

Peter T. Ginaitt
Chairman

Janine Burke-Wells
Executive Director



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FINANCE COMMITTEE MEETING MINUTES

Tuesday, February 13, 2018, 5:30 p.m.
Warwick Sewer Authority Conference Room
125 Arthur W. Devine Boulevard
Warwick, RI 02886

Committee Members present:	Committee Members absent:
Gary C. Jarvis, Committee Chair	Anthony Poole, Admin. Services Manager
John Justo	
Janine Burke-Wells, Executive Director	Guests:
	Councilman Ed Ladouceur, Ward 5
Board member present:	Roberta Stienle, Human Services Division
Peter T. Ginaitt, Chairman	Carlos Zambrano, MIS Division
	Mark West, 111 Longmeadow Drive
Staff present:	
Lynn F. Owens, Administrative Coordinator	

1. Call to Order

At 5:46 p.m. Committee Chair Gary Jarvis called this meeting to order.

2. Pledge of Allegiance

Those in attendance rose to salute the Flag and to state the Pledge of Allegiance.

3. Approval of Minutes

- a. Approval of minutes from the January 16, 2018 Finance Committee meeting.

ACTION: Director Burke-Wells moved approval of the minutes as submitted. Mr. Justo seconded the motion. Committee Chair Jarvis, Mr. Justo and Director Burke-Wells voted in favor of the motion. Motion approved.

4. Customer Assistance Programs

City of Warwick Human Services Project Coordinator Roberta Steinle

DISCUSSION/ACTION: Director Burke-Wells introduced Roberta Steinle from the City's Human Services Division, to speak about the assistance program(s) available to Warwick residents. Director Burke-Wells stated WSA is considering a customer assistance program and may team up with the City and possibly provide funds to the program for sewer customers.

Ms. Steinle stated the City's emergency assistance program has been in place for over twenty years. She stated the program helps members of the community get re-established if there is a need for emergency funds due to an unexpected interruption in income. She stated she works closely with the Tax Collector's office when people are put into payment plans to repay an outstanding debt to the City. She provided and reviewed the program guidelines established by Executive Order 2017-11. She stated the City provides \$70,000 to fund the program annually.

The Committee discussed providing WSA funds to the emergency assistance program to be used for sewer customers in need of financial assistance. Director Burke-Wells stated the billboard lease funds have been used by the Community Development Office to fund a sewer connection grant program. She stated some of the lease funds could go to this Human Services assistance program. She stated WSA would not create a new program but would fund an already existing and successful program administered by the Human Services Division.

Director Burke-Wells offered to sit with Ms. Steinle and someone from the City's Finance Department to see how the WSA could work with Human Services to provide funds for sewer utility and assessment customers. The Committee will work through the details, finalize a draft plan and present a proposal to the full Board for consideration at an upcoming meeting.

Committee members thanked Ms. Steinle for her attendance.

5. MIS Services provided to WSA
City of Warwick MIS Director Carlos Zambrano

DISCUSSION/ACTION: Director Burke-Wells stated she invited Mr. Zambrano back to provide an update on the virtualization process, recovery of data and cost of MIS services.

Mr. Zambrano stated since our last meeting, he has researched data recovery services for the failed hard drives; in the case of WSA's data loss, the vendors could provide data recovery services but at a high cost with a low rate of return. Mr. Jarvis looked for assurances from Mr. Zambrano that data loss will not happen again.

Mr. Jarvis asked what MIS is doing to insure that daily backups of data are occurring. He stated the virtualization process will lead to better data recovery in the event of a loss; he asked Mr. Zambrano where WSA stands with that project.

Mr. Zambrano explained the reasons why data was lost last summer. He stated since that time, MIS decommissioned old city servers; whole system backup happens weekly in addition to data backup every night. He stated he is comfortable that city records are being backed up appropriately to preserve city records. Mr. Jarvis asked about purchasing a local drive to back up the WSA drives daily, at least until WSA goes virtual. Director Burke-Wells asked Mr. Zambrano to provide a price quote on the equipment and training to back up critical WSA data.

Mr. Zambrano discussed the progress being made on the virtualization project. He said he anticipates the WSA servers will be fully virtualized within the next thirty days, barring any emergencies. He and Mr. Jarvis discussed the technical aspects of backing up data and rebuilding systems in the case of a disaster. Mr. Jarvis stated he was pleased to hear that virtualization of WSA servers will be complete shortly. He stated he would like to see in writing the schedule for backups, a written procedure and policy on how virtual data is being backed up, where it is being stored and the plan for disaster recovery. Mr. Zambrano offered to send him via email a snapshot of current sewer server automatic backups.

Mr. Ginaitt expressed his concern about data backup and recovery and sought assurance from Mr. Zambrano that there is a plan in place.

Mr. Zambrano discussed the virtual environment and where he would like to see the City go over the next five years. Mr. Jarvis stated WSA has had good communication with the MIS Division; he encouraged regular discussion.

Mr. Zambrano shared with the Committee the estimated MIS expenses associated with supporting WSA work, and included justification of expenses and chargebacks. He provided a detailed review of his budget line items and associated expenses, including services, software and personnel time.

The Committee members thanked Mr. Zambrano for his time and information.

6. Fiscal Year 2019 Budget preparation
 - a. Enterprise Fund Operating budget
 - b. Capital Improvement Program budget

DISCUSSION/ACTION: Director Burke-Wells stated she was not prepared to discuss the budget tonight. She asked that another meeting be scheduled to review the draft operating budget and the capital budget prior to her meeting with the City's administration on the fiscal year 2019 budget. Mr. Justo asked that a draft budget document be sent to the Committee in advance of the next Board meeting. The Committee members reviewed the procedure and timeline for moving the budget forward.

Mr. Justo stated significant attention needs to be paid to managing funding and financing the five-year capital plan. He suggested WSA bring together its resources to brainstorm a financing plan for needed capital investments and improvements.

7. Incentive Programs for Sewer Connections

DISCUSSION/ACTION: Mr. Jarvis stated that at the last meeting legal counsel expressed concern that WSA would set a precedent in funding connections beyond this pilot program. Mr. Jarvis suggested the details of the connection incentive program be clearly defined and all possible ramifications explored. Mr. Justo recommended the full Board consider approving the incentive program to increase users. Mr. Jarvis stated the suggested incentive program will be presented to the full Board for possible action at the next meeting.

8. New Business

Introduction of new business to be docketed for an upcoming meeting or to be referred to the executive director or legal counsel for comment.

DISCUSSION/ACTION: Director Burke-Wells stated Mr. Poole is in the process of breaking out the full costs for Governor Francis Farms Phase III and will share the information with the Board when available.

9. Old Business

- a. Capital Budget Fiscal Year 2018
- b. Renewable Energy Initiatives
- c. FY16 Audit Discussion with Finance Director
- d. Cost of Grinder Pumps for Bayside Sewer Project
- e. Sewer Assessment Methodology/Rate Study Update
- f. Precious metals recovery from sludge

DISCUSSION/ACTION: Director Burke-Wells briefed the Committee on the sludge removal pilot project. Mr. Justo asked that dates be added to the Old Business items identifying when the Committee initially considered the item and an anticipated end date.

10. Public Comment Period

Councilman Ed Ladouceur shared his concerns about the cost of road resurfacing, grinder pumps and the overall assessments for his constituents in the Bayside sewer construction project area. He stated he thinks the cost of the roads should be borne by all the citizens of Warwick. He stated he thinks the grinder pumps should be included in the overall contract costs as the pumps are part of the sewer infrastructure. He agreed with Mr. Justo regarding rolling out the connection incentive program to encourage customers to do business with the WSA.

11. Set next meeting date/time:

The Committee set its next meeting for Tuesday, March 13, 2018, start time 4:30 p.m. Director Burke-Wells stated she will get the draft budget documents to the Committee members by March 9th. The Committee members reviewed the timeline for moving the budget forward.

12. Adjournment

Mr. Justo moved to adjourn. Director Burke-Wells seconded the motion. Committee Chair Jarvis, Mr. Justo and Director Burke-Wells voted in favor of the motion. Motion approved.

At 7:06 p.m. this meeting ended.

Gary C. Jarvis, Committee Chairman

Date of Approval

Minutes are recorded pursuant to the Rhode Island General Laws § 42-46-7 for the purpose of capturing all general information relevant to the meeting. For a more comprehensive assessment of minutes, audio files shall be archived with the Warwick Sewer Authority and available upon request.