inaccurate information about why the RWAs sold that property. So that article was very interesting, correcting the record. And people seem to be pleased with the work that's being done. The East Hamden Asset Leaf screening thinning was reported to be 70% complete. John Triana led a group of 20 people on a bird walk. I found that interesting.

And 181.21 acres of invasive species have been mapped with 12 acres being treated. The questions that were raised by committee members, one was with respect to the household on Route 34, people have noticed that they're adding elevation, which doesn't matter to really us. They can do what they want with their property. But it's going to give [inaudible 00:21:57] a great view of the reservation. And there was a discussion about what was going on with the PAL program, with the Police Athletic League. And Sunny gave a brief update on his team working with the New Haven Police Department for the summer program. Many members continue to advocate for financial support for the Whitney Center. That concludes my report.

Larry:

That PAL program is a direct result of our partnering, having that meeting with the police chief and the deputy chief. So that was a great outcome of that, one of the great outcomes of that meeting.

Catherine:

Yes.

Larry:

So thank you for your help.

David:

Any questions?

Larry:

You got us together.

Catherine:

Okay.

Suzanne:

You guys heard about the Steller's Eagle that got spotted in Maine, that went through Connecticut?

Larry:

Really?

Suzanne:

Yes. It's normally seen in Japan and in Russia. It's like an eight-foot wingspan.

David:

So there's a Russian eagle that...

Suzanne:

... that's flying over the country.

David:

Interesting.

Suzanne:

Yes. It came all the way across, apparently.

David:

With a little recorder around its head.

Suzanne:

It's massive. It's very big.

Catherine:

Different bird migration. Okay. Well, all right.

David:

Thank you.

Catherine:

That's all I have.

David:

So that's all our reports. So next month we see the list there of [inaudible 00:23:30] coming up. And so, next we'll go to updates. And you have your nine-page board report. Larry, did you have any highlights you wanted to...

Larry:

No. I think they're all self-explanatory. And also too, the COVID update is also in the board report.

David:

Oh, that's... Sorry, I skipped that. Okay.

Larry:

Which is attached. So good.

David:

Thank you. All right. So then next item on our agenda is to meet as the Strategic Planning Committee. So I'll take a motion to recess as the Authority to meet as the Strategic Planning Committee.

Catherine:

So moved.

David:

Second?

Suzanne:

Yes.

David:

Second. All right. All those in favor signify by saying aye.

Group:

Aye.

[STRATEGIC PLANNING COMMITTEE MEETS FROM 12:54 P.M. TO 1:57 P.M.]

[STRATEGIC PLANNING COMMITTEE MEETING BEGINS AT 12:54 P.M.]

David:

Approval of the minutes from November 17, our last meeting. We would like to move that.

Suzanne:

I'll move that.

Catherine:

Second.

David:

Second. All right. All those in favor signify by saying aye.

Group:

Aye.

David:

Thank you, Kevin. We heard that. So next we have our work plan for fiscal year '24. And we have penciled in for review of the year-end in June, and an update on the metrics, and then begin a review of the following year's strategic action plan. And then special topic will be customer service experience and collections. These are placeholders because the topics may need to change, but there will be something at each of the meetings. And then in August, we'll have a robust discussion about succession planning. And then a special topic will be employee learning and growth and engagement.

And then November internal business procedure improvements, an update on that. And then the utility and commercial business financial health will be our special topic. And then for next February, a year from now, we'll review the six-month as we're doing now, and we'll have a special topic of technology roadmap and cybersecurity. They'll be moving far along with the CIS project. All right. Next item is to discuss the six-month status of the fiscal year '23 action plan update. Is all of this, or a significant portion of this, or how much of this needs to be an executive session because of the commercial?

Larry:

Yeah, I think because of the commercial and financial implications overall in the plan that we need to go into executive sessions.

David:

Okay. All right. Charles, I know we didn't even really get to say hello to you because I saw you log in just after the meeting started.

Charles:

All right, you want me to log out or you log me out?

Jennifer:

You can log out.

David:

You can log out. Jennifer will just make sure that it's there and we'll see you tonight at the meeting in the public area.

Charles:

Oh, okay. So you don't need me to come back this afternoon at all then?

David:

No, we'll go over this and it's so intertwined with the proprietary.

Charles:

All right, no problem. See you this evening.

David:

All right. Thank you.

Charles:
Bye-bye.

David:
All right. So I'll take a motion to go into executive session for the purpose of discussing proprietary commercial activities and inviting the senior executive team that is present. And Jennifer, and that's [inaudible 00:26:40] Okay. Very good. All right. So who'd like to move that? [

Suzanne:
I move.

David:
All right. Second.

Catherine:
I'll second the motion.

David:
All right. All those in favor signify by saying aye.

Group:
Aye.

David:
Thank you, Kevin.

[STRATEGIC PLANNING COMMITTEE MEETS IN EXECUTIVE SESSION FROM 12:55 P.M. TO 1:57 P.M.]