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LC00369/SUB A
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO "AN ACT TO CREATE THE BRISTOL COUNTY WATER AUTHORITY
AND TO PROVIDE FOR IT'S POWERS AND DUTIES"

Introduced By: Senators Bates, Ottiano, and Felag

Date Introduced: January 22, 2013

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 6 of chapter 102 of the 1981 Public Laws entitled "An Act To
2 Create The Bristol County Water Authority And To Provide For It's Powers And Duties" passed
3 at the January 1970 Session of the General Assembly, and as amended in 1985, and Section 7 of
4 chapter 102 of the 1981 Public Laws entitled "An Act To Create The Bristol County Water
5 Authority And Provide For It's Powers And Duties" passed at the January 1970 Session of the
6 General Assembly and as amended in 1992, are hereby further amended as follows:

7 Sec. 6. POWERS.

8 (a) Except to the extent with any specific provision of this act, the authority shall have the
9 power:

10 (1) To sue and be sued, complain and defend in its corporation name;

11 (2) To have a seal which may be altered at pleasure and to use the same by causing it, or
12 a facsimile thereof, to be impressed or affixed or in any other mariner reproduced;

13 (3) To purchaser take, receive, lease or otherwise acquires own, hold, improves operate,
14 main tam and repair, use or otherwise deal in and with, real or personal property, or any interest
15 therein, wherever situated;

16 (4) To sell, convey, mortgages pledge, lease, exchange; transfer, and otherwise dispose
17 of, all or any part of its property and assets for such consideration and upon such terms and
18 conditions as the authority shall determine;

- 1 (5) To produces distribute and sell water within or without the territorial limits of the
2 county;
- 3 (6) To fix rates and collect charges for the use of the facilities of, or services rendered by,
4 or any commodities furnished by, the authority;
- 5 (7) To make such contracts and guarantees and to incur liabilities, borrow money at such
6 rates of interest as the authority may determine;
- 7 (8) To make and execute agreements of lease, conditional sales contracts, installments
8 sale contracts, loan agreements mortgages, construction contracts, operation contracts and other
9 contracts and instruments necessary or convenient in the exercise of the powers and functions of
10 the authority granted by this act;
- 11 (9) To lend money for its purposes, invest and reinvest it funds and at its option to take
12 and hold real and personal property as security for the funds so loaned or invested;
- 13 (10) To acquire, or contract to acquire, from any person, firm, corporation, municipality,
14 the federal government or the state, or any agency of either the federal government or state by
15 grant, purchase lease, gift, condemnation or otherwise, or to obtain options for the acquisition of
16 any property, real or personal, improved or unimproved, and interests in land less the fee thereof;
17 and to own, hold, clear, develop, maintain, operate and rehabilitate, sell, assign, exchange,
18 transfer, convey, lease, mortgage, or otherwise dispose or encumber the same for the purposes of
19 carrying out the provisions and intent of this act for such consideration as the authority shall
20 determine;
- 21 (11) To conduct its activities, carry on its, operations and have offices and exercise its
22 power granted by this act within or without the county or state;
- 23 (12) To elect or appoint officers and agent of the authority and to define their duties and
24 fix their compensation, except as otherwise expressly limited herein;
- 25 (13) To make and alter by-laws not inconsistent with this act, for the administration and
26 regulation of the affairs of the authority and such by-laws may contain provisions indemnifying
27 any person who is or was a director, officer, employee or agent of the authority, or is or was
28 serving at the request of the authority as a director, officer, employee or agent of another
29 corporation, partnership, joint venture, trust or other enterprise in the manner and to the extent
30 provided in Section 7-1.1-4.1 of the Rhode Island Business Corporation Act. By-laws shall be
31 amended only by an affirmative vote of six (6) of the directors and each town shall have at least
32 one representative vote affirmatively for the required amendment to take effect;
- 33 (14) To be a promoter, partner, member, associate or manager of any partnership,
34 enterprise or venture;

1 (15) To enter into cooperative agreements with cities, counties, town or water companies
2 within or without the county for the interconnection of water facilities or for any other lawful
3 corporate purpose necessary or desirable to effect the purposes of this act;

4 (16) To have and exercise all powers necessary or convenient effect its purposes.

5 (b) Notwithstanding any provision herein to the contrary, prior to the authority, first
6 acquiring or contracting to acquire any water supply facility, the authority shall present to the
7 local governing bodies of Barrington, Bristol and Warren a plan setting forth in general terms the
8 method and means by which the authority intends to accomplish the purposes set forth in Section
9 5 hereof, and the authority shall not thereafter first acquire any water supply facility until such
10 plan shall have been approved by the local governing bodies of Barrington, Bristol and Warren.
11 Nothing contained in this Section (b) however shall thereafter require the authority to secure the
12 approval of the local governing bodies of Barrington, Bristol and Warren for any particular
13 acquisition or disposition of any water supply facility or any part thereof, and the authority shall
14 be empowered from time to time, to amend the plan previously approved and such amendment
15 shall be effective upon delivery of written notice thereof to the town clerks of each of Barrington,
16 Bristol.

17 Section 7. DIRECTORS, OFFICERS and EMPLOYEES.

18 (a) The powers of the authority shall be vested in a board of directors which shall consist
19 of nine members, three members each to be appointed by the local governing bodies respectively
20 of Barrington, Bristol and Warren, ~~no more than two of such appointees from each of Barrington,~~
21 ~~Bristol and Warren to be from the same political party~~ based on their qualifications without
22 regard for political affiliation. The members of the board of directors first appointed from
23 Barrington, Bristol and Warren shall serve for terms of one, two and three years respectively, and
24 thereafter until their successors are chosen and shall have qualified. Not earlier than, sixty (60)
25 days prior to the expiration of any terms of the members of the board of directors, the local
26 governing bodies of Barrington, Bristol and Warren shall each appoint one member to serve for a
27 term of three years from the expiration of the term, and thereafter, until such appointee's
28 successor is chosen and shall have qualified. In the event of a vacancy occurring in the board of
29 directors by reason of death, resignation or removal of a member, the local governing body of the
30 municipality who appointed such a member shall appoint a new member to serve for the
31 unexpired term, and thereafter until his successor is chosen and shall have qualified. The
32 members of the board of directors may be removed from their positions by a majority vote of
33 their local governing body. Each town shall develop and adopt, by resolution or ordinance,
34 standards for removal of the expectations for its member of the board of directors.

1 (b) The directors shall each receive compensation of ~~thirty five (35) dollars for each~~
2 ~~meeting attended, but not more than one thousand (1,000) dollars in any one calendar year,~~
3 ~~provided that the chairman of the board of directors shall receive fifty (50) dollars 5 per meeting~~
4 ~~but not more than one thousand five hundred (1,500) dollars in any calendar year. Each director~~
5 ~~shall be reimbursed for his reasonable expenses incurred in carrying out his duties as a director~~
6 one thousand dollars (\$1,000) pro rata, per year, provided, that the chair of the board of directors
7 shall receive one thousand five hundred dollars (\$1,500) pro rata, per year of service. A director
8 may engage in private employment or a profession or business.

9 (c) There shall be a ~~chairman~~ chair and vice chair of the board of directors who shall be
10 selected to serve at the pleasure of the board of directors by a vote of not less than six (6)
11 members thereof. ~~The chairman shall designate a vice chairman who shall serve at the pleasure of~~
12 ~~the chairman, but such vice chairman shall reside in a municipality other than the municipality in~~
13 ~~which the chairman resides~~ The vice chair shall reside in a municipality other than the
14 municipality in which the chair resides. Except as otherwise provided herein, five (5) directors
15 shall constitute a quorum and any action to be taken by the Authority under the provisions of this
16 Act may authorized by a resolution approved by not less than five (5) of the directors at any
17 regular or special meeting at which a quorum is present. A vacancy in the membership on the
18 board of directors shall not impair the right of a quorum to exercise all, rights and to perform all
19 duties of the authority.

20 (d) Notwithstanding the provisions of the foregoing subparagraph (c), the following
21 actions may be authorize only by an affirmative vote of not less than ~~seven (7) directors~~ six (6)
22 directors, as long as there is at least one vote for each town:

23 (1) Selection, appointment, setting the salary and termination, of the chief executive
24 officer of the authority, who shall have the title of executive director.

25 (2) The sale of all, or substantially all, of the real and personal property of the authority.

26 (3) The exercise of the power of eminent domain conferred upon the authority.

27 (4) Applications for, or the setting of, rates for the authority's products and services.

28 (5) The issuance of bonds, notes, or the borrowing of amounts in excess of, or the entry
29 into, any one or more series of contracts calling for the expenditure of \$500,000 or more.

30 (6) The adoption of an annual budget.

31 ~~(e) In addition to an executive director, the board of directors shall appoint a secretary~~
32 ~~and such additional officers, staff members and employees as, it shall deem appropriate and shall~~
33 ~~determine the amount of reasonable compensation, if any, each shall receive. The board of~~
34 ~~directors may vest in the executive director and his subordinates the authority to appoint~~

1 ~~additional staff members, and to determine the amount of compensation such individual shall~~
2 ~~receive~~ The board of directors shall appoint an executive director, and shall determine the amount
3 of reasonable compensation for said position.

4 (f) No fulltime employee of the authority shall, during the period of his employment by
5 the authority engage in any other private employment, profession or business, except with the
6 approval of the board of directors. No person shall be appointed executive director, if within one
7 year prior, to the effective date of such appointment such person shall have been a member of the
8 authority's board of directors, or of a local governing body, or the chief administrative officer, of
9 Barrington, Bristol or Warren.

10 (g) If any director, officer or employee of the authority shall be interested, directly or
11 indirectly, or shall be a director, officer or employee of, or have ownership interest (other than as
12 the owner of less than one percent of the shares of a publicly held corporation) in any firm,
13 person or corporation interested, directly or indirectly, in any contract with the authority, such
14 interest shall be disclosed to the authority and set forth in the minutes of the authority, and the
15 director, officer or employee having such interest shall not participate on behalf of .the authority
16 in the authorization of any such contract. Interested directors may be counted in determining the
17 presence of a quorum at the meeting of the board of directors of the authority which authorizes
18 the contract or transaction.

19 (h) Any action taken by the authority under the provisions of this act may be authorized
20 by a Vote at any regular or special meeting, and each such vote shall take effect immediately. All
21 actions taken by the board of directors must be in compliance with the Rhode Island General
22 Laws "Access to Public Records Act" (RIGL section 38-2-1 et seq. as may be amended from time
23 to time) and the "Open Meetings Act" (RIGL section 42-46-1 et seq. as may be amended from
24 time to time). The board of directors may designate from among its members an executive
25 committee, and one or more other committees, each of which to the extent authorized b the board
26 of directors shall have and exercise all authority of the board of directors, except no such
27 committee shall have the authority of the board of directors in the reference to the matters set
28 forth in subsection (d) of this section, or amending the by-laws of the authority.

29 (i) Any action required by this act to be taken at a meeting of the board of directors or
30 any action to be taken at a meeting of the board of directors, or a committee thereof, may be taken
31 without a meeting if a consent in writing setting forth the action to be taken shall be signed before
32 Or after such action by all of the directors or all of the members of the committee, as the case
33 may be.

34 (j) Employees of the authority shall not, by reason of such employment be deemed to be

1 employees of the state nor any municipality for any purpose, any purpose of the general Laws to
2 the contrary notwithstanding.

3 (k) Prior to the board of directors approving amendments of any rates and/or fees, one or
4 more hearings must be held to which the public is invited for comment, and notice of these
5 hearings shall be advertised in the local newspapers of each of the three (3) towns or a newspaper
6 of general circulation in all three (3) towns, and notice shall be posted at each of the three (3)
7 town halls, as well as on the Internet if possible, at least ten (10), but not more than fourteen (14)
8 days prior to each hearing.

9 (l) Prior to the engagement of external professional services, including, but not limited to,
10 legal, accounting and engineering services, the authority shall be required to solicit competitive
11 proposals based on a scope of services defined by the authority. The successful award shall be
12 based on the applicant's qualifications and fee structure. Retention of services shall not exceed
13 three (3) years without obtaining new competitive proposals.

14 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO "AN ACT TO CREATE THE BRISTOL COUNTY WATER AUTHORITY
AND TO PROVIDE FOR IT'S POWERS AND DUTIES"

- 1 This act would amend the Bristol County Water Authority Act by specifying how by-
- 2 laws may be amended and how directors, officers and employees may serve.
- 3 This act would take effect upon passage.

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