

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS

January 18, 2024

A meeting of the Board of Directors of the Kent County Water Authority was held on the 18<sup>th</sup> day of January, 2024, at 3:30 p.m. at the offices of the Authority 1072 Main St., West Warwick, RI, in the Joseph D. Richard Board Room.

Chairman Robert B. Boyer opened the meeting at 3:30 p.m. Vice Chairman Jeff Giusti, Treasurer Scott Duckworth, Board members Geoff Rousselle, and Brian Kortz, were all in attendance along with Executive Director/Chief Engineer David L. Simmons, Chief of Administration John Duchesneau, Legal Counsel Patrick J. Sullivan, Esq. and Sr. Director of Human Resources and Finance Michael Lanfredi., Sr. Director of Technical Services Nicole Campagnone, and Chief of Operations Richard Burns were also in attendance.

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

**Approval Of The Minutes**

The minutes of the board meetings held on December 21, 2023, were presented for approval. Mr. Duckworth moved the approval, seconded by Mr. Rousselle. The minutes were approved unanimously.

**Amended Agenda**

Mr. Duckworth moved to amend the agenda to put the Cowesett Road project on the agenda for DISCUSSION PURPOSES only.

**Cowesett Road Project**

Mr. Simmons introduced two representatives, from Boyle and Fogarty, John and Pete Fogarty. Mr. Simmons said their company is doing the work on Cowesett Road. Mr. Simmons said that there was a meeting at the Cowesett Avenue jobsite that morning. In attendance were representatives from the Department of Transportation, Geremia and Associates, Boyle and

Fogarty, and International Paving. He said they came up with an action plan to cover the deficiencies in the roadway area on Cowesett Road. He said they initially thought a complete overlay would be required by the State, and by Kent County to ameliorate the situation. Then they collectively decided that logistically the overlay was not a good idea as the hot asphalt could not be acquired, transported, and effectively placed over the winter. It was further discussed that performing the remedial work at this time during the winter would also not be the best choice economically for the desired result. It was decided that the most efficient and economical approach would be to constantly monitor and concentrate on the settled areas over the next couple of months and then completely tear out the temporary patch and replace with full depth trench patch once the temperatures and weather were more favorable for the best end product.

Mr. Fogarty then addressed the board. Initially, he apologized to the board for the complaints that the board members were receiving. He said that the conditions of the job kicked their behind. He said there were inspectors on the job from DOT and Geremia Associates. He said the job turned on them from the fire station east on the road. He said there were swampy areas all over the roadway area. He also said 5 inches of rain did not help. He said they identified seven spots that they are going to address immediately. Then, in the spring, they are going to put in a full depth patch as soon as the asphalt plants open. He said as they dug the trenches, they constantly filled with water. He said that the trenches continue to settle with the excessive rain. He said the trenches are 7 feet wide and 8 feet deep. He also said that they hit boulders the size of small cars. He said the conditions have created all sorts of additional problems.

Mr. Fogarty indicated that his company did not ignore the conditions. He said they responded all around the holidays to the area for temporary repairs. He said they were trying to do the best they can. He said they will start next week to do the six to seven areas. He said one asphalt plant is open three days the following week and then closes for the year.

Mr. Duckworth asked if there was a water crossing at the bottom of the hill near the restaurant. Mr. Fogarty said that there was. Mr. Rousselle said there was a hole opposite Narragansett Avenue. He asked why that hole appeared in the roadway. Mr. Fogarty indicated that they removed a large bolder out from that location. He said that area continues to settle. Mr. Rousselle indicated that he was pleased that a KCWA employee was now also assigned to the job actively following up with the current remedial work and documenting each day when work is being performed.

Chairman Boyer asked what their intentions were in connection with the poor work quality. Mr. Fogarty said that next week all the areas identified will be dug out, compacted, tested, and patched. Mr. Boyer indicated that although in the past Boyle and Fogarty have done excellent work, these conditions should never have happened. He said he had never seen a job as bad as this. He said that Kent County Water Authority carries a good name, and that we are taking a hit. Chairman Boyer asked if there were inspectors there on the project. Mr. Fogarty

replied, yes they were. Chairman Boyer then asked about compaction tests and Mr. Fogarty responded in the affirmative.

Mr. Simmons indicated that there is natural gas transmission infrastructure at the intersections of Routes 2 and 3. The gas company has put their infrastructure on top of our AC water mains which has put the Authority in a very vulnerable position if our main was to fail in that area. He said if we were to lose that water main to a major break, there could potentially be a statewide problem because of the gas infrastructure directly above. He said one of the main drivers of this project was to resolve this condition at that intersection and the last 2000 feet of this project to be completed this Spring was critical.

Mr. Duckworth asked if Mr. Simmons agreed with Fogarty's solution. Mr. Simmons said it's really the only choice. He said we have to be prepared as we possibly can be.

Mr. Rousselle said that Geremia, and the assigned inspectors from that firm, work for us. Mr. Rousselle asked why they have not yet provided KCWA with compaction reports – Mr. Boyer agreed. Geremia is our engineer, what is going wrong, he asked as well? Mr. Simmons said he would reach out to Mr. Geremia and have him at the next board meeting to answer those questions.

## **Legal Matters**

### CONE Receivership

Mr. Sullivan updated the board on the receivership at the Center of New England. He said the matter continues as the receiver attempts to resolve the contamination and wrap up the receivership, but there were no new legal filings. There were invitations for competing bids on the sale of a few tracts, but that was it.

### PFAS Litigation

Mr. Sullivan updated the group on the PFAS litigation. He went into detail on the status of the litigation itself. He summarized the process of the settlement procedure, and described figures and different funds from which settlement proceeds would be coming. He said the initial fund which was for water service providers only, would be dispersed, estimated, in the month of May 2024. He said whatever settlement came from that fund would be unrestricted funds to use in any manner Kent County wanted. He said there was a secondary settlement for water companies that have not yet discovered the chemical in their water but have until 2030 to do so and make a claim. Finally, there was a third fund in which water service providers could apply for funds that would be used for remediating the chemical and cleaning the water. Mr. Simmons

indicated that construction cost would be approximately \$20-\$25 million to upgrade the existing East Greenwich well facility location.

Mr. Kortz asked about the timing for the treatment system. Mr. Simmons indicated that there was a meeting scheduled with the design team for next week. He said that the latest iterations of the design that are deeming the most efficient include tearing down the existing building. The design is also assuming North Kingstown and Quonset as off takers under an existing approved wholesale rate and the physical connections for the potential use and/or acquisition of their wells.

### **Director of Human Resources and Finance Report:**

#### Closing Report December 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 2023-2024 as of December 2023 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of December 2023, attached as exhibit "A", and a thorough discussion ensued with regard to the sales and revenue.

Mr. Lanfredi discussed the delinquencies, payment plans and shutoffs.

Mr. Lanfredi advised the board that there were 679 accounts delinquent in excess of \$100 and of that there were 164 accounts delinquent in excess of \$150.

He said there were 164 tags hung for shut offs. He said of those, six were shut off, and one was turned back on. There were 51 on the list.

Chairman Boyer asked before they shut off do they reach out to the customer and offer a payment plan. Mr. Lanfredi said indeed they did. Chairman Boyer also asked how liquid was the company on any given day. Mr. Lanfredi indicated that there's about \$2 million in daily liquidity.

Mr. Rousselle moved, seconded by Mr. Duckworth, 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 2023-2024 as of December 2023 and Statement of Revenues, Expenditures, and Changes

in Fund Balance as of December 2023, attached as exhibit “A”, be approved as presented and be incorporated herein and are made a part hereof.

### **Personal Privilege and Communication**

Mr. Rousselle indicated that it was quite a month for the west Warwick representatives to the Kent County Water Authority. He did say, though, that he was encouraged by Boyle and Fogarty after the discussion took place earlier.

Chairman Boyer thanked the water authority for the cake that was sent by Nicole Jacques after his recent injury.

### **EXECUTIVE DIRECTOR/CHIEF ENGINEER’S REPORT**

#### **ONGOING PROJECTS**

IFR 2021-22-23: Update

Update IFR 22/23– Work at Cowesett temporary trench patch Maintenance Issues – Construction Update

Mr. Simmons indicated this topic was already discussed.

Update IFR 21/22– Update IFR 21 –East Main complete. RIE to complete gas work before final pavement.

Mr. Burns updated the board on the construction activity.

Mr. Burns indicated that Rhode Island Energy Gas Division was to participate in the final paving. He said they were supposed to go with CB Utility and measure. Instead, they went on their own and measured it themselves. Mr. Burns stated they he was coordinating another inspection date so both parties would be present. Mr. Simmons indicated that they are going to pay half on the finished paving.

Greenbush Road Culvert Emergency Update and action plan. Bypass

Mr. Simmons indicated that on Greenbush Road, there was a major culvert blowout next to the school as the result of the recent large storm event that occurred. It exposed two of the Authority’s water mains. Mr. Simmons explained that both high and low service mains were exposed during the weather event and culvert failure. The low service main that is exposed is 16 -inch cast iron in a concrete chase pipe and the high service main is 12-inch insulated ductile iron. He also stated that the low service main is a critical transmission main that cannot be shut down for any significant period of time and if it was to let go we would be in an emergency

systemwide boil water order status at a minimum. Mr. Simmons explained the box culvert engineering to the board and that KCWA needed to install an emergency low service bypass around the culvert structure so it can be repaired safely by the Town. Mr. Burns described the temporary bypass installation process inclusive of the flushing and chlorinating that would be occurring over the weekend. He said that the high service main could be stabilized in place with an I beam spanning the distance of the excavation. Mr. Rousselle asked if the funding for this project was coming out of our operating budget. Mr. Simmons said yes and the cost is estimated at approximately two hundred fifty thousand dollars. He indicated that FEMA money through reimbursement from the Town should be available to cover the cost. Mr. Burns also indicated that he had been trying to contact the Town in this regard, but no one was getting back to him. He expressed it was critical that KCWA be included in the design process.

Mr. Duckworth, Kortz, and Rouselle indicated that they need Mr. Geremia to attend an upcoming meeting. Mr. Kortz indicated that they need the DOT inspector there as well. Mr. Simmons promised their attendance.

#### Office and Maintenance Facility : Construction update

Mr. Simmons introduced this topic. He indicated that the winter brought a slowdown in some of the activity. Mr. Duchesneau also indicated the holidays cause some slowdown as well. He said the inside work was looking very good. He said the plaster, electric, National Grid all should begin next week. He said once the power is connected the HVAC system could be activated for testing and balancing. He also stated that painting and bathrooms tiling work was ongoing.

#### Bald Hill Conversion Project

##### 1276 Bald Hill Rd. (Staples Plaza)- Phase 2 Discussion regarding potential transition of all other properties and businesses on Bald Hill from Warwick Water to KCWA.

Mr. Simmons began this topic by indicating the agreement has gone back-and-forth between the attorneys for edits and revisions. Mr. Brennan has made comments which will be incorporated into the agreement. He represents the Staples Plaza owner. Mr. Simmons predicts the project will begin in mid-April, and that work should be done at night. Mr. Simmons also said that he received a call from Terri Depitrillo from Warwick Water and the City of Warwick is requesting a meeting to discuss that Kent County Water Authority supply water to all the businesses in that area as Warwick water is having difficulty.

Chairman Boyer asked if it would go all the way to the courthouse on Bald Hill Road. Mr. Simmons indicated that it is the goal to reservice from Warwick Water to KCWA all of the affected businesses that have pressure problems up the hill and continue down to close the low service loop at Centerville Road as part of a phased coordination with Warwick .

Centerville Road Upgrade: ACTION ITEM:

Recommendation for bid award for AC pipe replacement plan from 95 to Royal Crest Apartments -RIDOT coordination.

Mr. Simmons indicated that this project has gone out to bid. Mr. Simmons indicated that the lowest bid was Ferreira construction company in the amount of \$1,139,943. They were \$300,000 less than the next lowest bid.

Motion made by Mr. Duckworth, second by Mr. Rousselle, to award project to Ferreira Construction company in the amount of \$1,139,943

Motion made and duly seconded, it was unanimously.

VOTED: KCWA awards the project to Ferreira Construction company in the amount of \$1,139,943.

There being no further business before this board, on motion duly made by Mr. Rousselle, seconded by Mr. Duckworth, and carried, the meeting was adjourned at 4:15 p.m.

Dated: February 15, 2024



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Patrick J. Sullivan  
Legal Counsel







**KENT COUNTY WATER AUTHORITY  
MONTHLY FINANCE REPORT  
FOR THE MONTH ENDING DECEMBER 31, 2023**

	<u>Dec 2023</u>	<u>Dec 2022</u>
<b><u>Cash Receipts &amp; Disbursements</u></b>		
Washington Trust-Deposit Account	\$ 2,739,064	\$ 2,466,377
Washington Trust-Checking Account	213,531	117,544
RIIB-Revenue Bond Fund	4,310,029	17,256,974
BNYM Restricted Accounts	17,779,453	18,217,891
	<u>\$ 25,042,077</u>	<u>\$ 38,058,786</u>
Collections	\$ 1,714,751	\$ 1,892,483
Disbursements	\$ 4,617,408	\$ 1,534,904
<b><u>Revenues</u></b>		
Monthly Budgeted	\$ 1,507,083	\$ 2,229,133
Monthly Actual	1,625,443	1,530,880
Over/(Under) Budget	<u>\$ 118,360</u>	<u>\$ (698,253)</u>
YTD Budgeted	\$ 12,684,500	\$ 12,811,900
YTD Actual	11,863,943	12,779,411
Over/(Under) Budget	<u>\$ (820,557)</u>	<u>\$ (32,489)</u>
<b><u>Expenditures</u></b>		
Monthly Budgeted	\$ 1,419,333	\$ 1,191,142
Monthly Actual	1,850,484	1,441,627
(Over)/Under Budget	<u>\$ (431,150)</u>	<u>\$ (250,485)</u>
YTD Budgeted	\$ 9,241,757	\$ 8,070,080
YTD Actual	9,581,848	9,140,809
(Over)/Under Budget	<u>\$ (340,091)</u>	<u>\$ (1,070,730)</u>
YTD Budgeted Surplus/(Deficit)	\$ (1,160,648)	\$ (1,103,219)
Sales	\$ 1,573,213	\$ 1,497,271
<b><u>Open Receivables</u></b>		
0-30 Days	\$ 1,506,566	\$ 1,370,418
31-60 Days	268,949	306,716
61-90	112,897	118,880
Over 90 Days	48,157	372,065
	<u>\$ 1,936,569</u>	<u>\$ 2,168,079</u>

Kent County Water Authority  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 AS OF 12/2023

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR - T O - D A T E		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
REVENUES					
1-4190 INTEREST & DIVIDEND INC.	50000.00	73047.85	300000.00	455960.37	155960.37
1-4210 MISCELLANEOUS INCOME	7916.66	22694.60	47499.96	78225.06	30725.10
1-4750 OTHER REVENUE-SAMPLES	1250.00	900.00	7500.00	5200.00	-2300.00
TOTALS FOR OTHER INCOME	59166.66	96642.45	354999.96	539385.43	184385.47
1-1184 MISC BILLABLE WORK	416.66	-349.84	2499.96	1748.79	-751.17
1-461A METERED SALES - GC	950000.00	1006601.57	8650000.00	7740671.80	-909328.20
1-461B METERED SALES - IC	225000.00	243358.45	1845000.00	1773701.48	-71298.52
1-4620 PRIVATE FIRE PROTECTION	30000.00	30268.90	180000.00	183398.71	3398.71
1-4630 PUBLIC FIRE PROTECTION	130833.33	131318.58	784999.98	787364.68	2364.70
1-4640 SALES - PUBLIC AUTHORITIES	40000.00	41204.42	437000.00	343192.62	-93807.38
1-4660 SALES FOR RESALE	55416.66	63235.58	332499.96	398174.92	65674.96
1-4710 SERVICE AND LATE CHARGE	9166.66	5114.22	54999.96	38968.37	-16031.59
1-4730 OTHER REVENUE-INSPECTIONS	3333.33	4921.25	19999.98	32858.75	12858.77
1-4740 OTHER REVENUES & W.P.6.9%	3750.00	3127.44	22500.00	24477.16	1977.16
TOTALS FOR OPERATING REVENUE ACCTS.	1447916.64	1528800.57	123329499.84	11324557.28	-1004942.56
TOTALS FOR REVENUES	1507083.30	1625443.02	12684499.80	11863942.71	-820557.09
EXPENDITURES					
1-6020 PURCHASED WATER	400000.00	654662.05	3270000.00	3377346.87	-107346.87
TOTALS FOR SOURCE OF SUPPLY EXPENSES	400000.00	654662.05	3270000.00	3377346.87	-107346.87
1-6210 FUEL FOR PUMPING	13333.33	14545.13	79999.98	64869.53	15130.45
1-6230 POWER PURCHASED	62500.00	67328.21	375000.00	387711.15	-12711.15
1-624A PUMPING LABOR	15416.66	16199.73	92499.96	100958.41	-8458.45
1-624B PUMPING EXPENSES	416.66	869.99	2499.96	1512.71	987.25
1-6310 STRUCTURE/IMPROVE LABOR	16666.66	53255.18	99999.96	159818.90	-59818.94

Kent County Water Authority  
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	BUDGET	ACTUAL	BUDGET	ACTUAL	
1-6330 PUMPING EQUIPMENT LABOR	3333.33	8073.08	19999.98	59995.60	-39995.62
TOTALS FOR PUMPING EXPENSES	111666.64	160271.32	669999.84	774866.30	-104866.46
1-6410 CHEMICALS	13333.33	6461.01	79999.98	33893.55	46106.43
1-642A WATER TREATMENT LABOR	16666.66	16962.58	99999.96	98424.24	1575.72
1-642B OPERATION EXPENSES	4166.66	5803.46	24999.96	42047.82	-17047.86
1-6510 MAINT STRUCT & IMPROVE	4166.66	6886.45	24999.96	8276.04	16723.92
1-6520 TREATMENT EQUIPMENT	2500.00	143611.08	15000.00	166261.57	-151261.57
TOTALS FOR WATER TREATMENT EXPENSES	40833.31	179724.58	244999.86	348903.22	-103903.36
1-662A T & D LINE LABOR	4166.66		24999.96	6450.26	18549.70
1-662B T & D SUPPLIES & EXP	6666.66	12019.00	39999.96	34356.15	5643.81
1-663A T & D METER LABOR	6250.00	2316.92	37500.00	16478.95	21021.05
1-6650 T & D MISC	1666.66	900.79	9999.96	9304.60	695.36
1-6720 RESERVOIR & STANDPIPE	3333.33	14002.46	19999.98	47016.25	-27016.27
1-6730 MAINT T & D MAINS	58333.33	33271.84	349999.98	423576.65	-73576.67
1-6750 SERVICE & CURB BOX	16666.66	22664.53	99999.96	160242.81	-60242.85
1-6760 METER REPAIRS	12500.00	16179.75	75000.00	59153.49	15846.51
1-6770 HYDRANT MAINTENANCE	8333.33	4948.53	49999.98	32512.74	17487.24
TOTALS FOR TRANS. & DISTR. EXPENSES	117916.63	106303.82	707499.78	789091.90	-81592.12
1-902A METER READING LABOR	10000.00	4365.37	60000.00	25509.83	34490.17
1-902B METER READING SUPP & EXP				360.00	-360.00
1-903A OFFICE ADMIN LABOR	17500.00	17147.70	105000.00	99831.54	5168.46
1-903B CUSTOMER BILLING SUPPORT	15833.33	14150.08	94999.98	72506.11	22493.87
TOTALS FOR CUSTOMER ACCT. EXPENSES	43333.33	35663.15	259999.98	198207.48	61792.50
1-9090 SHIPPING & FREIGHT	416.66	1147.13	2499.96	3897.23	-1397.27
1-9100 COMMUNICATIONS EXPENSE	8333.33	7283.19	49999.98	43020.27	6979.71

Kent County Water Authority  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 AS OF 12/2023

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR-TOTAL		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
1-9160 PROPERTY TAXES	5000.00	5000.00	30000.00	40624.76	-10624.76
1-9170 COMPUTER EXPENSE	26666.66	22727.02	159999.96	208867.22	-48867.26
1-9190 BANK CHARGES	8500.00	20859.77	51000.00	152456.81	-101456.81
1-9200 OFFICE SALARY LABOR	45833.33	43722.96	274999.98	255081.44	19918.54
1-9210 OFFICE SUPPLIES & EXP	5416.66	2608.17	32499.96	20246.81	12253.15
1-9230 OUTSIDE SERVICES	18750.00	16408.70	112500.00	138262.95	-25762.95
1-9240 INSURANCE EXPENSE	22083.33	21931.50	132499.98	116699.00	15800.98
1-9260 EMPLOYEE BENEFITS	87500.00	68100.23	525000.00	643064.59	-118064.59
1-9270 O.P.E.B. EXPENSE			80000.00	80000.00	
1-9280 REGULATORY COMM EXP	15833.33	103704.31	94999.98	103704.31	-8704.33
1-930A MISC GENERAL EXPENSE	583.33		3499.98	-445.94	3945.92
1-930B MISC-BOD EXPENSE	1750.00	1500.00	10500.00	10000.00	500.00
1-932A GENERAL PLANT LABOR	13333.33	21362.47	79999.98	95387.26	-15387.28
1-932B GARAGE/TRUCK LABOR	13333.33	7501.74	79999.98	61887.73	18112.25
1-9330 PAID TIME OFF	77000.00	22647.04	80000.00	-34175.68	114175.68
1-9340 UNCOLLECTIBLE (WRITE OFF)	833.33		4999.98		4999.98
TOTALS FOR ADM. & GENERAL EXPENSES	351166.62	361504.23	1804999.72	1938578.76	-133579.04
1-9180 LICENSES & PERMITS	250.00	300.00	1500.00	1925.00	-425.00
TOTALS FOR MISC. & GENERAL EXPENSES	250.00	300.00	1500.00	1925.00	-425.00
1-4030 DEPRECIATION EXPENSE	337500.00	336117.59	2025000.00	2016705.54	8294.46
1-4090 PAYROLL TAXES	16666.66	15936.84	99999.96	83637.41	16362.55
1-4270 INTEREST EXPENSE			157758.00	52585.84	105172.16
TOTALS FOR OTHER EXPENSES	354166.66	352054.43	2282757.96	2152928.79	129829.17
TOTALS FOR EXPENDITURES	1419333.19	1850483.58	9241757.14	9581848.32	-340091.18

REPORT DATE 01/16/2024  
 SYSTEM DATE 01/16/2024  
 FILES ID Z

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

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 TIME 08:59:23  
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AS OF 12/2023

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR - T O - D A T E		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
EXCESS OF REVENUE OVER EXPENDITURES FOR general	87750.11	-225040.56	3442742.66	2282094.39	-1160648.27
OTHER ADJUSTMENTS TO FUND BALANCE					
FUND BALANCES - JULY 1					
FUND BALANCES - DECEMBER 31					

0.00  
 175362391.08  
 177644485.47  
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