

KENT COUNTY WATER AUTHORITY

BOARD MEETING MINUTES

March 17, 2011

The Board of Directors of the Kent County Water Authority held its monthly meeting in the Joseph D. Richard Board Room at the office of the Authority on March 17, 2011.

Chairman, Robert B. Boyer opened the meeting at 3:30 p.m. Board Members, Mr. Gallucci, and Mr. Inman were present together with the General Manager, Timothy J. Brown, Director of Administration and Finance, Joanne Gershkoff and Legal Counsel, Maryanne Bevans and other interested parties. The Chairman led the group in the pledge of allegiance. Board Members Masterson and Giorgio were not present.

The minutes of the Board meeting of February 17, 2011 were moved for approval by Board Member Gallucci and seconded by Board Member Inman 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. Legal Counsel requested that the Clerk of the Court schedule a hearing to conclude this matter and a conference with Judge Vogel was held on August 24, 2010 who stated that the Court will be rendering a

decision and will give the parties notice. On November 18, 2010 Legal Counsel received the Decision from Judge Vogel which found that Kent County Water Authority Rules and Regulations precluding master metering for separately owned parcels of realty was correct and the decision of the Public Utilities Commission affirming the Kent County Water Authority Rules and Regulations was upheld. The deadline for GTECH to appeal this decision was December 20, 2010. GTECH did not file an appeal. The General Manager and Legal Counsel met with GTECH representative on January 24, 2011 and the matter will be resolved in the spring with full compliance to the Rules and Regulations.

Harris Mills

The company has gone into receivership. Kent County Water Authority is owed \$3,676.58. Legal Counsel will monitor for proof of claim filing. A permanent receiver was appointed. A proof of claim prepared and forwarded to the General Manager for signature on September 17, 2008 and will be filed in the Kent County Superior Court and sent to the receiver. Proof of Claim was filed and sent to Receiver on September 19, 2008. The proof of claim deadline was December 1, 2008. Legal counsel will continue to monitor for payment on claim. As of May 12, 2009, there has been no change in status. Petition to sell was filed by Receiver in Kent County Superior Court on June 5, 2009. Offer to property made which will allow for partial payment of claims. Legal Counsel will monitor progress of sale.

There has been no further progress regarding the sale of the Harris Mill complex in the receivership matter. Legal Counsel to contact the Receiver for a status report. New offers to purchase have come in which could allow Kent County Water Authority claim in this matter to be paid out of the receivership proceeds. As of September 14, 2009 the previous offer did not materialize. A new offer is being pursued. Legal Counsel will continue to monitor the progress of the sale. The receivership case is in the Supreme Court. On October 1, 2010 the Court approved the sale of the property and the allowed disbursements including payment of Kent County Water Authority bill. This office will continue to monitor payment. As of March 14, 2011, there has been no change and the sale has not been finalized yet.

Hope Mill Village Associates

The company is in receivership. Kent County Water Authority is owed \$1,632.44. Legal Counsel to prepare and file Proof of Claim. Proof of Claim was prepared and was forwarded to the General Manager for signatures. Proof of Claim was filed in Kent County Superior Court and was sent to the receiver on August 28, 2008 and as of this date this case is still pending. Hope Mill filed Chapter 11 Bankruptcy on August 20, 2008. Kent County Water Authority was not listed as a creditor. The proof of claim was prepared and signed by the General Manager on November 14, 2008 and was filed with the Bankruptcy Court on November 18, 2008, The proof of claim filing deadline was the end of November, 2008. Pursuant to the plan of reorganization filed by Debtor on November 22, 2008, Kent County Water Authority will be paid in full upon confirmation of the plan by the Bankruptcy Court and Legal Counsel will continue to

monitor. As of February 17, 2009 the Court has not scheduled a hearing for confirmation of plan. Debtor will be filing an Amended Plan in March 2009. Legal Counsel will continue to monitor. As of July 16, 2009 the Debtor has not filed an Amended Plan.

The Bankruptcy Court hearing was to be held on August 19, 2009 regarding a motion filed by Hope Mill to convert Chapter 11 to Chapter 7. Legal counsel will monitor the hearing and how the disposition of the hearing will affect the claim of Kent County Water Authority. The hearing was held on December 17, 2009. Assets purchased pursuant to Asset Purchase Agreement. Kent County Water Authority charges to be paid pursuant to Asset Purchase Agreement. Legal Counsel will follow up regarding timetable of payment to Kent County Water Authority. Legal Counsel spoke with Attorney DeAngelis on February 17, 2010 for status on payment to Kent County Water Authority.

Legal Counsel spoke with Attorney DeAngelis on May 13, 2010 and Mr. DeAngelis stated that a final closing has yet to be scheduled, but should be scheduled in the near future. There has been no progress on scheduling a closing as of March 14, 2011.

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. This has been concluded. However, inspection followed which disclosed that there were more paint issues. On July 22, 2010, Legal Counsel notified

the Bonding Company regarding action to correct. This will be further discussed by the General Manager in IFR projects. This matter is being discussed which may include litigation and KCWA is awaiting final restoration plans from the vendor. On March 16, 2011 and March 17, 2011, the General Manager received email communications from Rockwood requesting KCWA response to Rockwood performing its February 18th proposal on March 21, 2011. Further, the email stated that Mr. Northrop is no longer with Lincoln and provided an alternate contact for forwarding of the claim of KCWA.

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 May 20, 2010 and Legal Counsel sent follow up letters on May 20, 2010, September 15, 2010, October 8, 2010 and November 17, 2010. In response to follow-up letters, status of claim via website has been changed to "Review in Process". Legal Counsel sent another follow up letter on February 16, 2011. Still awaiting reply which for this agency is glacial.

Spectrum Properties, The Oaks, Coventry, Rhode Island

Legal Counsel for the developer forwarded on July 13, 2009 to Kent County Water Authority Legal Counsel for comment on the proposed form of easement deeds with respect to the residential subdivision. On July 29, 2009, Legal Counsel for Kent County Water Authority sent a response to Attorney William Landry setting forth comments to the proposed form of deeds. Legal Counsel received revised deeds from Attorney Landry on September 10, 2009 and they have been forwarded to the General Manager for review and have been approved by the General Manager. On September 24, 2009, Legal Counsel forwarded to Attorney Landry correspondence stating that the form of easement deed has been approved by Kent County Water Authority and for Attorney Landry to forward the original executed deeds to Kent County Water Authority for execution of acceptance. Legal Counsel has not received the deeds to date therefore Legal Counsel forwarded status inquiry correspondence to Attorney Landry on November 18, 2009. Attorney Landry replied to Legal Counsel on November 23, 2009 stating that the developer is in the midst of scheduling a final approval hearing with the Town and Attorney Landry will provide Legal Counsel for KCWA with the anticipated timetable for final approval and recording of the deeds upon Mr. Landry's receipt of this information.

Legal Counsel pursuing Attorney Landry for status of his receipt of timetable for municipal approvals. Legal Counsel telephoned Attorney Landry and left a voicemail message as to status and subsequently forwarded correspondence to Attorney Landry on March 11, 2010. On May 11, 2010, Legal Counsel forwarded subsequent correspondence to Attorney Landry inquiring as to the status of the matter. The Developer contacted Legal Counsel directly and informed her that final approvals have not been received. Sanford J. Resnick, Esq. forwarded correspondence on September 17, 2010 to the Chairman informing of his representation of the developer and a request to appear before the Board to discuss inspection fees. On March 14, 2011, Legal Counsel received a telephone call from Mr. Resnick requesting to appear at the April 21, 2011 Board Meeting.

257A Mishnock Road, West Greenwich, RI

Legal Counsel was contracted by Thomas Goldberg, Esq., Attorney for Wendy Lasalle, current owner of property formerly owned by her late father, Robert Broadhurst. The subject property was occupied by Mr. Broadhurst for over 40 years and is landlocked. Ms. Lasalle is now desirous of selling the real estate and Anthony Q. Cofone, Esq., represents the prospective buyer and is requesting an ingress/egress easement from Kent County Water Authority over its Mishnock land. There is an existing, unimproved roadway formerly utilized by Mr. Broadhurst for access to the property. Attorney Cofone provided Legal Counsel with some recorded maps showing access to the site and Legal Counsel met with Mr. Cofone on June 16, 2010 to review title as Mr. Cofone claims pre-existing rights of way/access. Legal Counsel requested Mr. Cofone memorialize in writing the claim for pre-existing access rights for presentment to the Board. On July 19, 2010, Legal Counsel received correspondence from Attorney Coffone setting forth the title issue and request for easement. On July 29, 2010, Kent County Water Authority informed Attorney Coffone via writing that the

prescriptive easement rights set forth in his July 16, 2010 correspondence obviates the need for Kent County Water Authority to provide easement rights to the owner with respect to the wellhead protection land of Kent County Water Authority.

As of March 10, 2011 no response has been received from Attorney Coffone.

DPUC: Mai Tai Investments Docket No.: D10-111

Mai Tai Investments of Coventry filed a complaint against Kent County Water Authority because of a billing dispute. The matter is new and Kent County Water Authority has responded with a data request and a hearing will be held thereafter. On September 23, 2010, Mr. Iacono requested an extension of 30 days to respond or object to KCWA data requests in order to seek counsel. This matter is on hold until Mr. Iacono retains counsel. On November 29, 2010 Legal Counsel for KCWA filed a Motion to Dismiss regarding no response. On December 7, 2010 Legal Counsel received an Objection to the Motion to Dismiss and Request for Additional Extension of Time to Respond to Data Requests which was filed by Mr. Iacono. On December 14, 2010 Legal Counsel filed an Objection and Motion to Strike in response to Mr. Iacono's Objection and Motion to Dismiss. Legal Counsel received an entry of appearance from Pavilonis, Esq. on which may be determinative of the motions.

Mai Tai Investments forwarded to Legal Counsel response to the first set of data requests. On January 18, 2011 Legal Counsel sent out a Motion to Compel More Responsive Answers and a Motion to Dismiss regarding inadequate responses. This matter was scheduled before the DPUC on February 9, 2011 and discovery was ordered by the Hearing Officer to be completed by February 15, 2011 and a hearing was held on March 9, 2011 and briefs will be filed with a decision to be expected at the end of May or early June of 2011.

National Grid/Dig Safe violation

This matter was heard by the DPUC on March 7, 2011 and the National Grid was fined \$3,000 pursuant to the recommendation of the Public Advocacy Section with concurrence by National Grid.

Natgun

Counsel for Natgun corporation was to present another proposal for Kent County Water Authority to review and none has been received by Legal Counsel to date.

Director of Finance Report:

The General Manager stated that the poor state of the economy continues to hamper the collection process and Kent County Water Authority is working very diligently on collections, however, the revenues are closely in line with the budget. The General Manager stated the revenue was somewhat lower in the winter but it is usual for this season of the year.

Joanne Gershkoff, Finance Director, explained and submitted the financial report and comparative balance sheets, statements of revenues, expenditures, cash receipts, disbursements attached as “A” through February, 2011, and after thorough discussion, especially with regard to the sales and revenue shortfalls which will be dismissed for the winter months . The restricted accounts were all funded for the period.

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

VOTED: That the financial report, comparative balance sheet and statement of revenues, expenditure, cash receipts, disbursements attached as “A” through February, 2011 be approved as presented and be incorporated herein and are made a part hereof.

Point of Personal Privilege and Communications:

The Chairman extended his appreciation to Kent County Water Authority for the card he received in connection with his surgery.

GENERAL MANAGER/CHIEF ENGINEER’S REPORT

Old Business

Water Use & Efficiency Rules WRB, Board Direction

The General Manager informed the Board of the March 15, 2011 Water Resources Board meeting. The Water Resources Board meeting will hold a work session two weeks prior to the next meeting. Kent County Water Authority recommended that proposed regulations not go forward until further review of the impact of the regulations by qualified professionals.

New Business:

Employee Handbook Vacation Modification

This matter is continued to the April Board meeting.

Modification to Capital Budget

The General Manager informed the Board of the modification and general discussion ensued and it was unanimously voted among the Board Members in attendance (Chairman, Inman and Gallucci);

VOTED: To approve the modification to Capital Budget.

2011 Legislation

The General Manager informed the Board of proposed legislation with respect to utilities and Kent County Water Authority and Legal Counsel will continue to monitor this legislation with respect to the impact on Kent County Water Authority.

Payroll System Discussion

This matter is continued to the April Board meeting.

Award Bid Consumer Confidence Report, Preparation and Printing

The General Manager stated there was one bid for preparation and printing services for the Consumer Confidence Report from Graphic Image, Inc. and that it was fair and reasonable and he recommended acceptance of the bid for preparation and printing services for the Consumer Confidence Report as evidenced and attached as “B”.

It was moved by Board Member Gallucci and seconded by Board Member Inman to award the proposal for preparation and printing services for the Consumer Confidence Report to Graphic Image, Inc. in the amount of \$8,890.00 as evidenced and attached as “B” and it was unanimously voted among the Board Members present (Chairman, Inman and Gallucci);

VOTED: To award the proposal for preparation and printing services for the Consumer Confidence Report to Graphic Image, Inc. in the amount of \$8,890.00 as evidenced and attached as “B”.

DEM, Curran Dam Reconstruction, Request for Land Purchase

The General Manager informed the Board that both Kent County Water Authority and the Department of Environmental Management own land below the Curran Dam. Given the March, 2011 flooding, the Department of Environmental Management has offered to purchase the land of Kent County Water Authority due to safety concerns concerning the dam. The Board recommended that the General Manager inform the Department of Environmental Management of its willingness to sell the land contingent upon establishing a sales price.

CAPITAL PROJECTS:
INFRASTRUCTURE PROJECTS

All 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 evidenced and attached as “C”.

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

VOTED: To adjourn the meeting at 3:55 p.m.

Secretary Pro Tempore

EXHIBIT A

Kent County Water Board Meeting

March 17, 2011

KENT COUNTY WATER AUTHORITY
CASH RECEIPTS & DISBURSEMENTS
FY 2010 - 2011

	JULY 2010	AUGUST 2010	SEPTEMBER 2010	OCTOBER 2010	NOVEMBER 2010	DECEMBER 2010	JANUARY 2011	FEBRUARY 2011	MARCH 2011	APRIL 2011	MAY 2011	JUNE 2011	RATE REVENUE FY 09-10	RATE REVENUE FY 10-11
BEGINNING MONTH BALANCE	31,638,965	29,755,919	30,254,970	29,996,609	32,301,692	33,381,976	34,049,502	34,972,065					JUL \$ 1,260,704.09	1,608,812.79
CASH RECEIPTS:													AUG \$ 1,086,327.67	1,588,116.69
Water Collections	2,224,217	1,692,403	1,654,242	3,434,063	2,218,869	1,426,803	2,400,951	1,445,874					SEP \$ 2,566,722.88	3,697,980.21
Interest Earned	24,549	243	243	233	1,189	259	24,569	255					OCT \$ 1,362,068.07	1,740,472.00
Inspection Fees													NOV \$ 1,022,260.62	1,193,207.00
Contribution in Aid-Construction													DEC \$ 1,966,266.00	2,315,872.00
Other													JAN \$ 977,666.96	1,154,428.37
TOTAL CASH RECEIPTS	33,887,731	31,448,565	31,909,455	33,430,905	34,521,751	34,809,038	36,475,022	36,418,194					FEB \$ 943,649.21	1,115,635.52
CASH DISBURSEMENTS:													MAR \$ 1,887,332.96	
Purchased Water	444,539	656,595	553,076	315,423	549,142	247,487	360,338	375,163					APR \$ 1,106,048.00	
Electric Power	37,587	42,039	38,257	58,524	24,713	38,498	38,840	38,697					MAY \$ 991,050.62	
Payroll	151,636	133,721	163,928	133,626	133,743	149,323	165,291	170,723					JUN \$ 2,263,749.00	
Operations	58,917	81,773	46,768	59,268	39,347	45,935	97,211	129,526						
Employee Benefits	1,456	140,703	127,440	90,832	36,811	144,142	1,453	67,249						
Legal	5,102	5,295	3,102	3,173	4,371	6,486	3,230							
Materials	42,978	39,638	44,509	53,103	28,683	41,401	14,107	64,576						
Insurances	10,883	10,893	4,137	5,446	130,011	21,786								
Sales Taxes	30,214	13,081	12,698	39,098	13,953	10,396	28,932	8,861						
Refunds	86	873	17,379	4,493	409	871		2,031						
Rate Case		1,412												
Conservation														
Pilot	11,650					303	4,229							
Capital Expenditures (Other)		23,229	-	-	-									
2004 Infrastructure														
Mishnock Well/Storage/Pump/Trans.														
221C														
Chilton Avenue Pump Station														
E. G. Well Upgrade	464E	1,960	3,230	4,080	5,383									
Read Schoolhouse Road - Mains	234C		1,775	263,714	1,130		97,081	80,786						
Read Schoolhouse Road - Tank	236C													
Greenwich Avenue - 8" & 12" Mains														
2006A Infrastructure	239C	7,848												
240C														
Quaker Lane Pump Station														
908" Infrastructure	284B	1,362	10,735	281,084	7,329	4,655		15,108						
Garrett Street 8"	242C													
Arthur-Bleach-Jefferson 8"														
9009 Infrastructure	213C	23,451	26,651	254,978	352,381	14,906	35,673	5,425	180,130					
9010 Infrastructure	287b	290												
John Street 8"	285B													
Lemone Court	214C													
Mishnock Transmission Main	245C													
Mill Street & Hope	286B													
Prospect Street	288b							7,758						
U. S. Bank - Debt Service (P. & I.)		3,218,553					669,328							
Water Protection		71,169.49	94,696		163,686	19,069	12,235	137,806						
TOTAL DISBURSEMENTS	4,131,812	1,193,595	1,912,845	1,129,213	1,139,775	759,536	1,502,957	1,281,645						
BALANCE END OF MONTH	29,755,919	30,254,970	29,996,609	32,301,692	33,381,976	34,049,502	34,972,065	35,136,550						

CASH LOCATION
FISCAL YEAR 10-11

	JUL 2010	AUG 2010	SEP 2010	OCT 2010	NOV 2010	DEC 2010	JAN 2011	FEB 2011	MAR 2011	APR 2011	MAY 2011	JUN 2011
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				
Fleet Bank - Deposit	258,444.05	349,368.84	122,231.47	567,694.56	387,673.68	276,643.97	1,218,343.73	348,754.12				
Fleet Bank - Checking	132,924.60	44,652.45	77,225.63	383,925.46	269,451.62	430,435.15	595,211.07	579,422.61				
	431,368.65	434,021.29	239,457.10	991,620.02	697,125.30	747,079.12	1,853,554.80	968,176.75	0.00	0.00	0.00	0.00
U S Bank - Project Funds												
Revenue	1,267,199.91	502,656.58	428,013.03	1,505,908.61	2,068,884.49	1,875,508.40	1,647,053.13	2,139,982.26				
Infrastructure Fund	4,123,975.83	5,024,007.34	4,968,094.38	5,082,221.95	5,532,416.42	5,982,458.31	6,432,505.75	6,709,314.84				
Operation Reserve	105,911.89	130,217.20	121,524.58	145,830.24	170,140.27	194,446.14	218,752.31	243,058.58				
Operation & Maintenance Reserve	2,367,248.06	2,367,268.20	2,367,288.35	2,367,307.84	2,367,399.00	2,367,418.50	2,367,438.00	2,367,458.80				
Renewal & Replacement Fund	271,558.53	279,894.06	288,229.59	296,565.28	304,909.99	313,245.72	321,581.60	329,917.66				
Renewal & Replacement Reserve	786,040.67	786,047.43	786,054.21	786,060.76	786,091.10	786,097.64	786,104.42	786,111.18				
General Project - 2001												
Debt Service Fund - 2001	94,610.72	160,135.17	225,657.83	291,180.49	356,713.34	422,237.53	326,588.04	392,112.81				
Debt Service Reserve - 2001	781,125.00	781,125.00	781,125.00	781,125.00	781,148.43	781,154.79	781,148.43	781,148.43				
Cost of Issuance - 2001												
General Project - 2002	16,031,876.73	16,032,012.87	15,771,066.79	15,771,137.49	15,771,744.56	15,771,874.16	15,674,926.80	15,594,273.95				
Debt Service Fund - 2002	214,312.11	371,138.67	527,960.95	684,784.45	841,629.94	998,456.06	729,161.23	885,988.53				
Debt Service Reserve - 2002	1,823,560.01	1,823,560.01	1,823,560.01	1,823,560.01	1,823,614.72	1,823,614.72	1,823,614.72	1,823,614.72				
Cost of Issuance - 2002												
Debt Service Fund - 2004	178,432.27	284,187.43	389,938.98	495,691.37	601,459.69	707,213.85	730,937.69	836,693.37				
Debt Service Reserve - 2004	1,278,698.33	1,278,698.33	1,278,698.33	1,278,698.33	1,278,698.33	1,278,698.33	1,278,698.33	1,278,698.33				
Cost of Issuance - 2004												
Redemption Account - 2004												
	\$ 29,755,918.71	30,254,969.58	29,996,608.73	32,301,691.84	33,381,975.58	34,049,503.27	34,972,065.25	35,136,550.21	0.00	0.00	0.00	0.00

REPORT DATE 03/11/2011
 SYSTEM DATE 03/11/2011
 FILES ID Z

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

PAGE 1
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AS OF 01/2011

ACCOUNT DESCRIPTION	C U R R E N T M O N T H			Y E A R - T O - D A T E		
	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET
REVENUES						
1-4150 MERCHANDISING & JOBBING		490.68	490.68	834.00	3154.62	2320.62
1-4160 M & J COSTS & EXPENSES		3404.30	3404.30	3000.00	8053.46	5053.46
1-4190 INTEREST & DIVIDEND INC.	2916.66	24569.98	21653.32	20416.62	50091.40	29674.78
1-4210 MISC. NON-OPER. INCOME					11103.75	11103.75
TOTALS FOR OTHER INCOME	2916.66	28464.96	25548.30	24250.62	72403.23	48152.61
1-461A METERED SALES - GC	1134862.83	931961.27	-202901.56	7944039.81	9816974.46	1872934.65
1-461B METERED SALES - IC	290093.66	193219.90	-96873.76	2030655.62	2155285.25	124629.63
1-4620 PRIVATE FIRE PROTECTION				96224.00	92071.11	-4152.89
1-4630 PUBLIC FIRE PROTECTION				651109.00	649436.92	-1672.08
1-4640 SALES -PUBLIC AUTHORITIES	62229.08	27221.19	-35007.89	435603.56	499323.05	63719.49
1-4660 SALES FOR RESALE				50000.00	83660.92	33660.92
1-4710 MISC. SERVICE REVENUE	14172.16	14188.39	16.23	99205.12	112646.12	13441.00
1-4740 OTHER WATER REVENUES	3750.00		-3750.00	26250.00		-26250.00
TOTALS FOR OPERATING REVENUE ACCTS.	1505107.73	1166590.75	-338516.98	11333087.11	13409397.83	2076310.72
TOTALS FOR REVENUES	1508024.39	1195055.71	-312968.68	11357337.73	13481801.06	2124463.33
EXPENDITURES						
1-6010 OPERATION & LABOR EXP.	1250.00		1250.00	8750.00		8750.00
1-6020 PURCHASED WATER	375000.00	363959.96	11040.04	2625000.00	2744274.00	-119274.00
1-6140 MAINTENANCE OF WELLS	208.33		208.33	1458.31	196.50	1261.81
TOTALS FOR SOURCE OF SUPPLY EXPENSES	376458.33	363959.96	12498.37	2635208.31	2744470.50	-109262.19
1-6210 FUEL FOR PUMPING	125.00	348.96	-223.96	875.00	406.98	468.02
1-6230 POWER PURCHASED	39583.33	36421.23	3162.10	277083.31	268829.14	8254.17
1-624A PUMPING LABOR	4833.33	799.18	4034.15	33833.31	22079.33	11753.98
1-624B PUMPING EXPENSES	316.66		316.66	2216.62	444.48	1772.14

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

AS OF 01/2011

ACCOUNT DESCRIPTION	C U R R E N T M O N T H			Y E A R - T O - D A T E		
	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET
1-6310 MAINT STRUCT & IMPROVE	2916.66	290.36	2626.30	20416.62	14570.91	5845.71
1-6330 MAINT PUMPING EQUIPMENT	3166.66	604.12	2562.54	22166.62	17550.19	4616.43
TOTALS FOR PUMPING EXPENSES	50941.64	38463.85	12477.79	356591.48	323881.03	32710.45
1-6410 CHEMICALS	13750.00	16323.37	-2573.37	96250.00	103426.58	-7176.58
1-642A OPERATION LABOR	6333.33	1239.60	5093.73	44333.31	33634.52	10698.79
1-642B OPERATION EXPENSES	2916.66	2942.00	-25.34	20416.62	23266.58	-2849.96
1-6520 MAINT WATER TREAT EQUIP	300.00		300.00	2100.00	444.48	1655.52
TOTALS FOR WATER TREATMENT EXPENSES	23299.99	20504.97	2795.02	163099.93	160772.16	2327.77
1-662A T & D LABOR	1433.33		1433.33	10033.31	8616.49	1416.82
1-662B T & D SUPPLIES & EXP	3083.33	6179.26	-3095.93	21583.31	35769.96	-14186.65
1-663A T & D METER LABOR	2833.33	1094.94	1738.39	19833.31	18341.05	1492.26
1-663B T & D METER SUPP & EXP	1250.00	338.44	911.56	8750.00	3403.07	5346.93
1-6650 T & D MISC	1250.00		1250.00	8750.00	5273.63	3476.37
1-6710 MAINT STRUCT & IMPROV	833.33		833.33	5833.31	2280.00	3553.31
1-6720 MAINT RESERVOIR & STDPIPE	1166.66		1166.66	8166.62	8692.82	-526.20
1-6730 MAINT T & D MAINS	45833.33	74262.76	-28429.43	320833.31	312442.46	8390.85
1-6750 MAINT SERVICES	15166.66	2402.00	12764.66	106166.62	153372.66	-47206.04
1-6760 MAINT METERS	8333.33	1262.64	7070.69	58333.31	26421.80	31911.51
1-6770 MAINT HYDRANTS	8333.33	778.63	7554.70	58333.31	30922.72	27410.59
1-6790 TRANSFER TO CONSTRUCTION	-625.00		-625.00	-4375.00	-2396.61	-1978.39
TOTALS FOR TRANS. & DISTR. EXPENSES	88891.63	86318.67	2572.96	622241.41	603140.05	19101.36
1-902A METER READING LABOR	6500.00	11343.28	-4843.28	45500.00	56982.38	-11482.38
1-902B METER READING SUPP & EXP					1833.63	-1833.63
1-903A CUSTOMER RECORDS LABOR	17833.00	11950.63	5882.37	124831.00	93216.22	31614.78
1-903B CUSTOMER RECORDS SUPP	6666.66	725.23	5941.43	46666.62	38004.61	8662.01

REPORT DATE 03/11/2011
 SYSTEM DATE 03/11/2011
 FILES ID Z

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

PAGE 3
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AS OF 01/2011

ACCOUNT DESCRIPTION	C U R R E N T M O N T H			Y E A R - T O - D A T E		
	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET
TOTALS FOR CUSTOMER ACCT. EXPENSES	30999.66	24019.14	6980.52	216997.62	190036.84	26960.78
1-9200 ADM & GENERAL SALARIES	31583.00	23886.17	7696.83	221081.00	172422.45	48658.55
1-9210 OFFICE SUPPLIES & EXP	11666.67	10318.47	1348.20	81666.69	75018.15	6648.54
1-9230 OUTSIDE SERVICES	10484.00	13156.85	-2672.85	73388.00	60422.27	12965.73
1-9240 PROPERTY INSURANCE	16250.00	-10.00	16260.00	113750.00	179008.60	-65258.60
1-9250 INJURIES & DAMAGES					134.96	-134.96
1-9260 EMPLOYEE PENSION & BENEF	89501.50	51021.27	38480.23	626510.50	585582.57	40927.93
1-9280 REGULATORY COMM EXP				86500.00	49643.22	36856.78
1-930B MISC GENERAL EXPENSE	1250.00	1250.00		8750.00	7514.21	1235.79
1-932A MAINT GENERAL PLANT	12500.00	9508.81	2991.19	87500.00	66983.64	20516.36
1-932B MAINT VEHICLES	10416.00	6683.83	3732.17	72912.00	83496.86	-10584.86
1-9330 UNASSIGNED TIME VAC HOL	19330.00	-20918.52	40248.52	134495.00	103293.73	31201.27
TOTALS FOR ADM. & GENERAL EXPENSES	202981.17	94896.88	108084.29	1506553.19	1383520.66	123032.53
1-4030 DEPRECIATION EXPENSE	96667.00	96666.67	.33	676669.00	676666.69	2.31
1-4080 TAXES OTHER THAN INCOME	15000.00	11954.13	3045.87	105000.00	89033.59	15966.41
1-4270 INTEREST-LONG TERM DEBT	115657.00	123101.04	-7444.04	809599.00	861707.28	-52108.28
1-4280 AMORTIZATION OF DEBT DISC	5010.00	5010.00		35070.00	30060.00	5010.00
TOTALS FOR OTHER EXPENSES	232334.00	236731.84	-4397.84	1626338.00	1657467.56	-31129.56
TOTALS FOR EXPENDITURES	1005906.42	864895.31	141011.11	7127029.94	7063288.80	63741.14
EXCESS OF REVENUE OVER EXPENDITURES FOR general	502117.97	330160.40	-171957.57	4230307.79	6418512.26	2188204.47

EXHIBIT B

Kent County Water Board Meeting

March 17, 2011

KENT COUNTY WATER AUTHORITY
BID
FOR PROFESSIONAL SERVICES RELATED TO
DESIGN, PRINTING AND MAILING
OF
CONSUMER CONFIDENCE REPORTS
BID OPENING MARCH 1, 2011

The Bid Opening for Professional Services Related to Design, Printing and Mailing of Consumer Confidence Reports was held at 10:00 a.m., March 1, 2011 per the requirements of the Bid Invitation advertised in the Providence Journal on Thursday, February 3, 2011. Attendance at the Pre-Bid was not a mandatory requirement to submit a Bid.

The work consists of providing directly to the Kent County Water Authority all labor, materials and services necessary for the creative development, design, printing and mailing of the Kent County Water Authority annual Consumer Confidence Report in accordance with the requirements of the U. S. Environmental Protection Agency, R.I. Department of Health regulations and directions given by the Kent County Water Authority. The Kent County Water Authority anticipates production needs of 32,000 copies with a customer base mailing of approximately 27,000 copies. The design and printing contractor shall have a minimum of 5 years experience in design, printing and mailing services related to public relations media of this nature, along with the ability to complete the customer base mailing of both documents within the required timelines.

At 10:00 a.m. the Bid Opening began by John Duchesneau opening the submitted Bids listed below:

1. Graphic Image, Inc.

Total for bid items 1, 2 & 3 = \$8,890

- Item's 2 & 3 Unit Bid Price left blank, totals provided
- 5 Examples were provided
- No Issued Addendum

There were no attendees at the Bid Opening meeting and the meeting was closed at 10:10 a.m.

EXHIBIT C

Kent County Water Board Meeting

March 17, 2011

PLANNING DOCUMENT \$25,000/YEAR ALLOCATION

PROJECT	STATUS
Water Supply System Management Plan WSSMP	Approved
Hunt River Interim Management & Action Plan	Removed
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	Permitting Completed
Mishnock Transmission Mains CIP - 1B	Design Review, Funding will be critical to plant operation
Mishnock Treatment Plant CIP - 1C	Set Bid date as soon as possible
East Greenwich Well Treatment Plant - CIP-2	Pending Finalization
Clinton Avenue Pump Station Rehabilitation CIP - 7A	Completed
Read School House Road Tank CIP - 7B	Online-Final Payment, Natgun Settlement
Read School House Road Main CIP 7c, 7d, 8a	Paving Failures

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	Repairs Completed, Cranston Letter
IFR 2009 A & 2009 B	2009A - Construction Ongoing, 2009B Design Complete, Bid Date
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	Remediation of Issues
Tiogue Tank Re-Service	Completed
Hydrant Painting	Winter shut down - spring start-up