

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING
OF THE BOARD

October 15, 2020

A meeting of the Board of Directors of the Kent County Water Authority was held on the 17th day of September 2020, 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 the board members. The Chairman and Mr. Gallucci were at the offices of the Authority.

Chairman Robert Boyer opened the meeting at 3:30 p.m. Board members, Chairman Robert Boyer, Vice-Chairman Joseph Gallucci, Treasurer Russell Crossman, Brian Kortz, Jeff Giusti and Geoffrey Rousselle were all in attendance along with Executive Director/Chief Engineer David L. Simmons P.E., 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. Duchesneau led the group in the pledge of allegiance.

APPROVAL OF THE MINUTES

The minutes of the regular board meeting, held on September 17, 2020 were presented for approval. Mr. Rousselle moved, seconded by Mr. Giusti. The minutes were approved unanimously.

Legal Matters

CONE Receivership

Mr. Sullivan updated the board on the Center of New England receivership. The case remains before the superior court. He said he had communications from the receiver related to the inspection fees that will be escrowed at the closing upon the closing on the lots at the Highlands at Hopkins Hill and he requested confirmation of the dollar amount.

Letter to D'Ambra Construction-Pipe Gantry Issue

Mr. Sullivan advised the board that after the board meeting last month, he penned a letter to D'Ambra construction relative to the damage they caused and requesting their insurance company information. He said after two weeks, he wrote again threatening litigation if there was no compliance. He said he searched the contractor's registration board as well, but the inquiry was in an email as the website was down.

He also updated his efforts to obtain a temporary restraining order and preliminary injunction in the event further work by RIDOT and D'Ambra results in the pipe failure and catastrophic consequences. He said that KCWA and RIDOT reached an agreement via a by-pass for repairs to the gantry bridge, but added that the lawsuit is ready to file at any time.

Mr. Simmons addressed the board with the technical points of the bypass and his efforts to bypass the bridge to avoid a catastrophe, which he said would be done next week. He told the board that over a series of meetings, he proposed underpinning the bridge, lifting the bridge and storing it during repair and then replace but he said the final course of action is with RIDOT and it remains unresolved. He stressed, however, that the most pressing issue is to eliminate the danger with the bypass. He said he authorized an emergency change order of \$51,900.00 to complete the bypass. He predicted at least \$250,000.00 in damages.

Mr. Sullivan engaged with the board about the impact of a letter vs. a lawsuit and the benefits and drawbacks of each. Mr. Giusti said the bridge design was faulty and that the designer should be a defendant. Mr. Crossman indicated that the designer was Commonwealth. Mr. Sullivan added that the Town of Coventry had their sewer pump station damaged as well. Mr. Sullivan also said he would amend the pleadings so as to add the designer as a defendant after he did some research.

Mr. Rousselle thought the litigation route was best. He moved, seconded by Mr. Crossman to file the lawsuit immediately. The board began a discussion. Mr. Simmons asked that the board wait until the emergency bypass is complete before the litigation is filed.

Mr. Rousselle amended his motion to include that legal counsel wait until the emergency bypass was complete prior to filing the case. Mr. Crossman amended his second.

Motion made and seconded, it was unanimously

VOTED: That legal counsel shall, upon the conclusion of the successful operation of the emergency bypass, file suit against all responsible parties in the bridge gantry.

Johnsons Blvd PRV Station Easement -Town of Coventry

Mr. Sullivan discussed the need for cooperation with the Town of Coventry. He went on to say that KCWA currently leases land on Johnson Blvd. from Coventry, but DEM will not

approve a design unless KCWA either has an easement or owns it. He said he met with the town manager and there was no opposition to it. Mr. Sullivan said the manager promised this will be on the agenda for the next council meeting.

QDC Wholesale Connection - Draft Agreement & Progress Update

Mr. Simmons updated the board on the Quonset Development Corporation agreement. He reminded the board that the PUC authorized KCWA to sell 200 gallons per minute per day at the current wholesale rate to QDC. He said he, along with attys. Shekarchi and Sullivan and Mr. Duchesneau put together a proposed agreement between the parties. He said that was forwarded to QDC and we await a response. He also said there was a design that, if changed, would have to be approved by KCWA.

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

Mr. Rousselle moved, seconded by Mr. Gallucci, 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 September 2020 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of September 2020, attached as exhibit "A", be approved as presented and be incorporated herein and are made a part hereof.

COVID-19 Updates - Continuity of Operations -PUC Dockets 5022 and 5026

Mr. Lanfredi said he is continuing to comply monthly with these matters. He discussed a document he prepared comparing the last twelve months with the current months. He said he reported the interest charges waived and the credit/debit card fees and ACH fees waived to the DPUC as required in the docket.

He also said as of July 17, 2020, termination of service for non-payment was authorized. He said in the month of September 2020, they collected \$86,000.00 more than last year and that generally, most all customers were paying in a timely fashion.

Mr. Simmons discussed the comparative analysis as well. Mr. Rousselle asked if the fee waivers were part of the budget. Mr. Lanfredi said it was budgeted for. Mr. Simmons said that this was all part of the rate filing and the waivers were all factored into the new rates.

Land Acquisition Progress update on Due Diligence

Mr. Simmons said that a letter of intent was signed by the Chairman which started a 30 day clock to enter into a purchase and sale agreement between the parties. It allows our representatives to go on the property in our due diligence period and do some borings for a phase 1 environmental assessment. Mr. Kortz was confident that KCWA could get the due diligence done in the time allotted. Mr. Simmons showed a graphic of the boundaries of the property. Chairman Boyer indicated that their negotiation team got the land reduced to \$900,000.00, saying all did very well.

Point of Personal Privilege & Communication

Chairman Boyer thanked Mr. Kortz, Mr. Simmons and Mr. Coutu for their work in pursuing the property.

EXECUTIVE DIRECTOR/CHIEF ENGINEER'S REPORT

GENERAL:

Road Island Fair Share Roadway Repair Act-Cost Incurred RFP development for Solar Power

Mr. Simmons explained the memorandum he provided the board. He said the act requires RIDOT inspectors on their worksite to inspect the paving, at KCWA cost. He said the North South Interconnector project was bid and awarded prior to the law being passed. He said he has invoices for \$40,000.00 for their inspectors to be present at the job site to perform tasks already being provided by KCWA even when they are not doing road restoration work. He said KCWA is paying a professional engineer to oversee the entire project.

He said KCWA should not pay the bills and that this should not fall upon the ratepayer's shoulders. Mr. Sullivan said they may result in litigation/settlement and that there may be legal theories for nonpayment. He promised some research.

Various members indicated they would try to assist by contacting their senators and/or representatives at the governor's office.

RFP development for Solar Power Purchase Agreement

Mr. Simmons said they were looking to get an RFP on the solar project on the street. He said he contacted PWSB for their efforts. He said he still wants panels on top of the garage facility. He said there was a presentation 2 meetings ago on the value of solar.

Chairman Boyer said their bill is close to \$600,000.00 per year and the savings could be up to \$250,000.00 potentially.

Updated Kent County Water Website -Live on Oct 1

Mr. Simmons said the new website went live on October 1, 2020. He encouraged board members to visit it and offer any comments or questions.

Muni-link Utility Billing/CIS update

Mr. Lanfredi updated the board on the new billing software program. He said it will go live on January 1, 2021. He said Nicole is converting billing data from our system to theirs. He said both systems will go parallel soon until 1/1 when only their system will be used.

Cellular based Leak Detection and Tank Sensor systems

Mr. Simmons advised the board that they had received all the equipment. He said tank sensors were in place. He said there were some communication issues that they were working on and went on to explain how useful the technology was. He explained how the tank levels control the pump stations, and how the technology eliminates the requirement to drive out to the tanks and manually check the levels. Ms. Morrison discussed the installation updates.

Water Supply System Management Plan – State Agency Review Response

Mr. Simmons said he sent the board the cover letter to the Water Supply Management Plan and they believe it was done in compliance with their regulations.

ONGOING PROJECTS

Well Rehabilitation Mishnock Treatment - Complete

Mr. Simmons discussed the treatment process and advised the board that it was complete. He said they replaced the bronze with stainless steel and the specific capacity was back to normal when they completed. The wells were put back into service.

East Greenwich Well Treatment Design Update

Mr. Simmons said the preliminary design went to the RIDOH and they await a response.

Meter Change Out Program-Update

Ms. Richardson said the program was 47.9% complete. She said that 11,430 meters were installed as of October 9, 2020. They were installing about 420/week.

Board action Task Order to expand meter change out program to include large meters

Mr. Simmons said the latest rate filing included an approval to expand the meter replacement to include large meters. He said phase 1 is a survey of the large meters to do an assessment to get a handle on the scope of the project. He said the task order was \$175.00 per meter and it was to WMS, a division of Thielsch Engineering.

Mr. Giusti moved, seconded by Mr. Rousselle, to approve the task order at \$175.00 per large meter to WMS a division of Thielsch Engineering.

Motion made and duly seconded, it was unanimously

VOTED: That KCWA approves the task order at \$175.00 per large meter to WMS a division of Thielsch Engineering.

Water Main North/South Interconnection High Service Update-Pipe Gantry issues

Mr. Simmons updated the board indicating that but for the gantry issue, the project was going well.

Mr. Kortz asked about the capacity of the system to survive the drought. Mr. Simmons said during the peak of the drought, the Mishnock wells were offline. He said the Water Resources Board had a drought advisory committee. He said the level in the EG well was down ten feet but he felt KCWA had adequate supplies as it is backstopped by Providence wholesale water.

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: November _____, 2020

Patrick J. Sullivan

Legal Counsel