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KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING  
OF THE BOARD

November 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 November 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.

Secretary Scott Duckworth opened the meeting at 3:30 p.m. Board members Treasurer Russell Crossman, Brian Kortz, Geoffrey Rousselle, and Charles Donovan 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 October 21, 2021 were presented for approval. Mr. Rousselle moved the minutes approval, seconded by Mr. Crossman. The minutes were approved unanimously.

GUESTS:

Guest, Susan C. Kiernan, Locke Lord, LLP

Ms. Kiernan reviewed the minor changes to the amended bond resolution of the board that were made post approval from last month's approved bond resolution. She indicated that the team was working diligently in the financing area. She said there were several meetings between the RI Infrastructure Bank ("RIIB") to see if this was in the best interest of KCWA. Hilltop Securities composed a comparative analysis and concluded that it was best to use the RIIB.

Mr. Simmons added that using RIIB will result in one half million dollars in savings.

Ms. Kiernan went over the amendments to the bond resolution that would allow for some revolving fund financing, the efficient building fund, and the safe drinking water fund. There will be significant savings splitting up the financing.

She indicated one change would authorize one or more loan agreements in the event the financing was split up. She added that the look back period would be sixty days from October 21, 2021 for reimbursable expenses.

Mr. Rousselle moved, seconded by Mr. Crossman, approval of the Amended And Restated Resolution Authorizing The Kent County Water Authority To Finance A New Central Operations Facility, Including, But Not Limited To, Acquisition Of Real Property, Demolition, Design, Engineering, Paving, Landscaping, And All Attendant Expenses, Capitalized Interest, The Funding Of A Debt Service Reserve Fund And Costs Of Issuance And Approving The Financing Thereof By The Issuance Of Water Revenue Bonds In An Amount Not To Exceed \$20,000,000 And Approving The Execution And Delivery Of A Master Trust Indenture And Supplemental Indentures And Other Matters In Connection With The Financing.

Motion made and duly seconded, it was

VOTED: That KCWA approves the Amended And Restated Resolution Authorizing The Kent County Water Authority To Finance A New Central Operations Facility, Including, But Not Limited To, Acquisition Of Real Property, Demolition, Design, Engineering, Paving, Landscaping, And All Attendant Expenses, Capitalized Interest, The Funding Of A Debt Service Reserve Fund And Costs Of Issuance And Approving The Financing Thereof By The Issuance Of Water Revenue Bonds In An Amount Not To Exceed \$20,000,000 And Approving The Execution And Delivery Of A Master Trust Indenture And Supplemental Indentures And Other Matters In Connection With The Financing.

Hague, Sahady & Co., P.C., Review Audit Year Ending June 30, 2021

Mr. Simmons said this presentation will be postponed until next month.

ANNUAL REPORT: Seeking public comment: Presentation of completed due diligence study measures and alternatives reviewed for new office and maintenance facility.

Mr. Simmons said KCWA was seeking public comment on what we have done already in furtherance of a new facility. He said there was 1.5 years of due diligence by KCWA summarized in the annual report to customers. He said the new facility was described in great detail since 1999.

Mr. Duckworth thanked Mr. Simmons and all the staff. He said that it was a long journey to arrive at this point in the new facility. There was no public comment on the agenda item.

Mr. Simmons said they cleared the land this weekend and the flags had been verified by RIDEM and the 60' perimeter wetland was staked off.

Mr. Crossman asked if the final design was going out to bid. Mr. Simmons said it was within the next couple of weeks.

## **Legal Counsel**

### CONE Receivership

Mr. Sullivan updated the board on the Center of New England receivership. He said there were some fee petitions that the court approved after the Cambio parties objected, but nothing more substantive than that.

### Johnsons Blvd land purchase/lease

Mr. Sullivan advised the board about the issue. He said he had presented the proposal conforming lot to Mr. Gorham, the Coventry solicitor. Mr. Sullivan said Mr. Gorham was on trial he believed, but Mr. Sullivan said he would stay on it.

### 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. He said the Division of Taxation had indicated they needed yet another extension of time to get their decision out. They said mid December 2021 is the next target date.

## **Director of Finance Report:**

### Closing Report October 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 October 2021 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of October 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 and delinquencies. He said that shutoffs, which were paused as a result of Covid 19, would start up again in February 2022. Also, the interest on delinquent accounts would be reinstated on January 5, 2022.

Mr. Rousselle moved, seconded by Mr. Crossman, 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 October 2021 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of October 2021, attached as exhibit "A", be approved as presented and be incorporated herein and are made a part hereof.

#### Point of Personal Privilege and Communication

Secretary Duckworth invited Mr. Duchesneau to comment on this agenda item. Mr. Duchesneau said he was impressed with the office improvements and staff and that all was going well.

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

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

#### **GENERAL:**

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

Ms. Campagnone said Theilsch had changed out 21,886 meters, and staff had changed out 893 meters for a total of 22,779 meters as of October 16, 2021 and said the project was 94% complete. She went on to say that if the meters had not been changed out by November 19, 2021, the customer would be charged \$55.00 surcharge per month.

Mr. Simmons said there were 565 left to install. He reminded the board of a meter reading fee of \$55.00 per month for those who refuse to allow the meter changeout. He also said the large meter changeout is underway now.

##### Proposal for Engineering Services-RIIB and RIDOH Application assistance.

Mr. Simmons advised the board that they need to jump through some hoops with these applications and environmental assessments. He said he engaged Pare for \$19,500.00 and needed the board's ratification.

Mr. Rousselle moved, seconded by Mr. Crossman to ratify Mr. Simmon's engagement of Pare for \$19,500.00.

Motion made and duly seconded, it was unanimously

VOTED: That Mr. Simmon's engagement of Pare for \$19,500.00 is ratified by the board.

IFR 2021-Update. Task Order No. 1 addition of Replacements on Cowesett Ave (Main Street to Quaker), Main St (Cowesett Ave to Hawkinson Brook Crossing) Hawkinson Brook Crossing, Dounetos Street, Carlson Circle, Lee St. and Highview Dr.,

Mr. Simmons explained Task Order No. 1 received by James J Geremia and Associates. He said there were safety issues with the gas company lines in close proximity of water lines on Cowesett next to Pep boys. They have high pressure lines installed just above our water lines. This is very dangerous he explained if something were to let go. He said he would rather move the water lines to the other side of the road and abandon the existing water lines underground. He said this needed to go out for design by James J Geremia and Associates for the amount of \$98,670.00

Mr. Rousselle moved, seconded by Mr. Crossman to approve Task Order No. 1. Motion made and duly seconded, it was

VOTED: That Task Order No. 1 is approved in the amount of \$98,670.00.

Task Order No 8. Johnson Blvd. subdivision.

Next, Task Order No. 8 was presented. It involves Johnson Blvd. to resurvey the lot where the PRVs are located and allow additional frontage so as to allow an administrative subdivision with Coventry in the amount of \$2980.00.

Mr. Rousselle moved, seconded by Mr. Crossman to approve Task Order No. 8. Motion made and duly seconded, it was

VOTED: That Task Order No. 8 is approved in the amount of \$2980.00.

North South Interconnect -Change Order No. 9 Liquid Asphalt and Diesel Adj.

Mr. Simmons asked the board to approve C.O. No. 9 related to the adjusted cost of liquid asphalt and diesel fuel as allowed under contract.

Mr. Rousselle moved, seconded by Mr. Crossman, to approve the Change Order No. 9 with D'Ambra in the amount of \$10,431.86.

Motion made and duly seconded, it was

VOTED: That KCWA approves Change Order No. 9 with D'Ambra in the amount of \$10,431.86.

Balancing Change Order No. 10 North South Interconnector

Mr. Simmons advised the board that the project came in under budget. He asked the board to approve the balancing change order no. 10 with D'Ambra in the amount of (\$1,255,668.42).

Mr. Rousselle moved, seconded by Mr. Donovan, to approve the balancing change order.

Motion made and duly seconded, it was

VOTED: That KCWA approves the balancing change order with D'Ambra in the amount of (\$1,255,668.42).

Executive Session: 4:00 pm

Pursuant to RIGL 42-46-5(2): Discussions pertaining to litigation -RIDOT- Construction- Pipe Gantry Issues-KCWA v. D'Ambra Construction and RIDOT- KC-2021-0704

Pursuant to RIGL 42-46-5(2): Discussions pertaining to litigation -Cardi- Construction

Pursuant to RIGL 42-46-5 (5) Any discussions or considerations related to the acquisition or lease of real property for public purpose

Mr. Duckworth moved to enter executive session. Mr. Rousselle seconded the motion.

Chairman Boyer, via roll call vote, polled the board. The vote was unanimous.

The board went into executive session at 4:50 p.m.

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The board convenes back in open session at 5:05 p.m.. Mr. Sullivan said there were no votes taken in executive session.

Mr. Duckworth moved to seal the minutes of the executive session. This was seconded by Mr. Rousselle.

Motion made and duly seconded, it was unanimously approved.

There being no further business before this board, on motion duly made by Mr. Rousselle, seconded by Mr. Duckworth and carried, the meeting was adjourned at 5:08 p.m.

Dated: December \_\_\_\_\_, 2021

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Patrick J. Sullivan  
Legal Counsel