

# KENT COUNTY WATER AUTHORITY

## BOARD MEETING MINUTES

February 15, 2006

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 February 15, 2006.

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

The minutes of the Board meeting of January 18, 2006 were moved for approval by Board Member Gallucci and seconded by Board Member Boyer and the minutes of January 18, 2006 were unanimously approved.

### High Service Requests

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

The General Manager submitted a memorandum dated February 15, 2006 which is attached as "B" which unequivocally stated that the General Manager is the Department of Health licensed operator of the Kent County Water Authority system and that he can not countenance any further water approvals while the water deficit continues in order to avoid a catastrophic incident.

### Guests:

#### High Service Requests:

#### 420 East Greenwich Avenue, Matthew Gilchrest

Mr. Gilchrest was not in attendance and the matter was passed.

#### 53 Northup Plat Road, Coventry, Kenneth Noberg

Mr. Noberg was not in attendance and the matter was passed.

2 Old Farm Road, East Greenwich, Richard Benoit

Mr. Benoit was not in attendance and the matter was passed.

2271 Middle Road, Todd Buontempo

Mr. Buontempo stated that there is presently a home on the site which will be torn down for new construction. Mr. Buontempo had no knowledge of the well at the site. The Chairman stated that there were no further connections in the high service gradient in that the oversubscription is at approximately 300,000 gallons per day plus and that new customers can not be added. Board Member Graham asked if he had any knowledge of any well testing at the site and Mr. Buontempo replied no. Board Member Masterson asked if anyone was living there and the answer was no. Board Member Masterson suggested that he should have the water tested and shall be addressed at a later time.

70 Island Drive, Abrams

Mr. Abrams was not in attendance and the matter was passed.

**Rocky Hill Commons, East Greenwich, James Malm**

This matter is continued to the Board meeting of March 15, 2006 pursuant to the request of Mr. Malm.

**WRB Presentation**

Juan Marischal, Executive Director, gave an introduction to the Board and he wanted to make an appearance and stated that he has just taken over the position. He stated that Kent County Water Authority has been diligent in its water quality improvement and that it has received \$500,000.00 in phases in that there will be 1.2 million dollars overall and that Kent County Water Authority has been awarded 17% of all of the monies given out by the Water Resources Board. He further stated that Kent County Water has done diligent service in buying wellhead protection property in fact 400 acres in all. Mr. Marischal stated that he wants to do more and he congratulated the Board for its good work. He further stated that the Kent County Water Authority Board and the Water Resources Board will be working together on issues.

**Request from Attorney Pagliarini/Catapult Realty Request**

The Attorney for Centre of New England/Catapult Realty, John A. Pagliarini, Esq. stated that many are aware that his client is seeking an application for a new public water system appended as "C", however, due to regulations, such applications would not be considered if an existing public system is capable of extending service to the

facility. He stated to the Board that his client is very concerned about the present scarcity of water and Centre of New England will attempt to obtain its own water district to service the many uses within the Centre of New England. He presented a resolution which is appended as “D”.

Board Member Boyer moved to adopt the resolution and it was seconded by Board Member Gallucci. The Chairman had several questions concerning the proposed service area as to who and what would be serviced and the existing businesses the option as to Kent County Water Authority or the Centre of New England water. Centre of New England Attorney Brian LaPlante stated that the system may be dual in that certain businesses may have the right to be serviced by Kent County Water Authority and Centre of New England, but he believes that the practicalities will dominate in that it will be a self-contained public system. In answer to a question from Board Member Graham about the proximate sixteen (16) approved businesses he agreed that the water could not be co-mingled. Board Member Masterson reminded their attorneys that Centre of New England or any of its entities have never been denied any water by Kent County Water Authority and it was unanimously,

VOTED: To adopt the resolution as appended as “D”.

## **Legal Matters**

### **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. This matter is now in discussion with the City of Warwick. Legal Counsel has transmitted an agreement to the City which is being reviewed together with other amendments and it is scheduled to be heard by the City Council on March 13, 2006.

### **Relocation of Tank Site – Read School House Road**

The General Manager and Legal Counsel had previously met with the Acting Town Manager, Town Solicitor and the Department of Public Works and the Town, at that time, agreed to the relocation of the tank site. A survey depicting the site had been prepared and forwarded to the Solicitor and it was approved and a metes and bound description prepared. In November, 2005 the Solicitor advised Kent County Water Authority that the Department of Public Works and Recreation Department had an issue

with the land swap because the land was classified as open space. The General Manager, Chairman and Legal Counsel subsequently met with the Acting Town Manager, Solicitor and Department of Public Works and Recreation and the Town is seeking additional compensation from Kent County Water Authority for the Black Rock Road paving project in consideration for relocation of the tank site. Kent County Water Authority and Legal Counsel are in the process of scheduling a meeting with the legal counsel for the office of zoning/planning to ascertain the municipal review process for a 130' above ground tank situated near Walker Farms. The Chairman directed the General Manager to have appraisals for the separate parcels to determine the difference, if any, in fair market value.

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

The contract was forwarded to the Department of Public Works, however, was never executed by the Town. The Town now takes issue with the amount of the contract and is seeking additional compensation in the total amount of \$300,000.00. The Chairman will continue to discuss the matter with the Town, especially in light of the new election results.

#### Facility Access - Amgen

Easement rights of Kent County Water Authority are impeded due to Amgen's security protocol. Legal Counsel has researched the easement rights of Kent County Water Authority and this issue will be reviewed by the Board.

#### DEM

Legal Counsel has been in touch with the Director of the Department of Environmental Management and received its response and the response of Kent County Water Authority is now due and the matter will be discussed this afternoon by the Board in light of the C & E Engineering Partners, Inc. report dated February 9, 2006.

#### NE Gas/DPUC/Greenwich Avenue/Warwick

The parties have met and will continue to meet in order to avert full hearings and appear to be close to resolution.

#### Greenwich Avenue Meter Pit:

By virtue of an agreement dated May 8, 1934 between the City of Warwick and the East Greenwich Water Supply Company, predecessor to Kent County Water Authority, the City owns a meter pit on Greenwich Avenue and said meter pit is obsolete. In connection with the cleaning and lining of the Greenwich Avenue infrastructure, the meter pit will require installation of an insertion valve with a locked cover resulting in the termination of Warwick's service connection. The 12 inch cast

iron main will be capped adjacent to the existing fire hydrant located 20 feet south of the entrance to the Crowne Plaza. The meter chamber will be filled and the frame and cover removed and the meter chamber will be rendered inoperable.

The City has agreed to waive its interest in this obsolete meter pit and has executed an agreement to that effect and the Authority will complete the project.

#### Centre of New England: Wingate Easement

On December 30, 2005, Legal Counsel had forwarded to Brian LaPlante, Esq., attorney for Centre of New England, the proposed form of easement deed as requested by LaPlante, Esq. on December 28, 2005. Attorney LaPlante's office contacted Legal Counsel on January 12, 2006 and stated they will be forwarding proposed revisions to Legal Counsel in the near future. The revised easement deed was received from LaPlante Esq.'s office on January 31, 2006. The revised form of easement deed is terminable by the land owner and the exhibits describing and depicting the easement area have not been provided by the land owner(s). The as-built drawings were received and reviewed by Kent County Water Authority in January and Kent County Water Authority provided the engineer with comments. As of February 10, 2006, the comments have not been addressed and the as-builts remain an open issue.

#### Clinton Avenue Pumping Station/National Grid

National Grid requires Kent County Water Authority to enter into a security agreement and grant an easement to National Grid with respect to providing electrical service to the station. The form of the easement deed has been reviewed and approved by Legal Counsel. Prior to granting the easement, Legal Counsel has suggested that Kent County Water Authority review/address security protocol with respect to access to the facility by National Grid.

#### Wakefield Street, West Warwick Tank site

Legal Counsel has reviewed the West Warwick Land Evidence Records to determine whether or not any easements affect the site and the location of the easements. There are easements in favor of the City of Providence (Water Supply Board) and the General Manager and legal counsel will be meeting with the Providence Water Supply Board on February 16, 2006 to review plans depicting the subject easements.

#### Verizon Decision

The Division of Public Utilities and Carriers hearing officer, John Spirito, rendered an opinion regarding the matter which disposes of the complaint after the matter was settled amicably between Verizon and Kent County Water Authority.

## **Director of Finance Report:**

Arthur Williams, Finance Director, explained and submitted the financial report and comparative balance sheets, statements of revenues, expenditures, and cash receipts, disbursements through January, 2006 and closing documents which is attached as “E”, and after discussion, Board Member Boyer moved and seconded by Board Member Graham 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 January, 2006 and closing documents, be approved as presented and be incorporated herein and are made a part hereof as “E”.

## **POINT OF PERSONAL PRIVILEGE & COMMUNICATIONS**

The Chairman, a member of the Water Resources Board, informed the Board that on February 14, 2006 it voted (he abstained) to immediately develop a joint RFP of the Big River management area to be designed and released no later than April, 2006 with a response required no later than July 1, 2006. The resolution calls for financing, construction and operation for not less than thirty (30) years for well-water withdrawal of at least 5 mgd (million gallons per day) and a treatment system capable of providing up to 10 mgd of potable water into a public distribution system. The Chairman stated that this is a step in the right direction and that this is partially in response to Kent County Water Authority diligence in attempting to get the Big River management area usable.

Board Member Graham wanted to thank the employees and Board Members who have expended personal time to come to the General Assembly Oversight Commission Meetings.

## **GENERAL MANAGER/CHIEF ENGINEER'S REPORT** **OLD BUSINESS:**

### **Supplemental Water Supply, Warwick PWSB (For Discussion)**

The General Manager stated that the Bald Hill agreement with Warwick was discussed in Legal. Board Member Gallucci reminded that the Warwick Council will meet at 7:00 p.m. on March 13, 2006 and that there are some technical issues which will need to be worked out by Legal Counsel and the Solicitor. He does not see any major obstacle.

### **Providence Water Supply Board**

The General Manager gave a system overview using a system map regarding the possible connections to the Providence Water Supply Board. He referred the Board

to the draft of the Providence Water Temporary Interconnection Wakefield Street Hydraulic Model Assessment by C & E Engineering Partners, Inc. The General Manager stated that this is in the discussion phase, however, connection to the Providence Water Supply Board would be helpful and give more protection in that the 78 inch valve would be capable of being periodically shut. He stated that there are details to be worked out as in all projects of this magnitude. He stated that the Providence Water Supply Board would probably spend approximately \$400,000.00 for a temporary insertion valve. The General Manager stated that it would a five (5) year plan for the high service gradient to be upgraded with attendant funding approval from the Public Utilities Commission. He still has great concern over the super dependency on the Providence Water Supply Board which appears to be a necessity for economic development of the high service gradient. Board Member Boyer stated that the Bald Hill Pumping Station would still be the closest connection in order to get water to the high service gradient, to which the General Manager concurred.

The Chairman reminded the Board members that a third connection was built into the aqueduct and was planned for the Big River Reservoir to be connected to the Providence Water Supply Board. The General Manager stated the discussion with the Governor and the Director of the Department of Environmental Management on February 15, 2006 ended with the Director of the Department of Environmental Management stating that he would relax in the rules and regulations albeit it may be necessary for economic development. The General Manager stated that he will continue to work on this issue.

#### Coventry Paving Agreement Approval

This matter was discussed in Legal and the Chairman stated that an approval should be imminent.

#### New Business

##### DEM Revised Permit Discussion (Engagement of Engineer)

The General Manager stated that C & E Engineering Partners, Inc. report completed pursuant to last month Board direction was for the purpose of thoroughly and objectively reviewing the differences between the Department of Environmental Management and Kent County Water Authority regarding the Mishnock wellfield expansion proposed permit. The Board engaged C & E Engineering Partners, Inc. in order to have a thoroughly professional and independent review of the permits in relation to the concerns of Kent County Water Authority.

The General Manager stated that the C & E Engineering Partners, Inc. report of February 10, 2006 appended as "F" supports the position of the Kent County Water Authority and that the report points to the areas that are troublesome in light of the intractable positions taken by the Department of Environmental Management. The Chairman stated that based on his engineering background and the reading of the

report, that the pursuit of the expanded wellfield permit with the Department of Environmental Management will continue to be a quixotic journey and that the Authority should concentrate its efforts on the treatment plant and place this permit on the back burner. He stated that the Authority has other options open to it and that it must proceed in areas which would be more fruitful.

Board Member Graham stated that a reasonable agency should have provided a workable permit especially since that agency understood that the Authority was attempting to limit its dependency on the Providence Water Supply Board in attempting to service economic development. Board Member Graham pointed out that the proposed revised permit by the Department of Environmental Management was more stringent than the original. She stated that she continues to be very distressed by the cavalier attitude taken by the Department of Environmental Management and is extremely disappointed and stated that it is hard to give up on this permit after the time and money invested.

The General Manager stated that the Governor has stated that the Authority should continue to seek alternatives to the Providence Water Supply Board if possible. In fact, the General Manager had met with the Chief of Staff, Director of Department of Environmental Management, Director of Division of Public Utilities and Carriers and the Governor early this day. The General Manager stated that the supply in the present existing wells and that the DPUC has stated that they will assist in new funding to gain water. The General Manager ultimately advocated that the State of Rhode Island needs a policy of mandatory conservation and that it is ridiculous to dump water on dirt and lawns when economic development and other areas will suffer. The General Manager stated that the best answer at this time is to pilot system for the existing wells at Mishnock. The Chairman made the point that C & E Engineering Partners, Inc. gave its independent report in order to take the emotion out of the previous permit and the proposed revised permit. Based upon C & E Engineering Partners, Inc. opinion and recommendation, the Chairman moved to cease all activity with Department of Environmental Management in regard to the expanded Mishnock wells permitting process and it was unanimously seconded by the entire Board.

Board Member Masterson stated that he had been heavily involved with the prior meetings in the permitting process and that it makes little sense to throw good money after bad in attempting to move an immovable object, mainly the Department of Environmental Management. Board Member Boyer stated that the proposed revised permit was ridiculous and that it is likewise obvious that the Department of Environmental Management would at some time shut the water off. Board Member Boyer also stated that it could be a legal test. Board Member Masterson stated that the process has gone as far as we can logically take it.

Mr. Marischal stated that the frustration of the Kent County Water Authority is perfectly understandable but that at this point the Providence Water Supply Board is still the best answer in the short term but he does agree that central Rhode Island does need more water.

The Chairman moved and it was seconded by the entire Board to cease all activity with regard the expended Mishnock well Department of Environmental Management permitting process and it was unanimously,

VOTED: To cease all activity by Kent County Water regarding the Department of Environmental permit and proposed revised permit for the Mishnock expanded wellfields with the Department of Environmental Management.

#### Discussion Private System Operations and Ownership

Meeting with the Department of Health and Legal Counsel and will have more to report.

#### AMGEN Security Access to KCWA Property

The issue will be followed up by the General Manager.

#### AMGEN Water Supply Discussion/Approval

The Chairman stated that there have been ongoing discussions with the legislature, the Governor, Amgen and the attorneys with regard to the issue of cyclical and critical non-delaying water use during manufacturing and Amgen has been seeking written language which would all but guarantee 800,000 gallons per day to Amgen. The Chairman stated that it is against the Kent County Water Authority Rules and Regulations to guarantee water to anyone. Further, he was aware of proposed legislation which has been filed by Senator Alves which would require Kent County Water Authority to provide 800,000 gallons per day to Amgen. The Chairman stated that Task Order No. 6 was reviewed by C & E Engineering Partners, Inc. and that high service gradient supply study indicates that 800,000 to 1.1 million maximum day was included in the model which is in the current water supply range. Senator Alves read a draft of a letter which Amgen had asked the Authority to endorse. The General Manager, the Chairman and Legal Counsel took objection to the proposed language read by the Senator as the same was in the nature of a guarantee and that the Authority could not endorse it as such.

The Chairman stated that this position might be an unpopular position but it is one that the Authority has always taken and will continue to take under its Rules and Regulations. Board Member Gallucci told Senator Alves that statewide conservation is one of the keys to water supply shortages and the State should set a strict policy of and across the State conservation in that the 4,600 residents of Warwick who are served by Kent County Water Authority are on conservation measures, yet the City of Warwick

itself is not and there are those who live next door to each other, where one family can use outdoor water and the other can't.

A lively exchange took place between Board Member Gallucci and Senator Alves. The Chairman stated to Senator Alves and the attorneys for Amgen and to the Director of Government Relations of Amgen that the drought management plan is the most equitable and effective means to address this issue since Amgen has stated that its manufacturing process requires at least 45 days of uninterrupted water service at the 800,000 gallons per day level, otherwise millions of dollars will be lost as well as the manufacturing process. In order to prevent this, the General Manager and Legal Counsel formulated language in the demand/drought management plan which would place Amgen because of those restrictions into a higher priority second only to residential and public safety.

Senator Alves and the Attorney for Amgen were more concerned with getting a letter signed in the nature of a guarantee rather than having the second highest priority prior to a shut off during a drought. A lively colloquy then took place, Mr. Walsh, Senator Alves and Legal Counsel and Senator Alves continued saying rather unmerited and undeserved comments about Kent County Water Authority and its operation. The Chairman was adamant that there would be no letter signed which was in the nature of the guarantee. The Chairman stated however, that it would be far more beneficial to Amgen to have a high priority based in its cyclical manufacturing process. The Chairman stated that Legal Counsel would be available to the Amgen attorney to discuss acceptable language which would not be in the nature of a guarantee.

The Chairman stated that the demand/drought management policy was to be discussed at this Board meeting.

#### Personnel Job Performance (Executive Session) – 5:00 p.m.

That Chairman stated that the person affected was notified that a discussion of the employee's job performance, character, or physical and/or mental health was to be held in executive (closed) session by the Board of Kent County Water Authority on February 15, 2006 at 5:00 p.m. unless the person affected required the proceeding to be held at an open meeting. The person affected did respond and did appear and requested that it be held in closed session. The Chairman declared that it be noted in the minutes of the meeting that R.I.G.L. 42-46-5(a)(1) had been fully complied with. After the statement by the Chairman, Board Member Boyer moved and Board Member Masterson seconded the motion to enter into executive session pursuant to R.I.G.L. 42-46-4 and R.I.G.L. 42-46-5(a)(1) to discuss job performance, character, or physical and/or mental health of an employee and it was unanimously passed. Therefore, the Board entered into executive session.

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.

### Demand Management Priorities (Drought Management Policy)

Legal Counsel explained to the Board that certain manufacturing processes which are dependent upon critical and non-delaying water uses including sanitary uses and production because of the millions of dollars to be lost if these processes were to be interrupted and that the Board should consider such water use priority. The Chairman stated that the number one priority is the public health and safety which includes residential interior use, non-residential sanitary uses and of course fire response which is in our policy demand drought management plan. He stated that manufacturing dependent on critical and non-delaying water usages should be the second priority and in his opinion that outside uses such as personal landscaping, irrigation, recreation, vehicle washing and other water uses are the lowest on the priority list. The General Manager stated that the priorities should be: (1) public health including residential and safety, (2) manufacturing depending upon critical and non-delaying water uses, (3) commercial agriculture and farming (4) commercial uses and non-commercial water use for intended purposes (5) recreational outdoor watering and residential, industrial and commercial outside watering. These lists are included in the proposed amendment to the drought water management policy which is appended as "G".

It was moved by the Chairman and seconded by the entire Board to amend the Kent County Water Authority drought water management policy as appended as "G" and it was unanimously,

VOTED: To amend the Kent County Water Authority drought water management policy as appended as "G".

### Emergency Supply to Clinton Avenue P.S. 3<sup>rd</sup> PWSB Connection

This matter was discussed infra.

### Bid Approval

#### Tank Painting

That an office memorandum from Technical Service Director, John Duchesneau dated February 14, 2006 regarding the same and appended as "H" which explained that the bids as submitted did not comply with the bidding procedures recommended that all

the bids should be rejected and that the project be re-bid should contain changes to the bid documents which would help the respective bidders to comply with the required documents.

It was moved by Board Member Masterson and seconded by Board Member Graham that because of the non-responsiveness of the bids that all bids be rejected in the best interest of Kent County Water Authority and that the same will be re-bid with changes to the bid documents and the potential bidders to comply with the required documentation and it was unanimously,

VOTED: That all bids be rejected in the best interest of Kent County Water Authority and that the same will be re-bid with changes to the bid documents and the potential bidders to comply with the required documentation.

### RFP Approval

#### Pilot Study Mishnock

Technical Services Director, John R. Duchesneau, produced an office memorandum together with an executive summary of the bidding amounts which are attached hereto as "I". Mr. Duchesneau stated that Dufresne-Henry Company has the most experience in conducting pilot studies similar to the proposed treatment technology of the Mishnock wellfield for minerals including manganese. The General Manager said that the option to complete the entire pilot at a not to exceed price of \$246,650.00 with no mark up pricing to obtain, construct and operate the pilot test equipment, well cleaning, temporary pumps and temporary pilot test facilities which is estimated to be about \$102,000.00 and that the Dufresne-Henry approach seems to be the most cost effective and timely approach to complete the work. The General Manager stated that this work is emergent in its nature and he fully concurs with the Technical Services Director's assessment of the same.

It was moved by Board Member Boyer and seconded by Board Member Gallucci to award the entire pilot program as outlined in "I" to Dufresene-Henry Company in the amount of \$246,650.00 and it was unanimously,

VOTED: To award the entire pilot program as outlined in "I" to Dufresene-Henry Company in the amount of \$246,650.00.

#### Cleaning Storage Tanks

Technical Services Director, John R. Duchesneau, produced an office memorandum and an executive summary of the bidding amounts which are attached hereto as "J" for the potable water storage tank cleaning inspection proposal which explains that the bids as submitted did not comply with the bidding procedures recommended that all the bids be rejected and that the project be re-bid with changes to

the bid documents which would help the respective bidders assure that they have required documents with their bid.

It was moved by Board Member Masterson and seconded by Board Member Graham that because of the non-responsiveness of the bids that all bids be rejected in the best interest of Kent County Water Authority and that the same will be re-bid with changes to the bid documents and the potential bidders to comply with the required documentation and it was unanimously,

VOTED: That all bids be rejected in the best interest of Kent County Water Authority and that the same will be re-bid with changes to the bid documents and the potential bidders to comply with the required documentation.

#### Retirement/Postings & Advertisement

The General Manager stated that two employees have applied for retirement, i.e. Meter Readers and customer service/accounting bookkeeper and was posted internally and will be advertised. The General Manager stated that in the meantime that he would like permission to hire those retirees for the stop gap.

It was moved by Board Member Graham and seconded by Board Member Masterson to allow the General Manager to offer part-time employment to the retirees to cover the time between their retirement and the hiring and training of a replacement and it was unanimously,

VOTED: To allow the General Manager to offer part-time employment to the retirees to cover the time between their retirement and the hiring and training of a replacement.

#### Discussion of Taping of Meetings

The Chairman stated that the Kent County Water Authority shall allow the taping of Board meetings by the public as long as it does not interfere with the meeting as the Board room has tight quarters.

#### Discussion Wingate Easement/CNE Easement

The applicant's counselors left the meeting prior to the Board discussing this matter. Legal Counsel Maryanne Pezzullo, Esq. advised the Board that she had provided the attorney for the applicant with a proposed form of easement deed on December 30, 2005 which had been directed by the Board. Legal Counsel for Kent County Water Authority did not receive a re-draft until January 31, 2006. Legal descriptions for the site/easement area were never provided to Legal Counsel and as a result, Legal Counsel could not determine the location of the easement area. Further, the applicant's redraft called for a terminable easement. On February 10, 2006, Legal Counsel learned

that the applicant no longer wanted to convey an easement to Kent County Water Authority and Legal Counsel received on February 15, 2006 a proposed escrow contract whereby John Pagliarini, Esq., counsel for Centre of New England, would hold \$25,000.00 in escrow pending receipt of the as-builts for all projects and if no as-builts were provided Kent County Water Authority would then obtain as-builts. The contract further provided that if the applicant can not provide for its own water system then the applicant would grant an easement to Kent County Water Authority. The General Manager stated that if the applicant develops its own private system, then Kent County Water Authority would not require an easement or as-builts. Legal Counsel, Joseph J. McGair, stated that the Board needs an easement for access and Board Member Graham suggested that Mr. McGair be the escrow agent. Board Member Masterson inquired as to whether or not Kent County Water Authority required easements. The General Manager suggested that easements are not required if the applicant develops its own private system.

It was moved by Board Member Boyer and seconded by Board Member Graham to address the total issues including the easements and escrow agreement at a special board meeting and it was unanimously,

VOTED: To address the total issues including the easements and escrow agreement at a special Board Meeting.

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

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

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

VOTED: To adjourn the meeting at 7:30 p.m.

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Secretary Pro Tempore

# **EXHIBIT A**

February 15, 2006

## Revised Conditions

- The Kent County Water Authority (KCWA) is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third party commitments made by a applicant/customer are subject to the reasonable availability of water supply and limits of the existing infrastructure to support service.
- A deficient condition associated with accelerated commercial and residential development exists in the area serviced by the KCWA, the KCWA is in the process of planning for additional water supply and therefore delays or diminution in service may occur if the water supply is unavailable or unable to produce water sufficient to service the customers of KCWA.
- Ventures, commitments or agreements are at the applicant's sole risk if supply or existing infrastructure is found to be insufficient to support service. The applicant may afford the Authority with system improvements to facilitate adequate service.
- The applicant shall file a formal application with the necessary design drawings, flow calculations, including computer hydraulic modeling to fully evaluate this project supply availability and the potential impact on the existing public water supply system. The applicant/customer understands that any undetected error in any calculation or drawing or an increase or change in demand as proposed, which materially affects the ability to supply water to the project, will be the responsibility of the applicant/customer and not the KCWA.
- 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.
- If irrigation systems are installed, they must be supplied by a private well. Xeroscape landscaping technique and/or proper planting bed (high water holding capacity) soil preparation shall be employed throughout the project.

"A"

# **EXHIBIT B**

February 15, 2006

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# OFFICE MEMO

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**To:** Board  
**From:** Timothy Brown  
**Subject:** Board Meeting, February 15, 2006, High Service Gradient Approvals  
**Date:** February 15, 2006

Prior to the Board's action on high service requests for the February Board meeting I must, for the record, state my objection for any additional approvals being granted. Added demand to the high service gradient will exacerbate a serious situation that exists with health and safety being compromised. If a catastrophic incident requiring water during the maximum day demand period occurs, the system will not be able to supply these needs. The calculated maximum day demand has already exceeded the system capacity. The engineers have brought this forward to the Board. I, again, urge the Board to implement a moratorium on all future high service requests as Kent County Water Authority is unable to serve these until a new source of supply is operational, or at least a definitive plan with full financing is established to deal with this shortage.

" B "

# **EXHIBIT C**

February 15, 2006

## New Water Systems

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1. Applications for a new public water system will not be considered if an existing public system is capable of extending service to the facility.
  2. Applications for new public water systems shall include a Capacity Assurance or Water System Management Plan that demonstrates the financial, managerial and technical capacity to comply with statutory and regulatory requirements.
  3. Follow the instructions outlined in the next two sections, as appropriate.

## New Water Sources

4. Existing water systems seeking a new source must include, at a minimum, an assessment of the financial viability of the water system including a listing or discussion of costs relating to capital improvements, treatment, water quality testing, operation and maintenance, as well as the financial resources or revenues necessary to maintain the system in accordance with the Regulations.
5. Submit an appropriately scaled plan of the 1750-foot wellhead protection radius, locating and identifying the proposed source, property lines, property ownership and all existing or proposed potential sources of contamination consistent with Appendix 4 of the Regulations (see enclosure). This plan may be based on available maps such as municipal assessor's plats, USGS topographic quads, aerial photos or other such similar sources suitable to the purpose.
6. Submit an appropriately scaled topographic site plan of the inner protection radius, which measures 200 feet for drilled (rock), dug or driven wells or 400 feet for gravel packed or gravel developed wells. This plan must be drawn to scale and stamped by a professional engineer or land surveyor registered in RI. Topographic contours, property lines, roads, structures, land and water features and all other pertinent information relating to the water system must be clearly shown. In addition, all existing or proposed potential sources of contamination consistent with Appendix 4 of the Regulations shall be accurately located and identified.
7. The water system must maintain direct control over the entire inner protection radius (200 feet for drilled (rock) or driven wells and 400 feet for gravel packed or gravel developed wells) through ownership or recorded easement. If a conservation easement is necessary, a signed copy of the proposed easement must be submitted with the application (see attachment for sample language). A copy of the recorded easement must be submitted prior to final water system approval.
8. If the applicant cannot obtain direct control through ownership or recorded easement of all land within the inner well protection radius then an administrative variance hearing shall be required. Please submit an **Application for Variance** citing Sections 3.2 or 3.3 and 3.6 of

# **EXHIBIT D**

February 15, 2006

WHEREAS, Catapult Realty, LLC, and its affiliates (hereinafter known collectively as "Catapult") control certain property located in the Towns of Coventry, East Greenwich, and West Greenwich, including sites to the North and South of Rte 95 at Exit 7 and at Exit 6A, (hereinafter collectively known as "The Centre of New England"); and,

WHEREAS, the Kent County Water Authority (KCWA) is a public utility duly established by the Rhode Island General Assembly; and,

WHEREAS, KCWA, as a Regional Public Water Supplier, serves those portions of the Towns of Coventry, East Greenwich, and West Greenwich where Catapult's property is located; and,

WHEREAS, the Centre of New England is located in that area defined by KCWA as the "High Gradient Area"; and,

WHEREAS, KCWA's water supply to the "High Gradient Area" is currently at, near, or above maximum daily capacity on certain peak days; and,

WHEREAS, the development project known as the Centre of New England, and other nearby High Gradient Area development projects have a proposed daily water demand greater than that of KCWA's available water supply; and,

WHEREAS, the KCWA is not currently capable of extending the requested service to those properties located within the "High Gradient Area"; and

WHEREAS, Catapult has expressed interest in making an application(s) to create a Public Water Supply within the "High Gradient Area"; and

NOWTHEREFORE, the Kent County Water Authority, hereby finds, declares and otherwise proclaims its support of Catapult's desire to create a Public Water Supply in the "High Gradient Area" in the furtherance of economic development; the creation of affordable and other housing; and for the health, safety and welfare of existing and proposed businesses and residents in the "High Gradient Area". Furthermore, KCWA is willing to allow the proposed system, if approved, to become a self-supporting public water supply for a portion of the "High Gradient Area", to include permission for Catapult to sever the connection of that portion of the infrastructure, paid for and installed by the owners of the Centre of New England development project, from that infrastructure currently owned by the KCWA public water supply system: meaning, all pipes, easements, customers, meters and the like, within that portion of the "High Gradient Area", shall be controlled, maintained and serviced by Catapult's proposed public water system.

"D"

# **EXHIBIT E**

February 15, 2006

HENT 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	RATE REVENUE FY 05-06	RATE REVENUE FY 04-05
BEGINNING MONTH BALANCE	38,381,292	36,022,640	35,582,079	36,245,232	37,873,723	38,014,975	38,869,307						\$ 1,220,826.86	\$ 1,116,147.59
<b>CASH RECEIPTS:</b>														
Water Collections	1,384,491	1,107,471	1,431,580	2,640,223	2,012,320	1,428,717	1,663,845						\$ 1,172,194.14	\$ 935,221.97
Interest Earned	147,784	73,154	78,066	90,242	87,793	95,943	163,767						\$ 3,267,439.49	\$ 2,438,002.38
Inspection Fees	10,800	5,075	24,000	1,055	3,300	26,925	4,100						\$ 1,494,122.19	\$ 1,112,188.32
Contribution in Aid-Construction													\$ 1,055,204.53	\$ 838,316.75
Other	39,924,367	37,208,340	37,115,725	38,985,754	39,977,136	39,687,246	40,701,019						\$ 1,707,316.91	\$ 1,378,221.68
<b>TOTAL CASH RECEIPTS</b>													\$ 737,565.61	\$ 1,279,003.86
													\$ 731,562.72	\$ 684,013.82
													\$ 1,539,621.92	
<b>CASH DISBURSEMENTS:</b>														
Purchased Water	265,112	410,744	433,464	537,838	734,315	253,256	550,894							
Electric Power	30,082	63,082	50,841	35,273	32,521	32,420	42,881							
Payroll	135,262	169,052	169,572	167,264	172,612	138,526	150,138							
Operations	85,201	101,422	39,924	98,410	82,918	86,546	165,890							
Employee Benefits	53,654	50,952	50,977	46,302	48,695	51,831	50,404							
Legal	10,800	5,432	1,229	27,128	10,381	7,881	5,277							
Materials	26,143	17,506	3,101	4,505	16,701	6,444	17,535							
Insurance	3,171	3,171	3,171	8,403	3,036	122,321	6,071							
Shoes Taxes	20,474	12,772	7,436	33,660	13,228	8,856	23,722							
Retirees	9		908	2,156	1,731	5,400	624							
Rate Case		4,479		17,362	8,500	5,244	41,336							
Conservation														
Pilot	8,342													
Capital Expenditures (Other)	254			1,465	2,915	4,013	2,254							
2002 Infrastructure	950	150		685		360	2,175							
2003 Infrastructure		143,367	300		204,787		2,795							
2004 Infrastructure	2,475	534	41,395											
Mishnock Well/Storage/Pump/Trunk														
Fremontown - Seitan Tanks	5,448	128,910			280									
Oklawn Meter Pit														
Clinton Avenue Pump Station	11,652	133,416	238	47,575	196,980	24,002	502,276							
E. G. Well Upgrade	276	99		680										
GIS Development Mapping	49,446	34,521		62,192		20,685								
Blackrock Road - 24"	48,834	287,754		14,254	218,409	24,479	37,456							
Colvintown Road - 8"	4,481	363												
Mishnock Well - Color Evaluation														
Read Schoolhouse Road	740	935												
Read Schoolhouse Road Trunk					5,700									
Mishnock Well - Pilot	9,355	297												
Walker Street - Sewer Line	75	1,571	2,423	(234)	195									
Greenwich Avenue - Pipe Lining	1,550	7,288		3,910			450							
Pine Street & Sunset G				2,941	2,954	538								
U.S. Bank - Debt Service (P. & I.)	3,025,372													
Water Protection	93,534	48,444												
<b>TOTAL DISBURSEMENTS</b>	3,901,727	1,626,261	870,493	1,112,031	1,962,161	817,939	2,634,615							
BALANCE END OF MONTH	36,022,640	35,582,079	36,245,232	37,873,723	38,014,975	38,869,307	38,066,404							
<b>PRIOR YEAR</b>	39,522,032	38,314,669	38,070,078	38,590,286	37,639,123	37,828,292	37,098,541							

KENT COUNTY WATER AUTHORITY  
CASH LOCATION  
FISCAL YEAR 05-06

CASH LOCATION:	JUL 2005	AVG 2005	SEP 2005	OCT 2005	NOV 2005	DEC 2005	JAN 2006	FEB 2006	MAR 2006	APR 2006	MAY 2006	JUN 2006
Citizens Bank - Payroll	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$	\$	\$	\$	\$
Fleet Bank - Deposit	101,397.17	29,053.89	95,978.80	264,357.17	45,786.58	151,671.66	54,599.62					
Fleet Bank - Checking	5,698.75	14,800.56	50.71	16,589.28	1,398.69	143.65	18,439.74					
	147,095.92	83,854.45	136,029.51	320,946.45	87,183.27	194,815.31	113,039.36	0.00	0.00	0.00	0.00	0.00
U. S Bank - Project Funds												
Revenue	97,432.72	12,577.68	217,589.74	885,941.23	145,525.46	69,845.87	139,628.41					
Infrastructure Fund	3,739,023.45	3,477,305.05	3,485,942.91	3,916,789.08	4,971,631.90	5,385,063.39	5,750,349.85					
Operation & Maintenance Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00					
Operation & Maintenance Reserve	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00					
Renewal & Replacement Fund	143,503.66	152,146.92	160,824.68	169,525.20	178,283.59	187,089.22	185,282.79					
Renewal & Replacement Reserve	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03					
General Project - 2001	1,829,719.29	1,438,243.50	1,442,381.69	1,381,969.12	1,041,567.55	1,044,898.88	357,467.34					
Debt Service Fund - 2001	65,313.44	131,053.87	196,529.69	262,163.39	328,001.05	394,049.44	257,566.16					
Debt Service Reserve - 2001	781,125.00	781,125.00	781,125.00	781,125.00	781,125.00	781,125.00	781,125.00					
Cost of Issuance - 2001	38,181.83	38,265.87	38,357.34	38,449.55	38,550.75	38,657.71	38,773.61					
General Project - 2002	23,333,896.63	379,809.24	23,441,154.73	23,497,505.14	23,559,353.86	23,624,717.74	23,695,544.46					
Debt Service Fund - 2002	172,228.98	329,809.24	487,071.36	644,712.84	802,847.64	961,490.75	614,448.97					
Debt Service Reserve - 2002	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01					
Cost of Issuance - 2002	5,791.76	5,804.51	5,818.38	5,832.37	5,847.72	5,863.94	5,881.52					
Debt Service Fund - 2004	140,736.48	218,031.54	323,788.89	429,734.13	536,010.11	642,627.19	588,417.79					
Debt Service Reserve - 2004	1,279,133.75	1,279,133.75	1,279,133.75	1,289,531.57	1,289,531.57	1,289,531.57	1,289,531.57					
Cost of Issuance - 2004	5,827.53	5,840.36	5,854.32	5,868.39	5,883.84	5,900.16	5,917.85					
Redemption Account - 2004	0.00	0.00	0.00	0.00	0.00	0.00	0.00					
	\$ 36,022,640.48	\$ 33,582,078.56	\$ 36,745,232.03	\$ 37,873,723.50	\$ 38,014,975.35	\$ 38,869,307.21	\$ 38,066,404.22	\$	\$	\$	\$	\$

REPORT DA 12/31/2005  
 SYSTEM DATE 02/07/2006  
 FILES ID Z

Kent County Water Authority  
 COMPARATIVE BALANCE SHEET  
 General  
 AS OF 12/31/2005

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ACCOUNT NUMBER	ACCOUNT DESCRIPTION	CURRENT YEAR	PREVIOUS YEAR	DIFFERENCE FROM PREV YEAR	PERCENTAGE
<b>ASSETS:</b>					
<b>CURRENT ASSETS</b>					
<b>UTILITY PLANT IN SERVICES</b>					
	SOURCE OF SUPPLY PLANT	1800470.53	1800470.53		
	PUMPING PLANT	2333622.47	2322341.47	11481.00	.49%
	WATER TREATMENT PLANT	141257.29	141257.29		
	TRANS. & DISTR. PLANT	50425504.98	45975372.79	4450132.19	9.68%
	GENERAL PLANT	1577778.08	1582622.46	-4844.38	-.31%
	MISCELLANEOUS PHYS. PLANT	710.00	710.00		
	GENERAL STRUCTURES	148181.48	148181.48		
	CONSTR. WORK IN PROGRESS	22964477.38	22771887.63	192589.75	.85%
	ACCUM. DEPR. - PLANT	-9946531.46	-9266576.85	-679954.61	7.34%
	TOTAL UTILITY PLANT IN SERVICES	69445670.75	65476266.80	3969403.95	6.06%
<b>CURRENT AND ACCRUED ASSET</b>					
	CASH - FLEET NAT BANK	154815.31	71482.97	83332.34	116.58%
	CASH - CITIZENS BANK	40000.00	40000.00		
	TOTAL CURRENT AND ACCRUED ASSET	194815.31	111482.97	83332.34	74.75%
<b>OTHER SPECIAL DEPOSITS</b>					
	RESTRICTED DEBT RESERVE	3894216.58	3759354.22	134862.36	3.59%
	SPECIAL DEPOSITS	34780275.32	22155883.42	12624391.90	56.98%
	PETTY CASH	300.00	300.00		
	CUSTOMER ACCTS. RECEIVAB.	2607961.91	1979533.61	628428.30	31.75%
	OTHER A/R	635.56	1403.39	-767.83	-54.71%
	PROV. FOR UNCOLLECTED ACT	-103683.30	-103683.30		
	SALVAGE MATERIALS	147.70	147.70		
	PLANT MATERIAL & SUPPLIES	513428.09	494960.09	18468.00	3.73%
	PREPAID INSURANCE	67287.35	63490.91	3796.44	5.98%
	PREPAID PENSION	164.56	164.56		
	UNAMORTIZED DEBT DISCOUNT	570557.65	566822.70	3734.95	.66%
	TOTAL OTHER SPECIAL DEPOSITS	42331291.42	28918377.30	13412941.12	46.38%
<b>CLEARING ACCOUNTS</b>					
	NEW SERVICES CLEARING	1621.44	2112.70	-491.26	-23.25%
	CUSTOMER SRVCS - CLEARING	1621.84	2113.10	-491.26	-23.25%
	TOTAL CLEARING ACCOUNTS	3243.28	4225.80	-982.52	-30.29%
	TOTAL CURRENT ASSETS	111973399.32	94508240.17	17465159.15	18.48%
	TOTAL ASSETS	111973399.32	94508240.17	17465159.15	18.48%

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	CURRENT YEAR	PREVIOUS YEAR	DIFFERENCE FROM PREV YEAR	PERCENTAGE
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
CURRENT LIABILITIES					
PROPRIETARY CAPITAL					
TOTAL		48865647.51	43953492.04	4912155.47	11.18%
PROPRIETARY CAPITAL		48865647.51	43953492.04	4912155.47	11.18%
LONG TERM DEBT					
BONDS		40474742.00	31326005.00	9148737.00	29.20%
CURRENT & ACCRUED LIAB.					
ACCOUNTS PAYABLE- TRADE		763178.84	787882.52	-24703.68	-3.14%
TAXES ACCRUED		41824.74	39858.27	1966.47	4.93%
INTEREST ACCRUED		870599.23	547477.49	323121.74	59.02%
ACCRUED INSURANCE		25062.37	25062.37		
ACCRUED PENSION		189023.00	143319.00	45704.00	31.89%
TOTAL		1889688.18	1543599.65	346088.53	22.42%
CURRENT & ACCRUED LIAB.					
TAX COLLECTION PAYABLE					
ACCRUED FICA TAXES		3997.96	2387.18	1610.78	67.48%
ACCRUED SALES TAX		24224.45	19161.02	5063.43	26.43%
WATER PROTECTION CHARGE		167276.85	145717.92	21558.93	14.73%
ACCRUED PAYROLL		14411.00	14411.00		
CUSTOMER ADV. FOR CONSTR.		98168.00	90409.00	7759.00	8.58%
TOTAL		308078.26	272086.12	3592.14	13.23%
OTHER DEFERRED CREDITS					
CONTRIB. IN AID TO CONSTR		15434631.66	14805596.07	629035.59	4.25%
TOTAL		15434631.66	14805596.07	629035.59	4.25%
OTHER DEFERRED CREDITS					
TOTAL		106972787.61	91900778.88	15072008.73	16.40%
CURRENT LIABILITIES					
TOTAL		106972787.61	91900778.88	15072008.73	16.40%
LIABILITIES					
FUND BALANCES:					
FUND BALANCE					
TOTAL					
FUND BALANCE					
TOTAL					
FUND BALANCES					

REPORT DA 12/31/2005  
 SYSTEM DATE 02/07/2006  
 FILES ID Z

Kent County cer Authority  
 COMPARATIVE BALANCE SHEET  
 general  
 AS OF 12/31/2005

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ACCOUNT NUMBER	ACCOUNT DESCRIPTION	CURRENT YEAR	PREVIOUS YEAR	DIFFERENCE FROM PREV YEAR	PERCENTAGE
EXCESS OF REVENUE OVER EXPENDITURES		5000611.71	2607461.29	2393150.42	91.78%
TOTAL LIABILITIES AND FUND BALANCES		111973399.32	94508240.17	17465159.15	18.48%

Kent County er Authority  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 AS OF 12/2005

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR TO DATE		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
REVENUES					
1-4150 MERCHANDISING & JOBBING	1000.00	637.45	5900.00	3985.61	-1914.39
1-4160 M & J COSTS & EXPENSES	300.00	-39.96	2200.00	-3495.13	-5695.13
1-4190 INTEREST & DIVIDEND INC.	62700.00	95943.23	376700.00	572982.48	196282.48
1-4210 MISC. NON-OPER. INCOME	100.00	20.16	100.00	138.25	38.25
1-4340 MISC. CREDIT TO SURPLUS		65000.00		65000.00	65000.00
TOTALS FOR OTHER INCOME	64100.00	161560.88	384900.00	638611.21	253711.21
1-461A METERED SALES - GC	724500.00	911612.99	5398000.00	7006839.50	1608839.50
1-461B METERED SALES - IC	391500.00	391190.67	2085200.00	1906951.87	-178248.13
1-4620 PRIVATE FIRE PROTECTION	36900.00	45204.97	73800.00	90409.94	16609.94
1-4630 PUBLIC FIRE PROTECTION	219200.00	270009.15	438400.00	540018.30	101618.30
1-4640 SALES - PUBLIC AUTHORITIES	62100.00	75876.29	241200.00	316617.04	75417.04
1-4660 SALES FOR RESALE	14200.00	13422.84	44900.00	56267.47	11367.47
1-4710 MISC. SERVICE REVENUE	4100.00	13013.09	24300.00	71665.85	47365.85
1-4740 OTHER WATER REVENUES	5300.00	5663.21	39600.00	38220.13	-1379.87
TOTALS FOR OPERATING REVENUE ACCTS.	1457800.00	1725993.21	8345400.00	10026990.10	1681590.10
TOTALS FOR REVENUES	1521900.00	1887554.09	8730300.00	10665601.31	1935301.31
EXPENDITURES					
1-6020 PURCHASED WATER	280600.00	264350.60	2043600.00	2211294.90	-167694.90
1-6140 MAINTENANCE OF WELLS				20983.42	-20983.42
TOTALS FOR SOURCE OF SUPPLY EXPENSES	280600.00	264350.60	2043600.00	2232278.32	-188678.32
1-6210 FUEL FOR PUMPING	100.00	762.82	400.00	1113.39	-713.39
1-6230 POWER PURCHASED	34700.00	32381.08	247500.00	238816.03	8683.97
1-624A PUMPING LABOR	4900.00	5835.17	31700.00	35310.06	-3610.06
1-624B PUMPING EXPENSES	200.00	308.42	1100.00	890.14	209.86

Kent County er Authority  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 AS OF 12/2005

ACCOUNT DESCRIPTION	C U R R E N T M O N T H		Y E A R		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
1-6310 MAINT STRUCT & IMPROVE	2600.00	2776.71	16600.00	21297.84	-4697.84
1-6330 MAINT PUMPING EQUIPMENT	4400.00	2287.20	27600.00	16333.16	11266.84
TOTALS FOR PUMPING EXPENSES	46900.00	44351.40	324900.00	313760.62	11139.38
1-6410 CHEMICALS	5400.00	2627.83	32000.00	31198.19	801.81
1-642A OPERATION LABOR	5700.00	5568.66	37000.00	34695.70	2304.30
1-642B OPERATION EXPENSES	3700.00	2952.67	21700.00	24691.35	-2991.35
1-6510 MAINT STRUCT & IMPROVE			500.00	206.86	293.14
1-6520 MAINT WATER TREAT EQUIP	300.00	133.31	1800.00	7701.87	-5901.87
TOTALS FOR WATER TREATMENT EXPENSES	15100.00	11282.47	93000.00	98493.97	-5493.97
1-6610 STORAGE FACILITIES EXP	100.00		100.00	134.91	-34.91
1-662A T & D LABOR	900.00	260.00	5800.00	12126.20	-6326.20
1-662B T & D SUPPLIES & EXP	2800.00	2549.67	17300.00	18518.70	-1218.70
1-663A T & D METER LABOR	1600.00	818.15	10200.00	4949.65	5250.35
1-663B T & D METER SUPP & EXP	300.00	342.93	2300.00	2741.37	-441.37
1-6650 T & D MISC	1300.00	425.56	7700.00	6937.92	762.08
1-6710 MAINT STRUCT & IMPROV	300.00		1800.00	9240.07	-7440.07
1-6720 MAINT RESERVOIR & STDPPIPE	4500.00	6611.77	26900.00	11723.99	15176.01
1-6730 MAINT T & D MAINS	42500.00	105565.98	269100.00	344403.54	-75303.54
1-6750 MAINT SERVICES	15800.00	7515.90	99400.00	63102.66	36297.34
1-6760 MAINT METERS	3500.00	4709.11	22800.00	21755.78	1044.22
1-6770 MAINT HYDRANTS	8100.00	15235.93	51300.00	39727.92	11572.08
1-6790 TRANSFER TO CONSTRUCTION	-600.00	-1222.50	-4100.00	-16329.92	12229.92
TOTALS FOR TRANS. & DISTR. EXPENSES	81100.00	142812.50	510600.00	519032.79	-8432.79
1-902A METER READING LABOR	6400.00	7220.40	41600.00	39646.73	1953.27
1-902B METER READING SUPP & EXP	100.00		100.00		100.00
1-903A					

Kent County or Authority  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 AS OF 12/2005

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR		TOTAL		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	
CUSTOMER RECORDS LABOR	11200.00	11509.37	72500.00	75967.09	72500.00	75967.09	-3467.09
CUSTOMER RECORDS SUPP	5000.00	4043.59	29700.00	23268.98	29700.00	23268.98	6431.02
TOTALS FOR CUSTOMER ACCT. EXPENSES	22700.00	22773.36	143900.00	138882.80	143900.00	138882.80	5017.20
1-9200 ADM & GENERAL SALARIES	23800.00	21348.52	155100.00	150092.46	155100.00	150092.46	5007.54
1-9210 OFFICE SUPPLIES & EXP	10100.00	20305.75	60100.00	62138.96	60100.00	62138.96	-2038.96
1-9230 OUTSIDE SERVICES	15900.00	10379.40	95800.00	99207.23	95800.00	99207.23	-3407.23
1-9240 PROPERTY INSURANCE	13000.00	13030.35	78300.00	79247.87	78300.00	79247.87	-947.87
1-9250 INJURIES & DAMAGES			500.00		500.00		500.00
1-9260 EMPLOYEE PENSION & BENEF	74800.00	56685.31	423200.00	298096.22	423200.00	298096.22	125103.78
1-9280 REGULATORY COMM EXP	8400.00	42522.52	50000.00	79867.38	50000.00	79867.38	-29867.38
1-930A MISC GENERAL EXPENSE	2900.00	2500.00	17000.00	6500.00	17000.00	6500.00	10500.00
1-930B MISC GENERAL EXPENSE	2300.00	1251.29	14300.00	7692.57	14300.00	7692.57	6607.43
1-930C MISC GENERAL EXPENSE	3000.00		18000.00		18000.00		18000.00
1-932A MAINT GENERAL PLANT	11900.00	13269.41	75200.00	70937.96	75200.00	70937.96	4262.04
1-932B MAINT VEHICLES	6000.00	12183.60	36600.00	47150.80	36600.00	47150.80	-10550.80
1-9330 UNASSIGNED TIME VAC HOL	18200.00	9950.72	118400.00	106673.58	118400.00	106673.58	11726.42
TOTALS FOR ADM. & GENERAL EXPENSES	190300.00	203426.87	1142500.00	1007605.03	1142500.00	1007605.03	134894.97
1-4030 DEPRECIATION EXPENSE	64400.00	64400.00	386400.00	386400.00	386400.00	386400.00	
1-4080 TAXES OTHER THAN INCOME	13200.00	12567.84	79700.00	79236.07	79700.00	79236.07	463.93
1-4270 INTEREST-LONG TERM DEBT	145100.00	145100.00	870600.00	870600.00	870600.00	870600.00	
1-4280 AMORTIZATION OF DEBT DISC	3200.00	3100.00	18900.00	18700.00	18900.00	18700.00	200.00
TOTALS FOR OTHER EXPENSES	225900.00	225167.84	1355600.00	1354936.07	1355600.00	1354936.07	663.93
TOTALS FOR EXPENDITURES	862600.00	914165.04	5614100.00	5664989.60	5614100.00	5664989.60	-5089.60
EXCESS OF REVENUE OVER EXPENDITURES	659300.00	973389.05	3116200.00	5000611.71	3116200.00	5000611.71	1884411.71
FOR general							

Kent County or Authority  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 AS OF 12/2005

REPORT DA. 02/07/2006  
 SYSTEM DATE 02/07/2006  
 FILES ID Z

ACCOUNT DESCRIPTION	CURRENT MONTH		YEAR TO DATE		ACTUAL OVER/ UNDER BUDGET
	BUDGET	ACTUAL	BUDGET	ACTUAL	
OTHER ADJUSTMENTS TO FUND BALANCE				0.00	
FUND BALANCES - JULY 1		48865647.51			
FUND BALANCES - DECEMBER 31		53866259.22			
		=====			

# **EXHIBIT F**

February 15, 2006

J0356.02

# KENT COUNTY WATER AUTHORITY

## MISHNOCK WELLFIELD FRESHWATER WETLANDS PERMIT EVALUATION

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



Prepared By:

C&E Engineering Partners, Inc.  
342 Park Avenue  
Woonsocket, RI 02895

February 10, 2006

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## Mishnock Wellfield Freshwater Wetlands Permit Evaluation

### 1.0 Executive Summary

The Kent County Water Authority (Authority) has four (4) RIDEM Freshwater Wetland Permits for the Mishnock Wellfield, two for existing installed wells, one for an "Expanded Wellfield" which was not accepted by the Authority and a forth for the "Expanded Wellfield" which is in draft form and under consideration by the Authority.

The purpose of this project was to compare and assess the above referenced RIDEM permits and summarize the requirements and implications to the Authority with regards to operating the Mishnock Wellfield under the conditions and stipulations contained in each of these permits.

The two permits for the existing wells allow unrestricted withdrawal of up to 2.9 MGD. There are no other withdrawal limitations or requirements to conduct operational or environmental monitoring associated with this permit. There are no additional costs associated with permit compliance.

The 2004 permit not accepted by the Authority will allow a maximum withdrawal of 3.4 MGD. This permit requires automatic withdrawal restrictions from both the wellfield as a whole and the new wells in the "Wellfield Expansion". Under these restrictions the withdrawal from the wellfield can be reduced to 2.4 MGD and under certain circumstances the pumping of the new wells in the "Expanded Wellfield" could be curtailed entirely for extended periods of time.

This permit also imposed extensive ongoing operational and environmental monitoring, which is estimated at approximately \$100,000 per year. This information is to be gathered to determine wetland impacts, which could result in further withdrawal reductions. This permit also requires the monitoring of wetlands associated with Old Hickory Brook and for the Authority to augment groundwater recharge by diverting some of the flow from the wells to this area. The amount of flow diversion necessary and the cost of such a system is unquantifiable at this time but flow diversion will further serve to further reduce the available source of supply from this wellfield further below the minimum 2.4 MGD stated in this permit.

The draft permit for the "Expanded Well Field" issued by RIDEM in 2005 carries many of the same requirements as the 2004 permit except it eliminates the concept of flow augmentation and allows for a maximum withdrawal of 4.3 MGD. It also contains language that states that the combination of

withdrawal restrictions from both operational and environmental monitoring may result in allowable withdrawals below 2.4 MGD during certain climatological conditions.

Based upon this review, it appears that operating the Mishnock Wellfield under current permit, Permit Well 4 & 5, which would allow for an unrestricted withdrawal of 2.9 MGD without operational and environmental monitoring is the most economical and reliable method of ensuring that the Authority has a secure source of supply when this supply is needed most, the summer peak demand periods. Under this permit, the Authority would obtain 2.9 MGD during peak demand periods as opposed to 2.4 MGD or less and not have to incur the expense of constructing the "Expanded Wellfield" or the costs of the operational and environmental monitoring. In addition, this unrestricted 2.9 MGD will not require expending approximately \$100,000 per year to gather environmental data, the only purpose for which is to monitor the environment and determine when it is appropriate to reduce withdrawals from the wellfield.

Water systems are designed to meet peak demands. In the past, supply deficiencies have typically revolved around extended periods of high temperatures without precipitation. It is at these same times when the permit restrictions identified in Permit Well 6, 7 and 8 - 1 and Permit Well 6, 7 and 8 - 2 would likely occur. Therefore, when the Authority is most in need of source of supply, under the two latest permits, the withdrawal would likely be 2.4 MGD or less rather than a guaranteed permitted withdrawal of 2.9 MGD under the existing permits.

## 2.0 Background

The Kent County Water Authority (Authority) owns and maintains the land area of the Mishnock Wellfield located off Nooseneck Hill Road in Coventry, Rhode Island. This wellfield contains one (1) active production well, Mishnock Well No. 3 which has historically been operated and maintained by the Authority and one (1) standby well, Mishnock No. 1. This well has been removed from service since spring 2003 due to issues with raw water quality.

Mishnock Well No. 3 was installed in September 1999 to replace a failing Mishnock Well No. 2 and subsequently placed into service in March 2000. In 2002, the Authority also replaced Mishnock Well No. 1 with two (2) additional wells designated as Mishnock Well No. 4 and No. 5, which was also located in this wellfield. These were drilled, cased and screened wells were never placed into service due to the water quality issues that have affected Mishnock Well No. 3 and the completion of the design of the entire well field.

In 1996, the Authority commissioned an engineering study of all its well fields including the Mishnock. This study, completed by the engineering firm of Camp, Dresser & McKee (CDM) evaluated and rated the full utilization of the well fields. It was concluded that the well fields could provide a maximum withdrawal of 5.0 MGD which consisted of 1.5 MGD from the existing Mishnock Wellfield and 3.5 MGD from a newly developed wellfield located off Mishnock Road in West Greenwich, Rhode Island.

The project involving the installation of Mishnock Well No. 3 required permitting through the Rhode Island Department of Environmental Management (RIDEM) as did the installation of Well No. 4 and 5. On May 22, 1999 an RIDEM Insignificant Alteration – Permit was issued for Well No. 3 and on March 26, 2002 a similar permit was issued for Wells No. 4 and 5. For purposes of this discussion, the RIDEM Insignificant Alteration – Permit for Well 3 dated May 22, 1999 will be identified as “Permit Well 3” and the RIDEM Insignificant Alteration – Permit for Well No. 4 & 5 dated March 26, 2002 will be identified as “Permit Well 4 & 5”.

As part of the evaluation process that CDM conducted in an attempt to expand the Mishnock Wellfield an additional permit application was submitted to RIDEM for three (3) new wells identified as Mishnock Well No. 6, 7 and 8. The need for this permit was due to potential perceived impacts to the local freshwater wetlands as well as surface water bodies in the area (i.e. Mishnock Lake and Mishnock River). A permit for installation of these wells was issued by the RIDEM on May 18, 2004. For the purposes of this discussion the RIDEM Permit to Alter Freshwater Wetlands for Well 6, 7 and

8 dated May 28, 2004 will be identified as "Permit Well 6, 7 and 8 - 1". It is also noted that due to conditions established in the permit, the Authority declined to accept this permit.

In the time that transpired between May 2004 and November 2005, representatives from the Authority and RIDEM entered into discussion for reconsideration of the conditions stipulated in Permit Well 6, 7 and 8 - 1. On November 23, 2005 (though dated November 18, 2005), the RIDEM provided the Authority with a revised draft permit for Permit to Alter Freshwater Wetlands for Well 6, 7 and 8. This revised draft permit had different conditions than those in the initial permit issued in May 2004. For the purposes of this discussion, the RIDEM Permit to Alter Freshwater Wetlands for Well 6, 7 and 8 dated November 18, 2005 will be identified as "Permit Well 6, 7 and 8 - 2". The Authority has yet to provide formal comment to the RIDEM with regard to Permit Well 6, 7 and 8 - 2.

### **3.0 Purpose and Scope**

The purpose of this project is to compare and assess the above referenced RIDEM permits and summarize the requirements and implications to the Authority with regards to operating the Mishnock Wellfield under the conditions and stipulations contained in each of these permits. This shall include assessing withdrawal limitations, requirements for operation, requirements for environmental monitoring and the potential costs associated with the effort necessarily implied by the permit conditions.

In conducting this evaluation, this was strictly limited to a review of the permits and the accompanying appendices and attachments. This review of the permit applications including any supporting data and analysis does not attempt to bear witness as to whether any of the stipulations or permit conditions imposed therein are proper or justified. For the sake of brevity, the permit general conditions that are common to all RIDEM Freshwater Wetland Permits (i.e. signage, erosion control, inclusion of permits into land evidence records, etc.) shall not be included in this evaluation.

### **4.0 Permit Well 3 Summary**

Permit Well 3 approves the installation of the replacement well. The water withdrawal from this replacement well installation must not exceed 2.9 MGD. There are no other withdrawal limitations or requirements to conduct operational or environmental monitoring associated with this permit. There are no additional costs associated with permit compliance.

### 5.0 Permit Well 4 & 5 Summary

Permit Well 4 & 5 approved the installation of the two (2) replacement wells Mishnock 4 & 5, which replaced Well No. 1. The permit stipulated that groundwater withdrawal from a combined pumping of Mishnock Wells 3, 4 & 5 must not exceed 2.9 MGD. In essence, this permit allowed the installation of two (2) new replacement wells but established the wellfield maximum withdrawal to 2.9 MGD that was previously established for Mishnock Well No. 3 as identified in Permit Well 3. There are no other withdrawal limitations or requirements to conduct operational or environmental monitoring. There are no additional costs associated with permit compliance.

### 6.0 Permit Well 6, 7 and 8 – 1 Summary

Permit Well 6, 7 and 8 – 1 allowed the installation of three (3) new wells in an area away from the existing Mishnock Wells (Coventry) and to be located in West Greenwich, RI identified in the permit as the "Expanded Mishnock Wellfield". Only two (2) of these new wells will be allowed to operate at any given time with the third well to be maintained as a backup. This backup well can be rotated with the other two so long as only two operate at any given time. The imposed total withdrawal from the Mishnock Wellfield from the RIDEM permit (including Wells 3, 4, 5, and the new Wells 6, 7 and 8) shall not exceed 3.4 MGD in total on a daily basis.

Permit Well 6, 7 and 8 – 1 also imposes operational restrictions on the new wells (wells 6, 7 and 8) which include limiting groundwater withdrawal based upon a calculated formula which includes measuring the Palmer Drought Severity Index (PDSI) and the level of the Mishnock River at Stream Gauge 10 (SG -10). The permit details conditions when one or more of these new wells must cease operation (withdrawal) for at least a 14-day period following which time the calculation can be reapplied to determine if the terminated withdrawal from the specific well(s) can end and pumping can be resumed. There is currently insufficient information to determine how often these conditions that would impose the termination of withdrawal would likely occur.

This permit also limits the withdrawal from the wellfield in its entirety (including Wells 3, 4, 5, and the new wells 6, 7 and 8) based upon stream flow in the Mishnock River as measured at SG – 10. The total wellfield withdrawal limitation results in a permissible maximum daily withdrawal of 2.4 MGD when the stream flow measures less than 3.2 cubic feet per second (CFS) from December through May and 1.66 CFS from June through November.

Permit Well 6, 7 and 8 – 1 also require the following operational monitoring to be conducted by the Authority.

- Record the pumping rates and total groundwater withdrawal volumes on a daily basis and submit to RIDEM quarterly.
- Record the stream flow at SG – 10 daily and report to RIDEM quarterly. The stream gauge must also be inspected and maintained to assure accuracy.
- Calculate the PDSI weekly.
- Read and record the elevation of Mishnock Lake monthly and report to RIDEM semi-annually.
- Measure groundwater levels at 7 groundwater observation wells twice annually and reported to RIDEM semi-annually.
- Measure groundwater levels in 5 groundwater piezometers (four existing and one to be installed) twice annually and report to RIDEM semi-annually.
- Measure the water levels in 2 transects twice annually and reported to RIDEM semi-annually.

Permit Well 6, 7 and 8 – 1 also requires that a baseline monitoring report be conducted by the Authority at the Old Hickory Brook to determine the extent to which hydrology in this area is dependent upon precipitation as opposed to groundwater recharge. Should it be determined that the hydrology is dependent upon groundwater recharge, a flow augmentation plan will need to be developed so that a portion of the pumped withdrawal can be diverted to this area to supplement groundwater recharge. This requirement includes the construction of all facilities necessary to affect this flow augmentation plan. At this time, insufficient information exists to determine the following: if flow augmentation would be necessary; the volume of the flow augmentation that may be necessary; or the manner or costs of any required flow augmentation facilities that may be necessary. This permit also states that if any flow augmentation is required said volumes would be included in the withdrawal totals for the wellfield. For example, if the wellfield is under a withdrawal restriction of 2.4 MGD due to reduced stream flow and 0.4 MGD is required for flow augmentation, then the maximum available withdrawal for the Authority's use is 2.0 MGD.

Permit Well 6, 7 and 8 – 1 also stipulates that should flow augmentation be deemed not necessary additional environmental monitoring in the form of macroinvertebrate habitat be conducted in the Old Hickory Brook area in the third, fifth and eighth year after pumping commences.

Permit Well 6, 7 and 8 – 1 also required Vegetation Monitoring that must be undertaken within the Mishnock Swamp. This shall include establishing five permanent monitoring sites in the area of Old Hickory Brook and the Mishnock River and monitoring these sites for impacts from pumping withdrawals on an annual basis.

This permit goes on to state that RIDEM reserves the right to further reduce withdrawals from the Mishnock Wellfield should the monitoring of environmental conditions indicate withdrawals are resulting in adverse impacts to the environment. Though the permit does state that the average annual withdrawal shall not be reduced to less than 3.4 MGD. Though not explicitly stated, the inference from reading this permit is that the 3.4 MGD withdrawal value could be reduced further by stream flow conditions as well as the stream flow / PDSI calculation.

Finally, Permit Well 6, 7 and 8 – 1 stipulates that the allowances for withdrawals identified in Permit Well 3 and Permit Well 4 & 5 are superseded thereby negating the Authority's right to withdraw up to the maximum of 2.9 MGD from the existing Mishnock Wellfield on a daily basis.

The cost of the operational and environmental monitoring as described in Permit Well 6, 7 and 8 – 1 is estimated at \$125,000 for the first year and approximately \$100,000 per year for subsequent years. The reason for the reduction in the latter years is the initial year monitoring has certain costs associated with baseline monitoring and establishing the specific elements of the plan that would not be realized in later years. Though these costs are in 2006 dollars and the later years will be subject to inflation.

#### **7.0 Permit Well 6, 7 and 8 – 2 Summary**

This permit identifies a maximum pumping withdrawal from the wellfield as a whole (including Wells 3, 4, 5, and the new Wells 6, 7 and 8) to 4.3 MGD. The same operational controls are implied as Permit Well 6, 7 and 8 – 1 in which the stream flow measured in the Mishnock River at SG – 10 and PDSI are used in a formula to determine when the new wells in the Mishnock "Expanded" Wellfield can be operated.

Similar operational monitoring of the wellfield is required as that stipulated in Permit Well 6, 7 and 8 – 1 including daily recording of withdrawals, calculating of the PDSI and groundwater measurement at the same piezometer, groundwater observation and transect wells. As with Permit Well 6, 7 and 8 – 1, this data must be submitted to RIDEM in similar fashion.

Permit Well 6, 7 and 8 – 2 requires monitoring of wetland hydrology and vegetation in the area of Old Hickory Swamp and the Mishnock River wetland areas including data collection of changes in plant community characteristics at five (5) transects.

The permits goes on to state that if monitoring data identifies that permitted withdrawals are determined to be causing measurable impairment to the wetlands in these areas, RIDEM then reserves the right to further reduce withdrawals from the Mishnock Wellfield. The permit does however state that these reductions will not reduce withdrawal flows below 2.4 MGD during the months of June through November and 3.4 MGD during the months of December through May. The permit also explicitly states that these minimum withdrawals may be further reduced through the imposition of withdrawal restrictions due to environmental impacts in combination with operational controls on withdrawals based upon streamflows and calculations. For example, environmental conditions (i.e. vegetative monitoring) reduces withdrawals but not lower than 2.4 MGD during peak demand periods. But these wells producing the 2.4 MGD are still subject to the operational monitoring and the formula utilizing stream flow monitoring and the PSDI could impact whether the withdrawal these wells may have to be further reduced or discontinued.

That last significant condition of Permit Well 6, 7 and 8 – 2 includes the requirement that the Authority establish a Restricted Receipt Account for the sole purpose of funding the environmental monitoring required under this permit. This account would be funded at a sum equal to \$0.001 per 100 gallons withdrawn from the total of all the Mishnock Wells. The cost of this required operational and environmental monitoring is estimated at \$95,000 per year. There is no premium in the first year because in this permit the baseline monitoring is spread out over the first three years.

## 8.0 Conclusions

Permit Well 3 allows withdrawal from Mishnock Well No. 3 at a rate of 2.9 MGD. This withdrawal is unrestricted and does not encumber any operation or impose environmental monitoring requirements. The concerns with this permit is that it is doubtful that this well source alone is physically capable of producing the total volume allowed in the permit, therefore the actual withdrawal available from this permit will be less due to the physical limitations of the pumping capacity of this well.

Permit Well 4 & 5 allows the same 2.9 MGD withdrawal but from a combination of 3 wells which is possible. This withdrawal is equally unfettered by withdrawal restrictions or any operational or environmental monitoring requirements. With three wells in operation, it is likely that the 2.9 MGD

could be achieved but withdrawals may be reduced during certain periods due to climatological conditions and physical limitations of the aquifer.

Permit Well 6, 7 and 8 - 1 will allow a maximum withdrawal of 3.4 MGD only 0.5 MGD above the withdrawal allowed under Permit Well 4 & 5. This permit requires automatic withdrawal restrictions from both the wellfield as a whole and the new wells in the "Wellfield Expansion". These reductions in withdrawals are quantifiable and based upon stream flow measurements in the Mishnock River and a calculated PDSI for the Mishnock River wetland area. Under these restrictions, the withdrawal from the well field can be reduced to 2.4 MGD and under certain circumstances the pumping of the new wells in the "Expanded Wellfield" could be curtailed entirely for extended periods of time. These reductions in withdrawal would likely occur at times when the Authority would most need this source of supply (i.e. peak demand periods).

Permit Well 6, 7 and 8 - 1 also imposed extensive ongoing operational and environmental monitoring, which is estimated to cost \$125,000 for the first year and \$100,000 for every year thereafter (subject to inflation and further requirements from RIDEM). This data must be routinely submitted to RIDEM and can be utilized on a qualitative basis to further reduce wellfield withdrawals. This permit also required the monitoring of wetlands associated with Old Hickory Brook and for the Authority to augment groundwater recharge by diverting some of the flow from the wells to this area. The amount of flow diversion necessary and the cost of such a system is unquantifiable at this time but flow diversion will serve to further reduce the available source of supply from this wellfield below the minimum 2.4 MGD stated in this permit.

Permit Well 6, 7 and 8 - 2 imposes many of the same restrictions as Permit Well 6, 7 and 8 - 1 with the exception that the maximum daily withdrawal for the wellfield is 4.3 MGD. This withdrawal rate is not protected and therefore the same restrictions (as in Permit Well 6, 7 and 8 - 1) on withdrawal are imposed when stream flows fall below preset levels and/or environmental monitoring indicates impacts to the wetlands identified through the monitoring programs identified in the permits. The cost of these operational and environmental monitoring programs are estimated at \$95,000 per year (subject to inflation and further requirements from RIDEM) and this money must be collected in a restricted account funded by the Authority based upon a rate of \$0.001 per 100 gallons of water withdrawn from the wellfield. The maximum amount of this funding is \$43/day (or \$15,695/year), based upon maximum allowable withdrawal, and likely would not adequately fund these monitoring programs.

This permit also eliminates the need to conduct flow augmentation but has specific language that allows RIDEM to reduce withdrawals to a level where wetland impacts would be eliminated, even below the identified maximum withdrawal reduction the permit allows during summer months (i.e. 2.4 MGD).

Based upon this review, it appears that operating the Mishnock Wellfield under current permit, Permit Well 4 & 5, which would allow for an unrestricted withdrawal of 2.9 MGD without operational and environmental monitoring is the most economical and reliable method of ensuring that the Authority has a secure source of supply when this supply is most needed, the summer peak demand periods. Under this permit, the Authority would obtain 2.9 MGD during peak demand periods as opposed to potentially being restricted to 2.4 MGD or less and not have to incur the expense of constructing the "Expanded Wellfield" or the costs of the operational and environmental monitoring. In addition, this unrestricted 2.9 MGD will not require expending approximately \$100,000 per year to gather environmental data, the only purpose for which, is to monitor the environment and determine when it is appropriate reduce withdrawals from the wellfield.

Water systems are designed to meet peak demands. In the past, supply deficiencies have typically revolved around extended periods of high temperatures without precipitation. It is at these same times when the permit restrictions identified in Permit Well 6, 7 and 8 - 1 and Permit Well 6, 7 and 8 - 2 would likely occur. Therefore, when the Authority is most in need of source of supply, under the two latest permits the withdrawal would likely be 2.4 MGD or less rather than a guaranteed permitted withdrawal of 2.9 MGD under the existing permits.

# **EXHIBIT G**

February 15, 2006

Kent County Water Authority developed this policy as a guide for water supply management in response to demand or drought conditions within the service area. The policy will be implemented in close coordination with the State of Rhode Island Drought Management Plan Guidance and demand factors affecting KCWA operations.

Background:

Drought is a natural condition of climate that may evolve over months or years. The affects of drought can vary greatly from region to region subject to the precipitation within a particular region. Demand is a condition induced by the customers in relation to the amount of supply necessary to satisfy that demand at any given moment. Kent County Water Authority's supply structure is comprised of both purchased water from the Scituate Reservoir and groundwater supplies from various sources within our district. The amount of rainfall in either supply region can greatly impact the resource management decision making processes for maintaining adequate water supplies during a drought event and the coincidence of demand.

Responsibility:

The primary responsibility for coordination of the demand/drought management process within the district is empowered with the governing Board of Directors, as advised by the general manager/chief engineer. The general manager/chief engineer will recommend phases of operational response based on supply, demand, hydrological and meteorological indices within the district, taking into consideration any state mandated demand/drought conditions. Upon action by the Board, appropriate mitigation measures will be implemented in coordination with

changing drought indices within the district and mandates by the State.

Monitoring Predictors:

Climatic and hydrological observations, consumer demands and safe yield of current sources are key elements in the planning and mitigation processes related to demand and drought management. Precipitation, groundwater and reservoir levels must be closely monitored to help predict trends towards worsening or improving conditions and the implementation of appropriate mitigation measures that best serve all stakeholders.

Water Use Priorities:

These priorities recognize the critical importance of consumer well being and fire safety along with the economic impacts to both the residential and business sectors. Landscape irrigation use is of the least priority as it provides no benefit to health or economic well being of the customer.

1. Public Health and Safety includes residential interior use, non-residential sanitary uses and fire response.
2. Manufacturing dependant upon critical and non-delaying water usage includes sanitary uses and product production.
3. Commercial agriculture and farming includes sanitary uses and production of saleable crops.
4. Commercial uses include sanitary uses and normal commercial water use for intended purposes.
5. Recreational outdoor watering includes sanitary uses and municipal needs for recreational purposes and all commercial golf course irrigation purposes.
6. Residential, Industrial and Commercial sector outside uses including landscape

irrigation, recreation, vehicle washing and all other water uses.

Mitigation:

Reduction of waste and continuous efforts in the efficient use of water are intrinsic requirements for all customers at all times.

Use of low flow showerheads, faucet aerators and appliance replacements made with conservation wise components are mandatory for all customers. An acceptable percent of water reduction and frequency of reduction must be continuously evaluated. This evaluation must recognize the ability and willingness of consumers to reduce consumption based on the communicated severity of the demand and drought conditions. The Kent County Water Authority will communicate the severity of demand and drought conditions to its' customers regarding the status of the impending conditions and any district or state mitigation efforts implemented to enforce water use reductions and control use during the drought event. All stakeholders must strictly adhere to these restrictions in order to ensure everyone's basic needs can be met. To this end, the Kent County Water Authority shall take the following actions to obtain the required results:

1. Public education and conservation are instrumental factors in assuring all stakeholders work together to reduce use during the onset of and prolonged period of drought and any demand conditions. The Kent County Water Authority will consistently communicate to the public the importance of making lifestyle adjustments that incorporate efficiency and conservation in everyday water use. During demand/drought conditions, the Kent Count Water Authority will keep the public apprised of impending conditions and conservation mandates in affect at the time.

2. Implementation of general usage reduction measures through the required use of efficient water conserving plumbing fixtures and mandatory year-round outdoor water restriction for the supply district. This policy allows odd numbered addresses to use outdoors on odd number days and even numbered addressed to use outdoors on even numbered days. This phase incorporates public education as part of the enforcement action for first time violators and monetary penalties for additional violations.
3. As conditions worsen, a complete ban on outdoor water use will be put into effect. This phase of mitigation invokes complete elimination of outdoor uses by all customer classes and monetary penalties for first offence, followed by service shut off for repeated offences.

Precipitation and groundwater levels are the key factors in improving conditions and moving to less restrictive water use conditions. The Kent County Water Authority Board of Directors will manage and coordinate its' response to drought from the normal condition through drought emergency stages. The Board shall invoke specific actions and implement necessary strategies to strengthen enforcement of conservation efforts, as necessary, to maintain the integrity of the supply. This includes curtailing the use of private wells within the supply district for any use other than for health and sanitation. Private wells draw from the same aquifer that supplies the public sector with water and are not considered an alternative water source for outdoor use during a drought event. In emergency situations, circumstances may dictate the use of special seasonal water rates to further enforce the need to conserve water.

# **EXHIBIT H**

February 15, 2006

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# OFFICE MEMO

**To:** File  
**From:** John Duchesneau  
**Subject:** Storage Tank Painting Bid Review  
**Date:** February 14, 2006

Three bids were received and opened. The bid tabulation for each of these submissions is attached to this memo. Two of the bids did not contain the required detailed written proposal outlining the methodology that would be used to maintain compliance with Federal and State Regulations regarding lead abatement and disposal as required in Article 1.2 and further defined in Article 14.2.2. The third bid provided a paragraph regarding lead abatement, but did not address employee protection and monitoring identified in Article 14.2.2. Since these two bidders did not provide the required information and the third appears not to have fully addressed the requirement, it is questionable whether these bids can be accepted. Based on non-acceptance of these two bids, only one bid would questionably be eligible. Based on this situation, it is recommended that all the bids be rejected and the project be re-bid with changes to the bid documents that would help the prospective bidders assure they have all the required documents submitted with their bid price.

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KENT COUNTY WATER AUTHORITY  
INVITATION FOR BID  
STORAGE TANK PAINTING  
BID OPENING – FEBRUARY 13, 2006

The Bid Opening relating to Storage Tank Painting was held at 10:00 a.m., February 13, 2006 per the requirements of the Bid Invitation advertised in the Providence Journal on Thursday, January 26, 2006. Attendance at the pre-bid meeting was a mandatory requirement to submit a Bid.

The work consists of providing directly to the Kent County Water Authority all labor, materials and services necessary to properly conduct surface prepare and coating application on the existing Tiogue 771,000 gallon storage tank on Elton Street, Coventry and Tech Park 1.5 million gallon tank in Technology Park, West Greenwich, Rhode Island. Work also includes environmental controls, administrative documentation and testing. Lead base paint has been found present on the Tiogue Tank and the contractor shall be responsible for all abatement and disposal related to the project work.

Attendees of the Bid Opening were as follows:

1. **KCWA**, John Duchesneau
2. **Rockwood Corporation**, 4160 Onondaga Boulevard, Syracuse, N. Y. 13219  
Pierce A. Law, T: 315.348.5380

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. Marcel A. Payeur, Inc.

Lead Abatement Requirement of Bid Submission NOT Provided (see Article 1., Paragraph 1.2 and Article 14.2.2)  
Acknowledgment of Receipt of Addenda: Received  
Provided Bid Bonds, Article 8.5

Item No. 1 Lump Sum	\$87,000
Item No. 2 Lump Sum	<u>\$260,000</u>
<b>Total</b>	<b>\$347,000</b>

2. Rockwood Corporation

Lead Abatement Requirement of Bid Submission NOT Provided (see Article 1., Paragraph 1.2 and Article 14.2.2)  
Acknowledgement of Receipt of Addenda : NOT Received, KCWA Records show Certified Receipt  
Provided Bid Bonds, Article 8.5

Item No. 1 Lump Sum	\$112,999
Item No. 2 Lump Sum	<u>\$167,600</u>
<b>Total</b>	<b>\$279,600</b>

3. Abhe & Svoboda, Inc.

Lead Abatement Requirement of Bid Submission Provided (see Article 1., Paragraph 1.2 and Article 14.2.2)  
Acknowledgement of Receipt of Addenda: Received  
Provided Bid Bonds, Article 8.5

Item No. 1 Lump Sum	\$386,310
Item No. 2 Lump Sum	<u>\$279,000</u>
<b>Total</b>	<b>\$665,310</b>

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

# **EXHIBIT I**

February 15, 2006

KENT COUNTY WATER AUTHORITY  
REQUEST FOR PROPOSAL  
PROFESSIONAL ENGINEERING AND ARCHITECTURAL SERVICES FOR  
PILOT TESTING OF POTABLE WATER TREATMENT TECHNOLOGIES FOR THE MISHNOCK  
WELL FIELD IN COVENTRY, RHODE ISLAND  
PROPOSAL OPENING – FEBRUARY 10, 2006

Proposal Opening relating to Professional Engineering and Architectural Services for Pilot Testing of Potable Water Treatment Technologies for the Mishnock Well Field in Coventry, Rhode Island was held at 10:00 a.m., February 10, 2006 per the requirements of the invitation advertised in the Providence Journal on Monday, January 23, 2006. Attendance at the pre-proposal meeting was a mandatory requirement to submit a proposal.

The work consists of providing directly to the Kent County Water Authority, Professional Engineering Design Consultant services to design, provide bidding services and oversee the construction of the facilities to conduct the Rhode Island Department of Health approved Pilot Test Program, conduct the pilot testing and then prepare a Pilot Study and Preliminary Design Report identifying the preferred treatment technology and present documentation to support the pilot study's finding and conclusions.

Attendees of the proposal opening were as follows:

1. **KCWA**, Kevin Fitta
2. **C & E Engineers**, 342 Park Avenue, Woonsocket, RI 02895  
Russell Houde, T: 401.762.1711, F: 401.235.9088

At 10:00 a.m. the proposal opening began by Kevin Fitta briefly describing what the RFP entailed followed by the opening of the submitted proposals listed below:

1. Maguire Group, Inc.

*6 copies received*

Subtotal	\$104,710
Reimbursable	<u>\$37,360</u>
<b>Total Amount Not to Exceed</b>	<b><u>\$142,070</u></b>

2. Dufresne-Henry

*8 copies received*

Subtotal	\$95,450
Reimbursable	<u>\$151,200</u>
<b>Total Amount Not to Exceed</b>	<b><u>\$144,650</u></b> minus items 2A, 2B, & 2D of reimbursable subtotal

3. C & E Engineering

*8 copies received*

Subtotal	\$121,660
Reimbursable	<u>\$33,100</u>
<b>Total Amount Not to Exceed</b>	<b><u>\$154,760</u></b>

The proposals were made available for review and the proposal opening meeting was closed at 10:05 a.m.

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# OFFICE MEMO

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**To:** File  
**From:** John Duchesneau  
**Subject:** Request for Proposal Review, Pilot Testing, Mishnock Well Field  
**Date:** February 13, 2006

1. Dufresne-Henry presented a total not to exceed fee of \$144,650 to provide the services indicated in the request for proposal scope of service. This proposal indicates that Dufresne-Henry have completed thirty pilot tests in the past three years. The pilot tests reflect direct relevant experience with the type of treatment technologies that Kent County Water Authority intends on piloting. Dufresne-Henry indicates that their sub-consultant is primarily a pilot testing firm with extensive experience in the proposed treatment technologies. Most of their recent work reflects iron and manganese removal piloting. This firm also provided a not to exceed fee of \$246,650 to complete the entire project without the need for bidding the construction and piloting equipment rentals. They anticipate some savings from the fees identified in the proposal for the rental equipment primarily due to their history with the treatment technology manufacturers. The project approach option to eliminate the need for bidding and construction administration services for the temporary structures and piloting equipment could yield considerable time and cost savings. Dufresne-Henry indicates that they intend to monitor the piloting operations seven days a week instead of the five days a week indicated in the request for proposal. They believe that this will provide a more accurate testing regime and help to expedite the conclusion of the testing. Dufresne-Henry's hourly rates are higher in comparison to the other request for proposal submissions. The project schedule indicates commencement on March 1, 2006 with a completion date of August 15, 2006, approximately 24 weeks. Weekly fee for additional piloting is estimated at \$5,000 per week.
2. Maguire Group, Inc. indicates a total not to exceed fee of \$142,070. Only 6 copies of the proposal were received. 8 copies were required in the RFP documents. The proposal indicates mostly surface water systems and not much iron and manganese removal in the

resumes. The project team summary indicates team leader, William Nunnery has managed over "XX" pilot studies. This must be a typographical error that leaves the pilot study experience as an unknown for the project leader. The subcontractor with the most membrane technology experiences is located in Denver, Colorado and his resume does not reflect a Rhode Island professional engineer registry. The examples of similar treatment piloting experience do not indicate any iron and manganese removal with the proposed treatment technologies listed in the request for proposal. Maguire Group, Inc. recommends treatment to half the limits of the secondary contaminant levels to help minimize manganese discoloration. They also recommend including total trihalomethane and haloacetic acid testing as part of the piloting activities. Maguire Group, Inc. indicates observation of the pilot test five days per week. They anticipate six weeks, 12 hours a week during the construction of the temporary piloting facilities for construction services. The resident engineer fees are at \$100 per hour. Cost could escalate if project takes longer than anticipated. The project schedule indicates commencement on March 15, 2006 and submission of the treatment technology report approximately October 6, 2006, approximately 30 weeks. Weekly fee for additional piloting per week is \$6,550.

3. C & E Engineering Partners, Inc. provided a not to exceed fee of \$154,760 to complete the work. This fee included 72 hours of construction phase services at \$50 an hour equating to approximately \$3,600. Overall construction related services are estimated to be 15,335 for the estimated 12 week to construct the pilot facilities and equipment. This could be longer depending on the quality and performance of the contractor. Costs could escalate depending on these factors. C & E Engineers have partnered with Woodward & Curran for completion of some of the treatment technology piloting work. C & E has accomplished a majority of the recent studies regarding water quality and prepared the Rhode Island Department of Health approved pilot study for the KCWA. The proposal indicates mostly chemical addition technology such as sequestering and disinfection pilots. None reflect the type of treatment technology proposed for the Mishnock Wells. Woodward & Curran indicates two green sand iron and manganese removal pilots. Piloting of the proposed treatment technology was not indicated in the proposal references. C & E Engineering Partners, Inc. indicates in their approach that they intend

to bid two contracts, one for the piloting equipment construction and one for the well reconditioning. This could be one of the reasons why they are the highest not to exceed price. They must also consider that two bids require additional work for the bidding process and contract documents preparation. C & E Engineering Partners, Inc. has the overall least costly hourly rates. Their schedule indicates approximately 40 weeks to completion. Weekly fee for additional piloting per week is \$2,800.

Dufresne-Henry appears to have the most experience conducting pilot studies similar to the proposed treatment technology of the Kent County Water Authority project. Their not to exceed price of 144,650 is slightly higher than the Maguire Group but they have superior experience in the treatment technology pilot testing proposed for the Mishnock well field. Their creative approach option to complete the entire pilot at a not to exceed price of \$246,650 reflects both the not to exceed price of \$144,650 plus the no mark up pricing to obtain, construct and operate the pilot test equipment, well cleaning, temporary pumps and temporary pilot test facilities estimated to be (\$102,000). This approach seems to be the most cost effective and timely approach to complete work.

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# MEMORANDUM

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To: Tim Brown  
From: Kevin Fitta  
Subject: Pilot Testing of Potable Water Treatment Technologies for the Mishnock Well Field  
– Review of Proposals  
Date: February 13, 2006

The following are my comments on the individual proposals:

## Maguire Group, Inc.

- Firm submitted 6 copies of the proposal
- Recent Projects - Listed 4 recent pilot projects in New England. One of the projects (Crystal Lake) it appears the engineer's role was to review the pilot testing results and not do the actual piloting. In another project (Southington, CT), it does not indicate when the project was done. Only one of the identified projects involved iron and manganese removal from well water.
- Project Team - The project manager identified several projects where he was involved with pilot studies for treatment facilities. The staff member identified as the pilot plant operator appears to have extensive experience with pilot plants. The remaining team members do not appear to have much experience with pilot studies.
- Project Approach – Per RFP
- Fee - Not to exceed fee = \$142,070. Firm qualified the construction services fee indicating it is based on a 12-week construction period. Therefore, this could fee could be higher or lower. Firm also qualified Analytical costs.
- Weekly fee for additional piloting = \$6,550

## C&E Engineering

- Firm submitted 8 copies of the proposal
- C&E is partnering with Woodard & Curran
- Recent Projects – C&E has identified four pilot studies that they conducted in New England in the past 5 years. All of these projects involved chemical addition but none involved the types of treatment technologies that will be piloted in this project. Woodard & Curran includes several projects as references. The Walpole project appears similar although it does not indicate when this project was completed. The Dartmouth project does not indicate whether they conducted a pilot study. Descriptions for the two other studies referenced in the cover letter are not included (Chelmsford, MA & Vernon, CT).
- Project Team – All of the key project team members have some experience conducting pilot studies.

- Project Approach – Per RFP
- Fee - Not to exceed fee = \$154,760
- Weekly fee for additional piloting = \$2,800

### Dufresne-Henry

- Firm submitted 8 copies of the proposal
- Recent Projects – The proposal includes more than 3 similar projects completed in the last five years in New England which were conducted by at least one of the team members that would be on this project. The firm also list several other pilot study projects done in the last five years. Several projects involved iron and manganese removal technologies and in one of the projects a Zenon Zeeweed system was used.
- Project Team – The project team appears very strong. The three key members all have significant experience in conducting pilot studies.
- Project Approach – Firm proposed an alternative approach to that identified in RFP. Essentially, firm proposes to hire the well re-developers, rent the necessary piloting equipment and construct the required onsite facilities without KCWA having to bid the construction work. The cost of the services/rentals will be passed on to KCWA at cost. This is a creative solution that should result in a reduction to the overall project schedule and simplify the process. They also are including 7-day/week piloting as opposed to 5-days/week included in the RFP.
- Fee - Not to exceed fee = \$144,650 (\$246,650 for alternate all-inclusive proposal). It is not clear whether this firm is indicating that they will do the work per the RFP or whether they have provided the cost for comparative purposes only, as it is difficult to determine how the not-to-exceed fee of \$144,650 was arrived at.
- Weekly fee for additional piloting = \$5,000

Summary – Of the three firms that submitted proposals, Dufresne-Henry appears to have the most experience with conducting pilot studies similar to this project. The team members also appear to have more experience than the team members from the other firms. They also presented a creative approach to completing the project. Their not-to-exceed fee is approximately \$2,600 higher than the Maguire Group, however both the firm and individual team members of Dufresne-Henry have significantly more experience in this area. I would recommend that Dufresne-Henry provide some clarification as to how the \$144,650 was arrived at and whether they would conduct the work for this fee if the alternative approach that they recommended is not accepted by the KCWA Board.

# **EXHIBIT J**

February 15, 2006

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# OFFICE MEMO

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**To:** File  
**From:** John Duchesneau  
**Subject:** Potable Water Storage Tank Cleaning and Inspection Proposal Review  
**Date:** February 14, 2006

Three proposals were received and opened. The proposal tabulation for each of these submissions is attached to this memo. Underwater Solutions and Liquid Engineering Corporation did not provide the eight copies required per Article 12.1. Only one copy of each proposal was received. Extech, LLC provided eight copies but their proposal reflects cleaning and inspection through remote operated vehicles versus divers in the tank. This proposal provided a not to exceed cost of \$50,465. This is approximately twice the cost in the other two proposals in which the cleaning and inspection would be conducted using divers. Since Underwater Solutions and Liquid Engineering Corporation did not provide the required number of documents and Extech, LLC provided a proposal for remote operated vehicle cleaning and inspection with a considerably higher amount than the conventional diver process, it is questionable whether these proposals can be accepted for engagement of the services. Based on this situation, it is recommended that all the proposals be rejected and the project be re-advertised with changes to the proposal documents that would help the prospective Proposers assure they have met all the submission requirements for the request for proposal submission.

KENT COUNTY WATER AUTHORITY  
REQUEST FOR PROPOSAL  
PROFESSIONAL SERVICES RELATED TO IN-SERVICE CLEANING AND INSPECTION OF  
POTABLE WATER STORAGE TANKS  
PROPOSAL OPENING – FEBRUARY 13, 2006

Proposal Opening relating to Professional Services Related to In-Service Cleaning and Inspection of Potable Water Storage Tanks was held at 11:00 a.m., February 13, 2006 per the requirements of the invitation advertised in the Providence Journal on Thursday, January 26, 2006. Attendance at the pre-proposal meeting was not a mandatory requirement to submit a proposal.

The work consists of providing directly to the Kent County Water Authority professional services to facilitate the in-service cleaning and inspection of the Authority's active potable water storage facilities.

Attendees of the Proposal Opening were as follows:

1. **KCWA**, John Duchesneau

At 11:00 a.m. the Proposal Opening began by John Duchesneau briefly describing what the RFP entailed followed by the opening of the submitted proposals listed below:

1. Underwater Solutions

1 Copy Received, 8 Copies Required Per Article 12.1  
References Provided  
Proof of Insurance Provided  
Amount Not to Exceed \$33,650

2. Liquid Engineering Corporation

1 Copy Received, 8 Copies Required Per Article 12.1  
References Provided  
Proof of Insurance Provided  
Amount Not to Exceed \$22,569

3. Extech, LLC

8 Copies Received  
References Provided  
Proof of Insurance Provided  
Amount Not to Exceed \$50,465

The proposals were made available for review and the proposal opening meeting was closed at 11:05 a.m.

# **EXHIBIT K**

February 15, 2006

**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	Await Pilot Program Mishnock
Blackrock Road Transmission Main - CIP-4	KCWA has assumed the Construction Management Services
Clinton Avenue Pump Station Rehabilitation CIP - 7A	Construction On-going Bypass Pumps Tested
Read School House Road Tank CIP - 7B	Proposal Site Review
Read School House Road Main CIP 7c, 7d, 8a	On hold till tank site is secured.
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, Set Bid Date Winter 2005/2006
Geographic Information System Base Map	Completed.
Geographic Information System Second Phase	Mapping Feature Review October Completion Delayed
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.
Oaklawn Meter Replacement IFR	Completed.
PWSB 78" / Johnson Blvd. P.S. Modification	Optional Pumping Facility Being Reviewed
Rehabilitation Mishnock #3	Redevelopment completed.
Revised Hydraulic Model	
Color Study Mishnock Wells	Piloting Study RFP Approval
Cleaning & Lining Greenwich Avenue	Design Status Gas Company Conflict-DPUC date for hearing
Spring Lake Well Redevelopment	Completed.
PROJECT	STATUS
Web site preparation	Up and running.
Strategic Plan	For Approval
CCR 2003	Mailed.
Colvintown Road	Completed.