

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING  
OF THE BOARD

February 16, 2017

A meeting of the Board of Directors of the Kent County Water Authority was held on the 16<sup>th</sup> day of February 2017, at 3:30 p.m. at the offices of the Authority in West Warwick, RI, in the Joseph D. Richard Board Room.

Chairman Boyer opened the meeting at 3:30 p.m. Board members, Treasurer Joseph Gallucci, Secretary Scott Duckworth and Mr. Giorgio were all present together, along with the General Manager/Chief Engineer Timothy J. Brown, Legal Counsel Patrick J. Sullivan, Esq., Treatment Manager/Water Project Engineer Dave Simmons and Director of Technical Services John Duchesneau. Mr. Masterson was excused. Mr. Simmons led the group in the pledge of allegiance.

**APPROVAL OF THE MINUTES**

The following minutes of the regular and special board meetings were presented for approval:

Board Meeting:	January 19, 2017
Special Board Meeting:	January 12, 2017
Special Board Meeting:	January 25, 2017

Mr. Giorgio moved passage of all the minutes, seconded by Mr. Gallucci and all sets of minutes were unanimously approved. Mr. Duckworth abstained from the vote.

**LEGAL MATTERS**

Legal Counsel Mr. Sullivan reported on the Center of New England ongoing receivership. He advised the board that there was nothing current affecting KCWA and he would continue to monitor the situation.

He then reported on the KCWA v. Cardi lawsuit. He indicated he received a response to his discovery requests and he had prepares further discovery.

He then spoke of the KCWA v. Colbea matter. He advised that the judge still wanted the parties to settle the matter. He added that there is a status coming up to see if the record needs to be supplemented at all.

Next, Mr. Sullivan discussed the land encroachment by the Donahue family in the Gough Avenue area. Mr. Sullivan said he sent certified mail to the individual asking that he remove the encroachment within 30 days. Mr. Sullivan said that the landowner called his office and asked that he be allowed to wait until the weather broke. Mr. Brown and the board agreed.

Mr. Brown also asked for Mr. Sullivan to look into the response to the Marlborough Street area in East Greenwich where the Homestead Condominium development was.

**Director of Finance Report:**

Mr. Brown explained and submitted the financial reports. He reported on the Cash Receipts and Disbursements, and Statement of Cash Location FY 2016-2017 as of December 2016, which is attached as exhibit "A". A thorough discussion then ensued regarding the sales and revenue. Mr. Brown added that the company was doing well.

He then went into a discussion of collections and a short discussion regarding the IFR program. He said with the aggressive approach, it results in heavy expenditures. He said these expenses will pick up in the spring when construction begins again.

There was a general discussion by Mr. Brown of the capital funds being combined into one account and changes to the trust accounts as a result of the rate case.

**Legal Counsel Bill 1/1/17-1/31/17**

Chairman Boyer went into the agenda item early. He discussed five items that Mr. Brown reported to the board. There was time billed for a call from a board member, reviewing hydrant transcripts from prior hearings in light of the recent threats of litigation, matters related to an agreement and some research and action on tolling of approval expirations.

Mr. Brown and Mr. Sullivan discussed the merits of the tolling statute that applies to subdivision of land only. Mr. Brown engaged in a historical discussion of the KCWA and its travel to the RI Supreme Court, and the ultimate amendment of the statute by the legislature creating the entity that KCWA is now.

Mr. Duckworth moved, seconded by Mr. Gallucci, to authorize the payment of the legal services bill for January 2017 as presented.

Upon Motion duly made and seconded, it was unanimously,

VOTED: That KCWA is authorized to pay the legal services bill for January 2017 as presented.

## **Point of Personal Privilege and Communication**

There was nothing reported here.

## **GENERAL MANAGER/CHIEF ENGINEER'S REPORT**

### **GENERAL:**

#### **PUC Docket #4618 KCWA Intervention of Rate Case Status**

Mr. Brown updated the board on the intervention case. He said that a compliance filing was to be filed that day. He said if Providence got it filed today, it would have been approved the same day. He said if it wasn't filed, it would need two full days. He said the compliance filing would result in a 4.74% increase in the wholesale rate ultimately resulting in a 1.25% increase to KCWA customers.

He said KCWA would adjust the billing for a portion of February and March.

#### **Warwick Water, Forge Road Meter Pit Testing**

Mr. Brown updated the board on this matter. He said Warwick is waiting for North Kingstown to get to Warwick, concerning an alternate source.

#### **Hiring – Director of Administration and Finance**

Mr. Brown described the vacancy in the finance office as critical. He said they received only two applications. He said he wouldn't consider one any further after the interview.

He said the second one, Michael Lanfredi, interviewed very well. He said he went over every item, issue, and discussed his strengths and his weaknesses. He said he is comfortable recommending offering Mr. Lanfredi that position.

Mr. Brown discussed his salary range as within the budget. He reminded the board that the auditors would be there soon and recommended approval, with all the conditions of the BCI and drug testing. He reminded the board of the 2-year probationary period.

Chairman Boyer began a discussion of the candidate. He said according to Mr. Brown's memo, Mr. Lanfredi had five jobs. The Chairman said he liked to contact former employers to get their perspective. He said it was his opinion that the Board interview these types of candidates. He wondered if the ad was too strong?

Mr. Gallucci asked was the ad similar to the one used 9 years ago? Mr. Brown said it was not as it wasn't the same position. Mr. Gallucci went on to propose giving someone now working a temporary increase in pay to do the job while the company looked for additional applicants. He thought 2 applications wasn't sufficient.

Mr. Duckworth wondered if his current employer was aware of his job search, to which Mr. Brown replied that he didn't know if the employer was or wasn't aware.

Mr. Giorgio said there were administrative positions that appear before the board previously. Mr. Duckworth agreed that he would like to meet the candidate prior to voting for him.

There was a general discussion of the merits of re advertising for the position in an attempt to increase the pool, while interviewing this candidate on parallel tracks.

It was agreed that the board would interview Mr. Lanfredi at a special meeting on February 21, 2017 at 3:30 p.m.

Bid Approval: Material Merchandise Purchase

Mr. Brown opened the discussion of the bid approval for general construction materials received January 11, 2017. Mr. Brown had a general discussion of the bid, and the fact that there were 5 parts of the bid. He recommended that the 5 bid parts be awarded as follows:

1. EJ Prescott
2. Warwick Winwater
3. EJ Prescott
4. Warwick Winwater
5. Warwick Winwater

He added that these were the low bidders for each part.

Mr. Gallucci moved, seconded by Mr. Duckworth, to authorize the award the bid for Materials Merchandise as follows:

1. EJ Prescott
2. Warwick Winwater
3. EJ Prescott
4. Warwick Winwater
5. Warwick Winwater

Upon Motion duly made and seconded, it was unanimously,

VOTED: That the KCA awards the bid for Materials Merchandise as follows:

1. EJ Prescott
2. Warwick Winwater
3. EJ Prescott
4. Warwick Winwater
5. Warwick Winwater

Bid Approval: Printing CCR 2016

Mr. Brown explained that KCWA was required to print the annual consumer confidence report (“CCR”) and send it out to the customers. He recommended awarding the bid to the only bidder, Grapic Image, in the amount of \$8,810.00 or \$7,910.00 if 4 pages are cut from the booklet.

Mr. Gallucci moved, seconded by Mr. Duckworth, to award the bid for the CCR to Grapic Image, in the amount of \$8,810.00 or \$7,910.00 if 4 pages are cut from the booklet.

Upon Motion duly made and seconded, it was unanimously,

VOTED: That the KCA awards the bid for the CCR to Grapic Image, in the amount of \$8,810.00 or \$7,910.00 if 4 pages are cut from the booklet

Compound Meter Fire Service Investigation, Report

Mr. Brown informed the board they were waiting for the PUC to review. He had previously distributed the report to the board.

## **INFRASTRUCTURE PROJECTS**

### **Financial Update IFR Programs – Short Term Borrowing, \$12.0 Million IFR Programs Hearing Scheduled 2/20/17**

Mr. Brown discussed the short-term borrowing approved by the board and gave a status update. He said there was a hearing on the following Monday. He reiterated that the purpose of the bods are to pay for an aggressive IFR program. He discussed 2014A and B, 2015 A and B and the EG well as examples of the projects that this would fund.

### **Apponaug Circulator Water Main Replacement**

Mr. Brown informed the board that work is ongoing and that it is being monitored by KCWA personnel.

### **East Greenwich Well Refurbishment**

Mr. Brown reported that the project began as an emergency and the building construction is ongoing with hopes to continue work weather permitting. He added that if Rt. 2 water was lost, water flow would stop. He added that the short term financing would allow this project to continue as it was an emergency. He added that this well was 28% complete and work was ongoing through the winter.

### **IFR 2014A**

Mr. Brown informed the board that this construction is complete with paving next year.

### **IFR 2014B**

Mr. Brown informed the board that construction is ongoing.

### **IFR 2015A**

Mr. Brown informed the board that this is 50% complete and is proposed to go up over Wakefield hill to Commonwealth Ave.

### **IFR 2015B**

Mr. Brown said the construction remains shut down for winter. He added that this work was near the high school in West Warwick.

### **IFR 2016 Design (Project Status)**

Mr. Brown updated the board that the design services are ongoing but the bid would be on hold for funding reasons.

## **CAPITAL PROJECTS**

### **Mishnock Area Transmission Main, Design Revision (Current Project Status)**

Mr. Brown indicated that construction will begin Spring 2017.

### **Water Main North/South Interconnection High Service**

Mr. Brown advised the design services ongoing.

There being no further business before the board, Mr. Duckworth moved, seconded by Mr. Giorgio to adjourn the meeting.

Dated: March \_\_\_\_, 2017

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Patrick J. Sullivan  
Legal Counsel