

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS

February 16, 2023

A meeting of the Board of Directors of the Kent County Water Authority was held on the 16th day of February, 2023, 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 Scott Duckworth, Secretary Russell Crossman, Charles Donovan and Brian Kortz, were all in attendance along with Executive Director/Chief Engineer David L. Simmons, Director of Construction John Duchesneau, Legal Counsel Marisa Desautel, Esq. and Director of Human Resources and Finance Michael Lanfredi. Director of Engineering and Technology Nicole Campagnone and Director of Operations, Richard Burns were also in attendance.

Ms. Desautel led the group in the pledge of allegiance.

Approval Of The Minutes

The minutes of the board meeting held on January 19, 2023 were presented for approval. Mr. Crossman moved approval, seconded by Mr. Crossman. The minutes were approved unanimously.

Legal Counsel

WW Agreement Land Sale Update – Pontiac Ave.

Ms. Desautel updated the board on the acquisition of the land on Pontiac Ave. in West Warwick. She said the closing had taken place and the KCWA now owns the land and that the matter can be removed from the agenda. Mr. Simmons added that the check had been cut and that installation of the PRV was making good progress.

In addition, Mr. Simmons said their concerns about the Rt. 295 bridge replacement may have been alleviated. If the main under 295 is breached, the West Warwick wastewater plant

would be without water and the southern entire section of our Oaklawn gradient would be shut down. RIDOT has promised to stay away from our water lines. The water line is cast iron from 1966. For this reason, the completion of PRV installation on Pontiac Ave is critical for maintaining flow to this area if something goes awry with RIDOT's bridge construction project affecting the water line below the highway.

Director of Finance Report:

Closing Report August 2022 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 2022-2023 as of January 2023 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of January 2023, attached as exhibit "A", and a thorough discussion ensued with regard to the sales and revenue.

Mr. Lanfredi summarized some of the highlights. He said 81 shutoffs were scheduled, with only 4 shutoffs occurring. He said there were 15 active pay plans with an additional 4 plans revoked for non-payment.

He said 4,600 customers were signed up for the ebill. He finished with 12,000 customers signed up in the portal.

Mr. Crossman 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 2022-2023 as of January 2023 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of January 2023, attached as exhibit "A", be approved as presented and be incorporated herein and are made a part hereof.

Point of Personal Privilege and Communication

Nothing to report.

EXECUTIVE DIRECTOR/CHIEF ENGINEER'S REPORT

ONGOING PROJECTS

OFFICE AND MAINTENANCE FACILITY

Progress Update – ACTION ITEM – Recommendation for Approval. Contract to supply and install roof-mounted solar photovoltaic energy system at new office and maintenance facility.

Mr. Simmons updated the board on the new facility. He said they were doing mostly earthwork, and testing the soil with the on-site materials being reviewed. He discussed new signage and the addition of another construction entrance/egress to better handle the flow of construction traffic. He said a camera there was damaged and was repaired and needed to be relocated.

He said there was a meeting of the interior design team for furniture. He went on about various topics incidental to the progress of the building.

Next, he asked the board to approve the solar panel portion of the new facility. He said KCWA received a proposal from US Solar in partnership with Nadeau Corp which had a competitive pricing compared to the open market in a report created by our Solar Consultant, Julian Dash from Copacity Inc. Mr. Simmons said the consultant recommends US Solar approval with option to negotiate a cheaper option and to consummate the contract/transaction. He said in addition the panels are made in the US which meets a favorable requirement of the bid. The made in the US designation may also position the authority an additional 10% in credits on top of the 30% savings we will be receiving in the form of a direct payment under the Federal ITC program.

Mr. Crossman asked if the reception of only one bid would lead to problems with the PUC?

The board gave Mr. Simmons the option to negotiate a cheaper option and to consummate the contract/transaction.

Mr. Duckworth moved, seconded by Mr. Donovan, to approve US Solar, and to negotiate a cheaper option, and to consummate the contract/transaction.

Motion made and duly seconded, it was unanimously,

VOTED: That KCWA approves US Solar, and authorizes Mr. Simmons to negotiate a cheaper option, and to consummate the contract/transaction.

IFR 2022

ACTION ITEM- Recommendation for approval CO#1 to add Greene and Sternbach Streets in West Warwick

Mr. Simmons updated the board. He said they were working with the RIDOH. They cut out a section of the main and there was evidence of iron buildup. He said there was a new project on the east side of Greene. He said he proposed an updated change order to replace an 8" water main on Greene St. and a 6" main on Sternbach St. to Boyle and Fogarty for \$348,068.85. He went on to state that he would like to remove Sternbach St. from the change order request at this time. This removal would result in a reduced price of \$266,531.85 to replace Greene St for the change order.

Motion made by Mr. Duckworth to approve change order no. 1 to replace an 8" water main on Greene St. to Boyle and Fogarty for \$266,531.85, seconded by Mr. Crossman.

Motion made and duly seconded, it was unanimously

VOTED: That KCWA approves change order to replace an 8" water main on Greene St. to Boyle and Fogarty for \$266,531.85.

IFR 2021

Progress Update

Mr. Simmons updated the board on this subject. He said the weather continued to be good, and the asphalt plants are expected to open early. He expected to begin to finish the Cowesset, Pontiac, East Ave., Hope Furnace and Frenchtown Roads area. In addition to the Pontiac Ave PRV station, He said there were 4.5 miles left on the contract.

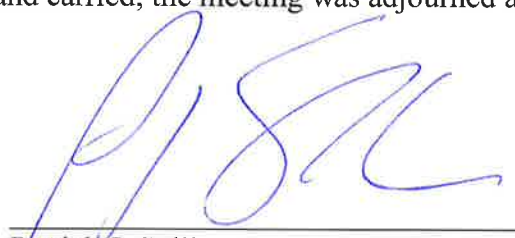
Meter Change Out Program

Update -Large Meter Program

Ms. Campagnone discussed the progress of the program. She said 250 of 305 were replaced in the large meter program. She said there were 59 left to complete. She said the project was 82% complete. She said testing would start in early March, 2023.

There being no further business before this board, on motion duly made by Mr. Rouselle, seconded by Mr. Crossman, and carried, the meeting was adjourned at 4:10 p.m.

Dated: March 16, 2023



Patrick J. Sullivan

Legal Counsel

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

	<u>Jan 2023</u>	<u>Jan 2022</u>
<u>Cash Receipts & Disbursements</u>		
Washington Trust-Deposit Account	\$ 1,894,621	\$ 6,279,356
Washington Trust-Checking Account	261,000	125,070
Washington Trust-Restricted Accounts	-	11,915,992
RIBB-Revenue Bond Fund	17,256,974	-
BNYM Restricted Accounts	18,272,617	-
	<u>\$ 37,685,213</u>	<u>\$ 18,320,419</u>
Collections	\$ 1,579,814	\$ 1,708,699
Disbursements	\$ 2,008,113	\$ 2,067,653
<u>Revenues</u>		
Monthly Budgeted	\$ 1,429,833	\$ 1,482,211
Monthly Actual	1,500,577	1,420,331
Over/(Under) Budget	<u>\$ 70,743</u>	<u>\$ (61,880)</u>
YTD Budgeted	\$ 14,241,733	\$ 13,118,434
YTD Actual	14,279,987	12,495,425
Over/(Under) Budget	<u>\$ 38,254</u>	<u>\$ (623,009)</u>
<u>Expenditures</u>		
Monthly Budgeted	\$ 1,360,292	\$ 1,140,024
Monthly Actual	1,356,314	1,332,791
(Over)/Under Budget	<u>\$ 3,979</u>	<u>\$ (192,767)</u>
YTD Budgeted	\$ 9,430,372	\$ 9,387,168
YTD Actual	10,493,919	9,376,614
(Over)/Under Budget	<u>\$ (1,063,547)</u>	<u>\$ 10,554</u>
YTD Budgeted Surplus/(Deficit)	\$ (1,025,293)	\$ (612,454)
Sales	\$ 1,471,731	\$ 1,471,658
<u>Open Receivables</u>		
0-30 Days	\$ 1,670,765	\$ 1,405,165
31-60 Days	(8,182)	657,907
61-90	93,759	114,888
Over 90 Days	343,410	286,715
	<u>\$ 2,099,752</u>	<u>\$ 2,464,675</u>

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

AS OF 01/2023

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR TO DATE		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
REVENUES					
1-4190 INTEREST & DIVIDEND INC.	5000.00	54726.32	35000.00	224571.91	189571.91
1-4210 MISCELLANEOUS INCOME	2083.33	6501.00	14583.31	195654.68	181071.37
1-4750 OTHER REVENUE-SAMPLES	583.33	300.00	4083.31	8400.00	4316.69
TOTALS FOR OTHER INCOME	7666.66	61527.32	53666.62	428626.59	374959.97
1-1184 MISC BILLABLE WORK	7500.00	-478.91	52500.00	6025.36	-46474.64
1-461A METERED SALES - GC	1000000.00	940329.23	1010000.00	9732671.59	-367328.41
1-461B METERED SALES - IC	180000.00	231321.37	2135000.00	2074766.05	-60233.95
1-4620 PRIVATE FIRE PROTECTION	30833.33	30367.96	215833.31	212093.68	-3739.63
1-4630 PUBLIC FIRE PROTECTION	130666.66	131209.22	914666.62	916167.98	1501.36
1-4640 SALES -PUBLIC AUTHORITIES	38000.00	34509.84	484000.00	470256.96	-13743.04
1-4660 SALES FOR RESALE	15000.00	57363.27	136000.00	317907.52	181907.52
1-4710 SERVICE AND LATE CHARGE	8333.33	11560.97	58333.31	58031.63	-301.68
1-4730 OTHER REVENUE-INSPECTIONS	8333.33	2866.23	58333.31	32815.00	-25518.31
1-4740 OTHER REVENUES & W.P.6.9%	3500.00	143909.18	33400.00	30624.90	-2775.10
TOTALS FOR OPERATING REVENUE ACCTS.	1422166.65	1439049.18	14188066.55	13851360.67	-336705.88
TOTALS FOR REVENUES	1429833.31	1500576.50	14241733.17	14279987.26	38254.09
EXPENDITURES					
1-6020 PURCHASED WATER	475000.00	396986.04	3010000.00	3655497.80	-645497.80
TOTALS FOR SOURCE OF SUPPLY EXPENSES	475000.00	396986.04	3010000.00	3655497.80	-645497.80
1-6210 FUEL FOR PUMPING	12500.00	12485.71	87500.00	94064.55	-6564.55
1-6230 POWER PURCHASED	54166.66	98985.82	379166.62	511754.06	-132587.44
1-624A PUMPING LABOR	13883.33	13949.23	97183.31	105583.88	-8400.57
1-624B PUMPING EXPENSES			1700.00	3658.73	-1958.73
1-6310 STRUCTURE/IMPROVE LABOR	22916.66	8246.82	160416.62	91295.26	69121.36

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ACCOUNT DESCRIPTION	C U R R E N T M O N E T H		Y E A R - T O - D A T E		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
1-6330 PUMPING EQUIPMENT LABOR	7500.00	18482.72	52500.00	64136.88	-11636.88
TOTALS FOR PUMPING EXPENSES	110966.65	152150.30	778466.55	870493.36	-92026.81
1-6410 CHEMICALS	10416.66	1189.49	72916.62	15205.74	57710.88
1-642A WATER TREATMENT LABOR	20833.33	9665.06	145833.31	103532.12	42301.19
1-642B OPERATION EXPENSES	12500.00	3409.50	87500.00	39904.25	47595.75
1-6510 MAINT STRUCT & IMPROVE	1250.00	938.57	8750.00	3235.68	5514.32
1-6520 TREATMENT EQUIPMENT	1666.66	1309.58	11666.62	11906.44	-239.82
TOTALS FOR WATER TREATMENT EXPENSES	46666.65	16512.20	326666.55	173784.23	152882.32
1-662A T & D LINE LABOR	2916.66	207.99	20416.62	29947.22	-9530.60
1-662B T & D SUPPLIES & EXP	4166.66	4255.16	29166.62	52595.07	-23428.45
1-663A T & D METER LABOR	5833.33	2167.92	40833.31	26685.56	14147.75
1-6650 T & D MISC	1250.00	10617.89	8750.00	18225.27	-9475.27
1-6720 RESERVOIR & STANDPIPE	4583.33	3507.45	32083.31	47214.40	-15131.09
1-6730 MAINT T & D MAINS	45833.33	85524.93	320833.31	560553.64	-239720.33
1-6750 SERVICE & CURB BOX	16666.66	18971.49	116666.62	101356.80	15309.82
1-6760 METER REPAIRS	14583.33	5729.63	102083.31	53541.48	48541.83
1-6770 HYDRANT MAINTENANCE	7083.33	15431.82	49583.31	49655.41	-72.10
TOTALS FOR TRANS. & DISTR. EXPENSES	102916.63	146414.28	720416.41	939774.85	-219358.44
1-902A METER READING LABOR	12916.66	5244.94	90416.62	43969.98	46446.64
1-903A OFFICE ADMIN LABOR	15416.66	11119.16	107916.62	110859.75	-2943.13
1-903B CUSTOMER BILLING SUPPORT	14583.33	12783.62	102083.31	117028.14	-14944.83
TOTALS FOR CUSTOMER ACCT. EXPENSES	42916.65	29147.72	300416.55	271857.87	28558.68
1-9090 SHIPPING & FREIGHT	416.66	436.03	2916.62	1394.22	1522.40
1-9100 COMMUNICATIONS EXPENSE	6666.66	6835.73	46666.62	48594.22	-1927.60
1-9160 PROPERTY TAXES			26000.00	55166.07	-29166.07

Kent County Water Authority
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 AS OF 01/2023

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR - T O - D A T E		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
1-9170 COMPUTER EXPENSE	26666.66	27135.98	186666.62	205571.98	-18905.36
1-9190 BANK CHARGES	2916.66	5702.46	20416.62	47647.44	-27230.82
1-9200 OFFICE SALARY LABOR	41666.66	31711.96	291666.62	279603.90	12062.72
1-9210 OFFICE SUPPLIES & EXP	6666.66	5192.87	46666.62	39358.56	7308.06
1-9230 OUTSIDE SERVICES	16666.66	13698.70	116666.62	133580.00	-16913.38
1-9240 INSURANCE EXPENSE	19833.33	18779.17	138833.31	136119.15	2714.16
1-9260 EMPLOYEE BENEFITS	60000.00	60750.76	703000.00	711487.01	-8487.01
1-9270 O.P.E.B. EXPENSE			80000.00	80000.00	
1-9280 REGULATORY COMM EXP	19166.66	337.50	134166.62	126551.83	7614.79
1-930A MISC GENERAL EXPENSE	83.33		583.31	6214.13	-5630.82
1-930B MISC-BOD EXPENSE	1750.00	1750.00	12250.00	12250.00	
1-932A GENERAL PLANT LABOR	12083.33	12331.28	84583.31	78031.80	6551.51
1-932B GARAGE/TRUCK LABOR	8333.33	8837.59	58333.31	104653.66	-46320.35
1-9330 PAID TIME OFF	30000.00	77289.78		101495.97	-101495.97
1-9340 UNCOLLECTIBLE (WRITE OFF)	83.33		583.31		583.31
TOTALS FOR ADM. & GENERAL EXPENSES	252999.93	270789.81	1949999.51	2167719.94	-217720.43
1-9180 LICENSES & PERMITS	250.00	100.00	1750.00	1525.00	225.00
TOTALS FOR MISC. & GENERAL EXPENSES	250.00	100.00	1750.00	1525.00	225.00
1-4030 DEPRECIATION EXPENSE	312742.58	326564.33	2189198.06	2285950.31	-96752.25
1-4080 PAYROLL TAXES	15833.33	17648.93	110833.31	98898.96	11934.35
1-4270 INTEREST EXPENSE			42625.00	28416.97	14208.03
TOTALS FOR OTHER EXPENSES	328575.91	344213.26	2342656.37	2413266.24	-70609.87
TOTALS FOR EXPENDITURES	1360292.42	1356313.61	9430371.94	10493919.29	-1063547.35
EXCESS OF REVENUE OVER EXPENDITURES	69540.89	144262.89	4811361.23	3786067.97	-1025293.26
FOR general					

REPORT DATE 02/15/2023
 SYSTEM DATE 02/15/2023
 FILES ID Z

Kent County Water Authority
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 AS OF 01/2023

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 TIME 10:59:47
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ACCOUNT DESCRIPTION

OTHER ADJUSTMENTS TO FUND BALANCE

FUND BALANCES - JULY 1
 FUND BALANCES - JANUARY 31

CURRENT MONTH		YEAR - T O - D A T E	
BUDGET	ACTUAL	BUDGET	ACTUAL
			0.00
			170380891.60
			174166959.57
			=====

ACTUAL OVER/
 UNDER BUDGET

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