

# KENT COUNTY WATER AUTHORITY

## BOARD MEETING MINUTES

January 21, 2010

The Board of Directors of the Kent County Water Authority held its monthly meeting in the Joseph D. Richard Board Room at the office of the Authority on January 21, 2010.

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

The minutes of the Board meetings of December 17, 2009 were moved for approval by Board Member Giorgio and seconded by Board Member Masterson and were unanimously approved.

### **GUESTS:**

#### High Service Requests

#### Brookside Center, Request to Appear, Raymond Lavey

Raymond Lavey, owner and Dennis DiPrete PE appeared before the Board and previously approved at the December Board Meeting concerning extension of the previously approval.

Mr. DiPrete stated that the owner requested phasing the project per last meeting and Board asked about old septic system and the phases are:

- Phase 1- Existing Bank
- Phase 2 - Commercial
- Phase 3 - Residential (apartments/condominiums)
- Phase 4 – Remaining condominiums

The owner also requested that inspection fees would be approximately \$40,000, paid in phases as well. Chairman Boyer reiterated that inspection fees are a PUC-regulated rate and must be paid per the regulations. Mr. Lavey agreed an indicated payment would be made in full prior to construction commencement.

The General Manager recommended that all contaminants be removed from the site, especially regarding the installation of water infrastructure in the vicinity of an old Almacs supermarket septic system. Dennis DiPrete wholeheartedly agreed and stated that he will be resubmitting the final plans for approval by the staff.

The General Manager stated that the previous hybrid system, the high service (fire) and low service (domestic) approvals had lapsed.

It was moved by Board Member Gallucci and seconded by Board Member Masterson to approve the proposed hybrid system service concept using high service to supply the fire service only and low service for the domestic supply with the stipulation that a perpetual maintenance flushing program be designed and implemented that will assure water quality within the fire main is maintained consistent with the requirements contained in the Rhode Island Department of Health and EPA Regulations and that domestic water supply must remain connected to the low service until such time as domestic supply becomes available in the high service to support the domestic requirements of the site. A complete design application submission must be filed with Kent County Water Authority for the infrastructure necessary to support the hybrid service to the site and technical approval granted prior to construction of any infrastructure within this site. Inspection fees must be paid in full for the entire project prior to commencement of construction on any water infrastructure.

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 a 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 any calculation or drawing 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.

And it was unanimously,

VOTED: To approve the proposed hybrid system service concept using high service to supply the fire service only and low service for the domestic supply with the stipulation that a perpetual maintenance flushing program be designed and implemented that will assure water quality within the fire main is maintained consistent with the requirements contained in the Rhode Island Department of Health and EPA Regulations and that domestic water supply must remain connected to the low service until such time as domestic supply becomes available in the high service to support the domestic requirements of the site. A complete design application submission must be filed with Kent County Water Authority for the infrastructure necessary to support the hybrid service to the site and technical approval granted prior to construction of any infrastructure within this site. Inspection fees must be paid in full for the entire project prior to commencement of construction on any water infrastructure.

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1185 Tiogue Avenue, Patricia Walker, PE

Patricia Walker, PE came before the Board for a one office storage facility with minimum water usage of approximately 60 GPD flow. A private sewer line would also be connected to the building. The Chairman indicated that this was an insignificant amount and there was no other way to service the building.

It was moved by Board Member Gallucci and seconded by Board Member Masterson to conditionally approve the request for water supply to service the above commercial site with the following conditions in lieu of a moratorium:

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#### Proposed CVS, John Brunero, Frank Paolino, Developer

Mr. Brunero mentioned that the proposed CVS was located at Route 2, South County Trail and Fairgrounds Way. The daily usage would be approximately 185 gal/day, which he purported was insignificant and that the tie in for High Service was necessary for requirements of the fire service. The original proposal was to tap into the main in Rocky Hill Fairgrounds, but because of stagnant water quality concerns, the property owner now wanted to put a master meter from the 16" line in Division Street. He further stated that there would be approximately 30 employees. The owners was on a tight meetings schedule to gain financial approval from the permitting agencies, State of Rhode Island and municipals. He stated water approval was necessary to meet these milestones for approval.

The Chairman asked if the site elevation could be adjusted in order to be

on the low service gradient. The owner and engineer indicated the site could not be adjusted because of the elevations of the abutting properties, ground water issues and the intersecting road elevation differences at the entrance to the New England Tech property.

The General Manager explained the technicalities of providing high service to the site and that without frontage on Division Street because of the current parcelization, there are conflicts with the requirements for service outlined in the KCWA Regulations.

Mr. Paolino expressed his opinion over the perceived skyrocketing cost of the solution. The General Manager detailed the issues of providing service via a master meter and the regulations not allowing service under the current parcelized site conditions and proposed service options. Board Member Masterson expressed that he was in favor of the merits of the project.

The Chairman stated that conformance with the regulations is the issue regarding master metering. The Chairman said the Board has been trying to assist the developer but, that it is difficult if the developer cannot adjust the site or provide frontage for the master meter.

Brian Murphy, Senior Project Engineer explained the setback easement issues and the property owner's responsibilities to CVS are obstacles that could not be overcome in the design due to the constraints of this site.

A thorough discussion took place regarding the serviceable elevations, the buildings on the developer's abutting property, new applications, fire service and high and low service.

The Chairman had asked about the elevation plan which was not brought to the meeting. The General Manager reiterated that an easement only presented problems because of the frontage requirements in the regulations. There were also concerns with regard to shut offs and the need for combining the parcels for a single ownership condo-type association and that any proposal for the low service gradient must be denied if the site could not be adjusted below the 250 foot elevation.

The Chairman stated that the proponents need to meet with staff to further discuss the options available for service to the site. The Chairman stated that the project has been in the works for 3 years and at the last minute the developer purports that everything falls to the Authority as the deal breaker. Kent County Water Authority would not accept this leverage tactic to put Kent County Water Authority in the middle of a problem that could have been resolved early on in the development process.

After further discussion, it was determined that additional information was

necessary to evaluate and make an informed decision on this matter. This matter will be discussed at a Special Meeting on January 28, 2010 at 3:30 p.m.

## **LEGAL MATTERS**

### **G-Tech**

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. The deadline for GTECH to file an appeal is June 20, 2009. GTECH filed an appeal on June 19, 2009 in the Providence County Superior Court to the Decision of the Division of Public Utilities and Carriers of May 20, 2009 which ruled in favor of Kent County Water Authority. Kent County Water Authority answered the complaint on June 29, 2009 and Legal Counsel will engage in that portion of this continuing litigation. The parties have filed a consent order with the Court for the schedule of the briefs. GTECH brief was received on October 2, 2009 and Kent County Water Authority brief is due November 16, 2009. Kent County Water Authority filed their brief on November 16, 2009. GTECH did not file a reply brief and it is now up for order by the Court.

### **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. Legal Counsel, Joseph J. McGair did attend a hearing pursuant of the Supreme Court on December 8, 2009 and argument was heard and a decision will be forthcoming by the Supreme Court in several months.

### **Harris Mills**

The company has gone into receivership. Kent County Water Authority is owed \$3,676.58. 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. Petition to sell was filed by Receiver in Kent County Superior Court on June 5, 2009. Offer to property made which will allow for partial payment of claims. Legal Counsel will monitor progress of sale.

There has been no further progress regarding the sale of the Harris Mill complex in the receivership matter. Legal Counsel to contact the Receiver for a status report. New offers to purchase have come in which could allow Kent County Water Authority claim in this matter to be paid out of the receivership proceeds. As of September 14, 2009 the previous offer did not materialize. A new offer is being pursued. Legal Counsel will continue to monitor the progress of the sale. There has been no change as of January 20, 2010.

#### 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 July 16, 2009 the Debtor has not filed an Amended Plan.

The Bankruptcy Court hearing was to be held on August 19, 2009 regarding a motion filed by Hope Mill to convert Chapter 11 to Chapter 7. Legal counsel will monitor the hearing and how the disposition of the hearing will affect the claim of Kent County Water Authority. The hearing was held on December 17, 2009. Assets purchased pursuant to Asset Purchase Agreement. Kent County Water Authority charges to be paid pursuant to Asset Purchase Agreement. Legal Counsel will follow up regarding timetable of payment to Kent County Water Authority.

#### 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 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 the 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 was continued by the West Greenwich Zoning Board of Review to April 14, 2009 in that the Waltonen Attorney had 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 was 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 also required that any plans to be submitted by application to DEM be submitted to an independent professional engineer for review prior to DEM submission. The Town engaged Shawn Martin of Fuss & O'Neil as independent engineer consultant.

On June 16, 2009, the Zoning Board of Review required Petitioner to provide to the Board drainage calculations existing at 1992, drainage calculations for current site conditions and calculations for proposed site uses and a list and description of all business uses on the site in affidavit form. The matter was continued to September 15, 2009.

Shawn Martin, PE of Fuss & O'Neil, was in attendance at the September 15, 2009 Zoning Board of Review hearing acting as independent engineer on behalf of the Town to report on the engineering submitted by applicant. Timothy Behan, PE, engineer for applicant was in attendance. Legal Counsel for Kent County Water Authority appeared on behalf of Kent County Water Authority. The Chairman is requiring the applicant to provide a more detailed description of all business uses including specific equipment on site in affidavit form. Legal Counsel reiterated the position of Kent County Water Authority in requesting engagement of its own engineer for independent review of the applicant's engineering and objection to the petition given the noncompliance of applicant in the past. The position of the Town is that Fuss & O'Neil was engaged for independent review and that applicant is to provide Kent County Water Authority with a revised list of description of uses on the site and Kent County Water

Authority is to coordinate with Shawn Martin, P.E. of Fuss & O'Neil once the list is received for review and Kent County Water Authority is to provide comments to the Board prior to the November 17, 2009 Zoning Board of Review. The list of uses was not provided to Kent County Water Authority. The Kent County Water Authority forwarded its written concerns to the Town on October 1, 2009. On October 19, 2009 Kent County Water Authority was provided with subsequent engineering and a list of uses in affidavit form by Applicant's Legal Counsel for review and Kent County Water Authority responded to the Town.

A subsequent meeting of the Zoning Board of Review was held on November 17, 2009. The General Manager and Legal Counsel were in attendance as well as Legal Counsel for applicant.

The Zoning Board discussed the procedural aspect of the Waltonen application and referenced the November 17, 2009 memorandum of the West Greenwich Town Hall Planner in connection therewith. The Planner recommended that the existing violations of the site be enforced first and that the zone change be denied by the Town Council and a new application be filed by the applicant after certain actions by applicant including remedying existing violations, application to Planning Board for Development Plan Review and consultation with Rhode Island Department of Environmental Management with respect to groundwater quality.

The Chairman of the Zoning Board inquired of applicant's Legal Counsel as to why the issues raised in writing by Kent County Water Authority have not been answered to date. Legal Counsel for the applicant did not respond as he was awaiting a response from the Department of Environmental Management prior to answering the questions of Kent County Water Authority. The Solicitor opined that the Department of Environmental Management's response is not required to answer some of the questions of Kent County Water Authority. Applicant's Legal Counsel opined that the respective engineers to wit, applicant's engineer and the Town's independent consultant, should address the concerns of Kent County Water Authority.

The Chairman recommended that the zoning and planning officials for the Town review the matter given the many existing violations of the 1991 approval and the Town await the findings of this review and the applicant's engineer and the Town's independent consultant review and address the concerns of Kent County Water Authority and the Zoning Board review the findings of the zoning official separate from the petition for zone change. This matter was continued by the Zoning Board to February 16, 2010.

#### 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 to have an informal meeting to work out details. The meeting took place and the Authority is monitoring the efforts of Rockwood to remedy the situation. The tank was recently dry inspected and the vendor remediated the same. Kent County Water Authority is awaiting final inspection of the tank with respect to the remediation. Rockwood has been performing the work at the site and it appears soon will have to wait to bill the Town and all coating has been completed.

#### Comptroller of the Currency

On October 16, 2008, Kent County Water Authority resolved to change the Trustee from US Bank to bank of NY Mellon regarding 2001/2002/2004 bond issue trust administration to be effective January 23, 2009. That on October 17, 2008, Kent County Water Authority timely notified US Bank concerning the transfer of trusteeship. On approximately January 20, 2009, the US Bank announced that it would require \$6,650.00 as transfer fees to accomplish ownership to the Bank of NY Mellon. Additionally, the US Bank kept \$1,667.67 of fees that were previously unused. That in order for the closing and transfer to take place, Kent County Water Authority on January 22, 2009 paid the sum of \$6,650.00 under protest and stated its displeasure with the US Bank and thereby stating that it would not jeopardize its bondholders and therefore paid the same and also sent a copy to the Controller of the Currency. On March 4, 2009 the Controller of the Currency stated that the US Bank would be replying directly to Kent County Water Authority. On March 11, 2009 Kent County Water Authority received a response from US Bank which was totally unsatisfactory. On March 31, 2009, Kent County Water Authority notified the Controller of the Currency concerning the unsatisfactory response of US Bank dated March 11, 2009 and reiterated its position. On June 30, 2009 US Bank sent a check in the amount of \$1,666.67 and it was received by Legal Counsel on July 6, 2009, saying that the same was a bookkeeping error as exhibited on the check. That on July 7, 2009 Kent County Water Authority sent a letter to US Bank with a copy to the

Controller of the Currency that the amount for advance services paid was acknowledged and that Kent County Water Authority has not acknowledged its exception to extracting at the 11<sup>th</sup> hour ransom of \$6,650.00 on January 12, 2009 and it will continued pursuit of its claim with the Controller of the Currency. A follow up letter was sent to the Controller of the Currency on August 21, 2009 and will await a response. A follow up letter was sent on December 17, 2009. The General Manager received a response from the Comptroller of the Currency on January 8, 2010 and on January 11, 2010, Legal Counsel received a response letter from the Comptroller of the Currency which deemed that the complaint is still active.

### West Greenwich Taxes

On July 1, 2009, Kent County Water Authority received a letter from the Solicitor for the Town of West Greenwich requesting that Kent County Water Authority make tax payments equivalent to the taxes assessed on real estate owned by Kent County Water Authority based on the year prior to the date Kent County Water Authority acquired the property. The Town requested the amount of \$10,466.75 plus the current 2009 tax year. A schedule accompanying the letter set forth unsupported taxes totaling \$1,495.25 per year.

Legal Counsel for Kent County Water Authority sent a written response on July 2, 2009 to the Solicitor along with a letter from the West Greenwich Tax Assessor dated July 27, 2001 evidencing the payment due in lieu of real estate taxes at \$364.43 per year. Kent County Water Authority made this payment to the Town each year as billed. The billing ceased at 2001. Kent County Water Authority has offered to pay to the Town in lieu of taxes the sum of \$2,915.44 representing tax years 2002-2009. No counter response has been received from the Town. On January 20, 2010, Legal Counsel sent a follow up letter to the Town.

### Spectrum Properties, The Oaks, Coventry, Rhode Island

Legal Counsel for the developer forwarded on July 13, 2009 to Kent County Water Authority Legal Counsel for comment on the proposed form of easement deeds with respect to the residential subdivision. On July 29, 2009, Legal Counsel for Kent County Water Authority sent a response to Attorney William Landry setting forth comments to the proposed form of deeds. Legal Counsel received revised deeds from Attorney Landry on September 10, 2009 and they have been forwarded to the General Manager for review and have been approved by the General Manager. On September 24, 2009, Legal Counsel forwarded to Attorney Landry correspondence stating that the form of easement deed has been approved by Kent County Water Authority and for Attorney Landry to forward the original executed deeds to Kent County Water Authority for execution of acceptance. Legal Counsel has not received the deeds to date therefore Legal Counsel forwarded status inquiry correspondence to Attorney

Landry on November 18, 2009. Attorney Landry replied to Legal Counsel on November 23, 2009 stating that the developer is in the midst of scheduling a final approval hearing with the Town and Attorney Landry will provide Legal Counsel for KCWA with the anticipated timetable for final approval and recording of the deeds upon Mr. Landry's receipt of this information.

#### 49 Hebert Street

A complaint was recently filed by the owner of 49 Hebert Street, West Warwick who built a home on subdivisional land albeit, she was aware that the property would not be serviced by Kent County Water Authority because of neighborhood pressure issues. Legal Counsel answered the matter and filed a Data Request (10/5/09) of the Complainant. The pre-hearing conference was held on November 23, 2009 and a schedule of discovery was set and the matter is scheduled for hearing on February 9, 2010 and February 10, 2010.

(Discovery Schedule: 12/18/09 deadline for submitting discovery responses and 02/12/10 deadline for briefs)

#### **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.

Joanne Gershkoff, Finance Director, explained and submitted the financial report and comparative balance sheets, statements of revenues, expenditures, cash receipts, disbursements and comparative balance sheets and statements of revenue through December, 2009, as evidenced and attached as "A" and after thorough discussion, especially with regard to the revenue shortfalls and terminations will be necessary and chart adjusted retail sales show down 30% from average of last 17 years and IFR is behind \$1.8 million this year as "B" and Restricted Contribution as "C". The General Manager stated that he has testified for years to PUC that the commercial base has been chipped away and account for some loss in sales and down 30% and not get the base back without new business.

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

VOTED: That the financial report, comparative balance sheet statement of revenues, expenditure, cash receipts, disbursements and comparative balance sheets and statements of revenue through December, 2009 be approved as presented and be

incorporated herein and are made a part hereof as evidenced and attached as “A”.

**Point of Personal Privilege and Communications:**

None.

**GENERAL MANAGER/CHIEF ENGINEER’S REPORT**  
**Old Business**

**KCWA Rate Case Review Status**

The Supreme Court brief was filed on December 18, 2009 and the Authority is awaiting the response briefs from Warwick and the DPUC.

**Controller of the Currency Complaint Letter dated January 8, 2010**

This matter was presented infra.

**New Business**

**Rate Case Revenue Shortfall, Filing, Approval**

The General Manager stated that this further discussion is a continuation from the December Board meeting.

The General Manager stated that Providence Water Supply Board has announced that sales are down and Providence Water Supply Board obligated program money but had no money in the bank/revenue to pay for work in progress.

The General Manager stated that Kent County Water Authority is now putting a hold on all IFR projects. Engineers' estimates reflect approximately \$13 million of future commitments and because of the revenue shortfall, all of these projects have been placed on hold until monies can be made available to move forward.

He stated that the contemplated rate case would be 8.8% to cover the shortfall in reserve resultant from not achieving the PUC derived sales projections as approved during the previous rate case. A rate adjustment is necessary to bring revenues to the approval budget requirements necessary to contrive these programs. He worried that more terrible times are on the way and the budget shortfall could not be recovered without an increase in rates. He said that the Division of Public Utilities and Carriers had contemplated that perhaps a generic docket, because all water utilities were experiencing a shortfall but nothing further had transpired concerning that approach to this commonality

proposed by the Public Utilities Commission.

Board Member Gallucci asked about the prospect of increased sales and based on weather patterns and the general economic downsizing, the General Manager was not optimistic for the next few years. He stated that the approved Department of Health mandated IFR plan was short-changed by the Public Utilities Commission and the last bond issue will be depleted on the Mishnock treatment plant project and that given the persistence of the current downswing in sales revenue, the collections will not be up to the level needed to move forward with the mandated IFR.

He reminded the Board that the apparent reasons for the PUC not to approve the \$6 million IFR was because the Rhode Island Department of Health did not prosecute Kent County Water Authority for not following the approved plan replacement schedule when it was previously not fully funded by the PUC.

He stated that regulatory bodies are in conflict and that is a major dilemma facing Kent County Water Authority. He detailed the needed programs as follows:

- Cross connection program
- Capital program Route 2 and existing high service gradient
- Scituate Reservice
- Transmission Main – Mishnock treatment plant
- Meter program (20 years old 10% per year test or replace)
- Software obsolete - \$35,000 bring new equipment and software
- Need operators for treatment plant
- Projected rate case this year.

Board Member Gallucci stated that there is a need for the 8.8% plus the Providence Water anticipated pass through in total approximately 12% increase in answer to the Chairman.

The General Manager stated that the vast majority of the current budget expenses are fixed because of the maintenance issues with the old system. Approximately 10,000 boxes need to be raised, 50 hydrants are necessary to replace failing and unrepairable ones, many system valves and curb stops. The Authority is already down several employees. Two open positions have not been filled on an interim basis effectively equating to the lay-off of these two personnel. Some duties and maintenance shortfalls are expected as a result of not filling these positions. A freeze on purchasing and not buying parts in advance e.g. valves, hydrants etc. has been imposed. Each purchase must be received and approved by the General Manager prior to purchase.

The General Manager stated that the Authority desperately needs a new server for the computer at \$15,000 (E) since it has reached its capacity, is five years old, and not economically feasible to upgrade.

The Chairman stated that the Authority may have hit the bottom line on cost saving measures and would start experiencing a degradation of service to its customers if any further shortfall were incurred.

The General Manager stated that foreclosures and shut offs are a major problem.

Board Member Masterson moved and it was seconded by Board Member Gallucci to file a rate case with the PUC to increase revenues equal to the \$1,460,031 budget shortfall over a 12 month period which represents a 8.16% correction in rates and to file a pass through motion for a rate adjustment to the Providence Water Supply Board motion to reopen Docket No. 4061 or any subsequent docket if the motion to reopen is denied and it was unanimously,

VOTED: To file a rate change with the PUC to collect revenues equal to the budget shortfall of \$1,460,031 in a 12 month period which represents a 8.16% correction in rates and to file a pass through motion for a rate adjustment to Providence Water Supply Board motion to reopen Docket No. 4061 or subsequent docket if the motion to reopen is denied

#### RIDOT Condemnation Tiogue Avenue, Approval of Easement

The General Manager stated that the State of Rhode Island is making large scale improvements to Tiogue Avenue and temporarily condemned 240 square feet of Kent County Water Authority land for three years for the compensation amount of \$340. The General Manager advised that this has been done before and it is completely reasonable.

It was moved by Board Member Inman and seconded by Board Member Gallucci to accept the condemnation award of \$340.00 from the State of Rhode Island for three year temporary use of 240 square feet of Kent County Water Authority land in connection with the Tiogue Avenue road improvements and it was unanimously,

VOTED: To accept the condemnation award of \$340.00 from the State of Rhode Island for three year temporary use of 240 square feet of Kent County Water Authority land in connection with the Tiogue Avenue road improvements.

#### Stop and Shop Proposed Fuel Facility, Action Needed

The General Manager expressed that he had previously met with them to discuss the Coventry Stop and Shop filling station proposal. John Mancini, Esq. Connor Nagle, PE, William Tabor, PE appeared before the Board. Mr. Mancini stated that the Coventry Stop and Shop was built approximately 12 years ago within the wellhead protection area and borders the Spring Lake Pond which is the wellhead area protection.

He stated that Stop and Shop has finally cleaned up the detention pond which attorneys for Stop and Shop assisted greatly. The General Manager expressed the great frustration Kent County Water Authority experienced getting Stop and Shop to comply and that only since the gasoline station proposal has any progress been made on the existing detention pond.

Mr. Mancini expressed that he had met with the Coventry Planning Board and the Department of Environmental Management and the General Manager. He stated that he regrets that maintenance of the detention basin had not been fulfilled in the past and has assured Kent County Water Authority that proper maintenance in the future would consistently be performed and will be on time and thorough, and safeguards to that effect have been put in place.

Mr. Mancini stated that Stop and Shop is now very aware that protection and safety of the wellhead protection area is of paramount concern and they are very aware of the drainage issue regarding the migration of contaminants from the dispensing area. He stated that the Stop and Shop will utilize standard equipment and will go beyond standard equipment as much as necessary to mitigate potential threats and concerns of Kent County Water Authority. Connor Nagle, PE, explained the project engineering with regard to the emphasis on wellhead protection to the Board. He stated that the site will be paved and the bioretention area will be lined from the impervious area which will preclude uncontrolled run off and that all of the retention basins will be cleaned and maintained on a regular schedule so that the line will not discharge contaminants to the ponds at the rear of the store. He indicated that a post indicator valve will be maintained on the downstream side of the bioretention basin. This valve will be shut off by the kiosk employee or store employee in case of a spill which will prevent contamination from making its way to the existing basins in the rear of the store and provide more time for response and clean-up of any spill.

Legal Counsel, Joseph J. McGair, stated Mr. Mancini and his law firm were instrumental in compelling Stop and Shop to accomplish the clean up of the existing detention basin. Mr. Mancini agreed that a deed restriction would be entered and recorded as part of by the Zoning Board of Review process and he would provide a binding agreement letter on behalf of Stop and Shop to insure annual inspection reports will be accomplished and forwarded to both the Kent County Water Authority and the Town of Coventry Zoning Enforcement Official. This agreement would hold Stop and Shop responsible to protect the wellhead subject to any conditions that occur on Stop and Shop property that may

adversely impact the wellhead protection area.

The General Manager in answer to the Chairman stated that it was his understanding that the product leakage alarms would transmit to the 24-hour alarm company, but there is no alarm for a surface spill. He expressed that if the post indicator valve were closed in time resultant from a catastrophic failure or accident on the refueling island, the shut off valve won't allow flow to exit the bioretention basin and enter wellhead protection area.

The Chairman stated 24-hour monitored alarm systems would be necessary.

William Taber, PE VHG Environmental Service explained the modern standard tank technology and that triple walled tanks would be used at this location. The Chairman stated that is was a better solution and that a redundant sensor would be installed for monitoring and would be connected to an alarm company which in turn would call Kent County Water Authority at 821-9300 in the event of an issue. Mr. Taber explained the various safety equipment e.g. crash valves, limiting barriers, fire suppression, emergency pull station, emergency power shut off and the fire alarm pull station. He stated that operator training is required by UST regulations and the Department of Environmental Management/EPA and inspection is required every two years.

Board Member Inman entered at 5:00 p.m.

The Chairman requested the installation and future testing reports be provided to Kent County Water Authority and it was agreed that they would be forthcoming.

Mr. Mancini stated that the revised plans indicating the additional protective measures and operating procedure would be given to the General Manager to for review as the matter is scheduled for February 3, 2010 before Coventry Zoning Board, but that he will continue the matter if necessary.

The General Manager stated that he will endeavor to review the forthcoming plans with the Stop and Shop representatives and will determine whether to oppose the same.

### **Lead and Copper Sampling 2010**

A State mandate without funding to provide lead and copper sampling which will cost \$1,800 for 2010.

### **Hiring of Engineer Discussion**

The Chairman has spoke at great length about the problems which could evolve because of lack of a second engineer. He spoke about the tireless work of the General Manager/Chief Engineer and was genuinely concerned. Board Member Gallucci asked about the specifications that were advertised and would garner more responses this time. The General Manager stated that due to the state of the finances that Kent County Water Authority is equating this to a layoff and cannot fill the position at this time.

Board Member Inman agreed that this was not the time to be discussing the issue albeit it is important and necessary.

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

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 "D" .

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

VOTED: To adjourn the meeting at 6:05 p.m.

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Secretary Pro Tempore

# **EXHIBIT A**

Board Meeting

January 21, 2010

KENT COUNTY WATER AUTHORITY  
CASH RECEIPTS & DISBURSEMENTS  
FY 2009 - 2010

	JULY 2009	AUGUST 2009	SEPTEMBER 2009	OCTOBER 2009	NOVEMBER 2009	DECEMBER 2009	JANUARY 2010	FEBRUARY 2010	MARCH 2010	APRIL 2010	MAY 2010	JUNE 2010	RAI: REVENUE FY 09-10	RAI: REVENUE FY 08-09
BEGINNING MONTH BALANCE	33,688,188	31,329,764	30,008,265	29,331,453	30,416,706	29,871,266							JUL \$ 1,269,704.00	1,987,317.14
<b>CASH RECEIPTS:</b>													AUG \$ 1,086,327.67	1,126,356.81
Water Collections	1,834,841	1,453,975.90	1,259,666	2,277,217	1,816,479	1,166,685							SEP \$ 2,566,722.88	2,591,917.46
Interest Earned	1,795	3,225.25	243	234	241	240							OCT \$ 1,362,068.07	1,217,110.52
Inspection Fees													NOV \$ 1,022,260.62	1,078,854.00
Contribution in Aid-Construction													DEC \$ 1,966,266.00	2,175,706.74
Other													JAN \$	1,211,152.49
<b>TOTAL CASH RECEIPTS</b>	<b>35,524,824</b>	<b>32,786,966</b>	<b>31,268,174</b>	<b>31,608,904</b>	<b>32,233,426</b>	<b>31,038,191</b>							FEB \$	1,038,377.48
<b>CASH DISBURSEMENTS:</b>													MAR \$	1,841,986.53
Purchased Water	364,220	392,413	398,122	408,783	319,080	328,054							APR \$	994,060.30
Electric Power	24,444	47,456	44,365	32,107	43,329	50,368							MAY \$	943,546.32
Payroll	147,806	171,077	176,163	143,333	146,945	186,729							JUN \$	1,960,972.76
Operations	102,902	42,134	83,321	142,914	56,094	37,547								
Employee Benefits	94,088	95,060	96,254	97,134	94,879	95,965								
Legal	4,097	16,131	8,450	3,705	12,845	7,139								
Materials	18,129	35,513	24,195	28,328	22,409	21,732								
Insurance	5,171		9,443	2,960	4,721	4,721								
Sales Taxes	24,402	11,908.88	9,108	30,611	10,890	9,881								
Refunds	425		1,185	1,315	887	175								
Rate Case					47,202	1,750								
Conservation Pilot		5,000												
Capital Expenditures (Other)														
2004 Infrastructure 278B	12,841	152,485	439		88,410									
Mishnock Well/Storage/Pump/Trans. 221C	57,136													
Clinton Avenue Pump Station														
E. G. Well Upgrade 464E	8,924	3,446	5,360	15,455	14,600	1,734								
Read Schoolhouse Road - Mains 234C	20,744	17,111	270,904		2,240	7,709								
Read Schoolhouse Road - Tank 236C	8,583	170,636	2,501	4,850	7,776	1,072								
Greenwich Avenue - 8" & 12" Mains														
2006A Infrastructure 239C		251			300									
Quaker Lane Pump Station 240C		3,080	10,564	4,387	5,101									
2007 Infrastructure 284B	47,265	1,166,997	294,794	37,145	359,130	34,254								
Gareau Street 8" 242C														
Arthur-Bleach-Jefferson 8"														
2009 Infrastructure 243C	6,969	432,804	384,808	41,896	973,744	27,290								
2010 infrastructure 287b			22,700		18,173	15,759								
Tobin Street 8" 285B														
Lemoine Court 244C														
Mishnock Transmission Main 245C	1,480		405	3,570										
Mill Street & Hope 286B	605				336									
Prospect Street 288b				88,365	80,688									
U. S. Bank - Debt Service (P. & I.)	3,173,659													
Water Protection	71,167.43	15,195	91,540	105,341	52,280	39,431								
<b>TOTAL DISBURSEMENTS</b>	<b>4,195,060</b>	<b>2,778,700</b>	<b>1,936,721</b>	<b>1,192,198</b>	<b>2,362,160</b>	<b>871,309</b>								
<b>BALANCE END OF MONTH</b>	<b>31,329,764</b>	<b>30,008,265</b>	<b>29,331,453</b>	<b>30,416,706</b>	<b>29,871,266</b>	<b>30,166,882</b>								
<b>PRIOR YEAR</b>	<b>33,805,456</b>	<b>33,777,788</b>	<b>33,425,155</b>	<b>33,450,432</b>	<b>32,356,161</b>	<b>32,005,861</b>	<b>32,149,627</b>	<b>32,598,835</b>	<b>33,077,042</b>	<b>33,699,011</b>	<b>32,994,261</b>	<b>31,688,188</b>		

CASH RECEIPTS DISBURSEMENTS FY 2009-2010  
10/23/2009 10:40 AM  
J.Cornbluff

11/19/10

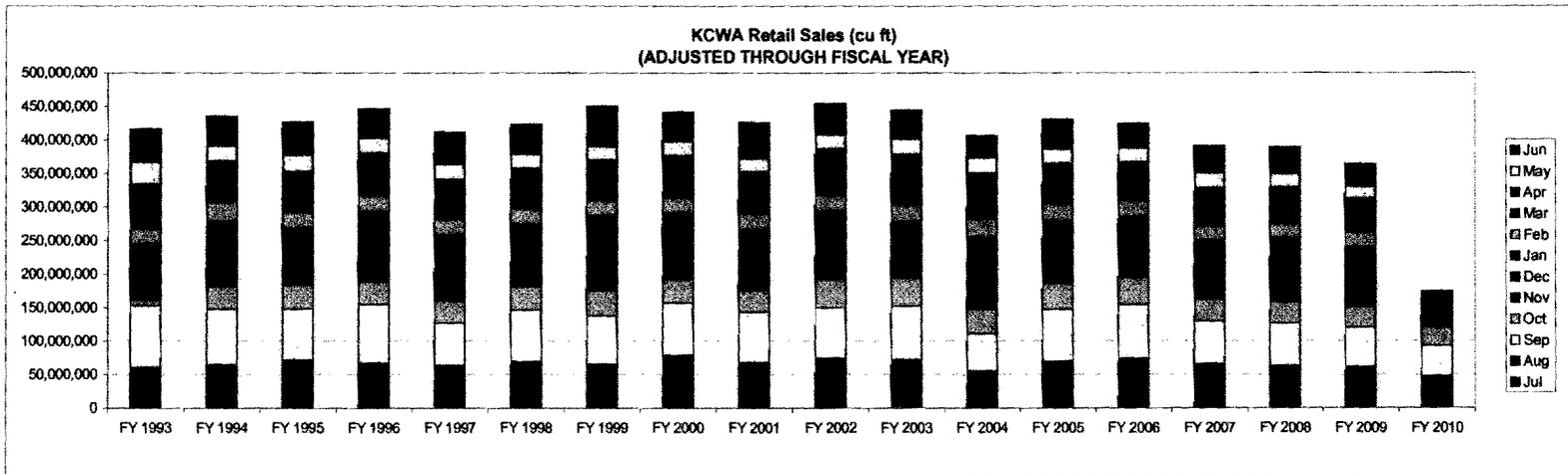
KENT COUNTY WATER AUTHORITY  
CASH LOCATION  
FISCAL YEAR 09-10

	JUL 2009	AUG 2009	SEP 2009	OCT 2009	NOV 2009	DEC 2009	JAN 2010	FEB 2010	MAR 2010	APR 2010	MAY 2010	JUN 2010
CASH LOCATION:												
Citizens Bank - Payroll	\$ 40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00						
Fleet Bank - Deposit	95,366.37	116,341.33	43,313.24	317,664.54	124,396.04	195,665.78						
Fleet Bank - Checking	14,590.99	18,442.85	19,494.08	52,153.72	45,698.00	27,055.53						
	149,957.36	174,784.18	102,807.32	409,818.26	210,094.04	262,721.31	0.00	0.00	0.00	0.00	0.00	0.00
U. S Bank - Project Funds												
Revenue	152,650.22	349,149.72	103,870.94	178,128.80	946,000.49	871,192.83						
Infrastructure Fund	6,669,640.22	4,968,727.63	4,541,672.74	4,909,462.52	3,555,850.75	3,555,890.18						
Operation & Maintenance Fund	0.73	0.02	0.02	0.02								
Operation & Maintenance Reserve	2,366,983.44	2,367,031.02	2,367,051.17	2,367,070.66	2,367,090.80	2,367,110.30						
Renewal & Replacement Fund	190,357.24	198,694.23	207,029.15	215,364.04	223,699.19	213,211.64						
Renewal & Replacement Reserve	785,951.90	785,967.75	785,974.52	785,981.07	785,987.83	785,994.37						
General Project - 2001												
Debt Service Fund - 2001	94,842.95	160,374.33	226,169.91	291,965.87	356,670.84	422,195.03						
Debt Service Reserve - 2001	780,546.21	780,546.21	780,546.21	780,546.21	780,546.21	780,546.21						
Cost of Issuance - 2001												
General Project - 2002	16,589,314.57	16,429,550.45	16,160,647.05	16,160,781.27	16,063,828.00	16,063,941.84						
Debt Service Fund - 2002	213,888.30	370,730.40	527,222.95	683,716.21	841,531.79	998,357.89						
Debt Service Reserve - 2002	1,851,317.91	1,851,317.91	1,851,317.91	1,851,317.91	1,851,317.91	1,851,317.91						
Cost of Issuance - 2002												
Debt Service Fund - 2004	178,011.90	284,121.96	389,873.54	495,284.26	601,379.38	707,133.54						
Debt Service Reserve - 2004	1,306,301.32	1,287,269.90	1,287,269.90	1,287,269.90	1,287,269.90	1,287,269.90						
Cost of Issuance - 2004												
Redemption Account - 2004												
	\$ 31,329,764.27	30,008,265.71	29,331,453.33	30,416,707.00	29,871,267.13	30,166,882.95	0.00	0.00	0.00	0.00	0.00	0.00

# **EXHIBIT B**

Board Meeting

January 21, 2010



	<u>FY 1993</u>	<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>Average</u> <u>1993-2009</u>
Jul	31,168,341	23,434,450	35,675,727	32,924,298	31,568,876	34,896,847	32,569,688	42,244,836	36,137,181	39,712,171	37,344,989	31,216,955	38,372,661	39,328,902	32,818,879	33,820,078	32,587,456	25,479,216	34,460,019
Aug	29,496,839	40,983,970	35,729,785	33,698,860	32,087,539	34,676,826	32,884,745	36,664,653	31,742,014	34,874,583	34,836,375	23,843,289	31,993,818	35,282,020	32,860,080	29,181,497	28,673,672	21,901,416	32,900,621
Sep	92,675,368	83,477,051	76,639,200	88,144,330	63,085,204	76,730,031	72,304,538	77,906,505	75,037,920	75,355,179	79,973,540	55,893,747	77,173,780	79,425,840	63,525,862	63,377,204	58,767,146	45,731,087	74,087,791
Oct	7,655,397	33,450,876	35,492,623	33,411,789	32,902,558	35,497,772	37,736,729	35,385,917	32,155,415	42,817,000	41,803,155	36,596,343	38,347,582	41,185,131	32,804,312	32,573,375	30,952,671	27,571,908	34,162,861
Nov	24,111,804	28,721,800	24,804,658	28,267,964	28,500,044	24,426,304	37,729,560	27,134,049	24,544,468	26,724,707	25,528,658	42,017,692	28,335,650	28,244,619	25,357,437	27,545,171	24,680,957	20,726,464	28,039,620
Dec	40,721,627	42,908,050	41,245,283	52,570,986	44,481,585	43,847,145	49,599,162	48,239,698	40,797,592	46,823,979	36,855,534	33,778,386	38,741,176	38,468,759	39,053,481	42,975,929	40,218,627	33,146,777	42,431,000
Jan	19,796,482	26,012,513	19,670,079	24,388,343	25,927,700	24,950,911	24,945,776	23,731,961	26,328,331	28,557,123	22,160,188	32,118,267	26,376,263	23,958,125	23,366,291	24,750,708	24,748,596		24,811,039
Feb	21,607,837	28,480,302	22,873,089	23,468,473	23,159,687	22,419,215	22,332,050	22,720,838	22,929,002	22,982,552	24,871,967	26,090,117	24,963,555	23,065,415	21,267,482	19,949,204	21,237,102		23,201,052
Mar	44,872,039	39,576,843	36,738,041	39,085,682	34,948,939	38,988,967	38,011,007	36,728,821	39,735,079	42,656,631	42,965,781	42,199,230	35,012,683	34,267,566	33,254,240	32,100,855	30,324,008		37,733,305
Apr	21,569,965	20,840,594	23,005,205	23,704,086	23,876,840	20,435,109	21,728,495	25,407,312	22,519,202	25,305,695	31,333,281	26,274,300	24,628,181	22,660,069	23,298,633	21,812,470	19,720,431		23,418,816
May	33,473,412	23,646,325	26,300,915	23,559,336	24,032,658	22,334,489	20,711,984	22,202,351	21,185,886	22,810,276	24,647,238	24,046,461	23,055,344	22,504,179	23,368,169	21,535,256	18,722,655		23,418,642
Jun	49,234,168	44,185,529	48,750,629	43,353,581	47,440,371	44,311,927	60,041,396	43,550,355	53,638,248	46,214,704	42,301,063	32,443,692	43,855,340	36,101,758	40,144,353	39,774,724	33,285,084		44,036,290
<b>Total</b>	<b>416,381,279</b>	<b>435,698,303</b>	<b>426,925,234</b>	<b>446,577,728</b>	<b>412,012,001</b>	<b>423,515,543</b>	<b>450,595,110</b>	<b>441,917,296</b>	<b>426,730,338</b>	<b>454,634,600</b>	<b>444,619,749</b>	<b>406,318,479</b>	<b>430,856,013</b>	<b>424,492,383</b>	<b>391,119,219</b>	<b>389,396,271</b>	<b>363,928,405</b>	<b>174,556,968</b>	<b>422,701,056</b>

*Handwritten signature/initials*

# **EXHIBIT C**

Board Meeting

January 21, 2010

Kent County Water Authority  
Restricted Contributions  
as of December 31, 2009

		Equipment Renewal & Replacement	Infrastructure	2001 Debt Service	2002 Debt Service	2004 Debt Service	Operations & Maintenance	Renewal & Replacement	Operating* Allowance	Total
2005	July	\$ 8,333.33	\$ -	\$ 65,313.44	\$ 156,836.04	\$ 134,510.44	\$ -	\$ -		\$ 364,993.25
	August	8,333.33	-	65,313.44	156,836.04	76,314.66	-	-		306,797.47
	September	8,333.33	-	65,313.44	156,836.04	105,412.50	-	-		335,895.31
	October	8,333.33	576,120.35	65,313.44	156,836.04	105,412.50	-	-		912,015.66
	November	8,333.33	1,250,447.82	65,313.44	156,836.04	105,412.50	-	-		1,586,343.13
	December	8,333.33	400,447.83	65,313.44	156,836.04	105,412.50	-	-		736,343.14
2006	January	8,333.33	400,447.83	65,313.44	156,836.04	105,412.50	-	-		736,343.14
	February	8,333.33	-	65,313.44	156,836.04	105,412.50	-	-		335,895.31
	March	8,333.33	400,447.83	65,313.44	156,836.04	105,412.50	-	-		736,343.14
	April	8,333.33	-	65,313.44	156,836.04	105,412.50	-	-		335,895.31
	May	8,333.33	800,895.66	65,313.44	156,836.04	105,412.50	-	-		1,136,790.97
	June	8,333.33	-	65,313.44	-	105,412.50	-	-		179,059.27
	July	8,333.33	-	65,313.44	272,887.34	105,412.50	-	-		451,946.61
	August	8,333.33	400,447.83	65,313.44	156,836.04	105,412.50	-	-		736,343.14
	September	8,333.33	-	65,313.44	156,836.04	105,412.50	-	-		335,895.31
	October	8,333.33	400,447.83	65,313.44	156,836.04	105,412.50	-	-		736,343.14
	November	8,333.33	1,201,343.49	65,313.44	156,836.04	105,412.50	-	-		1,537,238.80
	December	8,333.33	400,447.85	65,313.44	156,836.04	105,412.50	-	-		736,343.16
2007	January	8,333.33	400,447.83	65,313.44	156,836.04	105,412.50	-	-		736,343.14
	February	8,333.33	400,447.83	65,313.44	156,836.04	-	-	-		630,930.64
	March	8,333.33	-	65,313.44	156,836.04	210,825.00	-	-		441,307.81
	April	8,333.33	400,447.83	65,313.44	156,836.04	105,412.50	-	-		736,343.14
	May	8,333.33	400,447.83	65,313.44	156,836.04	-	-	-		630,930.64
	June	8,333.33	-	65,313.44	156,836.04	210,825.00	-	-		441,307.81
	July	8,333.33	-	65,313.44	156,836.04	105,412.50	-	-		335,895.31
	August	8,333.33	400,447.83	65,313.44	156,836.04	105,412.50	-	-		736,343.14
	September	8,333.33	-	65,313.44	156,836.04	105,412.50	-	-		335,895.31
	October	8,333.33	1,601,791.32	65,313.44	156,836.04	105,412.50	-	-		1,937,686.63
	November	8,333.33	400,447.83	65,313.44	156,836.04	105,412.50	-	-		736,343.14
	December	8,333.33	-	65,313.44	156,836.04	105,412.50	-	-		335,895.31
2008	January	8,333.33	400,447.83	65,494.69	156,640.21	105,408.33	-	-		736,324.39
	February	8,333.33	400,447.83	65,494.69	156,640.21	105,408.33	-	-		736,324.39
	March	8,333.33	-	65,494.69	156,640.21	105,408.33	-	-		335,876.56
	April	8,333.33	2,402,686.98	65,494.69	156,640.21	105,408.33	-	-		2,738,563.54
	May	8,333.33	-	65,494.69	156,640.21	105,408.33	-	263,332.11		599,208.67
	June	8,333.33	-	65,494.69	-	105,408.33	-	-		179,236.35
	July	8,333.33	400,447.83	65,794.69	313,130.42	105,408.33	-	-		893,114.60
	August	8,333.33	-	65,794.69	156,490.21	105,408.33	-	-		336,026.56
	September	8,333.33	-	65,794.69	-	-	255,325.00	-		329,453.02
	October	8,333.33	400,447.83	65,794.69	312,980.42	210,816.66	-	-		998,372.93
	November	8,333.33	400,447.83	65,794.69	156,490.21	105,408.30	-	-		736,474.36
	December	8,333.33	200,000.00	65,794.69	156,490.21	105,408.30	211,000.00	-		747,026.53
2009	January	8,333.33	450,000.00	65,794.69	156,490.21	105,408.30	-	-		786,026.53
	February	8,333.33	450,000.00	65,794.69	156,490.21	105,408.30	-	-		786,026.53
	**February		137,138.30							137,138.30
	March	8,333.33	450,000.00	65,794.69	156,490.21	105,408.30	-	-		786,026.53
	April	8,333.33	450,000.00	65,794.69	156,490.21	105,408.30	-	-		786,026.53
	May	8,333.33	450,000.00	65,794.69	156,490.21	105,408.30	-	-		786,026.53
	June	8,333.33	450,000.00	65,794.69	156,490.21	105,408.30	-	-		786,026.53
	***June		450,000.00							450,000.00
	July	8,333.33	450,000.00	65,521.77	156,820.42	105,750.00	-	-		786,425.52
	August	8,333.33		65,521.77	156,820.42	105,750.00	-	-		336,425.52
	September	8,333.33		65,521.77	156,820.42	105,750.00	-	-		536,425.52
	October	8,333.33	450,000.00	65,521.77	156,820.42	105,750.00	-	-		786,425.52
	November	8,333.33	450,000.00	65,521.77	156,820.42	105,750.00	-	-		786,425.52
	December	8,333.33		65,521.77	156,820.42	105,750.00	-	-		336,425.52
		\$ 449,999.82	\$ 19,678,037.05	\$ 3,535,038.24	\$ 8,422,942.76	\$ 5,694,224.80	\$ 466,325.00	\$ 263,332.11	\$ -	\$ 38,509,899.78

Notes:

\* Operating Reserve Allowance (see attached schedule) effective November 1, 2009 funded at \$24,304.71 per month

Funding Schedule:

November, 2008	\$	8,092.47
December, 2008	\$	16,186.94
January, 2009	\$	24,304.71 and each month thereafter

\*\*February, 2009 Reimbursement from West Warwick re: Harding Street Resurfacing

\*\*\*June, 2009 1,103,759 received for connection to P.W.S.; 450,000. to IFR; Balance Due to IFR:

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# **EXHIBIT D**

Board Meeting

January 21, 2010

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

<b>PROJECT</b>	<b>STATUS</b>
<del>Water Supply System Management Plan WSSMP</del>	<del>Approved</del>
Hunt River Interim Management & Action Plan	Implementing, Weather Dependant , WRB Committee
<del>2008 CIP Program Plan</del>	<del>Approved</del>
<del>Clean Water Infrastructure Plan 2008</del>	<del>Approved</del>

**UPDATED CIP PROJECTS BOND FUNDING**

<b>PROJECT</b>	<b>STATUS</b>
Mishnock Well Field (new wells) CIP - 1A	Design Review
Mishnock Transmission Mains CIP - 1B	Design Review, Funding may be critical
Mishnock Treatment Plant CIP - 1C	Design Review, DOH Review, Encroachment Issue Resolution
East Greenwich Well Treatment Plant - CIP-2	Preliminary Design Report
<del>Clinton Avenue Pump Station Rehabilitation CIP - 7A</del>	<del>Completed</del>
Read School House Road Tank CIP - 7B	Online - Punch list - Liquidated Damages
Read School House Road Main CIP 7c, 7d, 8a	Paving - Punch list - Testing Required

**IFR FUNDED PROJECTS**

<b>PROJECT</b>	<b>STATUS</b>
<del>IFR 2005</del>	<del>Completed C. O. #1 Asphalt Adjustment</del>
<del>IFR 2006 A</del>	<del>Closed out, Paving Issue West Warwick, Need Resolution</del>
IFR 2006 B / IFR 2007	Winter Shutdown
IFR 2009 A & 2009 B	2009A - Winter Shutdown, 2009B Design Complete, Funding
IFR 2010	Design Review, Funding
<del>Prospect Street</del>	<del>Completed</del>
<del>PWSB 78" / Johnson Blvd. P.S. Modification</del>	<del>Completed</del>
<del>Greenwich Avenue Replacement</del>	<del>Completed</del>
<del>Hydraulic Tank Evaluation</del>	<del>Completed</del>
Quaker P. S. Design	Bid on Hold, Funding Needed, Easement Negotiations for Extension
Tech Park Tank Recoating	Completed - Reactivation Pending Due To Weather
<del>Tiogue Tank Re-Service</del>	<del>Completed</del>
Hydrant Painting	Ongoing KCWA Forces/Winter Shut Down

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