

Fred Sullivan
Chairman

Janine L. Burke
Executive Director



Scott Avedisian
Mayor

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Board Meeting Minutes

Wednesday, May 12, 2010, 6:00 p.m.
Warwick City Hall, Council Chambers
3275 Post Road, Warwick

Board Members in attendance:	Board Members not present:
Aaron Guckian, Secretary	Fred Sullivan, Chairman
Gary Jarvis	Peter Ginaitt
Steven Sylven, P.E.	
Staff present:	Guests:
Janine L. Burke, Executive Director	Members of the public
Lynn F. Owens, Administrative Coordinator	
John Revens, WSA Legal Counsel	

1. **Call to Order** At 6:04 p.m. Mr. Guckian called this meeting to order.
2. **Approval of Minutes**
 - a. Approval of minutes from the regular session held April 20, 2010.
ACTION: Mr. Sylven moved approval of the minutes as submitted. Mr. Jarvis seconded the motion. Messrs. Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.
 - b. Approval of minutes from the regular session held April 22, 2010.
ACTION: Mr. Sylven moved approval of the minutes as submitted. Mr. Jarvis seconded the motion. Messrs. Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.
3. **March 30, 2010 Pawtuxet River Flooding Incident**
 - a. Operations & Maintenance Report

Director Burke stated WSA submitted a draft schedule to RIDEM to return to permit compliance; we're looking at July 1st for steady state restoration of the secondary treatment system. She said the largest issue is the electrical system.

b. Collections System Report

Director Burke stated WSA will resume the two construction contracts that were ongoing prior to the flood, Governor Francis Farms II and Sandy Lane. She said we have put off the Longmeadow project due to lack of resources at this time.

- c. Financial Report/Approval of Emergency Purchases**
- i. WSA Emergency Purchases
 - ii. WSA Budget Purchases Related to Flooding
 - iii. Hart Engineering Purchases

ACTION: Director Burke provided the Board with a spreadsheet listing all flood related purchases since the last report. An itemized listing of purchases over \$5000 was provided to the Board for confirmation (\$249,603 total). Director Burke stated all purchases will be reimbursed by the insurance company and FEMA (75%).

Mr. Jarvis asked if the materials purchased to provide temporary electrical service will be used for the permanent work. Director Burke stated she will ask the Superintendent to address that at the next meeting. She said she will also share a very detailed plan of scheduled tasks to be completed.

Mr. Sylven moved to accept the flood related emergency purchases presented. Mr. Jarvis seconded the motion. Messrs. Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

4. Purchase Authorization: Routine Electrical Repair Services

a. Kent County Electrical Services, increase value of P.O.

ACTION: Director Burke stated this request is for miscellaneous electrical repair work initiated prior to the flood and not related to electrical repairs needed as a result of the flood. She said the Superintendent asks that the purchase order be increased by \$3,000.

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

5. Bid #2011-4: Wastewater Treatment Chemicals

ACTION: Director Burke stated a summary memorandum and spreadsheet has been provided listing the results of the chemical bids and the superintendent's request for award of bids. She stated across the board, prices decreased approximately 10% over last year's bid prices. Contracts will be awarded to various vendors for a one-year term beginning July 1, 2010.

Mr. Jarvis moved to accept the recommendations on Bid No. 2011-4, Wastewater Treatment Chemicals. Mr. Sylven seconded the motion. Messrs. Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

6. FY 2011 Budget Presentation

DISCUSSION/ACTION: Director Burke reviewed with the Board the proposed WSA Fiscal Year 2011 Budget. She stated the biggest change to the budget is the combining of codes 80 (WSA Operations/Maintenance/Debt Service) and 81 (Industrial Pretreatment Program). She said there is no legal or financial reason to have separate budgets, and many advantages to combining the accounts. She said as presented, there is a \$5,000 deficit. Director Burke stated she is very confident that the expenses are itemized accurately (a detailed review of line items reveals a reduction in operational expenses, while debt service continues to go up along with personnel expenses). She said the revenues are harder to predict at this point. She said Dave Bebyn will be present at the May 27th meeting to present his revised recommendations for the usage rate and fee structure. Director Burke stated this proposed budget uses the same revenue numbers as those from Fiscal Year 2010 (including a conservative estimate of 500 new connections). She said although the budget is basically balanced, it does not include any money to repay the general fund or any set asides for debt service or capital reserves that we spoke of when we conducted the rate study. Director Burke stated that without a connect capable fee, at a minimum, she thinks we need to do the restructuring that Mr. Bebyn has suggested to balance the commercial and residential service charges. She said if the Board wants to stick with the debt recovery plan that Mr. Bebyn detailed in the rate study, the Board will need to consider a rate increase.

Mr. Sylven asked that the Board and Director Burke examine the proposed budget to cut the \$5,427.00 deficit to realize a balanced budget for submission to the City Council. Director Burke stated she is very confident about the expense numbers; the revenue numbers may be adjusted depending on what Dave Bebyn recommends at the May 27th meeting. Following a detailed line-by-line review of the proposed budget, Mr. Jarvis made a motion to accept the budget based on cutting line item 80-398 (Public Outreach) by \$4,000 and increasing the miscellaneous revenue estimates by \$1,427 in order to balance the budget. Mr. Sylven seconded the motion. Messrs. Guckian, Sylven and Jarvis voted in favor of the motion. Motion approved.

7. Adjournment

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

At 7:00 p.m. this meeting ended.

Aaron Guckian, WSA Secretary

Date of Approval