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
INING 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	30,907,809		
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	1,944,720		
Interest Earned		1,795	3,225.25	243	234	241	240	17,841	242	885	249		
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	32,852,778		
DISBURSEMENTS:													
Purchased Water		364,220	392,413	398,122	408,783	319,080	328,054	267,412	287,005	264,222	331,719		
Electric Power		24,444	47,456	44,465	32,107	43,329	50,368	36,671	41,319	35,131	28,649		
Payroll		147,806	171,077	176,163	143,333	146,945	186,729	159,726	142,741	174,315	140,782		
Operations		102,902	42,134	85,321	142,914	56,094	37,547	33,175	56,495	26,952	18,584		
Employee Benefits		94,088	95,060	96,254	97,134	94,879	95,965	1,394	102,899	53,488	55,235		
Legal		4,097	16,131	8,450	3,705	12,845	7,139	5,758	3,808	7,440	6,638		
Materials		18,129	35,513	24,195	28,328	22,409	21,732	38,919	51,541	28,268	9,823		
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	25,500		
Refunds		425		1,185	1,315	887	175	180	12,352	158	210		
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		129		
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 - Maius	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					1,340		
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	11,464		
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		3,831		
2010 infrastructure	287b			22,700		18,173	15,759	1,200	3,738	2,025	1,000		
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	62,153		
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	697,058		
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	32,155,720	-	-
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 $	1,106,048.00	994,060.30
MAY $		943,546.32
JUN $		1,960,972.76

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	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	225,888.54		
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	158,853.68		
	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	424,742.22	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	868,609.50		
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	4,792,749.83		
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	2,367,188.92		
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	246,552.24		
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	786,020.79		
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	513,663.15		
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	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	16,064,474.41		
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	1,179,743.67		
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	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	1,028,156.54		
Debt Service Reserve - 2004	1,306,301.32	1,287,269.90	1,287,269.90	1,287,269.90	1,287,269.90	1,287,269.90	1,278,464.04	1,278,464.04	1,279,133.75	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	32,155,720.03	0.00	0.00

CASH location Interest earned FY 2010Detail
5/16/2010 3:14 PM
J.Gerebkoff

EXHIBIT F

Board Meeting

May 20, 2010

Kent County Water Authority
COMPARATIVE BALANCE SHEET
general
AS OF 03/31/2010

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	CURRENT YEAR	PREVIOUS YEAR	DIFFERENCE FROM PREV YEAR	PERCENTAGE
ASSETS:					
CURRENT ASSETS					
UTILITY PLANT IN SERVICES					
1-101A	SOURCE OF SUPPLY PLANT	1841540.53	1841540.53		
1-101B	PUMPING PLANT	8413011.35	8412184.35	827.00	.01%
1-101C	WATER TREATMENT PLANT	141257.29	141257.29		
1-101D	TRANS. & DISTR. PLANT	81718774.96	69155723.24	12563051.72	18.17%
1-101E	GENERAL PLANT	2340953.82	2322081.14	18872.68	.81%
1-101F	MISCELLANEOUS PHYS. PLANT	710.00	710.00		
1-101G	GENERAL STRUCTURES	251218.52	251218.52		
1-1070	CONSTR. WORK IN PROGRESS	19976807.28	23703037.97	-3726230.69	-15.72%
1-1110	ACCUM. DEPR.- PLANT	-14297458.22	-12936703.79	-1360754.43	10.52%
TOTAL UTILITY PLANT IN SERVICES		100386815.53	92891049.25	7495766.28	8.07%
CURRENT AND ACCRUED ASSET					
1-131B	CASH - FLEET NAT BANK	201427.56	52914.53	148513.03	280.67%
1-131D	CASH - CITIZENS BANK	40000.00	70905.52	-30905.52	-43.59%
1-131U	UNNAPPLIED CASH	60225.05		60225.05	
TOTAL CURRENT AND ACCRUED ASSET		301652.61	123820.05	177832.56	143.62%
OTHER SPECIAL DEPOSITS					
1-134B	RESTRICTED DEBT RESERVE	5061020.65	3934469.92	1126550.73	28.63%
1-1340	SPECIAL DEPOSITS	25582355.18	29051989.92	-3469634.74	-11.94%
1-1350	PETTY CASH	300.00	300.00		
1-1420	CUSTOMER ACCTS. RECEIVAB.	2507618.79	2573166.58	-65547.79	-2.55%
1-1440	PROV. FOR UNCOLLECTED ACT	-103683.30	-103683.30		
1-154A	SALVAGE MATERIALS	381.42	381.42		
1-1540	PLANT MATERIAL & SUPPLIES	403416.60	417734.11	-14317.51	-3.43%
1-165A	PREPAID INSURANCE	10155.00	26570.77	-16415.77	-61.78%
1-165B	PREPAID PENSION		164.56	-164.56	-100.00%
1-1810	UNAMORTIZED DEBT DISCOUNT	356719.65	397648.65	-40929.00	-10.29%
TOTAL OTHER SPECIAL DEPOSITS		33818283.99	36298742.63	-2480458.64	-6.83%
CLEARING ACCOUNTS					
1-184A	NEW SERVICES CLEARING	1021.31	449.39	571.92	127.27%
1-184D	CUSTOMER SRVCS - CLEARING	-7176.66	4784.13	-11960.79	-250.01%
TOTAL CLEARING ACCOUNTS		-6155.35	5233.52	-11388.87	-217.61%
TOTAL CURRENT ASSETS		134500596.78	129318845.45	5181751.33	4.01%
TOTAL ASSETS		134500596.78	129318845.45	5181751.33	4.01%

EXHIBIT G

Board Meeting

May 20, 2010

Kent County Water Authority
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
AS OF 03/2010

ACCOUNT DESCRIPTION	CURRENT MONTH BUDGET	CURRENT MONTH ACTUAL	CURRENT MONTH ACTUAL OVER/ UNDER BUDGET	YEAR-TO-DATE BUDGET	YEAR-TO-DATE ACTUAL	YEAR-TO-DATE ACTUAL OVER/ UNDER BUDGET
REVENUES						
1-4150 MERCHANDISING & JOBBING	50.00	736.02	686.02	450.00	3569.20	3119.20
1-4160 M & J COSTS & EXPENSES	3923.25	490.68	-3432.57	35309.25	12681.45	-22627.80
1-4190 INTEREST & DIVIDEND INC.	32969.83	885.57	-32084.26	296728.47	24946.55	-271781.92
1-4210 MISC. NON-OPER. INCOME	8.33		-8.33	74.97		-74.97
TOTALS FOR OTHER INCOME	36951.41	2112.27	-34839.14	332562.69	41197.20	-291365.49
1-461A METERED SALES - GC	1126383.75	1015791.05	-110592.70	10137453.75	9221119.12	-916334.63
1-461B METERED SALES - IC	307424.91	407890.42	100465.51	2766824.19	2247151.92	-519672.27
1-4620 PRIVATE FIRE PROTECTION	45458.00	43566.60	-1891.40	136374.00	131116.14	-5257.86
1-4630 PUBLIC FIRE PROTECTION	320918.00	300376.31	-20541.69	962754.00	900613.61	-62140.39
1-4640 SALES -PUBLIC AUTHORITIES	59984.08	116492.01	56507.93	539856.72	521012.00	-18844.72
1-4660 SALES FOR RESALE	29615.00	28412.18	-1202.82	88845.00	79202.14	-9642.86
1-4710 MISC. SERVICE REVENUE	13750.00	9953.69	-3796.31	123750.00	125534.17	1784.17
1-4740 OTHER WATER REVENUES	4416.66	4606.41	189.75	39749.94	34662.84	-5087.10
TOTALS FOR OPERATING REVENUE ACCTS.	1907950.40	1927088.67	19138.27	14795607.60	13260411.94	-1535195.66
TOTALS FOR REVENUES	1944901.81	1929200.94	-15700.87	15128170.29	13301609.14	-1826561.15
EXPENDITURES						
1-6020 PURCHASED WATER	362143.16	274932.51	87210.65	3259288.44	2940024.35	319264.09
1-6140 MAINTENANCE OF WELLS	550.00	242.43	307.57	4950.00	541.25	4408.75
TOTALS FOR SOURCE OF SUPPLY EXPENSES	362693.16	275174.94	87518.22	3264238.44	2940565.60	323672.84
1-6210 FUEL FOR PUMPING	475.00	177.05	297.95	4275.00	711.00	3564.00
1-6230 POWER PURCHASED	42583.33	30072.29	12511.04	383249.97	333718.70	49531.27
1-624A PUMPING LABOR	7258.33	5380.49	1877.84	65324.97	42052.35	23272.62
1-624B PUMPING EXPENSES	383.33		383.33	3449.97	2908.73	541.24
1-6310 MAINT STRUCT & IMPROVE	3027.25	2479.03	548.22	27245.25	21231.38	6013.87

Kent County Water Authority
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

AS OF 03/2010

ACCOUNT DESCRIPTION	CURRENT MONTH BUDGET	CURRENT MONTH ACTUAL	CURRENT MONTH ACTUAL OVER/ UNDER BUDGET	YEAR-TO-DATE BUDGET	YEAR-TO-DATE ACTUAL	YEAR-TO-DATE ACTUAL OVER/ UNDER BUDGET
1-6330						
MAINT PUMPING EQUIPMENT	2833.33	2573.27	260.06	25499.97	26999.12	-1499.15
TOTALS FOR PUMPING EXPENSES	56560.57	40682.13	15878.44	509045.13	427621.28	81423.85
1-6410						
CHEMICALS	9166.66	15555.84	-6389.18	82499.94	128583.03	-46083.09
1-642A						
OPERATION LABOR	6866.66	7279.36	-412.70	61799.94	56941.32	4858.62
1-642B						
OPERATION EXPENSES	3916.66	2722.00	1194.66	35249.94	20825.26	14424.68
1-6520						
MAINT WATER TREAT EQUIP	375.00		375.00	3375.00	2908.73	466.27
TOTALS FOR WATER TREATMENT EXPENSES	20324.98	25557.20	-5232.22	182924.82	209258.34	-26333.52
1-6610						
STORAGE FACILITIES EXP	70.83		70.83	637.47		637.47
1-662A						
T & D LABOR	2516.66		2516.66	22649.94	14370.34	8279.60
1-662B						
T & D SUPPLIES & EXP	3208.33	3358.99	-150.66	28874.97	22653.49	6221.48
1-663A						
T & D METER LABOR	2741.66	2664.75	76.91	24674.94	24189.34	485.60
1-663B						
T & D METER SUPP & EXP	925.00		925.00	8325.00	11307.26	-2982.26
1-6650						
T & D MISC	1166.66		1166.66	10499.94	11160.14	-660.20
1-6710						
MAINT STRUCT & IMPROV	89.58		89.58	806.22	7374.85	-6568.63
1-6720						
MAINT RESERVOIR & STDPIPE	708.33	187.36	520.97	6374.97	7711.90	-1336.93
1-6730						
MAINT T & D MAINS	47917.33	53934.99	-6017.66	431255.97	373422.60	57833.37
1-6750						
MAINT SERVICES	13846.75	8678.09	5168.66	124620.75	143020.03	-18399.28
1-6760						
MAINT METERS	9634.16	5792.30	3841.86	86707.44	66810.80	19896.64
1-6770						
MAINT HYDRANTS	8331.00	4654.72	3676.28	74979.00	69223.06	5755.94
1-6790						
TRANSFER TO CONSTRUCTION	-704.16		-704.16	-6337.44	-6143.48	-193.96
TOTALS FOR TRANS. & DISTR. EXPENSES	90452.13	79271.20	11180.93	814069.17	745100.33	68968.84
1-902A						
METER READING LABOR	6325.00	6512.39	-187.39	56925.00	60445.50	-3520.50
1-902B						
METER READING SUPP & EXP	83.33		83.33	749.97		749.97
1-903A						
CUSTOMER RECORDS LABOR	16393.49	18501.13	-2107.64	131153.24	138077.69	-6924.45
1-903B						
CUSTOMER RECORDS SUPP	7083.33	707.37	6375.96	63749.97	52095.39	11654.58

Kent County Water Authority
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

AS OF 03/2010

ACCOUNT DESCRIPTION	CURRENT MONTH BUDGET	CURRENT MONTH ACTUAL	CURRENT MONTH ACTUAL OVER/ UNDER BUDGET	YEAR-TO-DATE BUDGET	YEAR-TO-DATE ACTUAL	YEAR-TO-DATE ACTUAL OVER/ UNDER BUDGET
TOTALS FOR CUSTOMER ACCT. EXPENSES	29885.15	25720.89	4164.26	252578.18	250618.58	1959.60
1-9200 ADM & GENERAL SALARIES	31391.66	32039.78	-648.12	282524.94	220799.80	61725.14
1-9210 OFFICE SUPPLIES & EXP	11583.33	7103.52	4479.81	104249.97	88452.96	15797.01
1-9230 OUTSIDE SERVICES	10950.00	4088.00	6862.00	98550.00	110839.11	-12289.11
1-9240 PROPERTY INSURANCE	14833.33	4721.25	10112.08	133499.97	160944.25	-27444.28
1-9250 INJURIES & DAMAGES	25.83		25.83	232.47		232.47
1-9260 EMPLOYEE PENSION & BENEF	34529.16	52956.01	-18426.85	830762.52	732844.75	97917.77
1-9280 REGULATORY COMM EXP	6875.00	2550.00	4325.00	61875.00	67583.06	-5708.06
1-930A MISC GENERAL EXPENSE	1695.83		1695.83	15262.47	-681.63	15944.10
1-930B MISC GENERAL EXPENSE	1250.00	3808.76	-2558.76	11250.00	12580.05	-1330.05
1-930C MISC GENERAL EXPENSE	3000.00		3000.00	27000.00	5000.00	22000.00
1-9300 MISC GENERAL EXPENSE	29.16		29.16	262.44		262.44
1-932A MAINT GENERAL PLANT	14619.50	8073.81	6545.69	131575.50	86016.99	45558.51
1-932B MAINT VEHICLES	8367.58	2789.67	5577.91	75308.22	54329.60	20978.62
1-9330 UNASSIGNED TIME VAC HOL	21941.66	11966.56	9975.10	197474.94	181963.97	15510.97
TOTALS FOR ADM. & GENERAL EXPENSES	161092.04	130097.36	30994.68	1969828.44	1720672.91	249155.53
1-4030 DEPRECIATION EXPENSE	96666.66	96666.67	-.01	869999.94	870000.03	-.09
1-4080 TAXES OTHER THAN INCOME	15000.00	14360.44	639.56	135000.00	115843.00	19157.00
1-4270 INTEREST-LONG TERM DEBT	123101.08	123101.04	.04	1107909.72	1107909.36	.36
1-4280 AMORTIZATION OF DEBT DISC	5010.00	5010.00		45090.00	45090.00	
TOTALS FOR OTHER EXPENSES	239777.74	239138.15	639.59	2157999.66	2138842.39	19157.27
TOTALS FOR EXPENDITURES	960785.77	815641.87	145143.90	9150683.84	8432679.43	718004.41
EXCESS OF REVENUE OVER EXPENDITURES FOR general	984116.04	1113559.07	129443.03	5977486.45	4868929.71	-1108556.74

EXHIBIT H

Board Meeting

May 20, 2010

KENT COUNTY WATER AUTHORITY

CONSUMER CONFIDENCE WATER QUALITY

ANNUAL REPORT

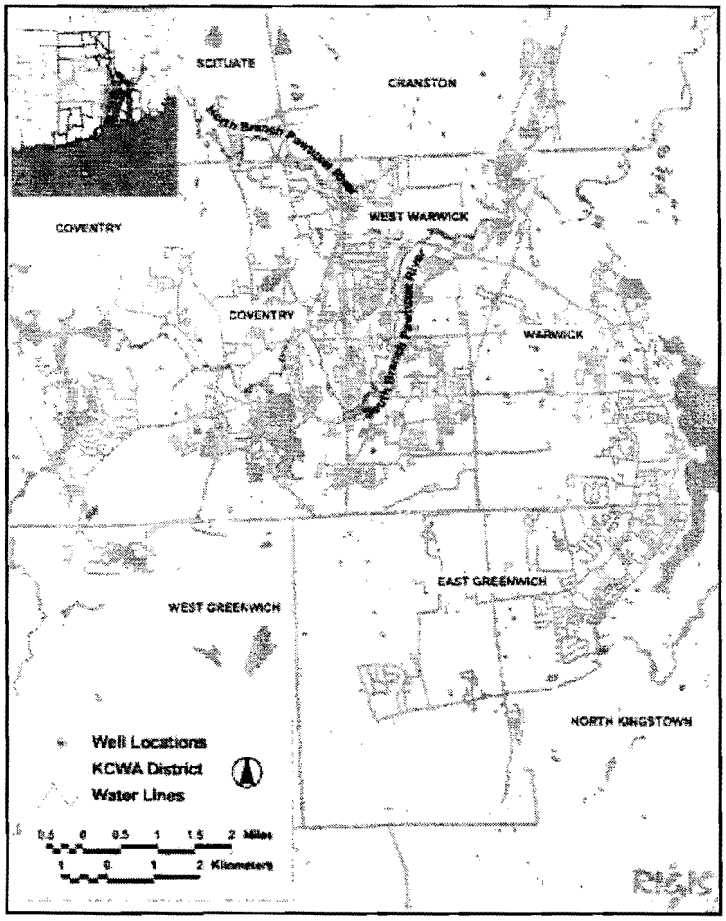
2009

KCWA

KCWA Consumer Confidence Water Quality 2009 Annual Report

We are once again proud to present you with this year's Water Quality Report. This year's report covers all testing completed from January 1, 2009 through December 31, 2009 and fulfills both the Environmental Protection Agency (EPA) and Rhode Island Department of Health (RIDOH) requirements to provide a "Consumer Confidence Report" to our customers. This publication reflects our ongoing efforts to keep you informed about the quality of the water and services we deliver to you every day.

Over the years we have dedicated ourselves to producing drinking water that meets all state and federal drinking water standards. This report includes information related to the origin of your water, what it contains and how it compares to the quality standards set by the EPA. Be assured, the Kent County Water Authority and their professional staff are committed to providing our customers with the finest, most cost effective and reliable drinking water.



It's what's inside your water that counts and nothing counts more than your health. The Kent County Water Authority and its predecessor companies have been delivering safe, dependable water, seven days a week, 24 hours a day for 130 years. We continually strive to adopt new and better methods for delivering the best quality drinking water to you. As new challenges to drinking water safety emerge, we remain vigilant in meeting these demands while continuing to serve the needs of all of our customers. Because it's important to understand the facts about the quality of your drinking water, here's the bottom line. As reported this year and in previous years, our monitoring results show our system had no violations. Water delivered by the Kent County Water Authority meets or surpasses all Federal and State of Rhode Island requirements. You put a lot of faith in us and we take that very seriously. Thank you for your continued confidence in the product we deliver to you.

Water delivered by the Kent County Water Authority meets or surpasses all federal and state of Rhode Island requirements.

We have learned through our monitoring and testing efforts that some regulated constituents have been detected. The EPA and RIDOH have determined that your water is SAFE at these levels. To learn more, please continue reading. We will tell you about the quality of your drinking water, its sources, an overview of the water system future goals, progress and more. Should you have any questions concerning this information or about your water utility, please contact our General Manager/Chief Engineer, Timothy J. Brown, P.E. at 401-821-9300 or customerservice@kentcountywater.org. Customer concerns regarding Providence Water results may be directed to the customer service department of the Providence Water Supply Board at 401-521-6300.

We value your input and want our customers to stay informed about their water utility. Public participation adds value to the decision making process regarding the quality of your water and the service you're provided. If you would like to learn more about your water utility, or play a part in its future, please attend any of our regularly scheduled board meetings held on the third Thursday of each month. Meeting agenda information can also be found on the Secretary of State Website. http://www.sec.state.ri.us/govtracker/. Meetings begin at 3:30 p.m. at our office located at 1072 Main Street, West Warwick. We look forward to seeing you there!

Additional Health Information

The sources of drinking water (both tap and bottled water) include rivers, lakes, ponds, reservoirs, springs, and wells. As water travels over the land or through the ground, it dissolves naturally occurring minerals, radioactive material and can pick up substances or contaminants resulting from the presence of human or animal activities.

All sources of drinking water are subject to potential contamination from substances that are naturally occurring or man made, such as: microbes, inorganic and organic chemicals, and naturally occurring radioactive substances. All drinking water, including bottled drinking water, may reasonably be expected to contain at least small amounts of some constituents. It's important to remember that the presence of these constituents does not necessarily pose a health risk. More information on contaminants and potential health effects can be obtained by calling the EPA's Safe Drinking Water Hotline 800-426-4791 or visit the EPA web site www.epa.gov/safewater.

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer who are undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly and infants can be particularly at risk from infections. These people should seek advice from their healthcare providers about drinking water. EPA and CDC guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Safe Water Drinking Hotline (800-426-4791).

Nitrate in drinking water at levels above 10 ppm is a health risk for infants of less than six months of age. High nitrate levels in drinking water can cause blue baby syndrome. Nitrate levels may rise quickly for short periods of time because of rainfall or agricultural activity. If you are caring for an infant, you should ask for advice from your healthcare provider.

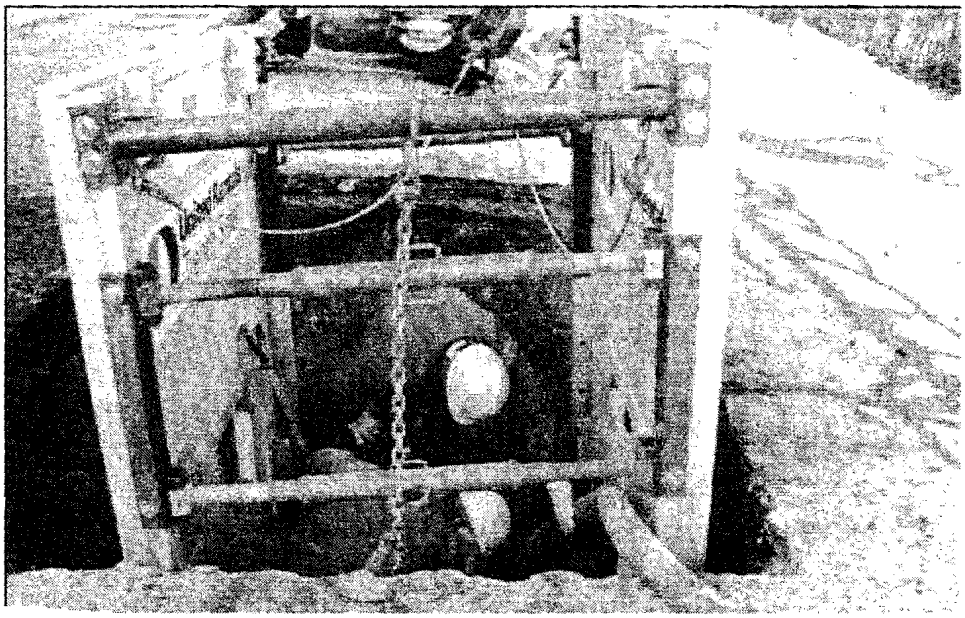
MCL's are set at very stringent levels. To understand the possible health effects described for many regulated constituents, a person would have to drink 2 liters of water every day, at the MCL, for a lifetime to have a one-in-one-million chance of having the described health effects.

Infrastructure Improvements

Kent County Water Authority distribution and transmission mains comprise a network of more than 430 miles of underground infrastructure, 9 storage tank facilities and a multitude of pump, wells and pressure control stations that must be continually maintained. Many of the water mains are over 100 years old. Rhode Island General Law 46-15.6 requires that all large water suppliers implement an infrastructure replacement program to address such things as aged and failing mains, rehabilitation of tanks and pumping stations. Each water system throughout the state is required by law to provide a funding mechanism to replace and/or rehabilitate identified components at the end of their useful life within the framework of the regulations. As you might expect, water rates have to go up in order to pay for the replacement of old infrastructure. Costs associated with these improvements are incorporated in the rate structure for your billing. The rate structure and each program is fully reviewed and approved by the Public Utilities Commission (PUC) prior to commencing work on the planned improvements. At the current PUC approved rate, water costs less than ¾ of a cent delivered to your home. Water is still the best bargain in town in comparison to bottled water or other utility and cable services.

At the current PUC approved rate water costs less than ¾ of a cent per gallon delivered to your home. Water is still the best bargain in town in comparison to other utility and cable services.

It is imperative for the continued viability of your water system and water quality to replace aging water mains, rehabilitate tanks and pumping stations and implement programs that streamline our service to our customers. Several



planned projects are currently underway to replace failing water mains, enhance hydrant fire flow and better service you. In 2009, KCWA accomplished several important projects, including:

- Installation of approximately 15,000 feet of 12, 16 and 20-inch diameter water mains to complete Capital Improvement projects 7C, 7D, and 8A. These projects were necessary to provide transmission capabilities to the new Read Schoolhouse 500 foot elevation gradient storage tank facilities. This improvement in conjunction with the new tank completes a long term plan to correct deficient conditions created years ago when development was expanded into the higher elevations of this area of Coventry. Commissioning of this project allows for the deactivation of the old 410 foot elevation gradient tank on Read Schoolhouse Road and associated gradient infrastructure. At the request of the town final paving was expedited and completed in late December 2009.

- Construction of the new Read Schoolhouse Road 1.5 million gallon concrete storage tank facilities. This tank and new higher pressure gradient were activated in November 2009. This Capital project was necessary to correct deficient conditions created years ago when development was expanded into the higher elevations of this area of Coventry and facilitate the future augmentation of supply capacity. Completion of future capital projects will connect this infrastructure to existing 500 foot gradient infrastructure in the southern part of Coventry.

- Installation of approximately 50,000 linear feet of 8, 12 and 16-inch diameter water main replacements in the city of Cranston and towns of East Greenwich, Coventry and West Warwick.

- Design of the Mishnock Well Treatment Facilities. This work will improve the aesthetic water quality of this supply and include pumping capacity to both the 334 foot elevation low service and 500 foot elevation high service gradients to help alleviate supply constraints currently experienced in this part of our system.

Source Water Assessment

The Rhode Island Department of Health completed a source water assessment of the Kent County Water Authority supplies during 2003. Susceptibility to contamination was determined to be "MODERATE" according to the guidelines used by the Department of Health during the assessment. This ranking is considered to be an average ranking for the water supply. Individual groundwater recharge

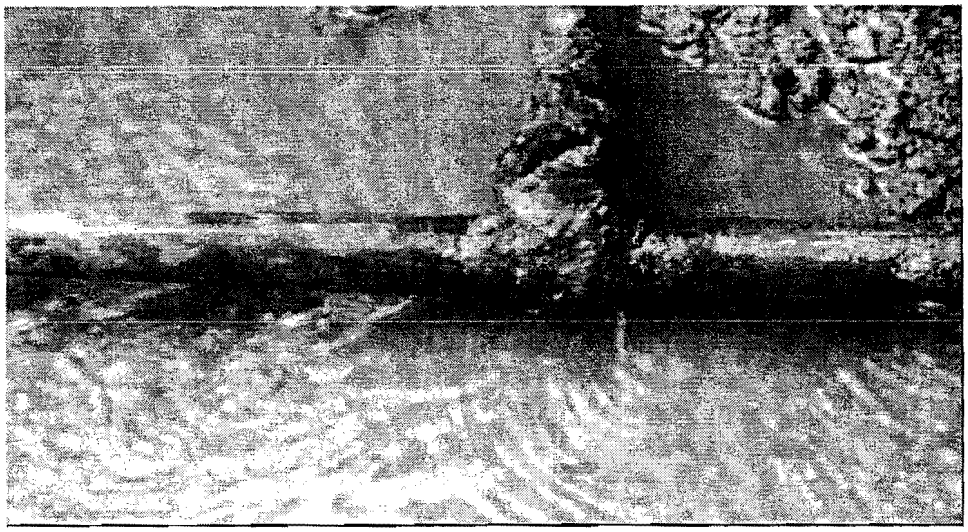
areas may fall into the high or extreme risk of susceptibility to contamination from land use activities. Future risk is expected to increase with continued development. Copies of this Assessment can be obtained from the RI Department of Health at 401-222-6867.

Your Commitment to Protecting Your Watershed

What goes into our watershed may also come from your own landscape or home. Caring for our watershed and what goes into it is a way each of us can make a difference. Even small amounts of pollutants can add up. Contaminants introduced to the watershed can be classified into two categories, point and non-point source contaminates. Point source pollution is that which can be traced to a specific source such as a factory, farm, leaking fuel tank or industrial site. Non-point source contaminants are more difficult to manage because they represent small contributions from each of us. Paint thinner, antifreeze, pesticides, it doesn't take long for shelves to become cluttered with half-empty containers of chemicals. Chemicals or pollutants inadvertently put down a sink or street drain, or over application of fertilizer or pesticides sprayed around a foundation are all potential sources of watershed contamination because they can make their way to the aquifers that supply your drinking water. **Remember, clean safe potable water starts at the source**.

Caring for our watershed and what goes into it by our own action or inaction is a way each of us can make a difference.

Understanding what a watershed really is and its connection to the quantity and quality of your drinking water can help each of us safeguard our environment and the water resources of this state. A watershed is the natural drainage basin of any area. The Pawtuxet, Mishnock and Hunt River aquifers comprise the watersheds from which your water supply is drawn. As public sewer systems expand, concerns grow over groundwater aquifer depletion. Ninety to ninety-eight percent of household water use ends up down the drain. In the past, water taken from the aquifer was returned to the aquifer via onsite wastewater treatment systems in your yard. Now water is being transported out of the aquifer drainage basin via public sewers, treated to drinking water quality and then dumped into rivers, estuaries and Narragansett Bay. This represents millions of gallons and thousands of dollars each day. Many states are now embracing the concept of returning treated wastewater to its origins in an effort



to keep aquifers from becoming stressed. Talk to your state representatives to promote this type of initiative in our state. We spend millions of dollars each year treating wastewater to drinking water quality. Why not put this effort to full circle resource recovery. There is no better way to recycle and conserve our most precious resource.

Each city and town through its comprehensive plan has primacy in establishing future land use, zoning and growth projections for municipalities as established by Rhode Island General Law 45-22.2-3. The ultimate responsibility and authority for implementation and enforcement of protection strategies for your drinking water sources is the municipality's governing body and the Rhode Island Department of Environmental Protection (RIDEM). We ask all our customers to help us protect these sensitive drinking water sources by participating in your city and town land use decision making process. Protecting these sensitive drinking water aquifers and critical recharge areas is vital to the future of our communities.

Wellhead protection signs have been strategically positioned within existing wellhead protection areas as a more visible indicator of your drinking water sources located in the Towns of Coventry, East Greenwich and West Greenwich. We hope these signs have helped to increase public awareness and appreciation of the vital groundwater resources in these areas. Contact your city or town council member and zoning official to see what else can be done to protect these resources. Public participation in the zoning decision making process can be of great value in protecting your drinking water resources. We think of our customers who live within these areas as the guardians of these essential resources. Your help to preserve the aquifers of these critical drinking water sources will be eternally appreciated by your future family and friends who must perpetually rely on these drinking water resources. Please contact us or the Rhode Island Department of Environmental Management (401) 222-3070 if you suspect a potential contamination concern exists.

Supply Deficit

We continue to look for feasibly economical ways to meet the increasing demands on our public water system. The availability of supply sources remains indeterminate within this state. The Rhode Island Water Resources Board is legislatively empowered as the agency that manages the withdrawal and use of the waters of the state with the obligation to assure drinking water is available to all Rhode Islanders for use in their daily lives. Rhode Island Department of Environmental Management is legislatively empowered to supervise and control the protection, development, planning and utilization of the natural resources of the state. The Kent County Water Authority must rely on these state agencies in its endeavor to acquire additional supplies to service the expanding service area.

Do not view the periodic shortfall many water suppliers' experience in meeting current maximum day demands as a passing event. The news is full of reports from other states suffering similar or worsening conditions. Statewide water supply philosophy has become awash in a sea of innuendo that could have a crippling effect on the long term availability of public water supply well into the next century. Another much overlooked factor is the growing adverse effects of climatic change on water supply availability and aquifer depletion due to out of drainage basin transfer associated with the expansion of public sewer systems. The ability to store large quantities of reserve capacity is increasingly necessary to transcend extended dry periods. Additional surface water reservoirs or impoundments are perhaps the only suitable long term solution to this concern. The issue of future water supply has also become a nation wide concern as addressed in the United States Congress bill H.R. 135 also known as the 'Twenty-First Century Water Commission Act of 2009'. This bill was submitted to establish the Twenty-First Century Water Commission to study and develop recommendations for a comprehensive water strategy to increase water availability and ensure safe, adequate, reliable, and sustainable water supplies vital to the economic and environmental future of the Nation.

In the 1960's the State of Rhode Island obtained 8,600 acres of land in the Big River Watershed through eminent domain. At that time this undertaking was with the specific intent of constructing a second drinking water reservoir supply, similar to the Scituate Reservoir system that currently supplies the majority of the State. To date no action has been taken to construct this needed reservoir resource. Over the years expansion of public water and public sewer systems throughout the state has continued to nibble away at the available safe yield of our groundwater aquifers and the

Scituate Reservoir source to the point where the full capacity has been appreciably allocated. No other large drinking water sources exist within the state and demand continues to escalate in conjunction with residential and essential economic development.

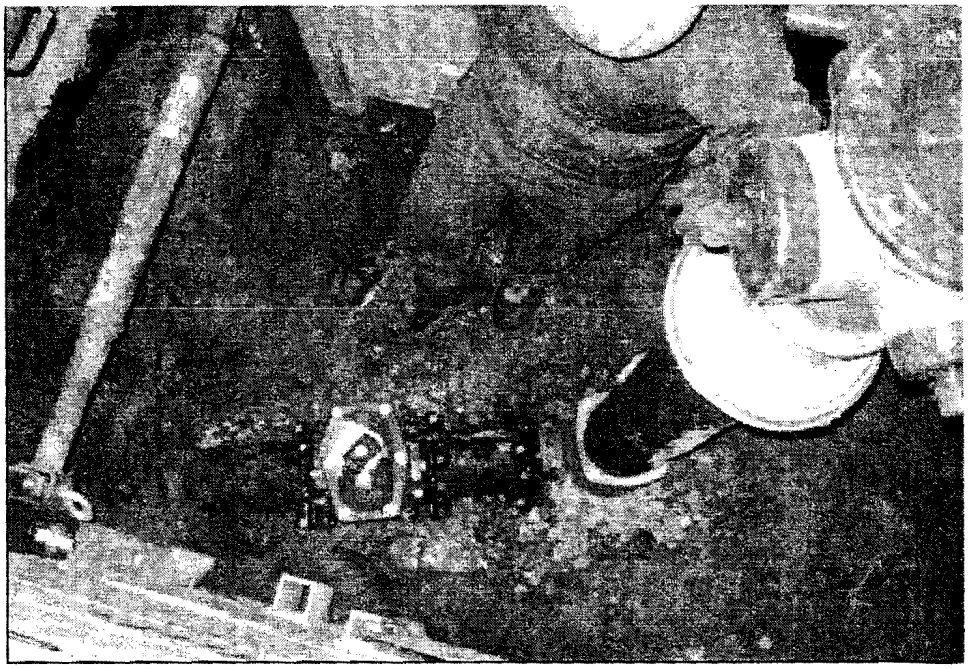
In 2008 the Rhode Island Water Resources Board completed a study to assess the potential risk of losing critical water sources of the State's major water suppliers to identify potential supplemental emergency water sources to meet emergency demands. The assessment indicated it did not consider development of new surface water sources as part of the supplemental supply portion of the study. Loss of the Providence Water Supply Board Scituate Reservoir source was indicated to present the largest impact on our customers. The assessment conclusions rely on existing local supplemental sources to provide minimum levels of service during a loss of a critical supply source. Many of which will require considerable infrastructure improvements or development of alternate facilities to be effective.

We continue to believe that the Big River Reservoir project is vital to the future of our State's water resources to fulfill our future economic and domestic concerns.

We will continue to bring forward our concerns regarding the water supply industry within our state and present ideas for improvement and/or modification as appropriate. We urge all customers to consider the same by contacting their senator or representative to voice your concerns regarding the future of water supply in Rhode Island. An abundant reliable supply is crucial to our growth and well-being. What other resource is available should the Scituate supply source become compromised or reaches its maximum output capacity or safe yield? A second major reservoir source of supply is critically necessary to provide for redundant supply should a malevolent act or major catastrophe occur to the Scituate Reservoir system or its treatment plant.

We all need to support the Big River Reservoir initiative by conveying your concerns to your state and local representatives. Building the reservoir doesn't mean we must tap the resource right away. But, prolonging construction of this essential resource will exponentially increase the overall future cost to construct the reservoir and also affect the future prosperity of our state.

The Water Resources Board is evaluating the potential of wells in the Big River Management Area. Groundwater



aquifers that support well withdrawals do not provide sufficient storage capacity necessary during the summer use period and during drought conditions. Essentially the water is not there when you need it most. Results from test well development pumping studies indicate that initial assumptions on future production well capacity were overstated by the study engineers. It has been subsequently determined that an increase in the number of production wells will be necessary to meet the minimum well field supply capacity output contemplated by the Water Resources Board for this type of drinking water resource. State regulatory requirements for permitting new groundwater sources have remained not well defined or specific enough to fully evaluate the overall cost associated with meeting the open-ended prerequisite requirements for the Rhode Island Department of Environmental Management groundwater withdrawal application and permitting process. Very limited progress has been made to date towards obtaining a viable cost effective withdrawal permit on this initiative because of regulatory ambiguities and funding issues. Water supply is perhaps the most important component to statewide economic sustainability and a reservoir is the only long term cost effective solution to both drinking water and environmental viability in this state. Contact your area legislative representatives to find out more about this statewide issue and communicate your concerns.

Some years ago, the Kent County Water Authority purchased over 500 acres of land to develop additional production wells in West Greenwich and Coventry. Development of additional drinking water resources in this land will continue to be a long term goal of the Kent County Water Authority strategic plan. A comprehensive scientific analysis of this aquifer provided substantive documentation to the Rhode Island Department of Environmental Management

that three to four million gallons per day of drinking water could be realized with insignificant impact to the surrounding environment. The well field expansion proposed as part of this study would be within the confines of the property purchased for this purpose. These additional wells are necessary to supplement the existing supply in support of the communities we serve. For several years, the Kent County Water Authority attempted to navigate its way through the ambiguities of the RIDEM permitting process hoping to economically tap the safe yield of these additional drinking water resources. A viable, cost effective permit to expand the well field could not be obtained. Consequently, efforts in this direction continue to remain on hold while other alternative sources of drinking water are being sought. A growing number of communities are now experiencing similar obstacles in their quest for both replacement and additional public water wells to support growth in their communities. Because of our past experience and the trend towards disapproval of new or expanded groundwater supplies, we have focused our resources on moving forward to tap the full potential of our existing well field and evaluating the feasibility of other potential sources of increased supply. A Department of Health approved treatment system regime is in the final design stage for our existing well field. We hope to bid the construction of the project in 2010 and have full production capabilities online by 2011.

Water Conservation

Clean potable drinking water is a finite resource. It is imperative for all of us to embrace new strategies that will work to both protect and conserve it. The impact of water conservation on supply availability has been generally understated and not well understood. Outdoor water use conservation is perhaps the most important factor to consider in your conservation efforts. Balancing the available water supply to meet both the current drinking water needs of our existing customers and the future economic development in our service area is of paramount concern. We strongly believe that this is a statewide conservation issue that demands equitable state regulatory management so that all residents of Rhode Island can equally contribute to the best use of the states waters. Over the past several years we have introduced several programs to promote water conservation. We appreciate our customers' participation in these programs and will continue to strengthen our commitment to this important cause. As a KCWA customer, you play a vital role in protecting and conserving our precious water resources. Your unyielding cooperation is necessary to help us continue to provide dependable service to all our customers.

On average Kent County Water Authority customers consume approximately 10 million gallons of water each day during the winter months. On hot summer days water use can almost double. Seasonal conditions and rising consumption rates may dictate implementation of outdoor water use restrictions on our customers to assure domestic and fire supplies are not compromised. Legislative initiatives promoting priority water supply for economic development demonstrate the importance our state legislative representatives have placed on the impact that water supply has on the economic well-being of the state. If voluntary conservation proves ineffective, our only recourse will be to impose a mandatory seasonal moratorium on outdoor water use until the overall supply problem can be resolved. It is very difficult to assess when additional supply initiatives could be fully implemented. A number of complicated factors must be considered in this process. Legislative support, regulatory delineations/determinations and adequate funding are essential to cost effectively tap new sources of supply and the success of this type of endeavourer. Each and every customer must take action to conserve today, because inevitably every customer will be affected.

Lawn Care and Landscaping Tips

Water usage during the summer months increases significantly. This is primarily related to outdoor water use, the majority of which can be directly attributed to lawn watering. You can effectively reduce your summer water use in the following ways:

- **Plant less lawn** - Reduce traditional grass lawns where possible. Grass requires more water than other types of ground covers. Replace lawn with drought tolerant shrubs, perennials and ground cover.

- **When to Plant Lawn** - The best time to plant grass is in the early spring or the early fall. The temperatures promote growth and the watering requirements are significantly less.

- **Grass Selection** - Select a native, drought-resistant, or low-water-use turf grass such as fescue grasses. Many varieties are available for your use that include blends of drought tolerant varieties.

- **Plant Trees** - Trees help maintain moisture for nearby plants.

- **Odd/Even Policy** - KCWA's year round odd/even watering policy is in place to help promote conservation and even out the peak demands placed on the available water supplies. This policy does not mean that you are

obligated to water your lawn every other day. Watering every other day when soil conditions do not require it can encourage shallow roots, disease and can weaken plants.

- **Water grass only when needed** - Your lawn needs only one inch of water a week to remain actively growing and healthy. Use a rain gauge to measure weekly rainfall and apply only the amount of extra water needed. Depending on the weather and type of grass, your lawn may go naturally dormant turning brown or hay like in color no matter how much you water. A good rule of thumb is to water approximately once every four to five days and use the rain gauge.

- **Best time to water** - Early morning is best. Less water is lost to evaporation and you will also reduce fungus problems with your lawn.

- **Maintain your lawn properly** - Maintain your lawn at three to four inches in length during the summer heat. During a serious, prolonged drought consider allowing lawns to go naturally dormant, because watering can actually stress the grass more by forcing it to grow under such adverse conditions.

- **Limit Fertilizer Use** - Fertilizer increases the plant's thirst for water. Avoid use of fertilizers in the summer.

- **Natural Runoff** - Install cisterns or rain barrels to collect water from downspouts which can later be used for watering plants and flowers or depress your lawn 1" or 2" to capture and hold runoff from your downspouts.

- **Soil Preparation** - Preparing your soil properly is perhaps the most important aspect of a water conservative landscape. Deep cultivation with lots of organic matter such as compost, leaf mold and peat moss will enrich the soil naturally and hold large quantities of water for proper growth of the root system and plants.

- **Using Mulch** - Use of mulch around plantings helps to reduce evaporation and maintain moisture, limit heat stress and discourage weed growth.

For more information visit the URI Healthy Landscapes Program website, **www.healthylandscapes.org** or call (401) 874-5398.

In-ground Automatic Sprinklers are perhaps the largest contributing factor to seasonal water waste. If used correctly, in-ground sprinklers can be somewhat water efficient. Unfortunately, many systems are not set up properly, or do not

contain necessary moisture/rain sensors to prohibit operation when it is not necessary. In some cases homeowners may not know how to reset the system for maximum efficiency. This results in considerable wasted water. The following general guidelines can help make your sprinkler system more efficient:

- A licensed irrigation professional should inspect and adjust your system each year.
- The point of connection is the supply line for the irrigation system. All connections, fittings and valves should be inspected for leaks and proper operation including the correct operating pressure. Excessive pressure can result in water waste and damaged parts.
- Sprinkler valves open and close to allow for operation of each zone. This is programmed into the controller and should be inspected regularly. Malfunction of these valves can also result in wasted water.
- Sprinkler heads should be checked for proper spacing and alignment, application rates and operating pressure. Move or cap sprinkler heads to avoid watering paved or non-vegetated areas.
- Look for suspicious spots in your landscape that are much greener or consistently wet and muddy. This may be due to an underground leak or other malfunction.
- Learn how to program the system and manage it in manual mode.
- Water once or twice per week. Frequent light watering events encourage disease and shallow roots.
- Water early in the morning to reduce evaporation.
- Do not over water. Use a rain gauge and strive for one inch of water per week (rainfall + irrigation = one inch/week).
- Sprinklers are best suited for grass. Drip irrigation is preferable for plants and shrubs.

Upgrade your system with conservation technology to meet current KCWA rules and regulations:

- Install a rain shut-off device to prevent watering when it rains.
- Install a soil moisture sensor that schedules irrigation based on soil moisture conditions.
- Consider installing a "smart" controller that schedules irrigation based on weather conditions. For more information visit the Irrigation Association website, www.irrigation.org.

Kent County Water Authority Water Quality Data

The tables list all of the drinking water constituents detected during the calendar year of this report. The presence of those constituents found in the water at the time of testing does not necessarily indicate that the water poses a health risk. Unless otherwise noted, the data presented in these tables are from testing done in the calendar year of the report. In some cases the EPA and the State may require us to monitor for certain constituents less than once per year because the concentrations of these constituents do not change frequently.

Kent County Water Authority routinely monitors for constituents in your drinking water in compliance with Federal and State Laws. This table shows the detection results from the numerous monitoring tests conducted for the period January 1, 2009 to December 31, 2009. The tables of "Testing Results" identify those constituents that were "detected" in both the Kent County Water Authority and Providence Water Supply sources. As authorized by the EPA, the State has implemented reduced monitoring requirements for certain contaminants to less often than once per year because the concentrations of these contaminants are not expected to vary significantly from year to year. Some of our data, though representative, is more than one year old.

REGULATED CONTAMINANT	PERIOD	UNIT	MCL	MCLG	DETECTED	RANGE	MAJOR SOURCES	VIOLATION
BARIUM (1)	2008	ppm	2	2	0.023	0.006-0.023	Erosion of natural deposits.	NO
CADMIUM(3)	2008	ppb	5	5	1	0-1	Corrosion of galvanized pipes; Erosion of natural deposits.	NO
CHROMIUM(3)	2008	ppb	100	100	6	2-6	Erosion of natural deposits.	NO
FLUORIDE (1)	2009	ppm	4	4	1.2	0.9-1.2	Erosion of natural deposits. Water additive, which promotes strong teeth.	NO
NITRATE-N	2009	ppm	10	10	3.25	1.1-3.25	Erosion from natural deposits. Leaching from septic tanks; sewage; Runoff from fertilizer use.	NO
TURBIDITY (1)(5)	2009	NTU	TT	N/A	0.28	0.05-0.28	Soil runoff.	NO
TOTAL ORGANIC CARBON(1)(4)	2009	N/A	TT	N/A	1.21	1.17-1.41	Naturally present in the environment.	NO
TOTAL TRIHALOMETHANES (TTHM)	2009	ppb	80	N/A	50.1	43.7-56.5	By-product of drinking water chlorination.	NO
HALOACETIC ACIDS (HAA5)	2009	ppb	60	N/A	1.9	1.5-2.2	By-product of drinking water chlorination.	NO
CHLORINE FREE RESIDUAL	2009	ppm	4	4	0.32	0.02-0.39	Water additive used to control microbes.	NO
COMBINED RADIUM 226 AND 228(3)	2008	pCi/L	5	0	2.2	ND-2.2	Erosion of natural deposits.	NO
LEAD AND COPPER RULE	**PERIOD**	**UNIT**	**AL**	**MCLG**	**90th PERCENTILE DETECTED**	**RANGE**	**MAJOR SOURCES**	**VIOLATION**
COPPER	2009	ppm	1.3	1.3	0.038	0 of 60 samples was above the action level	Corrosion of household plumbing systems. Erosion of natural deposits.	NO
LEAD	2009	ppb	15	0	8	1 of 60 samples was above the action level	Corrosion of household plumbing systems. Erosion of natural deposits.	NO

Kent County Water Authority Table Footnotes

(1) Detection level influenced by Providence Water purchases.
(2) This value refers to the highest monthly percentage of positive samples detected during the year. 1,246 samples were collected for compliance monitoring and none tested positive during the sampling period.
(3) Reflects sampling at groundwater source before blending with purchased water from Providence Water Supply Board.
(4) In order to comply with the EPA standard, the removal ratio must be greater than 1. Detected level is the lowest removal ratio per quarter. Range is the lowest and highest removal ratios per month.
(5) 0.28 was the highest single turbidity measurement recorded. The lowest monthly percentage of samples meeting the turbidity limit was 100%. The average turbidity value for 2009 was <0.10 NTU.

Providence Water Quality Data

Our Cranston customers receive water through a direct-metered connection to the Providence Water Supply Board. The table below represents the results of the testing performed by the Providence Water Supply Board that has been identified by Providence Water as applicable to the reporting requirements for this area. Results shown on the Kent County Water Authority Quality Data table for lead, copper, haloacetic acids, total coliform bacteria and total trihalomethanes are also applicable to our Cranston customers.

REGULATED CONTAMINANT	PERIOD	UNIT	MCL	MCLG	DETECTED	RANGE	MAJOR SOURCES	VIOLATION
FLUORIDE	2009	ppm	4	4	1.2	0.9-1.2	Erosion of natural deposits. Water additive, which promotes strong teeth.	NO
BARIUM	2009	ppm	2	2	0.01	N/A	Erosion of natural deposits	NO
TURBIDITY (1)	2009	NTU	TT	N/A	0.28	0.05-0.28	Soil runoff.	NO
TOTAL ORGANIC CARBON(2) (removal ratio)	2009	N/A	TT	N/A	1.21	1.17-1.41	Naturally present in the environment.	NO

Water Quality Table Footnotes:

(1) 0.28 NTU was the highest single turbidity measurement recorded. The lowest monthly percentage of samples meeting the turbidity limit was100 %. The average turbidity value for 2009 was < 10 NTU.

(2) In order to comply with EPA standard, the removal ratio must be greater than 1. Detected level is the lowest removal ratio per quarter. Range is the lowest and highest removal ratios per month.

N/A = Not Applicable

Table Unit Descriptions:

- AL — Action Level
- MCL — Maximum Contaminant Level
- MCLG — Maximum Contaminant Level Goal
- pCi/L — Picocuries Per Liter (a measure of radioactivity)
- ppb — Parts Per Billion, or micrograms per liter
- TT — Treatment Technique
- NTU — Nephelometric Turbidity Units
- ppm — Part Per Million
- N/A — Not Applicable
- ND — None Detected

Important Drinking Water Definitions:

MCLG: Maximum Contaminant Level Goal; The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

MCL: Maximum Contaminant Level; The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.

TT: Treatment Technique; A required process intended to reduce the level of a contaminant in drinking water.

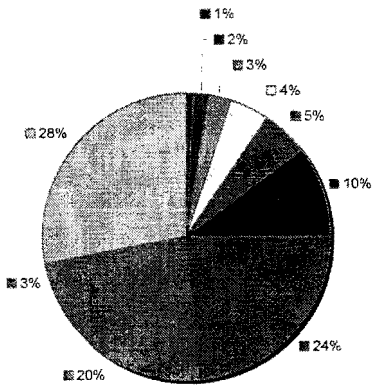
AL: Action Level; The concentration of a contaminant, which if exceeded, triggers a treatment of other requirements that a water system must follow.

MRDL: Maximum Residual Disinfectant Level; The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for the control of microbial contaminants.

MRDLG: Maximum Disinfectant Level Goal; The level of drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.

DID YOU KNOW IN 2009 KENT COUNTY WATER AUTHORITY EMPLOYEES

- Responded to the homes and businesses of 3,430 of its 26,500 customers in response to requests for assistance.
- Repaired 70 underground infrastructure leaks.
- Flushed 400 miles of main twice this year to help maintain the quality of your drinking water.
- Inspected and tested 2,200 hydrants of which 98 hydrants were either repaired or replaced.
- Processed 5,300 DigSafe marking requests requiring the marking of 37 miles of underground infrastructure.
- Recorded 109,000 meter reads.
- Prepared, printed, mailed and processed 109,000 customer bills, 18,000 delinquent notices and 15,000 shutoff/collections.
- Pumped 2.9 billion gallons of water to supply both domestic and fire service at less than 3/4 of a cent per gallon delivered to your home.
- Traveled 198,000 vehicle miles in service to our customers.
- Replaced 7 miles of failing underground water mains and associated valves, services and appurtenances to improve water quality and service to our customers.



1% INSURANCE: Property, Liability and Workers' Compensation

2% TREATMENT/SERVICE MATERIALS: Chemicals, Replacement Parts, Gravel and Asphalt

3% ELECTRICITY: Pumps, Wells, Tanks, Pressure Control Stations and Office Facility

4% BENEFITS: Life, Disability, Health, Dental Insurance and Pension

5% OPERATIONS: Vehicle Maintenance, Customer Records Support, Legal and Accounting Fees, Regulatory Commission Expense, Fuel, PILOT, Sample Testing and Dig Safe

10% PAYROLL: Base Salary and Overtime

24% PURCHASED WATER: Wholesale Water Purchases from Providence and Warwick

20% BOND RESTRICTED: Debt Service -Bonds for Capital Improvement Principal and Interest Payments

3% RESTRICTED: Renewal and Replacement Fund, Operations and Maintenance Fund and Operating Allowance

28% IFR RESTRICTED: Legislatively Mandated Infrastructure Replacement Program

Source of Water

The Kent County Water Authority purchases approximately 90 percent of your water from the Providence Water Supply Board. This supply is treated surface water from the following reservoirs located in the central part of the state: Scituate, Regulating, Moswansicut, Ponaganset, Barden and Westconnaug reservoirs. The remainder of your water is produced from our East Greenwich well located off Post Road at the Warwick and East Greenwich line. KCWA also wholesales water to the City of Warwick to supply the Potowomut section.

Capital Improvements

Capital Improvement projects are intrinsic components to the future of the water supply system. Completion of these projects will help improve water quality, facilitate regulatory compliance initiatives and better provide supply for the customer. In 2008 the Capital Improvement Project plan was revised to reflect improvements identified in the latest hydraulic studies of the system.

Our goal is to provide better service. As an additional benefit of these projects, the Kent County Water Authority will be resurfacing the roadway impacted by construction work. The resurfacing effort will not impact your city, town or state tax base because it is funded solely from the project budget, which receives neither municipal nor state participation.

In 2009 KCWA commenced work on some important projects, including:

- The final Rhode Island Department of Health design review for a new water treatment plant at the Mishnock Well Field in Coventry. The new treatment plant will incorporate state-of-the-art technology to deliver high-quality water to our customers. It is anticipated that bidding and construction will be initiated in 2010 and the plant will come online in 2011.

- Transmission main design for the Mishnock Treatment Plant.

Working Toward Manganese Mitigation

Manganese is not regulated under federal and state primary drinking water health standards. This mineral is a harmless aesthetic aspect of New England groundwater supplies that may be more noticeable to some consumers due to the use of chlorinated cleaning products. Some time ago we implemented a Manganese Sequestering Pilot

Treatment Program for our Warwick/East Greenwich distribution area. The goal of this program was to attempt to eliminate the staining effects related to the precipitation of soluble manganese in the source water supply. Our engineers have reviewed the results of this pilot study along with various other treatment options and recommend some options to deal with the aesthetic quality of this water supply. Some additional testing is currently underway to select the best overall treatment solution. In our endeavor to provide the highest quality, most cost effective product to our customers, we intend to move forward with the design and construction of the proposed treatment system once the final selection is made. We continue to advocate that you remain vigilant in following our suggestion to not use chlorinated dishwashing detergents, chlorine bleach laundry products or monthly drop-in toilet tank cleaning products that contain chlorine. These types of products tend to promote the occurrence of staining despite the use of the sequestering treatment regime. Certainly, feel free to contact us at 401-821-9300 or customerservice@kentcountywater.org if you have any questions about our proposed programs or would like to discuss aspects of the water supply with one of our customer representatives.

The goal of this program was to attempt to eliminate the staining effects related to the precipitation of soluble manganese in the source water supply.

Cross Connection Control

Legislative initiative in 2007 resulted in new laws concerning cross connection control and backflow prevention. The Rhode Island Department of Health promulgated rules that outline mandatory and enforceable regulatory requirements concerning the installation of backflow prevention appurtenances in both residential and commercial buildings. The new requirements focus on "containment." Containment will require the installation of an appropriate backflow prevention device directly after the meter in the vicinity where the water service enters the building. Rhode Island plumbing code also requires the installation of thermal expansion controls in conjunction with the backflow device installation. To be in compliance with the new regulations, the Kent County Water Authority has revised its Rules and Regulations to include implementing a full scale cross connection control initiative. We will keep our customers informed of these changes in future updates on the "E-News" section of our website. A copy of the current Kent County Water Authority Rules and Regulations can also be obtained at our office or online at www.kentcountywater.org.

EXHIBIT I

Board Meeting

May 20, 2010

SUMMARY/SUGGESTIONS for Kent County Water Authority July 1, 2010

1. Renew "as is" with BCBSRI for 7.5% increase
2. Renew with BCBS $500 deductible plan, use a third-party administrator to reimburse employees for the entire deductible and still save approx. $53,000 in employer premium over the renewal (estimated savings - please see HRA illustration)
3. UnitedHealthcare plan U8T - slightly better benefit than current with .8% increase

	Current Plan Health mate $15/25	Option 2 Health mate $500 Ded. plan	Option 5* United Plan U8T
IN NETWORK			
Office Visits - Primary	$15	$15	$10
Specialist	$25	$25	$10
Chiropractor	$25	$15/$25	$10
Urgent Care (Walk-in Centers)	$50	$15/$25	$25
Emergency Room	$100	$100	$100
Annual Deductible (individual/family)	N/A	$500/$1,000	N/A
Inpatient hospitalization	$0	Deductible applies	$0
Outpatient Surgery	$0	Deductible applies	$0
Labs/X-rays preventive	$0	$0	$0
Labs/X-rays diagnostic	$0	Deductible applies	$0
CT/PET scans, MRI's, Nuclear	$0	Deductible applies	$0
Outpatient Therapies	20% co-payment	20% co-payment after Ded.	$10
Prescriptions 30 Days	$7/30/50/75 Managed Rx	$7/30/50/75 Managed Rx	$10/30/50
Prescriptions 90 Days	$17.50/75/125	$17.50/75/125	$25/75/125
OUT OF NETWORK			
Annual Deductible	$200/$600	$500/$1,000	$350/$700
Co-Insurance	20%	20%	20%
OOP maximum	$3,000/$8,000	$4,000/$8,000	$2,850/$5,700
	7.5% increase	6.3% decrease	2% increase

Dental Renewal *$33.27/Individual, $95.62/Family* *(represents a 6% increase)*

*United will let me know very soon if they can run a retiree benefit this year on your group. Tufts Health plan will allow their retiree benefit as a separate (stand-alone) offering. However, Tufts is an HMO (requiring referrals for their RI/MA network of physicians), and the Florida resident would have to be placed on a local retiree product in Florida.

Plan 65 renewal rate: $465.15 (current rate: $453.92) **Tufts retiree rate:** $361.00

S&S

Health Reimbursement Arrangement (HRA) BC/BS RI Cost Analysis for Kent County Water Authority

Assumptions:

Current Deductible	[illegible]
New Plan Deductible	[illegible]
Annual Premium With Renewal - Current Plan	[illegible]
Annual Premium Utilizing HRA (BC/BS $500 Ded.)	[illegible]
Annual Savings From Plan Design Change =	$67,710.00
Total number of employees	34

Employer HRA Levels:

Single	Single	Employee + 1	Employee + children	Family
Number of employees	[illegible]	[illegible]	[illegible]	[illegible]
Total Plan deductible	[illegible]	[illegible]	[illegible]	[illegible]
Employee Responsibility	[illegible]	[illegible]	[illegible]	[illegible]
Employer Responsibility	$500.00	$1,000.00	$1,000.00	$1,000.00
Total	$2,000.00	$6,000.00	$4,000.00	$20,000.00
Total Exposure (utilization)				$32,000.00

Annual Employer Savings/Cost Assuming 100% Utilization =	$35,710.00
Annual Employer Savings/Cost Assuming 80% Utilization =	$42,110.00
Annual Employer Savings/Cost Assuming 60% Utilization =	$48,510.00
Annual Employer Savings/Cost Assuming 50% Utilization =	$51,710.00
Annual Employer Savings/Cost Assuming 40% Utilization =	$54,910.00
Annual Employer Savings/Cost Assuming 20% Utilization =	$61,310.00

HRA Plan Administrative Fees			
First Year Setup Fee			$350.00
Monthly per Employee Administrative Fee $4.50/employee (every year)	$4.50	34	$1,836.00
Deductible Reimbursement Card (one time fee)	$0.50	34	$17.00
Total First year			$2,203.00

Total Estimated Cost @ 40% with cost of HRA Administration =	$15,003
Total Estimated Savings @ 40% with cost of HRA Administration =	$52,707

EXHIBIT J

Board Meeting

May 20, 2010

As of May 20, 2010

PLANNING DOCUMENT $25,000/YEAR ALLOCATION	
PROJECT	**STATUS**
Water Supply System Management Plan WSSMP	**Approved**
Hunt River Interim Management & Action Plan	Implementing, Weather Dependant , WRB Committee
2008 CIP Program Plan	**Approved**
Clean Water Infrastructure Plan 2008	**Approved**

UPDATED CIP PROJECTS BOND FUNDING	
PROJECT	**STATUS**
Mishnock Well Field (new wells) CIP - 1A	Permit Submissions
Mishnock Transmission Mains CIP - 1B	Design Review, Funding may be critical
Mishnock Treatment Plant CIP - 1C	Design Review, Encroachment Issue Resolution
East Greenwich Well Treatment Plant – CIP-2	Modeling Proceeding
Clinton Avenue Pump Station Rehabilitation CIP - 7A	**Completed**
Read School House Road Tank CIP - 7B	Online - Punch list - Liquidated Damages
Read School House Road Main CIP 7c, 7d, 8a	Paving - Punch list

IFR FUNDED PROJECTS	
PROJECT	**STATUS**
IFR 2005	**Completed C. O. # 1 Asphalt Adjustment**
IFR 2006 A	**Closed out, Paving Issue West Warwick, Need Resolution**
IFR 2006 B / IFR 2007	Construction Ongoing
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
Tiogue Tank Re-Service	**Completed**
Hydrant Painting	Ongoing KCWA Forces