

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE BRISTOL COUNTY WATER AUTHORITY**

Thursday, January 11, 2007

450 CHILD STREET, WARREN OFFICE, BOARD ROOM, WARREN, RI

Pursuant to proper notice, the regular meeting of the Board of Directors of the Bristol County Water Authority was called to order by Chairman Anger at 6:00 pm, in the Warren Office, Boardroom, 450 Child Street, Warren Rhode Island. Executive Director Pasquale DeLise, and the following Directors were in attendance at the commencement of the meeting:

Bert Anger, John Jannitto, Joseph Rego, John Saviano, Frank Sylvania, John Veader

Directors Absent – William Lavey, Allan Klepper, Ian Morrison

HOUSEKEEPING

Minutes of the following meeting were reviewed.

Upon a motion duly made and seconded, it was

VOTED: That the minutes of the regular meeting of December 14, 2006, be approved.

Motion 5 – 1, Director Sylvia abstained.

Chairman Anger introduced Ms. Robin Rosenthal from Benefit Management who presented BCWA's Annual Actuarial Report.

Executive Director DeLise handed out an email from Director Klepper.

Executive Director DeLise congratulated Director Frank Sylvia on his appointment as Executive Director of the Warwick Sewer Authority.

AUDIT FINANCE COMMITTEE

Old Business, Director Sylvia reported:

- 1. Status of Water Resources Board Grant Requests, Requisition submitted to RIWRB for \$21,000 (New Shad Pipeline Engineering).**
- 2. Leasing of Second Floor of BCWA Administrative Offices, Committee requests item to be taken off agenda.**
- 3. Other Potential Fund Raising Venues, Executive Director DeLise stated that legal counsel Ms. Sandra Mack will update the Board.**
- 4. Meter Replacement Program, Manager of Customer and Commercial Services, Mr. Joseph Granata, updated the Board stating**

that an average of 40 meters per week are being installed.

5. FY08 Proposed O & M Budget, Committee recommends to increase line item for hydrant paint to \$600 and approve O & M FY08 proposed budget. Director Sylvia stated he had given Manager of Accounting and MIS Mr. Web Goodwin questions he had concerning the budget. Mr. Goodwin presented the Board with the answers (attached, available at BCWA's office).

Director Saviano made the following motion

MOTION: To approve FY08 O & M Budget for the amount of \$6,279,650, as presented.

Director Rego seconded the motion.

Motion passed unanimously.

6. Quarterly Charge-Offs, Committee recommends to hold meeting with the affected parties. Director Veader requested the Executive Director set up a meeting between BCWA and Roger Williams University for February.

New Business

1. Rate Projections, Director Rego stated that the Board could not act on a rate increase without first approving the Capital Budget.

Director Sylvia stated that there are two different scenarios, and borrowing \$4.6 million to address capital projects for the next five years.

PUBLIC RELATIONS/PERSONNEL COMMITTEE

Director Veader reported:

New Business

1. Executive Director Yearly Review, the following motion was duly made and seconded

MOTION: To give the Executive Director a 3.5% salary increase, as presented.

Motion passed unanimously.

ENGINEERING COMMITTEE

Director Jannitto reported:

Old Business

1. WTP Project Update, RIDOH has requested additional data.

2. Kickemuit Reservoir Fish Ladder, Trying to get all grant monies together, held meeting with the Town of Warren. Executive Director stated that contractor was paid \$67,000 from our funds, BCWA to be reimbursed.

3. Shad Pipeline, Executive Director DeLise stated that a meeting will

be scheduled between the Town of Rehoboth Water District and BCWA.

4. Matters Related to BCWA Discharge to Warren Sewer Plant, Executive Director DeLise stated that court hearings have been put on hold. Independent consultant to be hired jointly by BCWA and the Sewer Commission to evaluate situation. BCWA continues to make monthly payments to the Warren Sewer Department for sludge.

Executive Director DeLise stated that the driving force behind the Sewer Commission is the Pilot Program. The Town of Warren feels that they have been losing money with the Pilot Program since BCWA inception.

5. East Providence Matters, Executive Director DeLise stated that no agreement has been reached between East Providence and BCWA. Approximate Cost for a study to be done is \$50,000.

6. Developer Agreement (i.e. booster pumps/low pressure, Bristol), Workshop requested by Bristol.

7. RIDOH Sanitary Survey, Executive Director DeLise stated that BCWA has not done everything that DOH has requested, but all that could be done.

8. Developer Agreement (i.e. booster pumps/low pressure, Bristol), to

copy Building Inspector for all future correspondence related to low pressure areas.

9. Policy for Tank Inspection, to schedule Merithew for presentation/discussion.

10. FY08 Proposed Capital Budget, discussion followed concerning a rate increase of 9% and 6% or for BCWA to borrow \$4.6 million and increase rates by small percentages for a number of years.

Director Sylvia stated that BCWA has a paving agreement with the towns of Warren and Barrington. We should get a paving agreement with Bristol, then modify the budget. Budget item, replace 3 vehicles for a total of \$120,000, only one vehicle should be replaced at this time. However 2 of the vehicles were put on hold in last year's Capital Budget. A public hearing must be held before the rate increase.

Director Rego made the following motion which was duly seconded

MOTION: To approve the FY08 Capital Budget in the amount of \$1,651,056.

Director Veader stated that by approving the budget BCWA is not increasing the rates. A hearing still has to be held.

Motion passed unanimously.

Director Rego made the following motion which was duly seconded

MOTION: To fund BCWA over the next 5 years: Recommend to increase rates by 3% per year for the next 5 years and to set up a Public Hearing to discuss this proposed rate increase.

Director Rego stated that after the Public Hearing the Board will convene and vote on the rate increase. Information to be advertised in newspaper.

Motion passed unanimously.

9. Weston & Sampson Drinking Water Quality Program, Committee recommends approval. Upon a motion duly made and seconded it was

Motion: To approved Weston & Sampson Contract Amendment #2 at a price of \$52,700, as presented.

Motion passed unanimously.

The Chair recognized Mr. Webster Goodwin, Manager of Accounting and MIS. Mr. Goodwin stated that, in his professional opinion, he is in favor of the proposed rate increases of 9% March 1, 2007 and 6%

March 1, 2008 which does not require borrowing money for proposed capital improvements and is not in favor of the proposed rate increases of 3% March 1, 2007, 3% March 1, 2008, 3% March 1, 2009, 3% March 1, 2010, and 3% March 1, 2011, which proposes borrowing \$4.6 million over the next five years for proposed capital improvements.

EXECUTIVE DIRECTOR'S REPORT

The Executive Director's Report was self-explanatory.

NEXT STEPS

- 1. Public Relations/Personnel Committee Meeting, Tuesday, February 6, 2007, 5:15 p.m., Warren Office, Boardroom, 450 Child Street.**
- 2. Engineering Committee Meeting, Wednesday, February 7, 2007, 5:15 p.m., Warren Office, Boardroom, 450 Child Street.**
- 3. Audit Finance Committee Meeting, Thursday, February 8, 2007, 5:15 p.m., Warren Office, Boardroom, 450 Child Street.**
- 4. Board of Directors Monthly Meeting, Thursday, February 15, 2007, 6:00 p.m., Warren Office, Boardroom, 450 Child Street.**

There being no further business, the meeting was adjourned at 8:00 pm.

John P. Saviano
BCWA Assistant Secretary