



State of Rhode Island and Providence Plantations
Water Resources Board
235 Promenade Street, Suite 438
Providence, RI 02908
(401) 222-1450 ● FAX: (401) 222-1454

FINANCE COMMITTEE
MINUTES
Monday, December 15, 2008

Members Present:

William Penn, Committee Chair
Jesse M. Rodrigues, Jr.
Michael Walker

Members Absent:

Ian Morrison

Staff Present:

Kathleen Crawley

Guests Present:

Jane Sherman, Rivers Council

Call to Order

Chairman Penn called the meeting to order at 11:14 AM noting that a quorum was present.

Motion by Mr. Rodrigues second by Mr. Penn to move item 4(A)(1) to the top of the agenda in consideration of Ms. Sherman. The vote in favor was unanimous and the motion passed.

Rhode Island Rivers Council Watershed Council Grant Program FY 2009

The Rivers Council receives a legislative grant through the Water Resources Board. The amount for FY2008 is \$22,444.00 and has been allocated to six projects. The Rivers Council uses the legislative grant funds in a program that awards grants to watershed councils. The role of the Water Resources Board is to provide procedural oversight and to process payment once proper documentation has been received.

Motion by Mr. Rodrigues second by Mr. Penn to ratify the contracts and grant approvals of the Rivers Council in the amount of \$22,444.00 as presented. The vote in favor was unanimous and the motion passed.

Discussion

In response to a question, Ms Sherman explained that the \$2,444 is a transfer to that covers operating expenses associated with the grant program for costs such as public notices, minutes, procedural oversight.

Approval of Minutes

Motion by Mr. Rodrigues second by Mr. Penn to approve the Finance Committee Meeting minutes of November 17, 2008. The vote in favor was unanimous and the motion passed.

Reports

Motion by Mr. Rodrigues second by Mr. Penn to accept the November 2008 Chief Business Officer's Report. The vote in favor was unanimous and the motion passed.

Discussion

Mr. Penn reviewed the expenditures to date noting that we had spent roughly \$300,000 and encumbered another \$14,000. We are under budget with three staff positions now vacant. Contractual services are under budget with some invoices not yet received. There is a further reduction in the budget due to the economy. A corrective action plan has been submitted as requested of all agencies which reduces the enacted budget by

roughly \$40,000. The reduction is achievable and represents the delay in filling the position of the Principal Planner. A memo was also just received that allows the Board to hire a part time temporary Secretary-Clerk. There was discussion about the rent and where that appears in the budget. Ms. Crawley explained that the supplemental request does move some funds around which accommodates moving and rent expenses. She stated that RIDEM had provided the figure that appears in the budget and that WRB would likely make one lump sum payment to DEM.

Mr. Penn noted that the surcharge payments are significantly lower than last year. Ms. Crawley stated that the decline does not appear to be explained by timing alone and may be a reflection of less revenue across the board. She stated that she would want to review the collections in more detail to be certain.

Motion by Mr. Rodrigues second by Mr. Penn to accept the November 2008 Chief Financial Officer's Report. The vote in favor was unanimous and the motion passed.

Discussion

Mr. Penn reviewed the CFO report noting that the Providence Project would be paid in full in September 2009. There were some administrative expenses and overall the report is routine with nothing out of the ordinary. Mr. Penn noted that he and Ms. Crawley had met with Mr. Anthony Simeone to discuss a potential MOU with the Clean Water Finance Agency to handle clerical functions associated with administering the bond funds. In response to a question by Mr. Rodrigues, Mr. Penn further clarified that staff is currently handling some of the bookkeeping functions and B&E is preparing the financial reports.

Motion by Mr. Rodrigues second by Mr. Penn to approve the final payment request in the amount of \$53,262.91 to Maguire Group for the Supplemental Water Supply Study Phase II. The vote in favor was unanimous and the motion carried.

Discussion

Mr. Penn noted that the project was completed within the original budget. He stated that the executive summary will be distributed to the Governor's office, participating water suppliers, legislators, fiscal staff and the. And that a distribution list is being developed. The final invoice is reported to the board because it is a final contract. Ms. Crawley updated the Committee that the deliverables had been successfully installed on the Board's computers including the buildout and the updated water lines coverages.

Mr. Walker arrived.

Motion by Mr. Rodrigues second by Mr. Walker to approve the Town of North Kingstown 50% reimbursement request for the KCWA/North Kingstown Emergency Interconnection in the amount of \$67,400.00. The vote in favor was unanimous and the motion carried.

Motion by Mr. Rodrigues second by Mr. Walker to approve payment to JMB Mechanical Inc. (Invoice # 463) in the amount of \$3,286.00 for an emergency hot air furnace replacement for a tenant in the Big River Management Area. The vote in favor was unanimous and the motion carried.

Discussion

Mr. Walker asked whether there were any other fees to be incurred for set up. Ms. Crawley replied that her understanding was that there were not any additional charges and asked Mr. Mendes into the meeting to verify. Mr. Mendes stated that to his knowledge there would not be any additional charges by the oil company.

Revised Capital Budget

Ms. Crawley briefly summarized the Capital Budget changes as received from the budget office and distributed to members:

- No changes to BRMA groundwater wells, Water Allocation and BRMA land management.
- Minor refinements to the Groundwater Protection and Acquisition Program (South County Wellsites) and Bristol County Water Authority to refine the balances of issued/unissued bonds.
- Supplemental Water Supply- the budget office recommends no new bonds pending further future justification.

Motion by Mr. Rodrigues second by Mr. Walker to accept the revised Capital Budget. The vote in favor was unanimous and the motion carried.

Board Corporate Payment Requests:

Motion by Mr. Rodrigues second by Mr. Walker to approve payment of Invoice # 639 to B& E Consulting, LLC in the amount of \$875.00 for October report preparations and first quarter financial statements. The vote in favor was unanimous and the motion carried.

Motion by Mr. Rodrigues second by Mr. Walker to approve payment of \$175.00 to Partridge, Snow & Hahn for professional services rendered through October 31, 2008. The vote in favor was unanimous and the motion carried.

There was a brief discussion of the role of the Board Corporate and placement of the BRMA well project on the Project Priority list and various financing options that might exist.

Discussion and Other Business

There was an enclosure provided to the committee regarding due diligence performed consistent with prior Board approval for well site RIW 385.

Mr. Penn reported that the Board has been authorized to hire an interim temporary employee and he summarized the recently submitted corrective action plan.

Mr. Penn stated that he would like to find a new Chair for the Committee and expand its membership. He stated that Mr. Morrison has announced his resignation.

Adjournment

On a motion by Mr. Rodrigues second by Mr. Walker and approved unanimously the meeting adjourned at 11:47 am.

Respectfully Submitted,

Kathleen Crawley
Acting General Manager