

KENT COUNTY WATER AUTHORITY

BOARD MEETING MINUTES

February 18, 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 February 18, 2010.

Chairman, Robert B. Boyer opened the meeting at 3:30 p.m. Board Members, Mr. Gallucci, Mr. Giorgio, Mr. Inman 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. John Duchesneau led the group in the pledge of allegiance.

The minutes of the Board meeting minutes of January 21, 2010 and the Special Board meeting minutes of January 28, 2010 were moved for approval by Board Member Giorgio and seconded by Board Member Masterson and were unanimously approved.

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. Legal Counsel filed a Motion to Assign to a Judge and the assignment motion is scheduled for February 25, 2010.

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 within the next 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 Receiver 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 February 10, 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. Legal Counsel spoke with Attorney Deangelis on February 17, 2010 for status on payment to Kent County Water Authority. Financing issues being worked out. There is no timetable for final closing and disbursement of funds. Legal Counsel will continue to monitor.

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. On February 16, 2010, the Zoning Board meeting was continued to March 16, 2010.

West Greenwich Technology Tank/Rockwood

This matter may be in litigation in that Rockwood Corporation had failed to take any steps and continually denied Kent County Water Authority efforts 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 was 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 performed work at the site and it is necessary to have a final inspection after the tank has been filled.

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 11th 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. Legal Counsel has been monitoring the status via the website provided by the Comptroller and there is no updated status as of February 15, 2010.

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 and a response from the Town has not been received to date.

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. Legal Counsel pursuing Attorney Landry for status of his receipt of timetable for municipal approvals.

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 was heard on February 9, 2010 and the Complainant agreed to install a well which would avert the necessity of further hearings. Legal Counsel will continue to monitor the status.

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 that the commercial accounts are down 50%.

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 January, 2010, as evidenced and attached as "A" and after thorough discussion, especially with regard to the sales and revenue shortfalls and that terminations will be necessary,

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 January, 2010 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 (Docket #3942 11/1/08)

Argument date for the Supreme Court is scheduled for March 10, 2010.

Rate Case Revenue Shortfall, Docket #4142 Status

A public comment meeting will be held on March 24, 2010 at Warwick City Hall.

Controller of the Currency Complaint

This matter was presented infra.

New Business

Construction Services Mishnock Treatment Proposal

The General Manager handed out the amended Mishnock Water Treatment Facility construction services for review and future discussion as evidenced and attached as “B”.

PWSB Docket #4061 reopening – KCWA Pass Through

The pass through motion will be held at the PUC directly after the current PWSB rate case on April 7, 2010.

Big River Well Field – Engineers Report

The General Manager stated that the Rhode Island Water Supply Board Engineer’s report indicated that the well project at the Big River Reservoir would need a partnership in order to succeed and Kent County Water Authority would be in consideration for the water. The General Manager continued that the Water Resources Board has asked the Authority engineers to model the Kent County Water Authority system in regard to the practicality of acceptance of Big River Reservoir water. The General Manager stated that he is assisting the Water Resources Board in anyway he

can and will keep the Board informed as to the status.

CAPITAL PROJECTS:
INFRASTRUCTURE PROJECTS

Task Order No. 4

The General Manager presented and recommended approval of Task Order No. 4 (consulting engineering services for a preliminary design report for the East Greenwich well field treatment facility) between C & E Engineering Partners, Inc. and Kent County Water Authority as evidenced and attached as “C” in the amount of \$6,800.00 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 Masterson and seconded by Board Member Giorgio to approve Task Order No. 4 (consulting engineering services for a preliminary design report for the East Greenwich well field treatment facility) between C & E Engineering Partners, Inc. and Kent County Water Authority as evidenced and attached as “C” in the amount of \$6,800.00 and it was unanimously,

VOTED: To approve Task Order No. 4 (consulting engineering services for a preliminary design report for the East Greenwich well field treatment facility) between C & E Engineering Partners, Inc. and Kent County Water Authority as evidenced and attached as “C” in the amount of \$6,800.00.

Capital Projects and Infrastructure Projects status

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

VOTED: To adjourn the meeting at 4:00 p.m.

Secretary Pro Tempore

EXHIBIT A

Board Meeting

February 18, 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	RATE REVENUE FY 09-10	RATE 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	30,166,882						JUL \$ 1,260,704.09	1,282,312.14
CASH RECEIPTS:													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	2,018,168						SEP \$ 2,566,722.88	2,591,917.46
Interest Earned	1,795	3,225.25	243	234	241	240	17,841						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 \$ 977,666.06	1,211,152.49
TOTAL CASH RECEIPTS	35,524,824	32,786,966	31,268,174	31,608,904	32,233,426	31,038,191	32,202,891						FEB \$	1,038,177.48
CASH DISBURSEMENTS:													MAR \$	1,841,986.53
Purchased Water	364,220	392,413	398,122	408,783	119,080	328,054	267,412						APR \$	994,060.30
Electric Power	24,444	47,456	44,465	32,107	43,329	50,368	36,671						MAY \$	943,546.32
Payroll	147,806	171,077	176,163	143,333	146,945	186,729	159,726						JUN \$	1,960,972.76
Operations	102,902	42,134	85,321	142,914	56,094	37,547	33,175							
Employee Benefits	94,088	95,060	96,254	97,134	94,879	95,965	1,394							
Legal	4,097	16,131	8,450	3,705	12,845	7,139	5,758							
Materials	18,129	35,513	24,195	28,328	22,409	21,732	38,919							
Insurance	5,171		9,443	2,960	4,721	4,721	1,085							
Sales Taxes	24,402	11,908.88	9,108	30,611	10,890	9,881	25,452							
Refunds	425		1,185	1,315	887	175	180							
Rate Case					47,202	1,750	3,630							
Conservation		5,000												
Pilot														
Capital Expenditures (Other)														
2004 Infrastructure 278B	12,841	152,485	439		88,410		853							
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	1,825							
Reed Schoolhouse Road - Mains 234C	20,744	17,111	270,904		2,240	7,709	23,730							
Reed Schoolhouse Road - Tank 236C	8,583	170,636	2,901	4,850	7,776	1,072	1,628							
Greenwich Avenue - 8" & 12" Mains														
2006A Infrastructure 239C		254			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	191,727							
Gareau Street 8" 242C														
Arbut-Dicach-Jefferson 8"														
2009 Infrastructure 243C	6,969	432,804	384,808	41,896	973,744	27,290	414,278							
2010 Infrastructure 287b			22,700		18,173	15,759	1,200							
Tobin Street 8" 285B														
Lenoir 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						718,553							
Water Protection	71,167.43	15,195	91,540	105,341	52,380	39,431	65,183							
TOTAL DISBURSEMENTS	4,195,060	2,778,700	1,936,721	1,192,198	2,362,160	871,509	1,992,379							
BALANCE END OF MONTH	31,329,764	30,008,265	29,331,453	30,416,706	29,871,266	30,166,882	30,210,512							
PRIOR YEAR	33,805,456	33,777,788	33,425,155	33,450,432	32,356,161	32,005,861	32,149,627	32,598,835	33,077,042	33,699,011	32,994,261	33,688,188		

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	40,000.00					
Fleet Bank - Deposit	95,366.37	116,341.33	43,313.24	317,664.54	124,196.04	195,665.78	301,947.10					
Fleet Bank - Checking	14,590.99	18,442.85	19,494.08	52,153.72	45,698.00	27,055.53	161,809.51					
	149,957.36	174,784.18	102,807.32	409,818.26	210,094.04	262,721.31	502,856.61	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	1,205,848.57					
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	3,442,660.26					
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	2,367,130.44					
Renewal & Replacement Fund	190,357.24	198,694.23	207,029.15	215,364.04	223,699.19	213,211.64	221,546.80					
Renewal & Replacement Reserve	785,951.90	785,967.75	785,974.52	785,981.07	785,987.83	785,994.37	786,001.14					
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	317,089.25					
Debt Service Reserve - 2001	780,546.21	780,546.21	780,546.21	780,546.21	780,546.21	780,546.21	781,125.00					
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	16,064,078.28					
Debt Service Fund - 2002	213,888.30	370,730.40	527,222.95	683,716.21	841,531.79	998,357.89	709,262.98					
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	1,823,560.01					
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	710,888.58					
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	1,278,464.04					
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	30,210,511.96	0.00	0.00	0.00	0.00	0.00

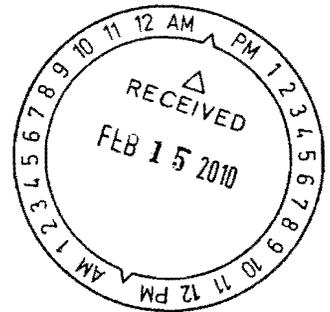
EXHIBIT B

Board Meeting

February 18, 2010

February 10, 2010
W-P Project No. 11054

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



Subject: **Mishnock Water Treatment Facility - Construction Services (Revised)**

Dear Mr. Brown,

Based on our telephone conversation on Monday February 8, 2010, Jeff Musich and I have taken a second look at our cost proposal for providing Construction Services for the Mishnock Water Treatment Facility. We certainly understand the Board's obligation to make prudent, value-based decisions on behalf of its rate paying customers, particularly in the current economic climate.

With this in mind, Jeff and I have reworked our engineering staff assignments, thereby reducing billing rates on many key engineer classifications, in order to provide the Authority with most cost-effective water treatment engineering services possible while still providing the engineering expertise and experience of New England's leading water treatment design firm. More specifically, we wish to note the following points regarding of proposal:

- Proposed Billing Rates have been **reduced** from our original January 29, 2010 for the following staff categories: project manager/principal, lead project engineer, structural engineer, instrumentation engineer, architect, mechanical engineer and electrical engineer (a cost reduction of about \$19,000 through staff reassignment).*
- Billing rates have **held** to the billing rates of Task 1 (June 2007) and/or Task 3 (January 2009) for the following staff categories: process engineer, technicians, CADD technicians and clerical.*
- Billing rate for resident project representative (RPR) has been **held** to the original Task 1 (June 2007) allowance rate. Note that the RPR accounts for nearly 40% of the overall Task 4 cost.*
- The total cost of \$629k for Task 4 Construction Administration Services calculates to about 5% of the construction cost estimate of \$12.5M. This 5% is well below the industry standard of 10% - 15% for equivalent full-time construction administration services.*

u 3 u



- Wright-Pierce has the full design understanding that is necessary to control both the quality and costs during the shop drawing review, construction, RIDOH approval, start-up and commissioning of the technically advanced water treatment facility.*

The proposed billing rate increases for certain staff categories noted above reflect modest increases in salary costs to cover annual cost of living increases for our employees. Our original contract covered a two-year period from June 2007 and ending in June 2009. Our new hourly rates would remain in place through the projected end of construction, a period of about two (2) additional years from today.

We trust this revised Task 4 Construction Administration Services Cost Proposal (attached) will provide the Board with the most value-based engineering services for building of the Mishnock Water Treatment Facility. Should you have any questions or comments, or require additional information, please contact me at (401) 383-2276. Or if you prefer, both Jeff and I are available to meet you and/or the Board at your convenience to discuss the cost proposal in detail.

Very Truly Yours,

WRIGHT-PIERCE

A handwritten signature in black ink that reads "Thomas Simbro". The signature is written in a cursive style with a large, sweeping initial 'T'.

Thomas Simbro, P.E.
Senior Project Manager

cc: Mr. Jeffrey P. Musich, P.E., Vice President

Encl.

February 10, 2010
W-P Project No. 11054

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

Subject: **Mishnock Water Treatment Facility - Construction Services (Revised)**

Dear Mr. Brown,

Per the request of the Authority, Wright-Pierce (W-P) is hereby submitting a cost proposal to provide Construction Services for the Mishnock Water Treatment Facility. The proposed scope of work for Construction Services has been prepared in accordance with the "*Kent County Water Authority Request for Proposal Related to Professional Engineering Consulting Services for The Water Treatment Facility Design for the Mishnock Well Field in Coventry, RI dated May 2, 2007*," specifically Article 10, Section 10.3 Construction Services.

The proposed scope of work follows the same sequential numbering system and outline as the above described Section 10.3, and we have bolded/strikethrough any modifications or clarifications from the Authority's "outline of the minimum required standards of the services requested."

Scope of Work

1. Construction Administration Services:

- 1.1 **General Administration of Construction Contract.** W-P engineer shall provide services to act as the owner's representative as provided in the contract documents for the construction of the project. W-P engineer shall provide written correspondence as necessary to document any deficiency or issue that may arise or require clarification. *Estimated W-P fee budgeted for Request for Information/Clarifications includes up to 38 submittals at 384 labor hours.*
- 1.2 **Visits to Site and Review/Observation of Construction.** W-P engineer shall make visits to the site at a minimum once per week or at various important or critical stages of the project construction. A written report to document and record the visit shall be provided to the Kent County Water Authority upon completion of each visit. *Estimated W-P fee includes 68 site visits.*



- 1.3 Field Meetings. Routinely coupled with the site visit, a meeting with the contractor at least bi-weekly shall occur to review the progress of construction, project items, disputed items and items for clarification. A written report to document and record the visit and meeting minutes shall be provided to the Kent County Water Authority upon completion of each meeting. The report shall include a list of attendees, description of all items discussed along with the resolution of each, any direction given, and a statement of current progress to meet defined contract schedule.
- 1.4 Field Orders. W-P engineer shall provide services for all clarifications and interpretations of the contract documents as appropriate. Field orders will be required to be issued for all such clarification and shall be prepared by the W-P engineer.
- 1.5 Change Orders or Work Orders. The W-P engineer shall provide services for all recommended change or work orders and shall prepare same.
- 1.6 Shop Drawings. The W-P engineer shall provide services for receipt, filing, approvals, review, and all other actions for shop drawings supplied by the contractor. The drawing shall be reviewed for conformance with the contract documents. The W-P engineer shall also evaluate and determine acceptability of substitutes subject to the requirements of the contract documents. *Estimated W-P fee budgeted includes coordination, logging and review of up to 126 shop drawing submittals at 1,068 labor hours.*
- 1.7 Inspection and Tests. The W-P engineer shall review all certificates of inspections and tests and render decisions of that review by the requirements of the contract documents.
- 1.8 Application for Payment. The W-P engineer shall provide services to application review, the contractor's application for payment for the project. The W-P engineer shall provide a recommendation, certification and approval of the application for payment prior to providing it to the Kent County Water Authority for final action.
- 1.9 Contractors Completion Documents. The W-P engineer shall provide services for the construction completion such as:
 - 1.9.1 Acquire and review for conformance all O & M manuals and instructions.
 - 1.9.2 Record drawing review, as provided by the contractor, of the completed contract work with clarifications as needed. Upon review and acceptance, the consultant shall transpose data and revise drawings to depict as-built conditions. Prepare and provide Mylar sepia and electronic media of the as-built conditions.
 - 1.9.3 Substantial and final completion notices along with final field review and payment application inclusive with over/under run compilation of all costs.
- 1.10 Miscellaneous. The W-P engineer to provide all other necessary tasks or services needed to provide general administration of the construction contract for this Project. Assist the Kent County Water Authority in the operational start up of the constructed facilities



providing all necessary correspondence to the Rhode Island Department of Health for approvals of start up. Provide a final report of all activities summarized for the Kent County Water Authority's review of construction activity at job completion and start up of Project. Coordinate with municipal and state inspectors to complete final inspection. *Estimated W-P start-up assistance fee budgeted includes 120-labor hours.*

2. Full-time Resident Project Representation and Inspection Services:

Estimated W-P fee includes a full-time resident engineer for 68-weeks or 2,700 labor hours.

- 2.1 Schedules. Review the progress schedule, schedule of Shop Drawing submittals and schedule of values.
- 2.2 Conferences and Meetings. Attend meetings such as progress meetings, job conferences and other project-related meetings, and prepare and circulate copies of minutes thereof.
- 2.3 Serve as Contract Administrator's Liaison with Contractor. Assist in understanding the intent of Contract Documents and progress of construction in relation to contractor's schedule of activities.
- 2.4 Shop Drawings and Samples. Record the date of receipt of Shop Drawings and Samples. Receive samples that are furnished at the site by Contractor. Review Shop Drawing to see if work is in conformance with approved drawings.
- 2.5 Review of Work, Rejection of Defective Work, Inspections and Tests. Conduct on-site inspections of the Work-in-progress to see it is proceeding in accordance with the Contract Documents. Verify that tests, equipment and systems start-ups and operating and maintenance training are conducted in the presence of appropriate personnel, and that Contractor maintains adequate records. Accompany visiting inspectors, representing public or other agencies having jurisdiction over the Project, record the results of these inspections by written report to Kent County Water Authority.
- 2.6 Interpretation of Contract Documents. Report to Contract Administrator and Kent County Water Authority when clarifications and interpretations of the Contract Documents are needed.
- 2.7 Records. Maintain at the job site detailed, accurate and orderly files for correspondence, reports of job conferences, Shop Drawings and Samples, reproductions of original Contract Documents including all Work Change, Addenda, Change Orders, Field Orders, additional Drawings issued subsequent to the execution of the Contract, clarifications and interpretations of the Contract Documents, progress reports, Shop Drawing submittals received from and delivered to Contractor and other Project related documents. Prepare a daily report or keep a diary or log book, recording Contractor's hours on the job site, weather conditions, data relative to questions of Work Change Directives, Change Orders or changed conditions, list of job site visitors, daily activities, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures. Record names, addresses and telephone numbers of all Contractors,



subcontractors and major suppliers of materials and equipment. Take photographs of new installations at critical or questionable points during the construction.

- 2.8 Reports. Furnish to Contract Administrator periodic reports as required of progress of the Work and of Contractor's compliance with the progress schedule and schedule of Shop Drawing and Sample submittals.
- 2.9 Payment Requests. Review applications for Payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to Contract Administrator, noting, particularly the relationship of the payment request to the schedule of values, Work completed and materials and equipment delivered at the site but not incorporated in the Work.
- 2.10 Certificates, Maintenance and Operation Manuals. During the course of the Work, verify that certificates, maintenance and operation manuals and other data required to be assembled and furnished by Contractor are applicable to the items actually installed and in accordance with the Contract Documents.
- 2.11 Completion. Prior to the issuance of a Certificate of Substantial Completion, submit to Contractor a list of observed items requiring completion or correction. Conduct a final inspection and prepare a final list of items to be completed or corrected. Review whether all items on final list have been completed or corrected.
- 2.12 Subcontract Services. Coordinate, as needed, any subcontract services for field testing or the like as determined by the Contract Documents or as engaged by the Kent County Water Authority. Coordination shall include scheduling test procedure, witnessing and acquiring, reviewing all test reports.

3. Project Management:

- 3.1 Monthly Project Status Report. Provide written monthly project status report to the Authority. *Estimated W-P fee budgeted includes 16-monthly reports corresponding to a Construction Services phase duration of 16-months or 68-weeks.*
- 3.2 Field Inspection Reports. Provide daily field inspection reports consolidated in a weekly submission.
- 3.3 Meetings. Anticipate ten meetings for construction phases.

4. Additional Scope of Work:

4. Additional Scope of Work: Upon the Owners request, W-P may provide additional Engineering services on a time/expense or negotiated basis.



Schedule

W-P is available to begin this work immediately upon Owner's written authorization. We are prepared to complete the above described scope of work during a 16-month / 68-week project schedule. Approval of Contract Drawings and Specifications is pending review at this time.

Estimated Fee

Our total estimated fee for Construction Services is **\$629,932**. This estimated fee assumes the project duration will be 16-months / 68-weeks. Please see attached Exhibit "A" Construction Services fee breakdown by staff classification, billing rate and estimated hours. This estimated fee is consistent with W-P's October 2009 Estimate of Probable Construction Costs. If acceptable, we recommend this cost be applied as Task Order No. 4 to our existing Contract Agreement.

Should the project duration from the pre-construction meeting through project close-out extend beyond 16-months / 68-weeks, W-P may request the estimated fee basis be increased for the labor hours expended beyond the 16-month / 68-week duration through project completion at the established labor rates.

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

Very Truly Yours,

WRIGHT-PIERCE

A handwritten signature in black ink, appearing to read "Thomas Simbro".

Thomas Simbro, P.E.
Senior Project Manager

cc: Mr. Jeffrey P. Musich, P.E., Vice President

Encl.

EXHIBIT "A"



ADDITIONAL
ENGINEERING
SERVICES

TASK 4 - CONSTRUCTION ADMINISTRATION SERVICES				
Classification	Hours	Rate	Cost	
Project Manager / Principal	272.00	\$ 159.00	\$ 43,248.00	
Lead Project Engineer	944.00	\$ 144.00	\$ 135,936.00	
Process Engineer	676.00	\$ 105.00	\$ 70,980.00	
Structural Engineer	120.00	\$ 116.00	\$ 13,920.00	
Instrumentation Engineer	240.00	\$ 124.00	\$ 29,760.00	
Technicians	160.00	\$ 83.00	\$ 13,280.00	
Architect	120.00	\$ 118.00	\$ 14,160.00	
Mechanical Engineer	12.00	\$ 104.00	\$ 1,248.00	
Electrical Engineer	344.00	\$ 135.00	\$ 46,440.00	
Resident Engineer	2,600.00	\$ 95.00	\$ 247,000.00	
CADD Technician	120.00	\$ 83.00	\$ 9,960.00	
Clerical	80.00	\$ 50.00	\$ 4,000.00	
TOTAL	5,688.00		\$ 629,932.00	

EXHIBIT C

Board Meeting

February 18, 2010

**AGREEMENT AMENDMENT NO. 1
TASK ORDER NO. 4 BETWEEN
KENT COUNTY WATER AUTHORITY
AND ENGINEER FOR PROFESSIONAL ENGINEERING
CONSULTING SERVICES RELATED TO THE DEVELOPMENT
OF A PRELIMINARY DESIGN REPORT FOR THE EAST
GREENWICH WELL FIELD TREATMENT FACILITY
FOR THE KENT COUNTY WATER AUTHORITY WATER SYSTEM**

THIS IS AN AGREEMENT made as of _____, 2010 between Kent County Water Authority (OWNER), and C&E Engineering Partners, Inc. (ENGINEER).

OWNER and ENGINEER agree as set forth below:

**SECTION 1. ENGINEERING SERVICES
AND ADDENDA**

1.1 ENGINEER shall perform the following additional professional services for this Task Order No. 4 which is fully described as the Engineer's Technical proposal (See Exhibit 1) and is additive to the Scope of Work as described in Task Order No. 1.

1.1.1 Consult with OWNER to clarify and define OWNER's requirements for each Task Order and review available data.

1.1.2 Advise OWNER as to the necessity of OWNER's providing or obtaining from others special services and data required in connection with the Task Order and assist OWNER in obtaining such data and services.

1.1.3 Provide analyses of OWNER's needs with evaluation and comparative studies of prospective solutions.

1.2 ENGINEER's specific scope of work, the time schedule, charges, and payment conditions are to be set forth on duly executed written "Task Order" attached hereto and incorporated herein by this reference. Task Order may be modified only upon a writing executed by the authorized representatives of both OWNER and ENGINEER.

1.3 The terms and conditions of this Agreement shall apply to each Task Order, except to the extent expressly modified. When a Task Order modifies any section of this Agreement, reference to the section(s) so modified shall be specifically indicated on the Task Order and the modification shall be specifically set forth on the Task Order.

SECTION 2. ADDITIONAL SERVICES

2.1 If authorized by OWNER, additional services related to the Task Order will be performed by ENGINEER for an additional professional fee as the parties may mutually agree to in writing executed by authorized representative of both OWNER and ENGINEER.

**SECTION 3. OWNER'S
RESPONSIBILITIES**

3.1 OWNER shall do the following in a timely manner so as not to delay the services of ENGINEER, including designation in writing of the person to act as OWNER's representative with respect to the services to be performed or furnished by ENGINEER under this Agreement. Such authorized representative of OWNER will have

complete authority to transmit instructions, receive information, interpret and define OWNER's policies and decisions with respect to ENGINEER's services as follows:

3.2 Provide all criteria and full information as to OWNER's requirements for the Task Order.

3.3 Furnish to ENGINEER all existing studies, reports and other available data and services pertinent to the Task Order, obtain or provide additional reports and data as required, and furnish to ENGINEER services of others required for the performance of ENGINEER's services for a Task Order.

3.4 Arrange for access to and make all provisions for ENGINEER to enter upon public and private property as required for ENGINEER to perform services under a Task Order.

3.5 Give prompt written notice to ENGINEER whenever OWNER observes or otherwise becomes aware of any development that affects the scope or timing of ENGINEER's services, or any defect or non-conformance in the work of any Contractor.

SECTION 4. PERIOD OF SERVICE

4.1 The period of service of this Agreement shall be defined in the written Task Order attached hereto and incorporated herein by this reference.

4.2 ENGINEER's Additional Services for any Task Order will be performed and completed within the time period and compensation agreed to in writing by the parties at the time such services are authorized.

SECTION 5. PAYMENTS TO ENGINEER

5.1 ENGINEER shall invoice OWNER for services rendered under each Assignment as indicated in each Task Order and OWNER shall pay ENGINEER for such services in accordance with each Task Order.

SECTION 6. COST CONTROL

6.1 Opinions of probable construction cost, financial evaluations, feasibility studies, economic analyses of alternative solutions and utilitarian considerations of operations and maintenance cost prepared by ENGINEER hereunder will be made on the basis of ENGINEER's experience and qualifications and represent ENGINEER's best judgment as an experienced and qualified design professional. It is recognized, however, that ENGINEER does not have control over the cost of labor, material, equipment or services furnished by others or over market conditions or contractors' methods of determining their prices, and that any utilitarian evaluation of any facility to be constructed or work to be performed on the basis of the report must by necessity be speculative until completion of its detailed design. Accordingly, ENGINEER does not guarantee that proposals, bids or actual costs will not vary from opinions, evaluations or studies submitted by ENGINEER to OWNER hereunder.

SECTION 7. GENERAL CONSIDERATIONS

7.1 All documents prepared or furnished by ENGINEER (and ENGINEER's independent professional associates, subcontractors, and consultants) and information developed pursuant to this

Agreement are the sole ownership of the OWNER. The ENGINEER shall not release any element of data or information developed under this agreement to any third party without prior written approval of the OWNER. ENGINEER may make and retain copies for information and reference; however, such documents are not intended for reuse by ENGINEER without written permission of OWNER.

7.2 The obligation to provide further services under this Agreement may be terminated by either party upon thirty days written notice through no fault of the terminating party. In the event of any termination, ENGINEER shall be paid for all services rendered and reimbursable expenses incurred to the date of termination.

7.3 OWNER and ENGINEER each is hereby bound and the partners, successors, executors, administrators and legal representatives of OWNER and ENGINEER (and to the extent permitted by paragraph 7.3 the assigns of OWNER and ENGINEER) are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements and obligations of this Agreement.

7.4 Neither OWNER or ENGINEER shall assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this

Agreement. Nothing contained in this paragraph shall prevent ENGINEER from employing such independent professional associates, subcontractors, and consultants as ENGINEER may deem appropriate to assist in the performance of services hereunder.

7.5 Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than OWNER and ENGINEER, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of OWNER and ENGINEER and not for the benefit of any other party.

7.6. The services provided by ENGINEER shall be performed or furnished by ENGINEER with the care and skill ordinarily used by members of ENGINEER's profession practicing under similar conditions at the same time in the same locality.

7.7 Severability. Any provision or part of this Agreement held to be void or unenforceable under any law or regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon OWNER and ENGINEER.

7.8 Unforeseen Conditions. At any time during the life of this Agreement should any substance be uncovered or encountered at the site that would void or otherwise adversely impact the ENGINEER's professional liability insurance, the ENGINEER reserves the right to renegotiate the terms and conditions of this Agreement, the fees for the ENGINEER's services, and the ENGINEER's services.

7.9 Insurance. ENGINEER shall procure and maintain insurance pursuant to the Task Order attached.

7.10 Controlling Law. This Agreement is to be governed by the law of the State of Rhode Island and Providence Plantations.

7.11 This Agreement together with the Task Orders constitutes the entire Agreement between OWNER and ENGINEER and supersedes all prior

written or oral understandings. This Agreement and said Task Orders entered into prior to the execution of this Agreement, may only be amended, supplemented, modified or canceled by a written instrument duly executed by authorized representative of both OWNER and ENGINEER.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the day and year first above written.

OWNER

Kent County Water Authority

BY: _____
Mr. Robert Boyer, P.L.S.
Chairman

Address for Giving Notices

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

Date: _____

ENGINEER

C&E Engineering Partners, Inc.

BY:  _____
Thomas B. Nicholson, P.E.
President

Address for Giving Notices

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

Date: 2-11-10

KENT COUNTY WATER AUTHORITY
TASK ORDER NO. 4 CONTRACT AMENDMENT
FOR PROFESSIONAL ENGINEERING
CONSULTING SERVICES RELATED TO THE DEVELOPMENT
OF A PRELIMINARY DESIGN REPORT FOR THE EAST
GREENWICH WELL FIELD TREATMENT FACILITY
FOR THE KENT COUNTY WATER AUTHORITY WATER SYSTEM
February 11, 2010

Proposal No. P0822

C&E Engineering Partners, Inc.

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TECHNICAL PROPOSAL

PROFESSIONAL ENGINEERING SERVICES RELATED TO PREPARATION OF A PRELIMINARY ENGINEERING DESIGN REPORT FOR EAST GREENWICH WELL FIELD TREATMENT FACILITY WARWICK, RI

PROJECT OVERVIEW

Timothy Brown, P.E.
Chief Engineer / General Manager
Kent County Water Authority
P.O. Box 192
1072 Main Street
West Warwick, Rhode Island 02893-0192

Re: East Greenwich Well Manganese
Treatment System Preliminary Design
C&E Project No. J0822.00

Dear Mr. Brown:

As discussed, the following is the proposal for modeling potential water system transmission improvements to facilitate the transfer of water from the new water treatment facility at the East Greenwich Well to both the low service gradient and the reduced pressure gradient. The point of this modeling is to allow the maximum use of the treated water as an alternate water source.

The proposed treatment schematic is the replacement of the existing well pump with a low head pump. This low head pump will transfer water from the well to a forced draft aerator for radon removal. Water will flow from the aerator to a raw water well. Raw water pumps will transfer water to the filter system and then to a clear well. Finish water pumps will transfer water into the system. The model will be used to size the finish water pumps and to find transmission system improvements that will allow this treatment system to operate at full capacity with minimum headloss in the system.

The first step of this modeling will be the sizing of the finish water pumps. These will be sized to pump to the overflow of the Frenchtown Road Tank as well as to distribute the water from the treatment facility to other parts of the water system. Once the finish water pumps are sized the model will be evaluated for areas within the water system that are restricting water distribution. When these areas are identified the model will be modified to reflect changes to the water system and the model will be re-run to reflect these changes and the recognized improvements in water system transmission and distribution.

C&E Engineering Partners. Inc.

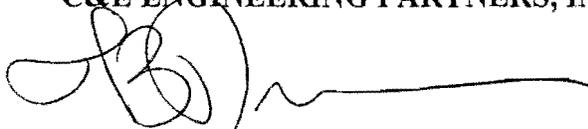
All the modeled improvements will be summarized in a model report that will present our findings and recommendations on the proposed improvements. Each improvement will be fully described and a cost estimate will be prepared. A draft copy of the report will be provided to the Authority for comments. Upon incorporation of substantive comments 8 copies of the final report will be provided.

The cost of this modeling and report preparation will be six thousand eight hundred dollars (\$6,800).

This work will be completed within 30 days of approval of this Task Order.

Please review the above information and let me know if this work is satisfactory. If you have any questions or comments, please do not hesitate to contact me directly.

Yours truly,
C&E ENGINEERING PARTNERS, INC.



Thomas B. Nicholson, P.E.
President/Chief Engineer

EXHIBIT D

Board Meeting

February 18, 2010

PLANNING DOCUMENT \$25,000/YEAR ALLOCATION	
PROJECT	STATUS
Water Supply System Management Plan WSSMP	Approved
Hunt River Interim Management & Action Plan	Implementing, Weather Dependant , WRB Committee
2008 CIP Program Plan	Approved
Clean Water Infrastructure Plan 2008	Approved
UPDATED CIP PROJECTS BOND FUNDING	
PROJECT	STATUS
Mishnock Well Field (new wells) CIP - 1A	Permit Submissions
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	Task Order Approval Modeling
Clinton Avenue Pump Station Rehabilitation CIP - 7A	Completed
Read School House Road Tank CIP - 7B	Online - Punch list - Liquidated Damages
Read School House Road Main CIP 7c, 7d, 8a	Paving - Punch list
IFR FUNDED PROJECTS	
PROJECT	STATUS
IFR 2005	Completed C. O. # 1 Asphalt Adjustment
IFR 2006 A	Closed out, Paving Issue West Warwick, Need Resolution
IFR 2006 B / IFR 2007	Winter Shutdown
IFR 2009 A & 2009 B	2009A - Winter Shutdown, 2009B Design Complete, Funding
IFR 2010	Design Review, Funding
Prospect Street	Completed
PWSB 78" / Johnson Blvd. P.S. Modification	Completed
Greenwich Avenue Replacement	Completed
Hydraulic Tank Evaluation	Completed
Quaker P. S. Design	Bid on Hold, Funding Needed, Easement Negotiations for Extension
Tech Park Tank Recoating	Completed - Reactivation Pending Due To Weather
Tiogue Tank Re-Service	Completed
Hydrant Painting	Ongoing KCWA Forces/Winter Shut Down

" D "