

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS

January 19, 2023

A meeting of the Board of Directors of the Kent County Water Authority was held on the 19th day of January, 2023, at 3:30 p.m. at the offices of the Authority in West Warwick, RI, in the Joseph D. Richard Board Room.

Vice-Chairman Giusti opened the meeting at 3:30 p.m. Board members Treasurer Scott Duckworth, Secretary Russell Crossman, Geoffrey Rousselle, and Brian Kortz, were all in attendance along with Executive Director/Chief Engineer David L. Simmons, Director of Construction John Duchesneau, Legal Counsel Patrick J. Sullivan, Esq. and Director of Human Resources and Finance Michael Lanfredi. Director of Engineering and Technology Nicole Campagnone and Director of Operations, Richard Burns were also in attendance.

Mr. Giusti led the group in the pledge of allegiance.

Approval Of The Minutes

The minutes of the board meetings held on November 17, 2022 and December 1, 2022 were presented for approval. Mr. Rousselle moved the minutes approval, seconded by Mr. Crossman. The minutes were approved unanimously.

Legal Counsel

CONE Receivership

Mr. Sullivan updated the board on the Center of New England receivership. He said the court supervision over the site was over for now. He said there was a new solicitor for Coventry, and at the last hearing, the solicitor asked if their council could vote on the proposed termination of the receivership by consent. Mr. Sullivan said it was approved, and depending upon certain timeline achievements, the receivership is all but over. These achievements include repair of the roadways, other maintenance goals, and certain payments by the receiver to the creditors.

WW Agreement Land Sale Update – Pontiac Ave.

Mr. Sullivan updated the board on the acquisition of the land on Pontiac Ave. in West Warwick. He said KCWA had completed their efforts to acquire the land. He said they were waiting on the deed from WW. Mr. Sullivan said he expected the closing to occur by January 31, 2023.

Director of Finance Report:

Closing Report August 2022 Cash Report

Mr. Lanfredi, Finance Director, explained and submitted the financial report. He reported on the Cash Receipts and Disbursements and Statement of Cash Location FY 2021-2022 as of December 2022 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of December 2022, attached as exhibit "A", and a thorough discussion ensued with regard to the sales and revenue.

Mr. Lanfredi summarized some of the highlights. He said 81 shutoffs were scheduled, with only 4 shutoffs occurring. He said there were 13 active pay plans with an additional 14 plans revoked for non-payment.

He said 4,657 customers were signed up for the ebill. He finished with 11,919 customers signed up in the portal.

Mr. Crossman asked what happened to the revoked plan customers. Mr. Lanfredi responded that their account goes back to non-payment status.

Mr. Simmons showed the board a graphic that showed that KCWA lost a little ground. He said the additional rainfall that ended the drought in the summer which hit consumption.

Mr. Rousselle moved, seconded by Mr. Crossman, to accept the reports and attach the same as an exhibit and that the same be incorporated by reference and be made a part of these minutes.

Upon Motion duly made and seconded, it was unanimously,

VOTED: That the Cash Receipts and Disbursements and Statement of Cash Location FY 2021-2022 as of December 2022 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of December 2022, attached as exhibit "A", be approved as presented and be incorporated herein and are made a part hereof.

Point of Personal Privilege and Communication

Vice Chairman Giusti asked about the camera at the worksite of the new facility. Mr. Simmons said there was a snapshot every thirty minutes with a time lapse of the construction, but there were also five real time security cameras.

EXECUTIVE DIRECTOR/CHIEF ENGINEER'S REPORT

ONGOING PROJECTS

OFFICE AND MAINTENANCE FACILITY

Office and Maintenance Facility : Progress Update – ACTION ITEM – Approval of Specialty Testing Services for new office and maintenance facility

Mr. Simmons indicated that the project was moving along. He said ground had been broken with some earth moving. He said there was a progress meeting today. Mr. Crossman credited this with a mild winter.

Mr. Simmons said there was a good cadence and that the site looks good. He added the first pay requisition. He said that Doug from Crossman Engineering was hired by Rhode Island Department of Health to ensure project compliance with requirements set forth under the State Revolving Fund. This project is funded 91% under the Drinking Water State Revolving Fund with the remaining balance being funded under the Efficient Buildings Fund.

Next, he asked the board to approve specialty testing services. He said KCWA received two proposals, one from Briggs Engineering and Testing and one from Thielsch Engineering. Mr. Simmons said the one from Briggs gave a little more at a lower hourly rate, not to exceed \$35k. Mr. Simmons recommended Briggs.

Mr. Kortz said responsiveness is important too. He said you can call Briggs and they will show up.

Mr. Duckworth moved, seconded by Mr. Crossman, to engage Briggs Engineering and Testing to provide specialty testing services for the new facility.

Moved and duly seconded, it was unanimously

VOTED: That KCWA shall engage Briggs Engineering and Testing to provide specialty testing services for the new facility.

EAST GREENWICH WELL

ACTION ITEM- Contract Addendum No. 1 to include additional design and engineering services for the treatment of PFAS.

Mr. Simmons said KCWA wanted to add PFAS treatment to the project as part of the design. He said the redesign of part of the building was to cost \$44,850.00. He said the project will no longer have onsite drainage basins but the water will drain into the EG sewer system.

Mr. Kortz asked about the permitting process. He asked if they redo the design and resubmit for approval. Mr. Simmons approved, and said most questions go away when the water wasn't being discharged into the soil.

Mr. Duckworth moved, seconded by Mr. Kortz, to approve contract addendum no. 1 to include additional design and engineering services for the treatment of PFAS to Pare Engineering for \$44,850.00.

Motion made and duly seconded, it was unanimously

VOTED: That KCWA approve contract addendum no. 1 to include additional design and engineering services for the treatment of PFAS to Pare Engineering for \$44,850.00.

IFR 2021

Mr. Burns updated the board. He said all the piping was in on Hope Furnace Road. He said Pontiac Ave. piping was all in, and they would move onto the site once the closing occurred.

He also brought up the Providence St. Bridge crossing Rt. 295, saying they needed RIDOT scheduling. He said KCWA needs to be ahead of them as the main crosses the area of disturbance. He said their staging area is in a bank they want to clear where our mains are buried.

Mr. Duckworth suggested a letter from Mr. Sullivan be sent warning them. Mr. Simmons said that John Duchesneau and Rick Burns get together with Mr. Sullivan and get the letter out.

Meter Change Out Program

Update -Large Meter Program

Ms. Campagnone discussed the progress of the program. She said 246 of 305 were replaced in the large meter program. She said there were 59 left to complete. She added Thielsch was trying to complete the testing, etc... with the warm weather.

There being no further business before this board, on motion duly made by Mr. Rousselle, seconded by Mr. Crossman, and carried, the meeting was adjourned at 4:10 p.m.

Dated: February 16, 2023



Patrick J. Sullivan
Legal Counsel

**KENT COUNTY WATER AUTHORITY
MONTHLY FINANCE REPORT
FOR THE MONTH ENDING DECEMBER 31, 2022**

	<u>Dec 2022</u>	<u>Dec 2021</u>
<u>Cash Receipts & Disbursements</u>		
Washington Trust-Deposit Account	\$ 2,466,377	\$ 5,013,377
Washington Trust-Checking Account	117,544	353,135
Washington Trust-Restricted Accounts	-	13,312,861
RIIB-Revenue Bond Fund	17,256,974	-
BNYM Restricted Accounts	18,217,891	-
	<u>\$ 38,058,786</u>	<u>\$ 18,679,373</u>
Collections	\$ 1,892,483	\$ 1,948,080
Disbursements	\$ 1,534,904	\$ 1,472,756
<u>Revenues</u>		
Monthly Budgeted	\$ 2,229,133	\$ 2,260,211
Monthly Actual	1,530,880	2,201,882
Over/(Under) Budget	<u>\$ (698,253)</u>	<u>\$ (58,329)</u>
YTD Budgeted	\$ 12,811,900	\$ 11,636,223
YTD Actual	12,779,411	11,075,094
Over/(Under) Budget	<u>\$ (32,489)</u>	<u>\$ (561,129)</u>
<u>Expenditures</u>		
Monthly Budgeted	\$ 1,191,142	\$ 1,089,024
Monthly Actual	1,441,627	1,400,004
(Over)/Under Budget	<u>\$ (250,485)</u>	<u>\$ (310,980)</u>
YTD Budgeted	\$ 8,070,080	\$ 8,247,144
YTD Actual	9,140,809	8,043,823
(Over)/Under Budget	<u>\$ (1,070,730)</u>	<u>\$ 203,321</u>
YTD Budgeted Surplus/(Deficit)	\$ (1,103,219)	\$ (357,808)
Sales	\$ 1,497,271	\$ 2,282,832
<u>Open Receivables</u>		
0-30 Days	\$ 1,370,418	\$ 1,945,290
31-60 Days	306,716	246,057
61-90	118,880	94,834
Over 90 Days	372,065	403,333
	<u>\$ 2,168,079</u>	<u>\$ 2,689,514</u>

**KENT COUNTY WATER AUTHORITY
MONTHLY FINANCE REPORT
FOR THE MONTH ENDING NOVEMBER 30, 2022**

	<u>Nov 2022</u>	<u>Nov 2021</u>
<u>Cash Receipts & Disbursements</u>		
Washington Trust-Deposit Account	\$ 2,073,894	\$ 5,476,719
Washington Trust-Checking Account	152,448	225,891
Washington Trust-Restricted Accounts	-	12,501,439
RILB-Revenue Bond Fund	17,256,974	-
BNYM Restricted Accounts	18,170,516	-
	<u>\$ 37,653,832</u>	<u>\$ 18,204,049</u>
Collections	\$ 2,074,941	\$ 2,112,332
Disbursements	\$ 2,106,410	\$ 2,399,439
<u>Revenues</u>		
Monthly Budgeted	\$ 1,778,833	\$ 1,680,211
Monthly Actual	1,641,632	1,828,879
Over/(Under) Budget	<u>\$ (137,202)</u>	<u>\$ 148,668</u>
YTD Budgeted	\$ 10,582,767	\$ 9,376,011
YTD Actual	11,248,531	8,873,212
Over/(Under) Budget	<u>\$ 665,764</u>	<u>\$ (502,799)</u>
<u>Expenditures</u>		
Monthly Budgeted	\$ 1,265,292	\$ 1,157,024
Monthly Actual	1,421,972	1,124,400
(Over)/Under Budget	<u>\$ (156,679)</u>	<u>\$ 32,624</u>
YTD Budgeted	\$ 6,878,937	\$ 7,158,120
YTD Actual	7,699,182	6,643,819
(Over)/Under Budget	<u>\$ (820,245)</u>	<u>\$ 514,301</u>
YTD Budgeted Surplus/(Deficit)	\$ (154,481)	\$ 11,502
Sales	\$ 1,637,390	\$ 1,877,855
<u>Open Receivables</u>		
0-30 Days	\$ 1,510,782	\$ 1,608,384
31-60 Days	630,251	311,964
61-90	(8,534)	136,196
Over 90 Days	395,250	258,809
	<u>\$ 2,527,748</u>	<u>\$ 2,315,352</u>

Kent County Water Authority
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 AS OF 12/2022

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR TO DATE		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
REVENUES					
1-4190 INTEREST & DIVIDEND INC.	5000.00	47374.27	30000.00	169845.59	139845.59
1-4210 MISCELLANEOUS INCOME	2083.33	29575.00	12499.98	189153.68	176653.70
1-4750 OTHER REVENUE-SAMPLES	583.33	900.00	3499.98	8100.00	4600.02
TOTALS FOR OTHER INCOME	7666.66	77849.27	45999.96	367099.27	321099.31
1-1184 MISC BILLABLE WORK	7500.00	1370.09	45000.00	6504.27	-38495.73
1-461A METERED SALES - GC	1600000.00	956734.49	9100000.00	8792342.36	-307657.64
1-461B METERED SALES - IC	350000.00	224134.99	1955000.00	1843444.68	-111555.32
1-4620 PRIVATE FIRE PROTECTION	30833.33	30389.94	184999.98	181725.72	-3274.26
1-4630 PUBLIC FIRE PROTECTION	130666.66	130060.94	783999.96	784958.76	958.80
1-4640 SALES -PUBLIC AUTHORITIES	65000.00	39195.93	446000.00	435747.12	-10252.88
1-4660 SALES FOR RESALE	16000.00	57387.03	121000.00	260544.25	139544.25
1-4710 SERVICE AND LATE CHARGE	8333.33	9199.42	49999.98	46470.66	-3529.32
1-4730 OTHER REVENUE-INSPECTIONS	8333.33	1625.00	49999.98	32815.00	-17184.98
1-4740 OTHER REVENUES & W.P.6.9%	4800.00	2933.09	29900.00	27758.67	-2141.33
TOTALS FOR OPERATING REVENUE ACCTS.	2221466.65	1453030.92	12765899.90	12412311.49	-353588.41
TOTALS FOR REVENUES	2229133.31	1530880.19	12811899.86	12779410.76	-32489.10
EXPENDITURES					
1-6020 PURCHASED WATER	300000.00	392347.26	2535000.00	3258511.76	-723511.76
TOTALS FOR SOURCE OF SUPPLY EXPENSES	300000.00	392347.26	2535000.00	3258511.76	-723511.76
1-6210 FUEL FOR PUMPING	12500.00	18212.76	75000.00	81578.84	-6578.84
1-6230 POWER PURCHASED	54166.66	66221.09	324999.96	412768.24	-87768.28
1-624A PUMPING LABOR	13883.33	12147.26	83299.98	91634.65	-8334.67
1-624B PUMPING EXPENSES	850.00	858.45	1700.00	3658.73	-1958.73
1-6310 STRUCTURE/IMPROVE LABOR	22916.66	23137.55	137499.96	83048.44	54451.52

Kent County Water Authority
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

AS OF 12/2022

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR-TODATE		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
1-6330 PUMPING EQUIPMENT LABOR	7500.00	2137.48	45000.00	45654.16	-654.16
TOTALS FOR PUMPING EXPENSES	111816.65	122714.59	667499.90	718343.06	-50843.16
1-6410 CHEMICALS	10416.66		62499.96	14016.25	48483.71
1-642A WATER TREATMENT LABOR	20833.33	13149.64	124999.98	93867.06	31132.92
1-642B OPERATION EXPENSES	12500.00	5997.51	75000.00	36494.75	38505.25
1-6510 MAINT STRUCT & IMPROVE	1250.00	275.03	7500.00	2297.11	5202.89
1-6520 TREATMENT EQUIPMENT	1666.66	2569.63	9999.96	10596.86	-596.90
TOTALS FOR WATER TREATMENT EXPENSES	46666.65	21991.81	279999.90	157272.03	122727.87
1-662A T & D LINE LABOR	2916.66	106.88	17499.96	29739.23	-12239.27
1-662B T & D SUPPLIES & EXP	4166.66	11745.01	24999.96	48339.91	-23339.95
1-663A T & D METER LABOR	5833.33	3645.77	34999.98	24517.64	10482.34
1-6650 T & D MISC	1250.00	4440.72	7500.00	7607.38	-107.38
1-6720 RESERVOIR & STANDPIPE	4583.33	2958.27	27499.98	43706.95	-16206.97
1-6730 MAINT T & D MAINS	45833.33	110985.01	274999.98	478232.07	-203232.09
1-6750 SERVICE & CURB BOX	16666.66	17559.73	99999.96	82385.31	17614.65
1-6760 METER REPAIRS	14583.33	5041.98	87499.98	47811.85	39688.13
1-6770 HYDRANT MAINTENANCE	7083.33	12718.73	42499.98	34223.59	8276.39
TOTALS FOR TRANS. & DISTR. EXPENSES	102916.63	169202.10	617499.78	796563.93	-179064.15
1-902A METER READING LABOR	12916.66	9208.71	77499.96	38725.04	38774.92
1-903A OFFICE ADMIN LABOR	15416.66	14204.25	92499.96	99740.59	-7240.63
1-903B CUSTOMER BILLING SUPPORT	14583.33	12970.61	87499.98	104244.52	-16744.54
TOTALS FOR CUSTOMER ACCT. EXPENSES	42916.65	36383.57	257499.90	242710.15	14789.75
1-9090 SHIPPING & FREIGHT	416.66	107.88	2499.96	958.19	1541.77
1-9100 COMMUNICATIONS EXPENSE	6666.66	6828.41	39999.96	41758.49	-1758.53
1-9160 PROPERTY TAXES		24367.25	26000.00	55166.07	-29166.07

Kent County Water Authority
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 AS OF 12/2022

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR - TO - DATE		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
1-9170 COMPUTER EXPENSE	26666.66	-1434.79	159999.96	178436.00	-18436.04
1-9190 BANK CHARGES	2916.66	6082.94	17499.96	41944.98	-24445.02
1-9200 OFFICE SALARY LABOR	41666.66	41417.51	249999.96	247891.94	2108.02
1-9210 OFFICE SUPPLIES & EXP	6666.66	4098.49	39999.96	34165.69	5834.27
1-9230 OUTSIDE SERVICES	16666.66	20933.80	99999.96	119881.30	-19881.34
1-9240 INSURANCE EXPENSE	19833.33	19779.17	118999.98	117339.98	1660.00
1-9260 EMPLOYEE BENEFITS	65000.00	63698.12	643000.00	650736.25	-7736.25
1-9270 O.P.E.B. EXPENSE			80000.00	80000.00	
1-9280 REGULATORY COMM EXP	19166.66	124501.33	114999.96	126214.33	-11214.37
1-930A MISC GENERAL EXPENSE	83.33		499.98	6214.13	-5714.15
1-930B MISC-BOD EXPENSE	1750.00	1750.00	10500.00	10500.00	
1-932A GENERAL PLANT LABOR	12083.33	16295.67	72499.98	65700.52	6799.46
1-932B GARAGE/TRUCK LABOR	8333.33	10846.20	49999.98	95816.07	-45816.09
1-9330 PAID TIME OFF	30000.00	19095.05	-30000.00	24206.19	-54206.19
1-9340 UNCOLLECTIBLE (WRITE OFF)	83.33		499.98		499.98
TOTALS FOR ADM. & GENERAL EXPENSES	257999.93	358367.03	1696999.58	1896930.13	-199930.55
1-9180 LICENSES & PERMITS	250.00	200.00	1500.00	1425.00	75.00
TOTALS FOR MISC. & GENERAL EXPENSES	250.00	200.00	1500.00	1425.00	75.00
1-4030 DEPRECIATION EXPENSE	312742.58	326564.33	1876455.48	1959385.98	-82930.50
1-4080 PAYROLL TAXES	15833.33	13856.38	94999.98	81250.03	13749.95
1-4270 INTEREST EXPENSE	328575.91	340420.71	42625.00	28416.97	14208.03
TOTALS FOR OTHER EXPENSES			2014080.46	2069052.98	-54972.52
TOTALS FOR EXPENDITURES	1191142.42	1441627.07	8070079.52	9140809.04	-1070729.52
EXCESS OF REVENUE OVER EXPENDITURES FOR general	1037990.89	89253.12	4741820.34	3638601.72	-1103218.62

REPORT DATE 01/19/2023
SYSTEM DATE 01/19/2023
FILES ID Z

Kent County Water Authority
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

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TIME 08:13:04
USER MLANFREDI

AS OF 12/2022

ACCOUNT DESCRIPTION

OTHER ADJUSTMENTS TO FUND BALANCE

FUND BALANCES - JULY 1
FUND BALANCES - DECEMBER 31

----- C U R R E N T M O N T H -----	----- Y E A R - T O - D A T E -----	
BUDGET	BUDGET	ACTUAL OVER/ UNDER BUDGET
		0.00
		170380891.60
		174019493.32
		=====

