

KENT COUNTY WATER AUTHORITY

MINUTES OF THE MEETING OF THE BOARD

August 20, 2015

A meeting of the Board of Directors of the Kent County Water Authority was held on the 20th day of August, 2015, 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 Masterson, Mr. Gallucci, and Mr. Giorgio were all present together, along with the General Manager/Chief Engineer Timothy J. Brown, legal counsel Patrick J. Sullivan, Esq., as well as Mr. Simmons and Mr. Ducheneau. Mr. Gallucci led the group in the pledge of allegiance. Mr. Inman's appearance was excused.

APPROVAL OF THE MINUTES

The minutes of the regular board meeting of July 23, 2015 and the special board meeting of August 12, 2015 were presented for approval. Mr. Giorgio moved passage of both sets of minutes, seconded by Mr. Masterson and the minutes of the meetings were unanimously approved.

Guests – High Service

Amelia Lambert – Lot 6 – Eagle Drive, Coventry, RI

Ms. Lambert appeared before the board for a request for water in the high service gradient.

Mr. Brown explained to the board that there is water in that area, but if the application was granted, the main needed to be extended to the lot. Otherwise, he advised the board that there were no problems with the application.

After discussion, it was moved by Mr. Giorgio, and seconded by Mr. Gallucci, to conditionally approve the request for water supply to 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. 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, including the extension of the existing water main to the lot, 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. 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

Mr. Sullivan reported on the problems in the Pontiac/Natick area of Warwick. He advised that the Chairman visited the properties and received a commitment from Mr. Blair to sign an easement. Mr. Sullivan said he sent another out to the owner yesterday. Mr. Sullivan reported that he received a signed easement from Mrs. Blair. Mr. Lima is the only one who didn't sign as of the meeting, however, Mr. Sullivan and Chairman Boyer each reached out to Mr. Lima. Mr. Sullivan reported that he thought Mr. Lima traveled offer.

Mr. Sullivan then updated the board on the situation at 642 Washington St., Coventry. Mr. Sullivan expects a decision from COLBEA regarding their contribution of the \$80,000.00, but hasn't heard back from his outreaches prior to the meeting.

Mr. Sullivan then commented on the Central Coventry Fire District bankruptcy. He advised the board that there is a hearing on August 27, 2015 for a status. Although the plan has not been filed, he again expects the KCWA to be paid in full, less interest, over a 60 month period. He reported that Coventry was in a squabble with the receiver over rental of office space in the town hall.

Next, he advised he had a court hearing on his motion for relief from the consent judgment in Commerce Park Realty, LLC v. KCWA. Judge Gallo of the Kent County Superior Court transferred the case to Judge Silverstein in Providence as the plaintiff is currently in receivership, and Judge Silverstein is presiding over all those cases. Mr. Sullivan expects a decision prior to the next meeting.

Director of Finance Report:

Mr. Brown explained and submitted the financial report. He reported on the Cash Receipts and Disbursements and Statement of Cash Location FY 2014-2015 as of July 2015, and Statement of Revenues, Expenditures and Changes in Fund Balance as of June 2015, 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 Cash Receipts and Disbursements and Statement of Cash Location FY 2014-2015 as of July 2015, and Statement of Revenues, Expenditures and Changes in Fund Balance as of June 2015 attached as exhibit "A", be approved as presented and be incorporated herein and are made a part hereof.

Mr. Brown explained that the rate revenue was slightly up from last year this time, but this reflects a permanent decrease in sales and revenue. He also reminded the board that the auditors begin their work on Monday and would be in the building for 2 or 3 weeks.

Point of Personal Privilege and Communication

Mr. Gallucci took the opportunity to report on the East Natick area. He said National Grid was canvassing the neighborhood in an effort to get people interested in a gas line. He thought it would be prudent for KCWA and National Grid to coordinate the installation, if any, of a gas line with the new water lines being put in. There was a discussion of the need to not have the new pavement torn up by National Grid.

GENERAL MANAGER/CHIEF ENGINEER'S REPORT

GENERAL:

2015A IFR Easements Warwick Status

Mr. Brown advised the board discussed that with Mr. Sullivan and it awaits finalization.

Financial Institution Changes

Mr. Brown advised the board that this task is continuing. He has whittled the list down to two banks, Washington Trust and Webster Bank. He said the auditors would be coming next, and after they leave, this should be finalized.

Annual Audit

Mr. Brown again advised the board that the auditors would be in the building starting on Monday and should remain for 2-3 weeks.

3 Replacement Positions – Approval to Hire

Mr. Brown reported that he received 32 resumes, looked at 47 backlog resumes, then conducted 11 interviews for three positions. He said consistent with the memorandum he sent to board members, he recommends the following positions to the following people:

1. Meter Department – Jeffrey Richardson
2. Laborer – Brian Laudone
3. Equipment Operator/Laborer – Joseph Cabana

Mr. Brown reported all interviewed well and Mr. Cabana was tested on his equipment operation.

Chairman Boyer suggested that the laborer may be over qualified based upon his education. Mr. Brown disagreed and thought he will do well, especially on the testing.

Mr. Masterson moved, seconded by Mr. Gallucci to offer a conditional offer of employment to the recommended persons for the position below, subject to all the rules and regulations of KCWA:

1. Meter Department – Jeffrey Richardson
2. Laborer – Brian Laudone
3. Equipment Operator/Laborer – Joseph Cabana

Upon motion duly made and seconded, it was

VOTED: That the offer a conditional offer of employment to the recommended persons for the position below, subject to all the rules and regulations of KCWA:

1. Meter Department – Jeffrey Richardson
2. Laborer – Brian Laudone
3. Equipment Operator/Laborer – Joseph Cabana

INFRASTRUCTURE PROJECTS

IFR 2010B Prospect Hill (Construction Status)

Mr. Brown reported the project back and is almost complete. The striping and signals were done, and the hydrants were repainted.

Apponaug Circulator Water Main Replacement (Status)

There was a break in the temporary line caused by Cardi that has been repaired.

East Greenwich Refurbishment

Mr. Brown reported that the demolition of the building has occurred. The work is ongoing.

IFR 2014A

Mr. Brown reported that this is the Tollgate Road work. He said the work with the Warwick PD to schedule the work week, as this is a busy road.

IFR 2014B

Mr. Brown reported that construction on the West Warwick roads are underway. The town is completing their portion of the job.

IFR 2015A/B DESIGN

Mr. Brown reports that both contracts are under design. Mr. Brown indicated that if the approval of the settlement Colbea Enterprises is forthcoming, then he would recommend the Laurel Avenue Bridge for design services in the form of Task Order no. 5.

Quaker Lane Pump Station Upgrade (Status)

Mr. Brown reports that the arrived but the work will wait until September as he will not let the pumps go offline in the summer.

Employee Performance and Review – Employment Status

Chairman Boyer asked the employee who was previously notified that he could hold the proposed executive session portion of the meeting in executive session. The employee, Mr. Gilbert Steinle, Jr. told the board that he had no objection to having the discussion in the open meeting. Therefore, there was no move into executive session.

Mr. Brown reported to the board that it was a pleasure to have Mr. Steinle be in the employ of KCWA. He added that the employee had good reviews from both his peers and from management, and now that his two years of probation are over, he recommends full employment with the Authority.

Mr. Gallucci moved, seconded by Mr. Masterson, to confirm Mr. Steinle, Jr.'s full employment from probationary employment.

Upon motion duly made and seconded, it was

VOTED: That the KCWA confirms Mr. Steinle, Jr.'s full employment.

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

Dated: September ____, 2015.

Patrick J. Sullivan, Legal Counsel