

# KENT COUNTY WATER AUTHORITY

## BOARD MEETING MINUTES

March 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 March 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, Maryanne Bevans and other interested parties. Maryanne Bevans led the group in the pledge of allegiance.

The minutes of the Board meeting of February 18, 2010 were moved for approval by Board Member Masterson and seconded by Board Member Gallucci and were unanimously approved.

### **GUESTS:**

#### 7<sup>th</sup> Wave Theme Park Request to Appear

Board Member Peter Masterson recused himself from this matter.

Leonard Bradley, of DiPrete, Engineering, Jon Regnerus and Mick Hintz of Wilderness Ventures, partner of Developer, Dale DeJoy of DPJ Realty and Attorney Jeffrey Caffrey, Legal Counsel for Developer were in attendance. The Town Manager of the Town of West Warwick, James Thomas, was in attendance.

Mr. Bradley informed the Board that the project formerly known as "Shipwreck Falls" was stalled because of financial constraints. He requested that a letter be sent from Kent County Water Authority stating that water service was conditionally available and that the Board had provided this letter on February 15, 2007 as was required by the lender. The current lender is requiring the same in order to obtain a commitment for financing for the project. Mr. Regnerus and Mr. Hintz are responsible for completing the due diligence to facilitate construction. Mr. DeGregorio is the site contractor and Mr. Regnerus and Mr. Hintz have been conferring with the Town of West Warwick on a regular basis. Mr. Bradley continued that the developer had previously agreed to aid in construction for the Route 2 infrastructure and that DiPrete has coordinated that with Pare Engineering for the design.

The Chairman opined that the project is certainly economically positive for the State of Rhode Island and the Town of West Warwick however, he was concerned that the developer has made multiple promises to the Board since 2006 and the project has

not materialized. The Chairman stressed the importance of the Route 2 (Quaker Lane) infrastructure design. Mr. Bradley stated that Pare Engineering has commenced the design and it was 20-30% complete, however, nothing further has been accomplished given the economy. Mr. Bradley represented that Pare Engineering is ready to complete the design phase and that when funding is in place, earth work will commence the day after receipt of funding which is anticipated to be 60 to 90 days. The Chairman reiterated that the developer never consummated lender funding and that developer has appeared at the Board after February 15, 2007 and has made similar representations to no avail. The Chairman stated that he was disturbed that Kent County Water Authority has been kept waiting indefinitely.

The Chairman stated that if water is allocated to the developer and the project does not proceed, the Authority will be unable to allocate water to other projects and there is risk that a development ready and able to go forward will not be allocated water because of the previous allocation to this project. The Chairman opined that if developer requires a letter for financing purposes from Kent County Water Authority, the Board wants a commitment from developer that the project will go forward.

Mr. Regnerus stated that he was not aware of the previous representations made to the Board by the other partner, to wit, Michael Day. The Chairman stated that Kent County Water Authority has been extremely cooperative with the Developer to facilitate this project, however the project has yet to submit an application 2006. The Chairman empathizes with them, however, the Developer last represented to the Board that an amount less than \$70,000 was required to complete design. Mr. Bradley then represented to the Board that the design work and permitting process will be completed within six months. Mr. DeJoy interjected that when the previous representations were made, the commitment from the first Lender was in place and Mr. Day was confident in making those representations. The Chairman inquired of the time frame required to obtain financing. Mr. Regnerus reiterated that he anticipates a closing in 60 days. Mr. Bradley then represented that the plans would be filed within one month after the closing. Mr. Caffrey interjected that applicant can not commit to a lesser time frame of six months.

Board Member Gallucci repeated that the Board wants the project to move forward however, no application has been filed to date and that the Board cannot guaranty water to anyone. Mr. Regnerus stated that the project and financing cannot proceed without the letter of water availability from Kent County Water Authority.

The General Manager stated that he has yet to receive current calculations for water service and fire flow since October, 2009 and Kent County Water Authority has not heard anything further from the Developer until recently. He imparted that he can not represent that there is sufficient water supply for the project. The General Manager emphasized that calculations need to be received and reviewed by Kent County Water Authority to determine the supply requirements.

Board Member Giorgio stated that he did not want to inhibit the project because it gives Kent County Water Authority the opportunity to sell more water. The General Manager reiterated that the issue of high demand in the summer months needs to be considered and the inability to supply water at that time. Mr. DeJoy stated that it will take 14 to 18 months to complete the development. The General Manager informed the Board that it takes nine months for a rate filing (in order to acquire funds for the Route 2 infrastructure).

The Chairman recommended that Kent County Water Authority provide the requested letter of conditional water availability with stipulations pursuant to the Rules and Regulations. Board Member Gallucci reminded the Developer if the water approval is granted in the future and the property is subsequently conveyed by Developer, any approval is void because of the change in ownership and a new application from the new owner would be required.

It was moved by Board Member Giorgio and seconded by Board Member Gallucci to conditionally approve the request for water supply to service the water park development with the following stipulations and conditions in lieu of a moratorium:

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

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

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

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

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

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

7. The developer understands Kent County Water Authority is unable to commit supply if upgrades to the Bald Hill Pump Station and infrastructure are not in operation by the time the development is ready for occupancy. The developer is responsible to cause the installation of all upgrades and improvements prior to occupancy.

8. The developer understands that this stipulated approval becomes void should the developer fail to secure funding within six months of the issue date or the property/project is sold or this particular project, as a water park, is not committed for construction.

9. Provide the design work and bidding documents offered by the developer during the February 15, 2007 Board meeting as aid in construction for Route 2 infrastructure improvements and as further addressed in the December 18, 2008 Board motion pertaining to this subject.

10. This approval is based upon the flow allocation and/or number of rooms from that originally presented to the Board, at the February 15, 2007 Board meeting. The Developer and/or developer's engineer must provide KCWA with current domestic and fire demand calculations within two (2) weeks to determine present water supply requirements. Failure to provide current domestic and fire demand calculation within this timeline voids this stipulated approval.

11. The Kent County Water Authority legal counsel and legal counsel for the developer shall specify in a separate agreement outlining these stipulations of the separate aid in construction agreement.

12. Applicant shall comply with all Kent County Water Authority Rules and Regulations.

13. Design pursuant to the rules and regulations of KCWA; KCWA reviews required at 20, 75 and 90 percent states along with 100 percent at finalization.

14. Formal transfer of title to design and bidding document work must be prepared and executed by both parties.

15. Assignment of engineers, liability insurance and E & O Insurance are required to KCWA at completion of design and bidding document.

16. Plans must include all wetland, DEM, DOT and local municipal approvals.
17. Traffic control plans are required both in specification and drawings.
18. Night time work will most likely be required and must be included in the specification contract package.
19. Specification contract package shall be to the standards of KCWA with standard contract for bidding.
20. Davis Bacon wage rates will apply to this contract.
21. Geotechnical report shall be required and included in contract document specifications. Boring locations to be reviewed and layout of locations and spacing required with Kent County Water Authority prior to execution.
22. Design sheet standard 24" x 36" of Kent County Water Authority along with standard details of Kent County Water Authority.
23. Ownership of all design, drawing and technical documents will become property of the Kent County Water Authority upon formal transfer of title. Digital electronic format drawings in both PDF and current version AutoCAD required along with contract specification documents in Microsoft Word upon completion and transfer of title.
24. Proposed performance period schedule to be provided listing dates of review, coordination along with any meetings that are needed between Kent County, the design engineers and developer.

And it was unanimously,

VOTED: To conditionally approve the request for water supply to service the water park development with the following stipulations and conditions in lieu of a moratorium:

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

2. A deficient condition associated with accelerated commercial and residential development exists in the area serviced by the

KCWA, the KCWA is in the process of planning for additional water supply and therefore delays or diminution in service may occur if the water supply is unavailable or unable to produce water sufficient to service the customers of KCWA.

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

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

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

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

7. The developer understands Kent County Water Authority is unable to commit supply if upgrades to the Bald Hill Pump Station and infrastructure are not in operation by the time the development is ready for occupancy. The developer is responsible to cause the installation of all upgrades and improvements prior to occupancy.

8. The developer understands that this stipulated approval becomes void should the developer fail to secure funding within six months of the issue date or the property/project is sold or this particular project, as a water park, is not committed for construction.

9. Provide the design work and bidding documents offered by the developer during the February 15, 2007 Board meeting as aid in construction for Route 2 infrastructure improvements and as further addressed in the December 18, 2008 Board motion pertaining to this subject.

10. This approval is based upon the flow allocation and/or number of rooms from that originally presented to the Board, at the February 15, 2007 Board meeting. The Developer and/or developer's engineer must provide KCWA with current domestic and fire demand calculations within two (2) weeks to determine present water supply requirements. Failure to provide current domestic and fire demand calculation within this timeline voids this stipulated approval.

11. The Kent County Water Authority legal counsel and legal counsel for the developer shall specify in a separate agreement outlining these stipulations of the separate aid in construction agreement.

12. Applicant shall comply with all Kent County Water Authority Rules and Regulations.

13. Design pursuant to the rules and regulations of KCWA; KCWA reviews required at 20, 75 and 90 percent states along with 100 percent at finalization.

14. Formal transfer of title to design and bidding document work must be prepared and executed by both parties.

15. Assignment of engineers, liability insurance and E & O Insurance are required to KCWA at completion of design and bidding document.

16. Plans must include all wetland, DEM, DOT and local municipal approvals.

17. Traffic control plans are required both in specification and drawings.

18. Night time work will most likely be required and must be included in the specification contract package.

19. Specification contract package shall be to the standards of KCWA with standard contract for bidding.

20. Davis Bacon wage rates will apply to this contract.

21. Geotechnical report shall be required and included in contract document specifications. Boring locations to be reviewed and layout of locations and spacing required with Kent County Water Authority prior to execution.

22. Design sheet standard 24" x 36" of Kent County Water Authority along with standard details of Kent County Water Authority.

23. Ownership of all design, drawing and technical documents will become property of the Kent County Water Authority upon formal transfer of title. Digital electronic format drawings in both PDF and current version AutoCAD required along with contract specification documents in Microsoft Word upon completion and transfer of title.

24. Proposed performance period schedule to be provided listing dates of review, coordination along with any meetings that are needed between Kent County, the design engineers and developer.

1089 Tillinghast Road, E.G. Steven J. Eknaian

Mr. Eknaian is the owner of residential real estate and has resided there since 2002. He has gone to great expense on plumbing expertise to address the poor quality of his well water. He stated that the water is also corroding his pipes and staining his clothing. The Chairman inquired of this hardship and Mr. Eknaian informed the Board that he has had his well tested. Board Member Masterson stated that he had reviewed this matter with the owner and there is a serious manganese issue. Board Member Masterson recommended approval of water service given this hardship. The General Manager also recommended that the owner consult with an electrician to rule out electrolysis and to not use chlorinated products.

It was moved by Board Member Masterson and seconded by Board Member Gallucci that based on upon representations made by Mr. Eknaian regarding corrosion of the plumbing, water quality and health concerns to conditionally approve the request for water supply to service a single family home with the following conditions in lieu of a moratorium:

1. The Kent County Water Authority (KCWA) is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third party commitments made by 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 single family home application. 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 conditionally approve the request for water supply to service a single family home with the following conditions in lieu of a moratorium:

1. The Kent County Water Authority (KCWA) is not a guarantor of water supply for this or any other approval and KCWA can only supply water reasonably available to it and therefore any applicant/customer of KCWA understands that any third party commitments made by 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 single family home application.
5. 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.
6. 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.
7. 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.

#### Ken Burke, WRB Presentation Big River Wells

Ken Burke and Romeo Mendes, both of Water Resources Board and William Nunnery, Engineer, appeared before the Board. Mr. Burke stated that it is the intention of the Water Resources Board to sell water from Big River to Kent County Water Authority and supplying water to the Town of North Kingstown and Quonset Development Corp. (QDC). Mr. Burke informed the Board that the testing performed to date has yielded excellent water quality. He inquired of the intent of Kent County Water Authority as to Mishnock wells. Mr. Burke requested that Kent County Water Authority to consider Big River well in supplement to the Kent County Water Authority system.

Mr. Nunnery met with the Department of Environmental Management on March 16, 2010 and there are two test wells sited which have produced 500 gallons each. He stated that the USGS has performed all modeling and there is special online monitoring for wetland wells. The Chairman inquired of Mr. Nunnery if USGS is looking at the site for a reservoir and Mr. Nunnery responded in the negative. Mr. Burke stated that the long term goal, is a reservoir and the State would like to preserve the site for a reservoir.

Board Member Masterson inquired of Mr. Burke if this matter has been discussed with the Water Resources Board. Mr. Burke stated that there was a general discussion and that the Water Resources Board members discussed a reservoir site but stressed this was a long term program to wit, 50-100 years.

Mr. Nunnery stated that permits may be in place by the summer 2010 and that

the Department of Environmental Management public hearings may be held in September 2010. The site is being promoted as a viable water source for Kent County Water Authority. Mr. Burke appealed to Kent County Water Authority on an economic level and is looking for direction from Kent County Water Authority on this matter. The General Manager was explicit on C& E Engineering researching a table top model to determine if the concept of Water Resources Board is viable.

The Chairman informed Mr. Burke that Kent County Water Authority certainly does not have the financial assets available to address infrastructure. The Chairman further stated that Mr. Sullivan of the Water Resources Board was in attendance at the legislative hearings and was not supportive of the position of Kent County Water Authority at that time and ad hoc pronounced that a Big River reservoir would never be built. The Chairman further stated that Kent County Water Authority has been working on its wells for supply and inquired of Mr. Burke as to why the Water Resources Board is now working on wells. Mr. Burke responded that the Water Resources Board feels that the cost of their water should be competitive and below the rate of Providence Water. Mr. Burke further commented that they are in the ground water business and are looking in the long term for a reservoir and since they own the property, they should be utilizing it. Mr. Burke emphasized that he does not expect Kent County Water Authority to share in the cost of this research.

The Chairman opined that the General Manager has maintained an excellent water system and inquired of Mr. Burke as to why the General Manager was never a part of the secret dialogue and why wasn't he at least consulted before now? Mr. Burke conceded that he was in a difficult position. Mr. Burke stated that when this matter first arose, he raised the issue of coordinating development with Kent County Water Authority and that Mr. Burke wanted to advance information and knowledge to Kent County Water Authority and agreed that the approach of the Water Resources Board to date was not the correct approach to wit, by keeping Kent County Water Authority out of the loop and not coordinating with Kent County Water Authority to date.

The Chairman opined that a meeting of the minds between the two parties is necessary ingredient prior to proceeding with the project and research. The General Manager stated that he was not approached with this project until September, 2009 and it was represented to the General Manager that this was to be a partnership between the Water Resources Board and Kent County Water Authority and that QDC was to be the recipient of this project. He continued that when the draft document prepared by Mr. Burke was generated and was only recently received by the General Manager, the draft document differed from the initial representation to the General Manager. The General Manager state that his position is that Big River is in an addition to Kent County Water Authority wellfields and not a replacement for Authority wellfields . The General Manager further stated that the wellfields are going out to bid and will be moving forward and if the Water Resources Board and other departments intent on interfering with these long standing plans, it will become an issue. He continued that Kent County Water Authority commenced work and research on the wellfields over 15 years ago and Kent County Water Authority has expended its resources and for the Water Resources

Board to now come in and have two wells to be drilled and pumped with a demand that Kent County Water Authority purchase Big River water is at best unrealistic. That General Manager stated that there are testing issues with respect to the quality of the Big River wells supply which remain unanswered. He continued that if the water is to be pumped into the high gradient, the supply will be of no use to Kent County Water Authority.

The General Manager discussed the issue with North Kingstown and QDC and neither North Kingstown nor QDC need the water and QDC will not be purchasing the supply. He iterated Big River may ultimately benefit Kent County Water Authority customers however, the time frame purported by the Water Resources Board are not realistic or advantageous as there are no treatment facilities which require extensive design and infrastructure.

Mr. Burke provided the Board with the Big River Management area well department project status as evidenced and attached as "A". The General Manager stated that a partnership between the Water Resources Board and Kent County Water Authority would be beneficial however, it is obvious there are differences of opinion between the Water Resources Board and Kent County Water Authority. The General Manager suggested that the two respective boards meet to confer and discuss the various issues.

Mr. Burke stated that he is desirous of Big River being another supply option for Kent County Water Authority and that it is a priority of the Water Resources Board to develop the Big River area as a water source. Mr. Burke further stated that Kent County Water Authority would need to be the main partner of the Water Resources Board in order for the success of the project. Mr. Burke stated that this project is economically based and that the Water Resources Board wants to maximize opportunities for Kent County Water Authority rate payers.

The General Manager opined that the Water Resources Board needs to consult with the water suppliers stake holders in the process. He informed all that Kent County Water Authority has been concerned with ground water supply since the 1990's and the Water Resources Board funded the purchase of the land by Kent County Water Authority for wellhead protection and now it appears that the Water Resources Board has abandoned its long term plan without adequate study or consultation. The General Manager also reminded Mr. Burke that water runs north to south (not vice versa) and that the Water Resources Board is not looking at or addressing mixing water systems which would require extensive study. He warned that a meeting of the minds is required as to expectations and requirements of all concerned because what was previously represented by the Water Resources Board to the recent Senate hearings differs greatly from the current proposal of the Water Resources Board. The General Manager recommended to the Chairman that the members of the Water Resources Board and Kent County Water Authority confer prior to any further action with regard to the Big River proposal.

The General Manager stated that the Water Resources Board document infers that all funds expended will be recouped and the General Manager opined that without more, it is unrealistic. Mr. Burke stated that Kent County Water Authority and the Water Resources Board have mutual interests and share mutual concerns. The General Manager responded that the draft documents from Mr. Burke were not properly vetted and do not have the concurrence of the Water Resources Board. Mr. Burke stated that it is the priority of the Water Resources Board to pursue this project as a groundwater source and he wants the opportunity to proceed with this proposal jointly with the Authority to maximize the benefit for Kent County Water Authority rate payers.

The General Manager reiterated that the Authority is ready to proceed with its wells. Mr. Burke informed the General Manager that he wants to share Water Resources Board calculations with the Authority and if the Authority calculations are preferable, the Water Resources Board will retreat on Big River.

The Chairman inquired of Mr. Burke if North Kingstown and QDC need the water and Mr. Burke confirmed that they do not want a substantial amount of water. Mr. Burke further stated that Big River would relieve stress on the Scituate supply.

#### Wright-Pierce Project Update, Construction Services Proposal

Peter Quern and Thomas Simbro of Wright-Pierce appeared before the Board to provide an update as to the water treatment project. Mr. Simbro informed the Board that the design phase is completed and the treatment plant has been sited. Three wells are to be pumped to Nooseneck Hill Road post treatment and the residuals discharged into the lagoon and material subsequently removed. The water will be used for high service. Mr. Simbro showed plans of the plant building to the Board and described the water treatment process. The Chairman inquired as to the amount of water treated each day and Mr. Simbro informed that 2.9 million gallons of water per day will be treated. He stated that the greatest issue is the level of manganese and post treatment, the manganese level will be well within acceptable limits. He continued that the treatment process is a proven technology and the water quality will be similar to that of the Providence Water Supply. Mr. Quern stated that the treatment plant is very operator friendly. He explained that the membranes are cleaned in place in the tank and water can be recycled. He stated that the permitting process is the most difficult phase and the first permit to wit, the Department of Health has been on file for a few months and they expect the Department of Health comments shortly. The second permit is from Rhode Island Department of Environmental Management freshwater wetlands section and Wright Pierce remarked that it is on track. Wright Pierce anticipates both permits within a few weeks.

#### **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 was scheduled for February 25, 2010 and was ordered on even date.

### 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 March 11, 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. There has been no change as of March 11, 2010.

#### West Greenwich Wellhead Protection

Mr. Waltonen has petitioned the Town Council for West Greenwich for a zone change for AP 6, Lot 134 from residential to highway business. The subject lot abuts the wellhead protection area of Kent County Water Authority. The site is currently used for storage and grinding and drying. A portion of the subject site was previously rezoned in 1991 to Highway Business and the Petitioner appeared before the Kent County Water Authority Board at that time and a condition of the 1991 zone change was that Petitioner obtain a letter from Kent County Water Authority approving the final drainage plan. The current petition requests relief from all 1991 conditions including Kent County Water authority approval. Legal Counsel has conducted research 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 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. On March 15, 2010, the Zoning Board meeting was continued to April 20, 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. The tank has been filled and inspection is moving forward.

## 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. Legal Counsel has been monitoring the status via the website provided by the Comptroller and there is no updated status as of March 12, 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. Legal Counsel will send a follow up letter to Ursillo via certified mail, return receipt requested.

#### 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. Legal Counsel telephoned Attorney Landry and left a voicemail message as to status and subsequently forwarded correspondence to Attorney Landry on March 11, 2010 and awaiting a response.

#### 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. The General Manager and Legal Counsel will continue to monitor the status. Legal Counsel has spoken to Laffey, Esq. and the owner is pursuing the well installation.

### **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 February, 2010, as evidenced and attached as “B” 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 February, 2010 be approved as presented and be incorporated herein and are made a part hereof as evidenced and attached as “B”.

### **Point of Personal Privilege and Communications:**

The Chairman opined the General Manager made a very good selection in obtaining the services of the GIS contractor. Mr. Boyer has been preparing plans since 1963 and the Kent County Water Authority GIS map is excellent. The map to date is a masterpiece and the Chairman could not believe it was going to be enhanced further. The GIS map provides a complete view of the Kent County Water Authority system.

### **GENERAL MANAGER/CHIEF ENGINEER'S REPORT** **Old Business**

#### **KCWA Rate Case Review Status (Docket #3942)**

The matter was argued before the Supreme Court on March 10, 2010 and the parties are awaiting the Decision.

#### **Rate Case Revenue Shortfall, Docket #4142 Status**

The General Manager informed the Board that a public meeting is scheduled to be held on March 24, 2010 at 6:00 p.m. at the Warwick City Hall.

#### **KCWA Pass Through of PWSB, Docket 4067**

The Providence Water Supply Board and the Kent County Water Authority

respective rate cases will both be heard on April 7, 2010.

### Controller of the Currency Complaint

This matter was presented infra.

### **New Business**

#### **KCWA – Review of System and Components**

The General Manager provided the Board with an overview of the Kent County Water Authority distribution system map. The General Manager informed the Board that the map contains everything within the Kent County Water Authority system and GIS and within one year, the map will be improved upon. The map is of great value to Kent County Water Authority, especially in the event of a water main break.

#### **Construction Services Mishnock Treatment Plant Proposal**

A proposal for construction services has been provided to Kent County Water Authority and will be considered at the April 15, 2010 Board meeting.

#### **Proposal Water Rate Consultations, Review & Approval**

The General Manager stated there was one bid for consulting services from Woodcock & Associates, Inc. and it was fair and reasonable and he recommended the same as evidenced and attached as “C”.

It was moved by Board Member Gallucci and seconded by Board Member Giorgio to award the proposal for consulting services to Woodcock & Associates in the amount of \$200.00 per hour for the President and \$150.00 per hour for the Rate Consultant (if needed) as evidenced and attached as “C” and it was unanimously,

VOTED: To award the proposal for consulting services to Woodcock & Associates in the amount of \$200.00 per hour for the President and \$150.00 per hour for the Rate Consultant (if needed) as evidenced and attached as “C”.

#### **Bid Printing Services CCR, Review and Approval**

The General Manager presented the Board with a bid opening for design, printing and mailing of Consumer Confidence Reports as evidenced and attached as “D” and stated there were two bids received from Graphic Image and Lawrence Brooks. The General Manager stated that Graphic Image was the lowest bidder and it was fair and reasonable and he recommended the same as evidenced and attached as “D”.

It was moved by Board Member Gallucci and seconded by Board Member Masterson to award the proposal for design, printing and mailing of Consumer Confidence Reports to Graphic Image in the amount of \$7,640.00 as evidenced and attached as “D” and it was unanimously,

VOTED: To award the proposal for design, printing and mailing of Consumer Confidence Reports to Graphic Image in the amount of \$7,640.00 as evidenced and attached as “D”.

**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 “E” .

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

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

---

Secretary Pro Tempore

# **EXHIBIT A**

Board Meeting

March 18, 2010



**State of Rhode Island and Providence Plantations**  
**Water Resources Board**  
Foundry Office Building, Room 394  
235 Promenade Street  
Providence, RI 02908  
(401) 222-1450 • FAX: (401) 222-1454

**Big River Management Area Well Development Project - Status**

- Estimated Yield of Well Field: **4.2 MGD**
  
- Quality of Raw Water: **Excellent**
  
- Projected Capital Cost to deliver treated water to KCWA: **\$10.5 million**
  
- Timeframe to Secure RIDEM Permit: Expected **Summer 2010**
  
- Outstanding Issues:
  - Confirmation of Permit Requirements
  - Confirmation of hydraulic modeling for distribution
  - Continued coordination with KCWA, North Kingstown, and QDC

# **EXHIBIT B**

Board Meeting

March 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	30,210,512					JUL \$ 1,260,704.09	1,282,312.14
<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	2,018,168	1,236,932					SEP \$ 2,566,722.88	2,591,917.46
Interest Earned	1,795	3,225.25	243	234	241	240	17,841	242					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 \$ 977,666.96	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>	<b>32,202,891</b>	<b>31,447,687</b>					FEB \$ 943,649.21	1,038,377.48
<b>CASH DISBURSEMENTS:</b>													MAR \$ 1,841,986.53	1,841,986.53
Purchased Water	364,220	392,413	398,122	408,783	319,080	328,054	267,412	287,005					APR \$ 994,060.30	994,060.30
Electric Power	24,444	47,456	44,465	32,107	43,329	50,368	36,671	41,319					MAY \$ 943,546.32	943,546.32
Payroll	147,806	171,077	176,163	143,333	146,945	186,729	159,726	142,741					JUN \$ 1,960,972.76	1,960,972.76
Operations	102,902	42,134	85,321	142,914	56,094	37,547	33,175	56,495						
Employee Benefits	94,088	95,060	96,254	97,134	94,879	95,965	1,394	102,899						
Legal	4,097	16,131	8,450	3,705	12,845	7,139	5,758	3,808						
Materials	18,129	35,513	24,195	28,328	22,409	21,732	38,919	51,541						
Insurance	5,171		9,443	2,960	4,721	4,721	1,085	129,757						
Sales Taxes	24,402	11,908.88	9,108	30,611	10,890	9,881	25,452	8,242						
Refunds	425		1,185	1,315	887	175	180	12,352						
Rate Case					47,202	1,750	3,630	3,566						
Conservation		5,000												
Pilot														
Capital Expenditures (Other)														
2004 Infrastructure 278B	12,841	152,485	439		88,410		853	39						
Mishnock Well/Storage/Pump/Trans. 221C	57,136													
Clinton Avenue Pump Station														
E. O. Well Upgrade 464E	8,924	3,446	5,360	15,455	14,600	1,734	1,825	2,743						
Read Schoolhouse Road - Mains 234C	20,744	17,111	270,904		2,240	7,709	23,730	2,615						
Read Schoolhouse Road - Tank 236C	8,583	170,636	2,501	4,850	7,776	1,072	1,628	1,328						
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	191,727	13,243						
Gareau Street 8" 242C														
Arthur-Blesch-Jefferson 8" 243C	6,969	432,804	384,808	41,896	973,744	27,290	414,278	8,579						
2009 Infrastructure 287b			22,700		18,173	15,759	1,200	3,738						
2010 Infrastructure 285B														
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			19,000						
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	37,093						
<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>1,992,379</b>	<b>928,103</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>30,210,512</b>	<b>30,519,584</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>33,688,188</b>		

CASH RECEIPTS DISBURSEMENTS FY 2010/09  
3/8/2010 4:41 PM  
J.Cook/af

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
<b>CASH LOCATION:</b>												
Citizens Bank - Payroll	\$ 40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00				
Fleet Bank - Deposit	95,366.37	116,341.33	43,313.24	317,664.54	124,396.04	195,665.78	301,047.10	103,260.13				
Fleet Bank - Checking	14,590.99	18,442.85	19,494.08	52,153.72	45,698.00	27,055.53	161,809.51	85,161.29				
	149,957.36	174,784.18	102,807.32	409,818.26	210,094.04	262,721.31	502,856.61	228,421.42	0.00	0.00	0.00	0.00
<b>U. S Bank - Project Funds</b>												
Revenue	152,650.22	349,149.72	103,870.94	178,128.80	946,000.49	871,192.83	1,205,848.57	1,002,720.54				
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	3,892,689.85				
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	2,367,150.58				
Renewal & Replacement Fund	190,357.24	198,694.23	207,029.15	215,364.04	223,699.19	213,211.64	221,546.80	229,881.98				
Renewal & Replacement Reserve	785,951.90	785,967.75	785,974.52	785,981.07	785,987.83	785,994.37	786,001.14	786,007.90				
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	382,613.92				
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	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	16,064,214.73				
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	866,089.89				
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	1,823,560.01	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	816,644.19				
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	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	30,519,584.05	0.00	0.00	0.00	0.00

# **EXHIBIT C**

Board Meeting

March 18, 2010

KENT COUNTY WATER AUTHORITY  
REQUEST FOR PROPOSAL  
RELATING TO WATER RATE CONSULTING SERVICES  
RFP OPENING – FEBRUARY 23, 2010

The RFP Opening for Relating to Water Rate Consulting Services was held at 10:00 a.m., February 23, 2010 per the requirements of the Request for Proposal advertised in the Providence Journal on Friday, February 5, 2010.

The work consists of providing directly to the Kent County Water Authority qualified, nationally recognized, rate consultant to assist in the preparation of water rate filings, intervention filings, rate pass through filings and other rate related issues.

At 10:00 a.m. the Bid Opening began by Timothy J. Brown briefly describing what the Bid entailed followed by the opening of the following bid:

1. **Woodcock & Associates, Inc.**

**Fee Proposal:**

President	\$200/hour
Rate Consultant (if needed)	\$150/hour

**Table of Contents:**

- Introduction
- Prequalification Requirements
  - 1.2.1 Rate Filings Before RI PUC
  - 1.2.2 Experience with Comparable Sized Regulated Water Utilities
  - 1.2.3 Familiarity with Revenue Bonds for Non-taxing Utilities
  - 1.2.4 Reference for Regulated Water Utilities
- Statement of Conflicts (Article 8.4)
- Present & Proposed Clients
- Previous Clients
- Workload (Article 8.6)
- Description of Firm
- Relevant Experience
- Wholesale and Retail Cost of Service Studies
- Rate and Financial Forecasting
- Alternative Rate Design
- Expert Witness Services
- Summary
- Staffing
- Project Approach
- Scope of Services
- Fee Proposal
- Appendices

Copies of the Request for Proposal will be brought in front of the Board at the March Board Meeting for review and action.

Bid Opening closed at 10:10 p.m.

# **EXHIBIT D**

Board Meeting

March 18, 2010

KENT COUNTY WATER AUTHORITY  
BID OPENING  
FOR PROFESSIONAL SERVICES RELATED TO  
DESIGN, PRINTING AND MAILING OF CONSUMER CONFIDENCE REPORTS  
MARCH 17, 2010

The Bid Opening for Printing and Mailing services was held at 10:00 a.m., March 17, 2010 per the requirements of the Bid Invitation advertised in the Providence Journal on Wednesday, March 3, 2010.

The work consists of providing directly to the Kent County Water Authority all labor, materials and services necessary for the creative development, design, printing and mailing of the Kent County Water Authority annual Consumer Confidence Report in accordance with the requirements of the U. S. Environmental Protection Agency, Rhode Island Department of Health regulations and directions given by the Kent County Water Authority. The Kent County Water Authority anticipates production needs of 36,000 copies with a customer base mailing of approximately 27,000 copies. The design and printing contractor shall have a minimum of 5 years experience in design, printing and mailing services related to public relations media of this nature, along with the ability to complete the customer base mailing of both documents within the required timelines.

At 10:00 a.m. the Bid Opening began by the opening of the following submitted bids.

1. Graphic Image, 561 Boston Post Road, Milford, CT 06460-2635  
Leigh Danenberg, T: 203-877-8787, 800-553-0220 F: 203-877-8237

Total Bid Amount - \$7,640.00

The following 5 examples were provided:

- Kent County Water Authority CCR 2006
- Kent County Water Authority CCR 2008
- Barlett's Root-Rx Program Brochure
- Fall/Winter 2009 Getaways to the Hudson Valley, CT & Beyond Brochure
- November/December 2009 Connecticut Wildlife, 18 page Publication

2. Lawrence & Brooks, Incorporated – 12 Sheldon Street, Providence, RI 02906  
Steven Triedman, T: 401-274-3200 F: 401-274-3203

Total Bid Amount - \$10,848.00

The following 4 Examples were provided with the 5<sup>th</sup> example being incomplete:

- Warwick Water CCR 2004
- Warwick Water CCR 2005
- Warwick Water CCR 2006
- Warwick Water CCR 2007
- Providence Water Annual Report Volume II 1999. **Note:** only front cover was provided.

The Bid Opening was closed at 10:06 a.m.

# **EXHIBIT E**

Board Meeting

March 18, 2010

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

<b>PROJECT</b>	<b>STATUS</b>
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**

<b>PROJECT</b>	<b>STATUS</b>
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**

<b>PROJECT</b>	<b>STATUS</b>
IFR 2005	Completed C. O. # 1 Asphalt Adjustment
IFR 2006 A	Closed out, Paving Issue West Warwick, Need Resolution
IFR 2006 B / IFR 2007	Spring Start-up
IFR 2009 A & 2009 B	2009A - Spring Start-up, 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, Week of March 15th, Filling & Chlorination
Tiogue Tank Re-Service	Completed
Hydrant Painting	Ongoing KCWA Forces/Winter Shut Down