

KENT COUNTY WATER AUTHORITY

BOARD MEETING MINUTES

May 21, 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 May 21, 2009.

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

The minutes of the Board meeting of April 16, 2009 were moved for approval by Board Member Masterson and seconded by Board Member Gallucci and were unanimously approved.

Guests:

High Service Requests

Center of New England Request

Robert Rapoza and Ben Caito, PE appeared before the Board on behalf of CNE and stated that as-built drawings are being prepared and the next homes to be built are Sections O & P. Mr. Caito stated while using a schematic that the proposed waterline would be connected to the master meter at Hopkins Hill Road and CNE is now looking for approval for domestic and fire services with a total of 47,200 g/p/d and may use no more than 26,000 g/p/d for the immediate future. He stated that the usage would be market driven between now and the end of the year and then later into 2010. Mr. Caito stated the water stagnation issue will be addressed. CNE Building Manager, Scott Nelson stated that the issue is the availability of the water is necessary prior to any contribution and the unit total is 128 with the vast majority being multi-family units.

The General Manager stated that there are issues of cross connection, dead ended lines, the master meter line to be completed, Centre of New England is indebted to Kent County Water Authority in the amount of \$26,000 and shutoff would be \$35,000 and the debt must be paid and CNE has not offered any pay plan. Mr. Caito stated that the as-builts for phase 6 have been filed and were approved last year.

The Chairman stated that it will hold Centre of New England to the strict standards as to all filings. Board Member Gallucci inquired as to the date of the first unit and Scott Nelson said 1,800 feet of water line is needed and the first unit would not be completed until the end of 2009. The General Manger stated that any approval must be activated within six months, or, it will lapse and he could not get a commitment from the CNE attendees.

Board Member Masterson that stated there are unanswered issues due to the economy and how many projects are shovel ready.

Mr. Caito stated that he prepared the preliminary calculations – to orient the Board as the future of the area and sections 1J, 1M, and 1N contain 75 units with usage at 26,000 g/p/d.

The Chairman stated that the obtaining of funds for Bald Hill Road line is crucial to producing new high service gradient water which represents at least \$5 million and Kent County Water Authority is looking for stimulus and, or, grant money. The Chairman stated that this won't be build out in six months and the Rules and Regulations are in tact and this project has dragged on and probably will not be utilized in six months.

The General Manager asked if the private well concepts are abandoned and it was confirmed by Robert Rapoza. Scott Nelson said that a single family 5,000 square/foot lot with a well could be sold.

Board Member Inman asked about the minimum amount to be built to and was told that it would be 20 – 26. The Chairman stated that small amount of units would not be adverse to the system and could assist in furthering efforts. The Chairman stated that the CNE debt to Kent County Water Authority needs to be paid.

It was moved by Board Member Inman and seconded by Board Member Gallucci to conditionally approve service for 29,600 gallons maximum day water supply to service 37 units to Centre of New England, Coventry Phase, portions 1-J, 1-M and 1-N with the following stipulations and conditions in lieu of a moratorium:

1. The Kent County Water Authority (KCWA) is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third party commitments made by an applicant/customer are subject to the reasonable availability of water supply and limits of the existing infrastructure to support service.

2. A deficient condition associated with accelerated commercial and residential development exists in the area serviced by the KCWA. The KCWA is in the process of planning for additional water supply and therefore delays or diminution in service may occur if the water supply is unavailable or unable to produce water sufficient to service the customers of KCWA.

3. Ventures, commitments or agreements are at the applicant's sole risk if supply or existing infrastructure is found to be insufficient to support service. The applicant may afford the Authority with system improvements to facilitate adequate service.

4. The applicant shall file a formal application with the necessary design drawings, flow calculations, including computer hydraulic modeling to fully evaluate this project supply availability and the potential impact on the existing public water supply system. The applicant/customer understands that any undetected error in the application or an increase or change in demand as proposed, which materially affects the ability to supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.

5. Only conservation-wise plumbing fixtures are to be installed, including, but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.

6. If irrigation systems are installed, they must be supplied by a private well. Xeriscape landscaping technique and/or proper planting bed (high water holding capacity) soil preparation shall be employed throughout the project.

7. The master meter for the Hopkins Hill service connection full payment of all outstanding Kent County Water Authority invoices to Centre of New England and all as-built drawings for the entire remaining CNE and all CNE entity Developments must be completed to meet the requirements of the Kent County Water Rule and Regulations prior to activation of the infrastructure servicing the referenced phases.

And it was unanimously,

VOTED: To conditionally approve service for 29,600 gallons maximum day water supply to service 37 units to Centre of New England, Coventry Phase, portions 1-J 1-M and 1-N with the following stipulations and conditions in lieu of a moratorium:

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unavailable or unable to produce water sufficient to service the customers of KCWA.

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7. The master meter for the Hopkins Hill service connection full payment of all outstanding Kent County Water Authority invoices to Centre of New England and all as-built drawings for the entire remaining CNE and all CNE entity Developments must be completed to meet the requirements of the Kent County Water Rule and Regulations prior to activation of the infrastructure servicing the referenced phases.

2009 Health Insurance Coverage Review, Starkweather & Shepley

Claire Teitleman from Starkweather & Shepley, the Kent County Water Authority independent health insurance expert/insurance consultant, presented a thorough product comparison as of July 1, 2009 as evidenced and attached as "A".

She stated that the cost would be 1.3% for a 7 month renewal with Blue Cross and savings with Tufts would be \$17,000 with somewhat similar plan and United would be \$23,000 annual, however, neither Tufts, nor United have a 4th tier and she explained the Medicare options and the Kent County Water Authority is limited with American Plan C, albeit with no increase until January 1, 2011. She stated that there will most likely be a minor increase for Blue Cross Blue Shield.

She explained the chart “**A**” and the Board fully discussed with her.

Board Member Gallucci expressed the budgetary interests of the decision to be made and was inclined to retain Blue Cross Blue Shield since the costs are fixed for one year for medicare portion and will result in comparable costs without the administrative time and cost of implementing a new carrier.

The General Manager stated that he is attempting to have the policies coincide with the fiscal year and reminded that we are in the small group pool (under 200) which leaves the Kent County Water Authority without significant bargaining leverage. The General Manager stated that the Kent County Water Authority fiscal year and the market rates are as usual conflicting and resisted by the carriers.

Board Member Inman asked about the comparisons of the different plans. Claire Teitlemen recommended that the Blue Cross Blue Shield would be the best option for Kent County Water Authority and will line up with the fiscal year and she agreed with Mr. Gallucci that it will result in not spending administrative resources for employees as any savings from Tufts/United would be eclipsed from the HR resource standpoint.

It was moved by Board Member Gallucci and seconded by the entire Board to accept the recommendation of the consultant to retain Blue Cross Blue Shield contract and it was unanimously,

VOTED: To accept the recommendation of the consultant to retain Blue Cross Blue Shield contract.

C&E Engineers, EG Well Presentation

Thomas Nicholson, PE, Chief Engineer and President of C & E Engineering Partners, Inc. appeared before the Board. Mr. Nicholson presented the attachment “**B**” and a thorough discussion took place regarding the same.

Mr. Nicholson recommended no. 8 which was estimated at \$15,000 per unit for 3 tests. The General Manager, however, recommended only two technologies in order to select the correct technology and a pilot study is necessary to determine removal rates.

Mr. Nicholson will finalize a proposal for Board consideration for the June meeting.

Request to Appear, Stop & Shop Supermarket Company, LLC

John O. Mancini, Esq., and William S. Taber, PE, Stephen R. Muschiano, PE, Esq., and Vanessa Hough Brustlin, Lisa Davis and Mr. Perlmutter all of Stop & Shop appeared before the Board.

Mr. Mancini stated that Stop & Shop was taking this opportunity to inform Kent County Water Authority of a proposal for a fueling facility at the Coventry location before any formal application to the Department of Environmental Management and Town of Coventry. He realized that the Stop & Shop detention pond is in bad shape and that it is clear that a maintenance schedule must be addressed in order to continue the maintenance of the same.

Mr. Taber presented the proposal schematic which demonstrated that the discharge structures are clogged in the detention basin and it will be remediated and wetland specific plantings will be accomplished.

The General Manager stated that there has been shown during initial permit inspecting and thereafter that several letters have been sent for the detention pond to be remediated to no avail.

Mr. Taber stated Stop & Shop will have an outside contractor maintain the detention pond as well as an outside landscaper.

The General Manager stated that the ground water recharge area in the water shed is his primary concern. The Chairman stated that a major concern is any run off into the area of the bordering water shed area.

Mr. Taber stated that there would be 30,000 gallons regular gasoline and 10,000 premium and a gas kiosk will be the conduit for small items. There will be a full design layout with catch basins and which has not been completed.

He countered that the tanks will be double walled fiberglass with no corrosion or leakage together with a sleeve for testing containment and a monitoring system with a horn sounding for an attendant and a modum for 24 hour security company viewing.

The Chairman asked the hookups of the gas and oil spillage being contained and the inspection maintenance contract which would be quarterly. Mr. Mancini stated he would provide a maintenance schedule for detention pond with list of names to call if the same is not being accomplished.

Mr. Taber stated that he has been reviewing with the Department of Environmental Management and informally have been informed that the facility is outside the area which can have gas stations.

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 was considered by Legal Counsel and General Manager and accepted. 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 reneged on his agreement and the matter will continue to be decided by Hearing Officer and a hearing was scheduled to February 25, 2009 and was heard. A decision was entered by the Division on May 4, 2009 which stated that KCWA may require Mr. Petrarca to pay \$10,386.11 as a condition for receiving water service and in the event of a transfer of property by Mr. Petrarca the condition for a water connection shall comport with the findings and conclusion.

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 for their review on January 12, 2009. The General Manager has forwarded a letter with proposed regulation to the Department of Health for its revised Rules and Regulations and a hearing was held and regulations to be in effect in May, 2009 with no reference to the Kent County Water Authority proposal.

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 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 was filed on January 20, 2009. The memorandum and testimony were timely filed with the DPUC on January 20, 2009. GTECH filed a Response Memorandum on February 9, 2009. The KCWA Sur-Reply Memorandum was prepared and was filed on the due date of February 23, 2009. The hearing date was held on April 27, 2009 and the DPUC issued a Division Order on May 20, 2009 which states that the Complaint filed by GTECH Corporation on July 22, 2008 against Kent County Water Authority is hereby denied and dismissed.

Providence Water Supply Board Rate Supreme Court 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 further notice 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 May 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 February 17, 2009 the Court has not scheduled a hearing for confirmation of plan. Debtor will be filing an Amended Plan in March 2009. Legal Counsel will continue to monitor. As of May 12, 2009 the Debtor has not filed an Amended Plan.

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 dying. 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.

Legal Counsel and the General Manager attended the January 20, 2009 Zoning Board of Review hearing and the matter was continued by the Zoning Board of Review to February 17, 2009 as the applicant had not submitted to the Board the as built plans. The Chairman had requested that the Kent County Water Authority provide a letter to e Zoning Board of Review outlining the concerns of Kent County Water Authority. Legal Counsel forwarded correspondence to the Zoning Board of Review on January 22, 2009. The matter has been continued by the West Greenwich Zoning Board of Review to April 14, 2009 in that the Waltonen Attorney has not filed the necessary documents. Kent County Water Authority received some engineering from Legal Counsel for Petitioner on April 6, 2009. The Zoning Board hearing was held on April 21, 2009 and was continued to June 16, 2009. The Petitioner is required to provide to the Zoning Board within 30 days from April 22, 2009, a plan depicting existing site conditions and all items stored on the site including recreational vehicles, containers, mulch, stumps as well as aerial views and a list of all business uses. The Board is also requiring that any plans to be submitted by application to DEM be submitted to an independent professional engineer for review prior to DEM submission. The engineer will be picked by the Town and paid for by applicant.

West Greenwich Technology Tank/Rockwood

This matter may soon be in litigation in that Rockwood Corporation has failed to take any steps and has continually denied to take any steps in the painting issues inside

of the tank and on February 16, 2009 their surety, Lincoln General Insurance Company, denied the claim as well. The matter will be reviewed between the General Manager and Legal Counsel. Rockwood sent a proposal to Legal Counsel on March 31, 2009 and the General Manager weighed the same and a response was sent to Rockwood on April 24, 2009. On May 2, 2009 Rockwood sent another proposal and the General Manager responded to the same on May 8, 2009 requesting a written remedial plan proposal within ten days. On May 8, 2009 Rockwood responded by asking the General Manager to reconsider his position. On May 12, 2009 the General Manager sent correspondence to Rockwood stating the Authority will await Rockwood comments to KCWA letter of May 8, 2009. On May 13, 2009 Rockwood provided an additional response to the KCWA letter of May 8, 2009 with questions. On May 13, 2009 the General Manager sent correspondence agreeing to provide Rockwood with more time to complete a plan of remediation for an additional 10 days. On May 14, 2009, Rockwood sent a response and the General Manager, Merithew and Rockwood have an informal meeting to work out details.

Director of Finance Report:

The General Manager stated that the poor state of the economy is hampering the collection process and Kent County Water Authority is working very hard on collections and the PUC winter shut-off moratorium will be over soon and may help with collections.

The Chairman had asked the General Manager regarding the service terminations due to economic realities and the General Manager instructed the Board on the procedure.

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 April, 2009, as evidenced and attached as “C” and after thorough discussion, Board Member Inman moved and seconded by Board Member Gallucci 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 April, 2009 be approved as presented and be incorporated herein and are made a part hereof as evidenced and attached as “C”.

Point of Personal Privilege and Communications:

Board Member Gallucci congratulated Joseph J. McGair on the successful G-Tech case with the DPUC and John R. Dushesneau and The General Manager for their preparation.

GENERAL MANAGER/CHIEF ENGINEER'S REPORT

Old Business

PWSB Rate Case Review Status

Awaiting scheduling from Supreme Court Case No. : SU 09-0041 (Public Utilities Commission Docket No. 08-3942).

Waltonen Property Zoning Change (April 21, 2009 meeting)

This matter is status quo and will be monitored.

Controller of the Currency Complaint

Legal Counsel will send a follow up letter to the Controller of the Currency.

New Business

Stop & Shop, Tiogue Avenue Detention Pond and Failure to Clean

This matter was discussed infra.

Legal Counsel RFP Review

The Chairman stated that a flat rate had been floated and there are so many aspects of what an attorney should know and rates.

Board Member Inman stated that the RFP to write the specifications was duly advertised and that no one responded. Discussion is continued to the next Board meeting.

Hope Road Aesthetic Quality Issue

The General Manager stated sampling results of iron content which may have been caused because the home owner had a pump which should not have been used and, notwithstanding that, the line will need to be replaced eventually. The General Manager will keep the Board apprised.

Rules and Regulations, Cross Connection Control Revision for Approval

The newly stated mandated Cross Connection regulations will be contained in Kent County Water Authority Rules and Regulations in Appendix E-1 and Kent County Water Authority (Cross Connection Program amendment Section 1-12 as evidenced as attached as “D”) and after thorough discussion, Board Member Masterson moved and it was seconded by Board Member Inman to amend the Rules and Regulations Cross Connection Control Program Sections 1-12 as evidenced and attached as “D” and Board Member Gallucci abstained from the vote due to the fact that the City of Warwick has not implemented the new regulations which will result in another conflict for Kent County Water Authority Warwick customers and it was unanimous with remaining Board Members:

VOTED: To amend the Rules and Regulations Cross Connection Control Program Sections 1-12 as evidenced and attached as “D”.

Sun Valley Plat, Memorandum of Agreement, Approval

The General Manager stated that this is a cost sharing opportunity with the Town and a Memorandum of Understanding was signed by the Town of East Greenwich as evidenced and attached as “E” and it is a direct benefit to Kent County Water Authority and the customers and it was moved by Board Member Masterson and seconded by Board Member Inman to authorize the Chairman to sign the Memorandum of Understanding as evidenced and attached as “E” and it was unanimously,

VOTED: To authorize the Chairman to sign the Memorandum of Understanding as evidenced and attached as “E”.

April 2009 Pension Review

The General Manager presented to the Board an Asset “Smoothing” Method dated May 29, 2009 as evidenced and attached as “F” which has no budget implications and is supported by the Actuarial Funding Valuation dated January 1, 2009 as of May, 2009 as evidenced and attached as “G” and the March 31, 2009 Portfolio as evidenced and attached as “H” and Kent County Water Authority Fleet Maintenance as evidenced and attached as “I”. The General Manager recommended adopting the Asset “Smoothing” Method as evidenced and attached as “F” and it was moved by Board Member Masterson and seconded by Board Member Inman to adopt the Asset “Smoothing” Method as evidenced and attached as “F” and it was unanimously,

VOTED: To adopt the Asset “Smoothing” Method as evidenced and attached as “F”.

Proposal Award, Audit Services

The General Manager stated there were four bids for audit services and Braver PC was the lowest bidder for the audit services and was fair and reasonable and he recommended the same as evidenced and attached as “J”.

It was moved by Board Member Gallucci and seconded by Board Member Masterson to award the proposal for Audit Services to Braver, PC in the amount of \$33,600 for 2009, 2010 and 2011 as evidenced and attached as “J” and it was unanimously,

VOTED: To award the proposal for Audit Services to Braver, PC in the amount of \$33,600 for 2009, 2020 and 2011 as evidenced and attached as “J”.

Bid Award 2009 IFR

The General Manager informed the Board that there were 6 bidders for the Kent County Water Authority IFR 2009A regarding infrastructure work in Warwick, Coventry, East Greenwich and West Warwick and that the bids were opened at the Authority at 10:00 a.m. on May 14, 2009. The General Manager stated that the bid amounts and bidder names are included in the May 18, 2009 report of James J. Geremia & Associates, Inc., Kent County Water Authority project consultants (attached as “K”). The General Manager stated that the John Rocchio Corporation was the lowest bidder at \$4,771,033.50, however, by James J. Geremia & Associates, Inc. evaluation, John Rocchio Corporation did not comply with all requirements and in particular Appendix C - Qualifications of On Site Construction Supervision. The General Manager iterated to the Board that it is the bidder’s responsibility to complete all the Bid Form and appendices including Appendix C (00100-11-7-9; 00310-2-2.00A; 00400-4 Appendix C). The General Manager reminded the Board that in all Bids, the Board reserves the right to accept or reject any bid. The General Manager stated that all of the bidders are companies with lengthy experience and for one company to submit an incomplete bid is unacceptable, especially when the other five bids were complete. Further, the General Manager stated that the area of on-site construction supervision is one of the most important parts of the bid process as this Board has seen in the past and the failure to include it can not be considered an informality. The General Manager pointed out that the next lowest bidder Parkside Utility Construction Corporation bid was \$4,771,860.50 which was only \$826.50 greater than the lowest bidder, John Rocchio Corporation. The General Manager stated that in 0100-9-7.5 of the Bid Form requirements mandate that the bidder complete the bid form and all appendices and that John Rocchio Corporation did not.

Board Member Gallucci moved and it was seconded by Board Member Inman that since the lowest bidder did not comply with the bid specifications that the bid is rejected and that the Parkside Utility Construction Corporation, the next lowest and complete bidder, is awarded the Bid for IFR 2009A in the amount of \$4,771,860.00 as evidenced and attached as “K” and it is in the best interest of Kent County Water Authority to do so and it was unanimously,

VOTED: To reject the incomplete bid of John Rocchio Corporation and to award the Bid for 2009 IFR to the next lowest bidder, Parkside Utility Construction Corporation in the amount of \$4,771,860.00 as evidenced and attached as “K” in that it is the best interest of Kent County Water Authority to do so.

Fire Hydrant Use Discussion

This matter is continued to next month.

At 6:30 p.m. Board Member Inman exited the meeting for an unforeseen and pressing personal matter.

Shutoff Policy Discussion

The policy was explained and discussed by the board and the shut off procedures are appended as “L” which have been in effect since 1994 and are exempt from PUC current rules in that the Kent County Water Authority policy is less stringent than the PUC rules.

Preliminary Budget Discussion

The health care issues have been discussed infra. The General Manager stated that growth would be highly unlikely in the next fiscal year and consumption is significantly down and that the budget will be a challenge in these times. A general and thorough budget discussion followed.

Intervention in PWSB Rate Case, Approval

The General Manager recommends the Kent County Water Authority intervene because of the 10% rate increase proposed by Providence Water Supply Board abbreviated rate filing in Docket No. 4061.

It was recommended that Board Member Masterson and seconded by Board Member Gallucci to approve Kent County Water Authority to intervene in the Providence Water Supply Board abbreviated rate case Docket No. 4061 and it was unanimously among the remaining Board members,

VOTED: To approve Kent County Water Authority to intervene in the Providence Water Supply Board abbreviated rate case Docket No. 4061.

CAPITAL PROJECTS:

INFRASTRUCTURE PROJECTS:

Technology Park Tank

The General Manager stated that cleaning and inspection of the Technology Park storage tank is necessary as is outlined in the proposal as evidenced and attached as “**M**” and that the amount is fair and reasonable.

It was moved by Board Member Masterson and seconded by Board Member Gallucci to approve Diving Services Incorporated for services to the Technology Park Tank in the amount of \$4,410.00 as evidenced and attached as “**M**” and it was unanimously among the remaining Board Members,

VOTED: To approve Diving Services Incorporated for services to the Technology Park Tank in the amount of \$4,410.00 as evidenced and attached as “**M**”.

Task Order #4

The General Manager presented and recommended approval of Task Order No. 4 to modify the 2009B Infrastructure Water System Replacement Project by modifying the plans to reflect the Clark Brook Crossing along Hope Road in Cranston, Rhode Island as evidenced and attached as “**N**” in the amount of \$9,567.00 and the General Manager stated that it is necessary and the amount is fair and reasonable and he recommends the same.

It was moved by Board Member Gallucci and seconded by Board Member Masterson to approve Task Order No. 4 to modify the 2009B Infrastructure Water System Replacement Project by modifying the plans to reflect the Clark Brook Crossing along Hope Road in Cranston, Rhode Island as evidenced and attached as “**N**” in the amount of \$9,567.00 and it was unanimously among the remaining Board Members,

VOTED: To modify the 2009B Infrastructure Water System Replacement Project by modifying the plans to reflect the Clark Brook Crossing along Hope Road in Cranston, Rhode Island as evidenced and attached as “**N**” in the amount of \$9,567.00.

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 “**O**” .

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

VOTED: To adjourn the meeting at 6:50 p.m.

Secretary Pro Tempore

EXHIBIT A

May 21, 2009



Kent County Water Authority

1-Jul-09

Product Comparison Highlights BC/BS, Tufts, United

IN-NETWORK:	BC/BSRI <u>Health mate 15/25</u> Current	Tufts Health Plan <u>PPO Choice Copay</u> Proposed	UnitedHealthcare <u>Plan 1R-C</u> Proposed
OFFICE VISIT CO-PAYS:			
Primary Care Physician	\$15	\$15	\$10
Specialist Office Visit	\$25	\$25	\$10
Routine Eye Exam	\$25	\$25 (one/2 yrs.)	\$10 (one/2 yrs.)
Chiropractic	\$25 (12 visits)	\$25	\$10
Urgi-Centers	\$50	\$15/\$25	\$25
Calendar Year Deductible - Individual/Family	N/A	N/A	N/A
Out-of-Pocket Maximum	N/A	N/A	N/A
HOSPITAL SERVICES:(1)			
Emergency Room Co-pay	\$100	\$100	\$100
Outpatient	\$0	\$0	\$0
Inpatient	\$0	\$0	\$0
LAB & X-RAY:			
Preventive	\$0	\$0	\$0
Diagnostic	\$0	\$0	\$0
PRESCRIPTION BENEFITS:			
Retail - 30 day supply	\$7/30/50/75 Man. Rx	\$10/25/45	\$10/30/50
Mail Order - 90 day supply	\$17.50/75/125	\$20/50/90	\$25/75/125
Durable Medical Equipment Co-pay	20% co-payment	\$0	\$0
DEPENDENT COVERAGE:			
To age 19	to end of year age 19	to end of mo. @ age 19	to end of mo. @ age 19
Full Time/Part Time Student	to end of year age 26	to end of mo. @ age 25	to end of mo. @ age 25
OUT-OF-NETWORK:			
Calendar Year Deductible - Individual/Family	\$200/\$600	\$500/\$1,000	\$350/\$700
Coinsurance	20%	20%	20%
Out of Pocket Maximum	\$3,000/\$9,000	\$2,500/\$5,000	\$2,850/\$5,700

Rates:	# EE's			
Individual	4	\$521.40	\$501.96	\$487.45
EE/Spouse	5	\$1,251.36	\$1,204.70	\$1,048.02
EE/Child(ren)	3	\$834.24	\$803.14	\$999.27
Family	19	\$1,407.78	\$1,355.29	\$1,340.48
Total Annual	31	\$451,115.28	\$434,295	\$427,881.96
Savings			\$16,820	\$23,233

KCWA - Medicare Options

Product Comparison Highlights	BC/BSRI Group Plan 65	United American Plan C	Tufts Health Plan Medicare Complement
Network	Any Medicare Doctor, Hospital	Any Medicare Doctor, Hospital	Tufts RI/MA Doctors, Hospitals
Requirements	Medicare Parts A & B (\$96.50/mo.)	Medicare Parts A & B (\$96.50/mo.)	Medicare Parts A & B (\$96.50/mo.)
Inpatient Hospital	100% Coverage to 365 days	100% Coverage to 365 days	100% Coverage
Physician Appointments	100% Coverage	100% Coverage	\$10/visit (referrals required)*
Emergency Room	100% Coverage	100% Coverage	\$50/visit
Skilled Nursing Facility	100% Coverage to 100 days	100% Coverage to 100 days	100% Coverage to 100 days
Blood	Covers 100% up to 3 pints	Covers 100% of Medicare appr. amounts	Covers 100% of Medicare amounts
Pharmacy	\$7/30/50Rx	\$10/30/60/60Rx	\$8/20/35Rx
Durable Medical Equip.	100% Coverage	100% Coverage	100% Coverage
Rates:	Plan year renewal	Jan. 1 renewal each year*	Jan. 1 renewal each year
	\$451.15	\$367.00	\$342.00
Annual Premium	\$86,620.80	\$70,464.00	\$65,664.00
Savings		\$16,156.80	\$20,956.80

*these rates are guaranteed until 1/1/11

*annual exam (inc. vision) provided discounts on eyeglasses

KENT COUNTY WATER AUTHORITY

BC/BS, Tufts Health Plan , UnitedHealthcare, Medicare Summary

BC/BS

1. Renewal 7/1 - rates are 1.3% higher than May renewal.
2. Status quo - no disruption to employees
3. Medicare plan - can be replaced by United American or Tufts Medicare complement for savings

Tufts Health Plan

1. Savings - \$16,820/yr. with 7/1 renewal
2. Education - physician match over 92%, step therapy for certain drugs
3. Customer Service excellent - #2 in the USA!
4. Pharmacy - generic more expensive, mail away plan better, CVS 20% discount for over-the-counter medications

UnitedHealthcare

1. Savings - \$23,233/yr. for benefit with lower office visits (\$10)
2. Education - physician match shouldn't be an issue, but need to check
3. Pharmacy - generic more expensive, additional restrictions and "non-covered" medications (ie. Nexium)

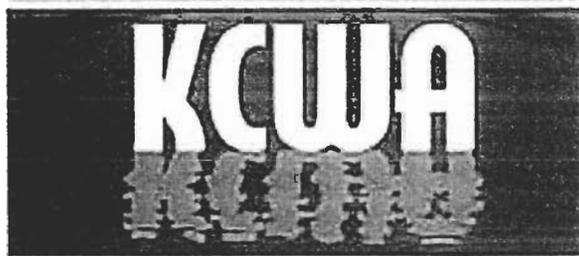
Medicare Plans

1. Tufts Medicare Complement - requires referrals, employees must live in MA, RI - consecutively out-of-state no more than 3 mos./yr. Savings approximately \$21,000/yr. over Plan 65. Plan renews each January.
2. United American - mirrors current Plan 65, drugs slightly higher, renews each January - however, initial rates guaranteed for 18 months. Savings approximately \$16,157/yr. over Plan 65.

EXHIBIT B

May 21, 2009

East Greenwich Well Manganese Treatment
System Preliminary Design
Interim Report



Prepared For:
Kent County Water Authority
1072 Main Street
P.O. Box 192
West Warwick, Rhode Island 02893

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

May 11, 2009

East Greenwich Well Manganese Treatment System

Preliminary Design

Treatment Technology Evaluation

1. Overview of Current Status
 - Originally tasked with modifying membrane technology to site
 - Determined that differing water qualities between the two wells made this problematic
 - Tasked to look at alternative technologies that were of lower cost yet still effective
2. Technologies Evaluated
 - Optimized use of manganese sequestering
 - Conventional treatment of manganese oxidation and filtration
 - All technologies included radon removal, corrosion control and disinfection
3. Sequestration
 - Originally thought the sequestration was very successful in that all manganese was dissolved
 - Closer looking at the data shows some manganese may be settling in distribution mains
 - New GWR will likely require higher dosages of chlorine for virus inactivation
 - Higher chlorine will make it much more difficult to maintain chlorine in solution
 - It was determine that sequestering will not likely meet the water quality needs
4. Three Separate Conventional Systems Evaluated
 - Siemens Water Technologies – AnthaSand
 - General Filter – Pureflow Pressure Filtration
 - Filtronics – Electro-media Pressure Filtration
5. Siemens Water Technologies – AnthaSand
 - Vertical pressure filters – five (5) total
 - Lowest capital costs – \$2,854,875
 - Higher consumptive water usage – 17,000 gpd
6. General Filter – Pureflow Pressure Filtration
 - Vertical pressure filters – three (3) total
 - Highest capital costs – \$3,010,125
 - Slightly lower consumptive water usage – 16,500 gpd
 - Claims of better operation over varying water quality conditions
7. Filtronics – Electro-media Pressure Filtration
 - Horizontal pressure filters – Two (2) total
 - Slightly lower capital costs – \$3,004,375
 - Lower consumptive water usage – 14,000 gpd
 - Claims that backwash reclamation could cut water usage in half
8. Recommendations
 - Short-term pilot test (3-weeks) to gather operational data
 - Select preferred technology based upon pilot test data
 - Complete preliminary design based on preferred technology
 - Begin wastewater permitting through East Greenwich

EXHIBIT C

May 21, 2009

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

	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 09-08
CASH RECEIPTS:														
REGULATORY AND OTHER BALANCE														
Water Collections	1,816,697	1,314,522	1,294,888	2,456,157	1,523,629	1,291,522	1,901,499	1,377,686	1,435,588	1,944,088	1,842,255	1,842,255	1,842,255	1,842,255
Interest Earned	113,152	40,918	57,300	24,300	4,700	344	91,990	1,609	9,800	41,128	-	-	1,311,103	1,311,103
Inspection Fees	-	250	1,880	6,580	7,800	129	-	-	-	-	-	-	2,000,000	2,000,000
Contributions in Aid Construction	-	-	-	-	-	-	-	-	-	-	-	-	803,000	803,000
Other	-	-	-	-	900	1,200	60	-	-	-	-	-	1,000,000	1,000,000
TOTAL CASH RECEIPTS	39,700,079	35,161,175	35,138,566	35,912,112	34,987,505	33,609,416	33,908,641	33,730,322	34,043,073	35,020,265	-	-	1,888,043.21	1,888,043.21
CASH DISBURSEMENTS:														
Purchased Water	420,581	547,312	490,477	565,167	360,260	228,851	310,443	180,127	293,066	266,010	-	-	1,275,904.00	1,275,904.00
Electric Power	49,317	54,160	56,958	40,491	43,945	10,796	36,376	81,783	60,094	21,790	-	-	1,467,888.24	1,467,888.24
Payroll	176,689	146,667	141,111	175,925	151,894	202,214	175,612	141,618	165,289	144,340	-	-	2,657,594.50	2,657,594.50
Operations	131,148	71,792	140,028	77,876	80,167	19,322	59,446	58,892	56,344	81,208	-	-	1,211,128.13	1,211,128.13
Employee Benefits	52,673	48,674	53,704	48,913	45,953	23,286	50,333	49,092	42,343	41,398	-	-	1,061,981.56	1,061,981.56
Legal	3,801	6,151	4,602	2,837	3,234	7,368	5,097	3,546	13,159	7,068	-	-	973,504.82	973,504.82
Repairs	68,915	27,519	10,108	28,561	8,043	7,368	31,719	19,281	25,138	7,068	-	-	803,000.00	803,000.00
Insurance	4,747	4,747	5,848	4,747	4,879	9,164	4,879	9,759	63,028	63,028	-	-	1,383,844.88	1,383,844.88
Sales Taxes	25,987	10,418	7,825	30,562	9,868	9,164	27,748	10,443	9,140	23,472	-	-	867,062.17	867,062.17
Rentals	1,058	127	40	-	-	-	-	2,067	-	1,064	-	-	879,916.31	879,916.31
Job Cost	6,657	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction	8,325	-	470	302	-	469	3,678	905	12,813	13,683	-	-	-	-
Capital Expenditures (Other)	6,370	343	3,740	2,717	1,590	256,170	134,159	13,127	8,621	26,567	-	-	-	-
2004 Infrastructure	5,641	127,949	330,770	538,298	486,915	-	2,143	-	-	-	-	-	-	-
Kisselock Well/Storage/Pump/Flans	29,797	513	-	25,517	-	-	-	-	-	-	-	-	-	-
Clinton Avenue Pump Station	1,681	-	-	-	-	-	-	-	-	-	-	-	-	-
E. G. Weil Upgrade	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recd Schoolhouse Road - Main	1,533,147	280,207	190,299	4,045	26,791	3,797	9,024	1,520	10,010	4,076	-	-	-	-
Recd Schoolhouse Road - Tank	3,000	2,040	73,261	18,577	556,403	308,228	37,718	151,379	3,225	7,487	-	-	-	-
Greenock Avenue - 8" & 12" Mains	628	571	15,043	79,875	79,875	9,801	3,007	176,753	3,648	494,310	-	-	-	-
2006A Infrastructure	12,726	22,285	38,153	13,459	590,250	2,510	5,390	729	154,923	2,476	-	-	-	-
Queker Lake Pump Station	1,675	1,935	942	3,915	19,692	2,510	5,390	729	154,923	2,476	-	-	-	-
2007 Infrastructure	-	2,300	765	3,909	-	255,582	23,981	12,309	-	2,980	-	-	-	-
Garrett Street 8"	2,246	620	336	-	-	-	-	-	-	-	-	-	-	-
Arthur Bleach-Jefferson 8"	83,821	8,292	6,364	6,935	11,708	8,510	2,884	516	17,770	6,768	-	-	-	-
2009 Infrastructure	-	-	8,587	75	-	-	-	-	-	-	-	-	-	-
John Street 8"	-	-	-	-	-	-	-	-	-	-	-	-	-	-
U. S. Bank - Debt Service (P. & I.)	3,130,760	18,805	114,947	26,606	137,642	14,872	758,459	15,012	12,688	106,930	-	-	-	-
Water Production	83,694	-	-	-	-	-	99,230	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	5,894,624	1,383,397	1,796,411	2,461,680	2,631,344	1,643,555	1,808,944	1,131,487	966,881	1,364,255	-	-	-	-
BALANCE END OF MONTH	33,805,455	33,777,788	33,423,155	33,450,432	32,356,161	32,003,861	32,149,627	32,598,835	33,077,042	33,660,011	-	-	-	-
PRIOR YEAR	35,847,101	35,697,152	36,080,016	35,454,967	35,311,082	34,811,034	34,931,270	34,995,520	35,228,014	38,007,533	37,685,563	37,770,320	-	-

EXHIBIT D

May 21, 2009

KENT COUNTY WATER AUTHORITY
CROSS-CONNECTION CONTROL PROGRAM

DRAFT
FOR REVIEW ONLY

SECTION 1

1.1 POLICY

- 1.1.1 The Kent County Water Authority recognizes its inherent responsibility to provide its customers with clean potable water meeting the regulatory requirements of the Environmental Protection Agency (EPA) and Rhode Island Department of Health (RIDOH) that is safe. In order to facilitate this assure this, the Kent County Water Authority must protect the public potable water supply from the possibility of contamination from plumbing and service infrastructure not under the Authority's sanitary control. The Kent County Water Authority will take reasonable measures to protect the water distribution system from hazards originating on the premises of its customers by requiring containment of the property owner to isolate a customer's internal distribution system from the public water system infrastructure of the Kent County Water Authority. An appropriate backflow device shall be installed in every service line directly after the meter outlet valve and before any tap for an appliance, appurtenance, device, pump, pressure vessel, apparatus or outlet intended to serve or handle potable water or fire service. Fixture isolation after the containment backflow shall be per the RI Plumbing code and appropriate code official. In all cases cross-connections are strictly prohibited. Violation of this policy shall result in immediate discontinuance of public waterthe service.

1.2 PURPOSE

- 1.2.1 Protect the public water supply under the sanitary control of served by the Kent County Water Authority from possible contamination through backflow, backsiphoning or introduction of contaminants from the customer's internal plumbing system or infrastructure under the sanitary control of the Customer.
- 1.2.2 Promote the elimination or code compliant control of existing cross-connection, actual or potential, between the public water system and customer's potable water system and non-potable systems.
- 1.2.3 Provide a continuing program of cross-connection control awareness that shall effectively work to prevent the introduction of contaminatcontaminatesion or pollution into of the public potable water systems by cross-connection.

DRAFT
FOR REVIEW ONLY

SECTION 2

2.1 AUTHORITY

- 2.1.1 The Federal Safe Drinking Water Act requires that the water purveyor have the primary responsibility for preventing water from unapproved sources, or any other substances, from entering the public potable water system. The Rhode Island Department Of Health further clarifies this intent in their Rules & Regulations, which are hereby incorporated by reference and made a part hereof.
- 2.1.2 Rhode Island General Law (RIGL) 46-15.3-~~2214~~ et seq. authorizes the RIDOH to adopt consistent statewide regulations governing the content of cross-connection plans and require public water systems to prepare and certify to RIDOH that said plans comply with the regulations. ~~makes the supplier of public drinking water responsible to protect the potable water supply from contamination or pollution due to cross-connection by requiring the installation of an approved backflow device directly after the service meter. Suppliers are also authorized to establish a cross-connection control program and to establish the rules, regulations and criterion for the program.~~
- 2.1.3 Rhode Island State Building Code, Plumbing Code Regulation SBC-3 makes the owner or designated agent responsible for safe and sanitary maintenance of the internal plumbing systems at all times in any of the owner's buildings or structures. It is unlawful to make any change in the occupancy of any structure, which will subject the structure to any special provision of the code or may hazard the public health, safety or welfare.
- 2.1.4 Kent County Water Authority Cross-Connection Rules and Regulations have been implemented to comply with the RIDOH directives with the intent of Rules and Regulations for containment devices to require service backflow prevention/cross-connection to preventing any potential for contamination by the very nature of not allowing direct connection in any form, actual or potential, to plumbing or infrastructure not under the sanitary control of the water supplier or any a non-potable or potential contamination source.

SECTION 3

3.1 RESPONSIBILITY

- 3.1.1 Kent County Water Authority shall take reasonable steps for the protection of the public potable water distribution system from contamination due to the backflow, backsiphonage or return of contaminants through the property owner's water service connection not under the sanitary control of the public water system. In all cases of new construction, an approved backflow device shall be installed in every service

line directly after the meter outlet valve and before any tap for an appliance, appurtenance, device, pump, pressure vessel, apparatus or outlet intended to serve or handle water. Per the RIDOH Rules and Regulations all existing customers shall have an approved backflow device by 2014. If, in the judgment of the Kent County Water Authority, an expedited installation of an approved backflow device is required on any customer's existing service infrastructure stallation—or plumbing structure, the Authority shall give notice in writing to said customer to cause the installation of an approved backflow prevention device at each service connection.

3.1.2 ~~In all cases~~As a condition of service, the property owner shall cause the proper installation of an approved backflow device and associated thermal expansion device in any existing premises, new construction; or upon change in occupancy or at the time of meter replacement; or upon written notice by the Authority. The installed device willshall be commensurate with the degree of potential hazard, as determined by the Kent County Water Authority, and/or at a minimum meet the requirements in section 7 of this regulation.. All such backflow devices shall be positioned immediately after the outlet valve for the meter.

~~3.1.3~~ 3.1.3 Owners shall, within 15 days of written notification of a deficiency, provide Kent County Water Authority with a corrective action schedule plan for said remediation work or installation of an approved device or devices; at the customer's own expense.

3.1.3.1 ~~For single family homes the schedule shall cause the installation to occur no later than forty five days from initial notification.~~

3.1.3.2 Installation for commercial properties and/or services 2 inch or greater shall in no case extend beyond forty five days from initial notification.

3.1.3.3 In accordance with the RIDOH regulations failure, refusal or inability on the part of the customer to install said device or devices or correct deficiencies within the schedule above, shall constitute grounds for discontinuing water service to the premises, without further notice until such corrective action has been completed and/or device or devices have been properly installed. In the case of a moderate or high hazard situation corrective action and/or installation of an appropriate device shall occur within 10 days of identification of the deficiency unless an extension of the timeline is granted by the Authority.

3.1.3.4 Service shall be immediately terminated if access is refused to any location for carrying out a cross-connection survey or inspection of the service connection and appurtenances or an imminent hazard is posed.~~The customer shall take immediate action to remedy any installation that in the opinion of the Kent County Water Authority or local plumbing inspector presents an imminent danger to the public water supply.~~

- 3.1.4 ~~The owner shall take immediate action to remedy any installation that in the opinion of the Kent County Water Authority or local plumbing inspector presents an imminent danger to the public water supply. The Owner shall install such approved device and obtain inspection approval by the Kent County Water Authority and local plumbing code enforcement official inspector, within 30 days of the review and approval of said plan by Kent County Water Authority. Failure, refusal or inability on the part of the customer to install said device or devices within the schedule above, shall constitute grounds for discontinuing water service or non service to the premises, without further notice until such device or devices have been properly installed.~~

SECTION 4

4.1 DEFINITIONS

- 4.1.1 Approved - Accepted by the Kent County Water Authority as meeting all applicable specification stated or cited in the regulations or as suitable for the proposed use, as determined by Kent County Water Authority.
- 4.1.2 Authority - Kent County Water Authority proper or their designee, 1072 Main Street, West Warwick, Rhode Island.
- 4.1.3 Auxiliary Water Supply - Any water supply, on or available to the premises other than the purveyor's approved public potable water supply.
- 4.1.4 Backflow - The flow of water or other liquids, mixtures or substances, under pressure into the distribution pipes of a potable water supply system from any source other than its intended source.
- 4.1.5 Backflow Preventer - A device or means designed to prevent backflow or backsiphonage. Most commonly categorized as air gap, reduced pressure principle device, double check valve assembly, pressure vacuum breaker, atmospheric vacuum breaker, hose bib vacuum breaker, residential dual check, and double check with intermediate atmospheric vent. All commercial devices must be made in the USA and must have been approved by all of the following associations: University of Southern California (FCCCHR, USC), American Water Works Association and American Society of Sanitary Engineers. All low hazard non testable residential dual or double check valve assemblies must at a minimum be ANSI/ASSE approved.
- 4.1.5.1 Air Gap - A physical separation sufficient to prevent backflow between the free-flowing discharge end of the potable water system and any other system. Physically defined as a distance equal to twice the diameter of the

supply side pipe diameter, but never less than two (2) inches.

- 4.1.5.2 Atmospheric Vacuum Breaker - A device that prevents backsiphonage by creating an atmospheric vent when there is either a negative pressure or sub-atmospheric pressure in a water system.
- 4.1.5.3 Double Check Valve Assembly - An assembly manufactured and designed of two (2) independently operating spring loaded check valves with tightly closing shut off valves on each side of the check valves. Single check valves coupled together will not be considered.
- 4.1.5.4 Double Check Valves With Intermediate Atmospheric Vent - A device having two (2) spring loaded check valves separated by an atmospheric vent chamber.
- 4.1.5.5 Hose Bib Vacuum Breaker - A device which is permanently attached to a hose bib and which acts as an atmospheric vacuum breaker.
- 4.1.5.6 Non-Testable Dual Check – An assembly of two (2) spring loaded independently operating check valves without shut off valves.
- 4.1.5.7 Pressure Vacuum Breaker - A device containing two independently operated spring loaded check valves and an independently operated spring loaded air inlet valve located on the discharge side of the check or checks. Device includes tightly closing shut off valve on each side of the check valves and properly located test cocks for the testing of the check valve(s).
- 4.1.5.8 Reduced Pressure Principle Backflow Preventer - An assembly consisting of two (2) independently operating approved check valves with an automatically operating differential relief valve located between the two (2) check valves, tightly closing shut off valves on each side of the check valves, plus properly located test cocks for the testing of the check valves and the relief valve.
- 4.1.5.9 Testable Dual Check - An assembly of two (2) spring loaded, independently operating check valves without tightly closing shut off valves and properly located test cocks for the testing of the check valves.
- 4.1.6 Backpressure - A condition in which the owner's system pressure is greater than the supplier's system pressure.
- 4.1.7 Backsiphonage - The flow of water or other liquids, mixtures or substances into the distribution pipes of a potable water supply system from any source other than its intended source caused by the sudden reduction of pressure in the potable water supply system.

- 4.1.8 Containment - A method of backflow prevention which requires a backflow prevention device at the water service entrance directly after the meter ~~effluent~~outlet valve and before the first tap to any appliance, appurtenance, device, pump, pressure vessel, apparatus or outlet intended to serve or handle water.
- 4.1.9 Contaminant - Any substance that has the potential to impair the quality of the water to a degree that it creates a health risk to the public, leading to poisoning or the spread of disease. It shall be considered in these regulations, any substance added to the potable water system, either directly or indirectly, other than by the Authority.
- 4.1.10 Cross-Connection - Any actual or potential connection between the public water supply and a source of contamination.
- 4.1.11 Customer ~~— Property owner of legal record as recorded in the land evidence records. Service owner of Kent County Water Authority.~~ See definition of owner below.
- 4.1.12 Deficiency Report – Form letter notification of an inoperative device, ~~or non-complying installation~~ or no device.
- 4.1.13 Fixture Isolation - A method of backflow prevention in which a backflow device is installed to correct a cross-connection at an in plant location or location in the property owner's plumbing or distribution system not under the sanitary control of the public water supplier. An approved service entrance containment back-flow device must be installed in conjunction with the implementation of fixture isolation.
- 4.1.14 Occupancy – The use to which the property or building is occupied. The act of taking a property with the intent to own or occupy it.
- 4.1.15~~4~~ Owner - Any person who has legal title to the property or premises as recorded in the land evidence records, or license to operate or habitat in a property upon which public water service is provided, and a cross-connection inspection or survey is to be made or upon which a cross-connection is or may be present.
- 4.1.16~~5~~ Person - Any individual, partnership, company, public or Private Corporation, political subdivision or agency of the State, or instrumentality of the United States or any other legal entity.
- 4.1.17~~6~~ Permit - A document issued by a city, town or local authority, ~~which specific to es~~ the installation, repair or alteration of the plumbing or distribution system including but not limited to the installation and use of a backflow preventer.
- 4.1.18~~7~~ Strainer - Approved device specifically designed for ~~potable~~ water systems to prevent fouling of backflow preventer devices.

~~4.1.18~~4.1.19 Sanitary Control - The segregation point in the owners' water system after the meter at the outlet to the containment backflow device and before the first tap for any protected or unprotected branch intended to serve or handle water. Considered by the water purveyor to be the sanitary control containment point directly after the meter.

~~4.1.19~~4.1.20 Service Pipe – The pipeline extending from the main to the building or private connection served.

~~4.1.20~~4.1.21 Service Pipe Ownership – The service pipe from the distribution main to/and including, the curb stop is owned and maintained by the Authority. The portion of the service pipe beyond the curb stop is owned, maintained and installed by the owner.

4.1.22 Water service entrance - The point in the property owner's water supply system beyond the sanitary control of the public water system. This will ordinarily be the outlet of the meter or containment backflow device.

SECTION 5

5.1 ADMINISTRATION

5.1.1 The Authority will administer a cross-connection control program, to include cross-connection survey, inspection and the maintenance of necessary records, which fulfill the requirements of the Cross-Connection Regulation approved by the Authority.

5.1.2 The Authority will cause the survey of existing service connections to determine if a device currently exists meeting the minimum level of protection identified in section 7 of this program. At a minimum all commercial and residential properties shall be required to install a device meeting the minimum standards identified in section 7 of this program.

5.1.2.1 As a condition of receiving service eEvery owner shall allow their property to be inspected for possible cross-connections by the Authority and shall follow the provisions of the Authority's program along with all fFederal and Sstate Llaws, or Rrules and rRegulations enacted by the Rhode Island Department of Health to remedy any discrepancy.

5.1.3 The Kent County Water Authority requires the public water supply be protected by a containment device in all water service applications. The owner shall be responsible for water quality beyond the outlet end of the containment device and shall utilize fixture outlet protection for that purpose, as prescribed in the plumbing code.

5.1.3.1 The Kent County Water Authority program does not include fixture survey of plumbing appliances and manufacturing processes after the containment device. These items are covered under the plumbing code. The property owner shall utilize qualified independent cross-connection control specialist and/or plumbing official so licensed, to assist in the survey of the owner's facilities not under the sanitary control of the Authority and to assist help in the selection of proper fixture outlet devices, and the proper installation of said devices. All costs shall be borne by the owner.

5.1.4 The Authority will monitor the completion of necessary corrective action and/or containment device installation to correct any known or identified potential cross-connection. All documentation resultant from these type activities 5.1.3 above, shall be filed with the Authority, in its' entirety, within 30 days of completion or the service is subject to termination.

SECTION 6

6.1 REQUIREMENTS OF THE AUTHORITY

6.1.1 The Authority will provide review of all new commercial and industrial service installation plans, in order to determine the minimum protection level of the containment backflow preventer and strainer, that will be required for containment. The Authority shall perform construction field inspections, as necessary, to ascertain that the device installation has occurred. The local plumbing inspector shall approve the final installation to be in compliance with the State of Rhode Island Building Code. The owner must submit a copy of the approved plumbing permit inspection letterform to the Authority prior to water service activation.

By 2014 Aall commercial and/or industrial users shall be equipped with a containment (isolation) type reduced pressure zone (RPZ) backflow preventer of a testable type meeting the requirements of this program. The Authority shall determine the style and type prior to installation and service activation.

In all cases of new construction, containment backflow preventers shall be installed and operational prior to final activation of water service for occupancy of the premisesconnection to the Kent County Water Authority system. Any water service, plumbing system or distribution system application with medium or high hazard the potential for contamination of the potable water system as determined by the Authority shall be equipped with a RPZ reduced pressure zone style backflow preventer to ensure that the infrastructure not under the sanitary control of the public water system is contained within the property in a manner that isolates it from the

~~mechanical isolation and containment from the public water distribution system, prior to service connection. Isolation Valves shall be located on both sides of the backflow preventer with drain or test plug on the inlet valve to facilitate testing and repair of the containment device.~~

The owner of an existing commercial/industrial property shall be solely responsible to retrofit said property with a containment backflow device, ~~approved by the Kent County Water Authority upon written notification by the Authority.~~ The property owner must supply a copy of the approved local building official plumbing permit final installation inspection approval letterform and any backflow test results to the Kent County Water Authority as part of the installation confirmation process.

- 6.1.2 At a minimum, all new and existing single-family residential buildings will be required to install a dual check valve device immediately after the water meter outlet valve, and in all cases, before the first tap to any outlet or appliance. The owner shall cause to have this device properly installed and replaced every 10-years at no cost to the Kent County Water Authority. Multi-unit residential apartments or condominiums fall under the commercial/industrial installation guidelines and require a testable reduced pressure zone vented device as identified in section 7.

~~————— In all cases, tThe owner of an existing residential property shall be solely responsible to retrofit said property, upon written notification by the Authority. The property owner must supply a copy of the local building official plumbing permit final installation inspection approval to the Kent County Water Authority as part of the installation confirmation process. All properties shall be retrofitted prior to December 2014. The property owner must supply a copy of the approved plumbing permit inspection letterform to the Kent County Water Authority as part of the installation process.~~

~~The owner must be aware that iInstallation of a residential backflow assembly results in a potential closed plumbing system within the premises. As such, the owner shall also be responsible to take actions, as necessary, to ensure all provisions of the plumbing code have been met to provide for thermal expansion within the closed loop system, such as the installation of thermal expansion devices and/or pressure relief valves.~~

- 6.1.3 All backflow prevention devices shall be installed in an approved location that is not subject to submergence or inundation by surface water, purge water or any other forms that may cause the backflow device from performing. Sumps with sufficient pumping capacity to deal with the full flow of the devices shall be installed in all basement applications. Heated above ground structures designed with blowout panels, exclusively for backflow preventers are preferred, and shall be required at all times unless approved in other locations by the Authority. All pPit locations are prohibited for new construction., ~~if approved by the Authority, shall be positively draining at all times for the maximum purge flow of the devices. Supporting~~

calculations are required during review. Sump pump units with supervised alarms monitored 24 hours a day may be utilized if approved by the Authority. The owner is responsible to provide a design that will adequately support the needs of the project.

- 6.1.4 All existing pits, used to house backflow preventers, shall be reviewed by the Authority and local plumbing official, to determine if sufficient drainage is available to prevent submergence. All pits must be properly retrofitted to a design that will not adversely affect the proper operations of the backflow preventer and assure containment will not be compromised. Relocation to an above ground housing shall be considered, if necessary, based on both site conditions and hazardous conditions associated with ~~of occupancy~~the service. All costs for retrofit are to be borne by the owner and must be completed in accordance with the timeline identified in Kent County Water Authority correspondence, the Deficiency Report.
- 6.1.5 All new construction residential, commercial and industrial hose bibs shall be of a design, which incorporates a built-in tamper proof vacuum breaker feature as manufactured by the hose bib maker. All hose bib fixtures shall be American made. This requirement is applicable to all interior and exterior hose bib applications. Existing properties shall be retrofitted with non-removable hose bib vacuum breaker assemblies specifically designed to adapt to the existing hose bib configuration.
- 6.1.6 At a minimum all commercial or residential lawn sprinkler/irrigation systems shall be provided with an appropriate backflow device, installed at the point where the system connects to the water supply, as required by the plumbing code. Where chemicals are introduced into the system, the potable water supply shall be protected against backflow by a reduced pressure principle backflow preventer or air gap containment device. All devices shall be in a location that is always free draining and will not become submerged.
- 6.1.7 The Authority shall not allow any cross-connection to remain. In all instances, an approved containment backflow device must be installed to protect the public potable water system. The owner shall have the device regularly tested to ensure satisfactory operation
- 6.1.8 The Authority shall inform the owner in writing of any compliance deficiency. In the event that owner fails to take corrective action to remedy all noted deficiencies within the specified timelines, the Authority will inform the owner in writing that the water service to the owner's property/premises will be terminated. The Authority may at its discretion, allow additional time for the correction of the deficiencies for extenuating circumstances which may prevent the owner from being able to comply within the specified timeline for compliance. A time extension may be granted by the Authority for justifiable causes as determined by the Authority, but in no event to exceed sixty thirty (3(60)0) days.

6.2 REQUIREMENTS OF THE OWNER

- 6.2.1 In accordance with the requirements of the Rhode Island State Plumbing Code and Rhode Island department of Health Regulations which ~~are~~is hereby incorporated by reference and made a part of hereof, the owner or the owner's designated agent shall be responsible to maintain the private infrastructure distribution and plumbing system in order that no hazard to life, health or property is created and not to allow any change in occupancy or use, which such change will result in any hazard to the public health, safety or welfare. To this end the owner shall be responsible for the elimination of all cross-connections within the property.
- 6.2.2 The owner, after having been informed by a letter of Deficiency Report from the Authority, shall install, maintain, test, or cause to have tested on an annual basis, any and all containment backflow prevention devices on the owner's premises at the owner's his or her expense.
- 6.2.3 The owner shall immediately correct any malfunction of a containment backflow preventer, which is revealed during the periodic testing.
- 6.2.4 The owner shall inform the Authority and local plumbing official of any proposed plumbing modifications that may result in a cross-connection or any existing cross-connections of which the owner may be aware.
- 6.2.5 The owner shall not install a bypass around any backflow preventer or strainer unless there is a backflow preventer and strainer of the same type on the bypass or an alternate design has been approved by the Authority. Any bypass must be approved in advance by the Authority and will be locked out and sealed by the Authority. Owners who cannot cease operation for testing of the device(s) must supply additional devices necessary to allow testing to take place.
- 6.2.6 The owner shall install the containment backflow preventer and strainer in a manner approved by the Authority and in compliance with manufactures instructions and State of Rhode Island Plumbing Code.
- 6.2.7 The owner shall install only backflow preventers and strainers approved by the Authority and meeting the requirements of Rhode island general Law 46-13-22.
- 6.2.8 Any owner having a private well or other private water source shall not cross-connect it to any plumbing or infrastructure receiving service from the Authority's public water system. The owner shall be required to install a containment backflow preventer at the service entrance if a private water source is maintained on the site although not cross- connected to the Authority's system.
- 6.2.9 The owner shall be responsible for the payment of all fees associated with annual or semi-annual device testing, retesting in the case that the device fails to operate

correctly, and all inspections for non-compliance with Kent County Water Authority rules and regulations's, RI Department of Health regulations --or plumbing code requirements.

SECTION 7

7.1 DEGREE OF HAZARD

- 7.1.1 The Authority reiterates the threat to the public water system arising from cross-connections. All commercial multifamily occupancies and/or potential threats will be classified as high hazard and will require the installation of approved reduced pressure principle backflow prevention devices as the containment devise.
- 7.1.2 All single family residential applications shall require the installation of a residential dual check valve assembly as the containment device.

SECTION 8

8.1 EXISTING IN-USE BACKFLOW PREVENTION DEVICES

- 8.1.1 Any existing backflow preventer may ~~will~~ be allowed by the Authority to continue in service unless, as determined by the Authority, the degree of hazard is such as to supersede the effectiveness of the present backflow preventer, or may result in an unreasonable risk to the public water supply~~health~~. In the case of a residential installation converting to a business establishment, any existing backflow preventer must be upgraded to a reduced pressure principle device, or a reduced pressure principle device must be installed in the event that no containment backflow device was present in that the degree of hazard would increase.
- 8.1.2 Testing of existing backflow preventer is required prior to final acceptance for use and annually there after.

SECTION 9

9.1 PERIODIC TESTING

- 9.1.1 Reduced pressure principle backflow devices, testable double check valves and strainer shall be tested and inspected at least annually. Non-testable residential devices shall be replaced on a 10-year cycle.
- 9.1.2 All strainers shall be cleaned and disinfected annually or if circumstances dictate more frequently to ensure all precautions against backflow preventer fouling.

- 9.1.2 Annual and periodic testing shall be performed by a certified tester only. All annual and periodic testing, if not performed by the Authority, shall be performed by certified testers employed by the owner. The owner shall be responsible for the payment of all costs associated with the testing and providing the certified test results to the Authority.
- 9.1.3 All testing shall be conducted during the Authority's regular business hours. Upon review of an owner's written request, the Authority may approve conducting the testing during other than normal business hours, subject to special needs or circumstances that would not permit testing during normal business hours. The owner shall be responsible for any and all additional charges associated with after hour testing.
- 9.1.4 Any containment backflow device, which fails during a test, shall be immediately repaired or replaced. The device in question shall be retested upon completion of repairs to ensure correct operation at owner expense. High hazard situations shall not be allowed to continue unprotected operations if the backflow preventer fails the test and cannot be repaired immediately. In other high hazard situations, a compliance date of not more than ten (10) ~~thirty (30)~~ days after the test date will be established and will be determined by the Authority.
- 9.1.4.1 In all cases, the owner shall be responsible to maintain appropriate spare parts, repair tools, and/or a replacement device as necessary so that no extended loss in services will be experienced.
- 9.1.5 The Authority may require additional testing at owner expense~~Backflow prevention devices shall be tested more frequently than specified in above. In cases where there is a history of reoccurring test failures the Authority may require additional testing at owner expense.~~

SECTION 10

10.1 RECORDS AND REPORTS

- 10.1.1 Records - The Authority will initiate and maintain the following documentation in conjunction with its billing system data base and large meter testing program:
- 10.1.1.1 Master list of service connections relying upon approved containment backflow preventers to protect the public water system.
~~files on customer cross-connection tests and/or inspections.~~
- 10.1.1.2 Inventory information on approved air gaps or backflow devices to include a description, installation date, history of inspections, tests

and reported repairs and the name of the inspector tester. Master files on cross-connection application requirements.

~~10.1.1.3~~ ~~10.1.1.3~~ ~~Program summary reports and backflow incident reports. Copies of permit applications, permits and backflow device requirements.~~

SECTION 11

11.1 Fees ~~The Authority will bill the owner for all applicable fees, labor and material costs in conjunction with the following services. All costs fees associated with services involving the Kent County Water Authority will be billed at the rates posted in the current fee schedules or hourly labor rates. The Authority will invoice the owner for all direct costs or applicable fees, labor and material costs in for outside contractors in conjunction with the following services. Bills are due and payable within thirty (30) days of rendering. Failure to pay all billed costs by the due date will subject the service to immediate termination.~~

Testing fees
Retesting fees
Fees for second inspections
Charges for after-hour inspections or tests

Bills are due and payable within thirty (30) days of rendering. Failure to pay all billed costs by the due date will subject the service to immediate termination.

SECTION 12

12.1 Enforcement

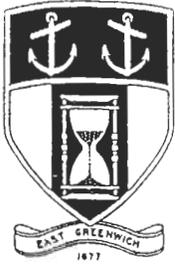
12.1.1 Water service shall be terminated to any customer or property owner who fails to complete any corrective action deemed necessary upon due notice or refuses access for the inspection of the service connection by a representative of he public water system. No more than 45 days shall be allowed for correction of a low level hazard and 10 days for a moderate or high level hazard unless an extension is granted by the public water supplier. Service shall be terminated immediately if access is refused to any location for the inspection of the service connection or infrastructure not under the sanitary control of the public water system or if an immediate hazard is posed.

12.1.2 Water service shall be terminated immediately upon identification of an incidence of backflow or cross connection contamination. As a condition of service the customer and/or property owner shall assume all liability and hold harmless the Kent County Water Authority for any and all claims resultant from a backflow or cross connection incident.

12.1.3 Kent Count Water Authority will follow the response procedures outlined in its Emergency Response plan upon notification or identification of backflow or cross connection incident. As a condition of receiving service, the customer and/or property owner shall be responsible for all costs associated with the response and remediation of a contamination event.

EXHIBIT E

May 21, 2009



Town of East Greenwich

125 Main Street
P.O. Box 111
East Greenwich, RI 02818-0111



May 20, 2009

Town Council
886-8665

Town Manager
886-8665
Fax: 886-8623

Town Clerk
886-8606
Fax: 886-8625

Canvassers
886-8603

Probate
886-8607

Finance
886-8610
886-8612

Human Services
886-8669

Tax Assessor
886-8614

Municipal Court
886-3212

Planning
886-8645
Fax: 886-8657

111 Peirce Street
Offices

Police
884-2244
886-8640
Fax: 886-8653

Public Works
886-8618
Fax: 886-8652

Building Official
886-8618

Recreation
1127 Frenchtown Rd.
886-8626

TDD
401-886-8606

Mr. Tim Brown
Kent County Water Authority
P O Box 192
West Warwick, RI 02893

Re: Sun Valley Plat Drainage

Dear Mr. Brown:

Attached please find a signed Memorandum of Understanding for the Sun Valley Plat Project. The Town respectfully requests a final copy of said document with Kent County Water Authority Chairman's signature.

Additionally, we need to have the alternate bid items removed from the final contract. That is, alternate items numbers 1 through 5. Also, we would like Sun Valley Plat Drainage bid item number 12 removed and incorporated into KCWA 2009A Infrastructure Improvements bid item number 108. The Town will reimburse KCWA for said inclusion.

Thank you for including the Town's drainage project into your Infrastructure Improvement bid. Should you have any questions relative to this matter feel free to contact me at 886-8621.

Sincerely,

Joseph C. Duarte, P.E.
Director of Public Works

Cc: William Sequino, Town Manager

**SUN VALLEY PLAT
MEMORANDUM OF UNDERSTANDING**

Kent County Water Authority, herein referred to as KCWA, and the Town of East Greenwich, herein referred to as the TOWN, agree to coordinate the installation of the Sun Valley Plat Drainage and the installation of the 2009A Infrastructure Improvements Project.

The TOWN has paid for the design of the Sun Valley Plat Drainage and those project elements have been incorporated into the KCWA 2009A Infrastructure Improvements Project contract.

1. KCWA will be responsible to pay all costs associated with the bidding process of the 2009A IFR Water Main Construction project, including the Sun Valley Plat Drainage.
2. The TOWN will pay all related construction costs associated with the Sun Valley Plat Drainage (as designed by James J. Geremia & Associates, Inc.).
3. The TOWN will provide and pay all associated costs for a Resident Inspector to monitor the construction of the Sun Valley Plat Drainage, compile daily quantities, and approve contractor's pay requests.
4. The TOWN will pulverize the existing bituminous concrete roadway and fine grade ready to accept two inches (2") of bituminous concrete binder on Ayrault Rd., Sleepy Hollow Rd., Valley Rd., Pequot Tr., Wildwood Tr., Laurel Ln., Canonicus St., Ridge Rd., King Philip Tr., and Canonchet Tr.
5. KCWA will provide and pay all costs associated with the two inches (2") of bituminous concrete binder (edge to edge), re-set all manhole and drainage frames and covers, and adjust all valve and utility boxes to finish binder grade on Ayrault Rd. (from 170 Ayrault Rd. to Wildwood Tr.), Canonicus St. (from King Philip Tr. to Pequot Tr.), Sleepy Hollow Rd., Valley Rd., Pequot Tr., Wildwood Tr., Laurel Ln., Canonicus St., Ridge Rd., King Philip Tr., and Canonchet Tr.
6. The TOWN will accept the roadway with the two inch (2") bituminous concrete binder as KCWA's obligation for the roadway restoration as referenced in No. 5 above.
7. The TOWN will provide and pay all cost associated with the placement of two inches (2") of bituminous concrete binder on Conanicus Street (from Ridge Road to Philip Road) and Ayrault Road (from South County Trail to 170 Ayrault Road). The TOWN will pay all cost associated with re-setting the manhole and drainage frames and covers and adjusting all utility and valve boxes to finish binder grade.
8. The TOWN will be responsible to pay all costs associated with Sun Valley Plat Drainage installation traffic control.

Acceptance of the terms of this Memorandum of Understanding is acknowledged by the following authorized signatures of the parties to the Memorandum of Understanding.

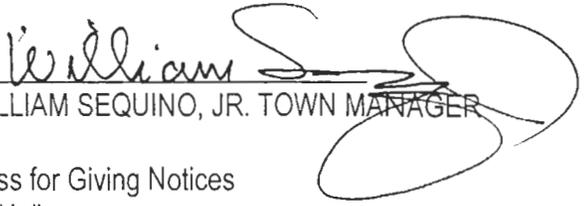
KENT COUNTY WATER AUTHORITY

BY _____
ROBERT B. BOYER, CHAIRMAN

Address for Giving Notices
Kent County Water Authority
1072 Main Street
P. O. Box 192
West Warwick, Rhode Island 02893

Date

TOWN OF EAST GREENWICH

BY 
WILLIAM SEQUINO, JR. TOWN MANAGER

Address for Giving Notices
Town Hall
125 Main St.
East Greenwich, RI 02818

Date 5/19/19

EXHIBIT F

May 21, 2009

KENT COUNTY WATER AUTHORITY

Kent County Water Authority
Pension Plan

Actuarial Funding Valuation
Plan Year Beginning January 1, 2009

May 2009

Asset Smoothing Method

SUMMARY OF KEY RESULTS

Summary of Changes from Prior Fiscal Year

Contribution History

Plan Year Beginning	<u>1/1/2009</u>	<u>1/1/2008</u>	<u>1/1/2007</u>
Minimum Required Contribution	\$ 258,392	\$ 193,619	\$ 154,574
Fiscal Year Beginning	<u>7/1/2008</u>	<u>7/1/2007</u>	<u>7/1/2006</u>
Minimum Required Contribution ¹	\$ 226,006	\$ 174,097	\$ 145,388
Actual Amount Contributed	\$ 193,619	\$ 206,000	\$ 140,647

Key Assumptions & Provisions

Appendix A summarizes the actuarial assumptions and cost methods used to determine plan liabilities. For the 2009 valuation, the actuarial value of assets has been changed from Market Value to a Five Year Smoothing Method which recognizes the difference between actual and expected asset return 20% per year over a five year period. This change has been made to reduce contribution volatility due solely to market fluctuations in assets.

Appendix B summarizes key provisions of each plan as of the valuation date. To our knowledge, there have been no changes in any key plan provisions since the last valuation and none are pending.

Comments on Results

The annual required contribution has increased from \$193,619 for 2008 to \$358,392 for 2009. This increase is due primarily to the significant asset loss in the prior plan year, partially offset by the impact of moving to a smoothed actuarial value of assets. Plan liability and normal cost under the Entry Age Normal funding method is in-line and consistent with prior year results. The liability funding percentage under the Entry Age Normal funding method, however, has decreased from 81.7% as of January 1, 2008 to 69.6% as of January 1, 2009 due to asset losses.

1 - Fiscal year contribution requirements calculated by averaging the contribution requirements for the Plan years beginning and ending during the fiscal year.

SUMMARY OF KEY RESULTS

Participant Information

Participant Information

Key figures with respect to the participant data used in this actuarial valuation are summarized below along with comparable information from prior years.

Plan Year Beginning	<u>01/01/2009</u>	<u>01/01/2008</u>	<u>01/01/2007</u>
Participating Employees			
Number	30	32	32
Number with Vested Benefits	28	31	30
Number Fully Vested (7 years of service)	20	22	22
Average Attained Age	45.7	45.8	45.0
Average Credited Service	13.5	13.8	13.2
Average Annual Pay	\$ 55,637	\$ 54,845	\$ 53,532
Average Annual Benefit	\$ 10,108	\$ 10,443	\$ 10,095
Participants with Deferred Benefits			
Number	7	6	6
Average Attained Age	51.6	51.5	50.5
Average Annual Deferred Benefit	\$ 3,728	\$ 3,862	\$ 3,862
Participants Receiving Benefits			
Number	22	21	20
Average Attained Age	72.2	72.1	71.6
Average Annual Benefit	\$ 12,993	\$ 10,853	\$ 11,131

SUMMARY OF KEY RESULTS

Assets and Liabilities

Plan Assets

The market value of assets and actuarial (smoothed) value of assets are shown below for both current and prior plan years.

Plan Year Beginning	<u>01/01/2009</u>	<u>01/01/2008</u>	<u>01/01/2007</u>
Value of Assets			
Market Value of Assets (MVA)	\$ 2,940,501	\$ 3,932,168	\$ 3,775,115
Actuarial Value of Assets (AVA)	3,528,601	3,932,168	3,775,115
Rate of Return on Assets			
Market Value of Assets	-24.08%	5.28%	9.81%
Actuarial Value of Assets	-9.02%	5.28%	9.81%

Plan Liabilities

We have provided a summary of key liability measures for the current plan year below along with comparable information from prior plan years.

Plan Year Beginning	<u>01/01/2009</u>	<u>01/01/2008</u>	<u>01/01/2007</u>
Present Value of Future Benefits	\$ 6,184,890	\$ 5,983,592	\$ 5,456,667
Normal Cost (plan funding)	240,925	180,531	144,125
EAN Actuarial Accrued Liability	5,073,463	4,812,595	4,318,678
EAN Normal Cost	106,055	105,809	106,527
Interest Rate	7.25%	7.25%	7.25%

Funding Ratios

We have provided a summary of key funding ratios for the current plan year below along with comparable information from prior plan years.

Plan Year Beginning	<u>01/01/2009</u>	<u>01/01/2008</u>	<u>01/01/2007</u>
Actuarial Value of Assets to Present Value of Future Benefits	57.1%	65.7%	69.2%
Actuarial Value of Assets to Actuarial Accrued Liability	69.6%	81.7%	87.4%

EXHIBIT G

May 21, 2009

KENT COUNTY WATER AUTHORITY

Kent County Water Authority
Pension Plan

Actuarial Funding Valuation
Plan Year Beginning January 1, 2009

May 2009

SUMMARY OF KEY RESULTS

Summary of Changes from Prior Fiscal Year

Contribution History

Plan Year Beginning	<u>1/1/2009</u>	<u>1/1/2008</u>	<u>1/1/2007</u>
Minimum Required Contribution	\$ 315,600	\$ 193,619	\$ 154,574
Fiscal Year Beginning	<u>7/1/2008</u>	<u>7/1/2007</u>	<u>7/1/2006</u>
Minimum Required Contribution ¹	\$ 254,610	\$ 174,097	\$ 145,388
Actual Amount Contributed	\$ 193,619	\$ 206,000	\$ 140,647

Key Assumptions & Provisions

Appendix A summarizes the actuarial assumptions and cost methods used to determine plan liabilities. There have been no changes in these assumptions and methods since the last valuation.

Appendix B summarizes key provisions of each plan as of the valuation date. To our knowledge, there have been no changes in any key plan provisions since the last valuation and none are pending.

Comments on Results

The annual required contribution has increased from \$193,619 for 2008 to \$315,600 for 2009. This increase is due primarily to the significant asset loss in the prior plan year. Plan liability and normal cost under the Entry Age Normal funding method is in-line and consistent with prior year results. The liability funding percentage under the Entry Age Normal funding method, however, has decreased from 81.7% as of January 1, 2008 to 58.0% as of January 1, 2009 due to asset losses.

1 - Fiscal year contribution requirements calculated by averaging the contribution requirements for the Plan years beginning and ending during the fiscal year.

SUMMARY OF KEY RESULTS

Participant Information

Participant Information

Key figures with respect to the participant data used in this actuarial valuation are summarized below along with comparable information from prior years.

Plan Year Beginning	<u>01/01/2009</u>	<u>01/01/2008</u>	<u>01/01/2007</u>
Participating Employees			
Number	30	32	32
Number with Vested Benefits	28	31	30
Number Fully Vested (7 years of service)	20	22	22
Average Attained Age	45.7	45.8	45.0
Average Credited Service	13.5	13.8	13.2
Average Annual Pay	\$ 55,637	\$ 54,845	\$ 53,532
Average Annual Benefit	\$ 10,108	\$ 10,443	\$ 10,095
Participants with Deferred Benefits			
Number	7	6	6
Average Attained Age	51.6	51.5	50.5
Average Annual Deferred Benefit	\$ 3,728	\$ 3,862	\$ 3,862
Participants Receiving Benefits			
Number	22	21	20
Average Attained Age	72.2	72.1	71.6
Average Annual Benefit	\$ 12,993	\$ 10,853	\$ 11,131

SUMMARY OF KEY RESULTS

Assets and Liabilities

Plan Assets

The market value of assets and actuarial (smoothed) value of assets are shown below for both current and prior plan years.

Plan Year Beginning	<u>01/01/2009</u>	<u>01/01/2008</u>	<u>01/01/2007</u>
Value of Assets			
Market Value of Assets (MVA)	\$ 2,940,501	\$ 3,932,168	\$ 3,775,115
Actuarial Value of Assets (AVA)	2,940,501	3,932,168	3,775,115
Rate of Return on Assets			
Market Value of Assets	-24.08%	5.28%	9.81%
Actuarial Value of Assets	-24.08%	5.28%	9.81%

Plan Liabilities

We have provided a summary of key liability measures for the current plan year below along with comparable information from prior plan years.

Plan Year Beginning	<u>01/01/2009</u>	<u>01/01/2008</u>	<u>01/01/2007</u>
Present Value of Future Benefits	\$ 6,184,890	\$ 5,983,592	\$ 5,456,667
Normal Cost (plan funding)	294,266	180,531	144,125
EAN Actuarial Accrued Liability	5,073,463	4,812,595	4,318,678
EAN Normal Cost	106,055	105,809	106,527
Interest Rate	7.25%	7.25%	7.25%

Funding Ratios

We have provided a summary of key funding ratios for the current plan year below along with comparable information from prior plan years.

Plan Year Beginning	<u>01/01/2009</u>	<u>01/01/2008</u>	<u>01/01/2007</u>
Actuarial Value of Assets to Present Value of Future Benefits	47.5%	65.7%	69.2%
Actuarial Value of Assets to Actuarial Accrued Liability	58.0%	81.7%	87.4%