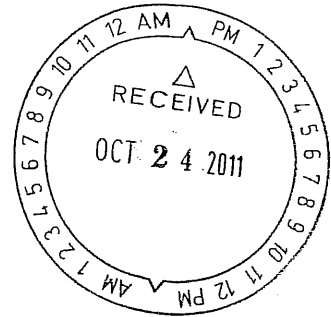




797 BALD HILL ROAD  
WARWICK, RI 02886  
401-821-1330  
FAX 401-823-0970  
E-MAIL: [jjm@petrarcamcgair.com](mailto:jjm@petrarcamcgair.com)  
[www.petrarcamcgair.com](http://www.petrarcamcgair.com)

October 24, 2011



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

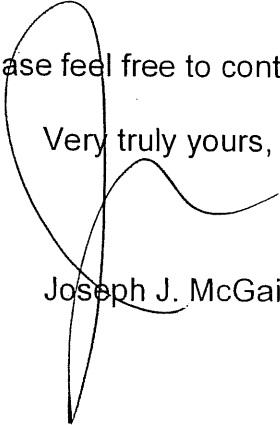
Re: Board Meeting Minutes of August 18, 2011  
And September 15, 2011

Dear Mr. Brown:

Enclosed you will find the original Board meeting minutes of August 18, 2011 and September 15, 2011 and the Executive Session Minutes of even dates 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.

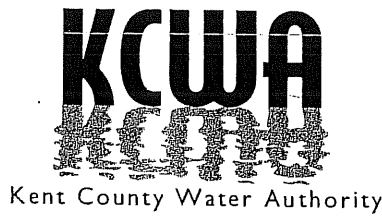
If you have any further questions, please feel free to contact me.

Very truly yours,

  
Joseph J. McGair

JJM:maf  
Enc.

# Agenda



# Agenda

BOARD MEETING AGENDA  
August 18, 2011 – 3:30 P.M.  
OFFICES OF KENT COUNTY WATER AUTHORITY

Approval - Minutes of Meeting: Board Meeting – July 21, 2011

Guests: 3:30 p.m. High Service Requests  
▪ Tiffany Village, Millstone Engineering

4:00 p.m. Presentation Meter Technology, Sensus Technology Inc.  
4:30 p.m. Presentation Meter Technology, Badger Meter Inc.  
5:00 p.m. Presentation Meter Technology, Neptune Technology Inc.  
5:30 p.m. Presentation Meter Technology, Itron, Inc.

Legal Counsel: Legal Matters

Director of Finance Report: Cash Report July 2011  
Closing June 2011

Point of Personal Privilege & Communication:

General Manager/Chief Engineer's Report:

Old Business: PWSB Docket 4070, Compliance Filing, Conservation

New Business: RFP Awards  
- Bond Counsel  
- Underwriter Services, Cancelled  
Bid Award Backhoe Purchase  
FY 2011 Coverage Tests  
GASB Statement #45 OPEB  
CIP – Modification, Scheduling Update, C & E Engineers Approval Task Order #1  
Rate Case Review, Board Direction  
Modified Budget Approval FY 2011/2012 Rate Case Expenditures  
New Hire Retroactive Pay Adjustment  
Vacation Accrual – TDI, Worker's Compensation  
Salary Benefits, TDI Action

Capital Projects: CIP-1C Mishnock Well Treatment Plant (Construction Status, Ground Breaking Date)

CIP-1B Mishnock Transmission (Design Status, FUNDING)  
CIP-7b Read School House Road Tank (NATGUN Settlement)  
CIP-7c, 7d, 8a Read School House Water Main (Closeout)

PO Box 192  
West Warwick, RI 02893-0192

401-821-9300

www.kentcountywater.org

Infrastructure Projects

IFR 2009B (Change Order #1 Approval, Cranston Cost Share Agreement Hop  
Road)  
Quaker Lane P. S. Design (Reactivation of Engineering Services, Approval Task  
Order #4)

IFR 2010 Design (Status)  
Tech Park Storage Tank Painting (Remediation Status)  
SCADA Upgrade, Needs For Future

Executive Session 6:00 p.m. In Accordance with 42-46-5(a)(1)  
Employee Performance Review, Employment Status

The offices of the Kent County Water Authority are handicapped accessible. Individuals requesting interpreter services for the hearing impaired must contact the offices of the Kent County Water Authority 72 hours before the meeting at 821-9300. (Telecommunications device for the hearing impaired available).

Agenda Posted August 11, 2011.

1. KCWA Main Entry Office Public Bulletin Board
2. KCWA Side Entry Door Entrance
3. West Warwick Town Hall Public Bulletin Board

Agenda Sent Via U. S. Post Office August 11, 2011 for Posting on Public Bulletin Board

1. City of Warwick
2. Town of Coventry
3. Town of East Greenwich
4. Town of West Warwick
5. Town of West Greenwich

## Petrarca and Mcgair

---

**From:** Open Meetings Admin [openMeetings@sos.ri.gov]  
**Sent:** Friday, August 12, 2011 9:56 AM  
**To:** jjm@petrarcamcgair.com; openMeetings@sos.ri.gov  
**Subject:** SOS Open Meetings : Meeting Notice

August 12, 2011

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 18, 2011 3:30:00 pm.

This notice was electronically filed on the Secretary of State Open Meetings Website on: August 12, 2011 09:56:03 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](mailto:openmeetings@sos.ri.gov)  
sos.ri.gov

**Petrarca and Mcgair**

---

**From:** Open Meetings Admin [openMeetings@sos.ri.gov]  
**Sent:** Wednesday, September 21, 2011 1:12 PM  
**To:** jjm@petrarcamcgair.com; openMeetings@sos.ri.gov  
**Subject:** SOS Open Meetings : Meeting Minutes

September 21, 2011

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: ~~September 15, 2011 15:30:00.~~  
8-18-11

This notice was electronically filed on the Secretary of State Open Meetings Website on: September 21, 2011 01:12:24 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](mailto:openmeetings@sos.ri.gov)  
[sos.ri.gov](http://sos.ri.gov)

## Petrarca and Mcgair

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**From:** Open Meetings Admin [openMeetings@sos.ri.gov]  
**Sent:** Friday, October 21, 2011 11:24 AM  
**To:** jjm@petrarcamcgair.com; openMeetings@sos.ri.gov  
**Subject:** SOS Open Meetings : Meeting Minutes

October 21, 2011

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 18, 2011 15:30:00.

This notice was electronically filed on the Secretary of State Open Meetings Website on: October 21, 2011 11:24:17 am.

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

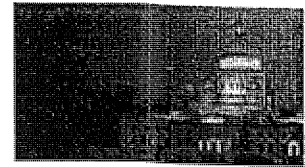
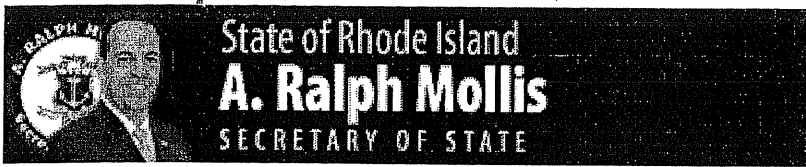
Sincerely,

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](mailto:openmeetings@sos.ri.gov)  
[sos.ri.gov](http://sos.ri.gov)

On Secretary of State website August minutes were showing up under month of September.

Per Johana 10/21/11 just refile August minutes onto august block with a note on front that they were filed on 9/21/11 and located in month of September so that they are now in two places and file September in September and they will sit on top of August, 2011.

Per Johana this is just a placement issue and has no bearing on filing deadlines etc.



Welcome Joseph McGair

---

[Login](#) | [Options](#) | [Log Out](#)

---

The meeting minutes were successfully updated to the database. [Click to view the PDF.](#)

---

**Public Information**

State House, Room 38

Providence, RI 02903

Open: Monday-Friday, 8:30 a.m. to 4:30 p.m.

Phone: (401) 222-3983

Fax: (401) 222-1404

TTY: 711

Email: [openmeetings@sos.ri.gov](mailto:openmeetings@sos.ri.gov)

# KENT COUNTY WATER AUTHORITY

## BOARD MEETING MINUTES

August 18, 2011

The Board of Directors of the Kent County Water Authority held its monthly meeting in the Joseph D. Richard Board Room at the office of the Authority on August 18, 2011.

Chairman, Robert B. Boyer opened the meeting at 3:35 p.m. Board Members, Mr. Gallucci, Mr. Masterson, and Mr. Inman were present together with the General Manager, Timothy J. Brown, Technical Service Director, John R. Duchesneau Director of Administration and Finance, Joanne Gershkoff and Legal Counsel, Joseph J. McGair and other interested parties. Legal Counsel led the group in the pledge of allegiance. Board Member Giorgio was excused.

The minutes of the Board meeting of July 21, 2011 were moved for approval by Board Member Masterson and seconded by Board Member Gallucci and were unanimously approved.

---

### Guests:

### High Service Requests

#### Tiffany Village, Milestone Engineering

Stephen Card, Developer and Benjamin Caito PE appeared with construction drawings and calculations to extend the water line on the property from New London Turnpike as evidenced and attached as "A". The General Manager stated that there were no technical objections to the plans. Mr. Caito stated that construction would be in the spring of 2012.

It was moved by Board Member Inman and seconded by Board Member Masterson to conditionally approve request for water supply to service the commercial site with the following conditions in lieu of a moratorium:

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



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

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

4. The applicant shall file a formal application with the necessary design drawings, flow calculations, including computer hydraulic modeling to fully evaluate this project supply availability and the potential impact on the existing public water supply system. The applicant/customer understands that any undetected error in any calculation or drawing or an increase or change in demand as proposed, which materially affects the ability to supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.

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

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

And it was unanimously voted among the Board Members present:

VOTED: To conditionally approve the request for water supply to service the commercial site with the following conditions in lieu of a moratorium:

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

2. A deficient condition associated with accelerated commercial and residential development exists in the area serviced by the KCWA, the KCWA is in the process of planning for additional water supply and therefore delays or diminution in service may occur if the water supply is unavailable or unable to produce water sufficient to service the customers of KCWA.
3. Ventures, commitments or agreements are at the applicant's sole risk if supply or existing infrastructure is found to be insufficient to support service. The applicant may afford the Authority with system improvements to facilitate adequate service.
4. The applicant shall file a formal application with the necessary design drawings, flow calculations, including computer hydraulic modeling to fully evaluate this project supply availability and the potential impact on the existing public water supply system. The applicant/customer understands that any undetected error in any calculation or drawing or an increase or change in demand as proposed, which materially affects the ability to supply water to the site, will be the responsibility of the applicant/customer and not the KCWA.
5. Only conservation-wise plumbing fixtures are to be installed including but not limited to low flow shower heads, low flow toilets and low flow aerators on faucets.
6. If irrigation systems are installed, they must be supplied by a private well. Xeriscape landscaping technique and/or proper planting bed (high water holding capacity) soil preparation shall be employed throughout the project.

### Presentation Meter Technology, Sensus Technology, Inc.

Sensus Technology, Inc. was represented by Rob Lawton and Dan Burdun of EJP Company and materials were distributed to the Board for their review together with a presentation for the Flex Net Deployments which are operational in 28 states. Mr. Burdun stated that it is a fixed based system and would eliminate employees having to be out in hazardous conditions and it would monitor consumption in a given neighborhood to determine unaccounted for water. He stated that the technology consists of transmitters, collectors, tower gateway base stations and Regional National Interfaces and that attempts could be made to have the collectors placed on Kent County Water Authority tanks to save costs of rental/leased sites. He stated that it is a 20 year system with 10 year 100% guarantee and pro rated for the next ten years. It was stated that an advantage is that leak detection is quicker which would avoid long term problems. The Company would train and support Kent County Water Authority personnel with local staff and would perform a complimentary propagation analysis. The presentation was followed by a question and answer period. The General Manager stated that there were many variables as to the costs and reminded all that the current 20 year meters will need replacement which would average \$300 per residence for equipment. The General Manager mentioned to the Board as to whether "drive by" vs. "fixed" is worth the extra cost. The representatives that it may be available for stimulus green projects.

### Presentation meter Technology, Badger Meter, Inc.

Dan Johnson, Regional Sales Manager/Accounting Manager for Badger appeared and materials were distributed together with a power point presentation concerning hardware, software and systems 2 way (drive by/fixed base) at the same time without the need for reprogramming. He stated that a system design would be performed to finalize necessary parts and that the system can do an hourly read from every meter at the top of the hour and has five minute reading capability. Mr. Johnson stated that there is a full ten year warranty and post ten is pro rated. He stated that a three wire connection to the meter (universal radio) is needed which has lead detector between point A-B and each gateway can hold 10k meters of data which Badger maintains on a large data base which can be accessed on a cloud basis. He said that the system provides advanced metering analysis and customer service for billing disputes. He stated that it will determine unaccounted for water hourly, monthly etc. and the system can send e-mail to customers who are violating a water ban.

He gave the following information: \$5,000 for collectors, base platform \$9,000, for drive by and fixed \$20,000 extra - \$200 residential complete - not installed and installed \$100 per residence - total \$300 for budgeting and less for RFP. He ended by stating that Providence Water Supply Board and Bristol County Water are customers.

### Presentation Meter Technology, Neptune Technology, Inc.

Bruce Kreffner, Systems Manager for Technology sales Inc. appeared and distributed materials together with a power point presentation. He said that Kent County Water Authority encompasses a massive water service area and the challenge would be setting up its own network. He said that the current system does not provide high resolution readings. He iterated the Neptune advantages, no wiring, one call interval, 15 minute clock, measures flow in 24 hour period and displays a link by icon on the computer system. He said Neptune offers various forms of readings and can be handheld, drive by or fixed. He said that it is great for customer service and billing disputes will have up to date accurate readings and the system makes meter reading a non-issue. He stated that meters, radios and collectors which can interface with current equipment or be totally current. He would perform a propogation study for the number of collectors needed and each collector would be an estimated \$12,000 and Kent County Water Authority would need several for the R900i AMI and a standard 20 year warranty of ten full and ten pro rated and the estimate was \$85.00 per installation. Q & A followed.

### Presentation Meter Technology, Itron, Inc.

Allen Sayles of Itron, Inc. appeared before the Board with materials and a power point presentation and stated that Itron is a meter reading system and has the largest amount of AMRS in service around the world. He stated that forty days of hourly information would be in storage for fixed network and the Itron system is compatible with every meter company in the world. He said that the R 900 is used now by Kent County Water Authority. He stated that more information is preferable for hourly time which is important for leak detection, reverse flow monitor and back flow. He stated that it can be a 20 year battery life and remote or a pit type. He mentioned that if there was an area that would be difficult to have a fixed network, it could have a split system. He mentioned that the early leak detection system is acoustical which listens for a leak and reports it and Providence Water Supply Board recently placed 8,000 of the Itron units in its system. He stated collectors can be mounted on tanks/poles/cell towers for the fixed network and it has 120 channels (non narrow band) and could have shut off valves. He related that the repeaters are one-half the cost of collectors and can be used in areas to relay to the collector. He stated that Itron would perform a propagation analysis. He fixed installation at \$4,000 - \$5,000 for collector, \$70 range per home – plus meter. He stated that it would do performance reads. Q & A followed.

### LEGAL MATTERS

#### GTECH

The hearing date was held on April 27, 2009 and the DPUC issued a Division Order on May 20, 2009 which states that the Complaint filed by GTECH Corporation on July 22, 2008 against Kent County Water Authority is hereby denied and dismissed.

The deadline for GTECH to file an appeal is June 20, 2009. GTECH filed an appeal on June 19, 2009 in the Providence County Superior Court to the Decision of the Division of Public Utilities and Carriers of May 20, 2009 which ruled in favor of Kent County Water Authority. Kent County Water Authority answered the complaint on June 29, 2009 and Legal Counsel will engage in that portion of this continuing litigation. The parties have filed a consent order with the Court for the schedule of the briefs. GTECH brief was received on October 2, 2009 and Kent County Water Authority brief is due November 16, 2009. Kent County Water Authority filed their brief on November 16, 2009. GTECH did not file a reply brief and it is now up for order by the Court. Legal Counsel filed a Motion to Assign to a Judge and the assignment motion was scheduled for February 25, 2010 and was ordered on even date. The matter has been assigned to Judge Vogel, but no hearing date has been set. Legal Counsel requested that the Clerk of the Court schedule a hearing to conclude this matter and a conference with Judge Vogel was held on August 24, 2010 who stated that the Court will be rendering a decision and will give the parties notice. On November 18, 2010 Legal Counsel received the Decision from Judge Vogel which found that Kent County Water Authority Rules and Regulations precluding master metering for separately owned parcels of realty was correct and the decision of the Public Utilities Commission affirming the Kent County Water Authority Rules and Regulations was upheld. The deadline for GTECH to appeal this decision was December 20, 2010. GTECH did not file an appeal. The General Manager and Legal Counsel met with GTECH representative on January 24, 2011 and the matter will be resolved in the spring with full compliance to the Rules and Regulations. The staff met on April 20, 2011 and it is moving in the right direction and resolution is on-going and plans came in yesterday. An approvals letter was sent out to the Engineers for GTECH on May 24, 2011 giving them six (6) months to accomplish the same.

GTECH Corporation informed Mr. Dushesneau via email on June 6, 2011 that to comply with the KCWA ten (10) day confirmation requirement after approval letter that GTECH started construction and it is in progress.

#### Harris Mills

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

There has been no further progress regarding the sale of the Harris Mill complex in the receivership matter. Legal Counsel to contact the Receiver for a status report.

New offers to purchase have come in which could allow Kent County Water Authority claim in this matter to be paid out of the receivership proceeds. As of September 14, 2009 the previous offer did not materialize. A new offer is being pursued. Legal Counsel will continue to monitor the progress of the sale. The receivership case is in the Supreme Court. On October 1, 2010 the Court approved the sale of the property and the allowed disbursements including payment of Kent County Water Authority bill. This office will continue to monitor payment. On May 13, 2011 Legal Counsel sent a letter to Counsel for potential buyer inquiring as to the status of the sale. Legal Counsel followed up with counsel for Buyer on June 14, 2011 regarding response to May 13, 2011 correspondence. On July 18, 2011 Legal Counsel was informed by Buyer's Counsel that the sale is on hold pending resolution of Supreme Court Appeals in receivership case.

#### Hope Mill Village Associates

The company is in receivership. Kent County Water Authority is owed \$1,632.44. Legal Counsel to prepare and file Proof of Claim. Proof of Claim was prepared and was forwarded to the General Manager for signatures. Proof of Claim was filed in Kent County Superior Court and was sent to the receiver on August 28, 2008 and as of this date this case is still pending. Hope Mill filed Chapter 11 Bankruptcy on August 20, 2008. Kent County Water Authority was not listed as a creditor. The proof of claim was prepared and signed by the General Manager on November 14, 2008 and was filed with the Bankruptcy Court on November 18, 2008. The proof of claim filing deadline was the end of November, 2008. Pursuant to the plan of reorganization filed by Debtor on November 22, 2008, Kent County Water Authority will be paid in full upon confirmation of the plan by the Bankruptcy Court and Legal Counsel will continue to monitor. As of February 17, 2009 the Court has not scheduled a hearing for confirmation of plan. Debtor will be filing an Amended Plan in March 2009. Legal Counsel will continue to monitor. As of July 16, 2009 the Debtor has not filed an Amended Plan.

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

Legal Counsel spoke with Attorney DeAngelis on May 13, 2010 and Mr. DeAngelis stated that a final closing has yet to be scheduled, but should be scheduled in the near future. There has been no progress on scheduling a closing as of August 15, 2011.

#### West Greenwich Technology Tank/Rockwood

This matter may be in litigation in that Rockwood Corporation had failed to take any steps and continually denied Kent County Water Authority efforts to take any steps in the painting issues inside of the tank and on February 16, 2009 their surety, Lincoln General Insurance Company, denied the claim as well. The matter was reviewed between the General Manager and Legal Counsel. Rockwood sent a proposal to Legal Counsel on March 31, 2009 and the General Manager weighed the same and a response was sent to Rockwood on April 24, 2009. On May 2, 2009 Rockwood sent another proposal and the General Manager responded to the same on May 8, 2009 requesting a written remedial plan proposal within ten days. On May 8, 2009 Rockwood responded by asking the General Manager to reconsider his position. On May 12, 2009 the General Manager sent correspondence to Rockwood stating the Authority will await Rockwood comments to KCWA letter of May 8, 2009. On May 13, 2009 Rockwood provided an additional response to the KCWA letter of May 8, 2009 with questions. On May 13, 2009 the General Manager sent correspondence agreeing to provide Rockwood with more time to complete a plan of remediation for an additional 10 days. On May 14, 2009, Rockwood sent a response and the General Manager, Merithew and Rockwood to have an informal meeting to work out details. The meeting took place and the Authority is monitoring the efforts of Rockwood to remedy the situation. The tank was recently dry inspected and the vendor remediated the same. Kent County Water Authority is awaiting final inspection of the tank with respect to the remediation. Rockwood has performed work at the site and it is necessary to have a final inspection after the tank has been filled. The tank has been filled and inspection is moving forward. This has been concluded. However, inspection followed which disclosed that there were more paint issues. On July 22, 2010, Legal Counsel notified the Bonding Company regarding action to correct. This will be further discussed by the General Manager in IFR projects. This matter is being discussed which may include litigation and KCWA is awaiting final restoration plans from the vendor. On March 16, 2011 and March 17, 2011, the General Manager received email communications from Rockwood requesting KCWA response to Rockwood performing its February 18th proposal on March 21, 2011. Further, the email stated that Mr. Northrop is no longer with Lincoln and provided an alternate contact for forwarding of the claim of KCWA.

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

On July 14, 2011 Legal Counsel had a telephone conference with Bob Griffith from Lincoln General who stated that he would get something out to Legal Counsel the beginning of the week of July 18, 2011 and a letter was received on July 17, 2011 stating that he would discuss it with his insured and would respond thereafter. On

August 5, 2011, Legal Counsel sent a follow up letter to Mr. Griffith since no response was received.

### Comptroller of the Currency

On October 16, 2008, Kent County Water Authority resolved to change the Trustee from US Bank to Bank of NY Mellon regarding 2001/2002/2004 bond issue trust administration to be effective January 23, 2009. That on October 17, 2008, Kent County Water Authority timely notified US Bank concerning the transfer of trusteeship. On approximately January 20, 2009, the US Bank announced that it would require \$6,650.00 as transfer fees to accomplish ownership to the Bank of NY Mellon. Additionally, the US Bank kept \$1,667.67 of fees that were previously unused. That in order for the closing and transfer to take place, Kent County Water Authority on January 22, 2009 paid the sum of \$6,650.00 under protest and stated its displeasure with the US Bank and thereby stating that it would not jeopardize its bondholders and therefore paid the same and also sent a copy to the Controller of the Currency. On March 4, 2009 the Controller of the Currency stated that the US Bank would be replying directly to Kent County Water Authority. On March 11, 2009 Kent County Water Authority received a response from US Bank which was totally unsatisfactory. On March 31, 2009, Kent County Water Authority notified the Controller of the Currency concerning the unsatisfactory response of US Bank dated March 11, 2009 and reiterated its position. On June 30, 2009 US Bank sent a check in the amount of \$1,666.67 and it was received by Legal Counsel on July 6, 2009, saying that the same was a bookkeeping error as exhibited on the check. That on July 7, 2009 Kent County Water Authority sent a letter to US Bank with a copy to the Controller of the Currency that the amount for advance services paid was acknowledged and that Kent County Water Authority has not acknowledged its exception to extracting at the 11th hour ransom of \$6,650.00 on January 12, 2009 and it will continued pursuit of its claim with the Controller of the Currency. A follow up letter was sent to the Controller of the Currency on August 21, 2009 and will await a response. A follow up letter was sent on December 17, 2009. The General Manager received a response from the Comptroller of the Currency on January 8, 2010 and on January 11, 2010, Legal Counsel received a response letter from the Comptroller of the Currency which deemed that the complaint is still active. Legal Counsel has been monitoring the status via the website provided by the Comptroller and there is no updated status as of May 20, 2010 and Legal Counsel sent follow up letters on May 20, 2010, September 15, 2010, October 8, 2010 and November 17, 2010. In response to follow-up letters, status of claim via website has been changed to "Review in Process". Legal Counsel sent another follow up letter on February 16, 2011. Still awaiting reply which for this agency is glacial.

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



Spectrum Properties, The Oaks, Coventry, Rhode Island

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

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

Mr. Resnick appeared at the May 19, 2011 Board Meeting and the staffs are working together with the Developer and Legal Counsel. Mr. Resnick will draft agreements with respect to flushing and constructing the water line. On August 15, 2011 Legal Counsel left a message with Mr. Resnick for status update.

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

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

Legal Counsel filed an Objection and Motion to Strike in response to Mr. Iacono's Objection and Motion to Dismiss. Legal Counsel received an entry of appearance from Pavilonis, Esq. on which may be determinative of the motions.

Mai Tai Investments forwarded to Legal Counsel response to the first set of data requests. On January 18, 2011 Legal Counsel sent out a Motion to Compel More Responsive Answers and a Motion to Dismiss regarding inadequate responses. This matter was scheduled before the DPUC on February 9, 2011 and discovery was ordered by the Hearing Officer to be completed by February 15, 2011 and a hearing was held on March 9, 2011 and briefs will be filed with a decision to be expected at the end of May or early June of 2011. On April 12, 2011 Legal Counsel received the Complainant's brief and Kent County Water Authority brief was filed on April 26, 2011. The Complainant's response to Kent County Water Brief was due on May 6, 2011 in that they did not ask the Hearing Officer for any additional time. A Decision was received on May 24, 2011 in favor of Mai Tai on the condition that they convert to master meter configuration within 90 days which is August 21, 2011 and if the same is not accomplished by Mai Tai then the Authority may return to DPUC for modification of the Decision.

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

Mai Tai has stated to the Authority that it will accomplish the same by the August 23, 2011 deadline.

#### Natgun

Counsel for Natgun corporation was to present another proposal for Kent County Water Authority to review and none has been received by Legal Counsel to date albeit the attorney for Natgun had asked Legal Counsel for time to provide a document in lieu of a release. The matter stands as Kent County Water Authority is aware that Natgun is litigating with Parkside which refuses to provide a release. Kent County Water Authority is protected due to the hold back on the contract.

#### Cardi Corporation, DPUC

A hearing on this matter is scheduled at the DPUC for September 16, 2011 relating to Dig Safe/Excavation issues.

#### Director of Finance Report:

The General Manager stated that the poor state of the economy continues to hamper the collection process and Kent County Water Authority is working very diligently on collections, however, the revenues are closely in line with the budget and revenue exceeded expenditures of 2010.

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

Board Member Gallucci moved and seconded by Board Member Inman 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 attached as "B" and cash receipts, disbursements and FY 2010-2011 attached as "B" through July, 2011 be approved as presented and be incorporated herein and are made a part hereof.

**Point of Personal Privilege and Communications:**

Board Member Masterson on August 5, 2011 there was exemplary service to a customer for a checkbook which had been lost.

**GENERAL MANAGER/CHIEF ENGINEER'S REPORT**

**Old Business**

**PWSB Docket 4070, Compliance Filing Conservation**

The General Manager stated the Kent County Water Authority position was for the PUC to hold until the next PWSB rate case for a decision and Legal Counsel will convey to the PUC in a communication.

**New Business:**

**RFP Awards**

**Bond Counsel**

The General Manager recommends that there be interviews conducted of the respondents since the RFP's were difficult to read with some obvious errors. Board Member Gallucci stated that the Bond Counsel is not needed on an imminent basis. He stated that the blending rates were similar but rates were not responsive.

It was moved by Board Member Gallucci and seconded by Board Member Masterson to invite the responders for a future interview with the Board and it was unanimously voted among the Board Members present,

VOTED: To invite the responders for a future interview with the Board.

Underwriter Services, Cancelled

Bid Award Backhoe Purchase

The General Manager stated there was one bid for the purchase of a backhoe received and that it was the recommendation of the General Manager that Schmidt Equipment, Inc. had met the requirements of the contract documents and it was necessary, fair and reasonable as evidenced and attached as "C" and is in the best interests of Kent County Water Authority .

It was moved by Board Member Gallucci and seconded by Board Member Masterson to award the purchase of a backhoe to Schmidt Equipment, Inc. in the amount of \$91,750.00 with trade in as evidenced and attached as "C" and it was unanimously,

VOTED: To award the purchase of a backhoe to Schmidt Equipment, Inc. in the amount of \$91,750.00 with trade in as evidenced and attached as "C".

FY 2011 Coverage Tests

The General Manager stated that the memorandum of August 4, 2011 by Mr. Woodcock is attached as "D" and is self-explanatory and is for the Board review and comment.

GASB Statement #45 OPEB

The General Manager presented a report of July, 2011 that the present work required under GASB #45 for disclosure as evidenced and attached as "E" and encompasses post employment medical plan required every two years and which the Authority has the legal obligation to disclose the indebtedness but not to fund. The General Manager stated that the Kent County Water Authority need to have a Trust fund in the future.

CIP Modification Scheduling Update, C & E Engineers Approval Task Order #1 To allow update fiscal 2008-2013

The General Manager recommended the approval of Task Order No. 1 by C & E Engineering Partners, Inc. which would develop a five year capital improvement plan for the water system as evidenced and attached as "F".

It was moved by Board Member Masterson and seconded by Board Member Gallucci to approve Task Order No. 1 and to have the Chairman execute Task Order No. 1 on behalf of Kent County Water Authority as evidenced and attached as "F" and it was unanimously voted among the Board Members present,

VOTED: To approve Task Order No. 1 and to authorize the Chairman to execute Task Order No. 1 on behalf of Kent County Water Authority as evidenced and attached as "F".

#### Rate Case Review, Board Decision

The General Manager stated in order to bring the system up to maximum, would need to have the ability to connect Quaker Lane. The General Manger did not recommend a rate case based on the project and the Chairman and the Board were in agreement and it was the sense of the Board to review this matter in six months.

#### Modified Budget Approval FY 2011/2012 Rate Case Expenditures

This matter was not taken up.

#### New Hire Retroactive Pay Adjustment

The Chairman stated that the 2006 employee policy was modified in May, 2011 and because of that modification on adjustment was made, there may be more adjustments needed. The General Manager did not recommend this adjustment. It was the sense of the board to hold this matter for further study.

#### Vacation Accrual – TDI, Worker's Compensation

The Chairman stated that the nonaccrual of vacation time for TDI or WCC injuries is not just. The Chairman stated that it is a fairness issue. Board Member Masterson took issue with the statement. Board Member Inman inquired what do other agencies do? Board Member Gallucci related that the City of Warwick accrues vacation for TDI and Workers Compensation.

This matter is continued to the Board meeting next month for further review.

#### Salary Benefits, TDI Action

The Chairman stated that if a salaried employee is out on TDI, that they should be compensated for the difference in pay. Board Member Inman stated it is the same system which was set up by the Kent County Water Authority. Board Member Gallucci stated that Warwick makes up the difference between the two for salaried people.

Board Member Inman stated that he takes issue with any retroactivity. The Chairman stated that he did not want salaried employees to be penalized and clear cut policy and it would be consistent and narrowly construed.

Board Member Inman stated more information for study is needed and this matter is continued to the Board meeting next month.

Employee Review (6:00 p.m.)

The Chairman stated that the employee affected was notified in writing on August 15, 2011 and hand delivered on August 15, 2011 at 3:55 p.m. that a discussion concerning job performance was to be held in executive (closed) session at 6:00 p.m. by the Board of Kent County Water Authority unless the employee affected required the proceeding to be held at an open meeting. The employee affected did respond and did appear and requested that the meeting be in executive (closed) session.

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

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

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

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

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

**CAPITAL PROJECTS:**  
**INFRASTRUCTURE PROJECTS**

Quaker Lane P.S. Design (Reactivation of Engineering Services, Approval Task Order #4)

The General Manager recommended the approval of Task Order No. 4 by C & E Engineering Partners, Inc. regarding design of the rehabilitation of the Quaker Lane Pump Station as evidenced and attached as "G".

It was moved by Board Member Masterson and seconded by Board Member Inman to approve Task Order No. 4 and to have the Chairman execute Task Order No. 4 on behalf of Kent County Water Authority in the amount of \$16,000 as evidenced and attached as "G" and it was unanimously voted among the Board Members present,

VOTED: To approve Task Order No. 4 and to authorize the Chairman to execute Task Order No. 4 on behalf of Kent County Water Authority in the amount of \$16,000 as evidenced and attached as "G".

**IFR 2009 B (Change Order #1)**

The General Manager recommended the approval of Change Order No. 1 by James J. Geremia & Associates, Inc. to Boyle & Fogarty Construction Co., Inc. to Hope Road, Cranston, RI for piping modification and it was recommended by the General Manager as fair and reasonable in the amount of \$17,367.25 as evidenced and attached as "H".

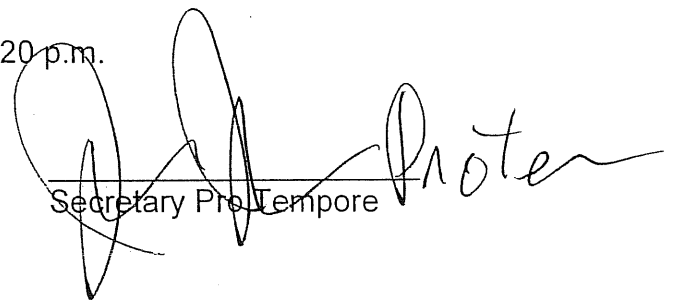
It was moved by Board Member Masterson and seconded by Board Member Gallucci to approve Change Order No. 1 and to have the Chairman execute Change Order No. 1 on behalf of Kent County Water Authority in the amount of \$17,367.25 as evidenced and attached as "H" and it was unanimously voted among the Board Members present,

VOTED: To approve Change Order No. 1 and to authorize the Chairman to execute Change Order No. 1 on behalf of Kent County Water Authority in the amount of \$17,367.25 as evidenced and attached as "H".

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 "I".

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

VOTED: To adjourn the meeting at 7:20 p.m.

  
Secretary Pro Tempore

# **EXHIBIT A**

Kent County Water Board Meeting

August 18, 2011



# **EXHIBIT B**

Kent County Water Board Meeting

August 18, 2011

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

	JULY 2011	AUGUST 2011	SEPTEMBER 2011	OCTOBER 2011	NOVEMBER 2011	DECEMBER 2011	JANUARY 2012	FEBRUARY 2012	MARCH 2012	APRIL 2012	MAY 2012	JUNE 2012	RATE REVENUE FY 10-11	RATE REVE FY 11-12
BEGINNING MONTH BALANCE	37,726,775												JUL 1,608,840	1,531,95
<u>CASH RECEIPTS:</u>													AUG 1,588,117	
Collections	1,966,570												SEP 3,697,980	
Interest Earned	24,595												OCT 1,740,472	
Other													NOV 1,193,207	
TOTAL CASH RECEIPTS	39,717,940												DEC 2,315,872	
<u>CASH DISBURSEMENTS:</u>													MAR 1,879,971	
Purchased Water	619,643												APR 1,119,045	
Electric Power	24,408												MAY 912,317	
Payroll	143,753												JUN 2,042,267	
Operations	91,196													
Employee Benefits	282,802													
Legal	2,856													
Materials	166,404													
Insurance	60,983													
Sales Taxes	27,682													
Refunds	251													
Rate Case														
Conservation														
Pilot	8,265													
Capital Expenditures (Other)														
Mishnock Well/Storage/Pump/T 221C	7,666													
2007 Infrastructure 284B	213,665													
2009 A Infrastructure 243C	270,845													
2009 B Infrastructure 248C	316,733													
U. S. Bank - Debt Service (P. & I.)	3,264,328													
Water Protection	59,527.62													
TOTAL DISBURSEMENTS	5,561,009													
BALANCE END OF MONTH	34,156,931													

*Handwritten initials/signature*

CASH LOCATION  
FISCAL YEAR 2011-2012

	JUL 2011	AUG 2011	SEP 2011	OCT 2011	NOV 2011	DEC 2011	JAN 2012	FEB 2012	MAR 2012	APR 2012	MAY 2012	JUN 2012
CASH LOCATION:												
Citizens Bank - Payroll	\$ 40,000.00											
Fleet Bank - Deposit	305,831.16											
Fleet Bank - Checking	156,293.32											
	502,124.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
U. S Bank - Project Funds												
Revenue	1,431,740.63											
Infrastructure Fund	8,424,924.93											
Operation Reserve	364,593.01											
Operation & Maintenance Reserve	2,367,556.27											
Renewal & Replacement Fund	343,057.93											
Renewal & Replacement Reserve	786,143.95											
Debt Service Fund - 2001	94,044.99											
Debt Service Reserve - 2001	781,148.43											
General Project - 2002	15,562,632.13											
Debt Service Fund - 2002	213,944.89											
Debt Service Reserve - 2002	1,823,614.72											
Debt Service Fund - 2004	182,706.53											
Debt Service Reserve - 2004	1,278,698.34											
	\$ 34,156,931.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

AS OF 06/2011

ACCOUNT DESCRIPTION	C U R R E N T M O N T H			Y E A R - T O - D A T E		
	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET
<b>REVENUES</b>						
1-4150 MERCHANDISING & JOBBING	413.00	-1708.86	-2121.86	5000.00	1475.18	-3524.82
1-4160 M & J COSTS & EXPENSES	1500.00	-10590.21	-12090.21	18000.00	9434.37	-8565.63
1-4190 INTEREST & DIVIDEND INC.	2916.74	662.96	-2253.78	35000.00	75566.66	40566.66
1-4210 MISC. NON-OPER. INCOME		4048.30	4048.30		24259.05	24259.05
TOTALS FOR OTHER INCOME	4829.74	-7587.81	-12417.55	58000.00	110735.26	52735.26
1-461A METERED SALES - GC	1134862.87	1095084.13	-39778.74	13618354.00	14534999.46	916645.46
1-461B METERED SALES - IC	290093.74	425154.72	135060.98	3481124.00	3410992.18	-70131.82
1-4620 PRIVATE FIRE PROTECTION	48112.00	44159.85	-3952.15	192448.00	186046.12	-6401.88
1-4630 PUBLIC FIRE PROTECTION	325554.50	325415.11	-139.39	1302218.00	1300267.14	-1950.86
1-4640 SALES -PUBLIC AUTHORITIES	62229.12	99914.58	37685.46	746749.00	773806.90	27057.90
1-4660 SALES FOR RESALE	25000.00	17570.06	-7429.94	100000.00	124907.40	24907.40
1-4710 MISC. SERVICE REVENUE	14172.24	12365.96	-1806.28	170066.00	179051.35	8985.35
1-4740 OTHER WATER REVENUES	3750.00	-29454.48	-33204.48	45000.00	49136.33	4136.33
TOTALS FOR OPERATING REVENUE ACCTS.	1903774.47	1990209.93	86435.46	19655959.00	20559206.88	903247.88
TOTALS FOR REVENUES	1908604.21	1982622.12	74017.91	19713959.00	20669942.14	955983.14
<b>EXPENDITURES</b>						
1-6010 OPERATION & LABOR EXP.	1250.00		1250.00	15000.00		15000.00
1-6020 PURCHASED WATER	375000.00	619643.25	-244643.25	4500000.00	4934877.20	-434877.20
1-6140 MAINTENANCE OF WELLS	208.37		208.37	2500.00	196.50	2303.50
TOTALS FOR SOURCE OF SUPPLY EXPENSES	376458.37	619643.25	-243184.88	4517500.00	4935073.70	-417573.70
1-6210 FUEL FOR PUMPING	125.00	2860.69	-2735.69	1500.00	3822.39	-2322.39
1-6230 POWER PURCHASED	39583.37	31928.62	7654.75	475000.00	425458.79	49541.21
1-624A PUMPING LABOR	4833.37	3137.22	1696.15	58000.00	33480.37	24519.63
1-624B PUMPING EXPENSES	316.74	1056.39	-739.65	3800.00	4082.31	-282.31

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

AS OF 06/2011

ACCOUNT DESCRIPTION	C U R R E N T M O N T H			Y E A R - T O - D A T E		
	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET
1-6310 MAINT STRUCT & IMPROVE	2916.74	7783.25	-4866.51	35000.00	32929.59	2070.41
1-6330 MAINT PUMPING EQUIPMENT	3166.74	2157.64	1009.10	38000.00	36603.58	1396.42
TOTALS FOR PUMPING EXPENSES	50941.96	48923.81	2018.15	611300.00	536377.03	74922.97
1-6410 CHEMICALS	13750.00	18234.54	-4484.54	165000.00	173140.98	-8140.98
1-642A OPERATION LABOR	6333.37	4156.12	2177.25	76000.00	74004.23	1995.77
1-642B OPERATION EXPENSES	2916.74	10116.54	-7199.80	35000.00	46791.46	-11791.46
1-6520 MAINT WATER TREAT EQUIP	300.00	1056.39	-756.39	3600.00	2389.33	1210.67
TOTALS FOR WATER TREATMENT EXPENSES	23300.11	33563.59	-10263.48	279600.00	296326.00	-16726.00
1-6610 STORAGE FACILITIES EXP		2790.00	-2790.00		2790.00	-2790.00
1-662A T & D LABOR	1433.37		1433.37	17200.00	21105.06	-3905.06
1-662B T & D SUPPLIES & EXP	3083.37	9120.11	-6036.74	37000.00	69649.18	-32649.18
1-663A T & D METER LABOR	2833.37	87.08	2746.29	34000.00	41935.17	-7935.17
1-663B T & D METER SUPP & EXP	1250.00	5626.97	-4376.97	15000.00	16584.32	-1584.32
1-6650 T & D MISC	1250.00	877.44	372.56	15000.00	10239.39	4760.61
1-6710 MAINT STRUCT & IMPROV	833.37	630.00	203.37	10000.00	5818.00	4182.00
1-6720 MAINT RESERVOIR & STDPIPE	1166.74	3828.72	-2661.98	14000.00	18285.65	-4285.65
1-6730 MAINT T & D MAINS	45833.37	145087.47	-99254.10	550000.00	701372.91	-151372.91
1-6750 MAINT SERVICES	15166.74	34164.44	-18997.70	182000.00	263691.55	-81691.55
1-6760 MAINT METERS	8333.37	26272.04	-17938.67	100000.00	91171.16	8828.84
1-6770 MAINT HYDRANTS	8333.37	21874.08	-13540.71	100000.00	101666.21	-1666.21
1-6790 TRANSFER TO CONSTRUCTION	-625.00	-2470.25	1845.25	-7500.00	-11748.92	4248.92
TOTALS FOR TRANS. & DISTR. EXPENSES	88892.07	247888.10	-158996.03	1066700.00	1332559.68	-265859.68
1-902A METER READING LABOR	6500.00	8103.90	-1603.90	78000.00	107458.49	-29458.49
1-902B METER READING SUPP & EXP					1861.98	-1861.98
1-903A CUSTOMER RECORDS LABOR	17833.00	11866.55	5966.45	214000.00	157350.67	56649.33
1-903B						

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

AS OF 06/2011

ACCOUNT DESCRIPTION	C U R R E N T M O N T H			Y E A R - T O - D A T E		
	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET
CUSTOMER RECORDS SUPP	6666.60	8344.20	-1677.60	79999.80	74933.05	5066.75
TOTALS FOR CUSTOMER ACCT. EXPENSES	30999.60	28314.65	2684.95	371999.80	341604.19	30395.61
1-9200 ADM & GENERAL SALARIES	31583.00	22084.83	9498.17	379000.00	287188.59	91811.41
1-9210 OFFICE SUPPLIES & EXP	11666.67	14752.97	-3086.30	140000.00	137361.01	2638.99
1-9230 OUTSIDE SERVICES	10484.00	2856.00	7628.00	125800.00	88070.68	37729.32
1-9240 PROPERTY INSURANCE	16250.00		16250.00	195000.00	174287.35	20712.65
1-9250 INJURIES & DAMAGES					506.91	-506.91
1-9260 EMPLOYEE PENSION & BENEF	71666.66	725.23	70941.43	860000.00	803469.28	56530.72
1-9280 REGULATORY COMM EXP				86500.00	49643.22	36856.78
1-930B MISC GENERAL EXPENSE	1250.00	3750.00	-2500.00	45000.00	15014.21	29985.79
1-9300 MISC GENERAL EXPENSE				51000.00	41640.00	9360.00
1-932A MAINT GENERAL PLANT	12500.00	7895.15	4604.85	150000.00	103347.25	46652.75
1-932B MAINT VEHICLES	10416.00	11077.99	-661.99	125000.00	141861.71	-16861.71
1-9330 UNASSIGNED TIME VAC HOL	19330.00	49504.11	-30174.11	230000.00	221489.56	8510.44
TOTALS FOR ADM. & GENERAL EXPENSES	185146.33	112646.28	72500.05	2387300.00	2063879.77	323420.23
1-4030 DEPRECIATION EXPENSE	96667.00	96666.67	.33	1160000.00	1160000.04	-.04
1-4080 TAXES OTHER THAN INCOME	15000.00	23878.45	-8878.45	180000.00	182159.85	-2159.85
1-4270 INTEREST-LONG TERM DEBT	115657.00	123101.04	-7444.04	1387881.00	1477212.48	-89331.48
1-4280 AMORTIZATION OF DEBT DISC	5010.00	5010.00		60120.00	60120.00	
TOTALS FOR OTHER EXPENSES	232334.00	248656.16	-16322.16	2788001.00	2879492.37	-91491.37
TOTALS FOR EXPENDITURES	988072.44	1339635.84	-351563.40	12022400.80	12385312.74	-362911.94
EXCESS OF REVENUE OVER EXPENDITURES FOR general	920531.77	642986.28	-277545.49	7691558.20	8284629.40	593071.20

# **EXHIBIT C**

Kent County Water Board Meeting

August 18, 2011

KENT COUNTY WATER AUTHORITY  
INVITATION FOR BID  
MATERIAL PURCHASE ONLY  
BACKHOE PURCHASE

BID OPENING  
AUGUST 11, 2011

The Bid Opening for Backhoe Material Purchase was held at 10:00 a.m., August 11, 2011 per the requirements of the Bid Invitation advertised in the Providence Journal on Thursday, July 21, 2011. Attendance at the Pre-Bid was a mandatory requirement to submit a Bid.

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

1. Milton Cat – The package sent from Milton Cat did not contain a bid price but did include a letter expressing their appreciation for the opportunity to bid.
2. Schmidt Equipment , Inc.

Total Bid Item 1 – \$102,750.00  
Trade In - \$11,000.00  
Total Trade-In Price - \$91,750.00

The Bid was made available for review and the Bid Opening meeting was closed at 10:05.

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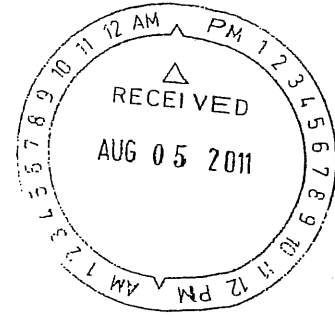


# **EXHIBIT D**

Kent County Water Board Meeting

August 18, 2011

**MEMORANDUM**



TO: Tim Brown  
Jo-Ann Gershkoff  
FROM: Chris Woodcock  
SUBJ: Coverage Tests – FY 2011  
DATE: August 4, 2011

Based on the unaudited financial data provided to us for the year ending June 30, 2011, I have performed the attached calculations to check if the Authority met the debt service coverage tests for the fiscal year under Section 603(2) of the Authority's General Bond Resolution. I have also examined the adequacy of the current rates for the next fiscal year (FY 2013) as required under Section 603(3) of the General Bond Resolution. While the calculations are based on unaudited values, the Net Revenues substantially exceed the minimum required to meet the 125% coverage test under section 603 of the Bond Resolution.<sup>1</sup> For the section 603 (3) "looking forward analysis", we used the current rates and revenues as approved by the Rhode Island Public Utilities Commission in Dockets # 4142 and 4067(reopened). Because these calculated or projected revenues are slightly less than the actual unaudited revenues from FY 2011, they provide a somewhat conservative test.

**Section 603 (2) Analysis**

For the fiscal year that ended June 30, 2011 actual revenues were just over \$20.7 million as shown on the attached sheet. Net Revenues (under the definitions in the General Bond Resolution) include these revenues less transfers to the O&M Fund and certain specified deposits. Net Revenues under the bond resolution thus equal revenues received into the Revenue Fund (\$20,704,149) less transfers to the O&M Fund (\$9,687,981) for Net Revenues of \$11,016,168<sup>2</sup>. The annual debt service requirement for the fiscal year was \$3,887,881, thus the Net Revenues were 283% of the debt service requirements during the fiscal year. This exceeds the minimum coverage requirement of 125% noted above.

Because the Rhode Island Public Utilities Commission (PUC) has restricted receipts for debt service, we have also calculated the coverage based on the restricted debt requirement. Although this calculation is not required under the Authority's General Bond Resolution it does provide an indication of the adequacy of the rates. For the year ending June 30, 2011 the coverage based on the PUC's restricted requirements was 280% -- again far in excess of the 125% minimum that is required.

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<sup>1</sup> Note that under Section 603 (4) and 610 the Accounting Firm must set forth the actual Net Revenues - the values herein are not audited and were not developed by a CPA.

<sup>2</sup> Numbers may not add due to rounding of fractions of dollar. Note that amounts on deposit in the Stabilization Account may also be included. As they are not necessary to meet the minimum coverage test we have not included them in this calculation.

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**Section 603(3) - Forward Looking Analysis**

We have also examined the adequacy of the Authority's rates for fiscal year 2013 (July 1, 2012 through June 30, 2013). As provided in RI PUC Dockets # 4142 and 4067(reopened), the Authority has been allowed rates designed to provide just over \$20.1 million of annual revenues. The unaudited revenues in FY 2011 were slightly more at \$20.7 million. For purposes of the looking forward analysis, we used a combination of the revenues from rates calculated in Dockets # 4142 and 4067(reopened) and the miscellaneous revenues from the Authority's unaudited financial statements. These are the lower or the more conservative estimates for FY 2013.

Operating expenses are estimated to increase approximately 1.5% per year over the unaudited FY 2011 amounts. This estimated increase assumes approximately ½ of the annual operating costs will increase at 3% per year with the balance associated with purchased water costs that will be recovered through an automatic pass through by the PUC. Additional operating reserve deposit requirements, IFR and renewal and replacement costs were assumed at the levels granted to the Authority in Docket No. 4067. Debt service costs were set equal to the greater of actual costs or the restricted allowance in the last rate case before the PUC. Based on these assumptions, total expenses are estimated to be approximately \$19.8 million in FY 2013.

Annual revenues under the current rates are estimated to be \$20.0 million. With estimated expenses of \$19.8 million, a slight surplus of about \$200,000 is projected under the current rates. Accordingly, no requested rate increase for FY 2013 is indicated.

We have also examined the estimated debt service coverage for Fiscal Year 2013. The Authority's debt service coverage is projected to exceed 250% -- well above the 125% minimum requirement. This positive coverage ratio is a result of the Authority's continued practice to fund Infrastructure Replacement projects from annual revenues. We strongly recommend that this practice continue in order to preserve this positive coverage.

Christopher  
Woodcock

Digitally signed by Christopher Woodcock  
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& Associates, Inc., ou, email=woodcock@w-  
a.com, c=US

Date: 2011.08.04 16:31:15 -04'00'

## Coverage Check - FY 2011

<b><u>O&amp;M Costs</u></b>	Unaudited
FY09 Costs	<u>Expenses</u>
Less Depreciation	\$12,385,313
Less Debt Interest	(\$1,160,000)
Less Amortization of Debt Disc	(\$1,477,212)
SUBTOTAL O&M	<u>(\$60,120)</u>
	\$9,687,981
<b><u>Fixed Charges - Restricted</u></b>	
Debt Service Fund	\$3,932,319
Reserves and Coverage	\$393,620
Stabilization Fund	\$0
Renewal & Replacement	\$100,000
IFR	<u>\$5,400,000</u>
SUBTOTAL FIXED	\$9,825,938
TOTAL EXPENSES	\$19,513,919
<b><u>Total Revenues</u></b>	Unaudited
Rates & Charges	<u>Actual</u>
Misc./Other Income	\$20,441,754
Interest Income to Revenues	\$214,220
From Stabilization Fund	\$48,175
Total Revenues	<u>\$0</u>
	\$20,704,149
<b>Less O&amp;M</b>	
<b>Less Stabilization Deposits</b>	(\$9,687,981)
	\$0
<b>Net Revenues</b>	\$11,016,168
<b>Debt Service</b>	
Existing 2004 (refin 1994)	\$1,249,031
Existing (2001 Series)	\$776,805
New (2002 Series)	<u>\$1,862,045</u>
Debt Service Requirement	\$3,887,881
Add'l PUC Restricted Amount	<u>\$44,438</u>
PUC Debt Requirement	\$3,932,319
<b>Annual Coverage - Actual Debt</b>	<b>283.3%</b>
<b>Annual Coverage - PUC Requirement</b>	<b>280.1%</b>

<b><u>O&amp;M Costs</u></b>	Estimated
Estimated O&M	<u>Expenses</u> \$9,980,800
<b><u>Fixed Charges - Restricted</u></b>	
Debt Service Fund	\$3,932,319
Reserves and Coverage	\$393,620
Stabilization Fund	\$0
Renewal & Replacement	\$100,000
IFR	<u>\$5,400,000</u>
SUBTOTAL FIXED	\$9,825,938
TOTAL EXPENSES	\$19,806,738
<b><u>Total Revenues</u></b>	Estimated
Rates & Charges	<u>Annual</u>
Misc./Other Income	\$19,760,369
From Stabilization Fund	\$262,395
Total Revenues	<u>\$0</u>
	\$20,022,763
Estimated Surplus/(Deficit)	<b>\$216,025</b>
<b>Less O&amp;M</b>	(\$9,980,800)
<b>Less Stabilization Deposits</b>	\$0
<b>Net Revenues</b>	\$10,041,963
<b>Debt Service (FY12)</b>	
Existing 2004 (refin 1994)	\$1,237,263
Existing (2001 Series)	\$780,980
New (2002 Series)	<u>\$1,859,645</u>
Debt Service Requirement	\$3,877,888
Add'l PUC Restricted Amount	<u>\$54,431</u>
PUC Debt Requirement	\$3,932,319
<b>Annual Coverage - Actual Debt</b>	<b>259.0%</b>
<b>Annual Coverage - PUC Requirement</b>	<b>255.4%</b>

8/4/2011

# **EXHIBIT E**

Kent County Water Board Meeting

August 18, 2011

# KENT COUNTY WATER AUTHORITY

## Kent County Water Authority Postemployment Medical Benefit Plan

Actuarial Valuation for Purposes of GASB Statement No. 45  
Fiscal Year Beginning July 1, 2010 and Ending June 30, 2011

July 2011

W. H. K.  
\$

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## PURPOSE AND ACTUARIAL STATEMENT

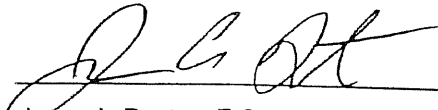
As requested by the Kent County Water Authority, this report documents the annual disclosure reporting requirements of the Kent County Water Authority Postemployment Medical Benefit Plan. The primary purpose of this report is determination of the annual required contribution in accordance with the Statement of Governmental Accounting Standard No. 45 (GASB 45) for the fiscal year beginning July 1, 2010 and presentation of disclosure exhibits as of June 30, 2011 and should not be relied on for other purposes.

Actuarial valuations for the Kent County Water Authority Postemployment Medical Benefit Plan are required on a triennial basis. Plan demographics, accrued liability and normal cost measurements are based on the Plan's most recent valuation on July 1, 2008.

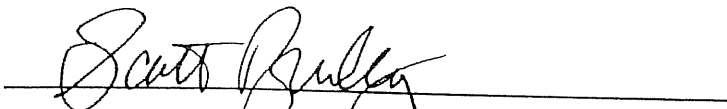
The Kent County Water Authority is responsible for the selection of all necessary assumptions as detailed on the enclosed exhibits. Where appropriate, demographic assumptions were held consistent with the most recent pension valuation report. We believe that the assumptions used in this report are both reasonable and appropriate.

To the best of our knowledge, the calculations contained herein have been completed in accordance with applicable accounting standards requirements and generally accepted actuarial principles and practices. The undersigned consultants possess the actuarial credentials required to meet the Qualification Standards of the American Academy of Actuaries to render the opinions contained herein.

There is no relationship between the Kent County Water Authority and Summit Financial Corporation that would impair or appear to impair our objectivity.

  
\_\_\_\_\_  
Jason A. Denton, F.S.A., E.A.  
Consulting Actuary

7/26/2011  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Scott Boulay, A.S.A., E.A., M.A.A.A.  
Consulting Actuary

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## SUMMARY OF KEY RESULTS

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# SUMMARY OF KEY RESULTS

## Summary of Changes from Prior Valuation

### Benefit Cost

Fiscal Year Beginning	<u>7/1/2010</u>	<u>7/1/2009</u>	<u>7/1/2008</u>
Annual Required Contribution	\$ 530,144	\$ 507,162	\$ 485,431
Expected Benefit Payments (pay-as-you-go cost)	95,278	95,278	95,278
Actual Payments	98,195	87,753	94,635

### Key Measurements

Measurement Date	<u>7/1/2008</u>	<u>7/1/2008</u>	<u>7/1/2008</u>
Actuarial Accrued Liability	\$ 5,094,885	\$ 5,094,885	\$ 5,094,885
Fair Value of Plan Assets	0	0	0

### Key Assumptions

Appendix A summarizes the actuarial assumptions and cost methods used to determine plan liabilities. We have provided a summary of key assumptions for both the current and prior valuation below:

Fiscal Year Beginning	<u>7/1/2010</u>	<u>7/1/2009</u>	<u>7/1/2008</u>
Discount rate	4.00%	4.00%	4.00%
Census Date	7/1/2008	7/1/2008	7/1/2008
Mortality	IRS-2008	IRS-2008	IRS-2008

Fiscal 2011 results are based on the most recent actuarial valuation on July 1, 2008. Unless there are significant changes to the plan provisions or population covered, the next valuation will be on July 1, 2011. Assumptions will be reviewed at that time for any possible updates.

### Plan Provisions

Appendix B summarizes key provisions of each plan as of the valuation date. To our knowledge, there have been no changes in any key plan provisions since the last valuation and none are pending.

### Comments on Results

The unadjusted annual required contribution remains the same for fiscal 2011 and fiscal 2010. Net OPEB obligation, however, will continue to increase as benefit funding remains on a pay-as-you-go basis. Contributions made to a dedicated medical plan trust would not only reduce net OPEB obligation, but would allow for a higher assumed return on assets which decreases plan liability and the annual required contribution (ARC).

# SUMMARY OF KEY RESULTS

## Participant Information

### Participant Information

Key figures with respect to the participant data used in this actuarial valuation are summarized below along with comparable information from prior years.

<b>Valuation Date</b>	<u>7/1/2008</u>	<u>7/1/2007</u>
<b>Participating Employees</b>		
Number	30	N/A
Number Eligible for Immediate Benefit Coverage	0	N/A
Average Attained Age	45.1	N/A
Average Years of Service	12.9	N/A
Average Salary	\$ 55,637	N/A
Total Active Payroll	\$ 1,669,117	N/A
<b>Participants Receiving Benefits</b>		
Number	22	N/A
Average Attained Age	74.3	N/A
Plan Enrollment:		
Healthmate Coast to Coast	2	N/A
Plan 65	15	N/A
Life Insurance Only	5	
Expected Benefit Payments	\$ 95,278	N/A
<b>Retirees with No Benefits</b>		
Number	5	N/A

# SUMMARY OF KEY RESULTS

## Participant Information by Benefit as of July 1, 2008

### Participant Information

Key figures with respect to the participant data used in the current actuarial valuation are summarized below.

<b>Group</b>	<u>Medical</u>	<u>Life</u>	<u>Total</u>
<b>Participating Employees</b>			
Number	30	30	30
Number Eligible for Immediate Benefit Coverage	0	0	0
Average Attained Age	45.1	45.1	45.1
Average Years of Service	12.9	12.9	12.9
Average Salary	\$ 55,637	\$ 55,637	\$ 55,637
Total Active Payroll	\$ 1,669,117	\$ 1,669,117	\$ 1,669,117
<b>Participants Receiving Benefits</b>			
Number	17	21	22
Average Attained Age	72.9	74.3	74.3
Plan Enrollment:			
Healthmate Coast to Coast	2	0	2
Plan 65	15	0	15
Life Insurance Only	0	5	5
Expected Benefit Payments	\$ 93,675	\$ 1,603	95,278
<b>Retirees with No Benefits</b>			
Number	10	5	5

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## ACCOUNTING EXHIBITS

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## SUMMARY AND COMPARISON OF RESULTS

<u>Fiscal Year</u>		<u>07/01/2010</u>	<u>07/01/2009</u>
<u>Valuation Date</u>		<u>07/01/2008</u>	<u>07/01/2008</u>
<b>Participants</b>	Number of participating employees	30	30
	Number of retirees	22	22
<b>Liabilities</b>	Active liability	\$ 3,381,509	\$ 3,381,509
	Inactive liability	<u>1,713,376</u>	<u>1,713,376</u>
	Total plan liability	\$ 5,094,885	\$ 5,094,885
	Normal cost	\$ 183,456	\$ 183,456
<b>Assets and Funded Status</b>	Fair Value of Assets	\$ 0	\$ 0
	Excess of liability over assets	5,094,885	5,094,885
<b>ARC</b>	Normal cost with interest	\$ 190,794	\$ 190,794
	Amortization of unfunded liability	294,637	294,637
	<u>Amortization of net OPEB obligation</u>	<u>44,713</u>	<u>21,731</u>
	Annual Required Contribution	\$ 530,144	\$ 507,162
<b>Net OPEB Obligation</b>	OPEB obligation at beginning of year	\$ 804,106	\$ 390,796
	Annual OPEB cost	517,595	501,063
	Estimated benefit payments	95,278	95,278
<b>Assumptions &amp; Dates</b>	Discount rate	4.00%	4.00%
	Measurement Date	07/01/2008	07/01/2008
	Census Date	01/01/2009	01/01/2009

# DEVELOPMENT OF ANNUAL REQUIRED CONTRIBUTION

## Fiscal Year Ending June 30, 2011

### ***Actuarial Accrued Liability***

Active participants	\$	3,381,509
<u>Retired participants</u>		<u>1,713,376</u>
<b>Total Plan Liability at Beginning of Fiscal Year</b>	<b>\$</b>	<b>5,094,885</b>

### ***Normal Cost***

Plan's normal cost at beginning of fiscal year	\$	183,456
<u>Interest on normal cost at 4.00%</u>		<u>7,338</u>
<b>Normal Cost</b>	<b>\$</b>	<b>190,794</b>

### ***Actuarial Value of Assets***

NA

### ***Amortization of Unfunded Accrued Liability***

Unfunded liability	\$	5,094,885
Amortization factor *		17.9837
Amortization of unfunded liability		283,305
<u>Interest on amortization at 4.00%</u>		<u>11,332</u>
<b>Amortization Cost</b>	<b>\$</b>	<b>294,637</b>

### ***Amortization of Net OPEB Obligation***

Net OPEB Obligation at beginning of year	\$	804,106
Amortization factor *		17.9837
<b>Amortization of Obligation</b>	<b>\$</b>	<b>44,713</b>

### ***Annual Required Contribution (ARC)***

Normal cost with interest	\$	190,794
Amortization of unfunded liability with interest		294,637
<u>Amortization of net OPEB obligation</u>		<u>44,713</u>
<b>Total ARC for Fiscal Year</b>	<b>\$</b>	<b>530,144</b>

\* Unfunded accrued liability amortized on an open level dollar basis over 30 years at 4.00% interest.

\*\* Unadjusted ARC components shown above based on the actuarial valuation as of July 1, 2008.



# DEVELOPMENT OF NET OPEB OBLIGATION

## Fiscal Year Ending June 30, 2011

### *Net OPEB Obligation - Beginning of Year*

Net OPEB obligation at beginning of fiscal year	\$	804,106
Interest on OPEB obligation at 4.00%		32,164
Amortization of OPEB obligation *		44,713

### *Adjustments to Annual Required Contribution*

ARC for fiscal year	\$	530,144
Increase for interest on net OPEB obligation		32,164
<u>Decrease for amortization of OPEB obligation</u>		<u>(44,713)</u>
<b>Annual OPEB Cost</b>	<b>\$</b>	<b>517,595</b>

### *Net OPEB Obligation - End of Year*

Annual OPEB cost	\$	517,595
Actual contributions made during fiscal year		98,195
Change in net OPEB obligation during fiscal year		419,400
<u>Beginning of year net OPEB obligation</u>		<u>804,106</u>
<b>Net OPEB Obligation at End of Fiscal Year</b>	<b>\$</b>	<b>1,223,506</b>

\* Amortized on same basis as unfunded accrued liability (open level dollar basis over 30 years at 4.00% interest).

# SCHEDULE OF OPEB OBLIGATION HISTORY SCHEDULE OF FUNDING PROGRESS

## *OPEB Obligation History*

<u>Fiscal Year End</u>	<u>Annual Cost</u>	<u>Actual Plan Contributions</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2009	485,431	94,635	19.50%	390,796
6/30/2010	501,063	87,753	17.51%	804,106
6/30/2011	517,595	98,195	18.97%	1,223,506

## *Schedule of Funding Progress*

<u>Actuarial Valuation Date</u>	<u>Value of Assets (a)</u>	<u>Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b) - (a)</u>	<u>Funded Ratio (a / b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b - a) / c)</u>
7/1/2008	NA	5,094,885	5,094,885	NA	1,669,117	305.24%

# SUMMARY OF RESULTS BY BENEFIT

<i>Group</i>	<u>Medical</u>	<u>Life</u>	<u>Total</u>
<b>Participants</b>			
Actives	30	30	
Retirees	17	21	30
Total Number of Participants			21
Total Payroll	47	51	51
	\$ 1,669,117	\$ 1,669,117	\$ 1,669,117
<b>Liabilities</b>			
Active Liability	\$ 3,368,017	\$ 13,492	
<u>Inactive Liability</u>	<u>1,687,090</u>	<u>26,286</u>	\$ 3,381,509
Total Liability	\$ 5,055,107	\$ 39,778	\$ 5,094,885
Normal Cost	\$ 183,456	\$ 0	\$ 183,456
<b>Annual Required Contribution</b>			
Normal Cost with Interest	\$ 190,794	\$ 0	
Amortization of liability	292,337	2,300	\$ 190,794
<u>Amortization of obligation</u>	<u>44,452</u>	<u>261</u>	294,637
Annual Required Contribution	\$ 527,583	\$ 2,561	\$ 44,713
			\$ 530,144
<b>Net OPEB Obligation</b>			
OPEB Obligation at 7/1/2009	\$ 799,414	\$ 4,692	
Annual OPEB Cost	515,107	2,488	\$ 804,106
<u>Actual Benefit Payments</u>	<u>(98,195)</u>	<u>0</u>	517,595
OPEB Obligation at 7/1/2010	\$ 1,216,326	\$ 7,180	\$ (98,195)
			\$ 1,223,506

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## APPENDICES

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## APPENDIX A: STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

<b>Plan Sponsor</b>	Kent County Water Authority				
<b>Key Interest Rates</b>	Discount rate for liabilities	4.00%			
	Expected return on assets	NA			
<b>Compensation Increases</b>	Not applicable, benefits and amortizations are not based on salary.				
<b>Mortality</b>	Mortality rates are assumed in accordance with the Sex-Distinct IRS 2008 Combined Static Mortality Table.				
<b>Retirement</b>	All participants are assumed to retire at age 62 or current age, if older.				
<b>Representative Termination Rates</b>	Termination of employment is assumed according to Scale T-1 from the Pension Actuary's Handbook. Representative termination rates are listed below and are the same for both males and females.				
	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u> <u>Rate</u>
	20	5.44%	35	2.35%	50+      0.00%
	25	4.89%	40	1.13%	
	30	3.70%	45	0.27%	
<b>Health Care Costs</b>	<p>Monthly costs by plan are as follows:</p> <p>Healthmate Coast to Coast - \$462.98</p> <p>Plan 65 - \$440.78</p> <p>Dental - \$29.61</p> <p>Monthly costs shown are gross rates and include administrative fees.</p>				
<b>Disability</b>	None assumed.				
<b>Disabled Mortality</b>	Not applicable.				
<b>Marriage</b>	Not applicable, spousal benefits are not covered by the plan.				
<b>Utilization</b>	100% of eligible actives are assumed to elect continued retiree medical coverage.				
<b>Measurement Date</b>	The measurement date for valuing plan liabilities is July 1, 2008.				

## APPENDIX A: STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

<i>Plan Election</i>	All eligible retirees are assumed to elect Healthmate Coast to Coast coverage at age 62, switching coverage to Plan 65 at age 65, as applicable.
<i>Health Care Trend Rates</i>	Medical coverage costs are assumed to increase 10.0% in fiscal 2009 with trend rates decreasing 0.5% each year to an ultimate rate of 5.0% per year in fiscal 2019 and beyond. Dental coverage costs are assumed to increase 6.0% in fiscal 2009 with trend rates decreasing 0.25% each year to an ultimate rate of 3.5% per year in fiscal 2019 and beyond.
<i>Cost Method</i>	Projected Unit Credit method. Benefits are accrued on service from date of hire to date of first eligibility.
<i>Employee Data</i>	Employee and medical program data was supplied by the Kent County Water Authority as of January 1, 2009. Data was adjusted, as needed, to the measurement date of July 1, 2008.
<i>Asset Method</i>	Not applicable - plan is unfunded.
<i>Amortization of Unfunded Liability</i>	Unfunded liability is amortized each year on an open 30-year level dollar basis.
<i>Changes since Prior Valuation</i>	None.

## APPENDIX B: SUMMARY OF PRINCIPAL PLAN PROVISIONS

<b>Plan Description</b>	Governmental postretirement health and life insurance program.
<b>Groups Covered</b>	<p>All full-time employees are eligible to receive health and life insurance coverage after retirement. Retirement eligibility for continued health insurance coverage is age 62 with at least 20 years of service. Employees are eligible for life insurance coverage if they retire on or after age 62.</p> <p>Spousal and / or family health coverage is not provided for under the postretirement program.</p>
<b>Medical Benefits</b>	<p>The Authority will provide eligible retirees continued individual health and dental insurance comparable to the active employee plans. Retirees age 65 and older are eligible for an individual Medicare Supplement Plan as well as continued dental coverage.</p> <p>The full cost of postretirement medical and dental coverage is provided by the Authority.</p>
<b>Life Insurance</b>	Eligible retirees receive term life insurance in the amount of \$2,000. The Authority provides the full cost of this insurance.
<b>Changes since Previous Valuation</b>	None.

# **EXHIBIT F**

Kent County Water Board Meeting

August 18, 2011



**TASK ORDER NO. 1  
BETWEEN  
KENT COUNTY WATER AUTHORITY  
AND ENGINEER FOR SERVICES**

**DEVELOPMENT OF A FIVE-YEAR CAPITAL IMPROVEMENT PLAN FOR THE KENT  
COUNTY WATER AUTHORITY WATER SYSTEM**

This is Task Order No. 1 attached and made part of the original agreement between Kent County Water Authority (OWNER), and C&E Engineering Partners, Inc. (ENGINEER) dated May 21, 2007 for the Development of a Five-Year Capital Improvement Plan for the Kent County Water Authority Water System. This Task Order No. 1 describes the Scope of Services, Period of Service and Method and Basis of Compensation associated with the additional services which includes updating the 2008 CIP to correspond to the 5 year Plan from 2012 - 2017.

**1.0 SCOPE OF SERVICES**

C&E Engineering Partners, Inc. will perform the following additional services that will be considered the scope of services for the additional services requested for this project.

***General***

***Background***

In July 2008, C&E Engineering Partners, Inc. prepared a document for the Kent County Water Authority titled *Water Supply System – Capital Improvement Program 2008 – 2013*. This document was an update to the original CIP prepared in 2001 and included a detailed 5-year program whereby the Authority would seek to implement projects that were aimed at correcting inherent deficiencies in transmission and distribution resultant from combining several small water distribution systems to create the Kent County Water Authority. Identified projects were necessary to improve and maintain an adequate level of customer service. This included increasing pressure and flow, increasing system reliability and reinforcement of the transmission and distribution piping portion of the water system. This 2008 update to the CIP continued to maintain consistency with the principles and goals of the Authority in its previous CIP including the commitment to:

- Provide a consistent source of high quality, potable water for consumption and fire protection;
- Reduce long-term maintenance costs;
- Coordinate water system improvements to comply with local and federal guidelines for the management and operation of a public water supply system.

This 2008 CIP included a detailed plan for replacement of existing or installation of new infrastructure required to improve the water system's operation and maintenance. It provided the Authority with a plan for the scheduled and systematic approach to implementing both short-term (immediate) and long-term (out to 5-year) needs and requirements. This included an examination of necessary improvements that are required in supply, storage, pumping, treatment, transmission and distribution systems that are necessary to meet the needs of the water system.

***Project Description***

The Authority routinely examines the CIP program in order to re-prioritize, modify and update projects from previous CIP's and manage the water supply to support economic and residential growth. This Task Order No. 1 involves reviewing the 2008 CIP with consideration for those capital projects which have not been completed in order to evaluate their relative merit towards achieving the overall goal of water system improvement. It is understood that the vast majority of the previously identified projects in the 2008 CIP

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have yet to be implemented due to budget and fiscal constraints. This task will include updating the 2008 CIP such that as yet completed projects are reviewed and reprioritized with the intent of instituting these projects in an updated CIP that would be implemented from 2012 – 2017. It is envisioned that this update will be prepared under the assumption that the previously identified projects are still valid and due consideration for implementation.

### ***Scope of Services***

The following are the additional scope of services.

## **TASK 1 – UPDATE OF WATER SYSTEM CAPITAL IMPROVEMENT PLAN**

### **1. DATA COLLECTION AND REVIEW OF CURRENT 2008 CIP**

- a. Review the existing 2008 Capital Improvement Plan (CIP). Quantify the projects which have been completed to date, those that are currently in progress and those which have yet to be undertaken. Meet with the Authority staff to review current status of all infrastructure replacement and capital improvement projects. Determine if the previously identified projects fall into the status of CIP or Infrastructure Replacement status.
- b. *Note: It is envisioned that a limited number of new CIP projects (i.e. 1 or 2) may be added to this CIP Update for 2012 – 2017 and that this update will largely be premised upon previously identified and evaluated projects which have yet to be completed. As such limited evaluation will be completed using the hydraulic model or other means in an attempt to identify any “substantial” new CIP projects as part of this update.*

## **TASK 2 – REVIEW AND UPDATE OF CIP PROJECTS**

- a. The CIP in addition to describing and detailing the recommended projects provides an estimated cost for implementation. This includes estimated budget costs for consideration of planning, design and construction. These cost estimates are required for the Authority to properly finance and bond for both ongoing and planned capital projects. This process is intended to ensure that sufficient funding is available throughout the ongoing life of the capital improvement program. The projects that were previously presented in the 2008 CIP that have yet to be completed will be reevaluated and updated accordingly as follows:
  - A description of the CIP and the evaluation process used to develop the program.
  - A detailing of the capital systems, strategies, and programs highlighting key projects, anticipated costs over the next five years and comparison to the previous fiscal year and identification of its accomplishments.
  - A description of each capital improvement project, including planned goals, justification, priority, impact on the operation budget, responsible section, in-service date, project cost, source of funds and cash flow.
  - Mapping to graphically detail the location of the project in the service system.
- b. The outline and format of the content of the 2008 CIP and mapping prepared in 2008 shall be the basis for preparation of this update. Upon completion of the project, both hard and digital copy (format suitable to the Authority) of the updated report, mapping, sketches, figures, etc. shall be made available to the Authority.

### **TASK 3 – REVIEW FINDINGS AND MEET WITH AUTHORITY STAFF**

- a. Upon completion of the reevaluation phase, C&E will review findings and recommendations for improvements with Authority staff. This will also include discussions as to the preferred methods for specific water system improvements.

### **TASK 4 - UPDATE OF CAPITAL IMPROVEMENT PLAN 2012 - 2017**

- a. Upon completion of the data collection, compilation, and evaluation effort described above, C&E shall develop an updated Capital Improvement Plan to be implemented from 2012 - 2017. This Plan shall incorporate the findings, conclusions, and updates of the cost estimates of replacement and refurbishment recommendations developed in the evaluation effort and will be in a suitable format that clearly describes the various projects.
- b. The content and format of the CIP will be generally consistent with the 2008 CIP as follows.
  - Introduction, Purpose and Executive Summary.
  - Discussion for basis of evaluation and criteria used for evaluation; summary of all pertinent data and conclusions.
  - Presentation of model results for existing conditions including description and evaluation of identified deficient conditions (infrastructure).
  - Presentation of model results with proposed improvements including discussion of benefit of improvement, criteria for recommendations, rating schedule for improvements.
  - Construction cost estimate for each recommended improvement.
  - Schedule of plan implementation by fiscal year for the 5 year planning horizon.
- c. Project Deliverables:
  - Ten (10) hard copies of the Updated CIP 2012 – 2017 will be provided to the Authority.
  - A complete electronic (digital media file) of the Updated CIP including all mapping, model files, tables, figures, etc. associated with the update.

## **2.0 PERIOD OF SERVICE**

The time period for performance of these additional services as set forth in the Scope of Services for the Project shall be approximately 60 days from receipt of a written authorization to proceed. Additional services may materially add to the time required to complete the work of the Project. C&E Engineering Partners, Inc. will be entitled to an equitable adjustment in the Period of Service as a result of services added.

## **3.0 BASIS OF COMPENSATION**

The Authority shall pay C&E Engineering Partners, Inc. for services rendered as described in Tasks 1 – 4 above a Not To Exceed Fee of **Six Thousand Five Hundred Dollars (\$ 6,500.00)** which includes Basic Fees, Reimbursable Expenses (i.e. mileage, copies, etc.) and subcontracted costs associated with the additional work.

**4.0 ACCEPTANCE**

Acceptance of the terms of this Task Order 1 is acknowledged by the following authorized signatures of the parties to this Agreement.

**OWNER**

**ENGINEER**

**KENT COUNTY WATER AUTHORITY**

**C&E ENGINEERING PARTNERS INC.**

BY: \_\_\_\_\_  
Mr. Robert B. Boyer  
Chairman

BY: \_\_\_\_\_  
Thomas B. Nicholson, P.E.  
President

Address for Giving Notices

Address for Giving Notices

Kent County Water Authority  
1072 Main Street  
P. O. Box 192  
West Warwick, Rhode Island 02893

C&E Engineering Partners, Inc.  
342 Park Avenue  
Woonsocket, RI 02895

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# **EXHIBIT G**

Kent County Water Board Meeting

August 18, 2011

**TASK ORDER NO. 4  
BETWEEN  
KENT COUNTY WATER AUTHORITY  
AND ENGINEER FOR SERVICES**

**DESIGN OF THE REHABILITATION OF THE QUAKER LANE PUMP STATION FOR  
THE KENT COUNTY WATER AUTHORITY WATER SYSTEM**

This is Task Order No. 4 attached and made part of the original agreement between Kent County Water Authority (OWNER), and C&E Engineering Partners, Inc. (ENGINEER) dated June 18, 2007 for the Design of the Rehabilitation of the Quaker Lane Pump Station. This Task Order No. 4 describes the Scope of Services, Period of Service and Method and Basis of Compensation associated with the additional design services.

**1.0 SCOPE OF SERVICES**

C&E Engineering Partners, Inc. will perform the following additional services that will be considered the scope of services for the change of services for the project.

***General***

The project for the design of the rehabilitation of the Quaker Lane Booster Pump Station was put on hold in July 2009 for an indefinite period due to insufficient funding. At that time the contract documents were at the "Regulatory Approval" stage (i.e. approximately 100% design) and many of the necessary Local and State approvals had been secured at such time. In addition, the Authority had negotiated the necessary agreements including temporary and permanent land easements that would be necessary during the construction phase and for permanent modifications to the facility and site. The status of these agreements and easements would need to be confirmed and renewed or renegotiated, as necessary.

At this time, the Authority desires to reinstate the project such that the contract documents may be updated accordingly and prepared for advertisement for public bid. In addition to the issues associated with agreements for access and easements the Authority also desires to incorporate the following changes into the contract: Upgrade of communication (i.e. phone to COX high speed cable) for SCADA system including integration at Quaker Lane and Clinton Avenue sites; and modify contract to depict the high service pump systems as "future" installation and remove the pumps from this contract. In addition, this reinstating of the project will include review and update for applicable Regulatory codes and standards as well as a review of the facility to ensure that no "substantial" modifications to the design plans are required.

***Scope of Services***

The following are the additional scope of services.

**Task 1 – Data Collection and Review, Modifications and Design Memorandum**

- A. Meet with Authority to review the scope of project contract modifications including desired changes to communication upgrade and status of providing "future" high service pumps and SCADA communication upgrade (phone to COX high speed cable) in construction contract.
- B. Conduct field survey to evaluate current conditions at the project site and pump station facility. Document and note any observed changes including any code compliance issues and incorporate into the final contract documents and drawings.

*Mosler  
June*

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- C. Review the existing contract design documents (drawings and specifications) for compliance with the latest Rhode Island Building Code requirements including building, mechanical, plumbing, electrical, life safety, local building and zoning sections. Make note of any changes or required modifications to the contract drawings and specifications.
- D. Review status of local and State approvals and where necessary request extension or provide re application. This includes but is not limited to: RI Department of Health, RI Freshwater Wetlands, Warwick Zoning, Warwick Fire and Life Safety, Warwick Water.
- E. Prepare a draft Design Memorandum that documents final proposed work scope, modifications and proposed mode of operation; submit to Authority for review and comment. Meet with Authority to review and incorporate substantive comments into final Design Memorandum.

#### Task 2 – Contract Documents Revisions (Drawings and Technical Specifications)

- A. Incorporate any required changes to the contract drawings as a result of field survey and current code compliance review from Task 1 C.
- B. Coordinate with Authority to establish and identify any necessary agreements and/or temporary easements for site access during construction. It is assumed that the Authority will procure and/or negotiate directly and record the necessary easements for the project.
- C. Review and update technical specifications for required changes in previously specified equipment that is no longer state of the art and in need of update or change. This includes various equipment and materials previously specified which may have been updated or changed.
- D. Provide separate line bid items for the work of upgrading the SCADA communication lines at Quaker Lane and Clinton Avenue including necessary local and off site (head end) programming requirements. Coordinate SCADA under this contract (to extent practical given timing of both projects) with the new SCADA display at Main Office from the new Mishnock Water Treatment Plant.
- E. Prepare a final set of contract drawings and technical specifications which include the necessary modifications to the site, mechanical, I&C, electric, HVAC, plumbing and detail drawings.
- F. Prepare an updated opinion of probable construction cost for the entire project.
- G. Submit to Authority for review and comment. Incorporate substantive comments into drawings and technical specifications.

#### Task 3 – Finalize Contract Drawings and Incorporate into the Quaker Lane Pump Station Contract Documents

- A. Revise technical specifications and contract drawings accordingly based on review comments and prepare final contract drawings and technical specifications for bidding.
- B. Incorporate upgrade of high speed COX cable into SCADA system for Quaker Lane and Clinton Avenue Pump Station sites into Contract Documents.
- C. Coordinate Contract Bidding date requirements with Authority and include in final set of contract documents.

**2.0 PERIOD OF SERVICE**

The time period for performance of these additional services as set forth in the Scope of Services for the Project shall be approximately 45 days from receipt of a written authorization to proceed. **This schedule does not include any review time that may be required for local and State agency approvals that may be required and which are beyond C&E's control.** Additional services may materially add to the time required to complete the work of the Project. C&E Engineering Partners, Inc. will be entitled to an equitable adjustment in the Period of Service as a result of services added.

**3.0 BASIS OF COMPENSATION**

The Authority shall pay C&E Engineering Partners, Inc. for services rendered as described above a **Not To Exceed Fee of Sixteen Thousand Six Hundred Dollars (\$16,600.00)** which includes Basic Fees, Reimbursable Expenses (i.e. mileage, copy, etc.) and subcontracted costs associated with the additional work. A breakdown of fees by Task is provided.

Task 1: **Six Thousand Eight Hundred Dollars (\$ 6,800.00)**

Task 2: **Five Thousand One Hundred Dollars (\$ 5,100.00)**

Task 3: **Four Thousand Seven Hundred Dollars (\$ 4,700.00)**

**4.0 ACCEPTANCE**

Acceptance of the terms of this Task Order 4 is acknowledged by the following authorized signatures of the parties to this Agreement.

**OWNER**

**ENGINEER**

**KENT COUNTY WATER AUTHORITY**

**C&E ENGINEERING PARTNERS INC.**

BY: \_\_\_\_\_  
Mr. Robert B. Boyer  
Chairman

BY: \_\_\_\_\_  
Thomas B. Nicholson, P.E.  
President

Address for Giving Notices

Address for Giving Notices

Kent County Water Authority  
1072 Main Street  
P. O. Box 192  
West Warwick, Rhode Island 02893

C&E Engineering Partners, Inc.  
342 Park Avenue  
Woonsocket, RI 02895

Date: \_\_\_\_\_

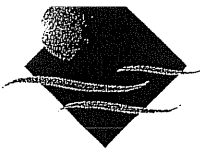
Date: \_\_\_\_\_



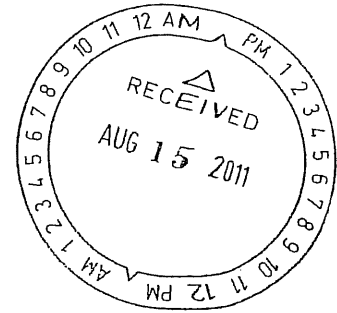
# **EXHIBIT H**

Kent County Water Board Meeting

August 18, 2011



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



August 12, 2011

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

Re: 2009B Infrastructure Improvements  
Change Order No. 1

Dear Mr. Brown:

Enclosed are three (3) sets of Change Order No. 1 for the modifications to connect the existing 16-inch water main and to insulate the proposed 12" water main as requested.

If you should have any questions, please call.

Very truly yours,

**JAMES J. GEREMIA & ASSOCIATES, INC.**

Richard M. Hencler, P.E.  
Project Manager

Enclosures

COPY SENT TO	
EQ. ENGINEERS	8/15/11
CHAIRMAN	
LEGAL COUNSEL	

KCWAITC111-002(2009B)-BROWN#02.doc

# CHANGE ORDER

OWNER  FIELD   
 ENGINEER  OTHER   
 CONTRACTOR

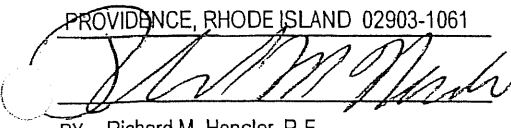
PROJECT: 2009B INFRASTRUCTURE IMPROVEMENTS CHANGE ORDER NUMBER: 1  
 (name, address) FOR THE KENT COUNTY WATER AUTHORITY  
 DATE: AUGUST 9, 2011

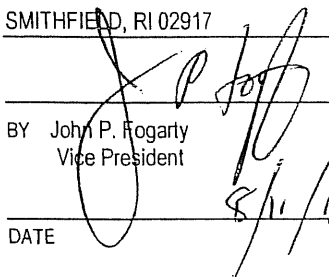
TO CONTRACTOR: BOYLE & FOGARTY CONSTRUCTION CO., ENGINEER'S PROJECT NO.: 11-002  
 (name, address) INC.  
 2 INDUSTRIAL DRIVE SOUTH, UNIT #1 CONTRACT FOR: 2009B Infrastructure  
 SMITHFIELD, RI 02917 Improvements for the  
 KCWA

The Contract is changed as follows:

1. Connection to existing 16-inch water main at Hope Ave./Clinton Ave. per KCWA Modifications \$ 12,870.96
  2. 12" Pipe Insulation based on elevations of existing 24" and 16" water mains. The 12" pipe Insulation will be installed over the 16" water main with 36" of cover 4,496.29
- TOTAL COST (see attached) \$ 17,367.25**

The original (Contract Sum) ( <del>Guaranteed Maximum Price</del> ) was .....	\$	5,710,734.00
Net change by previously authorized Change Orders .....	\$	0.00
The (Contract Sum) ( <del>Guaranteed Maximum Price</del> ) prior to this Change Order was .....	\$	5,710,734.00
The (Contract Sum) ( <del>Guaranteed Maximum Price</del> ) will be (increased) (decreased) (unchanged) by this Change Order in the amount of .....	\$	17,367.25
The new (Contract Sum) ( <del>Guaranteed Maximum Price</del> ) including this Change Order will be .....	\$	5,728,101.25

JAMES J. GEREMIA & ASSOCIATES, INC.  
 ENGINEER  
 272 WEST EXCHANGE ST., SUITE 201  
 Address  
 PROVIDENCE, RHODE ISLAND 02903-1061  
 BY  Richard M. Hencler, P.E.  
 Project Manager  
 8/12/11  
 DATE

BOYLE & FOGARTY CONST. CO., INC.  
 CONTRACTOR  
 235 INDUSTRIAL DR. SOUTH, UNIT #1  
 Address  
 SMITHFIELD, RI 02917  
 BY  John P. Fogarty  
 Vice President  
 8/11/11  
 DATE

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



62 WYOMING AVENUE  
 PO BOX 81062  
 WARWICK, RI 02888  
 PHONE (401) 732-5151  
 FAX (401) 732-5212

**Quoted To Customer**  
 BOYLE & FOGARTY CONSTRUCTION  
 2 INDUSTRIAL DR SOUTH UNIT 1  
 SMITHFIELD, RI 02917-0000  
  
 Phone (401) 231-0007  
 Fax (401) 231-4410

**Job Name**  
 KCWA KENT COUNTY WATER PARTS  
 PRICE BY MIKE 07/25

Quote No.	Date	Page
0005405	7/27/11	1
Expiration Date		8/24/11
Revised Date		7/27/11
Bid Due Date		7/25/11

**Quoted By**  
 MIKE BRADLEY  
 MABRADLEY@WINWATERWORKS.COM  
 (401) 473-4176

Customer	Quoted To	Salesperson	Job Name
001356	STEVE TREML	JAMES EMMONS	Source

Line	Qty	Description	Unit Price	UOM	Extended Price
1.0	1	16X12 DI MJ TEE	983.7100	EA	983.71
2.0	1	16 MJ BUTTERFLY VALVE OR	2175.0000	EA	2175.00
3.0	2	16 #260 HYMAX COUPLING	961.0400	EA	1922.08
4.0	4	1116 16 DI MEGALUG	134.8200	EA	539.28
5.0	4	16 MJ ACC PACK LESS GLAND USA DOMESTIC	38.7800	EA	155.12
6.0	20	16 CL52 SJ DUCTILE IRON PIPE	51.0700	FT	1021.40
7.0	30	12" FOAMGLASS W/PITWRAP 2" THICK	60.8600	EA	1825.80
8.0	1	12" FOAMGLASS BELL SECTION 2" THICK W/PITWRAP	75.8200		75.82
9.0	4	12" 45 BEND W/FOAMGLASS 2" THICK WITH PITWRAP	341.1600		1364.64

GeoCode	Net Sales	10,062.85
400070410	Freight	.00
	Tax	704.40
	Quotation Total	10,767.25

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# BOYLE & FOGARTY CONSTRUCTION CO., INC.

July 29, 2011

Richard Hencler  
James J. Geremia & Associates  
272 West Exchange Street, Suite 201  
Providence, RI 02903

**RE: KCWA 2009B Proposal**

**Scope:** Furnish and Install 30 lf of 12" DIP Insulation

**Price:**

Description	Qty		Rate	Total
Laborer Foreman	2	hrs	\$59.19	\$118.37
Laborer	4	hrs	\$57.23	\$228.92
Operator	2	hrs	\$60.61	\$121.22
2" Insulation for 12" DIP	30	lf	\$60.86	\$1,825.80
Preformed 45 Deg. Insulation	4	ea	\$341.16	\$1,364.64
Preformed Insulated Bell Section	1	ea	\$75.82	\$75.82
Mastic	1	ea	\$75.05	\$75.05
Insulation Strapping	1	ls	\$100.00	\$100.00
<b>Sub Total</b>				<b>\$3,909.82</b>
15% Markup				\$586.47
<b>Total</b>				<b>\$4,496.29</b>

2 Industrial Dr. South  
Unit #1  
Smithfield, RI 02917

PHONE (231) 231-0007  
FAX (401) 231-4410  
E-MAIL [steve@boyleandfogarty.com](mailto:steve@boyleandfogarty.com)

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# BOYLE & FOGARTY CONSTRUCTION CO., INC.

July 29, 2011

Richard Hencler  
James J. Geremia & Associates  
272 West Exchange Street, Suite 201  
Providence, RI 02903

**RE: KCWA 2009B Proposal**

**Scope:** Cut-In 16"x12" MJ Tee

**Price:**

Description	Qty		Rate	Total
Laborer Foreman	8	hrs	\$59.19	\$473.48
Laborer	16	hrs	\$57.23	\$915.68
Operator	8	hrs	\$60.61	\$484.88
Dump Truck w/ Driver	8	hrs	\$97.16	\$777.28
Rubber Tire Excavator	8	hrs	\$86.25	\$690.00
Trench Box	8	hrs	\$9.38	\$75.04
Pumps-3 each	24	hrs	\$5.00	\$120.00
Generator	8	hrs	\$4.38	\$35.04
Compactor	8	hrs	\$13.75	\$110.00
Tool Truck	8	hrs	\$16.88	\$135.04
Bedding Sand	19.5	Ton	\$13.95	\$272.03
Concrete Thrust Block	1	cy	\$95.00	\$95.00

2 Industrial Dr. South  
Unit #1  
Smithfield, RI 02917

PHONE (231) 231-0007  
FAX (401) 231-4410  
E-MAIL [steve@boyleandfogarty.com](mailto:steve@boyleandfogarty.com)

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# BOYLE & FOGARTY CONSTRUCTION CO., INC.

12" Mega Lug	1	ea	\$85.78	\$85.78
16" Hymax Coupling	2	ea	\$961.04	\$1,922.08
Valve Box	1	ea	\$126.30	\$126.30
16" Butterfly Valve	1	ea	\$2,175.00	\$2,175.00
16" Mega Lugs	4	ea	\$173.60	\$694.40
16" DIP CL 52	20	lf	\$51.07	\$1,021.40
16"x12" MJ Tee	1	ea	\$983.71	\$983.71
<b>Sub Total</b>				<b>\$11,192.14</b>
15% Markup				\$1,678.82
<b>Total</b>				<b>\$12,870.96</b>

**Terms** – Per Contract

Respectfully submitted,

Steven Trembl

2 Industrial Dr. South  
Unit #1  
Smithfield, RI 02917

PHONE (231) 231-0007  
FAX (401) 231-4410  
E-MAIL [steve@boyleandfogarty.com](mailto:steve@boyleandfogarty.com)

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# **EXHIBIT I**

Kent County Water Board Meeting

August 18, 2011



**PLANNING DOCUMENT \$25,000/YEAR ALLOCATION**

PROJECT	STATUS
Water Supply System Management Plan WSSMP	Approved
Hunt River Interim Management & Action Plan	Removed
2008 CIP Program Plan	Approved
Clean Water Infrastructure Plan 2008	Approved

**UPDATED CIP PROJECTS BOND FUNDING**

PROJECT	STATUS
Mishnock Well Field (new wells) CIP - 1A	Construction
Mishnock Transmission Mains CIP - 1B	Design Review, Funding will be critical to plant operation
Mishnock Treatment Plant CIP - 1C	Construction, Ground Breaking Date
East Greenwich Well Treatment Plant - CIP-2	Preliminary Design Report Completed
Clinton Avenue Pump Station Rehabilitation CIP - 7A	Completed
Read School House Road Tank CIP - 7B	Natgun Settlement
Read School House Road Main CIP 7c, 7d, 8a	Close out, Board Discussion

**IFR FUNDED PROJECTS**

PROJECT	STATUS
IFR 2005	Completed C. O. # 1 Asphalt Adjustment
IFR 2006 A	Closed out, Paying Issue West Warwick, Need Resolution
IFR 2006 B / IFR 2007	Closed Out
IFR 2009 A	2009 A - Closed Out
2009 B	2009 B, Construction Status
IFR 2010	Design Separation Underway
Prospect Street	Completed
PWSB 78' / Johnson Blvd. P.S. Modification	Completed
Greenwich Avenue Replacement	Completed
Hydraulic Tank Evaluation	Completed
Quaker P. S. Design	Design Separation 2 Contracts
Tech Park Tank Recoating	Status - Action Required
Tiogue Tank Re-Service	Completed
Hydrant Painting	On Going
SCADA Upgrade	Current equipment will not be supported for repair

“IF”