

# KENT COUNTY WATER AUTHORITY

## BOARD MEETING MINUTES

June 15, 2005

The Board of Directors of the Kent County Water Authority held its monthly meeting in the Joseph D. Richard Board Room at the office of the Authority on June 15, 2005.

Chairman Perry opened the meeting at 3:30 P.M. Chairman Perry, Board Members, Mrs. Graham, Mr. Masterson, Mr. Boyer and Mr. Gallucci, were present together with the General Manager Timothy J. Brown, Director of Administration & Finance Arthur Williams Technical Service Director John Duchesneau, System Engineer, Kevin J. Fitta, Legal Counsel, Joseph J. McGair, and other interested parties, including Robert Rapoza of Centre of New England.

The minutes of the Board meeting of May 18, 2005 were moved for approval by Board Member Graham and seconded by Board Member Gallucci and the minutes were unanimously approved.

### Guests:

#### High Service Reviews (Outstanding and for Board Action)

##### Quaker Valley Mall Re-Service (Hughes Assoc., Inc.)

Bob Nickerson of Quaker Valley Mall and stated that his group purchased Quaker Valley Mall but were not aware of the water issues and that the sprinkler system was different and the insurance company has made it an issue. The General Manager stated that there is a low pressure main on East Greenwich Avenue and the group would be required to tie into the high service gradient line.

The General Manager stated that he is reasonably sure that Quaker Valley Mall is tied into Bald Hill Road not East Greenwich Avenue since eight (8) years ago.

The original developer was notified to tie into the high service gradient connection but did not. The applicant would need to sever Bald Hill Road and connect to the East Greenwich Avenue but there could be problems with the 20' line, low service line.

Mr. Nickerson stated he would like to tie into the high service gradient pipe since he has a tentative agreement with Dunkin Dounuts and will need the highest pressure.

Demetri Tsatsarones, P.E, of Hughes Associates, Inc. stated that a by pass pump would be a problem with fire booster pump and may not be practical. The General Manager stated he will check the by-pass pipe concept this week.

The Chairman stated that the Kent County Water Authority will work with them to find a solution to this problem and the General Manager is aware that this situation was not of applicants' making.

Island Drive, Lot 12, Plat 26 (Mr. Ken Goodwin)

Ken Goodwin stated that he has a problem with his vacant lot which has been set aside for his children. He has been to the Department of Environmental Management/wetlands which took so long. The concept is for two (2) houses for his children on one (1) acre for a zoning variance and he is running out of time (six months) or will have to start the permitting process all over again.

The Chairman reminded all in attendance the standard conditions which he read as follows, will, as in the recent past, continue with minor modifications as required to customize approvals and these conditions were put in place in lieu of a moratorium until such time as the water shortage is no longer an issue:

1. The Kent County Water Authority is not a guarantor of water supply for this approval and any construction or third party commitments, contracts or agreements are at the applicant's sole risk if additional water supply is not available as stated infra.
2. The obtaining of additional water supply by the Kent County Water Authority is necessary to adequately service the full potential of this project and the Kent County Water Authority may at its discretion void or revoke this approval or any portion thereof, at any time, by virtue of its sole interpretation that the health, welfare or safety of the existing customers may be adversely impacted by continuing to expand water supply to the project.
3. Delays in construction of Kent County Water Authority system supply improvements necessary to adequately service the needs of this project cannot be predicted, thus, the Kent County Water Authority shall as it deems necessary and in its sole discretion void or revoke this approval or any portion of this conditional approval if this expansion of this service results in adverse conditions beyond the current consumption or by allowing additional consumers to be served which will injuriously withdraw water from the Kent County Water Authority wholly or in part from those who have already been supplied by the Authority.
4. A formal application with the necessary design drawings, flow calculations including computer hydraulic modeling must be provided to fully evaluate this project

and their potential impact on the existing public water supply system. Upon review of formal application, the Kent County Water Authority may void this approval or any portion thereof in its sole interpretation if it appears that expanding service or allowing additional consumers to be served will injuriously withdraw water from the Kent County Water Authority supply wholly or in part from customers already being supplied by the Authority.

5. Approval automatically becomes void by failure of the applicant to start construction within six months of the approval of the permit application or failure to complete construction within twelve (12) months of the construction commencement date or due to failure to comply with any condition imposed by the permits.

6. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

7. Xeroscape landscaping shall be employed on the property and (outside) irrigation systems may not be installed or connected to the public water system. Proper planting bed (high water holding capacity) soil preparations shall be employed.

This approval does not give the applying parties any specific rights or legally binding entitlement to water service and the Kent County Water Authority shall be held harmless by the applicant from any issue or lawsuit coincident hereto including costs and attorney fees to this conditional approval. Notwithstanding any other provision of law or regulation, approval of water service hereunder shall not be deemed to prevent the future exercise of the Kent County Water Authority power to protect the public health, safety and general welfare as it relates to the public water supply. The owners, applicant, agents and assigns agree to forego any claims of entitlement or litigation, whatsoever, in conjunction with acceptance of this conditional approval. The owner and applicant must execute the acknowledgement and receipt of these conditions and return the fully executed conditional approval to Kent County Water Authority within twenty (20) days in order to be effective.

That Mr. Goodwin acknowledged that he understood the standard conditions and would abide by the same.

It was moved by Board Member Graham and seconded by Board Member Boyer to approve one service connection to the property located at Lot 12, Plat 26 Island Drive in Coventry subject to the standard conditions as follows:

1. The Kent County Water Authority is not a guarantor of water supply for this approval and any construction or third party commitments, contracts or agreements are at the applicant's sole risk if additional water supply is not available as stated infra.

2. The obtaining of additional water supply by the Kent County Water Authority is necessary to adequately service the full potential of this project and the Kent County Water Authority may at its discretion void or revoke this approval or any portion thereof,

at any time, by virtue of its sole interpretation that the health, welfare or safety of the existing customers may be adversely impacted by continuing to expand water supply to the project.

3. Delays in construction of Kent County Water Authority system supply improvements necessary to adequately service the needs of this project cannot be predicted, thus, the Kent County Water Authority shall as it deems necessary and in its sole discretion void or revoke this approval or any portion of this conditional approval if this expansion of this service results in adverse conditions beyond the current consumption or by allowing additional consumers to be served which will injuriously withdraw water from the Kent County Water Authority wholly or in part from those who have already been supplied by the Authority.

4. Approval automatically becomes void by failure of the applicant to start construction within six months of the approval of the permit application or failure to complete construction within twelve (12) months of the construction commencement date or due to failure to comply with any condition imposed by the permits.

5. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

6. Xeroscape landscaping shall be employed on the property and (outside) irrigation systems may not be installed or connected to the public water system. Proper planting bed (high water holding capacity) soil preparations shall be employed.

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And it was unanimously,

VOTED: To approve one service connection to the property located at Lot 12, Plat 26, Island Drive in Coventry subject to the standard conditions as follows:

1. The Kent County Water Authority is not a guarantor of water supply for this approval and any construction or third party commitments, contracts or agreements are at the applicant's sole risk if additional water supply is not available as stated infra.

2. The obtaining of additional water supply by the Kent County Water Authority is necessary to adequately service the full potential of this project and the Kent County Water Authority may at its discretion void or revoke this approval or any portion thereof, at any time, by virtue of its sole interpretation that the health, welfare or safety of the existing customers may be adversely impacted by continuing to expand water supply to the project.

3. Delays in construction of Kent County Water Authority system supply improvements necessary to adequately service the needs of this project cannot be predicted, thus, the Kent County Water Authority shall as it deems necessary and in its sole discretion void or revoke this approval or any portion of this conditional approval if this expansion of this service results in adverse conditions beyond the current consumption or by allowing additional consumers to be served which will injuriously withdraw water from the Kent County Water Authority wholly or in part from those who have already been supplied by the Authority.

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5. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

6. Xeroscape landscaping shall be employed on the property and (outside) irrigation systems may not be installed or connected to the public water system. Proper planting bed (high water holding capacity) soil preparations shall be employed.

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public water supply. The owners, applicant, agents and assigns agree to forego any claims of entitlement or litigation, whatsoever, in conjunction with acceptance of this conditional approval. The owner and applicant must execute the acknowledgement and receipt of these conditions and return the fully executed conditional approval to Kent County Water Authority within twenty (20) days in order to be effective.

### Hopkins Hill Commerce Park (DiPrete Engineering)

A3 AL 16 West Greenwich

Dennis DiPrete of DiPrete Engineering representing Gansett Associates (applicant) stated that the East Greenwich planning permitting process is under way with this phase one low impact development. He stated that as an engineer he is well aware of the system water shortage.

Phase one includes a Dunkin Donuts shop which must have high service. He agreed there would be no outside irrigation and that the project will use 1,500 gallons per day. Mr. DiPrete waived the reading of the standard conditions in that he is very familiar with them and that Mr. DiPrete acknowledged that the applicant will abide by the standard conditions.

It was moved by Board Member Boyer and seconded by Board Member Masterson to approve water service connection to Gansett Associates, AP 3, AL 16 (West Greenwich) subject to the standard conditions as follows:

1. The Kent County Water Authority is not a guarantor of water supply for this approval and any construction or third party commitments, contracts or agreements are at the applicant's sole risk if additional water supply is not available as stated infra.
2. The obtaining of additional water supply by the Kent County Water Authority is necessary to adequately service the full potential of this project and the Kent County Water Authority may at its discretion void or revoke this approval or any portion thereof, at any time, by virtue of its sole interpretation that the health, welfare or safety of the existing customers may be adversely impacted by continuing to expand water supply to the project.
3. Delays in construction of Kent County Water Authority system supply improvements necessary to adequately service the needs of this project cannot be predicted, thus, the Kent County Water Authority shall as it deems necessary and in its sole discretion void or revoke this approval or any portion of this conditional approval if this expansion of this service results in adverse conditions beyond the current consumption or by allowing additional consumers to be served which will injuriously withdraw water from the Kent County Water Authority wholly or in part from those who have already been supplied by the Authority.

4. A formal application with the necessary design drawings, flow calculations including computer hydraulic modeling must be provided to fully evaluate this project and their potential impact on the existing public water supply system. Upon review of formal application, the Kent County Water Authority may void this approval or any portion thereof in its sole interpretation if it appears that expanding service or allowing additional consumers to be served will injuriously withdraw water from the Kent County Water Authority supply wholly or in part from customers already being supplied by the Authority.

5. Approval automatically becomes void by failure of the applicant to start construction within six months of the approval of the permit application or failure to complete construction within twelve (12) months of the construction commencement date or due to failure to comply with any condition imposed by the permits.

6. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

7. Xeroscape landscaping shall be employed on the property and (outside) irrigation systems may not be installed or connected to the public water system. Proper planting bed (high water holding capacity) soil preparations shall be employed.

This approval does not give the applying parties any specific rights or legally binding entitlement to water service and the Kent County Water Authority shall be held harmless by the applicant from any issue or lawsuit coincident hereto including costs and attorney fees to this conditional approval. Notwithstanding any other provision of law or regulation, approval of water service hereunder shall not be deemed to prevent the future exercise of the Kent County Water Authority power to protect the public health, safety and general welfare as it relates to the public water supply. The owners, applicant, agents and assigns agree to forego any claims of entitlement or litigation, whatsoever, in conjunction with acceptance of this conditional approval. The owner and applicant must execute the acknowledgement and receipt of these conditions and return the fully executed conditional approval to Kent County Water Authority within twenty (20) days in order to be effective.

And it was unanimously,

VOTED: To approve water service connection to Gansett Associates, AP

3, AL 16 (West Greenwich) subject to the standard conditions as follows:

1. The Kent County Water Authority is not a guarantor of water supply for this approval and any construction or third party commitments, contracts or agreements are at the applicant's sole risk if additional water supply is not available as stated infra.

2. The obtaining of additional water supply by the Kent County Water Authority is necessary to adequately service the full potential of this project and the Kent County Water Authority may at its discretion void or revoke this approval or any portion thereof, at any time, by virtue of its sole interpretation that the health, welfare or safety of the existing customers may be adversely impacted by continuing to expand water supply to the project.

3. Delays in construction of Kent County Water Authority system supply improvements necessary to adequately service the needs of this project cannot be predicted, thus, the Kent County Water Authority shall as it deems necessary and in its sole discretion void or revoke this approval or any portion of this conditional approval if this expansion of this service results in adverse conditions beyond the current consumption or by allowing additional consumers to be served which will injuriously withdraw water from the Kent County Water Authority wholly or in part from those who have already been supplied by the Authority.

4. A formal application with the necessary design drawings, flow calculations including computer hydraulic modeling must be provided to fully evaluate this project and their potential impact on the existing public water supply system. Upon review of formal application, the Kent County Water Authority may void this approval or any portion thereof in its sole interpretation if it appears that expanding service or allowing additional consumers to be served will injuriously withdraw water from the Kent County Water Authority supply wholly or in part from customers already being supplied by the Authority.

5. Approval automatically becomes void by failure of the applicant to start construction within six months of the approval of the permit application or failure to complete construction within twelve (12) months of the construction commencement date or due to failure to comply with any condition imposed by the permits.

6. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

7. Xeroscape landscaping shall be employed on the property and (outside) irrigation systems may not be installed or connected to the public water system. Proper planting bed (high water holding capacity) soil preparations shall be employed.

This approval does not give the applying parties any specific rights or legally binding entitlement to water service and the Kent County Water Authority shall be held harmless by the applicant from any issue or lawsuit

coincident hereto including costs and attorney fees to this conditional approval. Notwithstanding any other provision of law or regulation, approval of water service hereunder shall not be deemed to prevent the future exercise of the Kent County Water Authority power to protect the public health, safety and general welfare as it relates to the public water supply. The owners, applicant, agents and assigns agree to forego any claims of entitlement or litigation, whatsoever, in conjunction with acceptance of this conditional approval. The owner and applicant must execute the acknowledgement and receipt of these conditions and return the fully executed conditional approval to Kent County Water Authority within twenty (20) days in order to be effective.

Rejane Street, Coventry, Plat 16, Lot 572 (Dana Carlow)

Dana Carlow stated that he owned the property since 1997 and because the proximity of the septic systems on the adjoining properties that he can not put a well in because of obvious health concerns. He stated that it is a small lot and he will be building a small house. He waived the reading of the standard conditions in that he is familiar with them and that he had heard the Chairman read the standard conditions earlier at this meeting and acknowledged that he will abide by the standard conditions.

It was moved by Board Member Masterson and seconded by Board Member Graham to approve water service connection to Rejane Street, Coventry, Plat 16, Lot 572 subject to the standard conditions as follows:

1. The Kent County Water Authority is not a guarantor of water supply for this approval and any construction or third party commitments, contracts or agreements are at the applicant's sole risk if additional water supply is not available as stated infra.
2. The obtaining of additional water supply by the Kent County Water Authority is necessary to adequately service the full potential of this project and the Kent County Water Authority may at its discretion void or revoke this approval or any portion thereof, at any time, by virtue of its sole interpretation that the health, welfare or safety of the existing customers may be adversely impacted by continuing to expand water supply to the project.
3. Delays in construction of Kent County Water Authority system supply improvements necessary to adequately service the needs of this project cannot be predicted, thus, the Kent County Water Authority shall as it deems necessary and in its sole discretion void or revoke this approval or any portion of this conditional approval if this expansion of this service results in adverse conditions beyond the current consumption or by allowing additional consumers to be served which will injuriously withdraw water from the Kent County Water Authority wholly or in part from those who have already been supplied by the Authority.

4. Approval automatically becomes void by failure of the applicant to start construction within six months of the approval of the permit application or failure to complete construction within twelve (12) months of the construction commencement date or due to failure to comply with any condition imposed by the permits.

5. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

6. Xeroscape landscaping shall be employed on the property and (outside) irrigation systems may not be installed or connected to the public water system. Proper planting bed (high water holding capacity) soil preparations shall be employed.

This approval does not give the applying parties any specific rights or legally binding entitlement to water service and the Kent County Water Authority shall be held harmless by the applicant from any issue or lawsuit coincident hereto including costs and attorney fees to this conditional approval. Notwithstanding any other provision of law or regulation, approval of water service hereunder shall not be deemed to prevent the future exercise of the Kent County Water Authority power to protect the public health, safety and general welfare as it relates to the public water supply. The owners, applicant, agents and assigns agree to forego any claims of entitlement or litigation, whatsoever, in conjunction with acceptance of this conditional approval. The owner and applicant must execute the acknowledgement and receipt of these conditions and return the fully executed conditional approval to Kent County Water Authority within twenty (20) days in order to be effective.

And it was unanimously,

VOTED: To approve water service connection to Rejane Street, Coventry, Plat 16, Lot 572 subject to the standard conditions as follows:

1. The Kent County Water Authority is not a guarantor of water supply for this approval and any construction or third party commitments, contracts or agreements are at the applicant's sole risk if additional water supply is not available as stated infra.

2. The obtaining of additional water supply by the Kent County Water Authority is necessary to adequately service the full potential of this project and the Kent County Water Authority may at its discretion void or revoke this approval or any portion thereof, at any time, by virtue of its sole interpretation that the health, welfare or safety of the existing customers may be adversely impacted by continuing to expand water supply to the project.

3. Delays in construction of Kent County Water Authority system supply improvements necessary to adequately service the needs of this project

cannot be predicted, thus, the Kent County Water Authority shall as it deems necessary and in its sole discretion void or revoke this approval or any portion of this conditional approval if this expansion of this service results in adverse conditions beyond the current consumption or by allowing additional consumers to be served which will injuriously withdraw water from the Kent County Water Authority wholly or in part from those who have already been supplied by the Authority.

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6. Xeroscape landscaping shall be employed on the property and (outside) irrigation systems may not be installed or connected to the public water system. Proper planting bed (high water holding capacity) soil preparations shall be employed.

This approval does not give the applying parties any specific rights or legally binding entitlement to water service and the Kent County Water Authority shall be held harmless by the applicant from any issue or lawsuit coincident hereto including costs and attorney fees to this conditional approval. Notwithstanding any other provision of law or regulation, approval of water service hereunder shall not be deemed to prevent the future exercise of the Kent County Water Authority power to protect the public health, safety and general welfare as it relates to the public water supply. The owners, applicant, agents and assigns agree to forego any claims of entitlement or litigation, whatsoever, in conjunction with acceptance of this conditional approval. The owner and applicant must execute the acknowledgement and receipt of these conditions and return the fully executed conditional approval to Kent County Water Authority within twenty (20) days in order to be effective.

#### Wal-Mart Request for Extension of Time

Bohler Engineering, Inc. representing Wal-Mart transmitted a letter to Kent County Water Authority dated May 31, 2005 is attached as “**A**” as well as a letter was transmitted from Wal-Mart corporate to Kent Count Water Authority dated June 2, 2005 is attached as “**B**” and both communications requested a 45 day extension in regard to the previous approval of April 29, 2005 as amended on May 18, 2005.

It was moved by Board member Graham and seconded by Board Member Boyer to approve the 45 day extension request extension until July 30, 2005 in regard to the previous approval of April 29, 2005 as amended on May 18, 2005 subject to the standard conditions and it was unanimously,

VOTED: To approve the 45 day extension request extension until July 30, 2005 in regard to the previous approval of April 29, 2005 as amended on May 18, 2005 subject to the standard conditions.

It was moved by Board Member Masterson and seconded by Board Member Graham to add the matter of Empire Acquisition Group LLC to the Agenda for discussion only and it was unanimously,

VOTED: To add the matter of Empire Acquisition Group LLC to the Agenda for discussion only.

#### Empire Acquisition Group LLC

Peter Rosiello, Manager of Empire Acquisition Group LLC of West Warwick appeared before the Board and stated that it purchased one lot on Pond View Court (Mishnock Lake) in West Greenwich and obtained a building permit, built a home which is in agreement and a closing is pending . The group was unaware of the water issues and erroneously did not apply for water and the Buyer is intent on moving in and he thought it would have been addressed by the Municipal Building Officials. The Chairman stated that Kent County Water Authority will be very cooperative in trying to solve this problem.

#### One Crompton Avenue (David Stetkiewicz)

David Stetkiewicz stated that Crompton Avenue, West Warwick is one of the few streets without a water main and that many years ago the water service was connected to his father's house and when he passed away, became aware that he will be without water if not allowed to tie in since the house will be sold, albeit the water line would be on a private right of way.

The General Manager stated that the water line would be extended but there would be substantial paving costs and it was a 1950 water tap.

Board Member Boyer stated that there was no room for expansion and the water line will not need to be extended and that the water pressure would not be a problem because it is located in low service gradient.

The Chairman stated that the problem is retaining an easement over the parcel and that a meter pit would have to be installed and agrees that there will be no septic system on the property and that the applicant shall connect to the public sewer.

It was moved by Board Member Boyer and seconded by Board Member Graham to approve water service connection to David Stetkiewicz property on Crompton Avenue, West Warwick with the condition of no septic system and will be connected to public sewer and to allow service on a private easement and it was unanimously,

VOTED: To approve water service connection to David Stetkiewicz property on Crompton Avenue, West Warwick with the condition of no septic system and will be connected to public sewer and to allow service on a private easement.

#### Colvintown Road Site (Mr. Scott Guthurie–Bettez Gravel Bank)

Scott Guthurie stated that he has been working on this site which was cleaned up and he wants to have this property as a public use and he believes that it is sizeable for a Kent County Water Authority headquarters and abuts Read School House tank and would make easy access to the tank and the General Manager is looking for Board concurrence to see if it is worth investigating the possibility of accepting the land.

It was moved by Board Member Graham and seconded by Board Member Masterson that the Chairman initiate the investigation into the suitability and practicality of obtaining this property for Kent County Water Authority uses and it was unanimously,

VOTED: That the Chairman initiate the investigation into the suitability and practicality of obtaining this property for Kent County Water Authority uses.

#### C&E Engineers Review of Model Results C&E Engineers Review of Pilot Study Report

Russell Houde and Thomas Nicholson appeared before the Board regarding Task Order No. 2 and Task Order No. 3 which they presented to the Board and is attached as “C”.

A thorough discussion by the Board took place concerning the presentation. The General Manager cautioned the Board that the expanded wells (Mishnock-DEM issue) are out of service and can not be counted in the water available.

Mr. Nicholson stated that it is the high service gradient that continues to run deficit since it lacks adequate supply volume to meet the needs of the projected growth. He stated that the report contemplated all of the projects as completed which is a best case scenario but it has not worked out that way especially the Department of Environmental Management issue and expanded wellfields. That growth out weighs the ability to produce in high service gradient.

The Chairman stated that he spent a great deal of time at the C & E Engineering headquarters in Woonsocket performing his due diligence. The Chairman has a high degree of confidence in the model and he stated that the Authority must be very careful to scrutinize the best case scenario since that is not the current state of affairs and the Board needs to continue to seek more water sources and continue the improvements to the system.

The General Manager cautioned that older tanks have the risk of being problematic e.g. the small West Street and Tiogue tanks. He further stated that the problem is that the 20 year projection for growth in high service gradient has been outpaced by the actual growth.

The General Manager cautioned that fire flow is always a paramount situation and has to be monitored. The pilot study by C & E Engineering is attached as "D".

Thomas Nicholson, P.E. of C & E Engineering gave a presentation concerning the return of the Mishnock wellfield to full serve via a pilot study which will test different technologies and to have the vendor of the technology successfully to execute a performance warranty.

The plan will be submitted to Department of Health and Wells #3, 4, and 5 need to be cleaned. He stated that a pilot treatment plant for two (2) seasons will be rented and operational.

A thorough discussion ensued by the Board. The pilot study costs have not been finalized for the study and the draft is being brought to finalization.

The General Manager will review the final details prior to submission to the Department of Health. The General Manager stated that this is the first step to integration into the system since the wells have been down because of color and manganese.

### **GUEST:**

Robert Rapoza of Universal Properties, Centre of New England was present through to this point and asked if the Board was to consider the Wingate Hotel and the Chairman informed him that it was not on the Agenda and he then left the meeting.

### **Legal Matters**

#### **Welgen Tank (Amgen/Immunex) Mechanics Lien (Coughlin)**

Dismissal stipulation was filed dismissal all claims between the parties with prejudice.

### Welgen Tank (Amgen/ImmuneX) Mechanics Lien II (D & N Insulation Company)

Dismissal stipulation was filed dismissing all claims with prejudice except for claim against Defendant Marandola Mechanical, Inc. which was dismissed without prejudice.

### John Rocchio Corporation—(Monies Owed)

District Court is in discovery phase and Superior Court mandatory arbitration phase is now in process with Mark McSally, Esq. appointed by the Court. The Superior Court matter is scheduled for arbitration on June 30, 2005.

### Read School House Road (as built)

Coventry Councilman Sanetti/Chairman attempting remedy.

### Bald Hill Pumping Station Easements

Research regarding the status of easements at the subject site has been conducted by Petrarca and McGair, Inc. and forwarded to Kent County Water Authority for review. The station is located on a parcel of land designated as Lot 31 on AP 241. The City of Warwick along with abutting lots 20, 29 and 33 granted easements to Kent County Water Authority for the purposes of a pumping station. More specifically, abutting lot owners (AP 241, Lots 29 and 20) granted easements to Kent County Water Authority for ingress/egress and water line. Kent County Water Authority shares ingress/egress easement rights with abutting lot owners. There is a storm drain easement front Kent County Water Authority site. A 20' sewer easement affects Lot 29 for the benefit of Lot 20.

### Kent County Water Authority Building Title

Legal Counsel has completed a 50 year title research for the entire site and has previously submitted a report to Kent County Water Authority. Legal Counsel suggested a survey.

### Setian Lane Tank/Frenchtown/Allstate Boiler

The attorney for Allstate Boiler sent a letter regarding a final payment after lien releases filed within the week. However, C & E Engineering Partners, Inc. sent a letter that the releases were deficient and there will be more study of the same.

### Relocation of Tank Site—Read School House Road

The General Manager and Legal Counsel met with the Acting Town Manager, Town Solicitor and the Department of Public Works and the Town has agreed to the relocation of the tank site. Kent County Water Authority will convey the prior tank site to

the Town in consideration for the relocation. Upon receipt of engineering/surveying for preparation of a legal description for the new site, Legal Counsel will prepare deeds and see to the conveyance of the respective sites. Legal Counsel is awaiting engineering and legal description.

#### Oaklawn Avenue, Cranston–Citizens Bank Easement

Easement deed received from Citizens Bank and both deeds have been recorded and the matter is satisfactorily concluded.

#### Town of Coventry Sewer Use Agreement

The agreement has been executed and the matter is completed.

#### Town of Coventry Cost Share Agreement (Re: Paving)

Acting Town Manager and Solicitor have approved the form of agreement and the Department of Public Works to execute the agreement or discussed at the last meeting on May 18, 2005.

#### Centre of New England lawsuit against the Board

Executive session 42-46-5(a)(2) litigation.

Board Member Masterson moved and Board Member Graham seconded the motion to move into executive session for the discussion of Centre of New England lawsuit against the Board pursuant to R.I.G.L. 42-46-4 and 42-46-5(a)(2) and it was unanimously,

VOTED: To enter into executive session for discussion of Centre of New England lawsuit pursuant to R.I.G.L. 42-46-4 and 42-46-5(a)(2).

Board Member Masterson moved and Board Member Graham seconded to exit executive session and to keep the executive session minutes closed and under seal pursuant to R.I.G.L. 42-46-4 and 42-46-5 and it was unanimously,

VOTED: To exit executive session and to keep the executive session minutes closed and under seal pursuant to R.I.G.L. 42-46-4 and 42-46-5.

#### **Director of Finance Report:**

Mr. Williams explained and submitted the financial report and comparative balance sheets, statements of revenues, expenditures, and cash receipts, disbursements through May, 2005 which is attached as “E” and after discussion, Board Member Graham moved and seconded by Board Member Boyer 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 and it was unanimously,

VOTED: That the financial report, comparative balance sheet statement of revenues, expenditure, cash receipts and disbursements through May 31, 2005, be approved as presented and be incorporated herein and are made a part hereof as “E”.

#### POINT OF PERSONAL PRIVILEGE AND COMMUNICATION:

Board Member Graham praised the Chairman for his courage in the face of some unfair and unkind comments.

Board Member Boyer congratulated Board Member Graham for having her 14<sup>th</sup> grandchild, a girl, Elizabeth Andrea Graham.

General Manager / Chief Engineer's Report:

#### **OLD BUSINESS**

##### **PUC Rate Case Update**

The General Manager stated that the matter is in the briefing stage awaiting the final transcript. Legal Counsel will be preparing the brief. The rate case went in as expected.

##### **Water Supply Issues**

The Chairman stated that the C & E Engineering presentation earlier covered most of this subject. He said that discussion about augmentation, e.g. Bald Hill Pumping Station with Warwick needs to be done sooner than later with Warwick. Board Member Gallucci (Warwick) stated that he is working with the administration to help with the augmentation. Board Member Graham and rest of the Board offered assistance with the process with Warwick by sending a delegation to discuss this matter. Board Member Masterson suggested a letter to administration. Board Member Gallucci said that those suggestions are not necessary at this time and he will continue to be diligently working on the issue.

#### **NEW BUSINESS:**

Legislative Affairs:

Cross Connection Control Legislation

The General Manager stated that the bill is favored by the Department of Health and RIWWA and that the amendment concerning the time frames is in progress.

### Current Bills Introduced

No new bills have been introduced that would affect water.

### General Discussion Supplemental Water Supply, Direction Requested

The General Manager stated that this will be discussed in the budget portion of this meeting.

### Woodfield Farms–Modeling Needs, Regulations Section 3.8 (Mr. Gallucci Request)

The General Manager stated that a 85-100 unit condo project by Peskin & Bolvin on Tollgate Rod is in permitting and the Kent County Water Authority regulations call for modeling and two water pipes flow to the Kent Hospital with one for fire flow. Board Member Gallucci wanted to know if the Board would waive the modeling requirement.

The General Manager stated he could not recommend a waiver in that calculations need to be reviewed to determine whether it would have enough water in the low service. He stated that there is a particular concern about fire flow which is always on his priority list for fire protection.

The Chairman stated that he would not be in favor of amending the regulations but the Board could make an occasional exception where it is appropriate and safe. No action was taken by the Board.

### 29 Yates Avenue–Requirements for New Main (Mr. Gallucci Request)

The General Manager stated a one inch line is in the street and six homes are connected to the line but there are others in that group that are on a 3/4" connection since 1949. Another individual wants to build a home on that property and Kent County Water Authority could under the infrastructure program replace the main but that the road would have to be dug up to put a sewer in and curb to curb paving for approximately 400 feet and would have to do an 8' line. No action was taken by the Board.

### Outstanding Issues Home Depot (Mrs. Graham request)

The General Manager inquired whether outside irrigation is being used and inconclusive and it appears pursuant to the following list that no. 4 is not done, no. 5 appears to have been done, no. 6 is done, no. 7 is not done; 8 is resolved; 9-13 are completed; 14 was no response and 15-16 are done.

1. The fire flow tests did not fully comply with Section 3.9.2 and 3.9.3 of the Kent County Water Authority regulations.

2. The fire department letter does not address all of the requirements of Kent County Water Authority regulations 3.1.3 and 3.9.5.

3. Thrust block calculations must be signed and stamped by the engineer who prepared them. (Kent County Water Authority regulations 3.4.1)

4. Easements documents and drawings must be submitted to the Kent County Water Authority legal counsel for review. The easement documents must contain metes and bounds descriptions and 8 ½ x 14 plan, suitable for recording, describing the easement that will be provided to the Kent County Water Authority for the water mains in questions.

5. Numerous water stubs are shown in many locations that do not show any proposed buildings. In some cases, multiple stubs are shown in front of proposed buildings. Delete all stubs that will not be used to service a particular building. Kent County Water Authority regulations require that all services that will not be used be cut and capped at the main.

6. All existing water infrastructure marked as "removal and stockpile: must be inspected prior to reuses. All discrepancies in coating system or cement lining must be corrected to manufacture standards prior to reuses. New gaskets must be used during the reinstallation process. Any pipe or fitting that does not pass the inspection cannot be used in the extension of the water main. They must be removed from site.

7. The application indicates that lawn sprinklers will not be required. Provided deed restrictions prohibiting irrigation systems for recording in the land evidence records for this site. A copy of the deed restriction must be submitted for review by our legal counsel.

8. Water mains must be installed with a minimum of 5 feet of cover from the crown pipe to finished grade. Reference Kent County Water Authority regulations 3.21.2.

9. Main line isolation valves shall be installed at a minimum of 800 ft. intervals and all dead end sections. Reference Kent County Water Authority regulations 3.21.10.

10. Water service from curb valve to building is not shown.

11. Meter and back flow devices for above ground hot box or meter pit configuration is not shown.

12. Evaluate installation of air release manhole at high points along roadways such as stations 42 + 50.

13. Water service stub to Home Depot is not identified on Sheet 8 of 13.

14. Sheet 9 of 13 shows an office building. Is this part of the Home Depot submission?

15. Sheet 10, Water note 13 should state five days prior to commencement of work.

16. Sheet 10, Note 15 refers to Section 2.4 of the Kent County Water Authority regulations. It should reference Section 3.1.8 of the Kent County Water Authority regulations.

17. Add water Note 17 to Sheet 10 stating developer is responsible to collect and documents all as-built information required to comply with Section 3.1.3 of the Kent County Water Authority regulations pertaining to as-built drawings submission.

18. Show water service to proposed Home Depot building on sheet 4.

19. Irrigation from the entire Centre of New England parcel(s) regardless of ownership shall be accomplished by on site well water and developer will sever all Kent County Water Authority connections for any and all on site irrigation.

20. Master metering is now required for the entire Centre of New England parcel at all water service entries, i.e. New London Turnpike and Hopkins Hill Road.

Board Member Graham stated she wants this monitored to ensure compliance and that the open issues be addressed.

#### **River Farms Agreement Review (Mr. Boyer Request)**

The General Manager stated \$25, 000 is being held in escrow and that a legal representative of the developer sent a recent letter that related that all the work has been completed pursuant to the agreements signed on May 14, 2003 which is not the case. The meter billings that were generated, alone, were in the amount of \$10,698.00.

River Farms "as built" were sent on June 2, 2005 but were deficient and a survey is necessary and no mylar was provided. DiPrete Engineering had no surveys.

The water main on St. Ann Court has not been moved. The General Manager stated that the line is too close to the hill and wall and could destroy the house in its path and legal fees are still in flux. The Chairman stated that the line is on a hill and next to the wall and not in the street where it belongs and he shares the General Manager's fears.

Board Member Boyer stated that there should be some way to resolve the outstanding issues of the Development. Legal Counsel reminded the Board that the agreement was executed and recorded over two years ago and that there matters have

not been completed. The General Manager stated that it might be best for the Kent County Water Authority to move the line and use the money on deposit for that purpose. No action was taken by the Board.

### **River Farms Non-Metered Irrigation Use**

The General Manager stated that another outstanding issue with River Farms is that no one can locate a particular outdoor irrigation system and there is approximately \$10,000 of water use. It was installed through a condominium foundation and does not have a stop and can not be shut off and a pump has been recently installed, all, obviously, without permits. A letter has been sent to the management company. The matter will be researched by the staff.

### **Blue Cross Coverage Plan 65 – Mr. Quinn**

Mr. Robert C. Quinn (retired Board Member) after being on a direct payment with Blue Cross, is requesting that he be allowed to participate in Plan 65 and it will be revenue neutral for the Authority, i.e. no expense to the Board and Blue Cross has approved it.

It was moved by Board Member Masterson and seconded by Board Member Graham to approve Mr. Quinn paying for participation in Plan 65 with Blue Cross provided there is no cost to the Authority and it was unanimously,

VOTED: To approve Mr. Quinn paying for participation in Plan 65 with Blue Cross provided there is no cost to the Authority.

### **RIDOT Construction and Maintenance Agreement Bridge #1010 (Frenchtown, East Greenwich)**

The General Manager stated that new pipe bridge will be installed in the amount of \$285,298.00 by the State of Rhode Island with Federal highway money. There will be no costs to Kent County Water Authority except as to future maintenance and he recommends the same.

It was moved by Board Member Masterson and seconded by Board Member Graham to authorize the Chairman to execute any and all documents necessary to effectuate the Construction and Maintenance Agreement with the State of Rhode Island regarding Bridge #1010 attached as "F" and it was unanimously,

VOTED: To authorize the Chairman to execute any and all documents necessary to effectuate the Construction and Maintenance Agreement with the State of Rhode Island regarding Bridge #1010 attached as 'F'.

## **Bid Review Spring Lake Well Rehabilitation**

The General Manager stated that the bids as submitted are not in conformity with the bid requirements and that reluctantly he recommends that the project put it out to bid again and it was moved by Board Member Masterson and seconded by Board Member Graham to reject all the bids because the bids fail to comply with bid requirements and put the matter out to bid again and it was unanimously,

VOTED: To reject all bids because the bids fail to comply with bid requirements and put the matter out to bid again.

## **Budget FY-2006 Approval**

The FY-2006 Budget and the concomitant Memorandum are attached as "G". The General Manager presented a thorough budget presentation. The General Manager cautioned the Board that the rate case is not included in the same and thorough discussion ensued. The General Manager recommended that the salary base be increased to 3.6% from 1,489,499.20 to 1,543,111.06. The Board discussed the General Manager's salary and it was the sense of the Board that because of the General Manager's hard work and additional uncompensated time with evening meetings, working nights and weekends, that his salary be increased from \$111,000.00 to \$117,000.00 and that would be inserted into the budget.

It was moved by Board Member Masterson and seconded by the entire Board to increase the salary of the General Manager to \$117,000.00 and to amend the FY-2006 Budget to reflect the change and it was unanimously,

VOTED: To increase the salary of the General Manager to \$117,000.00.

It was moved by Board Member Masterson and seconded by the entire Board to approve the FY-2006 Budget as amended and it was unanimously,

VOTED: To approve the FY-2006 Budget as amended.

## **CAPITAL PROJECTS:** **INFRASTRUCTURE PROJECTS :**

### **Blackrock Road (CIP-4) Change Order #5**

The General Manager stated that Change Order #5 (attached as "H") is an increase of \$13,361.05 for additional work outside the contract which is necessary as spelled out on the Change Order #5 and that as a result of timing and emergency issue the Chairman approved the Change Order #5 on May 26, 2005 as recommended by the engineers.

It was moved by Board Member Gallucci and seconded by Board Member Graham to approve the Change Order #5 for an increase of \$13,61.05 over the contract

CIP-4 (Blackrock Road Area Transmission Mains) and to ratify the actions of the Chairman who executed the Change Order #5 on May 26, 2005 and it was unanimously,

VOTED: To ratify the actions of the Chairman who executed the Change Order #5 on May 26, 2005

#### **Blackrock Road (CIP-4) Change Order #6**

The General Manager stated that Change Order #6 attached as 'I' is a decrease of \$288,301.00 and should be approved as spelled out in the Change Order #6 and that as a result of times and emergency issue the Chairman approve the Change Order #6 on May 26, 2005 as recommended by the engineers.

It was moved by Board Member Gallucci and seconded by Board Member Graham to approve Change Order #6 for a decrease of \$288,301.00 in the contract CIP -4 (Blackrock Road Area Transmission Mains) and to ratify the actions of the Chairman who executed the Change Order #6 on May 26, 2005 and it was unanimously,

VOTED: To approve Change Order #6 for a decrease of \$288,301.00 in the contract CIP-4 (Blackrock Road Area Transmission Mains) and to ratify the actions of the Chairman who executed the Change Order #6 on May 26, 2005.

#### **Read School House Road Tank (CIP-7(b)) Survey**

Kevin J. Fitta, System Engineer recommended that a complete survey be done which would include extra work which is really necessary to the project for an additional cost of \$5,200.00 for total surveying to Pare Engineering proposal of May 17, 2005 and attached as 'J'.

It was moved by Board Member Graham and seconded by Board Member Masterson to engage the services through Pare Engineering for a complete survey for the Read School House Road Tank (CIP-7(b)) in the amount of \$5,200.00 and 10% increase and it was unanimously,

VOTED: To engage the services through Pare Engineering for a complete survey for the Read School House Road Tank (CIP-7(b)) in the amount of \$5,200.00 and 10% increase.

All Capital Projects and Infrastructure Projects are addressed in an exhibit attached as "K" as prepared and described to the Board by the General Manager with general discussion following.

Board Member Masterson made a Motion to adjourn, seconded by Board Member Graham and it was unanimously,

VOTED: To adjourn the meeting at 9:10 P.M.

\_\_\_\_\_  
Secretary Pro Tempore

# **EXHIBIT A**

June 15, 2005



352 Turnpike Road  
Southborough, MA 01772  
508.480.9900  
508.480.9080 fax  
ma@bohlereng.com

May 31, 2005

Kent County Water Authority  
1072 Main Street  
West Warwick, RI 02893

Attn: Tim Brown, P.E. General Manager and Chief Engineer

RE: Proposed Wal-Mart Store  
Centre of New England Boulevard, Coventry  
Connection Permit



Dear Mr. Brown:

Pursuant to your water permits for the above referenced issued May 2, 2005 and May 17, 2005 for the technical approval, we respectfully request relief from the condition stating that this permit must be signed and returned to you within ten business days of receipt of the permit. We recently obtained relief to extend the May 2 permit to June 6; however, this still does not allow enough time. Accordingly, we respectfully request an additional 45-day extension to sign the permit.

Thank you for your consideration of this request and please advise us immediately if there will be an issue with granting this waiver. Should you have any questions or need additional information, please do not hesitate to contact either of us at (508) 480-9900.

Very truly yours,

BOHLER ENGINEERING, P.C.

John A. Kucich, P.E.

Matthew D. Smith, P.E.

cc: Steve Marion, P.E. Wal-Mart Stores, Inc.  
Tom Moses, Moses & Afonso  
Nick Cambio, Universal Properties Group

W031153  
KCWA-Brown ltr extension to sign permit 05-31-05.doc

Other Office Locations:

- Watchung, NJ  
908.668.8300
- Chalfont, PA  
215.393.8300
- Melville, NY  
516.872.2000
- Sterling, VA  
703.709.9500
- Towson, MD  
410.821.7900
- Albany, NY  
518.438.9900

CIVIL & CONSULTING ENGINEERS ■ SURVEYORS ■ TRAFFIC CONSULTANTS ■ ENVIRONMENTAL & GEOTECHNICAL ENGINEERS  
www.bohlereng.com

# **EXHIBIT B**

June 15, 2005



# WAL★MART

*real estate business trust*

WAL-MART STORES INC. \* 2001 S.E. 10<sup>TH</sup> STREET \* BENTONVILLE, AR 72712-0550 \* 479-204-0563



Kent County Water Authority  
1072 Main Street  
West Warwick, RI 02893

Attn: Tim Brown, P.E. General Manager and Chief Engineer

RE: Proposed Wal-Mart Store  
Centre of New England Boulevard, Coventry  
Connection Permit

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Thank you for your consideration of this request and please advise us immediately if there will be an issue with granting this waiver. Should you have any questions or need additional information, please do not hesitate to contact John Kucich with Bohler Engineering at (508) 480-9900.

Very truly yours,

Steve Marion, ~~PE~~ *DESIGN MANAGER, WAL-MART STORES, INC*

cc: Tom Moses, Moses & Afonso  
Nick Cambio, Universal Properties Group

# **EXHIBIT C**

June 15, 2005

## **KENT COUNTY WATER AUTHORITY**

### **TASK ORDER 2 – HIGH PRESSURE GRADIENT HYDRAULIC EVALUATION – SUMMARY & Q&A'S**

**SUBTASK A – MODEL EVALUATION OF HIGH SERVICE WITH TWO NEW BOOSTER PUMP STATIONS (SETIAN LANE & WW BUSINESS PARK)**

**SUBTASK B – MODEL EVALUATION OF HIGH SERVICE WITH TWO NEW BOOSTER PUMP STATIONS AND PROPOSED 25 HIGH SERVICE DEVELOPMENTS**

**SUBTASK C – EVALUATION OF HIGH SERVICE WITH GROWTH PROJECTIONS FROM WATER SUPPLY SYSTEM MANAGEMENT PLAN (WSSMP)**

C&E ENGINEERING PARTNERS

1

### **SUBTASK A – FINDINGS & CONCLUSIONS**

- MDD OF EXISTING WATER SYSTEM IS 19.84 MGD (JULY 2002 HYDRAULIC MODEL BASE YEAR)
- EXISTING MDD OF HIGH SERVICE IS 3.17 MGD (16% OF SYSTEM DEMAND). LOW SERVICE IS 77% OF TOTAL DEMAND
- EVALUATION TO MEET MDD. GREATEST PERIOD OF SYSTEM DEMAND
- NO WATER SUPPLY SOURCES IN HIGH SERVICE. RELY ON WATER SUPPLY CAPACITY OF LOW SERVICE AND BOOSTER PS'S
- SETIAN LANE = 1.01 MGD; WW BUSINESS PARK = 1.15 MGD; JOHNSON BLVD = 4.18 MGD. TOTAL CAPACITY OF BPS' IS EQUAL TO 6.34 MGD
- WITH TWO NEW STATIONS & JOHNSON BLVD BPS – SURPLUS CAPACITY OF 3.17 MGD (6.34 – 3.17) IN HIGH SERVICE

C&E ENGINEERING PARTNERS

2

### **SUBTASK A – FINDINGS & CONCLUSIONS (CONT.)**

- NEW BOOSTER PS'S (SETIAN LANE & WW BUSINESS PARK) ARE BENEFICIAL TO WATER SYSTEM AND HIGH SERVICE IN PARTICULAR. VERIFIED THROUGH MODEL RUNS
- PROVIDE GREATER REDUNDANCY OF SUPPLY TO HIGH SERVICE. THREE INDIVIDUAL FACILITIES
- NO DIRECT LIMITATIONS IN OPERATING THESE NEW BPS' IN SYSTEM UNDER ADD, MDD AND PH DEMAND SCENARIOS
- ABILITY TO OPERATE BPS IN VARIOUS COMBINATIONS AS NEEDED WITH NO APPARENT LIMITATIONS
- STILL EXISTS POTENTIAL FOR ADVERSE IMPACTS TO LOW SERVICE (PRESSURE & POTENTIAL SUPPLY ISSUES)

C&E ENGINEERING PARTNERS

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### **SUBTASK B – FINDINGS & CONCLUSIONS**

- HIGH SERVICE – CONSISTENT WATER DEMAND THROUGH OUT THE DAY (OFF PEAK DEMAND NOT AS EVIDENT)
- LOW SERVICE EXHIBITS TYPICAL DIURNAL FLOW CURVE WITH PRONOUNCED HIGH AND LOW WATER DEMANDS
- CRITICAL TO MAINTAIN WATER LEVEL IN HIGH SERVICE TANKS. ESPECIALLY DURING MDD (SUMMER)
- 25 NEW DEVELOPMENTS IN HIGH SERVICE IDENTIFIED BY AUTHORITY
- RESULTS IN INCREASED ADD = 3.45; MDD = 7.79 MGD
- HIGH SERVICE NOT CAPABLE OF MEETING ADDITIONAL DEMANDS AS SURPLUS PUMPING CAPACITY IS 3.17 MGD

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### **SUBTASK B – FINDINGS & CONCLUSIONS (CONT.)**

- DEFICIT SUPPLY OF 4.62 MGD IN HIGH SERVICE WITH 25 NEW DEVELOPMENTS
- APPROVED DEVELOPMENTS ADD 1.55 MGD; MDD 3.03 MGD
- REMOVING DEVELOPMENTS NOT APPROVED – DEFICIT SUPPLY EQUAL TO 3.03 MGD
- COMBINED BPS CAPACITY RESULTS IN EXCESS CAPACITY OF 3.17 MGD
- HIGH SERVICE CAN ACCOMADATE APPROVED DEVELOPMENTS WITH DEMAND OF 3.03 MGD. THIS IS NEAR MAXIMUM SYSTEM CAPACITY OF HIGH SERVICE
- SUBSTANTIATED THROUGH HYDRAULIC MODELING RUNS. SIMILAR LIMITATIONS AND CONCERN FOR LOW SERVICE SYSTEM (SUPPLY AND PRESSURE)

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### **SUBTASK C – FINDINGS & CONCLUSIONS**

- WSSMP - 20 YEAR MDD = 26.6 MGD, EXISTING MDD = 19.84 MGD
- WSSMP - TOTAL AVAILABLE WATER SUPPLY CAPACITY = 22.8 MGD
- WSSMP- MOST GROWTH EXPECTED TO OCCUR IN HIGH SERVICE GRADIENT
- 25 DEVELOPMENTS ADDED TO CURRENT MDD IS NEAR EQUAL TO 20 YEAR PROJECTION ( $7.79 + 19.84 = 27.63$  MGD)
- DEMAND IN NEAR FUTURE TO EXCEED WSSMP PROJECTION?
- NEED TO AUGMENT WATER SUPPLY IS CRITICAL TO SYSTEM & HIGH SERVICE IN PARTICULAR

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### **SUBTASK C – FINDINGS & CONCLUSIONS (CONT.)**

- RECOMMEND TO REVIEW MDD MULTIPLIERS FOR VARIOUS USERS OF 25 DEVELOPMENTS (I.E. RETAIL, COMMERCIAL, ETC.) IN TASK ORDER 3
- EXISTS POTENTIAL TO REDUCE NEEDED MDD DEMANDS AND NEEDED SUPPLY BASED ON TYPE OF USE PROPOSED
- CURRENT SYSTEM MDD MULTIPLIER IS 2.15 (HYDRAULIC MODEL). FUTURE GROWTH EXPECTED TO MAINTAIN CONSISTENCY WITH THIS FACTOR
- TASK ORDER 3 TO FURTHER QUANTIFY WATER DEMANDS
- EVEN WITH REDUCED DEMANDS, RECOMMEND CONTINUED PROGRAM OF SUPPLY AUGMENTATION STUDY / DEVELOPMENT

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### **TASK ORDER 3 – SUPPLY AUGMENTATION FOR HIGH SERVICE**

- REVIEW CURRENT AND PROPOSED SUPPLY AUGMENTATION PROJECTS WITH AUTHORITY
- QUANTIFY AVAILABLE WATER SUPPLY FROM PROJECTS AND DETERMINE IMPACT ON MEETING IMMEDIATE AND FUTURE DEMANDS OF SYSTEM
- REEVALUATE MULTIPLIERS AND MDD FOR 25 NEW DEVELOPMENTS
- HYDRAULIC MODEL SIMULATIONS TO EVALUATE WATER SYSTEM IN MEETING DEMAND WITH ADDITIONAL SUPPLY
- THE WSSMP (EVEN WITH REDUCED DEMANDS FROM 25 NEW) PROJECTS MDD OF 26.6 MGD AND AVAILABLE OF 22.8.

C&E ENGINEERING PARTNERS

8

# C & E Engineering Partners, Inc.

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**C**ivil  
& **E**nvironmental  
Engineering Partners, Inc.

342 Park Avenue  
Woonsocket  
Rhode Island 02895  
Phone: 401-762-1711  
Fax: 401-235-9088  
Info@ceengineer.com

## REVIEW OF TASK ORDER 3 CONCLUSIONS & RECOMMENDATIONS

### Task Order 3 - Summary and Conclusions

1. The current overall water system maximum day demand multiplier has been determined through historical records analysis to be 2.13. The regulatory (Authority policy) maximum day multiplier of 2.5, which has been used to estimate water demand for all types of user classifications, may over estimate (i.e. result in to conservative estimate) of the required volume of water supply.
2. A maximum day multiplier was developed for various user types including residential, commercial and industrial and has been presented herein. These maximum day multipliers are reasonable and continue to provide a degree of conservatism in estimating water demands for various user types.
3. The identified developments in Attachment No.1 demand spreadsheet were readjusted based on these modified maximum day multipliers and the calculated demand was reduced by approximately 15% (e.g. 8.13 MGD to 6.90 MGD).
4. Even with the reduced maximum day demands, the High Service Gradient portion of the water system continues to lack the supply volume needed to meet these the water demands associated with these new developments.
5. The total supply deficit for the High Service Gradient is equal to 3.73 MGD (see Table 1). One of the major development projects, Center of New England, provided a phased development plan over 5 years. Taking this into consideration the shortfall for 2005 is 1.87 MGD and extends to 3.73 MGD in year 2009.
6. The total maximum day demand with these known developments when added to the existing system maximum day demand is equal to 26.74 MGD which is in excess of the current total system supply capacity of 22.0 MGD identified in the WSSMP. The WSSMP identified the 20 year projected grow out at 26.6 MGD, which occurred at a rate far greater than anticipated.
7. There exists potential to reduce the maximum day demands through customer water conservation including bans and outdoor water use restrictions as well as other conservation techniques. This would necessarily require a policy decision of the Authority and the success of any program would likely depend upon customer awareness, notification and participation. Ultimately, success will rely upon the customer's perceived need for water conservation and the Authority's method of enforcement. The Authority currently employs a year round outdoor water use restriction (odd/ even basis). The success of this restriction should be monitored.
8. It is expected that additional, as of yet unquantified growth will occur and further increase the supply shortfall of the system. It is considered prudent to develop a planning number (estimated at 20% over current maximum day demand) to account for this additional future demand. This would be assessed in at minimum five years (or with update of WSSMP) and supply figures and planning values adjusted accordingly for the future. A future planning supply number incorporating this 20% factor is equal to 30.72 MGD.
9. Supply projects were assigned a rating based on their stage of development. Projects that were well quantified were assigned an "A" or "B" rating along with an estimate of the potential increase in available supply associated with the project. Projects rated "C" are conceptual in nature or have undefined planning horizons.
10. The current supply capacity of the Low Service Gradient is 17.05 MGD. The projects rated "A" and "B" would increase the total supply capacity to 34.32 MGD or an additional 17.27 MGD.

The current maximum day demand in this portion of the system is equal to 16.67 MGD. A total of 7.33 MGD of this available supply is dedicated to meet the needs of the High Service Gradient. This results in approximately 27.0 MGD (34.32 – 7.33) to meet the maximum day demand of the Low Service Gradient. This is in excess of the current Low Service maximum day demand of 16.67 MGD and results in supply surplus to this portion of the system of approximately 10.32 MGD.

11. The High Service Gradient draws directly from the Low Service Gradient for its source of supply. A total supply capacity from the Low Service to supply the High Service is equal to 7.33 MGD. Additional supply capacity from projects (Mishnock Well, Read School House Road Pumps in Clinton Avenue facility, Johnson Boulevard pump station increase) that would supply this portion of the system directly total 6.32 MGD for a total available supply capacity of 12.65 MGD. The total projected maximum day demand for this portion of the system from all known development projects are projected at 10.88 MGD, which results in a surplus capacity of approximately 1.77 MGD.
12. The following Tables 5A and 5B illustrate the potential water surplus as a result of the projects identified herein.

**TABLE 5A**  
**SUMMARY - LOW SERVICE CAPACITY ANALYSIS WITH SUPPLY PROJECTS**

Total Capacity (w/ supply projects)	34.32 MGD
Current Capacity	17.05 MGD
<b>Supply Capacity Increase</b>	<b>17.27 MGD</b>
Supply to High Service	7.33 MGD
<b>Increase in Available Supply Capacity</b>	<b>9.94 MGD</b>

Total Available Supply Capacity <sup>(1)</sup>	26.99 MGD
Current Maximum Day Demand <sup>(2)</sup>	19.03 MGD
<b>Surplus Available Capacity</b>	<b>7.96 MGD</b>

1.  $34.32 - 7.33 = 26.99$  MGD, Table 3 in column 3.
2.  $(16.67 - 0.81) = 15.86 * 1.2 = 19.03$

**TABLE 5B**  
**SUMMARY – HIGH SERVICE CAPACITY ANALYSIS WITH SUPPLY PROJECTS**

Total Capacity (w/ supply projects)	12.65 MGD
Current Capacity	6.33 MGD
<b>Increase in Available Supply Capacity</b>	<b>6.32 MGD</b>

Total Available Supply Capacity <sup>(1)</sup>	12.65 MGD
Current & Projected Maximum Day Demand <sup>(2)</sup>	11.68 MGD
<b>Surplus Available Capacity</b>	<b>0.97 MGD</b>

1. From Table 4 column 3.
2. Includes all identified development projects (6.90 MGD) plus current maximum day demand (3.17 MGD) plus current Read School House Road demand (0.81 MGD) plus 20% allowance for future development.
13. The water system would appear capable of meeting the planning number of 30.72 MGD (19.03 + 11.68) as these source augmentation projects supply sufficient capacity. It is important to note however that the surplus capacity is far greater in the Low Service and that further development in the High Service Gradient could easily surpass the available surplus capacity of 0.97 MGD.
14. Hydraulic modeling of the water system with these supply projects under a maximum day scenario for a 48 hour extended time period indicated that the system can satisfactorily meet these projected demands. The storage tanks are adequately replenished during peak demand periods and there are no identified adverse impacts to the system.

### **Task Order 3 - Recommendations**

1. The Authority for purpose of estimating water demands should consider adopting the maximum day multipliers presented herein for purposes of planning and estimating water demands by user category. When possible, the estimates should be backed by actual or historical usage results.
2. The potential beneficial effects of customer water conservation should be considered as a potentially effective means of reducing maximum day water demands.
3. Even with adjusted maximum day demands, the existing High Service Gradient portion of the water system will continue to lack adequate supply volume needed to meet the needs of all projected growth without the supply augmentation projects. The need for source augmentation

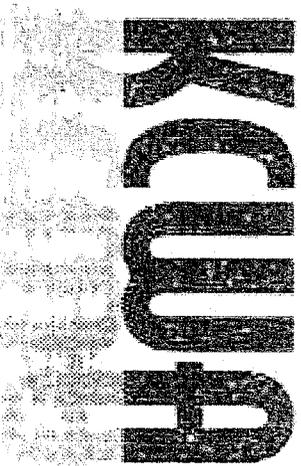
projects are clearly evident and should be actively continued and pursued. This is especially critical for projects as related to source augmentation in the High Service.

4. It is also likely that additional growth will continue to occur and should be monitored especially in the High Service Gradient where there is less of a surplus available water supply. It is recommended that additional supply augmentation in the High Service Gradient be pursued including those projects, which were identified as "C" rated. The time horizon for the need for these projects cannot be quantified at this time and will be a function of the rate of development as it is allowed to occur in this area of the water system.
5. Consideration should be given to projects that supply the High Service Gradient directly with water. Currently, the majority of water is boosted into the High Service from the Low Service that requires pumping water twice (higher energy costs). A potential source of supply may be from existing well stations, which could be converted to supply the High Service directly especially given the fact that the Low Service will have an apparent greater surplus of supply capacity.
6. The Authority should consider an evaluation of the storage supply capacity in the system. This will be critical in both the Low and High Service as the system is expanded and new supply sources are brought on line. As water demand increases throughout the system, the total available capacity of the storage tank systems may not be adequate.
7. The Authority should closely monitor development as it occurs throughout the entire water system. Water supply records (i.e. wholesale meter records, well pump station supply, etc.) should be closely monitored during periods of peak summer demands to ensure that customer demand is not out pacing supply capability. This should be performed in conjunction with any customer water conservation programs in order to gauge their effectiveness.

# **EXHIBIT D**

June 15, 2005

# Kent County Water Authority



Kent County Water Authority

## Mishnock Well Field

## Water Treatment Pilot Study

# Project Goals

Return the existing Mishnock Well  
Field to Service in Full  
Compliance with Water Quality  
Regulations

# Project Objectives:

Demonstrate that the Technologies  
Selected in the Technology Evaluation will  
Meet the Project Goals

- Meet KCWA Performance Objectives
- Demonstrate Regulatory Compliance
- Allow Vendors to Provide Warranty

# Project Background:

- The Mishnock Well Field has had historical periodic problems with water quality, specifically high color in 2003 the problem became so severe the use of this well field was suspended.
- C&E was retained in January 2004 to assess the problem and recommend treatment technologies.

# Technology Evaluation

- Two Technologies Recommended
  - Pressure Filtration
  - Immersed Membrane Filtration

# Other Treatment Technologies:

## Radon

- Diffused gas aeration

## Fluoridation

- Fluorosilicic Acid Injection

## pH Control

- Sodium Hydroxide Injection

## Disinfection

- Sodium Hypochlorite Injection

# Treatment Objectives:

Capacity: 2.9 MGD (historical capacity of well field)

Initial Capacity of 1.2 MGD, and Expandable to 2.4 MGD and Ultimately to 2.9 MGD

## Treatment Parameters (Original Objectives)

<b>Raw Water</b>	<b>Finish Water</b>
3.6 mg/l Mn	0.05 mg/l Mn
7.6 mg/l TOC	<3.0 mg/l TOC
20 units Color	<10 units Color

# Treatment Objectives (cont.):

Treatment Parameters (Additional Objectives  
Premised Upon a Standalone Treatment Facility)

<b>Raw Water</b>	<b>Finish Water</b>
0.6 mg/l Fe	0.3 mg/l Fe
5500 Pci/l Radon	<300 Pci/l Radon
<0.1 F	1.0 mg/l F
0.0 Cl <sub>2</sub> residual	0.2 Cl <sub>2</sub> residual
5.0 pHu	8.0 pHu

# Solicited Vendor Proposals

## Six Proposals Total

- US Filter Pressure Filtration
- Zenon Immersed Membrane Filtration
- Pall Water Products Membrane

## Filtration

- Koch Membrane Filtration
- Kenetico Pressure Filtration
- US Filter Memcore Membrane Filtration

# Two Vendors Selected

US Filter MultiTech Pressure Filter with  
Chemical Oxidation and Coagulation

Zenon ZeeWeed Immersed Membrane  
Filtration Chemical Oxidation and  
Coagulation

Both to be Piloted Concurrently

# Other Systems to be Piloted

Radon Removal – Lowry Deep Bubble Aeration

pH Adjustment – Sodium Hydroxide Feed

Disinfection – Sodium Hypochlorite

Fluoridation – Sodium Fluoride

# PILLOT TEST PROCEDURES

- Submit Pilot Program for RIDOH Approval
- Clean Wells 3, 4 & 5
- Temporary Pumps Several Hundred GPM
- Construct Temporary Build to House Pilot Test Equipment
- Three Month Pilot Test (Aug, Sept, Oct)
- 25 GPM per Unit

## PILLOT TEST (Cont.)

- Side Stream Pilot (Treated Water Wasted)
- Data Collected Daily (both Operational and Water Quality)
- Wastewater Discharged to Filter Sump
- Finish Water Used for Process Water
- Judge Parasitic Water Usage
- Pilot Test Report w/ Recommendations
- Costs

# **EXHIBIT E**

June 15, 2005

KENT COUNTY WATER AUTHORITY  
CASH RECEIPTS & DISBURSEMENTS  
FY 2004 - 2005

	JULY 2004	AUGUST 2004	SEPTEMBER 2004	OCTOBER 2004	NOVEMBER 2004	DECEMBER 2004	JANUARY 2005	FEBRUARY 2005	MARCH 2005	APRIL 2005	MAY 2005	JUNE 2005	RATE REVENUE FY 04-05	RATE REVENUE FY 03-04
BEGINNING MONTH BALANCE	53,466,382	39,522,022	38,214,669	38,070,078	38,590,286	37,639,123	37,828,292	37,098,541	37,242,482	37,343,528	38,176,873	38,176,873	\$ 1,116,147.39	914,506.94
<b>CASH RECEIPTS:</b>														
Water Revenues	1,336,534	1,270,930	1,332,028	1,743,524	1,583,484	1,381,069	1,317,673	1,091,855	928,978	1,210,491	897,239	897,239	\$ 935,221.97	709,560.98
Interest Earned	97,029	21,632	37,160	28,007	49,975	36,416	92,671	9,997	18,327	11,796	273,586	273,586	\$ 2,438,062.38	1,837,037.23
Contribution in Aid/Construction	60,000	-	1,500	49,500	-	-	-	-	-	-	-	-	\$ 1,112,188.32	1,049,468.47
Inspection Fees	18,500	950	-	16,775	9,250	17,955	-	-	11,150	5,100	740	740	\$ 1,378,221.68	828,563.26
Other	60,000	-	-	-	-	-	-	-	-	-	-	-	\$ 781,723.54	1,637,014.60
TOTAL CASH RECEIPTS	54,978,445	40,815,544	39,685,357	39,907,884	40,232,995	39,091,363	39,238,636	38,200,393	38,300,937	38,570,915	39,348,438	39,348,438	\$ 1,279,003.86	1,462,337.64
<b>CASH DISBURSEMENTS:</b>														
Purchased Water	290,628	369,075	397,915	707,848	443,533	238,674	523,977	437	298,513	316	259,710	259,710	\$ 1,116,147.39	914,506.94
Electric Power	50,376	45,914	46,107	36,920	30,789	34,185	37,199	34,804	41,964	31,389	36,425	36,425	\$ 935,221.97	709,560.98
Payroll	129,477	131,186	158,455	128,835	128,835	164,494	146,911	124,344	156,564	123,239	125,931	125,931	\$ 2,438,062.38	1,837,037.23
Operations	124,600	65,534	75,148	120,650	55,060	78,411	82,001	65,465	65,498	55,991	77,837	77,837	\$ 1,112,188.32	1,049,468.47
Employee Benefits	50,766	48,938	45,501	50,844	49,037	46,602	51,732	51,102	46,602	51,732	51,139	51,139	\$ 1,378,221.68	828,563.26
Legal	19,701	19,701	5,839	11,058	4,094	5,728	5,728	3,652	5,965	4,640	6,568	6,568	\$ 737,565.61	927,991.61
Materials	39,438	7,122	4,877	11,749	7,138	5,240	10,681	18,385	13,139	11,964	7,221	7,221	\$ 1,279,003.86	1,462,337.64
Insurance	4,209	-	126,675	4,271	4,271	4,271	4,271	4,271	4,271	7,711	7,711	7,711	\$ 1,279,003.86	1,462,337.64
Sales Taxes	19,501	12,246	9,766	29,181	12,611	7,672	18,658	7,711	7,112	17,535	6,295	6,295	\$ 731,562.72	769,953.49
Refunds	69	265	1,316	60,000	1,507	833	1,629	7	8,879	302	827	827	\$ 731,562.72	769,953.49
Rate Case	-	-	-	-	3,885	6,215	41,560	11,010	5,805	960	1,440	1,440	\$ 684,013.82	718,843.82
Conservation	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	-
Pilot	8,339	-	-	349	-	-	-	-	12,813	-	-	-	\$ -	-
Capital Expenditures (Other)	3,396	3,715	3,063	2,650	49,442	743	3,056	833	161,875	154	2,283	2,283	\$ -	-
2002 Infrastructure	2,185	11,716	-	6,642	1,400	205,438	5,932	2,815	-	5,873	2,300	2,300	\$ -	-
2003 Infrastructure	388,934	113,628	70,746	6,642	798	239,663	80	-	-	-	334	334	\$ -	-
2004 Infrastructure	11,060	5,400	3,046	5,875	14,780	29,825	1,215	-	-	-	425	425	\$ -	-
Mishcock Well/Storage/Tank	-	18,894	-	-	10,411	-	-	-	-	-	-	-	\$ -	-
Frenchtown - Seltin Tanks	119,681	62,092	7,325	4,563	4,198	11,414	7,574	2,952	4,594	6,994	4,080	4,080	\$ -	-
Kaony Oak Road 20"	99,680	12,315	1,841	3,503	140,152	19,560	69,550	400	-	-	450	450	\$ -	-
Oklawaha Meter Pump Station	128,788	3,982	1,841	3,503	3,008	66,749	21,201	1,430	275	-	3,023	3,023	\$ -	-
Clinton Avenue Pump Station	28,548	14,419	5,401	6,210	608	-	-	-	-	-	2,297	2,297	\$ -	-
E. G. Well Upgrade	267	1,643	-	-	-	457	692	1,329	508	1,362	919	919	\$ -	-
GIS Development Mapping	10,360	12,030	-	44,419	25,823	60,540	38,635	27,157	9,300	5,736	38,210	38,210	\$ -	-
Blairstown Road 24"	10,278	1,400,491	495,137	11,630	1,423,759	240	41,735	485,741	9,300	49,038	122,992	122,992	\$ -	-
Hydraulic Model	5,403	6,887	9,866	5,620	3,400	7,245	1,360	6,782	1,438	-	-	-	\$ -	-
Colvina Road - 8"	-	-	-	1,906	-	-	-	-	-	-	-	-	\$ -	-
Mishcock Well Color Evaluation	6,720	2,775	4,450	2,893	445	-	-	-	-	-	-	-	\$ -	-
Middle Road 16"	-	1,152	2,070	-	-	-	-	-	-	-	-	-	\$ -	-
Quaker Lane P. S. Roof	-	-	-	11,481	-	-	-	-	-	-	-	-	\$ -	-
Read Schoolhouse Road	-	-	-	3,195	4,300	2,110	4,030	915	9,623	357	1,468	1,468	\$ -	-
Read Schoolhouse Road Tank	-	-	-	8,107	8,107	8,107	3,152	6,369	-	8,099	8,133	8,133	\$ -	-
U. S. Bank - Debt Service (P. & I)	13,826,892	22,455	3,526	48,487	170,788	15,804	905,372	-	105,922	14,044	103,916	103,916	\$ -	-
Water Protection	96,528	-	137,209	-	-	-	114,994	-	-	-	-	-	\$ -	-
TOTAL DISBURSEMENTS	15,456,413	2,500,875	1,615,279	1,317,598	2,593,872	1,263,071	2,140,095	857,911	957,409	394,042	867,754	867,754	\$ -	-
BALANCE END OF MONTH	39,522,022	38,314,669	38,070,078	38,590,286	37,639,123	37,828,292	37,098,541	37,342,482	37,343,528	38,176,873	38,480,684	38,480,684	\$ -	-
PRIOR YEAR	44,215,984	44,756,824	45,030,913	45,205,337	44,291,999	44,221,979	43,518,911	43,623,397	44,104,962	55,091,506	54,203,684	54,203,684	\$ -	-

due 6/5

Mishcock

KENT COUNTY WATER AUTHORITY  
CASH LOCATION  
FISCAL YEAR 04-05

CASH LOCATION:	JUL 2004	AUG 2004	SEP 2004	OCT 2004	NOV 2004	DEC 2004	JAN 2005	FEB 2005	MAR 2005	APR 2005	MAY 2005	JUN 2005
U. S Bank - Project Funds												
Revenue	102,550.15	11,869.97	36,062.40	38,952.12	168,586.39	467,303.48	223,907.15	76,767.29	296,374.71	11,263.26	78,951.95	
Infrastructure Fund	2,256,036.61	2,268,209.85	2,389,804.33	2,674,809.13	2,659,450.30	3,268,733.10	3,296,246.46	3,583,852.38	3,652,656.25	3,941,827.66	3,878,564.09	
Operation & Maintenance Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Renewal & Replacement Reserve	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00	
General Project - 2001	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	
Debt Service Fund - 2001	6,203,405.73	4,827,169.98	4,232,936.69	4,236,752.90	2,773,305.86	2,776,936.32	2,723,309.93	2,259,716.52	2,223,579.67	2,227,301.49	2,033,162.34	
Debt Service Reserve - 2001	296,788.01	367,235.08	437,613.26	508,077.54	578,667.54	649,366.33	483,313.44	551,005.45	551,072.46	551,072.46	681,881.89	
Cost of Insurance - 2001	807,683.58	807,683.58	807,683.58	807,683.58	807,683.58	807,683.58	807,683.58	807,683.58	807,683.58	807,683.58	807,683.58	
General Project - 2002	37,604.52	37,626.16	37,652.67	37,682.74	37,718.56	37,757.82	37,803.64	37,852.95	37,903.85	37,958.29	38,033.69	
Debt Service Fund - 2002	22,925,966.79	22,939,162.62	22,953,327.36	22,973,657.10	22,995,496.55	23,019,430.71	23,045,076.12	23,045,107.38	23,045,143.60	23,045,186.36	23,281,043.30	
Debt Service Reserve - 2002	1,115,121.26	1,217,059.99	1,318,856.41	1,420,842.27	1,571,939.95	1,723,258.91	1,874,336.04	1,986,564.90	2,098,798.74	2,211,033.36	2,323,270.73	
Cost of Insurance - 2002	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01	
Debt Service Fund - 2004	5,704.20	5,707.48	5,711.50	5,716.06	5,721.49	5,727.45	5,734.40	5,741.88	5,749.90	5,757.37	5,765.29	
Cost of Insurance - 2004	21,197.92	50,382.87	79,561.09	108,765.59	138,006.55	174,833.56	417,422.80	552,053.81	552,444.62	822,575.84	958,211.00	
Debt Service Reserve - 2004	1,279,133.75	1,279,133.75	1,279,608.12	1,280,172.60	1,286,881.63	1,296,881.62	1,279,133.75	1,279,133.75	1,286,029.57	1,286,029.57	1,286,029.57	
Cost of Insurance - 2004	5,734.73	5,742.72	5,746.77	5,751.36	5,756.83	5,762.82	5,769.81	5,777.34	5,783.41	5,794.94	5,804.92	
Redemption Account - 2004	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	\$ 39,522,032.00	\$ 38,314,659.35	\$ 38,070,077.81	\$ 38,590,286.01	\$ 37,639,123.43	\$ 37,828,292.16	\$ 37,098,540.49	\$ 37,342,481.48	\$ 37,343,527.89	\$ 38,176,873.35	\$ 38,480,684.47	\$ 0.00
Citizens Bank - Payroll	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	
Fleet Bank - Deposit	80,551.73	80,696.80	70,261.77	62,467.96	211,810.68	70,986.15	48,839.18	272,070.06	6,782.54	99,200.20	49,439.27	
Fleet Bank - Checking	(17,764.20)	6,273.92	8,037.31	11,323.15	23,441.57	486.82	27,953.99	5,714.01	11,933.55	13,444.00	1,691.63	
	102,787.53	126,970.72	118,319.08	113,793.11	275,252.25	111,482.97	116,815.17	317,784.07	58,736.09	132,644.20	91,150.90	

# **EXHIBIT F**

June 15, 2005

REVISED AGREEMENT-MAY 3, 2005

RELOCATED ROUTE 403

BRIDGE NO. 1010

EAST GREENWICH & NORTH KINGSTOWN

Rhode Island Federal-Aid Project No. NHS-0403-021 CONST.

Rhode Island Contract No. 2005-CH-073

**CONSTRUCTION AND MAINTENANCE AGREEMENT**

**STATE HIGHWAY/PRIVATE OWNER FACILITIES**

by and between the

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

and the

**KENT COUNTY WATER AUTHORITY**

AGREEMENT entered into by and between the STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS (hereinafter called the STATE), through its Department of Transportation and the KENT COUNTY WATER AUTHORITY (hereinafter called the OWNER).

WHEREAS the STATE is planning THE ABOVE REFERENCED PROJECT IN EAST GREENWICH & NORTH KINGSTOWN, Rhode Island with funds apportioned to the STATE under the Federal-Aid Highway Act, as amended and supplemented, and from other sources available for the purpose, and

WHEREAS the OWNER has installed and is operating and/or maintaining an WATER DISTRIBUTION SYSTEM (hereinafter called the FACILITIES), and in connection with said Project and appurtenances it will be necessary to displace, relocate, alter, and/or adjust certain portions of said FACILITIES to the extent shown on DRAINAGE & UTILITY PLANS AND LIST OF QUANTITIES inclusive, which is attached hereto and made a part hereof, and

WHEREAS the eligibility of Federal participation has been established in accordance with Part 645 - Utilities, Subpart A - Utility Relocations, Adjustments and Reimbursement of the Federal-Aid Policy Guide (FAPG) of the United States Department of Transportation, Federal Highway Administration; and

WHEREAS said alterations and/or adjustments must be closely and dependably integrated with said Project and appurtenances during the various phases of operations, both preparatory and permanent, for the best interest of traffic movement and control and for public convenience, and

WHEREAS credit for expired service life of the replaced FACILITIES may be required, when applicable, in accordance with the provisions of the aforementioned FAPG, Part 645, Subpart A, and

WHEREAS the predominant portion of the existing FACILITIES must be maintained in service until the replacement FACILITIES are completed.

NOW THEREFORE, the STATE and the OWNER hereby agree as follows:

**SECTION I - GENERAL PROVISIONS**

1. The OWNER will allow the STATE to enter onto its property for purposes of constructing the Project and the improvements.

**SECTION II - DIVISION OF WORK**

1. All necessary labor, materials, equipment and other services shall be furnished by or for the OWNER in accordance with the aforementioned FAPG, Part 645, Subpart A of the Federal Highway Administration, and the work shall be done by Method           (d)           as shown below:

- (a) By the OWNER's forces.
- (b) By a contractor, who shall have prior approval of the STATE, in case the OWNER is not adequately staffed or equipped to perform the adjustments with its own forces and their method is in the best interest of the STATE.
- (c) By a continuing contract subject to approval by the STATE, under which certain work is regularly performed for the OWNER and under which the lowest available costs are developed.
- (d) By the STATE Contractor awarded the Project.

2. A Pre-Bid Conference will be held between representatives of the STATE, the Contractor(s) and the affected utilities in order to acquaint the interested parties with all possible utility relocations and/or adjustments to be required.

3. After the Contract has been awarded, a Pre-Construction Conference will be held, at which time the Contractor will meet with representatives of the STATE and the utilities in order to expedite the progress of the Project and the utility installations and adjustments. The OWNER or its Contractor shall have available all necessary personnel and materials as are delineated on the plans as are necessary to make the changes to its FACILITIES, to the completion of the Project and shall cooperate with the STATE's Resident Engineer and Contractor to expedite the Project.

4. All work performed under this Agreement is subject to approval and inspection of the STATE and Federal authorities, in accordance with the provisions of the aforementioned FAPG, Part 645, Subpart A of the Federal Highway Administration, as amended and supplemented, which is hereby made a part of this Agreement by reference. All work relative to the FACILITIES shall conform to the OWNER's standard specifications and procedures.

5. All construction signing shall meet the requirements of the Manual of Uniform Traffic Control Devices, including all latest revisions.

6. During and after the adjustment of the OWNER's FACILITIES, the work by the STATE's

Contractor will be undertaken with normal safety precautions.

### **SECTION III - DIVISION OF EXPENSE**

1. All estimates for the work necessary to complete the adjustment of the OWNER's FACILITIES shall be submitted for approval and be at a reasonable cost as set forth in cost estimates as listed below:

(a) An estimate of the costs of labor, materials, equipment and other services to be furnished by the OWNER for their alterations and adjustments in the amount of ZERO dollars (\$ 0.00), dated N. A., is attached hereto and made a part of this Agreement.

(b) An estimate of the cost of work to be performed by the STATE's Contractor awarded the Project under this Agreement, in the amount of TWO HUNDRED EIGHTY FIVE THOUSAND TWO HUNDRED NINETY EIGHT dollars (\$ 285,298.00 ), which will be borne by the STATE, is attached hereto and made a part of this Agreement.

2. In the event that a substantial change in the scope of work or materials required becomes necessary, a revised estimate of cost and a revised plan shall be submitted by the OWNER to the STATE for approval and subsequent inclusion in this Agreement.

3. In reference to work done by the OWNER and/or its Contractor, under this Agreement, the STATE will reimburse the OWNER for the actual costs and related indirect costs incurred (including Preliminary Engineering) in accordance with the accounting procedures in use by the OWNER in its operations, less the salvage value of materials removed, all in accordance with the provisions of the aforementioned FAPG, Part 645, Subpart A, presently in effect. The OWNER'S cost records and accounts shall be available for inspection and audit by the representatives of the STATE and the Federal Highway Administration. All labor, materials, equipment and other services furnished by and/or for the OWNER shall be billed to the STATE only by the OWNER.

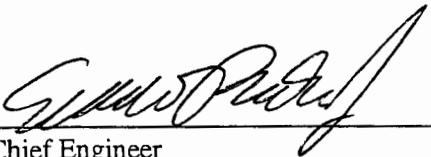
### **SECTION IV - FUTURE MAINTENANCE**

Upon completion of the alterations and/or adjustments of the OWNER's FACILITIES, the OWNER shall thereafter own and shall maintain said FACILITIES as altered and/or adjusted, including the cost thereof, with the restriction that maintenance thereof shall be done in a manner not detrimental to the highway and its uses, and on the condition that FACILITIES located inside or outside of Freeway Lines (limited access highways) shall not be serviced by access from the through lanes or ramps, except that FACILITIES located within interchange areas may be serviced from ramps provided that service vehicles and equipment are first driven entirely off the pavement. Sufficient Traffic Control, at the OWNER's expense must be provided in accordance with the requirements of the Manual of Uniform Traffic Control Devices, including all latest revisions.

REVISED AGREEMENT - MAY 3, 2005  
RELOCATED ROUTE 403  
BRIDGE NO. 1010  
RHODE ISLAND CONTRACT 2005-CH-073

IN WITNESS WHEREOF, the STATE and the OWNER have caused this AGREEMENT to be executed by their duly authorized officials as of the 15th day of June, 2005.

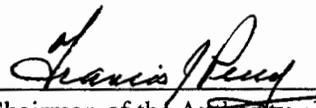
Recommended for Approval:

  
\_\_\_\_\_  
Chief Engineer  
Department of Transportation

Recommended for Approval

  
\_\_\_\_\_  
Chief Financial Officer  
Department of Transportation

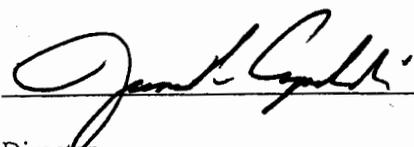
KENT COUNTY WATER AUTHORITY

  
\_\_\_\_\_  
Chairman of the Authority

Approved as to form:

  
\_\_\_\_\_  
Chief Legal Counsel  
Department of Transportation

Approved:

  
\_\_\_\_\_  
Director  
Department of Transportation

Examined and Approved:

\_\_\_\_\_  
N.A.  
Division Administrator  
U.S. Department of Transportation  
Federal Highway Administration

Revised: May 2, 2005  
Date: March 31, 2005

**RELOCATED ROUTE 403  
BRIDGE NO. 1010  
NORTH KINGSTOWN, RHODE ISLAND  
R.I.C. NO 82112; F.A.P. NO. M-N001 RS-5092 (001)  
CONSTRUCTION AND MAINTENANCE AGREEMENT**

Kent County Water Authority

Water Adjustments

**Item 201.0414 REMOVE AND DISPOSE PIPE ALL SIZES**

<u>Location</u>	<u>Quantity (LF)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	1,230	\$8.00	\$9,840.00
Subtotal:	<u>1,230</u>		

**Item 203.0100 STRUCTURAL EARTH EXCAVATION**

<u>Location</u>	<u>Quantity (CY)</u>	<u>Price</u>	<u>Total Cost</u>
Utility Bridge	65	\$12.00	\$780.00
Subtotal:	<u>65</u>		

**Item 701.5216 16" DUCTLIE IRON WATER PIPE CLASS 52, MECHANICAL JOINT**

<u>Location</u>	<u>Quantity (LF)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	645	\$80.00	\$51,600.00
Subtotal:	<u>645</u>		

**Item 701.8100 FURNISH AND INSTALL DUCTILE IRON FITTINGS**

<u>Location</u>	<u>Quantity (LBS)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	6,032	\$4.00	\$24,128.00
Subtotal:	<u>6,032</u>		

**Item 701.8112 12 INCH GATE VALVE AND BOX**

<u>Location</u>	<u>Quantity (EA)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	2	\$3,500.00	\$7,000.00
Subtotal:	<u>2</u>		

**Item 701.9001 CONDUCT LEAKAGE TEST**

<u>Location</u>	<u>Quantity (EA)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	4	\$1,200.00	\$4,800.00
Subtotal:	<u>4</u>		

**Item 701.9002 STERILIZATION OF WATER MAINS**

<u>Location</u>	<u>Quantity (EA)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	1	\$5,000.00	\$5,000.00
Subtotal:	<u>1</u>		

**Item 701.9901 PIPE INSULATION 12" WATER MAIN**

<u>Location</u>	<u>Quantity (LF)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	240	\$100.00	\$24,000.00
Subtotal:	<u>240</u>		

**Item 701.9902 PIPE INSULATION 16" WATER MAIN**

<u>Location</u>	<u>Quantity (LF)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	265	\$120.00	\$31,800.00
Subtotal:	<u>265</u>		

**Item 701.9903 12" TRANSITION COUPLING**

<u>Location</u>	<u>Quantity (EA)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	2	\$500.00	\$1,000.00
Subtotal:	<u>2</u>		

**Item 701.9904 AIR RELEASE VALVE**

<u>Location</u>	<u>Quantity (EA)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	4	\$700.00	\$2,800.00
Subtotal:	<u>4</u>		

**Item 701.9907 18 INCH ADJUSTABLE DOUBLE ROLLER ASSEMBLY**

<u>Location</u>	<u>Quantity (EA)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	6	\$1,000.00	\$6,000.00
Subtotal:	<u>6</u>		

**Item 701.9908 24 INCH ADJUSTABLE DOUBLE ROLLER ASSEMBLY**

<u>Location</u>	<u>Quantity (EA)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	6	\$2,050.00	\$12,300.00
Subtotal:	<u>6</u>		

**Item 701.9909 16 INCH BUTTERFLY VALVE AND BOX**

<u>Location</u>	<u>Quantity (EA)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	2	\$6,000.00	\$12,000.00
Subtotal:	<u>2</u>		

**Item 824.0421 AASHTO M270 GRADE 50 STEEL F,F, & E ROLLED SIMPLE SPANS**

<u>Location</u>	<u>Quantity (LBS)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	47,000	\$1.25	\$58,750.00
Subtotal:	<u>47000</u>		

**Item 824.9901 PROTECTIVE SCREEN, FURNISH FABRICATION, &ERECT**

<u>Location</u>	<u>Quantity (EA)</u>	<u>Price</u>	<u>Total Cost</u>
Frenchtown Road	88	\$300.00	\$26,400.00
Subtotal:	<u>88</u>		

**Item 828.0303 Elastometric Bearings Laminated**

<u>Location</u>	<u>Quantity (EA)</u>	<u>Price</u>	<u>Total Cost</u>
Utility Bridge	4	\$175.00	\$700.00
Subtotal:	<u>4</u>		

**Item 903.9901 5 Foot PVC Coated Chain Link Fence**

<u>Location</u>	<u>Quantity (LF)</u>	<u>Price</u>	<u>Total Cost</u>
Utility Bridge	36	\$150.00	\$5,400.00
Subtotal:	<u>36</u>		

**Item 903.9902 12 Foot PVC Coated Chain Link Gate 5 Foot Height**

<u>Location</u>	<u>Quantity (EA)</u>	<u>Price</u>	<u>Total Cost</u>
Utility Bridge	2	\$500.00	\$1,000.00
Subtotal:	<u>2</u>		
			<b><u>Total Cost</u></b>
			<b>\$285,298.00</b>

# **EXHIBIT G**

June 15, 2005

**KENT COUNTY WATER AUTHORITY  
FISCAL YEAR 2005 / 2006  
ANNUAL BUDGET**

**APPROVED JUNE \_\_\_\_, 2005**

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# MEMORANDUM

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**To: Board Members**  
**From: Tim Brown**  
**Subject: June 13, 2005**  
**Date: Fiscal Year 2006 Budget**

## **GENERAL:**

The attached budget was prepared by utilizing actual Fiscal Year 2003 and 2004 expense and revenue line items, 2005 unadjusted line items with ten months actual and two months estimated. Each individual account was reviewed based upon our past expenditures and our anticipated expenditures for this year. The operation revenue line item is based on conservative estimates with limited growth from the previous rates approved. We have not included any revenue increase that would be expected by the abbreviated rate filing. Infrastructure account will be reviewed if additional funds are allocated to it by the rate order. The attached sheets will outline capital expenditures, revenues, payroll and outside services based upon anticipated operations. The summary sheet outlines the major categories. The anticipated infrastructure schedule and its projects are included. The Board should review these projects in detail, and to keep the schedule flexible if additional source water can be achieved from the existing system. We are assuming no pass through by the Providence Water Supply Board this budget year but we expect they may file one. Its amount and effect on KCWA is unknown.

## **FIXED ALLOTMENTS:**

There are, again, fixed allotments or allocations placed within this budget as was in previous years. They are bond related capital and infrastructure-restricted accounts. The trustee funds the accounts as required from the revenue on a month-by-month basis. The infrastructure restricted account is under funded based on the approved plan. A portion of that difference is expected to be funded by the abbreviated rate filing. The remaining under funding will need to be addressed in a future rate filling.

## **SUMMARY OF BUDGET HIGHLIGHTS:**

- 1) Salary increases are proposed. Adjustments are included for key personnel and for merit. Longevity and certification have been included and credited.
- 2) Insurance and Workers' Compensation have been established based on known information. The insurance premium is only proposed at this time.
- 3) Conservation Program (Residential Retrofit Program) is being carried at the usual regulated estimate of \$36,000. It will be needed for the expanded program.
- 4) This year requires a pension contribution of \$215,654.

- 5) Internal inspection and cleaning of the storage tanks is proposed this year, all except Setian Lane, West Street and Carr Pond as they are new or recently refurbished. The cost is allocated in account number 672.

### **CURRENT BUDGET POLICY:**

The current budget policy in effect, unless modified, will control the outside budget expenses. The five aspects of the policy are:

- 1) Line item shifts of "excess" money will not occur during the budget year without Board approval.
- 2) All emergency uses of funds, as approved by the Board in advance, will be assigned to the proper line item of the budget year if funds are not available.
- 3) Emergency use of funds caused by failure of the system will be determined by the General Manager with concurrence of the Chairman and brought to the next regular scheduled Board meeting for review and approval.
- 4) It is the intention of the Board to review the budget monthly in regards to the monthly estimated budget and the yearly budget total.
- 5) The Board reserves the right to amend this policy at any time by majority vote.

### **QUESTIONS AND ACTIONS BY BOARD:**

Supply is the largest and most complex question the Board needs to answer this year. As growth remains unchallenged, we are ever trying to catch up and resolve deficiency in maximum day supply. The Board will need to find additional supply, or reject future proposals for service. This will most certainly affect the budget in regards to our capital financing, bonding and infrastructure funding. Any type of developer financing for system expansion will not affect the budget even if the Board does institute a developer financed aid in the construction program. All aid in construction would be segregated.

Management has set a goal to complete the strategic plan in the early part of this budget year for the Boards discussion and approval. If the budget is affected by the plan, a modification to the budget can be considered by the budget policy.

The last question the Board may wish to consider during this budget process is the management structure of the Authority. As we have discussed, the company is growing at a rapid pace and has reached a point where management system should be implemented for this company based on the goals and mission of the Board. Management is at the regulatory allocated strength. Salary increases for key strategic personnel is again included. The Board should look at internal vulnerabilities in regards to personnel. We are stretched very thin in key areas, and it will be difficult to fill them if an opening arises. The Board should secure its options and review a structure implementation to protect itself from any vulnerability.

## DIRECTION:

The direction of the company this year will be:

- 1) Revise the Capital Improvement Program with a revised emphasis on the following:
  - a. Added supply (maximum day is critical and the source of supply must be determined)
  - b. Transmission improvements to move “new” supply to the needed areas.
  - c. Existing storage analysis; review what tanks are effective, what tanks are not needed and what additional storage is needed.
  - d. Bond implications of program adjustments. Bond council should be contacted to provide input.
  - e. Carry over of existing in completed program to new program.
- 2) Complete implementation of the proceeds from all bond sales. This is critical prior to any future general rate filing.
- 3) Continue the annual implementation of our infrastructure programs at \$3.4 million dollars capped allocation until approval of the proposed abbreviated rate filing. Adjustments can be made after budget approval by the budget policy of the Board.
- 4) Continue to operate and service our customers with courtesy, professionalism and a quality product. We will continue our emphasis on implementing customer service strategies along with the reassignment of customer service duties.
- 5) Continue our positive press and public outreach through conservation and newsworthy articles and public involvement. It may be necessary to increase this activity this year in response to the high service gradient.

This Authority continues to be responsive to the future needs of our customers. I know the Board feels the same as I do to improve and modernize to the benefit of our customers and to the quality of our product at reasonable prices that they are familiar with. As our infrastructure program continues, our customers are seeing the benefits of the everyday operation of the new system improvements. Our capital programs have made great strides in addressing poorly serviced areas and storage/supply needs. Its revision will reprioritize the supply and any additional programs needed to deal with the open issues. Setbacks that have appeared can be a positive influence and set a direction to seek all possible alternatives.

Our flushing program continues, which will also continue in this budget. We cannot forget how this program will benefit the public health and safety for many years to come. Our new GIS Mapping Program under development will be a great help to this agency. Up to date credible system information is invaluable as we modernize and move forward. We all look forward to that. The Board’s leadership and understanding have again this year been exemplary and

customers owe a debt of gratitude to the Board for the programs that are being implemented and for the foresight into the many decades that these improvements will serve. I know I share with the members of the staff that we will continue to strive for these ideals of quality of service, quality of product and our unceasing dedication to the organization and the Board. The staff and I owe the Board a thank you for their support and direction each and every day through this past year and anticipation of the upcoming fiscal year. The implementation of this budget will continue this direction.

## SUMMARY SHEET

## OPERATING:

PROJECTED TOTAL REVENUES	\$15,282,800
PROJECTED TOTAL OPERATING EXPENSES	<u>\$10,847,800</u>
INCOME	\$4,435,000
INTEREST ON LONG TERM DEBT	\$1,741,100
DEPRECIATION	\$772,700
AMORTIZATION ON DEBT	\$37,700
INCOME	<u>\$4,435,000</u>
TOTAL FOR AVAILABLE RESTRICTED	<u>\$6,986,500</u>
RESTRICTED DEBT SERVICE REQUIRED	\$3,896,000
IFR RESTRICTED	\$3,400,000
CASH CAPITAL RESTRICTED	<u>\$100,000</u>
TOTAL RESTRICTED REQUIRED	\$7,396,000

ACCT. #	2005/2006 BUDGET YEAR OPERATING REVENUE	FY	FY	FY	FY BUDGET	%
		02-03 ACTUAL	03-04 ACTUAL	04-05 10 + 2	05-06	
461A	METERED SALES RESIDENTIAL	\$9,195,615	\$8,523,996	\$8,971,544	\$9,070,100	1.1%
461B	METERED SALES COMM / IND	\$3,019,589	\$3,220,629	\$3,258,940	\$3,780,400	16.0%
462	PRIVATE FIRE PROTECTION	\$148,380	\$147,205	\$147,426	\$147,700	0.2%
463	PUBLIC FIRE PROTECTION	\$858,155	\$865,493	\$866,844	\$877,000	1.2%
464	SALES TO PUBLIC AUTHORITIES	\$451,204	\$421,717	\$415,521	\$445,900	7.3%
466	SALE FOR RESALE	\$76,274	\$76,218	\$78,332	\$76,800	-2.0%
471	MISC. SERVICE REVENUE	\$131,409	\$57,286	\$88,178	\$48,700	-44.8%
474	OTHER WATER REVENUES	\$64,562	\$61,276	\$63,586	\$66,500	4.6%
415	PROFIT ON METER SALES	\$8,285	\$4,969	\$8,788	\$11,700	33.1%
416	PROFIT FOR MATERIAL LABOR	\$6,501	\$16,158	\$10,378	\$4,400	-57.6%
	TOTAL	\$13,959,974	\$13,394,947	\$13,909,537	\$14,529,200	4.5%
NON OPERATING INCOME						
419	INTEREST ON INVESTMENTS	\$301,412	\$480,756	\$483,009	\$753,400	56.0%
421	DISCOUNT ON PURCHASE	\$130	\$146	\$191	\$200	4.7%
434	MISC. CREDIT TO SURPLUS	\$232,465	\$0	\$0	\$0	
	TOTAL	\$534,007	\$480,902	\$483,200	\$753,600	56.0%
	TOTAL REVENUE	\$14,493,981	\$13,875,849	\$14,392,737	\$15,282,800	6.2%
OPERATING EXPENSES						
SOURCE OF SUPPLY						
601	OPERATION & LABOR	\$29,093	\$16,627	\$15,100	\$12,000	-20.5%
602	PURCHASED WATER	\$3,171,309	\$3,866,831	\$3,772,098	\$3,747,400	-0.7%
614	MAINTENANCE/WELLS	\$12,654	\$0	\$0	\$0	
	TOTAL	\$3,213,056	\$3,883,458	\$3,787,198	\$3,759,400	-0.7%
PUMPING						
621	FUEL FOR PUMPING	\$1,107	\$813	\$1,055	\$1,000	-5.2%
623	POWER PURCHASED	\$391,434	\$415,850	\$447,873	\$457,700	2.2%
624A	PUMPING LABOR	\$61,803	\$59,552	\$59,819	\$63,400	6.0%
624B	PUMPING EXPENSE	\$2,429	\$4,655	\$2,688	\$2,300	-14.4%
631	MAINTENANCE/STRUCT/IMP.	\$29,379	\$32,596	\$32,615	\$33,100	1.5%
633	MAINTENANCE PUMPING EQUIP.	\$34,786	\$45,056	\$41,820	\$55,200	32.0%
	TOTAL	\$520,938	\$558,522	\$585,870	\$612,700	4.6%
WATER TREATMENT						
641	CHEMICALS	\$82,233	\$45,456	\$63,171	\$64,000	1.3%
642A	OPERATION LABOR	\$60,290	\$66,938	\$69,490	\$73,900	6.3%
642B	OPERATION EXPENSE	\$64,738	\$49,900	\$43,229	\$43,400	0.4%
651	MAINTENANCE OF STRUCTURE	\$130	\$183	\$527	\$1,000	89.8%
652	MAINTENANCE OF WATER TR.	\$2,698	\$7,862	\$4,602	\$3,700	-19.6%
	TOTAL	\$210,089	\$170,339	\$181,019	\$186,000	2.8%
TRANSMISSION & DISTRIB.						
661	STORAGE FACILITIES	\$413	\$427	\$153	\$200	30.7%
662A	LABOR	\$23,800	\$24,954	\$15,245	\$11,800	-22.6%
662B	SUPPLIES EXPENSE	\$35,704	\$30,153	\$35,138	\$34,600	-1.5%
663A	METER EXPENSE LABOR	\$5,166	\$2,576	\$12,490	\$20,200	61.7%
663B	METER EXPENSE MATERIAL	\$6,738	\$6,378	\$5,427	\$4,600	-15.2%
664A	CUSTOMER INSTALLATION					
664B	CUSTOMER INSTALLATION SUP.					
665	MISCELLANEOUS	\$13,285	\$15,993	\$15,647	\$15,300	-2.2%
671	MAINT. STRUCTURES & IMP.	\$916	\$2,203	\$3,850	\$3,600	-6.5%
672	MAINT. RESV. & STAND PIPES	\$7,467	\$11,296	\$11,070	\$53,800	386.0%
673	MAINTENANCE MAINS	\$395,163	\$468,020	\$463,091	\$538,100	16.2%
675	MAINTENANCE SERVICES	\$80,577	\$133,116	\$152,001	\$198,800	30.8%
676	MAINTENANCE METERS	\$29,401	\$44,527	\$44,090	\$45,600	3.4%
677	MAINTENANCE HYDRANTS	\$96,988	\$84,620	\$98,773	\$102,600	3.9%
679	TRAN. TO CONST. & CUST	(\$6,234)	(\$27,826)	(\$9,919)	(\$8,200)	-17.3%
	TOTAL	\$689,384	\$796,437	\$847,056	\$1,021,000	20.5%

	FY 02-03 ACTUAL	FY 03-04 ACTUAL	FY 04-05 10 + 2	FY BUDGET 05-06	%	
<b>CUSTOMER ACCOUNTING</b>						
902A	METER READING LABOR	\$90,643	\$74,671	\$80,614	\$83,300	3.3%
902B	METER READING SUPPLIES	\$0	\$0	\$100	\$100	0.0%
903A	CUSTOMER RECORDS LABOR	\$116,434	\$145,116	\$144,626	\$144,900	0.2%
903B	CUSTOMER RECORDS SUPPLIES	\$48,876	\$48,157	\$60,592	\$59,400	-2.0%
904	UNCOLLECTIBLE ACCOUNTS	\$0	\$0	\$0	\$0	
	<b>TOTAL</b>	<b>\$255,953</b>	<b>\$267,944</b>	<b>\$285,932</b>	<b>\$287,700</b>	<b>0.6%</b>
<b>ADMINISTRATIVE &amp; GENERAL</b>						
920	ADMINISTRATIVE SALARIES	\$199,479	\$227,101	\$300,214	\$310,200	3.3%
921	OFFICE SUPPLIES & EXPENSE	\$88,801	\$136,477	\$124,822	\$120,200	-3.7%
923	OUTSIDE SERVICES	\$164,145	\$153,761	\$138,892	\$181,600	30.7%
924	PROPERTY INSURANCE & WC	\$125,904	\$139,252	\$162,855	\$156,700	-3.8%
925	INJURIES & DAMAGES	\$173	\$598	\$1,016	\$1,000	-1.6%
926	EMPLOYEE PENSION & BENEFITS	\$713,816	\$769,058	\$828,271	\$841,200	1.6%
928	REGULATORY COMMISSION	\$54,681	\$49,816	\$96,975	\$100,000	3.1%
930	MISC. GENERAL EXPENSE					
930A	FISCAL AGENT FEE	\$33,400	\$37,220	\$36,100	\$34,000	-5.8%
930B	FEE & EXPENSE WATER	\$16,972	\$16,349	\$31,221	\$28,600	-8.4%
930C	CONSERVATION PROGRAM	\$5,147		\$36,000	\$36,000	0.0%
932A	MAINTENANCE GENERAL PLANT	\$127,848	\$132,160	\$143,355	\$150,400	4.9%
932B	MAINTENANCE VEHICLES	\$61,413	\$58,623	\$73,100	\$73,300	0.3%
933	UNASSIGNED TIME VAC. HOL. SICK	\$189,307	\$188,175	\$229,825	\$236,900	3.1%
	<b>TOTAL</b>	<b>\$1,781,086</b>	<b>\$1,908,590</b>	<b>\$2,202,646</b>	<b>\$2,270,100</b>	<b>3.1%</b>
	<b>TOTAL O&amp;M EXPENSES</b>	<b>\$6,670,506</b>	<b>\$7,585,290</b>	<b>\$7,889,721</b>	<b>\$8,136,900</b>	<b>3.1%</b>
<b>OTHER EXPENSES</b>						
401	OPERATING EXPENSE	\$0	\$0	\$0	\$0	
403	DEPRECIATION	\$659,558	\$651,600	\$753,100	\$772,700	2.6%
408	TAXES OTHER THAN INCOME	\$136,639	\$147,092	\$153,273	\$159,400	4.0%
427	INTEREST LONG TERM DEBT	\$1,202,700	\$2,197,900	\$1,810,700	\$1,741,100	-3.8%
428	AMORTIZATION OF DEBT DISC	\$32,284	\$50,715	\$65,900	\$37,700	-42.8%
	<b>TOTAL</b>	<b>\$2,031,181</b>	<b>\$3,047,307</b>	<b>\$2,782,973</b>	<b>\$2,710,900</b>	<b>-2.6%</b>
	<b>TOTAL EXPENSES</b>	<b>\$8,701,687</b>	<b>\$10,632,597</b>	<b>\$10,672,694</b>	<b>\$10,847,800</b>	<b>1.6%</b>
	<b>INCOME (LOSS)</b>	<b>\$5,792,294</b>	<b>\$3,243,252</b>	<b>\$3,720,043</b>	<b>\$4,435,000</b>	<b>19.2%</b>
<b>DEBT SERVICE:</b>						
	PRINCIPAL	\$955,000	\$1,450,000	\$1,165,000	\$2,120,000	
	INTEREST	\$1,202,661	\$2,449,419	\$1,757,700	\$1,776,000	
		<b>\$2,157,661</b>	<b>\$3,899,419</b>	<b>\$2,922,700</b>	<b>\$3,896,000</b>	

MISCELLANEOUS  
CAPITAL BUDGET FY 2006

Page 1

CAPITAL ASSETS:

VEHICLES:			
ITEM #	DESCRIPTION	EST. COST	NOTES
1	New Truck GMC 1/2 Ton	\$25,000	New, added to fleet
2	Replacement Truck #13	\$25,000	Replace existing Truck #13
3	Utility body #5 repaint and recondition	\$6,800	Paint interior / exterior
	SUB TOTAL	\$56,800	
OFFICE EQUIPMENT:			
ITEM #	DESCRIPTION	EST. COST	NOTES
1	Computer replacements 4 (2,000 each)	\$8,000	Replace existing laptops / CSR terminals
2	Truck laptops (2)	\$10,000	Dig-Safe laptops (truck style)
3	Internet / E-mail	\$16,000	Establish / E-mail / Internet services / Web site
	SUB TOTAL	\$34,000	
MISCELLANEOUS CAPITAL:			
ITEM #	DESCRIPTION	EST. COST	
1	Misc. hand / power tools	\$10,000	
2	Garage door repairs / replacements	\$8,000	Refurbish as needed
3	AC Pipe disposal	\$30,000	State M.P.A. AC Pipe removal at well fields
4	Tracing machine	\$3,000	Dig-Safe
5	Hydrant wrench	\$2,500	Hydrant repairs
6	Rotary garage lift	\$6,000	Vehicle repairs / including new floor
7	48" Mower	\$4,000	Replace existing
	SUB TOTAL	\$63,500	
	TOTAL PROPOSED EXPENDITURES	\$154,300	
	EXPENDITURE APPROVAL CARRY OVER Dump refurbishment	\$2,400	
	SUB TOTAL	\$2,400	
	Remaining FY 04-05 funds	\$131,650	
	For FY 05-06 funds	\$100,000	
		\$231,650	
	AVAILABLE*	\$74,950	

\* Can be utilized for additional equipment  
and purchase of additional vehicles

PROPOSED IFR FUNDING  
2006 PROGRAM

PAGE 5  
FY 05-06  
IFR FY 06

Funding as of 5/31/05 Restricted Account	\$	\$3,941,827.00
May 2005 Funding Deposit*	\$	283,333.00
June 2005 Funding Deposit	\$	283,333.00
FY 05-06 Funding as of June 30, 2006**		3,400,000.00
	Total	\$ <u>7,908,493.00</u>
05-06 Proposed Program Expenditures as of June 30, 2006	\$	7,614,922.00

\* May 2005 deposit could not be made by May 31, 2005

\*\* Will change due to rate filing Docket #3660

TOTAL CUSTOMERS  
 FYB 2005 - 2006

	FY 04	AS OF 5/30/05	GROWTH	TOTAL FOR BUDGET
RESIDENTIAL	24,638	24,785	214	24,999
COMMERCIAL/INDUSTRIAL	1,457	1,476	19	1,495
A) PRIVATE FIRE	314	310	0	310
B) PUBLIC FIRE	2,256	2,283	17	2,300
PUBLIC AUTHORITIES	317	325	8	333
SALES FOR RESALE	1	1	0	1

- A) No Growth
- B) 17 New Hydrants

# Public Fire Customers	13
# Private Fire Customers	
Hydrants	154
Fire Lines	81

REVENUES

		FY 04-05	BASE REVENUE	NEW CUSTOMERS	BUDGET FY 05-06
461A	RESIDENTIAL	\$8,971,544	\$9,015,600	\$54,500	\$9,070,100
461B	COMMERCIAL/INDUSTRIAL	\$3,258,940	\$3,746,600	\$33,800	\$3,780,400
462	PRIVATE FIRE	\$147,426	\$147,700		\$147,700
463	PUBLIC FIRE	\$866,844	\$870,500	\$6,500	\$877,000
464	PUBLIC AUTHORITIES	\$415,521	\$438,300	\$7,600	\$445,900
466	SALES FOR RESALE	\$78,332	\$76,800		\$76,800
471	MISC SERVICE REVENUE	\$88,178	\$48,700		\$48,700
474	OTHER WATER REVENUE	\$63,586	\$66,500		\$66,500
415	PROFIT ON METERS	\$8,788	\$11,700		\$11,700
416	PROFIT ON SERVICE	\$10,378	\$4,400		\$4,400
		\$13,909,537	\$14,426,800	\$102,400	\$14,529,200

#923

ADMINISTRATIVE & GENERAL  
OUTSIDE SERVICES

PAGE 8  
FY 05-06

	04-05 10+2	BUDGET ESTIMATE
PETRARCA & McGAIR	\$70,823.31	\$75,000
KPMG	\$34,050.00	\$35,050
AMTEC	\$2,300.00	\$2,300
WOODCOCK & ASSOCIATES	\$1,120.00	\$1,200
PROSNITZ COMMUNICATIONS	\$8,825.00	\$12,000
TILLINGHAST - LICHT & PERKINS	\$7,039.70	\$10,000
CAMP DRESSER & MCKEE	\$6,532.64	\$0
SOULIERE REALTY	\$200.00	\$0
	<hr/>	
	\$130,890.65	<i>\$101k misc eng'g</i>
NEWSLETTER (3)		\$21,050
WATER SUPPLY MANAGEMENT (PUC ALLOCATION)		<hr/> \$25,000
		\$181,600

EMPLOYEE & B.O.D. BENEFITS

BUDGET  
ESTIMATE

MEDICAL - BLUE CROSS:

\$42,095.91/MO. X 12                      \$505,150.92                      \$505,200

DENTAL - DELTA DENTAL:

\$3,247.38/MO. X 12                      \$38,968.56                      \$39,000

GROUP P-65 RETIREES

\$5,016.38/MO. X 12                      \$60,196.56                      \$60,200

LIFE INSURANCE - BOSTON MUTUAL

\$608.08/MO.X12                      \$7,296.96                      \$7,300

DISABILITY INSURANCE - FORTIS

\$346.07/MO.X12                      \$4,152.84                      \$4,200

PENSION CONTRIBUTION

\$215,654.00                      \$215,700

(\$218,404)

XMAS BONUS:

\$150.00 X 34                      \$5,100.00                      \*

RIEAP                      (1,200)                      \$1,500

EDUCATION                      (2,003)                      \$3,000

\* REFLECTED IN PAYROLL DISTRIBUTION

\$836,100

ADMINISTRATIVE & GENERAL  
REGULATORY COMMISSION

	04-05 10+2	BUDGET ESTIMATE
WOODCOCK & ASSOCIATES	\$32,520.00	\$33,200
DIVISION OF PUBLIC UTILITIES	\$4,508.87	\$11,300
PETRARCA & MCGAIR	\$5,795.00	\$14,500
A-1 COURT REPORTERS	\$982.50	\$1,000
DPU ASSESSMENT	\$39,034.99	\$40,000
NOTIFICATION	\$9,570.19	\$0
	<hr/>	<hr/>
	\$92,411.55	\$100,000

PAYROLL

	BASE PAY 7/1/05	SCHEDULED OT	UNSCHEDULED OT	TOTAL	3.6%	SUMMER HELP (2) @ 6.50/HR	BONUS	ADJUSTMENTS	05-06 BUDGET	05-06 BUDGET ROUNDED	04-05 ACTUAL 10+2
107	CWIP	\$12,976.85		\$12,976.85	\$467.17				\$13,444.02	\$13,400	\$14,551.75
184A	MJC - METERS	\$0.00		\$0.00					\$0.00	\$0	\$0.00
184D	MJC - REPAIRS	\$8,110.53		\$8,110.53	\$291.98				\$8,402.51	\$8,400	\$8,488.52
601	OPERATION - LABOR	\$0.00		\$0.00					\$0.00	\$0	\$0.00
620	OPERATION - SUPERVISION	\$0.00		\$0.00					\$0.00	\$0	\$0.00
624A	PUMPING - LABOR	\$56,773.73	\$4,434.08	\$61,207.81	\$2,203.48				\$63,411.29	\$63,400	\$68,206.98
631	MAINTENANCE - STRUCTURES	\$30,820.02		\$30,820.02	\$1,109.52				\$31,929.54	\$31,900	\$31,528.78
633	MAINTENANCE - PUMPING EQ	\$27,575.81		\$27,575.81	\$992.73	\$2,700.00			\$31,268.54	\$31,300	\$27,890.85
642A	OPERATION - LABOR	\$66,506.36	\$4,434.08	\$70,940.44	\$2,553.86			\$416.00	\$73,910.30	\$73,900	\$67,908.15
651	MAINTENANCE - STRUCTURES	\$0.00		\$0.00					\$0.00	\$0	\$0.00
652	MAINTENANCE - TREATMENT EQ	\$0.00		\$0.00					\$0.00	\$0	\$0.00
662A	TRANS & DIST - LABOR	\$11,354.75		\$11,354.75	\$408.77				\$11,763.52	\$11,800	\$12,126.45
663A	METER - LABOR	\$19,465.28		\$19,465.28	\$700.75				\$20,166.03	\$20,200	\$19,402.33
664A	CUSTOMER INSTALLATION	\$0.00		\$0.00					\$0.00	\$0	\$0.00
672	MAINTENANCE - TANKS	\$9,732.64		\$9,732.64	\$350.38	\$2,700.00			\$12,783.02	\$12,800	\$9,701.16
673	MAINTENANCE - MAINS	\$317,932.86	\$38,897.87	\$356,830.73	\$12,845.91			\$2,830.80	\$372,507.44	\$372,500	\$323,776.34
675	MAINTENANCE - SERVICES	\$110,303.24	\$16,207.45	\$126,510.69	\$4,554.38				\$131,065.07	\$131,100	\$112,776.03
676	MAINTENANCE - METERS	\$43,796.87		\$43,796.87	\$1,576.69				\$45,373.56	\$45,400	\$43,655.24
677	MAINTENANCE - HYDRANTS	\$50,285.30		\$50,285.30	\$1,810.35				\$52,095.65	\$52,000	\$52,143.76
902	METER READING	\$79,483.22	\$9,724.47	\$89,207.69	\$3,214.40				\$92,422.09	\$92,300	\$81,247.25
903	CUSTOMER ACCOUNTING	\$139,501.15		\$139,501.15	\$5,022.04				\$144,523.19	\$144,500	\$142,821.59
920	ADMINISTRATIVE SALARIES	\$295,223.37		\$295,223.37	\$10,628.04			\$4,300.00	\$310,151.41	\$310,200	\$311,767.61
926	EMPLOYEE BENEFITS	\$0.00		\$0.00			\$5,100.00		\$5,100.00	\$5,100	\$5,100.00
930C	CONSERVATION	\$0.00		\$0.00					\$0.00	\$0	\$0.00
932A	MAINTENANCE - PLANT	\$97,326.39	\$8,868.16	\$106,194.55	\$3,823.00				\$110,017.55	\$110,000	\$99,436.93
932B	MAINTENANCE - VEHICLES	\$16,221.06		\$16,221.06	\$583.96				\$16,805.02	\$16,800	\$16,977.04
933	NON-PRODUCTIVE - LABOR	\$228,717.00		\$228,717.00	\$8,233.80				\$236,950.80	\$236,900	\$232,827.91
TOTAL		\$1,622,106.43	\$17,736.32	\$1,704,672.54	\$61,368.21	\$5,400.00	\$5,100.00	\$8,919.60	\$1,785,460.35	\$1,785,500	\$1,672,334.67

**IFR FUNDING  
CURRENT AND PROPOSED PROGRAM**

**FUNDING:**

FUNDING AS OF 5/31/05	\$3,941,827
MAY & JUNE, 2005 PAYMENT	\$566,666

<b>FUNDING AVAILABLE AS OF JUNE 30, 2004</b>	<b>\$4,508,493</b>
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**ESTIMATED ALLOCATED EXPENDITURES 2005/2006**

CONSTRUCTION - SETIAN LANE PUMPING STATION/FRENCHTOWN VAULT (ESTIMATED)	(\$123,000)
TIOGUE MODIFIED SERVICE GRADIENT CONSTRUCTION	(\$117,326)
TIOGUE MODIFIED SERVICE GRADIENT CONSTRUCTION SERVICES	(\$5,000)
CRANSTON METER REPLACEMENT	(\$40,000)
IFR 2003 CONSTRUCTION PROJECT	(\$194,203)
CONSTRUCTION KNOTTY OAK ROAD	(\$16,893)
2004 GIS DEVELOPMENT	(\$404,500)
IFR 2004 DESIGN (CONTRACT SEPERATION 2005, 2006, 2007 CONTRACTS)	(\$30,000)
IFR 2005 CONSTRUCTION (ESTIMATE)	(\$2,600,000)
IFR 2005 CONSTRUCTION SERVICES (ESTIMATE)	(\$60,000)
HYDRANT REFURBISHMENT 1/2 SERVICE	(\$500,000)
GREENWICH AVENUE CLEANING / LINING	(\$300,000)
BALD HILL BOOSTER REFURBISHMENT (SET ASIDE)	(\$3,000,000)
BALD HILL BOOSTER REFURBISHMENT CONSTRUCTION SERVICES	(\$100,000)
FACILITY UPGRADE (DOOR, RAMP, SURVEY)	(\$20,000)
BALD HILL BOOSTER (FUEL TANK)	(\$7,500)
TIOGUE TANK TEMPORARY COATING SYSTEM	(\$29,500)
TECH PARK TANK COATING REPAIRS	(\$57,000)
KCWA BUILDING SEWER CONNECTION	(\$10,000)

<b>EXPENDITURES AS OF JUNE 30, 2006</b>	<b>(\$7,614,922)</b>
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**ESTIMATED EXPENDITURES 2006/2007:**

HYDRANT REFURBISHMENT 1/2 SERVICE	(\$500,000)
IFR 2006 CONSTRUCTION	(\$5,045,000)
IFR 2006 CONSTRUCTION SERVICES	(\$100,000)

<b>EXPENDITURES AS OF JUNE 30, 2007</b>	<b>(\$5,645,000)</b>
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**FUNDING:\***

IFR 2006 CONTRIBUTION - JULY 2005 - JUNE 2006	\$3,400,000
IFR 2007 CONTRIBUTION - JULY 2006 - JUNE 2007	\$3,400,000
<b>2006/2007 TOTAL ADDITIONAL FUNDING</b>	<b>\$6,800,000</b>

<b>TOTAL ALL CURRENT/APPROVED PROJECTS</b>	<b>(\$1,951,429) **</b>
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\* PROJECTION OF INCREASED FUNDING NOT INCLUDED  
PENDING PUC FILING. NEED TO REVISE WHEN ORDER  
ISSUED.

\*\* IN ALL LIKELIHOOD, NOT ALL PROJECTS WILL BE  
COMPLETED BY JUNE OF 2006. CARRY OVER  
EXPENDITURES WILL BE REQUIRED FOR 2007.

# **EXHIBIT H**

June 15, 2005

# CHANGE ORDER

No. 5

DATE OF ISSUANCE _____	EFFECTIVE DATE: _____
OWNER <u>Kent County Water Authority</u>	
CONTRACTOR <u>C.B Utility Co., Inc.</u>	
Contract: <u>Black Rock Road Area Transmission Mains</u>	
Project: <u>Same as above</u>	
OWNER's Contract No. <u>CIP 4</u>	ENGINEER's Contract No. _____
ENGINEER <u>Garofalo &amp; Associates, Inc.</u>	

You are directed to make the following changes in the Contract Documents:

**Description:**

Clinton Ave. near Lambert Ct. - Remove and dispose the 16"x 6" tee, all pipe and appurtenances within 3' of the 16" pipe and the interconnection between the existing 16" main and the recently abandoned 6". Replace the tee and pipe with straight length of pipe and two couplings. If the 6" valve remains, abandon the gate box by removing the top section and filling the void with gravel. All pipe openings on abandoned pipe shall be closed with brick and mortar.

Colvin St. near Clark Rd. - Remove and dispose the interconnection between the 16" main and the recently abandoned 20" main. The 16" x 16" tee shall be cut out and replaced with a piece of straight pipe and two couplings. Remove and dispose pipe and appurtenances within 3' of the 16" pipe, if the 16" valve remains, abandon gate box by removal of top section and filling with gravel. All pipe openings on abandoned pipe shall be closed with brick and mortar.

Installation of 2" service at 285 Hill Street - Install a 2" water service as described in the attached documents.

**Reason for Change Order:**

Change order issued to add work to the contract.

**Attachments:**

CB Utility quotation for installation of 2" water Service, removal of existing 16" x 6" tee on Clinton Ave, and removal of 16" x 16" tee on Colvin Street.

CHANGE IN CONTRACT PRICE:
Original Contract Price \$5,359,886.00
Net Increase ( <del>Decrease</del> ) from previous Change Orders No. <u>1</u> to <u>4</u> \$80,719.38
Contract Price prior to this Change Order: \$5,440,605.38
Net increase ( <del>decrease</del> ) of this Change Order: \$ <u>13,361.05</u>
Contract Price with all approved Change Orders: \$ <u>5,453,966.43</u>

CHANGE IN CONTRACT TIMES:
Original Contract Times: Substantial Completion: <u>November 15, 2005</u> Ready for final payment: <u>June 30, 2006</u> (days or dates)
Net change from previous Change Orders No. <u>1</u> to No. <u>4</u> Substantial Completion: <u>0 days</u> Ready for final payment: <u>0 days</u> (days)
Contract Times prior to this Change Order: Substantial Completion: <u>0 days</u> Ready for final payment: <u>0 days</u> (days or dates)
Net increase (decrease) this Change Order: Substantial Completion: <u>0 days</u> Ready for final payment: <u>0 days</u> (days)
Contract Times with all approved Change Orders: Substantial Completion: <u>November 15, 2005</u> Ready for final payment: <u>June 30, 2006</u> (days or dates)

RECOMMENDED:  
Garofalo & Associates, Inc.

By: [Signature]  
ENGINEER (Authorized Signature)

APPROVED:

By: [Signature]  
OWNER (Authorized Signature)

ACCEPTED:

By: [Signature]  
CONTRACTOR (Authorized Signature)

Date: 5-24-05

Date: 5/26/05

Date: 5-25-05

**KCWA CIP-4  
Black Rock Road Transmission Mains**

Extra Work: Installation of 2" Water Service

C.B. Utility Co., Inc. proposal to install 2" Service on ~~Black Rock Rd.~~ *ZBS Hill St.*

May 23, 2005

<u>LABOR</u>	<u>NO.</u>	<u>HOURS</u>	<u>HOURLY</u>	<u>TOTAL</u>
		<u>EA.</u>	<u>RATE</u>	
Foreman	1	4.00	\$ 51.59	\$ 206.36
Pipelaye	1	4.00	\$ 44.63	\$ 178.52
Laborer	1	4.00	\$ 44.25	\$ 177.00
Backhoe Operator	1	4.00	\$ 52.16	\$ 208.64
SUBTOTAL				\$ 770.52

<u>EQUIPMENT</u>	<u>NO.</u>	<u>HRS.</u>	<u>HOURLY</u>	<u>TOTAL</u>
			<u>RATE</u>	
JD-710	1	4.00	\$ 55.28	\$ 221.12
Utility Truck	1	4.00	\$ 10.28	\$ 41.12
Rental Dump Truck	1	2.00	\$ 51.50	\$ 103.00
SUBTOTAL				\$ 365.24

<u>MATERIALS</u>	<u>UNIT</u>	<u>AMOUNT</u>	<u>UNIT</u>	<u>TOTAL</u>
			<u>PRICE</u>	
24" x 2" Saddle	ea	1.00	\$ 288.81	\$ 288.81
2" Corp.	ea	1.00	\$ 80.67	\$ 133.40
2" Curb Stop	ea	1.00	\$ 134.75	\$ 189.43
2" Union	ea	1.00	\$ 39.50	\$ 52.40
2" Copper Tubing	lf	20.00	\$ 6.12	\$ 122.40
Roadway Box	ea	1.00	\$ 62.50	\$ 62.50
SUBTOTAL				\$ 848.94

Total	\$ 1,984.70
15% OH&P Markup	\$ 297.71
Total Cost Per Each 2" Service	\$ 2,282.41

Note: Paving, police detail and any gravel borrow if required would be at the prices established in the contract.

**KCWA CIP-4  
Black Rock Road Transmission Mains**

Extra Work: **Removal of Existing 16" x 6" Tee**

C.B. Utility Co., Inc. proposal to remove existing 16" x 6" Tee on Clinton Ave.

May 13, 2005

<u>LABOR</u>	<u>NO.</u>	<u>HOURS</u> <u>EA.</u>	<u>HOURLY</u> <u>RATE</u>	<u>TOTAL</u>
Foreman	1	8.00	\$ 51.59	\$ 412.72
Pipelayer	1	8.00	\$ 44.63	\$ 357.04
Laborer	2	8.00	\$ 44.25	\$ 708.00
Backhoe Operator	1	8.00	\$ 52.16	\$ 417.28
Loader Operator	1	8.00	\$ 50.56	\$ 404.48
<b>SUBTOTAL</b>				<b>\$2,299.52</b>

<u>EQUIPMENT</u>	<u>NO.</u>	<u>HRS.</u>	<u>HOURLY</u> <u>RATE</u>	<u>TOTAL</u>
Hyundai Exc.	1	8.00	\$ 69.78	\$ 558.24
Cat 938 Loader	1	8.00	\$ 44.35	\$ 354.80
Utility Truck	1	8.00	\$ 10.28	\$ 82.24
Rental Dump Truck	1	8.00	\$ 51.50	\$ 412.00
<b>SUBTOTAL</b>				<b>\$1,407.28</b>

<u>MATERIALS</u>	<u>Unit</u>	<u>AMOUNT</u>	<u>UNIT</u> <u>PRICE</u>	<u>TOTAL</u>
16" DI Pipe	lf	10.00	\$ 36.00	\$ 360.00
16" Coupling	ea	2.00	\$ 375.00	\$ 750.00
3/4" Stone	cy	5.00	\$ 14.51	\$ 72.55
<b>SUBTOTAL</b>				<b>\$1,110.00</b>

<b>Total</b>	<b>\$ 4,816.80</b>
<b>15% OH&amp;P Markup</b>	<b>\$ 722.52</b>
<b>Total Cost</b>	<b>\$ 5,539.32</b>

Note: Paving, polloe detail and any gravel borrow if required would be at the unit prices established in the contract.

**KCWA CIP-4  
Black Rock Road Transmission Mains**

**Extra Work: Removal of Existing 16" x 16" Tee**

**C.B. Utility Co., Inc. proposal to remove existing 16" Tee on Colvin St.**

**May 13, 2005**

<u>LABOR</u>	<u>NO.</u>	<u>HOURS</u> <u>EA.</u>	<u>HOURLY</u> <u>RATE</u>	<u>TOTAL</u>
Foreman	1	8.00	\$ 51.50	\$ 412.72
Pipelayer	1	8.00	\$ 44.63	\$ 357.04
Laborer	2	8.00	\$ 44.25	\$ 708.00
Backhoe Operator	1	8.00	\$ 52.16	\$ 417.28
Loader Operator	1	8.00	\$ 50.58	\$ 404.48
<b>SUBTOTAL</b>				<b>\$2,299.52</b>

<u>EQUIPMENT</u>	<u>NO.</u>	<u>HRS.</u>	<u>HOURLY</u> <u>RATE</u>	<u>TOTAL</u>
Hyundai Exc.	1	8.00	\$ 69.78	\$ 558.24
Cat 938 Loader	1	8.00	\$ 44.35	\$ 354.80
Utility Truck	1	8.00	\$ 10.28	\$ 82.24
Rental Dump Truck	1	8.00	\$ 51.50	\$ 412.00
<b>SUBTOTAL</b>				<b>\$1,407.28</b>

<u>MATERIALS</u>	<u>Unit</u>	<u>AMOUNT</u>	<u>UNIT</u> <u>PRICE</u>	<u>TOTAL</u>
16" DI Pipe	lf	10.00	\$ 36.00	\$ 360.00
16" Coupling	ea	2.00	\$ 375.00	\$ 750.00
3/4" Stone	cy	5.00	\$ 14.51	\$ 72.55
<b>SUBTOTAL</b>				<b>\$1,110.00</b>

<b>Total</b>	<b>\$4,016.80</b>
<b>15% OH&amp;P Markup</b>	<b>\$ 722.52</b>
<b>Total Cost</b>	<b>\$5,639.32</b>

**Note: Paving, police detail and any gravel borrow if required would be at the unit prices established in the contract.**

# **EXHIBIT I**

June 15, 2005

# CHANGE ORDER

No. 6

DATE OF ISSUANCE \_\_\_\_\_

EFFECTIVE DATE: \_\_\_\_\_

OWNER Kent County Water Authority  
 CONTRACTOR C.B Utility Co., Inc.  
 Contract: Black Rock Road Area Transmission Mains  
 Project: Same as above  
 OWNER's Contract No. CIP 4 ENGINEER's Contract No. \_\_\_\_\_  
 ENGINEER Garofalo & Associates, Inc.

You are directed to make the following changes in the Contract Documents:

**Description:**

Reduce quantities from the following items: 12 (abandon 6"/8" water main in place), 74 (full width 1 1/2" overlay), 75 (leveling course), 91(CDF). Quantity to be removed from Town roads in the Town of Coventry. See Attached Summary.

**Reason for Change Order:**

Contractor will not install final pavement on town roads in the Town of Coventry. Pipes being abandoned in the Town of Coventry will not be filled with CDF. The ends of the pipes shall be enclosed with brick and mortar. End of pipe to be enclosed at no additional compensation.

**Attachments:**

LOCATION DESCRIPTION SHEET.

CHANGE IN CONTRACT PRICE:
Original Contract Price <u>\$5,359,886.00</u>
Net Increase ( <del>Decrease</del> ) from previous Change Orders No. <u>1</u> to <u>5</u> <u>\$94,080.43</u>
Contract Price prior to this Change Order: <u>\$5,453,966.43</u>
Net <del>increase</del> (decrease) of this Change Order: <u>\$ (288,301.00)</u>
Contract Price with all approved Change Orders: <u>\$ 5,165,665.43</u>

CHANGE IN CONTRACT TIMES:
Original Contract Times: Substantial Completion: <u>November 15, 2005</u> Ready for final payment: <u>June 30, 2006</u> (days or dates)
Net change from previous Change Orders No. <u>1</u> to No. <u>4</u> Substantial Completion: <u>0 days</u> Ready for final payment: <u>0 days</u> (days)
Contract Times prior to this Change Order: Substantial Completion: <u>0 days</u> Ready for final payment: <u>0 days</u> (days or dates)
Net increase (decrease) this Change Order: Substantial Completion: <u>0 days</u> Ready for final payment: <u>0 days</u> (days)
Contract Times with all approved Change Orders: Substantial Completion: <u>November 15, 2005</u> Ready for final payment: <u>June 30, 2006</u> (days or dates)

RECOMMENDED:

Garofalo & Associates, Inc.

By: [Signature]  
ENGINEER (Authorized Signature)

APPROVED:

By: [Signature]  
OWNER (Authorized Signature)

ACCEPTED:

By: [Signature]  
CONTRACTOR (Authorized Signature)

Date: 5-24-05

Date: 5/26/05

Date: 5-25-05

PIPE ABANDONMENT QUANTITY CALCULATIONS: LINEAR FEET AND CDF

SHEET	STREET	FROM	TO	DIST (FT)	DIA (IN)	AREA	VOLUME (CF)	V (CY)
1	BLACK ROCK	FAIRVIEW	CONGDON	1240	8	0.349	432.842	16.031
1	BLACK ROCK	FAIRVIEW	# 80	986	6	0.196	193.601	7.170
2	BLACK ROCK	BOSTON	GERVAIS	620	8	0.349	216.421	8.016
2	BLACK ROCK	BLACK ROCK	KNOTTY OAK	2876	8	0.349	1,003.913	37.182
3	BLACK ROCK	REYNOLDS	HILL	2070	8	0.349	722.566	26.762
5	BLACK ROCK	BLACK ROCK	HOWARD	3226	8	0.349	1,126.086	41.707
				11018	CALCULATED QUANTITY TO BE REMOVED:		136.868	
					TOTAL QUANTITY IN CONTRACT BID FORM:		320.000	

PIPE ABANDONMENT COST CALCULATIONS: DOLLARS

TOTAL	COVENTRY	UNITS	UNIT PRICE	REDUCE CONTRACT
ITEM 12 - CONTRACT VALUE 6-8"	12,591	11,018 LF	\$ 7.00	\$ 77,126.00
ITEM 91 - CDF VOLUME	8,640	3,695 CF	\$ 75.00	\$ 10,275.00
	320	137 CY		\$ 87,401.00

REMOVE ASPHALT FROM CONTRACT

FINAL PAVEMENT COST CALCULATIONS: DOLLARS

ITEM	TONS REMOVED	UNIT PRICE	FROM CONTRACT	COST TO REM.
ITEM 74 - OVERLAY	3595	\$ 50.00	\$ 179,750.00	
ITEM 75 - LEVELING COURSE	470	\$ 45.00	\$ 21,150.00	
			\$ 200,900.00	

SUMMARY ITEMS TO REMOVE	UNIT PRICE	QUANTITY	VALUE
ITEM 12 - CONTRACT VALUE 6-8	\$ 7.00	11,018	\$ 77,126.00
ITEM 74 - OVERLAY	\$ 50.00	3595	\$ 179,750.00
ITEM 75 - LEVELING COURSE	\$ 45.00	470	\$ 21,150.00
ITEM 91 - CDF VOLUME	\$ 75.00	137	\$ 10,275.00
			\$ 288,301.00

# **EXHIBIT J**

June 15, 2005

# DiPrete Engineering Associates, Inc.

TWO STAFFORD COURT  
CRANSTON, RI 02920  
TEL (401) 943-1000  
FAX (401) 464-6006

PARE Engineering Corporation  
8 Blackstone Valley Place  
Lincoln, R.I. 02865

May 17, 2005

Attn: Brendan Ennis  
Phone: (401) 334-4100  
Fax: (401) 334-4108

**RE: Surveying & Mapping for Kent County Water Authority, Proposed 2 Million Gallon Storage Tank, Read School House Road, Coventry, R.I.**

Dear Mr. Ennis,

Thank you for requesting a survey proposal for the above referenced project. As experienced land surveyors, we are sure we have the ability to successfully complete this project. We maintain 5 survey field crews plus 2 GPS units and crews and a fully staffed engineering and office support team. Our personnel use the most current technology available including total stations, data collectors, GPS surveying equipment, and Land Development Desktop 2004.

We understand the scope of work to be as follows:

## Project Scope

The Kent County Water Authority (KCWA) is seeking to construct a 2 million gallon storage tank on a site located off of Read School House Road and Nike Site Road in Coventry, Rhode Island. It is our understanding that you would like DiPrete Engineering Associates, Inc. (DEA) to provide the necessary basemapping and surveying in support of the design of this tank. This work will entail the following items, Items 5 & 6 are from the previous proposal prepared by this office on July 26, 2004. These items are the only outstanding items from the previous contract which would be carried over to this new scope of work to be done at the completion of work in tasks 7-10.

5. Install Stone Bounds on Lot Corners - DEA will install stone bounds on the four corners of the KCWA Lot. Additionally, a metes and bounds description of the KCWA Lot will be prepared based on the Walker Ridge Record Plan from which the lot was created.
6. Install Iron Rods on Easement Corners - DEA will install Iron Rods to delineate the corners of the Temporary Construction Easement (7 points). These Iron Rods are driven in flush with the ground and a wooden stake is placed next to the Rod to act as a visible witness to easement corner. A metes and bounds description of this easement area, also based on the above referenced plan, will be prepared as well.
7. Topographic & Utility Survey of New Site - DEA did the civil engineering and land surveying for the Walker Ridge Subdivision that the KCWA lot was cut out of. This work was performed from the mid 1990's up through project completion around 2001. Two foot contour mapping exists for the area encompassed by the KCWA Lot; however

Read School House Road, KCWA Lot, Coventry, R.I.  
PARE Engineering Corp./Mr. Brendan Ennis  
5/17/05, Page 2 of 4

the original photogrammetry is based on photos from the mid 1980's. This topography is on the NGVD'29 vertical datum. DEA feels that this mapping is still accurate in the area of the KCWA lot due to its remote location and is proposing to field verify this mapping through traditional survey methods, obtaining spot elevations on the lot itself. Once this field work is complete, DEA would compile the data update the basemap if necessary. The area to be surveyed including the roadways of Read School House Road and Nike Site Road would be approximately 4 acres. DEA would field survey any surface utilities or markings within the Project Area. Elevations on the rims and inverts of existing drainage structures within the Project Area need to be determined. It is assumed that there are no sewer structures in the area and that very minimal drainage structures exist. This work would include locating the structure by conventional field survey for rim elevation and opening and taping the invert elevation and noting the size and material of the pipes in the structure.

- 8. Utility Research - We will research and obtain copies of any plans depicting water, drainage, electric and gas services within the Project Area from various agencies. Any information gained will be added to the basemap. At this stage, this work will be confined primarily to the areas along Read School House Road and its intersection with Nike Site Road as DEA has already checked for utilities along Nike Site Road.
- 9. Field Walk/Edit of the Basemap - This will be a walk through of the Project Area once the basemap and field survey is complete to check that existing conditions match the basemap provided by photogrammetry and survey. Pole numbers, house numbers and features missed by photogrammetry and field survey will be noted and marked for addition to the basemap.
- 10. Prepare New Record Plan - Once the new lot line arrangement is settled on, DEA would prepare a new plan depicting the geometry of the new lot. The geometry would be used to prepare any metes and bounds descriptions for the new lot. [At this stage it is not known if the plan will need to be recorded with the Town or what, if any, submissions or public hearings will be required.]

minor effort

Billing

We will bill lump sum for the survey work. This estimate is based on the following hourly rates:

*Remaining work outstanding from Previous contract to carry over to new Scope*

**5.0 Install Stone Bounds on Lot 25 Corners and Prepare Metes and Bounds**  
*(assumes 4 stone bounds)*

**Subtotal Value \$1,120**

**6.0 Install Iron Rods on Easement Corners and Prepare Metes and Bounds**

**Subtotal Value \$1,335**

\$2,455 (already included in contract)



Read School House Road, KCWA Lot, Coventry, R.I.  
PARE Engineering Corp./Mr. Brendan Ennis  
5/17/05, Page 3 of 4

*New Scope of Work*

**7.0 Topographic & Utility Survey of New Site**

**Subtotal Value** **\$2,755**

**8.0 Utility Research**

**Subtotal Value** **\$400**

**9.0 Field Edit Basemap**

**Subtotal Value** **\$725**

**10.0 Prepare New Record Plan**

**Estimated Subtotal** **\$1,320**

**Total Contract Value** **\$7,655**

*\$5,200  
New  
work*

This proposal excludes the following:

1. Any meetings.
2. Any Engineering Design Services (assumed not required).
3. Plan Reproduction Costs.
4. Filing Fees.
5. Any work not specifically detailed in the outlined scope of work.
6. Costs associated with revisions or additional requirements by reviewing parties.
7. Revisions to the new survey plan depicting the KCWA Lot and it's easement for the purposes of recording or public hearings.
8. Resetting any perimeter boundary marker points destroyed or disturbed due to construction activities or time.
9. Construction survey stake out of proposed improvements such as drainage structures, buildings, lot corners, etc.
10. Additional topographic survey beyond the Site boundary or areas not mapped by photogrammetry other than survey quoted in scope of work.
11. Assistance with any zoning variances (assumed not required).
12. Field survey of wetland flag locations (assumed not required).
13. Installation of more than 4 stone bounds or 7 iron rods.
14. Preparation, review or certification of any proposed subdivision or easement plans or radius maps or abutter's lists for a public hearing.
15. Boundary Line Agreement with any abutters.

Read School House Road, KCWA Lot, Coventry, R.I.  
PARE Engineering Corp./Mr. Brendan Ennis  
3/17/06, Page 4 of 4

Thank you for requesting this proposal. We are available at your convenience to discuss this further. Any work requested outside of the outlined scope of work will be billed at hourly rates as shown on the attached addendum unless otherwise negotiated. We have suggested this scope of work based on our understanding of what would be needed at this time. To authorize us to proceed, please sign a copy of this proposal that has been prepared in accordance with the attached addendum, and return it to us. Feel free to call us with any questions or comments.

Respectfully submitted;

DiPrete Engineering Associates, Inc.



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Michael E. Gavitt  
Project Engineer

Attachment: Addendum

Authorization to Proceed and Acceptance of Proposal:

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Signature

Date

# ADDENDUM TO DIPRETE ENGINEERING ASSOC., INC. CONTRACT/PROPOSAL

Diprete Engineering Assoc., Inc. (DEA) and the CLIENT agree to the terms detailed in the Contract/Proposal (Agreement) and as follows:

### SCHEDULE OF CHARGES

**Fees**  
Fees paid to DEA will be as agreed to in the project Agreement. All estimated work and additional work requested will be billed according to the following rates schedule:

Project Manager	- \$110/hr
Project Engineer	- \$85/hr
Project Land Surveyor	- \$80/hr
Project Engineer/Designer	- \$75/hr
CMI Engineer/Survey Engineer	- \$75/hr
CMI Engineer	- \$70/hr
Field Engineer/Designer	- \$65/hr
Field Engineer/Designer II	- \$55/hr
Field Technician/Office Technician	- \$45/hr
CAOB/GPS Submeter Equipment	- \$50/hr
GPS 4700	- \$100/hr

Rates are as of January 1, 2005 and subject to change without notice, after 12 months from Agreement date.

### OTHER CHARGES

**Reimbursement**  
These charges are in addition to the fee for services and shall include actual expenditures made in the interest of the connection with the project: communications, filing fees to government agencies, review fees to government agencies, reproduction of drawings, specification and reports except for copies for DEA's internal use, photography, models and renderings, equipment rental, postage and delivery charges on any of the preceding. An administrative charge of ten (10%) percent shall be applied to all reimbursements except for automobile mileage which will be reimbursed at the current rate established by the IRS.

**Consultants**  
Consultants or other outside services such as, but not limited to, laboratory testing, boring contractors, hydrologs, etc. engaged by DEA for project services shall be billed at a multiple of one and ten hundredths (1.10) times the amount billed to DEA.

**Taxes**  
Taxes such as, but not limited to, Value Added Tax (VAT), State Sales Tax, excise or gross receipts tax imposed on DEA's services shall be added to the compensation or fees. The taxes would not apply if waived through application of tax-exempt status.

**Computer Services**  
Computer Services, CAD and plotting for technical applications directly attributed to a project will be charged at the rate of \$50/hr.

### PAYMENTS

**Initial Payment**  
Initial Payment or contract retainer (varies in accordance with nature and extent of services) is required upon execution of the Agreement. The payment will be credited against the final payment(s).

**Monthly Payments**  
Monthly Payments are due and payable upon receipt of invoices unless otherwise provided for in the Agreement. Balances outstanding more than thirty (30) days from the date of invoicing shall bear interest at a rate of one and one-half (1-1/2%) per month. The amount of interest charges shall not exceed the maximum legal rate in accordance with the applicable state and federal laws.

If the CLIENT fails to make any payment due DEA within thirty (30) days of invoicing, DEA may suspend services under this Agreement until DEA has been paid in full amounts due it on the account of services and expenses. All collection costs, including reasonable attorneys' fees incurred by DEA, shall be paid by the CLIENT. CLIENT agrees to allow a lien to be filed against the property should he/she fail to pay in full for amounts due. This consent for lien filing authorizes DEA to record liens after the expiration of the 120 day period from the date of performance of the work.

**Other Payment Conditions**  
No deduction shall be made from DEA's compensation on account of penalty, liquidated damages or other amounts withheld from payments to the Construction Contractor(s) and any other parties the CLIENT may have entered into contracts with in connection with the project.

Failure to pay invoices within 30 days from date of invoicing shall grant DEA the right to refuse to render further services and such actions shall not be a breach of any contractual agreement with the CLIENT.

### GENERAL CONDITIONS

**Proposals**  
Fee Proposals are subject to renegotiation if not accepted within thirty (30) days of submission date unless DEA agrees in writing to an extension when requested. The fees and terms shall remain in full force and effect for a year from the date of Agreement or as otherwise noted in said executed Agreement and are subject to revision at that time or anytime thereafter. In the event that the parties fail to agree on the new rates, either party may terminate the Agreement by giving the other parties seven (7) days written notice.

### Construction Estimates

Initial acceptance: \_\_\_\_\_  
Date: \_\_\_\_\_

DEA, in its preparation of construction cost estimates, uses its best judgment, as a professional familiar with the construction industry. It is recognized that neither DEA nor the CLIENT has control over the cost of labor, materials, or equipment, over the Contractor's methods of determining bid prices or over competitive bidding market or negotiating conditions. Accordingly, DEA cannot and does not warrant or represent that bids received or negotiated prices will not vary from the original estimates that may have been provided to the CLIENT.

### Successors and Assigns

The CLIENT and DEA respectively bind themselves, their partners, successors, assigns and legal representatives to the other Party, to this Agreement and to the partners, successors, assigns and legal representatives of such other Party with respect to all covenants of this Agreement. Neither the CLIENT nor DEA shall assign, sublet or transfer any interest in this Agreement without the written consent of the other and such consent shall not be unreasonably withheld.

### Limitation of Liability

The CLIENT agrees to limit DEA's liability to the CLIENT and to all construction contractors, subcontractors and third party claims on the project, due to DEA's professional negligent acts, errors or omissions, such that the total aggregate liability of DEA to all those named shall not exceed \$25,000. It is further understood that the CLIENT may request that DEA undertake uninsurable obligations for the CLIENT's benefit involving the presence or potential presence of asbestos or hazardous substances. Therefore, the CLIENT agrees to hold harmless, indemnify and defend DEA from and against any and all claims, losses, damages, liability and costs, including but not limited to costs of defense arising out of or in any way connected with the presence, discharge, release or escape of contaminants of any kind, excepting only such liability as may arise out of the sole negligence of DEA in the performance of services under the Agreement. The CLIENT may request higher liability limitations from DEA prior to authorizing the work. If higher limitations are requested, the CLIENT will be billed the direct cost of the insurance.

### Limit of Scope of Services

DEA has limited the scope of services to work that is specifically defined within the contract. Engineering Consulting Services that are categorically disclaimed unless otherwise specified are:

1. Hazardous waste identification or certification as to its existence or presence on a job site.
2. Conformance to federal, state, local ordinances in regards to addressing requirements of hazardous waste delineation or treatment.
3. All work not specifically outlined in the scope of services.
4. Code compliance, OSHA compliance, construction compliance with the design plans.

### Documents

All reports, boring logs, field data, field notes, laboratory test data, calculations, plans, estimates and other documents, data or information prepared by DEA as instruments of service, shall remain the sole property of DEA. Documents will not, in whole or in part, be disseminated or conveyed to any other party, not used by any other party in whole or in part, without the prior written consent of DEA, except as required by law. All reports and other work prepared by DEA for the CLIENT shall be utilized solely for the intended purposes and site described in the Proposal. DEA will retain all pertinent records for a period of three (3) years following the expiration of DEA's report to the CLIENT. Such records will be available to the CLIENT upon request at DEA's office during office hours on reasonable notice, and copies will be furnished by DEA to the CLIENT for the total cost of reproduction of the same. All documents are to be treated as copyrighted work of DEA. The Plans, Specifications and Computations shall not be used by the CLIENT on other projects or additions to this project, or for completion of this project by others, except by prior written agreement and with appropriate compensation to DEA.

### Construction Inspection

The CLIENT recognizes that unanticipated or changed conditions are likely to be encountered during construction. The CLIENT agrees to retain DEA to monitor construction, and DEA agrees to assign to the monitoring function persons qualified to observe and report on the quality of work performed by contractors, et al. The CLIENT recognizes that construction monitoring is a technique employed to minimize the risk of problems arising during construction. Provisions of construction monitoring by DEA is not insurance, nor does it constitute a warranty of guarantee of any type. In all cases, contractors, et al. shall retain responsibility for the quality of their work and for adhering to plans and specifications, including responsibility for maintaining legal methods of transport and appropriate locations for disposal of materials. Should the CLIENT for any reason not retain DEA to monitor construction, or should the CLIENT unreasonably restrict DEA's assignment of personnel to monitor construction, or should DEA for any reason not perform construction monitoring during the full period of construction, DEA shall not have the ability to provide a complete service, and thus not have the capability for adequate control or implementation of the complete engineering function, the CLIENT waives any claim against DEA, and agrees to indemnify, defend and save DEA harmless for any claim or liability for injury or loss arising from problems during construction that allegedly result from findings, conclusions, recommendations, plans or specifications developed by DEA. The CLIENT also agrees to compensate DEA for any time spent and expenses incurred by DEA in defense of any such claim, with such compensation to be based upon DEA's prevailing fee schedule and expenses reimbursement policy relative to recovery of direct project costs.

# **EXHIBIT K**

June 15, 2005

**PLANNING DOCUMENT \$25,000/YEAR ALLOCATION**

<b>PROJECT</b>	<b>STATUS</b>
Water Supply System Management Plan WSSMP	Approved & completed 5 year update due 2007
Clean Water Infrastructure Plan	Approval June 13, 2003. 5 year update due 2008
Vulnerability Assessment Bio-Terrorism Bill	Submitted December 19, 2003
Revised Emergency Response Plan	By June 19, 2004
Simplified EFP Topic Sheets/Employee distribution	December 2004

**UPDATED CIP PROJECTS BOND FUNDING**

<b>PROJECT</b>	<b>STATUS</b>
Mishnock Well Field (new wells) CIP - 1A	Project closed out.
Mishnock Transmission Mains CIP - 1B	Project closed out.
Mishnock Treatment Plant CIP - 1C	Project closed out.
R-CIP 19 Tiogue Avenue Main	Project closed out.
East Greenwich Well Treatment Plant - CIP-2	Sequestering Online, test results due in
Blackrock Road Transmission Main - CIP-4	Change order # 5 & 6 on line
Clinton Avenue Pump Station Rehabilitation CIP - 7A	Construction Status
Read School House Road Tank CIP - 7B	Site Movement Survey
Read School House Road Main CIP 7c, 7d, 8a	Final Review Completed Set Bid Date
Mishnock 4 Well Installation	On hold. RFP 4 & 5 plus control facility / T.P.

**IFR FUNDED PROJECTS**

<b>PROJECT</b>	<b>STATUS</b>
IFR 2003	Construction complete except Pulaski Street Paving.
IFR 2004	Contract Split Up/Pending Budget Approval
Geographic Information System Base Map	Completed.
Geographic Information System Second Phase	Box Locations & Features
Knotty Oak Road. Old CIP 5	Construction completed.
Tiogue Tank Modified Service Area	Start-up
Setian Lane new pumping station and Frenchtown vault rehabilitation.	Awaiting Close Out Documents
Setian Lane Tank painting	Completed.
Oaklawn Meter Replacement IFR	Completed.
PWSB 78" / Johnson Blvd. P.S. Modification	Project to be delayed due to Setian Lane P.S.
Rehabilitation Mishnock #3	Redevelopment completed.
Revised Hydraulic Model	No additional task orders. C & E to review with Board
Color Study Mishnock Wells	Piloting Study Review
Cleaning & Lining Greenwich Avenue	Design Status
<b>PROJECT</b>	<b>STATUS</b>
Web site preparation	Up and running.
Strategic Plan	Sub-committee to develop plan.
Newsletter	Preparation for next issue.
CCR 2003	Mailed.
Colvintown Road	Week of June 20 - Make Connection & Install 23 Services
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