

November 19, 2022

To: Tri-Town Councils

Cc: BCWA Directors, Tri-Town State Senators and Representatives, and Key Staff

Subj: Monthly Report for December Town Council Meetings

Following are highlights and actions taken during the November Meeting:

As mentioned in last month's report, the November session was devoted to a detailed Budget Review including operations and capital projects. As we plan for the future, funding the Phase 2 Project (*the 5-mile pipeline from the East Providence Water Tank to the Pawtucket City Limits where it will connect with their Water System*), was the topic of principal concern, insofar as whether or not East Providence will join with BCWA in funding the project's construction. As of now, they have agreed to jointly fund the design and have been provided with plans at 30% of development (as agreed upon) that are under review by their engineers. Phase 2 is a very complex project; the complicated route ultimately determined to be the most practical, the myriad of organization approvals requiring submittals and responses, and the incessant supply line delays pushing costs upward. It is anticipated that the ultimate "fish or cut bait" date when EP decides to join funding may be approximately 1.5 to 2 years hence. Will the Phase 2 Project current highly rated status at the RI Infrastructure Bank, through which Federal Grant Funds are distributed, remain so? Will grant funds still be available? Thus serious attention is to be paid to planning for various cases including the worst one... Given our utility's responsibility to our ratepayers, it is incumbent upon the Board to plan well into the future to assure proper water supplies. Our Actuary provided detailed reviews of the Employees Pension Plan (both in Actuarial Valuation Report and Government Accounting Standards formats) with the conclusion that we have properly funded it annually as we have held a conservative position on the variations in the financial markets.

As usual, please note that this report contains personal views of considerations and actions and is not an official publication of the BCWA.

Respectfully submitted,

Allan Klepper

Barrington Director

