

# **PASCOAG UTILITY DISTRICT - BOARD OF UTILITY COMMISSIONERS**

## **MEETING MINUTES**

**The regular meeting of the Pascoag Utility District Board of Utility Commissioners was held on Monday, February 25, 2007, in the District office, 253 Pascoag Main Street, Pascoag, RI.**

**Members Present: Chairman Albert Palmisciano, Vice-Chair Ann Polacek, Commissioners Brian Choiniere, William Mageau, Thomas Partridge, Adrien Trudeau,**

**Absent: Dennis Whitman**

**Also in Attendance: Theodore Garille, General Manager; William Bernstein, General Counsel**

**Chairman Palmisciano opened the meeting at 6:00 pm.**

### **1. Pledge of Allegiance**

### **2. Public Comment**

**Mr. Bruce Rylah had some concerns regarding PUD's budget. He was also concerned with noise that was allegedly coming from the antenna up at the water tank on Rock Ave. Mr. Bernstein told Mr.**

**Rylah that the Public Comment portion of the meeting is reserved for comments that have to do with the current agenda and that his questions were not concerning the current agenda. He suggested that Mr. Rylah put in a request for next month's meeting ahead of time so that the Board could put his concerns on the agenda and that way they could find the information that he was looking for. Mr. Palmisciano asked that he send something to the District office in writing, stating what he would like to discuss and that it would be added to the agenda for next month's meeting.**

### **3. Good and Welfare of the District**

#### **A. PUC Data Request- Docket No. 1725**

**Judy Allaire stated that for the period ending January 31, 2007 PUD disconnected 11 residential standard customers and 0 residential protected status customers. The average customer balance for disconnections was pushing \$320.00. PUD had no accounts terminated for non-payment in excess of \$1,000. PUD does have customers that have balances in excess of \$1,000 but they are protected status customers and cannot be shut off until April. PUD has been in constant contact with the Division of Public Utilities. PUD sent out a total of 183 disconnection notices for the period ending January 31, 2008. PUD has several customers that have entered into agreements.**

**Mr. Partridge asked if we have been in contact with the customers**

**who have a balance in excess of \$1,000. Ms. Allaire stated that we are in contact with them and we visit with them, but they are protected customers. PUD can shut them off at the end of the moratorium with division approval.**

**Motion to receive and file was made by Mr. Choiniere, seconded by Mr. Trudeau, all in favor, vote is unanimous.**

### **B. Thank You**

**Mr. Garille stated that during the wind storm this past weekend we had no circuit outages. PUD did have a call to the Burrillville PD for assistance with a tree down. A tree had fallen on a home at Piche Drive and the line crew responded and asked for permission to cut up the tree and try to grab it with our line crew and take it off the house. After speaking with Mrs. Cournoyer, she gave us a verbal “hold harmless” over the phone. The police department removed their car, which was under the tree. Mrs. Cournoyer is pregnant and has 3 other little children at home and they were trapped in the house as well and were unable to get out through the door of the house. Mr. Guertin’s crew cut as much of the tree as they could and they grabbed the rest of it with the line crew truck and pulled it off the residence. There was no damage and no one was hurt.**

**Motion to receive and file was made by Mr. Mageau, seconded by Mr. Choiniere, all in favor, vote is unanimous.**

### **C. Newsletter**

**Motion to receive and file correspondence was made by Mr. Partridge, seconded by Ms. Polacek, all in favor, vote was unanimous.**

### **4. Approval of Minutes**

- Water Sub Committee Meeting Minutes of February 4, 2008**
- Regular BUC Meeting Minutes – February 4, 2008**

**Motion to receive and file both minutes as submitted by Mr. Choiniere seconded by Mr. Partridge and Mr. Trudeau, all in favor, vote was unanimous.**

### **5. Committee Comments**

**A. Water Sub-committee met before this evenings meeting to review the new water department fees. There was a motion made to recommend to the Board to approve the increase in the rate structure. This would become effective on April 1st, 2008.**

**B. The Finance Sub-committee met this evening to discuss interest bearing accounts for our restricted fund monies and also to discuss signatures required so that Judy would be able to sign for this herself, because it's mostly electronic transfer. The finance subcommittee made a unanimous motion to approve and recommend to the board a resolution to approve.**

**Mr. Choiniere asked if the water department fees are the same as the ones reviewed in the last regular BUC meeting. Mr. Garille stated they were.**

## **6. Unfinished Business**

### **A. Update Well #5**

**Mr. Garille stated that the well is on line and continues to function very well. The Well is pumping approximately 108,000 gallons a day. We have gone up to the main interconnect with Harrisville, the meter there is reflective of the fact that we're pumping this much water. We are obviously not buying as much water from Harrisville. Our water tanks, both Rock Ave. and South Main St., elevations have increased which is very good. At this point in time everything is very positive. We had originally discussed with the board pumping 12 to 16 hours a day and then going off line for recharge. What we have done is put transducers on the high and low end of the well so that the well pumps 24 hours a day. If the recharger is not sufficient and we draw down to a certain point, the pump automatically shuts off so as to protect the small aquifer in the recharge basin. We've had no interruptions. We have installed a variable frequency drive that tells it to turn on or shut off or pumps less. We were able to get a rebate on this pump for its energy efficiency. That well is providing about 30% of our needs right now. DEM is requiring us to keep it to 75 gallons a minute for the first year. Mr. Lima is monitoring a number of things at the well right now. After the first year we can go up to 100 gallons a minute. We have an alarm system so in fact if the pump does shut off**

**it will call Mike Lima's cell phone and home phone to let him know.**

**The ceremony for the well is Monday, March 3rd and there will be a host of dignitaries here and I hope the board will be in attendance. Senator Reed has confirmed his attendance. Representative Pacheco will be here. Dave Steere from USDA will be here and his boss as well. These are the folks who helped us with the grant money for this well.**

## **7. New Business**

### **A. Approval of New Water Department Schedule of Fees**

**Ms. Allaire gave a brief overview of the study, which was covered in the February 4 Regular BUC Meeting. Mr. Palmisciano stated that we should notify the Fire Department by letter that the change is coming to the hydrant fees and that way they could prepare their budget accordingly for November.**

**Motion to approve item A, approval of new water dept schedule of fees effective April 1 with the exception of the hydrant fee increase for the Pascoag Fire District, which they will be notified of the increase by letter to be effective in their next annual budget. A motion was made by Ms. Polacek and seconded by Mr. Choiniere. All in favor, vote was unanimous.**

### **B. Resolution Regarding Interest Bearing Accts, Freedom National Bank**

**The Subcommittee met and made the recommendation for the Board to approve. Ms. Allaire gave an overview. We worked with Freedom to move the money we have in our two restricted accounts to a high yield savings account, which is a difference of about 1.1% on each account, so we have set up these new accounts. The second part of this is the funds are transferred electronically. The division of public utilities and carriers reviews all activities on these accounts, so there is another layer that monitors activity on these accounts. The direct request was that one person be allowed to do this.**

**Motion made to approve the interest bearing account by Mr. Partridge. The resolution is as follows: That Pascoag Utility District (The "Corporation") hereby approves the transfer of funds in "Restricted Funds-Capital" and "Restricted Funds-Purchase Power" to a high-yield account, and to authorize Theodore G. Garille, General Manager; Judith R. Allaire, Assistant General Manager; and Helen F. Moroney, Treasurer to exercise all of the powers listed in this resolution. Seconded by Mr. Mageau and Mr. Trudeau, all in favor, vote was unanimous.**

### **C. Resolution Regarding Signatories on Checking**

**Mr. Palmisciano stated that Ms. Allaire had just talked about the electronic transfer to have one person responsible which would be herself. There is no prepared resolution for this. We need the Board to approve item #3 on the Freedom Resolution where we changed it from 2 signatories to 1. Commissioner Choiniere needs to sign and**

**initial. Mr. Bernstein recommends the resolution contain the language...the resolution as set forth on the corporate authorization resolution form as part of the package and attached to the minutes and made part of the record.**

**Motion was made by Mr. Partridge seconded by Mr. Mageau, all in favor, vote is unanimous.**

#### **D. New Internet Home Page and Service**

**We reviewed this before the beginning of the meeting. Mr. Garille stated that Soleil has been hard at work. Most of the Board was able to view the new website before the beginning of the meeting. We are close to going live with this and this will be phase one of the project. Next year phase two will enable customers to view and pay their bills on line.**

#### **E. United Health Care – 2008**

**Mr. Palmisciano stated what was discussed at last month's meeting. We did not have it on the agenda for a formal vote last month that is why it's on this month's agenda.**

**Motion was made to approve and to let the General Manager approve by Mr. Partridge seconded by Mr. Choiniere, all in favor, vote is unanimous.**

## **8. Financial Reports**

### **A. Water Department / December**

**Ms. Allaire reviewed budgets. She stated these are yearend reports. These aren't audited but should be by the end of March. The construction work in progress is \$908,000 for Well #5. On the liability side, our system debt is \$51,000. In January we retired \$14,000, and in September we will retire another \$5,600, which is the state revolving fund. The only thing left after that debt is retired is Well #3. Regarding the earnings statement, the operating revenue is 94% thru December. We will bill in January and two of those months will be in the fiscal year 2007. We will accrue some additional dollars to operating revenue, as well as on the expense side of the Harrisville surcharge. PUD has seen a net operating loss of \$45,963. This is our net loss prior to any other revenue sources, such as the hydrant, antenna rental etc. With PUD's net income up to \$575,000 and if you deduct our grant money at \$528,000, PUD's net operating revenue is \$47,000 for the water department. PUD has been informed by our auditors that because our grant exceeded \$500,000, we were placed in another category that requires additional reporting requirements.**

### **B. Electric Department / December**

**Ms. Allaire reviewed budgets. Our operating revenues are on budget. We are in 90% of purchase power expense. We saw a reduction in Dominion cost and received a lot of interruptible power from NYPA. On the accounts receivable side so far this year we have 17 foreclosure notices. We are trying to recover some of the money**

**owed to us. We may see high write offs at the end of the year due to this mortgage situation.**

**Motion was made to receive and approve budgets by Mr. Partridge seconded by Mr. Trudeau, all in favor, vote is unanimous.**

## **9. Adjournment**

**Motion was made to adjourn by Mr. Partridge and seconded by Ms. Polacek, all in favor, vote is unanimous. Meeting was adjourned at 7:00 PM.**

---

**Brian Choiniere, Secretary**  
**Board of Utility Commissioners**

---

**Kris Fanning, Recording Secretary**