

South Central Connecticut Regional Water Authority
90 Sargent Drive, New Haven, Connecticut
or
Call in (audio only)
+1 469-965-2517, 180918311# United States, Dallas
Phone Conference ID: 180 918 311#

AGENDA

Regular Meeting of Thursday, May 23, 2024 at 12:30 p.m.

- A. Safety Moment
 - B. Public Comment: The time limit granted to each speaker shall be three (3) minutes. Residents and customers may address the Board.
 - C. Meet as Audit-Risk Committee: C. LaMarr
 - 1. Approve Minutes – February 22, 2024 meeting
 - 2. Cybersecurity and Risk Management Memorandums – *Upon 2/3 vote, convene in executive session pursuant to C.G.S. Section 1-200(6)(E) for matters covered by Section 1-210(b)(19)(i)(ii), pertaining to security risk.*
 - 3. Cybersecurity Seminar Update: C. LaMarr – *Upon 2/3 vote, convene in executive session pursuant to C.G.S. Section 1-200(6)(E) for matters covered by Section 1-210(b)(19)(i)(ii), pertaining to security risk.*
 - 4. FY 2025 Committee Work Plan
 - D. Meet as Environmental, Health & Safety Committee: M. Ricozzi
 - 1. Approve Minutes – March 28, 2024 meeting
 - 2. 2024 Legislative Session Update Memorandum
 - 3. Asset Management Implementation Update Memorandum
 - E. Act on matters arising from Committee meetings
 - F. Consent Agenda
 - 1. Approve Minutes:
 - a. April 25, 2024 regular meeting
 - b. May 2, 2024 special meeting
 - 2. Capital Budget Authorization - June 2024
 - 3. Capital Budget Transfer Notifications (no action required) – June 2024
 - 4. Monthly Financial Report –April 2024
 - 5. Accounts Receivable Update – April 2024
 - 6. Consider and act on exemptions from public bid for FY 2025
 - G. Finance: R. Kowalski
 - 1. Consider & Act on the Resolution to Approve Bond Anticipation Notes
 - 2. Consider & Act on the Resolution to Approve Tender Refunding - *Upon 2/3 vote, convene in possible executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(5)(B), pertaining to commercial and financial information.*
 - H. Reports on RPB Committee meetings
 - I. Updates: L. Bingaman
 - 1. RWAY/CIS Update: P. Singh
 - 2. *Monthly Business Highlights - *Upon 2/3 vote, convene in executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(5)(B), pertaining to commercial and financial information and possible executive session pursuant to C.G.S. Section 1-200(6)(D) to discuss real estate matters.*
- [RECESS AUTHORITY MEETING TO ATTEND RPB MEETING]
- J. Approve FY 2025 Budget and authorize filing with Trustee

Members of the public may attend the meeting in person or by conference call. To view meeting documents please visit http://tinyurl.com/3hhtm38z . For questions, contact the board office at 203-401-2515 or by email at jslubowski@rwater.com .
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SAFETY MOMENT

HEAT ILLNESS PREVENTION

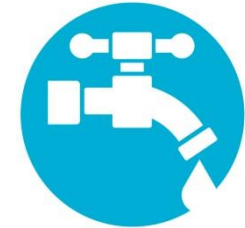
As temperatures rise, the possibility of heat-related illness increases. Some of the signs include cramping, exhaustion, and heat stroke. Take the following steps to avoid heat related illness:

- Eat regular light meals and stay hydrated
- Take frequent breaks in a cool, shaded, or air conditioned area
- Stay cool with wet towels or water spray
- Drinks lots of fluids
- Stay away from alcohol

For more severe symptoms:

- Soak the individual with cool or cold water
- Use ice packs or ice under the arms
- Never administer anything by mouth to an unconscious person.

Tap Into
Safety



Regional Water Authority

HEAT EXHAUSTION	OR	HEAT STROKE
Faint or dizzy		Throbbing headache
Excessive sweating		No sweating
Cool, pale, clammy skin		Body temperature above 103° Red, hot, dry skin
Nausea or vomiting		Nausea or vomiting
Rapid, weak pulse		Rapid, strong pulse
Muscle cramps		May lose consciousness
<ul style="list-style-type: none">• Get to a cooler, air conditioned place.• Drink water if fully conscious• Take a cool shower or use cold compresses		CALL 9-1-1 <ul style="list-style-type: none">• Take immediate action to cool the person until help arrives

Service – Teamwork – Accountability – Respect – Safety

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

Regional Water Authority

South Central Connecticut Regional Water Authority
Audit-Risk Committee

Minutes of the February 22, 2024 Meeting

A regular meeting of the South Central Connecticut Regional Water Authority Audit-Risk Committee took place on Thursday, February 22, 2024, at 90 Sargent Drive, New Haven, Connecticut and via remote access. Chairwoman LaMarr presided.

Present: Committee – Mss. LaMarr and Sack (R) and Messrs. Borowy, Curseaden, and Ricozzi
Management – Mss. Kowalski and Calo (R), and Messrs. Bingaman, DelVecchio, Hill (R),
Lakshminarayanan, and Singh (R)
CliftonLarsonAllen – Mr. Flint (R)
RPB –Mr. Slocum
Staff –Mrs. Slubowski

The Chair called the meeting to order at 12:31 p.m.

On motion made by Ms. Sack, and seconded by Mr. Curseaden, the Committee voted to approve the minutes of its meeting held on December 21, 2023.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

Mr. Flint of CliftonLarsonAllen (CLA), RWA’s external auditor, reviewed the fiscal year 2024 audit plan and process and discussed various accounting requirements.

Committee members discussed anticipated requirements and procedures.

At 12:37 p.m., Messrs. DelVecchio and Flint withdrew from the meeting and on motion made by Mr. Curseaden, and seconded by Mr. Ricozzi, the Committee voted to adjourn the meeting.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

Catherine LaMarr, Chairwoman

(R) = Attended remotely.

Audit-Risk Committee

FY2025 Work Plan

The Audit-Risk Committee will review the financial reporting process, the system of internal control, the audit process, the Authority's process for monitoring compliance with laws and regulations, and with the code of conduct, and assess and manage the corporation's risks.

September 2024

- Review FY 2024 Audit Results (External Auditor)

December 2024

- Cyber/Technology Resiliency Update
- "Internal" Audit Update

February 2025

- Plan of Audit, FY 2025 (External Auditor)
- "Internal" Audit Update and/or Other TBD Subject

May 2025

- Risk Management Update
- Review Committee FY 2026 Work Plan

South Central Connecticut Regional Water Authority

Environmental, Health & Safety Committee

Minutes of the March 28, 2024 Meeting

The regular meeting of the Environmental, Health & Safety Committee (“Committee”) of the South Central Connecticut Regional Water Authority (“RWA”) took place on Thursday, March 28, 2024, at 90 Sargent Drive, New Haven, Connecticut and via remote access. Chairman Ricozzi presided.

Present: **Committee** – Messrs. Ricozzi, Borowy, Curseaden, and Mss. LaMarr and Sack
Management – Mss. Kowalski and Calo (R), and Messrs. Bingaman, Henley (R), Hill (R), Lakshminarayanan, Singh (R), and Tracy (R)
RPB – Mr. Jaser
Staff – Mrs. Slubowski

The Chair called the meeting to order at 2:00 p.m.

On motion made by Mr. Borowy, and seconded by Mr. Curseaden, the Committee voted unanimously to approve the minutes of the its meeting held on November 16, 2023.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

Mr. Lakshminarayanan, the RWA’s Vice President of Engineering & Environmental Services, and Will Henley, RWA’s Aquatic Resource Scientist, provided a Raw Water Quality update, which included new sampling initiatives, preventative treatments at reservoirs and the implementation of new technologies for better decision-making.

Mr. Henley discussed the automation system for use during emergencies. It allows critical changes to be made to raw water quality without personnel being on-site. The system also helps conserve water during peak or poor incidents. The current system involves making changes in advance of uncertain weather conditions, while the new system will allow for a more targeted response to emergencies.

Josh Tracy, RWA’s Invasive Species Management Technician, provided an update on innovative methods to eliminate invasive species on RWA owned properties. He reported on the steam weeder, which uses high-pressure steam to burn herbaceous material. The Japanese stiltgrass continues to be a problem as it grows along the road and within log landings during timber management. The steam weeder would help eradicate this plant and reduce sedimentation in the reservoirs. In addition, other methods require contractors with heavy machinery to remove the plants, while other areas can be managed by one person. The new technology is expected to increase the amount of acreage that can be treated.

At 2:16 p.m., Messrs. Henley and Tracy withdrew from the meeting.

Liz Calo, RWA’s General Manager and Head of Human Resources, provided a Health & Safety Initiative update. She reported that the RWA’s current safety programs were found to be effective; however, the company has not yet achieved its zero injury goal. The organization continues to promote awareness among employees and further improvement to the safety programs. A nurse hotline has been implemented to ensure injured employees receive prompt care.

She also highlighted the workplace safety audits and inspections program and its importance to ensure compliance with OSHA regulations. The company is also taking steps to ensure the safety program covers

South Central Connecticut Regional Water Authority
Environmental, Health and Safety Committee
March 28, 2024

commercial operations and their adherence to regulations. The update also included focus areas for fiscal 2025.

At 2:20 p.m., on motion made by Mr. Borowy, and seconded Mr. Curseaden, the Committee voted unanimously to adjourn the meeting.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

Mario Ricozzi, Chairman

(R) = Attended remotely.

UNAPPROVED

South Central Connecticut Regional Water Authority
90 Sargent Drive, New Haven, Connecticut 06511-5966
<http://www.rwater.com>

To: Authority Environmental, Health & Safety Committee
Mario Ricozzi, Chair
David J. Borowy
Kevin J. Curseaden
Catherine E. LaMarr
Suzanne C. Sack

Cc: Larry Bingaman, President & CEO
Sunny Lakshminarayanan, VP, EES

From: Nicoletta Blevins, Government and Community Relations Manager, Communication

Date: 15 May 2024

Subject: 2024 Legislative Issues Update

Question:

For the next legislative session, the RWA will be working on PFAS related immunity for water utilities. Are there other legislative initiatives that the RWA should work on apart from PFAS?

The 2024 Legislative Issues Update

Summary: Last Wednesday, the legislature adjourned the 2024 legislative session. During the course of four short moths, over two thousand bills were introduced; but only about 200 of those would pass into legislation. A few major pieces of legislation that successfully made it through the legislative process include the expansion of paid sick days; an expansive bill to improve nursing home conditions; and a bill banning the use of products made with PFAS, targeting manufactures. More notably, there were several priority bills for both chambers that did not make the cut. These bills include the omnibus climate change bill; legislation to promote transit-oriented development; and a bill that would have authorized employee health benefit consortiums.

The most notable piece of legislation that crossed the finish line for the RWA was House Bill 5277, our enabling legislation revisions. Our bill successfully made it through both chambers unanimously, a very rare occurrence in today's incredibly partisan world. Many legislators praised the RWA for being open and thorough throughout the legislative process and noted that many of the changes we are making are "common sense" updates. Larry did an excellent job testifying during the committee process. One of the legislators that asked him a question during the public hearing ended up co-sponsoring the bill. Bills in Connecticut automatically become law if the

governor fails to sign it within 5 days during legislative session or 15 days after adjournment from the day it was presented to him. For the water industry as a whole, it was a lowkey session. Out of the 33 bills tracked for the Regional Water Authority, the 10 highlighted below were priorities and or of particular interest for the RWA.

HB 5227: AN ACT AMENDING THE CHARTER OF THE SOUTH CENTRAL CONNECTICUT WATER AUTHORITY (support, passed)

- The Regional Water Authority's enabling legislation updates passed unanimously out of both chambers. Before it becomes law, it will be given a public act number. After it becomes a public act, it will go to the Secretary of State, then it will be transmitted to the Governor. I have spoken with Lamont's Deputy Legislative Director, and she said she can put it on the list for a proper bill signing

SB 292 AN ACT CONCERNING THE USE OF PFAS IN CERTAIN PRODUCTS: (support, passed)

- This bill generally regulates the sale and use of certain products containing per- and polyfluoroalkyl substances. It authorizes the DEEP commissioner to enforce the bill's provisions. She may also coordinate with the agriculture, consumer protection, and public health commissioners to do so.
- This bill had bipartisan support. Although some of the original language of the bill had been watered down, it still had enough support to pass. This bill does not target water companies, only manufacturers.

HB 5290 AN ACT CONCERNING VARIOUS REVISIONS TO THE PUBLIC HEALTH STATUTES: (support, passed)

- This bill clarifies and revises certain provisions on private and semipublic well testing, such as specifying that (1) DPH or the local health authority (with DPH's approval) may share test results with certain people (such as the current or prospective property owner) and (2) newly constructed wells must not be used for domestic purposes until the local health authority determines that their test results are satisfactory. This bill also codifies existing practice by authorizing DPH to issue certificates for water treatment plant or water distribution system operators-in-training.

SB 192 AN ACT CONCERNING DAM SAFETY: (support, passed)

- This bill enables the Department of Energy and Environmental Protection to more readily take action to protect the public safety when a dam poses an imminent risk. the bill also authorizes the DEEP commissioner to correct a problem with a dam and makes a person who owns or is responsible for the dam liable for the department's costs and expenses.

SB 3 AN ACT CONCERNING CONSUMER PROTECTION: (support, passed)

- To (1) declare the state's policy concerning broadband Internet access service, (2) require certain broadband Internet access service providers to provide affordable broadband Internet access service, (3) require certain fee disclosures and prohibit deceptive and excessive fees for consumer goods and services, (4) prohibit public entities from purchasing or operating certain small unmanned aircraft systems, (5) impose various requirements concerning connected devices, (6) require net neutrality by imposing requirements on certain broadband Internet access service providers, (7) regulate streaming service billing practices, and (8) impose various requirements concerning repairs of electronic or appliance products.

HB 5475 AN ACT CONCERNING THE DEVELOPMENT OF HOUSING, CHALLENGES TO CERTAIN DECISIONS OF MUNICIPAL AGENCIES, AND THE CONVERSION OF VACANT NURSING HOMES INTO MULTIFAMILY HOUSING: (oppose, died)

- This bill would eliminate individuals' and organizations' standing to intervene under the Connecticut Environmental Protection Act, in proceedings on residential building permit applications unless they own real property that abuts, or is within 100 feet of, the land that is the subject of the application; 2. narrows who may file a protest petition on changes to zoning regulations or district boundaries; and 3. allows municipalities to adopt ordinances identifying certain areas that could support increased development and exempting developments in those areas from inland wetlands agency approval requirements.
- This was a priority bill for the House Majority Leader. This bill would have negatively impacted wetland protection and scaled back the Connecticut Environmental Protection Act. Killing this was a collaborative effort between CWWA and environmental groups.

HB 5004 AN ACT CONCERNING THE IMPLEMENTATION OF CERTAIN CLIMATE CHANGE MEASURES: (oppose, died)

- This bill would implement certain measures relating to climate change including advancing and implementing the state's goals for the reduction of greenhouse gas emissions, the phasing out of the use of natural gas, investment in renewable energy and green economy startup businesses, incentivizing sustainable purchasing by local governments and the enhancement of nature-based solutions to mitigate climate change.
- This bill in its original form would have negatively impacted streamflow regulations. Although the problematic language was taken out, this bill would end up dying due to failed negotiations and lack of support from moderate democrats.

SB 2 AN ACT CONCERNING ARTIFICIAL INTELLIGENCE: (oppose, died)

- This bill would establish requirements concerning the development, deployment and use of certain artificial intelligence systems; (2) establish an Artificial Intelligence Advisory Council; (3) prohibit dissemination of certain synthetic images; (4) prohibit distribution of, and agreements to distribute, certain deceptive media concerning elections; (5) require

state agencies to study potential uses of generative artificial intelligence and propose pilot projects; (6) require the Commissioner of Administrative Services to provide training concerning generative artificial intelligence; (7) require the Chief Workforce Officer to (A) incorporate artificial intelligence training into workforce training programs, and (B) design a broadband outreach program; (8) require the Board of Regents for Higher Education to establish (A) a "Connecticut Citizens AI Academy", and (B) certificate programs in fields related to artificial intelligence; and (9) require the Department of Economic and Community Development to (A) develop a plan to offer high-performance computing services, (B) establish a confidential computing cluster, and (C) conduct a "CT AI Symposium".

SJR 193 RESOLUTION PROPOSING AN AMENDMENT TO THE STATE CONSTITUTION REGARDING ENVIRONMENTAL RIGHTS: (oppose, died)

- This resolution would amend the state's Constitution to include the right of all people to a clean, safe and healthy environment, and set the State of Connecticut as trustee of its natural resources. The bill would potentially hold water companies and the state liable if any citizen felt their constitutional right to clean water was infringed upon.

SB 149 AN ACT CONCERNING FORECLOSURE, ASSIGNMENT AND OTHER ENFORCEMENT ACTIONS FOR UNPAID SEWER ASSESSMENTS AND OTHER FEES AND CHARGES: (oppose, died)

- This bill would prohibit foreclosure, assignment and other enforcement actions for unpaid sewer assessment and other fees and charges in the case of owner-occupied real property for which the principal of such unpaid assessments, fees and charges is less than four thousand dollars. It was a bill that Senate President Martin Looney sponsored, but it never got called for a vote in the House of Representatives. In future sessions, this is something we will watch closely.

South Central Connecticut Regional Water Authority
90 Sargent Drive, New Haven, Connecticut 06511-5966
<http://www.rwater.com>

To: Authority Environmental, Health & Safety Committee
Mario Ricozzi, Chair
David J. Borowy
Kevin J. Curseaden
Catherine E. LaMarr
Suzanne C. Sack

Cc: Larry Bingaman, President & CEO
Sunny Lakshminarayanan, VP, EES

From: Tiffany Lufkin, Planning & New Services Manager

Date: May 2024

Subject: Enterprise Work and Asset Management (EWAM) Update

Question for Consideration:

In April of 2023, RWA undertook a reinvigoration of strategic level asset management planning. This effort was determined to update the 2015 Enterprise Asset Management Plan to the state of the business and priorities of today. The approach for this work was in line with prior lessons-learned at RWA and taken from a ground-up perspective.

Work began with a reintroduction of past work to the business and then a series of interdepartmental workshops were held to baseline current status quo, assess prior program implementations, and identify remaining needs. This effort delivered an Enterprise Work and Asset Management (EWAM) Roadmap in an actionable format - Ardoq. The Roadmap and a new program organizational structure are being used to push this strategic initiative forward.

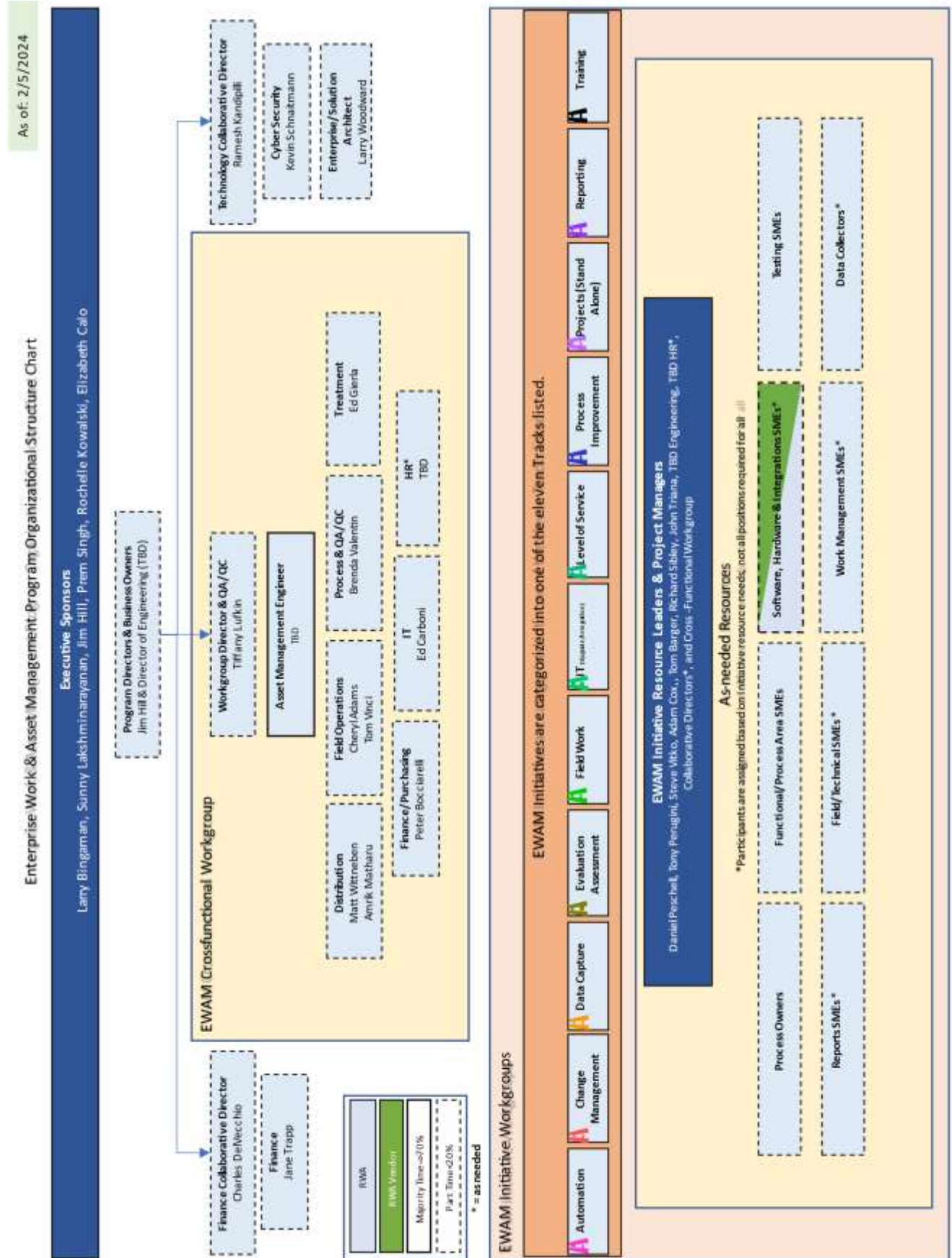
Key takeaways, substantial discoveries, and accomplishments over the past year are highlighted below:

- EWAM program success is dependent on adoption of new practices by the business, on both a programmatic and individual level.
- Approximately 30 interdepartmental workshops across 16 departments and conducted over 9 weeks were utilized to collect information for the Roadmap development.
- Benchmarking analysis was completed of RWA's EWAM program against 4 utility water companies.
 - RWA was evaluated to be "relatively mature" or "relatively versed" in all items when compared to peers, outside of two items.
 - RWA was evaluated to be "relatively behind" in the Technology & Implementation area for "Scanning Technologies", and "BIM & Digital Twin Models"
 - After the evaluation, RWA piloted a BIM scan model of the West River WTP, capitalizing on the ongoing capital project.

- The interdepartmental workshops led to identification of 103 items for the EWAM Roadmap.
- Completed multi-year sequencing and grouping of Roadmap items into various Tracks and Phases, in alignment with EPA practices for asset management.
- Evaluated the impact to the business on a departmental level by item, within Ardoq (Figure 1).
- Developed a Program Organizational Structure (Figure 2).
- FY 2024 kick-off of Roadmap items in September of 2023 with 11 items and a goal to complete 5 by end of fiscal year.
 - Due to prior assignment of strategic program priorities for the fiscal year, a small oversight team was utilized in FY 2024 consisting only of program director level resources.
 - Items which did not require any substantial outside resources or capital spending were prioritized.
 - Of the 11 items identified for immediate pursuit in September, 5 have been completed by May 1st, and all 11 are underway, along with an additional 12th item underway to upload vertical assets into the CMMS environment, an item highlighted for its alignment with the FY 2025 Strategic Plan.

The EWAM Roadmap creates the framework for asset management program development work over the next seven years. The bottom up and cultural change approach builds expertise within the organization. With each item's development and implementation, RWA's day to day work becomes more closely aligned with overall program ideals and information. Together this work compiles into a transformative change for the organization, in alignment with long-term Strategic goals.

Figure 2: EWAM Program Organizational Structure Chart



South Central Connecticut Regional Water Authority
Minutes of the April 25, 2024 Meeting

The regular meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, April 25, 2024, at 90 Sargent Drive, New Haven, Connecticut and via remote access. Chairman Borowy presided.

Present: Authority – Messrs. Borowy, Curseaden, Ricozzi, and Mss. LaMarr and Sack
Management – Mss. Kowalski, Calo, DiFrancesco, and Messrs. Bingaman, Cosma, DelVecchio, Hill, Lakshminarayanan, Singh, and Watsey
RPB – Mr. Slocum
Grant & Eisenhofer – Attys. McGee and Sangree
Staff – Mrs. Slubowski

The Chair called the meeting to order at 12:30 p.m. He reviewed the Safety Moment distributed to members.

Chair Borowy offered the opportunity for members of the public to comment. There were no members of the public present.

Mr. Bingaman, the RWA’s President & Chief Executive Officer, introduced Ms. DiFrancesco, the RWA’s Multimedia Communications & Education Team Lead, and Mr. Watsey, the RWA’s Director of Public Affairs, who highlighted a citation from the Connecticut General Assembly to the RWA for its protection and stewardship of precious natural water resources for its community.

At 12:34 p.m., Ms. DiFrancesco and Mr. Watsey withdrew from the meeting, and on motion made by Mr. Curseaden, and seconded Mr. Ricozzi, the Authority voted to recess the regular meeting to meet as the Pension & Benefit Committee.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At 2:04 p.m., Mr. DelVecchio withdrew from the meeting and the Authority reconvened.

Ms. LaMarr moved for approval of the following resolutions, as recommended by the Pension & Benefit Committee:

1. Additional Pension Contribution – FY 2024

RESOLVED, that based, on the recommendation of the its Pension & Benefit Committee, the South Central Connecticut Regional Water Authority authorizes an increase of \$250,000 as a combined contribution to the South Central Connecticut Retirement Plan and the South Central Connecticut Regional Water Authority Salaried Employees’ Retirement Plan during fiscal year 2024.

2. Salaried

RESOLVED, that the Authority approves a contribution of \$2,397,959 to the South Central Connecticut Regional Water Authority’s Salaried Employees’ Retirement Plan, effective for the actuarial valuation of January 1, 2024; and

FURTHER RESOLVED, that the Authority approves the continued use of the PubG-2010 Above Median Employee and Annuitant with Scale MP-2021 generational improvements (M/F), effective for the actuarial valuation of January 1, 2024.

3. *Union*

RESOLVED, that the Authority approves a contribution of \$1,083,084 to the South Central Connecticut Regional Water Authority's Union Employees' Retirement Plan, effective for the actuarial valuation of January 1, 2024; and

FURTHER RESOLVED, that the Authority approves the continued use of the PubG-2010 Total Employee and Annuitant with Scale MP-2021 generational improvements (M/F), effective for the actuarial valuation of January 1, 2024.

4. *VEBA*

RESOLVED, that the Authority approves a contribution of \$1,694,075 to the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust, effective for the actuarial valuation of January 1, 2024; and

FURTHER RESOLVED, that the Authority approves the continued use of the mortality table for the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust, the PubG.H.-2010 Employee, Healthy Annuitant, and Contingent Survivor with Scale MP-2021 generational improvements (M/F), effective as of the actuarial valuation of January 1, 2024.

Mr. Ricoszi seconded the motion. The Chair called for the vote:

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricoszi	Aye
Sack	Aye

Following discussion, on a motion made by Ms. LaMarr, and seconded by Mr. Curseaden, the Authority voted to adopt amendments to the Investment Policy Statement as presented.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricoszi	Aye
Sack	Nay

On motion made by Mr. Curseaden, and seconded by Ms. LaMarr, the Authority voted to approve, adopt, or receive, as appropriate, the following items in the Consent Agenda, as amended:

1. Minutes of the March 28, 2024 meeting.
2. Capital budget authorization for May 2024:

RESOLVED, that the Vice President & Chief Financial Officer is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$13,500,000 for the month of May 2024 for transfer from the Construction Fund for capital expenditures. Each such requisition shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved

notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate amount budgeted for Fiscal Year 2024 for all Capital Improvement Projects to be exceeded. In the absence of the Vice President & Chief Financial Officer, the Controller is authorized to sign in her place.

3. Capital Budget Transfer Notifications for May 2024.
4. Monthly Financial Report – March 2024.
5. Accounts Receivable Update - March 2024.
6. FY 2024-2025 Application Schedule.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

[BREAK FROM 2:10 P.M. TO 2:20 P.M.]

Ms. Kowalski, the RWA’s Vice President & Chief Financial Officer, reported on Type B3 Amendments for the Authority’s approval to: 1) transfer funds from the West River Treatment Plant Improvements Capital budget account to the Lake Gaillard Water Treatment Plant Filter Media Replacement project budget account, and 2) transfer of funds from the Lake Whitney Water Treatment Plant Ozone and DAF Controls project capital budget account, the Derby Wellfield Facility Improvements capital budget account, the Lead Service Line Replacement capital budget account, and the CIS project account, to the project reserve account to be held for FY 2025.

Mr. Ricozzi moved for approval of the following resolutions:

RESOLVED, that the Authority approves the transfer of \$651,000 from the West River Water Treatment Plant Improvements capital budget account to the Filter Media Replacement capital budget account; and

FURTHER RESOLVED, that the Authority approves the transfer of \$550,000 from the Lake Whitney Water Treatment Plant Ozone and DAF Controls project capital budget account, \$1,100,000 from the Derby Wellfield Facility Improvements capital budget account, \$1,250,000 from the Lead Service Line Replacement capital budget account, and \$1,415,000 from the CIS capital budget account to the project reserve account.

Ms. LaMarr seconded the motion. The Chair called for the vote:

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

Authority members reported on recent Representative Policy Board committee meetings.

At 2:27 p.m., Mr. Slocum withdrew from the meeting and Mr. Singh entered the meeting.

Mr. Bingaman, the RWA’s President & Chief Executive Officer:

- Provided an update on the changes to the RWA’s enabling legislation. He stated that the house unanimously approved the proposed changes and it is now waiting for the Senate vote. Discussions have been positive and a vote in favor of the bill is expected.
- Highlighted that he accompanied Mr. Tracy, the RWA’s Invasive Species Management Technician, to view an automated puller to remove Japanese barberry at one of the RWA’s properties. He noted that this method was used previously and is very effective in clearing areas of invasive species. They also visited a bat hibernaculum.
- Reported Mr. Watsey lead a tree-planting group in Hamden. Last year trees were planted in New Haven. The goal is to plant trees in various locations in the service territory as a good neighbor exercise.
- Commented on a video that would be displayed on the RWA’s website for district residents to educate them about the RWA’s potholing, a method to identify service lines material. [The video can be found by visiting <https://youtu.be/BSaz9ejTfCI>]

At 2:35 p.m., on motion made by Mr. Curseaden, and seconded by Mr. Ricozzi, the Authority voted to go into executive session pursuant to C.G.S. Section 1- 200(6)(E) to discuss matters covered by Section 1-210(b)(5)(b), pertaining to commercial and financial information. Present in executive session were Authority members, Messrs. Bingaman, Hill, Lakshminarayanan, Singh, and, Mss. Kowalski, Calo, and Slubowski.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

UNAPPROVED

At 2:50 p.m., the Authority came out of executive session. No votes were taken in, or as a result of executive session. Mr. Singh withdrew from the meeting and Atty. McGee entered the meeting. On motion made by Ms. LaMarr, and seconded by Mr. Ricozzi, the Authority voted to go into executive session pursuant to C.G.S. Section 1-200(6)(B) to discuss matters pertaining to litigation. Present in executive session were Authority members, Messrs. Bingaman, Hill, Lakshminarayanan, Atty. McGee, and Mss. Kowalski, Calo, and Slubowski.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At 3:00 p.m., Atty. Sangree and Mr. Cosma entered the meeting.

At 3:18 p.m., Attys. McGee and Sangree withdrew from the meeting.

At 3:26 p.m., the Authority came out of executive session. No votes were taken in, or as a result of executive session. On motion made by Ms. Sack, and seconded by Mr. Curseaden, the Authority voted to convene in executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(5)(B), pertaining to commercial and financial information. Present in executive session

**South Central Connecticut Regional Water Authority
Minutes of the May 2, 2024
Special Meeting**

A special meeting of the South Central Connecticut Regional Water Authority (“RWA” or “Authority”) took place on Thursday, May 2, 2024, via remote access. Chairman Borowy presided.

Present: Authority Members – Messrs. Borowy, Curseaden, Ricozzi, and Mss. LaMarr and Sack
Management – Messrs. Bingaman, Lakshminarayanan, Singh, and Mss. Kowalski
Grant & Eisenhofer – Attys. McGee and Sangree
Staff – Mrs. Slubowski

Chair Borowy called the meeting to order at 8:00 a.m. He noted the safety moment previously distributed to members.

Chair Borowy offered the opportunity for members of the public to comment. There were no members of the public present.

At 8:01 a.m., on motion made by Mr. Ricozzi, and seconded by Ms. LaMarr, the Authority voted, as noted below, to convene in executive session pursuant to C.G.S. Section 1-200(6)(B) to discuss matters pertaining to litigation. Present in executive session were Authority members, Messrs. Bingaman, Lakshminarayanan, Singh, and Mss. Kowalski and Slubowski, and Attys. McGee and Sangree.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At 8:43 a.m., the Authority came out of executive session.

Ms. Sack stated that based on the discussion in executive session, she was neither for, nor against, the Authority’s recommendation to move forward with the opt-in for the company discussed in executive session.

After discussion, it was the consensus of the Authority to recommend that management move forward with the steps necessary to opt-in as discussed in executive session.

At 8:46 a.m., on motion made by Mr. Ricozzi, and seconded by Ms. LaMarr, the Authority voted to adjourn the meeting.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye


Respectfully submitted,

Catherine E. LaMarr, Secretary

South Central Connecticut Regional Water Authority
90 Sargent Drive, New Haven, Connecticut 06511-5966 203-562-4020
<http://www.rwater.com>

MEMORANDUM

TO: David J. Borowy
Kevin J. Curseaden
Catherine E. LaMarr
Mario Ricozzi
Suzanne C. Sack

FROM:  Rochelle Kowalski
Vice President & Chief Financial Officer

DATE: May 17, 2024

SUBJECT: Capital budget authorization request for June 2024

Attached for your meeting on May 23, 2024, is a copy of the resolution authorizing expenditures against the capital improvement budget for June 2024. The amount of the requested authorization, for funds held by the trustee, is \$2,800,000.

This would result in projected expenditures through June 2024 of \$2,800,000 or 5.5% of the total 2025 fiscal year capital budget, including State and Redevelopment.


Attachment

RESOLVED

That the Vice President & Chief Financial Officer is authorized to submit to the Trustee one or more requisitions in an aggregate amount not to exceed \$2,800,000 for the month of June 2024 for transfer from the Construction Fund for capital expenditures. Each such requisition shall contain or be accompanied by a certificate identifying such requisition and stating that the amount to be withdrawn pursuant to such requisition is a proper charge to the Construction Fund. Such requisitions are approved notwithstanding the fact that amounts to be withdrawn for a particular project may exceed the amount indicated for such month and year in the current Capital Improvement Budget but will not cause the aggregate amount budgeted for fiscal year 2025 for all Capital Improvement Projects to be exceeded. In the absence of the Vice President & Chief Financial Officer, the Controller is authorized to sign in her place.

South Central Connecticut Regional Water Authority
 90 Sargent Drive, New Haven, Connecticut 06511-5966 203-562-4020
<http://www.rwater.com>

TO: David J. Borowy
 Kevin J. Curseaden
 Catherine E. LaMarr
 Mario Ricoszi
 Suzanne C. Sack

FROM:  Rochelle Kowalski
 Vice President & Chief Financial Officer

COPY TO: Larry L. Bingaman
 President & Chief Executive Officer

DATE: May 17, 2024

SUBJECT: Capital Budget Transfers

The status of all capital projects is reviewed monthly. To obtain efficiencies in our capital program, any anticipated unspent funds are reallocated to support reprioritized projects or existing projects.

The attached summary reflects three amendments. These amendments redistribute funds from one project to three other projects, totaling \$282,580.



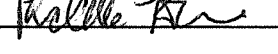
Source of Funds	Available Funds	Reason	Reallocation to Projects
North Branford Tank Structural Improvements & Additional Tank	\$ 48,210	Change in project scope	Well Rehabilitation Program
	\$ 200,000		Kings Highway Slate School, North Haven
	\$ 34,370		Lake Whitney Water Treatment Plant Miscellaneous Improvements

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	5/16/2024	Type	Log	Mo/Yr
Requesting Division:	Engineering & Environmental Services	B1	24-67	May/24
Requested By:	Sunny Lakshminarayanan			

Transfer From:	
Account Number:	107142-116107
Project Description:	North Branford Tank
A) Original Budget	\$ 550,000
B) Total Previous Transfers (In or Out)	\$ -
C) This Transfer	\$ 48,210
D) Revised Budget (A+/-B-C)	\$ 501,790
E) Estimated Project Costs	\$ 75,000
F) Remaining Funds Available for Transfer, if any (D-E)	\$ 426,790
Explanation why funds are available: Project work will complete under budget as a result of a change in project scope. Project work continues in FY 2025.	

Transfer To:	
Account Number:	001-000-107132-062701
Project Description:	Well Rehabilitation Program
A) Original Budget	\$ 350,000
B) Previous Transfers (In or Out)	\$ -
C) Revised Budget (A+/-B)	\$ 350,000
D) Amount to be Transferred	\$ 48,210
E) Proposed Revised Budget (C+D)	\$ 398,210
Explanation why funds are needed: This amendment will fund the reclassification of the expenses related to the purchase and installation of two new blower fans at the North Cheshire Wellfield.	


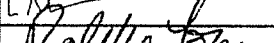
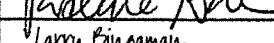
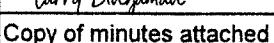
Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director		5/17/24
2) Donor Vice President/Director		5/17/24
3) Vice President - Finance & CFO		5/17/24
4) Chief Executive Officer		
5) Authority Members	Copy of minutes attached if required	

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	5/16/2024	Type	Log	Mo/Yr
Requesting Division:	Engineering & Environmental Services	B2	24-68	May/24
Requested By:	Sunny Lakshminarayanan			

Transfer From:	
Account Number:	107142-116107
Project Description:	North Branford Tank
A) Original Budget	\$ 550,000
B) Total Previous Transfers (In or Out)	\$ 48,210
C) This Transfer	\$ 200,000
D) Revised Budget (A+/-B-C)	\$ 301,790
E) Estimated Project Costs	\$ 75,000
F) Remaining Funds Available for Transfer, if any (D-E)	\$ 226,790
Explanation why funds are available: Project work will complete under budget as a result of a change in project scope. Project work continues in FY 2025.	

Transfer To:	
Account Number:	001-000-107143-120024
Project Description:	Kings Highway Slate School, North Haven
A) Original Budget	\$ -
B) Previous Transfers (In or Out)	\$ -
C) Revised Budget (A+/-B)	\$ -
D) Amount to be Transferred	\$ 200,000
E) Proposed Revised Budget (C+D)	\$ 200,000
Explanation why funds are needed: This amendment will fund the design and purchase of materials for the installation of approximately 5,010 linear feet of water main in Kings Highway, from the existing dead end south of Sycamore Lane to the intersection of Mansfield Road. This main extension will increase pressure to aid in fire flow requirements and provide resiliency and risk reduction to the York Hill Service Area. In addition, 65 single-family homes in the area currently supplied by wells have been facing water quality issues. This extension will provide them the opportunity to connect to our distribution system. Total cost of work in FY 2024 is estimated at \$200,000.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director		5/17/24
2) Donor Vice President/Director		5/17/24
3) Vice President - Finance & CFO		5/17/24
4) Chief Executive Officer		5/17/2024
5) Authority Members	Copy of minutes attached if required	

CAPITAL BUDGET AMENDMENT REQUEST

Request Date:	5/16/2024	Type	Log	Mo/Yr
Requesting Division:	Operations	B1	24-69	May/24
Requested By:	Jim Hill			

Transfer From:	
Account Number:	
Project Description:	North Branford Tank
A) Original Budget	\$ 550,000
B) Total Previous Transfers (In or Out)	\$ 248,210
C) This Transfer	\$ 34,370
D) Revised Budget (A+/-B-C)	\$ 267,420
E) Estimated Project Costs	\$ 75,000
F) Remaining Funds Available for Transfer, if any (D-E)	\$ 192,420
Explanation why funds are available: Project work will complete under budget as a result of a change in project scope. Project work continues in FY 2025.	

Transfer To:	
Account Number:	To be created
Project Description:	Lake Whitney Water Treatment Plant Miscellaneous Improvements
A) Original Budget	\$ -
B) Previous Transfers (In or Out)	\$ -
C) Revised Budget (A+/-B)	\$ -
D) Amount to be Transferred	\$ 34,370
E) Proposed Revised Budget (C+D)	\$ 34,370
Explanation why funds are needed: This amendment funds the reclassification of expenses related to the purchase of equipment replacements at the Lake Whitney Water Treatment Plant. Total cost is \$34,370.	

Approvals As Required By Type	Signature	Date
1) Requesting Vice President/Director	<i>Jim Hill</i>	5/17/2024
2) Donor Vice President/Director	<i>Suzanne Lakshminarasimhan</i>	5/17/2024
3) Vice President - Finance & CFO	<i>Kathleen Kozowski</i>	5/17/2024
4) Chief Executive Officer		
5) Authority Members	Copy of minutes attached if required	

REGIONAL WATER AUTHORITY
REVIEW OF FINANCIAL DATA
April 30, 2024 (FY 2024)

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Operating Revenues

FY24 revenue for water, including wholesale and fire service, is under budget by \$1,173k (approx. 1.0%).
 Metered water revenue is under budget by \$1,201k (approx. 1.1%) primarily due to lower consumption.

Total net other revenue is \$1,225k over budget due to other water revenues being higher than budget and other proprietary expense being lower than budget and revenues being higher than budget.

Operating Expenses

Operating and Maintenance Expenses are currently under budget due to the following:

	Apr-24
Payroll is under budget primarily due to head count under runs, partially offset by O&M/non-O&M mix.	\$ (229,000)
Employee Benefits are over budget primarily due to higher than budget medical expenses	82,000
Transportation is under budget primarily due to lower body repairs and gasoline & diesel fuel expense and timing	(104,000)
Utilities & Fuel is over budget primarily due to higher electric service costs	219,000
Material From Inventory is under budget primarily due to lower than anticipated costs and timing	(91,000)
Chemicals Expense is over budget primarily due to timing.	75,000
Road Repairs are under budget due to lower than anticipated costs and timing.	(195,000)
Postage is over budget due to higher than anticipated costs.	111,000
Collection Expense is under budget due to lower year-to-date bank fees and collection related expenses, including higher than budgeted rebilling.	(397,000)
Business Improvement is under budget primarily due to timing.	(296,000)
Outside Services is running under budget in multiple areas.	(1,277,000)
Insurance is over budget due to reserve requirements and recent renewals	81,000
Workers Compensation, pre-Churchill are under budget primarily due to reimbursement	(53,000)
Training and continued education is under budget due to lower tuition reimbursement and other net under runs.	(68,000)
RPB Fees are under budget due to lower consulting and meeting fees.	(68,000)
Info. Technology Licensing & Maintenance Fees are under budget primarily due to lower than anticipated costs and timing.	(272,000)
Maintenance & Repairs are under budget primarily related to water treatment, engineering, more pump and valve replacements and less O&M repairs, and timing.	(411,000)
All Other	<u>(136,000)</u>
<u>Interest Income</u>	(3,029,000)

Interest Income is above budget primarily due to higher investment earnings.

PROJECTED MAINTENANCE TEST

The projected coverage is 1.27 with no shortfall.

REGIONAL WATER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE MONTHS ENDING APRIL 30, 2024

	FY 2023 Actual	FY 2024 Budget	FY 2024 Actual	(Under)Over Budget
Operating revenues				
Metered water revenues	\$ 103,293	\$ 107,100	\$ 105,899	\$ (1,201)
Fire service	11,907	12,490	12,538	48
Wholesale	1,038	932	911	(20)
Other revenue - water	3,458	3,512	4,120	608
Other revenue - proprietary	8,779	10,394	10,762	368
Total operating revenues	<u>128,476</u>	<u>134,428</u>	<u>134,230</u>	<u>(198)</u>
Operating expenses				
Operating and maintenance expense	52,407	63,392	60,363	(3,029)
Expense associated with other revenue - water	1,797	1,949	1,938	(11)
Expense associated with other revenue - proprietary	3,847	3,994	3,756	(238)
Provision for uncollectible accounts	623	550	12	(538)
Depreciation	21,289	22,275	22,276	1
Payment in lieu of taxes	7,830	8,352	8,056	(296)
Amortization Pension Outflows/Inflows	1,796	1,162	1,162	0
Amortization OPEB Outflows/Inflows	(548)	(837)	(837)	0
Total operating expenses	<u>89,040</u>	<u>100,838</u>	<u>96,726</u>	<u>(4,112)</u>
Operating income	<u>39,435</u>	<u>33,590</u>	<u>37,504</u>	<u>3,915</u>
Nonoperating income and (expense)				
Interest income	7,180	6,804	10,186	3,382
(Loss) Gain on disposal of assets	(1,364)	(1,375)	(351)	1,024
Realized and unrealized (losses) gains on investments	-	-	-	-
Interest expense	(20,318)	(20,588)	(20,138)	450
Amortization of bond discount, premium, issuance cost and deferred losses	2,801	2,582	2,593	11
Amortization of Goodwill	-	-	-	-
Intergovernmental revenue	490	-	441	441
Contributions to related entities	-	-	(2,095)	(2,095)
Total nonoperating income and (expense) before captial contribution	<u>(11,212)</u>	<u>(12,577)</u>	<u>(9,364)</u>	<u>3,213</u>
Income (expense) before contributions	<u>28,223</u>	<u>\$ 21,013</u>	<u>28,141</u>	<u>\$ 7,128</u>
Capital contributions				
Change in net assets	29,727	-	28,806	-
Total net assets - beginning of fiscal year	252,019	-	283,445	-
Total net assets - end of reporting month	<u>281,746</u>	-	<u>\$ 312,252</u>	-

	Budget	Projected	(Under)Over
	FY 2024	FY 2024	FY 2024
	@114%	@114%	@114%
FY 2024 MAINTENANCE TEST			
(Budget vs. Projected)			
Revenue Collected:			
Water sales	129,136	129,000	(136)
Interest Income	3,371	5,400	2,029
BABs Subsidy	657	657	-
Other Net	8,468	9,493	1,025
Common Non-Core	(375)	(435)	(60)
Total	<u>141,257</u>	<u>144,115</u>	<u>2,858</u>
Less:			
Operating and maintenance expenses	(69,318)	(68,063)	1,256
Depreciation	(8,875)	(8,875)	-
PILOT (A)	(9,100)	(8,773)	327
Net Avail for Debt Service (B)	<u>\$ 53,964</u>	<u>\$ 58,404</u>	<u>\$ 4,441</u>
Debt Service Payments (C)	<u>\$ 47,207</u>	<u>\$ 46,165</u>	<u>\$ (1,042)</u>
Debt Service @ 114% (D)	<u>\$ 53,816</u>	<u>\$ 52,628</u>	<u>\$ (1,188)</u>
Difference (B-D)	<u>\$ 148</u>	<u>\$ 5,776</u>	
RSF, Growth and/or General Fund (D)	-	-	-
Coverage	<u>114%</u>	<u>127%</u>	

**REGIONAL WATER AUTHORITY
OPERATING AND MAINTENANCE EXPENSE
APRIL 30, 2024**

Pg 3

PERIOD ENDING APRIL 30, 2024

	FY 2023 Actual	FY 2024 Budget	FY 2024 Actual	(Under) Over
1 Payroll	\$ 21,366	\$ 23,468	\$ 23,239	\$ (229)
2 Employee Benefits	6,249	7,071	7,153	82
Pension Contributions	2,444	3,537	3,537	0
3 Administrative Building	886	998	958	(40)
4 General & Administrative	1,543	1,485	1,471	(14)
5 Transportation	682	868	764	(104)
6 Tools & Stores	325	315	351	36
7 Utilities & Fuel	1,452	1,516	1,735	219
8 Material From Inventory	165	306	215	(91)
9 Pump Power Purchased	2,434	2,719	2,740	20
10 Chemicals	2,316	3,227	3,302	75
11 Road Repairs	229	297	102	(195)
14 Postage	241	457	568	111
15 Printing & Forms	29	71	37	(34)
17 Collection Expense	860	1,317	920	(397)
18 Business Improvement	66	519	223	(296)
19 Public/Customer Information	190	243	256	13
20 Outside Services	2,934	4,739	3,462	(1,277)
21 Insurance Premiums	1,657	1,556	1,636	81
22 Worker's Compensation, pre-Churchill	(42)	43	(10)	(53)
23 Damages	54	64	55	(9)
24 Training & Cont. Education	210	470	402	(68)
25 Authority Fees	128	156	122	(34)
26 Consumer Counsel	36	55	35	(20)
27 RPB Fees	88	155	87	(68)
28 Organizational Dues	91	117	130	14
29 Donations	21	31	42	10
34 Central Lab/Water Quality	300	386	343	(44)
40 Environmental Affairs	70	109	76	(32)
44 Info. Technology Licensing & Maintenance Fees	2,262	3,318	3,046	(272)
45 Maintenance and Repairs	2,870	3,564	3,153	(411)
46 Regulatory Asset Amortization	251	212	214	2
	<u>\$ 52,407</u>	<u>\$ 63,392</u>	<u>\$ 60,363</u>	<u>\$ (3,029)</u>

South Central Regional Water Authority

Analysis of Accounts Receivable ("A/R")

(\$000 omitted)

Total Accounts Receivable Aging (in days)

	April 2024	March 2024	Feb 2024	Jan 2024	Dec 2023	Nov 2023	Oct 2023	Sept 2023	Aug 2023	Jul 2023	June 2023	May 2023	April 2023
Under 30	\$ 5,625	\$ 6,085	\$ 6,386	\$ 6,231	\$ 6,728	\$ 7,585	\$ 6,745	\$ 8,369	\$ 6,504	\$ 8,725	\$ 7,293	\$ 5,586	\$ 6,922
31-60	1,279	1,336	1,316	1,411	1,976	1,888	1,591	1,568	1,857	1,823	1,183	1,498	1,513
61-90	640	628	740	665	935	775	620	783	592	543	650	498	703
91-180	1,017	1,248	1,357	1,349	1,168	1,062	1,085	1,120	1,060	1,162	1,085	1,171	1,111
181-360	1,143	1,173	1,109	1,217	1,208	1,272	1,320	1,338	1,453	1,393	1,295	1,452	1,458
More than 1 year	4,089	4,207	4,273	4,385	4,462	4,560	4,787	4,815	4,845	4,908	4,682	4,676	4,864
Sub Total	13,793	14,677	15,181	15,258	16,477	17,142	16,148	17,993	16,311	18,554	16,188	14,881	16,571
Interest due	1,673	1,694	1,680	1,704	1,691	1,696	1,703	1,690	1,701	1,681	1,633	1,618	1,627
Total Gross A/R plus interest	\$ 15,466	\$ 16,371	\$ 16,861	\$ 16,962	\$ 18,168	\$ 18,838	\$ 17,851	\$ 19,683	\$ 18,012	\$ 20,235	\$ 17,821	\$ 16,499	\$ 18,198

Aged Accounts Receivable Focus of Collection Efforts

	April 2024	March 2024	Feb 2024	Jan 2024	Dec 2023	Nov 2023	Oct 2023	Sept 2023	Aug 2023	Jul 2023	June 2023	May 2023	April 2023
Greater than 60 days:													
A/R	\$ 8,356	\$ 8,736	\$ 8,940	\$ 9,211	\$ 9,249	\$ 9,141	\$ 9,270	\$ 9,498	\$ 9,380	\$ 9,431	\$ 9,116	\$ 9,154	\$ 9,509
Less: Multi-Tenants	(1,725)	(1,767)	(1,852)	(2,044)	(2,061)	(1,752)	(2,106)	(2,415)	(2,398)	(2,412)	(2,035)	(2,435)	(2,868)
Receiverships***	(2,144)	(2,157)	(2,121)	(2,308)	(2,089)	(2,186)	(2,135)	(1,996)	(1,968)	(2,004)	(1,919)	(1,834)	(1,941)
Liens	(1,731)	(1,664)	(1,734)	(1,741)	(1,740)	(1,512)	(1,423)	(1,357)	(1,446)	(1,457)	(1,423)	(1,583)	(1,703)
Total	\$ 2,756	\$ 3,148	\$ 3,233	\$ 3,118	\$ 3,359	\$ 3,691	\$ 3,606	\$ 3,730	\$ 3,568	\$ 3,558	\$ 3,739	\$ 3,302	\$ 2,997
	33%	36%	36%	34%	36%	40%	39%	39%	38%	38%	41%	36%	32%

Collection Efforts


	April 2024	March 2024	Feb 2024	Jan 2024	Dec 2023	Nov 2023	Oct 2023	Sept 2023	Aug 2023	Jul 2023	June 2023	May 2023	April 2023
Shuts *	\$ 71	\$ 96	\$ 120	\$ 136	\$ 70	\$ 267	\$ 118	\$ 68	\$ 55	\$ 75	\$ 65	\$ 115	\$ 95
Red Tags **	-	-	-	-	-	-	-	3	5	3	17	-	-
Receivers	54	18	45	63	41	49	53	72	33	24	33	47	60
Top 100 Collection Calls	37	76	6	485	103	50	-	7	28	29	20	5	21
Other ⁽¹⁾	1,175	966	956	541	917	729	1,152	834	865	940	993	1,177	1,507
Total	\$ 1,337	\$ 1,156	\$ 1,127	\$ 1,225	\$ 1,131	\$ 1,095	\$ 1,323	\$ 984	\$ 986	\$ 1,071	\$ 1,128	\$ 1,344	\$ 1,683

* Number of shuts

** Number of Red tags

South Central Connecticut Regional Water Authority
90 Sargent Drive, New Haven, Connecticut 06511-5966 203-562-4020
<http://www.rwater.com>

To: David J. Borowy
Kevin J. Curseaden
Catherine E. LaMarr
Mario Ricozzi
Suzanne C. Sack

From:  Rochelle Kowalski
Vice President and Chief Financial Officer

Copy To: Larry L. Bingaman
President and Chief Executive Officer

Date: May 17, 2024

Subject: Exemption from Public Bidding

Attached are requests for the approval of exemptions from the public bidding requirement of Section 16 of Special Act No. 77-98 as amended. Please note we have added two exceptions. We have added an exemption for EH Wachs Gate Trailers and an exemption associated with Target Three. We also removed the exemption for hydrants.

- Programmable Logic Controllers
- John Deere Equipment
- Variable Frequency Drives
- Pick Up of Patch, Sand, Gravel, Stone, and Topsoil
- Polymers
- EH Wachs Gate Trailer
- Printing & Media Services
- Cla-Val Hydraulic Control Valves
- Pump and Motor Repairs
- Val Matic Air and Water Valves
- Johnson Controls HVAC Software and Hardware
- Flagging Services
- Ductile Iron Pipe
- RWA Well Services LLC
- Target Three

Attachments

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

PROGRAMMABLE LOGIC CONTROLLERS

AS REQUESTED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

All contracts in excess of fifty thousand dollars for any supplies, materials, equipment, construction work or other contractual services shall be in writing and shall be awarded upon sealed bids or proposals made in compliance with a public notice duly advertised by publication in one or more newspapers of general circulation or, if there are no such newspapers, in appropriate electronic media, including, without limitation, the authority's Internet web site, as are likely to reach a broad segment of potential vendors, at least ten days before the time fixed for opening said bids or proposals, except for (1) contracts for professional services, (2) when the supplies, materials, equipment or work can only be furnished by a single party, (3) when the authority determines by a two-thirds vote of the entire authority that the award of such contract by negotiation without public bidding will be in the best interest of the authority, or (4) when the procurement is made as a result of participation in a procurement group, alliance or consortium made up of other state or federal government entities in which the state of Connecticut is authorized to participate. The authority may in its sole discretion reject all such bids or proposals or any bids received from a person, firm or corporation the authority finds to be unqualified to perform the contract, and shall award such contract to the lowest responsible bidder qualified to perform the contract. (Section 16, Special Act 77-98 as amended).

REQUEST FOR EXEMPTION

This is for a request for exemption from competitive bidding for the purchase of programmable logic controllers (PLC) for FY 2025.

REASON FOR REQUEST

PLC equipment from different manufacturers is not interchangeable and requires different programming software and interfaces in order to communicate with each other. To improve efficiency, limit training and spare parts inventory the Authority has standardized on PLC's manufactured by the Allen-Bradley Company. As a result of our commitment to this vendor and our local distributor, Hartford Electric Supply Company (HESCO) we have received pricing that is very competitive with other manufacturers of programmable logic controllers along with unlimited technical support. HESCO is the only authorized Allen-Bradley supplier in Connecticut.

SUMMARY

The result of this exemption would benefit the Authority by reduced capital and operating costs thorough the continued standardization of PLC equipment.

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

JOHN DEERE EQUIPMENT

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

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REQUEST FOR EXEMPTION

This is a continued request in effect since 2005 for an exemption from competitive bidding for the purchase of John Deere equipment for FY 2025

HISTORY OF EQUIPMENT PURCHASES

Since formation of the South Central Connecticut Regional Water Authority the SCCRWA purchased its construction and lake equipment through the public bidding process. During that time, the primary equipment bidders were John Deere, Volvo and JCB.

REASON FOR REQUEST

In recent years it has become increasingly difficult to obtain multiple bids for equipment. This is because many construction equipment businesses have either downsized or moved their operations out of state. The two manufacturers used in recent years are John Deere and Volvo/JCB. Tyler Equipment (Volvo/JCB) has restructured its organization and as a result has moved its repair facility out of state. Other equipment manufacturers have not been competitive and for a number of years their vendors have not bid on SCCRWA equipment.

Due to the fact that Clark has consistently been the low bidder and with the move out of state of Tyler Equipment, 95% of SCCRWA equipment is presently John Deere. As a result, it seems logical and cost effective to standardize on one manufacturer. All John Deere equipment can be purchased under the State bid and this would be the procurement method in FY 2025 if this exemption is approved. John Deere supplies training for SCCRWA mechanics and due to the mechanics' familiarity with the equipment there are both reduced labor costs and a proven history of low downtime of equipment for repairs.

Finally, John Deere equipment stands out in terms of its safety features. All John Deere equipment is set up ergonomically, and all of their machines operate with the same style equipment operators control/joy sticks. Due to standardization on one type of equipment, moreover, employees have the benefit of the continued experience of operating the same types of equipment, controls, buckets, and attachments. This familiarity helps to create a safer working environment.

SUMMARY

A bid exemption for John Deere equipment would enable the SCCRWA to continue the trend of standardizing on John Deere equipment for the reasons noted above.

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

VARIABLE FREQUENCY DRIVES

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

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REQUEST FOR EXEMPTION

This request is for an exemption from competitive bidding for the purchase of variable frequency drives (VFD) for the fiscal year 2025.

REASON FOR REQUEST

The Authority has been upgrading pumping facilities, utilizing variable frequency drives with check valves instead of traditional starters and electric control valves. This modernization minimizes the risk of damaging hydraulic surges during the starting and stopping of pumps. Variable frequency drives also reduce electrical and mechanical stresses placed on equipment, reduce maintenance requirements and provide improved pumping output control. Variable frequency drives, as manufactured by Allen-Bradley, a world wide leader in the manufacture of VFD's, have been used exclusively over the previous fifteen years pumping control upgrades. The Allen-Bradley VFD's, regardless of their size, utilize the same operating devices which are programmed in similar fashion. This uniformity reduces training requirements, making troubleshooting problems standard. The cost of this variable frequency drive is competitive to that of other manufactures. Our local distributor, Hartford Electric Supply Company (HESCO) is the only Allen-Bradley supplier in Connecticut and has provided favorable pricing over the years. Additionally their technical support has been excellent.

SUMMARY

The results of this exemption would benefit the Authority by reduced capital and operating costs through the standardization of equipment.

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

PICK UP OF PATCH, GRAVEL AND STONE

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

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REQUEST FOR EXEMPTION

This request is for an exemption from competitive bidding for the purchase of hot and cold patch, gravel, stone and processed aggregate necessary for maintenance and construction of the Authority's distribution system and sources of supply for Fiscal Year 2025.

REASON FOR REQUEST

In the course of its daily business, the SCCRWA performs excavation work in a variety of locations within the twenty towns comprising the Regional Water District. This work consists of repairing, maintaining, installing and reconstructing water mains, water services, fire hydrants and other distribution appurtenances as well as other excavation work at our sources of supply. The nature of the work requires use of a variety of materials to backfill excavations and restore suitable surfaces.

Prices of a variety of vendors for these materials have been compared to insure that the Authority is paying a fair price. Our 2024 price comparison is included below. Although there is a difference in price between materials from different vendor sites, it has remained fairly constant over the years and is dependent upon how far the material is transported to the vendors stockpile site. The major suppliers of the aforementioned material are located throughout the District. Processed aggregate is a product resulting from the recycling of pavement and excavation spoils and is presently available from nine vendors within the district. The Authority uses processed aggregate whenever possible on projects requiring the backfilling of an excavation.

At a rate of approximately \$129.61 an hour for the Authority's dump truck and driver, it would not be practical or cost effective to limit the Authority to one vendor.

Purchases of these materials for FY 2024 to-date amount to approximately \$235,000.00

SUMMARY

The result of this exemption would benefit the Authority, its customers and its contributory developers and contractors by reduced capital, operating and reimbursable costs through reducing the time and expense required to pick up these materials from a single vendor.

SCHEDULE OF 2023 PRICES (PER TON) FOR MATERIALS PICKED UP AT VENDOR'S SITE

<u>VENDOR</u>	<u>COLD PATCH</u>	<u>WINTER MIX</u>	<u>HOT PATCH</u>	<u>3/4" PROCESSED AGGREGATE</u>	<u>STONE</u>		
					<u>3/4" PROCESSED</u>	<u>3/4" STONE</u>	<u>1 1/4" STONE</u>
Tilcon Tomasso - No. Branford	\$126.50	N/A	\$105.60	N/A	\$13.30	\$31.35	\$21.60
Tilcon Tomasso - North Haven	\$125.00	N/A	\$105.60	N/A	\$13.05	\$22.50	\$21.60
Tilcon - New Britain			\$100.00	N/A	N/A	N/A	N/A
Valley Sand & Gravel - North Haven	\$160.00	\$125.00	N/A	\$6.50	\$23.00	\$33.00	\$23.00
F & F - Cheshire	N/A	N/A	N/A	\$14.25	\$19.50	\$27.00	\$23.00
O & G - Bridgeport	N/A	N/A	\$108.00	N/A	N/A	N/A	N/A
Elm City Materials - West Haven	\$171.00		N/A	\$6.50	\$23.75	\$32.75	\$23.75
JJ Brennan - Shelton ¹	\$150.00	\$125.00	\$135.00	\$10.25	\$19.00	\$19.95	\$20.00
West Rock - Woodbridge	N/A	N/A	N/A	\$8.50	N/A	\$31.00	N/A

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

POLYMERS

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO.77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

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REQUEST FOR EXEMPTION

Management requests an exemption from competitive bidding for the purchase of polymers (polyelectrolytes) for the West River Water Treatment Plant (WTP), Lake Gaillard WTP, Lake Saltonstall WTP and Lake Whitney WTP for the fiscal year 2025.

REASON FOR REQUEST

The four WTPs utilize polymer in the water treatment process as either a coagulant aid, filter aid, floc settling aid. The polymers improve turbidity and organics removal, while reducing the production of alum residuals. In addition, polymers are also applied to our WTP residuals in order to thicken the solids. Numerous polymers are available for water treatment, however, due to the many variations in chemical composition and proprietary blends, only specific polymers react as desired in a given water supply. Only through extensive laboratory, pilot scale and full-scale in-plant testing can the effectiveness of the specific polymers be evaluated. The latest full-scale pilot study RWA performed cost in excess of \$180,000.00.

Treatment Staff continue ongoing evaluations of polymers that have led to several changes in the manufacturer's used at our various WTPs. These changes have provided improvements in the quality of water produced while controlling chemical cost.

Future evaluations are anticipated as different polymer blends become available. Since Polymers are proprietary, competitive bidding on an exact product equivalent comparison is not possible. In addition, providing the highest water quality can require a product that has a higher price/lb. The bid exemption will give RWA the flexibility to test and pilot new products as they become available and change products seasonally if needed to maintain adequate water quality while controlling cost.

Projected Polymer Costs for FY2025:

All Treatment Facilities

\$665,000.00

SUMMARY

Management recommends that purchases of polymers be negotiated directly with the suppliers of products that have been proven effective based upon pilot tests or full-scale in-plant use tests for our specific applications.

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

E.H. WACHS GATE TRAILER

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO.77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

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REQUEST FOR EXEMPTION

Management requests an exemption from competitive bidding for the immediate purchase of E.H. Wachs Gate Trailer for delivery in fiscal year 2025.

REASON FOR REQUEST

The two gate trailers and a gate truck were purchased and operated by the Regional Water Authority (RWA) and are manufactured by E.H. Wachs. They were selected via traditional bid process due to the equipment's ability to meet the needs of the RWA.

The E.H. Wachs product was selected due its patented system that uses automation to safely and effectively turn valves based on AWWA requirements. Automated controls are operated via a unique handheld Bluetooth device which allows for a "hands off" operation of the gate exercising equipment. The proprietary system is designed to automatically operate valves using sensors to determine the minimum torque required for movement. The programming will then make adjustments to allow for smooth operation and seating of the valve.

In an effort to increase efficiency, the RWA Operations Staff is seeking to standardize on the E.H. Wachs product. This will allow for easier training on equipment, ease of use in the field, and ease of maintenance. As the labor force at the RWA ages, it is important to ensure institutional knowledge and training is passed down effectively to the next generation of staff. Part and parcel of this is ensuring equipment is standardized so that more time is spent gaining practical experience than training on a different tool that serves the same purpose. To that same end, the gate truck will be a more effective tool when standardized because of the aforementioned fact. Less time will be spent by operators getting their bearings on a different piece of equipment. Maintenance will also become easier since RWA mechanics already have experience with the proprietary gate truck and parts.

Projected E.H. Wachs Gate Trailer for FY2025:

Gate Trailer

\$150,000.00

SUMMARY

RWA Operations recommends the proprietary E.H. Wachs Gate Trailer be purchased to standardize on equipment and support RWA's water system maintenance efforts including gate exercising and flushing.

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

Printing & Media Services

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

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REQUEST FOR EXEMPTION

This is an FY2025 request for an exemption from competitive bidding for the purchase of printing and media services.

REASON FOR REQUEST

GHP Media has been the Authority's primary provider of printing of mailing inserts, annual reports, newsletters and consumer reports. GHP Media has worked under a bid exemption in the past.

With the additional marketing efforts being made to promote the RWA Well Services work and the transition of a new bill print and mailing service that will integrate with our new CIS Implementation project in FY25, the Authority would benefit from combining RWA Well Services and the Authority's printing requirements and choose the Printer that provides the best service and cost to the area and program that is being promoted. Bidding these requirements out will only delay and limit the services that may be needed in order to promote new programs.

Additional Media coverage may also be required in conjunction with the printing marketing efforts that are currently being promoted. These types of media services will be focused on specific geographic areas for marketing and therefore must be awarded to a Media Provider that can provide the best coverage.

SUMMARY

A bid exemption for Printing and Media Services will benefit the Authority by allowing the Authority to choose and combine these types of services in order to achieve the best marketing response from each specific program.

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

CLA-VAL HYDRAULIC CONTROL VALVES

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

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REQUEST FOR EXEMPTION

This request is for an exemption from competitive bidding for the purchase of Hydraulic Control Valves for FY 2025.

REASON FOR REQUEST

The Authority has been replacing control valves in key areas for many years now, utilizing diaphragm designed valves increases durability, longevity, and accuracy. Standardizing on a single proven manufacturer such as Cla-Val allows us to reduce the inventory of replacement parts and improve the response time for repairs. The unique design of the valve allows for much smoother operation reducing pressure spikes and increasing the responsiveness of the valve. All Cla-Val basic valves are identical in design with only one moving part, the diaphragm, this advantage to a traditional hydraulic control valve that has many and some very heavy moving parts that tend to wear out more frequently hence making repairs more difficult and expensive. Additionally, their technical support is local and always has been excellent.

SUMMARY

The results of this exemption would benefit the Authority by reduced capital and operating costs through the standardization of equipment.

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

Purchase or Repairs of Pumps, Motors, and Appurtenances.

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

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(Section 16, Special Act 77-98 as amended).

REQUEST FOR EXEMPTION

This request is for an exemption from competitive bidding for the purchase or repairs of pumps, motors, and appurtenances for Fiscal Year 2025. This exemption is necessary for maintenance and overhaul of existing pump stations for uninterrupted delivery of high quality drinking water.

REASON FOR REQUEST

The 35 pump stations, 4 treatment plants and 7 wellfields within the Authority's distribution system are critical for ensuring fire protection as well as uninterrupted delivery of consistent, high quality water to our customers. To do so, the Authority utilizes an outside vendor to test our pumps and motors at all facilities on a quarterly basis for predictive maintenance. These reports can result in recommendations for immediate action to repair assets flagged for various serious issues. Whether the impacted assets are at well fields, pump stations or treatment plants they all require pumps and motors to operate, and due to the importance of these assets, the Authority needs to repair them quickly in order to ensure continued service with no impact to the customer. The ability to repair and maintain equipment rapidly is imperative, and flagged assets may fail in the time required for a traditional bid process and quote solicitation. Historically, the Authority has requisitioned Associated Electro-mechanics, Inc., as the primary vendor for pump and motor repair. However, with the increased lead times on parts and service, the Regional Water Authority is requesting the ability to choose the vendor that can provide the service necessary to procure the repair and maintain the equipment rapidly. This request will allow operations to utilize vendors based on price, availability, and lead times, to ensure uninterrupted service to our customers.

SUMMARY

The results of this exemption would benefit the Authority by enabling its ability to quickly repair critical mechanical and electrical water system infrastructure and reduce risk of failure.

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

VAL MATIC Air and Water Valves

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

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REQUEST FOR EXEMPTION

This request is for an exemption from competitive bidding for the purchase of Val Matic brand valves for the fiscal year 2025.

REASON FOR REQUEST

The Authority has been specifying and purchasing Val Matic brand valves for many years and we have these valves in all of our Treatment Plants and Pump Stations. The Val Matic Company has been in business for over fifty years and is the leading supplier of air release valves in North America. While the RWA has received many years of reliable service from these products, we do occasionally need to purchase repair parts or complete new valves. The local distributor for Val Matic is A & N Valves and Controls, in New Windsor, New York. They have provided reliable service and technical support.

SUMMARY

The results of this exemption would benefit the Authority by reduced capital and operating costs through the standardization of equipment.

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR
JOHNSON CONTROLS HVAC SOFTWARE AND HARDWARE
AS REQUIRED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED
MAY 2024

SPECIFIC STATUTORY PROVISIONS

All contracts in excess of fifty thousand dollars for any supplies, materials, equipment, construction work or other contractual services shall be in writing and shall be awarded upon sealed bids or proposals made in compliance with a public notice duly advertised by publication in one or more newspapers of general circulation or, if there are no such newspapers, in appropriate electronic media, including, without limitation, the authority's Internet web site, as are likely to reach a broad segment of potential vendors, at least ten days before the time fixed for opening said bids or proposals, except for (1) contracts for professional services, (2) when the supplies, materials, equipment or work can only be furnished by a single party, (3) when the authority determines by a two-thirds vote of the entire authority that the award of such contract by negotiation without public bidding will be in the best interest of the authority, or (4) when the procurement is made as a result of participation in a procurement group, alliance or consortium made up of other state or federal government entities in which the state of Connecticut is authorized to participate. The authority may in its sole discretion reject all such bids or proposals or any bids received from a person, firm or corporation the authority finds to be unqualified to perform the contract, and shall award such contract to the lowest responsible bidder qualified to perform the contract. (Section 16, Special Act 77-98 as amended).

REQUEST FOR EXEMPTION

This request is for an exemption from competitive bidding for the purchase of Johnson Controls HVAC Software and Hardware (Systems) for FY 2025.

REASON FOR REQUEST

The Authority has Johnson Control Systems for HVAC installed in all our buildings and Treatment Plants. Standardizing on a single proven manufacturer such as Johnson Controls allows us to reduce the inventory of replacement parts and improve the response time for repairs. Most of the existing software and equipment has been in place for many years and has reached the end of its useful life. By standardizing on Johnson Controls much of the existing hardware can be reused thus reducing costs and time, as opposed replacing every component in the buildings. Additionally, their technical support is local and always has been excellent.

SUMMARY

The results of this exemption would benefit the Authority by reduced capital and operating costs through the standardization of equipment.

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

FLAGGING SERVICES

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

All contracts in excess of fifty thousand dollars for any supplies, materials, equipment, construction work or other contractual services shall be in writing and shall be awarded upon sealed bids or proposals made in compliance with a public notice duly advertised by publication in one or more newspapers of general circulation or, if there are no such newspapers, in appropriate electronic media, including, without limitation, the authority's Internet web site, as are likely to reach a broad segment of potential vendors, at least ten days before the time fixed for opening said bids or proposals, except for (1) contracts for professional services, (2) when the supplies, materials, equipment or work can only be furnished by a single party, (3) when the authority determines by a two-thirds vote of the entire authority that the award of such contract by negotiation without public bidding will be in the best interest of the authority, or (4) when the procurement is made as a result of participation in a procurement group, alliance or consortium made up of other state or federal government entities in which the state of Connecticut is authorized to participate. The authority may in its sole discretion reject all such bids or proposals or any bids received from a person, firm or corporation the authority finds to be unqualified to perform the contract and shall award such contract to the lowest responsible bidder qualified to perform the contract. (Section 16, Special Act 77-98 as amended).

REQUEST FOR EXEMPTION

This is a request for an exemption from competitive bidding for the purchase of Flagging Services for the Authority's Road construction projects for FY 2025

HISTORY OF EQUIPMENT PURCHASES

Flagging Services are required by State Law when work is performed on public roads. Typically, a request is made to the local Police Department in the area that the road work is located. An officer would then be assigned to the project to control road traffic. If the local Police Department cannot fill this role, the Authority would retain a Flagging Contactor to cover these types of services.

REASON FOR REQUEST

The Authority's past practice was to procure Flagging Services by following the public bid process. In recent years the response to our bid requests have resulted in a minimal number of proposals and the contactors that did provide proposals were disqualified as a result of safety issues.

With the decrease in Police presence, the request for Flagging Services has increased. This increase in volume has created much difficulty in filling this service timely, which can cause delays in the start of each project.

Additional request has been made with Flagging Contactor's that currently hold a contact with the State of Connecticut. With an increase in roadwork projects in Connecticut the availability of these services are limited and are not being filled unless the Flagging Contactor is available in the location of the project.

The Authority would like to enter into multiple contacts for these types of services and select the Group closest to the project site that can provide immediate assistance. Each contract will be negotiated for the best price and service and all RWA safety protocols would be required to be followed.

SUMMARY

A bid exemption for Flagging Services would enable the Authority to procure a Flagging Contractor timely and closest to the project site.

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

DUCTILE IRON PIPE

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED

MAY 2023

SPECIFIC STATUTORY PROVISIONS

All contracts in excess of fifty thousand dollars for any supplies, materials, equipment, construction work or other contractual services shall be in writing and shall be awarded upon sealed bids or proposals made in compliance with a public notice duly advertised by publication in one or more newspapers of general circulation or, if there are no such newspapers, in appropriate electronic media, including, without limitation, the authority's Internet web site, as are likely to reach a broad segment of potential vendors, at least ten days before the time fixed for opening said bids or proposals, except for (1) contracts for professional services, (2) when the supplies, materials, equipment or work can only be furnished by a single party, (3) when the authority determines by a two-thirds vote of the entire authority that the award of such contract by negotiation without public bidding will be in the best interest of the authority, or (4) when the procurement is made as a result of participation in a procurement group, alliance or consortium made up of other state or federal government entities in which the state of Connecticut is authorized to participate. The authority may in its sole discretion reject all such bids or proposals or any bids received from a person, firm or corporation the authority finds to be unqualified to perform the contract and shall award such contract to the lowest responsible bidder qualified to perform the contract. (Section 16, Special Act 77-98 as amended).

REQUEST FOR EXEMPTION

This request is for an exemption from competitive bidding for the purchase of Ductile Iron Pipe for the FY 2025. Our current agreement is with Ferguson Water Works through December 31, 2024. The purpose for this request is to exempt the purchase of Ductile Iron Pipe in order to mitigate industry price increases and lengthy lead times.

REASON FOR REQUEST

The Authority has entered into agreements in the past for Ductile Iron Pipe through our public bidding process. Our current agreement has fixed pricing through calendar year end 2024. Large price increase and long lead times for product has created a shortage of product in the past market. Working under an existing fixed pricing contract and advanced procurement of product has had minimal effect on the Regional Water Authority.

To mitigate these increases, we have implemented a strategic plan for stocking additional pipe in our Stockyard. As a result, we have positioned ourselves to minimize market increases for FY23 & 24 Capital projects. Lead times from the Pipe Manufacturer's have improved but pricing is still on the increase and the Pipe Manufacturer's are holding firm.

In order to minimize price increases and ensure product availability for FY 2025, the Regional Water Authority must have the option to procure ductile iron pipe from an existing agreement, negotiate directly with another Distributor, or until the market has softened so we can publically bid the pipe out.

SUMMARY

This exemption, would enable the Authority to negotiate directly with Distributor's to strategically offset the market price increases.

Prepared by: Peter Bocciarelli
Director of Procurement

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

RWA WELL SERVICES, LLC

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

All contracts in excess of fifty thousand dollars for any supplies, materials, equipment, construction work or other contractual services shall be in writing and shall be awarded upon sealed bids or proposals made in compliance with a public notice duly advertised by publication in one or more newspapers of general circulation or, if there are no such newspapers, in appropriate electronic media, including, without limitation, the authority's Internet web site, as are likely to reach a broad segment of potential vendors, at least ten days before the time fixed for opening said bids or proposals, except for (1) contracts for professional services, (2) when the supplies, materials, equipment or work can only be furnished by a single party, (3) when the authority determines by a two-thirds vote of the entire authority that the award of such contract by negotiation without public bidding will be in the best interest of the authority, or (4) when the procurement is made as a result of participation in a procurement group, alliance or consortium made up of other state or federal government entities in which the state of Connecticut is authorized to participate. The authority may in its sole discretion reject all such bids or proposals or any bids received from a person, firm or corporation the authority finds to be unqualified to perform the contract, and shall award such contract to the lowest responsible bidder qualified to perform the contract. (Section 16, Special Act 77-98 as amended).

REQUEST FOR EXEMPTION

This request is for an exemption from competitive bidding for services that the RWA Well Services, LLC may provide for our emergency protection offerings. These programs provide emergency repair protection to our customer for exterior and/or interior pipes, which include underground water, sewer, and septic pipes. This is an example of vertical integration.

REASON FOR REQUEST

The RWA Well Services, LLC is a subsidiary of RWA Commercial Enterprises, LLC a wholly owned subsidiary of the RWA and can engage in activities as defined in our enabling legislation. Our enabling legislation, Special Act 77-98, as amended, requires RWA, the parent company, to publicly bid out these types of services. Although RWA Well Services, LLC, is a subsidiary company, RWA must follow the statutory requirements related to public bidding. Therefore, this exemption is required in order for RWA Well Services, LLC to perform services associated with RWA's with our emergency protection plan offerings.

SUMMARY

The result of this exemption would benefit the Authority through vertical integration and support our strategic initiatives.

REQUEST FOR EXEMPTION FROM PUBLIC BIDDING FOR

TARGET THREE

AS REQUIRED BY CONNECTICUT SPECIAL ACT NO. 77-98 AS AMENDED

MAY 2024

SPECIFIC STATUTORY PROVISIONS

All contracts in excess of fifty thousand dollars for any supplies, materials, equipment, construction work or other contractual services shall be in writing and shall be awarded upon sealed bids or proposals made in compliance with a public notice duly advertised by publication in one or more newspapers of general circulation or, if there are no such newspapers, in appropriate electronic media, including, without limitation, the authority's Internet web site, as are likely to reach a broad segment of potential vendors, at least ten days before the time fixed for opening said bids or proposals, except for (1) contracts for professional services, (2) when the supplies, materials, equipment or work can only be furnished by a single party, (3) when the authority determines by a two-thirds vote of the entire authority that the award of such contract by negotiation without public bidding will be in the best interest of the authority, or (4) when the procurement is made as a result of participation in a procurement group, alliance or consortium made up of other state or federal government entities in which the state of Connecticut is authorized to participate. The authority may in its sole discretion reject all such bids or proposals or any bids received from a person, firm, or corporation the authority finds to be unqualified to perform the contract and shall award such contract to the lowest responsible bidder qualified to perform the contract. (Section 16, Special Act 77-98 as amended).

REQUEST FOR EXEMPTION

This request is for an exemption from competitive bidding for services that relate to the Target Three acquisition, including those outside our distribution area and RWA's applicable pre-acquisition existing agreements until such agreements can be negotiated or bid.

REASON FOR REQUEST

RWA expects to close on the acquisition of Target Three on July 1st. For the RWA to cost effectively integrate Target Three's active contracts the RWA must have the ability to negotiate directly with the contractors. This will allow the RWA to avoid any service interruption while contracts are restructured. Therefore, this exemption is required for FY25 for the RWA to avoid service interruptions and increase revenues.

SUMMARY

The result of this exemption would benefit the Authority by increasing revenues and limiting customer service interruptions.

**SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY
WATER SYSTEM REVENUE NOTES**

**Resolution to Approve the Terms of the \$3,500,000 Water System Revenue Bond
Anticipation Notes**

WHEREAS, Section 23 of Special Act 77-98, as amended, of the Connecticut General Assembly (the “Act”) provides, in pertinent part, that the Authority shall have the power to issue bond anticipation notes in the same manner as the bonds; and

WHEREAS, Section 22 of the Act provides in pertinent part, that bonds shall be authorized by a resolution of the South Central Connecticut Regional Water Authority (the “Authority”) which shall provide for the terms and conditions of the bonds, including the interest rates on the bonds and may provide for any matter which in any way effects the security or protection on the bonds; and

WHEREAS, Section 9 of the Act provides that the Authority may delegate to one or more of its members, officers, agents or employees, such powers and duties as it may deem proper; and

WHEREAS, the Authority proposes to issue its Water System Revenue Bonds (the “Bonds”) and its bond anticipation notes in anticipation of the proceeds of the Bonds (the “Notes”) in accordance with the Act and the Water System Revenue Bond Resolution, General Bond Resolution, adopted by the Authority and approved by the Representative Policy Board of the South Central Connecticut Regional Water District (the “RPB”) on July 31, 1980, as amended and supplemented (the “General Bond Resolution”); and

WHEREAS, on February 22, 2024, the Authority adopted and on April 25, 2024, the RPB approved the resolutions which established the general terms and provisions of the Authority’s Bonds in the aggregate principal amount not to exceed \$3,500,000 to (I) finance or refinance a portion of the costs of the acquisition of Target Three, (II) provide funds for deposit to the Capital Contingency Fund and the Debt Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and (III) pay costs of issuance (the “Project”); and

WHEREAS, the Authority wishes to provide for the issuance, sale and delivery of Notes to finance temporarily a portion of the Project.

NOW THEREFORE,

BE IT RESOLVED, that the Authority hereby approves the resolution authorizing the issuance of the Notes (the “Note Resolution”) in one or more series substantially in the form attached hereto as Exhibit A, with such changes, omissions, insertions and revisions as the Chairperson or Vice Chairperson and President / Chief Executive Officer or Vice President and Chief Financial Officer shall deem advisable and which shall be as set forth in a Certificate of Determination for the appropriate series of Notes attached thereto.

BE IT FURTHER RESOLVED, that the Chairperson or the Vice Chairperson and the President / Chief Executive Officer or Vice President and Chief Financial Officer be authorized (i) to issue, sell and deliver the Notes in an amount for each not to exceed \$3,500,000, and (ii) to determine the amount, date, date of maturity, interest rate, form and other details of each series of Notes, pursuant to the Act and the General Bond Resolution or any other provisions of law thereto enabling.

BE IT FURTHER RESOLVED, that the Chairperson, the Vice Chairperson, the President / Chief Executive Officer and the Vice President Chief Financial Officer, or any one of them, are hereby authorized to execute and deliver such documents as may be necessary or desirable to issue, sell, secure and deliver the Notes, including but not limited to, an Official Statement if the Notes are publicly offered, a Contract of Purchase, a Tax Regulatory Agreement and a Continuing Disclosure Agreement and to take such actions or to designate other officials or employees of the Authority to take such actions and execute such documents in connection with the issuance, sale, security and delivery of the Notes as are determined necessary or advisable and in the best interests of the Authority and that the execution of such documents shall be conclusive evidence of such determination.

BE IT FURTHER RESOLVED, that the Chairperson, the Vice Chairperson, the President / Chief Executive Officer and the Vice President and Chief Financial Officer, or any one of them, are authorized to apply for and accept federal and state grants to finance the project and federal and state loans to finance the Project, and enter into any grant or loan agreement prescribed by a federal agency or by the State, and that the Chairperson, the Vice Chairperson, the President / Chief Executive Officer and the Vice President and Chief Financial Officer, or any one of them, are authorized to take any other actions necessary to obtain such grants or loans or to implement such grant or loan agreements. Any grant proceeds may be used to pay project costs or principal and interest on bonds, notes, or temporary notes or obligations.

EXHIBIT A

NOTE RESOLUTION

SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY

RESOLUTION

Authorizing the Issuance of not to exceed

\$3,500,000 WATER SYSTEM REVENUE BOND ANTICIPATION NOTES

RECITALS:

WHEREAS, Special Act No. 77-98 of the Connecticut General Assembly, as amended (the "Act"), provides that the Authority may issue its temporary notes and may renew such notes from time to time; and

WHEREAS, the Act provides that such notes shall be paid from any monies of the Authority available therefor and not otherwise pledged or from the proceeds of the sale of bonds of the Authority in anticipation of which they were issued or renewal notes; and

WHEREAS, the Act provides that notes shall be issued in the same manner as bonds, and such notes and the resolution or resolutions authorizing such notes may contain any provision or provisions which the bonds or a bond resolution of the Authority may contain; and

WHEREAS, Section 607 C of the Water System Revenue Bond Resolution General Bond Resolution adopted July 31, 1980, as amended and supplemented (the "General Bond Resolution"), provides that the Authority may issue subordinated debt for any purpose of the Authority; and

WHEREAS, the General Bond Resolution provides that subordinated debt may be payable out of or secured by amounts available pursuant to Section 404 C5 (the Revenue Fund) and Section 410 B (the General Fund) of the General Bond Resolution, provided however that such pledge shall in all respects be subordinate to the provisions and the pledge of the General Bond Resolution; and

WHEREAS, the Authority and the Representative Policy Board have approved the issuance of an amount not to exceed \$3,500,000 of its general obligation bonds (the "Bonds") to (I) finance or refinance a portion of the costs of the acquisition of Target Three, (II) provide funds for deposit to the Capital Contingency Fund and the Debt Reserve Fund, as necessary pursuant to the General Bond Resolution and as permitted by the Internal Revenue Code of 1986, as amended and (III) pay costs of issuance (the "Project") and which may be issued in one or more series; and

WHEREAS, the Authority has determined that it is in its best interest to temporarily finance a portion of the Project through the issuance of temporary notes; the principal of and interest on which is to be paid with the proceeds of the sale of the Bonds or renewal notes.

NOW, THEREFORE, BE IT RESOLVED by the South Central Connecticut Regional Water Authority as follows:

ARTICLE I

Section 1.01. Short Title.

This resolution may be hereafter cited and is sometimes herein referred to as the “Note Resolution.”

Section 1.02. Definitions.

Unless a different meaning applies from the context, capitalized terms used in this Note Resolution shall have the same meaning as used in the General Bond Resolution.

“Certificate of Determination” means a certificate or certificates of determination signed by the Chairperson or the Vice Chairperson and the President / Chief Executive Officer or the Vice President and Chief Financial Officer of the Authority required by Section 5.03 hereof, setting forth the terms of the Notes, and attached hereto and made a part hereof.

“Notes” mean the notes of the Authority authorized to be issued herein in anticipation of the Bonds.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF THE NOTES

Section 2.01. Authority for this Note Resolution.

This Note Resolution is adopted pursuant to the Act and in accordance with the General Bond Resolution.

Section 2.02. Note Resolution to Constitute a Contract.

In consideration of the purchase and acceptance of the Notes by those who shall hold (the "Holders") the same from time to time, the Note Resolution shall constitute a contract between the Authority and the Holders from time to time of the Notes, and the pledge made in this Note Resolution and the covenants and agreements herein set forth to be performed by or on behalf of the Authority shall be for the equal benefit, protection and security of the Holders of any and all of the Notes, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Notes over any other notes or Subordinated Debt except as expressly provided in or permitted by the General Bond Resolution.

Section 2.03. General Terms and Provisions of the Notes.

The Notes which shall constitute Subordinated Debt to be issued pursuant to the Act and in accordance with Section 607 C of the General Bond Resolution is hereby authorized in the aggregate principal amount not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) in anticipation of the receipt of the proceeds of the sale of the Bonds.

The Notes shall be dated and mature as set forth in the Certificate of Determination for such series of Notes. The Notes shall bear interest at such rate, and be payable at, contain such terms, conditions, redemption provisions and particulars, or be in accordance with such terms as shall be determined by the Chairperson or the Vice Chairperson and the President / Chief Executive Officer or the Vice President and Chief Financial Officer of the Authority (the “Officials”), all in accordance with the Act, the General Bond Resolution and this Note Resolution. The Notes may be issued in one or more series as shall be fixed by the Officials and shall be executed in the name and on behalf of the Authority by either the manual or facsimile signatures of the Officials and bear the seal of the Authority or its facsimile.

ARTICLE III

DISPOSITION OF PROCEEDS OF NOTES

Section 3.01. Note Account (the “Account”).

The Note proceeds shall be deposited into a separate account held by the Authority outside of the Funds established under the General Bond Resolution which is the sole instrument by which the Authority will receive the Note proceeds.

The Note proceeds shall be held by the Authority in the Account and expended for the Project and the costs associated with issuing the Notes.

Section 3.02. Other Corporate Purposes.

No proceeds of the Notes shall be used for Other Corporate Purposes.

Section 3.03. Investment.

All moneys held in the Account may be invested by the Authority in Investment Securities permitted by the General Bond Resolution. All investment proceeds shall remain in the Account and be spent for the Project. After the Bonds are issued, any money remaining in the Account shall be transferred to the Construction Fund of the General Bond Resolution.

ARTICLE IV

SECURITY FOR THE NOTES

Section 4.01. Pledge.

There is hereby pledged for the payment of the principal of and interest on the Notes in accordance with their terms (i) the proceeds of the Bonds, (ii) any future issue of renewal notes issued to refund the Notes, (iii) the funds in the Account; and (iv) all Revenues as hereinafter provided. This pledge shall be subject to the provisions of the Act, the General Bond Resolution and this Note Resolution permitting the application of the proceeds of the Bonds or renewal

notes and the Revenues, moneys and securities held pursuant to the General Bond Resolution. The Notes shall be Subordinated Debt, payable from available Revenues (to the extent not paid from Bond proceeds or renewal notes) as provided in Sections 404 C 5 and 410 B of the General Bond Resolution and are subordinate in all respects to the pledge of the Authority in the General Bond Resolution, all future bonds issued pursuant to the General Bond Resolution and any pledge of the Authority to pay Subordinated Debt in the future issued pursuant to Section 607 B of the General Bond Resolution. This pledge shall be valid and binding from the time it is made and the proceeds, Revenues, moneys and securities hereby pledged and hereafter received shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act. The lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such parties have notice thereof.

As provided in Sections 610 D and 619 A 2 of the General Bond Resolution payments of principal and interest on the Notes are hereby scheduled to be made from sources other than Revenues, specifically the proceeds of the Bonds or renewal notes to be issued in the future by the Authority.

The Notes shall be general obligations of the Authority and the full faith and credit of the Authority are hereby pledged to the payment of the principal of and interest on the Notes. The Notes shall not be a debt of the State or of any municipality in the State, and neither the State nor any municipality in the State shall be liable therefor, nor shall the Notes be payable out of any funds other than those of the Authority as provided hereunder and under the Act.

Section 4.02. Rate Covenant.

The Authority covenants and agrees that it will at all times maintain rates, fees, rentals or other charges sufficient to pay, and that any contracts entered into by the Authority for the sale and distribution of water shall contain rates, fees, rentals or other charges sufficient to pay, together with other available moneys (which shall include the proceeds of bonds to refinance the Notes), the cost of operation and maintenance of the Authority's properties and the principal of and interest on the Notes issued pursuant to this Note Resolution and the Authority's bonds, notes and any other obligation issued pursuant to resolutions of the Authority, as the same severally become due and payable, and to maintain any reserves or other funds required by any such resolutions, if any.

Section 4.03. Continued Exemption from Federal Income Taxation.

The Authority hereby agrees and covenants that it shall at all times perform all acts and things necessary or appropriate under any valid provision of law or in order to ensure that interest or amounts treated as interest, as applicable, paid on the Notes shall not be includable in the gross income of the owners thereof for Federal income tax purposes under the Internal Revenue Code of 1986, as amended. Further, the Officers, or any one of them, are hereby authorized to execute all instruments and documents necessary to take such action.

ARTICLE V
MISCELLANEOUS

Section 5.01. No Recourse on Notes.

No recourse shall be had for the payment of the principal of or interest on the Notes or for any claim based thereon or on the Note Resolution against any member or officer of the Authority or any person executing the Notes and neither any member or officer of the Authority nor any person executing the Notes shall be liable personally on the Notes by reason of the issuance thereof.

Section 5.02. Agreement of the State.

The Note Holders shall have the benefit of the State's pledge and agreement contained in Section 24 of the Act as in effect on the date hereof: "The state of Connecticut does pledge to and agree with the holders of the bonds or notes of the authority that the state will not limit or alter the rights vested in the authority to acquire, construct, maintain, operate, reconstruct and improve the properties, to establish and collect the revenues, rates, rentals, fees and other charges referred to in sections 1 to 33, inclusive, of Special Act 77-98 and to fulfill the terms of any agreements made with the bondholders or noteholders until the bonds or notes together with interest thereon, interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the bondholders or noteholders are fully met and discharged."

Section 5.03. Delegation of Authority to Chairperson or Vice Chairperson and President/Chief Executive Officer or Vice President and Chief Financial Officer.

The Chairperson or the Vice Chairperson and the President/Chief Executive Officer or the Vice President and Chief Financial Officer of the Authority are hereby delegated the authority to (i) determine with respect to the Notes the amount, series, issue date, date of maturity, denominations, redemption provisions, interest rate and mode, and other details of the Notes, (ii) determine whether the Notes shall be sold by competitive or negotiated sale or by direct placement and if such sale is negotiated or sold by direct placement, the purchaser of the Notes, and (iii) accept and incorporate into this Note Resolution any terms or provisions required by the State or the purchaser of the Notes which they deem necessary or appropriate, all in accordance with the Act, the Resolution and any other provision of law applicable thereto. The Chairperson or the Vice Chairperson and the President / Chief Executive Officer or the Vice President and Chief Financial Officer shall prepare a Certificate of Determination prior to the date of delivery of each series of the Notes to be attached hereto and incorporated in this Note Resolution setting forth such details and particulars of the Notes and provisions, if any, as determined in accordance with this delegation.

Section 5.04. Effective Date.

This Note Resolution shall take effect immediately upon its adoption.


Certificate of Determination

RPB COMMITTEE MEETINGS

Month	Meeting	Will Attend
April 2024	<i>Finance Committee – (Hybrid)</i> Monday, April 8 at 5:00 p.m. <i>(Incl. FY 2025 Budget Review)</i>	David/Kevin
	<i>Land Use Committee - (Hybrid)</i> Wednesday, April 10 at 5:30 p.m.	Mario
	<i>Consumer Affairs Committee/Land Use Committee (SM) - (Hybrid)</i> Monday, April 15 at 5:30 p.m. <i>(Incl. FY 2025 Budget Review)</i>	Kevin/Catherine
May 2024	<i>Land Use Committee (Lake Saltonstall, Branford) - Special Meeting</i> Thursday, May 9 at 4:30 p.m.	Mario
	<i>Finance Committee (Hybrid)</i> Monday, May 13 at 5:00 p.m.	Kevin
	<i>Consumer Affairs Committee (Teams Only)</i> Monday, May 20 at 5:30 p.m.	Catherine
June 2024	<i>Finance Committee (Hybrid)</i> Monday, June 10 at 5:00 p.m.	Mario
	<i>Land Use Committee (TBD)</i> Wednesday, June 12 at 5:30 p.m.	Catherine
	<i>Consumer Affairs Committee (Teams Only)</i> Monday, June 17 at 5:30 p.m.	Kevin

South Central Connecticut Regional Water Authority
90 Sargent Drive, New Haven, Connecticut 06511-5966
<http://www.rwater.com>

TO: David J. Borowy
Kevin J. Curseaden
Catherine E. LaMarr
Mario Ricozzi
Suzanne C. Sack

FROM:  Rochelle Kowalski
Vice President & Chief Financial Officer

COPY TO: Larry L. Bingaman
President & Chief Executive Officer

DATE: May 17, 2024

SUBJECT: Filing the budgets for Fiscal Year 2025 with the Authority's Trustee

Sections 613 and 614 of the Authority's General Bond Resolution require the Authority to adopt and file the annual operating and capital budgets with the trustee prior to the start of the approaching fiscal year (June 1, 2024).

Enclosed for your review and approval are the filings to be submitted in accordance with the sections referenced above, The fiscal 2025 capital budget, beginning submitted today, does not include carry-over items from FY 2024 to FY 2025.

FY 2025 OPERATING REVENUE

(000 Omitted)

	<u>FY 2024 Budget</u>	<u>FY2024 Projected</u>	<u>FY2025 Budget (a)</u>
Revenue:			
Water Sales	\$ 129,136	\$ 129,000	\$ 130,838
Investment Income	3,371	5,395	4,028
BABs Subsidy	657	657	644
Other- Net	8,468	9,493	9,093
Common Investment	<u>(375)</u>	<u>(435)</u>	<u>(390)</u>
Total Revenue (a)	<u>\$ 141,257</u>	<u>\$ 144,110</u>	<u>\$ 144,213</u>
Less:			
Operating & Maintenance Expense	\$ 69,318	\$ 68,063	\$ 71,610
Debt Service Transfers	48,530	47,233	48,332
PILOT Transfers	<u>9,302</u>	<u>8,879</u>	<u>9,488</u>
Deductions from Revenue	<u>\$ 127,150</u>	<u>\$ 124,175</u>	<u>\$ 129,430</u>
Net Revenue	<u>\$ 14,107</u>	<u>\$ 19,935</u>	<u>\$ 14,783</u>

a) Fiscal 2025 budget does not reflect the impacts of an anticipated rate application.

South Central Connecticut
Regional Water Authority
Fiscal Year 2025 Budget (\$000 omitted)
Allocated by Month

	June	July	August	September	October	November	December	January	February	March	April	May	Total
Revenues:													
Water sales	\$ 9,424	\$ 13,066	\$ 13,349	\$ 12,587	\$ 11,244	\$ 10,406	\$ 9,878	\$ 11,767	\$ 10,954	\$ 10,017	\$ 9,099	\$ 9,049	\$ 130,838
Investment income	357	393	396	238	278	313	297	354	321	319	353	409	4,028
BABs subsidy	54	54	54	54	54	54	54	54	54	54	54	54	644
Other, net	781	\$ 802	790	749	717	753	632	674	664	665	680	797	8,703
Total revenue	10,615	14,315	14,588	13,627	12,292	11,525	10,861	12,848	11,992	11,055	10,186	10,308	144,212
Less:													
Operating and maintenance expenses incurred	5,743	6,226	6,331	6,104	5,824	5,896	5,905	6,161	5,883	5,761	5,701	6,074	71,610
Depreciation	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Debt service transfers RWA Bonds	2,135	-	4,525	4,525	4,525	4,525	4,525	2,506	4,525	4,525	4,525	4,525	45,367
State of CT Clean Water Fund	247	247	247	247	247	247	247	247	247	247	247	247	2,965
PILOT transfers	784	765	765	765	765	765	765	823	823	823	823	823	9,488
Revenue deductions	9,659	7,988	12,618	12,391	12,111	12,183	12,192	10,487	12,228	12,106	12,047	12,420	\$ 138,429
Net revenue	956	6,327	1,971	1,236	182	(658)	(1,331)	2,361	(236)	(1,051)	(1,861)	(2,111)	\$ 5,784
Balance at beginning of month (a)	0	956	7,282	9,253	10,489	10,670	10,013	8,682	11,043	10,806	9,755	7,894	
Balance at end of month (a)	\$ 956	\$ 7,282	\$ 9,253	\$ 10,489	\$ 10,670	\$ 10,013	\$ 8,682	\$ 11,043	\$ 10,806	\$ 9,755	\$ 7,894	\$ 5,784	
Add Back Depreciation:	750	1,500	2,250	3,000	3,750	4,500	5,250	6,000	6,750	7,500	8,250	9,000	
Revised Balance at end of month (a)	\$ 1,706	\$ 8,782	\$ 11,503	\$ 13,489	\$ 14,420	\$ 14,513	\$ 13,932	\$ 17,043	\$ 17,556	\$ 17,255	\$ 16,144	\$ 14,784	

(a) Does not represent cash balance

FY 2025 PROJECTED MAINTENANCE TEST

(000 Omitted)

	<u>FY 2024 Budget</u>	<u>FY 2024 Projected</u>	<u>FY 2025 Budget (a)</u>
Revenue:			
Water Sales	\$ 129,136	\$ 129,000	\$ 130,838
Investment Income	3,371	5,400	4,028
BABs Subsidy	657	657	644
Other - Net	8,468	9,493	9,093
Common Investment	(375)	(435)	(390)
Total Revenue	<u>\$ 141,257</u>	<u>\$ 144,115</u>	<u>\$ 144,213</u>
Less:			
Operating & Maintenance Expense	\$ 69,318	\$ 68,063	\$ 71,610
Depreciation	8,875	8,875	9,000
PILOT	9,100	8,773	9,295
Net Revenue available for Debt Service (A)	<u>\$ 53,964</u>	<u>\$ 58,404</u>	<u>\$ 54,308</u>
Debt Service Payments (C)	<u>\$ 47,207</u>	<u>\$ 46,165</u>	<u>\$ 47,638</u>
Debt Service x 114% (B)	<u>\$ 53,816</u>	<u>\$ 52,628</u>	<u>\$ 54,308</u>
Difference (A-B) - Revenue Shortfall	<u>\$ 148</u>	<u>\$ 5,776</u>	<u>\$ (0)</u>
Revenue from Rate Stabilization Fund (D)	<u>\$ (148)</u>	<u>\$ -</u>	<u>\$ -</u>
Coverage (A+D/C)	<u>114%</u>	<u>127%</u>	<u>114%</u>
Required Coverage	<u>114%</u>	<u>114%</u>	<u>114%</u>

a) Fiscal 2025 budget does not reflect the impacts of an anticipated rate application.

South Central Connecticut
Regional Water Authority
Fiscal Year 2025 Budget (\$000 omitted)
Activity within other funds

	June	July	August	September	October	November	December	January	February	March	April	May	Summary
<u>Debt Service Fund - Interest</u>													
Balance - Beginning	\$ 8,538	\$ 10,673	\$ 10,673	\$ 2,019	\$ 4,038	\$ 6,057	\$ 8,076	\$ 10,095	\$ 10,095	\$ 2,019	\$ 4,038	\$ 6,057	\$ 8,538
Additions	2,135	-	2,019	2,019	2,019	2,019	2,019	2,506	2,019	2,019	2,019	2,019	20,307
Withdrawals	-	-	10,673	-	-	-	-	-	10,096	-	-	-	20,769
Balance - Ending	\$ 10,673	\$ 10,673	\$ 2,019	\$ 4,038	\$ 6,057	\$ 8,077	\$ 10,095	\$ 10,095	\$ 2,019	\$ 4,038	\$ 6,057	\$ 8,076	\$ 8,077
<u>Debt Service Fund - Principal</u>													
Balance - Beginning	\$ 23,905	\$ 23,905	\$ 23,905	\$ 2,506	\$ 5,013	\$ 7,519	\$ 10,026	\$ 12,532	\$ 15,039	\$ 17,545	\$ 20,052	\$ 22,558	\$ 23,905
Additions	-	-	2,506	2,506	2,506	2,506	2,506	2,506	2,506	2,506	2,506	2,506	25,060
Withdrawals	-	-	23,905	-	-	-	-	-	-	-	-	-	23,905
Balance - Ending	\$ 23,905	\$ 23,905	\$ 2,506	\$ 5,013	\$ 7,519	\$ 10,026	\$ 12,532	\$ 15,039	\$ 17,545	\$ 20,052	\$ 22,558	\$ 25,065	\$ 25,060
<u>PILLOT Fund</u>													
Balance - Beginning	\$ 4,034	\$ 4,818	\$ 995	\$ 1,759	\$ 2,524	\$ 3,288	\$ 4,053	\$ 4,818	\$ 934	\$ 1,757	\$ 2,580	\$ 3,403	\$ 3,676
Additions	784	765	765	765	765	765	765	823	823	823	823	823	9,488
Withdrawals	-	4,588	-	-	-	-	-	4,707	-	-	-	-	9,295
Balance - Ending	\$ 4,818	\$ 995	\$ 1,759	\$ 2,524	\$ 3,288	\$ 4,053	\$ 4,818	\$ 934	\$ 1,757	\$ 2,580	\$ 3,403	\$ 4,227	\$ 3,869
<u>Operating Reserve Fund</u>													
Balance - Beginning	\$ 11,598												\$ 11,598
Additions (a)	336												336
Balance - Ending	\$ 11,934												\$ 11,934
<u>Capital Contingency Fund</u>													
Balance - Beginning	\$ 6,220												\$ 6,220
Additions (b)	30												30
Balance - Ending	\$ 6,250												\$ 6,250

Notes: Balances may not total due to rounding.
(a) Estimated requirement, based on April market value
(b) Estimated Fiscal 2025 additions

-CAUTION-

THE DISCLOSURE OF CERTAIN INFORMATION ON PAGES, MAPS OR OTHER MATERIALS STAMPED HEREIN MAY POSE A SAFETY AND SECURITY RISK TO PERSONS AND/OR PROPERTY. THE DETERMINATION TO DISCLOSE THIS INFORMATION SHALL ONLY BE MADE PURSUANT TO C.G.S. SECTION 1-210.

**South Central Connecticut Regional Water Authority
5-Year Plan of Capital Improvements
(000's omitted)**

	<u>Fiscal Year 2025</u>	<u>Fiscal Year 2026</u>	<u>Fiscal Year 2027</u>	<u>Fiscal Year 2028</u>	<u>Fiscal Year 2029</u>	<u>TOTAL</u>
NATURAL RESOURCES (1)						
Land Management	\$ 20	\$ 50	\$ 50	\$ 50	\$ 50	\$ 220
Watershed Protection	100	50	50	50	50	300
Improvements to Reservoir Intakes	432	158	100	-	550	1,240
Improvements to Reservoir Dams & Spillways	1,637	7,277	16,800	13,908	4,393	44,014
Bridge Refurbishments	100	300	-	300	-	700
Tunnel Repairs & Improvements	50	500	100	250	100	1,000
Miscellaneous	375	500	965	1,200	98	3,138
	<u>2,714</u>	<u>8,835</u>	<u>18,065</u>	<u>15,758</u>	<u>5,241</u>	<u>50,612</u>
TREATMENT (2)						
Lake Saltonstall WTP Process Improvements	1,140	5,860	3,300	3,505	2,750	16,555
Lake Gaillard WTP Process Improvements	4,555	7,484	3,850	400	550	16,839
West River WTP Process Improvements	1,369	1,854	250	275	315	4,063
Lake Whitney WTP Process Improvements	1,000	1,918	501	575	2,550	6,544
Improvements to Groundwater Treatment Facilities	2,265	2,400	3,000	2,475	2,500	12,640
Filter Media Replacement	800	800	800	900	900	4,200
Miscellaneous	1,750	1,550	450	550	950	5,250
	<u>12,879</u>	<u>21,866</u>	<u>12,151</u>	<u>8,680</u>	<u>10,515</u>	<u>66,090</u>
TRANSMISSION & PUMPING (3)						
Pipe and Transmission Main	8,496	7,675	7,825	7,160	7,925	39,081
Cleaning and Lining	-	1,000	1,000	1,000	1,000	4,000
Lead Service Line Replacements	3,000	5,000	5,000	10,000	20,000	43,000
Valve Replacements	250	400	400	500	500	2,050
Service Connections & Hydrants	2,525	2,525	2,825	2,825	2,875	13,575
Meters	450	450	450	500	450	2,300
Tank Painting & Improvements	1,240	3,975	3,204	1,490	1,148	11,057
Tank Construction/Replacement	130	1,809	3,967	4,365	1,115	11,386
Motor Control Center Replacements/Electrical Improvements	-	350	350	350	350	1,400
Critical Pump Station & Transmission Facilities Upgrades	250	1,000	200	1,000	2,950	5,400
Variable Frequency Drive Replacements	150	200	150	20	200	720
Pump Station Generator Replacements	632	100	650	250	1,000	2,632
Burwell Hill Pump Station Equipment Replacement	-	-	-	-	-	-
Raynham Hill Pump Station Improvements	-	1,800	-	-	-	1,800
Spring Street Pump Station Replacement	400	1,462	4,000	3,018	1,603	10,482
Lake Gaillard Pump Station Improvements	200	300	300	300	300	1,400
Devonwood Drive, Cheshire Booster Pump Station	-	150	1,500	800	-	2,450
Miscellaneous	1,109	4,758	2,913	1,308	1,880	11,969
	<u>18,832</u>	<u>32,952</u>	<u>34,735</u>	<u>34,886</u>	<u>43,297</u>	<u>164,702</u>
GENERAL PLANT (4)						
CIS	4,987	-	-	-	-	4,987
Information Systems	748	1,000	900	570	758	3,976
Customer Channels Sales & Marketing	-	-	-	-	-	-
Data Center Life Cycle Replacements	650	650	650	550	550	3,050
Equipment	1,992	1,064	954	811	895	5,716
90 Sargent Drive	685	615	5,030	5,395	11,520	23,245
	<u>9,062</u>	<u>3,329</u>	<u>7,534</u>	<u>7,326</u>	<u>13,723</u>	<u>40,974</u>
CONTINGENCY	685	870	925	816	878	4,174
PROJECT RESERVE	3,469	-	-	-	-	3,469
TOTAL	\$ 47,641	\$ 67,852	\$ 73,409	67,466	73,653	\$ 330,020
ESTIMATED GRANTS (CDS & state)	\$ (716)	\$ (3,500)	\$ (2,000)			\$ (6,216)
ESTIMATED GRANTS (DWSRF)	\$ (2,000)	\$ (4,000)	\$ (5,000)	(4,000)	(5,000)	\$ (20,000)
Net Total*	\$ 44,925	\$ 60,352	\$ 66,409	\$ 63,466	\$ 68,653	\$ 303,804
<i>* Does not include FEMA application or other potential future grants</i>						
CONSTR. FUND STATE & REDEV REVOLV. ACCT	\$ 3,000	\$ 3,000	\$ 3,000	3,000	3,000	\$ 15,000
COMMERCIAL (6)	\$ 100	\$ 600	\$ 300	40	40	\$ 1,080

- (1) Projects required to provide for present and future water requirements as well as protection of existing water supplies.
- (2) Projects which are necessary to maintain compliance with all Federal and State regulations as well as provide an adequate supply for future expansion of water demand.
- (3) Projects necessary to correct deficiencies in the system and provide for current and future demands needed for both consumption and fire protection, as well as modify and upgrade pumping facilities.
- (4) Expenditures for specific items including information systems, equipment, vehicles and plant modifications.
- (5) Escalated at 3% per year.
- (6) To be funded out of the Growth Fund

South Central Connecticut Regional Water Authority
 Fiscal Year 2025 Five-Year Capital Improvement Plan
 Sources of Financing
 (\$000 omitted)

	FY 2025	FY 2026	FY 2027	FY 2028	FY2029	Total
Debt Proceeds	\$ 20,393	\$ 43,352	\$ 55,409	\$ 44,281	\$ 52,453	\$ 215,888
Internally Generated Funds	27,247	24,500	18,000	23,185	21,200	\$ 114,132
Total Budget	\$ 47,641	\$ 67,852	\$ 73,409	\$ 67,466	\$ 73,653	\$ 330,020

- Notes:
- 1) Debt proceeds includes all anticipated debt financing of five year capital program (e.g., RWA bonds, Connecticut Drinking Water State Revolving Funds, Water Infrastructure Finance & Innovation Act, Bond Anticipation Notes).
 - 2) Internally generated funds are estimated based on a combination of year-end FY 2024 and FY 2025 projections and the Financial Model.
 - 3) Source of funds projections to be further refined with 2024 Financial Model update.
 - 4) Total budget does not include State and Redevelopment or Growth Fund funded projects.

SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY

PROPOSED RESOLUTIONS

MAY 23, 2024

(Adopt FY 2025 Budget and Authorize filing with Trustee)

RESOLVED, that the Authority’s Capital Improvements budget for Fiscal Year (“FY”) 2025 from June 1, 2024 – May 31, 2025, including a plan of capital improvements for the FY 2025 through FY 2029, and the additional information required by Section 614 of the *General Bond Resolution*, is hereby adopted and ordered to be filed with US Bank, Trustee, pursuant to Section 614 of the *General Bond Resolution*; and

FURTHER RESOLVED, that the Authority’s Operating budget for FY 2025 from June 1, 2024 – May 31, 2025, showing on a monthly basis projected Operating Expenses, and deposits and withdrawals from several Funds required by the *General Bond Resolution*, is hereby adopted and ordered to be filed with US Bank, Trustee, pursuant to Section 613 of the *General Bond Resolution*.

SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY

PROPOSED RESOLUTIONS

MAY 23, 2024

(Adopt FY 2025 Budget and Authorize filing with Trustee)

RESOLVED, that the Authority’s Capital Improvements budget for Fiscal Year (“FY”) 2025 from June 1, 2024 – May 31, 2025, including a plan of capital improvements for the FY 2025 through FY 2029, and the additional information required by Section 614 of the *General Bond Resolution*, is hereby adopted and ordered to be filed with US Bank, Trustee, pursuant to Section 614 of the *General Bond Resolution*; and

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