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WARWICK, RI 02886

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

March 20, 2012

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 February 16, 2012

Dear Mr. Brown:

Enclosed you will find the original Board meeting minutes of February 16, 2012 and three (3) Executive Session Minutes of even date. 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 to be kept in the vault with the other original minutes.

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

Very truly yours,

Joseph J. McGair

JJM:maj
Enc.

Agenda

Agenda

BOARD MEETING AGENDA
February 16, 2012 – 3:30 P.M.
OFFICES OF KENT COUNTY WATER AUTHORITY
(Revised February 13, 2012)

Approval - Minutes of Meeting: Board Meeting – January 19, 2012

Legal Counsel: Legal Matters

Director of Finance Report: Cash Report January 2011
December Closing

Point of Personal Privilege & Communication:

General Manager/Chief Engineer's Report:

Old Business: Bond Refinancing (Status)

New Business: Salary Benefits, Workers Compensation
Revised Employee Handbook Approval
Budget Amendment (Worker's Compensation Retroactive Payment)
Summit Financial Proposal GASB Reporting (approval)

Bid Awards:

- IFR 2010A Construction
- Billing Forms Printing
- CCR Design & Printing

Proposal Awards:

- Professional Services Auditing

Web Site Inactivity

DRAFT Capital Improvement Program Update

Capital Projects: CIP-1C Mishnock Well Treatment Plant (Construction Status, Video)
CIP-1B Mishnock Transmission (Bid ¼ of main 2012)
CIP-7c, 7d, 8a Read School House Water Main (Legal Action Required)

Infrastructure Projects: IFR 2009B (Winter Shut Down)
Quaker Lane P. S. Design (2012 February Bid Opening)
IFR 2010 Design (2010A AWARD, 2010B on hold)
Tech Park Storage Tank Painting (Legal Action)
SCADA Upgrade, (Addition to Quaker Lane P. S. IFR Upgrade)
Water Street Replacement (Spring Construction Start)

Executive Session 4:30 p.m. In Accordance with 42-46-5(a)(1)
Employees 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).

Revised Agenda Posted February 13, 2012.

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

Revised Agenda Sent Via U. S. Post Office February 13, 2012 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, Inc.

From: Open Meetings Admin [openMeetings@sos.ri.gov]
Sent: Monday, February 13, 2012 11:22 AM
To: jjm@petrarcamcgair.com; openMeetings@sos.ri.gov
Subject: SOS Open Meetings : Meeting Notice

February 13, 2012

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: February 16, 2012 3:30:00 pm.

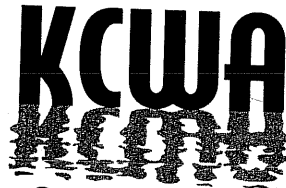
This notice was electronically filed on the Secretary of State Open Meetings Website on: February 13, 2012 11:21:40 am.

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

Sincerely,

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

Agenda



Kent County Water Authority

BOARD MEETING AGENDA

February 16, 2012 – 3:30 P.M.

OFFICES OF KENT COUNTY WATER AUTHORITY

Agenda

Approval - Minutes of Meeting: Board Meeting – January 19, 2012

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SCADA Upgrade, (Addition to Quaker Lane P. S. IFR Upgrade)
Water Street Replacement (Spring Construction Start)

PO Box 192

West Warwick, RI 02893-0192

401-821-9300

www.kentcountywater.org

Petrarca and McGair, Inc.

From: Open Meetings Admin [openMeetings@sos.ri.gov]
Sent: Thursday, February 09, 2012 2:04 PM
To: jjm@petrarcamcgair.com; openMeetings@sos.ri.gov
Subject: SOS Open Meetings : Meeting Notice

February 09, 2012

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: February 16, 2012 3:30:00 pm.

This notice was electronically filed on the Secretary of State Open Meetings Website on: February 09, 2012 02:04:01 pm.

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

Sincerely,

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

Petrarca and McGair, Inc.

Top Half - Minutes w/ Ex. A-D

From: Open Meetings Admin [openMeetings@sos.ri.gov]
Sent: Tuesday, March 20, 2012 10:32 AM
To: jjm@petrarcamcgair.com; openMeetings@sos.ri.gov
Subject: SOS Open Meetings : Meeting Minutes

March 20, 2012

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: February 16, 2012 15:30:00.

This notice was electronically filed on the Secretary of State Open Meetings Website on: March 20, 2012 10:32:15 am.

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

Sincerely,

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

Petrarca and McGair, Inc.

Bottom Half Eo, E-4

From: Open Meetings Admin [openMeetings@sos.ri.gov]
Sent: Tuesday, March 20, 2012 10:21 AM
To: jjm@petrarcamcgair.com; openMeetings@sos.ri.gov
Subject: SOS Open Meetings : Meeting Minutes

March 20, 2012

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: February 16, 2012 15:30:00.

This notice was electronically filed on the Secretary of State Open Meetings Website on: March 20, 2012 10:20:56 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
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openmeetings@sos.ri.gov
sos.ri.gov

KENT COUNTY WATER AUTHORITY

BOARD MEETING MINUTES

February 16, 2012

The Board of Directors of the Kent County Water Authority held its monthly meeting in the Joseph D. Richard Board Room at the office of the Authority on February 16, 2012.

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

The minutes of the Board meeting minutes of January 19, 2012 were moved for approval by Board Member Masterson and seconded by Board Member Inman and were unanimously approved.

LEGAL MATTERS

Harris Mills

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

There has been no further progress regarding the sale of the Harris Mill complex in the receivership matter. Legal Counsel to contact the Receiver for a status report. New offers to purchase have come in which could allow Kent County Water Authority claim in this matter to be paid out of the receivership proceeds. As of September 14, 2009 the previous offer did not materialize. A new offer is being pursued. Legal Counsel will continue to monitor the progress of the sale. The receivership case is in the Supreme Court. On October 1, 2010 the Court approved the sale of the property and the allowed disbursements including payment of Kent County Water Authority bill. This office will continue to monitor payment. On May 13, 2011 Legal Counsel sent a letter to Counsel for potential buyer inquiring as to the status of the sale. Legal Counsel

followed up with counsel for Buyer on June 14, 2011 regarding response to May 13, 2011 correspondence. On July 18, 2011 Legal Counsel was informed by Buyer's Counsel that the sale is on hold pending resolution of Supreme Court Appeals in receivership case. There has been no further word as of February 15, 2012.

Hope Mill Village Associates

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

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

Legal Counsel spoke with Attorney DeAngelis on May 13, 2010 and Mr. DeAngelis stated that a final closing has yet to be scheduled, but should be scheduled in the near future. There has been no progress on scheduling a closing as of February 15, 2012.

West Greenwich Technology Tank/Rockwood

This matter may be in litigation in that Rockwood Corporation had failed to take any steps and continually denied Kent County Water Authority efforts to take any steps in the painting issues inside of the tank and on February 16, 2009 their surety, Lincoln General Insurance Company, denied the claim as well. The matter was reviewed between the General Manager and Legal Counsel. Rockwood sent a proposal to Legal Counsel on March 31, 2009 and the General Manager weighed the same and a response was sent to Rockwood on April 24, 2009. On May 2, 2009 Rockwood sent

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

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

On July 14, 2011 Legal Counsel had a telephone conference with Bob Griffith from Lincoln General who stated that he would get something out to Legal Counsel the beginning of the week of July 18, 2011 and a letter was received on July 17, 2011 stating that he would discuss it with his insured and would respond thereafter. On August 5, 2011, Legal Counsel sent a follow up letter to Mr. Griffith since no response was received. A second follow up letter was sent to Mr. Griffith on November 16, 2011 since there has been no response. Several drafts of the complaint have been done with an eye to filing in Court very soon.

Spectrum Properties, The Oaks, Coventry, Rhode Island

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

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

Mr. Resnick appeared at the May 19, 2011 Board Meeting and the staffs are working together with the Developer and Legal Counsel. Mr. Resnick will draft agreements with respect to flushing and constructing the water line. On August 15, 2011 Legal Counsel left a message with Mr. Resnick for status update and as of February 14, 2012 Legal Counsel has not received a response.

Director of Finance Report:

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

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

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

VOTED: That the financial report and Statement of Revenues, Expenditure and Change in Fund Balance as of January, 2012, Cash Location FY 2011-2012 and Cash receipts and Disbursements FY 2011-2012 attached as "A" be approved as presented and be incorporated herein and are made a part hereof.

Point of Personal Privilege and Communications:

Chairman informed the Board about the General Manager's report to the Town Council of West Greenwich last week and it was professional and extremely well done as to the status of Kent County Water Authority system.

GENERAL MANAGER/CHIEF ENGINEER'S REPORT

Old Business:

Bond Refinancing (Status)

The General Manager stated the interviews need to be postponed due to scheduling problems. He said that a schedule of expenditures on IFR bonds will need to be formulated for the rating agencies and that the schedule should demonstrate the excellent risk status of the Authority. Barclay's submitted a negotiated reduced fee as evidenced and attached as "B".

The General Manger stated that mid April would be a target for the possible refinance with reduced savings of approximately \$2 million.

New Business:

Salary Benefits, Workers Compensation

Jo-Ann Gershkoff spoke to a 12 week cap and provide a two year adjustment payment for 12 weeks which would amount to \$17,587.70 of reimbursement which would be exempt and non-exempt as evidenced attached as "C" and an adjusted 2011-2012 annual budget which was prepared as evidenced and attached as "D". Board Member Inman reiterated that the total was \$17,587.70 based on 12 week cap. There was further lengthy discussion the General Manager stating that he was not in favor of this modification.

It was moved by Board Member Giorgio and seconded by Board Member Gallucci to approve that the exempt and non-exempt employees Worker's Compensation payment plan be retroactive to June 1, 2010 resulting in a total reimbursement to eligible employees in the sum of \$17,587.70 based on a twelve (12) week cap and it was:

VOTED: Chairman Boyer, Board Member Gallucci and Board Member Giorgio voted to approve that the exempt and non-exempt employees' Worker's Compensation payment plan be retroactive to June 1, 2010 resulting in a total reimbursement to eligible employees in the sum of \$17, 587.70 based on a twelve (12) week cap and Board Member Inman and Board Member Masterson voted in the negative and by a 3 to 2 vote, it was approved that the exempt and non-exempt employees' Worker's Compensation payment plan be retroactive to June 1, 2010 resulting in a total reimbursement to eligible employees in the sum of \$17, 587.70 based on a twelve (12) week cap.

Revised Employee Handbook Approval

The General Manager referred to pages 3 and 4 of the Revised Employee Handbook with revisions as of February 16, 2012 as evidenced and attached as "E" regarding the adoption of the exempt and non-exempt employees' temporary disability payment plan and Worker's Compensation payment plan and after further discussion regarding these provisions, it was noted that there were no employees receiving Worker's Compensation benefits at the present time and Board Member Masterson indicated he was comfortable that these provisions would not be applied retroactively.

It was moved by Board Member Gallucci and seconded by Board Member Giorgio to approve the Revised Employee Handbook as evidenced and attached as "E" with revisions dated February 16, 2012 and it was unanimously,

VOTED: To approve the Revised Employee Handbook as evidenced and attached as "E" with revisions dated February 16, 2012.

Budget Amendment (Workers Compensation Retroactive Payment)

The revised February 16, 2012 Budget as previously attached as "D" was presented to the Board with the revision including funding for the Worker's Compensation retroactive payment in the sum of \$17,587.70 and after further discussion regarding the revised budget, it was moved by Board Member Gallucci and seconded by Board Member Giorgio to approve the revised February 16, 2012 Budget as previously attached as "D" and it was:

VOTED: Chairman Boyer, Board Member Gallucci and Board Member Giorgio voted to approve the revised February 16, 2012 Budget as evidenced and attached as "D" to include the Worker's Compensation retroactive payment and Board Member Inman and Board Member Masterson voted in the negative and by a 3 to 2 vote, the revised February 16, 2012 Budget as evidenced and attached as "D" was approved.

Summit Financial Proposal GASB Reporting (approval)

The General Manager stated \$4,000 fee needs to be done every three years and issue purchase order with two following years as evidenced and attached as "F".

Board Member Masterson moved and it was seconded by Board Member Gallucci to approve the Summit Financial proposal as evidenced and attached as "F" which is fair and reasonable for the GASB Reporting pursuant to federal mandate and it was unanimously,

VOTED: To approve the Summit Financial proposal as evidenced and attached as "F" which is fair and reasonable for the GASB Reporting pursuant to federal mandate.

Bid Awards:

IFR 2010 Construction

The General Manager stated there were three proposals for IFR 2010 Construction and Boyle & Fogarty Construction Co., Inc. was the lowest bidder and met the requirements of the contract documents and it was fair and reasonable and he recommended acceptance of the bid for IFR 2010 Construction as evidenced and attached as "G" and the Chairman said great work.

It was moved by Board Member Masterson and seconded by Board Member Gallucci to award the proposal for IFR 2010 Construction to Boyle & Fogarty Construction Co., Inc. the amount of \$3,887,826.00 as evidenced and attached as "G" and it was unanimously,

VOTED: to award the proposal for IFR 2010 Construction to Boyle & Fogarty Construction Co., Inc. the amount of \$3,887,826.00 as evidenced and attached as "G"

Billing Forms Printing

The General Manager stated there was only one bid for printing billing forms and that it was the recommendation of the General Manager that RR Donnelly had met the requirements of the contract documents and it was necessary, fair and reasonable as evidenced and attached as "H" and is in the best interests of Kent County Water Authority.

It was moved by Board Member Masterson and seconded by Board Member Gallucci to award the bid for printing bills forms to RR Donnelly in the amount of \$14,315.50 as evidenced and attached as "H" and it was unanimously,

VOTED: To award the bid for printing bills forms to RR Donnelly in the amount of \$14,315.50 as evidenced and attached as "H".

CCR Design & Printing

The General Manager stated there were three bids for CCR Design and Printing and that it was the recommendation of the General Manager that Meridian had met the requirements of the contract documents and it was necessary, fair and reasonable as evidenced and attached as "I" and is in the best interests of Kent County Water Authority.

It was moved by Board Member Masterson and seconded by Board Member Gallucci to award the CCR Design & Printing to Meridian in the amount of \$9,873.00 as evidenced and attached as "I" and it was unanimously,

VOTED: To award the CCR Design & Printing to Meridian Printing in the amount of \$9,873.00 as evidenced and attached as "I".

Proposal Awards

Professional Services Auditing

The General Manager stated there were three proposals for professional services auditing.

Jo-Ann Gershkoff stated that her recommendation and that the lowest bidder Bacon & Company LLC have a smaller staff and Braver, P.C. has a staff of 150 and have the resources for very time sensitive action. The General Manager stated he was not concerned about Braver previous compliance. The Chairman stated that the price differential is small in regard to the responsibility which the Kent County Water Authority has in this area.

Masterson stated that the lowest firm has a great reputation but that he was concerned about a smaller staff.

It was the recommendation of the General Manager that Braver, P.C. had met the requirements of the contract documents and it was necessary, fair and reasonable as evidenced and attached as "J" and is in the best interests of Kent County Water Authority.

It was moved by Board Member Gallucci and seconded by Board Member Giorgio to award the proposal for professional services auditing to Braver, P.C. in the amount as evidenced and attached as "J" for 2012-2014 audit fee, financial statement audit and reports and PWSB water protection funds annual reconciliation audits and it was unanimously,

VOTED: To award the proposal for professional services auditing to Braver, P.C. in the amount as evidenced and attached as "J" for 2012-2014 audit fee, financial statement audit and reports and PWSB water protection funds annual reconciliation audits.

Website Inactivity

The General Manager stated that the website has been transferred over and there are some problems and another RFP will be necessary to review other possible services mentioned by the Board for the website such as account review/online payment. He cautioned that the charges/fees may be extraordinary high.

Draft Capital Improvement Program Update

The General Manager stated that the summary sheet CIP and IFR 2012-2017 is attached for review as evidenced and attached as "K". The General Manager described a system presentation as to projects contained in the summary sheet "K".

Employee Review (4:30 p.m.)

The Chairman stated that the employee affected was notified in writing on February 14, 2012 and hand delivered on February 14, 2012 at 7:28 a.m. that a discussion concerning job performance was to be held in executive (closed) session at 4:30 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 Inman seconded to exit executive session and to keep the executive session minutes closed and that the minutes shall remain under seal pursuant to R.I.G.L. 42-46-4 and 42-46-5 and it was unanimously of the Board Members present,

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

Employee Review

The Chairman stated that the employee affected was notified in writing on February 14, 2012 and hand delivered on February 14, 2012 at 7:28 a.m. that a discussion concerning job performance was to be held in executive (closed) session at 4:30 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 re-enter 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 re-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 Inman moved and Board Member Gallucci seconded to exit executive session and to keep the executive session minutes closed for this meeting 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.

Employee Review

Board Member Inman moved and Board Member Giorgio seconded the motion to re-enter 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 re-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 Inman moved and Board Member Giorgio seconded to exit executive session and to keep the executive session minutes closed for this meeting 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

Tech Park Storage Tank Painting (Legal Action)

The Complaint is being reviewed by the General Manager and should be verified by the General Manager and filed on February 17, 2012.

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

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

VOTED: To adjourn the meeting at 5:40 p.m.


Secretary Pro Tempore

EXHIBIT A

Kent County Water Board Meeting

February 16, 2012

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

	JULY 2011	AUGUST 2011	SEPTEMBER 2011	OCTOBER 2011	NOVEMBER 2011	DECEMBER 2011	JANUARY 2012	FEBRUARY 2012	MARCH 2012	APRIL 2012	MAY 2012	JUNE 2012	RATE REVENUE FY 10-11	RATE REVENUE FY 11-12
BEGINNING MONTH BALANCE	37,726,775	34,181,115	34,175,000	34,235,508	35,184,171	35,514,748	34,910,053						JUL 1,608,840	1,458,444.12
CASH RECEIPTS:													AUG 1,588,117	1,422,222.99
Collections	1,966,570	1,533,789	1,507,240	3,333,369	1,967,940	1,472,113	2,290,840						SEP 3,697,980	3,425,570.55
Interest Earned	24,595	287	312	265	300	1,577	242						OCT 1,740,472	1,773,750.10
Other													NOV 1,193,207	1,293,229.87
TOTAL CASH RECEIPTS	39,717,940	35,715,191	35,682,553	37,569,141	37,152,410	36,988,438	37,201,135						DEC 2,315,872	2,252,906.16
													JAN 977,667	1,145,952.53
CASH DISBURSEMENTS:													FEB 943,649	
Purchased Water	619,643	317,621	298,557	849,466	298,580	331,457	393,445						MAR 1,879,971	
Electric Power	24,408	25,012	34,274	37,769	27,363	27,356	29,204						APR 1,119,045	
Payroll	143,753	186,550	149,225	134,783	166,162	141,808	245,253						MAY 912,317	
Operations	67,012	78,251	42,183	75,936	78,684	94,784	39,473						JUN 2,042,267	
Employee Benefits	282,802	109,906	53,346	57,148	55,556	54,861	54,971							
Legal	2,856	1,765	2,715	3,634	4,039	2,570	3,514							
Materials	166,404	129,947	51,562	79,855	77,651	46,567	33,319							
Insurance	60,983	122,022	1,048	-	-	-	-							
Sales Taxes	27,682	12,489	11,623	40,586	14,062	11,067	28,412							
Refunds	251	7,874	547	1,607	564	1,427	394							
Rate Case														
Conservation														
Pilot	8,265													
Capital Expenditures (Other)				91,750										
Mishnock Well/Storage/Pump/T 221C	7,666	8,257	12,282	32,458	35,551	51,146	71,167							
Mishnock Treatment Facility 230A				378,429	358,196	365,857	366,452							
Read School House 234C			148,807											
CIP Update 235A				780	1,020	2,550	1,235							
Read School House Tank 236C						177,925								
Quaker Lane 240C				2,490	11,920		332							
2007 Infrastructure 284B	213,665													
2009 A Infrastructure 243C	270,845													
2009 B Infrastructure 248C	316,733	488,950	590,595	485,362	444,797	723,483	317,886							
2010 Infrastructure Design 249C				2,575			1,020							
Water Street EG 250C						3,016								
U. S. Bank - Debt Service (P. & I.)	3,264,328						616,556							
Water Protection	59,527.62	51,547	50,282	110,342	63,517	42,511	20,089							
TOTAL DISBURSEMENTS	5,536,825	1,540,191	1,447,045	2,384,971	1,637,663	2,078,385	2,222,722							
BALANCE END OF MONTH	34,181,115	34,175,000	34,235,508	35,184,171	35,514,748	34,910,053	34,978,412							

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CASH LOCATION
FISCAL YEAR 2011-2012

	JUL 2011	AUG 2011	SEP 2011	OCT 2011	NOV 2011	DEC 2011	JAN 2012	FEB 2012	MAR 2012	APR 2012	MAY 2012	JUN 2012
CASH LOCATION:												
Citizens Bank - Payroll	\$ 40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00					
Fleet Bank - Deposit	305,831.16	64,248.86	150,908.96	1,046,044.68	78,477.24	165,309.32	670,726.30					
Fleet Bank - Checking	156,293.32	3,350.65	199,148.91	73,321.40	136,350.06	202,743.97	144,229.70					
	502,124.48	107,599.51	390,057.87	1,159,366.08	254,827.30	408,053.29	854,956.00	0.00	0.00	0.00	0.00	0.00
U. S Bank - Project Funds												
Revenue	1,431,740.63	1,456,433.84	1,131,621.93	1,041,850.80	2,658,199.96	2,298,204.62	2,391,272.32					
Infrastructure Fund	8,424,924.93	8,428,020.46	8,319,036.54	8,362,425.08	8,214,922.08	7,998,651.81	8,174,706.13					
Operation Reserve Allowance	364,593.01	388,900.55	413,208.33	437,516.25	461,824.40	486,132.68	510,440.96					
Operation & Maintenance Reserve	2,367,556.27	2,367,576.41	2,367,596.56	2,373,447.05	2,373,467.19	2,373,486.69	2,373,506.87					
Renewal & Replacement Fund	343,057.93	351,394.00	359,730.18	368,066.47	239,442.31	247,778.17	256,113.62					
Renewal & Replacement Reserve	786,143.95	786,150.71	786,157.49	1,023,851.04	1,023,858.05	1,023,866.59	1,023,876.57					
Debt Service Fund - 2001	94,044.99	159,660.15	225,273.46	290,887.12	358,053.57	424,056.43	339,057.44					
Debt Service Reserve - 2001	781,148.43	781,148.43	781,148.43	781,148.43	781,148.43	781,148.43	781,148.43					
General Project - 2002	15,562,632.13	15,562,764.25	15,414,089.25	15,035,787.90	14,578,687.11	14,035,284.92	13,668,955.12					
Debt Service Fund - 2002	213,944.89	370,804.93	527,660.62	684,517.42	840,975.75	997,735.24	748,973.71					
Debt Service Reserve - 2002	1,823,614.72	1,823,614.72	1,823,614.72	1,823,614.72	1,823,614.72	1,823,614.72	1,823,614.72					
Debt Service Fund - 2004	182,706.53	288,050.43	393,390.58	498,731.55	602,740.26	707,749.68	752,728.91					
Debt Service Reserve - 2004	1,302,166.08	1,302,882.73	1,302,921.82	1,302,960.91	1,302,986.97	1,304,289.97	1,279,061.84					
	\$ 34,180,398.97	34,175,001.12	34,235,507.78	35,184,170.82	35,514,748.10	34,910,053.24	34,978,412.64	0.00	0.00	0.00	0.00	0.00

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

AS OF 12/2011

ACCOUNT DESCRIPTION	C U R R E N T M O N T H			Y E A R - T O - D A T E		
	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET
REVENUES						
1-4150 MERCHANDISING & JOBBING	416.66	278.84	-137.82	2499.96	4161.60	1661.64
1-4160 M & J COSTS & EXPENSES	1500.00	-4737.66	-6237.66	9000.00	7170.44	-1829.56
1-4190 INTEREST & DIVIDEND INC.	7500.00		-7500.00	45000.00	25694.00	-19306.00
1-4210 MISC. NON-OPER. INCOME	2083.33	1016.25	-1067.08	12499.98	17113.86	4613.88
TOTALS FOR OTHER INCOME	11499.99	-3442.57	-14942.56	68999.94	54139.90	-14860.04
1-461A METERED SALES - GC	1136282.83	1245143.59	108860.76	6817696.98	8275640.15	1457943.17
1-461B METERED SALES - IC	290093.66	418289.64	128195.98	1740561.96	1893400.53	152838.57
1-4620 PRIVATE FIRE PROTECTION	48112.25	46298.53	-1813.72	96224.50	94452.15	-1772.35
1-4630 PUBLIC FIRE PROTECTION	325554.50	325415.11	-139.39	651109.00	650830.22	-278.78
1-4640 SALES -PUBLIC AUTHORITIES	62229.08	107435.65	45206.57	373374.48	460967.51	87593.03
1-4660 SALES FOR RESALE	25000.00	23816.07	-1183.93	50000.00	91798.50	41798.50
1-4710 MISC. SERVICE REVENUE	14172.16	15637.97	1465.81	85032.96	94038.48	9005.52
1-4740 OTHER WATER REVENUES	3750.00		-3750.00	22500.00	19131.65	-3368.35
TOTALS FOR OPERATING REVENUE ACCTS.	1905194.48	2182036.56	276842.08	9836499.88	11580259.19	1743759.31
TOTALS FOR REVENUES	1916694.47	2178593.99	261899.52	9905499.82	11634399.09	1728899.27
EXPENDITURES						
1-6020 PURCHASED WATER	402500.00	393610.46	8889.54	2415000.00	2489290.43	-74290.43
1-6140 MAINTENANCE OF WELLS	20.00		20.00	120.00	489.98	-369.98
TOTALS FOR SOURCE OF SUPPLY EXPENSES	402520.00	393610.46	8909.54	2415120.00	2489780.41	-74660.41
1-6210 FUEL FOR PUMPING	95.83		95.83	574.98	100.52	474.46
1-6230 POWER PURCHASED	36500.00	27335.69	9164.31	219000.00	151835.82	67164.18
1-624A PUMPING LABOR	3333.33	4306.77	-973.44	19999.98	29852.59	-9852.61
1-624B PUMPING EXPENSES	289.16	719.00	-429.84	1734.96	1647.35	87.61
1-6310 MAINT STRUCT & IMPROVE	2358.33	1820.44	537.89	14149.98	32023.53	-17873.55

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

AS OF 12/2011

ACCOUNT DESCRIPTION	C U R R E N T M O N T H			Y E A R - T O - D A T E		
	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET
1-6330 MAINT PUMPING EQUIPMENT	3166.66	578.35	2588.31	18999.96	13796.58	5203.38
TOTALS FOR PUMPING EXPENSES	45743.31	34760.25	10983.06	274459.86	229256.39	45203.47
1-6410 CHEMICALS	13775.00	7708.14	6066.86	82650.00	61053.09	21596.91
1-642A OPERATION LABOR	6391.66	5145.65	1246.01	38349.96	35095.75	3254.21
1-642B OPERATION EXPENSES	3041.66	-694.08	3735.74	18249.96	20229.75	-1979.79
1-6520 MAINT WATER TREAT EQUIP	133.33	605.51	-472.18	799.98	1533.86	-733.88
TOTALS FOR WATER TREATMENT EXPENSES	23341.65	12765.22	10576.43	140049.90	117912.45	22137.45
1-662A T & D LABOR	2108.33		2108.33	12649.98	10880.73	1769.25
1-662B T & D SUPPLIES & EXP	5354.16	1474.87	3879.29	32124.96	27294.28	4830.68
1-663A T & D METER LABOR	3829.16	2930.43	898.73	22974.96	19648.28	3326.68
1-663B T & D METER SUPP & EXP	1095.83	4021.77	-2925.94	6574.98	8785.32	-2210.34
1-6650 T & D MISC	937.50	270.28	667.22	5625.00	1503.71	4121.29
1-6710 MAINT STRUCT & IMPROV	520.83		520.83	3124.98	4999.00	-1874.02
1-6720 MAINT RESERVOIR & STDPIPE	1041.66	1524.48	-482.82	6249.96	11027.88	-4777.92
1-6730 MAINT T & D MAINS	48893.75	24254.37	24639.38	293362.50	297587.51	-4225.01
1-6750 MAINT SERVICES	22208.33	10470.27	11738.06	133249.98	98068.92	35181.06
1-6760 MAINT METERS	6060.83	17593.21	-11532.38	36364.98	54511.26	-18146.28
1-6770 MAINT HYDRANTS	7250.00	8263.10	-1013.10	43500.00	42588.03	911.97
1-6790 TRANSFER TO CONSTRUCTION	-927.91	-49.41	-878.50	-5567.46	-247.05	-5320.41
TOTALS FOR TRANS. & DISTR. EXPENSES	98372.47	70753.37	27619.10	590234.82	576647.87	13586.95
1-902A METER READING LABOR	10516.75	8388.59	2128.16	63100.50	43026.74	20073.76
1-902B METER READING SUPP & EXP	186.25		186.25	1117.50	216.73	900.77
1-903A CUSTOMER RECORDS LABOR	14779.66	15000.69	-221.03	88677.96	92368.21	-3690.25
1-903B CUSTOMER RECORDS SUPP	5683.33	5394.80	288.53	34099.98	25827.82	8272.16
TOTALS FOR CUSTOMER ACCT. EXPENSES	31165.99	28784.08	2381.91	186995.94	161439.50	25556.44

REPORT DATE 02/13/2012
 SYSTEM DATE 02/13/2012
 FILES ID Z

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

PAGE 3
 TIME 11:31:16
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AS OF 12/2011

ACCOUNT DESCRIPTION	C U R R E N T M O N T H			Y E A R - T O - D A T E		
	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET	BUDGET	ACTUAL	ACTUAL OVER/ UNDER BUDGET
1-9200 ADM & GENERAL SALARIES	26274.41	26247.17	27.24	157646.46	151071.51	6574.95
1-9210 OFFICE SUPPLIES & EXP	11083.33	1948.34	9134.99	66499.98	63377.00	3122.98
1-9230 OUTSIDE SERVICES	10416.66		10416.66	62499.96	59223.22	3276.74
1-9240 PROPERTY INSURANCE				234287.00	177205.23	57081.77
1-9250 INJURIES & DAMAGES	50.83		50.83	304.98	102.38	202.60
1-9260 EMPLOYEE PENSION & BENEF	54868.58	50920.48	3948.10	551211.52	589091.50	-37879.98
1-9280 REGULATORY COMM EXP	5625.00		5625.00	33750.00	53179.26	-19429.26
1-930B MISC GENERAL EXPENSE	1125.00	1250.00	-125.00	6750.00	7531.09	-781.09
1-930C MISC GENERAL EXPENSE	3000.00		3000.00	18000.00		18000.00
1-932A MAINT GENERAL PLANT	9166.66	10490.44	-1323.78	54999.96	59810.76	-4810.80
1-932B MAINT VEHICLES	12416.66	6125.76	6290.90	74499.96	94814.11	-20314.15
1-9330 UNASSIGNED TIME VAC HOL	17901.91	12467.78	5434.13	107411.46	127397.41	-19985.95
TOTALS FOR ADM. & GENERAL EXPENSES	151929.04	109449.97	42479.07	1367861.28	1382803.47	-14942.19
1-4030 DEPRECIATION EXPENSE	96666.66	96666.67	-.01	579999.96	580000.02	-.06
1-4080 TAXES OTHER THAN INCOME	12541.66	21959.85	-9418.19	75249.96	138864.39	-63614.43
1-4270 INTEREST-LONG TERM DEBT	107157.00	107157.00		642942.00	642942.00	
1-4280 AMORTIZATION OF DEBT DISC	5833.33	5833.33		34999.98	34999.98	
TOTALS FOR OTHER EXPENSES	222198.65	231616.85	-9418.20	1333191.90	1396806.39	-63614.49
TOTALS FOR EXPENDITURES	975271.11	881740.20	93530.91	6307913.70	6354646.48	-46732.78
EXCESS OF REVENUE OVER EXPENDITURES FOR general	941423.36	1296853.79	355430.43	3597586.12	5279752.61	1682166.49

EXHIBIT B

Kent County Water Board Meeting

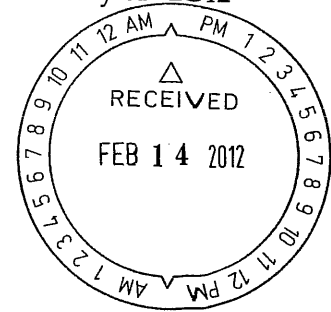
February 16, 2012



**BARCLAYS
CAPITAL**

Timothy J. Brown
General Manager and Chief Engineer
Kent County Water Authority
1072 Main Street
PO Box 192
West Warwick, Rhode Island 02893-0192

February 14th 2012



Dear Mr. Brown,

Attached you will find the details of the agreed upon revised fee structure based upon negotiations with First Southwest. We believe this revised takedown and fee structure is indicative of current market rates. Please contact me with any questions. We look forward to executing a successful refunding transaction for the Authority.

Regards,



Paul Haley
Managing Director
125 High Street, 16TH Floor
Boston, MA 02110
617-330-5845
Paul.Haley@BarclaysCapital.com

CC: Maureen Gurghigian, First Southwest Company
Enclosure

Barclays Capital's Proposed Underwriter's Takedown and Expenses Kent County Water Authority Series 2012A Revenue Refunding Bonds

*Numbers are based upon a \$18,890,000 par amount

Summary of Proposed Underwriter Expenses		
	Amount	Per Bond*
Underwriter's Takedown	79,188	4.19
Underwriter's Expenses	29,762	1.58
Management Fee	0	0.00
Total	108,950	5.77

Breakdown of Expenses

Maturity	Proposed Underwriters Takedown	
	Preliminary Par Amount	Proposed Takedown Total
7/15/2012	1,575,000	Sealed Bid* 1,575
7/15/2013	1,370,000	2.50 3,425
7/15/2014	1,420,000	3.75 5,325
7/15/2015	1,475,000	3.75 5,531
7/15/2016	1,535,000	3.75 5,756
7/15/2017	1,610,000	5.00 8,050
7/15/2018	1,695,000	5.00 8,475
7/15/2019	1,780,000	5.00 8,900
7/15/2020	1,875,000	5.00 9,375
7/15/2021	1,965,000	5.00 9,825
7/15/2022	1,265,000	5.00 6,325
7/15/2023	1,325,000	5.00 6,625
Total	18,890,000	4.19 79,188

*To be determined through a bid process

Proposed Management Fee	
Per Bond	Amount
0	0

Proposed Estimated Underwriters Expenses		
Description	S.Amount	Per Bond
Underwriters' Counsel (Not to Exceed)	25,000	1.32
Dalcomp Electronic Order Entry Charges	150	0.01
Dalcomp Wire (\$30 per member)	150	0.01
Dalcomp Computer (\$0.06 per bond)	1,141	0.06
Dalcomp Branch News Services (\$45)	45	0.00
Estimated Interest on Day Loan (Par* .75% / 360)	396	0.02
DTC Charges	500	0.03
CUSIP (11 CUSIPs)	345	0.02
CUSIP Disclosure fee	35	0.00
Underwriter Miscellaneous Expenses	2,000	0.11
Total	29,762	1.58

*No RI Public Financial Management Fee

EXHIBIT C

Kent County Water Board Meeting

February 16, 2012

**KENT COUNTY WATER AUTHORITY
WORKERS' COMPENSATION 12 WEEK CAP
as of FEBRUARY 16, 2012**

<u># of Weeks</u>	<u>Employee</u>	<u>2010 Gross Wages</u>	<u>Payment from Beacon Mutual</u>	<u>Total</u>
10.4		\$ 16,692.60	\$ (9,991.40)	\$ 6,701.20
2.6		\$ 1,601.60	\$ (1,144.16)	\$ 457.44
12		\$ 9,969.60	\$ (7,151.64)	\$ 2,817.96
	Total	\$ 28,263.80	\$ (18,287.20)	\$ 9,976.60

<u># of Weeks</u>	<u>Employee</u>	<u>2011 Gross Wages</u>	<u>Payment from Beacon Mutual</u>	<u>Total</u>
12		\$ 10,742.40	\$ (7,182.24)	\$ 3,560.16
12		\$ 9,969.60	\$ (7,151.64)	\$ 2,817.96
4.2		\$ 2,755.20	\$ (1,531.22)	\$ 1,223.98
	Total	\$ 23,467.20	\$ (15,865.10)	\$ 7,602.10

Total Budget Adjustment \$ 17,578.70

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EXHIBIT D

Kent County Water Board Meeting

February 16, 2012

KENT COUNT WATER AUTHORITY
FISCAL YEAR 2011 / 2012
ANNUAL BUDGET

REVISED FEBRUARY 16, 2012

Approved _____

RDK

REVISED 2/16/2012
SUMMARY SHEET

OPERATING:

PROJECTED TOTAL REVENUES	\$19,811,000
PROJECTED TOTAL OPERATING EXPENSES	<u>\$9,542,897</u>
INCOME	<u>\$10,268,103</u>
OPERATING REVENUE ALLOWANCE	
1/2 AVAILABLE	\$291,656
1/2 RESTRICTED	\$291,656
RESTRICTED DEBT SERVICE REQUIRED	\$3,880,884
IFR RESTRICTED	\$5,400,000
CASH CAPITAL RESTRICTED	<u>\$100,000</u>
TOTAL RESTRICTED REQUIRED	\$9,964,196

ACCT. #	REVISED 2/16/2012 2011/2012 BUDGET YEAR OPERATING REVENUE	FY	FY	FY	FY	%
		08-09 Actual	09-10 Actual	10-11 11+1	11-12 Bud get	
461A	METERED SALES RESIDENTIAL	\$12,155,338	\$12,192,173	\$14,690,541	\$13,635,394	-7.7%
461B	METERED SALES COMM / IND	\$3,173,009	\$3,081,579	\$3,499,076	\$3,481,124	-0.5%
462	PRIVATE FIRE PROTECTION	\$174,426	\$177,945	\$188,715	\$192,449	1.9%
463	PUBLIC FIRE PROTECTION	\$1,179,033	\$1,225,471	\$1,299,710	\$1,302,218	0.2%
464	SALES TO PUBLIC AUTHORITIES	\$668,867	\$703,828	\$802,634	\$746,749	-7.5%
466	SALES FOR RESALE	\$109,262	\$115,096	\$143,231	\$100,000	-43.2%
471	MISC. SERVICE REVENUE (Interest)	\$159,940	\$226,611	\$220,611	\$170,066	-29.7%
474	OTHER WATER REVENUES (WP Admin Fee)	\$50,586	\$46,180	\$43,475	\$45,000	3.4%
415	PROFIT ON METER SALES	\$3,128	\$2,936	\$3,184	\$5,000	36.3%
416	PROFIT FOR MATERIAL & LABOR	\$38,517	\$21,466	\$18,408	\$18,000	-2.3%
		\$17,712,105	\$17,793,285	\$20,909,585	\$19,696,000	-6.2%
NON OPERATING INCOME						
419	INTEREST ON INVESTMENTS	\$97,044	\$6,915	\$89,581	\$90,000	0.5%
421	DISCOUNT ON PURCHASES/MISC	\$81	\$2,904	\$24,253	\$25,000	3.0%
434	MISC. CREDIT TO SURPLUS					
	TOTAL	\$97,125	\$9,819	\$113,834	\$115,000	1.0%
	TOTAL REVENUE	\$17,809,231	\$17,803,103	\$21,023,419	\$19,811,000	-6.1%
OPERATING EXPENSES						
SOURCE OF SUPPLY						
601	OPERATION & LABOR	\$8,625				
602	PURCHASED WATER	\$4,276,950	\$4,123,544	\$4,822,304	\$4,830,000	0.2%
614	MAINTENANCE/WELLS	\$5,717	\$1,769	\$236	\$240	1.8%
	TOTAL	\$4,291,292	\$4,125,314	\$4,822,540	\$4,830,240	0.2%
PUMPING						
621	FUEL FOR PUMPING	\$4,733	\$956	\$1,154	\$1,150	-0.4%
623	POWER PURCHASED	\$502,667	\$429,121	\$437,935	\$438,000	0.0%
624A	PUMPING LABOR	\$68,315	\$55,998	\$30,997	\$40,000	22.5%
624B	PUMPING EXPENSE	\$4,423	\$4,437	\$3,471	\$3,470	0.0%
631	MAINTENANCE/STRUCT/IMP.	\$36,681	\$29,486	\$28,292	\$28,300	0.0%
633	MAINTENANCE PUMPING EQUIP.	\$35,635	\$36,242	\$38,057	\$38,000	-0.1%
	TOTAL	\$652,455	\$556,239	\$539,907	\$548,920	1.6%
WATER TREATMENT						
641	CHEMICALS	\$111,410	\$169,431	\$165,370	\$165,300	0.0%
642A	OPERATION LABOR	\$51,480	\$75,718	\$76,656	\$76,700	0.1%
642B	OPERATION EXPENSE	\$37,521	\$32,751	\$36,509	\$36,500	0.0%
651	MAINTENANCE OF STRUCTURE					
652	MAINTENANCE OF WATER TR.	\$4,353	\$4,437	\$1,600	\$1,600	0.0%
	TOTAL	\$204,765	\$282,336	\$280,134	\$280,100	0.0%
TRANSMISSION & DISTRIB.						
661	STORAGE FACILITIES	\$697				
662A	LABOR	\$22,774	\$14,370	\$25,326	\$25,300	-0.1%
662B	SUPPLIES EXPENSE	\$38,315	\$38,597	\$64,240	\$64,250	0.0%
663A	METER EXPENSE LABOR	\$26,314	\$32,008	\$45,945	\$45,950	0.0%
663B	METER EXPENSE MATERIAL	\$11,611	\$17,642	\$13,149	\$13,150	0.0%
664A	CUSTOMER INSTALLATION					
664B	CUSTOMER INSTALLATION SUP.					
665	MISCELLANEOUS	\$15,184	\$11,922	\$11,234	\$11,250	0.1%
671	MAINT. STRUCTURES & IMP.	\$5,083	\$7,410	\$6,226	\$6,250	0.4%
672	MAINT. RESV. & STAND PIPES	\$10,764	\$13,245	\$12,430	\$12,500	0.6%
673	MAINTENANCE MAINS	\$529,972	\$583,645	\$586,723	\$586,725	0.0%
675	MAINTENANCE SERVICES	\$153,553	\$181,907	\$266,401	\$302,365	11.9%
676	MAINTENANCE METERS	\$116,588	\$100,371	\$72,728	\$72,730	0.0%
677	MAINTENANCE HYDRANTS	\$97,045	\$76,727	\$86,951	\$87,000	0.1%
679	TRAN. TO CONST. & CUST	(\$7,694)	(\$32,926)	(\$11,134)	(\$11,135)	0.0%
	TOTAL	\$1,020,206	\$1,044,919	\$1,180,218	\$1,216,335	3.0%

	FY 08-09 Actual	FY 09-10 Actual	FY 10-11 10+2	FY 11-12 Bud get	%	
CUSTOMER ACCOUNTING						
902A	METER READING LABOR	\$79,344	\$77,207	\$110,640	\$133,060	16.8%
902B	METER READING SUPPLIES	\$814	(\$200)	\$2,234	\$2,235	0.0%
903A	CUSTOMER RECORDS LABOR	\$167,104	\$185,078	\$157,418	\$178,134	11.6%
903B	CUSTOMER RECORDS SUPPLIES	\$80,714	\$57,488	\$68,160	\$68,200	0.1%
904	UNCOLLECTIBLE ACCOUNTS					
	TOTAL	\$327,975	\$319,573	\$338,452	\$381,629	11.3%
ADMINISTRATIVE & GENERAL						
920	ADMINISTRATIVE SALARIES	\$299,023	\$298,991	\$295,254	\$321,530	8.2%
921	OFFICE SUPPLIES & EXPENSE	\$153,134	\$124,221	\$132,643	\$133,000	0.3%
923	OUTSIDE SERVICES	\$116,192	\$131,528	\$89,335	\$125,000	28.5%
924	PROPERTY INSURANCE & WC	\$160,278	\$145,782	\$209,145	\$234,287	10.7%
925	INJURIES & DAMAGES	\$431		\$608	\$610	0.3%
926	EMPLOYEE PENSION & BENEFITS	\$642,628	\$893,341	\$898,651	\$880,423	-2.1%
927	OPED		\$413,310			
928	REGULATORY COMMISSION	\$129,353	\$74,882	\$59,572	\$67,500	11.7%
930	MISC. GENERAL EXPENSE		\$34,326			
930A	MISC. GENERAL EXPENSE	\$49,431	(\$682)			
930B	MISC. GENERAL EXPENSE	\$13,930	\$21,696	\$13,517	\$13,500	-0.1%
930C	CONSERVATION PROGRAM	\$5,228	\$5,000		\$36,000	100.0%
932A	MAINTENANCE GENERAL PLANT	\$166,729	\$115,225	\$110,224	\$110,000	-0.2%
932B	MAINTENANCE VEHICLES	\$99,147	\$93,535	\$148,640	\$149,000	0.2%
933	UNASSIGNED TIME VAC. HOL. SICK	\$376,018	\$231,578	\$206,383	\$214,823	3.9%
	TOTAL	\$2,211,521	\$2,582,732	\$2,163,972	\$2,285,673	5.3%
	TOTAL O&M EXPENSES OTHER EXPENSES	\$8,708,213	\$8,911,113	\$9,325,222	\$9,542,897	2.3%
401	OPERATING EXPENSE					
403	DEPRECIATION	\$1,392,172	\$1,510,967	\$1,160,000	\$1,160,000	0.0%
408	TAXES OTHER THAN INCOME	\$158,378	\$146,880	\$150,522	\$150,500	0.0%
427	INTEREST LONG TERM DEBT	\$807,349	\$902,923	\$1,477,212	\$1,285,884	-14.9%
428	AMORTIZATION OF DEBT DISC	\$120,376	\$120,375	\$60,120	\$70,000	14.1%
	TOTAL	\$2,478,275	\$2,681,146	\$2,847,854	\$2,666,384	-6.8%
	TOTAL EXPENSES	\$11,186,489	\$11,592,259	\$12,173,076	\$12,209,281	0.3%
	INCOME (LOSS)	\$6,622,742	\$6,210,844	\$8,850,342	\$7,601,719	-16.4%
DEBT SERVICE:						
	PRINCIPAL	\$2,330,000	\$2,415,000	\$2,500,000	\$2,595,000	
	INTEREST	\$1,558,919	\$1,477,213	\$1,387,881	\$1,285,884	
		\$3,888,919	\$3,892,213	\$3,887,881	\$3,880,884	

MISCELLANEOUS
CAPITAL BUDGET FY 2011 - 2012

CAPITAL ASSETS:

VEHICLES:			
ITEM #	DESCRIPTION	EST. COST	NOTES
1	Replacement Van #4	\$25,000	Replace existing Van #4 1,500 HD
2	Replacement Truck #19 4WD	\$27,000	Replace existing Truck #19 4WD 6.0 L
3	GIS Van (new)	\$25,000	GIS Small Van
4	Replacement Truck #14 4WD	\$25,000	Replace existing Truck #14, 2WD Pick Up
5	Replacement of Truck #11	\$25,000	Replace with Van 2,500 HD (Tad's)
6	Car 1	\$27,000	Replacement Car 1
	Allowance Trade-in's	(\$5,000)	
	SUB TOTAL	\$149,000	
OFFICE EQUIPMENT:			
ITEM #	DESCRIPTION	EST. COST	NOTES
1	New PC's Office Upgrade	\$5,000	Replace aging equipment
2	PC Computer Field Laptops	\$9,000	Add to System Field Use
3	AS 400 Replacement	\$25,000	Obsolete - New Hardware & Software
4	GPS cell phones	\$3,000	New system
5	Software cross connection control	\$5,000	New system state law
6	Software large meter testing	\$5,000	New system Division Rules & Regulations
	SUB TOTAL	\$52,000	
MISCELLANEOUS CAPITAL:			
ITEM #	DESCRIPTION	EST. COST	NOTES
1	Meter Reading Equipment	\$38,000	Replace obsolete reading equipment
2	Misc. hand / power tools	\$10,000	
3	Utility Body Dump Refurbishments	\$40,000	Add 5 years to bodies
4	Re-keying Facilities	\$5,000	Securing System Vulnerability
5	Exterior Tank Cleaning	\$30,000	Tech Park, West Street
	SUB TOTAL	\$123,000	
	TOTAL PROPOSED EXPENDITURES	\$324,000	
	Remaining FY 10-11 funds	\$363,251	
	FY 11-12 funds	\$100,000	
		\$463,251	
	AVAILABLE	\$139,251	Purchase New Backhoe This Fiscal Year

PROPOSED IFR FUNDING

FUNDING AS OF MAY 1, 2011 RESTRICTED ACCOUNT	\$	7,609,480
MAY & JUNE 2011 FUNDING DEPOSIT	\$	900,000
FY 11-12 FUNDING AS OF JUNE 30, 2012	\$	<u>5,400,000</u>
TOTAL	\$	13,909,480
*11-12 PROPOSED BUDGET EXPENDITURES AS OF JUNE 30, 2012	\$	15,100,000
POTENTIAL DEFICIT	\$	(1,190,520)**

*5,000,000 2010 IFR PROJECT INCLUDED

**DO NOT EXPECT ALL CONSTRUCTION COMPLETED AND PAID
IN FY 11-12. NO DEFICIT WILL BE REALIZED

TOTAL CUSTOMERS
FY 2011 - 2012

	FY 2010	AS OF 5/30/2011	EST. GROWTH	TOTAL FOR BUDGET
RESIDENTIAL	25,003	24,966		24,966
COMMERCIAL/INDUSTRIAL	1,580	1,567		1,567
PRIVATE FIRE	293	293		293
PUBLIC FIRE	2,331	2,331		2,331
PUBLIC AUTHORITIES	340	340		340
SALES FOR RESALE	1	1		1

PRIVATE FIRE HYDRANTS
HYDRANTS 145
FIRE LINES 148

REVENUES

		FY 10-11	11+1	BASE REVENUE	NEW CUSTOMERS	BUDGET FY 11-12
461A	RESIDENTIAL	\$14,690,541		\$13,635,394		\$13,635,394
461B	COMMERCIAL/INDUSTRIAL	\$3,499,076		\$3,481,124		\$3,481,124
462	PRIVATE FIRE	\$188,715		\$192,449		\$192,449
463	PUBLIC FIRE	\$1,299,710		\$1,302,218		\$1,302,218
464	PUBLIC AUTHORITIES	\$802,634		\$746,749		\$746,749
466	SALES FOR RESALE	\$143,231		\$100,000		\$100,000
471	MISC SERVICE REVENUE	\$220,611		\$170,066		\$170,066
474	OTHER WATER REVENUE	\$43,475		\$45,000		\$45,000
415	PROFIT ON METERS	\$3,184		\$5,000		\$5,000
416	PROFIT ON SERVICE	\$18,408		\$18,000		\$18,000
		\$20,909,585		\$19,696,000		\$19,696,000

ADMINISTRATIVE & GENERAL
OUTSIDE SERVICES

	10-11 ACTUAL	BUDGET ESTIMATE
PETRARCA & MCGAIR	\$40,000	\$45,000
AMTEC	\$1,800	\$1,800
AUDIT BRAVER PC	\$33,600	\$34,000
SUMMIT FINANCIAL	\$7,150	\$7,200
BANK OF NEW YORK MELLON TRUSTEES FEES	\$6,000	\$6,000
IFR & CIP - 5 YEAR PLANS (PUC ALLOCATION)		
BOND COUNSEL	-	
CE ENGINEERS (UPDATED CIP 2012-2017)	-	
TOTAL OUTSIDE SERVICES	\$88,550	\$94,000
IFR & CIP 5 YEAR PLANS PUC ALLOCATION		\$25,000
TOTAL		\$119,000
BUDGET		\$125,000

EMPLOYEE BENEFITS

BUDGET
ESTIMATE

<hr/> <u>MEDICAL - BLUE CROSS: (34 EMPLOYEES)</u> <hr/>		
\$45,458.47/MO. X 12	\$545,501.64	
Employee 10% Contribution	(\$54,550.16)	\$491,000
<hr/> <u>DENTAL - DELTA: (34 + 15 RETIREES)</u> <hr/>		
\$3463.11/MO. X 12	\$41,557.32	\$42,000
<hr/> <u>GROUP P-65 RETIREES:</u> <hr/>		
\$8,280.45/MO.X12	\$99,365.40	\$100,000
<hr/> <u>LIFE INSURANCE - MUTUAL OF OMAHA:</u> <hr/>		
\$506.54/MO.X12	\$6,078.48	\$6,200
<hr/> <u>LONG TERM DISABILITY - MUTUAL OF OMAHA:</u> <hr/>		
\$589.38/MO. X 12	\$7,072.56	\$7,100
<hr/> <u>RIEAS:</u> <hr/>		
\$1,200		\$1,300
<hr/> <u>EDUCATION:</u> <hr/>		
		\$5,000
<hr/> <u>PENSION CONTRIBUTION - NATIONWIDE:</u> <hr/>		
\$222,723	\$222,723	\$222,723
<hr/> <u>XMAS BONUS:</u> <hr/>		
\$150.00 X 34	\$5,100	\$5,100
Total		\$880,423
Budget		\$880,000

ADMINISTRATIVE & GENERAL
REGULATORY COMMISSION

	10-11 ACTUAL	BUDGET ESTIMATE
PETRARCA & MCGAIR	\$6,377	\$10,000
WOODCOCK & ASSOCIATES	\$600	\$1,000
DIVISION OF PUBLIC UTILITIES	\$3,412	\$5,000
A-1 COURT REPORTERS	\$555	\$1,000
CAPITOL COURT REPORTERS		\$500
DIVISION OF PUBLIC UTILITIES ASSESSMENT	\$45,874	\$50,000
SUBTOTAL	<u>\$56,818</u>	<u>\$67,500</u>

PAYROLL BUDGET

REVISED 2/16/2012

	BASE PAY 7/1/2011 (Includes Proposed Step & Increases)	SCHEDULED OT	NSCHEDULED OT	TOTAL	BONUS	11-12 BUDGET	10-11 ACTUAL 10+2
107 CWIP	7,007			7,007		7,007	6,026
184A MJC - METERS	9,658			9,658		9,658	7,800
184D MJC - REPAIRS	12,712			12,712		12,712	12,996
601 OPERATION - LABOR							
602 OPERATION - SUPERVISION							
624A PUMPING - LABOR	58,703	\$5,000		63,703		63,703	55,600
631 MAINTENANCE - STRUCTUR	22,250			22,250		22,250	20,346
633 MAINTENANCE - PUMPING I	18,937			18,937		18,937	22,720
642A OPERATION - LABOR	71,959	\$5,000		76,959		76,959	76,656
651 MAINTENANCE - STRUCTUR							
652 MAINTENANCE - TREATMEN							
662A TRANS & DIST - LABOR	16,308			16,308		16,308	25,326
663A METER - LABOR	33,112			33,112		33,112	45,944
664A CUSTOMER INSTALLATION							
672 MAINTENANCE - TANKS	10,092			10,092		10,092	12,430
673 MAINTENANCE - MAINS	366,911		\$30,000	396,911		396,911	411,466
675 MAINTENANCE - SERVICES	183,463		\$30,000	213,463		249,329	153,448
676 MAINTENANCE - METERS	45,247			45,247		45,247	51,600
677 MAINTENANCE - HYDRANTS	54,651		\$10,000	64,651		64,651	70,440
902 METER READING	176,201			176,201		183,060	169,440
920 ADMINISTRATIVE SALARIES	315,293			315,293		316,071	310,000
903 CUSTOMER ACCOUNTING	177,356			177,356		183,593	157,418
926 EMPLOYEE BENEFITS					5,100	5,100	5,100
930-D DIRECTORS FEE							
930C CONSERVATION							
932A MAINTENANCE - PLANT	89,237	\$10,000		99,237		99,237	80,527
932B MAINTENANCE - VEHICLES	24,617			24,617		24,617	23,212
933 NON-PRODUCTIVE - LABOR	214,823			214,823		214,823	206,382
TOTAL	\$1,908,535	\$20,000	\$70,000	\$1,998,535	\$5,100	\$2,053,377	\$1,924,876

IFR FUNDING
CURRENT AND PROPOSED PROGRAM
(JUNE 2011)

FUNDING:

FUNDING AS OF MAY 1, 2011	\$7,609,480
MAY & JUNE 2011 PAYMENT	\$900,000
FUNDING AVAILABLE AS OF JUNE 30, 2011	\$8,509,480

FUNDING:

IFR 2011 CONSTRUCTION - JULY 2011 - JUNE 2012	\$5,400,000
TOTAL FUNDING	\$13,909,480

ESTIMATED ALLOCATED ONGOING EXPENDITURES 2011/2012

IFR 2006B & 2007 CONSTRUCTION (RETAINAGE)	(\$214,000)
IFR 2006B & 2007 CONSTRUCTION ENGINEERING SERVICES (CLOSE OUT SERVICES)	(\$10,000)
IFR 2009A CONSTRUCTION (BALANCE & RETAINAGE)	(\$256,000)
IFR 2009A CONSTRUCTION ENGINEERING SERVICES (CLOSE OUT SERVICES)	(\$10,000)
IFR 2009B CONSTRUCTION	(\$5,710,000)
IFR 2009B CONSTRUCTION SERVICES & CONTINGENCIES	(400,000)
TOTAL ALLOCATED	(\$6,600,000)

ESTIMATED FOR CONSTRUCTION

QUAKER BOOSTER REFURBISHMENT	(\$3,300,000)
QUAKER BOOSTER REFURBISHMENT ENGINEERING & CONSTRUCTION SERVICES	(\$200,000)
IFR 2010 CONSTRUCTION	(\$12,000,000)
IFR 2010 CONSTRUCTION SERVICES	(\$500,000)
TOTAL ESTIMATED	(\$16,000,000)
TOTAL EXPENDITURES	(\$22,600,000)
POTENTIAL DEFICIT	(\$8,690,520)

RECOMMEND THIS BUDGET YEAR:

Construct Quaker Booster refurbishment and split 2010 Construction IFR into 2 contracts. One at approximately \$5,000,000 and the second at \$7,000,000. Bid \$5,000,000 2010 IFR this year and hold remaining for next fiscal year. No potential deficit for budget year.

CIP PROJECTED EXPENSES

MISHNOCK TREATMENT FACILITY (CIP 1a & 1c)	(EST.)	\$14,000,000
MISHNOCK TRANSMISSION (CIP 1b)	(EST.)	\$8,000,000
READ SCHOOL HOUSE ROAD TRANSMISSION REMAINING (CIP 7e, 7d & 8a)		\$150,000
READ SCHOOL HOUSE STORAGE TANK REMAINING (CIP 7b)		\$50,000
	TOTAL	\$22,200,000
CAPITAL ACCOUNT (APRIL 30, 2011)		\$15,594,526
	SHORTFALL	\$6,605,474

EXHIBIT E

Kent County Water Board Meeting

February 16, 2012

**KENT COUNTY WATER AUTHORITY
EMPLOYEE HANDBOOK**

| *Approved February 16, 2012 ~~December 15, 2011~~*

*1072 Main Street
P. O. Box 192
West Warwick,
Rhode Island 02893*

" E "

ABSENCE FROM WORK

In the event an employee will be absent from work, he or she must notify their supervisor by 7:30 a.m. on the morning of their absence.

AFFIRMATIVE ACTION

Kent County Water Authority is committed to providing equal employment opportunities to all applicants and employees without regard to race, religion, national origin, age or sex.

If for any reason, an employee believes that he or she or any other employee or potential employee is being treated unfairly, they should file a report directly to the General Manager without fear of any recrimination.

BENEFITS

Health & Dental Insurance

Active Employees:

The Kent County Water Authority shall provide all full time employees and their families' coverage comparable to the following health insurance plan with payment co-share

- Blue Cross/Blue Shield - Healthmate Coast-to-Coast

The Authority shall also provide to all full time employees and their families coverage comparable to the following dental insurance plan.

- Delta Dental of RI – Plan II

Retirees

The Kent County Water Authority will provide employees under the age of 65, who have reached normal retirement age, and who have retired under the benefits of the Authority, an individual dental and health insurance plan comparable to the above. Additionally, such retiree may purchase from the Authority family coverage by paying to the Authority the difference in cost between an Individual Plan and a Family Plan. Such payments are to be made one month in advance no later than the 10th of the previous month. Retirees, age 65 and older, shall be eligible for an Individual Medicare Supplement Plan and may provide for such a plan for their spouses by paying the cost of such a plan to the Authority no later than the 10th of the previous month.

Disabled Employees

Any employee having completed 20 years or more of continuous service with the Kent County Water Authority, who shall, due to any non-employment related cause, become totally and permanently disabled (as defined below) and whose employment terminated due to such disability, shall be eligible for an Individual health insurance plan comparable to those listed above until such time as said employee reaches his or her normal retirement age. At such time, said employee may become eligible for Retiree's health insurance benefits as stated above. Disabled, inactive employees under normal

retirement age may also purchase from the Authority family coverage by paying to the Authority the difference in cost between an Individual Plan and a Family Plan. Such payments are to be made one month in advance no later than the 10th of the previous month.

Definition of Total and Permanent Disability

“Total and permanent disability” is defined as such a degree of non-employment related disability that renders an employee permanently unemployable at Kent County Water Authority or elsewhere in any capacity whatsoever as evidenced to Kent County Water Authority by probative medical evidence and documentation of such fact coupled with a copy of Social Security confirmation of such a fact. Kent County Water Authority has the right, as a precondition of continuing the medical insurance coverage referenced above, to require its being periodically supplied with updated probative evidence of continuing total and permanent disability as at the commencement of this benefit to the employee. Kent County Water Authority at all times has the right to require, at its own cost, a second medical opinion as to the continuing total and permanent disability by a physician of its choice as a condition of continuation of the medical benefits plan coverage to the employee.

Nothing to the contrary above withstanding, in no event will Kent County Water Authority be obliged to provide such medical benefits to any totally and permanently disabled employee who has comparable medical insurance coverage available elsewhere.

Term Life Insurance

Kent County Water Authority shall provide to all full time employees the following life insurance plans.

- During employment, prior to retirement, a multiple of one times base salary to a maximum of \$50,000.
- After retirement, the term life insurance will be reduced to a total of \$2,000.00.

Workers' Compensation

Workers' Compensation insurance shall be provided to all employees.

Defined Benefit Pension

Kent County Water Authority shall provide to all full time employees who have completed one year of continuous service a fully paid defined benefit pension plan.

Deferred Compensation Plan

Kent County Water Authority offers to all full time employees who have completed one year of continuous service a deferred compensation plan (IRS Code Section 457 [b]). The Authority does not fund this plan.

Long Term Disability Insurance

Kent County Water Authority shall provide to all full time employees a long term disability insurance plan.

Full details of each of the preceding benefits are included in the plan booklets. Copies may be obtained at the office.

Non-exempt Employees Temporary Disability Payment Plan

~~In addition each Non-exempt~~ Non-exempt employee will be provided a supplemental payment plan for the balance between full time pay (based on 40 hours per week) and a temporary disability illness. The differential shall be provided for a 6 month calendar period per illness per calendar year. Differential payment will be based on the actual remuneration from the State of Rhode Island TDI Program. Non-exempt employees shall provide to payroll written verification in the form of a stub or detailed statement of the amount received from the State of Rhode Island TDI program as a condition to receiving the supplement payments. Further, all payments of the supplemental pay plan are subject to all taxes and deductions of the Authority's payroll system. No further consideration will occur after the 6 month calendar period limitation per year. As a further condition to receipt of supplemental payments, employees shall be required to provide a report from a licensed physician, psychiatrist, or other healthcare provider, which shall include diagnosis, course of treatment, prognosis, the non-exempt employee's ability to work, and, whenever possible, projected timeline for the non-exempt employee's return to work. Upon return to work, or completion of 6 months, the non-exempt employee is required to provide a Claimant Payment History from the State of Rhode Island TDI program as proof of payments received.

Non-exempt Employees Workers' Compensation Payment Plan

Non-exempt employee will be provided a supplemental payment plan for the balance between full time pay (based on 40 hours per week) and a workers' compensation work related injury. The differential shall be provided for 12 weeks per injury per calendar year. Differential payment will be based on the actual remuneration from the Authority's workers' compensation insurance carrier. Non-exempt employees shall provide to payroll written verification in the form of a stub or detailed statement of the amount received from the Authority's workers' compensation insurance carrier as a condition to receiving the supplemental payments. Further, all payments of the supplemental pay plan are subject to all taxes and deductions of the Authority's payroll system. No further consideration will occur after the 12 weeks per calendar period limitation per year. As a further condition to receipt of supplemental payments, employees shall be required to provide a report from a licensed physician, psychiatrist, or other healthcare provider, which shall include diagnosis, course of treatment, prognosis, the non-exempt employee's ability to work, and, whenever possible, projected timeline for the non-exempt employee's return to work. Upon return to work or completion of 12 weeks on Workers' Compensation, the non-exempt employee is required to provide a payment history from the Authority's Workers' Compensation insurance carrier as proof of payments received.

Exempt Employees Temporary Disability Payment Plan

Exempt employees will be provided with full payment (based on 40 hours per week) for any temporary disability illness. The payment will be provided for a 6 month calendar period per illness per calendar year. Payment will be based on the actual days that the State of Rhode

Island TDI Program provides remuneration for exempt employees. Exempt employees shall provide to payroll written verification in the form of a stub or detailed statement of the amount received from the State of Rhode Island TDI program as a condition to receiving the payments. Further, all payments are subject to all taxes and deductions of the Authority's payroll system. No further consideration will occur after the 6 month calendar period limitation per year. As a further condition to receipt of payments, exempt employees shall be required to provide a report from a licensed physician, psychiatrist, or other healthcare provider, which shall include diagnosis, course of treatment, prognosis, the exempt employee's ability to work, and, whenever possible, projected timeline for the exempt employee's return to work. Upon return to work, or completion of 6 months, the exempt employee is required to provide a Claimant Payment History from the State of Rhode Island TDI program as proof of payments received.

Exempt Employees Workers' Compensation Payment Plan

Exempt employees will be provided with full payment (based on 40 hours per week) for any workers' compensation work related injury. The payment will be provided for 12 weeks per injury per calendar year. Payment will be based on the actual days that the Authority's workers' compensation insurance carrier provides remuneration for exempt employees. Exempt employees shall provide to payroll written verification in the form of a stub or detailed statement of the amount received from the Authority's workers' compensation insurance carrier as a condition to receiving the payments. Further, all payments are subject to all taxes and deductions of the Authority's payroll system. No further consideration will occur after the 12 week calendar period limitation per year. As a further condition to receipt of payments, exempt employees shall be required to provide a report from a licensed physician, psychiatrist, or other healthcare provider, which shall include diagnosis, course of treatment, prognosis, the exempt employee's ability to work, and, whenever possible, projected timeline for the exempt employee's return to work. Upon return to work or completion of 12 weeks on Workers' Compensation, the exempt employee is required to provide a payment history from the Authority's Workers' Compensation insurance carrier as proof of payments received.

These non-exempt supplemental payment plans and exempt payment plans becomes effective July 1st of 2011.

BREAKS

Employees are entitled to breaks as follows:

Lunch periods:

- Office staff – thirty minutes beginning at 11:30 a.m. and staggered as determined by management to allow full coverage in the office.
- Daily field employees – thirty minutes beginning at 12 noon.

- Night field employees – thirty minutes to fit schedule

Management must approve variations to the above.

All employees are allowed a ten-minute coffee break in the morning and in the afternoon. Employees' supervisors will determine the time for such breaks.

BULLETIN BOARDS

The Kent County Water Authority will maintain bulletin boards for posting memos, company policies and regulations.

CERTIFICATION REQUIREMENTS

The Kent County Water Authority will reimburse the expenses of all active employees who are required by state law to possess or retain certain licenses or certifications to perform their jobs. Such reimbursement shall be for certifications, licensing, examinations, or similar expenses. New hires must obtain or possess the required license or certificate within one year from the date of being hired

CHANGE OF ADDRESS

Employees and vested retirees are required to notify the General Manager of any change in his or her address within one week of said change.

CLASSIFICATIONS OF EMPLOYMENT

There are several classifications of employment within the company as follows:

Full-time Employees

These are employees who are considered permanent, are scheduled to work at least 40 hours per week - 8 hours per day and are entitled to receive employee benefits.

Probationary Employees

These are employees who are on a two-year probationary period leading to full time employment. Regular hours 40 hours per week – 8 hours per day, and are non-exempt.

Hourly Office Employees

These are employees who are paid hourly, are scheduled to work 40 hours per week - 8 hours per day, and are non-exempt.

Salaried Employees

These are employees who are paid a salary and are exempt. Base regular hours 40 per week.

Hourly Field Employees

These are employees who are paid hourly, are scheduled to work 40 hours per week, 8 hours per day, and are non-exempt. There will be mandatory overtime on Saturdays and Holidays on a rotating basis.

Hourly Night Employees

These are employees who are paid hourly, scheduled to work 8 hours per day and are non-exempt. The hours and days of work assigned will be staggered beginning at 4:00 p.m. to 6:00 a.m. the next morning and on the days of the week or weekend to accommodate proper utility coverage. Mandatory coverage on Holidays on a rotating basis is required. The employees will receive 40 hours per week for payroll purposes based on the staggered schedule.

Temporary Employees

These are employees who are hired for a short or limited duration and who are not eligible for employee benefits unless required by law.

Exempt Employees

These are employees who are paid a salary and are exempt from the overtime provisions of federal and state law.

Non-exempt Employees

These are employees who are paid on an hourly basis and are subject to the overtime requirements of federal and state law.

Throughout this handbook, where there are different policies that apply to different classifications of employee, it will be so noted. If it is not specifically noted, then that policy applies to all employees.

CODE OF CONDUCT

It is required that all employees carry out their responsibilities to the Kent County Water Authority to the highest degree of the public water supply profession.

To ensure orderly operations and provide the best possible work environment, the Kent County Water Authority expects employees to follow rules of conduct that will protect the interests and safety of all employees, the company and the public.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of the rules of conduct that may result in disciplinary action being taken, up to, and including termination of employment.

- Theft or inappropriate removal or possession of Kent County Water Authority property
- Falsification of timekeeping records
- Working under the influence of alcohol and illegal drugs

- Possession, distribution, sale, transfer, and/or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer-owned vehicles or equipment
- Fighting or threatening violence in the workplace
- Boisterous or disruptive activity in the workplace
- Negligence or improper conduct leading to damage of employer-owned or customer-owned property
- Insubordination or other disrespectful conduct
- Violation of safety or health rules
- Smoking in prohibited areas
- Sexual or other unlawful or unwelcome harassment
- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace
- Excessive tardiness or absenteeism or any absence without notice
- Unauthorized absence from workstation during the workday while on assigned route or assigned duties
- Unauthorized use of telephones, mail system, or other employer-owned equipment
- Violation of personnel policies
- Unsatisfactory performance or conduct

All policies and procedures of Kent County Water Authority must be followed. Copies shall be posted when established or changed. It is the responsibility of each employee to familiarize themselves with these policies. If an employee has any questions about these policies, he or she should contact the General Manager.

CONFLICTS OF INTEREST

Employees have an obligation to conduct business that prohibits actual or potential conflicts of interest. All employees of the Kent County Water Authority are subject to the Rhode Island Code of Ethics, R.I.G.L. 36-14-1 *et seq.*

DEATH IN FAMILY

Bereavement leave not to exceed 3 days will be granted to an employee due to the death of a father, mother, spouse, son, daughter, brother, sister, mother-in-law, father-in-law, grandmother, grandfather, and grandchild.

EMPLOYEES' ASSISTANCE PROGRAM

The Kent County Water Authority provides an Employees' Assistance Program for all of its employees. This service is provided at no cost to the employee and it is designed to help the employee with personal and/or work related problems. All self-referrals to this program are confidential. The authority may utilize this service at times in lieu of the imposition of discipline in cases where there may be job-related issues that affect an employee's performance in the workplace. Any employee with questions on this service may do so in confidence by contacting the General Manager.

HARASSMENT

Kent County Water Authority has been and is committed to providing and maintaining a work environment that encourages and fosters appropriate conduct among employees and respect for individual values and sensibilities, and that is free from sexual harassment, and harassment on the basis of race, color, national origin, gender, religion, age, physical or mental disability, sexual orientation, gender expression or identity, marital or family status, veterans status or any other unlawful characteristics. The Kent County Water Authority recognizes that harassment on the basis of sex or other protected characteristics is unlawful and will not be tolerated and it intends to enforce this policy at all levels in the workplace in order to create an environment free from discrimination of any kind, including sexual and other unlawful harassment.

Definition of Sexual Harassment:

Sexual harassment is defined as unwelcome sexual advances, requests for favors and other verbal and physical conduct of sexual nature when:

1. Submission is made, either explicitly or implicitly, a term or condition of employment.
2. Submission or rejection is used as a basis for employment related decisions including, but not limited to, hiring, promotion, performance evaluation, disciplinary and/or salary decisions.
3. It creates a hostile or offensive working environment which interferes with an individual's work performance.

Sexual harassment may involve conduct by a person of either sex that is directed at or affects a person of the opposite or the same sex and may occur in any employment or independent contractor relationship, or as the result of contact with visitors or customers.

Complaints or Harassment:

Any employee who believes he/she has been subjected to sexual or other unlawful harassment by any person engaged in Kent County Water Authority related work is urged to report the matter promptly to either his/her supervisor or to the General Manager. All Kent County Water Authority supervisors and the General Manager are available in person and via telephone at Kent County Water Authority. The Kent County Water Authority telephone number is (401) 821-9300. The complaint may be either verbal or written, but the Kent County Water Authority may ask that the complaint be put in writing before an investigation is completed.

Harassment Investigation:

All complaints of sexual or other unlawful harassment will be investigated promptly and thoroughly in a fair and expeditious matter. The investigation will be conducted in such a way as to maintain confidentiality to the extent practicable under the circumstances and information arising out of a complaint or investigation that will only be disclosed on a need-to-know basis. All employees must be aware; however, that certain information must be shared to ensure an effective and thorough investigation.

The Kent County Water Authority investigation of a complaint of sexual or other unlawful harassment will likely include (but it is not necessarily limited to) a private interview with the person filing the complaint as well as interviews with other witnesses. The Kent County Water Authority will also seek to interview the person alleged to have committed the harassment. When the investigation is completed, the Kent County Water Authority will, to the extent appropriate, inform the person filing the complaint and the person alleged to have committed the harassing conduct of the results of the investigation.

If it is determined that inappropriate conduct has occurred, the Kent County Water Authority will act promptly to eliminate the offending conduct, and where it is appropriate, disciplinary action will also be imposed.

Disciplinary Action/Range of Consequences:

If it is determined following an investigation that inappropriate or unlawful conduct has been committed by one of our employees, the Kent County Water Authority will take such disciplinary and/or corrective action as is appropriate under the circumstances. Such action may range from counseling to termination of employment, and may include other forms of disciplinary or corrective action as the Kent County Water Authority deems appropriate under the circumstances.

If an investigation results in a finding that the complainant falsely accused another of sexual harassment knowingly or in a malicious manner, the complainant may be subject to appropriate disciplinary action, up to and including termination of employment.

No Retaliation:

Any retaliatory action, including intimidation, threats, coercion, or less favorable job treatment, that is taken against an individual because the individual complained of sexual harassment or assisted in the investigation of a complaint of sexual harassment is prohibited and will not be tolerated.

State and Federal Remedies:

In addition to filing an internal complaint with the Company, if you believe you have been subjected to sexual or other unlawful harassment, you may file a formal complaint with either both of the government agencies set forth below. Using our internal complaint process does not prohibit you from filing a complaint with either or both of these agencies.

The United States Equal Employment Opportunity Commission (EEOC)
John F. Kennedy Federal Building
Government Center, 4th Floor, Room 475
Boston, MA 02203
(617) 565-3200

Rhode Island Commission for Human Rights
180 Westminster Street
Providence, RI 02903
(401) 222-2661

HOLIDAYS

The Kent County Water Authority provides eleven (11) paid Holidays to all full time employees only, as follows:

New Years Day	Columbus Day
Martin Luther King Day	Veteran's Day
Memorial Day	Thanksgiving Day
Independence Day	Day After Thanksgiving
V.J. Day	Christmas Day
Labor Day	

In addition, the office will close at 12 noon on Good Friday, Christmas Eve and New Years Eve.

If a Holiday falls on a Saturday, it shall be celebrated on the Friday before – if on a Sunday, it shall be celebrated on the following Monday. If an employee is scheduled to work on the day of the celebration of the Holiday, he or she shall be paid at the rate of two and one half times their normal salary for the hours worked.

INJURIES AND ACCIDENTS

The personal safety and health of each employee of the Kent County Water Authority is of primary importance. To this end, substantial efforts will be made in the interest of accident prevention, loss control and health preservation.

The company will endeavor to maintain a safe and healthful drug and alcohol free work place. It will provide safe working equipment, necessary personal protection, training, and, in the case of injury, first aid and medical service.

Each employee is expected to obey all safety rules and to exercise caution in all work activities. Employees must immediately report any unsafe condition to the appropriate supervisor. Employees who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate, remedy such situations, may be subject to disciplinary action, up to and including, termination of employment.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, employees should immediately notify the General Manager or the appropriate supervisor. Such reports are necessary to comply with laws and to initiate insurance and workers' compensation benefits procedures. Failure to report injuries may also result in disciplinary action being taken up to, and including, termination.

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

Employees are required to notify their supervisor if any equipment, machine, tool, or vehicle appear to be damaged, defective, or in need of repair. Prompt reporting of damage, defects, and the need for repair could prevent deterioration of equipment and possible injury to employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

Accidents with any Kent County Water Authority equipment must be reported to a supervisor. Accident reports must be properly completed by the business day following the date of the accident and forwarded to the General Manager. Failure to promptly report accidents may result in disciplinary action being taken up to, and including, termination.

All employees are required to comply with the following safety rules:

1. The use of eye and face protection is required where there is a danger from flying objects or particles such as when grinding, chipping, welding, etc.
2. The use of ear protection is required when operating all loud, repetitive and noisy equipment.
3. All tools are to be kept in safe working condition. The use of defective tools or equipment is prohibited.
4. The operation of any machinery without all guards and safety devices in place and in proper operating condition is prohibited.
5. Only authorized personnel may operate machinery.
6. All tools and equipment must be stored and cared for properly. Tools must be picked up and not left where others might walk, and care must be taken at points of egress or ingress around excavations and near doorways.
7. Horseplay is prohibited.
8. The use or possession of intoxicating beverages or controlled substances is strictly prohibited pursuant to the Substance Abuse Policy.
9. Back belts are made available to employees and should be used for lifting or at other times when back support is needed.
10. Seat belts and shoulder belts in vehicles must be worn at all times while operating vehicles of the Authority.

FIRE ARMS POLICY

No Firearms shall be allowed on any property owned by Kent County Water Authority by any person other than a duly appointed governmental law enforcement officer who is on duty. Any person who violates this policy shall be removed from the premises immediately and will be subject to prosecution for any criminal offenses in violation of Rhode Island General Laws, 1956 as Amended, in connection with the possession of firearms on property owned by Kent County Water Authority.

JOB POSTING AND FILLING

Whenever there is an employment vacancy or a new position is created, the Kent County Water Authority will post a notice of such a vacancy on the company bulletin boards. Such vacancies may also be advertised publicly and concurrently with the internal posting at the discretion of the General Manager. The posting of all vacancies or newly created positions must be approved by the Kent County Water Authority prior to the filling of those positions. The General Manager shall require such documents or additional material such as references and history of prior employment from job applicants as deemed necessary. The General Manager shall interview potential employees or candidates for promotion, and a recommendation to hire or promote will be forwarded to the board for approval.

All new employees shall be hired as Probationary employees and shall be subject to dismissal without cause (see Probationary Employees).

JURY DUTY

The Kent County Water Authority encourages employees to fulfill their civic responsibilities by serving on jury duty when required. Full time employees may request paid jury duty leave (employees receive the difference between regular pay and remuneration for jury duty).

Jury duty pay will be calculated on the employee's base pay rate times the number of hours the employee would otherwise have worked on the day of absence. Jury duty pay will be for a maximum of two weeks only.

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Employees are required to report for work whenever the court schedule permits.

MATERNITY LEAVE

The Kent County Water Authority will provide to those employees absent on approved maternity leave with six weeks of maternity leave pay. Such leave may commence before the birth of the child if the employee's physician deems the employee incapable of performing the essential job functions for her position, but in no case will such paid leave be granted for more than 6 weeks.

MILITARY LEAVE

A military leave of absence will be granted to full time employee to attend scheduled drills or training or if called to active duty with the U.S. armed services. Employees will receive partial pay for two-week training assignments and shorter absences. Upon presentation of satisfactory military pay verification data, employees will be paid the difference between their normal base compensation and the pay (excluding expense pay) received while on military duty. The portion of any military leaves of absence in excess of fourteen calendar days will be unpaid. However, employees may use any available paid time off for the absence.

Subject to the terms, conditions and limitations of the applicable plans for which the employee is otherwise eligible, health insurance benefits will be provided by the Kent County Water Authority for the full term of the military leave of absence.

Employees on two-week active duty training assignments or inactive duty training drills are required to return to work for the first regularly schedule shift after the end of training, allowing reasonable travel time. Employees on longer military leave must apply for reinstatement in accordance with all applicable state and federal laws.

OFF DUTY HOURS

No employee is allowed on the premises after their working hours for any reason other than being called in for overtime and or for emergency shift duties. When an employee's shift ends, he or she must leave the premises immediately and return only when their shift begins again or is called in for emergency duty. Failure to comply with this requirement may lead to discipline being imposed, up to, and including, termination.

OTHER POLICIES

In addition to the foregoing, employees should also familiarize themselves with all current policies of the Authority and shall be considered part of this handbook by reference.

OTHER LAWS AND REQUIREMENTS

In addition to the laws and legal requirements referred to in this handbook, the Kent County Water Authority recognizes that it has the obligation of every employee to comply with all pertinent federal and state law regarding employment issues.

OVERTIME

Only non-exempt employees are eligible for overtime pay as follows:

- Non-exempt office and field employees shall be compensated at the rate of time and one-half of their wages for all hours worked in excess of 40 in one week.
- Saturday mandatory coverage shall be compensated the same as overtime.
- Hourly night employees shall be compensated at the rate of time and one-half of their wages for all hours worked in excess of 8 hours in one shift day. Due to the staggered hours and schedule worked, the base pay will be 40 hours per week for payroll purposes. Additional days or hours that are required to be worked outside of the assigned schedule shall also be compensated at the rate of time and one-half.

All overtime must have prior approval from the employee's immediate supervisor.

PAY DAY

Payday will be on Wednesday and will be for work performed the previous week. The workweek commences on Monday at 12:01 a.m., and ends on Sunday at midnight. The Kent County Water Authority reserves the right to modify this schedule.

PERSONAL TIME

Full time employees are eligible for two personal days off with pay per calendar year. Requests for such time off must be made at least 48 hours in advance and are subject to the approval of the employee's supervisor. In cases where granting such personal time off may cause a hardship to the Authority or may cause the payment of overtime to another employee, such requests shall be denied.

PROBATIONARY EMPLOYEES

All employees hired by the Kent County Water Authority shall be hired as probationary employees. The first two (2) years shall be the probationary period, which will include quarterly reviews of the employee's ability to function, qualifications and learning history, as well as attitude and disposition upon the jobs assigned. Quarterly reviews will be held with the direct supervisor and the General Manager. Upon that completion of the two-year probationary period, with satisfactory review for all eight (8) quarters, the General Manager may recommend to the board that the probationer be hired as a regular employee. During such probationary period, employees may be dismissed without cause.

SAFETY

See Injuries and Accidents.

SICK LEAVE

All full time employees who have been employed by the Authority for at least three months are eligible for a maximum of 5 sick days with pay per calendar year. Employees hired after June 30th of any year shall be entitled to a maximum of 2 1/2 sick days with pay for that calendar year. Sick leave is not cumulative and shall not carry over from year to year.

All sick leave remaining on the books for an employee as of December 31st of each year shall be paid to the employee at the rate the employee was receiving as of that date. An employee must be on the active roster on December 31 to receive such payment.

The Authority may require a physician's certificate or other satisfactory evidence in support of any request for sick leave with pay. The Authority will require a physician's certificate or other satisfactory evidence for sick leave with pay covering an absence of more than three consecutive working days.

Any employee referred to the Authority's Employees' Assistance Program pursuant to the Drug Policy of the Kent County Water Authority shall not have sick leave deducted from his or her balance of sick leave while such employee is under the treatment or care of the EAP or a medical provider recommended by the EAP.

Abuse of sick leave is considered a serious offense and may lead to harsh discipline being imposed up to, and including, termination.

SPECIAL WORK HOURS

Duty Supervisors – Weekend Duty Supervisors go on duty 4:00 p.m. on Friday, duty ends Monday morning at beginning of the day shift, 7:30 a.m.

Duty Supervisors – Holiday Duty If a Holiday is on Monday, supervisors on duty will take over at 7:30 a.m. on that day and duty will end at 7:30 a.m. the following day. If a Holiday comes on a weekday other than Monday, the duty supervisor will take over at 4:00 p.m. the day before the Holiday and duty will end at 7:30 a.m. of the day after the Holiday.

Night Employees – Regular Duty Night (shift employees) will be assigned shifts on a staggering schedule beginning at 4:00 p.m. to 6:00 a.m. the next morning and on days of the week or weekend to accommodate proper utility coverage.

Night Employees – Holiday Duty Night (shift employees) will be assigned Holiday shift duty on a staggered schedule beginning at a time set by the Holiday supervisor – Holiday schedules will be prepared yearly in January with assignments.

The General Manager will establish the working hours for all employees and may vary the hours as necessary to fulfill the work required.

SUBSTANCE ABUSE POLICY

It is the Kent County Water Authority's desire to provide a drug-free, healthful, and safe workplace. To promote this goal, employees are required to report to work in appropriate mental and physical condition to perform their jobs in a satisfactory manner.

While on the Kent County Water Authority premises and while conducting business-related activities off the Kent County Water Authority premises, no employee may use, possess, distribute, sell, and/or be under the influence of alcohol or illegal drugs. The legal use of prescribed drugs is permitted on the job only if it does not impair an employee's ability to perform the essential functions of the job effectively and in a safe manner that does not endanger other individuals in the workplace.

Violations of this policy may lead to disciplinary action, up to and including, immediate termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Such violations may also have legal consequences.

Employees with questions or concerns about substance dependency or abuse are encouraged to use the resources of the Employee Assistance Program.

For any questions, refer to Kent County Water Authority's Substance Abuse Policy 94-1.

TELEPHONE & ELECTRONIC USAGE

The use of company telephones or electronic equipment is for business purposes only. Any personal usage shall be of an emergency or non-routine nature. The use of personal cell phones during the work day is prohibited except during established breaks. Violations of this policy may lead to discipline being imposed.

UNIFORMS

Uniforms are provided to all supervisory, hourly field and night employees and must be worn at all times while on duty. Failure to comply may result in discipline being imposed up to, and including, termination. Maintenance and repair of uniforms is the responsibility of the employee, and such maintenance shall be performed promptly as required. The Kent County Water Authority will provide replacement uniforms on an as-needed basis.

VACATIONS

The Kent County Water Authority shall provide each full time employee with paid vacation as follows:

- Full time employees with less than two years of continuous service:

Vacation time accrues at the rate of 5/6^{ths} of a day per month to a maximum of 10 days per calendar year. Accrual commences on the first month of hire provided the hire date is prior to the 15th of the month; otherwise, accrual begins the second month.

- Full time employees after two years of continuous service:

Vacation time accrues at the rate of 15/12^{ths} of a day per month to a maximum of 15 days per calendar year.

- Full time employees after fifteen years of continuous service:

Vacation time accrues at the rate of 20/12^{ths} of a day per month to a maximum of 20 days per calendar year.

Employees must be actively at work each month for which a vacation accrual is earned. Actively at work is defined as receiving compensation (regular pay, sick leave, personal leave, vacation, TDI benefits, or Worker's Compensation benefits) for at least one-half of the workdays in any given month. The employee's supervisor must approve all scheduled vacations at least two weeks in advance. The General Manager shall arbitrate any conflict between an employee and his or her supervisor over this clause and he or she can deny vacation requests if such a request might cause a hardship to the Authority or create an overtime situation.

Employees may be allowed to carry over from one year to another not more than the vacation time accrued and credited in two years. All excess will be forfeited or not allowed to be accrued. No employee may take more than two (2) weeks accrued vested vacation at a time and is always subject to the approval of the General Manager.

Example: Employee "A" has accrued 32 days vacation. Employee "A" has been with the company for 18 years and will accrue 20 days vacation come January of the following year. If employee "A" does not utilize at least 12 days vacation by January, employee "A" will forfeit 12 days vacation. The maximum number of accrued vacation days as of January cannot exceed 40 days for employee "A". (This is 20 days per year times 2 years allowed accrual for a maximum total of 40 days.)

Vacation will accrue for all military personnel that have been activated by order of the President of the United States for the duration of the activation, only as long as the presidential order remains in effect.

Vacation schedules shall be prepared in January of each year and shall be based upon the amount of accrual from the previous year.

EXHIBIT F

Kent County Water Board Meeting

February 16, 2012



January 30, 2012

Mr. Timothy J. Brown, P.E.
General Manager/Chief Engineer
Kent County Water Authority
PO Box 192
1072 Main Street
West Warwick, RI 02893-0192

Re: Kent County Water Authority Health and Welfare Plan GASB Reporting and Disclosure

Dear Tim,

As you requested, this letter will serve as our proposal to perform all actuarial and administrative services related to the new GASB 43 and 45 regulations for your Health and Welfare plan. Under the new regulations the Plan will need to have an actuary calculate costs and liabilities under a standard set of prescribed assumptions. Since the Plan has less than 300 employees a full valuation must be completed every three years. In the interim, a modified valuation is allowed for purposes of preparing the GASB reports.

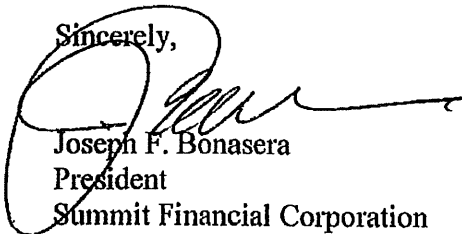
Summit will prepare these valuations and GASB reports each year on a signature ready basis. We will also coordinate and consult with your accounting firm for any changes they may want to see in the funding assumptions.

The fee for performing this service is \$4000.00 in the years a full valuation is required (every three years, except if benefits are substantially changed) and \$2000.00 in the modified reporting years (two out of the three years).

If you have any questions regarding the proposal please feel free to call me.

Thanks for the opportunity to be of service.

Sincerely,



Joseph F. Bonasera
President
Summit Financial Corporation

Handwritten initials: JFB

COPY SENT TO	
DATE	2/1/12
TO	
BY	

Proposal For Kent County Water Authority

Actuarial And Administration Services

Summit Financial Corporation Proposed Fees

2012 Actuarial Valuation and Employee Statements:	\$ 4,000
2013 Update	\$ 2,000
2014 Update	\$ 2,000
Annual Participant Fee:	N/A
5500 Filing	N/A
FASB Fee:	N/A
PBGC Filing Fee:	N/A
Plan Document Fee (one-time)	N/A

Fees are guaranteed for 3 years.

EXHIBIT G

Kent County Water Board Meeting

February 16, 2012



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

February 1, 2012

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

COPY SENT TO	
BOARD MEMBERS	2/2/12
CHAIRMAN	
LEGAL COUNSEL	

Re: KCWA 2010A Infrastructure Improvements in the City of Warwick and the Town of West Warwick, RI

Dear Mr. Brown:

On Tuesday (January 31, 2012) at 10:00 A.M., bids were received by the Kent County Water Authority and were opened and read for the **KCWA 2010A Infrastructure Improvements**. The following general contractors submitted a sealed bid:

	COMPANY	TOTAL BID
1	Boyle & Fogarty Construction Co., Inc.	\$3,887,826.00
2	Parkside Utility Construction Corp.	\$3,986,075.00
3	Rosciti Construction Co., LLC	\$4,209,140.00

James J. Geremia & Associates, Inc. (JGA) has evaluated the bids on the basis of a general review of the bidders. The following are details of our evaluation.

- A. **General Review of the Bidders:** We reviewed the bids submitted by the contractors to determine if they had provided all documentation required by the contract documents. Our evaluation indicated that the contractors complied with all requirements. A mathematical check of the bids was conducted. There was a \$6,000 mathematical error in Rosciti Construction Co.'s bid (bid tabulation enclosed).
- B. **Boyle & Fogarty Construction Co., Inc.'s Capability to Carry Out this Project:** Boyle & Fogarty Construction Co., Inc. completed the Prospect Street Water Line Replacement Project to the satisfaction of KCWA. Boyle & Fogarty Construction Co., Inc. is also the Contractor on the KCWA 2009B Infrastructure Improvements Project and the work performed has been performed to the satisfaction of the KCWA.

11
G



Mr. Timothy J. Brown, P.E.
General Manager/Chief Engineer
Kent County Water Authority

February 1, 2012

Page 2

In conclusion, based on the above, we have determined that Boyle & Fogarty Construction Co., Inc. submitted the lowest most responsible and responsible bid. It is, therefore, JGA's recommendation that the Kent County Water Authority award the contract for the **2010A Infrastructure Improvements Project** in the sum of **Three Million Eight Hundred Eighty Seven Thousand Eight Hundred Twenty Six and No/100 Dollars (\$3,887,826.00)** to Boyle & Fogarty Construction Co., Inc.

If you have any questions, please call.

Very truly yours,

JAMES J. GEREMIA & ASSOCIATES, INC.

Richard M. Hencler, P.E.
Project Manager

Enclosure

KCWA - 2010A INFRASTRUCTURE IMPROVEMENTS
BID RESULTS
JANUARY 31, 2012

ITEM NO.	ITEM	UNIT	ESTIMATED QUANTITY	UNIT COST	COST	BOYLE & FOGARTY		PARKSIDE		ROSCITI	
						UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
1	Exc. & Refill Mat'l Below Normal Grade	CY	1,000	\$ 20.00	\$ 20,000.00	\$ 0.10	\$ 100.00	\$ 1.00	\$ 1,000.00	\$ 0.01	\$ 10.00
2	Earth Excavation & Refill for Test Pits	CY	1,500	\$ 40.00	\$ 60,000.00	\$ 40.00	\$ 60,000.00	\$ 40.00	\$ 60,000.00	\$ 40.00	\$ 60,000.00
3	Borrow Gravel	CY	7,600	\$ 15.00	\$ 114,000.00	\$ 0.01	\$ 76.00	\$ 16.00	\$ 121,600.00	\$ 0.01	\$ 76.00
4	Excavation & Removal of Boulders	CY	1,300	\$ 50.00	\$ 65,000.00	\$ 20.00	\$ 26,000.00	\$ 50.00	\$ 65,000.00	\$ 0.01	\$ 13.00
5	Rock Excavation (mechanical)	CY	1,500	\$ 250.00	\$ 375,000.00	\$ 250.00	\$ 375,000.00	\$ 250.00	\$ 375,000.00	\$ 250.00	\$ 375,000.00
6	Silt Fencing	LF	6,000	\$ 5.00	\$ 30,000.00	\$ 2.00	\$ 12,000.00	\$ 4.00	\$ 24,000.00	\$ 6.00	\$ 36,000.00
7	Hay Bales Around Catch Basins	LF	200	\$ 7.00	\$ 1,400.00	\$ 3.00	\$ 600.00	\$ 6.00	\$ 1,200.00	\$ 2.00	\$ 400.00
8	Calcium Chloride for Dust Control	LBS	4,000	\$ 0.40	\$ 1,600.00	\$ 0.30	\$ 1,200.00	\$ 0.25	\$ 1,000.00	\$ 0.01	\$ 40.00
9	16" D.I. Water Main	LF	7,900	\$ 140.00	\$ 1,106,000.00	\$ 142.00	\$ 1,121,800.00	\$ 117.00	\$ 924,300.00	\$ 170.00	\$ 1,343,000.00
10	16" D.I. Water Main w/insulation	LF	40	\$ 250.00	\$ 10,000.00	\$ 220.00	\$ 8,800.00	\$ 125.00	\$ 5,000.00	\$ 180.00	\$ 7,200.00
11	12" D.I. Water Main	LF	500	\$ 95.00	\$ 47,500.00	\$ 120.00	\$ 60,000.00	\$ 105.00	\$ 52,500.00	\$ 240.00	\$ 120,000.00
12	12" D.I. Water Main w/insulation	LF	30	\$ 130.00	\$ 3,900.00	\$ 150.00	\$ 4,500.00	\$ 110.00	\$ 3,300.00	\$ 120.00	\$ 3,600.00
13	10" D.I. Water Main	LF	50	\$ 100.00	\$ 5,000.00	\$ 150.00	\$ 7,500.00	\$ 100.00	\$ 5,000.00	\$ 40.00	\$ 2,000.00
14	8" D.I. Water Main	LF	6,100	\$ 80.00	\$ 488,000.00	\$ 100.00	\$ 610,000.00	\$ 93.00	\$ 567,300.00	\$ 125.00	\$ 762,500.00
15	8" D.I. Water Main w/2" Foamglass Insulation	LF	30	\$ 100.00	\$ 3,000.00	\$ 130.00	\$ 3,900.00	\$ 98.00	\$ 2,940.00	\$ 70.00	\$ 2,100.00
16	6" D.I. Water Main	LF	400	\$ 70.00	\$ 28,000.00	\$ 80.00	\$ 32,000.00	\$ 88.00	\$ 35,200.00	\$ 25.00	\$ 10,000.00
17	6" D.I. Water Main w/2" Foamglass Insulation	LF	80	\$ 100.00	\$ 8,000.00	\$ 100.00	\$ 8,000.00	\$ 92.00	\$ 7,360.00	\$ 55.00	\$ 4,400.00
18	4" D.I. Water Main	LF	50	\$ 70.00	\$ 3,500.00	\$ 200.00	\$ 10,000.00	\$ 70.00	\$ 3,500.00	\$ 20.00	\$ 1,000.00
19	16 x 12 Tees	EA	3	\$ 3,000.00	\$ 9,000.00	\$ 2,000.00	\$ 6,000.00	\$ 1,545.00	\$ 4,635.00	\$ 1,680.00	\$ 5,040.00
20	16 x 10 Tees	EA	1	\$ 3,000.00	\$ 3,000.00	\$ 1,850.00	\$ 1,850.00	\$ 1,475.00	\$ 1,475.00	\$ 1,750.00	\$ 1,750.00
21	16 x 8 Tees	EA	3	\$ 3,000.00	\$ 9,000.00	\$ 1,600.00	\$ 4,800.00	\$ 1,375.00	\$ 4,125.00	\$ 1,500.00	\$ 4,500.00
22	16 x 6 Tees	EA	15	\$ 2,500.00	\$ 37,500.00	\$ 1,400.00	\$ 21,000.00	\$ 1,310.00	\$ 19,650.00	\$ 1,200.00	\$ 18,000.00
23	8 x 8 Tees	EA	8	\$ 700.00	\$ 5,600.00	\$ 525.00	\$ 4,200.00	\$ 535.00	\$ 4,280.00	\$ 600.00	\$ 4,800.00
24	8 x 6 Tees	EA	6	\$ 600.00	\$ 3,600.00	\$ 525.00	\$ 3,150.00	\$ 500.00	\$ 3,000.00	\$ 500.00	\$ 3,000.00
25	16" Elbows	EA	20	\$ 1,200.00	\$ 24,000.00	\$ 1,100.00	\$ 22,000.00	\$ 1,200.00	\$ 24,000.00	\$ 1,200.00	\$ 24,000.00
26	12" Elbows	EA	10	\$ 500.00	\$ 5,000.00	\$ 500.00	\$ 5,000.00	\$ 650.00	\$ 6,500.00	\$ 500.00	\$ 5,000.00
27	10" Elbows	EA	2	\$ 500.00	\$ 1,000.00	\$ 350.00	\$ 700.00	\$ 500.00	\$ 1,000.00	\$ 600.00	\$ 1,200.00
28	8" Elbows	EA	30	\$ 500.00	\$ 15,000.00	\$ 250.00	\$ 7,500.00	\$ 350.00	\$ 10,500.00	\$ 450.00	\$ 13,500.00
29	6" Elbows	EA	10	\$ 300.00	\$ 3,000.00	\$ 200.00	\$ 2,000.00	\$ 300.00	\$ 3,000.00	\$ 250.00	\$ 2,500.00
30	16 x 8 Reducer	EA	1	\$ 500.00	\$ 500.00	\$ 750.00	\$ 750.00	\$ 800.00	\$ 800.00	\$ 900.00	\$ 900.00
31	6 x 4 Reducer	EA	2	\$ 300.00	\$ 600.00	\$ 150.00	\$ 300.00	\$ 200.00	\$ 400.00	\$ 140.00	\$ 280.00
32	16" Permanent Caps	EA	12	\$ 400.00	\$ 4,800.00	\$ 950.00	\$ 11,400.00	\$ 1,000.00	\$ 12,000.00	\$ 1,300.00	\$ 15,600.00
33	12" Permanent Caps	EA	4	\$ 300.00	\$ 1,200.00	\$ 750.00	\$ 3,000.00	\$ 300.00	\$ 1,200.00	\$ 700.00	\$ 2,800.00
34	10" Permanent Caps	EA	1	\$ 300.00	\$ 300.00	\$ 570.00	\$ 570.00	\$ 200.00	\$ 200.00	\$ 500.00	\$ 500.00
35	8" Permanent Caps	EA	10	\$ 450.00	\$ 4,500.00	\$ 350.00	\$ 3,500.00	\$ 200.00	\$ 2,000.00	\$ 300.00	\$ 3,000.00

KCWA - 2010A INFRASTRUCTURE IMPROVEMENTS
BID RESULTS
JANUARY 31, 2012

ITEM NO.	ITEM	UNIT	ESTIMATED QUANTITY	UNIT COST	COST	BOYLE & FOGARTY		PARKSIDE		ROSCITI	
						UNIT COST	COST	UNIT COST	COST	UNIT COST	COST
36	6" Permanent Caps	EA	5	\$ 400.00	\$ 2,000.00	\$ 300.00	\$ 1,500.00	\$ 110.00	\$ 550.00	\$ 300.00	\$ 1,500.00
37	4" & 3" Permanent Caps	EA	2	\$ 300.00	\$ 600.00	\$ 300.00	\$ 600.00	\$ 100.00	\$ 200.00	\$ 175.00	\$ 350.00
38	16" Butterfly Valves & Valve Boxes	EA	9	\$ 3,000.00	\$ 27,000.00	\$ 3,000.00	\$ 27,000.00	\$ 2,800.00	\$ 25,200.00	\$ 5,000.00	\$ 45,000.00
39	12" Gate Valves & Valve Boxes	EA	3	\$ 2,000.00	\$ 6,000.00	\$ 2,000.00	\$ 6,000.00	\$ 2,000.00	\$ 6,000.00	\$ 3,500.00	\$ 10,500.00
40	10" Gate Valves & Valve Boxes	EA	1	\$ 2,000.00	\$ 2,000.00	\$ 1,600.00	\$ 1,600.00	\$ 1,700.00	\$ 1,700.00	\$ 2,500.00	\$ 2,500.00
41	8" Gate Valves & Valve Boxes	EA	29	\$ 1,200.00	\$ 34,800.00	\$ 1,200.00	\$ 34,800.00	\$ 1,200.00	\$ 34,800.00	\$ 2,500.00	\$ 72,500.00
42	6" Gate Valves & Valve Boxes	EA	21	\$ 800.00	\$ 16,800.00	\$ 800.00	\$ 16,800.00	\$ 900.00	\$ 18,900.00	\$ 1,500.00	\$ 31,500.00
43	16 x 8 TS&V w/TB	EA	1	\$ 8,000.00	\$ 8,000.00	\$ 10,000.00	\$ 10,000.00	\$ 3,800.00	\$ 3,800.00	\$ 5,355.00	\$ 5,355.00
44	6" Line Stopper	EA	1	\$ 5,500.00	\$ 5,500.00	\$ 5,000.00	\$ 5,000.00	\$ 7,000.00	\$ 7,000.00	\$ 5,775.00	\$ 5,775.00
45	2" Permanent Blow-Off Assemblies	EA	20	\$ 1,200.00	\$ 24,000.00	\$ 2,000.00	\$ 40,000.00	\$ 1,500.00	\$ 30,000.00	\$ 2,700.00	\$ 54,000.00
46	1" Permanent Blow-Off Assemblies	EA	1	\$ 2,000.00	\$ 2,000.00	\$ 6,000.00	\$ 6,000.00	\$ 800.00	\$ 800.00	\$ 2,600.00	\$ 2,600.00
47	Hydrants	EA	10	\$ 2,500.00	\$ 25,000.00	\$ 3,000.00	\$ 30,000.00	\$ 2,500.00	\$ 25,000.00	\$ 5,400.00	\$ 54,000.00
48	Hydrants (7' Bury)	EA	2	\$ 3,000.00	\$ 6,000.00	\$ 3,000.00	\$ 6,000.00	\$ 2,700.00	\$ 5,400.00	\$ 5,400.00	\$ 10,800.00
49	Hydrants (6' Bury)	EA	4	\$ 2,800.00	\$ 11,200.00	\$ 3,000.00	\$ 12,000.00	\$ 2,600.00	\$ 10,400.00	\$ 5,400.00	\$ 21,600.00
50	Air Release	EA	2	\$ 4,000.00	\$ 8,000.00	\$ 6,000.00	\$ 12,000.00	\$ 5,500.00	\$ 11,000.00	\$ 6,500.00	\$ 13,000.00
51	2" Corporation Stops	EA	5	\$ 1,200.00	\$ 6,000.00	\$ 2,000.00	\$ 10,000.00	\$ 1,000.00	\$ 5,000.00	\$ 2,100.00	\$ 10,500.00
52	1" Corporation Stops	EA	1	\$ 900.00	\$ 900.00	\$ 1,200.00	\$ 1,200.00	\$ 1,000.00	\$ 1,000.00	\$ 973.00	\$ 973.00
53	½" Corporation Stops	EA	93	\$ 850.00	\$ 79,050.00	\$ 1,100.00	\$ 102,300.00	\$ 950.00	\$ 88,350.00	\$ 825.00	\$ 76,725.00
54	2" Curb Stops & Boxes	EA	5	\$ 400.00	\$ 2,000.00	\$ 1,000.00	\$ 5,000.00	\$ 500.00	\$ 2,500.00	\$ 2,100.00	\$ 10,500.00
55	1" Curb Stops & Boxes	EA	1	\$ 225.00	\$ 225.00	\$ 600.00	\$ 600.00	\$ 350.00	\$ 350.00	\$ 1,200.00	\$ 1,200.00
56	½" Curb Stops & Boxes	EA	93	\$ 200.00	\$ 18,600.00	\$ 600.00	\$ 55,800.00	\$ 300.00	\$ 27,900.00	\$ 800.00	\$ 74,400.00
57	2" Water Service Line & Saddle	LF	150	\$ 25.00	\$ 3,750.00	\$ 20.00	\$ 3,000.00	\$ 40.00	\$ 6,000.00	\$ 20.00	\$ 3,000.00
58	1" Water Service Line	LF	30	\$ 15.00	\$ 450.00	\$ 10.00	\$ 300.00	\$ 40.00	\$ 1,200.00	\$ 25.00	\$ 750.00
59	½" Water Service Line	LF	1,800	\$ 15.00	\$ 27,000.00	\$ 10.00	\$ 18,000.00	\$ 40.00	\$ 72,000.00	\$ 20.00	\$ 36,000.00
60	½" Water Service Line w/2" Foamglass Insulation	LF	300	\$ 30.00	\$ 9,000.00	\$ 20.00	\$ 6,000.00	\$ 50.00	\$ 15,000.00	\$ 35.00	\$ 10,500.00
61	6" Temporary Water	LF	4,000	\$ 10.00	\$ 40,000.00	\$ 5.00	\$ 20,000.00	\$ 6.00	\$ 24,000.00	\$ 0.01	\$ 40.00
62	2" Temporary Water	LF	3,200	\$ 6.00	\$ 19,200.00	\$ 3.50	\$ 11,200.00	\$ 5.00	\$ 16,000.00	\$ 0.01	\$ 32.00
63	Replace Exist. 8" Sewer Pipe with D.I. Pipe	LF	20	\$ 80.00	\$ 1,600.00	\$ 150.00	\$ 3,000.00	\$ 100.00	\$ 2,000.00	\$ 50.00	\$ 1,000.00
64	Replace Exist. 6" Sewer Pipe with D.I. Pipe	LF	100	\$ 80.00	\$ 8,000.00	\$ 75.00	\$ 7,500.00	\$ 80.00	\$ 8,000.00	\$ 20.00	\$ 2,000.00
65	3" Temp. Bit. Concrete Pavement	SY	18,000	\$ 18.00	\$ 288,000.00	\$ 15.00	\$ 240,000.00	\$ 18.00	\$ 258,000.00	\$ 0.01	\$ 180.00
66	2" Temp. Bit. Concrete Pavement	SY	300	\$ 15.00	\$ 4,500.00	\$ 10.00	\$ 3,000.00	\$ 13.00	\$ 3,900.00	\$ 0.01	\$ 3.00
67	2" Bit. Conc. Overlay	SY	1,600	\$ 8.00	\$ 12,800.00	\$ 8.00	\$ 12,800.00	\$ 9.00	\$ 14,400.00	\$ 8.40	\$ 13,440.00
68	1½" Bit. Conc. Overlay	SY	66,000	\$ 8.00	\$ 528,000.00	\$ 7.00	\$ 462,000.00	\$ 7.00	\$ 462,000.00	\$ 7.50	\$ 495,000.00
69	Bituminous Concrete Leveling Course	TON	1,800	\$ 85.00	\$ 153,000.00	\$ 0.10	\$ 180.00	\$ 72.00	\$ 129,600.00	\$ 0.01	\$ 18.00
70	R & D Concrete Base	SY	60	\$ 50.00	\$ 3,000.00	\$ 40.00	\$ 2,400.00	\$ 1.00	\$ 60.00	\$ 17.00	\$ 1,020.00

**KCWA - 2010A INFRASTRUCTURE IMPROVEMENTS
BID RESULTS
JANUARY 31, 2012**

ITEM NO.	ITEM	UNIT	ESTIMATED QUANTITY	UNIT COST	COST	BOYLE & FOGARTY		PARKSIDE		ROSCITI		
						UNIT COST	COST	UNIT COST	COST	UNIT COST	COST	
71	Full Depth Trench Patch	TON	250	\$ 150.00	\$ 37,500.00	\$ 125.00	\$ 31,250.00	\$ 80.00	\$ 20,000.00	\$ 150.00	\$ 37,500.00	
72	Bit. Driveways	SY	100	\$ 25.00	\$ 2,500.00	\$ 20.00	\$ 2,000.00	\$ 25.00	\$ 2,500.00	\$ 30.00	\$ 3,000.00	
73	Concrete Sidewalks	SY	25	\$ 50.00	\$ 1,250.00	\$ 10.00	\$ 250.00	\$ 50.00	\$ 1,250.00	\$ 90.00	\$ 2,250.00	
74	Cold Planing & Disposal (full width)	SY	1,600	\$ 5.00	\$ 8,000.00	\$ 4.00	\$ 6,400.00	\$ 4.75	\$ 7,600.00	\$ 4.50	\$ 7,200.00	
75	Cold Planing & Disposal (36" width)	SY	10,500	\$ 4.00	\$ 42,000.00	\$ 3.00	\$ 31,500.00	\$ 3.00	\$ 31,500.00	\$ 3.50	\$ 36,750.00	
76	Epoxy Resin Pavement Markings (Crosswalks)	LF	36,000	\$ 0.50	\$ 18,000.00	\$ 0.35	\$ 12,600.00	\$ 0.75	\$ 27,000.00	\$ 0.35	\$ 12,600.00	
77	Waterborne Pavement Markings (Crosswalks)	LF	36,000	\$ 0.40	\$ 14,400.00	\$ 0.15	\$ 5,400.00	\$ 0.60	\$ 21,600.00	\$ 0.25	\$ 9,000.00	
78	Bit. Curbing	LF	5,500	\$ 5.00	\$ 27,500.00	\$ 0.10	\$ 550.00	\$ 1.00	\$ 5,500.00	\$ 4.00	\$ 22,000.00	
79	Cape Cod Berm	LF	2,000	\$ 3.00	\$ 6,000.00	\$ 0.10	\$ 200.00	\$ 1.00	\$ 2,000.00	\$ 2.00	\$ 4,000.00	
80	Soil Compaction Testing of Trenches	ALLOW	1	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	
81	Processed Gravel Roadway Base	CY	4,000	\$ 20.00	\$ 80,000.00	\$ 8.00	\$ 32,000.00	\$ 16.00	\$ 64,000.00	\$ 0.01	\$ 40.00	
82	Rem. & Dispose Exist. Asbestos Cement Pipe	LF	5,000	\$ 10.00	\$ 50,000.00	\$ 6.00	\$ 30,000.00	\$ 1.00	\$ 5,000.00	\$ 5.00	\$ 25,000.00	
83	12" RCP Pipe	LF	200	\$ 50.00	\$ 10,000.00	\$ 20.00	\$ 4,000.00	\$ 50.00	\$ 10,000.00	\$ 50.00	\$ 10,000.00	
84	Tree & Root Trimming & Treatment	ALLOW	1	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	
85	R & D Gate Valves	EA	35	\$ 100.00	\$ 3,500.00	\$ 40.00	\$ 1,400.00	\$ 50.00	\$ 1,750.00	\$ 250.00	\$ 8,750.00	
85	R & D Hydrants	EA	16	\$ 300.00	\$ 4,800.00	\$ 250.00	\$ 4,000.00	\$ 500.00	\$ 8,000.00	\$ 600.00	\$ 9,600.00	
87	8 x 8 Tapping Sleeve & Valve w/Thrust Block & Gate Box	EA	3		\$ -	\$ 4,500.00	\$ 13,500.00	\$ 2,800.00	\$ 8,400.00	\$ 4,500.00	\$ 13,500.00	
Sub-Total						\$ 4,286,925.00		\$ 3,887,826.00		\$ 3,986,075.00		\$ 4,203,140.00

NOTE: ITEM #87 IS PART OF ADDENDUM #2

ADDITION ERROR: BID AMOUNT: \$ 4,209,140.00

EXHIBIT H

Kent County Water Board Meeting

February 16, 2012

KENT COUNTY WATER AUTHORITY
BID OPENING
MATERIAL PURCHASE ONLY
BILLING FORMS

The Bid Opening for billing form purchase was held at 10:00 a.m., February 7, 2012 per the requirements of the Bid Invitation advertised in the Providence Journal on Friday, January 20, 2012.

The work consists of furnishing 290,000, laser print ready, pressure seal bond, preprinted single stock 8 1/2 x 14 self mailer and return envelope billing forms. Detailed description can be found in the bid packages.

Attendees of the Bid Opening were as follows:

1. KCWA, John Duchesneau

At 10:00 a.m. the bid opening began by John Duchesneau briefly describing what the bid entailed followed by the opening of the submitted bid listed below.

- **RR Donnelley, 2348 Post Road, Suite 1, Warwick RI 02886**

Total Bid Amount - \$14,315.50

The Bid Opening was closed at 10:05 a.m.

11-61
H

EXHIBIT I

Kent County Water Board Meeting

February 16, 2012

KENT COUNTY WATER AUTHORITY
REQUEST FOR PROPOSAL
FOR PROFESSIONAL SERVICES RELATED TO
DESIGN, PRINTING AND MAILING
OF
CONSUMER CONFIDENCE REPORTS
PROPOSAL OPENING – FEBRUARY 8, 2012

The Proposal Opening for professional services related to design, printing and mailing of consumer confidence reports was held at 10:00 a.m., February 8, 2012 per the requirements of the Request for Proposal advertised in the Providence Journal on Friday, January 13, 2012. Attendance at the pre-proposal meeting was not a mandatory requirement to submit a proposal.

The work consists of providing directly to the Kent County Water Authority all labor, materials and services necessary for the creative development, design, printing and mailing of the Kent County Water Authority annual Consumer Confidence Report in accordance with the requirements of the U. S. Environmental Protection Agency, R.I. Department of Health regulations and directions given by the Kent County Water Authority. The Kent County Water Authority anticipates production needs of 31,000 copies with a customer base mailing of approximately 27,000 copies. The design and printing contractor shall have a minimum of 5 years experience in design, printing and mailing services related to public relations media of this nature, along with the ability to complete the customer base mailing of both documents within the required timelines.

At 10:00 a.m. the Proposal Opening began with the opening of the following proposals:

1. Meridian Printing

- Total Bid Items 1, 2, 3: \$9,873.00
- Examples Provided

2. Graphic Image

- Total Bid Items 1, 2, 3: \$9990.00 (Note: did not provide unit price for items 2 and 3).
- Examples Provided

3. Promotional Channels

- Total Bid Items 1, 2, 3: \$19,410.00
- Examples Provided

The Proposal Opening was closed at 10:10 a.m.

11 I u

EXHIBIT J

Kent County Water Board Meeting

February 16, 2012

KENT COUNTY WATER AUTHORITY
REQUEST FOR PROPOSAL
AUDITING SERVICES
GENERAL AND SPECIFIC AUDITS
PROPOSAL OPENING – FEBRUARY 8, 2012

The Proposal Opening for Auditing Services was held at 11:00 a.m., February 8, 2012. Attendance at the Pre-Proposal Meeting was a mandatory requirement to submit a Proposal. The Invitation was advertised in the Providence Journal on Friday, January 13, 2012.

The work consists of providing directly to the Kent County Water Authority, by certified public accounting firms, fiscal year audit for the company's funds and water protection fund reconciliation audit.

At 11:00 a.m. the Proposal Opening began by Timothy Brown briefly describing what the RFP entailed followed by the opening of the following proposals:

At this time the meeting was open for questions:

1. O'Conner & Drew, P. C.

- Transmittal Letter Received and Signed by David A. Dilulis
- 8 Copies Received
- Professional Fees:
 - Not to Exceed audit fee for the year ended June 30, 2012: \$30,000
 - Annual, not to exceed, total audit fees for each engagement year:

Fiscal Year Ending

2012 \$30,000

2013 \$31,000

2014 \$32,000

- Not to Exceed "bottom line" fee for costs associated work relating to bond documents will be based on an hourly rate of \$225.00, with a ceiling amount of \$4,500

2. Braver, P. C.

- Transmittal Letter Received and Signed by James D. Wilkinson
- 8 Copies Received
- Professional Fees:

J

- Audit Fee Quote: \$30,000
- Financial Statement Audit and Reports:

June 30, 2012	\$28,000
June 30, 2013	\$28,000
June 30, 2014	\$28,000

- Providence Water Supply Water Protection Funds Annual Reconciliation Audits:

June 30, 2012	\$2,000
June 30, 2013	\$2,000
June 30, 2014	\$2,000

It is our policy to not charge fees for the use of our audit opinion in connection with client bond/debt issuances. Charges for such services will be based on the hours required at our standard billing rates, and will not exceed \$2,000 per issuance.

3. Bacon & Company, LLC

- Transmittal Letter Received and Signed by Patricia A. Boucher
- 8 Copies Received
- Professional Fees:

- Audit Services

June 30, 2012	\$22,725
June 30, 2013	\$23,175
June 30, 2014	\$23,625

- Agreed upon procedures Water Protection Fund Requirements

June 30, 2012	\$3,250
June 30, 2013	\$3,325
June 30, 2014	\$3,375

- Review of Bond Documents

June 30, 2012	\$1,000
June 30, 2013	\$1,000
June 30, 2014	\$1,000

- Total – not to exceed

June 30, 2012	\$26,975
June 30, 2013	\$27,500
June 30, 2014	\$28,000

Fee Proposal included listing of Supplemental Rates Per Hour–Consulting Services

The Proposal Opening was closed at 11:20 a.m.

EXHIBIT K

Kent County Water Board Meeting

February 16, 2012

SUMMARY SHEET CIP AND IFR PROJECTS 2012 - 2017

CIP PROJECTS SUMMARY 2012 – 2017

NO.	DESCRIPTION	COST IN DOLLARS	YEAR
1	Mishnock Water Main – WTP to Hopkins Hill Road	2,640,000	2012
2	Bald Hill Road / New London Ave. Loop Connection	210,000	2013
3	Wakefield Street	610,000	2013
4	East Greenwich Well Upgrade & Treatment	6,720,000	2014
5	Spring Lake Well Upgrade & Treatment	5,830,000	2015
6	Replace KCWA Facility	8,880,000	2016
7	Oaklawn Service Gradient Emergency PRV	450,000	2014
8	I-295 Bridge Crossing at Providence Street	450,000	2015
9A	Division Road	2,780,000	2016
9B	Shippettown Road	390,000	2016
9C	Middle Road	650,000	2017
9D	Middle Road	310,000	2017
10 A	Quaker Lane Pump Station – High Service Pumps	290,000	2013
10 B	HS Transmission Mains – Quaker Lane Pump Station	4,290,000	2013
	TOTALS	34,500,000	

INFRASTRUCTURE REPLACEMENT PROJECTS REVIEW

NO.	DESCRIPTION	COST IN DOLLARS	YEAR
11	Remove Fiskeville Tanks from Service	420,000	2012
12 A	West Street Storage Tank Modifications	320,000	2012
12 B	RSHR Storage Tank Demolition	320,000	2012
12 C	Tiogue Storage Tank Demolition	260,000	2012
13 A	Tiogue Avenue	690,000	2013
13 B	Pilgrim Avenue	1,670,000	2013
13 C	Laurel Avenue and Bridge Crossing	120,000	2013
13 D	Washington Street	1,780,000	2014
13 E	Washington Street/Flat River Road	2,050,000	2014
14 A	Old Main Street/Colvintown Road	1,780,000	2014
14 B	Boston Street	1,350,000	2014
14 C	Washington Street	250,000	2015
15	Centerville Road	940,000	2015
16	Sandy Bottom Road	910,000	2015
17	Arnold Road	2,140,000	2015
18	Country Drive/Pepin Street	870,000	2015
19	Quaker Lane	840,000	2016
20	Washington Street	2,220,000	2016
21	New London Avenue/Factory Street	1,850,000	2016
22	Cowesett Road	590,000	2016
23	Providence Street	1,300,000	2016
24	Legris Avenue/West Warwick Avenue	2,990,000	2017
25	East Avenue	640,000	2017
26	Main Street	1,580,000	2017
27	New London Turnpike	3,630,000	2017
	TOTALS	31,510,000	

" K "

EXHIBIT L

Kent County Water Board Meeting

February 16, 2012

PLANNING DOCUMENT \$25,000/YEAR ALLOCATION	
PROJECT	STATUS
Water Supply System Management Plan WSSMP	Approved
Hunt River Interim Management & Action Plan	Approved
2008 CIP Program Plan	Approved
Clean Water Infrastructure Plan 2008	Approved
UPDATED CIP PROJECTS BOND FUNDING	
PROJECT	STATUS
Mishnock Well Field (new wells) CIP - 1A	Construction Ongoing
Mishnock Transmission Mains CIP - 1B	Funding will be critical to plant operation
Mishnock Treatment Plant CIP - 1C	Construction Ongoing
East Greenwich Well Treatment Plant - CIP-2	Preliminary Design Report Completed
Clinton Avenue Pump Station Rehabilitation CIP - 7A	Completed
Read School House Road Tank CIP - 7B	Completed
Read School House Road Main CIP 7c, 7d, 8a	Legal Action Required Claim by Contractor
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, Winter Shut Down
IFR 2010	Design Separation 2010A Bid Award, 2010B On Hold
Prospect Street	Completed
PWSB 78" / Johnson Blvd. P.S. Modification	Completed
Greenwich Avenue Replacement	Completed
Hydraulic Tank Evaluation	Completed
Quaker P. S. Design	February 29, 2012 Bid Opening
Tech Park Tank Recoating	Legal Action Required
Tiogue Tank Re-Service	Completed
Hydrant Painting	Winter Shutdown
SCADA Upgrade	Added to Quaker P. S. Construction
Water Street Replacement	Joint Project E. G., Town Reviewing Bid