

KENT COUNTY WATER AUTHORITY

BOARD MEETING MINUTES

January 19, 2012

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 January 19, 2012.

Chairman, Robert B. Boyer opened the meeting at 3:30 p.m. Board Members, Mr. Gallucci, Mr. Giorgio, Mr. Inman and Mr. Masterson were present together with the General Manager, Timothy J. Brown, Technical Service Director, John R. Duchesneau Director of Administration and Finance, Jo-Ann Gershkoff and Legal Counsel, Joseph J. McGair. Board Member Gallucci led the group in the pledge of allegiance. Michael Ando, Vice President of Operations of Envision Technology was present.

The minutes of the Board meeting minutes of December 15, 2011 were moved for approval by Board Member Masterson and seconded by Board Member Giorgio and were unanimously approved.

LEGAL MATTERS

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 January 17, 2012.

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 January 17, 2012.

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. A second follow up letter was sent to Mr. Griffith on November 16, 2011 since there has been no response. Several drafts of the complaint have been done with an eye to filing in Court very soon.

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 January 19, 2012 Legal Counsel has not received a response.

Director of Finance Report:

Jo-Ann Gershkoff, Finance Director, explained and submitted the financial report. Statement of Revenues, Expenditures and Change in Fund Balance as of November 30, 2011, Cash Location FY 2011-2012 and Cash Receipts and Disbursements FY 2011-2012 attached as "A", and after thorough discussion with regard to the sales and revenue. The restricted accounts were all funded for the period.

Board Member Gallucci moved and seconded by Board Member Giorgio 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 and Statement of Revenues, Expenditure and Change in Fund Balance as of November 30, 2011, Cash Location FY 2011-2012 and Cash receipts and Disbursements FY 2011-2012 attached as "A" be approved as presented and be incorporated herein and are made a part hereof.

Point of Personal Privilege and Communications:

Board Member Giorgio gave thanks for the condolences for the passing of his mother.

GENERAL MANAGER/CHIEF ENGINEER'S REPORT

Old Business:

Bond Refinancing (Status)

The General Manager stated that another bond call is scheduled for February 2, 2012 which will decide the Bond Rating services needed. Bond Counsel is satisfied with due diligence and Barclays has not finalized the underwriter fees as of this meeting.

New Business:

Asphalt Paving Service Extension to Contract, International Paving Corporation

The General Manager stated the Kent County Water Authority has the ability under the previous contract through October 31st to extend the favorable paving contract at the same price as awarded and that it is in the best interest of Kent County Water Authority to extend the same. The Chairman stated he has been impressed by the performance of International Paving Corporation.

It was moved by Board Member Masterson and seconded by Board Member Gallucci to approve the asphalt paving service extension to the contract of International Paving Corporation as evidenced and attached as "B" and it was unanimously,

VOTED: To approve the asphalt paving service extension to the contract of International Paving Corporation as evidenced and attached as "B".

Budget Amendment (TDI Retroactive Payment)

The General Manager stated there was a differential amount pursuant to the actions of the Board to amend the Budget of FYI 2011-2012 in line with previous actions in regard to Temporary Disability Insurance. He stated the Board had discussed this for several meetings.

Board Member Masterson stated that the amount of \$32,162.20 to be paid to employees is significant and he has difficulty with retroactivity and he believes that it is not in the best interests of the customers and that he will vote no.

Board Member Gallucci moved and it was seconded by Board Member Giorgio to amend the Annual Budget as of 1/1/12 for the 2011-2012 fiscal year with regard to the adjusted payment to the affected employees in the amount of \$32,162.20 for the Temporary Disability Insurance retroactive differential pursuant to the Kent County Water Authority Employees Handbook as amended and the Board voted as follows: the Chairman, Board Member Gallucci, Board Member Giorgio and Board Member Inman voted in the affirmative and Board Member Masterson voted in the negative and it was:

VOTED: To amend the Annual Budget as of 1/1/12 for the 2011-2012 fiscal year with regard to the adjusted payment to the affected employees in the amount of \$32,162.20 for the Temporary Disability Insurance retroactive differential pursuant to the Kent County Water Authority Employees Handbook as amended.

Salary Benefits, Workers Compensation

The General Manager stated that pursuant to Board directive that he had reviewed the Workers Compensation payment issues as previously discussed by the Board and he revised the Employee Handbook as a draft for this meeting for the Board to review. He pointed out that the changes were on page 3 by adding Workers Compensation or work related injury. The Chairman inquired about the definition of non-exempt employees and the General Manager informed that it incorporates all non-salaried employees. The General Manager stated that revisions would be necessary and that appeared that there were only 3 employees affected. Board Member Inman stated that it would be from July 1, 2011. Board Member Gallucci said it was an adjustment and not retroactivity. Legal Counsel in answer to Board Member Inman opined that this action could produce an increase in future Workers Compensation insurance premiums. The Chairman stated that he spoke with Kent County Water Authority Account Manager at Starkweather and Shepley Insurance, Mr. Primavera, and he explained that any action should be only a 12 week cap. The Chairman said that Mr. Primavera also stated that the National Insurance Council sets the insurance rates. The Chairman stated that the draft proposal would need to be revised for a 12 weeks cap for both exempt and non-exempt employees. Board Member Inman stated he was not

ready to vote until he can examine the handbook draft in writing. Board Member Masterson iterated that he required more time for review. Board Member Inman asked the Director of Finance about the difference for the Workers Compensation rate from last year to which she stated that it was an approximate 16% increase. The Chairman stated that Kent County Water Authority has a trustworthy work force and he is very positive about this amendment. Board Member Inman stated that a five (5) year rate analysis would be prudent in order to inform the Board of the rate experience, albeit he realizes that there is an x-factor. A thorough discussion ensued. Board Member Inman reiterated that the Board action in this area may be increasing Kent County Water Authority rate increase exposure. The General Manager stated he will obtain the numbers for next month. The Chairman stated that the matter will be taken up at the next meeting.

Revised Handbook Approval

This matter will be discussed at the next meeting.

Review Request for Qualifications, Lines of Reporting Responsibilities, Internal Controls, General Business Practices

The Chairman stated that there were two responses from the RFQ and it was the sense of the Board to invite them in for interviews.

RFP Web Design Services, Approval

The General Manager stated there were two responses for the RFP web design services.

Michael Ando from Envision Technology spoke concerning the discrepancy between the proposals. He also enumerated the benefits of selecting his company. Board Member Giorgio asked about on-line payments but Mr. Ando did not have any data to support an answer.

The General Manager said the proposal would be greatly changed if the goal is to develop an extremely powerful website in order to handle credit cards, access to customer accounts, web blasts and the like.

The General Manager stated that the website currently is an informational web site and is not interactive. The Chairman stated that it is apparent that more questions have surfaced from the Board as to the web design direction and costs.

It was moved by Board Member Gallucci and seconded by Board Member Masterson that the responses to the RFP for web design services be rejected in the

best interests of the Kent County Water Authority in that more detail needs to be reviewed and it was unanimously,

VOTED: The responses to the RFP for web design services be rejected in the best interests of the Kent County Water Authority in that more detail needs to be reviewed.

CAPITAL PROJECTS:
INFRASTRUCTURE PROJECTS

CIP-1 Mishnock Transmission (Design Status, Task Order #2 Approval Contract Separation

The General Manager recommended the approval of Task Order No. 2 by James J. Geremia & Associates, Inc. for Mishnock area water system transmission main project and it was recommended by the General Manager as necessary, fair and reasonable in the amount of \$10,122.00 as evidenced and attached as “C”.

It was moved by the Gallucci and seconded by Board Member Inman to approve Task Order No. 2 and to have the Chairman execute Task Order No. 2 on behalf of Kent County Water Authority in the amount of \$10,122.00 as evidenced and attached as “C” and it was unanimously,

VOTED: To approve Task Order No. 2 and to have the Chairman execute Task Order No. 2 on behalf of Kent County Water Authority in the amount of \$10,122.00 as evidenced and attached as “C”.

Water Street Replacement (Task Order #2 Approval Construction Services)

The General Manager recommended the approval of Task Order No. 2 by James J. Geremia & Associates, Inc. to provide construction administrative services for the Water Street water main replacement project in East Greenwich and it was recommended by the General Manager as necessary, fair and reasonable in the amount not to exceed cost for service rendered by James J. Geremia & Associates, Inc. as outlined in Section 1 of the Task Order of \$31,247.00 as evidenced and attached as “D”.

It was moved by Board Member Masterson and seconded by Board Member Gallucci to approve Task Order No. 2 and to have the Chairman execute Task Order No. 2 on behalf of Kent County Water Authority in the amount of \$31,274.00 as evidenced and attached as “D” and it was unanimously,

VOTED: To approve Task Order No. 2 and to have the Chairman execute

Task Order No. 2 on behalf of Kent County Water Authority in the amount of \$31,274.00 as evidenced and attached as “**D**”.

All other Capital 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 Inman made a Motion to adjourn, seconded by Board Member Masterson and it was unanimously voted by the Board Members present,

VOTED: To adjourn the meeting at 4:50 p.m.

Secretary Pro Tempore

EXHIBIT A

Kent County Water Board Meeting

January 19, 2012

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	34,181,115	34,175,000	34,235,508	35,184,171	35,514,748							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	1,507,240	3,333,369	1,967,940	1,472,113							SEP 3,697,980	3,425,570.55
Interest Earned	24,595	287	312	265	300	1,577							OCT 1,740,472	1,773,750.10
Other													NOV 1,193,207	1,293,229.87
TOTAL CASH RECEIPTS	39,717,940	35,715,191	35,682,553	37,569,141	37,152,410	36,988,438	-	-	-	-	-	-	DEC 2,315,872	2,252,906.16
CASH DISBURSEMENTS:													MAR 1,879,971	
Purchased Water	619,643	317,621	298,557	849,466	298,580	331,457							APR 1,119,045	
Electric Power	24,408	25,012	34,274	37,769	27,363	27,356							MAY 912,317	
Payroll	143,753	186,550	149,225	134,783	166,162	141,808							JUN 2,042,267	
Operations	67,012	78,251	42,183	75,936	78,684	94,784								
Employee Benefits	282,802	109,906	53,346	57,148	55,556	54,861								
Legal	2,856	1,765	2,715	3,634	4,039	2,570								
Materials	166,404	129,947	51,562	79,855	77,651	46,567								
Insurance	60,983	122,022	1,048	-	-	-								
Sales Taxes	27,682	12,489	11,623	40,586	14,062	11,067								
Refunds	251	7,874	547	1,607	564	1,427								
Rate Case														
Conservation														
Pilot	8,265													
Capital Expenditures (Other)				91,750										
Mishnock Well/Storage/Pump/T 221C	7,666	8,257	12,282	32,458	35,551	51,146								
Mishnock Treatment Facility 230A				378,429	358,196	365,857								
Read School House 234C			148,807											
CIP Update 235A				780	1,020	2,550								
Read School House Tank 236C						177,925								
Quaker Lane 240C				2,490	11,920									
2007 Infrastructure 284B	213,665													
2009 A Infrastructure 243C	270,845													
2009 B Infrastructure 248C	316,733	488,950	590,595	485,362	444,797	723,483								
2010 Infrastructure Design 249C				2,575										
Water Street EG 250C						3,016								
U. S. Bank - Debt Service (P. & I.)	3,264,328													
Water Protection	59,527.62	51,547	50,282	110,342	63,517	42,511								
TOTAL DISBURSEMENTS	5,536,825	1,540,191	1,447,045	2,384,971	1,637,663	2,078,385	-	-	-	-	-	-		
BALANCE END OF MONTH	34,181,115	34,175,000	34,235,508	35,184,171	35,514,748	34,910,053	-	-	-	-	-	-		

"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	40,000.00	40,000.00	40,000.00	40,000.00						
Fleet Bank - Deposit	305,831.16	64,248.86	150,908.96	1,046,044.68	78,477.24	165,309.32						
Fleet Bank - Checking	156,293.32	3,350.65	199,148.91	73,321.40	136,350.06	202,743.97						
	502,124.48	107,599.51	390,057.87	1,159,366.08	254,827.30	408,053.29	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	1,131,621.93	1,041,850.80	2,658,199.96	2,298,204.62						
Infrastructure Fund	8,424,924.93	8,428,020.46	8,319,036.54	8,362,425.08	8,214,922.08	7,998,651.81						
Operation Reserve Allowance	364,593.01	388,900.55	413,208.33	437,516.25	461,824.40	486,132.68						
Operation & Maintenance Reserve	2,367,556.27	2,367,576.41	2,367,596.56	2,373,447.05	2,373,467.19	2,373,486.69						
Renewal & Replacement Fund	343,057.93	351,394.00	359,730.18	368,066.47	239,442.31	247,778.17						
Renewal & Replacement Reserve	786,143.95	786,150.71	786,157.49	1,023,851.04	1,023,858.05	1,023,866.59						
Debt Service Fund - 2001	94,044.99	159,660.15	225,273.46	290,887.12	358,053.57	424,056.43						
Debt Service Reserve - 2001	781,148.43	781,148.43	781,148.43	781,148.43	781,148.43	781,148.43						
General Project - 2002	15,562,632.13	15,562,764.25	15,414,089.25	15,035,787.90	14,578,687.11	14,035,284.92						
Debt Service Fund - 2002	213,944.89	370,804.93	527,660.62	684,517.42	840,975.75	997,735.24						
Debt Service Reserve - 2002	1,823,614.72	1,823,614.72	1,823,614.72	1,823,614.72	1,823,614.72	1,823,614.72						
Debt Service Fund - 2004	182,706.53	288,050.43	393,390.58	498,731.55	602,740.26	707,749.68						
Debt Service Reserve - 2004	1,302,166.08	1,302,882.73	1,302,921.82	1,302,960.91	1,302,986.97	1,304,289.97						
	\$ 34,180,398.97	34,175,001.12	34,235,507.78	35,184,170.82	35,514,748.10	34,910,053.24	0.00	0.00	0.00	0.00	0.00	0.00

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

AS OF 11/2011

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	416.66	-310.18	-726.84	2083.30	3882.76	1799.46
1-4160 M & J COSTS & EXPENSES	1500.00	-4550.50	-6050.50	7500.00	11908.10	4408.10
1-4190 INTEREST & DIVIDEND INC.	7500.00	300.20	-7199.80	37500.00	25694.00	-11806.00
1-4210 MISC. NON-OPER. INCOME	2083.33	14501.61	12418.28	10416.65	16097.61	5680.96
TOTALS FOR OTHER INCOME	11499.99	9941.13	-1558.86	57499.95	57582.47	82.52
1-461A METERED SALES - GC	1136282.83	1016906.35	-119376.48	5681414.15	7030496.56	1349082.41
1-461B METERED SALES - IC	290093.66	160726.41	-129367.25	1450468.30	1475110.89	24642.59
1-4620 PRIVATE FIRE PROTECTION				48112.25	48153.62	41.37
1-4630 PUBLIC FIRE PROTECTION				325554.50	325415.11	-139.39
1-4640 SALES -PUBLIC AUTHORITIES	62229.08	43069.79	-19159.29	311145.40	353531.86	42386.46
1-4660 SALES FOR RESALE				25000.00	67982.43	42982.43
1-4710 MISC. SERVICE REVENUE	14172.16	12926.08	-1246.08	70860.80	78400.51	7539.71
1-4740 OTHER WATER REVENUES	3750.00	3150.64	-599.36	18750.00	19131.65	381.65
TOTALS FOR OPERATING REVENUE ACCTS.	1506527.73	1236779.27	-269748.46	7931305.40	9398222.63	1466917.23
TOTALS FOR REVENUES	1518027.72	1246720.40	-271307.32	7988805.35	9455805.10	1466999.75
EXPENDITURES						
1-6020 PURCHASED WATER	402500.00	331456.85	71043.15	2012500.00	2095679.97	-83179.97
1-6140 MAINTENANCE OF WELLS	20.00		20.00	100.00	489.98	-389.98
TOTALS FOR SOURCE OF SUPPLY EXPENSES	402520.00	331456.85	71063.15	2012600.00	2096169.95	-83569.95
1-6210 FUEL FOR PUMPING	95.83	23.80	72.03	479.15	100.52	378.63
1-6230 POWER PURCHASED	36500.00	27444.78	9055.22	182500.00	124500.13	57999.87
1-624A PUMPING LABOR	3333.33	5445.17	-2111.84	16666.65	25545.82	-8879.17
1-624B PUMPING EXPENSES	289.16	928.35	-639.19	1445.80	928.35	517.45
1-6310 MAINT STRUCT & IMPROVE	2358.33	1505.90	852.43	11791.65	30203.09	-18411.44

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

AS OF 11/2011

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
1-6330 MAINT PUMPING EQUIPMENT	3166.66	1479.69	1686.97	15833.30	13218.23	2615.07
TOTALS FOR PUMPING EXPENSES	45743.31	36827.69	8915.62	228716.55	194496.14	34220.41
1-6410 CHEMICALS	13775.00	8596.93	5178.07	68875.00	53344.95	15530.05
1-642A OPERATION LABOR	6391.66	6833.60	-441.94	31958.30	29950.10	2008.20
1-642B OPERATION EXPENSES	3041.66	7745.05	-4703.39	15208.30	20923.83	-5715.53
1-6520 MAINT WATER TREAT EQUIP	133.33	928.35	-795.02	666.65	928.35	-261.70
TOTALS FOR WATER TREATMENT EXPENSES	23341.65	24103.93	-762.28	116708.25	105147.23	11561.02
1-662A T & D LABOR	2108.33	10255.89	-8147.56	10541.65	10880.73	-339.08
1-662B T & D SUPPLIES & EXP	5354.16	4588.76	765.40	26770.80	25819.41	951.39
1-663A T & D METER LABOR	3829.16	3299.13	530.03	19145.80	16717.85	2427.95
1-663B T & D METER SUPP & EXP	1095.83	4425.45	-3329.62	5479.15	4763.55	715.60
1-6650 T & D MISC	937.50	674.76	262.74	4687.50	1233.43	3454.07
1-6710 MAINT STRUCT & IMPROV	520.83	4999.00	-4478.17	2604.15	4999.00	-2394.85
1-6720 MAINT RESERVOIR & STDPIPE	1041.66	375.52	666.14	5208.30	9503.40	-4295.10
1-6730 MAINT T & D MAINS	48893.75	53919.60	-5025.85	244468.75	273333.14	-28864.39
1-6750 MAINT SERVICES	22208.33	10430.75	11777.58	111041.65	87598.65	23443.00
1-6760 MAINT METERS	6060.83	20311.78	-14250.95	30304.15	36918.05	-6613.90
1-6770 MAINT HYDRANTS	7250.00	6852.31	397.69	36250.00	34324.93	1925.07
1-6790 TRANSFER TO CONSTRUCTION	-927.91	-197.64	-730.27	-4639.55	-197.64	-4441.91
TOTALS FOR TRANS. & DISTR. EXPENSES	98372.47	119935.31	-21562.84	491862.35	505894.50	-14032.15
1-902A METER READING LABOR	10516.75	7209.77	3306.98	52583.75	34638.15	17945.60
1-902B METER READING SUPP & EXP	186.25		186.25	931.25	216.73	714.52
1-903A CUSTOMER RECORDS LABOR	14779.66	16267.21	-1487.55	73898.30	77367.52	-3469.22
1-903B CUSTOMER RECORDS SUPP	5683.33	5125.95	557.38	28416.65	20433.02	7983.63
TOTALS FOR CUSTOMER ACCT. EXPENSES	31165.99	28602.93	2563.06	155829.95	132655.42	23174.53

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

AS OF 11/2011

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
1-9200 ADM & GENERAL SALARIES	26274.41	27699.90	-1425.49	131372.05	124824.34	6547.71
1-9210 OFFICE SUPPLIES & EXP	11083.33	7077.23	4006.10	55416.65	61428.66	-6012.01
1-9230 OUTSIDE SERVICES	10416.66	2570.09	7846.57	52083.30	59223.22	-7139.92
1-9240 PROPERTY INSURANCE				234287.00	177205.23	57081.77
1-9250 INJURIES & DAMAGES	50.83		50.83	254.15	102.38	151.77
1-9260 EMPLOYEE PENSION & BENEF	54868.58	50859.74	4008.84	496342.94	538171.02	-41828.08
1-9280 REGULATORY COMM EXP	5625.00	53179.26	-47554.26	28125.00	53179.26	-25054.26
1-930B MISC GENERAL EXPENSE	1125.00	1250.00	-125.00	5625.00	6281.09	-656.09
1-930C MISC GENERAL EXPENSE	3000.00		3000.00	15000.00		15000.00
1-932A MAINT GENERAL PLANT	9166.66	10899.76	-1733.10	45833.30	49320.32	-3487.02
1-932B MAINT VEHICLES	12416.66	13639.83	-1223.17	62083.30	88688.35	-26605.05
1-9330 UNASSIGNED TIME VAC HOL	17901.91	29121.66	-11219.75	89509.55	114929.63	-25420.08
TOTALS FOR ADM. & GENERAL EXPENSES	151929.04	196297.47	-44368.43	1215932.24	1273353.50	-57421.26
1-4030 DEPRECIATION EXPENSE	96666.66	96666.67	-.01	483333.30	483333.35	-.05
1-4080 TAXES OTHER THAN INCOME	12541.66	23813.49	-11271.83	62708.30	116904.54	-54196.24
1-4270 INTEREST-LONG TERM DEBT	107157.00	107157.00		535785.00	535785.00	
1-4280 AMORTIZATION OF DEBT DISC	5833.33	5833.33		29166.65	29166.65	
TOTALS FOR OTHER EXPENSES	222198.65	233470.49	-11271.84	1110993.25	1165189.54	-54196.29
TOTALS FOR EXPENDITURES	975271.11	970694.67	4576.44	5332642.59	5472906.28	-140263.69
EXCESS OF REVENUE OVER EXPENDITURES FOR general	542756.61	276025.73	-266730.88	2656162.76	3982898.82	1326736.06
OTHER ADJUSTMENTS TO FUND BALANCE					0.00	

EXHIBIT B

Kent County Water Board Meeting

January 19, 2012

International Paving Corporation

25 Concord Street
Pawtucket, RI 02860
P) 401-312-6565
F) 401-312-6568

January 10, 2012

Mr. John Deshaneau
Kent County Water Authority
P.O. Box 192
West Warwick, RI 02893

Dear Mr. Deshaneau:

This is to inform you that International Paving Corp. would like to renew the Annual Bituminous and Portland Cement Repair Services for Sidewalks and Roadways contract with the Kent County Water Authority for the upcoming 2012 season. We agree to hold our current contract pricing.

We look forward to continuing to work with you.

Sincerely



Jeffrey S. Joaquin
Manager

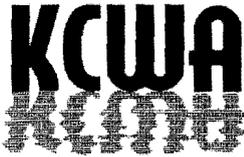
COPY SENT TO	
BOARD MEMBERS	1/12/12
CHAIRMAN	
LEGAL COUNSEL	

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EXHIBIT C

Kent County Water Board Meeting

January 19, 2012



**TASK ORDER NO. 2
AGREEMENT BETWEEN
KENT COUNTY WATER AUTHORITY
AND
ENGINEER FOR SERVICES**



This Task Order No. 2 is attached to and made part of the Agreement dated **8 April 2009** between James J. Geremia & Associates, Inc. (ENGINEER) and Kent County Water Authority (OWNER) for the **Mishnock Area Water System Transmission Main Project**. This Task Order describes the Scope of Service and Compensation for the Task Order known as:

1. SCOPE OF SERVICE

ENGINEER shall provide to OWNER the following specific services to:

- a. **Modify the Mishnock Area Water System Transmission Main Project to include approximately 5,100 linear feet of 16-inch water main that will include plans, specifications, distribution of quantities and coordination and bidding.**

3. COMPENSATION INVOICING

3.1 The method of payment for services rendered by the ENGINEER as outlined in Section 1 of this Task Order shall be as follows:

Engineering to separate documents	\$ 9,372.00
Printing (Allowance)	<u>750.00</u>
	\$ 10,122.00

3.2 Rate Change: The rates presented below are the projected average rates through December 31, 2012.

Principal	\$ 127.00	CADD Technician	\$ 55.00
Project Manager	\$ 101.00	Clerical	\$ 60.00
Engineer	\$ 75.00	Resident Inspector	\$ 55.00

Mileage during construction: \$0.50/mile.

Acceptance of the terms of this Task Order is acknowledged by the following authorized signatures of the parties to the Agreement.

OWNER

ENGINEER

KENT COUNTY WATER AUTHORITY

JAMES J. GEREMIA & ASSOCIATES, INC.

By: _____
ROBERT B. BOYER

By: 
JAMES J. GEREMIA

Title: CHAIRMAN

Title: PRESIDENT

Date: _____

Date: DECEMBER 20, 2011

EXHIBIT D

Kent County Water Board Meeting

January 19, 2012



JAMES J. GEREMIA & ASSOCIATES, INC.
CONSULTING ENVIRONMENTAL ENGINEERS & SCIENTISTS

January 4, 2012

Mr. Timothy J. Brown, P.E.
General Manager/Chief Engineer
Kent County Water Authority
P.O. Box 192
West Warwick, RI 02893-0192

Re: Task Order No. 2 – Provide Construction Administration Services for the Water Street Water Main Replacement Project in East Greenwich

Dear Mr. Brown:

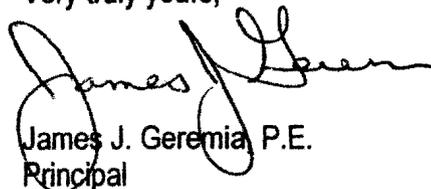
In accordance with KCWA's request, JGA is submitting herewith the cost to provide Construction Administration Services for the Water Street Water Main Replacement Project in East Greenwich. The proposed cost is based on the man-hour cost presented in our original contract dated November 17, 2011. The man-hours budgeted for this task is based on a 35-day construction period. If the contractor accomplishes the task within a short time frame, it would reflect in a reduction in the actual cost.

Description	Principal	Project Manager	CADD Technician	Clerical	Inspection
Weekly Administration	8	48		16	
Shop Drawings		8		2	
Meetings		8		4	
As-Built Drawings		4	4		
35 days of construction					350
Total Hours	8	68	4	22	350

Enclosed please find two (2) copies of Task Order No. 2. Both copies have been executed by our firm. Please execute both copies; return one (1) executed copy to us for our files.

If you have any questions, please call.

Very truly yours,


James J. Geremia, P.E.
Principal



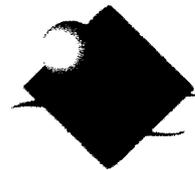
Enclosures

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D



**TASK ORDER NO. 2
AGREEMENT BETWEEN
KENT COUNTY WATER AUTHORITY
AND
ENGINEER FOR SERVICES**



This **Task Order No. 2** is attached to and made part of the Agreement dated **17 November 2011** between James J. Geremia & Associates, Inc. (ENGINEER) and Kent County Water Authority (OWNER) for the **8" Water Main Replacement (from King Street to Queen Road) in East Greenwich, RI**. This Task Order describes the Scope of Service and Compensation for the Task Order known as:

1. SCOPE OF SERVICE

ENGINEER shall provide to OWNER the following specific services to provide:

1.4 CONSTRUCTION SERVICES

The ENGINEER recognizes that construction services are not awarded at this time. However, the OWNER may authorize the ENGINEER to proceed with the construction services in a subsequent task order. The following is a description of those services.

1.4.1 Construction Administration Services

ENGINEER will provide Engineering Services related to Construction Administration including the following:

A. Shop Drawing Review

ENGINEER shall:

1. Review and approve or reject shop drawings, diagrams, illustrations, samples and schedules, the results of tests and inspections, and other data which the contractor is required to submit to demonstrate conformance with the design concept of the Project in writing. These reviews will be coordinated with the OWNER.

Approval shall only be for conformance with Contract plans and specifications, the design concept of the Project and compliance with the terms and conditions of the Contract Documents. The Contractor is responsible for all dimensions, quantities and performance requirements to be confirmed and correlated at the job site; for all information that pertains solely to the fabrication processes or to techniques of construction; and for all coordination of the work of all trades.

Approval of drawings or items shall not relieve the Contractor of the responsibility for complying with all requirements of the Contract Documents.

B. Consult and Advise Construction Matters

ENGINEER shall:

1. Conduct a pre-construction conference.

2. Coordinate with the Contractor for needed control line and grade surveys.
3. Provide consultation and advice on construction matters to the Authority. Periodic visits to the construction site by the Project Manager to observe the progress and quality of the executed work, and to determine if the work is proceeding in general accordance with the Contract Documents.
4. Provide for necessary site visits by the home office staff of ENGINEER.
5. Prepare and submit contract change orders to the OWNER for review.
6. Prepare preliminary sketches and supplementary sketches required to resolve actual field conflicts encountered.
7. Certify estimates for payments under the construction contracts, as approved by the Resident Inspector. The OWNER shall approve format of payment forms, which must show material on-site and category breakdown. Prepare supporting documentation required for State and Federal loan payments.
8. Provide specialists for checkout and final testing of equipment and other items in the Project.
9. Make final technical inspection of the Project for compliance with the requirements of the Contract Documents. This final inspection will be made in company with the OWNER's representatives.
10. Prepare a written summary report each month to the OWNER on the status of construction and on the status of engineering services. Said report will supplement reports prepared by the Resident Inspector. Said report shall advise the Authority on observations, findings, problem areas and other relevant information gathered under items of this subsection and other relevant aspects of the services provided under this contract.
11. Determine dates of substantial and final completion in consultation with the OWNER, assemble written guarantees and related documents which are to be provided by the contractor, and issue the final certificate of payment. Final completion shall be construed to include accomplishment and acceptance of all punchlist items.

C. Record Drawings

1. Procure the construction Contractor's marked prints showing revisions during construction prepared as required under Record Plans of the General Requirements in the Contract Documents.
2. Prepare record drawings by revising the original AutoCAD design to show the field measurements obtained during construction and all major changes in the work. Data for the record drawings will be taken from both the construction contractor's and the Resident

Inspector's marked prints. One mylar and electronic media as-built plans will be submitted. The electronic files shall be in both AutoCAD and PDF format.

3. From time to time during the construction period, ENGINEER will review the construction Contractor's marked prints to review the completeness and timeliness of data recorded thereon. ENGINEER will notify the OWNER in the event the Contractor is not keeping good records of field measurements and major changes on these prints.
4. ENGINEER will coordinate the GPS locations of all exposed sections of infrastructure and appurtenances using Real Time Kinematic (RTK) GPS technology. Should it be impossible to locate the features using GPS technology to the accuracy specified, ENGINEER will request approval from the OWNER to use conventional survey techniques to locate the features. The Construction Administration Services shall include conventional survey pricing as an optional item under the rates and classifications sections of the price proposal. It is the intent of this project to utilize GPS technology wherever possible and each item surveyed by conventional techniques shall receive prior written approval by the OWNER. The coordinates will then be incorporated into the digital files for the as-built drawings.
5. Each of the points shall conform to the following specifications. Horizontal and vertical (X, Y and Z value) coordinate values shall be developed for each of the features to an absolute accuracy of within +/- 1.0 foot. The data shall be delivered as points and shall overlay the OWNER'S Digital base map data in an appropriate manner (i.e., valves within the paved street area and hydrants off of the paved street edge an appropriate distance).
 - a. The data shall be developed within the Rhode Island State Plane coordinate system NAD 1983 (horizontally) and NAVD 1988 (vertically).
 - b. Hydrant feature X and Y and Z (horizontal and vertical) locations shall be taken at the top, center point of the hydrant operating nut.
 - c. Water valve, service curb stop, wells and vault/meter covers X, Y and Z (horizontal and vertical) locations shall be located at the center of the cover.

1.4.2 Resident Inspection Services

The Resident Inspector is the ENGINEER's agent and will act under the supervision of ENGINEER. He will confer with ENGINEER regarding his actions. His dealings in matters pertaining to on-site work will in general be with ENGINEER and the construction contractor keeping the OWNER's designated representative advised as indicated below and as necessary. His dealings with the subcontractors will only be through or with the full knowledge of the construction contractor or his superintendent. He shall generally communicate with the Authority with the knowledge of the staff of ENGINEER.

Duties and Responsibilities

The Resident Inspector will:

A. Liaison:

1. Serve as ENGINEER's liaison with the construction contractor, working principally through the construction contractor's designated on-site representatives and assist him in understanding the intent of the Contract Documents.
2. Assist ENGINEER in serving as the OWNER's liaison with the construction contractor when the construction contractor designates on-site operations.
3. Assist in obtaining from the OWNER additional details or information when required at the job site for proper execution of the work.

B. Review of Work, Rejection of Defective Work, Inspections and Tests:

1. Conduct daily on-site inspections of the work in progress, or as necessary, to determine (1) if the work is proceeding in general accordance with the Contract Documents and (2) that completed work conforms to the Contract Documents. The Resident Inspector will be responsible to:
 - a) Check the accuracy of the elevation at which construction will commence which is established by the OWNER (starting elevation).
 - b) Investigate and check, as the work progresses, the accuracy of lines and grades established by the OWNER.
 - c) Conduct a visual inspection to confirm that all pipe lines are properly aligned horizontally and that no negative slopes or other obvious errors have occurred. The alignment shall be visually checked as the work progresses between every two manholes before construction of the next manhole is completed.
 - d) Check condition of subsoil prior to placing any pipe lines.
 - e) Coordinate the taking of in-place density tests and laboratory proctor tests to assure that backfill is compacted as specified.
 - f) Mark-up plans to reflect as-built drawings and one set of blue line drawings.

C. Reports:

1. Furnish ENGINEER and the OWNER daily reports of the progress of the work and of the construction contractor's compliance with the approved progress schedule and schedule of shop drawing submissions.
2. Consult with ENGINEER and the OWNER in advance of scheduled major tests, inspections or start of important phases of work.

3. Prepare change orders and extra work orders, obtaining all backup material. Recommend to ENGINEER change orders, extra work orders, and field changes.

D. Payment Requisitions: Review applications for payment with the construction contractor for compliance with the established procedure for their submission and forward them with recommendations to ENGINEER, noting particularly their relation to the schedule of values, work completed and materials and equipment delivered at the site, but not incorporated in the work. The review will be based on making measurements and preparing monthly and final payment computations for work done by the construction contractor.

E. Completion:

1. Before ENGINEER issues a Certificate of Substantial Completion, submit to the construction contractor a list of observed items requiring correction or completion.
2. Conduct final inspection in the company of ENGINEER, the OWNER, and the construction contractor and prepare a final list of items to be corrected.
3. Verify that all items on final list have been completed or corrected and make recommendations to ENGINEER concerning acceptance.

3. **COMPENSATION INVOICING**

3.1 The following represents a "not to exceed cost" for services rendered by the ENGINEER as outlined in Section 1 of this Task Order:

Construction Administration	\$ 9,424.00
Printing (Allowance)	100.00
Resident Inspection	19,250.00
Mileage (Allowance)	<u>2,500.00</u>
	\$ 31,274.00

Acceptance of the terms of this Task Order is acknowledged by the following authorized signatures of the parties to the Agreement.

OWNER

ENGINEER

KENT COUNTY WATER AUTHORITY

JAMES J. GEREMIA & ASSOCIATES, INC.

By: _____
ROBERT B. BOYER

By: 
JAMES J. GEREMIA

Title: CHAIRMAN

Title: PRESIDENT

Date: _____

Date: JANUARY 4, 2012

EXHIBIT E

Kent County Water Board Meeting

January 19, 2012

PLANNING DOCUMENT \$25,000/YEAR ALLOCATION	
PROJECT	STATUS
Water Supply System Management Plan WSSMP	Approved
Hunt River Interim Management & Action Plan	Approved
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 Ongoing
Mishnock Transmission Mains CIP - 1B	Funding will be critical to plant operation, Task Order #2
Mishnock Treatment Plant CIP - 1C	Construction Ongoing
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	Completed
Read School House Road Main CIP 7c, 7d, 8a	Legal Action Required
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, Winter Shut Down
IFR 2010	Design Separation 2010A January Bid, 2010B On Hold
Prospect Street	Completed
PWSB 78" / Johnson Blvd. P.S. Modification	Completed
Greenwich Avenue Replacement	Completed
Hydraulic Tank Evaluation	Completed
Quaker P. S. Design	January Bid
Tech Park Tank Recoating	Legal Action Required
Tiogue Tank Re-Service	Completed
Hydrant Painting	Winter Shutdown
SCADA Upgrade	Added to Quaker P. S. Design/Bid
Water Street Replacement	Joint Project E. G., Bid, Task Order #2

11/2/12