

KENT COUNTY WATER AUTHORITY

BOARD MEETING MINUTES

September 15, 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 September 15, 2011.

Chairman, Robert B. Boyer opened the meeting at 3:30 p.m. Board Members, Mr. Gallucci, Mr. Masterson, Mr. Giorgio and Mr. Inman were present together with the General Manager, Timothy J. Brown, Technical Service Director, John R. Duchesneau Director of Administration and Finance, Joanne Gershkoff and Legal Counsel, Joseph J. McGair and other interested parties. Board Member Giorgio led the group in the pledge of allegiance

The minutes of the Board meeting of August 18, 2011 were moved for approval by Board Member Masterson and seconded by Board Member Gallucci and were unanimously approved.

Guests:

High Service Requests

Hopkins Hill Road, Coventry – James Cantara

This matter was previously approved and an extension was requested because of the economy.

It was moved by Board Member Gallucci and seconded by Board Member Masterson that based upon health and safety concerns to conditionally re-approve the request for water supply to service a single family home with the following conditions in lieu of a moratorium:

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

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

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

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

4. The applicant shall file a formal single family home application. The applicant/customer understands that any undetected error in any calculation or drawing or an increase or change in demand as proposed, which materially affects the ability to supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.

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

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

And it was unanimously,

VOTED: That based upon health and safety concerns to conditionally re-approve the request for water supply to service a single family home with the following conditions in lieu of a moratorium:

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

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

unavailable or unable to produce water sufficient to service the customers of KCWA.

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Interview Bond Counsel

Partridge Snow & Hahn, LLP

Norman Benoit, Esq. introduced Alexander Pezzullo, Esq. and Eugene Bernardo, Esq. who represents the firm public finance group. He stated that the firm was established in 1988 and has 45 lawyers with focus on Rhode Island was the #1 public finance bond buyer for the past 4 to 5 years. Partridge, Snow & Hahn, LLP is not a regional or national practice and has produced over \$13 billion worth of business over the years and they have experience in utilities and were counsel to the RI Water Resource Board and several Authorities. He stated those billing rates were pursuant to Rhode Island law.

Board Member Gallucci stated the reputation of the firm was impressive and he was familiar with the firm and that its blended rate is approximately \$275/hour and he assumed subject to negotiation. The General Manager mentioned firm fixed rates and he knows that Partridge, Snow & Hahn LLP, also, did Blue Cross rate hearings.

Robinson & Cole, LLP

Joseph B. White, Esq., Glenn Rybacki, Esq. and Glenn A. Santoro, Esq. gave a presentation about their backgrounds in Bond Counsel/Public Financing/Taxation area of practice. Mr. White stated that the firm is 145 years old and in the concentration is in the New England States and Municipalities. Mr. Santoro stated that there are three partners in the public finance practice and they have great depth from Utilities and other public entities and he referred the Board to the response to the RFP. They have been counsel to Providence, East Providence, Pawtucket Housing and Rhode Island Bridge and Turnpike Authority.

Board Member Gallucci asked about their fees which were corrected to \$425/hour and that it would not be held against them since this is a voluntary exercise in that an RFP is not required under Rhode Island Law and he assumed that the fee is negotiable if selected. Board Member Gallucci stated this was a very impressive firm. The General Manager stated that the firm has great depth with institutional knowledge with 250 attorneys and appears less costly than others but is more regional than others. Mr. Santoro stated that \$300 to \$325/hour is blended rate in response to Board Member Inman.

Edwards Angell Palmer & Dodge LLP

Karen Grande, Esq. introduced Ellen Corneau, Esq. and Antonio Martini, Esq. to the Board. Mrs. Grande stated that they had great experience in many areas and in particular with Kent County Water Authority as Bond Counsel in the 80's and 90's. She stated that Edwards, Angell, Palmer & Dodge LLP has extraordinary water experience and definitely more than any other firm based in Rhode Island. She stated that they have represented Providence Water Supply Board, Pawtucket Water, Newport and other Rhode Island agencies and municipalities including Warwick, West Warwick, Coventry, East Greenwich and West Greenwich in Kent County. Mrs. Grande has the most experience with the RIPUC with regard to testifying and assisting the Kent County Water Authority even when she was not retained. She mentioned Clean Water financing which is tedious but she is aware that a refinance will not be under the Clean Water Financing. Board Member Gallucci said that the blended fee arrangement if selected would be negotiated and the same rate as the State of Rhode Island best rate and regular rate is \$465/hr and \$365/hr blended. The Chairman inquired about the flow fee of \$365 no matter who works on the file and Mrs. Grande stated it is the same State of Rhode Island discount in addition to the flat fee of the bond issues and is simpler than current refunding.

Nixon Peabody, LLP

Neal Pandozzi, Esq. introduced Andrew Prescott, Esq. and appeared for the firm. He mentioned that he worked on Kent County Water Authority with Karen Grande, Esq.

He stated that previously he worked on Bond issues for Kent County Water Authority, Warwick and RI Clean Water, many cities and towns, Suffolk County Water, NYC and California utilities. Mr. Prescott stated that he has experience with RIPUC and all administrative agencies, municipal and legislative. He has represented utilities in the Rhode Island Supreme Court and that the firm is a perfect fit for Kent County Water Authority and it would give time and would have the expertise of 800 lawyers nationwide. The General Manager inquired about fees and Mr. Pandozzi stated that it would depend on the issues and it usually is a flat fee negotiated up front which does not have additional secretarial/administrative. Mr. Pandozzi stated the range was \$35,000 - \$42,000 for \$25m to \$100 m.

Board Member Inman asked why there was no blended rate and would be changed on that basis and that the attorneys were not able to answer blended rate question at this time. Board Member Gallucci added that it appeared as if the \$425.00/hour is in the ballpark.

A thorough Bond Counsel Board discussion followed and it was the sense of the Board that the information gleaned at the interviews be reviewed by the individual members and to continue this matter for the next meeting.

LEGAL MATTERS

GTECH

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. The staff met on April 20, 2011 and it is moving in the right direction and resolution is on-going and plans came in yesterday. An approvals letter was sent out to the Engineers for GTECH on May 24, 2011 giving them six (6) months to accomplish the same.

GTECH Corporation informed Mr. Duschesneau via email on June 6, 2011 that to comply with the KCWA ten (10) day confirmation requirement after approval letter that GTECH started construction and it is in progress. This will not be further included in the legal report due to resolution of the matter.

Harris Mills

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

There has been no further progress regarding the sale of the Harris Mill complex in the receivership matter. Legal Counsel to contact the Receiver for a status report. New offers to purchase have come in which could allow Kent County Water Authority claim in this matter to be paid out of the receivership proceeds. As of September 14, 2009 the previous offer did not materialize. A new offer is being pursued. Legal Counsel will continue to monitor the progress of the sale. 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. On May 13, 2011 Legal Counsel sent a letter to Counsel for potential buyer inquiring as to the status of the sale. Legal Counsel followed up with counsel for Buyer on June 14, 2011 regarding response to May 13, 2011 correspondence. On July 18, 2011 Legal Counsel was informed by Buyer's Counsel that the sale is on hold pending resolution of Supreme Court Appeals in receivership case. There has been no further word as of September 14, 2011.

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 September 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.

On March 29, 2011 Legal Counsel sent correspondence to Mr. Northrop's successor, Paul Poppish pursuant to Mr. Law of Rockwood. After receiving no reply, Legal Counsel sent a follow up letter to Mr. Poppish on April 13, 2011. On May 16, 2011, Legal Counsel called Lincoln General and Mr. Poppish is no longer with the company and was directed to Mr. Bob Griffith and Legal Counsel spoke with him and was asked to send the correspondence to him which was accomplished on even date. No response was received from Mr. Griffith and Legal Counsel sent a follow up letter on June 9, 2011.

On July 14, 2011 Legal Counsel had a telephone conference with Bob Griffith from Lincoln General who stated that he would get something out to Legal Counsel the beginning of the week of July 18, 2011 and a letter was received on July 17, 2011 stating that he would discuss it with his insured and would respond thereafter. On August 5, 2011, Legal Counsel sent a follow up letter to Mr. Griffith since no response was received.

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.

On July 18, 2011, Legal Counsel sent certified correspondence to John Walsh, Acting Controller of the Currency asking for guidance or a resolution to this matter. The letter included the ten unanswered letters. A response letter dated July 25, 2011 was received by Legal Counsel on August 1, 2011 stating that the letter of July 18, 2011 was referred to the Comptroller of the Currency Customer Assistance Group.

On September 2, 2011, Legal Counsel received a response from the Comptroller of the Currency dated August 29, 2011 which refers to their previous response dated January 8, 2010.

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 was 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.

Mr. Resnick appeared at the May 19, 2011 Board Meeting and the staffs are working together with the Developer and Legal Counsel. Mr. Resnick will draft agreements with respect to flushing and constructing the water line. On August 15, 2011 Legal Counsel left a message with Mr. Resnick for status update and as of September 14, 2011 Legal Counsel has not received a response.

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. On April 12, 2011 Legal Counsel received the Complainant's brief and Kent County Water Authority brief was filed on April 26, 2011. The Complainant's response to Kent County Water Brief was due on May 6, 2011 in

that they did not ask the Hearing Officer for any additional time. A Decision was received on May 24, 2011 in favor of Mai Tai on the condition that they convert to master meter configuration within 90 days which is August 21, 2011 and if the same is not accomplished by Mai Tai then the Authority may return to DPUC for modification of the Decision.

On August 9, 2011 KCWA received a letter dated August 5, 2011 from Mai Tai Investments regarding disconnecting the existing meter and capping the line in the ground. On August 9, 2011 KCWA sent a response letter that KCWA must abide by the Order and could not accept the proposal as outlined in said Mai Tai Investment letter of August 9, 2011.

Mai Tai has stated to the Authority that it would accomplish the same by the August 23, 2011 deadline and the same has been completed.

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 albeit the attorney for Natgun had asked Legal Counsel for time to provide a document in lieu of a release. The matter stands as Kent County Water Authority is aware that Natgun is litigating with Parkside which refuses to provide a release. Kent County Water Authority is protected due to the hold back on the contract.

Cardi Corporation, DPUC

A hearing on this matter was scheduled at the DPUC for September 16, 2011 relating to Dig Safe/Excavation issues but will be continued for purposes of obtaining discovery and the parties are in the process of obtaining a new date and at the suggestion of the Hearing Officer will be meeting to discuss the Dig Safe law application.

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 and revenue exceeded expenditures of 2010.

Joanne Gershkoff, Finance Director, explained and submitted the financial report and comparative balance sheets, statements of revenues, expenditures and cash receipts, disbursements and FY 2010-2011 attached as "A" through August, 2011, and after thorough discussion with regard to the sales and revenue shortfalls. The restricted accounts were all funded for the period.

Board Member Gallucci moved and seconded by Board Member Masterson to accept the reports and attach the same as an exhibit and that the same be incorporated

by reference and be made a part of these minutes and it was unanimously,

VOTED: That the financial report, comparative balance sheet and statement of revenues, expenditure and cash receipts, disbursements and FY 2010-2011 attached as “A” through August, 2011 be approved as presented and be incorporated herein and are made a part hereof.

Point of Personal Privilege and Communications:

Board Member Masterson opined that the summer social for the Board and staff should be reinstated since it is good for morale and esprit de corps.

GENERAL MANAGER/CHIEF ENGINEER’S REPORT

Old Business

New Business:

RFP Awards

Underwriter Services

The General Manager recommended to conduct interviews for these RFPS for a future meeting and had a summary from First Southwest as evidenced and attached as “B” and Ms. Gurghigian will be present to assist the Board.

New Hire Retroactive Pay Adjustment

The General Manager gave the Board a memo regarding New Hire Retroactive Pay Adjustment, Vacation Accrual, TDI and Worker’s Compensation Salary Benefits as evidenced and attached as “C”.

A letter was received by other employees and breakdown of adjusted pay from 7/1/10 when the policy went into effect and was adjusted on May 19, 2011. The General Manager said that only two employees involved would be paid \$529.72 and \$2,289.44.

Board Member Masterson stated that the adjustment is fair under the circumstances and no other additional adjustments will be entertained in the future.

A thorough discussion ensued.

It was moved by Board Member Gallucci and seconded by Board Member Giorgio that the amendment to the Laborer/Customer Service Chart 1.5/1.75 as evidenced by and incorporated by reference in Exhibit “G” in the minutes of the meeting of April 21, 2011 which was subsequently reconsidered at the May 19, 2011 meeting

shall be further amended and shall relate back to the two employees with the hiring anniversary of November 5, 2009 and May 6, 2010 and no further amendments or adjustments will be considered by the Board and it was unanimously,

VOTED: That the amendment to the Laborer/Customer Service Chart 1.5/1.75 as evidenced by and incorporated by reference in Exhibit "G" in the minutes of the meeting of April 21, 2011 which was subsequently reconsidered at the May 19, 2011 meeting shall be further amended and shall relate back to the two employees with the hiring anniversary of November 5, 2009 and May 6, 2010 and no further amendments or adjustments will be considered by the Board.

Vacation Accrual – TDI, Worker's Compensation

The General Manager presented a compilation for the board which will be redacted as evidenced and attached as "D". There was a thorough discussion of the issues and it was the sense of the Board that the Members needed more time to digest the issue and a further report from the General Manager and for a CPA to look into this issue.

Salary Benefits, TDI Action

Board Member Giorgio inquired as to gross wages or TDI. Board Member Inman related that the tax issue needs to be addressed.

The matter will be continued to next month for the General Manager and Legal Counsel to prepare a report/handbook.

Tropical Storm Irene Report

The General Manager stated that power was lost at Main Street facility and he is looking into a permanent generator however, there were no interruptions and the tanks were monitored and were all online within the next day. Board Member Gallucci stated that Kent County Water Authority was well prepared which demonstrated great planning. The Board joined in with the Chairman with congratulations to the General Manager and the staff.

Motion to Unseal Previous Minutes

It was moved by Board Member Masterson and seconded by Board Member Gallucci to unseal the previous minutes of September 16, 2010 strictly and as it relates to and solely for the purposes of a former employee's appeal with the Department of Labor and Training and it was unanimously,

VOTED: To unseal the previous minutes of September 16, 2010 strictly and as it relates to and solely for the purposes of a former employee's appeal with the Department of Labor and Training.

Employee Review (3:45 p.m.)

The Chairman stated that the employee affected was notified in writing on September 8, 2011 and hand delivered on September 8, 2011 at 2:00 p.m. that a discussion concerning job performance was to be held in executive (closed) session at 5:00 p.m. by the Board of Kent County Water Authority unless the employee affected required the proceeding to be held at an open meeting. The employee affected did respond and did appear and requested that the meeting be in executive (closed) session.

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

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

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

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

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

CAPITAL PROJECTS:
INFRASTRUCTURE PROJECTS

All 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 "E".

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

VOTED: To adjourn the meeting at 6:30 p.m.

Secretary Pro Tempore

EXHIBIT A

Kent County Water Board Meeting

September 15, 2011

KENT COUNTY WATER AUTHORITY
 CASH RECEIPTS & DISBURSEMENTS
 FY 2011 - 2012

	JULY 2011	AUGUST 2011	SEPTEMBER 2011	OCTOBER 2011	NOVEMBER 2011	DECEMBER 2011	JANUARY 2012	FEBRUARY 2012	MARCH 2012	APRIL 2012	MAY 2012	JUNE 2012	RATE REVENUE FY 10-11	RATE REVENUE FY 11-12
BEGINNING MONTH BALANCE	37,726,775	34,156,931											JUL 1,608,840	1,458,444.12
CASH RECEIPTS:													AUG 1,588,117	1,422,222.99
Collections	1,966,570	1,533,789											SEP 3,697,980	
Interest Earned	24,595	287											OCT 1,740,472	
Other													NOV 1,193,207	
TOTAL CASH RECEIPTS	39,717,940	35,691,008	-	-	-	-	-	-	-	-	-	-	DEC 2,315,872	
CASH DISBURSEMENTS:													MAR 1,879,971	
Purchased Water	619,643	317,621											APR 1,119,045	
Electric Power	24,408	25,012											MAY 912,317	
Payroll	143,753	186,550											JUN 2,042,267	
Operations	91,196	78,251												
Employee Benefits	282,802	109,906												
Legal	2,856	1,765												
Materials	166,404	129,947												
Insurance	60,983	122,022												
Sales Taxes	27,682	12,489												
Refunds	251	7,874												
Rate Case														
Conservation														
Pilot	8,265													
Capital Expenditures (Other)														
Mishnock Well/Storage/Pump/T 221C	7,666	8,257												
2007 Infrastructure 284B	213,665													
2009 A Infrastructure 243C	270,845													
2009 B Infrastructure 248C	316,733	488,950												
U. S. Bank - Debt Service (P. & L.)	3,264,328													
Water Protection	59,527.62	51,547												
TOTAL DISBURSEMENTS	5,561,009	1,540,191	-	-	-	-	-	-	-	-	-	-		
BALANCE END OF MONTH	34,156,931	34,150,817	-	-	-	-	-	-	-	-	-	-		

"A"

CASH LOCATION
FISCAL YEAR 2011-2012

	JUL 2011	AUG 2011	SEP 2011	OCT 2011	NOV 2011	DEC 2011	JAN 2012	FEB 2012	MAR 2012	APR 2012	MAY 2012	JUN 2012
CASH LOCATION:												
Citizens Bank - Payroll	\$ 40,000.00	40,000.00										
Fleet Bank - Deposit	305,831.16	64,248.86										
Fleet Bank - Checking	156,293.32	3,350.65										
	502,124.48	107,599.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
U. S Bank - Project Funds												
Revenue	1,431,740.63	1,456,433.84										
Infrastructure Fund	8,424,924.93	8,428,020.46										
Operation Reserve Allowance	364,593.01	388,900.55										
Operation & Maintenance Reserve	2,367,556.27	2,367,576.41										
Renewal & Replacement Fund	343,057.93	351,394.00										
Renewal & Replacement Reserve	786,143.95	786,150.71										
Debt Service Fund - 2001	94,044.99	159,660.15										
Debt Service Reserve - 2001	781,148.43	781,148.43										
General Project - 2002	15,562,632.13	15,562,764.25										
Debt Service Fund - 2002	213,944.89	370,804.93										
Debt Service Reserve - 2002	1,823,614.72	1,823,614.72										
Debt Service Fund - 2004	182,706.53	288,050.43										
Debt Service Reserve - 2004	1,278,698.34	1,278,698.34										
	\$ 34,156,931.23	34,150,816.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

EXHIBIT B

Kent County Water Board Meeting

September 15, 2011

KENT COUNTY WATER AUTHORITY
REQUEST FOR PROPOSAL
RELATING TO
BOND UNDERWRITER SERVICES

PROPOSAL OPENING – SEPTEMBER 12, 2011

Proposal Opening relating to Bond Underwriter Services was held at 10:00 a.m., September 12, 2011 per the requirements of the invitation advertised in the Providence Journal on Wednesday, August 24, 2011.

The Kent County Water Authority requests proposals from nationally recognized Underwriting Firms, to provide consulting services to the Kent County Water Authority related to general revenue bond refunding issue in connection with its capital-borrowing program.

At 10:00 a.m. the proposal opening began. There were no attendees at the opening. Timothy Brown opened the submitted proposals listed below:

1. Roosevelt & Cross Incorporated

- 10 Copies Received
- Transmittal Letter Signed by Frank DeVecchio, Senior Vice President
- T. O. C. – Sections 1 thru 5
- Fees - Section 4, Article 8.11
 - Subtotal Compensation: \$3.46 Per Bond
 - Subtotal Expenses: \$1.710 Per Bond
- Includes Not to Exceed Underwriter's Counsel of \$30,000

2. Janney Montgomery Scott, LLC

- 10 Copies Received
- Transmittal Letter Signed by Kimberly A. Welsh and Steven A. Pitassi
- T. O. C. for Exhibits – Pages 1 thru 15
- Fees – Page 16
 - Total Gross Spread: \$6.33
 - Total Estimated Expenses: \$0.24
- Does Not Include Underwriter's Counsel – No Fee Provided

3. Barclays Capital

- 10 Copies Received
- Transmittal Letter Signed by Paul Haley, Managing Director
- T. O. C. – Sections 8.2 thru 8.13
- Fees – Page 12, Section 8.11
 - Average Takedown: \$5.00
 - Underwriter's Expenses: \$2.26
- Includes Not to Exceed Underwriter's Counsel of \$35,000

The proposal opening meeting was closed at 10:15 a.m. All proposals will be reviewed by the Board at the next Board meeting of September 15, 2011.

11 B L L

UNDERWRITER RFQ SUMMARY
Kent County Water Authority
SEPTEMBER 2011

		<i>ROOSEVELT & CROSS</i>	
	Janney	Roosevelt & Cross	Barclays Capital
Principal Contacts	Kimberly Welsh Sara Desens	Frank DelVecchio Herman Charbonneau	Paul Haley Patrick Landers
Municipal Sales/Distribution Capabilities	1 office with 17 financial advisors in RI (94 in New England); \$960MM assets under management in RI; banking team based in Boston	3 registered representatives in RI office covering retail; over \$2bn in assets under management; firm's only business is municipal securities	RI (and New England) handled by Boston office. Finance team will consist of 3 highly qualified and experienced bankers
Capital Structure	1Q2011 Total Capital \$338,465,523 Equity Capital \$273,465,523 Net Capital \$74,819,602 Excess Net Capital \$68,786,244	2Q2011 Total Capital \$44,609,837 Equity Capital \$44,609,837 Net Capital \$39,972,134 Excess Net Capital \$39,216,522	2Q2011 Total Capital \$9,640,000,000 Equity Capital \$7,140,000,000 Net Capital \$5,422,000,000 Excess Net Capital \$4,653,000,000
Senior Managed Issues	23 issues for over \$725MM in par amount since 2009 in RI	46 Revenue Bonds Totaling \$1.5BN; 336 Refunding Bonds totaling 2.68BN	120 issues in NE totaling 12BN; 7 issues in RI totaling \$330MM; 303 revenue bonds for \$37.7bn in par (since 2009)
Case Studies/References	\$77.1MM RI Clean Water; \$38.5MM Passaic Valley Water; \$66.3MM Narragansett Bay Comm.; State of RI	\$335.055MM Dormitory Auth. Of NY; \$24MM Buffalo Municipal Water Finance; \$52.24MM Essex County Utilities; \$13.3MM Newport, RI; \$84.9MM Hudson Cnty Improvement Auth; \$38.835MM Groton, CT; \$38.61MM Ridgefield CT; \$29.685MM Glastonbury, CT	\$40.2MM RI Clean Water; \$75.0MM RIEDC; \$144,665MM State of RI; \$42.1MM NH Turnpike ; \$391.7MM Mass Water Pollution Abatement; \$124MM Mass Water Resource Authority; \$122MM Braintree, MA
Proposed Fees:	<u>Total</u> <u>\$/1,000</u>	<u>Total</u> <u>\$/1,000</u>	<u>Total</u> <u>\$/1,000</u>
Takedown	\$ 110,987.45 5.09	\$ 76,327.60 3.46	\$ 108,700.00 5.00
Management Expense*	\$ 21,805.00 1.00	\$ - 0.00	\$ - 0.00
Total	\$ 5,233.20 0.24	\$ 2,207.60 0.10	\$ 4,181.75 0.21
	\$ 138,025.65 6.33	\$ 78,535.20 3.56	\$ 112,881.75 5.21
*No UW Counsel or PFMB	Assumed issue of: \$21,780,000	Assumed issue of: \$22,060,000	Assumed issue of: \$21,740,000
Approaching the Rating Agencies	Upgrade reflects credit strength; should highlight planning for the future and work with agencies to ensure well-rounded report; discusses retail outreach	Underlying rating is important; consider insurance - estimated at 50 bps which is cost-effective; target retail for lowest yields	Should consider Moody's rating but may not be worth the cost; Moody's A1 worth 10-15 bps; Fitch doesn't add value
Refunding Analysis	Recommends insured refunding; should monitor cost effectiveness of insurance up to pricing date	Uses insurance; takedown won't change if size changes	Refund 01A & 02B; if DSRF has investment agreement, should consider leaving a strip; looked at doing forward of 02A to preserve flexibility but too costly now

EXHIBIT C

Kent County Water Board Meeting

September 15, 2011

MEMO

To: Board Members
From: Timothy Brown
Subject: TDI/Sick Time Benefits
Date: September 13, 2011

The following was collected at the Board's request:

Daniel O'Rourke, City of Warwick:

- They are paid both TDI and Salary with use of sick time.
- 40 hour a week employees accumulate sick leave at a rate of 10 hours sick leave for each completed month of service.
- Unused sick leave can accumulate to a total of 120 working days.
- For each calendar month over a 12 month period from December 1st through November 30th of the following year during which an employee shall maintain a full 90 work day accrual of sick leave, and shall not have used more than 2 days of sick leave for that month, he/she shall be entitled to a payment of 50% of 1 ¼ of his/her her daily rate of pay for that month. Said payments shall be made on the first payment day in the month of December by separate check.
- No compensation time and/or vacation allowances may be applied to sick leave accrual for the purpose of computing sick leave bonus paid.
- Employees earning a full year's sick leave benefit in any year and who do not use any sick leave, shall be entitled to 3 days payment in cash by separate check on the December 1st following. These 3 days will be deducted from the employees' sick leave allotment and from sick leave accrued. Notwithstanding the above, employees shall have the option of leaving the 3 days as part of the employees' accrued sick leave.
- A department head or agency director may, with written approval of Director of Finances, advance up to 15 days paid sick leave upon application of employee who has paid sick leave exhausted due to extended illness or injury and any advance sick leave grants under this section shall be deducted from the employees future accumulation.
- For Worker's Compensation cases, once the employee exhausts their accumulated sick leave, the city will provide compensation that is equal to 90% of the difference between the Worker's Compensation payment and the employee's net pay. This provision remains in effect for 13 weeks.

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Pawtucket Water, Jim DeCelles:

- Employees pay into TDI and collect both salary and TDI. Some employees also have AFLAC and collect that in addition to TDI and salary during the same period.
- Pawtucket Water employees accrue 1 ½ days of sick leave for each full calendar month of service, 18 days total per year. Sick leave with pay may not accrue beyond a total of 220 days and no employee shall be granted more than 220 days sick leave with pay in any one calendar year.
- Any employee who during the preceding fiscal year has not used any sick leave shall be entitled to 3 additional personal days.
- Any employee who has used 1 day gets two additional personal days.
- Any employee who has used 2 days gets one additional personal day.
- Upon retirement employees receive one payment equivalent to 50% of the accumulated unused sick leave; based on a daily rate of 1/5 of employee's regular weekly salary at the time of retirement or death.

Portsmouth Water and Fire District Alda Finance Department:

- Employees pay into TDI and collect TDI in conjunction with a sick time salary differential compensation to make up difference between TDI and normal salary. Employer pays difference between TDI and normal salary to equate to employee receiving base salary.
- 10 days sick time is provided lump sum at the beginning of the fiscal year for 40 hr a week employees.
- No cap on the amount of sick time accumulation. At retirement, separation or death a payment is made based on 100 days @ 25% of the base salary at the time of separation.

Providence Water, Peter McLaughlin:

- Employees do not pay into TDI but can purchase AFLAC disability insurance. Can collect AFLAC with sick pay.
- Sick time accumulates at 1 ¼ days per month of service caps at 225 days.
- Not sure what the retirement separation payment rate is.

North Kingstown Water, Susan Licardi:

- Sick time accumulates at 1 ¼ days per month, 15 days per year.
- Accumulation year to year no maximum.
- Leave employment (death, retirement, separation of service) 120 days maximum can be paid out if accumulated.
- No TDI, must use sick time.

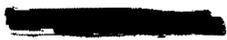
Town of East Greenwich, William Sequino:

- Everyone pays into TDI and it is not matched by town funds.

Summary

KENT COUNTY WATER AUTHORITY
NEW HIRE PAY ADJUSTMENT
SEPTEMBER 13, 2011

Total Adjustment

 \$ 529.72
To adjust second year salary increase from 7/1/2010 to anniversary date of 5/6/2010

 \$ 2,289.44
To adjust second year salary increase from 7/1/2010 to anniversary date of 11/5/2009

Detail

KENT COUNTY WATER AUTHORITY

DATE OF HIRE MAY 6, 2008

To adjust second year salary increase from 7/1/2010 to anniversary date of 5/6/2010: \$ 529.72

5/6/2010-6/30/2010	320	Regular hours worked
	\$ 1.64	Hourly increase
	<u>\$ 524.80</u>	Total Regular Pay
5/6/2010-6/30/2010	2	Overtime hours worked
	\$ 2.46	Overtime rate increase
	<u>\$ 4.92</u>	Total Overtime Pay
	<u>\$ 529.72</u>	Total Adjustment

KENT COUNTY WATER AUTHORITY

DATE OF HIRE NOVEMBER 5, 2007

To adjust second year salary increase from 7/1/2010 to anniversary date of 11/5/2009 : \$ 2,289.44

11/5/2009-6/30/2010	1,360	Regular hours worked
	\$ 1.64	Hourly increase
	<u>\$ 2,230.40</u>	Total Regular Pay

11/5/2009-6/30/2010	24	Overtime hours worked
	\$ 2.46	Overtime rate increase
	<u>\$ 59.04</u>	Total Overtime Pay
	<u>\$ 2,289.44</u>	Total Adjustment

KENT COUNTY WATER AUTHORITY
GROSS WAGES DURING LEAVE OF ABSENCE
SEPTEMBER 13, 2011

	<u>2010</u> <u>Gross Wages</u>	<u>2011</u> <u>Gross Wages</u>	<u>Total</u> <u>Gross Wages</u>
<i><u>Temporary Disability:</u></i>			
	\$ 24,046.88	\$ 15,302.56	\$ 39,349.44
	\$ 33,177.50	\$ 11,540.00	\$ 44,717.50
	\$ 13,867.74	\$ -	\$ 13,867.74
	\$ -	\$ 14,720.00	\$ 14,720.00
	\$ -	\$ 8,013.04	\$ 8,013.04
	\$ -	\$ 3,123.12	\$ 3,123.12
<i><u>Workers' Compensation:</u></i>			
	\$ 16,692.60	\$ -	\$ 16,692.60
	\$ -	\$ 16,471.68	\$ 16,471.68
	\$ 19,274.56	\$ 13,020.00	\$ 32,294.56
Total	<u>\$ 107,059.28</u>	<u>\$ 82,190.40</u>	<u>\$ 189,249.68</u>

"C"

Detail

KENT COUNTY WATER AUTHORITY

<u>Temporary Disability Period:</u>	<u>Number of Days</u>		<u>Daily Earnings</u>		<u>Gross Wages</u>
9/1/2010-12/31/2010	88	\$	273.26	\$	24,046.88
1/1/2011-1/19/2011	13	\$	273.26	\$	3,552.38
2/22/2011-4/21/2011 ?	43	\$	273.26	\$	11,750.18
Total Gross Wages				\$	39,349.44

Detail

KENT COUNTY WATER AUTHORITY

<u>Temporary Disability Period:</u>	<u>Number of Days</u>	<u>Daily Earnings</u>	<u>Gross Wages</u>
7/26/2010-12/31/2010	115	\$ 288.50	\$ 33,177.50
1/1/2011-2/27/2011	40	\$ 288.50	\$ 11,540.00
Total Gross Wages			\$ 44,717.50

Detail

KENT COUNTY WATER AUTHORITY

<u>Temporary Disability Period:</u>	<u>Number of Days</u>	<u>Daily Earnings</u>	<u>Gross Wages</u>
8/3/2010-10/15/2010	54	\$ 256.81	\$ 13,867.74
Total Gross Wages			<u>\$ 13,867.74</u>

Detail:

KENT COUNTY WATER AUTHORITY

<u>Temporary Disability Period:</u>	<u>Number of Days</u>	<u>Daily Earnings</u>	<u>Gross Wages</u>
3/29/2011-5/31/2011	46	\$ 320.00	\$ 14,720.00
Total Gross Wages			<u><u>\$ 14,720.00</u></u>

C

Detail

KENT COUNTY WATER AUTHORITY

<u>Temporary Disability Period:</u>	<u>Number of Days</u>	<u>Daily Earnings</u>	<u>Gross Wages</u>
2/11/2011-4/10/2011	41	\$ 195.44	\$ 8,013.04
Total Gross Wages			\$ 8,013.04

C

Detail

KENT COUNTY WATER AUTHORITY

<u>Temporary Disability Period:</u>	<u>Number of Days</u>	<u>Daily Earnings</u>	<u>Gross Wages</u>
3/25/2011-4/22/2011	21	\$ 148.72	\$ 3,123.12
Total Gross Wages			\$ 3,123.12

Detail

KENT COUNTY WATER AUTHORITY

<u>Workers' Compensation Period</u>	<u>Number of Days</u>	<u>Daily Earnings</u>	<u>Gross Wages</u>
1/1/2010-1/17/2010	12	\$ 278.21	\$ 3,338.52
2/17/2010-4/26/2010	48	\$ 278.21	\$ 13,354.08
Total Gross Wages			<u>\$ 16,692.60</u>

Detail

KENT COUNTY WATER AUTHORITY

<u>Temporary Disability Period:</u>	<u>Number of Days</u>	<u>Daily Earnings</u>	<u>Gross Wages</u>
2/10/2011-6/20/2011	92	\$ 179.04	\$ 16,471.68
Total Gross Wages			\$ 16,471.68

Detail

KENT COUNTY WATER AUTHORITY

<u>Workers' Compensation Period:</u>	<u>Number of Days</u>	<u>Daily Earnings</u>	<u>Gross Wages</u>
1/1/2010-4/25/2010	81	\$ 166.16	\$ 13,458.96
10/25/2010-12/12/2010	35	\$ 166.16	\$ 5,815.60
2/8/2011-2/13/2011	5	\$ 166.16	\$ 830.80
4/7/2011-6/30/2011	61	\$ 166.16	\$ 10,135.76
7/1/2011-7/18/2011	12	\$ 171.12	\$ 2,053.44
Total Gross Wages			<u>\$ 32,294.56</u>

EXHIBIT D

Kent County Water Board Meeting

September 15, 2011

KENT COUNTY WATER AUTHORITY
 VACATION ACCRUAL LOSS DURING LEAVE OF ABSENCE
 SEPTEMBER 13, 2011

	<u>2010</u> <u>Days Lost</u>	<u>2011</u> <u>Days Lost</u>	<u>Total</u> <u>Days Lost</u>
<i><u>Temporary Disability:</u></i>			
████████████████████	6.68	5.00	11.68
████████████████████	8.35	3.35	11.70
████████████████████	3.34	-	3.34
████████████████████	-	2.50	2.50
████████████████████	-	3.35	3.35
████████████████████	-	1.25	1.25
<i><u>Workers' Compensation:</u></i>			
████████████████████	5.00	-	5.00
		6.25	6.25
	5.00	5.00	10.00
Total	28.37	26.70	55.07

"D"

NENT COUNTY WATER AUTHORITY
VACATION ACCRUAL LOSS DURING LEAVE OF ABSENCE IN 2010

Must receive compensation for at least one half of work days in a month to accrue vacation:

Employee	Pay periods without pay due to Worker's Compensation or T. D. I.		Total days no accrual
██████████	January 6, 2010 thru January 17, 2010 March 3, 2010 thru April 26, 2010		3 months no accrual @ 1.677 = 5 days
██████████	September 15, 2010 thru December 31, 2010		4 months no accrual @ 1.677 = 6.68 days
██████████	August 11, 2010 thru December 31, 2010		5 months no accrual @ 1.677 = 8.35 days
██████████	January 1, 2010 thru April 25, 2010 November 17, 2010 thru December 12, 2010		4 months no accrual @ 1.25 = 5 days
██████████	September 15, 2010 thru October 20, 2010		2 months no accrual @ 1.677 = 3.34 days

KENT COUNTY WATER AUTHORITY
VACATION ACCRUAL LOSS DURING LEAVE OF ABSENCE IN 2011

Must receive compensation for at least one half of work days in a month to accrue vacation:

Employee	Pay periods without pay due to Worker's Compensation or T. D. I.		Total days no accrual
[REDACTED]	January 1, 2011 thru January 19, 2011 February 22, 2011 thru April 21, 2011	February 21, 2011 thru April 21, 2011 (out March and April)	3 months no accrual @ 1.677 = 5 days
[REDACTED]	January 1, 2011 thru February 27, 2011	Did not work more than ½ days in January nor February	2 months no accrual @ 1.677 = 3.35 days
[REDACTED]	February 10, 2011 thru June 20, 2011	Did not work more than ½ days in February thru June	5 months no accrual @ 1.25 = 6.25 days
[REDACTED]	April 7, 2011 thru July 18, 2011	Did not work more than ½ days in April nor July	4 months no accrual @ 1.25 = 5 days
[REDACTED]	March 29, 2011 thru May 31, 2011	Did not work more than ½ days in April nor May	2 month no accrual @ 1.25 = 2.5 days
[REDACTED]	February 11, 2011 thru April 10, 2011	Did not work more than ½ days in February nor March	2 months no accrual @ 1.677 = 3.35 days
[REDACTED]	March 25, 2011 thru April 22, 2011	Did not work more than ½ days in April	1 month no accrual @ 1.25 = 1.25 days

EXHIBIT E

Kent County Water Board Meeting

September 15, 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	Construction
Mishnock Transmission Mains CIP - 1B	Design Review, Funding will be critical to plant operation
Mishnock Treatment Plant CIP - 1C	Construction, Ground Breaking Date
East Greenwich Well Treatment Plant - CIP-2	Preliminary Design Report Completed
Clinton Avenue Pump Station Rehabilitation CIP - 7A	Completed
Read School House Road Tank CIP - 7B	Natgun Settlement
Read School House Road Main CIP 7c, 7d, 8a	Close out, Board Discussion
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	Closed Out
IFR 2009 A	2009 A - Closed Out
2009 B	2009 B, Construction Status
IFR 2010	Design Separation Underway
Prospect Street	Completed
PWSB 78" / Johnson Blvd. P.S. Modification	Completed
Greenwich Avenue Replacement	Completed
Hydraulic Tank Evaluation	Completed
Quaker P. S. Design	Design Completion
Tech Park Tank Recoating	Status - Action Required
Tiogue Tank Re-Service	Completed
Hydrant Painting	On Going
SCADA Upgrade	Current equipment will not be supported for repair

" E "