

KENT COUNTY WATER AUTHORITY

MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS

May 21, 2026

A meeting of the Board of Directors of the Kent County Water Authority was held on the 21<sup>st</sup> day of May, 2026, at 3:30 p.m. at the offices of the Authority, 35 Technology Way, West Greenwich, RI, in the Robert B. Boyer Board Room.

Chairman Robert B. Boyer opened the meeting at 3:30 p.m. Board members Scott Duckworth, Geoffrey Rousselle, Brian Kortz, and Ken Mason, were all in attendance along with Executive Director/Chief Engineer David L. Simmons, Legal Counsel Patrick J. Sullivan, Esq., and Director of Human Resources and Finance Michael Lanfredi.,

Chairman Boyer led the room in the pledge of allegiance.

**Approval Of The Minutes**

The minutes of the board meeting held on April 16, 2026, as well as executive session minutes of the same date, were presented for approval. Mr. Rousselle moved the approval, seconded by Mr. Mason. Both sets of minutes were approved unanimously.

**Summit Financial Group, Due Diligence Pension Review  
Action Item – Contribution Funding Level for FY 27**

Mr. Simmons opened the agenda item and introduced Mr. Bonasera, Mr. Denton, and Ms. Beneto to the board. They were representatives of the Summit Financial Group and were there to present the due diligence pension review for the board.

Mr. Bonasera began with the fact that the pension fund was 89% funded. He discussed the fact that the fund earned a 13% return in 2025, which was an accomplishment. He added that 2026 was also looking good with interest rates climbing and bond returns being flat.

Mr. Denton presented the actuarial portion of the presentation. Ms. Beneto assisted. He began with a historical analysis of the pension plan, and described the benefits at age 62. He went on to say that the annual contribution from KCWA for 2026 would be \$325,120.00. He said it went down by \$1,867 from last year.

He went on to discuss smoothing over a 5 year period.

Mr. Denton went on to discuss participant information, deferred benefits, and related materials. He discussed a three-year comparison of assets and liabilities noting that the market value of the assets is \$8,971,425 and the actuarial value is \$8,666,745. He indicated that the funding ratio was at 89% which is considered great shape. He then discussed reconciliation of plan assets.

Mr. Mason asked what would occur if the market tanked in a couple of years, should the Authority consider changing the retirement age? Mr. Denton replied that if the cash contribution by the Authority gets too high, he could raise the retirement age and discuss other options as well. Mr. Denton also discussed the 10-year guarantee. He said if there is an early death on behalf of a retiree, the estate or spouse - if there is a beneficiary, would be paid the balance of the 10 year minimum payout.

Mr. Kortz asked how our plan compares with other government plans. Mr. Denton said that the plan is better funded than other government plans and is in great shape.

Ms. Beneto discussed the plan, the assets, and the fund performance. She said the fund as of May 13, 2026 had \$9,260,544.23. She then went on to discuss the different classes of assets. She reiterated that when interest rates rise, bonds are flat. She commented that inflation continues to be stubbornly high and oil prices remain high. All these factors affect fund performance.

Mr. Bonasera went on to discuss two funds on the watch list, the Emerging Markets Fund and the Commodity Fund (KCWA had no money in this fund). He also discussed our investment policy. He said that 60% of the fund is in diversified equity funds and 40% are in the fixed income funds. He added that the fixed income funds have been flat year to date. He suggested moving some value from the fixed account to money market account. He added that the fixed accounts are guaranteed by an insurance company.

In closing, Mr. Bonasera discussed the fiduciary responsibilities of Summit Financial to the authority and how they consider that relationship in all decisions that are made.

Mr. Duckworth asked if the fund could be brought up higher than the 89% using some PFAS funding. Mr. Bolsonaro said he didn't see the need.

Mr. Rousselle moved, seconded by Mr. Duckworth, to approve the annual funding contribution of \$325,120.00.

Motion made and seconded, it was unanimously

VOTED: That KCWA approves the annual funding contribution of \$325,120.00.

## **Legal Counsel:**

### **CONE Receivership**

Mr. Sullivan summarized the CONE developments as the receivership winding down with some of the sale approvals by the court having been extended. Mr. Simmons asked Mr. Sullivan to set up a meeting with the receiver, as he said KCWA would like to take over the main trunk line on Center of New England Blvd. It would enhance the overall water quality in that area.

### **PFAS Litigation**

Mr. Sullivan outlined the payments made to the Authority claims processed, along with Mr. Lanfredi. Mr. Lanfredi added they received an additional \$210,000.00 from the fund.

## **Director of Finance Report:**

### Closing Report April 2026, Cash Report

Action Item - Approval of Health Care and Dental Benefits FY27

Action Item - Approval of Insurance Coverages; Workers Compensation, General Liability/Property/Auto, and Life/LTD/AD&D FY27

Action Item – Approval of Exempt/Non-Exempt Pay Matrix Chart FY27

Mr. Lanfredi, Finance Director, explained and submitted the financial report. He reported on the Cash Receipts and Disbursements and Statement of Cash Location FY 2025-2026 as of April 2026 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of April 2026, attached as exhibit “A”, and a thorough discussion ensued with regard to the sales and revenue.

Mr. Lanfredi discussed the delinquencies, payment plans and shutoffs. He said they tagged 150 customers for shut off. He added that there were 24 shutoffs pending.

Mr. Lanfredi went on to discuss the 15 payment plans. He said there were 9250 customers on auto pay, 16,300 in the portal and 14,500 that participate in the e-bill program.

Mr. Lanfredi said they had received \$1.445 million dollars in PFAS settlement funding so far. He said he expects \$151k from 3M, less fees, and \$86k from BASF.

Mr. Rousselle moved, seconded by Mr. Duckworth, to accept the reports and attach the same as an exhibit and that the same be incorporated by reference and be made a part of these minutes.

Upon Motion duly made and seconded, it was unanimously,

VOTED: That the Cash Receipts and Disbursements and Statement of Cash Location FY 2025-2026 as of April 2026 and Statement of Revenues, Expenditures, and Changes in Fund Balance as of April 2026, attached as exhibit "A", be approved as presented and be incorporated herein and are made a part hereof.

Mr. Lanfredi and Mr. Brian Lavalley went on to discuss the insurance options for the authority. They made presentations on the Health Insurance, Dental, Plan 65 and General Liability/Property/Auto, and Life/Long Term Disability and Accidental Death and Dismemberment FY27.

They cited a 5.7% increase in the Blue Cross Blue Shield Healthmate Coast to Coast health insurance from last year. They recommended that the KCWA remain with all the previous years providers. They cited a 21.6% increase in Plan 65 for retirees, and they advised that the increase came from a significant increase in prescription drug claims from last year. They also recommended renewal of Delta Dental with an 8.5% increase. Additionally, they recommended the Interlocal Trust for General Liability/Property/Auto with a 14.2% decrease. Finally, they recommended Mutual of Omaha for Life/Long Term Disability and Accidental Death and Dismemberment FY27.

Mr. Mason asked how many other cities and towns have a 0% deductible. Mr. Lavalley went over the transition of KCWA seeking independent products, and then joining the Interlocal Trust to purchase insurance in a larger group thereby reducing the cost so much they could offer the 0% option. Mr. Lanfredi said that the co share payment from the employees will rise as well.

Mr. Duckworth asked what was budgeted for the increase. Mr. Lanfredi said 7.3% was budgeted so they can easily absorb the increase. There was a discussion about HSA accounts by Mr. Kortz and others and there was a general discussion about these.

Mr. Duckworth moved, seconded by Mr. Rousselle, to approve the recommendations of Mr. Lanfredi for renewal of all last year's providers, including:

- Blue Cross Blue Shield Healthmate Coast to Coast health insurance
- Plan 65 for retirees
- Delta Dental for dental insurance
- RI Interlocal Trust for General Liability/Property/Auto
- Beacon Mutual for Workers Compensation
- Mutual of Omaha for Life/Long Term Disability and Accidental Death and Dismemberment FY27.

Motion made and duly seconded, it was unanimously

VOTED: That KCWA is authorized to renew the following insurance policies:

- Blue Cross Blue Shield Healthmate Coast to Coast health insurance
- Plan 65 for retirees
- Delta Dental for dental insurance
- RI Interlocal Trust for General Liability/Property/Auto
- Beacon Mutual for Workers Compensation
- Mutual of Omaha for Life/Long Term Disability and Accidental Death and Dismemberment FY27.

Mr. Simmons presented the FY2027 Exempt/Non-Exempt Pay Matrix Chart as a proposed compensation structure for Board review. He explained that the pay matrix would establish ranges used for future placement, advancement, longevity, and evaluation-based compensation decisions, but would not automatically grant individual raises or promotions. He emphasized that the proposed percentage adjustment was a cost-of-living adjustment to the pay matrix structure, not an across-the-board raise to individual employees. He stated that the purpose of using a COLA methodology was to adjust the pay matrix to changing market conditions year over year using an objective reference point, rather than selecting a percentage without supporting data. He also reviewed the updated employee evaluation process, including self-evaluations, supervisory evaluations, and use of the evaluation application to document supervisor input throughout the year. Mr. Simmons discussed the prior CPI-W-only method, which, based on the April-to-April data available at the time of the analysis, would produce a 3.91% FY2027 adjustment, and a proposed blended baseline method, which would produce a 4.52% adjustment. He noted that the CPI-W data would be updated once May data was released and that the updated information would be available for the next meeting's discussion.

Board members made general comments regarding the amount of work that appeared to have gone into the plan. There was general discussion regarding how unions and municipalities determine annual wage or cost-of-living adjustments. Mr. Mason asked whether the evaluation process could still be completed if the Board did not make a decision on the presented index and whether the Authority could use the CPI-W method, as approved in prior years, for the time being. Mr. Simmons agreed that the evaluation process could continue and that the CPI-W method could be used if the Board chose not to adopt the blended index at this time. Board members discussed whether the proposed blended baseline was too high and requested additional review before final action. After a significant discussion amongst the board members, there was a general consensus that this needs more attention and suggested moving it to the next meeting. Mr. Rousselle moved to table the agenda item, seconded by Mr. Duckworth. The vote was unanimous to move it to next meeting.

### **Personal Privilege and Communication**

There was nothing to report on this agenda item.

## **EXECUTIVE DIRECTOR/CHIEF ENGINEER'S REPORT**

### **East Greenwich Well Treatment Plant – Facility Final Design Update. Draft Bid Package**

Mr. Simmons said he had the design in hand. He is going through it now. He thought a couple of weeks to tighten it up, then it would be going out to bid.

### **Solar Projects                      Update on remote net metering contract**

Mr. Simmons and Mr. Sullivan updated the board. They said they are at the finish line. There is one last detail to work out.

### **Coventry Projects    Update- Coventry High School Sewer Extension Project**

#### **Update- RI National Guard project Read Schoolhouse Road**

Mr. Simmons advised the board that this project is continuing successfully without any major hangups.

#### **Update- RI National Guard project Read Schoolhouse Road**

Mr. Simmons discussed the RI National Guard project. He said that the project was set to start construction in early July. He said the National Guard is funding the entire project on their own. KCWA would monitor it. He also said that KCWA would take over the pump station at Walker Ridge. Mr. Sullivan said he was working on this with their attorneys. He said the covenants in the homeowner's declarations need to be changed at a meeting of the homeowners.

### **KCWA Lab Certification Progress update.**

Mr. Simmons updated the board. He said the authority scored 100% on the proficiency test. The last step is now with the RIDOH.

There being no further business before this board, on motion duly made by Mr. Duckworth, seconded by Mr. Rousselle, and carried, the meeting was adjourned at 5:30 p.m.

Dated: June \_\_\_\_\_, 2026

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Patrick J. Sullivan  
Legal Counsel