

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING OF THE BOARD

December 19, 2019

A meeting of the Board of Directors of the Kent County Water Authority was held on the 19th day of December 2019, at 3:30 p.m. at the offices of the Authority in West Warwick, RI, in the Joseph D. Richard Board Room.

Chairman Robert Boyer opened the meeting at 3:30 p.m. Board members, Vice Chairman Joseph Gallucci, Russell Crossman, Jeff Giusti, and Geoffrey Rousselle were all present together, along with Executive Director/Chief Engineer David L. Simmons, Legal Counsel Patrick J. Sullivan, Esq., Director of Administration John Duchesneau and Director of Human Resources and Finance Michael Lanfredi. Director of Information and Technology Alisa Morrison was also in attendance. Director Morrison led the group in the pledge of allegiance.

APPROVAL OF THE MINUTES

The minutes of the regular board meeting held on November 21, 2019 were presented for approval. Mr. Rousselle moved, seconded by Mr. Crossman, to amend the minutes to reflect the Chair's absence and to approve the amended minutes. The minutes were approved unanimously.

Legal Matters

Mr. Sullivan updated the board on the encroachments by the owners of the neighboring properties in the Timber Trail area. Mr. Simmons said an inspection of the area of Timber Trail showed continued use of the ATV trails. Mr. Sullivan said that he not only sent the HOA president for the Pine Ridge subdivision notice of the no trespass, but he also notified the Coventry Police Department. Mr. Sullivan said that a notice of no trespass was served by a patrolman and it is on record with the CPD. Any further trespassing, upon a complaint from KCWA, will result in criminal liability.

Next, Mr. Sullivan advised the board that there appeared to be no easement for the Town of Coventry to place an existing sewer pipe over land near Monroe Drive owned by KCWA recorded in the Coventry land evidence records. He said he prepared an easement plan and document and forwarded to the Coventry town manager. He said he spoke with the manager before the meeting and the manager said it was tentatively on the January 13, 2019 town council agenda.

Mr. Sullivan then discussed the bankruptcies of Rhodes Technologies briefly. He said although they were in bankruptcy, they should be paying all pre petition and post petition invoices pursuant to orders of the bankruptcy court

Finally, he discussed the open meetings act. He advised the board that he would meet with the executive director a week before the meeting and specifically set forth the legal matters portion of the meeting with headings of particular cases or controversies to be discussed by Mr. Sullivan. He also said that his research revealed that the point of personal privilege and communication appeared too general and not specific enough to inform the public what was to be discussed and what actions would be taken. There was a lively discussion about the removal of the agenda item. Mr. Sullivan said the board could vote to actually amend the agenda at any time for discussion purposes. At the conclusion of the discussion, Chairman Boyer asked for Mr. Sullivan to get an opinion from the attorney general's open government staff attorneys for clarification.

Director of Finance 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 2018-2019 as of November 2019 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of November 2019, attached as exhibit "A", and a thorough discussion ensued with regard to the sales and revenue.

Mr. Lanfredi said that there was a \$250,000.00 improvement over the last month.

Mr. Rousselle moved, seconded by Mr. Giusti, 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 2018-2019 as of November 2019 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of November 2019, attached as exhibit "A", be approved as presented and be incorporated herein and are made a part hereof.

EXECUTIVE DIRECTOR/CHIEF ENGINEER'S REPORT

GENERAL:

Quonset Development Corp. – Cost of Service Study - Wholesale Connection

Mr. Simmons said he had the rate consultant David Bebyn look at the issue. Mr. Bebyn developed a wholesale cost of service calculation based on a similar cost of service model created to determine a wholesale agreement between Pawtucket and Cumberland. He said this agreement was already approved by the PUC and would be the best fit to determine a similar agreement between KCWA and QDC. Mr. Simmons noted that Mr. Bebyn arrived at a wholesale rate of \$3.87 per hundred cubic feet. Mr. Simmons also stated these results for a wholesale rate would have to be approved by the PUC and would be part of an abbreviated rate filing in February. He discussed that the meter, backflow preventer, and pressure reducing station was designed and ready to be built by QDC and that they were hoping to have it built in the Spring. He said that he met with the managing director of QDC, Steven King, and his engineer Ted Spinard to discuss the wholesale rate findings and also the potential acquisition of QDC wells. They were in agreement with the analysis of our rate consultant and would support KCWA in its effort to present to the PUC. The representatives of QDC also had a loose discussion with Mr. Simmons about taking over their two wells contiguous to our East Greenwich well in the future. They said if they are getting out of the water treatment business, they would get all the way out of it and would also include the well off Frenchtown Road. However, before they could even entertain the acquisition of its wells, QDC would need a guaranteed 1.7 million gallons per day to be provided by KCWA to match the full buildout potential of QDC. Mr. Simmons said KCWA can easily provide that.

Mr. Simmons said as good as it looks, PUC blessing is needed to move forward. The board predicted that economic development would move this quickly through the general assembly as well as the PUC.

Legislative Update - RI Water Authority Discussion

Mr. Simmons discussed the RI Water Works meeting he attended. He said that it appeared that the push to consolidate water authorities and make changes to the Water Resources Board was discussed in general with the thought of a governing structure similar to the Narragansett Bay Commission by Senator Sosnowski at the event. She stated that she is looking to introduce legislation in 2020. Mr. Simmons said he briefly met with the Senator regarding the issue discussed during the meeting and that there is concern by KCWA and other water suppliers that our rate payers should not have to pay for a multimillion-dollar pension liability in the City of Providence upon the sale of PWSB. She agreed that was an issue that is in full consideration and that she envisioned the water suppliers to continue to function as they are today. He said that he would keep the Board abreast to any legislation introduced that could potentially affect KCWA.

Providence Water Supply Board rate filing

He also said PWSB filed a 3-tier rate filing in December with the PUC. He said rate counsel was to file a motion to intervene. He outlined the proposed 3-year increase by year. He said the more water KCWA produces, the less reliant it will be on PWSB. Mr. Rousselle asked how this would impact Quonset. Mr. Simmons said it would be a pass through just like any other customer.

Chairman Boyer asked about sinking additional wells in the Mishnock area. Mr. Simmons said DEM has given KCWA problems in the past when this is discussed and the the Authority has invested million in researching the potential in the area The amount of permitted withdrawals that was ultimately being proposed by the DEM permit was rejected by the Authority because it was onerous and untenable. Mr. Duchesneau thought the property was bought with wellhead protection funding and perhaps there were deed restrictions on the land.

Meter Replacement Project, Status – Report of Progress

Mr. Simmons advised the board that the project was continuing. He said there were 2138 meters installed. He discussed the success that they had with the non-compliant customers. He said at the end of the shutoff period, only seven or eight remain shut off. He said these are vacant and abandoned residences.

Tank Demo Project - Vinagro Progress

Mr. Simmons said the company had to push the project off until the spring.

INFRASTRUCTURE PROJECTS

Hydraulic Model

Ms. Morrison introduced herself and presented the update on this matter. She said she cleaned up the data in the model, cleaned the valves, lines, and splits at the hydrants. She gave a general update to the board and presented a draft of the updated website. She said the pipe inventory was updated.

Chairman Boyer gave a historical update on the model. He said they previously contracted out the model under a sub par setup. He said the contractor held the model hostage at a high cost. He advised the board that KCWA now has operational control over the model and data. He said this arrangement benefits both KCWA, its customers, and contractors alike.

IFR 2018

Mr. Simmons said the construction has been completed. He said the final paving would be done in the spring after settling.

CAPITAL PROJECTS

Water Main North/South Interconnection High Service Coventry Main St, Leader, Old Main St, Sandy Bottom, Tiogue @ Gilles

Mr. Simmons said the project was progressing smoothly. He showed a time lapse video of the work being done at the bridge on Sandy Bottom Road. There was an 8” and 12” pipe that was installed and capped dry until spring.

Professional Architectural Engineering Services for Evaluation and Analysis of New Office and Maintenance Facility – Contract Awarded and accepted by V# - Update of progress

Mr. Simmons explained this topic to the board. He said there were meetings for the following Friday to finalize the design. He said multiple properties are under consideration. He said the board will be presented with the results at the February meeting.

Professional Engineering Consultation Services for a groundwater Treatment Facility for EG Well-Proposals under review – Award Recommendation

Mr. Simmons said they received two proposals from Wright Pierce and Pare Engineering. He said KCWA has a pre existing relationship with Wright Pierce, but their bid was \$122k higher. He said he had concerns, but after doing some due diligence interviews, he is confident Pare Engineering can do the job. He recommended the bid be awarded in an amount not to exceed \$359,817.00 to Pare Engineering.

Chairman Boyer said he agreed with the executive director. Mr. Giusti asked how long to do the project, and Mr. Simmons said 6 months.

Mr. Gallucci moved, seconded by Mr. Rousselle, to award the contract for the groundwater treatment facility to Pare Engineering in an amount not to exceed \$359,817.00.

Motion made and duly seconded, it was unanimously:

VOTED: That KCWA awards contract for the groundwater treatment facility at the EG well to Pare Engineering in an amount not to exceed \$359,817.00.

There being no further business before this meeting, on motion duly made by Mr. Rousselle, seconded by Mr. Crossman and carried, the meeting was adjourned at 4:40 p.m.

Dated: January _____, 2020

Patrick J. Sullivan
Legal Counsel