

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

**The regular meeting of the Pascoag Utility District Board of Utility Commissioners was held on Monday, March 24, 2014 at 6:00 p.m. in the District office, 253 Pascoag Main Street, Pascoag, RI.**

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

**Members Absent:**

**Also in Attendance: Michael Kirkwood, General Manager; William Bernstein, General Counsel**

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

**1. Pledge of Allegiance**

**2. Public Comment**

**3. Committee Comments**

- Water Subcommittee met at 5:15 and discussed changing water billing from quarterly to monthly.**

- Facilities Subcommittee met at 5:30 and discussed usage of the Board room.**

**4. Good and Welfare of the District**

**A. Docket No. 1725**

**Ms. Round reviewed the customer shut off information. There were no customers terminated in the month of February. Pascoag Utility District sent out 175 disconnection notices. Motion to receive and file made by Mr. Lees, seconded by Mr. Kogut. The vote in favor was unanimous.**

## **B. Exxon Settlement Account**

**Ms. Allaire stated that PUD did receive our final reimbursement from RICWFA. Payments were made in February for debt service and water exploration. There is currently \$1,608,919.21 in the settlement account and \$500,000 in the CD account with a little over \$1600 earned in interest. Motion to receive and file made by Mr. Lees, seconded by Mr. Jenks. The vote in favor was unanimous.**

## **C. Freedom Award Dinner**

**Mr. Guertin nominated the Pascoag Utility District and Mr. Kirkwood for the Employer Support of the Guard and Reserve Freedom Award. It's the highest recognition given to an employer by the government. If the District wins they will be presented the award at the White House.**

## **D. APPA/NEPPA DC Rally**

**Mr. Kirkwood and Mr. Palmisciano attended the three day APPA/NEPPA rally. It's a way to get all of public power to DC to inform our delegation about what issues currently affect public power. They were able to meet with Senator Whitehouse and Senator Reed. They also met with Representative Langevin and Representative Ciciline's staff.**

## **E. Earth Day Poster Contest**

**Ms. Dolan and Ms. Round are working with Burrillville Parks and Recreation and the Jesse Smith Library on an Earth Day poster contest. The contest is open to children in kindergarten through sixth grade. The children will create a poster demonstrating how they protect the environment by recycling or conserving energy. Prizes**

have been provided by Ms. Peggy Dudley for the top three winners. 12 drawings will be picked to include in a 2015 calendar that will feature recycling and energy conservation tips.

## **5. Approval of Minutes**

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

## **6. Unfinished Business**

## **7. New Business**

### **A. 14-02 High Power Bills**

Mr. Kirkwood wanted to brief the Board on the unprecedented high cost of power bills due to the cost of natural gas price this winter. This has really impacted the District's cash flow. The District is currently under-collecting and in talks with the Public Utilities Commission to file a midyear rate filing to increase rates to recoup some of the cost of the power bills.

### **B. 14-03 Action Item: Board Room Usage**

Mr. Jenks stated that the Facilities Subcommittee met and recommended that the District begin to charge a fee of \$125 for the first two hours for outside groups using the District's Board room. After two hours, additional fees would incur. This fee would apply to nonprofits as well. The fee would help offset some of the cost of staff being onsite to open the Board room for the groups.

Mr. Lees made a motion to adopt the recommendation from the Facilities Subcommittee, seconded by Ms. Polacek. The vote in favor

**was unanimous.**

#### **C. 14-04 Action Item: Quarterly/Monthly Billing**

**The Water Subcommittee met and recommended that the District transition from quarterly to monthly billing starting in 2015. Mr. Jenks made a motion to support the recommendation, seconded by Mr. Lees. The vote in favor was unanimous.**

#### **D. 14-05 Water Customer Rate Class**

**The District is looking into creating two new water rate classes, one for landlords that have multiple units with one meter and one for nursing homes. PUD's consultant, Mr. David Bebyn will be devising a rate for both classes and submitting it to management next month.**

### **8. Financial Reports**

#### **A. Electric Department- January 2014**

**Ms. Allaire reviewed the electric financial reports for the month of January. The District is 44% above budget for purchase power costs. All other costs that are manageable by staff are right on budget. Purchase power costs for January were projected to be \$443,000. In January, power bills were \$641,000. This trend has been continuing throughout the winter months. The revenue is not keeping up with the cost of power. The electric department is posting a loss of \$146,000 at the end of January.**

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

#### **B. Water Department-**

**Ms. Allaire stated that the first quarter of the water bills were billed at the new rates. It was anticipated that revenue would be a little higher**

but it came in \$40,000 under budget. In the first period, the water department had \$41,000 net income.

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

## **9. Executive Session**

To go into Executive Session for the purpose of discussing a potential business expansion that is in Pascoag Utility District's territory pursuant to R.I.G.L. 42-46-5(a)(6). 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 meetings law.

Mr. Lees made a motion to exit Executive Session, seconded by Mr. Jenks. The vote in favor was unanimous.

The Board exited Executive Session at 6:50PM.

Mr. Lees made a motion to seal the minutes, with no votes taken; seconded by Mr. Jenks. 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 6:51PM.

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**Wallace Lees, Secretary**

**Board of Utility Commissioners**

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**Desarae Dolan, Recording Secretary**