

## **Pascoag Utility District Board of Commissioners**

### **Regular Meeting Minutes- January 23, 2012**

**A meeting of the Pascoag Utility District was held on Monday, January 23, 2012 at 6:00 PM in the District Office at 253 Pascoag Main Street., Pascoag, RI 02859.**

**Members Present: Albert Palmisciano, Ann Polacek, Michael Kogut, Wallace Lees and Richard Jenks**

**Members Absent:**

**Mr. Palmisciano called the meeting to order at 6:00 PM**

### **Agenda**

- 1. Pledge of Allegiance**
- 2. Public Comment**
- 3. Committee Comments**
- 4. Good and Welfare of the District**

#### **A. Docket No. 1725**

**For the period ending December 31, 2010, Pascoag Utility District disconnected 2 residential standard customer and no residential protected status customers. The average monthly balance was \$371.05 for those that were terminated. Pascoag had no accounts terminated for non-payment in excess of \$1,000 during this period. Pascoag Electric sent a total of 198 disconnection notices for this period. PUD entered into no new written agreements and 69 verbal agreements with its standard customers. PUD has 8 written agreements for customers who qualify for Protected Status. Thirty-three out of sixty-nine short term agreements were delinquent**

**and fifteen out of thirty-two written agreements have been broken during the month of December. Motion to receive and file made by Mr. Lees, seconded by Mr. Jenks. The vote in favor was unanimous.**

#### **B. NYPA**

**Mr. Kirkwood stated that Pascoag had a very good year regarding receiving both interruptible and firm power from Niagra and St. Lawrence. These continue to be very powerful contracts. Mr. Lees made a motion to receive and file, seconded by Ms. Polacek. The vote in favor was unanimous.**

#### **C. COS Update**

**Ms. Allaire stated that staff are officially underway with the Cost of Service. They have already submitted a lot of information and had their kick off meeting. Ms. Allaire feels that everything is on track.**

**Mr. Kirkwood stated that this is a perfect time to be doing the Cost of Service and cited the example of Daniele Prosciutto Plant that is relocating to Bronco's Highway. Pascoag is looking to create rate structures for each class of customer and the new structure may be an incentive for very large industrial customers without being discriminatory towards any other class of customer.**

#### **D. Audit Update**

**Ms. Allaire stated that the auditors are onsite for two weeks. Management has a meeting with the auditors tomorrow to discuss upcoming items that will impact the District for 2012 such as DPI and the Exxon Mobil settlement. Two Board members will also be present**

for the meeting.

#### **E. Credit Card Revenue**

Ms. Allaire wanted to update the Board on the progress of the credit card payments. Prior to 2009, the District only took credit card payments from walk in customers and per the RIPUC had to charge a processing fee of \$3.25. In 2009, the RIPUC waived the fee and allowed the District to incur it as a cost of doing business which allowed PUD to get a lower credit card processing rate and make way for online credit card payments. The credit card processing fee in 2009 was close to \$5.00 to process a credit card payment. PUD has been able to negotiate the fee down to about \$1.15 per credit card transaction since the RIPUC has waived the fee charged to customers. The District now has revenue of \$800,000 per year in credit card transactions with very little promotion of the service.

Motion to receive and file made by Mr. Lees, seconded by Mr. Jenks. The vote in favor was unanimous.

#### **F. Tideflex**

Mr. Guertin stated that he, Mr. Kirkwood, and Mr. Lima attended a couple seminars on Tideflex. Tideflex is a mixing system for water distribution systems. The system targets the stagnation and dead zones in the stand pipes and tanks. PUD staff are looking into this system for the tank rehabilitation project. The Tideflex system travels up the whole length of the tanks and as the tanks fill it will disburse the water and mix the chlorination or whatever treatment thoroughly.

#### **G. AMR Project Update**

Mr. Kirkwood was happy to report that the AMR project is essentially

completed. Ms. Allaire stated that water meter reading now takes 1 hour and 45 minutes to read all the meters in Pascoag and then staff are ready to bill. Prior to the AMR system it was 2-3 weeks into the quarter before staff could start billing. Staff will look at the possibility of billing monthly after testing the system out for one year.

Mr. Kirkwood stated that Mr. Lima and other operations staff took all the old meters, stripped them of their components and sold them to a recycling center for almost \$4,000.

Mr. Guertin stated that staff were able to complete the project in the time frame of one year and wanted to thank all involved but especially Ms. Choquette and Mr. Lima.

Ms. Allaire stated that the project also came in well under budget.

#### **H. RICWFA Project Update**

Mr. Kirkwood stated that they are moving forward with both projects (tank maintenance and water exploration). The water exploration project is in the data collection phase at this time. Ms. Allaire and Ms. Downs are working on collecting data for the financing aspect of the project.

#### **I. GNEF**

Mr. Palmisciano had asked this to be put on the agenda because when he called the RIGNEF on behalf of another person he was told that they don't service Burrillville. Ms. Downs spoke with RIGNEF and was told that Burrillville residents are referred to Mr. Jim Martuffi who directs them to Tri-Town. If Tri-Town determines that they do not qualify for LIHEAP they are given a letter and can qualify for RIGNEF.

#### **J. Updated Subcommittees**

**Mr. Palmisciano directed the Board members to the updated Subcommittee lists. There were no questions.**

## **5. Approval of Minutes**

### **A. Finance Subcommittee- November 28th**

**Mr. Lees made a motion to approve the minutes as submitted, seconded by Ms. Polacek. The vote in favor was unanimous.**

### **B. Regular BUC Meeting- November 28th**

**Mr. Lees made a motion to approve the minutes as submitted, seconded by Ms. Jenks. The vote in favor was unanimous.**

### **C. Annual Meeting- December 12th**

**Mr. Lees made a motion to approve the minutes as submitted, seconded by Ms. Jenks. The vote in favor was unanimous.**

### **D. Re-org Meeting- December 16th**

**Mr. Lees made a motion to approve the minutes as submitted, seconded by Mr. Jenks. The vote in favor was unanimous.**

## **6. Unfinished Business**

## **7. New Business**

## **8. Financial Reports**

### **A. Electric Department- November 2011**

### **B. Water Department-December 2011**

**Ms. Allaire presented the electric budget through November. PUD's revenue is right at 98% of the budget. Purchase Power which is the biggest expense is at 96% of the budget. The Operations and Maintenance category is 99% of the budget. Customer Account Expense is a little over budget but it only makes up 3% of the budget.**

**Ms. Allaire stated that the District was in good shape regarding**

managing the budget. The District has a small net income of \$29,207.00. Ms. Allaire closed December financials today.

The Water Department, thanks in part to non-operating revenue had a small net income of \$3,500.00.

Mr. Palmisciano asked if there had been any difference in unaccounted water since the AMR project had been finished. Ms. Allaire stated that she could send that information out to all the Commissioners.

Mr. Kirkwood added that the District had a challenging economic year for 2011 and wanted to acknowledge all the hard work the staff has put into keeping the District within budget.

Mr. Jenks asked about what was being charged to the Fire Departments for water usage. Mr. Kirkwood stated that now Pascoag residents are charged for the hydrant fees. More communities are moving towards this method of billing for the fire hydrant fees.

Mr. Lees made a motion to approve the financial reports as submitted, seconded by Ms. Polacek. The vote in favor was unanimous.

## **9. Executive Session**

To go into Executive Session for the purpose of discussing litigation regarding Exxon Mobil, pursuant to R.I.G.L. 42-46-5(a)(2). The minutes of said 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.

**Mr. Palmisciano made a motion to enter into Executive Session at 6:45 PM, seconded by Ms. Polacek. The vote in favor was unanimous. Mr. Lees made a motion to seal the minutes of the Executive Session, there were no votes taken. The motion was seconded by Mr. Kogut. The vote in favor was unanimous.**

#### **10. Adjournment**

**Mr. Lees made a motion to adjourn, seconded by Mr. Jenks. The vote in favor was unanimous. The meeting was adjourned at 7:01PM.**

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**Wallace Lees, Secretary**

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**Desarae Downs, Recording Secretary**