

KENT COUNTY WATER AUTHORITY

BOARD MEETING MINUTES

July 17, 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 July 17, 2008.

Chairman, Robert B. Boyer opened the meeting at 3:30 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.

The minutes of the Board meeting of June 19, 2008 were moved for approval by Board Member Graham and seconded by Board Member Gallucci and were unanimously approved.

Guests:

High Service Requests

ANG Properties, 20 Beechcrest Road, East Greenwich, RI

Charles Reilly, Esq. appeared on behalf of ANG Properties Inc. and stated that an irrigation system was approved for a nearby lot last year. He stated that the neighboring plat of Hidden Ridge is connected on South Road from Middle Road and that a road is just being built now. The General Manager said that the waterline was brought in some time ago. Board Member Masterson stated that all recent water approvals by this Board have stipulated that there be no irrigation systems. Mr. Reilly again stated that irrigation was placed in an adjacent property during last fall. The General Manager said that there were some approvals from old plats, however, the current regulations will not allow irrigation. Mr. Reilly reiterated that the plat was approved eight years ago and there are twelve other lots. Board Member Graham asked if there was any build out schedule and Mr. Reilly stated that it was not developed and is now being done on a piece by piece basis. Mr. Reilly said that from this juncture he would install wells for irrigation. Mr. Reilly stated that the house on 20 Beechcrest is already built. The General Manager reminded all that the original Blackberry Hill approval was prior to the moratorium. Mr. Reilly stated that the developer will not come for any more sprinklers and will have them welled. The General Manager said there were no planting plans. The Chairman and Board Member Masterson have issues with the endeavor, except the builders will not install any other sprinklers. Mr. Reilly could not make that representation and will need to consult with his client and this matter will be continued to next month.

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. A plan was received, however, it is not clear as to the situs of the easement area. Therefore, Legal Counsel has requested from Amgen another plan that clarifies the easements area, however, Amgen was unable to provide Kent County Water Authority counsel with another plan. Legal Counsel for Kent County Water Authority received an engineer stamped plan from Amgen via e-mail and a full site plan will be forwarded to Legal Counsel for Kent County Water Authority file and recording.

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 has obtained the legal descriptions for the respective easement areas and Legal Counsel has forwarded the easement deeds to Legal Counsel for the owner for their review. Legal Counsel has received from Legal Counsel for the owner an instrument to extinguish the former easement. The instrument was approved by Legal Counsel and Kent County Water Authority. The owner requested indemnification from Kent County Water Authority for maintenance of the retaining wall post construction. Legal Counsel has informed owner that Kent County Water Authority can not indemnify owner during or after construction of the retaining wall as it is located on property not owned by Kent County Water Authority and the wall was not maintained by Kent County Water Authority in the past. However, the agents and contractors are insured which will address any liability concerns of the property owner during construction of the wall. The owner was provided by Kent County Water Authority with a copy of the report on the condition of the wall. The owner will provide easements to Kent County Water Authority to expand the existing area for the station renovations and Kent County Water Authority will extinguish its easement rights to an area parallel to Bald Hill Road. Kent County Water Authority will obtain a license from Baltic Realty to utilize the construction easement area. The other easements are finalized and have been recorded in the Warwick, Rhode Island Land Evidence Records on June 20, 2008. Legal Counsel is awaiting the executed license from Baltic Realty.

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. A settlement offer was drafted by the Department of Attorney General and is being considered by Legal Counsel and General Manager and they have spoken and are awaiting the status of the job. This matter is on hold until the disposition of the 2006 and 2007B bid.

Padula Easement/Flat Top

Legal Counsel for the Developer advised that this project is hold.

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. Legal Counsel telephoned Mr. Madoian on several occasions, including June 12, 2008 and June 26, 2008.

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 received a letter from Attorney William Landry on January 28, 2008 stating that they will file with the DPUC. As of April 17, 2008, G-Tech had not filed with DPUC and Legal Counsel for Kent County Water Authority will follow up as to status and the General Manager to follow up with Legal Counsel.

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. Legal Counsel has had further discussion with Lender and there is no change in status of the property. Lender requested updated figure on balance owed to Kent County Water Authority which was provided by Legal Counsel.

Lender paid pre-petition debt in the sum of \$42,600.32 on April 30, 2008. Legal Counsel will contact attorney for Lender the week of July 21, 2008 for status of payment of post petition debt. Lender acknowledges that it will be responsible for payment of post petition if property not sold. Lender is still attempting to find a buyer for the property. Legal Counsel will pursue further action if payment is not forthcoming.

Providence Water Supply Board Rate Case

The Providence Water Supply Board rate case is in the Supreme Court appealing the Post City contributions which were denied by PUC and the counsel for

DPUC has entered his appearance and Kent County Water Authority has offered to assist Providence Water Supply Board but have not been called upon at this point.

Harris Mills

The company has gone into receivership. Kent County Water Authority is owed \$3,537.41. Permanent receivership to be appointed. Legal Counsel will monitor for proof of claim filing.

Hope Mill Village Associates

The company is in receivership. Kent County Water Authority is owed \$1,632.44. Legal Counsel to prepare and file proof of claim. Proof of Claim prepared and will be forwarded to the General Manager for signatures.

CNE – Amendment to Stipulated Approval

Legal Counsel for Kent County Water Authority researched the ownership of the properties comprising the CNE and amended the approval to include current owners of the real estate. The instrument was executed by the CNE land owners on July 8, 2008 and received by Legal Counsel on July 16, 2008 for execution by the Chairman of 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, cash receipts, disbursements and comparative balance sheets and statements of revenue through June, 2008, which is attached as “A” and after discussion, Board Member Gallucci moved and seconded by Board Member 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 June, 2008 be approved as presented and be incorporated herein and are made a part hereof as “A”.

Point of Personal Privilege and Communications:

GENERAL MANAGER/CHIEF ENGINEER’S REPORT

OLD BUSINESS:

Finance Director Interviews

The General Manager stated that the resumes have been received and the Board is reviewing the applications. The Chairman suggested that the Board should submit names from the applications to the process by end of week and that interviews will be conducted.

New Business

Proposal Awards

Legal Specifications

The General Manager informed the Board that an RFP to write the specifications was advertised and was to be opened July 9, 2008 and that no one responded and no one took out the RFP. Discussion ensued and Board Member Inman mentioned the possibility of a flat fee due to the economics of the situation. Board Member Gallucci stated that counsel does both Legal and PUC and it was previously separate and is more economical this way for the Kent County Water Authority.

Board Member Gallucci suggested entering into another letter of engagement with Legal Counsel and the Board can work on any further proposals and he mentioned that the present Legal Counsel has done a good job. Board Member Gallucci stated that the expertise is special and Legal Counsel has been reasonable in his fees. Board Member Masterson stated that Legal Counsel has served us well, especially with regard to PUC and complex lawsuits. This matter will be placed on the August Agenda.

Construction Services Read School House Road

The General Manager stated it was opened on July 10, 2008 and the technical information from C & E Engineering Partners, Inc. was missing and was sent in after and James J. Geremia Associates, Inc. was the lowest who complied and was the lowest responsible bidder and he recommended that James J. Geremia Associates, Inc. be awarded the same.

It was moved by Board Member Inman and seconded by Board Member Masterson to award the proposal to James J. Geremia Associates, Inc. in an amount not to exceed \$99,644 plus mileage as evidenced and attached as “**B**” and it was unanimously,

VOTED: To award the proposal to James J. Geremia Associates, Inc. in an amount not to exceed \$99,644 plus mileage as evidenced and attached as “**B**”.

East Greenwich Well Preliminary Design Study

The General Manager presented a memorandum attached as "C" regarding preliminary design study and both were qualified and can do the job.

It was moved by Board Member Gallucci and seconded by Board Member Masterson to award the proposal of the East Greenwich Well Preliminary Design Study to C & E Engineering in the amount of \$51,610 as evidenced and attached as "C" and it was unanimously,

VOTED: To award the proposal of the East Greenwich Well Preliminary Design Study to C & E Engineering in the amount of \$51,610 as evidenced and attached as "C".

Customer Count by Town (FY 2008 Closing)

The General Manager presented a customer count as evidenced and attached as "D" and consumption count as evidenced and attached as "E". The General Manager explained the attachments which were generated numbers and flows Town by Town. The General Manager stated that West Warwick is still the largest Town user. He stated that Kent County Water Authority is on maximum day and the system is functioning better especially with the Clinton pump station upgrades.

Discussion 5th Board Member

The General Manager, Arthur Williams and Legal Counsel, Joseph J. McGair was excused and they left the room. Board Member Gallucci as secretary took the following notes:

The Chairman related the need to advertise and advised that two respondents were received, namely, Barbara Graham and Frank Giorgio.

Barbara M. Graham advised that in 1994 she sent a letter to the West Warwick Town Council and the Mayor recommended Barbara to the Board over two other candidates.

After discussion, it was decided to interview both applicants who responded to the advertisement at a special meeting at a date to be determined (July 29, 2008 at 10:00 a.m. subject to the availability of the applicants).

Water Rate Consultant, Extension of Agreement

It was moved by Board Member Masterson and seconded by Board Member Graham to extend the agreement for Christopher Woodcock for Water Rate Consultant for one year at the current rates as evidenced and attached as "F" and it was unanimously,

VOTED: To extend the agreement for Christopher Woodcock for Water Rate Consultant for one year at the current rates as evidenced and attached as "F".

CAPITAL PROJECTS:
INFRASTRUCTURE PROJECTS :

IFR 2006A Infrastructure Improvement Project/Harding Street

The General Manager iterated that the IFR 2006A Infrastructure Improvement Project Harding Street in West Warwick is evidenced and attached as "G" and a Change Order may be addressed at a special Board meeting.

Quaker Lane Booster Station Rehabilitation

The General Manger recommend that design change approval will cost additional funds, however, the wall needs to be replaced and the tasks as evidence and attached as “H” are as follows:

Task 1: \$7,500.00

Task 2: \$8,500.00

The General Manager recommended C & E Engineering Partners, Inc.

It was moved by Board Member Graham and seconded by Board Member Masterson to approve design change for C & E Engineering Partners, Inc. and to authorize the Chairman to execute Task 1 in the amount of \$7,500.00 and Task 2 in the amount of \$8,500.00 as attached and evidenced as “H” and it was unanimously,

VOTED: To approve design change for C & E Engineering Partners, Inc. and to authorize the Chairman to execute Task 1 in the amount of \$7,500.00 and Task 2 in the amount of \$8,500.00 as attached and evidenced as “H”.

The General Manger discussed the following:

Greenwich Avenue Replacement (Close out)

Tiogue Reservice High Service Reduced Gradient (Status)

New IFR Program (Draft Review)

All Capital Projects and Infrastructure Projects were addressed by the General Manager 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 5:15 p.m.

Secretary Pro Tempore

EXHIBIT A

July 17, 2008

KENT COUNTY WATER AUTHORITY
CASH RECEIPTS & DISBURSEMENTS
FY 2007 - 2008

BEGINNING MONTH BALANCE

	JULY 2007	AUGUST 2007	SEPTEMBER 2007	OCTOBER 2007	NOVEMBER 2007	DECEMBER 2007	JANUARY 2008	FEBRUARY 2008	MARCH 2008	APRIL 2008	MAY 2008	JUNE 2008	RATE REVENUE FY 07-08	RATE REVENUE FY 06-07
CASH RECEIPTS:														
Water Collections	1,854,202	1,308,712	1,169,032	2,605,185	1,455,631	1,151,380	2,083,555	1,182,553	1,014,184	1,699,790	1,064,502	883,620	\$ 1,273,504.00	\$ 1,229,148.50
Interest Earned	203,861	132,232	114,141	115,014	130,338	77,261	160,459	75,125	52,827	34,995	42,473	44,619	\$ 1,107,888.24	\$ 1,225,472.63
Inspection Fees	4,350	150	200	26,810	18,150	4,000	200	100	250	30,225	100	100	\$ 2,657,594.59	\$ 2,630,984.60
Contribution in Aid-Construction	-	-	-	-	-	-	-	-	-	-	-	-	\$ 1,231,125.13	\$ 1,235,628.04
Other	-	-	-	-	-	-	-	-	-	-	-	-	\$ 1,061,981.56	\$ 955,676.38
TOTAL CASH RECEIPTS	40,889,922	37,288,695	36,980,525	38,877,025	37,059,066	36,518,723	37,055,248	36,189,348	36,072,825	38,986,613	39,114,608	38,614,332	\$ 973,591.82	\$ 990,939.08

CASH DISBURSEMENTS:

Purchased Water	385,528	407,294	417,089	162,626	291,214	321,577	199,395	397,910	340,704	297,895	398,580	234,813		
Electric Power	50,999	60,327	24,494	67,234	33,214	17,443	36,090	21,202	24,144	22,995	97,153	123,280		
Payroll	135,134	162,208	146,070	161,620	139,004	151,177	208,977	144,937	145,303	179,229	140,244	146,052		
Operations	217,434	78,474	78,103	43,595	95,354	43,886	131,203	46,133	49,239	61,967	70,382	91,179		
Employee Benefits	43,868	43,868	43,595	43,539	43,886	42,925	42,925	233,782	44,932	43,578	47,317	46,609		
Legal	7,189	6,536	7,650	2,714	4,886	6,200	9,176	4,870	7,238	6,136	7,609	8,406		
Materials	20,391	9,370	17,796	34,054	12,048	65,132	10,273	15,129	9,100	47,640	8,090	12,109		
Insurance	4,003	4,666	4,002	4,003	4,002	4,002	4,002	138,816	-	-	430	9,883		
Sales Taxes	25,998	13,152	9,334	58,317	11,636	8,733	23,654	9,359	7,440	21,681	8,834	7,825		
Refunds	6,343	1,168	-	-	300	200	286	585	-	13,222	1,775	-		
Rate Cases	3,331	14,000	13,451	18,248	4,267	5,092	57,928	1,855	12,483	9,886	5,003	72		
Conservation	8,322	-	-	6,244	4,060	-	-	-	-	-	-	-		
Public	-	-	-	12,813	303	-	-	-	-	-	-	-		
Capital Expenditures (Other)	29,566	6,584	-	14,936	916	23,081	5,823	5,421	62,889	3,599	290	6,712		
2004 Infrastructure	112,771	3,441	-	14,072	16,480	6,568	221,741	4,874	5,977	8,350	12,192	6,691		
Mishonck Well/Storage/Pump/Tran	-	-	-	4,856	9,732	4,585	40,606	4,891	4,891	171,036	1,613	50,553		
Clinton Avenue Pump Station	896	2,102	-	1,478	3,315	1,150	2,851	2,354	605	1,613	35,634	-		
E. G. Weir Upgrade	-	-	-	-	-	-	-	-	-	-	-	-		
GIS Development Mapping	-	-	-	-	-	-	-	-	-	-	-	-		
Real Schoolhouse Road - Main	-	-	-	-	-	-	-	-	-	-	-	-		
Read Schoolhouse Road - Tank	-	-	-	-	-	-	-	-	-	-	-	-		
Mishonck Well - Main	-	-	-	-	-	-	-	-	-	-	-	-		
Greenock Avenue - R & 12 th Mains	972	27,087	3,981	438,284	123,226	283,799	6,977	88,820	1,857	8,082	446,402	10,234		
System Storage Evaluation	-	-	-	-	-	-	-	-	-	-	-	-		
2006A Infrastructure	702,751	705,388	15,566	1,833,594	716,468	624,369	175,320	11,752	12,937	93,497	122,683	10,502		
Quaker Lane Pump Station	89,091	6,500	-	113,250	-	-	-	700	-	-	895	-		
Tech Park Storage Tank	7,461	1,573	168	7,875	336	-	-	-	-	-	-	-		
Upland Avenue 600' 8"	-	-	-	-	-	-	-	-	-	-	-	-		
Ashbur-Beach-Helton 8"	-	-	-	-	-	-	-	-	-	-	-	-		
2007 Infrastructure	-	-	-	9,360	3,927	4,749	306	-	5,700	9,377	16,181	6,517		
Gateau Street 8"	-	-	-	-	-	-	-	-	-	-	225	-		

U. S. Bank - Debt Service (P & I)
Water Promotion

U. S. Bank - Debt Service (P & I)	3,101,285	18,712	119,110	37,713	146,112	15,663	800,259	14,995	103,467	20,157	83,375	12,577		
Water Promotion	89,288	-	-	-	-	-	-	-	-	-	-	-		
TOTAL DISBURSEMENTS	\$ 5,062,821	\$ 1,591,543	\$ 900,509	\$ 3,372,058	\$ 1,741,298	\$ 1,373,689	\$ 2,123,628	\$ 1,193,828	\$ 844,811	\$ 979,080	\$ 1,429,045	\$ 844,032		

BALANCE END OF MONTH	35,847,101	35,697,152	36,080,016	35,454,967	35,311,082	34,811,034	34,931,570	34,995,570	35,228,014	38,007,533	37,685,563	37,770,320		
PRIOR YEAR	35,079,271	34,873,755	34,935,810	36,415,831	37,448,306	37,702,561	37,846,468	37,939,405	38,333,414	39,302,338	39,340,305	38,827,409		

"A"

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
Chizens Bank - Payroll	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00
Fleet Bank - Deposit	139,864.47	201,911.56	66,856.65	74,990.18	34,819.78	92,946.08	280,234.09	38,381.99	134,702.27	340,561.71	66,153.12	36,068.32
Fleet Bank - Checking	12,847.15	4,382.57	72.60	10,835.91	4,149.39	12,728.60	10,038.08	23,343.33	941.86	3,599.37	2,823.47	568.79
	192,711.62	246,294.13	106,929.25	123,826.09	78,969.17	145,674.68	330,272.17	101,725.32	175,644.13	384,161.08	108,978.59	76,637.11
U.S Bank - Project Funds												
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	39,464.64	108,920.45	71,238.47	147,523.52
Infrastructure fund	7,545,979.57	7,187,426.24	7,213,155.01	6,413,516.69	5,939,682.09	4,879,330.29	4,937,830.43	5,179,633.85	5,175,740.15	7,455,400.69	6,816,548.48	6,786,338.40
Operation & Maintenance Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	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	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00	1,898,250.00
Renewal & Replacement Fund	1,111,261.66	89,572.94	98,264.59	86,160.91	94,822.86	103,414.16	112,018.47	120,599.19	61,175.26	69,629.43	78,042.95	81,472.90
Renewal & Replacement Reserve	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03	521,820.03
General Project - 2001	0.00	0.00	0.00	0.00	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	294,825.67	361,124.38	427,118.64	493,017.59	559,162.83	625,264.67
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	781,125.00	781,125.00	781,125.00	781,125.00	781,125.00
Cost of Issuance - 2001	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
General Project - 2002	20,801,901.02	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	21,183,259.87	21,067,426.90	21,094,892.06	20,988,370.40
Debt Service Fund - 2002	1,911,075.52	350,715.58	508,291.30	666,461.39	825,206.45	984,065.99	663,254.87	821,758.03	979,523.31	1,137,665.11	1,294,920.05	1,296,317.63
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	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01
Cost of Issuance - 2002	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debt Service Fund - 2004	160,169.66	267,940.39	373,563.00	480,385.85	587,195.70	694,063.73	668,720.34	775,663.25	882,199.09	988,458.50	1,094,973.96	1,201,610.22
Debt Service Reserve - 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	1,279,133.75	1,278,698.34	1,278,698.34	1,278,698.34
Cost of Issuance - 2004	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Redemption Account - 2004	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	\$ 35,847,101.22	\$ 35,697,152.25	\$ 36,080,015.73	\$ 35,454,967.27	\$ 35,311,081.92	\$ 34,811,034.44	\$ 34,931,570.09	\$ 34,995,520.50	\$ 35,228,013.88	\$ 38,007,533.13	\$ 37,685,562.88	\$ 37,770,320.34

EXHIBIT B

July 17, 2008

KENT COUNTY WATER AUTHORITY
REQUEST FOR PROPOSAL
FOR ENGINEERING SERVICES DURING CONSTRUCTION
RELATED TO
1.5 MILLION GALLON CONCRETE STORAGE TANK
READ SCHOOL HOUSE ROAD TANK
PROPOSAL OPENING - JULY 10, 2008

The Proposal Opening relating to 1.5 Million Gallon Concrete Storage Tank was held at 10:00 a.m., July 10, 2008 per the requirements of the Request for Proposal advertised in the Providence Journal on Thursday, June 26, 2008.

The work consists of providing Engineering Services During Construction (construction administration and full-time inspection) related to the construction of a 1.5 million gallon concrete water storage reservoir and consisting of general construction including foundation, tank superstructure, pre-packaged altitude valve vault, site work, excavation, reinforcing, concrete work disinfection, testing, and general mechanical and appurtenant work.

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. James J. Geremia & Associates, Inc

8 copies received

Amount Not to Exceed \$99,644 + Mileage

2. Pare Engineering Corporation

8 copies received

Amount Not to Exceed \$120,595

3. C & E Engineering

8 copies received

Amount Not to Exceed \$85,615

The Proposal Opening was closed at 10:05 a.m.

11 B 60

EXHIBIT C

July 17, 2008

KENT COUNTY WATER AUTHORITY
REQUEST FOR PROPOSAL
RELATING TO
PROFESSIONAL ENGINEERING SERVICES RELATED TO PRELIMINARY DESIGN
REPORT FOR EAST GREENWICH WELL FIELD TREATMENT FACILITY
PROPOSAL OPENING – JUNE 24, 2008

The Proposal Opening for professional engineering services related to preliminary design report for East Greenwich Well Field Treatment Facility was held at 10:00 a.m., June 24, 2008 per the requirements of the Proposal Invitation advertised in the Providence Journal on Friday, June 6, 2008.

The work consists of preparation of a Preliminary Design Report for a new 2.1 MGD water treatment facility at the East Greenwich Well Field.

Proposals received were as follows:

1. Wright-Pierce, Inc.

8 copies received

Not-to-Exceed Amount: \$81,050

2. C & E Engineering

8 copies received

Not-to-Exceed Amount: \$51,610

The Proposal Opening was closed at 10:10 a.m. All proposals were left on display for all attendees to view.

EXHIBIT D

July 17, 2008

KCWA #CUSTOMERS
AS OF JUNE 30, 2008

CITY/TOWN	# CUST
COVENTRY	8,218
WEST GREENWICH	362
EAST GREENWICH	3,941
HOPE/SCITUATE	436
NORTH KINGSTOWN	15
WARWICK	4,453
WEST WARWICK	8,263
CRANSTON	<u>916</u>
TOTAL	26,604

ACTIVE CUSTOMERS ONLY

ADJUSTED FOR COMPOUND METER BILLING AND MONTHLY ACCOUNTS

10

EXHIBIT E

July 17, 2008

KENT COUNTY WATER AUTHORITY
(UNADJUSTED) CONSUMPTION BY TOWN
AS OF JUNE 30, 2008

TOWN/CITY	CUBIC FEET
COVENTRY	100,834,850
WEST GREENWICH	21,819,137
EAST GREENWICH	63,234,660
HOPE/SCITUATE	4,068,403
NORTH KINGSTOWN	259,200
WARWICK	80,211,300
WEST WARWICK	110,061,106
CRANSTON	10,202,121
TOTALS	390,690,777

11
E

EXHIBIT F

July 17, 2008

June 26, 2008

Mr. Timothy Brown, P.E.
General Manager
Kent County Water Authority
1072 Main Street
West Warwick, RI 02893

Rate Consulting Services Extension

Dear Mr. Brown:

By letter dated March 23, 2007, the Authority awarded a contract to Woodcock & Associates, Inc. to provide rate consulting services. The agreement may be extended for two additional years with both parties agreement. As the Board knows, we filed a rate case with the RI PUC at the end of March. In order to assure that we are able to continue assisting the Authority through this rate case and any additional work assignments, we are asking that the Board agree to extend our agreement for a second year.

We propose to provide these services under the same conditions as the original agreement.

To confirm this engagement, please sign one copy of this letter and return it to us.

Very truly yours;
WOODCOCK & ASSOCIATES, INC.

Approved by:
KENT COUNTY WATER AUTHORITY

Christopher P.N. Woodcock
President

" F "

EXHIBIT G

July 17, 2008

James H. Thomas
Town Manager



Town of West Warwick
1170 Main Street
West Warwick, Rhode Island 02893-4829
(401) 822-9219
Fax: (401) 822-9252
www.westwarwickri.org

July 17, 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: 2006 KCWA Infrastructure Improvement Project
Harding Street

Dear Mr. Brown:

The Town of West Warwick is hereby requesting that the Kent County Water Authority modify its current contract with C. B. Utility Co., Inc. for the purpose of the reconstruction of Harding Street which will include reclaiming of the present roadway, re-grading and the installation of 2" bituminous binder course, furnishing and installation of five (5) high velocity catch basin frame and covers, and the removal and replacement of a 4' diameter 4' deep catch basin along Harding Street.

The Town of West Warwick has received a cost proposal from C. B. Utility in the amount of \$147,475 (see attached). The cost breakdown is as follows:

1. Reclaiming, grading and installing 2" bituminous concrete binder course (estimated quantity) 7,000 sy @ \$20.10/sy	\$140,700.00
2. Furnish and install five (5) high velocity 24" square catch basin frame and grates @ \$775/ea.	3,875.00
3. Remove and replace 4' diameter 4' deep catch basin	<u>2,900.00</u>
	<u>\$147,475.00</u>

West Warwick agrees to reimburse Kent County Water Authority \$131,852 for the proposed work. This reimbursement takes into account a credit of \$15,623 (cold planing roadway edges - \$6,750; asphalt leveling - \$7,920; escalation for leveling - \$953) for the work which will now not be required as a result of the reconstruction.

116

Mr. Timothy J. Brown, P.E.
General Manager/Chief Engineer
Kent County Water Authority

July 17, 2008

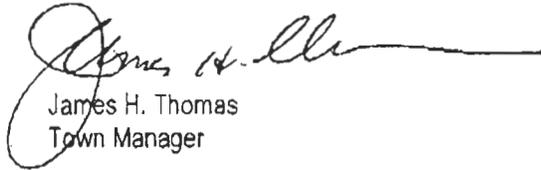
Page 2

The Town understands that the actual cost will be based upon the actual quantity of roadway that is reclaimed, and if there are unforeseen conditions during the reconstruction, the Town would be responsible for that cost. The Town also accepts full responsibility for the reconstruction of the roadway sub-base.

On behalf of the Town of West Warwick, we would like to thank the Kent County Water Authority for their cooperation in this matter.

If you or the Board have any questions concerning this issue, please do not hesitate to contact My office.

Very truly yours,



James H. Thomas
Town Manager

Enclosure

cc: Angelo Padula

EXHIBIT H

July 17, 2008

- C. Provide onsite observation during the soil boring program
- D. Review results of the soil boring program including soil density, material, groundwater, etc. and determine type of replacement wall system (i.e. flexible, rigid).
- E. Provide preliminary design drawings / sketch to Authority indicating type, location and details of replacement wall system. This will include an estimation of construction time, limits of site disturbance and discussion of possible disturbances to the upper parking area.

Task 2 – Final Design

- A. Design of new wall system including preparation of calculations, plan and elevation views, sections and specialty details. Integrate new wall design into project site plan drawings.
- B. Prepare technical specifications for new wall system product, manufacture and construction and integrate into technical specifications.

Note this proposal assumes:

- 1. *Access to the site for purpose of implementing the soil boring program will be coordinated by the Authority.*
- 2. *The new wall is being constructed on property not currently owned or controlled by the Authority. The Authority will seek approvals / permission from the property owner for construction of this new wall system.*
- 3. *No additional site survey will be required.*
- 4. *The condition of the foundation material is adequate for installation of a new retaining wall system and will not require specialized engineering design or construction.*

Based upon the scope of work for this project, C&E estimates a time period for performance of this work of approximately thirty (30) days and will necessarily be incorporated into the schedule for the pump station rehabilitation contract. Based on the scope of work for Tasks 1 – 2, the estimated fee is as follows.

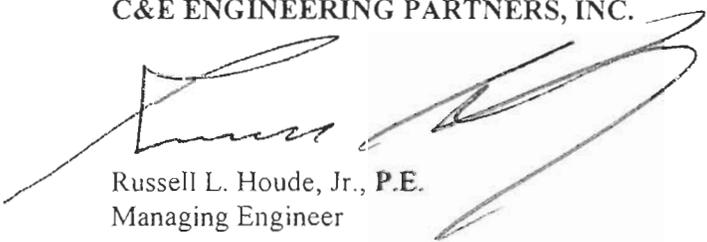
Task 1: A not to exceed fee of **Seven Thousand Five Hundred Dollars (\$7,500.00)**. This translates to approximately 70 hours of various labor categories and a subcontracted cost of \$1,500.00 for one day of soil borings.

Task 2: A not to exceed fee of **Eight Thousand Five Hundred Dollars (\$8,500.00)**. This translates to approximately 90 hours of various labor categories.

C&E appreciates the opportunity to provide our services for this project. If you have any questions, please contact us at your convenience.

Sincerely,

C&E ENGINEERING PARTNERS, INC.



Russell L. Houde, Jr., P.E.
Managing Engineer