

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS

September 21, 2023

A meeting of the Board of Directors of the Kent County Water Authority was held on the 21<sup>st</sup> day of September, 2023, at 3:30 p.m. at the offices of the Authority 1072 Main St., West Warwick, RI, in the Joseph D. Richard Board Room.

Chairman Robert Boyer opened the meeting at 3:30 p.m. Board members Geoff Rousselle Brian Kortz, and Charles J. Donovan were all in attendance along with Executive Director/Chief Engineer David L. Simmons, Director of Construction John Duchesneau, Legal Counsel Patrick J. Sullivan, Esq. and Director of Human Resources and Finance Michael Lanfredi. Director of Engineering Nicole Campagnone and Director of Operations Richard Burns were also in attendance.

Mr. Simmons led the group in the pledge of allegiance.

**Approval Of The Minutes**

The minutes of the board meetings held on August 17, 2023 were presented for approval. Mr. Rousselle moved the approval, seconded by Mr. Kortz. The minutes were approved unanimously.

**Legal Matters**

CONE Receivership

Mr. Sullivan updated the board on the receivership at the Center of New England. He said the matter continues as the receiver attempts to hire professionals to deal with some environmental problems contained therein.

PFAS Litigation

Mr. Sullivan advised the group that the settlement process had begun with a proposed \$10.3 to \$12.5 billion settlement from 3M. He said he received an update from the attorneys and

that there was a hearing on a preliminary approval of the settlement and a certification of the class of public water systems. Timelines are set in place now. Mr. Simmons added that he and staff were working on some materials that the attorneys asked for to determine a “score” for damages assessment.

**Director of Human Resources and Finance Report:**

Closing Report July 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 2023-2024 as of August 2023 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of August 2023, 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.

Mr. Lanfredi then discussed the shutoff activity. The Chairman asked if the good times vs. the bad times changed the delinquencies. Mr. Lanfredi said although collections are high, KCWA was not chasing as much as previously.

Mr. Rousselle moved, seconded by Mr. Kortz, 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 2023-2024 as of August 2023 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of August 2023, attached as exhibit “A”, be approved as presented and be incorporated herein and are made a part hereof.

**Personal Privilege and Communication**

Chairman Boyer said that businesses have to present themselves well, with a good image. He said KCWA has 2800 hydrants that are all being painted. He said they look good, adding that it is a nice reflection on the KCWA.

**EXECUTIVE DIRECTOR/CHIEF ENGINEER’S REPORT**

**ONGOING PROJECTS**

IFR 2021-22-23: Update

Update IFR 22/23– Cowesett to Coit to be completed this year. Coit to RTE 2 in the Spring.

Mr. Burns updated the board on the construction activity. He said the piping on East Main was complete with just the paving left.

He updated the Cowesett Rd. project, saying they have 2000' to go. He said there likely wasn't enough time to finish and it would go as long as it can until the winter sets in. They have Coit to Rt. 2 left to do.

Chairman Boyer added that he received a call from a resident about the paving concerns on Coit Ave. Mr. Burns said he would drive it, but thought they did a good job.

Update IFR 21 – Finish up East Main and Final line stop installation on Hope Furnace to finalize reservice Eagle Glen and Howard Ave.

Mr. Burns added that in October, the Eagle Glen would go live. Residents were all given notice.

Emergency Repairs Centerville Rd. and Rt. 2

Mr. Simmons updated the board on the two leaks with the first on Centerville Rd and the other on Route 2 just north of the Route 95 overpass coming up from Division, respectively. Mr. Simmons went on to state the main break on Centerville Road was on the tee connection at Commonwealth Ave. He also stated that this break was highlighted on the news mostly because of the massive disruption to traffic and the highly visible nature of the area not because the break was large and complicated. That repair was completed quickly and efficiently.

He said the Rt. 2 break was under Rt. 95 and involved a transmission main and was actually more complicated than the previous break on Centerville. He said they had to turn on the well to shore up supply in the South during the repair. He said it was quickly fixed and brought back into service. Both breaks resulted in a combined emergency change order for \$86,000.00 for the repairs.

He said KCWA was researching the viability to replace the tees on Centerville instead of replacement of the entire main to reduce the cost of full roadway restoration. He said KCWA can handle that with a reasonable budget. Mr. Simmons also stated that KCWA had reached out to RIDOT to partner up to get the needed water main work completed before the roads get restored by RIDOT. It was expressed to KCWA that RIDOT is not performing a complete roadway replacement, only scarification and resurfacing. If KCWA was to replace the entire main and infrastructure, the ratepayers would be on the hook for a full roadway restoration effort making it

cost prohibitive. This is why KCWA is looking at the primary points of potential failure which are the tee connections on Centerville.

Meter Change out Program: Update -Large Meter Program

Ms. Campagnone updated the board on this topic saying it was 88% complete. She said there were 36 meters remaining to be installed. She said 269 meters were done.

Office and Maintenance Facility : Construction Update

Mr. Simmons presented CO #12 to have the proposed boulder slope replaced with a retaining wall instead. Chairman Boyer said the boulder wall was not a good look. Mr. Kortz asked if we got a credit for the cost of the boulder wall, to which Mr. Simmons replied yes. Mr. Kortz also asked if the increase was within the budget. Mr. Simmons said it was.

Mr. Rousselle moved, seconded by Mr. Kortz, to approve the change order no. 12 to Bentley in the amount of \$146,343.03.

Motion made and duly seconded, it was unanimously.

VOTED: That KCWA votes to approve the change order no. 12 to Bentley in the amount of \$146,343.03 for the retaining wall.

Mr. Simmons said the work was moving fast with lots going on, including plumbing, electric, fire suppression and gas work.

Mr. Kortz asked about the drainage with all the rain. Mr. Simmons said it was fine.

1276 Bald Hill Rd (Staples Plaza)

Emergency service update and possible permanent connection to KCWA

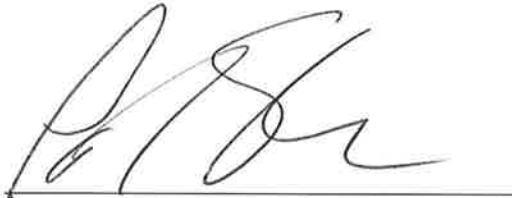
Mr. Simmons presented this to the board. He said he met with the owners representatives and the City of Warwick. He reminded the board of the problem with the gradient in Warwick water serving the plaza. He said the owner was interested in connecting to KCWA, but the city objected. Mr. Simmons said the choice was for the owner to build and maintain a pump station, or simply connect to KCWA without a pump station.

Mr. Simmons said there was an interconnection agreement between Warwick water and KCWA, and that Warwick wanted to use it to connect the plaza. Mr. Simmons said they cannot use the wholesale rate for a single plaza. He added that the low pressure was a major concern, including for fire flow. Mr. Simmons said that KCWA and Warwick water have overlapping jurisdiction with no real boundaries.

Mr. Sullivan opined that the city of Warwick cannot stop the owner from becoming a customer of KCWA.

There being no further business before this board, on motion duly made by Mr. Rousselle, seconded by Mr. Kortz, and carried, the meeting was adjourned at 4:30 p.m.

Dated: October 19, 2023

A handwritten signature in black ink, appearing to read 'P. J. Sullivan', written over a horizontal line.

Patrick J. Sullivan  
Legal Counsel

**KENT COUNTY WATER AUTHORITY  
MONTHLY FINANCE REPORT  
FOR THE MONTH ENDING AUGUST 31, 2023**

	<u>Aug 2023</u>	<u>Aug 2022</u>
<b><u>Cash Receipts &amp; Disbursements</u></b>		
Washington Trust-Deposit Account	\$ 1,539,749	\$ 870,140
Washington Trust-Checking Account	197,489	102,467
RIBB-Revenue Bond Fund	11,723,561	17,256,974
BNYM Restricted Accounts	19,109,106	19,961,713
	<u>\$ 32,569,906</u>	<u>\$ 38,191,294</u>
Collections	\$ 1,992,490	\$ 2,529,227
Disbursements	\$ 4,067,507	\$ 3,172,093
<b><u>Revenues</u></b>		
Monthly Budgeted	\$ 2,393,083	\$ 2,097,133
Monthly Actual	2,436,115	2,359,179
Over/(Under) Budget	<u>\$ 43,032</u>	<u>\$ 262,045</u>
YTD Budgeted	\$ 4,911,167	\$ 3,715,067
YTD Actual	4,248,685	4,947,892
Over/(Under) Budget	<u>\$ (662,482)</u>	<u>\$ 1,232,825</u>
<b><u>Expenditures</u></b>		
Monthly Budgeted	\$ 1,774,333	\$ 1,485,292
Monthly Actual	1,625,803	1,734,719
(Over)/Under Budget	<u>\$ 148,531</u>	<u>\$ (249,426)</u>
YTD Budgeted	\$ 3,312,666	\$ 2,647,585
YTD Actual	2,802,159	3,275,793
(Over)/Under Budget	<u>\$ 510,507</u>	<u>\$ (628,209)</u>
YTD Budgeted Surplus/(Deficit)	\$ (151,974)	\$ 604,616
Sales	\$ 2,442,632	\$ 2,413,895
<b><u>Open Receivables</u></b>		
0-30 Days	\$ 2,362,494	\$ 2,339,841
31-60 Days	223,452	591,115
61-90	182,702	(5,539)
Over 90 Days	19,693	328,430
	<u>\$ 2,788,342</u>	<u>\$ 3,253,846</u>



KENT COUNTY WATER AUTHORITY  
 CASH RECEIPTS & DISBURSEMENTS  
 FISCAL YEAR 2023-2024

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY2023	FY2024
BEGINNING BALANCE	\$ 34,612,298	\$ 34,567,217	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	RATE REVENUE	RATE REVENUE
CASH RECEIPTS:													JUL	JUL
Collections	2,395,355	1,992,490											AUG	AUG
Interest Income	74,998	77,705											SEP	SEP
TOTAL CASH RECEIPTS	37,082,652	36,637,412	32,569,906	32,569,906	32,569,906	32,569,906	32,569,906	32,569,906	32,569,906	32,569,906	32,569,906	32,569,906	OCT	OCT
CASH DISBURSEMENTS:													NOV	NOV
Purchased Water	647,935	656,412											DEC	DEC
Purchased Power	286	70,521											JAN	JAN
Payroll	229,418	271,861											FEB	FEB
Operations	101,564	214,493											MAR	MAR
Employee Benefits	67,381	69,674											APR	APR
Legal	12,765	15,660											MAY	MAY
Materials	38,134	44,781											JUN	JUN
Insurance	263,178													
Sales Tax	22,810	18,267												
Bank Service Charge	2,178	565												
Refunds	2,187	1,330												
Outside Services	13,470													
Reg Commission Exp		11,820												
Capital Expenditures		358,604												
IFR 2016/2021	290	880,512												
IFR 2022	291	43,769												
New Facility Study	298	367,534												
EG Well Refurbishment	299	630,650												
Debt Service (F & I)		7,970												
Water Protection		3,208												
TOTAL DISBURSEMENTS	73,135	49,937												
BALANCE END OF MONTH	\$ 34,567,217	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 32,569,906	\$ 21,962,426	\$ 4,071,486



Kent County Water Authority  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 AS OF 08/2023

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR TO DATE		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
REVENUES					
1-4190 INTEREST & DIVIDEND INC.	50000.00	77704.68	100000.00	152703.08	52703.08
1-4210 MISCELLANEOUS INCOME	7916.66	203.00	15833.32	229.00	-15604.32
1-4750 OTHER REVENUE-SAMPLES	1250.00	1000.00	2500.00	1300.00	-1200.00
TOTALS FOR OTHER INCOME	59166.66	78907.68	118333.32	154232.08	35898.76
1-1184 MISC BILLABLE WORK	416.66	-4002.32	833.32	-2972.50	-3805.82
1-461A METERED SALES - GC	1700000.00	1670998.25	3500000.00	2870863.64	-629136.36
1-461B METERED SALES - IC	325000.00	369188.33	675000.00	621466.11	-53533.89
1-4620 PRIVATE FIRE PROTECTION	30000.00	30144.62	60000.00	60355.18	355.18
1-4630 PUBLIC FIRE PROTECTION	130833.33	131209.22	261666.66	262418.44	751.78
1-4640 SALES - PUBLIC AUTHORITIES	76000.00	72519.67	152000.00	125436.20	-26563.80
1-4660 SALES FOR RESALE	55416.66	72481.50	110833.32	130945.93	20112.61
1-4710 SERVICE AND LATE CHARGE	9166.66	3384.94	18333.32	5920.03	-12413.29
1-4730 OTHER REVENUE-INSPECTIONS	3333.33	5935.00	6666.66	10970.00	4303.34
1-4740 OTHER REVENUES & W.P.6.9%	3750.00	5348.00	7500.00	9049.97	1549.97
TOTALS FOR OPERATING REVENUE ACCTS.	2333916.64	2357207.21	4792833.28	4094453.00	-698380.28
TOTALS FOR REVENUES EXPENDITURES	2393083.30	2436114.89	4911166.60	4248685.08	-662481.52
1-6020 PURCHASED WATER	775000.00	643871.68	131128.32	1300283.79	224716.21
TOTALS FOR SOURCE OF SUPPLY EXPENSES	775000.00	643871.68	131128.32	1300283.79	224716.21
1-6210 FUEL FOR PUMPING	13333.33	7784.60	26666.66	20502.50	6164.16
1-6230 POWER PURCHASED	62500.00	68463.30	125000.00	138630.54	-13630.54
1-624A PUMPING LABOR	15416.66	16435.60	30833.32	27059.26	3774.06
1-624B PUMPING EXPENSES	416.66	416.66	833.32	833.32	833.32
1-6310 STRUCTURE/IMPROVE LABOR	16666.66	9506.25	33333.32	13296.79	20036.53

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

AS OF 08/2023

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR-TOTAL		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
1-6330 PUMPING EQUIPMENT LABOR	3333.33	21912.58	6666.66	25267.50	-18600.84
TOTALS FOR PUMPING EXPENSES	111666.64	124102.33	223333.28	224756.59	-1423.31
1-5410 CHEMICALS	13333.33	8196.90	26666.66	11607.31	15059.35
1-542A WATER TREATMENT LABOR	16666.66	16471.66	33333.32	27604.38	5728.94
1-542B OPERATION EXPENSES	4166.66	10328.56	8333.32	14320.86	-5987.54
1-5510 MAINT STRUCT & IMPROVE	4166.66	62.33	8333.32	529.75	7803.57
1-5520 TREATMENT EQUIPMENT	2500.00	403.26	5000.00	5098.25	-98.25
TOTALS FOR WATER TREATMENT EXPENSES	40833.31	35462.71	81666.62	59160.55	22506.07
1-662A T & D LINE LABOR	4166.66	4166.66	8333.32	8333.32	8333.32
1-662B T & D SUPPLIES & EXP	6666.66	3657.07	13333.32	5368.10	7965.22
1-663A T & D METER LABOR	6250.00	4885.27	12500.00	6525.68	5974.32
1-6650 T & D MISC	1666.66	1325.69	3333.32	2481.35	851.97
1-6720 RESERVOIR & STANDPIPE	3333.33	4058.81	6666.66	15954.19	-9287.53
1-6730 MAINT T & D MAINS	58333.33	89416.02	116666.66	142750.08	-26083.42
1-6750 SERVICE & CURB BOX	16666.66	17430.14	33333.32	24602.74	8730.58
1-6760 METER REPAIRS	12500.00	9407.23	25000.00	13961.47	11038.53
1-6770 HYDRANT MAINTENANCE	8333.33	6253.70	16666.66	11826.06	4840.60
TOTALS FOR TRANS. & DISTR. EXPENSES	117916.63	136433.93	235833.26	223469.67	12363.59
1-902A METER READING LABOR	10000.00	4541.64	20000.00	7414.92	12585.08
1-902B METER READING SUPP & EXP	17500.00	16370.99	35000.00	360.00	-360.00
1-903A OFFICE ADMIN LABOR	15833.33	15633.02	31666.66	29184.59	5815.41
1-903B CUSTOMER BILLING SUPPORT	43333.33	36545.65	86666.66	15633.02	16033.64
TOTALS FOR CUSTOMER ACCT. EXPENSES	416.66	1222.45	833.32	1585.01	-751.69
1-9100 SHIPPING & FREIGHT	8333.33	7212.96	16666.66	14242.98	2423.68
1-9100 COMMUNICATIONS EXPENSE					

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

AS OF 08/2023

ACCOUNT DESCRIPTION	CURRENT MONTH			YEAR-TOTAL			ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	
1-9160 PROPERTY TAXES	5000.00		5000.00	10000.00	8912.95	1087.05	
1-9170 COMPUTER EXPENSE	26666.66	32049.61	-5382.95	53333.32	142503.92	-89170.60	
1-9190 BANK CHARGES	8500.00	18818.21	-10318.21	17000.00	38915.96	-21915.96	
1-9200 OFFICE SALARY LABOR	45833.33	47241.87	-1408.54	91666.66	66916.71	24749.95	
1-9210 OFFICE SUPPLIES & EXP	5416.66	6581.21	-1164.55	10833.32	11168.65	-335.33	
1-9230 OUTSIDE SERVICES	18750.00	18614.65	135.35	37500.00	49296.00	-11796.00	
1-9240 INSURANCE EXPENSE	22083.33	21931.50	151.83	44166.66	43823.00	343.66	
1-9260 EMPLOYEE BENEFITS	87500.00	63524.77	23975.23	175000.00	125522.90	49477.10	
1-9280 REGULATORY COMM EXP	15833.33		15833.33	31666.66		31666.66	
1-930A MISC GENERAL EXPENSE	583.33	-345.94	929.27	1166.66	-445.94	1612.60	
1-930B MISC-BOD EXPENSE	1750.00	1750.00		3500.00	3500.00		
1-932A GENERAL PLANT LABOR	13333.33	12498.17	835.16	26666.66	20281.01	6385.65	
1-932B GARAGE/TRUCK LABOR	13333.33	8268.09	5065.24	26666.66	16464.74	10201.92	
1-9330 PAID TIME OFF	57000.00	53919.44	3080.56	-97000.00	-179541.69	82541.69	
1-9340 UNCOLLECTIBLE (WRITE OFF)	833.33		833.33	1666.66		1666.66	
TOTALS FOR ADM. & GENERAL EXPENSES	331166.62	293286.99	37879.63	451333.24	363146.20	88187.04	
1-9180 LICENSES & PERMITS	250.00	200.00	50.00	500.00	1025.00	-525.00	
TOTALS FOR MISC. & GENERAL EXPENSES	250.00	200.00	50.00	500.00	1025.00	-525.00	
1-4030 DEPRECIATION EXPENSE	337500.00	336117.59	1382.41	675000.00	672235.18	2764.82	
1-4080 PAYROLL TAXES	16666.66	19781.77	-3115.11	33333.32	10661.24	22672.08	
1-4270 INTEREST EXPENSE							
TOTALS FOR OTHER EXPENSES	354166.66	355899.36	-1732.70	708333.32	577724.70	130608.62	
TOTALS FOR EXPENDITURES	1774333.19	1625802.65	148530.54	3312666.38	2802159.03	510507.35	
EXCESS OF REVENUE OVER EXPENDITURES FOR general	618750.11	810312.24	191562.13	1598500.22	1446526.05	-151974.17	

REPORT DATE 09/18/2023  
SYSTEM DATE 09/18/2023  
FILES ID Z

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

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TIME 13:07:37  
USER MLANFREDI

AS OF 08/2023

----- C U R R E N T M O N T H ----- Y E A R - T O - D A T E -----  
BUDGET ACTUAL BUDGET ACTUAL BUDGET ACTUAL OVER/  
UNDER BUDGET UNDER BUDGET

OTHER ADJUSTMENTS TO FUND BALANCE

FUND BALANCES - JULY 1  
FUND BALANCES - AUGUST 31

0.00  
175362391.08  
176808917.13  
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