

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

**Tuesday, April 7, 2009**

**450 Child Street, Warren Office, Warren, RI**

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

**David Dugan, William Gosselin, John Jannitto, Allan Klepper, John McElroy, Jr., Lloyd Matsumoto, Frank Nencka, Frank Sylvania**

**Director Absent – Joseph Rego**

**1. Annual Actuarial Report, Chairman Jannitto introduced Mr. Robert Bostian from Benefit Management, Legal Counsel Ms. Sandra Mack and Ms. Tracy Vitals from Hinckley Allen and Snyder. Ms. Sandra Mack stated that Ms. Vitals would discuss BCWA Pension Plan.**

**Ms. Vitals stated that 6 amendments had been made to the Pension**

**Plan as required by law for the life of the plan. In 2000 it was pointed out that BCWA was a governmental entity for pension purposes.**

**There is a contributory change in the Pension that new hires must contribute 1% to the Plan beginning one month after they are hired.**

**Mr. Robert Bostian stated that funding to the lump sum was a concern, the sum was too high, it was of a greater value than the annuity. The value of the lump sum is now consistent with the annuity. Because BCWA is a government entity the July 1, 2008 contribution must be redone to make the contribution more consistent with what was done in the past.**

**Director Sylvia asked what the immediate impact on the employees was as far as their pension plan was concerned.**

**Mr. Bostian stated that there would be no impact for monthly disbursement.**

**Director Gosselin asked why the Board was not notified in 2000 when it was pointed out that BCWA was a government entity.**

**Mr. Bostian stated that the premiums that were refunded at that time were invested into the plan.**

**Executive Director DeLise questioned why the contribution numbers**

have been going up gradually since 2000, then this year the contribution number went up much higher.

Mr. Bostian stated that there are now new funding rules that caused the jump. Government Plan does not apply to those increased numbers. A government plan takes a longer term approach. It funds the benefits for the lifetime of the person. I will redo the numbers, but the new policy has to be adopted.

Ms. Mack stated that the new policy reflects previous and current changes.

Director Sylvia stated that the new policy should be fair to both the employee and the company. Director Sylvia commended Mr. Bostian for his due diligence.

Director Gosselin stated that this may not have been discovered if there had not been such a big change in the contribution numbers.

Executive Director DeLise asked if 1% contribution was difficult to administer.

Mr. Bostian replied that 1% was not worth the effort. Internal accounting would be difficult – interest and contribution have to be monitored.

**Executive Director DeLise stated that he would like to see numbers for monthly and lump sum for all employees recalculated.**

**Mr. Bostian stated that lump sum on earnings for employees will not go down. Future rates may affect the pension rates. The benefit already exists for the employees, these amounts have been earned and cannot be taken away from the employees.**

**Director Gosselin questioned what dictates the yearly contribution amount by the company.**

**Mr. Bostian stated – mortality table, assume future earning of the fund, money earned by the employee, changes in the economy, projection of financial demographic results also has an affect on the contribution number. It's the same for everyone in a government plan.**

**Manager of Accounting and MIS, Mr. Webster Goodwin asked if he could see the lump sum number for early retirees before the plan is adopted. The accrued pension to date and accrued number at retirement, those numbers are now elevated.**

**Mr. Bostian stated that the numbers would be recalculated for the next sub committee meeting.**

**Ms. Mack stated that she is recommending the Board to adopt the**

**plan tonight.**

**The Chair recognized Local 359 President, Mr. Brian Mellor. Mr. Mellor stated that Ms. Mack had informed the Board at the last meeting that all the information would be given to the employees to be reviewed before voting.**

**Ms. Vitals stated that the plan needs to be adopted by the end of the plan year in June.**

**Ms. Mack stated that she had no problem in sharing the information with employees. A meeting has to be scheduled for the plan to be adopted by May 15.**

**Executive Director DeLise stated that a Special Board Meeting can be scheduled in May. We will have the Sub Committee Meetings and a Special Board Meeting following on May 6.**

**Mr. Robert Bostian, Ms. Sandra Mack and Ms. Tracy Vitals left the meeting at 6:00 pm.**

## **HOUSEKEEPING**

**Minutes of the following meetings were reviewed.**

**Upon a motion duly made and seconded, it was unanimously**

**VOTED: That the minutes of the regular meeting of March 11, 2009, be approved.**

## **ENGINEERING COMMITTEE**

**Executive Director DeLise reported:**

### **Old Business**

- 1. WTP Project Update, Contract for Phase II improvements awarded to Camp Dresser & McKee. A schedule of activities will be completed by CDM.**
- 2. Shad Pipeline (Executive Session), A consensus of the Board was taken at the Sub Committee Meeting on this item.**
- 3. Storage Tank Rehabilitation, Bid-Opening Conference is scheduled for 4/9/09.**

### **New Business**

- 1. Annual Paving FY2010 – Contract Award, Committee recommends to approve, as presented. Upon a motion duly made and seconded, it was unanimously**

**VOTED: To award contract to low bidder, International Paving Corporation of Pawtucket, RI, at a price of \$85,850.00, as presented.**

- 2. Annual Stock “E” Purchase FY2010 – Contract Award, Committee**

**recommends to approve, as presented. Upon a motion duly made and seconded, it was unanimously**

**VOTED: To award low bidders, as follows:**

**Pipe and Fittings – Warwick WinWater**

**Valves, Tapping Sleeves & Valves, Valve Boxes and Accessories – EJ Prescott**

**Water Main Repair Materials – Stiles Company, Inc.**

**Fire Hydrants – John Hoadley and sons**

**Water Service Construction Materials – Ti-Sales**

## **PUBLIC RELATIONS/PERSONNEL COMMITTEE**

**Director Gosselin reported:**

**Old Business**

**1. Poster & Essay Contest, BCWA has received 101 essays.**

## **AUDIT FINANCE COMMITTEE**

**Director Sylvia reported:**

**Old Business**

**1. Status of Water Resources Board Grant Requests, Received \$52,336.11 from RIWRB on 3/31/09 for repairs to the existing Shad Pipeline done in-house.**

**The Chair recognized Local 359 President, Mr. Brian Mellor. Mr. Mellor distributed page 6 of BCWA's minutes of the January 14, 2009**

meeting. Mr. Mellor asked if the motion made by Director Klepper concerning new retirees of BCWA contributing to their health insurance premiums pertained only to Staff employees.

Director Klepper stated that the Union Contract would have to be reopened to discuss this with Union employees.

Executive Director DeLise stated that Staff and Union employees have always had the same benefits.

Director Klepper stated that the intent of the motion was to set a precedent, Staff to open the Union contract and negotiate.

The Chair recognized Engineering Technician Ms. Susan Andrade. Ms. Andrade stated that only 6 Staff employees are affected by this motion out of 35 employees. Ms. Andrade asked if Director Klepper found this fair.

Mr. Klepper stated that he did find it fair, there are different issues.

The Chair recognized Assistant Engineer, Mr. Richard Fennessy. Mr. Fennessy stated that when he was hired he was told that he would have the same benefits as Union employees.

Director Klepper stated that the Board has voted that there are no verbal contracts. The Board has dealt with this issue for four months.

**This does not affect the Union.**

**He then asked what Staff had done to follow thru with the Union, if the contract had been reopened to re-negotiate.**

**Executive Director DeLise stated that the contract had not been reopened.**

**Director Klepper asked the Chairman to review the motion with the Executive Director so the motion could be carried out.**

**Director Sylvia asked that this item be placed on the Agenda for May.**

**There being no further business, the meeting was adjourned at 7:25 pm.**

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**John L. McElroy, Jr.**

**Secretary**