

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING
OF THE BOARD

February 15, 2018

A meeting of the Board of Directors of the Kent County Water Authority was held on the 15th day of February, 2018, 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 Peter Masterson, Treasurer Joseph Gallucci, Secretary Scott Duckworth, Russell Crossman and Frank Giorgio were all present together, along with the General Manager/Chief Engineer Timothy J. Brown, Legal Counsel Patrick J. Sullivan, Esq., Director of Technical Services John Duchesneau and Director of Finance and Administration Michael Lanfredi. Also, in attendance was Treatment Manager/Water Project Engineer Dave Simmons. Mr. Gallucci led the group in the pledge of allegiance.

APPROVAL OF THE MINUTES

The minutes of the regular board meeting held on January 18, 2018 were presented for approval. Mr. Duckworth moved, seconded by Mr. Masterson, to approve the minutes. The minutes were unanimously approved.

Legal Matters

Mr. Sullivan discussed the litigation entitled Conservation Law Foundation v. KCWA and Burrillville v. KCWA (PC2017-1037 and PC2017-1039). He discussed the progress of the case and the developments since the last meeting. There has been little activity on this matter.

The matter of Valley CC was discussed. Mr. Sullivan had received communications from the attorney representing Valley CC. He was surprised that the KCWA didn't make a counter offer. Mr. Sullivan explained his interactions with counsel for Valley CC. Mr. Brown advised the board that he received notice of a complaint filed with DPUC. He said KCWA awaits notice of a hearing date. There was a general discussion of a potential resolution, and Mr. Brown said now that the matter is before the DPUC, settlement discussions may take place at that venue and in connection with that complaint.

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 2017-2018 as of January 2017 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of January 2017, attached as exhibit "A", and a thorough discussion ensued with regard to the sales and revenue.

Mr. Gallucci 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 2017-2018 as of January 2017 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of January 2017, attached as exhibit "A", be approved as presented and be incorporated herein and are made a part hereof.

Point of Personal Privilege & Communication

GENERAL MANAGER/CHIEF ENGINEER'S REPORT

GENERAL:

Utility Conflict King Fisher & Osprey Drive, Coventry

Mr. Brown updated the Board on this matter. He said there had been no progress again noting the rough winter so far. He said with the weather, the matter should be put off until when the weather breaks.

Valley Country Club Billing, Complaint filed with DPUC Awaiting Hearing Date

Mr. Brown said this was handled in legal matters.

Bradford Soap Billing – Awaiting Hearing Date

Mr. Brown explained that this matter was assigned a hearing date in April. There was a general discussion about the length of time between hearing dates. Mr. Brown advised the board that after diligent efforts, the matter has been scheduled. He said he provided the board with a letter from their attorney Mr. Revens, and Mr. Brown suggested that the matter be negotiated at the DPUC venue. The board agreed.

Request for Proposal Approvals:

1. Water Main Engineering Design Services, Hilltop area, Warwick

Mr. Brown began a discussion of the problems that KCWA had with leaks and water main breaks in this area. He said the problem is likely with the underground infrastructure, and that it needs to be replaced.

Mr. Brown recommended awarding the RFP to James J. Geremia & Associates in an amount not to exceed \$47,515.00.

Mr. Masterson moved, seconded by Mr. Duckworth, to approve the RFP for water main engineering design services to James J. Geremia & Associates in an amount not to exceed \$47,515.00.

Upon motion duly made and seconded, it was unanimously,

VOTED: That KCWA approves the RFP for water main engineering design services to James J. Geremia & Associates in an amount not to exceed \$47,515.00.

2. Printing and Mailing Services, Bills and Notices – yearly contract

Mr. Brown informed the board of the results of the RFP for these services. He recommended that the RFP be awarded to Cathedral Corporation in the amount of \$0.144 per bill (services) and \$0.054 per bill (materials) for a total of \$0.198 total.

Mr. Gallucci moved, seconded by Mr. Duckworth, that the RFP be awarded to Cathedral Corporation in the amount of \$0.144 per bill (services) and \$0.054 per bill (materials) for a total of \$0.198 total.

Upon motion made and duly seconded, it was unanimously

VOTED: That KCWA award the RFP to Cathedral Corporation in the amount of \$0.144 per bill (services) and \$0.054 per bill (materials) for a total of \$0.198 total.

3. Annual Auditing Services – yearly contract.

Mr. Brown recommended the lowest bidder, and the same vendor used last year, as Hague, Sahady & Co., P.C. in the amount of \$27,000.00 per year, and the company will hold that price for three years.

Mr. Masterson moved, seconded by Mr. Duckworth, to approve the award to Hague, Sahady & Co., P.C. for annual auditing services in the amount of \$27,000.00.

Upon motion duly made and seconded, it was unanimously

VOTED: KCWA approves the award to Hague, Sahady & Co., P.C. for annual auditing services in the amount of \$27,000.00.

RI Commerce Corporation Request for NDA Execution, Board Action

Mr. Brown discussed this matter. He said he was contacted by the RI Commerce Corp. to engage in a discussion of a potential investment by an outside party in the West Greenwich area. He said the conference was postponed since KCWA hadn't signed the non-disclosure agreement. Mr. Brown said he opposed signing the agreement. The board agreed with him.

Mr. Sullivan said the board could invite the representatives to a closed-door meeting in executive session on the proposal. He assured the board that this was one of the reasons set out in the open meetings statute for having a closed meeting. The board authorized Mr. Brown to make that offer.

KCWA v. Cardi Corp v. RIDOT Settlement Agreement with Board Action.

Mr. Sullivan updated the board on the litigation and the formal offer of settlement. Mr. Brown updated the board on the negligence that KCWA alleged in its suit against Cardi and that it was on Route 116 where the compaction of asphalt was so severe it broke the main. Mr. Sullivan said Cardi brought in RIDOT as a third party defendant. He said RIDOT and Cardi proposed dividing the damages by three, and RIDOT paying one third, and Cardi paying one third as a full and final settlement.

There was discussion among the board members, and the fact that the litigation and legal expenses would go on with no certainty.

Mr. Masterson moved, seconded by Mr. Giorgio, to settle the KCWA v. Cardi v. RIDOT (KC2016-0473) with Cardi Corp. paying \$6,349.61 and RIDOT paying \$6,349.61.

Upon motion duly made and seconded, it was unanimously

VOTED: That the board authorizes settlement of the KCWA v. Cardi v. RIDOT (KC2016-0473) with Cardi Corp. paying \$6,349.61 and RIDOT paying \$6,349.61.

INFRASTRUCTURE PROJECTS

East Greenwich Well Refurbishment

Mr. Brown reported that most of the punch list was completed. He said there were only a few items left and said a temperature probe in the well wasn't working. He said they need to pull the well and replace the probe. There was some driveway sealing and fence repair that needs attention.

IFR 2015A

Mr. Brown reports that construction was in winter shutdown.

IFR 2015B

Mr. Brown reported that this required a change of the contract with Boyle and Fogarty for installation of a water main in the Park St., Frances St and Holden St. in Coventry. Mr. Brown recommended approval of Change Order #1 in the amount of \$420,065.50 to Boyle and Fogarty.

Mr. Masterson moved, seconded by Mr. Duckworth, to approve Change Order #1 in the amount of \$420,065.50 to Boyle and Fogarty Construction.

Upon motion duly made and seconded, it was unanimously

VOTED: That Change Order #1 in the amount of \$420,065.50 to Boyle and Fogarty Construction is approved.

IFR 2016 Design (Project Status)

Mr. Brown updated the Board that this was on hold for funding.

IFR 2018 Design – RFP

Mr. Brown reported that this has been awarded to James J. Geremia & Associates.

CAPITAL PROJECTS

Water Main North/South Interconnection High Service

Mr. Brown reported that the design was done and the project awaited funding.

There being no further business before the board, Mr. Duckworth moved, seconded by Mr. Giorgio, to adjourn the meeting. The vote was unanimous in the affirmative.

Dated: March ____, 2018

Patrick J. Sullivan
Legal Counsel