

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING
OF THE BOARD

February 20, 2020

A meeting of the Board of Directors of the Kent County Water Authority was held on the 20th day of February 2020, 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, Secretary Scott Duckworth, Treasurer Russell Crossman, Brian Kortz, 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. Mr. Simmons led the group in the pledge of allegiance.

APPROVAL OF THE MINUTES

The minutes of the regular board meeting, including executive session minutes, held on January 16, 2010 were presented for approval. Mr. Rousselle moved, seconded by Mr. Duckworth. The minutes were approved unanimously.

Legal Matters

Mr. Sullivan updated the board on the Center of New England receivership. The case remains before the superior court. There was little action to report except that there were minor matters unrelated to KCWA. He continues to monitor the case.

Next, Mr. Sullivan advised the board that the sewer easement on the Munroe Dr. area was approved by the town council in form. He said he was in contact with Weston and Sampson, the town's consultants, and he has asked for an engineering plan. The metes and bounds of the easement, however, are already in the proposed easement. He said this would be an action item on the next meeting agenda.

Guests

Presentation of the Draft Report; Professional Architectural/Engineering Evaluation and Analysis for a New Office and Maintenance Facility.

Mr. Simmons introduced Anthia Maniotes and Jeff Caplin from Vision 3 Architects to discuss this topic. He explained that this study was being performed as part of a request by the Division of Public Utilities and Carriers as a requirement before funding and/or bond issues can be requested before the PUC. Mr. Simmons added that the agenda topic that is next dealing with a day care building as a proposed acquisition was off the table as it was under contract.

Mr. Caplin began a power point presentation of the work they did in trying to identify a suitable location and designing a new building for KCWA. He began with a historical use of the current facility and the existing conditions. He introduced the feasibility study their company did and each member had a hard copy. He said Pare Engineering and Hayes and Sherry both worked with Vision 3 in identifying locations and incorporating the engineering into a design of a new building. There was a comprehensive review of sites both on and off market. He also said Keough Construction Management also had input providing construction cost estimates for both the building and site.

They primarily discussed the area needs, consisting of at least 5 buildable acres, and the spatial needs. They described this as a fluid analysis, as the board questioned the spatial arrangement and the future needs as the authority grows. Mr. Kortz asked Mr. Simmons how much growth was factored into the design and also where the growth was anticipated. Mr. Simmons responded that growth was factored into the design up to 50 personnel and the programming was mainly focused into operations. Mr. Kortz asked whether some administrative growth should be considered. Mr. Simmons agreed and stated this is only a draft layout and there should be administrative growth factored into future design.

The chairman asked about how the sites were selected. Mr. Rousselle asked about an RFP process as did Mr. Crossman. Mr. Caplin said they started with 11 sites and it was reduced to 3, one off Hopkins Hill Rd. and Technology Way in West Greenwich, one was on Lacroix Drive in West Warwick and one in Coventry at Harkney Hill Rd. and Route 3. Mr. Kortz asked Mr. Sullivan if it required a bid. Mr. Sullivan said it didn't, but the KCWA could use an RFP process to check additional interest.

The guests discussed the pros and cons of each site and thought the Technology Park Drive was the preferred location from what was presented at this time. Mr. Simmons spoke about the PUC's involvement and their desire to incorporate renewable energy initiatives such as solar arrays to offset greenhouse gas emissions and enhance resiliency for utilities. Mr. Simmons also said the DPUC required the feasibility study before KCWA could go forward in any event.

There was a general discussion of the proposed financing. Mr. Simmons said KCWA had enough funds for the property acquisition, but not the building. The building would most likely require a bond issue and a future filing with the PUC. He discussed the benefits of the Technology Park location with the PILOT tax payments. He stated that payments in lieu of taxes are based on the initial purchase price of any property acquired for a new facility. Properties with existing facilities can inflate the upfront purchase price which inflates PILOT payments in perpetuity. The lowest cost to the rate payers would most likely be the purchase of raw land at a reasonable price and build a facility. Additionally, there is a fund that contains \$750,000 generated from a water quality protection surcharge that customers pay as part of their bill. This fund could be used to purchase the open space that is within the KCWA wellhead protection area. Mr. Simmons reiterated that the technology park property intersects the KCWA wellhead protection area and the owner is willing to subdivide the property to allow KCWA to utilize the wellhead protection fund. He stated that protected land is not subject to the PILOT and would further reduce the long term cost to the rate payers.

The Chairman thought that the board members could have a series of special meetings to take a bus tour of each of the locations.

Mr. Rousselle moved, seconded by Mr. Duckworth, to have Mr. Sullivan and Mr. Simmons to develop a request for proposals for advertisement to see if there is any other interest in the project from landowners whose land isn't currently listed with a broker.

Motion made and duly seconded, it was unanimously

VOTED: That Mr. Sullivan and Mr. Simmons are requested to develop a request for proposals for advertisement for the project.

Legal Matters

Mr. Sullivan updated the board on the CONE receivership. He said he checked the court docket and found no new filings, but the receiver borrowed a sum of money to begin to repair the improperly installed water lines with the ultimate goal of purchasing KCWA water.

He also updated the board on the Monroe Drive sewer easement. He said he spoke with the town manager who advised that the form of the easement was approved at the town council meeting so it should be on the KCWA agenda for action at the next meeting.

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 2019-2020 as of January 2020 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of

January 2020, attached as exhibit “A”, and a thorough discussion ensued with regard to the sales and revenue.

Mr. Duckworth moved, seconded by Mr. Rousselle, 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 2019-2020 as of January 2020 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of January 2020, 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:

Retirement Announcement – Cindy Heard

Mr. Simmons advised the board that Ms. Heard was retiring after working at KCWA for 44 years. He said he put Ms. Jaques in training with her as the new customer service manager. He said he advertised for a customer service representative and received over 300 applications. He said they reduced the number to 11 and will be interviewing shortly.

Abbreviated Rate Filing to PUC – Docket 5012

Mr. Simmons discussed KCWA’s abbreviated rate filing. He said it was filed on January 31, 2020 and that there were 7 elements to it and is currently responding to the first two sets of data requests from the Division. He said the proposed wholesale rate to Quonset is a part of the filing. He said the request was for a rate decrease, to clean up some bookkeeping, and create an ongoing meter program. He also discussed the blending of the rate with both a large meter and a smaller bypass meter. He stated the he attended a preconference hearing to set the procedural schedules and the review process could extend into September but may be completed sooner if a settlement agreement could take place.

Mr. Kortz asked Mr. Simmons if he thought it was appropriate to apply for a decrease now when KCWA will ultimately go back for an increase for a new facility. Mr. Simmons stated that the abbreviated filing encompasses a required compliance filing that was always going to reduce the rate to stop funding the meter program. The abbreviated filing was aimed at only maintaining a small portion of funding to continue an ongoing meter program. Mr. Simmons also said with the PWSB multiyear rate filing , the KCWA’s pass through fining would potentially make the decrease disappear.

March 2020 meeting date change

Mr. Simmons discussed the topic. He said he wouldn't be here for the regular meeting of March 19, 2020 and asked that it be moved to March 12, 2020.

Motion made by Mr. Duckworth, seconded by Mr. Rousselle, to move the March 2020 meeting to March 12, 2020.

Motion made and seconded, it was unanimously

VOTED: That the March 2020 meeting shall be moved to March 12, 2020.

Meter Replacement Project, Status – Update on Installation Progress

Mr. Simmons advised the board that the project was continuing. He said the project was going well.

Update of progress- Schedule Action item: Task Order Number 4: Scope of Service and Compensation Invoicing schedule

Mr. Simmons said the project is off until the spring as DEM approval is pending. He asked the board to approve task order #4 as it changes the scope of services and the rates of compensation for the parties.

Mr. Duckworth moved to approve task order no. 4, seconded by Mr. Rousselle.

Upon motion duly made and seconded, it was unanimously

VOTED: To approve task order no. 4 changing the scope of services and the rates of compensation for the parties.

Board Action Item – Award bid for Professional Services for Design Printing and Mailing of Consumer Confidence Reports

Mr. Simmons discussed the only bid received. He said Graphic Image, the same company that has done this work for KCWA in years past, bid \$10,195.00. He recommended approval.

Mr. Duckworth moved, seconded by Mr. Rousselle, to award the bid to Graphic Image.

Motion made and duly seconded, it was unanimously

VOTED: That KCWA awards the bid to Graphic Image for \$10,195.00.

INFRASTRUCTURE PROJECTS

Board Action Item: Task Order No 2 IFR Design Services under the 2016 Infrastructure Water System Main Replacement Project for the replacement of two PRV stations and associated main replacements in the Town of Coventry.

Mr. Simmons recommended the board approve task order no. 2 to replace two pressure reducing valve stations and some associated water main work to remove several dead ends on Hopkins Hill Road and extend a new reduced high service line down Johnson Blvd. He said the PRVs were quite old and KCWA has no connected telemetry to allow the SCADA system to continuously monitor those locations like the other PRVs in the system. Both PRVs are in vaults in roadways that are often flooded and are in confined spaces. The proposed design will be relocating the Helen avenue PRV to the Johnson Blvd pump station site. He stated that because the PRVs have no telemetry or alarm set points, we have to check those areas manually and problems that may occur may go unnoticed where if one failed he would not know until we received pressure complaints. He said they reduce the pressure from 500 psi to 430 psi.

Mr. Duckworth moved, seconded by Mr. Rousselle, to approve the task order no. 2 for the not-to exceed amount of \$60,514.00.

Motion made and duly seconded, it was unanimously

VOTED: That KCWA approves the task order no. 2 for the not to exceed amount of \$60,514.00.

Paving Policy in the Town of Coventry

Mr. Simmons explained the RI Utility Fair Share Roadway Repair Act passed last year by the general assembly and signed into law by the governor. He said Coventry had adjusted their paving policy that was previously acceptable and asked the Coventry members to meet with Coventry to try to resolve the issue so KCWA can continue to provide exceptional paving and road restoration.

Alisa Morrison (Director of Engineering and Technology) Hydraulic Model – progress update

Ms. Morrison updated the board on this topic. She said the model was working and that a project was coming in that would be using the new model and KCWA was to use this as a training project.

CAPITAL PROJECTS

Water Main North/South Interconnection High Service Coventry- Main Street @ Leader and Old Main, Sandy Bottom, Tiogue @ Gilles. – On hold until spring

Mr. Simmons explained that this project was on hold until spring.

Groundwater Treatment Facility Design for the East Greenwich Well-Update

Mr. Simmons discussed the EG well. He said he went to East Bridgewater and toured the site to get a feel of what the design looked like. He said he was impressed with the technology being employed for iron and manganese removal which also has integrated aeration to remove radon which is needed by KCWA.

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 5:15 p.m.

Dated: March _____, 2020

Patrick J. Sullivan
Legal Counsel