

KENT COUNTY WATER AUTHORITY

MINUTES OF THE MEETING OF THE BOARD

July 17, 2014

A regular meeting of the Board of Directors of the Kent County Water Authority was held on the 17th day of July, 2014, 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. Chairman Boyer, Board Members Vice-Chairman Masterson, Mr. Inman, Mr. Gallucci and Mr. Giorgio were present together, along with the General Manager/Chief Engineer Timothy J. Brown, legal counsel Patrick J. Sullivan, Esq., Rate Counsel Robert Watson as well as Finance Director Jo-Ann Gershkoff and Mr. Simmons. Mr. Gallucci led the group in the pledge of allegiance.

APPROVAL OF THE MINUTES

The minutes of the regular board meeting of June 19, 2014 were presented for approval. Mr. Inman moved passage, seconded by Mr. Gallucci and the minutes were unanimously approved.

GUESTS

3:30 p.m. High Service Requests:

Cedar Hill Farm, East Greenwich – Scott Moorehead
The Woods at Fox Ridge, East Greenwich – Mr. Chofay

Mr. Moorehead presented both high service requests before the board. Cedar Hill Farm consisted of ten lots, and The Woods at Fox Ridge was comprised of five lots. Mr. Moorehead explained there would be an eight inch line servicing the lots and there would be a complete loop to and from Frenchtown Road. Mr. Brown added that there were no problems associated with

Chairman Boyer questioned whether the project will be phased, and Mr. Moorehead indicated that the water line will be installed completely at one time.

It was moved by Mr. Masterson, seconded by Mr. Inman, to conditionally approve the application request for water supply to these fifteen lots in two developments with the following conditions in lieu of a moratorium:

1. The Kent County Water Authority is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore

any applicant/customer of KCWA understands that any third-party commitments made by an applicant/customer are subject to the reasonable availability of water supply and limits of the existing infrastructure to support service.

2. A deficient condition associated with accelerated commercial and residential development exists in the area serviced by the KCWA; KCWA is in the process of planning for additional water supply and therefore delays or diminution in service may occur if the water supply is unavailable or unable to produce water sufficient to service the customers KCWA.

3. Ventures, commitments or agreements are at the applicant's sole risk if supply for existing infrastructure is found to be insufficient to support service. The applicant may afford the authority with system improvements to facilitate adequate service.

4. The applicant shall file a formal single-family home application for each lot. The applicant/customer understands that any undetected error in the application or an increase or change in demand as proposed, which materially affects the ability to supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.

5. Only conservation-wise plumbing fixtures are to be installed including, but not limited to, low flow shower heads, low flow toilets and low flow guarantors on faucets.

6. If irrigation systems are installed, they must be supplied by a private well. Xeriscape landscaping techniques and/or proper planting bed (high water holding capacity) slow preparation shall be employed throughout the project.

Upon Motion made, and duly seconded, and unanimously voted,

VOTED: That based upon health and safety concerns to conditionally approve the request for water supply to service a single family home with the following conditions in lieu of a moratorium:

1. The Kent County Water Authority is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third-party commitments made by an applicant/customer are subject to the reasonable availability of water supply and limits of the existing infrastructure to support service.

2. A deficient condition associated with accelerated commercial and residential development exists in the area serviced by the KCWA; KCWA is in the process of planning for additional water supply and therefore delays or diminution in service may occur if the water supply is unavailable or unable to produce water sufficient to service the customers KCWA.

3. Ventures, commitments or agreements are at the applicant's sole risk if supply for

existing infrastructure is found to be insufficient to support service. The applicant may afford the authority with system improvements to facilitate adequate service.

4. The applicant shall file a formal single-family home application for each lot. The applicant/customer understands that any undetected error in the application or an increase or change in demand as proposed, which materially affects the ability to supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.

5. Only conservation-wise plumbing fixtures are to be installed including, but not limited to, low flow shower heads, low flow toilets and low flow guarantors on faucets.

6. If irrigation systems are installed, they must be supplied by a private well. Xeriscape landscaping techniques and/or proper planting bed (high water holding capacity) slow preparation shall be employed throughout the project.

LEGAL MATTERS

Legal Counsel Mr. Sullivan reported on the Central Coventry Fire District. He advised the board that the next hearing on the state appointed receiver is in early August. Mr. Brown updated the board on the amounts due and owing.

Mr. Sullivan also reported on the problems on Lakeside Drive in Coventry. After conducting research at the land evidence records, it was determined that the roadway is indeed a private right of way. Although portions of the road are town owned and on the town map, most of the roadway is owned by the landowners right up to the lake, and there is a 20" paved right of way. Some of the water pipes are located under sheds and additions, creating a problem for KCWA. Mr. Brown added that in the event of a leak, the KCWA has no authority to enter upon the property to repair one. Mr. Sullivan suggested that he open a dialogue with the Town of Coventry to see if the town would be interested in attempting to resolve the issue together. He added that rights of way are normally not placed on the official town map.

Mr. Sullivan also updated the Board regarding the receivership of the Commerce Park Properties at the Centre of New England. He reported no new issues with the receivership. Mr. Brown indicated that the management company was paying the water bills as they came due.

Mr. Sullivan informed the board that the issue regarding 642 Washington St. was referred to COLBEA Enterprises, the owner of the Shell station. He advised the board that he had been contacted by COLBEA's attorneys and had withdrawn any offers to assist with the replacement of the main adjacent to the contaminated soil. After a discussion by the board, Mr. Sullivan was instructed to file suit in Superior Court against the owners of the property for a prescriptive easement and trespass on the easement.

Mr. Inman moved and seconded by Mr. Giorgio to authorize Mr. Sullivan to initiate litigation against COLBEA Enterprises LLC and any other entities to resolve the contamination around the water main and replace the water main that crosses 642 Washington St., Coventry.

Upon Motion duly made and seconded, it was unanimously,

VOTED: That Mr. Sullivan is authorized to initiate litigation against COLBEA Enterprises LLC and any other entities to resolve the contamination around the water main and replace the water main that crosses 642 Washington St., Coventry.

Director of Finance Report:

Jo-Ann Gershkoff, Finance Director, explained and submitted the financial report. She presented the Statement of Revenues, Expenditures and Changes in Fund Balance as of June 2014 and the Statement of Cash Location FY 2013-2014 and Cash Receipts and Disbursements FY 2013-2014 as of June 30, 2014 attached as “Exhibit A”, and a thorough discussion ensued with regard to the sales and revenue.

Mr. Gallucci moved and seconded by Mr. Masterson 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 Statement of Revenues, Expenditures and Changes in Fund Balance as of June 2014 and the Statement of Cash Location FY 2013-2014 and Cash Receipts and Disbursements FY 2013-2014 as of June 30, 2014 attached as “Exhibit A”, be approved as presented and be incorporated herein and are made a part hereof.

Point of Personal Privilege & Communication

There was no discussion under this heading.

GENERAL MANAGER/CHIEF ENGINEER’S REPORT

GENERAL:

RFP Bill Printing

The general manager explained that this request for proposals for bill printing and mailing was re-done because the last response was non compliant with the RFP. Cathedral Corporation, he explained, sent in a proposal; he added that they have experience in the field. Mr. Brown indicated that they could complete the job for \$0.615 cents each. They contract with other water suppliers in Rhode Island. Mr. Brown recommends approval.

Mr. Masterson moved and seconded by Chairman Boyer to approve the proposal from Cathedral Corporation to prepare and mail water bills for KCWA.

Upon Motion duly made and seconded, it was unanimously,

VOTED: That the proposal from Cathedral Corporation to prepare and mail water bills

for KCWA is hereby approved.

New Facility Discussion

Chairman Boyer informed the board that he placed this heading on the agenda as he didn't want the search for a new facility to go cold. He reminded the board of the successful tour of the facilities with division and the PUC. The Chairman advised the board that because of the concerns of the general manager, he has ordered a full set of plans from the owner. He requested a complete site plan, parking and location of utilities.

Mr. Masterson remarked that KCWA needed more than one option, to which Chairman Boyer agreed.

CAPITAL PROJECTS:

CIP 1C Mishnock Well Treatment Plant (Construction Status)

The General Manager reported that Beacon Mutual did their safety walk through today. He added that he needed CO #7 ratified by the board. Mr. Brown indicated that it was for crane relocation and that the construction contractor will do the work but will be paid by withholding fees from Wright Pierce. It is in the amount of \$26,149.00.

Mr. Masterson moved and seconded by Mr. Gallucci to ratify/approve CO #7 in the amount of \$26,149.00 for crane relocation.

Upon Motion duly made and seconded, it was unanimously,

VOTED: That to CO #7 in the amount of \$26,149.00 for crane relocation is hereby ratified/approved.

Next the general manager informed the board that the liquidated damages case, roughly \$400,000.00 was being challenged by the contractor, Hart Corporation. The board authorized Mr. Brown to attempt to negotiate a resolution to the problem before the board acts.

INFRASTRUCTURE PROJECTS

IFR 2010B Prospect Hill (Construction Status)

The General Manager informed the board that construction is ongoing. He presented CO #4 for relocating the fire hydrant in the amount of \$8,832.57 to Boyle and Fogarty Construction Inc. Mr. Boyer requested the move of the hydrant and explained the reasoning.

Mr. Giorgio moved and seconded by Mr. Inman to approve CO #4 in the amount of \$8,832.57 to Boyle and Fogarty Construction Inc. for the relocation of the fire hydrant.

Upon Motion duly made and seconded, it was unanimously,

VOTED: That CO #4 is approved in the amount of \$8,832.57 to Boyle and Fogarty Construction Inc. for the relocation of the fire hydrant.

Quaker Lane Pump Station Upgrade (Status)

The General Manager reports that the punch list is underway and the project should be done by the August meeting.

Apponaug Circulator Water Main Replacement (Status)

Mr. Brown reported that the pre construction conference was held last week. He said the water line work should be done well ahead of completion of the project.

System Chlorinators, Addition to Clinton and Quaker PS

Mr. Brown reports that KCWA is buying materials now for installation.

Hydraulic Model Upgrade

Mr. Brown reports that the project is underway.

East Greenwich Refurbishment

Mr. Brown reports that there was a rip on the screen and it is unknown whether it can be rescreened. He recommended approval of CO #2 for well refurbishment. A failure of the pump occurred just prior to system review.

Mr. Masterson moved and seconded by Mr. Giorgio to ratify CO #2 in the amount of \$21,750.00 to C&E Engineering Partners, Inc.

Upon Motion duly made and seconded, it was unanimously,

VOTED: That CO #2 in the amount of \$21,750.00 to C&E Engineering Partners, Inc. for well refurbishment is hereby ratified.

2014/2015 IFR

Mr. Brown reports that this project proceeds with design. He hopes that construction will commence by mid summer. He requests the board approved CO #3 in the amount of \$2,500.00 for design services for the design of the Hope Ave. crossing.

Mr. Giorgio moved, and seconded by Mr. Inman to approve CO #3 in the amount of \$2,500.00 for the design of the Hope Ave. crossing to James Geremia & Associates, Inc.

Upon Motion duly made and seconded, it was unanimously,

VOTED: That CO #3 in the amount of \$2,500.00 for the design of the Hope Ave. crossing to James Geremia & Associates, Inc. is hereby approved.

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

Dated: August ____, 2014

Legal Counsel