

NEW SHOREHAM SEWER AND WATER COMMISSION  
JOINT MONTHLY MEETING- OPEN SESSION  
**Monday • March 16, 2015 • 4 p.m.**  
Town Hall, Old Town Road, Block Island

---

PRESENT were SEWER Commission members: P. McNerney (Chair), Wayne Battey (Vice Chair), Brad Marthens, Tom Doyle [4:10], Martha Ball, Terri Chmiel (Alternate)

PRESENT were WATER Commission members: Brad Marthens (Chair), Tom Doyle (Vice Chair) [4:10], Wayne Battey, P. McNerney, Martha Ball, Terri Chmiel (Alternate)

ABSENT were: Steve Draper

ALSO PRESENT were: Sewer Superintendent Christopher Blane, Water Superintendent John Breunig, Town Manager Nancy Dodge, Finance Director Amy Land, Attorney David Petrarca, Administrative Assistant Mona Helterline, and BI Times reporter.

With a quorum present the meeting was called to order at 4:00 p.m. by P. McNerney.

The Commission decided to rearrange the agenda so that Water District and Joint Sewer/Water business could be addressed prior to the Sewer District business.

**MOTION** by P. McNerney to change agenda order, moving Water District (items 13-15) and Joint Sewer/Water (items 16-19) before Sewer District (1-12). Seconded by W. Battey.

Aye: 5 (McNerney, Marthens, Battey, Ball, Chmiel) Nay: 0. Abstain: 0.

#### **WATER DISTRICT**

T. Doyle arrived at 4:10 p.m.

#### **13. Discussion and potential action regarding the awarding of bid for Backflow Device testing.**

The Block Island Water Company received two bids for annual Backflow Device testing as follows:

##### **Rhode Island Cross Connection Control**

Price per unit (initial test annually)	\$71.59 (based on 70+ units)
Price per unit (retest if needed)	\$71.59 (based on 10+ units per retest date)
Price per unit (retest if needed)	\$97.97 (based on 5-9 units)
Price per unit (retest in needed)	\$198.59 (based on 1-4 units)

##### **Weston & Sampson**

Price per unit (initial and retest if needed) \$67.50

Water Superintendent J. Breunig recommended that the bid be awarded to Weston and Sampson based on a two-year contract, with an option to renew the contract after the two-year period.

**MOTION** by P. McNerney to award the contract for Back Flow Device Testing to Weston and Sampson at a rate of \$67.50 per unit, based on a two-year contract, with the option to renew contract after the two-year period. Seconded by B. Marthens.

Aye: 5 (McNerney, Marthens, Battey, Ball, Doyle) Nay: 0. Abstain: 0.

#### **14. Discussion and potential action regarding Financials and Aging**

No discussion regarding Water District financials. Past due accounts discussed with agenda item #16.

#### **15. Operations report**

Water Superintendent J. Breunig presented the Monthly Operations and Maintenance Report for February 2015.

- The Water Company showed an increase in production by 20.58% over last February. This was due to multiple pipe bursts that occurred during the historic cold snap in February. J. Breunig commended water operator Jordan Ryan for a great job handling these issues while Breunig was away on vacation.

B. Marthens also complimented J. Ryan and C. Blane for their willingness to help customers dealing with frozen/burst pipes during the February cold snap.

## **JOINT WATER and SEWER DISTRICT**

### **16. Discussion and potential action regarding current status of past due accounts, payment plans, unresponsive customers and the next course of action.**

Since directly related to the discussion of the past due accounts, A. Land reviewed the Water Financials, summarized as follows:

- Water usage revenue at \$6,854 for the month of February.
- Year-to-date expenses at \$302,816.11, representing 40% of budget.

Commissioner's reviewed a summary of past due accounts, payment plans, and unresponsive customers prepared by utility clerk Karen Cadow.

- The people on the unresponsive list, who had their meters pulled, would not get them back until their account is current.
- Municipal lien certificates had not been filed.

Legal Counsel, D. Petrarca spoke about what options the Commission had in seeking payment. After reviewing the Commission's current policy (Delinquent Sewer and Water Bills, and Shut-Off Policy 4-29-11), he noted it could use some "tweaking". Petrarca suggested a two-part approach: One, to sit down with the District Clerk and the Finance Director to propose some revisions to the policy, and two, to conduct a tax sale (as empowered by enabling legislation). Petrarca explained that while that is a drastic maneuver it is common practice in other municipalities as a way of compelling payment, and continued with the following points:

- Cited as an example, Jamestown experienced 100% compliance when putting an estimated 30 properties in the tax sale process.
- The process takes approximately 3 months to complete, so there would be plenty of time to allow compliance.
- One benefit to a tax sale was that virtually all fees associated with the process are passed on to the customer.
- It is easier to proceed with a tax sale on all seriously overdue accounts, regardless of the size of their balance due, however a minimum past due amount may be set to trigger the tax sale process.
- The tax sale process would be incorporated into the revised Delinquent Bills policy.
- Policy revision would be not required to proceed with tax sale immediately; the Commission already had the power to conduct a tax sale.

D. Petrarca explained that the process of a tax sale is as follows:

1. 90 Days Prior: A letter goes out to all property owners informing them that they could lose to a tax sale if their account is not brought current.
2. 40 Days Prior: Another letter goes out.
3. Approximately 21 Days Prior: All unresponsive properties are advertised in the paper.
4. For the two weeks leading up to tax sale, reference to the previous publishing of unresponsive properties is made in the paper.
5. At the end of the 90 days, there is an auction.

P. McNerney suggested that accounts whose meters were already pulled not be included in tax sale. D. Petrarca stated that he would not recommend that. McNerney and the Commission agreed they should put all unresponsive accounts to tax sale. It was pointed out that one of the customers balance due was most likely due to a payment misapplication (payment applied to sewer, should have been applied to water).

**MOTION** by P. McNerney that for all customers identified on the list as overdue and unresponsive as of 3/11/2015, with the exception of the customer whose payment was applied to wrong utility, begin the tax sale process. Seconded by W. Battey.

Aye: 5 (McNerney, Marthens, Battey, Ball, Doyle) Nay: 0. Abstain: 0.

### **17. Discussion and potential action regarding the minutes of February 17 and February 19, 2015 meetings.**

**MOTION** by B. Marthens to accept as presented the minutes of February 17 and February 19, 2015. Seconded by T. Doyle.

Aye: 5 (McNerney, Marthens, Battey, Ball, Doyle) Nay: 0. Abstain: 0.

**18. Discussion and potential action regarding approval process of recurring legal bills or other contracted services.**

In the past, standard practice had been to get the Chair's signature on monthly legal bills before submitting to finance. This caused significant delay in getting the bills paid. The Clerk requested that an email approval suffice in order to expedite the process. M. Ball pointed out that since there were no specifics as to what "other contracted services" would fall in this category, this approval method should be applied to legal bills only.

**MOTION** by P. McNerney to allow an email approval for recurring legal bills. Seconded by B. Marthens.

Aye: 5 (McNerney, Marthens, Battey, Ball, Doyle) Nay: 0. Abstain: 0.

**19. Discussion and potential action regarding the revisions to the contract for Emergency Roadwork- 2015-2017.**

At the last monthly meeting the scope of services listed in the Emergency Roadwork contract were reviewed. It was decided to speak with Engineer J. Geremia, as he had mentioned some slight changes that could be made. M. Helterline stated that she had since spoke with Geremia and the minimal changes could be made in the body of the contract, they did not have to be made in the "scope of services" listed on the Information for Bidders. The clerk could go ahead and post the RFB with no changes. J. Breunig further clarified that the change that J. Geremia was proposing added a provision for work that was above and beyond "routine work". The contract would state that in the case of such work, the Commission would first seek a proposal from the company holding the Emergency and Routine Contract. The Commission would not however, be required to use said company. Breunig said that other towns have similar provisions.

**SEWER DISTRICT**

J. Breunig requested that agenda item # 5 be discussed next.

**MOTION** by B. Marthens to move agenda item # 5 to be discussed next. Seconded by B. Marthens.

Aye: 5 (McNerney, Marthens, Battey, Ball, Doyle) Nay: 0. Abstain: 0.

**5. Discussion and potential action regarding Star Cottage abatement request.**

A letter from customer #346 (Star Cottage) was received by the Commission explaining that a broken pipe led to 14,000 gallons of water going into their basement at the end of January. The water was pumped outside. The customer was requesting a sewer usage abatement since the water went to ground and did not enter the collection system. Water Superintendent J. Breunig witnessed the incident and repair by plumber Dave Schaller and fully supported the abatement request.

**MOTION** by P. McNerney to abate 14,000 gallon of sewer usage to Star Cottage, customer #346 for the month of January 2015. Seconded by T. Doyle.

Aye: 5 (McNerney, Marthens, Battey, Ball, Doyle) Nay: 0. Abstain: 0.

**1. The New Shoreham Sewer Commission may vote to move into Executive Session pursuant to RIGL §42-46-5(a)(2)(Potential employment lawsuit re: Christian Freund).**

**MOTION** by P. McNerney, pursuant to RIGL §42-46-5(a)(2)(Potential litigation) that the Commission convene in executive session in order to discuss a potential employment lawsuit regarding Christian Freund. Seconded by B. Marthens.

Aye: 5 (McNerney, Marthens, Battey, Ball, Doyle) Nay: 0. Abstain: 0.

The meeting convened into closed session at 4:38 p.m.

The meeting reconvened into open session at 5:22 p.m. and was called to order by P. McNerney.

**3. Discussion and/or Potential action, announcement and/or vote(s) from Executive Session and/or Open Session concerning potential litigation. (Potential employment lawsuit re: Christian Freund).**

P. McNerney announced that there was a vote taken in closed session. The vote was to accept the resignation of C. Freund, and accept and ratify the settlement agreement between the New Shoreham Sewer Commission and C. Freund, and any papers that went along with the settlement agreement. The agreement was signed and both the Commission and C. Freund had a copy.

The motion and vote made in closed session was as follows:

**MOTION** by P. McNerney, to accept the resignation of C. Freund and to approve and ratify the settlement agreement signed by both parties. Seconded by B. Marthens.

Aye: 5 (McNerney, Marthens, Battey, Ball, Doyle) Nay: 0. Abstain: 0.

The vote made in closed session on March 9, 2015 was also disclosed.

P. McNerney stated that the terms of the settlement were reached last week and there were no further changes. The terms would be made public March 17, 2015. The vote made during the March 9, 2015 closed session was:

Aye: 5 (McNerney, Marthens, Battey, Ball, Chmiel) Nay: 0. Abstain: 0.

The Settlement Agreement between C. Freund and the New Shoreham Sewer Commission will be permanently attached to these minutes.

**2. The New Shoreham Sewer Commission may vote to move into Executive Session pursuant to RIGL §42-46-5(a)(1) Personnel (Discussion of job performance and character of the Class 2 Wastewater Operator, Christian Freund.)**

No longer applicable.

**4. Discussion and/or Potential action, announcement and/or vote(s) from Executive Session and/or Open Session concerning Christian Freund's performance evaluation which may involve discipline, resignation and/or termination.**

No longer applicable.

**6. Discussion and potential action regarding the minutes of the February 24, 2015 and March 9, 2015 meetings.**

It was noted that there was a typo on the posted agenda- the February meeting date was the 23<sup>rd</sup>, not the 24<sup>th</sup>.

**MOTION** by P. McNerney, to accept the minutes of February 23 and March 9, 2015 (open session) as presented. Seconded by B. Marthens.

Aye: 5 (McNerney, Marthens, Battey, Ball, Doyle) Nay: 0. Abstain: 0.

**7. Discussion and potential action regarding award of contract to Process Engineers and Constructors, Inc. in the amount of \$40,860 to furnish and install motorized valves in the aeration tanks and the air conditioning for the operations building, as per the recommendation of the engineer. The Town Manager shall sign all contracts for this work required by the USDA. The funds will be taken from the 2014 USDA Sewer Grant.**

**MOTION** by P. McNerney, to approve the new contract with Process Engineers and Constructors, Inc. in the amount of \$40,860 to furnish and install the motorized valves at the aeration system and the air conditioning of the Operations Building as initially proposed in their initial bid. Seconded by B. Marthens.

Aye: 5 (McNerney, Marthens, Battey, Ball, Doyle) Nay: 0. Abstain: 0.

**8. Discussion and potential action regarding approval for Jetting by Inland Waters.**

This is the same company that performed sewer line jetting in 2014. Superintendent C. Blane stated that going forward; he would like to bring a jetting service out to the island every spring to clean out the lines that tend to accumulate heavy grease buildup. Blane explained that this would help prevent sewer overflows in the summer season.

B. Marthens asked if the Sewer Plant performs any of its own jetting. C. Blane confirmed that yes, they have the capability, but the equipment on hand is small and labor intensive and can only handle routine maintenance, not the areas of heavy grease buildup.

The Commission agreed that C. Blane could move forward with arranging spring jetting by Inland Waters.

**9. Discussion and potential action regarding the Sludge Container Removal scope of services and contract.**

At the last monthly meeting, when reviewing the scope of services for Sludge Container Removal, it was decided that Blane would speak with the current contractor (MTG Disposal) to discuss the possibility of having an additional container on hand in July. C. Blane reported that he spoke to David Stukas with MTG and this would not be a problem. No changes will need to be made to scope of services or contract.

## 10. Discussion and potential action regarding Financials and Aging

A. Land was no longer present and it was agreed that all questions and/or issues regarding financials and aging had been addressed with earlier agenda items.

P. McNerney asked if it would be prudent to inform the public of the intent to move forward with a tax sale by posting in the BI Times. It was confirmed that posting the Tax Sales in the BI Times was the final step of the process and also noted that the BI Times reporter currently present may make mention of the Commissions intent to resolve past due accounts in the upcoming issue. It was also confirmed that once the Delinquent Sewer and Water Bills, and Shut-off Policy was revised it would be posted in the Block Island Times as well as sent with the outgoing bills.

## 11. Operations Report

Sewer Superintendent C. Blane presented the Monthly Operations and Maintenance Report for February 2015.

- 1,036,000 gallons of effluent were treated in February 2015 compared with 1,732,000 gallons at the same time last year. This is a decrease of 40%. C. Blane explained that the significant difference was likely due to the repair or replacement of several large laterals in 2014, which therefore would reduce the amount of infiltration.

P. McNerney asked if it was possible to have Inland Waters (Jetting Company) scope or video the outflow from the Sewer Plant to the Chute. C. Blane stated that would require bringing a camera truck out which would essentially double the daily rate, and would be required to go out to bid. It was agreed that yes, this should be done at another time, and perhaps should be considered in the FY 2016 Budget.

T. Chmiel referred to an entry in the Sewer Operations Report (2-19-15) which recounted when Blane made the decision to suspend C. Freund. Chmiel questioned the accuracy of this entry stating that the timing and reasoning behind Blane's decision differed from what Blane had said at the February 23, 2015 meeting. Dialogue continued between the two, no mutual agreement was reached.

M. Ball wished to acknowledge that there was a disparity between what was said at the February 23, 2015 meeting and what was reported on the Operation report.

## 12. Correspondence

### 3/11/15- C. Warfel: Public Records Request.

Christopher Warfel made an APRA request of the New Shoreham Sewer Commission on March 11, 2015. He requested that the letter/request be read in its entirety at the current meeting. P. McNerney read the letter aloud. The letter will remain a permanent attachment to these minutes. To summarize, the information requested was as follows:

1. List of names, settlement amount, date of the settlement, and detail regarding settlements with those employed at and/or working for the Town of New Shoreham Sewer Department for the past ten years.
2. The date of all verbal and written disciplinary actions for all Town of New Shoreham Sewer Department employees, including the name of the supervisor who filed the action and the name of the employee, for the past fifteen years. We are not asking for the content of the action, though inclusion of that information would be helpful.
3. A list of management courses taken by supervisors in the past ten years.
4. A list and cost of courses taken by all employees in the past ten years.

C. Warfel, who was in the audience, thanked the Commission and left.

P. McNerney stated that the Public Records Officer, Mona Helterline would be working closely with D. Petrarca to make sure that everything was done in accordance to the law.

D. Petrarca proposed that for this and all future requests, both the request and response provided be posted on the Commission's website. This increases transparency, and reduces duplicative requests for the same information. Petrarca stated that there was no need to make a motion, however P. McNerney felt it was important to be captured in the minutes.

**MOTION** by P. McNerney, to publish this and all future APRA requests and responses on the Commission's website.  
Seconded by W. Battey.

Aye: 5 (McNerney, Marthens, Battey, Ball, Doyle) Nay: 0. Abstain: 0.

## ANNOUNCEMENTS AND OPEN FORUM.

## 20. Commissioners' Announcements.

There were none.

## 21. Public Comment for items not on the agenda.

B. Marthens asked if the APRA request made by Warfel was as an individual or as a Councilman for the Town? D. Petrarca stated it appeared to be from an individual. Dialogue ensued between Marthens and Warfel regarding Warfel's attendance to this and prior meetings and whether he was attending as a citizen, *member* of the Town Council, or *representing* the Town Council. Warfel stated he was attending as a citizen/tax payer and also as a member of the Town Council, and if he had stated he was "representing the Town Council" at the last meeting then that was a mistake on his part.

The conversation between the two continued regarding the alleged "veiled threats" made by Warfel at the last meeting. Marthens was referring to the February 23<sup>rd</sup> meeting at which Warfel reminded the Commission members that the Town Council did have supervisory responsibility over the Commission and could remove a Commissioner for cause. Warfel stated that there were no veiled threats, he apologized that they were taken that way and he had sent out an email to the Commission stating the same.

T. Chmiel referenced some negative interactions she had witnessed with C. Blane and expressed concern that employees were being treated the same way.

P. McNerney expressed disappointment in the timing and tone of Warfel's comment at the February 23 meeting, regarding the Town Council's supervisory powers, stating that he and the Commission were well aware of the Town Council's position over the Sewer Commission. Warfel responded that he was only one member among five that appoints the Commission.

The interaction being discussed was captured in the minutes of February 23, 2015, approved earlier in the meeting.

T. Chmiel read a portion of the minutes, page 6:

*Blane stated he felt that Warfel was confusing his position as a Town Counselor and a member of the public, and felt that Warfel's comment regarding the responsibility of "overseeing the commission" was a veiled threat. Blane asked Warfel who he was attending the meeting as- Chris Warfel of the Town Council or Chris Warfel the individual? Warfel responded that he was at the meeting as both because he had to pay into Blane's salary, sewer overhead, and now the bond – so he was there as an individual to see how the Commission operates with his money. He was also attending as a member of the Town Council- due to the responsibility to oversee Commission. Warfel explained there was no "veiled threat", that he was merely describing what the Town Council requirements were. Blane stated that he perceived it as a veiled threat.*

C. Blane reminded that C. Warfel sent out an apology for how the statement was perceived; the email was forwarded to the Commission. W. Battey asked Warfel what he planned to do with the information gained from his formal APRA request. Warfel replied that he would have to reserve comment until he had a chance to review the data. He explained he was looking for patterns of payouts, how employees got educated, and how decisions of the Commission were made.

## 22. Adjournment.

**MOTION** by P. McNerney to adjourn at 6:05 p.m., Seconded by W. Battey.

Aye: 5 (McNerney, Marthens, Battey, Ball, Doyle) Nay: 0. Abstain: 0.

Respectfully Submitted,

Mona Helterline

ACCEPTED: 4/13/15

ATTACHED DOCUMENTS: C. Freund Settlement Agreement, 3/11/15 Public Records Request from C. Warfel

March 11, 2015

Christopher Warfel  
PO Box 871  
Block Island, RI 02807

Town of New Shoreham Sewer Commission  
PO Box 774  
Block Island, RI 02807

Dear Town of New Shoreham Sewer Commission:

Under the Rhode Island Access to Public Records Act, §38-2-1 et seq., I am requesting an opportunity to inspect or obtain copies of public records that show the amount of settlements with those employed at and/or working for the Town of New Shoreham Sewer Department for the past ten years.

The information I request is as follows:

- 1) List of the names, settlement amount, date of the settlement, and detail regarding settlements with those employed at and/or working for the Town of New Shoreham Sewer Department for the past ten years.
- 2) The date of all verbal and written disciplinary actions for all Town of New Shoreham Sewer Department employee, including the name of the supervisor who filed the action and the name of the employee, for the past fifteen years. We are not asking for the content of the action, though inclusion of that information would be helpful.
- 3) A list of management courses taken by supervisors in the past ten years.
- 4) A list and cost of courses taken by all employees in the past ten years.

If there are any fees for searching or copying these records, please inform me if the cost will exceed \$100. However, I would also like to request a waiver of all fees in that the disclosure of the requested information is in the public interest and will contribute significantly to the public's understanding of the Town of New Shoreham Sewer Department's decision-making processes. This information is not being sought for commercial purposes.

The Rhode Island Access to Public Records Act requires a response time within seven business days. If access to the records I am requesting will take longer than this amount of time, please contact me with information about when I might expect copies or the ability to inspect the requested records.

If you deny any or this entire request, please cite each specific exemption you feel justifies the refusal to release the information and notify me of the appeal procedures available to me under the law.

Please enter this request into your next meeting under Correspondence and read this letter in its entirety.

Thank you for considering my request.

Sincerely,



Christopher Warfel

C.F.  
P.M.

SETTLEMENT AGREEMENT AND GENERAL RELEASE

THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE (the "Agreement") is made and entered into this 16<sup>th</sup> day of March, 2015, by and between CHRISTIAN FREUND ("Employee" and/or "Releasor") and the TOWN OF NEW SHOREHAM, RHODE ISLAND and the NEW SHOREHAM SEWER COMMISSION (collectively, "Employer"), including its town council, commissioners, officers, appointees, attorneys, insurance carriers, employees, agents, servants and related entities (collectively the "Commission" and/or "Releasees").

WITNESSETH:

WHEREAS, certain disputes and differences have arisen between Employee and the Employer and the parties agree that it is in their mutual best interests to resolve all disputes upon the terms and conditions set forth hereinafter; and

WHEREAS, Employer and Employee recognize that this Agreement is the result of a compromise of competing positions and that it is not and shall never at any time, for any purpose, be considered an admission by any party to this Agreement but constitutes a full and complete settlement of any and all uncertainties involved in this dispute.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties hereto covenant and agree as follows:

Settlement Terms: In consideration of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Employee, Employee agrees to resign his appointment as Class 2 Operator for the Employer, effective March 16, 2015; in exchange, Employer agrees to compensate Employee up to and including his date of resignation; upon reaching his resignation date, Employer agrees further that Employee shall be paid the equivalent of five (5) months salary in the form of severance pay, plus any accumulated vacation time and

C.F.  
P.M.

personal time; Employee shall remain on Employer's health and dental insurance coverage plan under its COBRA provisions effective from his date of resignation and up to and including August 31, 2015 and provided further that Employer shall pay directly to each carrier said required contribution toward the Employee's cost to obtain health care coverage at the COBRA rate; should Employee find suitable employment in the interim with comparable health care coverage, Employee agrees to notify Employer immediately and further agrees to be removed from further COBRA coverage at the Employer's expense; the Lease Agreement dated May 31, 2014 between the Commission and Employee ("Lease") is modified to extend through August 31, 2015 at the same rate to Employee (i.e. \$700 per month rent plus \$150 per month utilities) as under the current Lease.

In exchange for the mutual promises and obligations contained herein, Employee, including his agents, attorneys, representatives, servants, heirs, executors, administrators, successors, and assigns as well as anyone who may otherwise have any type of interest in this matter and/or claiming through or under Employee, does hereby agree to release, discharge and forever acquit the Commission and Releasees and their agents, attorneys, representatives, servants, heirs, executors, administrators, successors and assigns, jointly and severally, from all contract, equitable, tort and statutory actions, causes of actions, claims, suits, arbitrations, debts, damages, judgments, and demands whatsoever, whether in law or in equity, that he now has, or could have, or may hereafter have, known or unknown, arising out of, based upon, or relating to, in whole or in part, Employee's employment with Employer, including but not limited to any and all claims arising out of his employment contract with Employer.

Payment of all funds due under this agreement to Employee shall be made by messenger, express mail or other secure means to ensure delivery.

C.F.  
P.M.

1. Termination of Employment: Employee shall continue to be paid his current salary and receive all usual benefits associated thereto, including healthcare and other employment benefits offered by Employer, until March 16, 2015. Employee shall not return to work effective February 19, 2015.

2. General Release: Simultaneously with the execution of this Agreement between Employee and the Employer, Employee shall execute and deliver to counsel for the Employer and Releasees a General Release of his claims against the Employer and Releasees in the form of **Exhibit A** attached hereto. Employee, including his agents, attorneys, representatives, servants, heirs, executors, administrators, successors, and assigns as well as anyone who may otherwise have any type of interest in this matter and/or claiming through or under Employee, expressly releases any and all claims he may have arising in any way out of his employment with Employer including, but not limited to, claims he may have related to breach of contract, including physical injuries, incurred during his employment, and/or claims arising under any Federal or State statutory or common law, and/or any other claims of any nature whatsoever against the Employer and Releasees. Nothing in this Agreement is intended by the Parties to affect any rights Employee may otherwise have with respect to any vested pension, 401k or like retirement benefits.

C.F.  
P.M.

3. Binding Effect: This Agreement shall be binding upon and inure to the benefit of the respective legal representatives, heirs, successors, assigns, officers, employees, and agents of the parties hereto to the full extent permitted by law.

4. Confidentiality: The parties hereto specifically acknowledge that the R.I. Access to Records Act, specifically § 38-2-14 provides that settlement agreements of any legal claims against a governmental entity shall be deemed public records. Employee acknowledges that he understands the requirements of this provision as it concerns this Agreement and has had an

opportunity to speak with an attorney. The Employer shall, consistent with all former employees, confirm position held, salary and dates of employment.

5. Indemnification: The Commission shall, consistent with and as provided under the pertinent provisions of R.I. General Laws § 45-15-16, indemnify Employee from all loss, cost, expense, and damage, including legal fees and court costs, if any, arising out of any claim, action, compromise, settlement, or judgment by reason of any intentional tort or by reason of any alleged error or misstatement or action or omission, or neglect or violation of the rights of any person under any federal or state law, including misfeasance, malfeasance, or nonfeasance or any act, omission, or neglect contrary to any federal or state law which imposes personal liability on any police officers, firefighters, elected or appointed fire district official, employee, official, or member, if the elected or appointed fire district official, employee, official, or member, at the time of the intentional tort or act, omission or neglect, was acting within the scope of his or her official duties or employment. Employer does not intend to expand any rights or obligations by providing this coverage other than as set forth in § 45-16-15.

6. Housing: There currently exists a Lease Agreement dated May 31, 2014 between the Commission and Employee ("Lease"). Said Lease is modified as follows: (a) Lease term is hereby extended through August 31, 2015 at the current rates of \$700 per month in rent, plus an additional \$150 per month for utilities; (b) All lease terms, conditions, and covenants shall be subject to enforcement by a hearing before the Commission, with the understanding that any violation thereof shall result in the immediate termination of the lease; and (c) All monies due under the Lease and modification hereof shall be prepaid to the Commission and deducted from the amount due to Employee under the terms of this Settlement Agreement.

7. Remuneration: Compensation and other remuneration under this Agreement shall be in the form of three separate checks, subject to all applicable deductions, including but not limited to state and federal taxes, rent, and healthcare co-share, as outlined on **Exhibit B** attached hereto, and specifically incorporated herein.

8. Miscellaneous: The Employer agrees not to interfere or otherwise affect Employee's search for replacement employment. Employer agrees that if contacted by a prospective employer of Employee, that Employer will confirm the Employee's date of hire, duration of employment and that Employee resigned from employment with the Employer. No assessment, reference or opinion regarding Employee's work performance shall be provided by Employer or Releasees to any other person, form, corporation and/or entity under any circumstances.

9. Formal Matters: This Agreement is intended by the parties as a final expression of their agreement and as a complete and exclusive statement of the terms thereof. This Agreement shall supersede all prior understandings, oral and written, heretofore had between parties in connection with this matter. This Agreement may be executed in counterparts. Each of said counterparts together shall constitute but one and the same instrument. The parties hereto acknowledge that each of them has had the opportunity to be represented by counsel in the negotiations resulting in this Agreement and that the execution of this Agreement is their free act and deed and that of any and all interests they may or could represent in this matter.

10. Governing Laws: This Agreement shall in all respects be interpreted, enforced, governed and construed by and under the laws of the State of Rhode Island and Providence Plantations.

C.F.  
P.M.

11. Consultation with Counsel: Employee acknowledges that he has had the opportunity to consult with counsel and has chosen ~~not~~ to do so prior to executing this Agreement and the attached General Release.

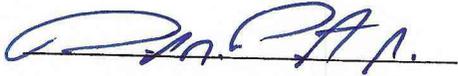
C.F.  
P.M.

12. Joint Effort: The parties agree that this Agreement is the product of a collaborative and joint drafting effort such that in the event this Agreement contains any ambiguity, such ambiguity shall not be construed against any party.

13. Non-disparagement: The parties agree that Employee's separation shall be characterized as a resignation to pursue other professional opportunities. The parties agree not to make any statements, written or verbal, or cause or encourage others to make any statements, written or verbal, that defame, disparage or in any way criticize the personal or business reputation, practices, or conduct of the parties, or their employees, directors, and officers. The parties acknowledge and agree that this prohibition extends to statements, written or verbal, made to anyone, including but not limited to, the news media, any board of directors or advisory board or directors, industry analysts, competitors, strategic partners, vendors, employees (past and present), and clients. The Employer agrees that in response to any inquiries regarding Employee's employment it shall, in accordance with policy, confirm dates of employment, position held and salary. The Parties understand and agree that this Paragraph is a material provision of this Agreement and that any proven breach of this Paragraph shall be a material breach of this Agreement, and that each Party would be irreparably harmed by violation of this provision.

IN WITNESS WHEREOF, the Parties, or their authorized agents, by their signatures,  
acknowledge and agree to this Agreement as of the date above.

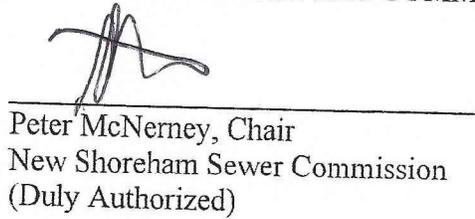
ATTEST:

A handwritten signature in blue ink, appearing to be "M. P. A.", written over a horizontal line.A handwritten signature in blue ink, appearing to be "Christian Freund", written over a horizontal line.  
Christian Freund

ATTEST:

A handwritten signature in black ink, appearing to be "A. D.", written over a horizontal line.

TOWN OF NEW SHOREHAM  
NEW SHOREHAM SEWER COMMISSION

A handwritten signature in black ink, appearing to be "Peter McNerney", written over a horizontal line.  
Peter McNerney, Chair  
New Shoreham Sewer Commission  
(Duly Authorized)

# EXHIBIT A

GENERAL RELEASE

C.F.  
P.M.

I, CHRISTIAN FREUND (hereinafter referred to as "Releasor"), in consideration of the ~~Town~~  
Town of New Shoreham & New Shoreham Sewer Commission  
~~Council of the Town of Charlestown, Rhode Island~~ accepting my resignation offer and the terms and

provisions associated therewith, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, do, for myself and my successors, heirs and assigns, do hereby remise, release and forever discharge the **Town of New Shoreham and the New Shoreham Sewer Commission**, their past and present town council members, their past and present commissioners, its officers, directors, agents, employees, insurance carriers, attorneys, and representatives, and any and all related entities and their past and present officers, directors, agents, employees, insurance carriers, attorneys, and representatives, (collectively the "Releasees"), of and from any and all debts, demands, actions, causes of actions, specialties, covenants, contracts, controversies, agreements, promises, doings, omissions, variances, damages, executions, claims, rights, liabilities, suits, sums and sums of money, accounts, reckonings, presentments, attorneys' liens, rights to attorneys' fees and extent whatsoever, both at law and in equity, now existing, or which may result from the existing state of things, which Releasor now has or ever had against the Releasees, arising from or relating to Releasor's employment with Releasees, including but not limited to any claims for breach of contract and or performance. Nothing in this General Release is intended by the Parties to affect any rights Releasor may otherwise have with respect to any vested pension, 401k or like pension benefits.

IN WITNESS WHEREOF, I, CHRISTIAN FREUND, having read the foregoing General Release carefully, and knowing and understanding its contents, hereby execute the same as my free act and deed this 16 day of March, 2015.

Witness:

  
\_\_\_\_\_  
Christian Freund

# EXHIBIT B

C.F.  
P.M.

3/8/15-3/16/15			
Earnings			
Hours	51.43	Rate	17.98
457 ER Match			924.71
TIAA CREF ER Match			30.00 *
ERSRI ER Match			9.25 *
			74.62 *
			1038.58
Deductions			
TIAA CREF EE			46.24
ERSRI EE			18.49
Med Premium Co-Share			16.88
Garnishment			208.00
Rent			392.31
			681.92
Withholdings			
Federal Income Tax			74.91
EE SS			59.19
EE Medicare			13.84
RI Income Tax			30.81
RI Disability			10.12
			188.87
Net Pay			53.92

C.F.  
P.M.

Accumulated Time			
<b>Earnings</b>			
Vacation Hours	74.46	Rate	17.98
Personal Hours	17.00	Rate	17.98
457 ER Match			305.66
TIAA CREF ER Match			0.00 *
TIAA CREF ER Match			0.00 *
ERSRI ER Match			0.00 *
			305.66
<b>Deductions</b>			
TIAA CREF EE			0.00
ERSRI EE			0.00
Med Premium Co-Share			0.00
Garrisonment			0.00
Rent			0.00
			0.00
<b>Withholdings</b>			
Federal Income Tax			192.58
EE SS			101.96
EE Medicare			23.84
RI Income Tax			60.22
RI Disability			19.73
			398.33
<b>Net Pay</b>			<b>1246.12</b>

Does not increase net pay  
Does not increase net pay  
Does not increase net pay

C.F.  
P.M.

5 Months Salary			
Earnings			
Hours	866.67	Rate	17.98
457 ER Match			15582.67
TIAA CREF ER Match			0.00 *
ERSRI ER Match			0.00 *
			0.00 *
			0.00 *
			0.00
Does not increase net pay			
Does not increase net pay			
Does not increase net pay			
Deductions			
TIAA CREF EE			0.00
ERSRI EE			0.00
Med Premium Co-Share			183.36
Garnishment			2496.00
Rent			4250.00
			6929.36
Withholdings			
Federal Income Tax			4431.81
EE SS			966.13
EE Medicare			225.95
RI Income Tax			844.47
RI Disability			184.79
			6653.15
Net Pay			2000.16

C.F.  
P.M.

COBRA - Health & Dental			
	Health	Dental	Health
	Monthly Premium *	Monthly Premium *	Premium Co-Share
April	609.47	29.59	36.57
May	609.47	29.59	36.57
June	609.47	29.59	36.57
July	613.80	32.27	36.83
August	613.80	32.27	36.83
	3056.00	153.31	183.36

\* Paid directly to carrier

C.F.  
P.M.

Rent	Monthly Rent
April	850.00
May	850.00
June	850.00
July	850.00
August	850.00
	4250.00