

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS

August 15, 2024

A meeting of the Board of Directors of the Kent County Water Authority was held on the 15th day of August, 2024, at 3:30 p.m. at the offices of the Authority 35 Technology Way, West Greenwich, RI, in the Robert B. Boyer Board Room.

Vice Chairman Jeff Giusti opened the meeting at 3:30 p.m., Treasurer Scott Duckworth, board members, Geoff Rousselle, Brian Kortz and Ken Mason were all in attendance along with Executive Director/Chief Engineer David L. Simmons, Chief of Administration John Duchesneau, Richard Burns, Chief of Operations, Legal Counsel Patrick J. Sullivan, Esq., Director of Human Resources and Finance Michael Lanfredi.

Mr. Lanfredi led the room in the pledge of allegiance.

Approval Of The Minutes

The minutes of the board meetings held on May 16, 2024, were presented for approval. Mr. Duckworth moved the approval, seconded by Mr. Rousselle. The minutes were approved unanimously.

Legal Matters

Center of New England Receivership (CONE)

Mr. Sullivan updated the board on the CONE receivership. He indicated that the latest action was the court approving the financing of the wetlands crossover and the new resurfacing project. There was nothing more to report.

PFAS Litigation

Mr. Sullivan updated the board on the status of this litigation. He said there was nothing new to report as several deadlines were approaching regarding the special needs fund. Mr. Sullivan explained that this fund was designed to compensate public water authorities for money spent

mitigating PFAS contamination. Mr. Sullivan indicated that Mr. Simmons had completed this task. There was some back-and-forth with our consultant but we believe they have everything they need now.

Director of Finance Report:

Closing Report/ Cash Report June 2024

Mr. Lanfredi, Finance Director, explained and submitted the financial report. He reported on the Cash Receipts and Disbursements and Statement of Cash Location FY 2024-2025 as of July 2024 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of July 2024, attached as exhibit "A", and a thorough discussion ensued with regard to the sales and revenue.

Mr. Lanfredi discussed the delinquencies, payment plans and shutoffs. He discussed the revenue.

Mr. Lanfredi advised the board that there were 378 accounts delinquent in excess of \$100 and of that there were 129 accounts delinquent in excess of \$150.

He said they were set up for shut offs next week.

He went on to say that they were 10 payment plans, three were revoked, and four paid in full.

Mr. Lanfredi went on to say that 1,600 customers are on auto pay, and that 14,500 customers were signed up for the portal.

Mr. Rousselle 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 2024-2025 as of July 2024 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of July 2024, attached as exhibit "A", be approved as presented and be incorporated herein and are made a part hereof.

Personal Privilege and Communication

Mr. Duckworth asked for an update on the open house ribbon-cutting ceremony. Mr. Simmons said that he wanted to do that at the end of August but that would be too soon. He said they are having some issues with the gas pressure powering the heating system. Mr. Simmons said

there still remains a lot of property at the old office, so he'd like to have the ribbon-cutting in late October or November so that job is fully complete and we are settled. Mr. Giusti said that the authority needed the building to be complete before the ribbon-cutting ceremony. He said he didn't see any rush. Mr. Duckworth agreed.

EXECUTIVE DIRECTOR/CHIEF ENGINEER'S REPORT

ONGOING PROJECTS

IFR 2021-22: Update IFR 22 – Update Cowesett Ave

ACTION ITEM: IFR2021 CO#13 Emergency Replacement of 16-inch AC and temporary bypass on Greenbush Rd in West Warwick

Mr. Simmons updated the board on the Cowesett Avenue paving project. Mr. Simmons said the project is on schedule. He said phase 2 consists of night work. There have been complaints from some residents, but there is only one month left of night work. He said the final overlay with a full overlay from Coit Avenue to New London Turnpike should begin around September 2. Mr. Simmons discussed the difficulty with utility conflicts in the depth of the asphalt, it being a state road.

Mr. Burns added that the drainage is in extremely poor condition.

Mr. Simmons presented change order number 13 for IFR 2021 for emergency work bypass at Greenbush Road. He said they submitted it to the Town of West Warwick so they can include it in their FEMA submission.

Mr. Giusti asked whether the 5 million was included in our budget. Mr. Simmons replied yes that a large part of that sum is associated with the emergency Bald Hill water main extension project from Toll Gate Rd to the Staples Plaza being reimbursed to the Authority by the plaza owner. The other element that expanded on in the IFR contract was the partnership with the Town of West Warwick in and around Carlson Circle to reservice areas of traditionally lower pressure prior to the Town repaving those roads.

Mr. Duckworth moved approval of the change order in the amount of \$288,310.80. Mr. Mason seconded the motion.

VOTED: that the Kent County Water Authority board of Directors approves Change Order number 13 - emergency work bypass at Greenbush Road.

KCWA IFR Update - KCWA IFR work Mapledale St. & Albro Ln. Coventry

Mr. Burns notified the board that this project was completed. He said they did some drainage work on Albro Lane and one employee was injured. There was a brief discussion about the conditions of the injury.

Office and Maintenance Facility: Construction update. Punchlist and Project closeout items

Mr. Simmons discussed the punch list items with the board. He also indicated that the power to the sign on Hopkins Hill Road needs to be moved. He indicated that there are a lot of little things that need to be shored up.

There was a brief discussion of the old facility and the authority's options to lease, sell or otherwise. Mr. Simmons reminded the board that West Warwick has a right of first refusal upon a sale. The board discussed that in any case an official appraisal should be performed to have the necessary paperwork and information to base a decision on in the future. The board directed Mr. Simmons to have an appraisal completed for review and discussion at a future meeting.

Bald Hill Conversion Project Bald Hill Rd (Staples Plaza) Update – KCWA portion of project complete with the exception of final paving

Mr. Simmons said that the authority was done with the work it promised to do. He said they were waiting on the Staples Plaza to connect to the new main.

East Greenwich Well Treatment Plant Updated PFAS design, pilot study, and funding

Mr. Simmons indicated that he had numerous conversations with the Quonset Development Corporation on many occasions regarding the facility that KCWA was building for iron and manganese removal and preparation to changes in PFAS regulations. He said that over several years of negotiation we finalized legislation, petitioned the PUC and received a wholesale rate to service the park all to help QDC meet their requirements of reducing the impact on the Hunt River Basin and provide the necessary water a fair cost to onboard new customers in the park . In addition to providing water, there were discussions back-and-forth about building the treatment plant and that it makes sense to run the water from their wells abutting the Authority property through this plant to remove the PFAS. Otherwise, they would have to build their own. He indicated that QDC recently sent out an RFP to explore blending Kent County provided water with a consolidation of their wells to a common point within the park and also look at building a separate plant.

Mr. Simmons went on to discuss the conversations he's had with North Kingstown regarding sharing the PFAS cleanup and potentially expand the water service there. Mr. Mason asked if the final design will have capacity for North Kingstown even if they're not committed. Mr. Simmons indicated that it will, and discussed other stormwater issues, such as wastewater, backwash water into the sewer system, and potential issues with discharge permits that are not insurmountable but need to be considered in the new design. He also stated that KCWA will be

building a pilot testing skid and performing the pilot testing to meet the requirements of RIDOH for approval of the treatment technologies that will be employed in the final design.

Mr. Duckworth asked if it was the first plant like this in Rhode Island. Mr. Simmons said that the University of Rhode Island has one in the works. Mr. Mason asked about North Kingston and/or Quonset paying for a portion of the treatment plant. Mr. Simmons explained about the wholesale rate that was approved by the PUC for Quonset could be applied to North Kingstown via a separate interconnection agreement. He said the same model can be used for both to properly allocate cost and meet the revenue requirements that are currently enforced under the most recent rate order.

There being no further business before this board, on motion duly made by Mr. Duckworth, seconded by Mr. Donovan, and carried, the meeting was adjourned at 4:45 p.m.

Dated: September 19, 2024



Patrick J. Sullivan
Legal Counsel

**KENT COUNTY WATER AUTHORITY
MONTHLY FINANCE REPORT
FOR THE MONTH ENDING JULY 31, 2024**

	<u>Jul 2024</u>	<u>Jul 2023</u>
<u>Cash Receipts & Disbursements</u>		
Washington Trust-Deposit Account	\$ 866,126	\$ 3,128,513
Washington Trust-Checking Account	99,238	64,996
Washington Trust-Bald Hill Escrow Acct	601,906	
RIBB-Revenue Bond Fund	33,120	12,342,307
BNYM Restricted Accounts	12,836,450	19,031,402
	<u>\$ 14,436,840</u>	<u>\$ 34,567,218</u>
Collections	\$ 2,047,452	\$ 2,395,355
Disbursements	\$ 4,976,533	\$ 2,515,434
<u>Revenues</u>		
Monthly Budgeted	\$ 1,822,917	\$ 2,518,083
Monthly Actual	2,433,425	1,812,570
Over/(Under) Budget	<u>\$ 610,508</u>	<u>\$ (705,513)</u>
YTD Budgeted	\$ 1,822,917	\$ 2,518,083
YTD Actual	2,433,425	1,812,570
Over/(Under) Budget	<u>\$ 610,508</u>	<u>\$ (705,513)</u>
<u>Expenditures</u>		
Monthly Budgeted	\$ 1,701,917	\$ 1,538,333
Monthly Actual	1,531,018	1,176,356
(Over)/Under Budget	<u>\$ 170,898</u>	<u>\$ 361,977</u>
YTD Budgeted	\$ 1,701,917	\$ 1,538,333
YTD Actual	1,531,018	1,176,356
(Over)/Under Budget	<u>\$ 170,898</u>	<u>\$ 361,977</u>
YTD Budgeted Surplus/(Deficit)	\$ 781,406	\$ (343,536)
Sales	\$ 2,435,065	\$ 1,796,198
<u>Open Receivables</u>		
0-30 Days	\$ 2,806,989	\$ 1,696,955
31-60 Days	86,031	457,456
61-90	(3,053)	(9,898)
Over 90 Days	53,088	57,876
	<u>\$ 2,943,055</u>	<u>\$ 2,202,389</u>

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

AS OF 07/2024

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR - TO - DATE		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
REVENUES					
1-4190					
INTEREST & DIVIDEND INC.	77083.33	67203.85	77083.33	67203.85	-9879.48
1-4210					
MISCELLANEOUS INCOME	8333.33	4792.65	8333.33	4792.65	-3540.68
1-4750					
OTHER REVENUE-SAMPLES	750.00	750.00	750.00	750.00	
TOTALS FOR OTHER INCOME	86166.66	72746.50	86166.66	72746.50	-13420.16
1-1184					
MISC BILLABLE WORK	416.66	-1601.10	416.66	-1601.10	-2017.76
1-461A					
METERED SALES - GC	1200000.00	1699147.94	1200000.00	1699147.94	499147.94
1-461B					
METERED SALES - IC	250000.00	328590.34	250000.00	328590.34	78590.34
1-4620					
PRIVATE FIRE PROTECTION	30000.00	30268.90	30000.00	30268.90	268.90
1-4630					
PUBLIC FIRE PROTECTION	131250.00	131373.26	131250.00	131373.26	123.26
1-4640					
SALES - PUBLIC AUTHORITIES	55000.00	78813.35	55000.00	78813.35	23813.35
1-4660					
SALES FOR RESALE	60000.00	76344.54	60000.00	76344.54	16344.54
1-4710					
SERVICE AND LATE CHARGE	3000.00	6981.61	3000.00	6981.61	3981.61
1-4730					
OTHER REVENUE-INSPECTIONS	3333.33	5435.00	3333.33	5435.00	2101.67
1-4740					
OTHER REVENUES & W.P.6.9%	3750.00	5324.22	3750.00	5324.22	1574.22
TOTALS FOR OPERATING REVENUE ACCTS.	1736749.99	2360678.06	1736749.99	2360678.06	623928.07
TOTALS FOR REVENUES	1822916.65	2433424.56	1822916.65	2433424.56	610507.91
EXPENDITURES					
1-6020					
PURCHASED WATER	650000.00	686988.94	650000.00	686988.94	-36988.94
TOTALS FOR SOURCE OF SUPPLY EXPENSES	650000.00	686988.94	650000.00	686988.94	-36988.94
1-6210					
FUEL FOR PUMPING	11666.66	10618.39	11666.66	10618.39	1048.27
1-6230					
POWER PURCHASED	66666.66	77889.04	66666.66	77889.04	-11222.38
1-624A					
PUMPING LABOR	17500.00	18720.40	17500.00	18720.40	-1220.40
1-624B					
PUMPING EXPENSES	833.33		833.33		833.33
1-6310					
STRUCTURE/IMPROVE LABOR	18750.00	56819.64	18750.00	56819.64	-38069.64

Kent County Water Authority
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AS OF 07/2024

ACCOUNT DESCRIPTION	C U R R E N T M O N 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	10000.00	3139.78	10000.00	3139.78	6860.22
TOTALS FOR PUMPING EXPENSES	125416.65	167187.25	125416.65	167187.25	-41770.60
1-6410 CHEMICALS	10416.66	13038.68	10416.66	13038.68	-2622.02
1-642A WATER TREATMENT LABOR	16666.66	15139.34	16666.66	15139.34	1527.32
1-642B OPERATION EXPENSES	7500.00	9635.19	7500.00	9635.19	-2135.19
1-6510 MAINT STRUCT & IMPROVE	2083.33	43239.88	2083.33	43239.88	-41156.55
1-6520 TREATMENT EQUIPMENT	4166.66	122.56	4166.66	122.56	4044.10
TOTALS FOR WATER TREATMENT EXPENSES	40833.31	81175.65	40833.31	81175.65	-40342.34
1-662A T & D LINE LABOR	1250.00	920.16	1250.00	920.16	329.84
1-662B T & D SUPPLIES & EXP	5416.66	1998.62	5416.66	1998.62	3418.04
1-663A T & D METER LABOR	3333.33	4175.99	3333.33	4175.99	-842.66
1-6650 T & D MISC	1250.00	2487.00	1250.00	2487.00	-1237.00
1-6720 RESERVOIR & STANDPIPE	6250.00	3483.93	6250.00	3483.93	2766.07
1-6730 MAINT T & D MAINS	75000.00	76482.43	75000.00	76482.43	-1482.43
1-6750 SERVICE & CURB BOX	20833.33	8202.91	20833.33	8202.91	12630.42
1-6760 METER REPAIRS	10416.66	9649.23	10416.66	9649.23	767.43
1-6770 HYDRANT MAINTENANCE	4166.66	5898.93	4166.66	5898.93	-1732.27
TOTALS FOR TRANS. & DISTR. EXPENSES	127916.64	113299.20	127916.64	113299.20	14617.44
1-902A METER READING LABOR	3333.33	3100.69	3333.33	3100.69	232.64
1-903A OFFICE ADMIN LABOR	18333.33	16964.57	18333.33	16964.57	1368.76
1-903B CUSTOMER BILLING SUPPORT	15000.00	13711.18	15000.00	13711.18	1288.82
TOTALS FOR CUSTOMER ACCT. EXPENSES	36666.66	33776.44	36666.66	33776.44	2890.22
1-9090 SHIPPING & FREIGHT	750.00	410.02	750.00	410.02	339.98
1-9100 COMMUNICATIONS EXPENSE	10000.00	11791.56	10000.00	11791.56	-1791.56
1-9160 PROPERTY TAXES	4583.33	49955.83	4583.33	49955.83	-45372.50

