

KENT COUNTY WATER AUTHORITY

BOARD MEETING MINUTES

August 17, 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 August 17, 2005.

Chairman Perry opened the meeting at 3:35 P.M. Chairman Perry, Board Members, Mr. Masterson and Mr. Boyer 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. Board Member Gallucci and Board Member Graham were excused for medical reasons.

The minutes of the Board meeting of July 20, 2005 were moved for approval by Board Member Boyer and seconded by Board Member Masterson and the minutes were unanimously approved.

Guests:

High Service Requests

The Chairman for the benefit of all present read aloud all of the standard conditions in lieu of a moratorium as attached as "A" and further he explained the water shortage in detail.

61 Island Drive

Mr. and Mrs. Richard Tedesco appeared and had written a letter concerning their hardship that they are very concerned about their well water especially since she is a cancer survivor and the necessity of obtaining Kent County Water Authority Supply (attached as "B"). The Chairman asked if the applicants understood the standard conditions in lieu of a moratorium and they did acknowledge the same and heard the Chairman read the standard conditions in lieu of a moratorium and would abide by the same.

It was moved by Board Member Boyer and it was seconded by Board Member Masterson to approve water service connection to 61 Island Drive subject to the standard conditions in lieu of a moratorium 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 61 Island Drive
subject to the standard conditions in lieu of a moratorium 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.

Maple Root Center (2435 Nooseneck Hill Road-Coventry AP2, AL 1.2)

Patricia Walker, P.E. appeared before the Board, who represents Specific Properties, LLC (Ted Overton) who abuts the mobile home park and is opposite S & T Hardware. The project includes office, retail, storage and request water service since there is no option and very low water demand with this project (2,500 g/d/maximum). Permitting is close to finalization and this approval is part of the process. Mrs. Walker had also sent a communication to the Kent County Water Authority attached herein as "C".

The Chairman asked if the applicants understood the standard conditions in lieu of a moratorium and they did acknowledge the same and heard the Chairman read the standard conditions and would abide by the same.

It was moved by Board Member Masterson and seconded by Board Member Boyer to approve water service connection to 2435 Nooseneck Hill Road, Coventry (AP2, AL 1.2) subject to the standard conditions in lieu of a moratorium 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 and flow calculations 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 Maple Root Center, 2435 Nooseneck Hill Road, Coventry, Rhode Island subject to the standard conditions in lieu of a moratorium 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 and flow calculations 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.

Deer Run Estates

Sanford Resnick, Esq. appeared before the Board for Gary Johnson (owner) and also present was Joe Casali, P.E. of Joe Casali Engineering, Inc. Mr. Casali stated that the proposed project is a 23 Lot residential subdivision with an 8' line and would want a connection for domestic and fire protection. He stated that the model demonstrates adequacy albeit it may require booster pumps for the homes above the 400 foot gradient. The project is in preliminary permitting stages. Mr. Casali had also forwarded a communication to the Board which is attached as "D".

The Chairman asked why wells could not be used and Mr. Casali stated that the wells are insufficient to produce required water and some existing homes presently have 2 and 3 wells each. The developer stipulated that he would provide Kent County Water Service and install service to the five existing neighboring homes because of their extreme need. The Chairman stated that the build out of homes would have to be limited to a maximum of eight per year and the General Manager stated that booster pumps will be needed and appropriate deed restrictions will be prepared by Legal Counsel.

The Chairman asked if the applicant, Gary Johnson (owner) understood the standard conditions in lieu of a moratorium and he did acknowledge the same and heard the Chairman read the standard conditions and would abide by the same.

It was moved by Board Member Masterson and seconded by Board Member Boyer to approve water service connection to Deer Run Estates subject to the standard conditions in lieu of a moratorium 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 and computerized 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.

8. No more than 8 houses per year will be connected to the public water system.

9. Developer will provide deed restrictions acceptable to Kent County Water Authority related to approval of service with individual booster pumps for lots 16, 17, 18 and 19. Developer shall pay all Kent County Water Authority legal fees associated with this requirement including, but not limited to review and finalization.

10. Developer has agreed and shall provide suspense services to the 5 existing homes on Deer Run Drive, more specifically delineated as AP-2, Lot Numbres 16-1, 16-2, 16-3, 16-4 and 16-5.

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 Deer Run Estates subject to the standard conditions in lieu of a moratorium 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 and computerized 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.

8. No more than 8 houses per year will be connected to the public water system.

9. Developer will provide deed restrictions acceptable to Kent County Water Authority related to approval of service with individual booster pumps for lots 16, 17, 18 and 19. Developer shall pay all Kent County Water Authority legal fees associated with this requirement including, but not limited to review and finalization.

10. Developer has agreed and shall provide suspense services to the 5 existing homes on Deer Run Drive, more specifically delineated as AP-2, Lot Numbres 16-1, 16-2, 16-3, 16-4 and 16-5.

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.

Coventry Paving Request – Blackrock Road

Coventry Town Official, Paul Sprague and Jon Arcand, Engineer were present. Mr. Sprague stated that there is an agreement with the Kent County Water Authority and Coventry in eliminating the paving from the “Black Rock” contract and the Town is asking for all of the excess funds of \$311,761 pursuant to an unsigned agreement attached as “E” for leveling, police details, resurfacing, fill, labor and striping. Mr. Sprague stated that C.B. Utility Change order requires a \$288,301 reduction and that there are quantity differences.

The Chairman after discussion with Legal Counsel stated that the situation is not a quid pro quo and that the Town is not automatically entitled to excess funds because of reduced materials by the contractor. The Chairman stated that the agreement stated the Town was responsible for the pipe abandonment and should be made whole for the same.

The Chairman stated that two Board Members are not available due to medical emergencies and that the Board will take this matter under advisement and that the Town should submit whatever materials the Town deems would prove and verify its claim or position.

Centre of New England/Commerce Park LLC

Stephen Izzi, Esq. representing Center of New England/ Commerce Park LLC and Nicholas Cambio, owner of Center of New England/Commerce Park LLC asked that they be allowed to speak to the Board and that the discussion be placed on the Agenda.

Board Member Boyer moved and it was seconded by Board Member Masterson to add Center of New England/Commerce Park Realty LLC to the Agenda for discussion only and it was unanimously,

VOTED: To add Center of New England and Commerce Park Realty LLC to the Agenda for discussion only.

Mr. Izzi stated that he and his client were interested in resolving the current litigation in full which was commenced by Commerce Park Realty LLC and to that end it produced a document with five (5) items entitled The Draft of Proposed Conditions, the purpose of which was to avoid costly litigation and would need to study the same. The Chairman stated that it would have been more prudent if the proposal had been received prior to the meeting as had been requested.

Additionally, Mr. Izzi stated that the owner was considering alternate water supplies including holding tanks on the property which could cover dry periods and which could hold anywhere from four to ten million gallons and now are considering master metering the site. The General Manager and the Chairman both stated that the master metering was something that the Authority had been advocating for several years and that the owners were always reluctant to discuss the same. The Chairman thanked them for coming.

Legal Matters

John Rocchio Corporation–(Monies Owed)

District Court is in discovery phase and Superior Court mandatory arbitration phase is now completed with Mark McSally, Esq. appointed by the Court. The Superior Court arbitration was heard and a decision was rendered on August 15, 2005 in the amount of \$9,459.99 and after discussion it was the sense of the Board to accept the arbitration award providing that the other party does not reject the same.

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 a subsequent letter was received on July 19, 2005 with releases which will be reviewed. This has been concluded.

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.

Town of Coventry Cost Share Agreement (Re: Paving)

Acting Town Manager and Solicitor have approved the form of agreement and the contract has been forwarded to the Department of Public Works for execution, but as yet is unsigned and there may be other issues as infra this meeting.

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 July, 2005 which is attached as “F” and after discussion, Board Member Boyer moved and seconded by Board Member Masterson 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 July, 2005, be approved as presented and be incorporated herein and are made a part hereof as “F”.

GENERAL MANAGER/CHIEF ENGINEER’S REPORT OLD BUSINESS:

PUC Rate Case Decision Discussion

The General Manager and Legal Counsel are going to do a motion to correct and/or clarify.

Supplemental Water Supply

The General Manager preliminarily met with Warwick officials and there are common issues which will benefit both and will keep the Board apprised of the progress. The General Manager will set a meeting regarding the possibility of a second connection to Providence Water Supply Board.

New Business

1686 Main Street Exemption Odd/Even Watering Policy

Peter Pots Flower shop had asked the Authority if it could be exempt from the odd/even watering policy due to the fact that it is a commercial flower shop and that it needs to water daily to keep its plants healthy and saleable (Memo of Kevin J. Fitta dated July 22, 2005 attached as "G"). Board Member Boyer moved and it was seconded by Board Member Masterson to approve the exemption of the odd/even watering policy for Peter Pots Flowers, 1686 Main Street, West Warwick, Rhode Island and it was unanimously,

VOTED: To approve the exemption of the odd/even watering policy for Peter Pots Flowers, 1686 Main Street, West Warwick, Rhode Island.

Review System Demands

The General Manager prepared the Water Consumption Graph attached as "H" and the recovery under trying conditions has held its own only with the conservation measures in place as practiced by the vast majority of customers and the system improvements. The graph does not represent storage but pump measurements. The August 3rd numbers exceeded the Authority capacity but cool and overcast weather helped the system recover and prevented more serious problems. Unfortunately, the policing has had results 800 warnings and 30 shut offs. The vast majority of customers deserve a thank you for helping during the crisis.

General Discussion–Water Main Extension

This matter was held.

Berkeley Road Extension

This matter was held.

Bid Review and Approvals

Springlake Well Rehabilitation

The General Manager stated that there were two (2) bids for the Springlake Well Rehabilitation services and Layne Christensen Company was the lowest bid in the amount of \$18,810.00 on outline of which is attached as 'I' and it was moved by Board Member Boyer and seconded by Board Member Masterson to award the bid for the Springlake Well Rehabilitation to Layne Christensen Company in the amount of \$18,810.00 and, it was unanimously,

VOTED: To award the bid for the Springlake Well Rehabilitation to Layne Christensen Company in the amount of \$18,810.00.

Truck Purchase

The General Manager stated that there were two (2) bids for the purchase of a pick up truck and an outline of which is attached as "J". The General Manager stated that the new specifications were not available for the engine size and that both bids were outside specification and it was moved by Board Member Boyer and seconded by Board Member Masterson to reject all bids and to rebid the pick up truck purchase and, it was unanimously,

VOTED: To reject all bids and to rebid the pick up truck purchase.

RFP Review and Approvals

Communication Advisor

The General Manager stated that as a result of recent Public Utilities Commission rate decision which resulted in the elimination of the newsletter and that all bids need to be rejected. It was moved by Board Member Boyer and seconded by Board Member Masterson to reject all bids and it was unanimously,

VOTED: To reject all bids.

Water Rate Consulting

The General Manager stated that there was one proposal for water rate consultant, Woodcock & Associates, which was the lowest bid in the amount of \$175.00 - \$125.00 per hour, an outline of which is attached as "K" and it was moved by Board Member Masterson and seconded by Board Member Boyer to award the bid for water rate consultant to Woodcock & Associates in the amount of \$175.00 - \$125.00 per hour and, it was unanimously,

VOTED: To award the bid for water rate consultant to Woodcock & Associates in the amount of \$175.00 - \$125.00 per hour.

Revised Procurement Procedures Approval

The Chairman stated that the proposed procedures put the Authority into modern times in §1.19 \$5,000 to \$10,000 and \$2,500 - \$5,000 etc. and is attached as “L”. It was moved by Board Member Masterson and seconded by Board Member Boyer to adopt the Kent County Water Authority Procurement Procedures as revised in August, 2005 and it was unanimously,

VOTED: To adopt the Kent County Water Authority Procurement Procedures as revised in August, 2005.

D.E.M. Permit Discussion

The Chairman stated that this matter must be on hold until all five (5) Board members are present for such an important discussion. Legal Counsel is to send a letter to the Director of the Department of Environmental Management regarding two Board members absent with medical emergencies.

CAPITAL PROJECTS: **INFRASTRUCTURE PROJECTS :**

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

Centre of New England lawsuit against the Board (42-46-5(a)(2) Executive Session)

Board Member Boyer moved and Board Member Masterson 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 Boyer moved and Board Member Masterson seconded to exit executive session and to keep the executive session minutes closed and that the minutes shall remain 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 that the minutes shall remain under seal pursuant to R.I.G.L. 42-46-4 and 42-46-5.

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

VOTED: To adjourn the meeting at 7:09 P.M.

Secretary Pro Tempore

EXHIBIT A

August 17, 2005

[Date]

[Name]

[Company]

[Street]

[City, State Zip]

Re: Service Conditional Approval
[Ref. for each project]

Dear [Addressee]:

As you are aware, through your attendance at the Kent County Water Authority Board meeting on _____ that accelerated development has caused a deficient condition in the high service gradient that supplies water to this project. The Authority has been studying potential initiatives to increase water supply but these initiatives will take at least three to five years to be operative as long as adequate funding can be made available and construction can move forward without any delays, including permitting. After considering these factors the Kent County Water Authority Board has reviewed your request for service and all pertinent data presented during the _____ Board meeting, and based upon representations made by you and/or your company at the Board meeting and by certain findings by the Board at the _____ Board meeting, the Kent County Water Authority Board voted to conditionally approve your request [add in specific project or phased schedule] with the following stipulations:

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 applicants 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 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 preparation 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 public health, safety and general welfare as it relates to the public water supply. The owners, applicant, agents and assigns agree to forgo 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 the conditions and return the fully executed conditional approval to Kent County Water Authority within ten (10) business days in order to be effective.

Very truly yours,
Kent County Water Authority

[Name]
[Title]

Applicant Acknowledging Signature

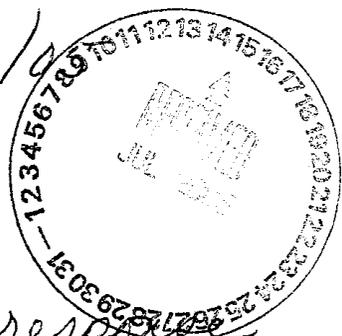
Signed _____ Date _____

Acceptance of approval for water service and all stipulation as written. Acknowledges that the owner/applicant holds harmless the Kent County Water Authority from any legal claims pertaining to this approval and all stipulations for approval.

EXHIBIT B

August 17, 2005

7/12/05



Dear Mr. Brown,

I am writing in response to a letter from John Duchesneau dated April 26, 2005. The letter is a denial for a request for water hook-up. We currently have a "stop" on our property just waiting to be connected.

As a 35 year resident of the Kent County area and cancer survivor I am concerned for myself and my family over continued well water usage.

I am requesting being placed on the agenda for your next meeting, July 20th.

Thank you for your consideration in this matter.

Sincerely,
Peggy Lodi

EXHIBIT C

August 17, 2005

Walker Engineering, Ltd.

31 Vale Court
West Greenwich, RI 02817
Phone / Fax (401) 397-8745



July 29, 2005

Mr. Timothy J. Brown, PE
Kent County Water Authority
PO Box 192, 1072 Main Street
West Warwick, RI 02893-0192

RE: Water Service
MAPLE ROOT CENTRE
Assessor's Plat 2, Lot 1.2
Nooseneck Hill Road
Coventry, Rhode Island
WEL #685

Dear Mr. Brown,

Following discussions with Mr. Duchesneau yesterday, we are hereby requesting to be placed on the Kent County Water Authority Board's Agenda for their Wednesday, August 17, 2005 meeting. This is prompted by the need to request permission to tie into the high service line on Nooseneck Hill Road in the proximity of the proposed Maple Root Centre Project located on Nooseneck Hill Road in Coventry, Rhode Island. Both of the 12" water lines in the vicinity of this project are high service. Confirmation of being placed on the Board's agenda is requested.

If you have any questions or require additional information, please do not hesitate to call or our office at 397-8745. Thank you for your assistance in this matter.

Sincerely,
WALKER ENGINEERING, LTD.

A handwritten signature in cursive script that reads 'Patricia K. Walker'.

Patricia K. Walker, PE
President

CC: Edward J. Overton, Jr., Specific Properties LLC

EXHIBIT D

August 17, 2005

EXHIBIT E

August 17, 2005

KCWA Blackrock Project

paving related line items

asphalt	leveling	\$21,150
	police 2@1wk	\$3,120
	police for prep work	\$6,240
	full width resurfacing	\$179,750
	police 2@1wk	\$3,120
Pipe abandonment	Flowable fill	\$10,275
	labor	\$77,126
	police 1@1wk	\$1,560
Striping	15700 lf in Coventry	\$9,420
		<u>\$311,761</u>

?? \$2/Pd. for pipe abandonment.

209500 in agreement.

EXHIBIT F

August 17, 2005

KENT COUNTY WATER AUTHORITY
CASH RECEIPTS & DISBURSEMENTS
FY 2005 - 2006

	JULY 2005	AUGUST 2005	SEPTEMBER 2005	OCTOBER 2005	NOVEMBER 2005	DECEMBER 2005	JANUARY 2006	FEBRUARY 2006	MARCH 2006	APRIL 2006	MAY 2006	JUNE 2006	JUL \$	AUG \$	SEP \$	OCT \$	NOV \$	DEC \$	JAN \$	FEB \$	MAR \$	APR \$	MAY \$	JUN \$	RATE REVENUE FY 05-06	RATE REVENUE FY 04-05	
BEGINNING MONTH BALANCE	38,381,292																										
CASH RECEIPTS:																											
Water Collections	1,384,491																										
Interest Earned	147,784																										
Inspection Fees	10,800																										
Contribution in Aid-Construction																											
Other																											
TOTAL CASH RECEIPTS	39,924,367																										
CASH DISBURSEMENTS:																											
Purchased Water	265,112																										
Electric Power	30,082																										
Payroll	135,262																										
Operations	85,201																										
Employee Benefits	53,694																										
Legal	10,805																										
Materials	26,143																										
Insurance	3,171																										
Sales Taxes	20,474																										
Refunds	9																										
Rate Case	9,030																										
Conservation																											
Pilot	8,342																										
Capital Expenditures (Other)																											
2002 Infrastructure	234																										
2003 Infrastructure	950																										
2004 Infrastructure																											
Mishnock Wd-Storage/Pump/Trams	2,475																										
Frenchtown - Splan Tanks	5,448																										
Oakblawn Meter Fill	11,652																										
Clinton Avenue Pump Station	276																										
E. G. Well Upgrade	49,446																										
GIS Development Mapping	48,834																										
Blackrock Road - 24"	4,481																										
Covington Road - 8"																											
Mishnock Well - Color Evaluation	740																										
Read Schoolhouse Road																											
Read Schoolhouse Road Tank																											
Mishnock Well - Pilot	9,355																										
Walker Street - Sewer Line	75																										
Greenwich Avenue - Pipe Lining	1,550																										
U. S. Bank - Debt Service (P & I)	3,025,372																										
Water Protection	93,334																										
TOTAL DISBURSEMENTS	3,901,227																										
BALANCE END OF MONTH	36,022,640																										
PRIOR YEAR	39,522,032																										

EXHIBIT G

August 17, 2005

OFFICE MEMO

To: Tim Brown
From: Kevin Fitta 
Subject: Request for Exemption from Odd/Even Outdoor Watering – 1686 Main St.,
W.Warwick
Date: July 22, 2005

We received a request for an exemption from the odd/even outdoor watering policy from the owner (Lew Pryeor) of the florist shop located at 1686 Main St. in West Warwick. At this time the shop is an indoor plant and flower shop with the name Butterfly Wings & Things. However, the name will be changing to Peter Pots Flowers and by the end of August they plan on having a greenhouse in the back of the store and outdoor plants for sale. Ownership will not change.

KCWA Rule & Regulation 1.7.5 allows for exemptions to the odd/even outdoor watering policy for “watering for garden centers, and products grown for commercial use”. This should be brought to the board for action.

- Florist

- 1686 Main St
WU

737-9033

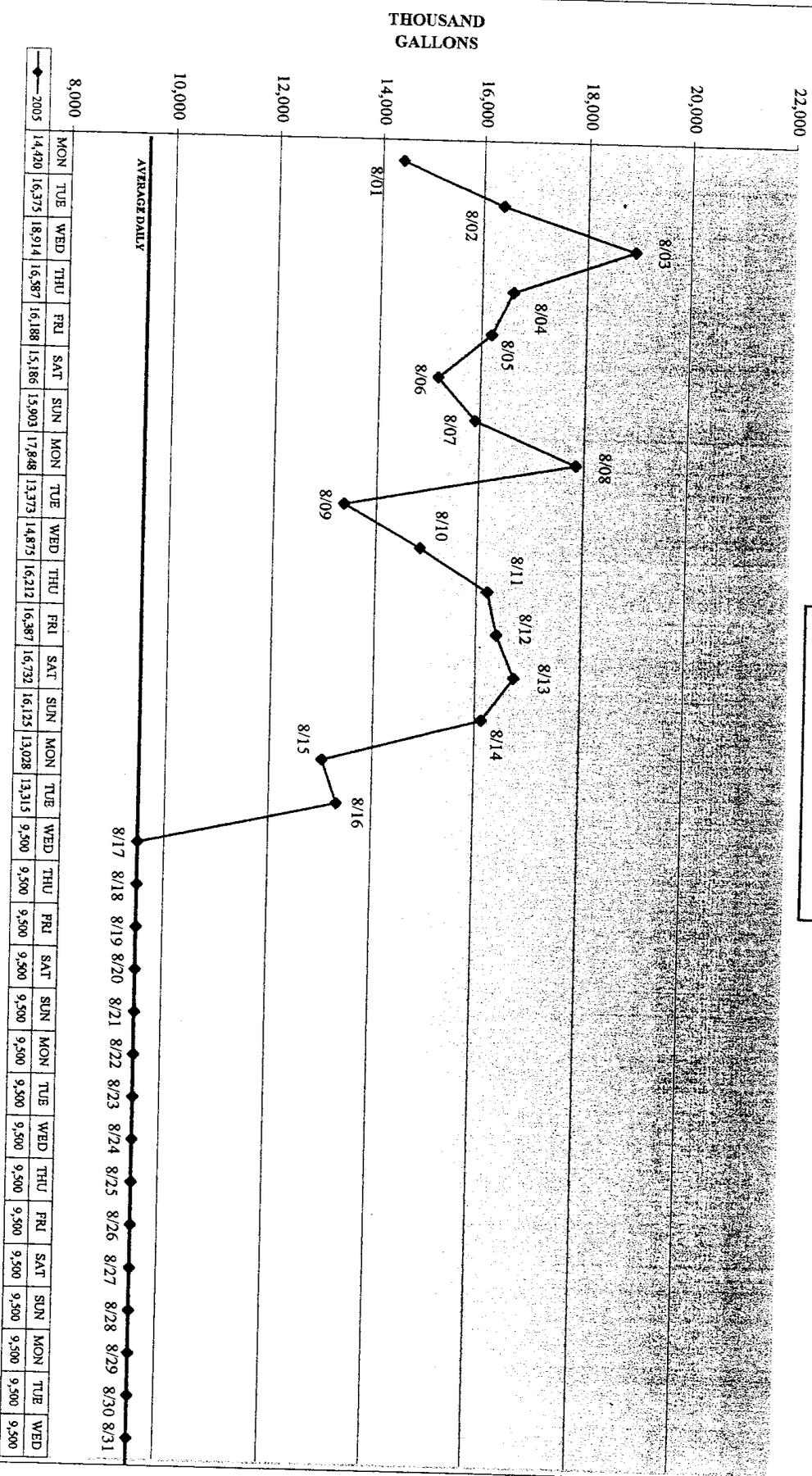
→ Exemption from
odd & even
Requirements

Low
↑ 12 year

EXHIBIT H

August 17, 2005

WATER CONSUMPTION



AVERAGE DAILY

AVERAGE FLOW: 10,446 - 33 = MGD
(OAKLAND NOT INCLUDED)

1
6

EXHIBIT I

August 17, 2005

OFFICE MEMO

To: Timothy Brown
From: John Duchesneau
Subject: Bid Review Spring Lake Well Rehabilitation Services
Date: August 1, 2005

Two bid submissions were received for this solicitation. Layne Christensen Company provided a not to exceed price of \$18,810. D. L. Maher, a division of Boart Longyear provided a not to exceed price of \$23,000. Review of the bid documents reveals that both submissions fulfill the requirements of the bid documents. The lowest eligible bidder is Layne Christensen Company.

KL

CCP	
BOART	8/2/05
CHA	
LE	

EXHIBIT J

August 17, 2005

OFFICE MEMO

To: Timothy Brown
From: John Duchesneau
Subject: Vehicle Bid Review
Date: August 2, 2005

Two bids were received.

The first bid was from Hurd GMC for a total bid price of \$41,000. Each vehicle is priced at \$20,500 and Hurd offered a trade-in value of \$3,500 for Truck 13. Hurd noted in their bid that the small V-8 was required to get the heavy duty trailer equipment vs. the V-6 engine identified in Section 13.1.4. According to Chip Regier at Hurd the V-8 engine adds \$945.00 to the Truck price over a V-6 engine. Hurd indicated that they provide free pick-up and delivery service for maintenance during the full 3 year warranty period.

The second bid was from Colony Ford Truck Center, Inc. for a total bid price of \$35,478. Colony's offer was for an "or equal" vehicle. Unit bid price for each vehicle is \$17,739 and Ford offered \$2,800 trade-in value for Truck 13. Ford provided a vehicle profile listing of the proposed "or equal" vehicle. This listing did not comply with the requirements of Article 12.1 which includes the statement, "All bidders who submit 'or equal' bid for a different vehicle, must provide a complete listing referring to the original article specification number as outlined below in Article 13, cross-referencing their particular vehicle model number and all items as listed. Failure to do so, will cause rejection of bid by the Kent County Water Authority. It is the responsibility of the bidder who bids a different vehicle, not as manufactured by General Motors Corporation or subsidiary, to provide the complete outline item review in accordance with Article 13, as it is the bidder's responsibility to prove that the vehicle being provided is equal to the quality manufacturer and specific items as required."

Although the vehicle profile provided by Ford did not reference each individual specification in Article 13, it appears the "or equal" vehicle does comply with the requirements of the specifications with the exception of a minor issue with the center fold down armrest. I confirmed with the Ford Representative that the Ford Center fold-down armrest does not come with a storage compartment as required in Article 13.1.6. Colony Ford indicated they do not provide free pickup and delivery service for maintenance during the warranty period.

11 11

KENT COUNTY WATER AUTHORITY
INVITATION FOR BID
VEHICLE PURCHASE
BID OPENING – JULY 29, 2005

Bid Opening relating to Vehicle Purchase was held at 10:00 a.m., July 29, 2005. Attendance was a mandatory requirement to submit a Bid. The Invitation was advertised in the Providence Journal on Thursday, July 14, 2005. The Bid Opening was held at 10:00 a.m. per the requirements of the Bid Invitation.

The work consists of furnishing the following vehicles with attachments:

1. Two (2) each 2006, Model TC 15903, 2WD, 8 foot bed, 1500 series regular cab, "Sierra" Pickup Truck or equal.

Attendees of the Bid Opening were as follows:

1. **KCWA**, John Duchesneau
2. **Colony Ford Truck Center, Inc**, 7 Jefferson Boulevard, Warwick, 02888
Emilio L. Navarro, P. 467-3800, ext 341, F. 461-5830, www.colonytruck.com

At 10:00 a.m. the Bid Opening began by John Duchesneau briefly describing what the bid entailed followed by the opening of the submitted Bids listed below:

1. Hurd GMC

\$41,000

Unit Bid Price - \$20,500

\$3,500 for trade-in

2. Colony Ford Truck Center, Inc

\$35,478

Unit Bid Price - \$17,739

\$2,800

The Bids were made available for review and the Bid Opening meeting was closed at 10:10 a.m.

EXHIBIT K

August 17, 2005

OFFICE MEMO

To: Timothy Brown
From: John Duchesneau
Subject: Request for Proposal Water Rate Consulting Services Review
Date: August 1, 2005

One proposal was received for the above referenced solicitation. Woodcock & Associates provided an hourly rate of \$175 per hour for the President and if a Rate Consultant is needed, \$125 per hour. Out-of-pocket expenses would include the following if applicable: mileage charge, parking, tolls, meals, telephone, printing and other miscellaneous costs incurred for the project. Woodcock & Associates has provided satisfactory rate consultants services previously for the Kent County Water Authority and the proposal meets the requirements of the RFP.

11

COPY SENT TO	
BOARD PRESIDENT	8/2/05
CHAIRMAN	
LEGAL COUNSEL	

**PROPOSAL TO
KENT COUNTY WATER AUTHORITY
FOR
WATER RATE CONSULTING
SERVICES**

July 2005

**WOODCOCK & ASSOCIATES, INC.
18 Increase Ward Drive
Northborough, MA 01532**



July 22, 2005

Mr. Francis J. Perry, Jr., P.E.
Chairman
Kent County Water Authority
1072 Main Street
West Warwick, RI 02893

Dear Mr. Perry:

Attached is our proposal to provide water rate consulting services to the Kent County Water Authority. We believe that Woodcock & Associates, Inc. (W-A) is the best positioned firm to provide the Authority with quality, cost effective, dedicated, accurate, and timely rate consulting services. The president of W-A, Chris Woodcock, has represented the Authority before the Rhode Island Public Utilities Commission (PUC) since 1984. We believe that our representation of the Authority as an intervener in filings by Providence Water has saved the rate payers of the Kent County Water Authority millions of dollars over our time of service. We have quickly filed pass through increases so the Authority can recover the approved wholesale rate increases that have been approved. Our computer rate model forms the basis for the Authority's cost of service studies that were ordered by the PUC and are the standard that the Commission measures other submissions against. The rates derived from that cost of service study and water rate model have successfully withstood several challenges before the Commission.

In addition to developing the Authority's water rates, Woodcock & Associates, Inc. have provided a number of other associated services including:

- the development of the financing model that was used to support the Authority's first revenue bond sale in over two decades,
- drafting and substantial assistance with the development of the Authority's bond resolutions,
- annual reviews of revenues to help ensure compliance with the Authority's bond coverage requirements,

18 Increase Ward Drive
Northborough, MA 01532
<http://www.w-a.com>

Tel: 508-393-3337
Fax: 508-393-9078
Woodcock@w-a.com

July 22, 2005

Page 2

- ongoing discussions with the Authority's staff and (bond) Trustee to help ensure compliance with the Authority's General Bond Resolution,
- assistance in preparing testimony and responding to PUC data requests relating to questions about the Authority's capital financing and funding,
- assistance in successfully opposing unfair wholesale water rate increases that have been proposed by the Providence Water Supply Board (PWSB), providing substantial savings to the Authority's rate payers,
- assistance in the preparation of the Authority's Infrastructure Replacement Plan, including all rate and financing analyses.
- development of a computer rate model to monitor changes in the PWSB's proposed wholesale rates,
- development of a computer rate model to quickly determine new pass through rates for the Authority,

Because of the number of water rate filings we have prepared before the RI PUC and our professional relationship with several of the Division's experts and Commission staff, we are quite familiar with the issues surrounding the Authority's rate filings and how to best put forth the Authority's positions.

Clearly, Woodcock & Associates, Inc. brings a thorough understanding of the Kent County Water Authority's rates and financial requirements. In addition, we bring a broad based familiarity with local, regional and national water rate issues.

- Mr. Woodcock has appeared before the RI PUC on numerous occasions over the past twenty years involving the Kent County Water Authority and with other municipal water utilities. He has also been appointed to various advisory committees in RI including one appointed by the PUC that helped develop their water rate and cost of service study guidelines and one appointed by the DEM to develop the regulations associated with the Infrastructure Replacement Program.
- In New England, Mr. Woodcock has been a member (and is the current Chairman) of the New England Water Works Associa-

July 22, 2005

Page 3

tion's Financial Management Committee for nearly three decades. He has provided expert witness testimony before state regulatory commissions on water rate issues in Rhode Island, New Hampshire, Connecticut, and Maine. In addition to representing a number of municipal water districts in rate proceedings in Maine, the Maine PUC has retained him as a staff consultant to review rate filings of various municipal and investor owned water utilities.

- Nationally, Mr. Woodcock has been a member (and past Chairman) of the American Water Works Association's Rates and Charges Committee for more than two decades. In those positions he has been responsible for the nationally and internationally recognized manuals on water rates and charges. His national experience includes rate development for municipal water utilities across the U.S. for utilities including New York City, Baltimore, Denver, Washington, and Boston.

Woodcock & Associates Inc. sincerely values our service to the Kent County Water Authority. We look forward to continuing this relationship in the coming years. Please feel free to call us if you have any questions on this proposal.

Very truly yours;
WOODCOCK & ASSOCIATES, INC.



Christopher P.N. Woodcock
President

Table of Contents

Introduction	1
Prequalification Requirements	1
1.2.1 Rate Filings Before RI PUC	1
1.2.2 Experience with Comparable Sized Regulated Water Utilities	2
1.2.3 Familiarity with Revenue Bonds for Non-taxing Utilities	3
1.2.4 References for Regulated Water Utilities	4
Statement of Conflicts (Article 8.4)	5
Present & Proposed Clients	5
Previous Clients	5
Workload (Article 8.6)	6
Description of Firm	7
Relevant Experience	8
Wholesale and Retail Cost of Service Studies	8
Rate and Financial Forecasting	9
Alternative Rate Design	10
Expert Witness Services	12
Summary	13
Staffing	14
Project Approach	16
Scope of Services	16
Project Costs	17
Appendicies	18

INTRODUCTION

The Kent County Water Authority is a truly unique water supplier in Rhode Island. Unlike most municipal water utilities, the Authority has no taxing powers to augment its revenues. In addition, the Authority must obtain outside approval (from the RI PUC) before increasing its rates and charges -- a cumbersome process that typically takes up to year before an increase in revenues can be realized. The water system is in need of continued capital investment to improve and maintain the essential service provided to the customers in Kent County. To help finance these improvements, the Authority must sell revenue bonds only supported by the water rates and charges. Lastly, the bulk of the water supply is purchased from another supplier. This is the Authority's single largest expense and, aside from costly intervention in rate cases before the PUC, this is an expense that the Authority has little control over.

This unique situation makes the rate consulting services provided to the Kent County Water Authority critical. The consultant must be keenly aware of the interaction of all aspects of the rates and revenues, should be free of any conflicting interests, must fully understand the regulatory process in Rhode Island, must understand the Authority's bond resolution requirements relating to rates, and should be a credible advocate for the Authority's interests. We believe that Woodcock & Associates, Inc. meets these criteria.

PREQUALIFICATION REQUIREMENTS

This section of our proposal specifically addresses the prequalification requirements outlined in Section 1.2 of the Authority's Request for proposals.

1.2.1 Rate Filings Before RI PUC

Woodcock & Associates, Inc. and prior to our formation, Mr. Woodcock, has developed dozens of rate filings before the RI Public Utilities Commission. For the Kent County Water Authority we have:

- prepared exhibits, prefiled testimony, and oral testimony in all general rate filings before the PUC since 1984,
- prepared prefiled exhibits and testimony associated with a number of pass through increases associated with changes in the wholesale rates charged by the Providence Water Supply Board,
- prepared exhibits, prefiled testimony, and oral testimony in several dockets related to the Providence Water Supply Board's proposed increases in wholesale water rates, and
- prepared testimony and exhibits related to the application to the Division of Public Utilities and Carriers related to the Authority's proposed revenue bond issue in 1994.

Within the past five years we prepared several rate filings for the Kent County Water Authority, two for the Woonsocket Water Department and three for the Pawtucket Water Supply Board. We have also prepared several rate filings on behalf of the Portsmouth Water & Fire District as an intervener in water rate filings by Newport Water. For the Kent County Water Authority we have also prepared several pass through filings, and testimony as interveners in cases involving Providence Water. In the past Mr. Woodcock has also prepared rate filings before the RI PUC for the City of Newport and the United (Wakefield) Water Company, plus he prepared the original rate filing before the PUC for the Providence Water Supply Board.

In accordance with the requirements under section 8.7 of the Authority's RFP, all these assignments were conducted by the proposed project manager, Mr. Woodcock.

1.2.2 Experience with Comparable Sized Regulated Water Utilities

As discussed above, rate regulation for municipal water utilities is rather unique across the United States. However, we have provided rate consulting services to a number of such utilities, including many that are similar in size to the Kent County Water Authority. In addition to Kent County, Portsmouth, United Water, Woonsocket and Newport that were mentioned above, similar sized, regulated municipal water utilities include:

- Manchester, NH (NH PUC)

- Kennebec Water District (Waterville), ME (Maine PUC)
- Portland Water District (Maine PUC)
- Bangor (ME) Water District (Maine PUC)
- Waterbury, CT (CT DPUC)
- Brewer (ME) Water District (Maine PUC)

All these assignments were developed by Mr. Woodcock.

1.2.3 Familiarity with Revenue Bonds for Non-taxing Utilities

As discussed above, we believe that familiarity with revenue bond covenants for non-taxing utilities is critical to this assignment. In particular, familiarity with the Authority's covenants is critical¹ in order to assure that current coverage requirements are met and that revenues are sufficient to enable the Authority to sell future bonds.

Mr. Woodcock played a major role in the development of the bond covenants for the Kent County Water Authority as well as the financial feasibility study that accompanied the bond issue. In addition to the work with the Authority's bonds, he was instrumental in the development of the bond covenants² for several other Rhode Island Water Utilities including the Pawtucket Water Supply Board and the City of Woonsocket's recent revenue bond issues. Mr. Woodcock has a strong and continuing working relationship with the Authority's financial advisor and bond counsel. It is unlikely that any other rate consultant has this level of familiarity and knowledge of Rhode Island water utility revenue bonds. Mr. Woodcock has also performed financial feasibility and associated rate related work for the following non-taxing utilities in relationship to their revenue bonds:

- Boston (MA) Water & Sewer Commission
- Bristol County (RI) Water Authority
- Kennebec (ME) Water District.

¹ This was particularly true in the Authority's last rate filing when detailed knowledge of the Authority's General Bond Resolution was essential.

² As best we can determine, most, if not all, of the RI water utility bond covenants are based on the one we helped develop for the Kent County Water Authority.

1.2.4 References for Regulated Water Utilities

Perhaps the best reference for our work is the Authority itself. In addition, we provide the following references for rate studies for regulated water utilities.

Ms. Pam Marchand
Chief Engineer
Pawtucket Water Supply Board
85 Branch Street
Pawtucket, RI 02860
(401) 729-5001

Ms. Carol Lariviere
Woonsocket Water Dept.
169 Main Street
Woonsocket, RI 02895
(401) 767-2619

Mr. Jeff LeCasse
General Manager
Kennebec Water District
5 South Street
Waterville, ME 04903
(207) 873-2730

Mr. Thomas Bowen, P.E.
Director and Chief Engineer
Manchester Water Works
281 Lincoln Street
Manchester, NH 03103
(603) 624-6452

Mr. William McGlenn
Portsmouth Water & Fire
1944 East Main Rd.
Portsmouth RI 02871
(401) 683-2090

Mr. Stan Knox
United Water RI
17 Arnold Street
Wakefield RI 02880
(401) 789-0271

Mr. Wayne Rogalski
General Manager
Bangor Water District
P.O. Box 804
Bangor, ME 04402
(207) 947-4516

STATEMENT OF CONFLICTS (ARTICLE 8.4)

Present & Proposed Clients

We believe that neither Woodcock & Associates, Inc. nor our proposed Project Manager, Christopher Woodcock, have any conflicts of interest relating to the Kent County Water Authority. We are unaware of any existing or proposed clients that would pose a conflict of interest to Woodcock & Associates, Inc.

Previous Clients

We do not believe that any of past assignments worked on by Mr. Woodcock pose an ongoing conflict of interest. However, to be sure the Authority is fully aware of assignments that may have an appearance of conflict, they are discussed and disclosed below.

In the late 1970's, Mr. Woodcock was engaged by the Hoechst Chemical Company (now Hoechst Celanese) to represent it before the RI PUC in a docket involving the Kent County Water Authority. As this case proceeded, the Authority sided with the position espoused by Mr. Woodcock. While Mr. Woodcock was representing a customer of the Authority, we believe that the positions taken were not in conflict with the Authority. As further evidence of this, based on our participation in that docket, the Authority engaged Mr. Woodcock (through his former firm) to represent the Kent County Water Authority in their next rate study. Since that time, the Hoechst Celanese Company has intervened in the Authority's rate cases in opposition to the filings prepared by Mr. Woodcock. This would clearly indicate no continuing conflict.

In the late 1970's Mr. Woodcock's former employer was engaged to provide rate consulting services by the Providence Water Supply Board. Mr. Woodcock actively participated in several rate studies before the RI PUC that included increases in the wholesale rates. As the rates charged by Providence directly impact on the Authority, this would appear to be a conflict of interest. However, Mr. Woodcock has not worked for the Providence Water Supply Board since being engaged by the Kent County Water Authority in the early 1980's and would not accept a con-

tract with the Providence Water Supply Board while engaged by the Kent County Water Authority because of this conflict. Since the engagement by Providence some 20 years ago, Mr. Woodcock has prepared testimony and exhibits on behalf of the Authority in opposition to the PWSB on numerous occasions and refused to consider requests for consulting services from Providence Water. Again, these subsequent actions would seem to dismiss any concerns of a conflict.

A number of years ago Mr. Woodcock was invited to participate on a Task Force established by the RI PUC to examine water rate design and cost of service issues. While participating on this task force nothing was done that was in conflict with any policy or position of the Kent County Water Authority and the PUC was well aware of Mr. Woodcock's consulting engagements with various municipal utilities that were regulated by the PUC. The final guidelines presented to the PUC by the Task Force suggested water rate structures that were based on the same theories and criteria that form the basis for the Authority's cost of service study and rate design. While this work *could* appear to have posed a conflict of interest, it is believed that Mr. Woodcock's participation in fact espoused the positions of the Kent County Water Authority.

WORKLOAD (ARTICLE 8.6)

As a small, privately held company we are able to service our clients with greater flexibility than larger, publicly owned firms. Woodcock & Associates, Inc. can assure the Kent County Water Authority that our assignment with the Authority will continue to take top priority. The current workload of W-A allows more than sufficient time to service the Kent County Water Authority. As an example, we have had discussions with Providence Water's current rate consultant on its most recent rate filing. We have planned time to analyze this rate filing on behalf of the Kent County Water Authority should we be selected for the provision of ongoing rate consulting services.

DESCRIPTION OF FIRM

The proposed services for this assignment will be provided by Woodcock & Associates, Inc. who will be responsible for the overall coordination and management of the project. The President of Woodcock & Associates, Christopher Woodcock will be the Project Manager for all assignments under this engagement.

Mr. Woodcock was employed for 20 years by one of the largest environmental engineering consultants where he was appointed a vice president in charge of the firm's rate and financial studies. Recognizing the need for individually tailored, innovative solutions to each utility's unique rate and financial problems, he formed Woodcock & Associates, Inc. (W-A) in 1994. During his career, Mr. Woodcock has completed numerous water, wastewater, and stormwater cost of service and rate determination studies throughout North America. He has prepared some 300 rate and financial studies for clients ranging from small local utilities serving several hundred customers to large regional utilities providing service to over sixteen million customers. Clients have been served in over 30 states, Canada, the Caribbean, Europe, Asia and Africa.

W&A's rate and financial consulting work includes:

- Analysis and design of alternative rate structures for water, wastewater, and stormwater utilities,
- Preparation of cost of service studies,
- Development of computer rate and financial models,
- Preparation of financial feasibility reports in support of debt financing,
- Development of utility capital improvement and financing plans,
- Provision of expert testimony before state regulatory commissions and in court proceedings,
- Preparation of fixed asset valuation and depreciation studies,
- Development and economic evaluation of conservation programs, and
- Establishing enterprise funds for municipal utilities.

Foremost in each of our assignments is a dedication to providing solutions that are responsive to each client's individual goals, objectives,

and desires. With more than three decades of working with a large cross section of utilities throughout the world we have developed the ability to probe and discover the real concerns and issues. The range of problems we have encountered and resolved has provided W-A with an ability to find solutions to most any utility rate and finance problem.

RELEVANT EXPERIENCE

We believe our experience with the Kent County Water Authority is perhaps the best evidence of our ability to successfully carry out the requested work. However, to show the breadth of our experience, we have provided the following sections that highlight some of our prior experience with rate and financial reviews; wholesale and retail cost of service studies; the determination of and analysis of alternative water, wastewater and stormwater charges; the provision of expert witness services; and the development of computer models.

Wholesale and Retail Cost of Service Studies

We believe that an essential part of any review and evaluation of water rates and charges is understanding the cost allocation process in order to assimilate new charges in the most equitable and administratively acceptable manner. The following projects demonstrate our ability to understand this process.

Woodcock & Associates have provided water rate consulting services to the City of Woonsocket RI for several years. In the early 1990's the City was in need of a significant water rate increase. They were running deficits and had been using previous years' retained earnings to delay an increase. The requirement for an increase was heightened by the need for major capital improvements. Mr. Woodcock completed a full review of the Water Department's revenue requirements, developed projected expenses including new debt service for an extensive capital improvement program, analyzed various wholesale and retail rate structure alternatives, conducted a full cost of service allocation study, prepared prefiled testimony and exhibits for submission to the state utility commission, and provided oral testimony in support of the City's rate request. The documentation and presentation included in the rate filing provided convincing evidence for the approval of one of the largest percentage

rate increases approved in the state. Subsequently, W-A conducted a study to derive a raw water rate that would apply to the City's largest water user and we completed several full rate filing before the RI PUC.

Mr. Woodcock has been the water rate consultant to the Manchester (NH) Water Works for nearly 25 years. As the largest city in the state, Manchester provides retail water service to customers within the city as well as to customers outside of Manchester. Wholesale service is also provided to a number of communities adjacent to Manchester. Mr. Woodcock periodically develops new rates for the Water Works, using a computer model specifically developed for Manchester. Because the Water Works charges for service outside the City are regulated by the New Hampshire Public Utilities Commission, exhibits and testimony are prepared and submitted to the PUC for review and approval. Mr. Woodcock has prepared exhibits and expert testimony in support of his rate studies for the NHPUC on numerous occasions.

The Kennebec (ME) Water District is the oldest water district in the U.S. When the District was faced with constructing a new filtration facility to comply with the SDWA, the state Public Utilities Commission ordered them to conduct a cost of service study to ensure that the rates reflected the cost of the new facility. Mr. Woodcock completed the study that was submitted to the PUC in 1992. A subsequent investigation brought by an intervenor was dismissed when the Commission found the study appropriately allocated the costs of service. Woodcock & Associates have subsequently conducted a number of rate studies and analyses for the District, including a full water rate filing and hearing on the cost of service study in 1995. In that case, the PUC accepted the cost allocations developed by us. In 1996, W-A updated the cost of service study for use by a new Board of Trustees.

Rate and Financial Forecasting

Mr. Woodcock has developed and reviewed rate and financial forecasts for numerous water and wastewater agencies. Most often these assignments are carried out as a result of updated rates and charges studies.

Mr. Woodcock prepared a financing and rate projection model for the Boston Water and Sewer Commission. The model was developed in several different phases. During the first phase, a computer model was developed that projected revenue and expenses for several years. This phase of the model was primarily intended to assist in capital improvement program projections and financial feasibility. The second phase model is a rate projection model. It utilizes revenue requirement projections from the first phase model and other sources to depict the impact of various water and wastewater rate structures. This model was developed to allow flexibility in choosing among seven different rate structure alternatives as well as a number of variables within each alternative.

After the citizens of several Rhode Island towns agreed to purchase the assets of a private water company the Bristol County Water Authority was formed. One of the services provided by Mr. Woodcock was oversight of the preparation of a feasibility study in support of the Authority's first revenue bond issue. Mr. Woodcock's services included input and review of portions of the official statement as well as other bond documents and the general bond resolution. Subsequent to the sale of bonds, Mr. Woodcock was retained to review and develop new rates that provided sufficient revenues to meet the coverage requirements and fund the specified reserves.

Alternative Rate Design

In the course of our rate work, we are often requested to review alternative rate structures. Municipalities are finding that the rising cost of providing water, wastewater and stormwater service is leading consumers to question traditional rate structures. As a result, the analysis of alternative charging methods that may better meet customer and utility needs is becoming more common. W-A has been on the forefront of analyzing and developing alternative rate structures.

Mr. Woodcock has provided water and wastewater rate consulting to the City of Boston and later to the Boston Water and Sewer Commission (BWSC) since the mid 1970's. He was a project engineer on the rate study for the City of Boston that led to the creation of the Boston Water and Sewer Commission. In addition to annual rate reviews for BWSC, he conducted and managed an analysis of alternative water and waste-

water rate structures in 1985 that would conform to the statutory conservation mandates in the (then) recently passed Massachusetts Water Resources Authority Enabling Act. As a result of this analysis, BWSC adopted a ten step, increasing block rate structure for both water and wastewater service -- the first increasing block rate structure for a major northeastern utility. In 1990 he completed an analysis of seven rate structure alternatives including ratchet rates, toxic reduction charges, service charges, conventional pollutant charges, seasonal rates, storm-water charges, and life-line/low income discounts.

The State of Maine's Public Utility Commission retained W-A to assist it with rate design issues involving two separate rate filings. Mr. Woodcock assisted the PUC staff by preparing a cost of service allocation study and subsequent rate design for eight different divisions of the Consumer's Maine Water Company. For one division, the rate design issues impacted a large food manufacturing facility that was the largest water user. W-A worked with the PUC staff, the Water Company and the industry to develop a schedule of rates that was agreeable to all parties.

W-A was also retained by the Maine PUC to review the rate design phase of a water rate study developed by the Bath Water District. For that study, there were concerns raised by the industrial community as the State's largest employer, the Bath Iron Works, was a customer. The case also had intervenors representing over 1000 citizens of the Town and the State's Public Interest Council.

The Maine PUC once again retained W-A to provide technical assistance to the task force they created to analyze alternative public and private fire protection alternatives.

The South Central Connecticut Regional Water Authority provides water service to the New Haven regional area. The Authority was formed when the assets of a private water company were acquired. For years, the Authority had a decreasing block rate structure that had been increased across the board as revenue increases were required. Recognizing the need to analyze various rate structure alternatives, the Authority undertook a study to determine which alternatives would best suit its long term needs. During this study, we met several times with the

Management Staff to discuss the Authority's objectives and how various rate structure alternatives could better meet those objectives. We also examined the impact of the various alternatives on the Authority's customers. As a result of our analysis, the Authority began to phase-out its declining block rates, with the goal of implementing a uniform rate.

The Bangor (ME) Water District retained Mr. Woodcock to conduct a complete cost of service and water rate analysis. The District had a five step, declining block rate structure. Due to restrictions by the State of Maine, the safe yield of the District's source of supply was substantially reduced. In addition, the District was about to embark on a major SDWA construction project. Mr. Woodcock was asked to develop a cost of service study and water rate structure analysis for submittal to the Maine Public Utilities Commission. The study had to consider the impact of financing the new project, the impact on two large wholesale customers, the City of Bangor's concerns about fire protection charges, and the Trustee's conservation policies. Based on an analysis of rate structure alternatives that were presented, the District chose to begin phasing-in a new water rate structure intended to encourage more water conservation. Subsequently, W-A has updated the cost of service study and resulting rates to incorporate the costs associated with the new treatment facilities. The phase-out of the old rate structure has continued, being replaced with one that is more reflective of the District's cost of service.

Expert Witness Services

Mr. Woodcock has provided expert witness testimony before state regulatory bodies and courts on water and wastewater rate related issues on numerous occasions.

Mr. Woodcock has provided expert witness testimony before state and provincial regulatory bodies in Texas, Alberta (Canada), New Hampshire, Maine, Rhode Island, New York, and Connecticut. He has been retained to serve as a staff consultant on several water rate studies for the Maine Public Utilities Commission. He has been retained as an expert witness in rate related court proceedings in Michigan (Federal and State Court), Massachusetts, New Jersey, Maryland, Ohio, Pennsylvania, and Florida. In addition, a number of the rate cases Mr. Wood-

cock has worked on have involved administrative hearings where expert testimony was provided.

Summary

The projects described above represent a sample of the projects completed by Mr. Woodcock. We believe they demonstrate both our knowledge of the various phases of the work required for your project and Woodcock & Associates ability to successfully complete such projects. We do not have records showing the exact dates of each project we have completed so can not provide a complete listing of clients and assignments over the past five years. For the most part we have tried to show recent experience, however. Appended to our proposal is a complete listing of projects that Mr. Woodcock has worked on.

STAFFING

W-A's staff is well qualified to perform most rate and financial studies for utilities. In this section, the backgrounds and experience of our key staff is summarized.

Mr. Christopher P.N. Woodcock is the President and founder of Woodcock & Associates, Inc. He is an internationally recognized expert in rate consulting, cost of service, utility financing and management and other related studies. In his capacity as a member of and former Chairman of the American Water Works Association's Rates and Charges Committee he has authored portions of numerous authoritative manuals on rates and charges. He is also a member of and Chairman of the New England Water Works Association's Financial Management Committee. Mr. Woodcock has been asked by agencies in a number of states to serve on or assist investigatory committees involving utility rates, management and finance issues.

Mr. Woodcock has experience in public sector management both as a consultant and as a public official. As a consultant, he has been the project manager on a number of management and operation audits of public works (water and wastewater) agencies. These assignments involved the complete review of the organization, operations, staffing, and management of the various agencies. As Chairman of his local Highway (Public Works) Commission, Mr. Woodcock also had to act as superintendent for several months during a search for a new superintendent. He was also a member of and chairman of the local Sewer Commission in his home town. In that role he also has considerable experience with oversight and management of a public agency.

Mr. Woodcock's rate and financial consulting work has included approximately 300 rate and financial studies for numerous federal, state and local governmental entities including large regional agencies such as the Boston Water and Sewer Commission, Baltimore, the Manchester Water Works, the Detroit Water and Sewerage Department, the Metropolitan Water District of Southern California, the Edmonton Alberta Regional Water Customer Group, New York City, Wichita, Fort Worth, and

the City and County of Denver. He has also conducted studies for numerous smaller communities serving several hundred customers.

W-A has working arrangements with other nationally recognized specialists in the area of utility rates, finance, engineering, management, and operations that can be drawn as needed for specific projects to complete all phases of water and wastewater planning, operation, management and financing, on an as needed basis

Appended to this document is a copy of Mr. Woodcock's resume.

PROJECT APPROACH

Our approach to this project will be to continue the working relationship we have established with Board members, the Authority staff, your rate attorney, and representatives of the RI PUC. Through our work we have gained a good understanding of the issues, concerns, and policy questions that need to be addressed. We believe that this understanding is crucial to the development of solutions and recommendations that will best meet the Kent County Water Authority's needs into the future.

It is our belief that consultants should be used as consultants. We are not the ultimate decision makers -- we do not set policy nor adopt rates. Rather, we view our role as first understanding the issues and needs; then, using our experience, crafting proposals and recommendations. We will provide you with the information necessary to make informed policy decisions; we will provide you with recommendations that have been successfully used and implemented.

SCOPE OF SERVICES

We have reviewed the scope of services included in the Authority's Request for Proposals. We have performed each of these tasks in the past for the Authority. We are confident that we can provide all the requested services in the future.

PROJECT COSTS

Because we have already developed computer based models for the Authority's cost of service and water rates, the pass through of Providence Water's wholesale rate increases, Providence's wholesale and retail rates, and the Authority's financing and CIP model, we can quickly and easily prepare the necessary analyses and documents required by the Authority.

W-A bills only for professional staff time. We propose to invoice the Authority at the following hourly rates plus out-of-pocket expenses for work done specifically for an authorized project:

President	\$175/hour
Rate Consultant (if needed)	\$125/hour

Out-of-pocket expenses would include the following, if applicable:., mileage charges, parking, tolls, meals, telephone, printing, and other miscellaneous costs incurred specifically for the project.

APPENDICIES

A. Resumes

B. Listing of Past Assignments

QUALIFICATIONS SUMMARY

Mr. Woodcock has been involved in nearly 300 municipal and private water and wastewater rate, financial, and management studies. He is a frequent speaker on various rate design topics, has been the project manager on numerous rate studies, has conducted management and operations studies for utilities, has been involved with the preparation of engineering reports supporting utility revenue bond issues, and has developed computer models to aid agencies in their strategic planning, rate, and capital improvement program decisions.

EXPERIENCE

Mr. Woodcock has participated in over 150 cost of service and water rate determination studies for both public and investor owned water utilities. He has prepared water rate studies for municipal water departments across North America including the cities of Bangor, Brewer, and Waterville, Maine; Lebanon, Rochester, and Manchester, New Hampshire; Boston, Cambridge, Leominster and Springfield, Massachusetts; Waterbury, New Haven, and New London, Connecticut; Detroit, MI; Westminster, Colorado; the Metropolitan Water District of Southern California; the San Diego County Water Authority, Woonsocket and Warwick, Rhode Island; Dayton, OH, Baltimore, MD, and Greenville, North Carolina. He has prepared exhibits and expert testimony in conjunction with water rate cases before the Connecticut Department of Public Utility Control; the Rhode Island Public Utilities Commission; the Maine Public Utilities Commission; the New York Public Service Commission; the Alberta (Canada) Public Utilities Board, and the New Hampshire Public Utilities Commission. Much of Mr. Woodcock's work on water rates has involved the analysis and development of new rate structures that meet specific needs of individual utilities. Included in these studies have been a number of innovative rate structures including summer surcharges, various conservation rate alternatives, increasing block rates, ratchet rates, life-line rates, as well as the more involved development of capacity or demand charges. Mr. Woodcock has also been involved in several overseas assignments including rate and tariff related studies in South Africa, Albania, Bulgaria, Russia, Thailand, Jamaica and Egypt.

Mr. Woodcock has worked on well over 100 wastewater user fee studies for cities, towns and municipal agencies throughout the country. Included have been studies for large regional agencies and multi-jurisdictional suppliers such as the Boston Water and Sewer Commission; the Detroit Water and Sewerage Department; the Massachusetts Water Resources Authority; Fort Worth, Texas; Allentown, Pennsylvania; and Denver and Westminster, Colorado. These studies have included allocations of operating and capital expenses to wholesale and retail customers, the preparation and analysis of inter-municipal service agreements and reviews of other rate proposals. He has prepared wastewater user charge studies for cities, towns and authorities ranging in size from several hundred customers to one half million customers. Included in these studies were analyses of various capital cost recovery techniques including connection charges, betterment assessments, and the use of tax revenues; innovative rates including increasing block sewer rates; analyses of the impacts on various users and/or customer classes; development of stormwater utility charges; the development of computer rate models; and the preparation of sewer use and rate ordinances.

Mr. Woodcock has also worked on several stormwater utility rate and financial studies during his career. These have included analyses for the City & County of Denver, Wichita KS, and the Boston Water & Sewer Commission.

Mr. Woodcock is the former Chairman and a member of AWWA's Rates and Charges Committee. He has worked on all of AWWA's rates related manuals of practice, including the Water Rates Manual (M1), the Alternative Rates Manual (M34), Water Rates and Related Charges (M26), the Revenue Requirements Manual (M35), and the upcoming Small System's Rates Manual -- several of which he was a principal author and a member of the editorial committee. He is a frequent presenter of papers on rates related issues before national and regional audiences, including AWWA's Annual Conferences. Mr. Woodcock also serves on the WEF Committee that prepares the WEF manual Financing and Charges for Wastewater Systems.

Mr. Woodcock has overseen and conducted a number of operations and management audits of water, wastewater, and public works agencies; and has prepared expense, revenue and rate projection documents in support of municipal revenue bond issues. He has also developed a number of

computer financial models to assist water and sewer authorities with rate and financial projections.

EDUCATION B.S. - Civil Engineering, Tufts University, 1974
B.A. - Economics, Tufts University, 1974

REGISTRATION Engineer-in-Training: Massachusetts

ASSOCIATIONS & COMMITTEES

- American Water Works Association (former Chairman and current member - Rates and Charges Committee, former Chairman – Financial Management Committee Economics Technical Advisory Work Group, Reviewer for AWWA Journal)
- New England Water Works Association (current Co-chair and member of Financial Management Committee, and Conservation Committee, Assistant Treasurer, Board of Directors)
- Massachusetts Water Works Association
- Rhode Island Water Works Association
- Water Environment Federation (Member, Committee on manual - Wastewater Financing and Rates)
- Massachusetts Association of Planning Directors Impact Fee Legislation Subcommittee, 1991-92
- Commonwealth of Massachusetts: Advisory Committee on Financing Issues Associated with New Septic Tank Regulations ("Title V"), 1993-94
- Rhode Island Department of Health: Advisory Committee on Proposed Regulations for Infrastructure Finance Act, 1994
- AWWA Research Foundation: Project Advisory Committee on: Study of Low Income and Life Line Rates, 1994-97, Socioeconomic Impacts of Conservation, 1998-2000

PUBLICATIONS & PRESENTATIONS

- "Audits Aid Even the Best-Managed Utilities" Water & Sewage Works, September 1978.

- "Responsibilities of a Board Member" Journal of the New England Water Works, September 1980.
- "Utility Management - How Do You Evaluate It?", Panel Discussion at Joint Meeting of NEWWA and MWWA, May 1980.
- "Much More to Rates Than Tradition", Water Engineering & Management, October 1982.
- "The Water Rate Tug of War: Social vs. Structural Needs", Public Works, February 1985.
- "Consultants Role in Management Advice for Water Utilities", Journal of the New England Water Works, March 1985.
- "Coping with Increased Costs of Water", Journal of the New England Water Works, June 1986.
- "A New Approach: Source Development Charge", Journal of the Maine Water Utilities Association, April 1987.
- "Role of Rate Structures", Water Conservation and Drought Management Workshop, New England Water Works Association, April 6, 1989.
- "Charges for System Growth - Impact Fees" New England Water Works Seminar - Alternative Revenue Source Development for Water Utilities, December 6, 1989.
- "Impact Fees, Are They For You", New Hampshire Water Works Association, September 6, 1990.
- "Rate Development for Water Utilities", Joint Seminar - New England Water Works Association and Maine Water Works Association, February 11, 1991.
- "Pricing Strategies and Capital Funding Options", Panel Discussion at Solid Waste Association of North America - Massachusetts Chapter Meeting, March 1, 1991
- "Allocating Costs and Alternative Rate Structures", Small Systems Rates and Revenue Seminar, New England Water Association, March 7, 1991
- "Introduction to AWWA Alternative Water Rates Manual", AWWA Convention, Philadelphia, PA, June 23, 1991
- "Life-line Rates and Inclining Block Rates", AWWA Annual Convention, Philadelphia, PA, June 23, 1991

- "Alternative Water Rate Structures", CT Section AWWA Annual Meeting, May 22, 1992
- "Conservation Rates and Revenue Impacts", Conserv '92 Workshop - New England Water Works Assoc., June 2, 1992
- "Alternative Conservation Rates", AWWA Annual Convention, Vancouver, B.C. June 21, 1992
- "What Will Water Rates Be Like in the 1990's?", AWWA Convention, June 23, 1991 with David Russell; *Journal AWWA*, September 1992
- "Conservation Pricing", Roundtable Discussion, *Journal AWWA*, October, 1992
- "Emerging Trends in Water Rates", Presentation to AWWA Rocky Mountain Section, November 4, 1992.
- "National Trends in Water Pricing", AWWA Annual Convention, San Antonio, TX, June 6, 1993.
- Presentation on Rate Structure Alternatives, AWWA National Convention, New York, NY, June 19, 1994
- Presentation on Fire Protection Charges for new M26 Manual, AWWA National Convention, Anaheim, CA, June 18, 1995.
- "Social Rate Making: Has The Time Come?", New England Water Works Association Annual Convention, Bretton Woods, NH, September 18, 1995, published *Journal of the New England Water Works Association*, March 1997
- "Fire Protection Rates Refined in Maine", with Normand R. Lamie, *Journal American Water Works Association*, October, 1996
- "Conservation Rate Structures", New England Water Works Association Seminar - Conservation Committee, October 30, 1996
- "Rate Design Alternatives and Innovations", New England Water Works Association Seminar - Water Rates Committee, December 4, 1996, October 30, 1997, and April 29, 1998
- "Affordability Considerations in Water & Sewer Rates", AWWA / WEF Joint Management Conference, San Francisco, CA, February 1997
- "Calculation of Fire Protection Service Charges", Maine Water Utilities Association Meeting, Brewer, ME, Oct. 9, 1997

- “Should Higher Rates be used to Fight Overuse of Water?”, New England Water Works Association Meeting, December 17, 1997
- Considerations in Water & Wastewater Tariff Design, presented to conference in Johannesburg, South Africa, May 18-22, 1998.
- “New Challenges in Water Utility Rate Making”, New England Water Works Association Meeting, May 11, 1999
- Presentation of AWWA Manual on Alternative Rate Design, AWWA National Convention, Chicago, IL, June 1999
- “Panning for Gold in Your System”, NEWWA Water Supply Leadership Institute Conference, Brewster, MA, November 1999
- “Water Rates that Encourage Conservation”, NEWWA Spring 2000 Joint Regional Operations Conference, Worcester, MA, April 11, 2000
- “Setting New Rates”, Maine Water Utility Symposium, Portland, Maine, May 10, 2000
- AWWA’s New Super Manual on Rate Setting, AWWA National Convention, Denver, CO, June 2000
- “Rates & Charges in the Legal Environment”, AWWA National Convention, New Orleans, June 2002
- “Conservation Rates & Revenue Mitigation Measures”, NEWWA Seminar, March, 2003
- Water Rates for Small Systems, Seminar at AWWA National Convention, Anaheim, CA, June 2003
- “Water Rates, Fees and The Legal Environment”, contributing author, April 2005, American Water Works Association, Denver CO
- Teacher/Seminar Presenter, New England Water Works Association:
 - *Water Utility Ratemaking*, 1997 - present
 - *Seminar on Fire Protection Charges*, 2004-present.

Listing of Jobs Worked on by Christopher P.N. Woodcock

WATER RATE STUDIES

Allentown, PA
American-Hoechst, RI *
Andover, MA (2) - Impact fee
Ansonia-Derby Water Co., CT (5) *
Arlington, MA
Arlington Water Co., VT
Ayer, MA
Baltimore, MD
Bangor Water District, ME (6)
Bath Water District, ME *
Biddeford Saco Water Co., ME
Birmingham Utilities, CT *
Boca Raton, FL *
Boston, MA
Boston Water & Sewer Comm. (11)*
Brewer Water Dist., ME *
Bridgeport Hydraulic Co., CT (2) *
Bristol Cty Water Auth., RI
Brockton, MA (2)
Broward County, FL
Burlington, VT
Cambridge, MA
Camden, NJ
Canton, MA (2)
Cape Coral, FL *
Carlton Trust, NH
Chelmsford Water Dist., MA (2)
Chelsea, MA (2)
Clifton Park Water Authority, NY
Colchester CT
Community Preservation Corp. (NYC)
Concord, MA
Cromwell Fire Dist., CT
Daytona Beach, FL *
Dayton, OH
Dedham-Westwood Water District (MA)
Dearborn, MI
Detroit Water & Sewer Dept. *
Denton, TX
Duxbury, MA
Edmonton, AB *
East Windsor MUA, NJ
Flatley Co., MA *
Fox Ridge LLC, MA *
Framingham, MA
Franklin, MA
Ft. Worth, TX (wholesale review)
Genesee County, MI
Greenville Utilities Comm., NC
Groton Utilities, CT
Harrison Twp., MI *
Hebron Water Company, ME
Holliston, MA
Jamaica Water Supply Co., NY
Johnson County Water Dist #1, KS
Kennebec Water Dist. (ME) (5) *
Kennebunk, Kennebunkport Wells WD, ME
Kent County Water Authority, RI (21) *
Lancaster, MA (2)
Lawrence, MA
Lebanon, NH (3)
Leominster, MA
Lexington, MA (4)
Lexington-Bedford, MA
Littleton, NH (2)
Lompoc, CA
Maine PUC (3) *
Manchester Water Works, NH (4) *
Mansfield, MA (5)
Marion, MA
Merrimac Light & Water Board, MA
Metropolitan Water Dist of So. Calif.
Nahant, MA
New Bedford, MA
New London, CT
Newport, RI *
New York City *
North Andover, MA (2)
North Wales Water Authority (PA)
Northborough, MA
Norwood, MA
Oakland, ME *
Oldsmar, FL *
Old Town Water District, ME
Orange County, FL
Orange Water & Sewer Auth., NC
Orange, Texas
Pawtucket Water Supply Brd, RI * (3)
Port Deposit, MD *
Portland Water District, ME *
Portsmouth, NH
Portsmouth (RI) Water District *
Phoenix, AZ
Pinecrest Properties, PA *
Pittsburg, CA
Providence, RI (3) *
Raleigh, NC (2)
Revere, MA
Salem, NH
San Antonio, TX
San Bernadino, CA
San Diego County Water Auth., CA
Somerville, MA
South Central CT Reg. Water Auth (2)
Springfield, MA (6)
Stoughton, MA
Stuart, FL
Sudbury Water District, MA
Tewksbury, MA (3)
Troy, NY
United Water Co., RI *
Wanacomet Water Co. (Nantucket), MA
Washington Water & Sewer Auth., DC
Waterbury, CT (4)
Waterford Twp., MI *
Watertown, MA
Westminster, CO
West Bloomfield Twp., MI (2) *
Weymouth, MA
Williamstown, MA (2)
Wichita, Kansas
Woonsocket, RI (5)*
Xcel Energy (Denver Water)

* Testimony Provided

WASTEWATER RATE STUDIES

Acushnet, MA
Allentown, PA
Arlington County, VA
Arlington, MA
Ayer, MA (2)
Belmont, MA (2)
Blackstone Valley Dist. Com, RI (2)
Boston Water & Sewer Commiss (11)*
Brattleboro, VT
Broward County, FL
Burlington, MA
Canton, MA
Cape Coral, FL *
Cape May, NJ
Charles River Poll. Control Dist., MA
Clinton, MA (2)
Colchester, CT
Concord, MA (2)
Dalton, MA
Daytona Beach, FL *
Dearborn, MI
Denton, TX
Denver, CO (2)
Detroit Water & Sewer Dept.*
Dover, NH
Dracut, MA
E. Bedford Ind. Sewer Dist., MA
E. Millinockett, ME
E. Windsor MUA, NJ
Fairfax County, VA
Fallsburg, NY
Falmouth, MA
Fitchburg, MA
Florham Park Sew. Auth., VA
Fort Worth, TX (3)*
Framingham, MA
Franklin, MA (3)
Frederick-Winchester SA, VA
Freeport Sewer District, ME (3)
Frito-Lay Inc.
Grafton, MA
Groton, MA
Greenville Utilities Comm., NC
Harrison, Twp., MI *
Hartford, VT
Haverhill Paperboard Co., MA
Holbrook, MA (2)
Hull, MA
Humboldt Bay Wastewater Auth, CA
Jamaica, West Indies
Kankakee Metro Utility, IL
Kalamazoo, MI *
Lacey Municipal Utilities, NJ
Lenox, MA
Leominster, MA (2)
Lexington, MA (3)
Linden Roselle SA, NJ
Littleton, NH
Lower Moreland TA, PA
Manchester, NH (2)

Mansfield, MA (3)
Mazda, MI
MWRA, MA
Medway, MA
Merrimac, MA
Middleton, MA
Milford, NH
Millinockett, ME
Milton, MA
New Bedford, MA (3)
New Haven, CT
New London, CT
North Andover, MA (2)
Northbridge, MA
Orange, MA
Orange County, FL
Orange, Texas
Orange W&S Auth., NC
Orion Twp., MI
Orrville, OH
Pittsfield, MA
Plainville, MA (2)
Portland Water District, ME
Portsmouth, NH
Raleigh, NC (2)
Redlands, CA
Revere, MA
Rochester, NH (4)
Salem, NH
Saugus, MA
Shirley, MA
Somerville, MA
Southbridge, MA
Springfield, MA (3)
Stoughton, MA
Stuart, FL
Swampscott, MA
Tewksbury, MA (2)
Wakefield, MA
Warwick, RI
Washington Water & Sewer Auth., DC
Waterbury, CT
Waterford, MI *
Watertown, MA
Webster, MA (2)
West Bloomfield Twp., MI (2)*
Westminster, CO
Weymouth, MA
Whitman, MA

* Testimony Provided

INTERNATIONAL

Albania (various)
Bulgaria
Suez Canal Authority, Canal Cities,
Egypt
Durrës, Albania
Jamaica, West Indies
Bangkok Metropolitan Authority, Thailand
Russia (financial policies)
RAND Water, South Africa (training seminar)
Sri Lanka (10 yr. CIP model)

STORMWATER UTILITY RATES

Detroit W&SD, MI
Boston Water & Sewer Commission, MA
Marblehead, MA
Topeka, KS
Wichita, KS

MANAGEMENT AUDITS

Arlington Water Co., VT
Lewiston, ME and Auburn Water & Sewer District Consolidation
Louisville, KY
Manchester Water Works, NH
Manchester Highway Dept, NH
New Orleans, LA
Newport, RI
Northborough, MA
Waterbury, CT

VALUATION STUDIES

Barnstable, MA
Chatauqua Water Dist #2, KS
Colorado Dept. of Highways
Elamville Water & Fire Dist., Alabama
Jamaica (NY) Water Company
Peterman Water & Fire Dist, Alabama
Mount Desert Water District, Maine
Union County, NC
West Milford, NJ * (tax case)

MISCELLANEOUS

Barnstable MA (water company acquisition)
Cambridge, MA (capital improv. models)
Ocean County Util. Auth., NJ (litigation)
Commonwealth of Mass. - State Rev. Fund
State of RI - State Rev. Fund
S. Kingston, RI (Privatization)
Bedford-Billerica Regional Water Supply
W. Bloomfield, Twp., MI (ERU Study)
Provincetown, MA (Litig. - value of water)
Cincinnati, OH (Review Master Plan Finance)
MWRA, MA (CIP Model)
Troy, NY (Supply Contract Reviews)
Watertown - Waterbury CT (Sewer Rate Dispute)
Holland - Zeeland, MI (Water Contract Arbitration)
Dracut, MA (Value of Water)
Ft. Smith - Van Buren, AK (Water Contract Arbitration)
Franklin, MA (wholesale water pricing)
Sharon, MA (conservation pricing)
Fort Gratiot, MI (wholesale rate)
Burlington, VT (2nd meter policy)

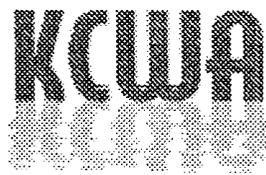
* Indicates assignment involving expert testimony

EXHIBIT L

August 17, 2005

KENT COUNTY WATER AUTHORITY

PROCUREMENT PROCEDURES



ADOPTED SEPTEMBER 1999
REVISED ~~NOVEMBER~~ 1999
REVISED AUGUST 2005

**PROCUREMENT PROCEDURES OF KENT COUNTY WATER
AUTHORITY**

SECTION 1 - DEFINITIONS

- 1.1 **“Bid”** the offer of a firm price for providing services, materials, equipment and/or parts in response to an invitation for Bid solicitation. for the submission of all bids to enhance fair competition.
- 1.2 **“Board”** shall mean Board of Directors of the Kent County Water Authority.
- 1.3 **“Change Order”** shall mean a written document entered into subsequent to the original purchase order/contract, modifying the original purchase order/contract, signed by the Board of Kent County Water Authority or its duly authorized representative and signed by supplier or supplier’s duly authorized office or agent.
- 1.4 **“Compensation”** shall be specified in contract or purchase order and shall include but not be limited to: (a) terms of payment, (b) units of cost, (c) conditions for payment, and (d) retainage, when appropriate.
- 1.5 **“Competitive Sealed Bidding”** the process by which the Kent County Water Authority solicits contractors to respond to written materials and/or services specification in response to a published Invitation to Bid and bid documents. The bids shall have been submitted in a sealed envelope to prevent the contents from being revealed or known before the deadline
- 1.6 **“Considerations”** shall be specifically set forth in all contracts.
- 1.7 **“Construction Management Agreement”** Contract between Kent County Water Authority and any person or entity engaged by Kent County Water Authority as its representative to supervise and oversee the services being rendered by a supplier to Kent County Water Authority.
- 1.8 **“Contract”** In general, the terms and conditions of a valid Purchase Order or Agreement and its supplement, signed by the Board or its duly authorized representative, shall constitute the primary contractual instrument of Kent County Water Authority. Unless specifically established by law, regulation or procedures established by the Board, no other instrument shall constitute a Kent County Water Authority purchasing contract.
- 1.9 **“Debarment”** permanent exclusions from all subsequent procurements, and termination of all outstanding contracts.

- 1.10 **“Master Price Agreements (MPA)”** Price agreements covering broad categories for items for a period of time on a statewide basis available for purchase.
- 1.11 **“Offer”** A response to a solicitation that, if accepted, would bind the offeror to perform the resultant contract.
- 1.12 **“Procurement”** shall mean the act of soliciting and/or acquiring and/or purchasing goods and/or services from suppliers.
- 1.13 **“Procurement/Purchasing Authority”** shall mean the authority to act on behalf of Kent County Water Authority to commit funds, enter into binding agreements or contracts, or in any other manner obligate Kent County Water Authority. The Board shall have the responsibility for issuing and maintaining all standard specifications for supplies, services and construction required by Kent County Water Authority.
- 1.14 **“Procurement Records”** shall mean documents evidencing procurement activity(ies) which may include requests for proposals, bids and purchase orders.
- 1.15 **“Proposal”** written description of services and materials offered with terms of compensation in response to a Request For Proposal (RFP) solicitation.
- 1.16 **“Promptly”** shall mean five (5) working days unless otherwise specified by the Board or its duly authorized representative.
- 1.17 **“Rejection”** non-consideration of an offer submitted for a particular procurement, based on lack of demonstrated responsibility or competency or such other cause as Board shall deem relevant and appropriate.
- 1.18 **“Request for Proposal (RFP)”** an invitation for contractors to provide written proposals to meet the requirements contained in the Request For Proposal documents. The evaluation of proposals shall be determined by the Board, and no procedure for protest of an RFP award is provided.
- 1.19 **“Small Purchases”** any procurement in aggregate amounts of less than \$510,000.00 for construction or any other purchase in an amount of less than \$2,55,000.00.
- 1.20 **“Sole Source Procurement”** shall mean procurement of specialized replacement/repair parts or expansion parts necessary to maintain the integrity of Kent County Water Authority’s system or function and material purchases to support configuration management for the system wide standardization of repair parts, equipment, appurtenances and construction materials, as deemed necessary by Kent County Water Authority to maintain reasonable spare parts, inventories for emergency repairs and infrastructure compatibility. Sole source

procurement shall also include a contract awarded for a supply, equipment, service, or construction item without competition when, the Board or its duly authorized representative, determines that there is only one source for the required supply, equipment, service, or construction item.

- 1.21 **“Solicitation”** shall mean a Request for a Proposal or Bid, published by Kent County Water Authority.
- 1.22 **“Solicited”** Board authorized formal request or advertisement to suppliers or contractors for materials and/or services.
- 1.23 **“Supplier”** shall mean an individual or entity who proposes a specific offer to provide or sell goods and/or services to Kent County Water Authority, in response to solicited bid or request for proposal, and shall further mean an individual or entity who supplies goods and/or services to Kent County Water Authority in conformance with bid or solicitation.
- 1.24 **“Supplier Disqualification”** shall mean the disqualification by the Board of any supplier prohibiting said supplier from participating in Kent County Water Authority procurements. Disqualification may result in debarment, suspension, removal or rejection of a supplier.

1.25 **“Supplier’s Security”** shall be a bond provided by surety company authorized to do business in the State of Rhode Island in a form and amount satisfactory to Kent County Water Authority.

1.26 **“Suspension”** temporary exclusion from subsequent procurements, and termination of outstanding contracts (at the discretion of the Board) for a specified period of time.

1.27 **“Termination clause”** shall mean a clause (s) which may be included in a contract which address special conditions/procedures for termination of a contract, e.g., provisions for penalties or forfeitures for contract noncompliance may be included: a convenience termination clause which permits Kent County Water Authority to terminate; at its own discretion, the performance of work in whole or in part; and to make a settlement of the vendor’s claims in accordance with appropriate regulations and applicable contractual conditions.

SECTION 2 - GENERAL PROVISIONS

2.1 PROCUREMENT POWERS OF THE BOARD OF KENT COUNTY WATER AUTHORITY:

- 2.1.1 The Board or its duly authorized representative, shall be responsible for the administration of all procurement activities and all determinations with respect to said procurement activities including, but not limited to, solicitations, evaluation of suppliers, emergency purchases, small purchases, and sole source procurement.
- 2.1.2 No alleged oral agreement or oral arrangement made by a supplier with Kent County Water Authority or employee of Kent County Water Authority shall be binding on Kent County Water Authority.

2.2 DOCUMENTATION AND REPORTS:

- 2.2.1 Copies of procurement documents will be maintained in Kent County Water Authority's purchasing files to document procurement activities. The extent of documentation may vary with Kent County Water Authority's needs and requirements and the value and complexity of the procurement.
- 2.2.2 Any and all procurement documentation shall be signed by the duly authorized representative of Kent County Water Authority except for small purchases made in the ordinary course of business on established open accounts.
- 2.2.3 Procurement activity will be recorded and a record of said procurement activity will be made available for public inspection; provided however, all procurement records shall be subject to public disclosure pursuant to Rhode Island General Laws.

2.3 CONTRACTS - GENERAL CHARACTERISTICS OF KENT COUNTY WATER AUTHORITY CONTRACTS/PURCHASE ORDERS/AMENDMENTS THERETO:

- 2.3.1 No contract which has been entered into between Kent County Water Authority and another party may be amended except by Change Order. Any other amendment procedure or attempted amendment procedure is a nullity.
- 2.3.2 All contract pricing shall be clearly stated, provided however, an Agreement may contain "cost not to exceed" conditions or restrictions as to hourly service procurements or as to procurements acquired on a unit price basis.

- 2.3.3 Kent County Water Authority contracts shall specify length of a contract period, compensation, and where appropriate, conditions/procedures for termination of a contract.

SECTION 3 - PROCUREMENT PROCEDURES

- 3.1 **METHODS OF PROCUREMENT:** Except as otherwise authorized by law, or as specifically exempted herein, all Kent County Water Authority contracts shall be awarded as the result of:

3.1.1 Competitive Sealed Bidding; or

3.1.2 Small Purchase Procedure; or

3.1.3 Request for Proposal; or

3.1.4 Sole Source Procurement; or

3.1.5 Emergency Procurement; or

3.1.6 Purchases made under the State of Rhode Island Master Price Agreement (MPA)

3.1.7 Nothing herein shall deprive the purchasing officer from negotiating with vendors who maintain a General Service Administration price agreement with the United States of America or any agency thereof or other governmental entities, provided, however, that no contract executed under this provision shall authorize a price higher than is contained in the contract between the general service administration and the vendor affected.

3.2 **RESPONSIBILITIES OF SUPPLIERS:**

3.2.1 A reasonable inquiry by the Board to determine the responsibility of a supplier may be conducted, and a written determination of responsibility and competency of a supplier to fulfill an agreement may be made by the Board. The failure of a supplier to supply requested information promptly in connection with an inquiry related to responsibility and competency to fulfill an agreement may be grounds for a determination of failure to meet KCWA supplier criteria.

3.2.2 The Board may utilize factors including, but not limited to, financial capability, previous work history with KCWA, reputation and management to evaluate the responsibility and qualifications of potential suppliers.

3.2.3 As a prerequisite for a contract award, the Board may require any supplier to submit current certifications of financial responsibility, and any such other pertinent certifications as condition precedent to awarding a contract to a supplier. Any and all documentation referenced in this clause shall be signed by a duly authorized representative of the supplier. The signature shall be an original signature made in ink and dated by the signatory. The signer, on behalf of the supplier, shall affirm:

3.2.3.1 That any and all information on the documentation is true and accurate;

3.2.3.2 That the existence of relationship (blood, spousal, adoptive, financial, business, etc.) between a principal of the supplier firm and Kent County Water Authority and/or any Kent County Water Authority employee has been disclosed in writing;

3.2.3.3 That falsification of information contained on any signed documentation shall be grounds for debarment.

3.3 SOLICITATION PROCEDURE: In general, solicitations by Kent County Water Authority shall state the method and basis of the award. Unless alternate offers are requested in the solicitation or allowed, only those offers which are responsive to the terms or the solicitation in all material respects shall be considered.

3.3.1 RULES FOR SOLICITATION: Public Competitive bids. Except as to procurement of supplemental services as set forth in clause 3.7, sealed, written competitive bids shall be required for procurements exceeding ~~five~~ ten thousand dollars (\$~~5~~10,000) for construction contracts and ~~two~~ five thousand ~~five~~ hundred dollars (\$~~2,5~~5,~~000~~000) for all other purchases unless such method is not practicable as may be determined by the Board.

3.3.1.1 NOTIFICATION AND ADVERTISING: The Board shall advertise in the Providence Journal for any Solicitation, Bid, or Request for Proposal.

3.3.2 SUPPLIERS SECURITY: If Kent County Water Authority requires suppliers' security, the following rules shall apply:

3.3.2.1 The supplier shall submit a Bid Bond or Performance Bond or Material Bond or Payment Bond as supplier's security as shall pertain to the Contract.

- 3.3.2.2 All such Bid Bond sureties must be dated within 30 days of the bid opening date and shall be valid for no less than 90 days from the bid opening dates or as otherwise stated in the Bid documents.
- 3.3.2.3 All such sureties shall be made payable to or for the benefit/indemnification of Kent County Water Authority.
- 3.3.2.4 All sureties shall contain an identification of the bid number for which the surety is intended.
- 3.3.2.5 Supplier security shall be required for all competitive sealed solicitation for construction contracts when the estimated price exceeds ~~twenty-five~~thirty thousand dollars (\$~~25~~30,000). Nothing herein prevents the requirement of such bonds on construction contracts less than ~~twenty-five~~thirty thousand dollars (\$~~25~~30,000) when circumstances warrant.
- 3.3.2.6 Bidder security may be required for contracts involving blanket orders, services or high value items when the value of the contract exceeds ~~two~~three thousand ~~five hundred~~ dollars (\$~~2,5~~3,000).
- 3.3.2.7 Bidders' security may be in an amount equal to at least five percent (5%) of the amount bid.
- 3.3.2.8 After solicitations are opened, they shall be irrevocable for the period specified in the Invitation for Bids.

3.3.3 CANCELLATION OF INVITATIONS FOR SOLICITATIONS:

- 3.3.3.1 Any solicitation may be canceled or rejected by the Board, if it is determined by the Board that such action is in the best interest of Kent County Water Authority.
- 3.3.3.2 If a solicitation results in none of the proposals being acceptable to the Board, the Board may declare all bids to be unacceptable and re-solicit the procurement.
- 3.3.3.3 If a solicitation results in only one proposal, the price of which is not acceptable to the Board, the Board may declare it unacceptable and either re-solicit the procurement or negotiate the price with the supplier which did bid.

3.3.4 CORRECTION OR WITHDRAWAL OF BIDS:

- 3.3.4.1 Correction or withdrawal of bids may be allowed only to the extent permitted by the Board.
- 3.3.4.2 The Board shall be the sole determiner of whether correction or withdrawal of bids may be made without a penalty.

3.4 REQUEST FOR PROPOSALS:

3.4.1 PROCEDURE: The Kent County Water Authority shall review Proposals based on the following criteria:

- 3.4.1.1 A minimum of three proposals (if sufficient proposals are submitted) may be selected from the criteria below for supplier's interviews. Only those selected for an interview, if the Authority so chooses, shall be eligible for selection to perform the services requested.
- 3.4.1.2 Evaluation of competence and demonstrated knowledge and experience to perform the services as reflected by experience of the firm and individual consultant team to perform the service.
- 3.4.1.3 Evaluation of ability to perform the services as reflected by the workload and availability of adequate personnel, past experience and quality of work.
- 3.4.1.4 Evaluation of a fee proposal.
- 3.4.1.5 Evaluation of a schedule for tasks (time of completion is critical and will be considered carefully for selection).
- 3.4.1.6 Evaluation of organization and technical content of Proposal, clear and concise nature of presentation, ability and demonstrated understanding and approach to performing the required work. Creativity in approach to completion of tasks will be desired.

3.4.2 INTERVIEW AND FINAL SELECTION:

- 3.4.2.1 Upon completion of 3.4.1, those firms selected will be notified of the date and time for interview.
- 3.4.2.2 The Kent County Water Authority reserves the right to award any

Proposal in whole or in part and/or reject any and all Proposals.

3.4.3. ENGAGEMENT OF SERVICES:

- 3.4.3.1 Upon successful selection per Section 3.4.1 & 3.4.2, the Kent County Water Authority reserves the right to negotiate any and all parts to the Proposal with the selected Supplier prior to formalization of a contract or of a letter of engagement for services.
- 3.4.3.2 In the event the successful Supplier cannot fully and timely perform his contractual obligation and/or successfully negotiate the Proposal with the Kent County Water Authority, the Kent County Water Authority reserves the right to award the Proposal to any of the other qualified Suppliers.
- 3.4.3.3 Kent County Water Authority reserves the right to reject any and all Proposals, or parts thereof, or to waive any and all informalities if it is in its best interest to do so, and it reserves the right to disregard all nonconforming, non-responsive, or conditional Proposals or portions thereof.
- 3.4.3.4 Engagement of the services of the successful Supplier will only occur upon execution of a letter of engagement in form acceptable to Kent County Water Authority.
- 3.4.3.5 Price alone will not be the sole determining factor. No work shall proceed without prior written authorization of the Board or its duly authorized representative.
- 3.4.3.6 All information and originals developed under any project is the sole property of the Kent County Water Authority. Prior approval by the General Manager/Chief Engineer is required before the release of any element of the data or information developed for any project for any reason other than for use by Kent County Water Authority.

3.5 CONSTRUCTION MANAGEMENT CONTRACTS:

- 3.5.1 **CONSTRUCTION MANAGEMENT:** An individual or legal entity who bids on a construction management contract shall provide with the bid the following information, which information shall constitute a condition precedent to qualification for a construction management contract:

- 3.5.1.1 Firm history: Name of the firm, location of principal and branch offices, length of time in business, firm ownership structure, and annual construction management volume for each of the past five (5) years including number of projects and total construction volume.
- 3.5.1.2 Personnel: Total number of the firm's personnel, (other than secretarial/clerical), by professional or skill group and outside firms which will be used to provide such services as estimating, value engineering analysis, scheduling or computer services.
- 3.5.1.3 Experience: Information regarding projects which the firm has constructed during the past five (5) years, including those where the firm has served as construction manager, project name and address, year completed, type of project, construction cost, and a reference (s).

3.5.2 PROJECT STAFFING:

- 3.5.2.1 The firm's proposed management staff for the project, including an organizational chart identifying the firm's key staff members and showing how each staff member interacts with other staff members assigned to the project.
- 3.5.2.2 A detailed resume for each key staff member which summarizes education, professional registration, professional society membership, construction experience, and construction management project experience.

3.5.3 SERVICES:

- 3.5.3.1 Scope of construction phase services and how such services are to be provided;
- 3.5.3.2 The firm's method of working with the project architects, engineers, consultants and other planning team members;
- 3.5.3.3 The firm's method of coordinating the efforts of various trade contractors.

3.6 EXCEPTIONS TO COMPETITIVE BIDDING REQUIREMENTS:

- 3.6.1 **SOLE SOURCE:** A contract may be awarded for a supply, service, or construction item without competition when the Board determines in writing that there is only one

source for the required supply, service, or construction item. Sole source may also include specialized replacement/repair parts or expansion parts necessary to maintain the integrity of system or function.

3.6.2 EMERGENCIES: The Board or its duly authorized representative may make emergency procurements without competition when there exists a threat to public health, welfare or safety and competitive bidding is, in the opinion of the Board, impractical. A written determination of the basis for the emergency, and for the selection of the particular contractor, shall be included in the contract file.

3.6.3 SMALL PURCHASES: In the case of small purchases, the Board, or its duly authorized representative, shall make the effort and attempt of multiple solicitation of no less than three suppliers by telephone contact for purpose of competitive pricing and delivery on a timely basis of best value product and service. Such telephone solicitation is to be confirmed by telephone facsimile transmission from Supplier, or failing that, by Board authorized representative to Supplier. This procedure does not apply to 3.6.1 nor 3.6.2 above.

3.7 SUPPLEMENTAL SERVICES:

3.7.1 ARCHITECTURAL, ENGINEERING AND CONSULTANT SERVICES SELECTION PROCESS FOR SERVICES EXCEEDING \$20,000:

3.7.1.1 SOLICITATION:

3.7.1.1.1 Public Announcement. The Board shall give published notice of its requirements for professional, architectural, engineering or consultant services.

3.7.1.1.2 Such notice shall be published sufficiently (not less than 7 days nor more than ~~21~~28 days) in advance of the date when responses must be received.

3.7.1.1.3 The published notice shall: (1) contain a brief statement of the services required, (2) describe the project, (3) specify how specific information on the project may be obtained, and (4) the date of public opening.

3.7.2 ARCHITECTURAL, ENGINEERING AND CONSULTANT SERVICES SELECTION PROCESS FOR SERVICES NOT EXCEEDING \$20,000:

3.7.2.1 The Board having determined its requirement for professional,

architectural, engineering or consultant services at a cost reasonably expected to be less than \$20,000 shall, or by its duly authorized representative, select a qualified firm for the project. Usual evaluation criteria are to be followed.

3.8 MISCELLANEOUS:

3.8.1 Based on the Board's review of a supplier's level of financial responsibility and/or qualification, the Board may restrict the items or size of orders for which a supplier will be solicited. Restrictions shall relate to:

3.8.1.1 Limiting the kinds of goods and services for which the supplier may be solicited.

3.8.1.2 Limiting the scope/amount of goods and services for which the supplier may be solicited.

SECTION 4 - BREACH OF CONTRACT DISPUTES

4.1 The Board shall have the authority to resolve any breach of contract controversies. Prior to the institution of arbitration or litigation concerning any contract, claim or controversy, the Board is authorized to settle, compromise, pay, or otherwise adjust the claim by or against or controversy with, a contractor relating to a contract entered into by Kent County Water Authority, including a claim or controversy based on contract, mistake, misrepresentation, or other cause for contract modification or rescission. The Board shall also have the authority to determine protests and other controversies of actual or prospective suppliers in connection with the solicitation or selection for award of a contract.

4.2 The Board may assess dollar damages against any supplier determined to be non-performing or otherwise in default of their contractual obligations equal to the cost of remedy incurred or to be incurred by Kent County Water Authority, and make payment of such damages a condition for consideration of any subsequent contract award. Failure by the supplier to pay such damages shall constitute just cause for disqualification and rejection, suspension, or debarment.

SECTION 5 - VIOLATIONS OF PURCHASING LAWS AND REGULATIONS

5.1 In general, deliberate disregard for regulations, policies and procedures shall be subject to disciplinary action, including debarment of suppliers conducting business with Kent County Water Authority. Kent County Water Authority, via its Board or duly authorized representative, shall have the authority to suspend or debar suppliers. A supplier's offer for a specific procurement may be rejected for any of the causes described for suspension below or where in the judgment of the Board, the supplier does not possess the capacity, material or equipment or personnel capability, or integrity requisite for the procurement.

5.2 DEBARMENT AND SUSPENSION OF A SUPPLIER:

5.2.1 Applicability:

5.2.1.1 A debarment or suspension order by the Board against a part of a corporate entity constitutes debarment or suspension of all of its divisions and all other organizational elements, except where the action has been specifically limited in scope and application, and may include all known corporate affiliates of a supplier, when such offense or act has occurred in connection with the affiliates' performance of duties for or on behalf of the supplier, or with the knowledge, approval, or acquiescence of the supplier or one or more of its principals or directors, or where the supplier otherwise participated in, knew of, or had reason to know of the acts.

5.2.1.2 Fraudulent and/or criminal and/or other serious improper conduct of any officer, director, shareholder, partner, employee, or other individual associated with a supplier, may be imputed to the supplier when the conduct occurred in connection with the individual's performance of duties for or on behalf of the supplier, or with the supplier's knowledge, approval, or acquiescence. The supplier's acceptance of benefits derived from the conduct shall be evidence of such knowledge, approval, or acquiescence.

5.2.2 Just cause for debarment may include, but shall not be limited to:

5.2.2.1 Conviction or final adjudication by a court or administrative agency of competent jurisdiction of any of the following offenses:

5.2.2.1.1 Criminal offense incident to obtaining or attempting to obtain a public contract or subcontract, or the

performance of such contract or subcontract, in any jurisdiction; or

5.2.2.1.2 Criminal offense involving embezzlement, theft, fraud, perjury, forgery, bribery, falsification or destruction of records, receiving stolen property (or any other offense indicating a lack of business integrity or honesty which seriously and directly affects the contractor's present responsibility as a public contractor); or

5.2.2.1.3 Violation of state or federal antitrust laws relative to the submission of bids or proposals (including those proscribing price fixing between competitors, allocation of customers between competitors, and bid rigging); or

5.2.2.1.4 Violation of state or federal laws regulating campaign contributions; or

5.2.2.1.5 Violation of state or federal laws regulating equal employment opportunity of handicapped access.

5.2.3 Just cause for suspension may include, but shall not be limited to:

5.2.3.1 Any cause for debarment set forth in 5.2 above;

5.2.3.2 Any indictment issued or any information issued against a supplier or any complaint filed by a public agency charging a criminal offense as described in 5.2 above or for any event described in 5.2.1.2 above;

5.2.3.3 Substantial evidence of willfully supplying materially false information incident to obtaining or attempting to obtain or performing any public contract or subcontract, or willful failure to comply with requirements imposed upon contractors or subcontractors by law or regulation;

5.2.3.4 Suspension by the federal government.

5.2.4 A supplier who knowingly engages as a subcontractor for a contract awarded by Kent County Water Authority then under a ruling of suspension or debarment by Kent County Water Authority shall be subject to disallowance of cost, annulment or termination of an award, issuance of a stop work order, debarment or suspension, as may be judged to be appropriate by the Board.

END OF PROCUREMENT PROCEDURES

EXHIBIT M

August 17, 2005

PLANNING DOCUMENT \$25,000/YEAR ALLOCATION

PROJECT	STATUS
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

PROJECT	STATUS
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, Testing for Lead & Copper
Blackrock Road Transmission Main - CIP-4	Main Line Construction Completed. Clean up & Paving.
Clinton Avenue Pump Station Rehabilitation CIP - 7A	Construction On-going
Read School House Road Tank CIP - 7B	Site Movement Survey Review with Board
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

PROJECT	STATUS
IFR 2003	Construction completed.
IFR 2004	Contract Split Up
Geographic Information System Base Map	Completed.
Geographic Information System Second Phase	Mapping Feature Review October Completion
Knotty Oak Road. Old CIP 5	Construction completed.
Tiogue Tank Modified Service Area	Project closed out.
Setian Lane new pumping station and Frenchtown vault rehabilitation.	Completed.
Setian Lane Tank painting	Completed.
Oakdawn 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	
Color Study Mishnock Wells	Piloting Study Submitted to RIDOH
Cleaning & Lining Greenwich Avenue	Design Status Gas Company Conflict Set Bid Date
PROJECT	STATUS
Web site preparation	Up and running.
Strategic Plan	Sub-committee to develop plan.
Newsletter	Eliminated by PUC order
CCR 2003	Mailed.
Colvintown Road	Completed.
c:\mydocs\F\docs2\planningdocument	