

# KENT COUNTY WATER AUTHORITY

## BOARD MEETING MINUTES

March 20, 2008

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 March 20, 2008.

Chairman, Robert B. Boyer opened the meeting at 3:35 p.m. Board Members, Mr. Gallucci, Mrs. Graham, Mr. Masterson and Mr. Inman 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. Board Member Graham led the Board in the salute to the Flag.

The minutes of the Board meeting of February 7, 2008 and February 21, 2008 were moved for approval by Board Member Masterson and seconded by Board Member Graham and were unanimously approved.

### **LEGAL MATTERS**

#### Facility Access – Amgen

Easement rights of Kent County Water Authority were impeded by Amgen's security protocol. The General Manager forwarded correspondence to Berglund, P.E. setting forth easement rights and to contact to discuss the matter and there has been no formal reply and the General Manager stated that there is a conflict and there will be a need to discuss further.

Amgen requested Kent County Water Authority and its contractor to execute an access agreement/ license with respect to access to the tank. On February 7, 2007, Kent County Water Authority forwarded correspondence to Amgen stating that Kent County Water Authority has pre-existing easement rights for accessing the tank. With respect to draining the tank for maintenance, the Kent County Water Authority discovered the proposed drainage system was not installed and the existing system removed. On August 10, 2007, Legal Counsel for Amgen forwarded a proposed easement agreement to Legal Counsel for Kent County Water Authority. Legal Counsel and the General Manager have reviewed the proposed agreement and it extinguishes the pre-existing easement rights acquired in 1987. Therefore, Legal Counsel informed Legal Counsel for Amgen that the agreement is not acceptable as drafted as it extinguishes easement rights. The executed easement document from Amgen legal counsel was received however, the description for the easement area was omitted.

The legal description and plan are being reviewed by Kent County Water Authority with respect to finalizing the easement instrument.

#### Quaker Lane Booster Station

In order to meet setback requirements of the generator from the structure and to accommodate a temporary construction easement, 25' to 50' of abutting property owned by Duke Associates Limited Liability Corp. is required. Legal Counsel forwarded to the owner written request for a lease and has subsequently been in contact with the owner. Legal Counsel and the General Manager met with the land owner at the site. Kent County Water Authority will provide the land owner with a survey depicting the easement area and the owner will obtain an appraisal of the site with respect to Kent County Water Authority obtaining an easement and the owner will forward to Legal Counsel the appraised value of the easement. Legal Counsel for Kent County Water Authority has forwarded to the owner the engineering and Kent County Water Authority has offered to rehabilitate the retaining wall (the integrity of which is compromised and in need of repair) in lieu of paying a fee to the owner for expansion of the easement area. Legal Counsel contacted the owner and he stated that the real estate may be under sales contract. Legal Counsel for the owner of the property met with the General Manager and Legal Counsel with respect to historical easements on the site. The owner will grant Kent County Water Authority additional easement area for the renovations to the station and Kent County Water Authority will extinguish an easement no longer utilized by Kent County Water Authority for ingress/egress to the station. Kent County Water Authority will obtain the legal description for the easement area and Legal Counsel will provide it and the easement deed to Legal Counsel for the owner.

#### Pressure Reducing Station

##### The Village at East Shore-Phase II (Coventry)

In connection with the development, Kent County Water Authority will install a pressure reducing valve station on an undeveloped road off of Route 3. Kent County Water Authority and Legal Counsel met with the Coventry Town Solicitor to confirm that no zoning board approvals are required for the station. Legal Counsel for Kent County Water Authority has reviewed the title and is in a position to finalize the easement and is actively pursuing finalizing the easement documents with Legal Counsel for the land owner. Legal Counsel is awaiting execution of the easement instrument from Legal Counsel for the owner. Mr. Brunero advised Legal Counsel that the easement would be executed by March 14, 2008.

#### Joseph Petrarca, Department of Public Utilities and Carriers

The decision by the Division of Public Utilities and Carriers has recently been rendered by the Hearing Officer, Lanni which was in favor of Mr. Petrarca. Legal Counsel and the General Manager determined that the decision is contrary to the Kent County Water Authority Rules and Regulations and an appeal was taken and is scheduled for February 4, 2008 by the Division of Public Utilities and Carriers and is

now awaiting decision from the Hearing Officer. Due to water quality issues on Philip Street, Legal Counsel will move for a postponement of the decision of the Hearing Officer and he will have continued discussion with the General Manager concerning the possibility of an amendment of the IFR program.

#### Padula Easement/Flat Top

Legal Counsel is actively pursuing finalizing the easement document with Legal Counsel for the Developer.

#### Department of Health Rules and Regulations

Legal Counsel forwarded to Gregory A. Madoian, Esq., Legal Counsel for the Department of Health, the proposed private water system rules and regulations amendments as pertaining to public drinking water. These amendments were prepared by Legal Counsel, the General Manager and the staff. Legal Counsel also placed a telephone call to Mr. Madoian. Mr. Madoian contacted Legal Counsel who stated that the rules and regulations will be reviewed the week of April 15, 2007. Legal Counsel subsequently inquired of the Department of Health and it is still being considered. Legal Counsel has and will continue to contact the Department of Health until he receives an answer. This has been a frustrating issue in that the Department of Health has had these proposed regulations since April 9, 2007. Legal Counsel has sent letters and telephone calls in an attempt to schedule a meeting with the General Manager and Department of Health officials who do not seem to be motivated to address this serious issue. Legal Counsel will continue to pursue this issue, albeit there is serious resistance and he sent a letter to the Department of Health Legal Counsel on March 11, 2008 and is awaiting word on a meeting.

#### G-Tech

On June 30, 2006, G-Tech received approval of water service for its campus. Subsequent to approval, the campus was subdivided and sold. G-Tech did not notify Kent County Water Authority of the change in ownership as required by its Rules and Regulations. As a result of the change in ownership, the service at the property (Data Center) does not conform to the original tenets of the approval as the building is occupied by a different owner resulting in one service supplying different owners. Master metering is reserved for single ownership and G-Tech does not meet this requirement as G-Tech is currently connected to the Condyne Master Meter Service. Kent County Water Authority met with a representative of Condyne who was not aware that it was servicing the G-Tech data center. G-Tech is required to install a separate service to Hopkins Hill Road as set forth in Option A of the December 14, 2006 correspondence from G-Tech to Kent County Water Authority in order to resolve the issue of water service.

Legal Counsel performed research of the West Greenwich Land Evidence Records to ascertain the ownership of certain parcels of real estate located within the

G-Tech site given recent subdivision of the site. The data center is under different ownership as a result of the subdivision but serviced by a master meter in violation of the regulations of Kent County Water Authority for property owned by another party. Legal Counsel for Kent County Water Authority, the General Manager and John Duchesneau met with Legal Counsel for Amgen and two Amgen representatives. Amgen and its Legal Counsel provided Kent County Water and its Legal Counsel with title to the subject property from Legal Counsel for the title company. Legal Counsel for Amgen will draft an indemnification agreement with respect to common service. Legal Counsel will review the indemnification agreement and determine whether or not the common service is legally permitted by the regulations of Kent County Water Authority. Amgen will coordinate a meeting with the owner of the property providing water to the data center.

Legal Counsel for G-Tech prepared a proposed memorandum of agreement between the parties and forwarded this to Legal Counsel for the Authority on August 10, 2007. Legal Counsel for Kent County Water Authority and the General Manager have reviewed the proposed agreement and it conflicts with the regulations of Kent County Water Authority. Therefore, Kent County Water Authority has forwarded correspondence to Amgen directing compliance by Amgen of installation of separate services.

G-Tech has filed a Declaratory Judgment/Restraining Order action and Kent County Water Authority has filed a Motion to Dismiss which will be briefed on January 4, 2008 with response by G-Tech for January 25, 2008 and hearing scheduled for February 1, 2008. Kent County Water Authority brief was filed with the Kent County Superior Court on January 4, 2008. The matter has been dismissed and G-Tech will pursue with the DPUC. Legal Counsel sent a letter to the other attorney regarding filing with DPUC.

#### River Point Lace Works

The Company has gone into receivership and owes Kent County Water Authority approximately \$50,000. Legal Counsel has appeared at Court and has had conferences with the Receiver and will monitor the proceedings. Palmisciano-Ponte Investment Group LLC purchased business only as a going concern. Lender foreclosed on real estate and was highest bidder at foreclosure. Lender in discussion with Palmisciano-Ponte Investment Group LLC regarding Palmisciano-Ponte Investment Group LLC purchasing real estate. All parties are aware of Kent County Water Authority statutory lien and Legal Counsel will continue to monitor situation and pursue collection of debt.

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

Arthur Williams, Finance Director, explained and submitted the financial report and comparative balance sheets, statements of revenues, expenditures, cash receipts, disbursements and comparative balance sheets and statements of revenue through February, 2008 which is attached as “**A**” and after discussion, Board Member Gallucci

moved and seconded by Board Member Masterson to accept the reports and attach the same as an exhibit and that the same be incorporated by reference and be made a part of these minutes and it was unanimously,

VOTED: That the financial report, comparative balance sheet statement of revenues, expenditure, cash receipts, disbursements and comparative balance sheets and statements of revenue through February, 2008 be approved as presented and be incorporated herein and are made a part hereof as "A".

### **Point of Personal Privilege and Communications:**

Board Member Graham thanked Board Member Inman, the General Manager and John R. Duchesneau for the United States and Rhode Island flags displayed in the Board room and the Board Members thanked her for her perseverance.

Board Member Masterson went before the East Greenwich Town Council with the General Manager for the annual report to the Town Council and he stated that the General Manager did a very professional job.

### **GENERAL MANAGER/CHIEF ENGINEER'S REPORT**

#### **OLD BUSINESS:**

##### **2002A Bond Refinancing Status**

The General Manager stated that the bond rate is still in a state of flux as the market conditions are unstable and he will continue to monitor the same.

##### **KCWA Rate Filing, Withdrawal – Resubmission Approval**

The rate filing was withdrawn for technical reasons, eg. the annual report had not been submitted and the General Manager is in the process of drafting the rate filing which will be filed on March 31, 2008. He reported that the rates now are less and that the rate year has been changed. The new rates will be effective on May 1, 2008 and represent a general increase in rate revenues in the amount of \$5,464.566. For the average customer this represents a 35% increase and for public and private fire customers a 24.8% and 16.5% respectively and the average residential customer will experience a yearly billing of \$603.44 under the proposed rates which represents a \$156.44 increase of the current rates for the same amount of water consumed. The General Manager stated that a seasonal water rate will be presented to the commission as an alternative wherein customers would be assessed a rate of 7.4% higher than the non-seasonal rate proposal and conversely the non-summer billing periods will be lower by 7.4%. The rate year would be from November 1, 2008 to October 30, 2009. The General Manager developed a pie chart breakdown which is evidenced and attached as

“B”. The General Manager informed the Board that a water utility rate case can not be compared to a municipal tax. He explained that a 4% municipal tax increase would be similar to a 35% increase for Kent County Water Authority. Board Member Inman asked for a comparison study in relation to other water company rates and their fees for services other than water and asked the General Manager to provide the same.

#### Resolution Ratifying Coventry/KCWA Land Transfer for Approval (Land Swap)

The General Manager asked that Legal Counsel read the resolution ratifying the approval of the land swap which was accomplished on May 8, 2007 for the siting of the Reed School House Road water tank. Legal Counsel read the resolution and stated that resolution had been requested by the Town of Coventry. Legal Counsel informed that the resolution ratified approval and execution of the agreement dated May 7, 2008. It was moved by Board Member Inman and seconded by Board Member Masterson to approve and authorize Arthur Williams, Secretary to Kent County Water Authority to execute the resolution as evidenced and attached as “C” and it was unanimously,

VOTED: To approve and authorize Arthur Williams, Secretary to Kent County Water Authority to execute the resolution as evidenced and attached as “C”.

#### New Business

##### CIP Budget Review

This matter will be placed on the Agenda for next month.

##### Bid Approval

##### Tiogue Area, Re-service, Reduced H.S. Gradient

The General Manager stated that the bids for Tiogue Avenue conversion project were received, opened and read by Kent County Water Authority in the usual course and that the amount of the bids were very close and lowest bid was in the amount of 1,993,651.00. The General Manager stated that the bids were more favorable to Kent County Water Authority and was better than normal because of the sluggish economy. The General Manager was concerned due to the fact that miniscule/penny bidding was employed by the bidders which is prohibited in the contract (Instruction to Bidders, Section 00100, paragraph 2.7, subparagraph E) and at the pre-bid conference on February 12, 2008. The General Manager stated that it was particularly disturbing because specific materials such as fittings, elbows, valves, tees, reduced premium caps, gate valves, valve boxes, paving, construction items, curbing and other valuable items were in the form of minuscule bids and that those penny/ minuscule items bear no reasonable relationship to the cost of those items. He further stated he received a letter on February 29, 2008 from the Project Manager, Richard M. Hencler, PE regarding the conflict which is self explanatory and is evidenced and attached as “D”.

The General Manager went on to say that not only is miniscule bidding prohibited in the contract (Instruction to Bidders, Section 00100, paragraph 2.7, subparagraph E), but at the pre-bid conference on February 12, 2008 it was fully explained to the bidders that minuscule bidding would not be tolerated.

After lengthy and thorough discussion by the Board Members, the General Manager and Legal Counsel, the General Manager recommended that all bids be rejected in the best interest of Kent County Water Authority and more especially since the bids specifications were not followed and this project go out to be re-bid.

It was moved by Board Member Gallucci and seconded by Board Member Masterson to reject all bids in the best interest of Kent County Water Authority and this project go out to be re-bid and it was unanimously,

VOTED: To reject all bids in the best interest of Kent County Water Authority and this project go out to be re-bid.

#### Water Quality Report Printing Services

The General Manager stated that there were three proposals and that Graphic Image was the lowest respondent and that Kent County Water Authority has had good results from Graphic Image and the General Manager recommended Graphic Image in that it was the lowest responsible bidder as evidenced and attached as "E". The General Manager pointed out to the Board that this Water Quality report is mandated.

It was moved by Board Member Masterson and seconded by Board Member Graham to award the proposal for Water Quality Report printing services to Graphic Image in the amount of \$6,000.00 as evidenced and attached as "E" and it was unanimously,

VOTED: To award the proposal for Water Quality Report printing services to Graphic Image in the amount of \$6,000.00 as evidenced and attached as "E".

#### Actuarial Services – Proposal Summit Financial – Approval

The General Manager stated that the Summit Financial Corporation gave a proposal to perform all actuarial and administrative services for the Kent County Water Authority employee retirement plan. This proposal included the annual plan valuation, services and any actuarial calculations to analyze potential plan amendments which were included without hourly billings. The General Manager stated that regarding the current actuarial and administrative services, that the present company, National Retirement Services, has been satisfactory and that there had been previous discussions by the Board concerning Summit Financial Corporation taking over all of the pension plan duties. The General Manager stated that the actuarial valuation and employee statements would be \$5,000 and the benefit calculations would be \$150.00

per retiree and would be guaranteed for three years and this calculation is part of Section 7 of the proposal dated March 7, 2008 as evidenced and attached as "F".

The Chairman conducted a thorough Board discussion on this matter and the Board members were in concurrence with the General Manager that it was a consensus that it was time to place the noted services with the said provider.

It was moved by Board Member Graham and seconded by Board Member Gallucci that the Board approve and award the services to Summit Financial Corporation for employee pension actuarial services and employee statements which would be \$5,000 and the benefit calculations which would be \$150.00 per retiree which are guaranteed for three years pursuant to the proposal and more especially, Section 7 of the proposal dated March 7, 2008 as evidenced and attached as "F" and it was unanimously,

VOTED: That the Board approve and award the services to Summit Financial Corporation for employee pension actuarial services and employee statements which would be \$5,000 and the benefit calculations which would be \$150.00 per retiree which are guaranteed for three years pursuant to the proposal and more especially, Section 7 of the proposal dated March 7, 2008 as evidenced and attached as "F".

#### Report AMGEN Meeting on Water Demand Needs

The General Manager stated that Amgen cancelled the scheduled meeting of March 19, 2008 and he believes that it will be rescheduled.

#### Legislative Bills for Review

The General Manager stated that there are several bills in the legislature for Board consideration concerning water which could affect water delivery to the customers of Kent County Water Authority. The bills may be considered without Kent County Water Authority input especially in light of the fact that Kent County Water Authority is not allowed to have a lobbyist pursuant to rulings of the PUC.

The General Manager stated that he is relying on the RIWWA and he asked that the Board transmit their concerns on these bills and on the possibility of testifying concerning the legislation. The Chairman strongly noted that a bill which was sponsored by Senator Sosnowski and Senator Lenihan has the Department of Environmental Management exercising a greater influence on water supply than it already has. Board Member Graham stated that recently became aware of a bill sponsored by Senator Blais calling for pay increases to the Kent County Water Authority Board Members. She thought it important to point out that she had nothing to do with this bill and that the Board has not taken any position on this bill and had not in any way influenced this bill.

### New Hire Customer Service Representatives

The General Manager stated that there were several good resumes that were received for a position which will open due to retirement and that he is of the opinion and recommends to the Board that he place another add in the newspaper to see if more candidates would be interested and he would report back to the Board at the next meeting.

### Maracap Request, Approved for Sign Relocation

The Chairman stated that a letter dated March 4, 2008 was sent by Joseph A. Maraia of Maracap and it was received on March 12, 2008 by the Kent County Water Authority as evidenced and attached as "G". The letter regarded the ongoing controversy of the sign placement at a new office building at 835 Bald Hill Road and that the General Manager had recommended the sign relocation away from the Kent County Water Authority easement. The March 4, 2008 letter stated that the sign would be relocated after 120 days. The Chairman stated that that is now a matter for the General Manager to pursue as his function as General Manager especially since Maracap Realty LLC has agreed to relocate the sign.

### CAPITAL PROJECTS: INFRASTRUCTURE PROJECTS :

All other Capital Projects and Infrastructure Projects are addressed in an exhibit attached as "H" 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 Inman and it was unanimously,

VOTED: To adjourn the meeting at 5:30 p.m.

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Secretary Pro Tempore

# **EXHIBIT A**

March 20, 2008



KENT COUNTY WATER AUTHORITY  
CASH LOCATION  
FISCAL YEAR 07-08

CASH LOCATION	JUL 2007	AUG 2007	SEP 2007	OCT 2007	NOV 2007	DEC 2007	JAN 2008	FEB 2008	MAR 2008	APR 2008	MAY 2008	JUN 2008
Client Bank - Parcel	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$	\$	\$	\$
Fed Bank - Deposit	135,844.47	201,911.56	66,856.65	74,990.18	34,819.78	92,946.08	280,234.09	38,381.99				
Fed Bank - Checking	12,847.15	4,382.57	72.60	10,835.91	4,149.39	12,728.60	10,038.08	23,343.13				
	192,711.62	246,294.13	106,929.25	125,826.09	78,969.17	145,674.68	330,272.17	101,725.32	0.00	0.00	0.00	0.00
U S Bank - Project Fund												
Revenue	454,198.74	216,205.07	301,529.79	91,143.95	53,984.12	144,875.93	421,786.00	183,194.34				
Infrastructure Fund	7,543,979.57	7,187,262.24	7,213,155.01	6,413,316.69	5,939,682.09	4,879,330.79	4,937,830.43	5,179,633.85				
Operation & Maintenance Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
Renewal & Replacement Reserve	1,898,230.00	1,898,230.00	1,898,230.00	1,898,230.00	1,898,230.00	1,898,230.00	1,898,230.00	1,898,230.00				
General Fund - 2001	111,261.66	89,572.94	98,264.59	86,160.91	94,822.86	103,414.16	112,018.47	120,599.19				
General Fund - 2001	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03				
Debt Service Fund - 2001	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
Debt Service Fund - 2001	85,914.64	152,444.00	218,087.89	283,979.44	350,110.43	416,285.60	294,835.67	361,124.38				
Cost of Issuance - 2001	781,125.00	781,125.00	781,125.00	781,125.00	781,125.00	781,125.00	781,125.00	781,125.00				
General Project - 2002	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
Debt Service Fund - 2002	20,901,901.02	20,882,665.11	20,955,906.11	21,003,584.16	21,077,222.91	21,139,434.77	21,198,973.35	21,147,933.35				
Cost of Issuance - 2002	191,075.52	350,715.58	508,291.30	666,461.39	825,706.45	984,065.99	1,643,254.87	821,358.03				
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	1,823,560.01				
Debt Service Fund - 2002	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
Debt Service Reserve - 2004	160,169.66	267,940.39	313,963.00	480,385.85	587,195.10	694,063.73	668,730.34	775,663.25				
Cost of Issuance - 2004	1,279,133.75	1,279,133.75	1,279,133.75	1,279,133.75	1,279,133.75	1,279,133.75	1,279,133.75	1,279,133.75				
Redemption Account - 2001	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
	\$ 35,847,101.22	\$ 35,697,152.23	\$ 36,080,015.73	\$ 35,434,667.27	\$ 35,311,081.92	\$ 34,811,034.44	\$ 34,931,570.09	\$ 34,995,530.30	\$	\$	\$	\$

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>					
1-101A	SOURCE OF SUPPLY PLANT	1841540.53	1841540.53		
1-101B	PUMPING PLANT	2862163.71	2862163.71		
1-101C	WATER TREATMENT PLANT	141257.29	141257.29		
1-101D	TRANS. & DISTR. PLANT	67782708.40	59686194.90	8096513.50	13.57%
1-101E	GENERAL PLANT	2331814.69	1648817.70	682996.99	41.42%
1-101F	MISCELLANEOUS PHYS. PLANT	710.00	710.00		
1-101G	GENERAL STRUCTURES	223350.52	148181.48	75169.04	50.73%
1-1070	CONSTR. WORK IN PROGRESS	20889020.00	20360164.72	528855.28	2.60%
1-1110	ACCUM. DEPR. - PLANT	-11871312.16	-10837727.55	-1033584.61	9.54%
TOTAL	UTILITY PLANT IN SERVICES	84201252.98	75851302.78	8349950.20	11.01%
<b>CURRENT AND ACCRUED ASSET</b>					
1-131B	CASH - FLEET NAT BANK	105674.68	246182.35	-140507.67	-57.07%
1-131D	CASH - CITIZENS BANK	7681.53	6468.23	1213.30	18.76%
TOTAL	CURRENT AND ACCRUED ASSET	113356.21	252650.58	-139294.37	-55.13%
<b>OTHER SPECIAL DEPOSITS</b>					
1-134B	RESTRICTED DEBT RESERVE	3883818.76	3883383.35	435.41	.01%
1-1340	SPECIAL DEPOSITS	30781541.00	335322995.47	-2751454.47	-8.21%
1-1350	PETTY CASH	300.00	300.00		
1-1420	CUSTOMER ACCTS. RECEIVAB.	2866502.54	2484916.84	381585.70	15.36%
1-1430	OTHER A/R	-19579.42	-422.03	-19157.39	4539.34%
1-1440	PROV. FOR UNCOLLECTED ACT	-103663.30	-103683.30		
1-154A	SAVAGE MATERIALS	147.70	147.70		
1-1540	PLANT MATERIAL & SUPPLIES	400952.96	384199.05	16753.91	4.36%
1-165A	PREPAID INSURANCE	-64277.28	66408.84	-130686.12	-196.79%
1-165B	PREPAID PENSION	164.56	164.56		
1-1810	UNAMORTIZED DEBT DISCOUNT	448007.65	498009.65	-50002.00	-10.04%
TOTAL	OTHER SPECIAL DEPOSITS	38193895.17	40746420.13	-2552524.96	-6.26%
<b>CLEARING ACCOUNTS</b>					
1-184A	NEW SERVICES CLEARING	449.39	449.39	280.70	12.06%
1-184D	CUSTOMER SRVCS - CLEARING	2607.89	2327.19	280.70	10.11%
TOTAL	CLEARING ACCOUNTS	3057.28	2776.58	280.70	10.11%
TOTAL	CURRENT ASSETS	122511561.64	116853150.07	5658411.57	4.84%
TOTAL	ASSETS	122511561.64	116853150.07	5658411.57	4.84%

REPORT DATE 12/31/2007  
 SYSTEM DATE 03/12/2008  
 FILES ID Z

Kent County Water Authority  
 COMPARATIVE BALANCE SHEET  
 general  
 AS OF 12/31/2007

ACCOUNT NUMBER ACCOUNT DESCRIPTION CURRENT YEAR PREVIOUS YEAR DIFFERENCE FROM PREV YEAR PERCENTAGE

LIABILITIES AND FUND BALANCES:

LIABILITIES:

CURRENT LIABILITIES  
 PROPRIETARY CAPITAL  
 1-2160 UNAPPR. EARNED SURPLUS 63756968.75 56651005.51 7105963.24 12.54%  
 TOTAL 63756968.75 56651005.51 7105963.24 12.54%  
 PROPRIETARY CAPITAL  
 LONG TERM DEBT  
 1-2210 BONDS 36052253.00 38298479.00 -2246226.00 -5.87%

CURRENT & ACCRUED LIAB.  
 1-232A ACCOUNTS PAYABLE - TRADE 455604.58 385889.45 69715.13 18.07%  
 1-2360 TAXES ACCRUED 43314.14 42230.25 1683.89 3.99%  
 1-237B INTEREST ACCRUED 813849.71 883499.47 -67649.76 -7.66%  
 1-2610 ACCRUED INSURANCE 25062.37 25062.37  
 1-2630 ACCRUED PENSION 189023.00 189023.00  
 TOTAL 1529453.80 1525704.54 3749.26 .25%

TAX COLLECTION PAYABLE  
 1-241A FIT WITHHOLDING 5537.58 5480.08 57.50 1.05%  
 1-241B FICA WITHHOLDING 3318.76 3407.53 -88.77 -2.61%  
 1-241C ACCRUED FICA TAXES 10987.82 9149.29 1838.53 20.09%  
 1-241D ACCRUED SALES TAX -681.34 26048.13 -26729.47 -102.62%  
 1-241E WITHHELD RI INCOME TAX 1618.12 1591.40 26.72 1.68%  
 1-241F WATER PROTECTION CHARGE 141355.86 135346.75 6009.11 4.44%  
 1-241G TDI WITHHELD 915.86 898.59 17.27 1.92%  
 1-242C ACCRUED PAYROLL 14411.00 14411.00  
 1-2520 CUSTOMER ADV. FOR CONSTR. 54502.50 62208.00 -7705.50 -12.39%  
 TOTAL 231966.16 258540.77 -26574.61 -10.28%

TAX COLLECTION PAYABLE  
 OTHER DEFERRED CREDITS  
 1-2710 CONTRIB. IN AID TO CONSTR 16380983.07 15539258.07 841725.00 5.42%  
 TOTAL 16380983.07 15539258.07 841725.00 5.42%  
 OTHER DEFERRED CREDITS  
 TOTAL 117951624.78 112272987.89 5678636.89 5.06%  
 CURRENT LIABILITIES 117951624.78 112272987.89 5678636.89 5.06%

FUND BALANCES:  
 FUND BALANCE

REPORT DATE 12/31/2007  
 SYSTEM DATE 03/12/2008  
 FILES ID Z

Kent County Water Authority  
 COMPARATIVE BALANCE SHEET  
 general  
 AS OF 12/31/2007

PAGE 3  
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ACCOUNT NUMBER	ACCOUNT DESCRIPTION	CURRENT YEAR	PREVIOUS YEAR	DIFFERENCE FROM PREV YEAR	PERCENTAGE
TOTAL FUND BALANCE					
TOTAL FUND BALANCES		4559936.86	4580162.18	-20225.32	-.44%
EXCESS OF REVENUE OVER EXPENDITURES		122511561.64	116853150.07	5658411.57	4.84%
TOTAL LIABILITIES AND FUND BALANCES					

ACCOUNT DESCRIPTION	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET
REVENUES	C U R R E N T	M O N T H	Y E A R	T O - D A T E		
1-4150 MERCHANDISING & JOBBING	1000.00	834.63	-165.37	5400.00	3556.39	-1843.61
1-4160 M & J COSTS & EXPENSES	500.00	-7600.31	-8100.31	2500.00	751.11	-1748.89
1-4190 INTEREST & DIVIDEND INC.	82100.00	77261.55	-4838.45	492700.00	773348.19	280648.19
1-4210 MISC. NON-OPER. INCOME		2.95	2.95	100.00	108.71	8.71
TOTALS FOR OTHER INCOME	83600.00	70498.82	-13101.18	500700.00	777764.40	277064.40
1-461A METERED SALES - GC	981700.00	1107550.51	125850.51	6360300.00	6542084.13	181784.13
1-461B METERED SALES - IC	441400.00	445936.25	4536.25	2062800.00	1768581.46	-294218.54
1-4620 PRIVATE FIRE PROTECTION	43000.00	44661.05	1661.05	86100.00	88778.18	2678.18
1-4630 PUBLIC FIRE PROTECTION	273000.00	276165.43	3165.43	545900.00	552212.47	6312.47
1-4640 SALES - PUBLIC AUTHORITIES	80700.00	102712.84	22012.84	329100.00	315760.54	-13339.46
1-4660 SALES FOR RESALE	20700.00	23763.28	3063.28	58900.00	69666.10	10766.10
1-4710 MISC. SERVICE REVENUE	7400.00	11933.13	4533.13	39900.00	72266.09	32366.09
1-4740 OTHER WATER REVENUES	6800.00	6427.50	-372.50	39400.00	33404.72	-5995.28
TOTALS FOR OPERATING REVENUE ACCTS.	1854700.00	2019149.99	164449.99	9522400.00	9442753.69	-79646.31
TOTALS FOR REVENUES	1938300.00	2089648.81	151348.81	10023100.00	10220518.09	197418.09
EXPENDITURES						
1-6010 OPERATION & LABOR EXP.	1300.00		1300.00	7300.00		7300.00
1-6020 PURCHASED WATER	243600.00	199394.59	44205.41	1876400.00	1999294.95	-122894.95
1-6140 MAINTENANCE OF WELLS	200.00		200.00	1000.00		1000.00
TOTALS FOR SOURCE OF SUPPLY EXPENSES	245100.00	199394.59	45705.41	1884700.00	1999294.95	-114594.95
1-6210 FUEL FOR PUMPING	200.00		200.00	1000.00		-2408.05
1-6230 POWER PURCHASED	37100.00	16495.62	20604.38	276000.00	222379.80	53620.20
1-624A PUMPING LABOR	6600.00	14550.26	-7950.26	35700.00	41984.48	-6284.48
1-624B PUMPING EXPENSES	200.00	257.16	-57.16	1000.00	976.71	23.29



REPORT DATE 03/12/2008  
 SYSTEM DATE 03/12/2008  
 FILES ID Z

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 Kent County Water Authority  
 AS OF 12/2007

ACCOUNT DESCRIPTION	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET
TOTALS FOR CUSTOMER ACCT. EXPENSES	27900.00	32959.35	-5059.35	150400.00	166736.25	-16336.25
1-9200 ADM & GENERAL SALARIES	31300.00	30488.06	811.94	169200.00	165570.88	3629.12
1-9210 OFFICE SUPPLIES & EXP	10100.00	7711.12	2388.88	60600.00	53962.43	6637.57
1-9230 OUTSIDE SERVICES	12200.00	10175.00	2025.00	73500.00	95209.48	-21709.48
1-9240 PROPERTY INSURANCE	13900.00	15834.98	-1934.98	83700.00	89336.75	-5636.75
1-9250 INJURIES & DAMAGES	100.00	100.00	0.00	500.00	500.00	0.00
1-9260 EMPLOYEE PENSION & BENEF	45300.00	48891.00	-3591.00	271500.00	270645.24	854.76
1-9280 REGULATORY COMM EXP	9400.00	52075.00	-42675.00	56300.00	106177.98	-49877.98
1-930A MISC GENERAL EXPENSE	3500.00	2891.00	609.00	20800.00	8166.00	12634.00
1-930B MISC GENERAL EXPENSE	1200.00	1261.87	-61.87	7600.00	7546.02	53.98
1-930C MISC GENERAL EXPENSE	3000.00	3000.00	0.00	18000.00	15492.65	2507.35
1-932A MAINT GENERAL PLANT	20700.00	22086.37	-1386.37	111900.00	84539.47	27360.53
1-932B MAINT VEHICLES	9800.00	13057.62	-3257.62	53100.00	47026.30	6073.70
1-9330 UNASSIGNED TIME VAC HOL	24300.00	27103.09	-2803.09	131100.00	135536.02	-4436.02
TOTALS FOR ADM. & GENERAL EXPENSES	184800.00	231575.11	-46775.11	1057800.00	1079209.22	-21409.22
1-4030 DEPRECIATION EXPENSE	85600.00	85658.00	-58.00	514000.00	513948.00	52.00
1-4080 TAXES OTHER THAN INCOME	16300.00	16889.61	-589.61	87900.00	83490.07	4409.93
1-4270 INTEREST-LONG TERM DEBT	136000.00	135975.00	25.00	815900.00	815850.00	50.00
1-4280 AMORTIZATION OF DEBT DISC	5100.00	5017.00	83.00	30100.00	30102.00	-2.00
TOTALS FOR OTHER EXPENSES	243000.00	243539.61	-539.61	1447900.00	1443390.07	4509.93
TOTALS FOR EXPENDITURES	896200.00	859183.88	37016.12	5672700.00	5660581.23	12118.77
EXCESS OF REVENUE OVER EXPENDITURES	1042100.00	1230464.93	188364.93	4350400.00	4559936.86	209536.86
FOR general						

REPORT DATE 03/12/2008  
 SYSTEM DATE 03/12/2008  
 FILES ID 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 Kent County Water Authority  
 AS OF 12/2007

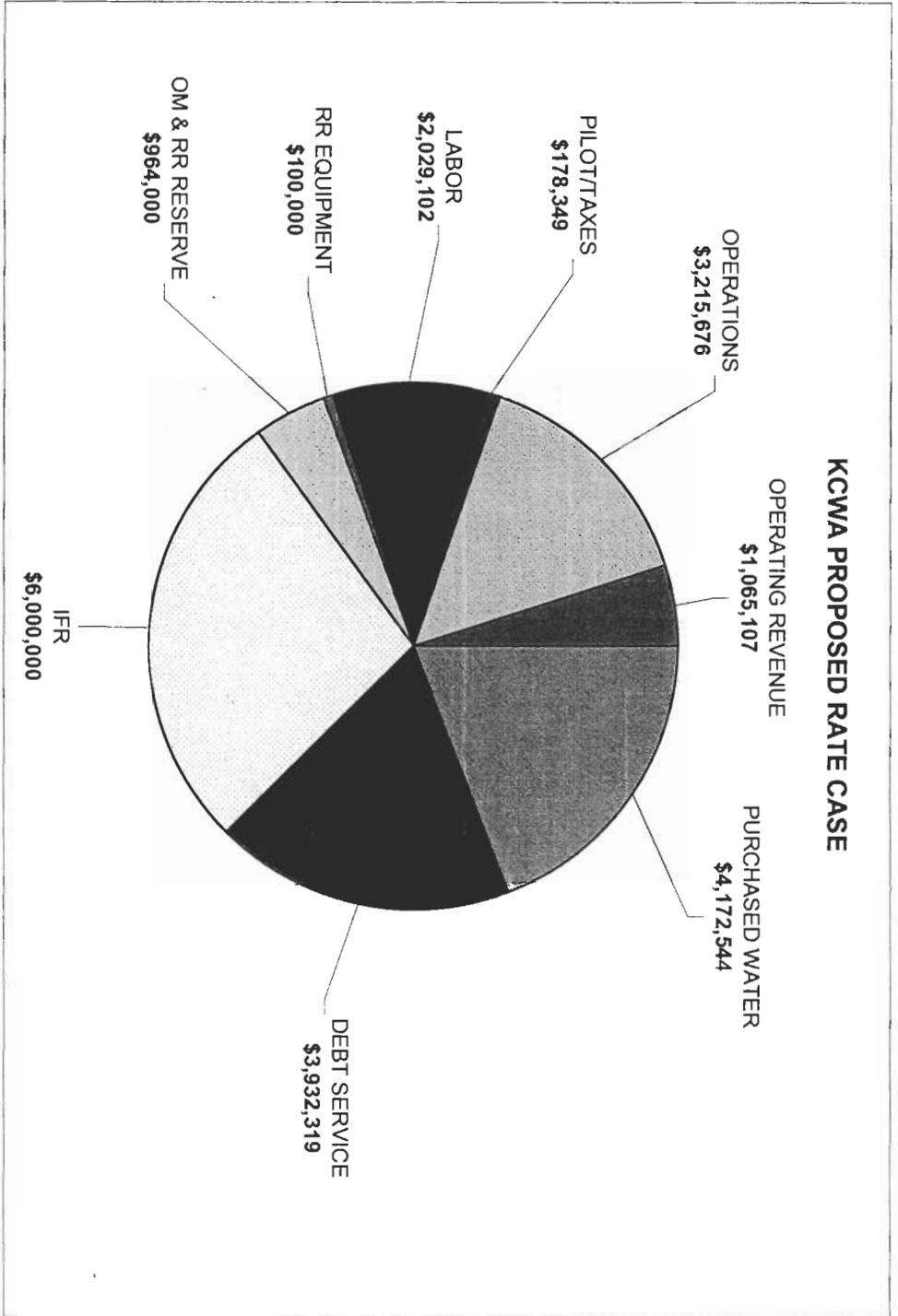
ACCOUNT DESCRIPTION  
 OTHER ADJUSTMENTS TO FUND BALANCE  
 FUND BALANCES - JULY 1  
 FUND BALANCES - DECEMBER 31

BUDGET	CURRENT MONTH ACTUAL	ACTUAL OVER/UNDER BUDGET	YEAR - TO - DATE	
			BUDGET	ACTUAL
			0.00	
			63756968.75	
			68316905.61	
=====				

# **EXHIBIT B**

March 20, 2008

PURCHASED WATER	\$4,172,544
DEBT SERVICE	\$3,932,319
IFR	\$6,000,000
OM & RR RESERVE	\$964,000
RR EQUIPMENT	\$100,000
LABOR	\$2,029,102
PILOT/TAXES	\$178,349
OPERATIONS	\$3,215,676
OPERATING REVENUE	\$1,065,107
REQUIRED REVENUE	\$21,657,097



# **EXHIBIT C**

March 20, 2008

RESOLUTION RATIFYING THE APPROVAL AND EXECUTION OF AN  
AGREEMENT WITH THE  
TOWN OF COVENTRY, RHODE ISLAND

WHEREAS, Kent County Water Authority entered into an agreement on May 8, 2007 with the Town of Coventry, Rhode Island to convey land owned by Kent County Water Authority to the Town of Coventry and designated as Lot 25 on Assessor's Plat 82 for the Town of Coventry in exchange for conveyance of land owned by the Town of Coventry to Kent County Water Authority and designated as Lot 24 on Assessor's Plat 82 for the purpose of siting a water tank to improve water service to customers of Kent County Water Authority; and

NOW, THEREFORE, BE IT RESOLVED by Kent County Water Authority as follows:

Kent County Water Authority hereby ratifies approval and execution of the Agreement attached hereto as Exhibit A by its Chairman for and in the name of Kent County Water Authority. The execution of such Agreement by its Chairman is conclusive evidence of approval of the Agreement on behalf of Kent County Water Authority.

ATTEST: Arthur C. Williams  
Arthur Williams, Secretary  
Kent County Water Authority  
Adopted March 20, 2008

EXHIBIT A

AGREEMENT made this 8 day of May, 2007 between the Town of Coventry, a municipal corporation with an address c/o Coventry Town Hall, 1670 Flat River Road, Coventry, RI 02816, Attn. Town Manager (hereinafter "Town") and Kent County Water Authority, a Rhode Island public benefit corporation created and existing under R.I.G.L. 39-16-1 et seq., as amended, with offices located at 1072 Main Street in the Town of West Warwick, State of Rhode Island 02893 (hereinafter "KCWA")

WHEREAS, Town is the owner of land designated as Lot 24 on Assessor's Plat 82 for the Town of Coventry, RI and KCWA is the owner of land designated as Lot 25 on said Assessor's Plat 82, said land located off of Read School House Road;

WHEREAS, Lot 25 was designated for the location of a water tank however, a portion of abutting Lot 24 is better suited for the siting of a water tank to improve water service to customers in the area;

WHEREAS, both sites have been appraised and the values of the sites are equal;

WHEREAS, KCWA requires a construction easement on a portion of Lot 24 and Lot 25 in connection with the said tank; and

NOW, THEREFORE, for consideration, Town shall convey to KCWA and KCWA shall convey to Town their respective lots to wit, portion of Lot 24 and all of Lot 25 on Assessor's Plat 82 as described on Exhibit A and Exhibit B and as depicted on Exhibit C, all said Exhibits attached hereto and incorporated herein by this reference, subject to

a construction easement from Town to KCWA in connection with construction of the said tank.

Said conveyance shall occur upon final approval of the Coventry, RI Zoning Board of Review with respect to the grant of the special use permit for the subject water tank and receipt of final approval of administrative subdivision with respect to said portion of Lot 24. For clarification, receipt of final approval shall be defined as expiration of appeal period from the grant of said special use permit and administrative subdivision, wherein no appeals have been taken from said approvals.

Upon receipt of said final approvals, Town and KCWA shall execute and record all documents necessary to effectuate the respective conveyances including, but not limited to, Warranty Deeds and plan of land.

In the event an appeal is taken from the grant of said approvals, KCWA shall have the option to terminate this Agreement without further liability of either party to the other.

TOWN OF COVENTRY

Jean Penquist WITNESS [Signature] BY:

KENT COUNTY WATER AUTHORITY

[Signature] WITNESS [Signature] BY:



EXHIBIT A

That certain lot or parcel of land, with all buildings and improvements, situated easterly of Read School House Road and southeasterly of Nike Site Road in the Town of Coventry, in the County of Kent, in the State of Rhode Island and Providence Plantations and being more particularly described as follows:

Commencing at a point on the easterly line of Read School House Road at the northwesterly corner of that property described on that plan entitled "Final Submission Lot 67-B-Phase 2 Walker Ridge Subdivision Located in Coventry, R.I. AP 90 Lots 3.1, 3.2, 3.3; AP 82 Lot 10 Prepared By DiPrete Engineering Associates, Inc." recorded in the Land Evidence Records of the Town of Coventry in Plat Book 14 Pages 28-29 and in Envelope 430-431.;

Thence proceeding in a northerly direction along a curve concave to the east, bounded westerly by said Read School House Road, having a radius of 2324.60 feet, a tangent of 27.75 and a central angle of  $1^{\circ}22'05''$ , an arc distance of 55.50 feet to a point of tangency;

Thence proceeding in a northerly direction along a line tangent to the aforementioned curve, bounded westerly by said Read School House Road, a distance of 85.44 to the point of beginning, said point being the southwesterly corner of the herein described parcel;

Thence proceeding in an easterly direction a distance of 521.22 feet to a point;

Thence turning an interior angle to the right of  $141^{\circ}07'13''$  and proceeding in a northeasterly direction a distance of 60.41' feet to a point;

Thence turning an interior angle to the right of  $90^{\circ}00'00''$  and proceeding in a northwesterly direction a distance of 385.00 feet to a point on the southeasterly street line of Nike Site Road;

Thence turning an interior angle to the right of  $90^{\circ}00'00''$  and proceeding in a southerly direction, bounded westerly by said road, a distance of 72.83 feet to a point;

Thence turning an interior angle to the right of  $90^{\circ}00'00''$  and proceeding in a easterly direction, bounded southerly by said road, a distance of 10.00 feet to a point;

Thence turning an interior angle to the right of  $270^{\circ}00'00''$  and proceeding in a southerly direction, bounded westerly by said road, a distance of 16.30 feet to a point of curvature;

EXHIBIT A (CONT.)

Thence proceeding in southerly direction along a tangent curve concave to the east, bounded westerly by said road, having radius of 960.00 feet, a tangent of 39.12 feet, and a central angle of  $4^{\circ}40'00''$ , an arc distance of 78.19 feet to point of tangency;

Thence proceeding in a southerly direction along a line tangent to the aforementioned curve, bounded westerly by said road, a distance of 242.21 feet to a point;

Thence turning an interior angle to the right of  $161^{\circ}13'00''$  and proceeding in a southerly direction, bounded westerly by said Read School House Road, a distance of 62.69 feet to the point and place of beginning.

The last course and the first course form an interior angle of  $62^{\circ}19'47''$ .

Meaning and intending to describe that parcel containing a proposed area of 103,901 square feet on that plan entitled "Administrative Subdivision Nike Site Road Assessor's Plat 82 Lots 24 & 25 Coventry, Rhode Island Prepared By DiPrete Engineering Associates, Inc. Engineering, Surveying and Planning Consultants Two Stafford Court Cranston, R.I. 02920 (401) 943-1000 Fax: (401) 464-6006 Prepared For Pare Engineering Corporation 8 Blackstone Valley Place Lincoln, R.I. 02865 Phone: (401) 334-4100 August, 2005 Revised 8-11-05 Sheet 1 of 1."

EXHIBIT B

That certain Lot described as "FUTURE TANK SITE AREA TO BE DEEDED TO KENT COUNTY WATER AUTHORITY, 2.07 ACRES ... ", said Lot being 300' x 300' as shown and set forth on that plan entitled, "Lot 69 And KCWA Lot And Easements, Walker Ridge Subdivision", Prepared by DiPrete Engineering Assoc., Inc., which plan is recorded in the Town of Coventry Land Evidence Records In Plat Book 13, Page 50.



# **EXHIBIT D**

March 20, 2008



**JAMES J. GEREMIA & ASSOCIATES, INC.**

CONSULTING ENVIRONMENTAL ENGINEERS & SCIENTISTS

February 29, 2008

Mr. Timothy J. Brown, P.E.  
General Manager/Chief Engineer  
Kent County Water Authority  
P.O. Box 192  
West Warwick, RI 02893-0192

Re: Tiogue Service Area Conversion  
Coventry, RI

Dear Mr. Brown:

On Thursday (February 28, 2008) at 10:00 A.M., bids were received by the Kent County Water Authority and were opened and read for the Tiogue Service Area Conversion in Coventry, RI. The following general contractors submitted a sealed bid:

	COMPANY	TOTAL BID
1	D'Ambra Construction Co., Inc. - 800 Jefferson Blvd., Warwick, RI 02887	\$1,993,651.00
2	Parkside Utility Construction Corp. - 800 Jefferson Blvd., Warwick, RI 02887	\$2,066,925.00
3	Boyle & Fogarty Construction Co., Inc. - 283 Farnum Pike, Smithfield, RI 02917	\$2,169,321.00
4	C. B. Utility Co., Inc. - 99 Tupelo St., Bristol, RI 02809	\$2,200,420.00
5	Metra Industries - 50 Nueller Place, Little Falls, NJ 07424	\$2,269,995.00
6	John Rocchio Corp. - 20 Lark Industrial Pkwy., Smithfield, RI 02828	\$2,299,295.00
7	Rosciti Construction Company, LLC - 123 King Philip St., Johnston, RI 02919	\$2,514,260.00
8	A. Korey Construction Corp. - 54 Narragansett Ave, Providence, RI 02907	\$2,560,675.00

James J. Geremia & Associates, Inc. (JGA) has evaluated the bids on the basis of a general review of the bidders. The following are details of our evaluation.

A. **General Review of the Bidders:** We reviewed the bids submitted by the contractors to determine if they had provided all documentation required by the contract documents. Our evaluation indicated that the contractors complied with all requirements. A mathematical check of the bids was conducted. There was a mathematical error in A. Korey Construction Corp.'s bid. Bid tabulation is enclosed.

B. D'Ambra Construction Co., Inc.'s bid included unit costs that are not representative of the cost of the item, such as:

- Item No. 1 (Excavation and Refill Material Below Normal Grade) @ \$1.00/cy.
- Item No. 3 (Borrow Gravel) @ \$1.00/cy.
- Item No. 17 (6x6 Tees) @ \$1.00/ea.



- Item No. 18 (12" Elbows) @ \$1.00/ea.
- Item No. 22 (12 x 6 Reducers) @ \$1.00/ea.
- Item No. 25 (8" Permanent Caps) @ \$1.00/ea.
- Item No. 26 (6" Permanent Caps) @ \$1.00/ea.
- Item No. 28 (8" Gate Valves and Valve Boxes) @ \$1.00/ea.
- Item No. 46 (3" Temporary Pavement) @ \$1.00/sy.
- Item No. 48 (1½" Temporary Bituminous Pavement) @ \$1.00/sy.
- Item No. 64 (Processed Roadway Gravel) @ \$1.00/cy.

Parkside Utility Construction Corp's bid included unit costs that are not representative of the cost of the item, such as:

- Item No. 1 (Excavation and Refill Material Below Normal Grade) @ \$1.00/cy.
- Item No. 8 (1½" Temporary Bituminous Concrete Pavement) @ \$1.00/sy.
- Item No. 51 (Bituminous Concrete Leveling Course) @ \$1.00/ton.
- Item No. 55 (Bituminous Concrete and Sidewalks) @ \$1.00/sy.
- Item No. 57 (Cold Planing – 36" Width) @ \$1.00/sy.
- Item No. 61 (Bituminous Concrete Curbing) @ \$1.00/lf.

In accordance with the contract documents, Section 00100 (Instruction to Bidders), paragraph 2.7 (Prices), subparagraph E: "The practice of bidding miniscule costs that bear no relationship to the actual costs of the work or materials bid is Prohibited. The practice is also referred to as "minus bidding", "unbalanced bidding", "pennying", etc. Any bid submitted in said manner shall constitute material variance and shall be rejected."

The bids submitted by D'Ambra Construction and Parkside Utility Construction may be in conflict with the contract documents as related to the above referenced section (Section 00100, paragraph 2.7, subparagraph E). Due to this conflict in the bidding procedures, the Authority may wish to consult with its legal counsel in this matter before acting on the award.

If you have any questions, please call.

Very truly yours,

Richard M. Hencler, P.E.  
Project Manager

Enclosures

cc: Kevin J. Fitta, P.E.

# **EXHIBIT E**

March 20, 2008



# OFFICE MEMO

**To:** Files  
**From:** John Duchesneau  
**Subject:** Printing and Mailing Services Bid  
**Date:** March 12, 2008

Three bids were received, Graphic Image in the amount of \$6,000.00, Curtis 1000 in the amount of \$6,830.45 and Narragansett Graphics in the amount of \$9,406.00. Narragansett Graphics did not provide examples of previously printed documents as required in Section 2.1 of the bid specifications under qualifications of bidders, and a math error was noted in Item No. 3.

After review of the bids, Graphic Image appears to be the lowest responsible bidder. Graphic Image has provided professional services to the Kent County Water Authority in previous bid solicitations for similar work. Recommend award to Graphic Image.

11 6-2

KENT COUNTY WATER AUTHORITY  
REQUEST FOR BID  
PRINTING AND MAILING SERVICES  
BID OPENING – MARCH 12, 2008

The Bid Opening for Printing and Mailing services was held at 10:00 a.m., March 12, 2008. per the requirements of the Proposal Invitation advertised in the Providence Journal on Tuesday, February 19, 2008.

The project entails qualified firms capable of providing printing and mailing services related to KCWA's Annual Consumer Confidence Report.

At 10:00 a.m. the Bid Opening began by John Duchesneau briefly describing what the Bid entailed followed by the opening of the following submitted bids.

1. Graphic Image, 561 Boston Post Road, Milford, CT 06460-2635  
Leigh Danenberg, P: 203-877-8787, F: 203-877-8237

Total Bid Amount for Item's 1, 2 and 3 - \$6,000.00  
Examples were provided

2. Curtis 1000, P. O. Box 6661, Providence, RI 02940  
T: 463-0011

Total Bid Amount for Item's 1, 2 and 3 - \$6,830.45  
Examples were provided

3. Narragansett Graphics, 641 Arnold Road, Coventry, RI 02816  
Kevin Fortin, T: 823-9000 ext. 21, F: 823-0022

Total Bid Amount for Item's 1, 2 and 3 - \$9,406.00  
On Item No. 3 Unit Price was 0.0615 with Total Amount \$1,662.00  
Please note that  $0.0615 \times 27,000$  (est. quantity) = \$1660.50  
Examples were not provided

At this point the bids were displayed for viewing and the Bid Opening was Closed at 10:06 a.m.

# **EXHIBIT F**

March 20, 2008



March 7, 2008

Mr. Timothy J Brown, P.E.  
General Manager/Chief Engineer  
Kent County Water Authority  
PO Box 192  
1072 Main St  
W. Warwick, RI 02893-0192



RE: Kent County Water Authority Pension Plan

Dear Tim,

As you requested, enclosed is our proposal to perform all actuarial and administrative services for your retirement plan. In addition to the annual plan valuation and services indicated in the proposal, if you ever need actuarial calculations to analyze potential plan amendments, etc. these services are included without hourly billings.

Allowing Summit to perform your actuarial and administrative work will add much value, in my view, to your organization and its employees.

Service from one source will add efficiencies within your organization and facilitate more concise advice/ recommendations for plan funding and investment allocation. Regarding internal efficiencies data collection will become simpler, employees will have local access to professionals to consult with them in selecting the appropriate distribution option for their needs and prepare overall retirement planning services. Our annual actuarial reports will only include pertinent schedules. Currently, 50% of the data in your valuation is not applicable to your plan.

Having Summit's actuary perform the service will also avoid any possible disconnect between the actuary and the investment firm. This is critical to assure the actuarial interest rate assumption is met or exceeded with the investment asset allocation. Given the substantial changes in the Pension Protection Act and the shift by the government to have plan sponsors better match assets and liabilities the coordination between the actuary and investment firm becomes more critical.

Understanding the emerging liability or potential retirements is critical to establishing an asset allocation that maximizes returns within the risk constraints established by the trustees. We were not able to find an emerging liability schedule illustrating potential cash flows.

Lastly, we will provide consulting services to assure compliance with PPA and any changes in benefits, rights or features in the plan.

If you have any questions regarding the proposal please feel free to call me.

Thanks for the opportunity to be of service.

Sincerely,

Joseph F Bonasera  
President  
Summit Financial Corporation

COPY SENT TO	
BOARD MEMBERS	3/12/08
CHAIRMAN	
LEGAL COUNSEL	

**Proposal  
for  
Kent County Water Authority**

**Actuarial and  
Administration  
Services**

**Prepared By:**

**Summit Financial Corporation**

**March 2008**

**Joseph F Bonasera, President, QPA, AIFA<sup>®</sup>, RIA  
Richard Collins, FSA, EA  
Jason Denton, FSA, EA  
Summit Financial Corporation  
91 Hartwell Avenue  
Lexington, MA 02421-3137**

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- II. Executive Summary
- III. Plan Consultation/Design
- IV. Plan Administration
- V. Investments
- VI. Transition Services
- VII. Summit Financial Corporation Fees

## I. INTRODUCTION

Summit Financial Corporation is a Lexington, Massachusetts-based pension administration and benefits consulting firm employing twenty-five professionals. Our reputation for providing responsive and knowledgeable consulting services is based on over 30 years of servicing both regional and national corporations.

At Summit Financial we believe that this will be a decade of extensive change in corporate America. Relationships that you count on daily will be even more important to your continuing business growth. Our success in anticipating and responding creatively to the needs of our clients has earned us a reputation that is unparalleled in the benefits consulting field.

In today's business world where quick-fix solutions are commonplace, we believe that thoroughness, integrity and professional excellence are not only a welcome change, but also a necessity. This unique approach forms an integral client partnership that better serves your needs. It is this commitment to quality that has provided distinct value-added service to our clients while building long-term relationships.

We have expanded our services to include personal financial planning and tax preparation. These services will provide employees with the opportunity to develop, analyze and implement a total financial plan with experienced professional financial planners and certified public accountants which will be tailored to the individual's or family's requirements.

Our administrative services program is a full service arrangement, which also includes consulting services in the annual fees. Unlike many service providers, we do not charge hourly rates for consulting or administrative services associated with the normal administration of a client's plan. These services include the discussion and analysis of plan design issues to assure continued consistency between the plan provisions and employer objectives, technical assistance in all plan administration matters and updates of plan documents to reflect legislative and regulatory changes.

Summit Financial Corporation provides consulting, administration and investment services in the non-qualified plan marketplace as well. Non-qualified plans can integrate with qualified plans to achieve appropriate levels of income replacement for the most highly compensated executives and managers.

## II. EXECUTIVE SUMMARY

### HIGHLIGHTS OF SERVICES OFFERED BY

### SUMMIT FINANCIAL

#### **Participant Level Services**

- Monthly benefit payments at retirement
- Annual participant benefit Statements customized to each client's specific needs
- Pension quotation services for lump sum, installment payout distributions or annuity payouts
- IRA rollover products for lump sum distributions

#### **Employer Reporting Services**

- Actuarial services for defined benefit plans and non-qualified plans.
- Annual employer reporting of participant accrued benefits including vesting calculations
- Distribution of Form 1099 to Participants receiving plan benefits
- Completion of Form 5500 and related schedules
- Annual top heavy and 415 tests
- Annual PBGC filings
- Annual FASB reporting
- Certified Pension Consultant/Account Manager provides daily service and advice on all administrative functions and technical issues

#### **Investment Services:**

- Recordkeeping/investment partners include, Nationwide Trust Company, ING Trust Company, CIGNA Trust Company and Mass Mutual. Each of these firms provides a multiple manager platform with asset allocation investment services.
- Annual due diligence report on mutual funds and institutional money managers
- Directed Corporate Trustee is available

# PROFESSIONAL STAFF RETIREMENT PLANS

## SUMMIT FINANCIAL CORPORATION

91 Hartwell Avenue  
Lexington, MA 02421-3137  
Telephone: (781) 863-5544  
Fax: (781) 863-8919

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### **Joseph F. Bonasera, President, QPA, RIA, AIFA®**

Education:

Bowdoin College—B.A. 1973

Northeastern University—M.B.A. 1981

Bentley College—M.S.T. 1983

Experience: 34 years in the pension industry

Registered Representative with the National Association of Securities Dealers

Qualified Plan Administrator with the American Society of Pension Actuaries

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### **Brian Babcock, Vice President, CPC, QPA, RIA**

Education:

Boston University - B.S. 1985

Suffolk University - M.B.A. 1991

Experience: 22 years in the pension industry

Registered Representative with the National Association of Securities Dealers

Registered Investment Advisor

Certified Pension Consultant with ASPA

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### **Daniel Fowler, Vice President, CPC, QPA, AIFA®**

Education: Bowdoin College - B.A. 1994

Experience: 13 years in the pension industry

Certified Pension Consultant with ASPA

Registered Representative with the National Association of Security Dealers

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### **Douglas C. Norberg, Vice President, QPA, RIA, AIFA®**

Education: Syracuse University- B.S. 1990

Experience: 17 years in the pension industry

Registered Representative with the National Association of Securities Dealers

Registered Investment Advisor

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### **Holly Scofield, Senior Account Manager, QPA**

Education: State University of New York @ Oneonta - B.S. 1977

Experience: 25 years in the pension industry

Qualified Plan Administrator with ASPA

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## PROFESSIONAL STAFF RETIREMENT PLANS – CONTINUED

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**Kevin Haskell, Account Manager, CPC, QPA, MBA**

Education: University of New Hampshire – B.S. 1995, MBA 2001

Experience: 12 years in the pension industry

Certified Pension Consultant with ASPA

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**Steven Wilbur, Compliance and Plan Documents Manager**

Education: University of Rhode Island -B.S. 1989 Finance

Bentley College – Certified Pension and Employee Benefits Program

Experience: 16 years in the pension industry

Registered Representative with the National Association of Securities Dealers

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**Gloria Ridavari, Senior Account Manager, QKA**

Education: Salem State – BA 1991

Bentley College –MBA 2001

Experience: 15 years

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**Francis J. Tietje, Senior Account Manager, QPA**

Education: Hamilton College – BA 1980

Experience: 26 years

Member of the American Society of Pension Actuaries

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**Jason Denton, FSA, EA Consulting Actuary**

Education: URI – BA 1994

URI Masters in Mathematics 1996

Experience: 11 years in the pension industry

Enrolled Actuary, American Society of Pension Actuaries

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**Richard Collins, FSA, Consulting Actuary**

Education: Worcester Polytechnical Institute, BA 1968

Northeastern University, MA 1971

Experience: 34 years in the pension industry

Enrolled Actuary

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**Stephen Z. White, QPA, Director Defined Benefit Plans**

Education: Fitchburg State College

Experience: 34 years in the pension industry

Qualified Pension Administrator with ASPA

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**Financial Planning /Tax Professional Staff**

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**Peter Manning CPA, CFP**

Education: Northeastern University - B.S. Accounting 1986

Northeastern University MST/ CFP

Experience: 20 years in the tax and planning industry

### III. PLAN CONSULTATION/DESIGN

Our objective in proper plan design is to develop a program that meets a client's corporate objectives, assists in the retention of employees and attracts new employees. When designing a program, we first consult with the client and consider current government regulations, the budget allocated for the program, employee demographics, and any existing retirement programs which may impact the design of this plan. Upon the completion of our analysis, we present several plan design options that balance corporate goals and objectives with relevant government regulations and corporate budgets. This process develops a retirement plan strategy, which is critical for plan fiduciaries to carry out plan responsibilities and manage plan assets.

Below are some of the plan design and technical updating services Summit offers:

#### **Initial Fact Finding and ERISA Consulting**

- Initial meetings will be conducted to analyze corporate goals and objectives. Plan design and plan operation is reviewed to assure the plan continues to meet corporate objectives and is operated in compliance with IRS and ERISA regulations.

#### **Prepare IRS Pre-Approved Prototype Plans**

- Several standardized and non-standardized prototypes are available, including, but not limited to, 401(k), profit sharing and defined benefit.

#### **Prepare Custom Individually Designed Plan**

- For those situations in which the prototype is not appropriate, Summit Financial will prepare an individually custom designed plan document.

#### **Prepare Plan Document for Review of Counsel**

- Once we prepare the prototype or individually designed plan, it becomes available for legal counsel review and approval

#### **Prepare Summary Plan Description and Summary Annual Report**

- Summit Financial will draft the Summary Plan Description text for your review, approval, printing, and delivery to plan participants.

#### **Advise Plan Sponsors concerning IRS Regulations**

- Summit Financial will provide advice on current and pending IRS regulations and the impact, if any on current plan design and operation.

#### **Update Plan Sponsor on Legislative Topics**

- To keep clients informed on upcoming and newly enacted legislation, Summit Financial provides you with pension updates on a quarterly basis or as needed.

### **Amend Plan Document for Mandated Changes**

- On occasion, the federal government and agencies propose new or amended legislation and regulations, which may require changes to your plan. Summit Financial will prepare the necessary plan amendments to maintain the plan's qualified status and, if needed, file with the IRS for a favorable determination letter.

### **Amend Plan Document for Plan Sponsor Changes**

- Summit Financial will prepare for your review and approval, changes to the plan initiated by the client and not necessarily mandated by legislation.

### **Prepare Summary of Material Modifications**

- Summit Financial will draft the appropriate Summary of Material Modifications to reflect plan changes in the Summary Plan Description.

## **OTHER RETIREMENT SERVICES**

In addition to our turnkey defined benefit plan administrative and actuarial services, Summit Financial offers an array of other qualified and non-qualified retirement plan products and services.

### **Defined Contribution Plans**

Summit Financial provides services, which are essential to the operation and administration of a defined contribution plan. Among these are plan consultation, plan design, administrative support and plan reporting, which includes annual non-discrimination testing and Form 5500 preparation. To enable participants to maximize their participation in the plan, Summit offers participant statements, asset allocation assistance, retirement planning seminars, one-on-one enrollments, 800 number and Internet access. Also provided are daily valuation, daily investment changes, daily benefit processing, annual benefit reporting, loan record keeping and plan sponsor access to participant accounts.

### **Non-Qualified Plans**

Virtually every existing qualified defined contribution or defined benefit plan now in effect is a candidate for supplemental non-qualified plan. Limits placed on the existing qualified plan benefits in the area of coverage, salary savings limits, 415 limits, integration maximums, service restrictions, normal retirement date parameters and distribution rules create exciting opportunities for use of a non-qualified plan to provide benefits above these limits with little or no restrictions.

Summit Financial can provide you with the plan administration services, employer reporting, investment alternatives, participant statements, Internet access and employee communications required to accommodate supplemental benefits under a non-qualified arrangement.

## **IRA Product**

Under existing legislation, distributions that are eligible roll over distributions must be transferred directly to another qualified plan or IRA or be subject to a 20% withholding tax. To assist employees in preserving their retirement savings, Summit offers a simple solution with optional advise from our certified financial planner.

Summit's IRA is a tax-deferred retirement vehicle that can help an organization save administrative time and money while giving retiring and terminating participants an easy way to maintain the tax-favored status of their retirement funds. It is offered at no charge, does not require filing with the IRS, and client involvement is minimal. The investment options can include those offered by the client's existing defined contribution plan as well as many others.

## IV. PLAN ADMINISTRATION

Summit Financial's objective is to combine state-of-the-art technology with a superior customer service commitment to provide a full line of pension plan administrative and actuarial services, which provides the client with confidence that the plan is meeting its objectives and limits the Plan Administrator's need for direct involvement, thereby saving company time and money.

Below is a list of the major plan administration services:

### **Actuarial Reporting**

- Summit Financial will prepare a complete actuarial valuation including suggested minimum contribution levels, financial data and actuarial certification.
- Summit Financial will provide individual employee benefit status reports giving estimated accrued, vested and retirement benefit information.

### **Benefit Payments**

- Summit Financial will process retirement distributions based on the payment method chosen by the retiring plan participant. Manual check or electronic transfer of periodic benefits to a participant's account are available payment methods. The investment intermediary will pay plan benefits directly to the plan sponsor or to the participant.

### **Process Other Benefit Payments**

- Summit Financial will process death, disability, and termination benefits.

### **Provide Participants with Tax Reporting Form**

- At the end of each year, the investment intermediary will provide participants who received a distribution from the plan with the necessary tax reporting form (Form 1099-R typically) showing taxable status of the distribution.

## V. INVESTMENTS

Summit Financial integrates its administration system with the industry's leading investment firms. These firms include Nationwide Financial that offers a choice of over 800 mutual funds from over 60 investment managers and institutional money managers, ING Financial, CIGNA Financial, Mass Mutual and other large financial intermediaries. These firms represent a unique menu of nationally recognized retail and institutional investment vehicles.

As the plan sponsor, you may select from a combination of international, small cap, mid cap, large cap, hybrid, fixed income, or cash equivalent funds for your retirement program.

Asset Allocation Models will be provided after discussion and development of an Investment Policy Statement.

Of critical importance, each investment intermediary offers independent due diligence review and a "manager of managers" approach to assure clients that the investments are of high quality.

## VI. TRANSITION SERVICES

To ensure a smooth transition of your defined benefit plan actuarial and administrative services to Summit Financial, we offer the team approach to installing your Plan. The team consists of:

- You, the client, who will be responsible for setting expectations and identifying Plan and service choices.
- Summit's consulting and support staff who will help you update your plan design, if necessary, establish a transition time-line, and explain all investment and service contract features.
- Your assigned account manager who will be your primary contact. The account manager will work with you to facilitate communication between Summit Financial and your prior administrator/actuary to manage the conversion process.

Together, we will develop an installation strategy, which will identify all necessary items and establish appropriate time frames for completing all steps in the takeover process.

Our objective is to transition the Plan to Summit promptly and professionally, while providing a smooth transition of accounting, investments, actuarial and reporting functions.

### **Benefits**

Your plan's purpose is to provide retirement benefits to participants. During the installation process, the ability to process benefits from the plan will be of continued importance to participants. Continuity in meeting benefit obligations will strengthen participants' satisfaction with the plan.

### **Forms and Tests**

Continuity and consistency in plan reporting to the Government is vital to the continued qualification of the Plan. With the increasing complexity of plan administration, it is important that we provide accurate and complete tax forms and testing services. The installation team will review all Government filings and available test information.

### **The Service Selection Process**

The transfer of administrative services is a complex process, which requires great attention to detail and good communication among all members of the installation team. Throughout the installation process, we will perform all services to meet the expectations of your organization within Government guidelines.

## VII. SUMMIT FINANCIAL CORPORATION FEES

<b>Actuarial Valuation and Employee Statements:</b>	<b>\$ 5,000</b>
<b>Annual Participant Fee:</b>	<b>N/A</b>
<b>5500 Filing</b>	<b>N/A</b>
<b>FASB Fee:</b>	<b>N/A</b>
<b>PBGC Filing Fee:</b>	<b>N/A</b>
<b>Plan Document Fee (one-time)</b>	<b>N/A</b>
<b>Benefit Calculations</b>	<b>\$150 per retiree quote</b>

**Proposal is valid for 60 days. Fees are guaranteed for 3 years.**

# **EXHIBIT G**

March 20, 2008

MARACAP REALTY, LLC  
1615 Pontiac Avenue  
Cranston, RI 02920



March 4, 2008

Robert B. Boyer, Chairman  
Kent County Water Authority  
1072 Main Street  
West Warwick, RI 02893

RE: 813 Bald Hill Road, Warwick, RI  
Sign Placement at New Office Building

Dear Mr. Boyer:

Thank you for visiting the office building site and providing us an alternative suggestion for relocating the sign. Our preference for the sign location is to have the sign remain in its present location. We do not agree with the Kent County Water Board's authority to force us to relocate the sign. We realize that the sign is located on the easement but we also realize that we are the owners of the property and with that ownership comes inalienable rights which cannot be taken away.

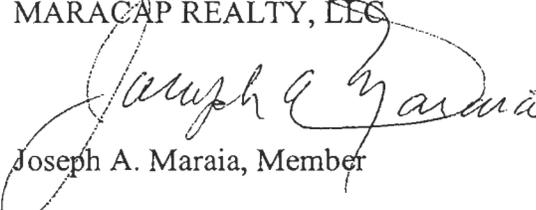
We would like to go on record that we do not agree with your authority to force us to move the sign. But, for the sake of harmony and moving forward, we will relocate the sign to the top of the wall on the north side of the building.

At this time we are asking for a period of 120 days to relocate the existing sign to the aforementioned location.

Thank you for your anticipated cooperation and favorable response with regards to this matter.

Sincerely,

MARACAP REALTY, LLC

  
Joseph A. Maraia, Member  
JAM/dst

COPY SENT TO	
BOARD MEMBERS	3/12/08
CHAIRMAN	
LEGAL COUNSEL	

# **EXHIBIT H**

March 20, 2008

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

<b>PROJECT</b>	<b>STATUS</b>
Water Supply System Management Plan WSSMP	WRB Meeting March 19, 2008
Hunt River Interim Management & Action Plan	Implementing
2008 CIP Program Plan	Under Development
Clean Water Infrastructure Plan 2008	Under Development

**UPDATED CIP PROJECTS BOND FUNDING**

<b>PROJECT</b>	<b>STATUS</b>
Mishnock Well Field (new wells) CIP - 1A	Design Underway
Mishnock Transmission Mains CIP - 1B	Preliminary Design Report Review
Mishnock Treatment Plant CIP - 1C	Design Underway
East Greenwich Well Treatment Plant - CIP-2	Concern on future/development
Clinton Avenue Pump Station Rehabilitation CIP - 7A	Completion & Close-out
Read School House Road Tank CIP - 7B	Design approaching 95% submission
Read School House Road Main CIP 7c, 7d, 8a	Contract Signing

**IFR FUNDED PROJECTS**

<b>PROJECT</b>	<b>STATUS</b>
IFR 2005	Tiogue Tank Re-service Separate Bid, Paving Spring
IFR 2006 A	Spring Completion and Paving
IFR 2006 B	
IFR 2007	Combining as one for bidding
PWSB 78" / Johnson Blvd. P.S. Modification	Back to normal operations
Greenwich Avenue Replacement	Construction Winter Shut Down/Spring Paving
<b>Hydraulic Tank Evaluation</b>	<b>Completed</b>
Quaker P. S. Evaluation/Preliminary Design	Design Underway Easement Review
<b>Tech Park Tank Recoating</b>	<b>Completed</b>
Tiogue Tank Re-Service	Bid Award
Hydrant Painting	Color Selection/Coding/Need