

# KENT COUNTY WATER AUTHORITY

## SPECIAL BOARD MEETING

January 12, 2005

The Board of Directors of the Kent County Water Authority held a special Board meeting in the Joseph D. Richard Board Room at the office of the Authority on January 12, 2005.

Chairman Perry opened the special meeting at 3:30 P.M. Chairman Perry, Mr. Gallucci, Mrs. Graham, Mr. Masterson, and Mr. Boyer, Board Members were present together with the General Manager Timothy J. Brown, Director of Administration & Finance Arthur Williams, Technical Service Director John Duchesneau, Kevin J. Fitta, System Engineer and Legal Counsel, Joseph J. McGair.

### Revised Rate Filing Approval

The General Manager presented the revised abbreviated filing for the rate approval to the Public Utilities Commission. The Chairman stated that the previously approved abbreviated rate filing was returned by the Public Utilities Commission due to medical benefits issue. General discussion ensued as to the items needed to be addressed in the revised rate filing in regard to this issue. It was a consensus that the filing should include the fiscal impact and the traditional aspects of the benefits which have been in place for at least 31 years.

It was moved by Board Member Graham and seconded by Board Member Gallucci to authorize the revised abbreviated filing which is incorporated by reference and it was unanimously,

VOTED: To authorize the revised abbreviated filing which is incorporated by reference.

### Results of IRS Audit and Board action

The recent IRS Audit for 2002–program for small businesses for compliance resulted in three issues: (1) a small number (3) of sub consultants/contractors were not sent a 1099 (IRS/Form) because the companies did not respond and for which Kent County Water Authority was not supplied with tax identification numbers and were penalized \$150.00.

(2) The IRS examined the excess life insurance/employee pension and found that the Kent County Water Authority Defined Benefit Plan and the subsequent formula changed for employees hired after 1996 which included a provision that if an employee deceases prematurely it was to be covered by term insurance. The IRS maintains that said insurance may not exceed the \$50,000 cap and constitutes a fringe benefit and it must be included on the W2 of each employee for 2004 and forward.

(3) The Commuting Rule with KCWA vehicles for benefit of the Authority, however, IRS has ruled employee use is a taxable event to the employee even on emergency calls when the employee leaves from home in a company vehicle.

Legal Counsel will research the issue and consult with CPA Michael A. Grande for advice as to direction and report back at the next Board Meeting.

### **Change Order approvals**

#### **Setian Lane Booster Station C.O. #3**

The General Manager stated that this Change Order is a small issue for time extension of three days.

Allstate Boiler Co. recommended for asphalt work and were referred by the Town in the amount of \$7,738.77 since no sub-base amount. It was moved by Board Member Masterson and seconded by Board Member Graham to approve Change Order # 3 in the amount of \$7,738.77 which is attached as "A" and it was unanimously.

VOTED: To approve Change Order No. 3 in the amount of \$7,738.77 which is attached as "A".

#### **Knotty Oak Road Retainage Reduction C.O. #2**

The contractor, D'Ambra, did a good job and recommends a change in retainage from 5% to 1%.

It was moved by Board Member Masterson and seconded by Board Member Graham to approve Change Order #2 which is attached as "B" and is a reduction in retainage from 5% to 1% and it was unanimously,

VOTED: To approve Change Order #2 which is attached as "B" and is a reduction in retainage from 5% to 1%.

#### **C&M agreement approval RIDOT Post Road Reconstruction**

Post Road–Peach Tree in North Kingstown, Warwick and East Greenwich, the State will be providing all services by the State of Rhode Island dispose of pipe,

hydrant, patching, and replace water main for Quonset which costs will be borne by the State of Rhode Island.

It was moved by Board Member Boyer and seconded by Board Member Masterson to approve and authorize the Chairman to execute an agreement with the State of Rhode Island for the reconstruction of Post Road and Franklin Road to Peach Tree Road and it was unanimously,

VOTED: To approve and authorize the Chairman to execute an agreement with the State of Rhode Island for the reconstruction of Post Road and Franklin Road to Peach Tree Road.

Board Member Graham made a Motion to adjourn, seconded by Board Member Masterson and it was unanimously,

VOTED: To adjourn the meeting at 4:07 P.M.

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Secretary Pro Tempore

# **EXHIBIT A**

January 12, 2005

**C&E ENGINEERING PARTNERS INC**

342 Park Avenue  
Woonsocket, RI 02895

Tel: 401-762-1711  
Fax: 401-235-9088

**LETTER OF TRANSMITTAL**



DATE: 11/18/2004	JOB NO: J0223.02
ATTENTION: <b>Mr. John Duchesneau</b>	
RE: Setian Lane Tank Booster Pump Station and Frenchtown Road Tank Altitude Vault	

TO: Kent County Water Authority  
1072 Main Street PO Box 192  
West Warwick, RI 02893-0192

- WE ARE SENDING YOU**
- Attached       Under separate cover via \_\_\_\_\_ the following items
- Shop drawings       Prints       Plans       Samples       Specifications
- Copy of letter       Change order       \_\_\_\_\_

COPIES	DATE	NO.	DESCRIPTION
3	10/18/2004	3	Change Order No. 3

**THESE ARE TRANSMITTED as checked below:**

- For approval       Approved as submitted       Resubmit \_\_\_\_\_ copies for approval
- For your use       Approved as noted       Submit \_\_\_\_\_ copies for distribution
- As requested       Returned for corrections       Return \_\_\_\_\_ corrected prints
- For review and comment       \_\_\_\_\_
- FOR BIDS DUE \_\_\_\_\_ 20 \_\_\_\_\_       PRINTS RETURNED AFTER LOAN TO US

**REMARKS:**

John-

Three (3) copies of Change Order No. 3 for the subject project recommended by C&E and accepted by All State Boiler and Construction are forwarded for approval by the Authority. After approval and signing by the Authority, please forward one (1) copy of this Change Order to the Contractor, return one (1) copy to this office, and retain one (1) copy for your records. Please call if you have any questions.

COPY TO: R. Houde, P.E., C&E

SIGNED:   
Jonathan S. Gerhard, P.E.  
Senior Project Engineer

If enclosures are not as noted, kindly notify us at once.

CHANGE ORDER

No. 3

DATE OF ISSUANCE October 18, 2004

EFFECTIVE DATE October 18, 2004

OWNER Kent County Water Authority, 1072 Main Street, W. Warwick, RI 02893

CONTRACTOR All State Boiler and Construction, Inc., 449 Cooke Street, Farmington, CT 06034

Contract: Setian Lane Tank Booster Pump Station and Frenchtown Road Tank Altitude Vault

Project: Setian Lane Tank Booster Pump Station and Frenchtown Road Tank Altitude Vault

OWNER's Contract No. \_\_\_\_\_ ENGINEER's Project No. J0233.02

ENGINEER C&E Engineering Partners, Inc. 342 Park Avenue, Woonsocket, RI 02895

You are directed to make the following changes in the Contract Documents:

Description:

Revise contract amount per attached Change Order No. 3 – Summary Listing. Revise (extend) contract time for miscellaneous delays.

Reason for Change Order:

Adjust final quantities to reflect actual quantities for unit price work performed as verified during construction. Landscape planting item deleted at request of Kent County Water Authority (Authority). Additional leveling asphalt placed to address existing deficient pavement conditions not identified until surface milling was performed. Contract time extension for miscellaneous project delays beyond Contractor's control.

Attachments: (List documents supporting change)

Change Order No. 3 Summary Listing; C&E Engineering Partners (C&E) September 24, 2004 letter to Authority with All State Boiler and Construction (ASBC) August 18, 2004 Change Order Proposal #004 – Additional Asphalt. C&E September 24, 2004 letter to Authority with ASBC June 17, 2004 and August 10, 2004 letters requesting Contract Extension.

CHANGE IN CONTRACT PRICE:
Original Contract Price \$ <u>1,081,158.00</u>
Net Increase (Decrease) from previous Change Orders No. <u>1</u> to <u>2</u> : \$ <u>7,738.77</u>
Contract Price prior to this Change Order: \$ <u>1,088,896.77</u>
Net increase (decrease) of this Change Order: \$ <u>(17,135.55)</u>
Contract Price with all approved Change Orders: \$ <u>1,071,761.22</u>

CHANGE IN CONTRACT TIMES:
Original Contract Times: Substantial Completion: <u>May 28, 2004</u> Ready for final payment: _____ (days or dates)
Net change from previous Change Orders No. <u>1</u> to No. <u>2</u> : Substantial Completion: <u>5 days</u> Ready for final payment: _____ (days)
Contract Times prior to this Change Order: Substantial Completion: <u>June 2, 2004</u> Ready for final payment: _____ (days or dates)
Net increase (decrease) this Change Order: Substantial Completion: <u>28 days</u> Ready for final payment: _____ (days)
Contract Times with all approved Change Orders: Substantial Completion: <u>June 30, 2004</u> Ready for final payment: _____ (days or dates)

RECOMMENDED:

APPROVED:

ACCEPTED:

By: [Signature]  
ENGINEER (Authorized Signature)

By: [Signature], Chairman  
OWNER (Authorized Signature)

By: [Signature]  
CONTRACTOR (Authorized Signature)

Date: 11/17/04

Date: 1/12/05

Date: 11-12-04

# **EXHIBIT B**

January 12, 2005



**JAMES J. GEREMIA & ASSOCIATES, INC.**  
CONSULTING ENVIRONMENTAL ENGINEERS & SCIENTISTS

December 16, 2004

Mr. Timothy J. Brown, P.E.  
General Manager/Chief Engineer  
Kent County Water Authority  
P.O. Box 192  
West Warwick, RI 02893-0192

Re: Knotty Oak Water Main Replacement  
Change Order No. 2 - Reduction of Retainage

Dear Mr. Brown:

Enclosed, for your execution, are five (5) sets of Change Order No. 2 for the reduction in retainage from 5% to 1% for the Knotty Oak Water Main Replacement Project.

Please forward an executed copy to JGA and to D'Ambra Construction.

If you have any questions, please call.

Very truly yours,

**JAMES J. GEREMIA & ASSOCIATES, INC.**

Richard M. Hencler, P.E.  
Project Manager

Enclosures

KCWA\TC02-016(TB)-03.wpd

# CHANGE ORDER

OWNER  FIELD   
ENGINEER  OTHER   
CONTRACTOR

PROJECT: KNOTTY OAK WATER MAIN  
(name, address) REPLACEMENT  
COVENTRY, RI

CHANGE ORDER NUMBER: 2  
DATE: DECEMBER 16, 2004

TO CONTRACTOR: D'AMBRA CONSTRUCTION CO., INC.  
(name, address) 800 JEFFERSON BLVD.  
WARWICK, RI 02887

ENGINEER'S PROJECT NO.: 02-016  
CONTRACT FOR: KCWA - KNOTTY OAK WATER MAIN  
REPLACEMENT

The Contract is changed as follows:

REDUCTION IN RETAINAGE FROM FIVE PERCENT (5%) TO ONE PERCENT (1%)

The original (Contract Sum) ( <del>Guaranteed Maximum Price</del> ) was .....	\$	2,065,995.00
Net change by previously authorized Change Orders .....	\$	0.00
The (Contract Sum) ( <del>Guaranteed Maximum Price</del> ) prior to this Change Order was .....	\$	2,065,995.00
The (Contract Sum) ( <del>Guaranteed Maximum Price</del> ) will be (increased) ( <del>decreased</del> ) ( <del>unchanged</del> ) by this Change Order in the amount of .....	\$	0.00
The new (Contract Sum) ( <del>Guaranteed Maximum Price</del> ) including this Change Order will be .....	\$	2,065,995.00

The date of Substantial Completion as of the date of this Change Order therefore is JUNE 30, 2004

JAMES J. GEREMIA & ASSOCIATES, INC.  
ENGINEER

D'AMBRA CONSTRUCTION CO., INC.  
CONTRACTOR

KENT COUNTY WATER AUTHORITY  
OWNER

272 WEST EXCHANGE ST., SUITE 201  
Address

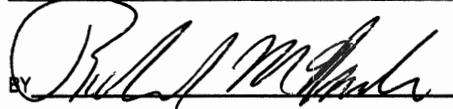
800 JEFFERSON BLVD.  
Address

P.O. BOX 192  
Address

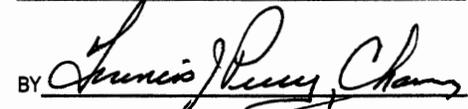
PROVIDENCE, RI 02903-1025

WARWICK, RI 02887

WEST WARWICK, RI 02893-0192

BY 

BY 

BY 

DATE DECEMBER 16, 2003

DATE DECEMBER 16, 2003

DATE 1/12/05