

Fred Sullivan
Chairman

Janine L. Burke
Executive Director



Scott Avedisian
Mayor

Warwick Sewer Authority
125 Arthur W. Devine Boulevard
Warwick, RI 02886
Voice: (401) 739-4949 • Fax: (401) 739-1414
T.D.D. (401) 739-9150

Board Meeting Minutes

January 28, 2010, 5:30 p.m.
WSA Conference Room
125 Arthur W. Devine Boulevard
Warwick, RI 02886

Board Members in Attendance:	Guests:
Fred Sullivan, Chairman	Councilman Steve Colantuono, Ward 1
Aaron Guckian, Secretary	Dave Bebyn, B & E Consulting, LLC
Steven Sylven, P.E.	Steve Cabral, Crossman Engineering
Gary Jarvis	Mr. and Mrs. Robert Bentsen
Peter Ginaitt	Mr. Joseph Almonte
	Mrs. Barbara McCarty (and daughter)
	James Boyd, CRMC Policy Analyst
	Barbara Polichetti, Providence Journal
	John Howell, Beacon Communications
	Brian Silvia, Warwick City Council Auditor
Staff Present:	
Janine L. Burke, Executive Director	Steve Zubiago, Legal Counsel
Joel F. Burke, Superintendent	Patrick F. Doyle, Assistant Superintendent
Julie Goslin, Account Auditor	Mat Solitro, Program Engineer
Lynn F. Owens, Administrative Coordinator	

1. **Call to Order** Chairman Sullivan called this meeting to order at 5:39 p.m.
2. **Approval of Minutes**
 - a. **Approval of minutes from regular meeting held December 17, 2009.**
ACTION: Mr. Jarvis moved approval of the minutes as submitted. Mr. Ginaitt seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.
 - b. **Approval of minutes from regular meeting held December 29, 2009.**
ACTION: Mr. Sylven moved approval of the minutes as submitted. Mr. Jarvis seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

3. Billing Services Division

a. Preliminary Review of Rate Study

ACTION: In October 2009, the WSA directed B & E Consulting, LLC to conduct a comprehensive rate study. The report is complete; Mr. David C. Bebyn, CPA, presented the Draft Rate Study to the WSA Board members. Mr. Bebyn stated this study is vastly different than prior studies we have done; it takes a fresh look at the WSA rate structure and includes a "cost of service" study. He said the essence of a "cost of service" study is to look at what areas are causing the demand on the system and those such ratepayers, how those rates are calculated and who should bear the cost for those demands on the system. He said prior rate studies have only done across-the-board increases (commercial and residential accounts increasing by the same percentage rate). He said the study also considers additional factors such as connect capable charges and a separate charge for renewal and replacement.

Mr. Bebyn's "Executive Summary and Outline of the Report" is listed on pages 1-2 of the report. Director Burke prepared a summary of B & E's recommendations:

- *Increase the sewer assessment rate on new projects to \$84 per linear foot to cover sewer construction costs;*
- *Restructure sewer usage bills and create new charges that are more closely associated with the actual cost of providing those services (i.e., billing/administration charges, debt service charges, capital renewal and replacement charges, and treatment charges based on flows (more transparent cost allocation));*
- *Relate service charges to demand, with the flat fee varying according to water meter size. This would greatly affect commercial and large residential customers; however, it should be noted that the current system is not fair in that some large commercial users pay the same service charge as a single-family residence (more equitable cost allocation);*
- *Assess the capital and debt service charges across all users with sewer service availability. B&E is calling this a "Connect Capable Fee" which is authorized by WSA's enabling legislation and is recommending a \$272 per account charge (benefits allocation);*
- *Increase fixed charges to cover fixed costs but decrease usage charges, which are based on variable treatment-based costs.*

If WSA implements B&E's recommendations, commercial accounts will end up paying more but the average residential user should see a slight decrease in their annual usage charges.

In addition to B & E's primary recommendation, Mr. Bebyn has provided some other options for discussion purposes (see page 44, Schedule VIII-1 at the bottom, which summarizes the effects of the various alternatives presented by B&E). Without a Connect Capable Fee, the rates would have to be higher with average residential users looking at an approximately 5% increase in their bill.

Please note: B&E's recommendations involve changes to the rates for fiscal year ending June 30, 2011 (effective July 1, 2010) but no further changes through the remainder of the 5-year study period.

Copies of the Draft Rate Study were made available following Mr. Bebyn's presentation to the Board. The document is available at the Warwick Public Library, the WSA Administrative offices, and <http://www.warwicksewerauthority.com/>.

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Following the Board's review of the Draft Rate Study, Director Burke asked for direction from the Board as far as what to do next. She stated she has already started to look at the effect the recommended changes will have on individual accounts, both residential and commercial. She stated that even if the Board agrees with the basic concepts of the rate study, there are details to be worked out. She said the next steps would be to schedule public hearings, starting with the City Council.

Mr. Jarvis complimented Mr. Bebyn on the detail provided in the study, encouraged the other board members to offer their ideas, and suggested additional options, including modifying assessment adjustments for developers and backing off on mandatory connections in favor of the connect capable fee. He stated we need to be proactive in finding alternatives that are not so painful, given the state of the economy.

Mr. Ginaitt stated the Board's decision must have a long range effect, other than just mitigating an increase which is what has been done for many years before. He said we need to have a very structured plan that, regardless of how painful it is, assures that we can sustain the operation of this business. Mr. Ginaitt stated there should be a correlation between providing effective (wastewater treatment) service to the City, and protecting what is very valuable to us, our natural resources.

Chairman Sullivan stated now that the report is prepared, people can look at it and understand the justification for the connect capable fee.

Mr. Guckian suggested the draft report be distributed to the public; he suggested it be put on the website and copies made available at the Warwick Central Public Library.

Chairman Sullivan stated WSA will meet with the City Council where Mr. Bebyn can give his presentation on the rate study; that way there is no doubt in anyone's mind as to where the numbers are coming from. He said at that point in time, once they've got the report and a lot of questions are asked, if there are any questions or concerns from the public, they should be presented to Director Burke so she can present it to Mr. Bebyn for a response.

As far as next steps, the Draft Rate Study will be considered carefully by the WSA Board of Directors and staff with input from the City Council and the City's Administration. WSA is planning a series of public hearings to review the new rate structure and rates with its ratepayers and the public. Notice of these public hearings will be posted on this website and in the local newspaper.

At 7:05 p.m. the Board took a brief recess.

At 7:13 p.m. the Board resumed its regular session.

- b. William and Barbara McCarty**, 7 Eleventh Avenue, Warwick, to appear before the Board to request restitution for monies spent as a result of a Sewer Board of Review Decision rendered in 2008.

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ACTION: Mrs. McCarty attended the meeting with her daughter. Board members were provided with copies of Mrs. McCarty's documentation itemizing monies spent as a result of a Sewer Board of Review decision in 2008. Mrs. McCarty is pursuing restitution because a neighboring property owner in a similar situation was not required to follow the same steps nor incur similar expenses in seeking a sewer assessment abatement.

Director Burke said it appears that the Sewer Board of Review was inconsistent in its decisions regarding similar sewer assessment appeals in the Buttonwoods project area. Mr. Sylven stated it is not under the purview of the WSA to consider restitution for a decision made by another board or commission. Director Burke suggested WSA meet with the Sewer Board of Review and their legal counsel to discuss this matter. Mr. Guckian suggested Mr. Zubiago speak with the city solicitor about this matter prior to a meeting with the Sewer Board of Review. This item was tabled to the February meeting. Mrs. McCarty thanked the Board for their consideration.

c. Abatement of Sewer Assessment

Name	Service Address	Reason	Amount
SLS Realty LLC	99 Telmore Road Plat 215 Lot 0028	Property owner paid for sewer extension (1995); assess at 53%	\$3,243.00
Shevlin Amalia Fund LLC	112 Telmore Road Plat 215 Lot 0019	Property owner paid for sewer extension (1995); assess at 53%	\$25,612.70
Bald Hill Car Wash LLC	855 Bald Hill Road Plat 262 Lot 0133	Property owner paid for sewer extension (2007); assess at 53%	\$3,714.88
John Lyden, Jr. Elaine Lyden	22 Bellevue Avenue Plat 312 Lot 0137	Property owner paid for sewer extension; assess at 53%	\$1,888.46
Pawtuxet Realty Inc.	10 Bellevue Avenue Plat 312 Lot 0139	Property owner paid for sewer extension; assess at 53%	\$7,129.90
Richard C. Hadfield Acct. 65248	v/l Gorton Lake Blvd. Plat 266 Lot 0483	Lot had been merged with house lot prior to assessment; see supplement	\$1,067.59

ACTION: Mr. Guckian moved approval of the abatements. Mr. Ginaitt seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

d. Sewer Assessment Supplement

Name	Service Address	Reason	Amount
Richard C. Hadfield Acct. 65249	261 Gorton Lake Blvd. Plat 266 Lot 0481	Supplement account to include outstanding balance from above listed vacant lot merged with this parcel	+\$1,067.59

ACTION: Mr. Jarvis moved approval of the supplement. Mr. Ginaitt seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

e. Annual Deferment of Sewer Assessments (2010 Renewals)

Name	Year	Address	Reason
Gary/Nancy Petterson *objecting to 20 yr. term	10	3140 West Shore Rd., Plat 364 Lot 0417	Single family; 2.63 acres
Kevin Cotter *objecting to 20 yr. term	10	3166 West Shore Rd., Plat 364 Lot 0212	Single family, 1.6 acres
Raymond Finelli	10	3212 West Shore Rd., Plat 364 Lot 0210	Single family, 5.5 acres

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*objecting to 20 yr. term		
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ACTION: Mr. Guckian moved approval. Mr. Ginaitt seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

f. Annual Deferment of Sewer Assessments (2010 Renewals)

Name	Year	Address	Reason
Hogan Living Trust	3	79 Warwick Neck Ave., Plat 358 Lot 0290	Single family; 2.5 acres
Maryann Fynamore-Allmark	3	119 Church Ave., Plat 332 Lot 0058	Single family; 1.19 acres
John Guleserian	7	14 Jacqueline Court, Plat 379 Lot 0447	Single family; 1.43 acres
Ge Yang	7	4 Jacqueline Court, Plat 379 Lot 0448	Single family; 1.17 acres
Kimberly Howland	9	108 Drumrock Avenue, Plat 244, Lot 0020	Single family; 1.22 acres
Roberta McKinnon	13	170 Alvin St., Plat 266 Lot 0493	Single family; 2.59 acres
Phillip Kydd	14	40 Metcalf Street, Plat 303 Lot 0537	Single family; 1.32 acres
St. Kevins Church Corp.	7	39 Cathedral Road, Plat 338 Lot 0002	Religious corporation
St. Rose of Lima Church *temporary deferment	6	163 Inman Avenue, Plat 348 Lot 0219	Religious corporation

ACTION: Mr. Ginaitt moved approval of the deferments. Mr. Guckian seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

4. Administrative Items

a. Director's Report

i. **Financial Report** Director Burke reviewed the financial report. She said while consumption and revenues are down, end of year projections are on target.

ii. **Administrative Schedule:** No report.

ACTION: Mr. Jarvis voted to accept the financial report. Mr. Ginaitt seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion.

b. Chairman's Report

i. **Proposed Amendments to By-Laws**

ACTION: Continued from 12-17-09 meeting.
Tabled to February 25, 2010 meeting.

Chairman Sullivan suggested WSA hold another Open House in the spring; tours of the facility can be scheduled and a general presentation can be made about the work of the WSA. Chairman Sullivan stated during Aaron Guckian's reappointment hearing, he was asked about a list of questions that had been presented to WSA. Mr. Guckian stated the questions were given to Janine; he suggested that responses to those questions be put on the website when possible. Mr. Jarvis asked that a copy of the questions be forwarded to the Board members.

c. RFP 2010-190: Legal Services for the Warwick Sewer Authority

i. Overview of submitted proposals

ii. Define interview schedule

ACTION: Interviews will be scheduled in February.

Tabled to February 25, 2010 meeting.

5. Construction Division

a. Request for sewer extension on Kirby Avenue

ACTION: Continued from 12-17-09 meeting. Mr. and Mrs. Bentsen and Mr. Almonte in attendance.

Director Burke provided the Board and Mr. Bentsen with a cost analysis for this proposed developer paid sewer extension. Mat Solitro explained the level of effort involved in this cost estimate, including survey work, preliminary engineering and efforts to secure the required easement. Mr. Almonte asked if there is the potential to include additional property owners in this sewer extension. (Funding this sewer extension is the primary obstacle for the property owners.) Director Burke stated DEM will allow WSA to extend sewers to these three property owners (Taravella property included) in this emergency situation.

Mr. Guckian asked if WSA could use on-site grant funds to offset the cost of this sewer extension and possibly set up a repayment plan with the property owners. Mr. Ginaitt asked if WSA can identify any of this proposed infrastructure as a WSA asset to be used in the future. Mr. Ginaitt said WSA must consider its obligation to this area that has a direct impact on Narragansett Bay. He said these property owners are dealing with a public health issue. Director Burke stated WSA has paid for the engineering and easement work. Mr. Jarvis suggested staff talk with DEM about alternatives and funding options. Mr. Guckian offered to assist in organizing a meeting with DEM. Mr. Ginaitt suggested Councilman DeGiudice may be able to help. Chairman Sullivan asked that staff examine the possibility of sewerage a larger area, which would change the cost factors considerably.

Continued to February 25, 2010 Board meeting.

b. Project Update Report, January 2010

Mr. Solitro reviewed progress being made in the Governor Francis II sewer project area. Mr. Solitro reviewed progress being made in the Sandy Lane project area. Construction has shut down for the winter. Director Burke stated WSA has received the Order of Approval from DEM for the Longmeadow project, contingent upon WSA awarding a contract to an engineering consultant for construction services.

c. Crossman Engineering: Value Engineering, Longmeadow: \$6,550.00.

ACTION: Director Burke introduced Mr. Steve Cabral of Crossman Engineering, Inc. (CEI) to the Board. CEI was awarded a contract by the City of Warwick in December 2009 to provide citywide engineering services, including value engineering.

Director Burke recommended that CEI be used to perform a value engineering review of the Longmeadow sewer project to identify cost savings and improve

construction plans. She stated project cost savings could quite likely pay for the value engineering services.

Mr. Ginaitt moved approval. Mr. Guckian seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

6. Operations & Maintenance Division

a. Replacement of both main sewage pumps – Knight Street Pump Station ABBA Pump Parts & Service: \$17,900.00

ACTION: Emergency authorization received January 5, 2010.

Mr. Guckian moved approval of the purchase. Mr. Sylven seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

b. Repair of center BNR recycle pump, Delta Electric: \$7,529.80

ACTION: Mr. Ginaitt moved approval of the purchase. Mr. Guckian seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

c. Kent County Electrical Services: increase value of P.O. by \$4,000.00

ACTION: Mr. Guckian moved approval of the request. Mr. Ginaitt seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

7. Industrial Pretreatment Division No business presented at this meeting.

8. Consent Agenda – 2010 Drainlayer Licenses (Renewal)

- a. D'Ambra Construction Co., Inc., 800 Jefferson Boulevard, Warwick
- b. Joseph Ramos – J. H. Lynch & Sons, Inc., 50 Lynch Place, Cumberland
- c. J. DiCenzo Construction, 55 Bleachery Court, Warwick
- d. Stephen A. Cary, 7 Englewood Lane, Warwick
- e. Amando Ricci, Ricci Drainlaying Co., Inc.
- f. Narragansett Improvement Company, 223 Allens Avenue, Providence
- g. Norman P. Marsocci, Raven Construction, Inc., 2512 Flat River Rd., Coventry
- h. Patrick Diffley, d/b/a Diffley & Daughters Septic Service, PO Box 183, East Greenwich
- i. D & D Construction, 136 Cowesett Avenue, West Warwick
- j. James Butler, 182 South Shore Avenue, Warwick
- k. Thomas Dipetrillo, d/b/a Drain Layers, 45 Tarawa Drive, Warwick

ACTION: Mr. Jarvis moved approval. Mr. Ginaitt seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

9. Consent Agenda – Correspondence

- a. Monthly Director's report to Mayor Avedisian (12-14-09)
- b. WSA probation letter to drainlayer Stephen Cary (12-21-09)
- c. WSA response to Mr. Durand's request for information (12-23-09)
- d. WSA response to Mr. Cote's APRA request for information (1-4-10)
- e. WSA response to Mr. Mathews' APRA request for information (1-4-10)
- f. Award of contract to AECOM (1-5-10)
- g. WSA financial report to City Council (1-6-10)
- h. Cover letter to WSA from Rep. McNamara on proposed legislation (1-7-10)
RIDEM Order of Approval for Longmeadow Sewer Project (1-6-10)
- i. WSA response to Mr. Donald Chihoski's questions from 12-16-09 mtg (1-11-10)
- j. USEPA notification: WSA IPP recipient of 2009 Regional EPA Industrial Pretreatment Program Excellence Award (1-12-10)
- k. NEWEA notification: Patrick Doyle recipient of Operator Safety Award (11-2-09)
- l. RI Interlocal Trust notification: WSA recipient of Safety Enhancement Grant (1-13-10)
- m. WSA to USEPA: 2009 CMOM Program Implementation Annual Report/CMOM Program Checklist cover letter (1-15-10)
- n. Notice of Councilwoman Travis' neighborhood meeting (1-15-10)
- o. WSA response to Mr. Cote's concern about trench compaction (1-19-10)
- p. Monthly Director's report to Mayor Avedisian (1-19-10)

ACTION: Mr. Sylven moved approval. Mr. Jarvis seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

- 10. New Business** Mr. Guckian suggested that routine business items be placed at the front of the agenda. Mr. Ginaitt moved approval. Mr. Jarvis seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

- 11. Old Business:** No discussion
- a. Buttonwoods Fire District
 - b. WSA Deferment Policy
 - c. Mandatory Sewer Connection Program
 - d. Sewer Tie-In Loan Fund

12. Open Call for Executive Session

- a. Pursuant to RIGL 42-46-5 (a) (2) Litigation: Kristen Court
ACTION: Discussion only.

Mr. Guckian moved that the Warwick Sewer Authority convene in executive session in accordance with Rhode Island General Laws 42-46-4 and 42-46-5(a) (2) to discuss litigation (Kristen Court). Mr. Ginaitt seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

At 8:05 p.m. the Board entered executive session.

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At 8:30 p.m. the Board returned to open session.

Mr. Guckian moved that the minutes of the January 28, 2010 executive session be kept closed in accordance with Rhode Island General Laws 42-46-4 and 42-46-5 (a) (2) litigation (Kristen Court). Mr. Ginaitt seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

13. Adjournment

Mr. Jarvis moved to adjourn this meeting. Mr. Guckian seconded the motion. Chairman Sullivan, Messrs. Ginaitt, Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

At 8:30 p.m. this meeting ended.

Aaron Guckian, WSA Secretary

Date of Approval