

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

October 24, 2012

450 Child Street, Warren Office, 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 Klepper at 6:00 pm, 450 Child Street, Warren Office, Warren, Rhode Island. Executive Director Pamela Marchand, Legal Counsel Ms. Sandra Mack and the following Directors were in attendance at the commencement of the meeting:

Robert Allio, Kevin Fitta, William Gosselin, John Jannitto, Allan Klepper, Raymond Palmieri, Sr., Frank Sylvania

Directors Absent: Paul Bishop, Joseph DeMelo

B. Approval of Minutes

Upon a motion made by Director Sylvania and seconded by Director Jannitto, it was

VOTED: That the sealed Executive Session minutes of the July 25, 2012, be approved.

Director Fitta stated he had some comments concerning the minutes, to be discussed in Executive Session at a future date. Motion and second to the motion to approve the minutes were withdrawn.

Upon a motion made by Director Jannitto and seconded by Director Palmieri, it was

VOTED: That the Executive Session minutes of the August 15, 2012, be approved.

Motion passed 6 – 0 with Director Sylvia abstaining.

Upon a motion made by Director Jannitto and seconded by Director Gosselin, it was

VOTED: That the minutes of the Special Meeting of September 19, 2012, be approved.

Motion passed 5 – 0 with Directors Allio and Sylvia abstaining.

Upon a motion made by Director Palmieri and seconded by Director Jannitto, it was

VOTED: That the minutes of the Workshop of September 19, 2012, be approved.

Motion passed 5 – 0 with Directors Allio and Sylvia abstaining.

Upon a motion made by Director Sylvia and seconded by Director Jannitto, it was

VOTED: That the minutes of September 27, 2012, be approved.

Motion passed unanimously.

Upon a motion made by Director Jannitto and seconded by Director Palmieri, it was

VOTED: That the sealed Executive Session minutes of September 27, 2012, be approved.

Motion passed unanimously.

C. Public Input – No public input.

D. Reports to the Board

1. Executive Directors Report, Executive Director P. Marchand updated the Board, Franklin Street Cleaning and Lining, Phase 1 has been completed. Phase 2 should be completed by Thanksgiving. BCWA was present at the Bristol Town Council meeting and made a presentation on Poppasquash Road. Director Sylvia commended the

Executive Director and Operations Manager K. Booth on their presentation before the Town Council.

Executive Director noted that the revised Certificate of Approval has been received from the Department of Health and BCWA can finalize funding of the Franklin Street project.

The Executive Director also updated the Board on the Michael Drive Incident, where a gas valve was broken on Michael Drive by BCWA, the valve had a water box cover on it. The gas company has fixed the valve. Director Palmieri had further questions about the incident.

2. Financial Report – M. Champagne, September financials will be sent to the Board.

3. Retiree Benefits – OPEB, vote on this item to be held next month.

4. Draft 20 Year Capital Plan, Executive Director P. Marchand presented 3 versions of the Capital Plan, recommending Version B which makes it easier to operate on a cash basis in the next 5 years.

Chairman Klepper noted that when BCWA submits a 20 year plan to the Department of Health, it lets DOH know of its contemplated future plans, but the work may not get done if BCWA does not have funding. He asked the board to consider approving the Capital Plan, Financial Plan and Strategic Plan, subject to the board also adopting a position

that is sent along with these plans that clarifies that execution of the tasks in the plans is contingent upon various factors. He noted that he asked Legal Counsel S. Mack to prepare a statement that can be added to all forward looking/strategic documents for this purpose, and a draft was presented by legal counsel for the Board's consideration., Chairman Klepper felt that the attachment would protect ratepayers by making state agencies aware of BCWA's enabling legislation, compliance with the Bristol County Water Supply Act, its ability to borrow funds, etc. This document can be viewed at BCWA's office.

Chairman Klepper also noted that a public hearing would be held before any rate increase takes place.

Executive Director P Marchand stated that the company is understaffed to do the work that needs to be accomplished and is recommending hiring 4 employees (2 operators and 2 management positions) which will affect the rate increase.

Director Sylvia stated that management positions could be temporary positions or work could be done by hiring consultants to save the ratepayers money.

Version B of the Capital Plan would have a rate increase of 12% the first year, then 3% rate increases for the next 4 years.

Director Allio made the following motion

MOTION: Move to adopt the Strategic Plan, and the Capital Plan, Version B, as presented.

Motion was seconded by Director Palmieri.

Director Allio stated that the Capital Plan is just a narrative, a goal for the company.

Director Allio amended his motion

AMENDMENT: To adopt the Strategic Plan and the Capital Plan, Version B, as presented with the Statement Attachment as presented by legal counsel.

Amendment seconded by Director Palmieri.

Motion, as amended, passed unanimously.

Chairman Klepper asked for a consensus of the Board for the Finance Plan with Staff recommending Version B.

Consensus of the Board – Financial Plan Version B, 12% rate increase the first year and 3% rate increases the following four years.

Executive Director P. Marchand stated that a rate study follow-up presentation will be held 11/14/12.

5. Draft Clean Water Infrastructure Plan, Executive Director P. Marchand will be submitting this plan to the Department of Health next week. Director Palmieri and Legal Counsel had minor edits to the Plan which were to be incorporated in the final draft.

Director Sylvia made the following motion, seconded by Director Gosselin

MOTION: To approve Clean Water Infrastructure Plan, with Cover Statement Attachment

Motion passed unanimously.

6. Recording of Meetings/M. Peterson Reimbursement, Executive Administrative Assistant C. Harper stated she had spoken with Mr. Rebbechi of 'On The Record' . Mr. Rebbechi is looking for a volunteer in the Bristol area to tape BCWA's meetings free of charge.

Chairman Klepper stated that Ms. Peterson would continue taping the meetings until a volunteer is found in Bristol area.

7. RFP – Pension Fund Investment Services, Management Information Systems, Accounting and MIS Manager M. Champagne stated these RFP's will be completed by next month.

8. RFP – Dam Inspection, Executive Director P. Marchand stated this has RFP been completed.

9. RFP – Instrumentation Technical Services, to be completed in November.

10. RFP – Auditing Services, to be completed in November.

11. 403B Plan, Executive Director P. Marchand stated she is working with Cornerstone on this plan.

The Chairman made the following motion, which was duly seconded

MOTION: To adjourn the regular meeting.

Motion passed unanimously.

There being no further business, the meeting was adjourned at 8:40 pm.

Kevin Fitta

Secretary

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