

**PASCOAG UTILITY DISTRICT
BOARD OF UTILITY COMMISSIONERS**

The regular meeting of the Pascoag Utility District Board of Utility Commissioners was held on Monday, May 2, 2005, in the District office, 253 Pascoag Main Street, Pascoag, RI.

Members Present: Albert Palmisciano, Ann Polacek, Brian Choiniere, William Mageau, Thomas Partridge, Adrien Trudeau, Dennis Whitman

Also in Attendance: William Bernstein, Esq., Theodore Garille, Julia Adam and Carol Poladian from the auditing firm Nelson, Adam and Dickson

Chairman Palmisciano called the meeting to order at 7:00 pm.

1. Pledge of Allegiance

2. New Business

A. Review and Approval of Financial Statements for Year Ended December 31, 2004.

Carol Poladian gave the District a clean opinion. She gave an overview of both divisions and reviewed the cash flow statement, balance sheet and restricted funds. She noted the District was in a good financial position and commented that it had a healthy balance sheet. Chairman Palmisciano asked if the comment on page 5

regarding the water department is appropriate; Mr. Bernstein replied that the financial statements are a snapshot of the District on December 31 and are accurate. Mr. Trudeau made a motion to approve the financial statements, which was seconded by Mrs. Polacek. The vote in favor was unanimous.

3. Good and Welfare of the District

A. Public Utility Commission Data Request – Docket No. 1725

Ms. Allaire reviewed the information regarding service terminations for the month of March, 2005. She noted that the annual moratorium on terminations ended on April 15th, however, the District will begin terminations on May 3rd. Mr. Whitman made a motion to receive and file the report which was seconded by Mr. Mageau. The vote in favor was unanimous.

B. Mr. Garille gave a report of the power outage on April 30th which affected the entire district. He noted the preferred line from National Grid had gone down, but by working with their dispatcher and using the equipment in the District substation the total time out was only thirty minutes. Chairman Palmisciano added that was outstanding performance.

C. Attorney Bernstein notified the Board that the U.S. House of Representatives passed another version of the Clean Air Act which contains a safe-harbor provision exempting refiners from liability or negligence from MTBE. The bill will go to the Senate where it will

meet opposition. He noted the bill does not affect the District's lawsuit because it was filed prior to the retroactive date of September 5, 2003.

D. Mrs. Polacek commended Judith Allaire for her continued service, adding she received the Customer Service Award from NEPPA. Chairman Palmisciano added the opinion was unanimous.

4. Approval of Minutes

Mr. Trudeau made a motion to approve the minutes of March 28, April 6, and April 15. The motion was seconded by Mr. Mageau. The vote in favor was unanimous.

5. Unfinished Business

A. NYPA—Niagara Relicensing

Mr. Garille reported that there is a conference call on May 10th and he will be attending the meeting in White Plains, NY on May 18th.

6. Committee Comments

A. Conference Room Subcommittee – Meeting Review and Recommendation

Mr. Partridge gave an overview of the subcommittee meeting held April 15th. He noted that Chief Shaw of the Pascoag Fire Department established a maximum capacity of 75 occupants adding that there is no need for a fireman at large meetings, but the Fire Department reserves the right to have one in attendance. He also noted that there

is no need for the District to have any additional insurance and that all applications to use the room will include a hold-harmless agreement indemnifying the District. There was discussion on who the approval authority for the meeting room would be. Mr. Partridge made a motion to accept the rules and regulations for the meeting room and that the Building Subcommittee would be the approval board. The motion was seconded by Mrs. Polacek. The vote in favor was unanimous.

7. Financial Reports

Mr. Choiniere made a motion to accept the February, 2005 Electric and Water Department financial reports. The motion was seconded by Mr. Partridge. The vote in favor was unanimous.

8. Public Comment

Mr. Guertin notified the Board that James Hoppe's mother passed away and the District would send flowers.

Mr. Howard Steere asked for the status of well exploration. Mr. Bernstein replied that the District is encouraged by well #5.

9. Executive Session

Mr. Partridge made a motion to enter into executive session for the purpose of discussion of acquisition of real property to secure easements for wellhead protection and access to Well No. 5 off Reservoir Road, pursuant to RIGL 42-46-5(a)(5). The motion was

seconded by Mr. Trudeau. The vote in favor was unanimous. The Board entered into executive session at 7:40 p.m. The minutes of this meeting shall remain confidential for as long as necessary pursuant to RIGL 42-46-5, until a majority of the Board shall vote to open said minutes as provided for and subject to the open meeting law.

The Board reconvened in open session at 8:03 pm. Mrs. Polacek made a motion to add an item to Agenda Item #3, Good and Welfare of the District. The motion was seconded by Mr. Partridge. The following item was added:

E. Mr. Garille informed the Board that the MTBE levels were rising and reached a level of 41 ppb. After it reached that level, Mr. Garille ordered that the wells be shut down immediately. On April 20th, the levels reached 300, and later reached 12,000 ppb. After that the levels appeared to level off. It was most likely a “pocket” of gasoline. In any event, the Department of Environmental Management opined that it would be years before the aquifer is cleaned or remediated.

10. Adjournment

Mr. Whitman made a motion to adjourn, which was seconded by Mr. Trudeau. The vote in favor was unanimous. Chairman Palmisciano adjourned the meeting at 8:25 pm.

Sharon McDonald, Recording Secretary

Brian Choiniere, Secretary

Board of Utility Commissioners