

KENT COUNTY WATER AUTHORITY

BOARD MEETING MINUTES

January 15, 2009

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 January 15, 2009.

Chairman, Robert B. Boyer opened the meeting at 3:30 p.m. Board Members, Mr. Gallucci, Mr. Masterson, Mr. Giorgio and Mr. Inman were present together with the General Manager, Timothy J. Brown, Director of Administration and Finance, Joanne Gershkoff, Legal Counsel, Joseph J. McGair and other interested parties. The Chairman led the group in the pledge of allegiance.

The minutes of the Board meeting of December 18, 2008 were moved for approval by Board Member Giorgio and seconded by Board Member Masterson and were unanimously approved.

Guests:

High Service Requests

Royal Hathaway Heights, John Brunero, Esq. for the Applicant

Mr. Brunero stated that this matter was continued from the November Board meeting and which concerns a potential 15 house subdivision on East Greenwich Avenue in West Warwick and that water infrastructure is in place and has been pressure tested.

Mr. Brunero requests that five houses be approved. He mentioned that Kent County Water Authority was to send a letter to inquire of the previous approvals going forward in the future. The Chairman stated that five homes would be satisfactory but the applicant would have to come back for further approvals. The General Manager stated the 2007 Temporary High Service Management Policy would be violated. The Chairman said this represents a very complicated issue but feels that it is incongruous that the Board would not have the ability to allow a few houses. The General Manager stated that approval for a few houses at a time have cumulatively added to the large deficit.

The General Manager reiterated that the Board has exceeded the capacity and the maximum day in violation. The General Manager re-distributed to the Board the July 19, 2007 Temporary High Service Management Policy as evidence and attached as "A". He fully explained the policy that the Board had voted the policy in.

Board Member Masterson stated that the matter should be continued so the Board can review the policy and all prior approvals. Board Member Giorgio questioned the effect of the five houses especially since Amgen won't be using the water.

The Chairman believes that the policy needs to be reviewed. Board Member Masterson stated this does violate the policy as Kent County Water Authority is 80,000 gallons short.

LEGAL MATTERS

Joseph Petrarca, Department of Public Utilities and Carriers

The decision by the Division of Public Utilities and Carriers was rendered by Hearing Officer Lanni which was in favor of Mr. Petrarca. Legal Counsel and the General Manager determined that the decision was contrary to the Kent County Water Authority Rules and Regulations and an appeal was taken and was heard on February 4, 2008 by the Division of Public Utilities and Carriers and decision is now in abeyance from the Hearing Officer. Due to water quality issues on Philip Street, Legal Counsel moved for a postponement of the decision of the Hearing Officer and continued discussion has ensued with the General Manager concerning 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 was on hold until the disposition of the 2006 and 2007B bid and the cost is to be determined. On November 13, 2008 a letter was sent to Joseph Petrarca with an original Settlement Agreement for his signature. On December 15, 2008, a follow up letter was sent to Mr. Petrarca since nothing has been received and on December 29, 2008, Mr. Petrarca has reneged on his agreement and the matter will continue to be decided by Hearing Officer.

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 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 and a letter was sent to Mr. Madoian on August 12, 2008. Mr. McGair left a voice mail for Mr. Madoian on September 16, 2008 and there has been no reply as of yet. It is clear that despite efforts that the State is not interested and that the Kent County Water Authority should enact its own regulation and Legal Counsel has drafted legislation to the General Assembly for the January session and it was delivered to the Board.

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. On July 16, 2008, G-Tech filed a Complaint with the DPUC against Kent County Water Authority. On August 5, 2008, Legal Counsel for Kent County Water Authority filed an Answer to the Complaint. The DPUC pre-hearing conference was held on November 17, 2008 wherein a Procedural Schedule was issued and the first item on the schedule is that a pre-hearing memorandum and pre-filed testimony is due from G-Tech on December 15, 2008 and a reply memorandum and pre-filed testimony is due from Kent County Water Authority on January 20, 2009. The pre-hearing memorandum was received from G-Tech Legal Counsel on December 17, 2008. Legal Counsel for Kent County Water Authority, the General Manager and John R. Duchesneau are preparing the memorandum and pre-filed testimony which will be filed on January 20, 2009.

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 to date to participate in the appeal and there is no action to take place except to await and monitor Supreme Court decision and hearing.

Harris Mills

The company has gone into receivership. Kent County Water Authority is owed \$3,676.58. Permanent receivership to be appointed. Legal Counsel will monitor for proof of claim filing. A permanent receiver was appointed. A proof of claim prepared and forwarded to the General Manager for signature on September 17, 2008 and will be filed in the Kent County Superior Court and sent to the receiver. Proof of Claim was filed and sent to Received on September 19, 2008. The proof of claim deadline was December 1, 2008. Legal counsel will continue to monitor for payment on claim. As of January 12, 2009, there has been no change in status.

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 was prepared and was forwarded to the General Manager for signatures. Proof of Claim was filed in Kent County Superior Court and was sent to the receiver on August 28, 2008 and as of this date this case is still pending. Hope Mill filed Chapter 11 Bankruptcy on August 20,

2008. Kent County Water Authority was not listed as a creditor. The proof of claim was prepared and signed by the General Manager on November 14, 2008 and was filed with the Bankruptcy Court on November 18, 2008. The proof of claim filing deadline was the end of November, 2008. Pursuant to the plan of reorganization filed by Debtor on November 22, 2008, Kent County Water Authority will be paid in full upon confirmation of the plan by the Bankruptcy Court and Legal Counsel will continue to monitor. As of January 12, 2009 the Court has not scheduled a hearing for confirmation of plan.

DPUC/Lombardi

Santo Lombardi is contesting a water bill and the bill was upheld at an informal hearing on April 22, 2008 and Mr. Lombardi has appealed the same and the matter was scheduled to July 29, 2008 and then rescheduled to September 11, 2008 and that Mr. Lombardi did not appear at the hearing, however, the DPUC has taken the position that Mr. Lombardi was lost in the building and did not know what room the hearing was in and therefore a new hearing was assigned to October 14, 2008. Additional documents were submitted by Kent County Water Authority and the parties are awaiting a decision by the Hearing Officer.

West Greenwich Wellhead Protection

Mr. Waltonen has petitioned the Town Council for West Greenwich for a zone change for AP 6, Lot 134 from residential to highway business. The subject lot abuts the wellhead protection area of Kent County Water Authority. The site is currently used for storage and grinding and drying. A portion of the subject site was previously rezoned in 1991 to Highway Business and the Petitioner appeared before the Kent County Water Authority Board at that time and a condition of the 1991 zone change was that Petitioner obtain a letter from Kent County Water Authority approving the final drainage plan. The current petition requests relief from all 1991 conditions including Kent County Water authority approval. Legal Counsel has conducted research including at the West Greenwich Town Hall concerning the petition and Legal Counsel and Kent County Water Authority will monitor and present its concerns and objections to the Zoning Board and the Town Council at the respective January 20, 2009 and February 11, 2009 hearings.

Director of Finance Report:

Joanne Gershkoff, 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 December, 2008, which is attached as “**B**” and FY 08 Audit Report of KPMG LLP is attached as “**C**” and after thorough 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 by the Board Members present,

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

Point of Personal Privilege and Communications:

None

GENERAL MANAGER/CHIEF ENGINEER’S REPORT

Old Business

Rate Case Review of Decision and Action Required

Report and Order has not been sent by the PUC as of this date.

New Business

Waltonen Property Zoning Change

There is a meeting scheduled for January 20, 2009 with West Greenwich to protect the wellhead.

CAPITAL PROJECTS:
INFRASTRUCTURE PROJECTS:

Design Status Task Order Change No. 1

The General Manager presented and recommended approval of Task Order Change No. 1 for Mishnock WTP Finish Water Pump System Redesign by Wright-Pierce Engineering as evidenced and attached as “D” in the amount of \$58,000.00 and the General Manager stated that it is necessary and the amount is fair and reasonable and that Wright-Pierce Engineering has performed well in the past for the Authority and he recommends the same.

It was moved by Board Member Gallucci and seconded by Board Member Masterson to approve Task Order Change No. 1 for Mishnock WTP Finish Water Pump System Redesign by Wright-Pierce Engineering as evidenced and attached as “D” in the amount of \$58,000.00 and it was unanimously,

VOTED: To approve Task Order Change No. 1 for Mishnock WTP Finish Water Pump System Redesign by Wright-Pierce Engineering as evidenced and attached as “D” in the amount of \$58,000.00.

IFR 2009A & 2009B Design (Hope Road Culvert Survey Approval)

The General Manager stated that there were two proposals for survey services for easement, property line surveys and descriptions for Hope Road Culvert.

It was moved by Board Member Gallucci and seconded by Board Member Masterson to approve the proposal of Nyberg Associates, Inc. to James J. Geremia Associates for survey services for easements, property line surveys and descriptions in the amount of \$2,500.00 for research, field survey, preparation of site plan showing permanent and temporary easements and preparation of legal descriptions as evidenced and attached as “E” and it was unanimously,

VOTED: To approve the proposal of Nyberg Associates, Inc. to James J. Geremia Associates for survey services for easements, property line surveys and descriptions in the amount of \$2,500.00 for research, field survey, preparation of site plan showing permanent and temporary easements and preparation of legal descriptions as evidenced and attached as “E”.

All other Capital Projects and Infrastructure Projects were addressed by the General Manager and described to the Board by the General Manager with general discussion following and are described on exhibit “F” .

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

VOTED: To adjourn the meeting at 4:25 p.m.

Secretary Pro Tempore

EXHIBIT A

January 15, 2009

POLICY TEMPORARY HIGH SERVICE MANAGEMENT

Recognizing the imminent impact that expansion of the high service infrastructure will create on the supply system, the Board of the Kent County Water Authority has determined that the ability to expand infrastructure into undeveloped areas is limited by the existing supply available and transmission capabilities of the system. Kent County Water Authority finds that it must impose a temporary infrastructure expansion moratorium because the supply system has reached the limits of its capacity to expand supply into undeveloped areas. No further extension of the distribution system can be tolerated without injuriously drawing supply wholly or in part from those who have been previously supplied by the Authority and/or existing properties residing adjacent to accessible distribution mains within this service gradient.

Hydraulic modeling has determined a shortage of supply within the 500 foot gradient exists to the extent that there would be insufficient water during the historic documented maximum day condition for human consumption, sanitation and fire protection if expansion of the high service distribution system were allowed to continue without first augmenting supply capabilities. Average daily demand and maximum daily demands have declined in the years following the historic maximum day condition and is reflective of the intrinsic influence climatic conditions have on water use throughout the system. The Board of Directors have evaluated this trend and determined that under controlled conditions excess capacity can be derived to support expanded service within the existing limits of the distribution system infrastructure.

The Kent County Water Authority must impose a cap on the maximum daily demand that can be tolerated under normal climatic averages for precipitation within the service area. The Board has determined that a cap of 15.5 million gallons per day, maximum day condition can be tolerated under normal climatic conditions. Excess capacity derived from imposing this cap can be made available to supply residential and commercial development requests for service within the limits of the existing distribution system.

The Kent County Water Authority also finds that it must impose an outside water use moratorium should customer outside water use and climatic conditions cause the exceedence of the theoretic 15.5 MGD maximum day capacity determination. The Kent County Water Authority must rely on its existing customer base to vigorously monitor their outside water use and conservation efforts to continue with current policies regarding outside water use within the supply district and management of the maximum day cap. Public participation in actively monitoring and conserving outside water use is the essential component to stabilization of the maximum day demand condition under average climatic conditions. The Board has determined that an outside water use moratorium must be put into effect if the combination of climatic conditions and customer water use patterns exceeds the 15.5 MGD maximum day cap set by the Board.

The Kent County Water Authority will continue to accept applications from new customers within the service district so information is on file if events change. Applications made within the limits of the existing distribution system may be processed per the application requirements of the Kent County Water Authority regulations. Re-service from the low service gradient to high service gradient will not be considered during this moratorium period. Application for review does not constitute a commitment of or to water service connection by the Authority. No new commitments for residential or commercial water connections will be considered for applications made outside of the existing distribution system until further notice.

This high service policy is in effect as of the date of approval. It applies to all proposed, new and expanded water service. This policy shall remain in effect until the overall supply situation is rectified by the augmentation of additional source water supply and transmission capabilities of the system. All Kent County Water Authority Regulations remain in effect.

EXHIBIT B

January 15, 2009

KENT COUNTY WATER AUTHORITY
CASH LOCATION
FISCAL YEAR 08-09

	JUL 2008	AUG 2008	SEP 2008	OCT 2008	NOV 2008	DEC 2008	JAN 2009	FEB 2009	MAR 2009	APR 2009	MAY 2009	JUN 2009
Arizona Bank - Payroll	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$	\$	\$	\$	\$	\$
First Bank - Debit	89,026.11	60,425.90	72,018.74	88,245.57	62,432.00	81,465.94						
First Bank - Checking	18,930.03	14,289.85	402.35	21,711.00	8,047.93	32,960.11						
	147,956.14	174,715.75	112,421.09	149,116.87	110,479.93	154,426.05	0.00	0.00	0.00	0.00	0.00	0.00
U S Bank - Project Funds												
Infrastructure Fund	41,409.47	31,246.04	33,013.89	277,947.76	473,872.82	67,123.43						
Replacement & Maintenance Reserve	7,088,369.66	6,990,474.70	6,575,178.76	6,478,219.97	5,588,508.18	5,308,316.18						
Renewal & Replacement Fund	1,898,250.00	1,898,250.00	2,153,435.00	2,153,435.00	2,153,435.00	2,364,575.00						
Renewal & Replacement Reserve	89,901.20	98,338.66	106,782.37	115,193.78	122,537.03	131,871.78						
Renewal Project - 2001	785,152.14	785,152.14	785,152.14	785,152.14	785,152.14	785,152.14						
Water Service Fund - 2001	0.00	0.00	0.00	0.00	0.00	0.00						
Water Service Reserve - 2001	93,974.45	159,976.79	225,893.67	291,815.41	357,610.10	423,429.37						
Water Service Reserve - 2001	781,125.00	781,125.00	781,125.00	781,125.00	781,125.00	781,125.00						
Cost of Insurance - 2001	0.00	0.00	0.00	0.00	0.00	0.00						
Cost of Insurance - 2002	19,389,625.95	19,155,712.08	18,897,469.29	18,119,529.16	17,469,961.24	17,103,586.01						
Water Service Reserve - 2003	211,230.95	368,938.19	369,156.71	652,429.83	838,968.71	993,465.32						
Water Service Reserve - 2003	1,833,568.01	1,832,568.01	1,843,548.51	1,843,548.51	1,843,548.51	1,843,548.51						
Water Service Fund - 2004	125,945.01	282,108.56	282,335.68	493,326.23	598,819.11	704,233.51						
Water Service Reserve - 2004	1,279,082.59	1,279,082.59	1,279,082.59	1,279,082.59	1,281,045.76	1,283,008.93						
Cost of Insurance - 2004	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						
	\$ 33,805,454.74	\$ 33,777,787.51	\$ 33,425,154.73	\$ 33,420,437.30	\$ 33,356,161.15	\$ 32,005,861.36	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

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KENT COUNTY WATER AUTHORITY
CASH RECEIPTS & DISBURSEMENTS
FY 2008 - 2009

REFERRING MONTH/BALANCE	JULY 2008	AUGUST 2008	SEPTEMBER 2008	OCTOBER 2008	NOVEMBER 2008	DECEMBER 2008	JANUARY 2009	FEBRUARY 2009	MARCH 2009	APRIL 2009	MAY 2009	JUNE 2009	RATE REVENUE FY 08-09	RATE REVENUE FY 07-08
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CASH RECEIPTS	37,770,230	33,805,455	31,777,788	31,423,155	33,450,432	32,356,161	32,356,161	32,356,161	32,356,161	32,356,161	32,356,161	32,356,161	JUL 5 1,282,312.14	1,275,904.00
Water Collections	1,816,607	1,314,522	1,294,868	2,456,157	1,523,627	1,291,522	1,291,522	1,291,522	1,291,522	1,291,522	1,291,522	1,291,522	AUG 5 1,126,356.81	1,107,888.24
Interest Earned	113,152	40,748	57,330	21,300	4,740	344	344	344	344	344	344	344	SEP 5 2,591,917.46	2,657,394.59
Inspection Fees	-	250	1,380	6,500	7,800	129	129	129	129	129	129	129	OCT 5 1,217,110.52	1,231,125.13
Contribution in Aid Construction	-	-	-	-	-	-	-	-	-	-	-	-	NOV 5 1,078,854.00	1,061,981.56
Other	-	-	-	-	-	-	-	-	-	-	-	-	DEC 5	2,000,789.36
TOTAL CASH RECEIPTS	39,700,079	35,161,175	35,131,566	35,912,112	34,987,505	33,649,416	33,649,416	33,649,416	33,649,416	33,649,416	33,649,416	33,649,416	JAN 5	973,591.82
													FEB 5	807,416.94
													MAR 5	1,583,914.86
													APR 5	867,682.17
													MAY 5	879,916.31
													JUN 5	1,899,043.21

CASH DISBURSEMENTS

Purchased Water	430,581	347,312	490,477	565,167	360,240	228,851	228,851	228,851	228,851	228,851	228,851	228,851		
Electric Power	49,317	54,160	56,958	40,491	43,945	10,796	10,796	10,796	10,796	10,796	10,796	10,796		
Payroll	176,689	146,667	141,111	175,925	151,894	202,214	202,214	202,214	202,214	202,214	202,214	202,214		
Operations	131,148	71,752	140,028	77,876	80,167	19,323	19,323	19,323	19,323	19,323	19,323	19,323		
Employee Benefits	32,672	48,674	53,704	48,913	45,933	241,256	241,256	241,256	241,256	241,256	241,256	241,256		
Legal	3,801	6,151	4,602	2,837	3,234	3,234	3,234	3,234	3,234	3,234	3,234	3,234		
Materials	68,915	27,519	10,108	5,848	28,561	8,043	7,368	7,368	7,368	7,368	7,368	7,368		
Insurance	4,747	10,448	4,747	4,747	4,879	4,879	4,879	4,879	4,879	4,879	4,879	4,879		
Sales Taxes	25,987	1,058	7,825	30,562	9,868	9,164	9,164	9,164	9,164	9,164	9,164	9,164		
Retirees	1,058	127	40	40	40	40	40	40	40	40	40	40		
Rate Case	6,657	-	11,763	23,123	11,895	43,335	43,335	43,335	43,335	43,335	43,335	43,335		
Conveyance	-	-	-	-	-	-	-	-	-	-	-	-		
Paid	8,325	-	470	302	-	469	469	469	469	469	469	469		
Capital Expenditures (Other)	6,370	343	3,740	2,747	1,930	256,170	256,170	256,170	256,170	256,170	256,170	256,170		
2004 Infrastructure	5,641	127,949	330,770	538,298	486,915	-	-	-	-	-	-	-		
Milbrook Well/Storage/Pump/Tanks	29,797	513	-	23,547	-	-	-	-	-	-	-	-		
Clinton Avenue Pump Station	1,681	-	-	-	-	-	-	-	-	-	-	-		
E. G. Wolf Upgrade	-	-	-	4,045	-	-	-	-	-	-	-	-		
Read Schoolhouse Road - Main	1,583,147	280,207	190,299	26,791	3,797	3,797	3,797	3,797	3,797	3,797	3,797	3,797		
Read Schoolhouse Road - Tank	3,000	2,040	18,577	18,577	19,268	19,268	19,268	19,268	19,268	19,268	19,268	19,268		
Greenwood Road - Tank	628	571	73,261	809,063	55,403	308,278	308,278	308,278	308,278	308,278	308,278	308,278		
2006A Infrastructure - R & L7 Mains	12,726	22,255	38,153	13,459	590,250	9,801	9,801	9,801	9,801	9,801	9,801	9,801		
2007 Infrastructure	1,675	1,935	942	3,915	2,510	2,510	2,510	2,510	2,510	2,510	2,510	2,510		
Quaker Lane Pump Station	-	2,300	765	3,909	19,692	255,582	255,582	255,582	255,582	255,582	255,582	255,582		
Greene Street R	2,286	620	336	-	-	-	-	-	-	-	-	-		
Arthur-Bleach-Jefferson R	83,821	8,292	6,364	6,935	11,708	8,510	8,510	8,510	8,510	8,510	8,510	8,510		
2009 Infrastructure	-	-	8,857	75	-	-	-	-	-	-	-	-		
Todd Street R	-	-	-	-	-	-	-	-	-	-	-	-		

U. S. Bank - Debit Service (P & L)
Water Prepayment

3,130,260	18,805	114,947	36,606	137,642	14,873	14,873	14,873	14,873	14,873	14,873	14,873	14,873		
5,894,624	1,383,397	1,706,411	2,461,680	2,631,344	1,643,555	1,643,555	1,643,555	1,643,555	1,643,555	1,643,555	1,643,555	1,643,555		
TOTAL DISBURSEMENTS	33,805,455	33,777,788	33,423,155	33,450,433	32,356,161	32,000,861	32,000,861	32,000,861	32,000,861	32,000,861	32,000,861	32,000,861		

BALANCE END OF MONTH	33,805,455	33,777,788	33,423,155	33,450,433	32,356,161	32,000,861	32,000,861	32,000,861	32,000,861	32,000,861	32,000,861	32,000,861		
PRIOR YEAR	35,847,101	35,697,152	36,080,016	35,451,967	35,311,082	34,811,034	34,931,570	34,995,570	35,228,014	38,007,533	37,685,563	37,770,320		

EXHIBIT C

January 15, 2009



KPMG LLP
99 High Street
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December 8, 2008

The Board of Directors
Kent County Water Authority

Ladies and Gentlemen:

We have audited the financial statements of Kent County Water Authority (the Authority) as of and for the year ended June 30, 2008, and have issued our report thereon dated December 8, 2008. In planning and performing our audit of the financial statements of the Authority, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

During our audit we noted certain matters involving internal control and other operational matters that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies and are summarized below. For your reading convenience management's responses have been included.

New Financial Reporting for Postretirement Benefits

The Authority provides other postemployment benefits (OPEB), including postemployment healthcare, as part of the total compensation offered to attract and retain the services of qualified employees.

The Governmental Accounting Standards Board (GASB) issued Statement No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans and the related Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. Those Statements establish the standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information in the financial reports of state and local governmental employers, with the distinguishing factor being whether the Authority establishes a trust fund to accumulate assets to pay OPEB benefits (Statement No. 43). The Statements also require an actuarial valuation to be performed at least biennially.

The Authority is required to implement these new standards beginning with its fiscal 2009 financial statements. Given the complexity of these standards, we recommend that the Authority begin to familiarize itself with the available literature and consult with an independent actuary to prepare for the implementation of these standards.

C

The Board of Directors
Kent County Water Authority
December 8, 2008
Page 2

Financial Reporting Closing Process and Review

The financial reporting and closing process is a manually intensive process at the Authority. There are multiple manual schedules prepared that could be automated for efficiency. The schedules include accounts payable detail and capital asset roll forwards. Additionally, the Authority has historically sought the guidance of its outside auditor on the proper presentation of its financial statements in accordance GASB reporting standards. While we encourage our clients to consult with us on complicated financial reporting matters, we've noted an increasing reliance on matters that we would consider to be more of a routine nature. Given the proliferation of new accounting standards as well as the evolving professional standards regarding auditor independence, it is more apparent than ever that management be more involved in the financial reporting process.

* * * * *

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements, and therefore may not bring to light all weaknesses in policies or procedures that may exist. We aim, however, to use our knowledge of the company's organization gained during our work to make comments and suggestions that we hope will be useful to you.

We would be pleased to discuss these comments and recommendations with you at any time. The Authority's written responses to our comments and recommendations have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of management, the Board of Directors, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

KPMG LLP



KPMG LLP
99 High Street
Boston, MA 02110 -2371

Telephone 617 988 1000
Fax 617 507 8321
Internet www.us.kpmg.com

December 8, 2008

The Board of Directors
Kent County Water Authority
West Warwick, Rhode Island

Ladies and Gentlemen:

We have audited the financial statements of Kent County Water Authority (the Authority) as of June 30, 2008 and 2007 and for each of the years then ended, and issued our report thereon under date of December 8, 2008. Under our professional standards, we are providing you with the accompanying information related to the conduct of our audits.

Our Responsibility Under Professional Standards

We are responsible for forming and expressing an opinion about whether the financial statements, that have been prepared by management with the oversight of the Board of Directors, are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles. We have a responsibility to perform our audit of the financial statements in accordance with professional standards. In carrying out this responsibility, we planned and performed the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Because of the nature of audit evidence and the characteristics of fraud, we are to obtain reasonable, not absolute, assurance that material misstatements are detected. We have no responsibility to plan and perform the audit to obtain reasonable assurance that misstatements, whether caused by error or fraud, that are not material to the financial statements are detected. Our audit does not relieve management or the Board of Directors of their responsibilities.

In addition, in planning and performing our audit of the financial statements, we considered internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control. We also have a responsibility to communicate significant matters related to the financial statement audit that are, in our professional judgment, relevant to the responsibilities of the Board of Directors and management in overseeing the financial reporting process. We are not required to design procedures for the purpose of identifying other matters to communicate to you.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for other information in documents containing the Authority's financial statements and our auditors' report thereon does not extend beyond the financial information identified in our auditors' report, and we have no obligation to perform any procedures to corroborate other information contained in these documents. We have, however, read the other information included in the Authority's annual report, and no matters came to our attention that cause us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

rcf

Accounting Practices and Alternative Treatments

Significant Accounting Policies

The significant accounting policies used by the Authority are described in Note 2 to the financial statements.

Unusual Transactions

The Authority did not have any unusual transactions.

Critical Accounting Policies and Practices

The Authority does not have any critical accounting policies.

Alternative Accounting Treatments Within U.S. Generally Accepted Accounting Principles

There were no alternative accounting policies related to material items discussed with management during the current audit period and through the date of our report.

Qualitative Aspects of Accounting Practices

We have discussed with the management our judgments about the quality, not just the acceptability, of the Authority's accounting principles as applied in its financial reporting. The discussions generally included such matters as the consistency of the Authority's accounting policies and their application, and the understandability and completeness of the Authority's financial statements, which include related disclosures.

Management Judgments and Accounting Estimates

The preparation of the financial statements requires management of the Authority to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. There are no significant management judgments and accounting estimates recorded in the financials.

Uncorrected and Corrected Misstatements

In connection with our audit of the Authority's financial statements, we have discussed with management certain financial statement misstatements that have not been corrected in the Authority's books and records as of and for the year ended June 30, 2008. We have reported such misstatements to management on a Summary of Audit Differences and have received written representations from management that management believes that the effects of the uncorrected financial statement misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. A copy of the schedule provided to management is available upon request. Attached is a copy of the summary that has been provided to, and discussed with, management.

In addition, during the course of our audit, we identified and discussed with management material financial statement misstatements that was corrected by the Authority. Attached is a copy of the summary that has been provided to, and discussed with, management.

The Authority also should consider whether these uncorrected and corrected misstatements were caused by one or more significant deficiencies or material weaknesses in internal controls over financial reporting.

Disagreements with Management

There were no disagreements with management on financial accounting, and reporting matters that, if not satisfactorily resolved, would have caused a modification of our auditors' reports on the Authority's financial statements, except as follows:

Management's Consultation with Other Accountants

To the best of our knowledge, the Authority has not consulted with or obtained opinions, either written or verbal, from other independent accountants during the fiscal year ended June 30, 2008.

Significant Issues Discussed, or Subject to Correspondence, with Management

Major Issues Discussed with Management Prior to Retention

We generally discuss a variety of matters with management and management each year prior to our retention by management as the Authority's auditors. These discussions occurred in the normal course of our professional relationship and the result of these discussion was not a condition to our retention.

Material Written Communications

The following material written communications occurred between management and us:

1. Engagement letter; and
2. Management representation letter.

Significant Difficulties Encountered During the Audit

None noted.

Other Significant Findings or Issues

None noted.

Independence

Our professional standards and other regulatory requirements specify that we communicate to you in writing, at least annually, all independence-related relationships between our firm and the Authority and provide confirmation that we are independent accountants with respect to the Authority.

We are not aware of any independence-related relationships between our firm and the Authority.

Confirmation of Audit Independence

We hereby confirm that as of December 8, 2008 we are independent accountants with respect to the Authority under all relevant professional and regulatory standards.

* * * * *

The Board of Directors
Kent County Water Authority
December 8, 2008
Page 4 of 4

This letter to the Board of Directors is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

KPMG LLP

Audit difference posting threshold [KAM 6244US3]: \$31,600

Adj #	WP Ref	Accounts and Description	Debit	Credit	Type of Error Known Audit Differences (KAD) Most Likely Audit Difference (MLAD)	Impact of audit differences on financial statement captions										
						Income Statement Effect		Balance Sheet Effect			Cash Flow Effect					
Correcting Entry Required at Current Period End (Note - If there is an end-of-period balance sheet error, the correcting entry should be written irrespective of the period in which the error originated (i.e., there should not be any adjustments to opening retained earnings). If there was an uncorrected error in the prior end-of-period balance sheet, but there is not an error in the current end-of-period balance sheet, include only a description in this section.)						Income effect of correcting the balance sheet prior period (from prior period's column C)	Income effect according to the Income Statement method	Equity at period end	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Operating Activities	Investing Activities	Financing Activities	
						C - A (Only Inc Stmt accounts)	C - B									
<ADP>	P-50	Dr: PPE - CIP Cr: Remaining Liability To record the remaining liability related to in process contracts	387,000	(387,000)	KD					387,000		(387,000)		387,000		(387,000)
Aggregate of uncorrected audit differences (before tax)																
Tax effect of uncorrected audit differences																
Aggregate of uncorrected audit differences (after tax)																
Financial statement amounts (per final financial statements)																
Uncorrected audit differences after tax effect as a percentage of financial statement amounts																
						8,974,000	8,974,000	89,105,000	2,901,000	124,397,000	4,447,000	(33,745,000)	7,800,000	337,000	337,000	(9,016,000)
						0.0%	0.0%	0.0%	0.0%	0.3%	8.7%	0.0%	5.1%	0.0%	0.0%	4.3%

Kent County Water Authority
 Summary of Corrected Audit Differences
 For year ended 6/30/08

Adj #	WP Ref	Accounts and Description	Income Statement		Balance Sheet		Type of Error
			Debit	(Credit)	Debit	(Credit)	
<ADE1>	I-7	Dr. Bond Discount / Premium Dr. Accrued Interest Cr. Interest Expense <i>To properly amortize the premium on the Rev. Bonds and record related expense</i>		(86,825)	55,700 31,125		KD
<ADE2>	I-7	Dr. Unamortized Bond Issue Costs Cr. Amortization <i>To properly amortize the Refunding Loss on the Rev. Bonds and record related expense</i>		(24,843)	24,843		KD
<ADE3>	I-7	Dr. Amortization Cr. Unamort. Refunding Loss <i>To properly amortize the Refunding Loss on the Rev. Bonds and record related expense</i>	79,437			(79,437)	KD
<ADE4>	I-7	Dr. LT Bond (Water Revenue Bond) Cr. Curr. Port. long-term debt <i>To record current portion of LTD as a current Liability</i>			2,330,000	(2,330,000)	KD
<ADE5>	M-10	Dr. Opex - Purchased Power Dr. Opex - Purchased Water Dr. Opex - Payroll Expense Cr. Accrued Expenses <i>To accrue for items not properly captured as liabilities, in accordance with year end cut off</i>	31,000 9,000 13,000			(53,000)	KD
<ADE6>	G-50	Dr. Accrued Interest Cr. Interest Income <i>To recognize the accrued interest income on the Authority's investments</i>		(67,000)	67,000		KD
<ADE7>	I-8	Dr. Interest Income Dr. CIP Cr. Interest Expense <i>To capitalize excess interest expense over income in accordance with FAS 62</i>	914,691	(1,544,819)	630,128		KD
<ADE8>	L-50	Dr. Contributions in Aid of Construction Cr. Contributions in Aid (P&L) <i>To recognize as other revenue the contributed assets received by the Authority</i>		(2,181,077)	2,181,077		KD

EXHIBIT D

January 15, 2009



January 13, 2009
W-P Project No. 11054

Mr. Timothy J. Brown, P.E.
General Manager / Chief Engineer
Kent County Water Authority
1072 Main Street
West Warwick, RI 02893-0192

Subject: **Mishnock WTP Finish Water Pump System Redesign**

Dear Mr. Brown,

Per the request of the Authority, our office is hereby submitting a cost proposal to provide additional engineering services to redesign the Mishnock Water Treatment Facility (WTF) Finish Water Pump System. The following is a summary of our understanding, redesign proposed scope of work, and cost proposal.

To date, the Mishnock WTF design is at 95% completion. The current finish water pumping system design utilizes three (3) 100 hp vertical turbine pumps, each with a rated capacity of 2,000 gpm at 143 feet TDH. The WTF "Basis of Design" was for the finish water pumping system to discharge directly into a proposed dedicated 2+ mile transmission main to a proposed water storage tank (overflow elevation 334) off Mishnock Road. Water to the distribution system would come directly from the proposed tank.

The proposed redesign calls for the Mishnock WTF to supply water directly into the distribution system, thereby eliminating the need for constructing the proposed water tank. The redesign also features a new finish water pumping system layout that provides separate feeds to both the low (elevation 334) and high (elevation 500) service areas. To accomplish this, the current three (3) finish water pump system would be expanded to a six (6) pump system. Under this arrangement, four (4) of the six pumps would feed the high service area, while the remaining two (2) pumps would supply the low service area. Each pump would be equipped with a variable frequency drive for treatment process control and to better match flow demands into the distribution system.

Attached for your review is a breakdown of our cost proposal to furnish the finish water pump system redesign for your review. Also attached are mark-up sheets of our existing Mishnock WTF 95% Design Drawings which are impacted by the redesign. The redesign will require modifications, ranging from minor to significant, of the process, structural, architectural, mechanical, instrumentation and electrical components of the WTF, as well minor changes to the yard piping for dual finish water lines.



Mr. Timothy J. Brown, P.E.
Kent County Water Authority
Page 2 of 2



Our total lump sum cost for the Additional Engineering Services - Finish Water System Redesign is **58,306.00**. We have maintained the billing rates under our existing Contract Agreement. If acceptable, we recommend this cost be applied to our existing Contract Agreement under Phase B - Final Design.

We are available to begin this work immediately upon your authorization. We anticipate that the redesign work and all other remaining work to a full 100% completion can be ready for early to mid April, including a revised engineering cost estimate. Once complete, the permitting process may begin, followed by construction later in the year.

We trust this information is sufficient for your review at this time. Should you have any questions or comments, or require additional information, please contact me at (401) 383-2276.

Very Truly Yours,
WRIGHT-PIERCE

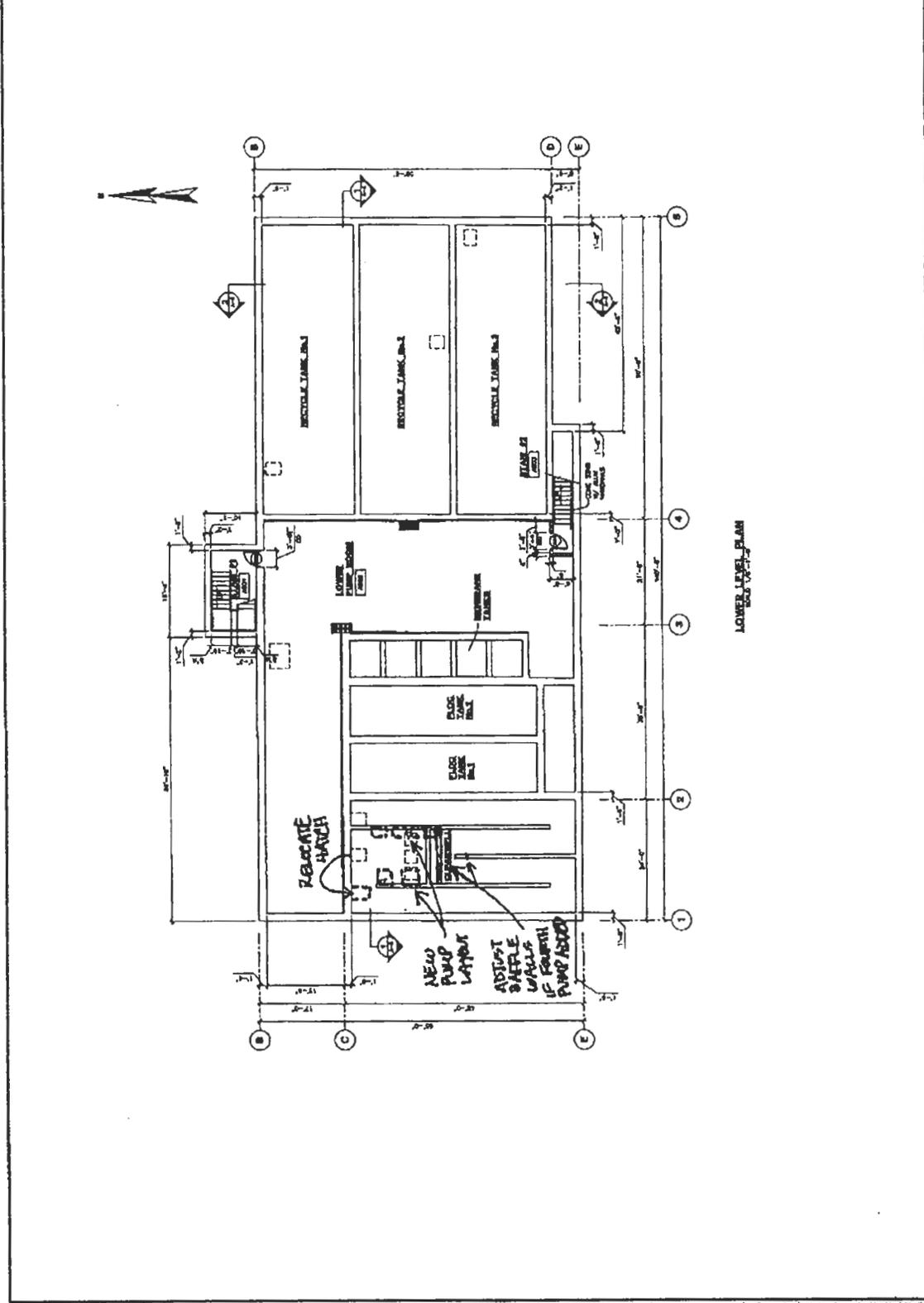
Thomas Simbro, P.E.
Senior Project Manager

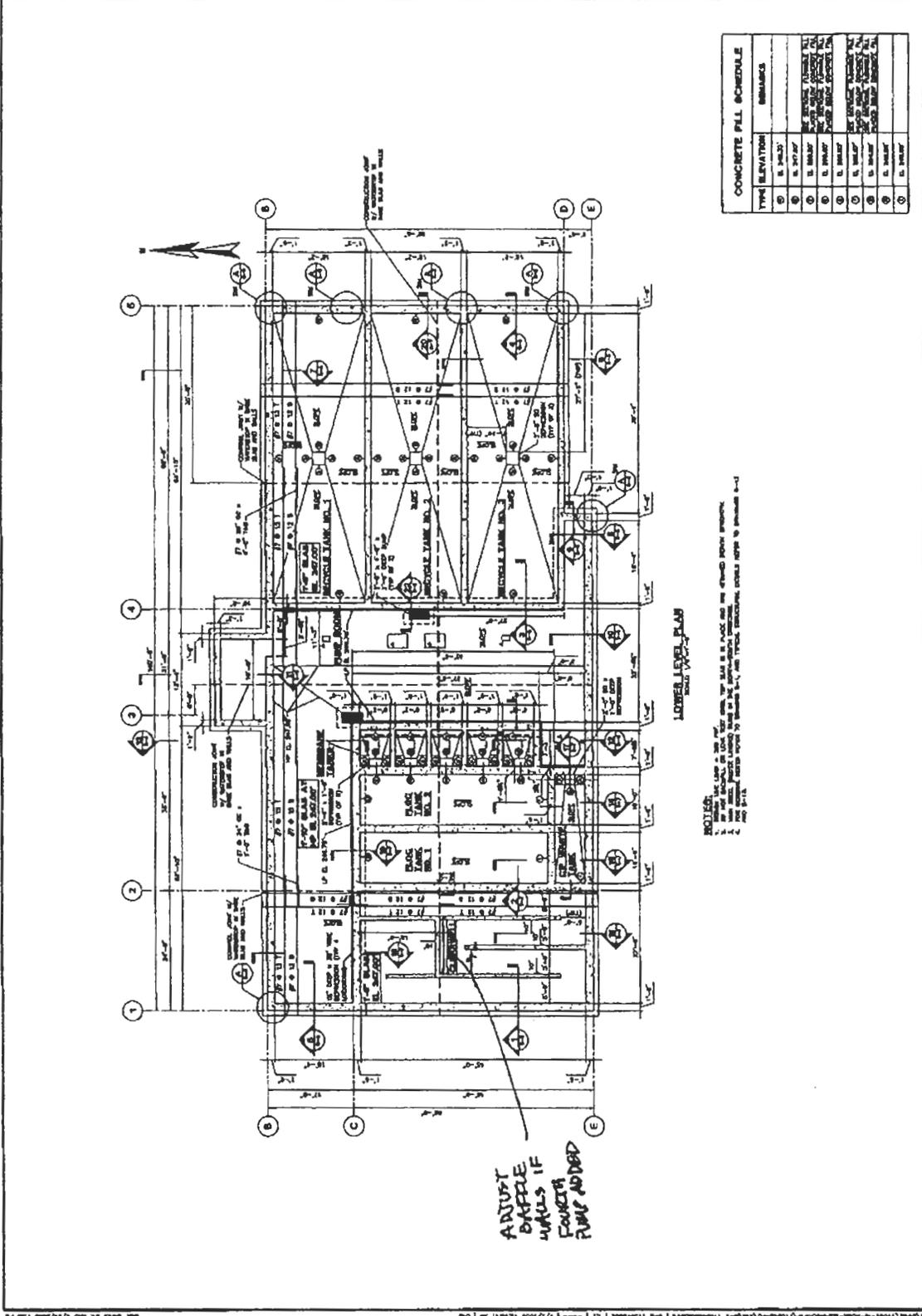
CC: Jeffrey P. Musich, P.E.

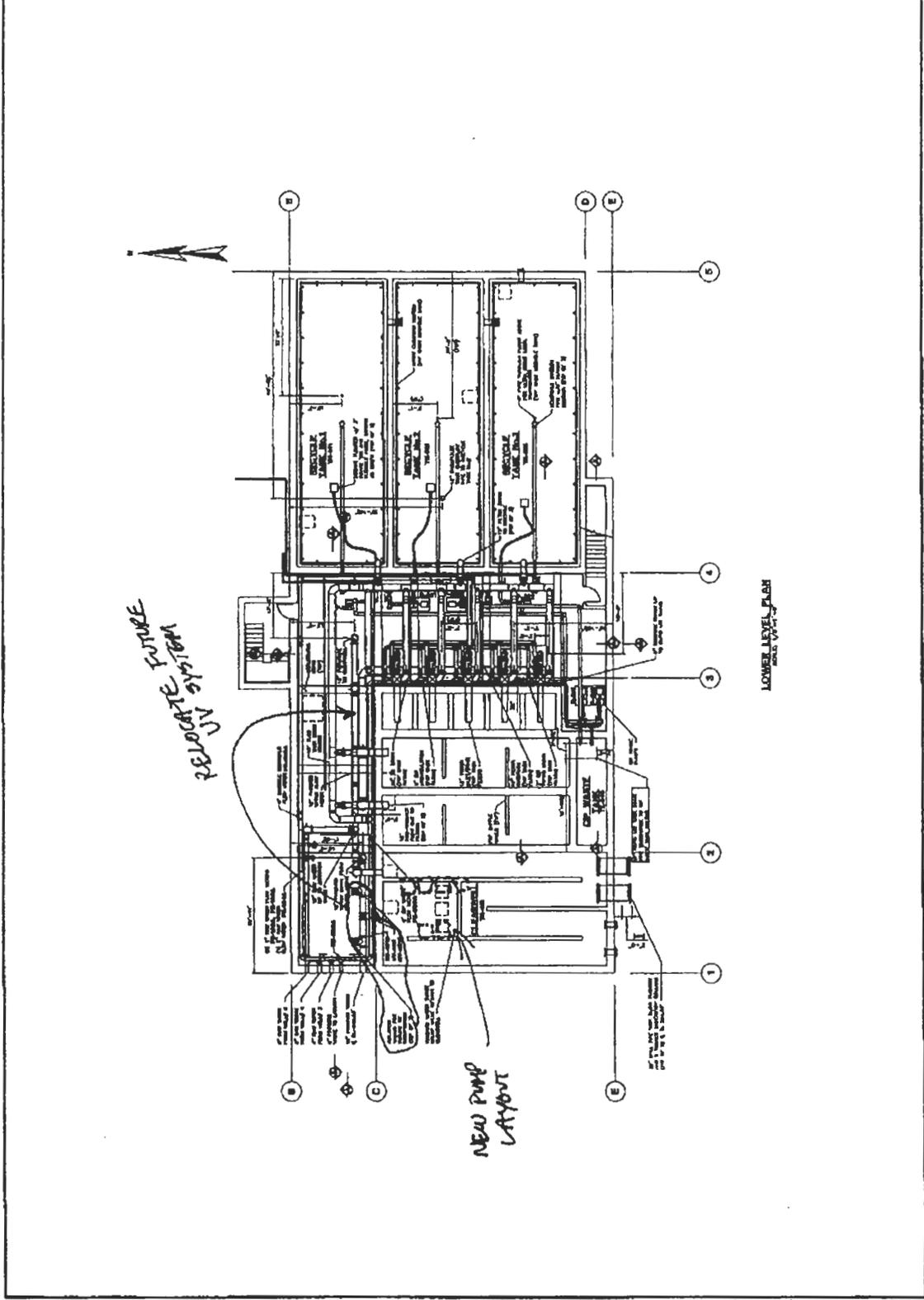
Enclosures

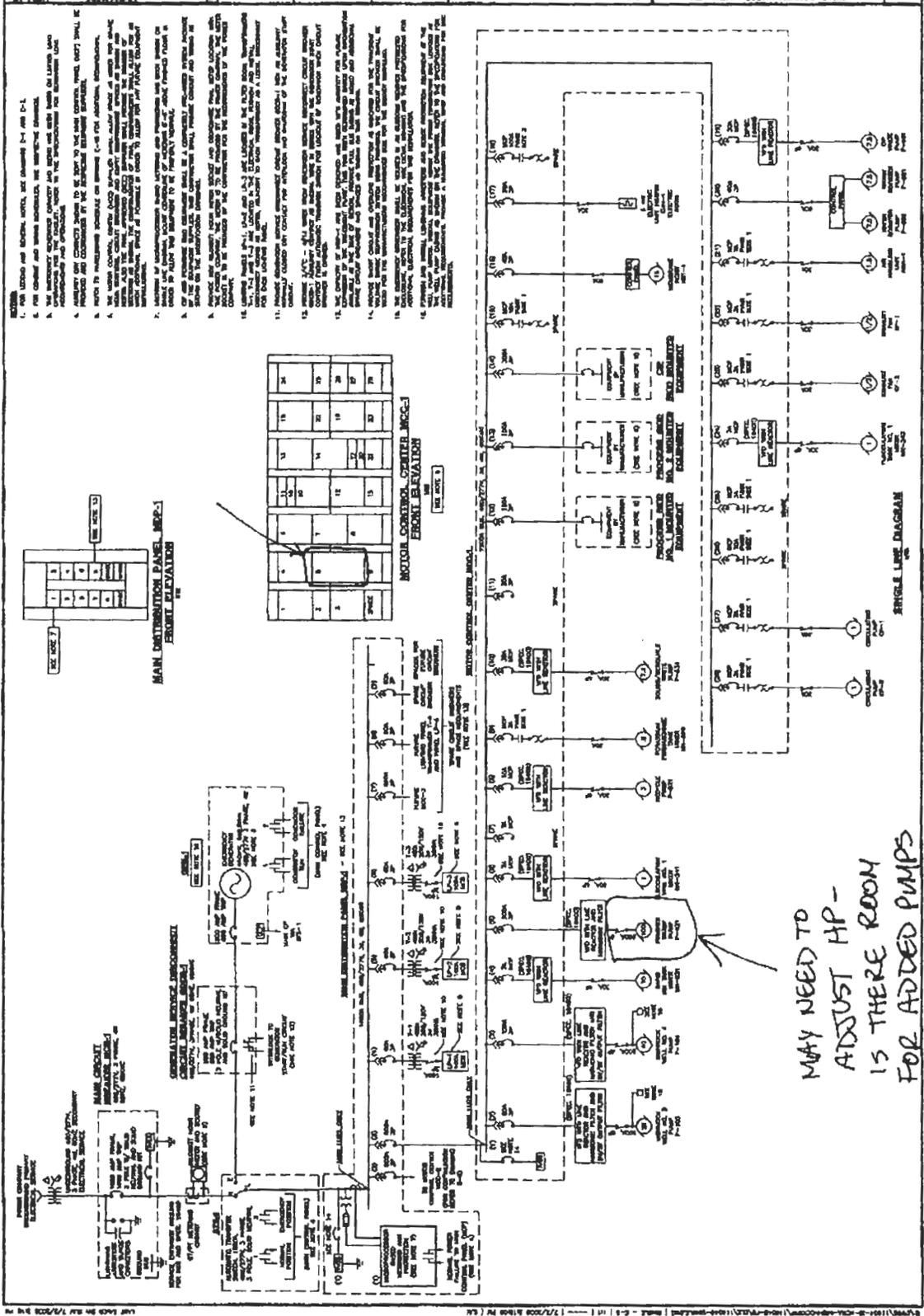
FINISH WATER PUMPING SYSTEM REDESIGN

Classification	Billing Rate	Hours	Cost
Project Manager / Principal	\$ 140.00	8.00	\$ 1,120.00
Project Engineer	\$ 128.00	24.00	\$ 3,072.00
Process Engineer	\$ 105.00	64.00	\$ 6,720.00
Process CADD Technician	\$ 73.00	48.00	\$ 3,504.00
Structural Engineer	\$ 95.00	48.00	\$ 4,560.00
Structural CADD Technician	\$ 73.00	40.00	\$ 2,920.00
Architect	\$ 105.00	48.00	\$ 5,040.00
Architect CADD Technician	\$ 105.00	32.00	\$ 3,360.00
Mechanical Engineer	\$ 95.00	30.00	\$ 2,850.00
Mechanical CADD Technician	\$ 95.00	24.00	\$ 2,280.00
Instrumentation Engineer	\$ 105.00	48.00	\$ 5,040.00
Instrumentation CADD Technician	\$ 105.00	24.00	\$ 2,520.00
Electrical Engineer	\$ 115.00	72.00	\$ 8,280.00
Electrical CADD Technician	\$ 73.00	80.00	\$ 5,840.00
Subconsultant - Pare Corp. (yard piping redesign)			\$ 1,200.00
TOTAL		590.00	\$ 58,306.00









1. FOR LAYOUT AND GENERAL NOTES, SEE DRAWINGS E-1 AND E-1-1.
 2. FOR CONDUIT AND TRAYING INFORMATION, SEE DRAWINGS E-2 AND E-2-1.
 3. THE CONTRACTOR SHALL VERIFY THE LOCATION AND DEPTH OF ALL EXISTING UTILITIES PRIOR TO THE COMMENCEMENT OF CONSTRUCTION.
 4. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL AUTHORITIES.
 5. ALL ELECTRICAL WORK SHALL BE IN ACCORDANCE WITH THE NATIONAL ELECTRICAL CODE (NEC) AND ALL APPLICABLE LOCAL CODES.
 6. THE CONTRACTOR SHALL MAINTAIN ADEQUATE RECORDS OF ALL ELECTRICAL WORK PERFORMED.
 7. ALL ELECTRICAL WORK SHALL BE SUBJECT TO INSPECTION AND APPROVAL BY THE LOCAL AUTHORITIES.
 8. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES.
 9. ALL ELECTRICAL WORK SHALL BE COMPLETED WITHIN THE SPECIFIED TIME FRAME.
 10. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE SAFETY OF ALL PERSONNEL AND THE PUBLIC DURING THE CONSTRUCTION PROCESS.
 11. ALL ELECTRICAL WORK SHALL BE SUBJECT TO THE REQUIREMENTS OF THE LOCAL AUTHORITIES.
 12. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES.
 13. ALL ELECTRICAL WORK SHALL BE COMPLETED WITHIN THE SPECIFIED TIME FRAME.
 14. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE SAFETY OF ALL PERSONNEL AND THE PUBLIC DURING THE CONSTRUCTION PROCESS.
 15. ALL ELECTRICAL WORK SHALL BE SUBJECT TO THE REQUIREMENTS OF THE LOCAL AUTHORITIES.
 16. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES.
 17. ALL ELECTRICAL WORK SHALL BE COMPLETED WITHIN THE SPECIFIED TIME FRAME.
 18. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE SAFETY OF ALL PERSONNEL AND THE PUBLIC DURING THE CONSTRUCTION PROCESS.
 19. ALL ELECTRICAL WORK SHALL BE SUBJECT TO THE REQUIREMENTS OF THE LOCAL AUTHORITIES.
 20. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES.

EAST COUNTY WATER AUTHORITY COVENTRY, RHODE ISLAND WINSOCK TREATMENT FACILITY	CHECKED AND DRAWN SCHEMATIC
	WRIGHT-PIERCE Engineering a Better Environment Office: 1156 www.wright-pierce.com
DRAWING L-29	PROJECT NO. SHEET NO. DATE DRAWN BY CHECKED BY SCALE

ADD FIT-425A

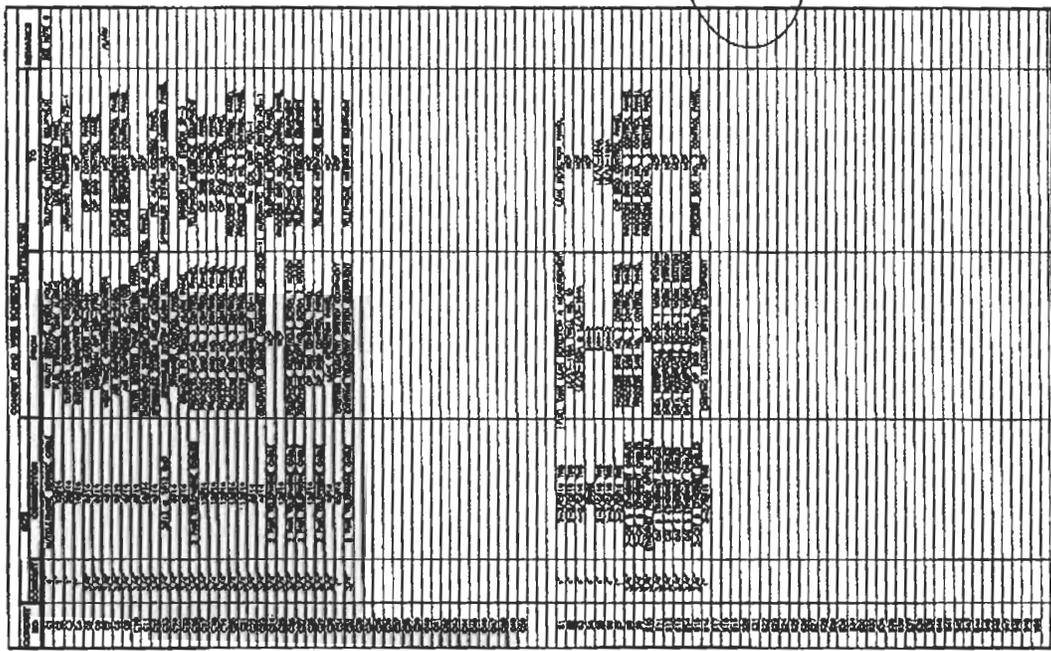


EXHIBIT E

January 15, 2009

- E. ENGINEER, along with its subconsultant (Allstate Drilling Co.), will prepare a subsurface testing plan. ENGINEER will deliver (to the OWNER) soils data logs obtained from 200 solid stem auger borings (which will be taken at a minimum of every 250 feet to a depth of 10 feet) and two (2) solid stem auger borings (which will be taken to a depth of 20 feet at the culvert crossing on Hope Road in Cranston). All soil borings shall be 4-inches in diameter.
- F. Allstate Drilling Co. will coordinate with the local Police Department to provide traffic control, as needed. ENGINEER will invoice the OWNER for the police detail time to a maximum of \$6,000. ENGINEER does not anticipate exceeding the 120 hours, but understands if additional police time is required it will be at no cost to the OWNER.
- G. Allstate Drilling Co., in conjunction with ENGINEER, will evaluate the subsurface data to include (at a minimum) pavement thickness, description of soil, ledge profile and depth of groundwater level of observed.
- H. ENGINEER will verify all valves to isolate desired areas and any critical services in the areas.
- I. During the development of our proposal a field reconnaissance was performed of the project area with specific emphasis focused on the culvert crossing required on Hope Road in the City of Cranston. ENGINEER has determined that the culvert does not have a structural bottom and the surrounding soil consists of rock. Therefore, the options available to the OWNER, such as directional drilling or jacking of a new water main cannot be used in this application. As a result of our findings, ENGINEER'S proposal has focused on providing the necessary engineering design to either cross the brook with a pipe bridge or to install the proposed water main within the brook, along with the necessary wetlands permitting necessary to submit a Preliminary Determination Application to the Department of Environmental Management.
- J. ENGINEER will prepare the necessary design calculations required to complete the culvert crossing, including but not limited to, loading or stress calculations for bridge crossings, culvert support, support structures for bridge crossings, thrust loads, friction losses and hydraulic modeling.
- K. ENGINEER will develop preliminary plans and specifications. Typical sheet size will be 24" x 36". The preliminary plans of the water main alignments will be to a scale of 1" = 40'. The plans will include a title sheet, locus plan, index and general notes and details. Temporary water service plans as required will be included.
- L. ENGINEER will coordinate with each community and the Rhode Island Department of Transportation to verify their requirements for the installation of the water mains and repaving of the roadways. Letters of verification from each reviewing authority will be obtained.
- M. ENGINEER will coordinate with the Fire Chiefs of each community for hydrant installation locations. Letters of acceptance will be obtained. The letters of acceptance will include a statement indicating acknowledgment of responsibility for the payment of standard quarterly hydrant fees.
- N. Based on discussions raised at the pre-proposal conference (May 7, 2008), the OWNER has advised proposers that easements for the water main installations will not be required.



JAMES J. GEREMIA & ASSOCIATES, INC.
CONSULTING ENVIRONMENTAL ENGINEERS & SCIENTISTS

December 23, 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: 2009B Infrastructure Improvements Project
Hope Road Culvert Crossing

Dear Mr. Brown:

In accordance with our field reconnaissance of the Hope Road Culvert Crossing, the new water main will be installed on the southerly side crossing the brook. This alignment requires property line surveys, easement plans and descriptions.

JGA has obtained cost proposals from Garofalo & Associates, and Marc N. Nyberg Associates. Garofalo's proposal is for \$4,000 / Marc N. Nyberg's proposal is for \$2,500 (copies enclosed).

Upon receiving a Notice to Proceed, the work will be performed.

If you have any questions, please call.

Very truly yours,

JAMES J. GEREMIA & ASSOCIATES, INC.

Richard M. Hencler, P.E.
Project Manager

Enclosures



December 16, 2008

James J. Geremia Associates
 C/O Richard Henkler
 242 West Exchange Street
 Suite 201
 Providence, RI 02903-1025

RE: Hope Road, Cranston Easement for Kent County Water AP 30 Lots 214 and 1

Dear Mr. Henkler,

We are pleased to quote you a proposal for survey work to be performed at the above-mentioned location. The scope of work is as follows:

1. Research
2. Field Survey
3. Preparation of site plan showing permanent and temporary easements
4. Preparation of legal descriptions

The Approximate fee for providing this service is \$ 2,500.00. Should this proposal meet with your approval please sign, date and return one copy to our office along with your deposit. Full payment is due at the completion of the job. If you should have any questions please do not hesitate to contact me.

Sincerely,

Marc N. Nyberg
 President
 MNN/lb

APPROVAL _____ DATE _____

Check # _____ Credit Card # _____ Exp _____
 Visa - Master Card - Discover - American Express

December 15, 2008

Mr. Richard M. Henden, PE
Project Manager
JAMES J. GEREMIA & ASSOCIATES, INC.
Suite 201
272 West Exchange Street
Providence, RI 02903

RE: Kent County Water
Our Project No. 6573.00
Change Order No. 1
Dated December 9, 2008

Dear Mr. Henden:

Pursuant to your request, please find attached the hourly breakdown for the change order as requested:

Field Crew.....	8 hours = \$1115.00
Research of Property in Cranston City Hall	8 hours = \$600.00
Computations of Property lines and easements	6 hours = \$660.00
Drafting of easement plans	10 hours = \$1000.00
Deed Description of Easements, Review and Coordination	5 hours = \$625.00
Total Fee	\$4000.00
Total Office Hours.....	29 hours
Total Field Hours.....	8 hours

Hope that this meets with your use.

Again as I stated over the phoned on December 15, 2008 the only way we can see to lower the price for this work would be to go to a Class IV Type Survey, where we would only use recorded information from the City Hall Research and compile the property lines and easements from that information.

Sincerely,
Garofalo & Associates, Inc.

Samuel A. White, Jr., PLS
Vice President of Surveying

SAW:kar

EXHIBIT F

January 15, 2009

PLANNING DOCUMENT \$25,000/YEAR ALLOCATION

PROJECT	STATUS
Water Supply System Management Plan WSSMP	Approval
Hunt River Interim Management & Action Plan	Implementing, Weather Dependant
2008 CIP Program Plan	Approved
Clean Water Infrastructure Plan 2008	Draft Copy Under Review

UPDATED CIP PROJECTS BOND FUNDING

PROJECT	STATUS
Mishnock Well Field (new wells) CIP - 1A	Design Underway
Mishnock Transmission Mains CIP - 1B	RFP Design Services
Mishnock Treatment Plant CIP - 1C	Design Underway
East Greenwich Well Treatment Plant - CIP-2	Preliminary Design Report Underway Presentation
Clinton Avenue Pump Station Rehabilitation CIP - 7A	Completed
Read School House Road Tank CIP - 7B	Under Construction Securing for Winter
Read School House Road Main CIP 7c, 7d, 8a	Under Construction Final Testing Service Installation Winter Shutdown

IFR FUNDED PROJECTS

PROJECT	STATUS
IFR 2005	Completed C. O. # 1 Asphalt Adjustment
IFR 2006 A	Punch List, Paving Issue West Warwick
IFR 2006 B / IFR 2007	Construction Underway, Phillip Street, Fairview Avenue, Delays
IFR 2009 A & 2009 B	2009A - Winter Bid, 2009B Design Underway
PWSB 78" / Johnson Blvd. P.S. Modification	Completed
Greenwich Avenue Replacement	Completed, Final Payment
Hydraulic Tank Evaluation	Completed
Quaker P. S. Design	Design Underway
Tech Park Tank Recoating	Completed
Tiogue Tank Re-Service	Construction Ongoing, Services & Tiogue Avenue
Hydrant Painting	Ongoing KCWA Forces, Winter Shutdown

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E
9