

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

**Tuesday, February 2, 2016
450 Child Street, Boardroom, Warren, RI**

Pursuant to proper notice, the Board Meeting of the Bristol County Water Authority was called to order by Vice Chairman Gosselin at 6:30 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:

William Gosselin, Joel Hellmann, John Jannitto, Bradford Louison, Georgina Macdonald, Raymond Palmieri, Sr., Frank Sylvia

Directors Absent: Paul Bishop, Allan Klepper

1. Public Input

No public input.

2. FY2017 Rate Increase

Vice Chairman Gosselin stated that BCWA is proposing a 3.5% rate increase.

Director Sylvia made the following motion seconded by Director Macdonald

MOTION: BCWA has proposed a 3.50% rate increase for Fiscal Year 2017 (3/2016-2/2017) to fund reserves, needed water distribution repair and replacement projects and maintenance programs to insure high quality water. This will result in an average residential bill increase of \$18.00 per year, or \$0.35 per week.

Director Palmieri stated he does not agree with a 3.5% increase, BCWA can get by with a lesser increase. Also, BCWA will be making changes to its rate structure and he was concerned with the impact to some of our customers, and would support a 3% increase.

Director Hellmann stated BCWA may or may not get \$752,000 from the RIWRB. Should we receive any of the reimbursement, 20% of this money should be used to off-set the rate increase, with the rest returned to reserve funds.

Should the Board revise the rate structure, Finance Manager M. Champagne stated that the firm that performed the rate study recommended a gradual reduction in the Senior Discount to be offset by a reduced rate for low water users. The change in rate structure would not affect our revenue, but it may affect individual customers.

Director Sylvia state there is no relief for our customers with 3.5% rate increases planned for the next 20 years. We should give some relief to our rate payers.

Director Macdonald questioned the number of current union employees, as it seems we are adding more employees when we have discontinued the use of the treatment plant.

Executive Director P. Marchand stated that we have replaced employees who have retired and not increased the number of positions. A number of position titles have been eliminated and the position of Water Utility Operator was created to enable considerable management flexibility in job assignments that now combine meters, facilities, and distribution positions. A substantial number of maintenance and infrastructure replacement programs have been added to the Operations department that were not previously performed.

Motion failed with 5 Ayes and 2 Nays by Directors Palmieri and Sylvia.

Director Macdonald made the following motion seconded by Director Sylvia

MOTION: Approve a 3.25% rate increase effective March 1.

Vice Chairman Gosselin stated with a 3.25% increase, it is a loss of \$28,220.

Motion passed unanimously.

Director Sylvia made the following motion seconded by Director Jannitto

MOTION: That \$28,220 be cut from the O&M Budgets to be determined by Director Marchand.

Motion passed with 6 Ayes and 1 Nay by Director Macdonald.

3. Minutes

Director Macdonald made corrections to the minutes and she also stated that at the next union negotiation OPEB must be discussed.

Director Palmieri made the following motion seconded by Director Macdonald

MOTION: To approve the minutes of the 12/30/15 Board Meeting.

Motion passed, with corrections, with 6 Ayes and 1 abstention by Director Sylvia.

4. Executive Director's Report

Executive Director P. Marchand stated that she and Ken Booth met with the East Providence City Manager. East Providence is having a study performed on the risks and alternatives to alleviate their water supply situation.

Director Macdonald questioned when East Providence would respond to BCWA. Director Macdonald also asked for a time line of the work stating that there should be a sense of urgency with this project. Executive Director P. Marchand stated that BCWA would like to begin the project this summer and BCWA cannot proceed without East Providence's approval.

Director Palmieri questioned when the new website will be completed and was informed it would be done by the end of February. He also noted that information on the website should be updated periodically.

5. Update – Water Supply

CDM awarded the engineering services for Phase I and Phase II Design – interconnection with East Providence.

Director Macdonald questioned lead leaching from brass faucets. Executive Director P. Marchand stated that high end faucets do leach lead in a system with corrosive water, or can occur with a new installation. BCWA does not have corrosive water, Providence Water has very good corrosion control in their system. Our test results are well below the EPA Action Level of 15 parts per billion.

6. Flint Water Quality Issues

Several news accounts of the Flint situation was included in the Board packet. This is for information only.

7. Financial Report

Finance Manager M. Champagne stated that the November and December financials had been provided to the Board. With a bump in fall sales, we are close to our target revenues to date for the fiscal year.

8. Award of Bid – Auditing Services for FY2017 – FY2019

Finance Manager Mark Champagne presented the results of the bid for Auditing Services. Director Hellmann made the following motion seconded by Director Macdonald

MOTION: To award Hague, Sahady & Co., CPA’s, P.C., of Fall River at a price of \$57,000.00.

Motion passed unanimously.

9. Award of Bid – Banking Services

Finance Manager M. Champagne stated that 4 bids were received. Recommendation will be made at the next Board Meeting.

10. For Approval: a. Draft FY2017 Operation and Capital Budgets

Director Sylvia made the following motion seconded by Director Palmieri

MOTION: To approve the FY2017 Operations Budget in the amount of \$8,369,732 and the Capital Budget in the amount of \$7,130,000, as presented.

Motion passed unanimously.

10 b. For Approval – Draft of 20 Year Capital Plan

Director Jannitto made the following motion seconded by Director Sylvia

MOTION: Approve the 20 year Capital Plan.

Motion passed unanimously.

11. Resolution – 457 Plan (Joseph Granata)

Manager of Customer Services and Purchasing explained this resolution is to restate BCWA's pension plan adoption agreement which will bring us into compliance with IRS Regulations.

Director Macdonald made the following motion seconded by Director Jannitto

MOTION: Resolved, that the form of amended 457 Plan and Trust effective January 1, 2016, is hereby approved and adopted and that an authorized representative of BCWA is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

Motion passed unanimously.

12. Warren Paving Ordinance

Item carried over to next month.

13. Draft Proposed 2016 – 2019 Strategic Plan.

Director Palmieri asked for a change in the mission statement – to add - ... highest quality water and system reliability to all our customers.

Item to be discussed next month.

14. Next Scheduled Meeting

Executive Director P. Marchand asked if the Board Meeting could be held on 2/29, the bid for the Metacom Ave. Project will be held 2/19 and staff needs time to evaluate the bids.

Next scheduled meeting will be held 2/29/16.

15. Executive Session (Litigation) WRB Reimbursement RIGL 42-46.5(2)

Vice Chairman W. Gosselin stated there would be no further action after Executive Session except to seal the minutes and close the meeting.

Director Hellmann made the following motion seconded by Director Palmieri

MOTION: To enter Executive Session (Litigation) WRB Reimbursement RIGL 42-46.5(2)

Motion passed unanimously.

The Board entered Executive Session at 7:50 pm.

The Board returned to open session at 8:03 pm.

Director Hellmann made the following motion seconded by Director Macdonald

MOTION: To seal the Executive Session minutes.

Motion passed unanimously.

Director Hellmann made the following motion seconded by Director Macdonald

MOTION: To adjourn the meeting.

Motion passed unanimously.

The meeting was adjourned at 8:05 pm.

Raymond Palmieri, Sr.
Secretary