

## KENT COUNTY WATER AUTHORITY

### MINUTES OF THE REGULAR MEETING OF THE BOARD

August 18, 2021

A meeting of the Board of Directors of the Kent County Water Authority was held on the 18<sup>th</sup> day of August 2021, at 3:30 p.m. at the offices of the Authority in West Warwick, RI, in the Joseph D. Richard Board Room and via Zoom with any members of the public.

Chairman Boyer opened the meeting at 3:30 p.m. Board members Vice-Chairman Jefferey Giusti, Treasurer Russell Crossman, Brian Kortz, Geoffrey Rousselle, were all in attendance along with Executive Director/Chief Engineer David L. Simmons, Director of Administration John Duchesneau, Legal Counsel Patrick J. Sullivan, Esq. and Director of Human Resources and Finance Michael Lanfredi. Water Project Engineer Nicole Campagnone was also in attendance.

#### **APPROVAL OF THE MINUTES**

The minutes of the regular board meeting held on July 21, 2021 were presented for approval. Mr. Rousselle moved the minutes approval, seconded by Mr. Kortz. The minutes were approved unanimously.

#### **Legal Counsel**

##### **CONE Receivership**

Mr. Sullivan updated the board on the Center of New England receivership. He said the appeal by Mr. Cambio had been withdrawn by his attorneys. Mr. Sullivan noted that the principal in the CONE case, Nicholas Cambio, had passed away, so he will be monitoring the case to see which way it will go.

##### **Johnsons Blvd land purchase/lease**

Mr. Sullivan advised the board about the issue. He said he was waiting for an engineering plan from Mr. Geremia as the likelihood that a non-conforming lot would be approved by the town was unlikely. Mr. Geremia was to make the lot conforming to accommodate both the PRVs and the zoning code.

### Hydrant Tax issue

Mr. Sullivan said he had prepared a petition before the division of taxation to determine the appropriateness to charge a sales tax on the hydrant fees. He said that it was still pending, and that he had sent a power of attorney to the division. He again said they await a decision, likely sometime before the next meeting or shortly thereafter in September.

### **Director of Finance Report:**

#### Closing Report April 2021 Cash 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 2020-2021 as of July 2021 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of July 2021, attached as exhibit "A", and a thorough discussion ensued with regard to the sales and revenue.

Mr. Lanfredi went through the status of shutoffs. He said 611 notices of shutoff went out with bills totaling \$160k. He said there were 72 active payment plans in July.

Chairman Boyer asked how many were shutoff. Mr. Lanfredi said none as of yet.

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 2020-2021 as of July 2021 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of July 2021, attached as exhibit "A", be approved as presented and be incorporated herein and are made a part hereof.

Mr. Lanfredi said that the audit field work was last Wednesday and lasted one day. He described it as going smoothly and he expects the financial statements by the beginning of September 2021.

Mr. Kortz asked about the \$242k credit shown on the financials. Mr. Lanfredi said it was a credit from docket 5133 that modified the fire line billing retroactively.

## **PUC/DPUC REGULATORY MATTERS:**

### PUC Docket 5133 Monthly Billing-Tariff Advice Filing RIPUC-Order

Mr. Simmons updated the board on this tariff. He said the this allowed KCWA to revise the tariff so as to eliminate the private hydrant fee and replace it with one fire connection feed based upon the size of the line. He went on to say the credit is reflected retroactive to the tariff approval last year. Coventry is fully rolled out with about 1% of the customers complaining about the new monthly bills. He said the quarterly charge of \$15.10 will now have a \$4.95 monthly charge. He said rather than prorate the charge, KCWA will absorb that and go to the monthly charge immediately which effectively gives a ten dollar credit to each customer.

### PUC Docket 5161 -Pass-Through filing for PWSB Docket 4994 step increase

Mr. Simmons said that this was the pass-through filing. He said it was approximately 4% of the wholesale rate. The increase would be less than \$1.00 per year for the average customer.

### COVID-19 Updates - Continuity of Operations -PUC Dockets 5026

Mr. Simmons updated the board on this topic. He said they were still tracking data reported to the PUC. He said there were meter change out cancellations as a result of the delta variant of Covid-19.

He said internally, if an employee is not vaccinated, then they will be testing those people weekly on Mondays. KCWA is certified and authorized to administer the rapid BinaxNow antigen testing through the Office of Health and Human Services (OHHS) and reported to RI Dept of Health. This is being done to try and mitigate similar outbreaks as were experienced last year that severely handicapped the operation of the Authority. The Binax tests are provided to KCWA monthly via RIEMA at no charge. He added that revenues were on par with those of last year, even with this year's wet weather and last year's drought.

### Point of Personal Privilege & Communication:

Chairman Boyer said the past two years led to the biggest change in the employees' temperament and attitude. He also added that if a board member gets a complaint regarding an employee, they should tell Mr. Simmons. He finished up with the fact that KCWA remains the best water company.

Mr. Giusti asked Mr. Simmons about the complaints one year ago regarding the billing disputes and false allegations against the Authority. He asked if the politicians have called at all. Mr. Simmons said no one had. Mr. Giusti said he wasn't surprised.

## **EXECUTIVE DIRECTOR/CHIEF ENGINEER'S REPORT**

### **GENERAL:**

#### Monthly billing preparations- Muni-link Utility Billing/CIS Update

Mr. Simmons advised that this is going great. He said the billing is getting easier and easier with time and Muni-link.

Mr. Kortz asked how many customers had opted into auto pay. Mr. Lanfredi said he would have the numbers for the next meeting.

#### Meter Change Out Program-Update Status.

Nicole Campagnone advised the board that as of July 16, 2021, 20,748 meters had been installed. 19,983 were installed by Thielsch Engineering and 765 by KCWA staff. She said the job was 86% complete and said the end of 2021 would be the estimated completion date.

Mr. Giusti asked whether or not licensed plumbers were required to the meter change out. Mr. Simmons said there needs to be a licensed plumber to work under but they didn't need to do the actual work.

Mr. Simmons said there was an issue with an installation by Thielsch. He said a couple of politicians reached out to him. He said a customer had a leak at the meter installed in late July. He said the customer called the politicians and not KCWA. The homeowner made a video of it. He said the customer had recently had been shutoff for non payment and was charged \$100.00 for reinstatement. He said the damages are between Thielsch and the customer. He said Thielsch had insurance for these types of matters.

Chairman Boyer said out of 20,000 meters, one was a problem. Not too bad, he remarked.

#### Warwick Water – Bald Hill Tank Replacements

Mr. Simmons said there exists an agreement between Kent County Water and Warwick Water regarding shared upgrade expenses on mutual assets. This includes the KCWA assets, East Greenwich Well and the Bald Hill pump station, and the Warwick Water tanks on Bald Hill Rd, respectively. Mr. Simmons was informed by the head of Warwick Water , Terri Depetillo, that the two Warwick Water tanks on Bald Hill Rd. would most likely need to be replaced based on some professional evaluations they received. Warwick water is looking to have us partner with them in replacing the tanks if that is the route they go down. The office is going to find out what Warwick Water owes KCWA and offset what KCWA will owe assisting in their upgrades.

He said Kent County water is happy to continue the partnership with Warwick for the increased quality and service to all customers.

Mr. Kortz asked whether or not KCWA was enforcing the agreement. Mr. Simmons said the agreement came to light during the Providence water supply board rate case. This agreement was established approximately 15 years ago. KCWA is in the process of reviewing this agreement for renewal with counsel.

### **ONGOING PROJECTS:**

#### CIP- Water Main North/South Interconnection High Service Update.

Mr. Simmons said this project is done. He said it is all paved. Mr. Crossman thanked Mr. Simmons. He said he received complaints every day about the traffic.

Asset Mgmt. Software – Hydrant tracking (flushing and maintenance), valve, backflow, large meter.

Mr. Simmons showed the board a trailer, short video, of the asset management software. He said it assists with operational challenges. He said it leverages our GIS system and integrates with our Muni-Link software. He said office personnel and field personnel will update simultaneously in real time.

Mr. Simmons went on to say the software will initially be applied with large meter testing, hydrant flushing, and maintenance. Next year, it will apply to the financial systems. He said he does not want to do too much too fast. He says that the software is cloud based and easily transferable to the new facility.

### **LAND ACQUISITION – Progress Update**

#### Final Due Diligence Progress Report – RI Infrastructure Bank

Mr. Simmons said that they had their final infrastructure bank meeting. He said the matter is ready to go to the Public Utilities Commission (PUC) and the Division of Public Utilities and Carriers (DPUC). He said that the authority is in a good position to get a bond for the contrition of a new facility and potentially self finance the EG well without bonding utilizing the restricted infrastructure and capital accounts. He hopes to submit the final documents to the PUC/DPUC next week.

Mr. Simmons went on to say that they had a discussion on common maintenance charges. He showed an artist's rendering of the new building and a collective discussion ensued amongst the board. He finally said that it had been a long road but it's on the way to be finished.

Mr. Crossman asked when the bid would go out for the design of the building. Mr. Simmons responded by saying it would be by the end of the year. He wants to make sure that any design requirements are needed to be eligible for the funding are included in the bid.

Mr. Kortz raised the possibility of hiring a design build firm with an all-in-one contract. He predicted this might result in a quicker build out. The chairman cautioned against that type of setup. He said you'd have less control of the building process. Mr. Crossman said that RIDOT was doing a lot of that. He said it cuts out the little guy, benefiting only the huge building contractors.

There was a lively discussion amongst the board on this topic.

Executive Session: Pursuant to RIGL 42-46-5(2): Discussions pertaining to litigation -RIDOT- Construction Pipe Gantry Issues-KCWA v. D'Ambra Construction and RIDOT

The board did not go into executive session, as Mr. Sullivan said there was nothing new to report.

There being no further business before this board, on motion duly made by Mr. Rousselle, seconded by Mr. Crossman and carried, the meeting was adjourned at 4:35 p.m.

Dated: September \_\_\_\_\_, 2021

---

Patrick J. Sullivan  
Legal Counsel