

SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY

DECEMBER 19, 2024

MEETING TRANSCRIPTION

David:

We are at 12:30 and we usually try to be punctual, so I will call the South Central Connecticut Regional Water Authority meeting for December 19, 2024 to order. Noting in attendance Suzanne is remote, but Catherine, Mario and myself are present physically and Kevin is on his way.

With that, we'll note the safety moment. Very apropos. I've already had to do this twice, gently [inaudible 00:02:25] in our area, so please read the [inaudible 00:02:29] be careful. Public comment. Is there anybody from the public?

Jennifer:

No.

David:

No. Nobody remote and I see nobody here. All right. Then we'll go right into the Audit-Risk Committee, so I'll ask a motion that Mario is about ready to make.

Mario:

I move that we recess as the Authority and meet as the Audit-Risk Committee

Catherine:

Second.

David:

Okay. All those in favor say aye.

Authority members:

Aye.

[AUDIT-RISK COMMITTEE MEETS FROM 12:31 P.M. TO 12:34 P.M.]

David:

Thank you for a very brief, but important meeting. Next item is consent agenda. What is your pleasure. Are there any items, questions or points of clarification?

Catherine:

I moved the approval of the consent agenda which I really liked. Just wanted to have that. Yeah. I think there were [inaudible 00:06:13] for this.

David:

You think what?

Catherine:

There were items on there that I really like [inaudible 00:06:17].

David:

Oh good, okay. Well, that's good. I think all nine were great.

Catherine:

Yes.

Mario:

I will second that.

David:

All right. Are there any points or clarification? No? Okay. [inaudible 00:06:28] you ready to vote. All those in favor signify by saying aye.

Authority members:

Aye.

David:

Thank you. All right. Finance. Rochelle, pretty early in the meeting. I hope you're ready.

Rochelle:

We're going to start with the sheet. As you would expect from a balance sheet perspective, I'm in the asset category. Net utility plant is up year over year. This is comparing November of fiscal '24 to November of fiscal 2025. Net utility plant is up by 3.5 million, and also just a couple points on the land and the non-utility land, since November of last year there's actually been a couple land transactions so they are now on our balance sheet. The other thing just going down the page here, I want to mention, and I think I mentioned this at first quarter, we are going through the final purchase price allocation of [inaudible 00:08:01] acquisition. At this point, we did a best estimate between what will be good will and tangible and the hard assets. Right now, good will does include our estimate associated with the good will for that transaction.

From a current asset perspective, you can see that [inaudible 00:08:24] is actually down very slightly, and this has to do with in the growth fund, we actually used the portion of the growth fund to pay for HSD. It was a little more as expected than what we actually put in the [inaudible 00:08:40], but there was a small decline. Then that was partially offset by the general fund which we also used a portion of for HSC, but net the general fund was up by 250,000, and the revenue fund is also up. From an AR perspective, just want to mention we're doing I think well from an AR perspective. You could actually see that [inaudible 00:09:09]. We're actually below pre-pandemic level.

Catherine:

That's what I meant when I said I really liked the [inaudible 00:09:18]. Very good progress.

Rochelle:

We were able to lower our allowance. Last year in November, we were about 4.3 in our allowance [inaudible 00:09:30]. That's good news. A couple other things here. The least receivable that we really just update once a year from a restricted assets, I think this is also good news in that the construction fund is actually down a little bit, so given our capital program continues that it's down by about four million, it shows that we had a really strong year in this position. We also got proceeds from West River, the DWS about financing. With that year over year, it's actually [inaudible 00:10:16] down by that four million.

The restricted assets overall, they're down by about 5.1, and there are some other offsets including that we put money into that reserve fund associated with West River that services up a little bit. We put money at the end of the fiscal year also into the operating reserve, but overall that's favorable. From a regulatory asset perspective, I will mention that the key driver of that increase actually has to do with pay drops that we did, and we did make provisions for estimates that we've gotten as it progressed from some of our very fee advisors and also paid some [inaudible 00:11:03].

From a pension perspective, at this point the pensions we have after we update at the end of the fiscal year, we just continue to advertise every month. Those are the primary changes there. From a liability perspective, good news on our non-current liabilities. Revenue funds [inaudible 00:11:32] are down by 26 million. That's primarily due to the payment that we made in August of 2024. We also had the 37D1 refunding that lowered the par by 1.9. This of course does not include the 39 series, and I do also just want to mention we are still planning on doing the tender refunding hopefully in January [inaudible 00:12:03] further improvement from the debt service.

The net pension liability that both have obligation that's updated once a year based on the actuarial reports, and good news that we had a pretty significant reduction in the pension liability. DWSRF is up and that's primarily due to the West River that is our largest single DWSRF financing. Current funds payable is up a little bit where our next principal payment prior to the 39 through 38 series is going to be 24.9 million, and of course we both made that into the debt service fund virtually [inaudible 00:12:52] is there when it comes time to pay, which I think is a positive thing.

Let's see. A couple other things here. The current lease liability and then our new thing [inaudible 00:13:08] subscriptions, that'll get updated once a year. Moving down [inaudible 00:13:17], we have accounts payable from construction, some small changes year over year, and then just going all the way down to the bottom of the page. Net assets were up 41.5 million. The net change in that position is 28.38, so overall positive. I do spend a fair amount of time on that balance sheet because there really is an indication of how things are. [inaudible 00:13:55]. Yes.

Kevin:

The lease [inaudible 00:14:05]. Sorry, couldn't get that one out. The reduction is due to....

Rochelle:

We update this once a year, so this is actually fiscal '23 at the end. This is November '24, so it's fiscal [inaudible 00:14:31], but then I restated it and basically the [inaudible 00:14:35]. If everything being [inaudible 00:14:39] those liabilities then.

Kevin:

Yes.

Mario:

Is it okay if I ask you?

Rochelle:

Sure.

Mario:

The \$500,000 note receivable, it's constant.

Rochelle:

That's [inaudible 00:14:53].

Mario:

Oh, that's what I thought. Okay

Rochelle:

I think skip that one, Jennifer, and go right to A1. Here, just a few things that I wanted to highlight. Operating revenue is actually up by 1.3 million, that's about 2%. It's really driven by other revenues, and that's largely driven by [inaudible 00:15:34]. The other water and other proprietary makes up about 2.7 million. [inaudible 00:15:43] is also on up, so even though water revenues are down, the overall operating revenues are up. Operating expenses, I'll get into a little bit more detail shortly. That's currently under by about 6%, although there are some upward pressures I'll talk about shortly. Also want to point out interest income is up by about 1.3 million [inaudible 00:16:13] there, not from a debt financing perspective, but from we are earning more than we had originally anticipated. It's interest rates out of state, higher, longer.

The other thing I want to mention, you actually see a favorable variance. We don't often talk about this, but the gain and loss on disposition of assets, and this actually is the land sales. We've had a favorable gaining on [inaudible 00:16:46] land sales that we just recently did [inaudible 00:16:51]. Going down to the [inaudible 00:16:55], a couple of key things that I want to mention here. We did now incorporate since it was formally approved, the impact on fiscal '25 of the rate application. With the adjustment of water revenues, you might recall we were forecasting a much larger underline. Now we're forecasting being close to budget because we will have a number of months of revenues from that rate application interest income, as I mentioned. We are projecting that to be over budget, although we are now seeing any rates come down.

Other net is up and that's primarily due to HSB in particular as we mentioned. We're watching that closely. At this point, we're forecasting O&M to be on budget underrun in a pilot. Depreciation you can see is up, and that's because, again, the budget did not include the rate application. The good news for fiscal '25 is from a debt service perspective, we won't pay any debt service on the 39 series until fiscal '26, so that gives us debt to transfer money, but we don't actually pay. Those are really the key drivers. Also, debt service was favorably impacted by a May of 2024 refunding that we did, and of course I mentioned the HSB position. Any questions?

David:

Just a quick question. Home safety valve, I know we didn't include it in here because it wasn't something that was [inaudible 00:18:43] at the time we did the budget so we're going to constantly show positive

towards that, but I know we also had some kind of projections in our mind of what we're going to do. Is this holding to what the projections were? A little better, a little worse?

Rochelle:

I would say it's still early to tell, but we're projecting probably a little bit worse from we did have to add some additional [inaudible 00:19:08] aware of that. Offsetting that this year, I personally offset it [inaudible 00:19:16] that we now have an interim note for holding that into our 39 series. While we have the interim note, we're only paying interest, we're not getting them interested [inaudible 00:19:27], but we are projecting a bit lower than the valuation just based on [inaudible 00:19:36].

David:

Okay.

Rochelle:

That's definitely a focus, and I believe our commercial target going forward, I will say we are on track to either exceed our strategic plan number [inaudible 00:19:52].

David:

Right, okay. The 9.2 or whatever. Yeah. [inaudible 00:19:59].

Mario:

In an open session, the increase in the headcount, I know some concerns initially with retaining some individuals in order to keep software [inaudible 00:20:17]. Has that smoothed itself out?

Rochelle:

Yeah. There was a lot we learned through this acquisition, including actually how manual the processes were. That actually is really, I don't know if you're aware, really what led to the reason that we have more headcount, and we're working through that also and worked through some software challenges, but that's I [inaudible 00:20:48] mostly [inaudible 00:20:51].

Mario:

Increase in headcount? How many?

Rochelle:

We assume that one person would come over, and we actually have one temporary person to help get us through. Let's see. We have two other individuals, but we also have an opportunity to grow the business, so that would be [inaudible 00:21:32]. Is there a question? If we go to the next page. I could spend a lot of time on this. The upper left is just a smaller version of what we talked through, but just a couple things I do want to mention. Here again for both our financial reporting based as well as our projection, we have now incorporated the impact of the read piece still on estimated basis because at this point we have a net price. [inaudible 00:22:07] that the other day so that was still estimated.

Another couple of things on our projection. We are forecasting to get some grant money that will include Derby, and it also could include some grant money this fiscal year for the lead service lines and/or the clarifiers. I'm hoping that our estimate of three million is even conservative. We're also

beginning to process finally our congressional directed spending. One of the projects is actually in progress, so we're trying to make our first request for payment. We should also see some monies there. Here from a financial reporting perspective, there will be an increase in accrued interest payable, so we've incorporated that. On the bottom part of the chart for our maintenance test, this is where I just want to point out, we've talked about this before, that even a pretty small change in the water revenues can make a difference between a [inaudible 00:23:25], not having a [inaudible 00:23:25]. It could actually change it to a few percentage points. This is why we [inaudible 00:23:31] closely, and although usually we have a very strong [inaudible 00:23:36], we don't want to count on it because there's no time to recover should it not happen. Wanted to point that out. We go to the next page.

Mario:

Good news. [inaudible 00:23:50] 5% below still.

Rochelle:

Yeah. We don't have a draw yet. That is good. The [inaudible 00:24:01] as well as not having any additional debt service other than, I should clarify, other than the DWSRF that we built into [inaudible 00:24:11], soon when we close this fiscal year, we will see an additional DWSRF [inaudible 00:24:21] the 39 series. We go to the next page.

First, from a general perspective, although we are under our budget year to date, there are some, what I'll call upward pressures that we need to make sure that we mitigate, and that includes the public benefit charges that are impacting all our areas where there's electric service, pump power, utilities and fuel, and also there's a piece in administrative building, and those are not insignificant. We are, as an example, expecting that power, which is all electric service, is going to significantly exceed its budget.

We also are working through some timing challenges with the CIS [inaudible 00:25:22] and some of the ongoing fees that we're going to need to pay and trying to mitigate that. Although good news, we are under hopefully still conservatively [inaudible 00:25:36] to be on budget, but we really do need to make sure that we're mitigating some of these permanent projected and year-to-date overruns. A couple of the larger variances. From a payroll perspective, there's really two things that are leading to that variance. One is, although it's a relatively small number now, we are still under headcount, but also the mix between O&M and non-O&M is actually having a favorable impact, [inaudible 00:26:14] right now it's more to non-O&M.

The employee benefits. One of the more significant variances there right now are post-employment benefit or reimbursement from the [inaudible 00:26:32] is actually running higher than we anticipated. Also, it's definitely impacting employee benefits as well. Right now, maintenance and repair is also one of the other larger variances, and Jim can probably talk to this, some of that is we're doing more on the capital side again from valve replacement, things like that, as opposed to O&M, and just various variances across various categories. I would say although we did our best to do our re-projection including offsetting some of the areas I just mentioned, we're expecting that permanent overruns. I do expect it to change between now and the end of the fiscal year, and you're probably aware we're kicking off our budget process so we're going to get more bottoms-up information, but we do need to watch O&M carefully, even though we're currently underrunning.

Mario:

Just a quick question. Administrative building space and allocation, what is the exact date exactly?

Rochelle:

It really shouldn't say allocation. It's really this building.

Mario:

Oh, okay.

Rochelle:

It's the administrative [inaudible 00:27:54], and that's where there's electric service in there and other things.

Mario:

Yeah. Okay.

Greg:

The staffing issues, is that because people are retiring or people just leaving or a combination of both?

Rochelle:

I think right now we're pretty close, so I think it's retirements and maybe some few people even for other reasons, but it's not significant. In prior years, we used to have pretty big variances between the budgeted headcount and our actual headcount. It could be 15 plus or minus. Now we're very few. I don't have the exact number with me, but it's the HR team is doing a really good job of recruiting.

Greg:

Good. How about you and your contract? Has that been settled?

Rochelle:

I think it's in [inaudible 00:28:00].

Kevin:

[inaudible 00:29:00] that date for response is December 22nd, which happens to be Sunday.

Sunny:

It's almost towards the finishing stages. Fingers crossed.

David:

That and Greg, before Liz got here, we would have 11, 12, 15 vacancies. We have five as this report we got in here now, so on a [inaudible 00:29:23].

Sunny:

295.

David:

We have 290 that are filled until there's very few. She's doing a good job keeping up. [inaudible 00:29:33].

Greg:

I didn't see anybody left [inaudible 00:29:35].

Rochelle:

I'm not going to go through all the projects, but again, first at a high level, we're actually forecasting to be at about 99% of the budget excluding the growth fund in state redevelopment and the contingencies and project reserve. We're doing very well relative to managing the capital program, and this year we have implemented various suggestions that have come out of our workshops, and Sunny and his team and myself and other members of team operations are all working together to be much closer at this time of the year to what the budget is. You might recall [inaudible 00:30:51] very, very large day, so that's a favorable thing.

Just going to talk about a few of the projects that have the larger [inaudible 00:31:05]. From the watershed projection, just want to mention we may be back to you for a possible land purchase, so that's what that variance is right now. For the [inaudible 00:31:25] HVAC, that project is currently well above its budget projected at this point to be over, and that's because this is one of the projects along with [inaudible 00:31:36] HVAC that it's well ahead of the budget, and we'll be watching that closely without [inaudible 00:31:44] to forward any amendment because things are still subject to change, and what's actually going to happen this fiscal year, [inaudible 00:31:53] fiscal year, those are some of the bigger overruns year to date.

Then the projections, also the Seymour well field generator replacement. The generator itself is not expected to be here until June. That's the primary lease end for that underrun, so those are some available funds. Just moving to the pipe. There's multiple pipe projects and some are over, some are under. Really overall very close to the budget. The Route 80 valve relocation, that's actually a timing item on that. There's some activity that's occurring, but it's expected to be on its fiscal 2025 budget by the end of the fiscal year.

Sunny:

For the [inaudible 00:32:54], as you'll remember, we may need to come for an amendment because that was the one where we were looking for an easement from the city. It's gone through the Board of Alders and we have gone back and gave the responses, so it's almost towards its final stages, and we are working with the state DOT as well as the city to have your portion of that done for this year because it makes sense to get that main street done, whereas the valve itself will be done as a separate phase two. Conversations with the city and state have kind of brought some changes to the project. This one is projected to be around [inaudible 00:33:36], so we are going to split the phase one or phase two.

One of the things that we may have to do is this is also a [inaudible 00:33:42] funded project that will have to go [inaudible 00:33:45] in the IUP and you'll have to make some changes in terms of dividing it. That is a small change to the originally envisioned way of executing that, but I think this would make it easier because we can get the street work done because the DOT is trying to put a traffic light up there very close to where there is, if you are familiar with it, next to the school there is a motel which the city picked up for shelter or something, so they want to put a traffic light. I had a few meetings as well as the engineer team had a few meetings, so it's going in the right direction so we may expedite the phase one portion of the work to this fiscal year based on how the city wants us to do as well.

Catherine:

This is all timing.

Sunny:

Correct. The scope doesn't change overall significantly.

Catherine:

Right. You're talking about doing the road work.

Sunny:

Correct.

Catherine:

In this fiscal year, and then the other [inaudible 00:34:41].

Sunny:

[inaudible 00:34:42] that will be done in the next fiscal [inaudible 00:34:44].

Catherine:

In the summer when the school's closed.

Sunny:

Correct. It may not be done in fiscal '26, Catherine, it could go on to fiscal '27 too.

Catherine:

Really?

Sunny:

Depending on how the vault is because it's a precast vault. Depending on the timing and delivery of the vault.

Catherine:

Understood.

Sunny:

We might push it towards two summers.

Catherine:

Is that conducive for what you need?

Sunny:

It is more because the pressure-reducing valve is actually on the street, it's pretty old. It's not I would say a conducive position. It is something for resiliency and risk reduction we want to do it. Is the pipe

going to I would say not work because the PRV is at a risk of failure at some point of time and the city will lose water? We would like to expedite it, but given I would say the nature of how that whole thing is structured, the geography of it, we would like to phase it in a way where it's advantageous for the school as well as we are able to work.

Catherine:

It's my understanding that the city understands that-

Sunny:

It is, it is.

Catherine:

... that that's not just water for the city.

Sunny:

Correct.

Catherine:

That's a significant conduit.

Sunny:

Correct. Absolutely.

Catherine:

Okay. All right. Well, let me know if you need me.

Sunny:

Sure, absolutely.

Mario:

The property that you were looking to [inaudible 00:36:12], that's basically through the process.

Sunny:

Yeah. School property.

Mario:

No issues.

Sunny:

I wouldn't say no issues. We encountered I would say issues, and we were able to clear those problems.

Catherine:

It's mostly communication.

Mario:

Okay, I understand. We have to go back in the road after you put in a new vault to disconnect the original, in which case then go ahead, dig up the road, take up through and put in the signal, we go back and we dig up the road again [inaudible 00:36:57].

Sunny:

Oh, we're going to minimize the amount of work that's going to be on the streets.

Mario:

Yes.

Sunny:

[inaudible 00:37:02].

Mario:

Okay.

Rochelle:

The CIS project, it is currently underrun, and that is the timing. I want to highlight right now where we put into the schedule the whole amount for fiscal 2025. It is now likely that there'll be some bills that will be paid in June. Not a change in the total number but the timing, but that's still evolving so we just left it for this quarter of projecting the budget. That's another area [inaudible 00:37:50] closely. Then I think related to that, both the commercial piece down below and some of the other technology projects, we're now projecting some underruns. There might be further [inaudible 00:38:04]. Overall I think we're doing really well. This is the first time at this point in the year we forecast it to be virtually 100%.

David:

I still get nervous because when I see the monthly request to the trustee and then now this next one is eight months in and it's only 57% spent, it makes me nervous, okay, in one third we're going to spend, but it's not that far off.

Rochelle:

It's actually better than [inaudible 00:38:36].

David:

Yes. Yeah, yeah. That's good.

Rochelle:

[inaudible 00:38:39].

David:

Even all the engineers are busy with the project development.

Sunny:

Yes. Also, there was a lot of training and workshops to kind of fine tune. Are we still there yet? No. I think that is a process that we are undergoing. I think maybe in another few more years we might be able to get more and more closer to meeting that 96 almost every month. This year [inaudible 00:39:03] the last four or five months as part of the CMC, the leadership can refuse it, so we are close to that 96, 94, 93, 90. Earlier it used to be a struggle [inaudible 00:39:15]. The last two months used to have these huge bars, these skyscrapers. Now I think they're getting better. I think it's still based [inaudible 00:39:25].

David:

From a budget perspective, I have always been one to say, "Oh, no, [inaudible 00:39:30], that's fine because then we'll just do it later," but what the authority was looking at was under expanded means we're not keeping the system up to the degree and level that it needs to be. You're within a couple percentage points. As long as it's not major, something important that you aren't doing that should be done, that's really what matters more.

Sunny:

Right. I think one of the points that Larry used to make to both of us was on the interest aspect of it. He was always saying you're borrowing the money and are you, I would say, borrowing the right amount? If you are not spending it, then why bother? I think it's about [inaudible 00:40:05]. I think that was the primary driver for looking at it as well as a few more. We are getting better at it. We don't want to underspend or overspend, but to exactly plan then to that point, [inaudible 00:40:19] it's going to be difficult, but you're both being helpful anyway [inaudible 00:40:25].

Rochelle:

[inaudible 00:40:26] talking about a big event coming up.

Sunny:

Thank you.

Rochelle:

If you just go to schedule B. This is where we look at the interest rates both from percentage and what the returns are as well as the total cash. This has been good news in that the interest rates have stayed higher longer than we expected. Although they are currently dropping, it's been favorable. You could also see the total amount that [inaudible 00:41:02] these various funds. I think I've also mentioned in the past that even with a construction fund and the interest in the construction fund space within the construction fund, and we don't anymore do premature, just whatever we need to make the weekly funding is what we [inaudible 00:41:22], so we're taking the money of the fund so it's really used.

If we just go to the next page, this is where we show the cash. Again, you can see that our cash basis interest income has been significantly over budget and we are still projecting that the construction fund and the growth fund doesn't count towards our maintenance test, but again it counts towards funding initiatives funded by the growth fund and construction projects added with construction funds. This has been positive, and the stiff, which a lot of this money is in was down a little bit, but it's still remaining on budget so that's good. Any other questions?

David:

Thank you. Good news. [inaudible 00:42:26] despite all the other things going on.

Rochelle:

This is our amendment for the lead service line replacement. This is really being driven by the vacuum excavations that actually have been done. We do need to move a little over 3.6 million additional monies into this project. That's going to bring the fiscal 2025 designated cost to about a little over 5.3 million. Again, this is a DWSRF project, and for this portion of the project we qualify for up to a 75% grant at a maximum of five million. This is a project that we're actually hoping to close this fiscal year with DWSRF, maybe send some paperwork in. We'll see how that goes. The financing of this is also part of our rate application. In order to find funds to cover this 3.6 million, we are talking to multiple projects based on where the projects actually stand, so if you're in agreement, we're proposing to the authority board to approve these various [inaudible 00:44:12].

David:

Questions on the proposed motion?

Catherine:

Go ahead.

Kevin:

I was going to make a motion to approve that's presenting [inaudible 00:44:25] low transfers [inaudible 00:44:29] line surface, line replacements project amendment. There's a 2514 [inaudible 00:44:35].

David:

Is there a second?

Catherine:

I'll second this motion.

David:

Comment, questions?

Catherine:

Question. Just for clarification, moving these amounts from the budgets from these various projects will not harm those projects.

David:

Oh, not at all.

Catherine:

Just wanted it on the record. Okay.

Rochelle:

All right.

David:

Yes.

Mario:

Sunny prepped me because he knew I would blow my stack. We have to certainly keep closer tabs on the projects that are under construction and kind of got away from us a little bit, and I know part of that is, a good chunk of that is the contractor, the subcontractor that's doing work in the building is absolutely horrible [inaudible 00:45:32] experience [inaudible 00:45:36]. This also brings up, I mentioned before, again, just for consideration by staff is if we do enter into a drinking water [inaudible 00:45:54], the grant money gets issued each month time and we don't have to do the short-term bond for this particular project. Any funding that we get that it's not grant but it's loan long-term, the state actually should pay the safety for that short-term borrowing borrow the same 2%. It's something I'd like you to consider.

There are a couple of times some of the reports where you're waiting on projects to get approved by the state. That is very painful, I know that, but I've become very concerned, and this many projects get affected to the level that they are affected. We may hit the 99% total dollar amount at capital, but we aren't actually doing capital projects [inaudible 00:46:59]. I understand the reason for it, I'm supporting it, but we need to really get a closer eye on this type of thing and try to go through the process of identifying projects just to try to keep those projects making money. The transfer should be okay, the generator's not going to show up because of a long [inaudible 00:47:25] on the generator. That's going to be little things specifically here to find that money [inaudible 00:47:30]. There's no way we're going to spend it, but we should try to keep it closer to [inaudible 00:47:47].

Rochelle:

Thank you. Just so you know, with the contractor at this particular situation, they are now giving monthly work tasks that would include any subcontractor, so [inaudible 00:47:52].

David:

[inaudible 00:47:57].

Mario:

To that point, the consultant should have kept [inaudible 00:48:04] of this. I mean, that is not a consultant [inaudible 00:48:09] twice if you're putting me out there for this amount of money [inaudible 00:48:15].

Sunny:

Typically, as you know Mario, we don't really have contractors work under our consultants, but in this case we did because the consultant went through an RFQ-RFP process and [inaudible 00:48:29] picked it up. Ideally we don't like to have contractors working with consultants. This was a unique example because the grant was there, and when I spoke to the DPH spokesperson, and I spoke maybe a year, year and a half ago, and they said the right thing to do is bring them under this umbrella. This was more of an exception rather than it's [inaudible 00:48:51].

Mario:

If you have an inspector out there to identify, they should have also been not just looking at where is the pipe [inaudible 00:49:01], how many hours would be spent. That should've been able to give you a lot better handle and [inaudible 00:49:08].

Sunny:

True. Yeah. Understood. We had a conversation with CDM afterwards and we did emphasize the point that even this one too, we said we are going to just make the point that they were looking for year-end closing for them and I said I can't do it because I don't really have the approval so you have to wait, because you guys took six months to give us the endorsements so you can wait for 60 days. We are making the point that guys have to be more regular. Bill is monthly. We would be more than happy to pick just any other contractors. I think CDM is getting the message and as well as [inaudible 00:49:46].

David:

Quick comment. If these 10 projects, if the funds didn't have to go to the lead service line, they still wouldn't be expended for the most part, right?

Sunny:

Right. They will be expended. There was reasons why we chose these projects. Two of the projects, let's say, we'll take the filter media, for example. Actually, if you looked at the original filter media that we did have and we actually took monies from [inaudible 00:50:11].

David:

Okay. Now, I thought there was [inaudible 00:50:14].

Sunny:

With the filter media and with the [inaudible 00:50:19] project, what we did was earlier, because of this 96 to an extent you'll have May paid in May, so you'll have these skyscrapers happening in March, April and May. Now, May paid in June would be the right way to do it because every other month, April will be paid in May, May paid in June, so now we are actually telling these project managers that do the work in May, get paid in June as with [inaudible 00:50:43] original month. Some of these projects are, I would say, belonging to those categories. The other project which we are transferring to the HVAC, there is this roof HVAC work is going on, but the roof was originally planned to be done during the last quarter of this fiscal year, but because of the penetrations for HVAC, we are moving that over to June, July, August phase.

They're not going to be impacted at all in terms of budget trends. The moment is due to the scheduling of this project. Some of these are more optimization of when we are going to pay like May paid in June, and a few of the ones where we've had issues with the design being not complete, we'll actually have construction done in next fiscal year. There was prudence exercised over how we picked it and why we picked it and how much money we can transfer. All of these will be spent, except that it is just moving a little bit further down. There was one efficiency where we did, if you look at the last one, the 190,000, that I think where it goes to the in-house teams, I think few folks worked on it where the design was done in-house so we saved almost \$200,000. I think kudos to the team for saving that. Some of those monies get transferred here. Overall, I think the exercise was done with a lot of due diligence with savings and cost efficiencies. Updates, yes, certainly I think we could improve on it for sure.

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David:

We got it. That's fine. Yeah. All right. Any further discussion, Suzanne?

Jennifer:

She's not here anymore.

David:

Oh, okay. All right. Well, then [inaudible 00:52:23] already vote, let's do so. All in favor [inaudible 00:52:27] aye.

Authority members:

Aye.

David:

Passes unanimous. Thank you. With that, we are on to item three, [inaudible 00:52:34].

Rochelle:

This is a resolution for the Lake Gaillard Water Treatment Plant Clarifier project. This goes back now quite a ways. The project is in progress. This financing was built into our rate application, and we want to get this going so we need the final resolution. Good news is we're actually getting a grant of 1.5 million, so the old portion is lower than what we anticipated.

Mario:

Motion to approve the resolution authorizing DOL [inaudible 00:53:24].

Catherine:

Second.

David:

Any further discussion?

Mario:

[inaudible 00:53:32] two resolutions?

David:

Well, I'm looking at that too because the second one looks like it's more formal [inaudible 00:53:38]. Yeah.

Rochelle:

The second one is we have to do this. The DWSRF is issued under our general [inaudible 00:53:46] resolution. [inaudible 00:53:48].

Mario:

I move for approval of the first set of resolutions.

David:

Did your motion include both?

Mario:

[inaudible 00:53:52] doing first [inaudible 00:53:52].

David:

The first. Okay. All right. We'll do one at a time. All right.

Catherine:

I'll second for that.

David:

Any further discussion on the first resolution regarding the clarifier project?

Catherine:

I'm in favor of this and I'm faithful, but we're hearing my favorite word grant.

David:

All those in favor signify by saying aye.

Authority members:

Aye.

David:

Passes unanimous. Now the second related supplemental resolution. [inaudible 00:54:24].

Mario:

The motion is the supplemental resolution [inaudible 00:54:29] clarifier project.

Catherine:

Second.

David:

All right. Any further discussion on this? All right. All those in favor signify by saying aye.

Authority members:

David:

Aye. Passes unanimous. All right. Anything else for finance?

Rochelle:

No, that's it.

David:

Okay. Thank you. [inaudible 00:54:45]. Okay. Next item, elect officers for calendar year 2025. [inaudible 00:54:52]. I'm in the middle of my second term. We are voting for the re-election of the vice-chair and a secretary, and I would strongly ask the two of them to please stay on.

Mario:

Sure.

David:

I can't make a motion because I'm chair, but I would if I could. Mario?

Mario:

I'll make a motion dated December 19th. We'll resolve it [inaudible 00:55:58] the elected vice-chairman for one-year term, [inaudible 00:56:01] January 1st 2025 until the successor was elected and has qualified, and further [inaudible 00:56:10].

David:

I'll second that. I can do that. Any comments? I greatly appreciate you. You did one of your big duties today with all that signature, you had to sign everything.

Catherine:

Makes it easy for me to come and sign.

David:

Kevin's been a great right-hand person. I think we've spoken almost every day it seems like in the past while. For a guy who [inaudible 00:56:38] on his phone, but this also I would say keeps us in compliance with the state law that was passed to the special session that Kevin stayed on at least two years as vice chair of the board. It's good. You'll have one more after this to comply with state law too, so keep that in mind. All right. All those in favor signify by saying aye.

Authority members:

Aye.

David:

Very good. Thank you. Unanimously approved.

David:

All right. Let's do RPB meetings and we'll take a little break. I know it's early, but the next step will take a while. RPB meetings, December finance. Mario?

Mario:

Yes. Finance, we met and David was kind enough to be there. In the meeting we went into [inaudible 00:57:34] sessions, so we left [inaudible 00:57:36] discussed the Authority and potential for an adjustment to Authority compensation. Then I believe was capital projects was the other piece that they covered [inaudible 00:57:52]. It took them longer than usual. It was actually over 15 minutes. It really was not a lot to be poured out. [inaudible 00:58:06].

David:

I believe the motion they recommended to the full board in public session. I asked that. Am I correct in saying it that way?

Jennifer:

Yes.

David:

Okay. [inaudible 00:58:21]. They're going to talk tonight about that as well as terms of maybe a stipend or whatever. That's the last item on their agenda two weeks ago. As always, we'll tell them appreciate their consideration and very nice [inaudible 00:58:38]. All right. Land use. No, that's the wrong one. Land Use, Suzanne. Well, she's not on here now. Sunny, do you want to [inaudible 00:58:45]?

Sunny:

Sure. It was just a quick special topic. I think it was requested to show the vault and restore all the records. There is a presentation if you want to put it up real quick. [inaudible 00:58:56], but if you want to walk up there, I think some people walked up there and saw the vault.

David:

[inaudible 00:58:59] get locked in.

Sunny:

There's no locking in because that question was asked and John said- you can't get locked in.

David:

Okay. Oh. [inaudible 00:59:07] people and won't let them do that. Okay.

Sunny:

So I guess these are the records that are stored out there. Just if you want to go to the next slide. Any questions? There was plenty of questions, and that's why I had Jennifer print the transcripts, so it translates to four pages.

David:

Should I enter that room someday?

Sunny:

I think this is the way that it is being assigned. John does this on a regular basis, but somebody asked the question, "Did he develop this?" I believe he said it was in 1920s, thirties, somebody had developed it, so [inaudible 00:59:42] how it was done. Yeah. This is how it looks. You can't lock yourself in because there was supposed to be a lock 10 years ago, and I believe the question came up, should we keep it locked, and the consensus was no, so they removed the lock. Does it have a fire suppression system? Another question, very critical question and a pertinent question. It does have one, but it's more of like an alarm system, not the usual sprinters.

David:

Is all of this digitized?

Sunny:

Yes. It was digitized and there is a database, there is a database that is searchable with the grantors, grantee, by towns, by street, so there's plenty of ways you can search. There was one more question I believe one of the members asked, whether we have a cloud storage. I checked, there is no cloud storage, but we back it up internally every day, so you can record the data.

Mario:

Is this searchable by the public on a website or is this-

Sunny:

No, I think it's internal.

Mario:

Got you.

Sunny:

The data is stored very much [inaudible 01:00:54].

Mario:

Okay.

Catherine:

Well, the electronic records. You'll probably have the same answer, but the paper records, are they kept permanently because of their historic value or it's just a state record protection requirement?

Sunny:

I think it's historic value as well as contract documents and drawings and plans going back. If you go to the first one I think [inaudible 01:01:21], there was, yeah, old scrapbooks, photo of albums, glass negatives, glass lights, so it goes back to twenties and forties from forestry onwards. I don't think the state required per se, but I think it's more for the preservation of documents.

Catherine:

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I'm sorry I missed this meeting. That sounds [inaudible 01:01:45].

Sunny:

Yeah, it was very interesting, very interesting.

Catherine:

Really like old records.

Sunny:

There was one picture that John kind of referenced. He had a history on it.

Catherine:

1748?

Sunny:

Right. This goes back a long way about some land transfer in North Branford, I guess. Branford, North Branford [inaudible 01:02:02].

Catherine:

1748 would not have been the state. Was it?

Mario:

1748?

Catherine:

Oh, 48. Yeah. [inaudible 01:02:16].

Sunny:

Yes.

Mario:

That's very interesting. [inaudible 01:02:21] the first part, and then my eyes cross. [inaudible 01:02:23].

Catherine:

I found this really cool record that was signed by President Clinton in my own [inaudible 01:02:30].

Mario:

Oh, really?

Catherine:

Yeah. [inaudible 01:02:32].

Mario:

Wow.

Catherine:

Those are fun to find.

Sunny:

The other major highlight of the Land Use. Any questions on this, on the vault? Okay. If not, Greg can answer it, he was there too. I think the other major thing was the deer hunt. If anybody's interested in the number of deer, [inaudible 01:02:52]. I think it was 188 hunters, 40 deer hunted, 18 doves and 22 bucks, and North Branford had the most, 29 out of 40. That was the major [inaudible 01:03:07].

David:

How was it compared to the year before?

Sunny:

I think it was lower because one of the questions-

David:

[inaudible 01:03:15] each year.

Sunny:

Yeah. One of the questions that was raised was a similar one. I think John responded it is going forward.

Greg:

Yeah, it went down.

Sunny:

It went down.

David:

Wondering when it's going to get to the point ... Now that we have so many different places, maybe some of them won't be needed to be done.

Sunny:

Yeah. They seem to be getting intelligent is what Nicola said in the past few years. I think next time, Nicola is planning to a presentation.

David:

Yeah. Okay. Thank you.

Sunny:

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We are doing a study, I think it is either UConn or one of the universities that is teaming up with us to use LIDAR mapping to do a study on how the deer is moving based on heat maps. Whenever it's ready, we'll be able to make a presentation.

David:

All right. Any other questions [inaudible 01:04:01]?

Catherine:

Just a quick one. I understand the bear population in Connecticut is significantly increasing. Are we having issues with respect to bears doing any damage on [inaudible 01:04:13]?

Sunny:

I've seen people, employees comment about bear sightings. I've not heard anything officially from John Triana.

Greg:

[inaudible 01:04:23] northwestern border. [inaudible 01:04:27].

David:

Yeah, but we're a ways from there.

Catherine:

I hear a lot of people complaining about that. I grew up in Alaska. Black bears are just [inaudible 01:04:32].

David:

They're used to that.

Catherine:

They're nothing.

David:

[inaudible 01:04:36] little fox.

Greg:

When we're out here, we don't see them.

David:

You haven't seen any [inaudible 01:04:41].

Greg:

[inaudible 01:04:42].

David:

Yeah. Where?

Greg:

When we're out in the-

David:

You did?

Greg:

No, we don't. I don't see any.

David:

Yeah. I hope not to see a bear. I know you told me not to worry. All right. With that, consumer affairs. Catherine.

Catherine:

I did attend a meeting. Very good safety tips on don't burn your house down with your Christmas decorations. There was a review of the fiscal of 2026 budget schedule and they scheduled ... I think they picked the 17th. Actually my notes are not clear. I think they picked the 17th for their budget meeting for the consumer affairs. The OCA had nothing to report, no complaints. There was a brief mention about OCA working on the land disposition at Seymour. They approved the OCA's bill and the meeting ended nine minutes later. It was a very short meeting. They're competing with the finance.

David:

Reversal is how. All right, easy. Before we take a break, let's do one more thing, because then Greg's got to go because he'll be in the executive session. Let's do the CIS foreign update.

Jennifer:

Before you do that, do you want to do the committee assignments?

David:

Oh, thank you. All right. Yeah. Let's go on our calendars and see what we do. Suzanne is not on at the moment. I've been texting with her. I could just tell her these are the ones you got to do, but I know [inaudible 01:06:19], so we'll see if we can get them among ourselves. Finance, January 13th?

Catherine:

I'll do anything except the '27 budget meeting.

Kevin:

[inaudible 01:06:33]. I can do Land Use for Consumer Affairs. [inaudible 01:06:38].

David:

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Okay. All right. Finance, Catherine, and Consumer Affairs for Kevin, and Land Use for [inaudible 01:06:45], right? Okay.

Catherine:

No, I can't do the [inaudible 01:06:50].

David:

Right, but you can do Finance.

Kevin:

I'm doing the Consumer Affairs.

David:

Right. You're going to do Finance the 13th if that's all right.

Catherine:

That's fine.

Greg:

That will only be 10 minutes.

David:

Just dial in [inaudible 01:06:51]. Got that, Jennifer?

Jennifer:

I got it.

David:

Okay.

Jennifer:

Thank you.

David:

February. Date's up there.

Mario:

I'm available any of those days.

David:

Oh, okay. Did you have a preference of which one you want to do? [inaudible 01:06:51] Finance in a while?

Mario:

I haven't been to Land Use in a while.

David:

Oh, all right. Well, why don't you do Land Use then?

Mario:

All right.

David:

Mario, do you want to do Finance because Catherine did it? If you can. Catherine's doing it in January.

Catherine:

[inaudible 01:06:51].

David:

If you're around April. All of them are hybrid now, so that makes it a little bit easier.

Mario:

Yes, I can do Finance [inaudible 01:06:55].

David:

All right. Catherine, can you do Consumer Affairs on the 24th?

Catherine:

Sure.

David:

Okay. Then March.

Mario:

[inaudible 01:07:52].

David:

Why haven't you done in a couple of months?

Mario:

Finance.

David:

You have not done?

Mario:

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Not the previous two, not at least two months.

David:

Oh, all right. Then you want to do Finance?

Mario:

Sure.

Catherine:

I'm open. Okay.

Mario:

Which one [inaudible 01:08:08]? Land Use.

David:

Jennifer, does Catherine have either Land Use for January or February?

Jennifer:

No.

David:

Okay. Do you want to do Land Use if Mario, you can do Consumer Affairs on the 17th.

Mario:

I can.

David:

And on St. Patrick's Day. [inaudible 01:08:23] will be there?

Mario:

Sure.

David:

Okay, good. [inaudible 01:08:27]. That worked out smoothly. All right.

Greg:

That's sacrilegious [inaudible 01:08:34].

David:

Yeah, exactly. All right. Let's do the [inaudible 01:08:45] because that's public. What's our update on that? Prem is away.

Sunny:

I'll I would say take the lead. Rochelle can chime in because we both had a quick call or a chat yesterday with one of the consultants who we brought back to do a quick audit on it. We are following it really close. We are cautiously optimistic that April 2nd it'd go live. There are plenty of constraints that needs to be met in terms of resources as well as testing training, as well as getting them all to 100%. In terms of what the consultant told us, if they continue with the same momentum and try doing whatever they're planning to do for the next 90 days, we should be able to roll most of it out by April 2nd. There could be some deferments, but those would be optional things that may or may not need to happen.

Catherine:

That's what you mean by most of it?

Sunny:

Yeah. Things that are very critical in terms of customer interactions.

Catherine:

Okay.

Sunny:

Those should be going above. There are certain things that the teams have planned to push towards [inaudible 01:09:59]. Those would be optional bells and whistles. That doesn't really need to be part of the package, that needs to be customer-interfacing. The next 12 weeks are going to be critical. What we have requested and Rochelle and I have requested that give us, I would say, a weekly dashboard so we can follow as to what should be done, and a heat map as where we actually are not able to meet, and provide resources and allocate as needed.

If there are single points of failure resources who are subject matter experts who are assigned for both testing, training and data validation, if they're assigned for the same week, actually 40 hours or 60 hours [inaudible 01:10:44] spent, and they're all spending tons of time, they're spending almost 80 hours. There is a significant amount of staff that are putting in time. Given all those constraints, it was a good audit that this gentleman did who was actually used by Jeff Donofrio during his OCA's analysis. He's still going to help us. One of the requests that both of us placed was could you help us shepherd this for the next 12 weeks, not on a full-time basis, but at least give us the headlines on Monday saying that, "Hey, watch out for these." Given that, I'll pan it over to Rochelle. [inaudible 01:11:19].

Mario:

Could we get weekly updates as the board members?

Sunny:

Sure.

Mario:

Maybe on the board pad or something.

Sunny:

Yeah.

Mario:

That'd be great. Thanks.

Rochelle:

A key message is it really needs to be monitored very closely, and I think we also really need to be all aligned on what's going to be [inaudible 01:11:39] and what's not going to be [inaudible 01:11:41].

Sunny:

Yes, yeah.

Catherine:

Understood. It would be nice to know one, what has to happen by April 1st, and what the contingency plan is if it doesn't happen by April 1st. We also want the must-have versus the [inaudible 01:12:05].

Rochelle:

We're very close to the end of the school year, so having something that [inaudible 01:12:10] pushing on to ensure that he reports so we actually know that they work.

Sunny:

Yeah.

Mario:

Yeah, that's great's.

David:

[inaudible 01:12:22] you got the person.

Kevin:

Yeah, I agree. That was a good call.

David:

[inaudible 01:12:27]. That was their call.

Mario:

That's a great idea. [inaudible 01:12:32] some extra set of eyes [inaudible 01:12:33]. Absolutely.

David:

The system, does it directly interface with the financials or you take the data from the new system and then-

Rochelle:

It's an automated transfer.

Mario:

We haven't gotten to the point of testing that yet, right? It's usually towards the end.

Rochelle:

Yeah. I'm not sure if that transfer is actually been tested yet. I think the other thing for our regulatory report maintenance [inaudible 01:13:10], and there will be the QA/QC general thing [inaudible 01:13:18] thing that we need to do is make sure your balance between the old system and the new system, so that definitely [inaudible 01:13:27]. It's pretty much [inaudible 01:13:31]. It's automated, but it's used, it goes through [inaudible 01:13:34].

Mario:

[inaudible 01:13:41], whatever that date is, just please make sure you have someone who's looking at that data, that it's not getting double recorded.

Rochelle:

We've talked a lot about-

Mario:

Double recording [inaudible 01:14:01].

Rochelle:

We had a lot of discussions also about that we have to be large, that it needs to be a [inaudible 01:14:11] so they're not going to do a big [inaudible 01:14:14].

Mario:

Right. No, absolutely.

Kevin:

Just out of curiosity, is there a known margin of error when it transfers over to balance the two systems because of some reporting anomaly or something where there's a certain percentage? If you see something that's off between ... Is there some industry knowledge that that's kind of typical and that's basically based on how things are being allocated within the system and it could be adjusted?

Rochelle:

We had actually only a brief conversation about that. There could be some very slight differences. This gentleman is going to see ... It's actually something he also brought up because there does need to be an appropriate person that signs off on it [inaudible 01:15:04].

Kevin:

Yeah. Okay. I'm shocked [inaudible 01:15:10] exactly.

Rochelle:

Yeah.

Kevin:

I just didn't know if it was an industry known standard of 1% or there's some kind of [inaudible 01:15:18].

Rochelle:

We can ask him that, but it's pretty small. Then data cleansing is something mentioned. We have data cleansing going on, we have testing going on [inaudible 01:15:31].

Kevin:

Okay.

Sunny:

In line with what you had suggested, Kevin, we both asked them the same question, to generate some kind of a dashboard that reflects even in terms of the testing what gets [inaudible 01:15:44] as well as what fails, and is it okay and what is the industry standard. There was a significant amount of discussion that we both had almost for two hours after this. He's still going to do it for the next week and a half or something. He will give us a report, which I certainly shared with the authority by January 1st week or something. He's going to identify the recommendations as well as where the bottom line is [inaudible 01:16:10] in the present way of how we are going to see the flow of management [inaudible 01:16:15]. We have requested him to develop a very mini dashboard that highlights [inaudible 01:16:22].

Catherine:

It would be good to know what their contingency plan is for whatever that percentage is of data errors. [inaudible 01:16:36].

Rochelle:

I'm going to deal with it. One of the things I will mention as far as actually turning on operational recollections, the current plan is that will be June 2nd. One of the things there's been discussion and I've been pushing for is that doesn't mean that you don't cast, that you don't want to be turning [inaudible 01:16:58] on in a live system. I think they're working through the plan.

Catherine:

Okay.

Mario:

I think Sunny had said that everyone was working hard to [inaudible 01:17:13] this goal, and I greatly appreciate that. When you started getting the 80 hours a week, are those individuals that are in the RWA? My concern becomes the more you push those types of limits, the more of a chance of [inaudible 01:17:33]. To sustain that for a week is one thing. Two weeks is [inaudible 01:17:38]. To sustain it from now until April, we're going to burn people out and then we have nobody to confront the system once we turn it on. Just be very cautious of that.

Sunny:

Very true. I think we are cognizant of it, and this is an issue that we brought up with the project management teams in the last, I would say, interactions as well as the teams themselves have come and opined such thoughts, Rochelle's team, my team, whoever is working on it. To be candid and honest, yes, there is [inaudible 01:18:09] given the project is [inaudible 01:18:10] and it touches upon the many areas of each of the divisions and departments. Subject matter experts were pulled into many different directions because they're doing the testing, training, data validation and all that, and there is no exaggeration that they are [inaudible 01:18:27].

One of the things that we suggested to Steve was, can you actually accommodate in these 12 weeks giving breaks to the staff who have been working like that and still try to meet the April 2nd? Because the same points that Mario expressed, we were also concerned saying they cannot work all weekends, all week, all hours again, and also that they've been working for the last 12 months in that same fashion. There was two angles to it, which he said, and he interviewed the staff. He said they're also feeling like, "I want to finish this as soon as possible, I want to move on." There is that sense coming from this amount of work they've been doing for the past 12, 14 months. I told them, "Why don't you build some free floats into the schedule and see how we can actually give some time off for these folks to at least re-energize and come back because they need that?" They need to charge themselves because almost a lot of folks are towards the end of the tether in terms of doing it, and Mario's point is very valid. We are quite cognizant of it. Yeah. All set? Oh, yes, I'm sorry.

David:

One concern I have, I remember when this happened 15 years ago, however long it was, and our accounts payable went way up and we have never really recovered from that. I know we have, but we haven't. What do we have in place to ensure that we don't have the same problems we had last time? I don't know if you know an answer now, but I'd like to be assured we're not going to go from 17 million to 50 million.

Rochelle:

One of the things that came up and neither of us were here when SAP went live but we heard, which was on our governance and all that, when SAP went live, they did turn on all the elections. There were [inaudible 01:20:28] with that. We decided a long time ago that we weren't, at least [inaudible 01:20:36] going to turn that on until we got comfortable and stable. That would be one of the things. It's going to still impact to some degree the [inaudible 01:20:48], but I think that is a responsible thing to do.

David:

All right. Anything else on that?

Sunny:

Just one more point. All of you are going to see this as part of customer education. The first question of it would be related to the new CIS being rolled up, what the changes are, but that's going to be a communication process that'll continue to get customers at least getting notified on the new changes.

Greg:

The people working 80 hours a week or more, where we anticipating that?

Rochelle:

Probably not to the degree [inaudible 01:21:31].

Sunny:

Yeah. That is something that is typically not ideal, but I think initially when they drafted the critical path, I don't think they anticipated that. They anticipated those resources working at least 30 for sure, but not sure whether they anticipated 60, 70 hours. That is something that we have brought into the project management office and the change management teams.

Mario:

Make sure again to check records that we have on March 30th [inaudible 01:22:11] 127 records. Then on April 1st, we still have 127 records. I don't want to lose customers again.

Catherine:

Was that part of what happened?

Mario:

That was just part of it.

Speaker 2:

Did you find them?

Mario:

[inaudible 01:22:28] found by various means, but I think of [inaudible 01:22:31] found as part of the metering.

David:

That's [inaudible 01:22:36].

Mario:

Yes, exactly. That was the reason I was in favor of the metering replacements because the people walking down the street were getting paid by meter to install it. They're like, "Did that one [inaudible 01:22:48]? Can I do this one?" Then there was no record. That's how we [inaudible 01:22:56]

David:

That's why I say it took a long time because that's what it took to get back 10 years or more. All right. Monthly highlight report. Anything in there you want to [inaudible 01:23:13]?

Sunny:

Yeah, sure. I think a few things. One is I think we'll update the regional supply strategy when we go into that executive session.

David:

Okay.

Sunny:

The commercial business progress, which you highlighted 9.2 million, we are on target. Again, we'll touch upon in the strategy discussion. In terms of two other initiatives, which was originally started when Larry was here [inaudible 01:23:32] as you know it was a board member, we've been having a good relationship. Two things happened. One, I took a meeting with [inaudible 01:23:38] refinery and they're planning to move into New Haven. Almost they will consume close to 50 million gallons a year, which is nice.

David:

Yeah.

Sunny:

A good conversation. I sent out all the details and the rules and regulations, those application forms, and AdvanceCT folks are working with them to see whether they can actually [inaudible 01:23:57]. It's a fight between us and New York is what I heard during the meeting. Hopefully we'll be able to get them here.

Catherine:

That's such an easy choice.

Sunny:

Yeah. Then the other one, again, relates to AdvanceCT. Jim and I took a meeting with a nanofiltration, carbon-activated carbon kind of a group. They want to do a pilot. We are in discussions with them to see how we can bring them on, [inaudible 01:24:22] as well as see whether we can leverage maybe some commercial leverage there or at least get that full-fledged, maybe a treatment out of it, so we are working on those details. Those were the two highlights with AdvanceCT.

ClimateHaven is another initiative where as part of the innovation that we wanted to pursue, we partnered with them. This is part of adventures and the local ecosystem for climate-related innovation activities. They kind of recognized this as being one of the early partners, and they gave us an award and we are working with them closely to get a report, which I saw the draft come in about a few weeks ago. Once the draft final is ready, I'll be able to make a presentation on what the future roadmap of how we could get involved with them looks like.

David:

Any other questions as far as [inaudible 01:25:16] items? All right. With that, the next item we have is an update on trade secrets and [inaudible 01:25:26] and financial information type stuff, so you get to take off. [inaudible 01:25:30]. Thank you for joining us. Thank you.

Sunny:

Thank you.

David:

Do we want to take about a 10-minute break? Then I'll get Suzanne to come back on because she texted that she wants to be part of the [inaudible 01:25:41] discussion.

Greg:

[inaudible 01:25:42] later on.

David:

Yes sir, we will.

Greg:

Take care.

David:

Yes.

Greg:

I'm sorry about your partner.

Kevin:

Oh, thank you.

David:

[inaudible 01:26:07]. Thank you.

[BREAK FROM 1:55 P.M. TO 2:05 P.M.]

David:

Why don't we come back, we're all here, so Why don't we come back to order. The item we are on the agenda it's H updates, item 3, Blue Drop update. Which I would recommend a motion.

Kevin:

Make a motion go into executive session pursuant to Connecticut general statute section 1-200, 6E, to discuss matters covered by section 1-210-B, 5 AB, pertaining to trade secrets, commercial and financial.

David:

Is there a second?

Mario:

I second.

David:

All those in favor signify by saying aye. Aye.

Mario:

Inviting senior execs?

David:

Inviting, yes, inviting senior executive team that's here. And with that, all those in favor signify by saying "Aye".

Authority members:

Aye.

David:

Suzanne, I see you're with us?

Suzanne:

Yes.

David:

All right. Discussions. Actually, let's leave that for the end. Let's do commercial business committee, if that makes sense, because I'm changing states.

Kevin:

That's fair. Make a motion to go onto the Commercial Business meeting?

David:

Is there a second.

Catherine:

Second.

David:

All those in favor signal by saying aye. Aue

Authority members:

Aye.

[COMMERCIAL BUSINESS COMMITTEE MEETS FROM 2:35 P.M. TO 3:17 P.M.]

David:

All right we're on the last item which is not the last item, but the last item to deal with tonight, which is item I, personnel discussion. I would ask that we go into executive session, inviting only Sunny, Rochelle and Jennifer.

Rochelle:

I think all of us should be here.

David:

Good. Okay. Yeah I pointed, and Jennifer too.

Rochelle:

Is Liz here?

David:

Yes I just saw her.

Liz:

Did you say you needed me? You guys want me to stay?

David:

Oh, yes, Liz, that's right you should stay so that-

Sunny:

Yeah, Liz you...

David:

And inviting Liz, so make that motion pursuant to the agenda, I.

Sunny:

Okay.

David:

For the purpose of stated here and inviting Liz, Sunny, Rochelle, and Jennifer.

Sunny:

Okay.

Kevin:

So moved.

Mario:

Second.

David:

There's a motion, there's been a second, all those in favor?

Authority Members:

Aye.

David:

Aye. All right we voted unanimously to go into executive session with the right people that we wanted and intended to be in here.

[EXECUTIVE SESSION FROM 3:18 P.M. TO 3:40 P.M.]

Catherine:

Mr. Chairman, I vote we approve the bonuses as discussed in executive session.

David:

For the senior executives.

Catherine:

For the senior executives, Yes.

David:

Okay.

Kevin:

Second.

Chairman:

All right, any further discussion in public now? Seeing none, sensing you're ready to vote. All those in favor signify by saying aye. Aye

Catherine:

Aye.

Mario:

Aye.

Kevin:

Aye.

Chairman:

Suzanne, you there?

Suzanne:

Aye.

Chairman:

Thank you. Good. All right. Passes unanimous. That was the last item on our agenda for today. Seems like it's longer than it has been. With that, before we entertain a motion to adjourn, I would wish all of you a very happy holiday season and a happy New Year, and wish that you and your families have a good, healthy season. We have a lot of work ahead of us in 2025, probably even over the holidays, but we've had a good year in 2024 for the Authority.

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Catherine:

Hear hear.

David:

All right, who would like to move to adjourn?

Mario:

So moved.

Kevin:

Second.

Suzanne:

Happy holidays to everybody.