

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

**Wednesday, January 8, 2014  
450 Child Street, Boardroom, Warren, RI**

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Pursuant to proper notice, the Board Meeting of the Bristol County Water Authority was called to order by Chairman Klepper at 6:00 pm, 450 Child Street, Boardroom, Warren, Rhode Island.

Executive Director Pamela Marchand and the following Directors were in attendance at the commencement of the meeting:

Robert Allio, Paul Bishop, William Gosselin, John Jannitto, Allan Klepper, Bradford Louison, Georgina Macdonald, Raymond Palmieri, Sr., Frank Sylvia

Directors Absent: None

**1. Public Input – None**

**2. Financial Report**

Report was mailed to all Directors. Mark Champagne, Finance Manager, reviewed the highlights of the Report.

**3. Budget Review**

Finance Manager M. Champagne stated that the FY2015 budget had been presented at the Board meeting of December 18<sup>th</sup>. A 4% increase assumption has been added to the overall budget, as recommended by the Board Finance Committee to cover required reserves, revenue reduction due to declining demand, and increases in capital expenses for system renovations.

**a. FY2015 Operation and Maintenance Budget**

There is only a 0.5% increase in the Operations & Maintenance (O&M) budget from FY2014.

The Board discussed the FY2015 Budget Highlights as presented by the Finance Manager.

Director Macdonald asked if BCWA had looked at changing the health insurance to keep the cost low.

M. Champagne stated that BCWA goes out to bid to all available vendors but is restricted because of the union contract. There are co-pays in place for the medical and dental plans for both employees and retirees. The co-pays instituted for the retirees has offset the increase in the medical insurance expense.

Director Allio stated that the BCWA is presenting a prudent budget to offset reduced consumption by ratepayers and loss of commercial business accounts and an increase in the Providence Water charges.

**b. FY2015 Capital Budget**

Director Marchand stated that there have been no changes to the Capital Budget since the last meeting. The BCWA is working with RI Clean Water Finance Agency and the Department of Health on bonds for the project work.

Director Sylvia questioned the need of purchasing a backhoe and dump truck.

Operations Manager K. Booth stated that both vehicles would be leased for 5 years with option to own. The equipment would give BCWA much more flexibility in scheduling work, increasing our efficiency. Considering we have to pay RI prevailing wages to the contractor, it is actually less expensive to provide our own equipment with our staff.

**c. Financing Plan (Rate Increase)**

M. Champagne stated a 4% increase will fund our required reserves, fund OPEB (post-retirement benefits), fund capital projects, and meet our debt service.

Director Allio stated that the Finance Committee, after a thorough review of the proposed budgets and finance plan, fully support the 4% rate increase.

Chairman Klepper stated that the public hearing to be held on 1/22 will present the need for a 4% increase. After the hearing is closed, then the Board will go into their regular meeting and vote on a possible rate increase. Information to be sent to Directors and put on BCWA's website.

Chairman Klepper stated that he had spoken to East Providence City Manager and he is in full support of the Pawtucket pipeline.

Director Sylvia made the following motion seconded by Director Gosselin

**MOTION: To adjourn the meeting.**

**Motion passed unanimously.**

There being no further business the meeting was adjourned at 6:55 pm.

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Allan C. Klepper  
Chairman