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WARWICK, RI 02886

401-821-1330
FAX 401-823-0970
E-MAIL: jjm@petrarcamcgair.com
www.petrarcamcgair.com

November 18, 2010

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

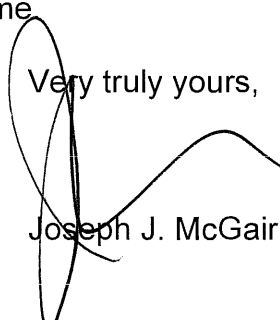
Re: Board Meeting Minutes of August 19, 2010, September 16, 2010
And Special Board Meeting Minutes of September 23, 2010

Dear Mr. Brown:

Enclosed you will find the original Board meeting minutes of August 19, 2010, September 16, 2010 and September 23, 2010 and the Executive Session Minutes of September 16, 2010 and September 23, 2010 to be kept in the vault with the other original minutes.

Please be advised that the Executive Session Minutes are for your eyes only and pursuant to statute at this time are not subject to records request. If you have any further questions, please feel free to contact me

Very truly yours,


Joseph J. McGair

JJM:maf
Enc.

Petrarca and McGair

From: Open Meetings Admin [openMeetings@sos.ri.gov]
Sent: Friday, August 13, 2010 9:57 AM
To: jjm@petrarcamcgair.com; openMeetings@sos.ri.gov
Subject: SOS Open Meetings : Meeting Notice

August 13, 2010

This is your electronic confirmation for the electronic filing of meeting notice for the Kent County Water Authority. The meeting notice filed is for the meeting on: August 19, 2010 3:30:00 pm.

This notice was electronically filed on the Secretary of State Open Meetings Website on: August 13, 2010 09:56:38 am.

Please retain this message as your official proof of electronic filing.

Sincerely,

The Open Meetings Team at
Office of Secretary of State A. Ralph Mollis State House Room 38 Providence, RI 02903
(401) 222-2357
(401) 222-1404
TTY: 711
openmeetings@sos.ri.gov
sos.ri.gov

Petrarca and McGair

*Top Layer
mainly
Ex. A-D*

From: Open Meetings Admin [openMeetings@sos.ri.gov]
Sent: Monday, September 20, 2010 3:13 PM
To: jjm@petrarcamcgair.com; openMeetings@sos.ri.gov
Subject: SOS Open Meetings : Meeting Minutes

September 20, 2010

This is your electronic confirmation for the electronic filing of meeting minutes for the Kent County Water Authority. The meeting minutes filed are in for the meeting held on: August 19, 2010 15:30:00.

This notice was electronically filed on the Secretary of State Open Meetings Website on: September 20, 2010 03:12:54 pm.

Please retain this message as your official proof of electronic filing.

Sincerely,

The Open Meetings Team at
Office of Secretary of State A. Ralph Mollis State House Room 38 Providence, RI 02903
(401) 222-2357
(401) 222-1404
TTY: 711
openmeetings@sos.ri.gov
sos.ri.gov

Bottom Layer BX
~~XXXXXXXXXX~~
E-H

Petrarca and Mcgair

From: Open Meetings Admin [openMeetings@sos.ri.gov]
Sent: Monday, September 20, 2010 3:07 PM
To: jjm@petrarcamcgair.com; openMeetings@sos.ri.gov
Subject: SOS Open Meetings : Meeting Minutes

September 20, 2010

This is your electronic confirmation for the electronic filing of meeting minutes for the Kent County Water Authority. The meeting minutes filed are in for the meeting held on: August 19, 2010 15:30:00.

This notice was electronically filed on the Secretary of State Open Meetings Website on: September 20, 2010 03:06:50 pm.

Please retain this message as your official proof of electronic filing.

Sincerely,

The Open Meetings Team at
Office of Secretary of State A. Ralph Mollis State House Room 38 Providence, RI 02903
(401) 222-2357
(401) 222-1404
TTY: 711
openmeetings@sos.ri.gov
sos.ri.gov

KENT COUNTY WATER AUTHORITY

BOARD MEETING MINUTES

August 19, 2010

The Board of Directors of the Kent County Water Authority held its monthly meeting in the Joseph D. Richard Board Room at the office of the Authority on August 19, 2010.

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

The minutes of the Board meeting of July 15, 2010 were moved for approval by Board Member Giorgio and seconded by Board Member Masterson and were unanimously approved.

GUESTS:

High Service Requests

Robert B. Wichert, 65 Isle of Capri Road, Coventry

Robert B. Wichert did not appear.

Natgun Corporation, Liquidated Damage

James Diggins PE, Natgun Corporation representative reappeared before the Board and stated that the Read School House Road was scheduled by contract to finish by June, 2009 and there was a four month delay by Natgun because Parkside Utility Construction Corp. threatened action and Natgun hired another contractor to finish. He stated that Parkside Utility Construction Corp. placed a lien on the project. Mr. Diggins stated that Natgun asks that the liquidated damages (\$500/day) up to \$63,000 be waived.

The General Manager stated that contamination came from the time of the testing until it was connected and it only takes a minute amount to contaminate but special care was not taken.

The General Manager stated that the tank is on line, however only after multiple testings and the installed pipe still needs thorough cleaning. The Chairman concurred in that public health knows no bounds albeit he does not favor companies paying

liquidated damages but are put in the contract to discourage tardiness.

The General Manager stated it is a contract issue and the issue is that Natgun was ultimately responsible and Kent County Water Authority damages were built in and other damages that Kent County Water Authority actual damages were significant.

The Chairman stated that this matter would be discussed further at the next Board meeting.

LEGAL MATTERS

G-Tech

The hearing date was held on April 27, 2009 and the DPUC issued a Division Order on May 20, 2009 which states that the Complaint filed by GTECH Corporation on July 22, 2008 against Kent County Water Authority is hereby denied and dismissed. The deadline for GTECH to file an appeal is June 20, 2009. GTECH filed an appeal on June 19, 2009 in the Providence County Superior Court to the Decision of the Division of Public Utilities and Carriers of May 20, 2009 which ruled in favor of Kent County Water Authority. Kent County Water Authority answered the complaint on June 29, 2009 and Legal Counsel will engage in that portion of this continuing litigation. The parties have filed a consent order with the Court for the schedule of the briefs. GTECH brief was received on October 2, 2009 and Kent County Water Authority brief is due November 16, 2009. Kent County Water Authority filed their brief on November 16, 2009. GTECH did not file a reply brief and it is now up for order by the Court. Legal Counsel filed a Motion to Assign to a Judge and the assignment motion was scheduled for February 25, 2010 and was ordered on even date. The matter has been assigned to Judge Vogel, but no hearing date has been set. Legal Counsel requested that the Clerk of the Court schedule a hearing to conclude this matter and a conference with Judge Vogel is scheduled for August 23, 2010 at 9:30 a.m.

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. There is no further progress on the sale of property at this time (August 16, 2010).

Hope Mill Village Associates

The company is in receivership. Kent County Water Authority is owed \$1,632.44. Legal Counsel to prepare and file Proof of Claim. Proof of Claim was prepared and was forwarded to the General Manager for signatures. Proof of Claim was filed in Kent County Superior Court and was sent to the receiver on August 28, 2008 and as of this date this case is still pending. Hope Mill filed Chapter 11 Bankruptcy on August 20, 2008. Kent County Water Authority was not listed as a creditor. The proof of claim was prepared and signed by the General Manager on November 14, 2008 and was filed with the Bankruptcy Court on November 18, 2008. The proof of claim filing deadline was the end of November, 2008. Pursuant to the plan of reorganization filed by Debtor on November 22, 2008, Kent County Water Authority will be paid in full upon confirmation of the 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 further progress on scheduling a closing as of August 16, 2010.

West Greenwich Wellhead Protection

Mr. Waltonen has petitioned the Town Council for West Greenwich for a zone change for AP 6, Lot 134 from residential to highway business. The subject lot abuts the wellhead protection area of Kent County Water Authority. The site is currently used for storage and grinding and dying. A portion of the subject site was previously rezoned in 1991 to Highway Business and the Petitioner appeared before the Kent County Water Authority Board at that time and a condition of the 1991 zone change was that Petitioner

obtain a letter from Kent County Water Authority approving the final drainage plan. The current petition requests relief from all 1991 conditions including Kent County Water authority approval. Legal Counsel has conducted research at the West Greenwich Town Hall concerning the petition and Legal Counsel and Kent County Water Authority will monitor and present its concerns and objections to the Zoning Board and the Town Council at the respective January 20, 2009 and February 11, 2009 hearings.

Legal Counsel and the General Manager attended the January 20, 2009 Zoning Board of Review hearing and the matter was continued by the Zoning Board of Review to February 17, 2009 as the applicant had not submitted to the Board the as built plans. The Chairman had requested that the Kent County Water Authority provide a letter to the Zoning Board of Review outlining the concerns of Kent County Water Authority. Legal Counsel forwarded correspondence to the Zoning Board of Review on January 22, 2009. The matter was continued by the West Greenwich Zoning Board of Review to April 14, 2009 in that the Waltonen Attorney had not filed the necessary documents. Kent County Water Authority received some engineering from Legal Counsel for Petitioner on April 6, 2009. The Zoning Board hearing was held on April 21, 2009 and was continued to June 16, 2009. The Petitioner was required to provide to the Zoning Board within 30 days from April 22, 2009, a plan depicting existing site conditions and all items stored on the site including recreational vehicles, containers, mulch, stumps as well as aerial views and a list of all business uses. The Board also required that any plans to be submitted by application to DEM be submitted to an independent professional engineer for review prior to DEM submission. The Town engaged Shawn Martin of Fuss & O'Neil as independent engineer consultant.

On June 16, 2009, the Zoning Board of Review required Petitioner to provide to the Board drainage calculations existing at 1992, drainage calculations for current site conditions and calculations for proposed site uses and a list and description of all business uses the site in affidavit form. The matter was continued to September 15, 2009.

Shawn Martin, PE of Fuss & O'Neil, was in attendance at the September 15, 2009 Zoning Board of Review hearing acting as independent engineer on behalf of the Town to report on the engineering submitted by applicant. Timothy Behan, PE, engineer for applicant was in attendance. Legal Counsel for Kent County Water Authority appeared on behalf of Kent County Water Authority. The Chairman is requiring the applicant to provide a more detailed description of all business uses including specific equipment on site in affidavit form. Legal Counsel reiterated the position of Kent County Water Authority in requesting engagement of its own engineer for independent review of the applicant's engineering and objection to the petition given the noncompliance of applicant in the past. The position of the Town is that Fuss & O'Neil was engaged for independent review and that applicant is to provide Kent County Water Authority with a revised list of description of uses on the site and Kent County Water Authority is to coordinate with Shawn Martin, P.E. of Fuss & O'Neil once the list is received for review and Kent County Water Authority is to provide comments to the Board prior to the November 17, 2009 Zoning Board of Review. The list of uses was

not provided to Kent County Water Authority. The Kent County Water Authority forwarded its written concerns to the Town on October 1, 2009. On October 19, 2009 Kent County Water Authority was provided with subsequent engineering and a list of uses in affidavit form by Applicant's Legal Counsel for review and Kent County Water Authority responded to the Town.

A subsequent meeting of the Zoning Board of Review was held on November 17, 2009. The General Manager and Legal Counsel were in attendance as well as Legal Counsel for applicant.

The Zoning Board discussed the procedural aspect of the Waltonen application and referenced the November 17, 2009 memorandum of the West Greenwich Town Hall Planner in connection therewith. The Planner recommended that the existing violations of the site be enforced first and that the zone change be denied by the Town Council and a new application be filed by the applicant after certain actions by applicant including remedying existing violations, application to Planning Board for Development Plan Review and consultation with Rhode Island Department of Environmental Management with respect to groundwater quality.

The Chairman of the Zoning Board inquired of applicant's Legal Counsel as to why the issues raised in writing by Kent County Water Authority have not been answered to date. Legal Counsel for the applicant did not respond as he was awaiting a response from the Department of Environmental Management prior to answering the questions of Kent County Water Authority. The Solicitor opined that the Department of Environmental Management's response is not required to answer some of the questions of Kent County Water Authority. Applicant's Legal Counsel opined that the respective engineers to wit, applicant's engineer and the Town's independent consultant, should address the concerns of Kent County Water Authority.

The Chairman recommended that the zoning and planning officials for the Town review the matter given the many existing violations of the 1991 approval and the Town await the findings of this review and the applicant's engineer and the Town's independent consultant review and address the concerns of Kent County Water Authority and the Zoning Board review the findings of the zoning official separate from the petition for zone change. This matter was continued by the Zoning Board to February 16, 2010. On February 16, 2010, the Zoning Board meeting was continued to March 16, 2010. On March 15, 2010, the Zoning Board meeting was continued to April 20, 2010.

On April 20, 2010, Legal Counsel for Petitioner informed the Zoning Board of the ongoing review process with Rhode Island Department of Environmental Management and that a notice of violation was issued by the Rhode Island Department of Environmental Management. RIDEM is first addressing enforcements and then conducting a project review. A new plan was submitted to RIDEM on April 1, 2010. A formal hearing with DEM will take place the end of June. The Chairman of the Zoning Board stated that several existing site conditions did not satisfy the 1991 approval. Therefore, the Zoning Board requires the Petitioner to provide an affidavit as to the

current uses on the site/business listing. The Chairman further stated that materials located on the site were moved to perform the "as is" survey/existing site conditions. Dr. Fish stated that the Petitioner must satisfy every party's standards including those of Kent County Water Authority. The meeting was continued to June 15, 2010.

On June 15, 2010, the West Greenwich Zoning Board of Review was presented with an affidavit from the Petitioner of uses on the subject site. The Solicitor commented that there was no specificity contained in the affidavit as to the uses on the site. Which was requested in April. Therefore, the Board informed Legal Counsel for the Petitioner to provide a listing of inventory located outside on the site and being rented. For example, Bobcat, cement mixers. The list is to include the type of equipment being sold. The Board further requires the Petitioner to describe the type of leases on the site without indentifying the Lessees. Legal Counsel for Kent County Water Authority requested Petitioner to provide a description of the horticultural materials referenced in the affidavit as well as copy of existing conditions plan and the Department of Environmental Management Consent Agreement. To date, the requested documents have not been provided to Kent County Water Authority. This matter was continued to July 20, 2010. The existing conditions plan and the DEM consent agreement were provided to Kent County Water Authority by applicant and the petition for recommendation to the Town Council was heard by the Zoning Board on July 20, 2010. The Zoning Board recommended the petition for zone change subject to the (1991) stipulation that applicant/owner obtain a letter from Kent County Water Authority approving the final drainage plan.

On August 4, 2010, the petition for zone change was heard by the Town Council and was approved subject to compliance with all conditions of the 1991 approval and specifically with compliance to petitioner/owner obtaining written approval from Kent County Water Authority for the final drainage plan.

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.

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 a follow up letter on May 20, 2010. There has been no response received as of August 16, 2010.

West Greenwich Taxes

On July 1, 2009, Kent County Water Authority received a letter from the Solicitor for the Town of West Greenwich requesting that Kent County Water Authority make tax payments equivalent to the taxes assessed on real estate owned by Kent County Water Authority based on the year prior to the date Kent County Water Authority acquired the property. The Town requested the amount of \$10,466.75 plus the current 2009 tax year. A schedule accompanying the letter set forth unsupported taxes totaling \$1,495.25 per year.

Legal Counsel for Kent County Water Authority sent a written response on July 2, 2009 to the Solicitor along with a letter from the West Greenwich Tax Assessor dated July 27, 2001 evidencing the payment due in lieu of real estate taxes at \$364.43 per year. Kent County Water Authority made this payment to the Town each year as billed. The billing ceased at 2001. Kent County Water Authority has offered to pay to the Town in lieu of taxes the sum of \$2,915.44 representing tax years 2002-2009. No counter response has been received from the Town. On January 20, 2010, Legal Counsel sent a follow up letter to the Town and a response from the Town has not been received to date. On March 22, 2010, Legal Counsel sent a follow up letter to Mr. Ursillo via certified mail, return receipt requested. On March 29, 2010, Mr. Ursillo replied to Legal Counsel stating that he would respond upon reviewing the matter with the West Greenwich Tax Assessor. As of May 1, 2010, a response has not been received from the Town of West Greenwich Solicitor. On July 1, 2010 Legal Counsel sent via certified return receipt mail a follow up inquiry to the Solicitor (copied to the West Greenwich Town Manager). On July 16, 2010, Legal Counsel for Kent County Water Authority received written response from the Solicitor concurring with Legal Counsel for Kent County Water Authority as to the calculations for the pilot in the amount of \$2,915.44 and Kent County Water Authority forwarded said amount to the Town representing the pilot for 2002-2009. This matter is now concluded.

Spectrum Properties, The Oaks, Coventry, Rhode Island

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

Town and Attorney Landry will provide Legal Counsel for KCWA with the anticipated timetable for final approval and recording of the deeds upon Mr. Landry's receipt of this information.

Legal Counsel pursuing Attorney Landry for status of his receipt of timetable for municipal approvals. Legal Counsel telephoned Attorney Landry and left a voicemail message as to status and subsequently forwarded correspondence to Attorney Landry on March 11, 2010 and awaiting a response. On May 11, 2010, Legal Counsel forwarded subsequent correspondence to Attorney Landry inquiring as to the status of the matter. No response has been received to date.

49 Hebert Street

A complaint was recently filed by the owner of 49 Hebert Street, West Warwick who built a home on subdivisional land albeit, she was aware that the property would not be serviced by Kent County Water Authority because of neighborhood pressure issues. Legal Counsel answered the matter and filed a Data Request (10/5/09) of the Complainant. The pre-hearing conference was held on November 23, 2009 and a schedule of discovery was set and the matter was heard on February 9, 2010 and the Complainant agreed to install a well subject to engineering which would avert the necessity of further hearings. The General Manager and Legal Counsel will continue to monitor the status. Legal Counsel has spoken to Laffey, Esq. and the owner is pursuing the well with Pare Engineering as the parties had agreed that Pare Engineering would give a report concerning the well installation. The report was finalized on April 2, 2010 and the Hearing Officer concluded that the well should be drilled and the Complainant has not been compliant with her agreement. The Complainant, through her attorney, notified Legal Counsel that the well has been installed and is operational. Legal Counsel forwarded correspondence to Attorney Laffey together with a dismissal stipulation for circulation on to the other parties.

Coventry Water Treatment Plant (Mishnock)

Kent County Water Authority has filed a Development Plan Review Application with the Coventry Rhode Island Planning Commission and an application with the Coventry Zoning board for a special use permit to construct a water treatment facility with respect to three (3) wells located on Coventry Assessor's Plat 2, Lot 6 (located off of Nooseneck Hill Road, Coventry, Rhode Island).

The General Manager and Legal Counsel appeared before the Coventry Planning Commission on April 28, 2010 to schedule a site walk with the Planning Commission, said site walk occurring on May 11, 2010. The General Manager familiarized the Commission with the site and proposed improvements. The General Manager and Legal Counsel will next appear before the Planning Commission on May 26, 2010 for a pre-application conference. The application for the special use permit was heard by the Zoning Board of Review on June 2, 2010. The public meeting of the Zoning Board was continued to July 7, 2010 to enable the Zoning Board to further review this matter. The public meeting for the recommendation to the Zoning Board on

the special use permit and the Development Plan Review was heard by the Planning Commission on June 23, 2010. The Planning Commission unanimously approved the recommendation to the Zoning Board for the special use permit and the Development Plan Review and the written decision was recorded in the Coventry Land Evidence Records on July 1, 2010. The twenty (20) day appeal period from the granting of the approval expired on July 21, 2010.

On June 2, 2010, the Zoning Board continued the public hearing and action on the application for special use permit to July 7, 2010. Legal Counsel, the General Manager and Wright Pierce attended the July 7, 2010 Zoning Board meeting and presented further testimony to the Zoning Board. The Zoning Board unanimously approved the petition for special use permit and the written decision was recorded on July 21, 2010. The twenty (20) day appeal period expired on August 10, 2010. On August 13, 2010, Legal Counsel reviewed the Kent County Superior Court records and no appeal was taken from the approvals of the Coventry Planning Commission and Zoning Board which means that the approval is final.

257A Mishnock Road, West Greenwich, RI

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

Central Coventry Fire District Tax Billing

On June 28, 2010, Legal Counsel received from the Fire District a tax bill in the amount of \$518.66. The net tax bill is \$469.80 and the Fire District imposed interest in the amount of \$48.86. Kent County Water Authority never received the subject 2009 tax bill. Therefore, on July 1, 2010, Legal Counsel forwarded to the Fire District correspondence stating that the bill in the amount of \$469.80 will be paid however, the imposition of interest is disputed. The Fire District tax collector contacted Legal Counsel and informed that the imposition of interest was erroneous therefore, Kent County Water Authority remitted the pilot in the amount of \$469.80 to the Fire District

representing full and final satisfaction of the 2009 pilot.

Director of Finance Report:

The General Manager stated that the poor state of the economy is hampering the collection process and Kent County Water Authority is working very hard on collections and that due to the wet spring the sales have continued to be burdened. The General Manager stated the shut-offs continue and conversely collections are up and should be able to fund the accounts use with the exception of IFR account and with a good July, it may be all funded.

Joanne Gershkoff, Finance Director, explained and submitted the financial report and comparative balance sheets, statements of revenues, expenditures, cash receipts, disbursements attached as "A" through July, 2010, and after thorough discussion, especially with regard to the sales and revenue shortfalls,

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, cash receipts, disbursements attached as "A" through July, 2010 be approved as presented and be incorporated herein and are made a part hereof.

Point of Personal Privilege and Communications: None

GENERAL MANAGER/CHIEF ENGINEER'S REPORT

New Business

Report on System Demand

The General Manager stated the current consumption average was approximately 12 million/gallons/day and the high selling season is over as provided on the chart as evidenced and attached as "B" which demonstrates the amount of gallons pumped. He stated that this will in all likelihood be the norm because of the large commercial users which have left the area. In answer to Board Member Masterson, he stated that unfortunately, the average will continue downward to approximately 7 million/gallons/day during the low selling season.

Nightmen – Shorts for Nights

The night workers had asked the Board for permission to wear shorts for work. The General Manager said that the employees need the protection which regular clothing provide and this matter will be taken up next month.

National Grid Proposal Energy Efficiency @ Mishnock Treatment

The General Manager stated that Kent County Water Authority Engineers, Wright- Pierce will coordinate with National Grid for energy conservation and the General Manager recommends a Change Order to their previous contract in the amount of \$6,300.00 which will include the administration of the coordinated project. National Grid will pay one-half (1/2) as evidenced and attached as "C". The energy conservation measure study will be performed by J. K. Muir LLC and Kent County Water Authority will provide \$6,300.00 and National Grid will pay one-half (1/2).

It was moved by Board Member Masterson and seconded by Board Member Gallucci to enter into agreement with National Grid to coordinate the energy conservation study for the Mishnock Treatment facility to be conducted by J.K. Muir LLC in the amount of \$6,300.00 of which one-half (1/2) will be reimbursed by National Grid and it was unanimously,

VOTED: To enter into agreement with National Grid to coordinate the energy conservation measure study for the Mishnock Treatment facility to be conducted by J.K. Muir LLC in the amount of \$6,300.00 of which one-half (1/2) will be reimbursed by National Grid.

Engineering Construction Services Mishnock Treatment

The General Manager stated that the permitting approvals for Mishnock Treatment Facility have been granted. The General Manager has further negotiated fees with Wright Pierce Engineering and the fees have been decreased as evidenced and attached as "D" in the amount of \$629,932.00. The Board asked that the General Manager further negotiate with Wright-Pierce.

WRB – Water Allocation Committee, Direction

The General Manager is a member of this subcommittee. He stated that it will be a long process and he will monitor the opposing viewpoints. The General Manager stated that the recent statute mandates that regulations be instituted.

DEM Wastewater Reuse Comments

The Kent County Water Authority commented as evidenced and attached as "E" to the Department of Environmental Management evaluation of opportunities for wastewater reuse in Rhode Island. The General Manager reiterated to the Board that the reinjection groundwater issues previously addressed by Kent County Water Authority to the State would assist the Hunt River and the General Manager stated that the State should not waste a valuable asset.

Pension Plan Forecasting Results

The General Manager and the Board requested Summit Financial to produce current projections which were presented on June 16, 2010 and is evidenced and attached as "F". The projections demonstrate that the growth assumption is 7.5% for 2010. The projections were thoroughly discussed by the Board and the General Manager stated that this was another example of the Board doing its due diligence.

CAPITAL PROJECTS: INFRASTRUCTURE PROJECTS

IFR Change Order No. 1

The General Manager recommended approval of Change Order No. 1 2006B/2007 IFR to Parkside Utility Construction Corp. regarding installation of concrete driveway at 12/14 Allard Street, Cranston, RI as did James J. Geremia & Associates, Inc. as evidenced and attached as "G" in the amount of \$2,782.50 and the General Manager stated that it is necessary and the amount is fair and reasonable and he recommended the same.

It was moved by Board Member Masterson and seconded by Board Member Giorgio to approve Change Order No. 1 regarding installation of concrete driveway at 12/14 Allard Street, Cranston, RI to Parkside Utility Construction Corp. as evidenced and attached as "G" in the amount of \$2,782.50 and it was unanimously,

VOTED: To approve Change Order No. 1 regarding installation of concrete driveway at 12/14 Allard Street, Cranston, RI to Parkside Utility Construction Corp. as evidenced and attached as "G" in the amount of \$2,782.50.

Tech Park Store Storage Tank Painting

The General Manager stated that the Diver Services Incorporated inspected and found many defects and Rockwood Corporation and its Bonding Company have been notified by Legal Counsel to prepare a plan of action to remediate the same. Rockwood appears to be acting upon the request.

All other Capital Projects and Infrastructure Projects were addressed by the General Manager and described to the Board by the General Manager with general discussion following and are evidenced and attached as "H".

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

VOTED: To adjourn the meeting at 4:30 p.m.

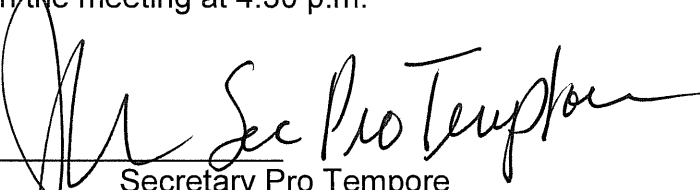

Secretary Pro Tempore

EXHIBIT A

Kent County Water Board Meeting

August 19, 2010

CASH LOCATION:	JUL 2010	AUG 2010	SEP 2010	OCT 2010	NOV 2010	DEC 2010
Citizens Bank - Payroll	\$ 40,000.00					
Fleet Bank - Deposit	258,444.05					
Fleet Bank - Checking	132,924.60					
	431,368.65	0.00	0.00	0.00	0.00	0.00
U. S Bank - Project Funds						
Revenue						
Infrastructure Fund						
Operation Reserve	1,267,199.91					
Operation & Maintenance Reserve	4,123,975.83					
Renewal & Replacement Reserve	105,911.89					
Renewal & Replacement Fund	2,367,248.06					
General Project - 2001	271,558.53					
Debt Service Fund - 2001	786,040.67					
Debt Service Reserve - 2001		94,610.72				
Cost of Issuance - 2001		781,125.00				
General Project - 2002						
Debt Service Fund - 2002						
Debt Service Reserve - 2002	16,031,876.73					
Cost of Issuance - 2002	214,312.11					
Debt Service Fund - 2004	1,823,560.01					
Debt Service Reserve - 2004						
Cost of Issuance - 2004	178,432.27					
Redemption Account - 2004	1,278,698.33					
	\$ 29,755,918.71	0.00	0.00	0.00	0.00	0.00

EXHIBIT B

Kent County Water Board Meeting

August 19, 2010

GALLONS PUMPED

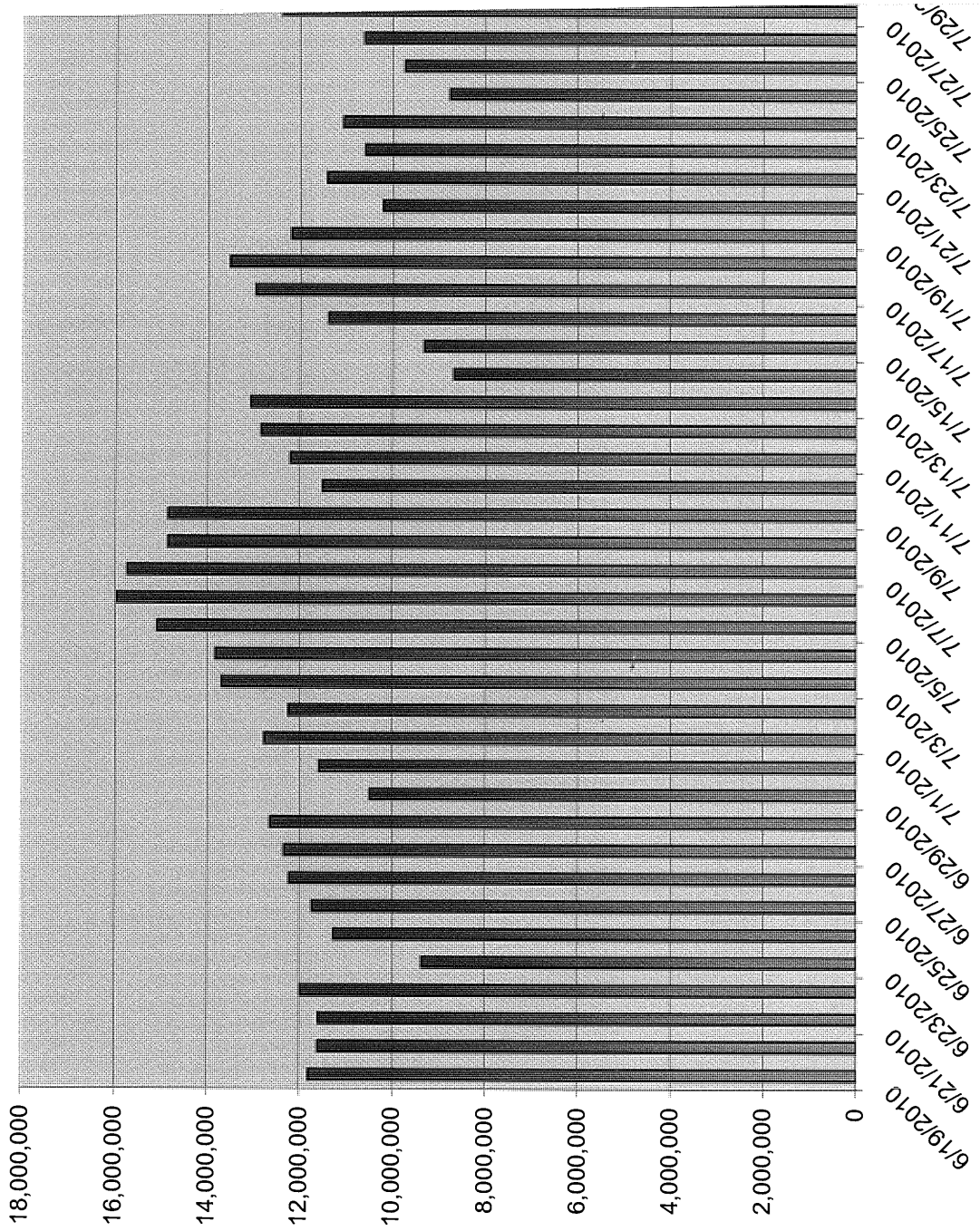
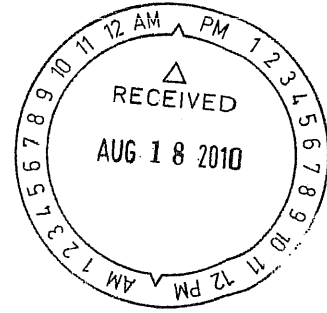


EXHIBIT C

Kent County Water Board Meeting

August 19, 2010

August 17, 2010



Mr. Tim Brown
Chief Engineer
Kent County Water
P.O. Box 192
West Warwick, RI 02893

Subject: Co-payment for technical assistance study for Mishnok Treatment Facility

Dear Mr. Brown:

National Grid (NGrid) is proposing to co-fund an energy conservation measure study for the Mishnok Treatment facility in Coventry, Rhode Island. We have a proposal from JK Muir, LLC to provide this engineering study. The purpose of the study is to identify energy improvements at the Mishnok Treatment Facility. JK Muir, LLC has submitted a proposal for a fixed fee of **\$6,300**. For this fee, they will deliver a report with specific recommendations that save energy and may qualify for incentives under NGrid's Efficiency Programs. We have provided you a copy of this proposal (attached).

NGrid offers to equally share the cost of this study with the Kent County Water Authority. The co-pay cost would be **\$3,150**. Upon completion of the study, NGrid will issue a check to the Kent County Water Authority for \$3,150. Kent County would then be responsible to issue a check to JK Muir, LLC for \$6300.

If you are in agreement with this arrangement, please sign below and return this letter to me.

Sincerely,

Chuck Norden, Energy Efficiency Consultant
National Grid

Mr. Tim Brown
Kent County Water Authority

C: G. Amado, NGrid Tech Support

11 C 0

JKMuir, LLC

Energy Efficiency & Environmental Engineering

July 22, 2010

Mr. Chuck Norden
National Grid
280 Melrose Street
Providence, RI 02907

**RE: Kent County, RI – Mishnok Treatment Facility
TA Study**

Dear Chuck,

JKMuir, LLC is pleased to submit this proposal for the Energy Efficiency TA study of the Mishnock Treatment Facility design. JKMuir intends to work with the design engineer, Wright-Pierce, in completing this study on behalf of the Kent County Water Authority. This study is intended to evaluate the energy efficiency measures that will be incorporated into the design and operation of the facility, and to quantify the savings as part the National Grid incentive funding program.

Project Understanding

A number of energy conservation measures may be completed as part of the construction and operation of the Mishnock Treatment Facility. These energy savings measures may include high/premium efficiency motors, pumps, and blowers, variable frequency drives for pump and blower operation, instrumentation and controls to allow for energy conscious system operation, as well as energy efficient HVAC systems and lighting.

The Kent County Water Authority would like to pursue financial incentives that may be available through National Grid for the installation of these energy conservation measures. Specific portions of the project, and equipment items, may qualify under National Grid's prescriptive and custom rebate programs, which are intended to supplement the cost, or the incremental increase in cost, associated with higher efficiency systems and energy conservation projects.

This evaluation will be conducted as a Technical Assistance study intended to provide the appropriate documentation required to apply for funding under National Grid's programs. The scope of this work will include the identification of energy efficient equipment, systems, and opportunities, and preparation of the necessary energy and cost savings calculations.

JKMuir, LLC

Energy Efficiency & Environmental Engineering

Scope of Work

The proposed scope of services includes the following tasks:

Task 1 – Evaluation of Energy Efficiency Measures

- Review design documents to identify, or make minor recommendations on, potential energy efficiency measures and/or opportunities;
- Review of design and intended operating scenarios with Wright-Pierce. Specific items to be reviewed include:
 - Construction specifications and drawings
 - Equipment information (i.e. pump and blowers curves, etc) obtained from manufacturers for design and specification development
 - Typical/expected equipment control parameters, operation set-points, run times, operating hours, flow demand, etc
- Based on the design information provided, determine the operating points/range for major equipment;
- Perform energy and savings calculations, modeling or evaluations as necessary to complete to quantify and document savings and meet National Grid requirements;
- Evaluation of energy efficiency process systems including recycle and backwash flows, chemical addition systems, and solids handling equipment;
- Assessment of the potential variable frequency drive applications;
- Identification of energy efficiency HVAC & lighting equipment and controls;
- Calculations to estimate potential energy and cost savings of each conservation measures;
- Work with Wright-Pierce to develop (or use construction cost estimates) to develop budgetary costs for the specific energy conservation projects and/or incremental costs associated with higher efficiency systems.

Task 2 – Energy Evaluation Report

- The results of the pumping and treatment systems energy efficiency analysis, energy use calculations and comparisons, and findings of the evaluation will be provided in a summary report.
- The energy conservation measures will be itemized along with the predicted savings and budgetary costs.
- Compile all calculations, data, design documents, and manufacturer information, as required, for National Grid review.
- Review this package/report with Wright-Pierce and National Grid;
- Attend follow-up meetings and/or discussions with National Grid, and work with Wright-Pierce to develop any additional information that may be required.

JKMuir, LLC

Energy Efficiency & Environmental Engineering

Fee

Tasks 1 and 2, as outlined above, can be provided for the lump sum fee of \$6,300.

Thank you for the opportunity to work with National Grid. Please contact me at (860) 367-3570 if you have questions or would like to discuss the proposed scope.

Sincerely,

JKMuir, LLC

Jennifer Muir, P.E.

Timothy Brown

From: Norden, Roy C. [Roy.Norden@us.ngrid.com]
Sent: Tuesday, August 17, 2010 2:23 PM
To: tbrown@kentcountywater.org
Cc: tps@wright-pierce.com; JK Muir
Attachments: Kent County Water Authority co pay.doc; Kent County TA Proposal Letter.pdf

Tim,

One more time... this is the final package.

Thanks,

Chuck

Chuck Norden
Principal Analyst
National Grid
280 Melrose Street
Providence, RI 02907
Phone: 401-784-7415
Fax: 401-784-7257
roy.norden@us.ngrid.com

This e-mail and any files transmitted with it, are confidential to National Grid and are intended solely for the use of the individual or entity to whom they are addressed. If you have received this e-mail in error, please reply to this message and let the sender know.

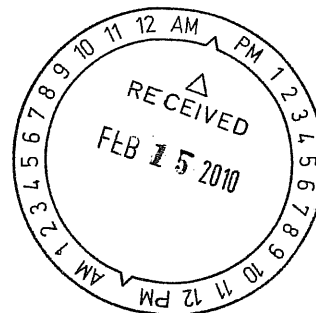
EXHIBIT D

Kent County Water Board Meeting

August 19, 2010

February 10, 2010
W-P Project No. 11054

Mr. Timothy J. Brown, P.E.
General Manager / Chief Engineer
Kent County Water Authority
1072 Main Street
West Warwick, RI 02893-0192



Subject: **Mishnock Water Treatment Facility - Construction Services (Revised)**

Dear Mr. Brown,

Based on our telephone conversation on Monday February 8, 2010, Jeff Musich and I have taken a second look at our cost proposal for providing Construction Services for the Mishnock Water Treatment Facility. We certainly understand the Board's obligation to make prudent, value-based decisions on behalf of its rate paying customers, particularly in the current economic climate.

With this in mind, Jeff and I have reworked our engineering staff assignments, thereby reducing billing rates on many key engineer classifications, in order to provide the Authority with most cost-effective water treatment engineering services possible while still providing the engineering expertise and experience of New England's leading water treatment design firm. More specifically, we wish to note the following points regarding of proposal:

- Proposed Billing Rates have been **reduced** from our original January 29, 2010 for the following staff categories: project manager/principal, lead project engineer, structural engineer, instrumentation engineer, architect, mechanical engineer and electrical engineer (a cost reduction of about \$19,000 through staff reassignment).*
- Billing rates have **held** to the billing rates of Task 1 (June 2007) and/or Task 3 (January 2009) for the following staff categories: process engineer, technicians, CADD technicians and clerical.*
- Billing rate for resident project representative (RPR) has been **held** to the original Task 1 (June 2007) allowance rate. Note that the RPR accounts for nearly 40% of the overall Task 4 cost.*
- The total cost of \$629k for Task 4 Construction Administration Services calculates to about 5% of the construction cost estimate of \$12.5M. This 5% is well below the industry standard of 10% - 15% for equivalent full-time construction administration services.*

"D"



- Wright-Pierce has the **full design understanding** that is necessary to control both the quality and costs during the shop drawing review, construction, RIDOH approval, start-up and commissioning of the technically advanced water treatment facility.*

The proposed billing rate increases for certain staff categories noted above reflect modest increases in salary costs to cover annual cost of living increases for our employees. Our original contract covered a two-year period from June 2007 and ending in June 2009. Our new hourly rates would remain in place through the projected end of construction, a period of about two (2) additional years from today.

We trust this revised Task 4 Construction Administration Services Cost Proposal (attached) will provide the Board with the most value-based engineering services for building of the Mishnock Water Treatment Facility. Should you have any questions or comments, or require additional information, please contact me at (401) 383-2276. Or if you prefer, both Jeff and I are available to meet you and/or the Board at your convenience to discuss the cost proposal in detail.

Very Truly Yours,

WRIGHT-PIERCE

A handwritten signature in black ink that reads "Thomas Simbro". The signature is written in a cursive style and is underlined.

Thomas Simbro, P.E.
Senior Project Manager

cc: Mr. Jeffrey P. Musich, P.E., Vice President

Encl.

February 10, 2010
W-P Project No. 11054

Mr. Timothy J. Brown, P.E.
General Manager / Chief Engineer
Kent County Water Authority
1072 Main Street
West Warwick, RI 02893-0192

Subject: **Mishnock Water Treatment Facility - Construction Services (Revised)**

Dear Mr. Brown,

Per the request of the Authority, Wright-Pierce (W-P) is hereby submitting a cost proposal to provide Construction Services for the Mishnock Water Treatment Facility. The proposed scope of work for Construction Services has been prepared in accordance with the "*Kent County Water Authority Request for Proposal Related to Professional Engineering Consulting Services for The Water Treatment Facility Design for the Mishnock Well Field in Coventry, RI dated May 2, 2007,*" specifically Article 10, Section 10.3 Construction Services.

The proposed scope of work follows the same sequential numbering system and outline as the above described Section 10.3, and we have bolded/strikethrough any modifications or clarifications from the Authority's "outline of the minimum required standards of the services requested."

Scope of Work

1. Construction Administration Services:

- 1.1 **General Administration of Construction Contract.** W-P engineer shall provide services to act as the owner's representative as provided in the contract documents for the construction of the project. W-P engineer shall provide written correspondence as necessary to document any deficiency or issue that may arise or require clarification. *Estimated W-P fee budgeted for Request for Information/Clarifications includes up to 38 submittals at 384 labor hours.*
- 1.2 **Visits to Site and Review/Observation of Construction.** W-P engineer shall make visits to the site at a minimum once per week or at various important or critical stages of the project construction. A written report to document and record the visit shall be provided to the Kent County Water Authority upon completion of each visit. *Estimated W-P fee includes 68 site visits.*



- 1.3 Field Meetings. Routinely coupled with the site visit, a meeting with the contractor at least bi-weekly shall occur to review the progress of construction, project items, disputed items and items for clarification. A written report to document and record the visit and meeting minutes shall be provided to the Kent County Water Authority upon completion of each meeting. The report shall include a list of attendees, description of all items discussed along with the resolution of each, any direction given, and a statement of current progress to meet defined contract schedule.
- 1.4 Field Orders. W-P engineer shall provide services for all clarifications and interpretations of the contract documents as appropriate. Field orders will be required to be issued for all such clarification and shall be prepared by the W-P engineer.
- 1.5 Change Orders or Work Orders. The W-P engineer shall provide services for all recommended change or work orders and shall prepare same.
- 1.6 Shop Drawings. The W-P engineer shall provide services for receipt, filing, approvals, review, and all other actions for shop drawings supplied by the contractor. The drawing shall be reviewed for conformance with the contract documents. The W-P engineer shall also evaluate and determine acceptability of substitutes subject to the requirements of the contract documents. *Estimated W-P fee budgeted includes coordination, logging and review of up to 126 shop drawing submittals at 1,068 labor hours.*
- 1.7 Inspection and Tests. The W-P engineer shall review all certificates of inspections and tests and render decisions of that review by the requirements of the contract documents.
- 1.8 Application for Payment. The W-P engineer shall provide services to application review, the contractor's application for payment for the project. The W-P engineer shall provide a recommendation, certification and approval of the application for payment prior to providing it to the Kent County Water Authority for final action.
- 1.9 Contractors Completion Documents. The W-P engineer shall provide services for the construction completion such as:
 - 1.9.1 Acquire and review for conformance all O & M manuals and instructions.
 - 1.9.2 Record drawing review, as provided by the contractor, of the completed contract work with clarifications as needed. Upon review and acceptance, the consultant shall transpose data and revise drawings to depict as-built conditions. Prepare and provide Mylar sepia and electronic media of the as-built conditions.
 - 1.9.3 Substantial and final completion notices along with final field review and payment application inclusive with over/under run compilation of all costs.
- 1.10 Miscellaneous. The W-P engineer to provide all other necessary tasks or services needed to provide general administration of the construction contract for this Project. Assist the Kent County Water Authority in the operational start up of the constructed facilities



providing all necessary correspondence to the Rhode Island Department of Health for approvals of start up. Provide a final report of all activities summarized for the Kent County Water Authority's review of construction activity at job completion and start up of Project. Coordinate with municipal and state inspectors to complete final inspection. *Estimated W-P start-up assistance fee budgeted includes 120-labor hours.*

2. Full-time Resident Project Representation and Inspection Services:

Estimated W-P fee includes a full-time resident engineer for 68-weeks or 2,700 labor hours.

- 2.1 Schedules. Review the progress schedule, schedule of Shop Drawing submittals and schedule of values.
- 2.2 Conferences and Meetings. Attend meetings such as progress meetings, job conferences and other project-related meetings, and prepare and circulate copies of minutes thereof.
- 2.3 Serve as Contract Administrator's Liaison with Contractor. Assist in understanding the intent of Contract Documents and progress of construction in relation to contractor's schedule of activities.
- 2.4 Shop Drawings and Samples. Record the date of receipt of Shop Drawings and Samples. Receive samples that are furnished at the site by Contractor. Review Shop Drawing to see if work is in conformance with approved drawings.
- 2.5 Review of Work, Rejection of Defective Work, Inspections and Tests. Conduct on-site inspections of the Work in progress to see it is proceeding in accordance with the Contract Documents. Verify that tests, equipment and systems start-ups and operating and maintenance training are conducted in the presence of appropriate personnel, and that Contractor maintains adequate records. Accompany visiting inspectors, representing public or other agencies having jurisdiction over the Project, record the results of these inspections by written report to Kent County Water Authority.
- 2.6 Interpretation of Contract Documents. Report to Contract Administrator and Kent County Water Authority when clarifications and interpretations of the Contract Documents are needed.
- 2.7 Records. Maintain at the job site detailed, accurate and orderly files for correspondence, reports of job conferences, Shop Drawings and Samples, reproductions of original Contract Documents including all Work Change, Addenda, Change Orders, Field Orders, additional Drawings issued subsequent to the execution of the Contract, clarifications and interpretations of the Contract Documents, progress reports, Shop Drawing submittals received from and delivered to Contractor and other Project related documents. Prepare a daily report or keep a diary or log book, recording Contractor's hours on the job site, weather conditions, data relative to questions of Work Change Directives, Change Orders or changed conditions, list of job site visitors, daily activities, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures. Record names, addresses and telephone numbers of all Contractors,



subcontractors and major suppliers of materials and equipment. Take photographs of new installations at critical or questionable points during the construction.

- 2.8 Reports. Furnish to Contract Administrator periodic reports as required of progress of the Work and of Contractor's compliance with the progress schedule and schedule of Shop Drawing and Sample submittals.
- 2.9 Payment Requests. Review applications for Payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to Contract Administrator, noting, particularly the relationship of the payment request to the schedule of values, Work completed and materials and equipment delivered at the site but not incorporated in the Work.
- 2.10 Certificates, Maintenance and Operation Manuals. During the course of the Work, verify that certificates, maintenance and operation manuals and other data required to be assembled and furnished by Contractor are applicable to the items actually installed and in accordance with the Contract Documents.
- 2.11 Completion. Prior to the issuance of a Certificate of Substantial Completion, submit to Contractor a list of observed items requiring completion or correction. Conduct a final inspection and prepare a final list of items to be completed or corrected. Review whether all items on final list have been completed or corrected.
- 2.12 Subcontract Services. Coordinate, as needed, any subcontract services for field testing or the like as determined by the Contract Documents or as engaged by the Kent County Water Authority. Coordination shall include scheduling test procedure, witnessing and acquiring, reviewing all test reports.

3. Project Management:

- 3.1 Monthly Project Status Report. Provide written monthly project status report to the Authority. *Estimated W-P fee budgeted includes 16-monthly reports corresponding to a Construction Services phase duration of 16-months or 68-weeks.*
- 3.2 Field Inspection Reports. Provide daily field inspection reports consolidated in a weekly submission.
- 3.3 Meetings. Anticipate ten meetings for construction phases.

4. Additional Scope of Work:

4. Additional Scope of Work: Upon the Owners request, W-P may provide additional Engineering services on a time/expense or negotiated basis.



Schedule

W-P is available to begin this work immediately upon Owner's written authorization. We are prepared to complete the above described scope of work during a 16-month / 68-week project schedule. Approval of Contract Drawings and Specifications is pending review at this time.

Estimated Fee

Our total estimated fee for Construction Services is **\$629,932**. This estimated fee assumes the project duration will be 16-months / 68-weeks. Please see attached Exhibit "A" Construction Services fee breakdown by staff classification, billing rate and estimated hours. This estimated fee is consistent with W-P's October 2009 Estimate of Probable Construction Costs. If acceptable, we recommend this cost be applied as Task Order No. 4 to our existing Contract Agreement.

Should the project duration from the pre-construction meeting through project close-out extend beyond 16-months / 68-weeks, W-P may request the estimated fee basis be increased for the labor hours expended beyond the 16-month / 68-week duration through project completion at the established labor rates.

We trust this information is sufficient for your review at this time. Should you have any questions or comments, or require additional information, please contact me at (401) 383-2276.

Very Truly Yours,

WRIGHT-PIERCE

A handwritten signature in black ink, appearing to read "Thomas Simbro". The signature is written in a cursive, flowing style.

Thomas Simbro, P.E.
Senior Project Manager

cc: Mr. Jeffrey P. Musich, P.E., Vice President

Encl.

EXHIBIT "A"



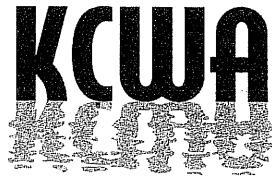
ADDITIONAL ENGINEERING SERVICES

TASK 4 - CONSTRUCTION ADMINISTRATION SERVICES				
Classification	Hours	Rate	Cost	
Project Manager / Principal	272.00	\$ 159.00	\$	43,248.00
Lead Project Engineer	944.00	\$ 144.00	\$	135,936.00
Process Engineer	676.00	\$ 105.00	\$	70,980.00
Structural Engineer	120.00	\$ 116.00	\$	13,920.00
Instrumentation Engineer	240.00	\$ 124.00	\$	29,760.00
Technicians	160.00	\$ 83.00	\$	13,280.00
Architect	120.00	\$ 118.00	\$	14,160.00
Mechanical Engineer	12.00	\$ 104.00	\$	1,248.00
Electrical Engineer	344.00	\$ 135.00	\$	46,440.00
Resident Engineer	2,600.00	\$ 95.00	\$	247,000.00
CADD Technician	120.00	\$ 83.00	\$	9,960.00
Clerical	80.00	\$ 50.00	\$	4,000.00
TOTAL	5,688.00		\$	629,932.00

EXHIBIT E

Kent County Water Board Meeting

August 19, 2010



Kent County Water Authority

August 4, 2010

Ms. Sue Kiernan, Deputy Chief
Rhode Island Department of Environmental Management
Office of Water Resources
235 Promenade Street
Providence, RI 02908

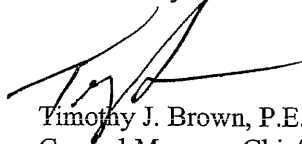
Sent Via Email: Sue.kiernan@dem.ri.gov

Re: Evaluation of Opportunities for Wastewater Reuse in Rhode Island

Dear Ms. Kiernan:

Kent County Water Authority wholeheartedly supports any efforts towards the reuse of wastewater effluent to recharge aquifers and rivers within the state. Since 2007 we have been advocating this in our Annual Water Supply System Management Plan Report to the Water Resources Board. In the report we recommend the Rhode Island Department of Environmental Management (RIDEM) champion such an effort as the controlling laws and legislation in the State of Rhode Island empower the RIDEM to do so. There have been many articles in the American Water Works Association Journals, Wall Street Journal and other technical magazines expressing the great success these types of efforts have had in other parts of the country. You are already aware of some of the so called stressed basins as they have been identified in the project summary. Kent County Water Authority recommends review of the Hunt River Basin for the potential for stream flow augmentation of both the Hunt River and its tributary Fry Brook by the use of effluent from the East Greenwich wastewater treatment plant. Both rivers are gauged by USGS and flow can be controlled with the use of these gauges to provide a measured recharge flow. Effluent water could be piped to multiple locations for introduction to the river, pacing off of the stream flow gauges that are present. Large infiltration structures could be installed underground in state property and the effluent pumped to these areas for recharge of the aquifers effectively increasing stream flow. Not only will this provide aquifer recharge during the summer months but also stabilize river flows throughout the year to enhance aquatic activity within the basin. We believe the method of treatment from East Greenwich which includes denitrification would produce an effluent that would do just that. This would be a great opportunity as a demonstration project and we highly recommend and urge DEM to consider this as a key stepping stone for the work contemplated on this project. We would be happy to discuss this further with you or members of your staff.

Very truly yours,
Kent County Water Authority



Timothy J. Brown, P.E.
General Manager Chief Engineer

Enclosures

PO Box 192
West Warwick, RI 02893-0192
401-821-9300
www.kentcountywater.org

11 E

Timothy Brown

From: lisa salisbury [LSalisbury@kentcountywater.org]
Sent: Friday, June 25, 2010 10:57 AM
To: tbrown@kentcountywater.org
Subject: FW: Evaluation of Opportunities for Wastewater Reuse in Rhode Island
Attachments: Sue Kiernan project 2.doc

From: Christine Longo [mailto:christine.longo@DEM.RI.GOV]
Sent: Friday, June 25, 2010 9:44 AM
To: BIWater@new-shoreham.com; charper_bcwa@msn.com; abrodd@cumberlandri.org; kbooth@cityofeastprov.com; info@eastsmithfieldwater.com; dpowers@verizon.net; pbisson@harrisvillieri.org; sgoslee@jamestownri.net; lcaruso@johnston-ri.us; customerservice@kentcountywater.org; info@kingstonwaterdistrict.com; jfaile@lincolnwatercommission.com; esylvia@muni.ri.net; jforgue@cityofnewport.com; slicardi@northkingstown.org; malvarez@nsmithfieldri.org; ntwater@msn.com; tgarille@pud-ri.org; decelles@pwsb.org; info@portsmouthwater.org; wsplash@prov.water.com; vharritos@qdcri.com; dpw1@smithfieldri.com; jschock@southkingstownri.com; board@stonebridgefd.com; dlamb@uri.edu; stanley.knox@unitedwater.com; water-div.@warwickri.com; pcorina@westerly.org; clariviere@woonsocketri.org
Cc: Sue Kiernan
Subject: Evaluation of Opportunities for Wastewater Reuse in Rhode Island

To Municipal Planning, Wastewater and Water Supply Officials,

I am writing to inform you of and invite your input on a project the Rhode Island Department of Environmental Management (RIDEM) has initiated aimed at identifying opportunities for the re-use of treated wastewater in Rhode Island. With hopes of assisting communities and businesses, RIDEM has retained engineering consultants to conduct a statewide evaluation of opportunities for potential wastewater re-use.

While the project is expected to take place over the next twelve to fifteen months, we at the RIDEM are seeking your early input with respect to any interest you may have in possible local opportunities for wastewater re-use. RIDEM is aware that in some communities there is a continuing focus on recovery from the March flooding in our State, but we are offering you the opportunity and encouraging you to provide input on this topic if it is of interest in your community.

RIDEM policy currently allows for treated wastewater to be re-used for the following: (1) Irrigation of grassed areas; e.g. parks; (2) Irrigation of non-food agricultural products; and (3) Industrial uses. In addition, it may be beneficial to pursue wastewater re-use to achieve aquifer recharge.

A project summary description is attached. The project is a result of funding awarded under the American Recovery and Reinvestment Act of 2009 to RIDEM to support an infrastructure planning project that is aimed at identifying and evaluating opportunities to re-use treated wastewater. The planning work undertaken in this project will support Rhode Island's overall effort to manage Rhode Island's water resources and watersheds in a sustainable manner that ensures acceptable water quality and adequate water quantities are maintained. While not widespread in New England, the practice of re-using wastewater is a topic of growing interest both nationally and regionally.

After reviewing the attached project description, if you have feedback on the project or ideas on possible opportunities to re-use wastewater, please provide them to DEM by contacting me or the other individuals listed in the project description.

Sue Kiernan, Deputy Chief
DEM Office of Water Resources
401-222-4700 ext. 7600
Sue.kiernan@dem.ri.gov



Evaluation of Opportunities for Wastewater Reuse in Rhode Island

Project Summary

The Rhode Island Department of Environmental Management (RIDEM) has recently initiated an infrastructure planning project to identify and evaluate opportunities to reuse treated wastewater. With funding from the US Environmental Protection Agency (EPA) awarded via the American Recovery and Reinvestment Act of 2009, RIDEM has recently retained Horsley Witten Group, Inc. and Hazen Sawyer, P.C. as its engineering consultants for the project. Background on the project and a summary of the work to be undertaken is provided below.

Project Background:

While Rhode Island has historically enjoyed abundant freshwater supplies that provide for various water uses, over the past decade, competing water demands in certain areas of Rhode Island, along with emerging information on hydrologic stresses in selected watersheds, have highlighted the need for new and innovative approaches to water management to maintain an ample and reliable supply of water for public health, economic development, and ecological needs.

The Department of Environmental Management (DEM), along with other state agencies including the Water Resources Board, has identified a number of actual and potential hydrologically stressed basins where water management is a priority. These areas include the watersheds of the Hunt River, Chipuxet River, Annaquatucket River, and Abbott Run Brook and within the watersheds of the south branch of the Pawtuxet River, and the water supply systems for Jamestown, Westerly, and Woonsocket. In these watersheds, the quantity of water withdrawn for commercial, industrial and residential uses from the rivers or associated groundwater aquifers has been either documented to cause significant reductions in stream flows and/or adverse impacts on wetlands or has the potential to do so. This in turn is associated with adverse environmental impacts, including habitat alteration and loss of riverine fish communities, which directly impact ecologic health, recreational opportunities and other quality of life uses. Seasonal restrictions on the use of water may also result. The DEM-Office of Water Resources (OWR) is interested in exploring opportunities for re-use of wastewater as one means among several for restoring and maintaining a more natural hydrologic regime within watersheds, particularly those considered stressed due to existing or planned water withdrawals.

About 70% of Rhode Island's population is directly serviced by public sewer systems, with the remainder using some form of on-site wastewater treatment system. The majority of the wastewater collected and treated through sewer systems is discharged directly into coastal waters, typically constituting an out-of-basin transfer of water from its original basin of origin. DEM has adopted a policy governing wastewater re-use that describes its appropriate applications (available on the DEM website at <http://www.dem.ri.gov/programs/benviron/water/permits/wtf/pdfs/reusegyd.pdf>). The policy provides guidance for the reuse of treated wastewater effluent for specific common uses. In this project, wastewater reuse opportunities under consideration will include diversions of treated effluent from wastewater treatment facilities (WWTFs). The primary opportunities for reuse include irrigation of grassed areas, e.g. golf courses, parks, etc., irrigation of non-food agricultural products and industrial uses including non-contact cooling water or process water. In addition, infiltration or injection of treated wastewater for aquifer storage and recovery will be considered as a potential reuse in this project.

To date within RI, a limited number of projects or facilities have integrated wastewater reuse into their operations. Examples include the irrigation of the Jamestown Municipal Golf Course by treated wastewater effluent from the Jamestown wastewater treatment facilities (first allowed in

1995) and the use of Cranston wastewater treatment effluent for cooling water use at a natural-gas energy production facility located at the Central Landfill in Johnston. A smaller scale irrigation system using highly treated wastewater effluent from an onsite wastewater treatment system occurs at the Carnegie Abbey development in Portsmouth. In 2007, the RI Quonset Development Corporation completed a study entitled "Evaluation of the Potential Re-use of Wastewater Effluent for Irrigation Purposes" (November 1, 2007). DEM is interested in encouraging greater application of wastewater re-use.

Project Purpose:

The purpose of this project is to undertake a statewide screening level analysis to identify potential opportunities to re-use wastewater in Rhode Island. This project will also include further feasibility analyses and the completion of conceptual engineering design work for a selected number of locations deemed potentially viable given both technical, environmental benefit and cost effectiveness considerations. The project will proceed in phases with the conceptual design work contingent on identifying viable opportunities through the completion of tasks in the early phases of the project. Additionally, the project is intended to support sound water management within watersheds by reducing the use of potable water for non-potable water purposes for commercial, industrial and agricultural uses. The project is intended to spur subsequent capital projects to install modifications or new infrastructure to implement wastewater re-use.

The objectives of the project are as follows:

- To complete a statewide screening level analysis, using available geographic information system (GIS) data and other sources of information, to identify locations that may offer an opportunity for wastewater re-use;
- Through the application of screening criteria and input from local officials and WWTF facility operators, to complete a preliminary evaluation of the potential wastewater re-use opportunities in order to identify those locations that most likely offer an economically viable project that can also be associated with environmental results and re-use benefits (aquifer augmentation, non-contact cooling, etc.);
- To complete a more detailed, site specific evaluation of the engineering feasibility and cost effectiveness of selected wastewater re-use opportunities;
- To complete conceptual designs (minimum 10% design plans) for one or more sites.

The RIDEM Office of Water Resources, via the RI Department of Administration, has recently retained engineering consultants to execute a project aimed at identifying opportunities for the beneficial re-use of treated wastewater in Rhode Island. RIDEM has contracted with the Horsley Witten Group, Inc. and Hazen Sawyer, P.C. to provide engineering consulting services for the project.

The first major project task will involve the use of geographical information system (GIS) to generate a list of locations or groups of locations that may have the potential for re-using wastewater. The analysis will look at opportunities within zones that are 1, 5 and 10 miles from existing wastewater treatment facilities. The intent is to match the availability of treated wastewater with potential users. As noted above, the initial work will be followed by more detailed work to assess the feasibility of selected opportunities, potentially ending in conceptual designs. The project results will be summarized in a report. For more information, you may contact the following DEM Office of Water Resources personnel:

Sue Kiernan, Deputy Chief, sue.kiernan@dem.ri.gov	401-222-4700 ext.7600
Bill Patenaude, Principal Engineer, bill.patenaude@dem.ri.gov	401-222-4700 ext. 7264
Alisa Richardson, Principal Engineer alisa.richardson@dem.ri.gov	401-222-4700 ext. 7232

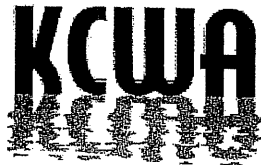
June 2010

KENT COUNTY WATER AUTHORITY

WATER SUPPLY
SYSTEM MANAGEMENT PLAN

ANNUAL REPORT

2007



JULY 15, 2008
Revised July 17, 2008

Present & Future Service Population Estimates

In the past, KCWA has estimated the service population in each community we serve by multiplying the number of services by the average number of people per household. In several communities this method led to underestimating the service population. This is primarily related to the fact that in many instances one service connection supplies water to multiple households. In order to better estimate the service population, KCWA has recently modified the methodology for estimating service population.

The new method makes use of census tract data (and in some instances block group and/or block data) from the U.S. Census. The census tract data provides an estimate of the total population within a specific geographic area. KCWA uses this data in conjunction with a map of our distribution system to estimate the extent a given census tract is serviced by Kent County Water Authority. Our method is now being finalized in a report for publication.

PLAN IMPLEMENTATION

KCWA Initiatives

The purpose of the WSSMP is to outline contemplated goals relative to water supply management planning for the KCWA water supply system, and to serve as general considerations for future decision-making processes. The WSSMP was approved in mid May 2008. Advancing with the implementation of the plan is still in its infancy due to the short period of time between the approval of the plan and annual reporting deadline.

Statewide Initiatives

KCWA has requested state support in the implementation of initiatives aimed at promoting equitable implementation of various components of water supply system management for all residents of the state.

- **Outdoor water use** contributes to double the average daily demand in many water systems throughout the state. Expansive lawns and the advent of economical automatic underground irrigation systems have been the most significant contributing factors to the rise in outdoor water use. Legislative or state agency regulations are necessary to provide an equitable solution to control this increasing demand aspect. It is envisioned that this type of initiative would realize significant demand reduction in outside water use across the state.
- **Recycled water.** Currently inter-basin transfer from sewer plants conveyed across hydrological divides to rivers and bays is starving the recharge capabilities of the aquifers of the state. Today's technological advances in ultra filtration and ultraviolet disinfection have provided the impetus for many states to embrace returning sewer plant effluents back to recharge the aquifers instead of dumping to rivers and bays. A prime example would be the Hunt River Aquifer. Water is currently pumped from this aquifer to supply East Greenwich, Warwick, North Kingstown and EDC, some who have sewer systems. The effluent, representing

75-80% of the household use, is treated and released into the bay. An initiative such as wastewater reclamation could conceivably restore the groundwater reserves, provide additional supply and quell the perceived stress on this aquifer. In Rhode Island commercial, industrial and wastewater facilities must report water returned to the environment as part of the Rhode Island Discharge Elimination System (RIDES) requirements. This wastewater is export or loss from an aquifer that could be returned to the source. KCWA recommended that the state pursue this type of reclaimed water initiative in the updated WSSMP.

- **Inventory of private wells:** The effects of private well withdrawals for both domestic and irrigation concerns have not been accounted for in the factors concerning the withdrawal and use of the waters of the state. The emphasis on conservation seems to be predicated on available use factors from public water suppliers. Most environmental groups focus on what public water suppliers should be doing to compel conservation void of regard for the impact that private well use has on the availability of supply and the impact on the environment. KCWA recommends that the state inventory and account for these uses in pursuit of statewide conservation regulations that will equitably control all water takers throughout the state.

Water Conservation

Water conservation initiatives are defined as the “methods, procedures and devices designed to promote efficient use of water and to eliminate waste of water.” The KCWA has preempted the onslaught of seasonal outdoor water use demands through press releases, bill messages, brochures and web page information to encourage efficient outdoor watering techniques, provide tips on how to check for leaks, encourages the installation of low-flow retrofit devices and implementation of an in-house Water Conservation Action Plan. Similar information has also been disseminated to the entire customer base as part of the informational content of the federally mandated annual water quality Consumer Confidence Report.

Enforcement of conservation initiatives is very difficult due to the multitude of different opinions from various cities, towns and consumer groups. KCWA has included a noncompliance outdoor water use fine structure and a seasonal rate structure for consideration by the Public Utilities Commission in its 2008 rate case filing. The public impact of these interventions will be closely reviewed by the commission as part of the public hearing process over the many months this process will take.

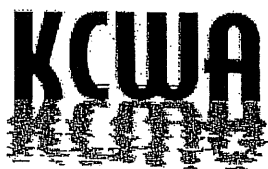
Conservation initiatives vary greatly between the hundreds of water purveyors statewide. In most cases rates have been directly associated to historic sales. Many water suppliers may be reluctant to curtail seasonal sales because the reduction in water use results in a reduction in funds available to support planned budgetary requirements. As communicated in previous correspondence and indicated in the recently approved WSSMP, statewide consistency is a paramount factor to effective conservation implementation and rate stabilization for the suppliers. We believe that at the very least all users of Scituate Reservoir and defined multi use aquifers should have the same water conservation regulations.

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August 12, 2009

data) from the U.S. Census. The census tract data provides an estimate of the total population density within a specific geographic area. The use of this data overlaid on a map of our distribution system provides a service boundary in each census tract to estimate the extent a given census tract is serviced by Kent County Water Authority. This method realizes a more accurate measure of customers served and per-capita use data. This is primarily related to the fact that in many instances one service connection supplies water to multiple households such as in master metered condominiums, apartment complexes and various other residential complexes. The previous method of multiplying the number of services by the overall census average for each community lead to wholly underestimating the service population and exaggerated per-capita consumption figures.

PLAN IMPLEMENTATION

KCWA Initiatives

The purpose of the WSSMP is to outline contemplated goals relative to water supply management planning for the KCWA water supply system, and to serve as general considerations for future decision-making processes. The WSSMP was approved in mid May 2008. The central meaning of the plan provided global guidance in the decision making processes. The implementation of these concepts is better defined by the goals and objectives in various other programs such as our Capital Improvement, Infrastructure Replacement and maintenance programs. Other implementation action is seemingly more difficult due to our reliance on future implementation of our Statewide Initiatives recommendations in order to move forward these WSSMP concepts.

Statewide Initiatives

KCWA continues its appeal to the state for support in the implementation of initiatives aimed at promoting equitable implementation of various components of water supply system management for all water purveyors and residents of the state.

- **Outdoor water use** contributes to double the average daily demand in many water systems throughout the state. Expansive lawns and the advent of economical automatic underground irrigation systems have been the most significant contributing factors to the rise in outdoor water use. Legislative or state agency regulations are necessary to provide an equitable solution to control this increasing demand aspect. It is envisioned that this type of initiative would realize significant demand reduction in outside water use across the state.
- **Recycled water.** Currently inter-basin transfer from sewer plants conveyed across hydrological divides to rivers and bays is starving the recharge capabilities of the aquifers of the state. Today's technological advances in ultra filtration and ultraviolet disinfection have provided the impetus for many states to embrace returning sewer plant effluents back to recharge the aquifers instead of dumping to rivers and bays. A prime example would be the Hunt River Aquifer. Water is currently pumped from this aquifer to supply East Greenwich, Warwick, North Kingstown and EDC, some who have sewer systems. The effluent, representing 80-90 % of the household use, is treated and released into the bay. An initiative

such as wastewater reclamation could conceivably restore the groundwater reserves, provide additional supply and quell the perceived stress on this aquifer. In Rhode Island commercial, industrial and wastewater facilities must report water returned to the environment as part of the Rhode Island Discharge Elimination System (RIDES) requirements. This wastewater is export or loss from an aquifer that could be returned to the source. KCWA recommended that the state pursue this type of reclaimed water initiative in the updated WSSMP.

- **Inventory of private wells:** The effects of private well withdrawals for both domestic and irrigation concerns have not been accounted for in the factors concerning the withdrawal and use of the waters of the state. The emphasis on conservation seems to be predicated on available use factors from public water suppliers. Most environmental groups focus on what public water suppliers should be doing to compel conservation void of regard for the impact that private well use has on the availability of supply and the impact on the environment. KCWA recommends that the state inventory and account for these uses in pursuit of statewide conservation regulations that will equitably control all water takers throughout the state.

Water Conservation

Water conservation initiatives are defined as the “methods, procedures and devices designed to promote efficient use of water and to eliminate waste of water.” The KCWA continues to be proactive in the curtailment of seasonal outdoor water use demands through public information press releases, bill messages, brochures and web page information to encourage efficient outdoor watering techniques, provide tips on how to check for leaks, encourages the installation of low-flow retrofit devices and implementation of an in-house Water Conservation Action Plan. This year we have revised our Customer Directory to include much of this same type of water saving information <http://www.kentcountywater.org/kcwauseruploads/forms/CustomerDirectory.pdf>. Our website also contains an easy to use household water audit so our customers can better understand where their water use occurs and how it can be curtailed <http://www.kentcountywater.org/kcwauseruploads/forms/WaterAuditFINAL.pdf>. Also annually similar information has been disseminated to the entire customer base as part of the informational content in the federally mandated annual water quality Consumer Confidence Report <http://www.kentcountywater.org/kcwauseruploads/forms/CCR08.pdf>.

Enforcement of conservation initiatives is very difficult due to the multitude of different opinions from various cities, towns and consumer groups. KCWA included a noncompliance outdoor water use fine structure and a seasonal rate structure for consideration by the Public Utilities Commission in its 2008 rate case filing. These intervention programs were not part of the final rate case decision.

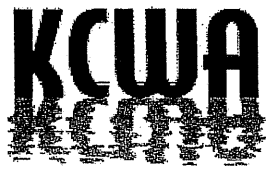
Conservation initiatives vary greatly between the hundreds of water purveyors statewide. In most all cases rates have been directly associated to historic sales as part of the Public Utilities Commission and Municipal rate review process. Many community water suppliers may also be reluctant to curtail seasonal sales because the reduction in water use results in a reduction in funds available to support planned budgetary requirements

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APRIL 15, 2010

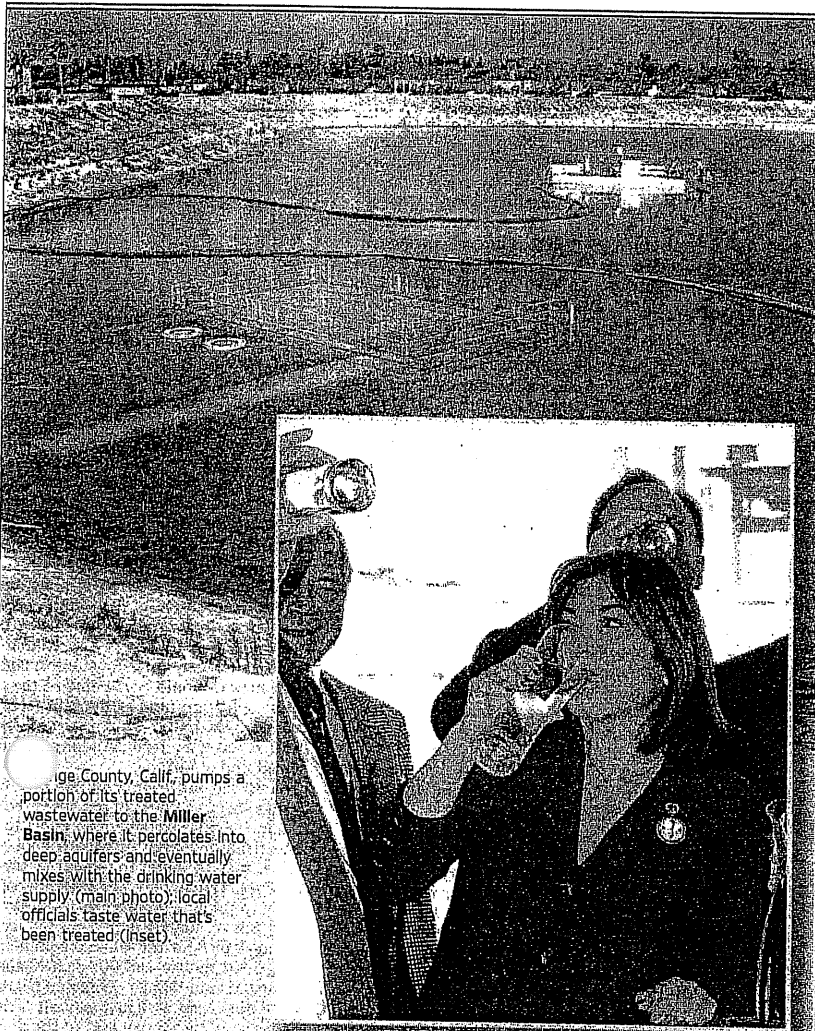
this increasing demand aspect. It is envisioned that this type of initiative would realize significant demand reduction in outside water use across the state.

- **Recycled water.** Currently inter-basin transfer from sewer plants conveyed across hydrological divides to rivers and bays is starving the recharge capabilities of the aquifers of the state. Today's technological advances in ultra filtration and ultraviolet disinfection have provided the impetus for many states to embrace returning sewer plant effluents back to recharge the aquifers instead of dumping to rivers and bays. A prime example would be the Hunt River Aquifer. Water is currently pumped from this aquifer to supply East Greenwich, Warwick, North Kingstown and EDC, most of which have sewer systems. The effluent, representing 90-98 % of the household use, is treated and released into the rivers and the bay. An initiative such as wastewater reclamation could conceivably restore the groundwater reserves, provide additional supply and quell the perceived stress on this aquifer. In Rhode Island commercial, industrial and wastewater facilities must report water returned to the environment as part of the Rhode Island Discharge Elimination System (RIDES) requirements. This wastewater is export or loss from an aquifer that could be returned to the source. KCWA recommended that the state consider and pursue this type of reclaimed water initiative in the updated WSSMP. We have seen no action by any state entity regarding this type of revolutionary initiative.
- **Inventory of private wells:** The effects of private well withdrawals for both domestic and irrigation concerns have not been accounted for in the factors concerning the withdrawal and use of the waters of the state. The emphasis on conservation seems to be predicated on available use factors from public water suppliers. Most environmental groups focus on what public water suppliers should be doing to compel conservation void of regard for the impact that private well use has on the availability of supply and the impact on the environment. KCWA recommends that the state inventory and account for these uses in pursuit of statewide conservation regulations that will equitably control all water takers throughout the state. RIDEM is the regulatory agency responsible for the permitting and documentation of private wells through its well drillers program. A renewed emphasis on collecting information from the well drillers and municipalities in the state would provide vital comprehensive information regarding the overall withdrawals, use and conservation of the waters of the state.

Water Conservation

Water conservation initiatives are defined as the "methods, procedures and devices designed to promote efficient use of water and to eliminate waste of water." The KCWA continues to be proactive in the curtailment of seasonal outdoor water use demands through public information press releases, bill messages, brochures and web page information to encourage efficient outdoor watering techniques, provide tips on how to check for leaks, encourages the installation of low-flow retrofit devices and implementation of an in-house Water Conservation Action Plan. Our website also contains our:

- Customer Directory, which includes water saving tips and information.



Orange County, Calif., pumps a portion of its treated wastewater to the Miller Basin, where it percolates into deep aquifers and eventually mixes with the drinking water supply. (main photo); local officials taste water that's been treated. (inset)



Sewer to Spigot: Recycled Water

BY ANJALI ATHAVALAY

A GROWING number of cities and counties grappling with water shortages are turning to a solution that may be tough for some homeowners to stomach: purifying wastewater so that residents can drink it.

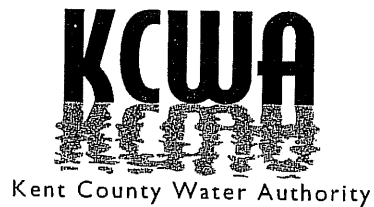
In an effort to replenish its groundwater supply, Los Angeles is slated to announce Thursday a plan that will recycle 4.9 billion gallons of treated wastewater to drinking standards by 2019. In San Diego, the city council voted in favor of a pilot project that would pump recycled sewage water into a drinking-water reservoir, despite a veto from the mayor over the system's cost. Miami-Dade County, Fla., is planning a system that would pump 23 million gallons a day of purified

wastewater into the ground; the water will eventually travel to a supply well and be reclaimed for drinking use.

Water recycling is just one of a number of tactics parched cities—many of which have faced water shortages for years—are using. "Demand is growing, and supply is pretty much staying static," says Wade Miller, executive director of the WaterReuse Association, a nonprofit in Alexandria, Va., that promotes water recycling.

Cities ranging from San Diego to Denver already recycle wastewater for irrigation and industrial use. Some communities, such as the Tampa Bay area of Florida, desalinate seawater, which is generally more expensive than recycling. Many cities are also pushing water-conservation initiatives such as imple-

Please turn to page D4



September 7, 2007

Ms. Rachel Sholly
The Rhode Island River's Council
c/o Rhode Island Water Resource's Board
Justice William E. Power's Building, 3rd Floor
One Capital Hill
Providence, RI 02908

Re: River's Council September Newsletter
Hunt River Watershed Impacts

Dear Ms. Sholly:

We find the Hunt River Watershed article in your September newsletter to be immoderately pointed and officiously projects public water purveyors as the principle contributing factor to the demise of flow in water drainage basins. Articles such as this will dissuade readers from endeavoring to obtain all of the influencing factors contributing to the overall health of the aquifer and the convergent surface water drainage basins before making their conclusions. This often results in taking for granted that there is only one contributing factor to blame for a problem. This then, in turn, becomes the buss word or poster child effect for a given situation. An affect that is very difficult to overcome with the truth once it is placed in motion. Many inherent and induced factors contribute to flow issues in rivers or drainage basins. These are just a few you may wish to consider in your future articles:

1. The article references low flows during August 2005 and 2007. Prevailing weather conditions during these periods reflect practically no rainfall. In August of 2007, we saw the second driest period in 113 years. This certainly had an effect and an uncontrollable environmental impact on stream flow.
2. Many single family homes within the aquifers have both documented and undocumented private wells that support irrigation of their properties. Some pump directly from the rivers and streams. During periods of low rainfall these withdrawals impact the drainage basin flow of each river and tributary, yet there is no statewide guidance or controls on these types of withdrawals. The Rhode Island River's Council should be working to enact these.
3. Efforts to reduce the summer time bacteria levels of the Hunt and its contributing tributaries resulted in an endeavor to install closed municipal sewer systems to replace the individual sewerage disposal systems (ISDS) in each property owner's yard. Approximately 80 to 90 percent of the water used within the home is discharged as sewer effluent. Effluent water that was returned to the aquifer through onsite ISDS is now permanently removed from the basin via the municipal sewer system to become treated

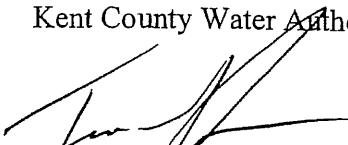
outflow discharged to the bay. There is no statewide effort to return the treated effluent back to the aquifer it was removed from. The Rhode Island River's Council should be working to stop this outer basin transfer and recommend state action to restrict.

4. Transpiration effects from trees during periods of no or low rainfall is often overlooked. A medium to large tree can transpire 65 to 100 gallons a day from groundwater. This is approximately as much as one person's daily consumption. Seasonally dry weather exacerbates this effect.
5. The effects of increased impervious surfaces associated with continued development, roadway and highway projects present an adverse impact on the overall permeable recharge surface area. Rain water meeting impermeable surfaces becomes runoff that quickly reaches the river or stream without any contribution to the storage capacity to the aquifer. The Rhode Island River's Council should encourage aquifer replenishment via infiltration basins along all impervious roadways.

Watershed hydrology is a very complex issue with many influencing factors. These are just a few of these contributing factors that should be more closely evaluated and expounded upon for their overall impact on a river aquifer and drainage basin. For sometime now it has been all too easy to blame the water purveyor because this makes for a great rallying point that most individuals can easily understand. What most crusaders fail to realize is that the existing public water supply wells have been well established for many years, some well over 100 years, and the pumping rate or capacities have gone relatively unchanged. Basically the influence from the public water supply has been comparatively consistent over numerous years, yet the impacts from increased population, development, inter-basin transfer from municipal sewers, private wells and impervious surface areas within the contiguous aquifer have increased exponentially. It is important that future publications embrace the other factors and expound on their greater diminutive influence on the overall aquifer.

The task at hand is not to fix the blame for the past, but to fix the course for the future. We hope that your future issues can make the necessary corrections to present a more global account of the factors that influence water quality in aquifer and drainage basins. We are always available to review and provide insight into future publications that affect our public water sources. Please feel free to call us if you have any questions regarding this matter.

Very truly yours,
Kent County Water Authority



Timothy J. Brown, P.E.
General Manager Chief Engineer

cc: Board Members
Joseph McGair, Esq., Petrarca & McGair
Juan Mariscal, P.E., Rhode Island Water Resources Board

TB/lms

tbrown@kentcountywater.org

From: Tim Cranston [GCranston@northkingstown.org]
Sent: Thursday, September 06, 2007 3:10 PM
To: rachel@ririvers.org
Cc: Sue Licardi; Beverly O'Keefe; tbrown@kentcountywater.org
Subject: RE: RIRC eNews - Sept. 2007

Hi Rachel, I must say I take exception to the "broad brush" generalizations you've utilized in this newsletter to characterize the water quantity problems in the Hunt as being wholly the cause of the water suppliers. I'm sure the Rivers Council is sophisticated enough in their understanding of watershed dynamics to realize that land use patterns, percentage of impervious cover in the watershed, and on-going changes involved in the new route 403 project, among a myriad of other issues, can and most probably do have an equivalent or greater impact on Hunt River water levels. These important issues are, I admit, more difficult to not only comprehend but to have an impact upon. This however does not give an excuse to everyone involved to hammer away at the "easy targets" – the water suppliers. As stewards of the Rivers and watersheds of our state I think it is imperative that your group present the whole story in regards to these issues; yes I understand that most folks do not want to have to look to themselves to find the solutions to such broad ranging problems, but like global warming, these issues are really all about how all of us interact with our environment, not just the water suppliers as they attempt to respond to unsustainable usage demands. I hope that in your next issue you can make the necessary corrections to your text so as to present the "whole story" to your readership.

From: Rhode Island Rivers Council [mailto:rachel@ririvers.org]
Sent: Thursday, September 06, 2007 6:01 AM
To: Tim Cranston
Subject: RIRC eNews - Sept. 2007

Rhode Island Rivers Council Newsletter September 2007

This edition provides information on the Hunt River watershed, which will be the focus of this fall's Watershed Stewardship Program. Registration is now open!

To subscribe, click [here](#).
To unsubscribe, click the link at the bottom of the email.


Register Now!

In This Issue

About the Hunt River Watershed
Hunt River Watershed Association

9/11/2007

Watershed
Stewardship
Program



Rhode Island Rivers Council

Learn how to protect your watershed. Sign up for the 2007 Watershed Stewardship Program. Visit our [website](#) for more information.

Join the
Rivers Council
Mailing List

Water Lady Tips



When Using Sprinklers:

Avoid irrigating during hot, windy parts of the day to reduce evaporation loss—early morning is best as wet plant foliage during evening hours can increase susceptibility to disease.

Be sure that automatic sprinklers have a manual control option—irrigate according to weekly rainfall amounts and not a set, automatic schedule.

How Can I Get Involved?

About the Hunt River Watershed

The Hunt River watershed includes parts of seven Rhode Island communities: Exeter, North Kingstown, East Greenwich, West Greenwich, Coventry, West Warwick, and Warwick. The watershed includes Hunt River, Potowomut River, and four major tributaries. The major tributary sub-watersheds are Sandhill Brook, Frenchtown Brook, Scrabbletown Brook, and Fry Brook.

Key Issue: Water Quantity

Low flow is a chronic problem for the Hunt River. In August 2005, an average of 4.8 million gallons per day (MGD) was withdrawn from the Hunt River basin by public water suppliers. As a direct consequence of this withdrawal, for nearly half of August, the flow in the Hunt River was at or below two cubic ft/sec and fell to 10% of the average August flow (1.1 cubic ft/sec). While the summer of 2005 was relatively dry, it never reached the stage of drought advisory, the lowest level of drought designation. The two cubic ft/sec flow is only a quarter of the lowest natural flow that would be expected for the driest week in a ten-year period (the 7Q10) - far too low to be protective of the aquatic environment. Currently, the USGS Stream Gage Data shows extremely low flow in the Hunt. A reading taken on August 31, 2007 measured discharge at 2.1 cubic ft/sec. [View real-time USGA data.](#)

Key Issue: Water Quality

The Hunt River and two of its tributaries, Fry Brook and Scrabbletown Brook, have been identified by DEM as being impaired by pathogens (i.e., bacteria). During the summer of 1999, DEM staff carried out extensive water quality monitoring in the Hunt River watershed under wet and dry weather conditions. The data collected was used to support the development of water quality restoration plans known as Total Maximum Daily Loads (TMDLs). These TMDLs are aimed at reducing pathogen levels and returning the streams to a condition that meets state standards. The TMDLs have undergone a public review and were given final approval by EPA in January 2001. DEM is now working with Towns and state agencies to implement the recommendations of the TMDL to reduce pollutant loads to the streams.

Source: RI Dept. of Environmental Management

Hunt River Watershed Association

About HRWA: The Hunt River Watershed Association (HRWA) is a newly formed organization working to

Turn your automatic sprinkler system off when it is raining. Don't be a water waster. Avoid irrigating paved surfaces, roads and driveways.

Use shallow cans or a rain gauge to measure the amount of water being applied.

Adjust the flow rate to the sprinklers to avoid surface runoff.

Obtain and install a soil moisture sensor as part of your irrigation system.

Questions? [Email the Water Lady!](#)

Stewards Say...

"As an environmental novice, the Watershed Stewards Program was a fun and interesting way for me to learn about the many issues that face our watershed. The program gave me the tools and background knowledge to become a more engaged watershed resident in looking after and advocating for my local river."

- Jennifer Styles
'06 Steward

Quick Links

[RI Rivers Council](#)

[Watershed Stewardship Program](#)

[RI Water Resources Board](#)

[Hunt River Watershed Association](#)

establish itself within the watershed community. Its mission is to protect and preserve the Hunt River watershed, aquifer, and ecosystem by implementing a monitoring program and by educating the community on the importance of water quality and quantity issues.

Water Quality Monitoring: With funding from Quonset Development Corporation, the HRWA works with several volunteer monitors through the [URI Watershed Watch](#) program. Every other week, these volunteers collect water samples from 7 sites on the Hunt River, Sandhill Brook, Frenchtown Brook, Scrabbletown Brook, and an unnamed brook in East Greenwich. Samples are then processed by URIWW to measure dissolved oxygen levels. Monitoring began in late spring 2007 and will continue through October. The HRWA is looking for more volunteer monitors for 2008 to expand the program by testing more sites in the watershed and measuring more water quality parameters. Securing funding for 2008 monitoring is also a top priority.

Next Steps: Future plans for the HRWA include the development of a public education program to inform watershed residents about the importance of water conservation. One of the key targets for this program will be automatic lawn sprinklers, which are major users of water in summer months. The group also plans to apply for official watershed council designation by RI Rivers Council. Visit the [HRWA website](#) for more information.

How Can I Get Involved?

Become a Member!

The HRWA is looking for new members to attend meetings and take part in the decision making process. Meetings are held on the fourth Thursday of each month at 7:00pm at [Quonset Development Corporation](#) (30 Enterprise Drive). Feel free to stop by and talk about your concerns, ask questions, or just listen. Active members are needed to represent all of the Hunt River watershed communities.

Become a Volunteer!

Volunteers are needed to help expand the monitoring program for 2008. If you live near the Hunt or one of its tributaries, you could take samples at a new site near your home. You could also sample at an existing site or be a back-up monitor. Other than monitoring, the HRWA is looking for volunteers to do any services they wish to provide - from making educational materials to grant writing! All volunteers are encouraged to be active members as well. For more information, [email](#) or call Barry at 401-885-3773.

Become a Watershed Steward!

The Watershed Stewardship Program is a series of classes that provide interested citizens with the information and experience they need to actively monitor and protect their local rivers and surrounding watersheds. The 2007 WSP will focus on the Hunt River watershed. The program is open to the public and requires no prior experience.

For more information, visit the Rivers Council [website](#) or [email Rachel](#).

The Rivers Council was created by statute to coordinate, oversee, and review efforts to improve and preserve the quality of the state's rivers and other water bodies and to develop plans to increase river use. The Council is charged with coordinating state policies to protect rivers and watersheds and strengthening local watershed councils as local partners in river and watershed protection. In 2004, the Rivers Council became an associated function of the Rhode Island Water Resources Board. Rivers Council programs are made possible with funding from the RI State Legislature and the RI Foundation.

Rhode Island Rivers Council
c/o RI Water Resources Board
Justice William E. Powers Building, 3rd Floor
One Capitol Hill
Providence, RI 02908

Forward email

SafeUnsubscribe®

This email was sent to gcranston@northkingstown.org, by rachel@ririvers.org
[Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

Email Marketing by



Rhode Island Rivers Council | c/o RI Water Resources Board | Dept. of Administration | One Capitol Hill | Providence | RI | 02908

EXHIBIT F

Kent County Water Board Meeting

August 19, 2010

Timothy Brown

From: Jason Denton [JDenton@summitfinancialcorp.com]
Sent: Wednesday, June 16, 2010 7:56 PM
To: tbrown@kentcountywater.org
Cc: Joseph Bonasera; David Mulkern
Subject: Funding Cost Projections
Attachments: Kent County 2010 Projections Client.xls

Hi Tim, attached are the funding projections we discussed at the trustee meeting last month. The current projections assume 7.25% asset return for 2010 and beyond as well as annual pay increases of 3%. It is also assumed that KCWA will make plan contributions exactly equal to the normal cost with interest amount.

The projections can be adjusted to immediately see the impact of asset returns higher or lower than expected or to see the impact of contributions in excess of the minimum assumed amount. To model changes from the baseline, you just need to adjust any of the blue entries at the top of the page.

Please let me know if you have any questions and feel free to call me if you would like to discuss in advance of this month's meeting - the cell phone number below is usually the best way to reach me.

Jason

Jason A. Denton, FSA, EA
Senior Retirement Consultant
Summit Financial Corporation
7 New England Executive Park, Suite 220
Burlington, MA 01803
Phone: (781) 229-9500
Cell: (401) 309-3331
Fax: (781) 229-2700

"F"

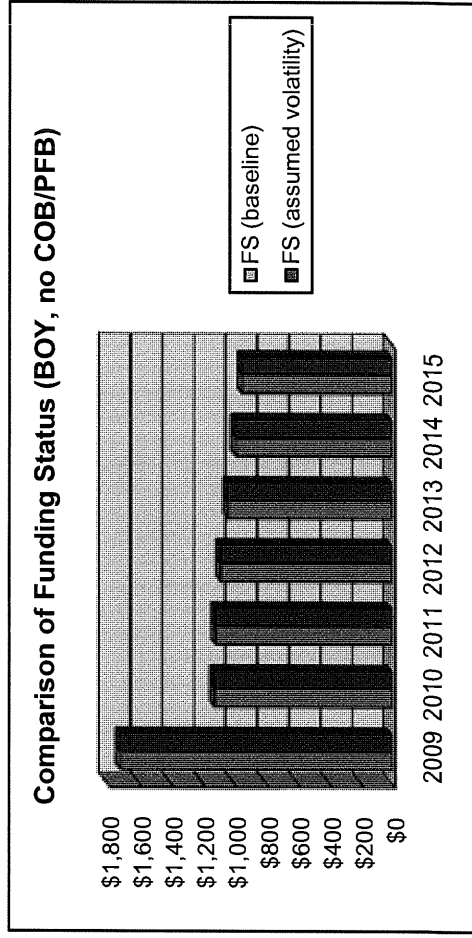
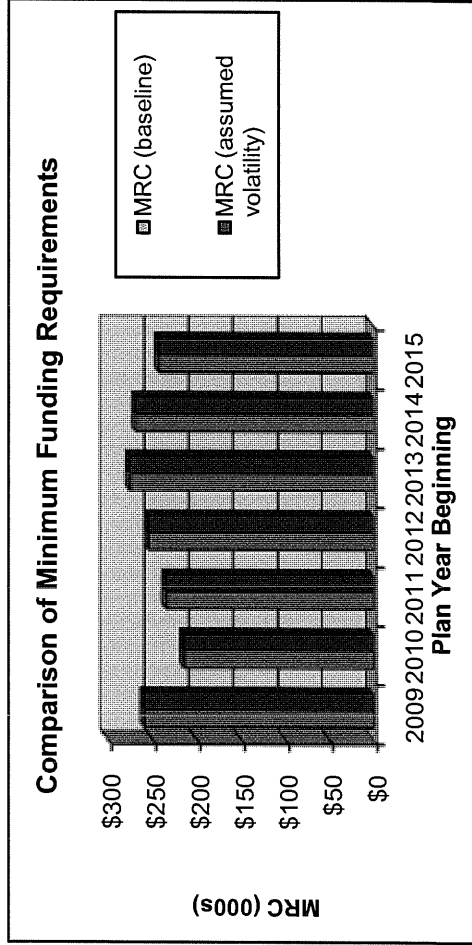
Kent County Water Authority Pension Plan

Pension Funding - Deterministic Forecast Results (2009 - 2015)

Assumptions	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Additional Contribution	\$ 1,608	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Actual Rate of Return	19.93%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Funding Measurements (BOY)							
Present Value Future Benefits	\$ 6,184,890	\$ 6,058,884	\$ 6,209,735	\$ 6,376,516	\$ 6,560,842	\$ 6,764,452	\$ 6,988,118
<u>Actuarial Value of Assets</u>	<u>3,528,601</u>	<u>3,928,333</u>	<u>3,944,253</u>	<u>3,998,621</u>	<u>4,094,934</u>	<u>4,480,733</u>	<u>4,811,634</u>
Present Value Future Normal Cost	\$ 2,656,289	\$ 2,130,551	\$ 2,265,482	\$ 2,377,895	\$ 2,465,908	\$ 2,283,719	\$ 2,176,484
Current Normal Cost	240,925	199,558	217,978	236,630	255,747	249,034	224,760
PVFB Funding Ratio	57.1%	64.8%	63.5%	62.7%	62.4%	66.2%	68.9%
Benefit Liability (Unit Credit)	4,652,251	4,618,224	4,795,299	4,987,076	5,207,241	5,464,153	5,758,170
<u>Market Value of Assets</u>	<u>2,940,501</u>	<u>3,499,204</u>	<u>3,683,288</u>	<u>3,905,819</u>	<u>4,170,296</u>	<u>4,480,733</u>	<u>4,811,634</u>
Unfunded Liability	1,711,750	1,119,020	1,112,011	1,081,257	1,036,945	983,420	946,536
Funding Ratio	63.2%	75.8%	76.8%	78.3%	80.1%	82.0%	83.6%

Contribution Information (EOY)

Baseline Funding Cost with Interest	258,392	214,026	234,000	254,000	275,000	268,000	242,000
Revised Funding Cost with Interest	258,392	214,026	234,000	254,000	275,000	268,000	242,000



Cumulative Contributions
 Cumulative Contributions

\$ 1,747,026 baseline results from 2009 through 2015
 \$ 1,747,026 based on assumed volatility from 2009 through 2015

Historical Balance Inquiry

Contract Name: Kent County Water Authority
Contract #: 004214-202-001
Status: Active
As of: 08/11/2010

Preceding 24 Calendar Month End Balances

Period Ending	Contract Balance
07/31/2010	\$3,392,487.56
06/30/2010	\$3,263,938.08
05/31/2010	\$3,368,513.12
04/30/2010	\$3,573,451.86
03/31/2010	\$3,552,889.67
02/28/2010	\$3,443,719.36
01/31/2010	\$3,412,046.90
12/31/2009	\$3,499,203.93
11/30/2009	\$3,378,266.83
10/31/2009	\$3,250,726.78
09/30/2009	\$3,278,564.98
08/31/2009	\$3,197,414.28
07/31/2009	\$3,103,936.35
06/30/2009	\$2,926,406.71
05/31/2009	\$2,945,827.87
04/30/2009	\$2,843,758.01
03/31/2009	\$2,691,755.08
02/28/2009	\$2,583,121.35
01/31/2009	\$2,777,999.41
12/31/2008	\$2,940,500.80
11/30/2008	\$2,682,218.25
10/31/2008	\$2,819,206.94
09/30/2008	\$3,247,152.25
08/31/2008	\$3,531,911.87

Plan Year End Balances

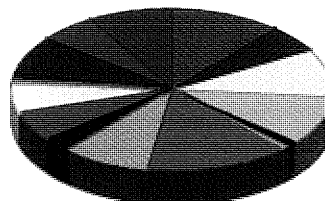
Plan Year Ending	Contract Balance
12/31/2009	\$3,499,203.93
12/31/2008	\$2,940,500.80
12/31/2007	\$3,726,168.33
12/31/2006	\$3,634,468.22

STAR Allocation

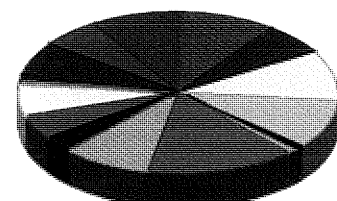
Contract Name: Kent County Water Authority **Rebalancing Date:** 07/01/2010
Contract #: 004214-202-001

Investment Option	Balance on 06/30/2010	Percent of Balance	Re-Allocation Percent	Transfer Amount In/(Out)
All Pro Diversified Bond Fund	\$366,874.25	11.240%	10.000%	(\$40,480.44)
All Pro International Equity Strategy	\$181,604.53	5.564%	6.000%	\$14,231.75
All Pro Large Cap Growth Fund	\$312,288.93	9.568%	10.000%	\$14,104.88
All Pro Large Cap Value Fund	\$319,066.87	9.776%	10.000%	\$7,326.94
All Pro Small Cap Growth Fund	\$32,285.07	0.989%	1.000%	\$354.31
All Pro Small Cap Value Fund	\$31,969.83	0.979%	1.000%	\$669.55
Fixed Income Fund	\$467,294.80	14.317%	15.000%	\$22,295.92
Vanguard Growth Index Fund Shares	\$280,397.66	8.591%	9.000%	\$13,356.77
Vanguard High-Yield Corporate Fund	\$106,364.65	3.259%	3.000%	(\$8,446.51)
Vanguard Inflation-Protected Securities	\$184,202.89	5.644%	5.000%	(\$21,005.99)
Vanguard Mid-Cap Index Fund	\$191,864.84	5.878%	6.000%	\$3,971.44
Vanguard Small-Cap Growth Index Fund	\$31,956.28	0.979%	1.000%	\$683.10
Vanguard Small-Cap Value Index Fund	\$31,877.79	0.977%	1.000%	\$761.59
Vanguard Total Bond Market Index Fund	\$257,124.37	7.878%	7.000%	(\$28,648.70)
Vanguard Total International Stock Index Fund	\$184,353.11	5.648%	6.000%	\$11,483.17
Vanguard Value Index Fund	\$284,412.21	8.714%	9.000%	\$9,342.22
Contract Balance:	\$3,263,938.08			

- Vanguard Small-Cap Growth Index Fund
- Vanguard Small-Cap Value Index Fund
- Vanguard Total Bond Market Index Fund
- Vanguard Total International Stock Index Fund
- Vanguard Value Index Fund
- All Pro Large Cap Growth Fund
- All Pro Large Cap Value Fund
- All Pro Small Cap Growth Fund
- All Pro Small Cap Value Fund
- Fixed Income Fund
- Vanguard Growth Index Fund Shares



Allocation as of Last Day of Quarter



Target Allocation

Balance By Investment Option

Contract Name: Kent County Water Authority
Contract #: 004214-202-001
Status: Active
Balance as of: 08/11/2010

Investment Option	# of Units	Unit Value	Amount
<u>All Pro Diversified Bond Fund</u>	15,270.124	21.781218	\$332,601.90
<u>All Pro International Equity Strategy</u>	16,690.713	12.574779	\$209,882.03
<u>All Pro Large Cap Growth Fund</u>	46,727.962	7.287150	\$340,513.67
<u>All Pro Large Cap Value Fund</u>	27,828.311	12.339431	\$343,385.52
<u>All Pro Small Cap Growth Fund</u>	2,729.068	12.128917	\$33,100.64
<u>All Pro Small Cap Value Fund</u>	2,451.758	13.641688	\$33,446.12
<u>Fixed Income Fund</u>	444,896.190	1.000000	\$444,896.19
<u>Vanguard Growth Index Fund Shares</u>	34,095.112	9.156823	\$312,202.91
<u>Vanguard High-Yield Corporate Fund</u>	8,541.315	11.849329	\$101,208.85
<u>Vanguard Inflation-Protected Securities</u>	13,639.184	12.109484	\$165,163.48
<u>Vanguard Mid-Cap Index Fund</u>	23,126.499	8.869727	\$205,125.73
<u>Vanguard Small-Cap Growth Index Fund</u>	3,603.954	9.305780	\$33,537.60
<u>Vanguard Small-Cap Value Index Fund</u>	4,024.275	8.354750	\$33,621.81
<u>Vanguard Total Bond Market Index Fund</u>	18,766.671	12.358287	\$231,923.91
<u>Vanguard Total International Stock Index Fund</u>	28,159.714	7.547497	\$212,535.36
<u>Vanguard Value Index Fund</u>	40,164.909	7.702722	\$309,379.13
TOTAL			\$3,342,524.85

Nationwide offers a variety of investment options through our products. The funds underlying the investment options or their affiliates may make payments to Nationwide. Want more detail about the payments that Nationwide receives? [Read More](#)



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Nationwide Retirement Services
Performance Information for The Kent County Water Authority
004214-202-001

Select Fund Series

Investment Option (Inception Date)	Offering Since ¹	As of 07/31/2010					Offering Inception	Fund Inception
		Month ²	3 Month ²	YTD ²	1 Year	3 Years		
Domestic Equity								
Vanguard Growth Index Fund Shares (11/13/2000)	11/01/2006	7.38%	-7.22%	-1.45%	12.96%	-4.83%	-1.62%	0.00%
Vanguard Small-Cap Value Index Fund (05/21/1998)	11/01/2006	7.35%	-9.30%	5.79%	22.50%	-4.36%	-3.09%	0.00%
All Pro Small Cap Value Fund (04/14/1998)	04/14/1998	7.13%	-8.47%	2.68%	15.69%	-4.95%	6.31%	
Vanguard Mid-Cap Index Fund (11/12/2001)	11/01/2006	6.81%	-7.22%	4.14%	23.32%	-5.94%	-2.21%	0.00%
All Pro Large Cap Growth Fund (04/14/1998)	04/14/1998	5.96%	-7.63%	-2.62%	10.81%	-10.16%	-6.31%	
Vanguard Small-Cap Growth Index Fund (05/21/1998)	11/01/2006	6.82%	-8.40%	4.52%	19.73%	-4.16%	-0.23%	0.00%
All Pro Large Cap Value Fund (04/14/1998)	04/14/1998	6.94%	-5.64%	1.64%	13.39%	-8.11%	2.86%	
Vanguard Value Index Fund (11/13/2000)	11/01/2006	6.49%	-6.93%	0.37%	13.46%	-9.50%	-6.14%	0.00%
All Pro Small Cap Growth Fund (04/14/1998)	04/14/1998	6.27%	-7.60%	3.19%	15.42%	-9.57%	-3.93%	
International/Global Equity								
All Pro International Equity Strategy (06/29/1998)	06/29/1998	8.06%	-6.41%	-7.24%	4.47%	-14.64%	0.18%	
Vanguard Total International Stock Index Fund (04/29/1996)	05/01/2007	10.25%	-2.92%	-3.40%	8.06%	-8.98%	-7.67%	0.00%
Bond								
Vanguard Inflation-Protected Securities (06/10/2005)	11/01/2006	-0.15%	1.10%	3.76%	8.52%	5.57%	4.95%	0.00%
Vanguard Total Bond Market Index Fund (11/12/2001)	11/01/2006	0.87%	3.26%	5.85%	7.94%	6.74%	5.77%	0.00%
All Pro Diversified Bond Fund (07/29/1996)	07/29/1996	1.29%	2.76%	6.55%	11.00%	6.14%	4.69%	5.92%
Vanguard High-Yield Corporate Fund (11/12/2001)	11/01/2006	3.35%	1.45%	6.65%	16.72%	5.94%	4.72%	0.00%

The performance table sets forth performance data for the separate accounts and allocation strategies that are offered in the Nationwide Life Insurance Company's Selector+ Group Variable Annuity Contract. Total return information for the underlying registered mutual funds, prior to inception under the group variable annuity contract, has been provided by those funds. Past performance is no guarantee of future results. Performance reflects the deduction of investment management



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Nationwide Retirement Services
Performance Information for The Kent County Water Authority
004214-202-001

fees and other fund and separate account expenses, such as custodial fees, brokerage fees, contract charges and other transactions costs. Performance reflects the reinvestment of all income and capital gains. The investment return and principal value of an investment will fluctuate so that the return on an investment may be more or less than the original amount invested. For more complete information about the investment options listed, including charges and expenses, please read the prospectuses of the applicable underlying mutual funds, insurance product funds or the descriptions for the separate accounts and strategies.

Investments in international stocks/emerging markets are subject to additional risk, including currency fluctuations, foreign taxation, political risks, lower liquidity, differences in auditing and other financial reporting standards. Investments in higher-yielding, lower rated debt instruments are subject to greater risk of default or price changes due to changes in the credit quality of the issuer. Investments in small company stocks generally carry greater risks than are typically associated with larger companies such as steeper price fluctuations, narrower markets, limited financial resources and less liquid stock. Investments in sector funds may be more volatile than diversified equity funds.

¹The date in which the separate account was first offered as an investment option under Nationwide Life Insurance Company's Selector+ Group Variable Annuity Contract.
²Not annualized.

EXHIBIT G

Kent County Water Board Meeting

August 19, 2010

CHANGE ORDER

OWNER FIELD
 ENGINEER OTHER
 CONTRACTOR

PROJECT: 2006B/2007 INFRASTRUCTURE
 (name, address) IMPROVEMENTS PROJECT
 FOR THE KENT COUNTY WATER
 AUTHORITY

CHANGE ORDER NUMBER: 1
 DATE: JULY 22, 2010

TO CONTRACTOR: PARKSIDE UTILITY CONSTRUCTION CORP.
 (name, address) 2229 PLAINFIELD PIKE
 JOHNSTON, RI 02919

ENGINEER'S PROJECT NO.: 08-002
 CONTRACT FOR: 2006B/2007
 INFRASTRUCTURE
 IMPROVEMENTS

The Contract is changed as follows:

INSTALLATION OF BITUMINOUS CONCRETE DRIVEWAY AT 12/14 ALLARD ST.,
 CRANSTON, RI (AS REQUESTED BY THE KCWA) - see attached

ADD \$2,782.50

The original (Contract Sum) (Guaranteed Maximum Price) was	\$	5,191,540.00
Net change by previously authorized Change Orders	\$	0.00
The (Contract Sum) (Guaranteed Maximum Price) prior to this Change Order was	\$	5,191,540.00
The (Contract Sum) (Guaranteed Maximum Price) will be (increased) (decreased) (unchanged) by this Change Order in the amount of	\$	2,782.50
The new (Contract Sum) (Guaranteed Maximum Price) including this Change Order will be	\$	5,194,322.50

JAMES J. GEREMIA & ASSOCIATES, INC.
 ENGINEER
 272 WEST EXCHANGE ST., SUITE 201
 Address
 PROVIDENCE, RHODE ISLAND 02903-1061

PARKSIDE UTILITY CONSTRUCTION CORP.
 CONTRACTOR
 2229 PLAINFIELD AVE.
 Address
 JOHNSTON, RI 02919

KENT COUNTY WATER AUTHORITY
 OWNER
 P.O. BOX 192
 Address
 WEST WARWICK, RI 02893-0192

BY Richard M. Hencler, P.E.
 Project Manager

BY Daniel Rocha
 Project Manager

BY

7/28/10
 DATE

7-26-10
 DATE

DATE

1164

Donald c Parrillo jr excavating and paving
 inc
 28 Lafazia dr
 Johnston, RI 02919

Estimate

Date	Estimate #
7/12/2010	112617

Name / Address
Parkside Utility Construction Dan Colobro

Project

Description	Total
Asphalt driveway 12-14 Allard St Cranston, R.I.	0.00
Sawcut and remove asphalt in an area 23x25, Then add 2-3" of processed gravel as needed. Compact and finish grade for new asphalt of 2" of a binder course and 2" of a class I finish coat. All work is guaranteed for one year and payment is due upon completion.	2,650.00
Thank you for your business.	Total \$2,650.00

5% OHTP 132.50
 2782.50

EXHIBIT H

Kent County Water Board Meeting

August 19, 2010

PLANNING DOCUMENT \$25,000/YEAR ALLOCATION

PROJECT	STATUS
Water Supply System Management Plan WSSMP	Approved
Hunt River Interim Management & Action Plan	Implementing, Weather Dependant , WRB Committee
2008 CIP Program Plan	Approved
Clean Water Infrastructure Plan 2008	Approved

UPDATED CIP PROJECTS BOND FUNDING

PROJECT	STATUS
Mishnock Well Field (new wells) CIP - 1A	Permitting Completed National Grid Proposal
Mishnock Transmission Mains CIP - 1B	Design Review, Funding may be critical
Mishnock Treatment Plant CIP - 1C	Encroachment Issue Resolution
East Greenwich Well Treatment Plant – CIP-2	Modeling Proceeding
Clinton Avenue Pump Station Rehabilitation CIP - 7A	Completed
Read School House Road Tank CIP - 7B	Online - Liquidated Damages - Lien Release
Read School House Road Main CIP 7c, 7d, 8a	Paving Failures - Action Required - Notified Bond Insurer

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	Paving Failure Action Required, Notified Bond Insurer
IFR 2009 A & 2009 B	2009A - Construction Ongoing, 2009B Design Complete, Funding
IFR 2010	Design Review, Funding
Prospect Street	Completed
WSB 78" / Johnson Blvd. P.S. Modification	Completed
Greenwich Avenue Replacement	Completed
Hydraulic Tank Evaluation	Completed
Quaker P. S. Design	Bid on Hold, Funding Needed, Easement Negotiations for Extension
Tech Park Tank Recoating	Completed
Tiogue Tank Re-Service	Completed
Hydrant Painting	Ongoing KCWA Forces