KENT COUNTY WATER AUTHORITY

BOARD MEETING MINUTES

April 15, 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 April 15, 2010.

Chairman, Robert B. Boyer opened the meeting at 3:35 p.m. Board Members, Mr. Gallucci, 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. Board Member Masterson led the group in the pledge of allegiance. Board Member Giorgio was detained by business.

The minutes of the Board meeting of March 18, 2010 were moved for approval by Board Member Masterson and seconded by Board Member Gallucci 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 was scheduled for February 25, 2010 and was ordered on even date. The matter has been assigned to Judge Vogel, but no hearing date has been set.

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 April 14, 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 plant 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.

Legal Counsel spoke with Attorney DeAngelis on April 13, 2010 and Mr. DeAngelis stated that a final closing will take place within thirty (30) days and disbursement will take place thereafter.

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 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 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 April 14, 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 Count 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. On March 22, 2010, Legal Counsel sent a follow up letter to Mr. Ursillo via certified mail, return receipt requested. On March 29, 2010, Mr. Ursillo replied to Legal Counsel stating that he would respond upon reviewing the matter with the West Greenwich Tax Assessor.

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 starting 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 pursing 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 subject to engineering 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 with Pare Engineering as the parties had agreed that Pare Engineering would give a report concerning 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 and that due to the flood the sales will be burdened.

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 March, 2010, as evidenced and attached as **"A"** and after thorough discussion, especially with regard to the sales and revenue shortfalls and that shut offs and payment plans 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 (Board Member Giorgio was not present as he was detained by business),

> VOTED: That the financial report, comparative balance sheet statement of revenues, expenditure, cash receipts, disbursements and comparative balance sheets and statements of revenue through March, 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:

The Chairman attended the rate hearing at the Public Utilities Commission and he stated that sadly he was the only spectator. He was extremely impressed by the presentation by Legal Counsel and the General Manager. He was further impressed by the manner in which the Legal Counsel and the General Manager handled the questions by the Commission regarding the Kent County Water Authority employee benefits and he was extremely proud of both them.

GENERAL MANAGER/CHIEF ENGINEER'S REPORT
Old Business

KCWA Rate Case Review Status (Docket #3942)

Legal Counsel is awaiting for the Supreme Court written decision.

Rate Case Revenue Shortfall, Docket #4142 Status

Legal Counsel is awaiting the Public Utilities decision after the last data request and there will be an open meeting to decide the same on or about April 27, 2010.

KCWA Pass Through of PWSB, Docket 4067

This is dependent on the re-opened Providence Water Supply Board of Docket 4067 and the decision by the Public Utilities Commission which is imminent.

New Business

Construction Services Mishnock Treatment Plant Proposal

The General Manager stated that discussion will be continued to next month and thereby allowing further review by the Board.

Preliminary Budget Discussion Benefits, Payroll, Restricted Accounts

The General Manager presented and fully explained preliminary budget issues, including the employee benefits as evidenced and attached as "**B**". He stated that lost revenue will be greater and the flood only exacerbated the problem. He pointed out that the budgeted overtime was cut in half. (80,417.16 vs. 42,507.06 actual) He explained the restricted accounts on page 3 of attached of "**B**" and $810,730 is the required monthly payment each month which represents approximately one-half of all money collected. He has asked for an insurance quote from the Interlocal Trust and quote on medical/dental,

long term disability, life insurance and Workers Compensation. The General Manager feels that money would be saved if Kent County Water Authority is granted participation by and into the Interlocal insurance program. Board Member Gallucci spoke to management prerogatives and stated that, reluctantly, medical/dental co-pay has to be addressed and that 3% salary increases are no longer fiscally viable. He believes that a 10% co-share should be implemented and that there is a need to address the long-term of the employee pension. The General Manager reminded the Board that the water system has to continue to operate regardless of the revenue because reducing the work force would constrain the public safety and health of the customers. He clarified that the intricate water supply cannot operate without the compliment of necessary employees.

All Board Members participated in the thorough preliminary discussion.

Board Member Giorgio entered the meeting at 4:10 p.m.

The Chairman advised that all Board members should be reviewing solutions to the up and coming budget.

DEM Stream Flow Analysis Future Regulations

The General Manager stated that the Department of Environmental Management has designated nine (9) classification metrics which will be applied in a point system as to the stream flow control. The Hunt River was mentioned which is a 5 million/day and how under this new accounting it could allow only 1.5 million for Kent County Water Authority, Quonset and North Kingstown and albeit 3.9 million is the actual flow now when it reaches normal levels. He stated that public meetings will be scheduled prior to a decision and it is probable that legal challenges and damages may be pursued by riparian right holders and others.

This is preliminary and it will be more to come.

Review Emergency Procedures, Flood Damage Report

The General Manager stated that there were issues with asphalt settlement and a direct impact sewer back up and flooding of the East Greenwich well which will need restoration. He stated there are other repairs to be made system wide and that insurance issues will be pursued and will be reported to the Board.

Employee Review (4:00 p.m.)

The Chairman stated that the employee affected was notified in writing on April 12, 2010 at 3:41 p.m. that a discussion of job performance, character, physical or mental health was to be held in executive (closed) session at 4:00 p.m. by the Board of Kent County Water Authority unless the employee affected required the proceeding to be held

at an open meeting. The employee affected did respond and did appear and requested that the meeting be in executive (closed) session.

After the notice statement was read by the Chairman, the Chairman declared that it be noted in the minutes of the meeting that R.I.G.L. 42-46-5(a)(1) has been fully complied with.

Board Member Giorgio moved and Board Member Masterson seconded the motion to move into executive session for the discussion of job performance, character, physical or mental health pursuant to R.I.G.L. 42-46-4 and 42-46-5(a)(1) and it was unanimously,

> VOTED: To enter into executive session for discussion of personnel matters pursuant to R.I.G.L. 42-46-4 and 42-46-5(a)(1).

Board Member Giorgio moved and Board Member Masterson seconded to exit executive session and to keep the executive session minutes closed and that the minutes shall remain under seal pursuant to R.I.G.L. 42-46-4 and 42-46-5 and it was unanimously,

> VOTED: To exit executive session and to keep the executive session minutes closed and that the minutes shall remain under seal pursuant to R.I.G.L. 42-46-4 and 42-46-5.

Employee Review (4:30 p.m)

The Chairman stated that the employee affected was notified in writing April 12, 2010 at 4:03 p.m. that a discussion of job performance, character, physical or mental health was to be held in executive (closed) session at 4:30 p.m. by the Board of Kent County Water Authority unless the employee affected required the proceeding to be held at an open meeting. The employee affected did respond and did appear and requested that the meeting be in executive (closed) session.

After the notice statement was read by the Chairman, the Chairman declared that it be noted in the minutes of the meeting that R.I.G.L. 42-46-5(a)(1) has been fully complied with.

Board Member Giorgio moved and Board Member Masterson seconded the motion to move into executive session for the discussion of job performance, character, physical or mental health pursuant to R.I.G.L. 42-46-4 and 42-46-5(a)(1) and it was unanimously,

> VOTED: To enter into executive session for discussion of personnel matters pursuant to R.I.G.L. 42-46-4 and 42-46-5(a)(1).

Board Member Giorgio moved and Board Member Masterson seconded to exit executive session and to keep the executive session minutes closed and that the minutes shall remain under seal pursuant to R.I.G.L. 42-46-4 and 42-46-5 and it was unanimously,

> VOTED: To exit executive session and to keep the executive session minutes closed and that the minutes shall remain under seal pursuant to R.I.G.L. 42-46-4 and 42-46-5.

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 as follows:

Capital Projects:

Mishnock Well Treatment Plant

Department of Health review received and Department of Environmental Management insignificant alteration permit received. All that is necessary now is Coventry Planning's approval.

Mishnock Transmission

Funding is required, project design has been completed, will need additional Capital Funds to move to construction.

East Greenwich Well Treatment

Final Pilot Study has been received and copies were provided to Board members. If anyone has any questions please let me know. We now are waiting the completion of the modeling runs for utilization of that supply.

Read School House Road Tank

Is operational but requires the completion of the punch list and the extinguishment of the mechanics lean.

Read School House Road Paving, Flat River Road

Paving is unacceptable. Photos were circulated amongst the Board members of the damage caused by the excessive rainfall and lack of compaction in the trenches.

Tech Park Tank

Is now drained and being refilled. We should be testing either the end of this week or early next week to determine if it's available for service activation.

Infrastructure Projects Titled:

2006B and 2007

Spring start-up construction has commenced.

IFR 2009A

Spring start-up construction has commenced.

IFR 2009B

Design completed, funding is necessary.

Quaker Lane Pump Station Design

Design completed, funding is necessary.

IFR 2010 Design

Design completed, funding is necessary.

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

VOTED: To adjourn the meeting at 6:20 p.m.

_____
Secretary Pro Tempore

EXHIBIT A

Board Meeting

April 15, 2010

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	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	11,736.81			
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	212,696.48			
	149,957.36	174,784.18	102,807.32	409,818.26	210,094.04	262,721.31	502,856.61	228,421.42	264,433.29	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	1,002,720.54	567,655.37			
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	4,342,716.58			
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	2,367,168.77			
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	238,217.00			
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	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	448,138.22			
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	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	16,064,337.97			
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	1,022,915.81			
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	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	922,399.65			
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	1,279,133.75			
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	30,907,809.32	0.00	0.00	0.00

"A"

CASH location interest earned FY 2010Detail
4/15/2010 2:18 PM
J.Gerchkoff

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
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	30,519,584			
CASH RECEIPTS:													
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	1,035,027			
Interest Earned		1,795	3,225.25	243	234	241	240	17,841	242	885			
Inspection Fees													
Contribution in Aid-Construction													
Other													
TOTAL CASH RECEIPTS		35,524,824	32,786,966	31,268,174	31,608,904	32,233,426	31,038,191	32,202,891	31,447,687	31,555,497			
CASH DISBURSEMENTS:													
Purchased Water		364,220	392,413	398,122	408,783	319,080	328,054	267,412	287,005	264,222			
Electric Power		24,444	47,456	44,465	32,107	43,329	50,368	36,671	41,319	35,131			
Payroll		147,806	171,077	176,163	143,333	146,945	186,729	159,726	142,741	174,315			
Operations		102,902	42,134	85,321	142,914	56,094	37,547	33,175	56,495	26,952			
Employee Benefits		94,088	95,060	96,254	97,134	94,879	95,965	1,394	102,899	53,488			
Legal		4,097	16,131	8,450	3,705	12,845	7,139	5,758	3,808	7,440			
Materials		18,129	35,513	24,195	28,328	22,409	21,732	38,919	51,541	28,268			
Insurance		5,171		9,443	2,960	4,721	4,721	1,085	129,757	4,721			
Sales Taxes		24,402	11,908.88	9,108	30,611	10,890	9,881	25,452	8,242	8,099			
Refunds		425		1,185	1,315	887	175	180	12,352	138			
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. G. Well Upgrade	464E	8,924	3,446	5,360	15,455	14,600	1,734	1,825	2,743	5,411			
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	1,381			
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	839			
Gareau Street 8"	242C												
Arthur-Bleach-Jefferson 8"													
2009 Infrastructure	243C	6,969	432,804	384,808	41,896	973,744	27,290	414,278	8,579				
2010 infrastructure	287b			22,700		18,173	15,759	1,200	3,738	2,025			
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	35,238			
TOTAL DISBURSEMENTS		4,195,060	2,778,700	1,936,721	1,192,198	2,362,160	871,309	1,992,379	928,103	647,688			
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	30,519,584	30,907,809	-	-	-
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

	RATE REVENUE FY 09-10	RATE REVENUE FY 08-09
JUL	$ 1,260,704.09	1,282,312.14
AUG	$ 1,086,327.67	1,126,356.81
SEP	$ 2,566,722.88	2,591,917.46
OCT	$ 1,362,068.07	1,217,110.52
NOV	$ 1,022,260.62	1,078,854.00
DEC	$ 1,966,266.00	2,175,706.74
JAN	$ 977,666.96	1,211,152.49
FEB	$ 943,649.21	1,038,377.48
MAR	$ 1,976,397.04	1,841,986.53
APR	$	994,060.30
MAY	$	943,546.32
JUN	$	1,960,972.76

CASH RECEIPTS DISBURSEMENTS FY 2010Detail
6/15/2010x14 PM
J.Gorshkoff

EXHIBIT B

Board Meeting

April 15, 2010

Kent County Water Authority		
10% of Health Insurance Premiums		
November 1, 2008 Through October 31, 2009:		$ 43,344.96
November 1, 2009 Through April 30, 2010:		$ 24,393.13
Total		$ 67,738.09

"B"

Data RequestPUC
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J.Gershkoff

Kent County Water Authority						
Salaries and Benefits						
as of March 31, 2010						
		Health	Dental	Life	ADD	Disability
Employee Number	Base Salary	Insurance	Insurance	Insurance	Insurance	Insurance
20	$ 71,048	15,016	1,083	168	18	284
40	75,011	16,893	1,083	168	18	300
60	72,334	16,893	1,083	168	18	289
80	66,769	16,893	1,083	168	18	267
100	61,547	16,893	1,083	168	18	246
120	47,736	16,893	1,083	161	17	191
140	46,550	16,893	1,083	158	17	186
200	48,714	16,893	1,083	165	18	195
220	46,550	16,893	1,083	158	17	186
240	49,941	16,893	1,083	168	18	200
260	49,941	16,893	1,083	168	18	200
280	47,507	16,893	1,083	161	17	190
300	50,814	6,257	377	168	18	203
320	47,029	10,011	1,083	161	17	188
340	52,603	16,893	1,083	168	18	210
360	50,378	16,893	1,083	168	18	201
380	41,267	15,016	1,083	141	15	165
400	47,923	16,893	1,083	161	17	192
420	46,987	6,257	377	158	17	188
440	58,936	16,893	1,083	174	18	236
460	43,202	16,893	1,083	148	16	173
480	38,085	16,893	1,083	131	14	152
500	34,112	15,016	1,083	118	13	136
520	34,112	10,011	1,083	111	12	128
1131	139,256	15,016	1,083	168	18	480
1173	76,076	16,893	1,083	168	18	304
1205	83,200	10,011	1,083	168	18	333
1206	32,032	6,257	377	111	12	128
1208	32,032	15,016	1,083	111	12	128
1210	43,000	6,257	377	144	15	172
2121	59,405	16,893	1,083	168	18	238
2198	38,085	15,016	1,083	131	14	152
2198	38,085	10,011	1,083	131	14	152
2202	34,112	16,893	1,083	118	13	136
	$ 1,804,378	$ 493,036	$ 33,982	$ 5,204	$ 557	$ 7,132
Unfilled Position	$ 80,000	16,893	1,083	168	18	333
Pension	$ -					
Budgeted Overtime	$ 80,417.16					
Actual Overtime	$ 42,507.06					

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J.Gershkoff

Kent County Water Authority		
The Bank of New York Mellon		
as of March 31, 2010		
Account Name	Account Balance	Monthly Funding Requirement
Revenue	$ 567,655.37	$ -
General	32,996.99	-
Renewal & Replacement Reserve	786,007.90	-
Renewal & Replacement Fund	238,217.00	8,333.33
Infrastructure Fund	4,342,716.58	450,000.00
Operation & Maintenance Reserve	2,367,168.77	-
Debt Service Fund - 2001	448,138.22	65,521.77
Debt Service Reserve - 2001	781,125.00	-
Debt Service Fund - 2002	1,022,915.81	156,820.42
Debt Service Reserve - 2002	1,823,560.01	-
General Project - 2002	16,031,340.98	-
Debt Service Fund - 2004	922,399.65	105,750.00
Debt Service Reserve - 2004	1,279,133.75	-
Operating Revenue Allowance	-	24,304.71
Total	$ 30,643,376.03	$ 810,730.23

Cash Management
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J.Gershkoff