

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING OF THE BOARD

November 17, 2016

A meeting of the Board of Directors of the Kent County Water Authority was held on the 17th day of November 2016, 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 Vice-Chairman Peter Masterson, Treasurer Joseph Gallucci, Mr. Giorgio and Mr. Duckworth 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. Duckworth led the group in the pledge of allegiance.

APPROVAL OF THE MINUTES

The minutes of the regular board meeting of October 20, 2016 and the special board meeting of November 3, 2016 were presented for approval. Mr. Duckworth moved passage of the minutes, seconded by Mr. Giorgio and both sets of minutes were unanimously approved.

Guests

There were no guests this month.

LEGAL MATTERS

Legal Counsel Mr. Sullivan reported on the Center of New England ongoing receivership. He advised the board that he previously had communications with Mark Russo, Esq., and Mr. Sullivan awaits a proposal, if any, from Mr. Russo.

He then reported on the KCWA v. Cardi lawsuit. He indicated he received a response to his discovery requests earlier this week and is in the process of sifting through the numerous documents in the disks.

He then spoke of the KCWA v. Colbea matter. He advised there was a briefing schedule that was approved by the judge, and that all briefs and replies are required to be in by December 14, 2016, with argument scheduled for January 18, 2016.

Mr. Sullivan also updated the board that he received a courtesy copy of a complaint filed with the Division on behalf of Toll Gate Farms that he forwarded to Ms. Shekarchi and Mr.

Brown. Mr. Brown advised the board that there has been no real action on it.

Director of Finance Report:

Mr. Brown reported that there was no cash report resulting from staff sick leave/shortage.

Point of Personal Privilege and Communication

Chairman Boyer took the opportunity to thank the staff in the office who had been doing a wonderful job considering the continued lack of a complete office staff. He indicated all the other staff was picking up the work and thanked them.

GENERAL MANAGER/CHIEF ENGINEER'S REPORT

GENERAL:

PUC Docket #4611 KCWA Rate Case Status

Mr. Brown updated the board on the case. He said hearings are scheduled for the 6th and 7th of December, 2016. He said a settlement conference was scheduled for the week after the meeting. He said staff is attempting to settle the case rather than go to a full hearing. He said if a settlement occurs, the PUC is free to accept or reject it. He said if the settlement is reached to the KCWA satisfaction, he will recommend it to the board. He added that a settlement would result in savings of legal and consultant fees. He concluded that the last data request from KCWA was sent in the day of the meeting.

PUC Docket #4618 PWSB Intervention of Rate Case - Status

Mr. Brown updated the board on this rate case. He said this case will not be heard until January 2017. He said KCWA concentrated on the financial model reviewing it for accuracy. He said this concentration was made after finding errors that were corrected in favor of KCWA.

Succession Plan Discussion

Mr. Brown opened the discussion of the lack of a succession plan and of the limited resources to plan one. He advised that the key positions are the general manager, chief engineer, director of technical services, the finance director, and related jobs.

He said that Ms. Heard could fill in for the finance position right now. He said that Mr. Simmons and Mr. Duchesneau could fill in if he were out for an extended period. He said he had people to fill in for Mr. Simmons' spot as well. He said it wasn't that complicated, but when the board discusses reorganization, this topic becomes an important consideration. He said cross training is required, but thought the size of the operation made it difficult for a formal plan.

Chairman Boyer added that with the absences KCWA has had, the operation is running

very well thanks to the staff.

Mr. Brown added that the fact that the operation is non-union helps. He said he can move people around, including painters, meter readers, dig safe personnel, etc.... He said people can jump into other positions at any time. He added that he can move night people to days if needed and move treatment plant operations to flushing, and the like.

Mr. Duckworth commented that it sounded like the succession plan is already in place to a certain extent.

Mr. Brown said it just needs to be formalized now. He said it is time to make it more of a corporate environment.

Accounting Services Needed for Authority – Board Discussion and Action

Mr. Brown explained that the KCWA is in dire need of accountant services due to an absence in the finance office. He said it is needed not only for the day to day operations, but also for the rate case to answer questions.

He added that the KCWA needs some succession planning for many positions in the authority, including his. He said he spoke with the Chairman and legal counsel and thought it be best to have a special meeting to discuss the strategic plan the board adopted. He added that the plan was a fluid one and the authority and board need to reallocate duties and resources and become more corporate in nature

INFRASTRUCTURE PROJECTS

Mr. Brown began the discussion advising the board that KCWA is spending an average of \$611,000.00 per month in infrastructure improvements this year to illustrate how busy KCWA is.

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 was beginning and the building construction is ongoing with hopes it to be finished and secured prior to the harsh weather.

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. He said that the services that are above ground will finish and the project will move to completion for winter shutdown.

IFR 2015A

Mr. Brown informed the board that the construction is going very well on Blade St. and River St. in West Warwick.

IFR 2015B

Mr. Brown said the construction was complete on Factory St. and that it was tied in, with final paving in 2017.

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 contract was ready to sign, but the work will not commence until 2017 spring. He also added that he needed task order #5 to be approved by the board relating to construction administration and resident inspection services between KCWA and James J. Geremia & Associates, Inc.

Mr. Masterson moved, seconded by Mr. Duckworth, to approve task order #5 relating to construction administration and resident inspection services between KCWA and James J. Geremia & Associates, Inc.

Upon motion duly made and seconded, it was unanimously

VOTED: That Task Order #5 is approved relating to construction administration and resident inspection services between KCWA and James J. Geremia & Associates, Inc.

Water Main North/South Interconnection High Service

Mr. Brown advised the field work is set to begin the week after the meeting, then onto design.

EXECUTIVE SESSION – Pursuant to RIGL 42-26-5(a)(1), Employee Performance Review, Employment Status

Chairman Boyer read the first agenda item and then asked for a motion to move into executive session. The chairman noted for the record that the affected employee was notified of the meeting and that she was given the opportunity to have the meeting in open session. Mr. Sullivan advised the board that he spoke to the employee's attorney and that neither the employee nor her attorney would be attending the meeting.

Mr. Duckworth moved, seconded by Mr. Masterson, that the board move into executive session for discussion of the aforementioned employee performance review.

Upon Motion duly made and seconded, it was unanimously, by roll call vote,

VOTED: That the board move into executive session for discussion of the aforementioned employee performance review.

The board moved into executive session at 4:00 p.m.

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The board reconvened in open session at 4:20 p.m.

Mr. Duckworth moved, seconded by Mr. Giorgio, that the minutes of the executive session be sealed.

Upon Motion duly made and seconded, it was unanimously, by roll call vote,

VOTED: That the minutes of the executive session shall be sealed.

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

Dated: December ____, 2016

Patrick J. Sullivan
Legal Counsel