

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING  
OF THE BOARD

August 19, 2018

A meeting of the Board of Directors of the Kent County Water Authority was held on the 16<sup>th</sup> day of August, 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, Frank Giorgio and John Giusti were all present together, along with the General Manager/Chief Engineer Timothy J. Brown, Legal Counsel Patrick J. Sullivan, Esq. and Administration Michael Lanfredi. Mr. Giorgio led the group in the pledge of allegiance.

**APPROVAL OF THE MINUTES**

The minutes of the regular board meeting held on July 19, 2018 were presented for approval. Mr. Crossman moved, seconded by Mr. Duckworth, to approve of the minutes. The minutes were unanimously approved.

**Guest Highlands at Hopkins Hill Condo. Association**

1. Board determination for service via private master meter connection
2. Allowance of present service material to remain as existing condition or regulation non-compliance.

Mr. Steven Cabral appeared from Crossman Engineering and was introduced to the board by Mr. Brown. He said he was working at the Highlands evaluating the existing water delivery system which was built in 2006 but never used. He said 123 homes have private wells. He said he proposed installing a master water meter on Hopkins Hill Rd. and to attempt to upgrade the existing water system so as to allow KCWA water to flow through the pipes. He described the phases and the service connections on the private roadway system.

He said they were digging test pits and found some issues. He said the Highlands were working with D'Ambra Construction to correct the issues. He said there were many steps to be taken prior to activating the system. He said he wanted a PVC waiver as to what currently exists and the new construction per the current regulations. He referenced the 12' copper whip and

suggested they could use the HDPE plastic service line to go through the foundation with reinforcement.

Mr. Brown then gave a historical perspective of the development prior to 2006. He added that the Fire Chief has concerns about fire protection. Mr. Brown said KCWA could service it but fire protection is necessary asap. Hydrants are there but are empty. Mr. Brown said that the existing polyethylene could be allowed with the requirement that the service pipe be secured. He thought this could be easy to do. He added that the preexisting conditions would be very costly to change now.

There was a general discussion between the engineer and the board regarding phasing, total units, and stipulations of approval. Mr. Duckworth asked about the hydrants becoming active. Mr. Brown said they would become active, with the connection.

Mr. Duckworth moved, seconded by Mr. Masterson to allow the Highlands at Hopkins Hill Condominium Association to utilize water from a connection to the KCWA water system:

1. using existing Ductile iron mains currently installed insofar as practicable; and
2. using the existing polyethylene service pipe through the building foundation, it being properly reinforced at the connection, codified by legal document (release and hold harmless) acceptable to all parties; and
3. subject to satisfactory energizing of the hydrants for fire protection as approved by the local fire marshals; and
4. subject to any stipulation, modification, phasing, or change in plans required by the KCWA Chief Engineer or his designee.
5. All new construction or foundations not built upon shall conform completely with the existing KCWA rules and regulations.

After motion duly made and seconded, it was unanimously

VOTED: That the Highlands at Hopkins Hill shall be allowed to connect to the KCWA water system:

1. using existing Ductile iron mains currently installed insofar as practicable; and
2. using the existing polyethylene service pipe through the building foundation, it being properly reinforced at the connection, codified by legal document (release and hold harmless) acceptable to all parties; and
3. subject to satisfactory energizing of the hydrants for fire protection as approved by the local fire marshals; and
4. subject to any stipulation, modification, phasing, or change in plans required by the KCWA Chief Engineer or his designee.

5. All new construction or foundations not built upon shall conform completely with the existing KCWA rules and regulations.

Matthew McGowan, Esq. introduced himself as the receiver for the CONE. He gave a history of the receivership and his recent approval to sell the 29 lots at the Highlands. He described his agreement with the town of Coventry. Mr. Sullivan said he had reviewed the agreement and that he was representing KCWA in the CONE receivership all along, reviewing all pleadings filed in the case. Mr. McGowan went on to say he had all the approvals to move forward with this project, including the homeowner's association, the superior court, and the town of Coventry. Only KCWA was left.

Mr. Duckworth said this should provide some resolution to the residents in the area. He said the old players in the development would be a cause for concern but that his comfort level is high with the receiver involved.

### **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. He told the board that the case was heard on the 29<sup>th</sup> of July and that he expects a decision on the case prior to Judge Silverstein retiring in September.

Mr. Sullivan then referenced the progress of the CONE receivership which was discussed earlier.

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

Mr. Brown advised the board that the shutoffs were rising. He then described the shutoff policy as none on weekends or holidays, or just before the holiday weekend.

Mr. Masterson moved, seconded by Mr. Giorgio, 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 July 2018 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of July 2018, attached as exhibit "A", be approved as presented and be incorporated herein and are made a part hereof.

### **Request of Chairman**

- Discussion and authorization of Appraisals for 31 Providence St., W. Warwick, RI and 1072 Main St, W. Warwick, RI.
- Discussion and authorization to enter into a purchase and sale agreement for 31 Providence, St., W. Warwick RI subject to PUC approval and due diligence.

Chairman Boyer opened the discussion indicating that the second bullet point on the agenda wasn't applicable right now as it was too early in the process. He did say the first point was timely, however. He said he thought the board shouldn't wait any longer and that it was time to get both properties appraised. He went on to say that if a facility can be purchased at the right price, PUC will allow borrowing from restricted funds. Mr. Brown discussed the amount currently in reserve and how the loan would be paid back to the reserve fund.

There was a general discussion about the property on Providence St. and the potential cost to renovate it for use by KCWA.

Mr. Gallucci asked about the old Mack Truck building in Coventry. Mr. Brown updated him on the auction and sale to a third party.

Rate Counsel Shekarchi said KCWA was required to fund the reserve accounts by PUC. If KCWA wanted to do this, it would need to show need, cost, status of previously authorized projects and why these previously authorized projects would drop in priority. She added that the procedure would be a miscellaneous petition and not a rate case, since the rate would not change. Mr. Brown added that KCWA had received permission to do 1-4 projects, and study #5. He said this could be revised.

Mr. Duckworth discussed the property tax structure and how the tax/payment in lieu of taxes is initially assessed. He discussed the increase that would occur and questioned if that would be the right building for KCWA. He thought a new building would make more sense and would be more efficient for KCWA.

Chairman Boyer said Mr. Simmons drafted a floor plan that seemed to fit. Mr. Masterson said KCWA owned an 8-acre piece near Rt. 95 in Coventry and that it is flat and located off of Hopkins Hill Rd. Mr. Brown said the treatment plant was to go there initially. Mr. Masterson said it was easily accessible and could be developed cheaper than Providence St.

There was an open discussion regarding the square footage needs, construction methods of a new building and related matters.

Mr. Gallucci said he thought a facility could be put on the Providence St. parcel. He said he was told it could be done without much of a buildout. He deferred to Mr. Brown's opinion but added that the appraisal was a necessary first step. Chairman Boyer said KCWA was moving and transitioning to a new engineer and that we needed Mr. Simmons' opinion.

Mr. Crossman said he checked the parcel referenced by Mr. Masterson and that it was zoned residential 20. He said they would need a zone change from the town council.

Chairman Boyer added that the sales of water were down. Mr. Brown said although sales were down, KCWA was taking in more money than ever.

Chairman Boyer asked that the matter be tabled.

### **Point of Personal Privilege & Communication**

There was nothing to report.

### **GENERAL MANAGER/CHIEF ENGINEER'S REPORT**

#### **GENERAL:**

#### **Utility Conflict King Fisher & Osprey Drive, Coventry**

Mr. Brown indicated that Mr. Crossman spoke with Mr. McGee from Coventry. McGee made it clear that Coventry was not going to rectify the problem.

#### **Restorative Pavement Policy Discussion**

Mr. Brown explained the Warwick seven-foot paving policy. He said Mr. Gallucci was to set up a meeting with the director of public works for Warwick for clarification of the policy.

#### **IFR 2018 Construction Bid Review and Action Required Accept/Reject**

Mr. Brown said they received one bid from Boyle and Fogarty. It was one million dollars over the estimate. He suggested it be rejected.

Mr. Masterson moved, seconded by Mr. Duckworth, to reject the bid.

Upon motion made and duly seconded, it was unanimously

VOTED: That KCWA rejects the bid from Boyle and Fogarty.

**KCWA Vacant Lot next to facility offered for sale, Board discussion and action requested**

Mr. Brown discussed the vacant lot. He said it was offered to KCWA. He said it began at \$40K and is now down to \$30K. Chairman Boyer said he didn't think it was worth it.

Chairman Boyer moved, seconded by Mr. Gallucci, to reject the offer.

Upon motion made and duly seconded, it was unanimously

VOTED: That KCWA rejects the offer to purchase the vacant lot.

**INFRASTRUCTURE PROJECTS**

**East Greenwich Well Refurbishment**

Mr. Brown reports that the well is operational. He said he was still dealing with the contractor but it was doing well. He expected the new generator to arrive late august. Chairman Boyer said that through Mr. Brown and Mr. Simmons diligence, the matter was resolved.

**IFR 2015B**

Mr. Brown reported that the project is ongoing and most paving was done. Final paving was to take place next year.

**IFR 2016 Design – 3 Phase Project**

Mr. Brown updated the Board that this was on hold for funding and was a three-phase project.

**IFR 2018 Design**

Mr. Brown reported on this earlier in the meeting.

**CAPITAL PROJECTS**

**Water Main North/South Interconnection High Service**

Mr. Brown reported that the design was done and the project will be sent out to bid in December 2018. He predicted two years to completely build out.

There being no further business before this meeting, on motion duly made by Mr. Duckworth, seconded by Mr. Masterson and carried, the meeting was adjourned at 5:20 p.m.

Dated: September \_\_\_\_, 2018

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Patrick J. Sullivan  
Legal Counsel