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February 16, 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 December 15, 2011

Dear Mr. Brown:

Enclosed you will find the original Board meeting minutes of December 15, 2011 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:maf  
Enc.

# Agenda

# Agenda

BOARD MEETING AGENDA  
December 15, 2011 – 3:30 P.M.  
OFFICES OF KENT COUNTY WATER AUTHORITY

Approval - Minutes of Meeting: Board Meeting – November 17, 2011

Legal Counsel: Legal Matters

Director of Finance Report: Cash Report November 2011  
October Closing

Point of Personal Privilege & Communication:

General Manager/Chief Engineer's Report:

Old Business: Salary Benefits, TDI Action  
Revised Employee Handbook Approval

New Business: Web Site (Hosting Sold, Revisions Needed)  
Cox Equipment Supply Contract Ratification  
Bond Refinancing (Status)

Capital Projects: CIP-1C Mishnock Well Treatment Plant (Construction Status)  
CIP-1B Mishnock Transmission (Design Status, FUNDING)  
CIP-7b Read School House Road Tank (Approval Balancing Change Order #2)  
CIP-7c, 7d, 8a Read School House Water Main (Legal Action Required)

Infrastructure Projects IFR 2009B (Construction Status)  
Quaker Lane P. S. Design (Estimate January 2012 Bid)  
IFR 2010 Design (2010A January Bid, 2010B on hold)  
Tech Park Storage Tank Painting (Remediation Status)  
SCADA Upgrade, (Addition to Quaker Lane P. S. IFR Upgrade)

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

Agenda Posted December 8, 2011.

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

Agenda Sent Via U. S. Post Office December 8, 2011 for Posting on Public Bulletin Board

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

## Petrarca and Mcgair

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**From:** Open Meetings Admin [openMeetings@sos.ri.gov]  
**Sent:** Friday, January 20, 2012 12:05 PM  
**To:** jjm@petrarcamcgair.com; openMeetings@sos.ri.gov  
**Subject:** SOS Open Meetings : Meeting Minutes

January 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: December 15, 2011 15:30:00.

This notice was electronically filed on the Secretary of State Open Meetings Website on: January 20, 2012 12:05:24 pm.

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

Sincerely,

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

## **Petrarca and Mcgair**

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**From:** Open Meetings Admin [openMeetings@sos.ri.gov]  
**Sent:** Friday, December 09, 2011 10:58 AM  
**To:** jjm@petrarcamcgair.com; openMeetings@sos.ri.gov  
**Subject:** SOS Open Meetings : Meeting Notice

December 09, 2011

This is your electronic confirmation for the electronic filing of meeting notice for the Kent County Water Authority. The meeting notice filed is for the meeting on: December 15, 2011 3:30:00 pm.

This notice was electronically filed on the Secretary of State Open Meetings Website on: December 09, 2011 10:57:39 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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[sos.ri.gov](http://sos.ri.gov)

# KENT COUNTY WATER AUTHORITY

## BOARD MEETING MINUTES

December 15, 2011

The Board of Directors of the Kent County Water Authority held its monthly meeting in the Joseph D. Richard Board Room at the office of the Authority on December 15, 2011.

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

The minutes of the Board meeting minutes of November 17, 2011 were moved for approval by Board Member Gallucci and seconded by Board Member Masterson 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 Receiver on September 19, 2008. The proof of claim deadline was December 1, 2008. Legal counsel will continue to monitor for payment on claim. As of May 12, 2009, there has been no change in status. Petition to sell was filed by Receiver in Kent County Superior Court on June 5, 2009. Offer to property made which will allow for partial payment of claims. Legal Counsel will monitor progress of sale.

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

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

#### Hope Mill Village Associates

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

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

Legal Counsel spoke with Attorney DeAngelis on May 13, 2010 and Mr. DeAngelis stated that a final closing has yet to be scheduled, but should be scheduled in the near future. There has been no progress on scheduling a closing as of December 14, 2011.

#### West Greenwich Technology Tank/Rockwood

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

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

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

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



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 December 14, 2011 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 October 31, 2011, Cash Location FY 2011-2012 and Cash Receipts and Disbursements FY 2011-2012 attached as "A", and after thorough discussion with regard to the sales and revenue shortfalls. The restricted accounts were all funded for the period.

Board Member Gallucci moved and seconded by Board Member Masterson to

accept the reports and attach the same as an exhibit and that the same be incorporated by reference and be made a part of these minutes and it was unanimously,

VOTED: That the financial report and Statement of Revenues, Expenditure and Change in Fund Balance as of October 31, 2011, Cash Location FY 2011-2012 and Cash receipts and Disbursements FY 2011-2012 attached as "A" be approved as presented and be incorporated herein and are made a part hereof.

**Point of Personal Privilege and Communications:**

None

**GENERAL MANAGER/CHIEF ENGINEER'S REPORT**  
**Old Business:**

**Salary Benefits, TDI Action**

Further discussion from previous meetings occurred regarding the status of payment of salaries as related to the payment of Temporary Disability Insurance program (TDI) benefits. The Chairman noted that there were no individuals on Temporary Disability Insurance for the Authority for the period of January, 2010 through June, 2010. As a result, the understanding of the Chairman was that the exempt and non-exempt employees who were on Temporary Disability Insurance during the 2011 fiscal year (July 1, 2010 through June 30, 2011) would be made whole in that they would receive the difference between the amount of their Temporary Disability Insurance benefits and the normal forty (40) hour weekly gross wages for non-exempt employees and the gross weekly forty (40) hour salary for exempt employees. The supplemental payment to be made during this period would be up to six (6) months of absence and would be applicable to those employees who are active Kent County Water Authority employees as of the date of the decision by the Board to adopt this adjustment policy. The General Manager confirmed that the adjustment policy would cover the 2011 fiscal year (July 1, 2010 through June 30, 2011). Board Member Inman inquired as to whether this policy would be the same as the proposed policy for non-exempt employees and exempt employees which proposed policy was circulated prior to the Board Meeting. The General Manager indicated that the adjustment policy would be different in that the exempt employees would not be receiving the full salary plus Temporary Disability Insurance benefits during the adjustment period of the 2011 fiscal year. The General Manager also noted that he would prefer placing the amendment to the budget on the January, 2012 Agenda as it would be necessary to implement this policy if adopted by the Board and the General Manager would be able to have the exact amount of a budget amendment to fully implement the program. Legal Counsel advised that the Vote on the implementation of the program should take place in January, 2012 when the Board would ascertain the exact amount of the budget

amendment to implement the program.

After further discussion, Board Member Gallucci moved and it was seconded by the Chairman to adopt the adjustment period to pay supplemental benefits to exempt and non-exempt active employees who received Temporary Disability Insurance benefits during the 2011 fiscal year (July 1, 2010 through June 30, 2011) in an amount equivalent to the difference between the amount of Temporary Disability Insurance benefits received and the full forty (40) hour gross wages for non-exempt employees or the forty (40) hour gross salary for exempt employees and it was unanimously,

VOTED: To adopt the adjustment period to pay supplemental benefits to exempt and non-exempt active employees who received Temporary Disability Insurance benefits during the 2011 fiscal year (July 1, 2010 through June 30, 2011) in an amount equivalent to the difference between the amount of Temporary Disability Insurance benefits received and the full forty (40) hour gross wages for non-exempt employees or the forty (40) hour gross salary for exempt employees.

### **Revised Employee Handbook Approval**

Further discussion from previous meetings occurred regarding whether the subrogation paragraphs in the proposed Revised Employee Handbook included as part of the proposed supplemental payment plan for non-exempt employees and exempt employees would be included or deleted from the proposed supplemental payment plan. The General Manager clarified that the proposal for the Revised Employee Handbook previously circulated to the Board a December 1, 2011 and included four (4) paragraphs, two (2) for non-exempt employees that the General Manager identified as paragraphs one and two and two (2) paragraphs for exempt employees that the General Manager identified as three and four. Paragraph 1 provided starting with an effective date of July 1, 2011 that non-exempt employees would be paid a supplemental payment for the balance between the amount of Temporary Disability Insurance benefits received and their full time pay based on a 40 hour week. The General Manager continued that this supplemental payment would be made for a period of up to six months during the calendar year and the exempt employees would be paid under paragraph three their full salary in addition to the Temporary Disability Insurance benefits received for a period of up to six months in any one calendar year. The Chairman stated his opinion that the subrogation provisions found in paragraph two for non-exempt employees and paragraph four for exempt employees should be deleted as the Chairman feels that it is not the Authority business to ascertain the amount which an employee receives as to a third party settlement. Board Member Masterson stated that keeping the subrogation provision in the Revised Employee Handbook only makes sense as it is the duty of the Authority to protect and wisely spend the rate payers money and the Authority is obligated to subrogate in order to recoup supplemental payments through a third party. Board Member Masterson noted that the employees of the Authority are well paid, receive numerous benefits and again the rate payers should be protected when there is

an ability to get a return on monies paid from a negligent third party for supplemental payments made to employees. Board Member Masterson was very concerned that this expenditure if not protected would be noted by the PUC and could put the Authority in a position where it would be held accountable for this action. Board Member Giorgio was very concerned that inclusion of the subrogation provision would take away settlement money from the employee reducing the amount of settlement. The General Manager, Board Member Masterson and Legal Counsel explained that the employee settlement would not be reduced by subrogation payment to the Authority because it would be part of the damages similar to medical expenses to be paid, payments reimbursed to Temporary Disability Insurance as well as payments made back to any health insurance carrier and that it would not affect the pain and suffering portion of any settlement. Board Member Inman noted that the inclusion of the subrogation provision could actually increase the amount of the settlement in that the subrogation would have to be considered as part of the employees' damages to be paid by the insurance carrier. Board Member Gallucci reiterated that he felt that the subrogation provision should be deleted from the Revised Employee Handbook.

After further discussion, Board Member Giorgio moved and it was seconded by Board Member Inman that paragraphs one and three of the Revised Employee Handbook with paragraph one being the supplemental payment plan regarding non-exempt employees and paragraph three being the supplemental payment plan regarding exempt employees as evidenced and attached as "B" be approved and it was unanimously,

VOTED: To approve paragraphs one and three of the Revised Employee Handbook with paragraph one being the supplemental payment plan regarding non-exempt employees and paragraph three being the supplemental payment plan regarding exempt employees as evidenced and attached as "B".

Board Member Gallucci then moved and it was seconded by Board Member Giorgio that the subrogation provision of the Revised Employee Handbook which is paragraph two for non-exempt employees and paragraph four under exempt employees be deleted from the Revised Employee Handbook and it was voted in a roll call vote as follows:

VOTED: Chairman Boyer, Board Member Gallucci and Board Member Giorgio voted to delete the subrogation provision, Board Member Inman and Board Member Masterson voted to retain the subrogation provision, and by a 3 to 2 vote, the subrogation provision which is paragraph two for non-exempt employees and paragraph four for exempt employees shall be deleted from the Revised Employee Handbook.

## **New Business:**

### **Website (Hosting Sold, Revisions Needed)**

The General Manager stated that the website revisions project should be put out to bid as it appears that it will exceed the cost of \$5,000 which will require a bidding process. The General Manager cited a website construction proposal dated December 8, 2011 received from ProProductsWebDesign.com in the sum of \$4,700.00, but after review it is the opinion of the General Manager that the ultimate cost of this project will exceed \$5,000 requiring a bidding process. The General Manager stated that the project will be put out to bid in January, 2012.

### **Cox Equipment Supply Contract Ratification**

The General Manger gave an overview of the commercial services agreement as evidenced and attached as "C" noting that Cox Business was offering free installation and the service charge would be \$2,030.00 per month for voice manager and internet package. Board Member Gallucci moved and it was seconded by Board Member Masterson that the commercial services agreement dated December 5, 2011 from Cox Business as evidenced and attached as "C" be ratified and it was unanimously,

VOTED: That the commercial services agreement dated December 5, 2011 from Cox Business as evidenced and attached as "C" be ratified.

### **Bond Refinancing (Status)**

The General Manager stated that the process is moving forward but has become somewhat convoluted as Bond Counsel has requested that it review all of the previous documentation regarding the project which the General Manager has recently delivered and it will be delayed for that review. The General Manager indicated that the process is moving forward, although at a slower pace for due diligence.

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

### **Read School House Water Main Change Order #2**

The General Manager recommended the approval of Change Order No. 2 by James J. Geremia & Associates, Inc. for the water main change and it was recommended by the General Manager as fair and reasonable in that it reduced the contract sum by the amount of \$37,608.10 for a final total contract price of \$2,112,519.57 as evidenced and attached as "D".

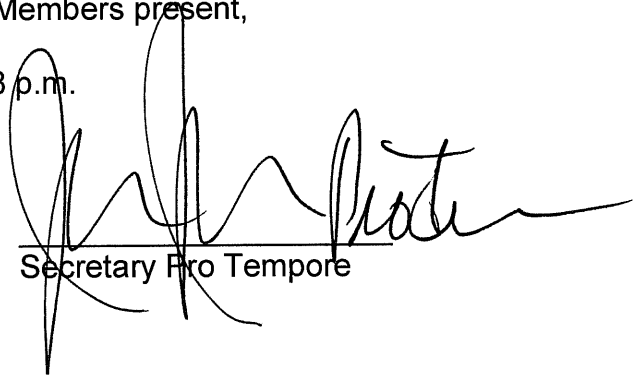
It was moved by the Chairman and seconded by Board Member Giorgio to approve Change Order No. 2 and to have the Chairman execute Change Order No. 2 on behalf of Kent County Water Authority in the amount of \$2,112,519.57 as evidenced and attached as "D" and it was unanimously,

VOTED: To have the Chairman execute Change Order No. 2 on behalf of Kent County Water Authority in the amount of \$2,112,519.57 as evidenced and attached as "D".

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

Board Member Inman 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 4:38 p.m.



Secretary Pro Tempore

# **EXHIBIT A**

Kent County Water Board Meeting

December 15, 2011

REPORT DATE 12/06/2011  
 SYSTEM DATE 12/06/2011  
 FILES ID Z

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

PAGE 1  
 TIME 10:09:40  
 USER JOANGG

AS OF 10/2011

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	575.33	158.67	1666.64	4192.94	2526.30
1-4160 M & J COSTS & EXPENSES	1500.00	1890.62	390.62	6000.00	16458.60	10458.60
1-4190 INTEREST & DIVIDEND INC.	7500.00	303.71	-7196.29	30000.00	25393.80	-4606.20
1-4210 MISC. NON-OPER. INCOME	2083.33		-2083.33	8333.32	1596.00	-6737.32
TOTALS FOR OTHER INCOME	11499.99	2769.66	-8730.33	45999.96	47641.34	1641.38
1-461A METERED SALES - GC	1136282.83	1440648.16	304365.33	4545131.32	6013590.21	1468458.89
1-461B METERED SALES - IC	290093.66	292752.88	2659.22	1160374.64	1314384.48	154009.84
1-4620 PRIVATE FIRE PROTECTION				48112.25	48153.62	41.37
1-4630 PUBLIC FIRE PROTECTION				325554.50	325415.11	-139.39
1-4640 SALES -PUBLIC AUTHORITIES	62229.08	40349.22	-21879.86	248916.32	310462.07	61545.75
1-4660 SALES FOR RESALE				25000.00	67982.43	42982.43
1-4710 MISC. SERVICE REVENUE	14172.16	30818.30	16646.14	56688.64	65474.43	8785.79
1-4740 OTHER WATER REVENUES	3750.00	4707.51	957.51	15000.00	15981.01	981.01
TOTALS FOR OPERATING REVENUE ACCTS.	1506527.73	1809276.07	302748.34	6424777.67	8161443.36	1736665.69
TOTALS FOR REVENUES	1518027.72	1812045.73	294018.01	6470777.63	8209084.70	1738307.07
EXPENDITURES						
1-6020 PURCHASED WATER	402500.00	877495.99	-474995.99	1610000.00	1764223.12	-154223.12
1-6140 MAINTENANCE OF WELLS	20.00	255.98	-235.98	80.00	489.98	-409.98
TOTALS FOR SOURCE OF SUPPLY EXPENSES	402520.00	877751.97	-475231.97	1610080.00	1764713.10	-154633.10
1-6210 FUEL FOR PUMPING	95.83	19.18	76.65	383.32	76.72	306.60
1-6230 POWER PURCHASED	36500.00	37769.19	-1269.19	146000.00	97055.35	48944.65
1-624A PUMPING LABOR	3333.33	3810.77	-477.44	13333.32	20100.65	-6767.33
1-624B PUMPING EXPENSES	289.16		289.16	1156.64		1156.64
1-6310 MAINT STRUCT & IMPROVE	2358.33	18442.84	-16084.51	9433.32	28697.19	-19263.87



REPORT DATE 12/06/2011  
 SYSTEM DATE 12/06/2011  
 FILES ID Z

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

PAGE 2  
 TIME 10:09:40  
 USER JOANNG

AS OF 10/2011

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	3322.14	-155.48	12666.64	11738.54	928.10
TOTALS FOR PUMPING EXPENSES	45743.31	63364.12	-17620.81	182973.24	157668.45	25304.79
1-6410 CHEMICALS	13775.00	17942.53	-4167.53	55100.00	44748.02	10351.98
1-642A OPERATION LABOR	6391.66	4176.40	2215.26	25566.64	23116.50	2450.14
1-642B OPERATION EXPENSES	3041.66	2784.00	257.66	12166.64	13178.78	-1012.14
1-6520 MAINT WATER TREAT EQUIP	133.33		133.33	533.32		533.32
TOTALS FOR WATER TREATMENT EXPENSES	23341.65	24902.93	-1561.28	93366.60	81043.30	12323.30
1-662A T & D LABOR	2108.33		2108.33	8433.32	624.84	7808.48
1-662B T & D SUPPLIES & EXP	5354.16	8427.09	-3072.93	21416.64	21230.65	185.99
1-663A T & D METER LABOR	3829.16	2550.79	1278.37	15316.64	13418.72	1897.92
1-663B T & D METER SUPP & EXP	1095.83		1095.83	4383.32	338.10	4045.22
1-6650 T & D MISC	937.50	47.00	890.50	3750.00	558.67	3191.33
1-6710 MAINT STRUCT & IMPROV	520.83		520.83	2083.32		2083.32
1-6720 MAINT RESERVOIR & STDPIPE	1041.66	1463.87	-422.21	4166.64	9127.88	-4961.24
1-6730 MAINT T & D MAINS	48893.75	68537.68	-19643.93	195575.00	219413.54	-23838.54
1-6750 MAINT SERVICES	22208.33	39146.57	-16938.24	88833.32	77167.90	11665.42
1-6760 MAINT METERS	6060.83	2656.54	3404.29	24243.32	16606.27	7637.05
1-6770 MAINT HYDRANTS	7250.00	7362.61	-112.61	29000.00	27472.62	1527.38
1-6790 TRANSFER TO CONSTRUCTION	-927.91		-927.91	-3711.64		-3711.64
TOTALS FOR TRANS. & DISTR. EXPENSES	98372.47	130192.15	-31819.68	393489.88	385959.19	7530.69
1-902A METER READING LABOR	10516.75	7656.20	2860.55	42067.00	27428.38	14638.62
1-902B METER READING SUPP & EXP	186.25		186.25	745.00	216.73	528.27
1-903A CUSTOMER RECORDS LABOR	14779.66	15225.39	-445.73	59118.64	61100.31	-1981.67
1-903B CUSTOMER RECORDS SUPP	5683.33	4747.70	935.63	22733.32	15307.07	7426.25
TOTALS FOR CUSTOMER ACCT. EXPENSES	31165.99	27629.29	3536.70	124663.96	104052.49	20611.47

REPORT DATE 12/06/2011  
 SYSTEM DATE 12/06/2011  
 FILES ID Z

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

PAGE 3  
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AS OF 10/2011

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	22153.69	4120.72	105097.64	97124.44	7973.20
1-9210 OFFICE SUPPLIES & EXP	11083.33	11686.64	-603.31	44333.32	54351.43	-10018.11
1-9230 OUTSIDE SERVICES	10416.66	4039.00	6377.66	41666.64	56653.13	-14986.49
1-9240 PROPERTY INSURANCE		-1504.77	1504.77	234287.00	177205.23	57081.77
1-9250 INJURIES & DAMAGES	50.83	102.38	-51.55	203.32	102.38	100.94
1-9260 EMPLOYEE PENSION & BENEF	54868.58	54780.17	88.41	441474.36	487311.28	-45836.92
1-9280 REGULATORY COMM EXP	5625.00		5625.00	22500.00		22500.00
1-930B MISC GENERAL EXPENSE	1125.00	1250.00	-125.00	4500.00	5031.09	-531.09
1-930C MISC GENERAL EXPENSE	3000.00		3000.00	12000.00		12000.00
1-932A MAINT GENERAL PLANT	9166.66	5982.86	3183.80	36666.64	38420.56	-1753.92
1-932B MAINT VEHICLES	12416.66	14601.18	-2184.52	49666.64	75048.52	-25381.88
1-9330 UNASSIGNED TIME VAC HOL	17901.91	14640.23	3261.68	71607.64	85807.97	-14200.33
TOTALS FOR ADM. & GENERAL EXPENSES	151929.04	127731.38	24197.66	1064003.20	1077056.03	-13052.83
1-4030 DEPRECIATION EXPENSE	96666.66	96666.67	-.01	386666.64	386666.68	-.04
1-4080 TAXES OTHER THAN INCOME	12541.66	21398.25	-8856.59	50166.64	93091.05	-42924.41
1-4270 INTEREST-LONG TERM DEBT	107157.00	107157.00		428628.00	428628.00	
1-4280 AMORTIZATION OF DEBT DISC	5833.33	5833.33		23333.32	23333.32	
TOTALS FOR OTHER EXPENSES	222198.65	231055.25	-8856.60	888794.60	931719.05	-42924.45
TOTALS FOR EXPENDITURES	975271.11	1482627.09	-507355.98	4357371.48	4502211.61	-144840.13
EXCESS OF REVENUE OVER EXPENDITURES FOR general	542756.61	329418.64	-213337.97	2113406.15	3706873.09	1593466.94

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								JUL	1,608,840	1,458,444.12
<b>CASH RECEIPTS:</b>													AUG	1,588,117	1,422,222.99
Collections	1,966,570	1,533,789	1,507,240	3,333,369	1,967,940								SEP	3,697,980	3,425,570.55
Interest Earned	24,595	287	312	265	300								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								DEC	2,315,872	
<b>CASH DISBURSEMENTS:</b>													MAR	1,879,971	
Purchased Water	619,643	317,621	298,557	849,466	298,580								APR	1,119,045	
Electric Power	24,408	25,012	34,274	37,769	27,363								MAY	912,317	
Payroll	143,753	186,550	149,225	134,783	166,162								JUN	2,042,267	
Operations	67,012	78,251	42,183	75,936	78,684										
Employee Benefits	282,802	109,906	53,346	57,148	55,556										
Legal	2,856	1,765	2,715	3,634	4,039										
Materials	166,404	129,947	51,562	79,855	77,651										
Insurance	60,983	122,022	1,048												
Sales Taxes	27,682	12,489	11,623	40,586	14,062										
Refunds	251	7,874	547	1,607	564										
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										
Mishnock Treatment Facility 230A				378,429	358,196										
Read School House 234C			148,807												
CIP Update 235A				780	1,020										
Quaker Lane 240C				2,490	11,920										
2007 Infrastructure 284B	213,665														
2009 A Infrastructure 243C	270,845														
2009 B Infrastructure 248C	316,733	488,950	590,595	485,362	444,797										
2010 Infrastructure Design 249C				2,575											
U. S. Bank - Debt Service (P. & I.)	3,264,328														
Water Protection	59,527.62	51,547	50,282	110,342	63,517										
TOTAL DISBURSEMENTS	5,536,825	1,540,191	1,447,045	2,384,971	1,637,663										
BALANCE END OF MONTH	34,181,115	34,175,000	34,235,508	35,184,171	35,514,748										

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							
Fleet Bank - Deposit	305,831.16	64,248.86	150,908.96	1,046,044.68	78,477.24							
Fleet Bank - Checking	156,293.32	3,350.65	199,148.91	73,321.40	136,350.06							
	502,124.48	107,599.51	390,057.87	1,159,366.08	254,827.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00
U. S Bank - Project Funds												
Revenue	1,431,740.63	1,456,433.84	1,131,621.93	1,041,850.80	2,658,199.96							
Infrastructure Fund	8,424,924.93	8,428,020.46	8,319,036.54	8,362,425.08	8,214,922.08							
Operation Reserve Allowance	364,593.01	388,900.55	413,208.33	437,516.25	461,824.40							
Operation & Maintenance Reserve	2,367,556.27	2,367,576.41	2,367,596.56	2,373,447.05	2,373,467.19							
Renewal & Replacement Fund	343,057.93	351,394.00	359,730.18	368,066.47	239,442.31							
Renewal & Replacement Reserve	786,143.95	786,150.71	786,157.49	1,023,851.04	1,023,858.05							
Debt Service Fund - 2001	94,044.99	159,660.15	225,273.46	290,887.12	358,053.57							
Debt Service Reserve - 2001	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							
Debt Service Fund - 2002	213,944.89	370,804.93	527,660.62	684,517.42	840,975.75							
Debt Service Reserve - 2002	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							
Debt Service Reserve - 2004	1,302,166.08	1,302,882.73	1,302,921.82	1,302,960.91	1,302,986.97							
	\$ 34,180,398.97	34,175,001.12	34,235,507.78	35,184,170.82	35,514,748.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00

# **EXHIBIT B**

Kent County Water Board Meeting

December 15, 2011

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

#### Non-exempt Employees

In addition each 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 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 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.

In the event supplemental payments are made to a non-exempt employee pursuant to the Authority's supplemental payment plan and the non-exempt employee has a right to recover damages from a third party, the Kent County Water Authority shall be subrogated to that right and shall have a lien on any proceeds received from the third party in the amount equal to the supplemental payments made to the non-exempt employee pursuant to the supplemental payment plan. The non-exempt employee and his/her legal representative shall cooperate fully in attempting to recover payments made and shall not prejudice the recovery of payments from a third party. Further, the non-exempt employee shall inform the Kent County Water Authority immediately upon obtaining legal counsel in order to sue a third party for damages in order that the Kent County Water Authority may notify the said legal counsel of the subrogation rights of Kent County Water Authority to recover payments made pursuant to the supplemental payment plan. If the non-exempt employee or his/her legal counsel fail to notify the Kent County Water Authority pursuant to this subrogation provision, the non-exempt employee shall be personally liable to Kent County Water Authority for reimbursement to the Kent County Water Authority of any supplemental payments made to the non-exempt employee pursuant to the Authority's supplemental payment plan.

#### Exempt Employees

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

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**FOR REVIEW ONLY**

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.

In the event payments are made to an exempt employee pursuant to the Authority's payment plan and the exempt employee has a right to recover damages from a third party, the Kent County Water Authority shall be subrogated to that right and shall have a lien on any proceeds received from the third party in the amount equal to the payments made to the exempt employee pursuant to the payment plan. The exempt employee and his/her legal representative shall cooperate fully in attempting to recover payments made and shall not prejudice the recovery of payments from a third party. Further, the exempt employee shall inform the Kent County Water Authority immediately upon obtaining legal counsel in order to sue a third party for damages in order that the Kent County Water Authority may notify the said legal counsel of the subrogation rights of Kent County Water Authority to recover payments made pursuant to the payment plan. If the exempt employee or his/her legal counsel fail to notify the Kent County Water Authority pursuant to this subrogation provision, the exempt employee shall be personally liable to Kent County Water Authority for reimbursement to the Kent County Water Authority of any supplemental payments made to the exempt employee pursuant to the Authority's supplemental payment plan.

This non-exempt supplemental payment plan and exempt payment plan becomes effective July 1<sup>st</sup> 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.

# **EXHIBIT C**

Kent County Water Board Meeting

December 15, 2011





<b>Cox Account Rep:</b>	Shannon Brodeur	<b>Cox System Address:</b>	
<b>Phone Number:</b>	401-615-1295		9 J.P. Murphy Hwy
<b>Fax Number:</b>	866-871-6811		West Warwick, RI 02893

<b>Legal Company Name:</b>	Kent County Water	<b>Full Name:</b>	Timothy Brown
<b>Street Address:</b>	1072 MAIN ST	<b>Billing Contact:</b>	401-xxx-xxxx
<b>City/State/Zip:</b>	West Warwick, Rhode Island 02893	<b>Fax:</b>	
<b>Billing Address:</b>		<b>Contact Number:</b>	
<b>City/State/Zip:</b>		<b>Email Address:</b>	
<b>Cox Account #:</b>	238-3080217-01		

Service Description	Prev QTY	New QTY	Unit Price	Term (Months)	Type	Service Charges	
						Monthly Recurring	One Time Activation & Setup Fees
VoiceManager - Basic Package		8	\$10.00	36	New	\$0.00	
--Network Interface Fee		8	\$0.00	M-M	New	\$0.00	
Metro Ethernet 256Kbps (HFC)		21	\$70.00	36	New	\$1,470.00	
Metro Ethernet 1Mbps (HFC)		1	\$160.00	36	New	\$160.00	
Metro Ethernet 3Mbps (HFC)		1	\$310.00	36	New	\$310.00	
RI Metro E - HFC EVC COS		1	\$10.00	36	New	\$10.00	
VoiceManager Installation		1	\$0.00				\$0.00
Metro Ethernet Installation Fee		23	\$0.00				\$0.00
<b>Totals:</b>						\$2,020.00	\$0.00

Description	Quantity	Unit Price	Total Fee

<input type="checkbox"/>	Inter-State Service. By Initialing here and signing below, Customer represents that at least 10% of the traffic on the designated circuit(s) is Inter-State in nature or is Internet traffic.	No
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Customer does not need to take installation of all locations at once. Customer is not contractually obligated to any location until Cox has begun work at that site.  
3Mg Metro E at 1072 Main St West Warwick, 1Mg Metro E at 2300 Nooseneck Hill Rd, All other sites 256k

By signing this Agreement, you represent that you are the authorized Customer representative and the information above is true and correct. This Agreement binds Customer to the terms and conditions attached to this Agreement and any other terms and conditions applicable to the Services selected above, including without limitation, the Cox tariffs, Service Guides, state and federal regulations, the General Terms, and the Cox Acceptable Use Policy (the "AUP"). Customer acknowledges receipt and acceptance of the AUP and the General Terms by signing this Agreement. This Agreement is subject to credit approval and Customer authorizes Cox to check credit. The prices above do not include applicable taxes, fees, assessments or surcharges which are additional and may change. This proposal is valid provided Customer signs and delivers this Agreement to Cox unchanged within thirty (30) days from the date above. Cox may withdraw this proposal at any time prior to Customer's signature. If, within thirty (30) days after Customer's signature below, Cox determines that Customer's location is not serviceable under Cox's normal installation guidelines, Cox may terminate this Agreement without liability. If Customer terminates or decreases any Service that is part of a bundle offering, the remaining Services shall be subject to price increases for the remaining Term. Both parties agree that each party may use electronic signatures to sign this Agreement. If Cox performs any work including construction or incurs any costs to provide Service to Customer and Customer cancels this Agreement prior to Service installation, Customer shall be liable for Cox's reasonable costs in addition to any other termination charges. I acknowledge that I have read and understand the 911 disclosures in Section 2 of the Service Terms.

<b>Customer Authorized Signature</b> 	<b>CoxCom, LLC; Cox Rhode Island Telcom, LLC; Cox Connecticut Telcom, LLC</b> 
Signature:	Signature:
Print: Robert Boyer	Print:
Title Position: Chairman KCUA	Title Position: 12/13/11
Date: 12/13/11	Date:

The terms and conditions set forth on the Cover Page and below (the "Service Terms"), together with the Additional Terms and Conditions available at <http://ww2.cox.com/aboutus/policies/business-general-terms.cox> (the "General Terms" and collectively with the Service Terms and any other policies and terms incorporated by reference in the Service Terms, this "Agreement"), will govern Customer's use of the services identified on the attached cover page, or if in the Cox Business e-commerce environment, as selected above (the "Cover Page") (each a "Service").

**1. Tariffs/Service Guide** If Customer is purchasing any Services that are regulated by the FCC or any state regulatory body ("Regulated Services"), then Customer's use of such Regulated Services is subject to the regulations of the FCC and the regulatory body of the state in which the Customer location receiving these Regulated Services is located (which regulations are subject to change), as well as the rates, terms, and conditions contained in tariffs on file with state and federal regulatory authorities. For states where the Regulated Services are de-tariffed, Regulated Services are provided pursuant to the rates, terms and conditions for the Cox Service Guide for that State (the "SG"), which may be found at <http://ww2.cox.com/business/voice/regulatory.cox> and which such terms are incorporated herein by reference. Cox may amend such tariffs (and if applicable, the SG) and the Regulated Services shall be subject to such tariffs (or if applicable, the SG), as amended. Customer must disclose to Cox if Customer intends to use the Regulated Services with payphone service. The tariffs and the SG contain cancellation or termination fees due in the event of cancellation or termination (including partial termination) of a Regulated Service prior to the Term selected on the Cover Page. Termination fees include, but are not limited to, nonrecurring charges, charges paid to third parties on behalf of Customer, and the monthly recurring charges for the balance of the Term.

**2. PBX Usage and E911 Services** PLEASE REVIEW THE FOLLOWING WEBSITE FOR IMPORTANT INFORMATION ABOUT COX'S 911 PRACTICES: <http://ww2.cox.com/business/voice/regulatory.cox>, in addition to the information about PBX Service and e911 Service in Section C13 of the General Terms. ONLY THE EMTA WILL HAVE BATTERY BACKUP PROVIDED BY COX. CUSTOMER IS RESPONSIBLE FOR BATTERY BACKUP FOR THE IAD, ESBC, ATA AND ALL CUSTOMER EQUIPMENT. IN THE EVENT OF A POWER OUTAGE, CUSTOMER'S TELEPHONE SERVICE USING AN EMTA WILL CONTINUE TO OPERATE AS USUAL FOR UP TO EIGHT HOURS WITH THE BACKUP BATTERY PROVIDED BY COX. THE DURATION OF SERVICE DURING A POWER OUTAGE USING AN IAD, ATA, and ESBC WILL DEPEND ON CUSTOMER'S BATTERY BACKUP CHOICE. IF THE EMTA, ATA, ESBC OR IAD THAT SUPPLIES YOUR TELEPHONE SERVICE IS DISCONNECTED OR REMOVED AND/OR THE BATTERY IS NOT CHARGED OR IS DAMAGED, SERVICE, INCLUDING ACCESS TO 911 OR E911, WILL NOT BE AVAILABLE. COX SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY FAILURE TO RECEIVE SERVICE OR FOR THE FAILURE OF ANY 911 OR E911 CALL IF CUSTOMER REMOVES OR DISCONNECTS THE EMTA, ATA, ESBC OR IAD OR IF CUSTOMER FAILS TO CHARGE THE BATTERY FOR SAID DEVICES AT ANY TIME DURING THE TERM OF THIS AGREEMENT. COX USES YOUR TELEPHONE SERVICE ADDRESS TO IDENTIFY YOUR LOCATION FOR E911 SERVICE. IF THE EMTA, ATA ESBC AND/OR IAD INSTALLED IN YOUR BUSINESS IS MOVED, THE E911 DISPATCH MAY NOT RECEIVE YOUR CORRECT ADDRESS. PLEASE NOTIFY COX IF YOU WOULD LIKE TO MOVE OR RELOCATE YOUR TELEPHONE SERVICE. IT CAN TAKE UP TO 2 BUSINESS DAYS FOR YOUR NEW ADDRESS TO BE UPDATED.

**3. Service Start Date and Term** This Agreement shall be effective upon execution by the parties. The "Initial Term" shall begin upon installation of Service and shall continue for the applicable Term commitment set forth on the Cover Page; provided that if Customer delays installation or is not ready to receive Services on the agreed-upon installation date, Cox may begin billing for Services on the date Services would have been installed. Cox shall use reasonable efforts to make the Services available by the requested service date. Cox shall not be liable for damages resulting from delays in meeting service dates due to construction delays or reasons beyond its control. If Customer delays installation for a period of three (3) months or longer after the parties' execution of this Agreement, Cox reserves the right to terminate this Agreement immediately at any time thereafter and Customer shall be responsible for the full amount of construction costs and any other related costs incurred by Cox as of the date of termination. AFTER THE INITIAL TERM, THIS AGREEMENT SHALL AUTOMATICALLY RENEW FOR ONE (1) YEAR TERMS (EACH AN "EXTENDED TERM") UNLESS A PARTY GIVES THE OTHER PARTY WRITTEN TERMINATION NOTICE AT LEAST THIRTY (30) DAYS PRIOR TO THE EXPIRATION OF THE INITIAL TERM OR THEN CURRENT EXTENDED TERM. "Term" shall mean the Initial Term and Extended Term (s), if any. Cox reserves the right to increase rates for all Services by no more than ten percent (10%) during any Extended Term by providing Customer with at least sixty (60) days written notice of such rate increase. This limitation on rate increases shall not apply to video Services or Services for which rates, terms and conditions are governed by a Cox tariff or SG. Upon notice to Customer, Cox may change the rates for video Services periodically during the Term. Cox may change the rates for telephone Service subject to a Cox tariff or SG periodically during the Term. For the avoidance of doubt, promotional rates and promotional discounts provided to Customer will expire at the end of the Initial Term or earlier as set forth in the promotion language. Customer's payment for Service after notice of a rate increase will be deemed to be Customer's acceptance of the new rate.

**4. Termination** Customer may terminate any Service before the end of the Term selected by Customer on the Cover Page; provided, however, if Customer terminates any such Service before the end of the Term (except for breach by Cox), unless otherwise expressly stated in the General Terms, Customer will be obligated to pay a termination fee equal to the nonrecurring charges (if unpaid) and 100% of the monthly recurring charges for the terminated Service(s) multiplied by the number of full months remaining in the Term. This provision survives termination of the Agreement. If Cox is delivering Services via wireless network facilities and there is signal interference with any such Service(s), Cox may terminate this Agreement without liability if Cox cannot resolve the interference by using commercially reasonable efforts.

**5. Payment** Customer shall pay for all monthly Service charges, plus one-time set-up, installation and/or construction charges. Unless stated otherwise herein, monthly charges for Services shall begin upon installation of Service, and installation charges, if any, shall be due upon completion of installation. Any amount not received by the due date shown on the applicable invoice will be subject to interest or a late charge no greater than the maximum rate allowed by law. Customer acknowledges and agrees that if Customer fails to pay any amounts when due and fails to cure such non-payment upon receipt of written notice of non-payment from Cox, Customer will be deemed to have terminated this Agreement and will be obligated to pay the termination fee described in Section 5, above. If applicable to the Service, Customer shall pay sales, use, gross receipts, and excise taxes, access fees and all other fees, universal service fund assessments, 911 fees, franchise fees, bypass or other local, state and Federal taxes or charges, and deposits, imposed on the use of the Services. Taxes will be separately stated on Customer's invoice. No interest will be paid on deposits unless required by law.

**6. Service and Installation** Cox shall provide Customer with the Services identified on the Cover Page and may provide related facilities and equipment, the ownership of which shall be retained by Cox (the "Cox Equipment"), or for certain Services, Customer, may purchase equipment from Cox ("Customer Purchased Equipment"). Customer is responsible for damage to any facilities or equipment installed or provided by Cox (the "Cox Equipment"). Customer may use the Services for any lawful purpose, provided that such purpose (a) does not interfere or impair the Cox network or Cox Equipment and (b) complies with the AUP. Customer shall use the Cox Equipment only for the purpose of receiving the Services. Customer shall use Customer Purchased Equipment in accordance with the terms of the related equipment purchase agreement. Unless provided otherwise herein, Cox shall use commercially reasonable efforts to maintain the Services in accordance with applicable performance standards. Cox network management needs may require Cox to modify upstream and downstream speeds. Use of the data, Internet, web conferencing/web hosting Services shall be subject to the AUP at <http://ww2.cox.com/aboutus/policies/business-policies.cox>, which is incorporated herein by reference. Web hosting customers may view the AUP by clicking on the control panel. Cox may change the AUP from time to time during the Term. Customer's continued use of the Services following an AUP amendment shall constitute acceptance.

**7. E-Rate Customers** If Customer is an educational institution, library or other entity that qualifies as an applicant seeking reimbursement under the Federal Universal Service Fund Schools and Libraries Program (collectively, "E-Rate Customers"), the additional terms in Section C9 of the General Terms will apply.

**8. General Terms** The General Terms are hereby incorporated into this Agreement by reference. Cox, in its sole discretion, may modify, supplement or remove any of the General Terms from time to time, without additional notice to Customer, and any such changes will be effective upon Cox publishing such changes on the website listed above. BY EXECUTING THIS AGREEMENT AND/OR USING OR PAYING FOR THE SERVICES, CUSTOMER ACKNOWLEDGES THAT IT HAS READ, UNDERSTOOD, AND AGREED TO BE BOUND BY THE GENERAL TERMS.

**9. LIMITATION OF LIABILITY** COX AND/OR ITS AGENTS SHALL NOT BE LIABLE FOR DAMAGES FOR FAILURE TO FURNISH OR INTERRUPTION OF ANY SERVICES, NOR SHALL COX OR ITS AGENTS BE RESPONSIBLE FOR FAILURE OR ERRORS IN SIGNAL TRANSMISSION, LOST DATA, FILES OR SOFTWARE DAMAGE REGARDLESS OF THE CAUSE. COX SHALL NOT BE LIABLE FOR DAMAGE TO PROPERTY OR FOR INJURY TO ANY PERSON ARISING FROM THE INSTALLATION OR REMOVAL OF EQUIPMENT UNLESS CAUSED BY THE NEGLIGENCE OF COX. UNDER NO CIRCUMSTANCES WILL COX BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS, ARISING FROM THIS AGREEMENT OR ITS PROVISIONS OF THE SERVICES.

**10. WARRANTIES** EXCEPT AS PROVIDED HEREIN, THERE ARE NO OTHER AGREEMENTS, WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, RELATING TO THE SERVICES. SERVICES PROVIDED ARE A BEST EFFORTS SERVICE AND COX DOES NOT WARRANT THAT THE SERVICES, EQUIPMENT OR SOFTWARE SHALL BE ERROR-FREE OR WITHOUT INTERRUPTION. INTERNET SPEEDS WILL VARY. COX MAKES NO WARRANTY AS TO TRANSMISSION OR UPSTREAM OR DOWNSTREAM SPEEDS OF THE NETWORK.

**11. Public Performance.** If Customer engages in a public performance of any copyrighted material contained in any of the Services, Customer, and not Cox, shall be responsible for obtaining any public performing licenses at Customer's expense. The Video Service that Cox provides under this Agreement does not include a public performance license.

# **EXHIBIT D**

Kent County Water Board Meeting

December 15, 2011

# CHANGE ORDER

OWNER  FIELD   
 ENGINEER  OTHER   
 CONTRACTOR

PROJECT: READ SCHOOLHOUSE TANK, CAPITAL  
 (name, address) IMPROVEMENT PROJECT 7A  
 1.5 MG CONCRETE WATER STORAGE  
 RESERVOIR

CHANGE ORDER NUMBER: 2  
 DATE: October 31, 2011

TO CONTRACTOR: NATGUN CORPORATION  
 (name, address) ELEVEN TEAL ROAD  
 WAKEFIELD, MA 01880-1292

ENGINEER'S PROJECT NO.: 08-021  
 CONTRACT FOR: 1.5 MG Water Storage  
 Tank, Coventry, RI for the  
 Kent County Water  
 Authority

The Contract is changed as follows:

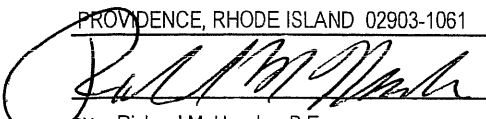
BALANCING CHANGE ORDER (see attached) DEDUCT \$37,608.10

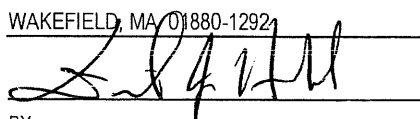
The original Contract Sum was .....	\$	2,127,775.00
Net change by previously authorized Change Orders .....	\$	22,353.07
The Contract Sum prior to this Change Order was .....	\$	2,150,128.07
The Contract Sum will be <b>decreased</b> by this Change Order in the amount of.....	\$	-(37,608.10)
The new Contract Sum including this Change Order will be.....	\$	2,112,519.57

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

NATGUN CORPORATION  
 CONTRACTOR  
 ELEVEN TEAL ROAD  
 Address  
 WAKEFIELD, MA 01880-1292

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

  
 BY Richard M. Hencler, P.E.  
 Project Manager  
 11/17/11  
 DATE

  
 BY  
 11/11/11  
 DATE

\_\_\_\_\_  
 BY  
 \_\_\_\_\_  
 DATE

BALANCING CHANGE ORDER  
1.5 MG WATER STORAGE TANK  
FOR THE  
KENT COUNTY WATER AUTHORITY  
28-Oct-11

ITEM NO.	DESCRIPTION	UNITS	QTY.	NATGUN		FINAL QTY.	TOTAL COST	DIFFERENCE
				UNIT COST	TOTAL COST			
<b>1</b>	<b>Mobilization</b>							
a	Natgun Mobilization	LS	1	\$ 61,900.00	\$ 61,900.00	1	\$ 61,900.00	\$ -
b	Natgun Demobilization	LS	1	\$ 15,500.00	\$ 15,500.00	1	\$ 15,500.00	\$ -
c	Site Sub Mobilization	LS	1	\$ 9,400.00	\$ 9,400.00	1	\$ 9,400.00	\$ -
d	Site Sub Demobilization	LS	1	\$ 2,400.00	\$ 2,400.00	1	\$ 2,400.00	\$ -
	<b>Unit Price Items</b>							
<b>2</b>	Rock "Open" Excavation	CY	40	\$ 60.00	\$ 2,400.00	339.22	\$ 20,353.20	\$ 17,953.20
<b>3</b>	Trench Rock Excavation	CY	10	\$ 360.00	\$ 3,600.00	66.73	\$ 24,022.80	\$ 20,422.80
<b>4</b>	Structural Fill	CY	300	\$ 36.00	\$ 10,800.00	450.90	\$ 16,232.40	\$ 5,432.40
<b>5</b>	Common Earth Borrow	CY	750	\$ 30.00	\$ 22,500.00	0.00	\$ -	\$ (22,500.00)
<b>6</b>	<b>Pre-Packaged Altitude Valve Vault &amp; Assoc. Piping</b>							
a	Furnish Valve Vault	LS	1	\$ 134,700.00	\$ 134,700.00	1	\$ 134,700.00	\$ -
b	Install Valve Vault	LS	1	\$ 22,200.00	\$ 22,200.00	1	\$ 22,200.00	\$ -
<b>7a</b>	<b>Tank Site Work</b>							
1	Layout and Survey	LS	1	\$ 3,500.00	\$ 3,500.00	1	\$ 3,500.00	\$ -
2	Erosion and Sedimentation Control	LS	1	\$ 11,300.00	\$ 11,300.00	1	\$ 11,300.00	\$ -
3	Clear and Grub Site	LS	1	\$ 14,400.00	\$ 14,400.00	1	\$ 14,400.00	\$ -
4	Temporary Access Road	LS	1	\$ 9,200.00	\$ 9,200.00	1	\$ 9,200.00	\$ -
5	Tank Excavation	LS	1	\$ 32,200.00	\$ 32,200.00	1	\$ 32,200.00	\$ -
6	Winding Track	LS	1	\$ 8,500.00	\$ 8,500.00	1	\$ 8,500.00	\$ -
<b>7b</b>	<b>Water Storage Tank</b>							
1	Engineering, Design, Dwgs, Calculations, etc.	LS	1	\$ 61,200.00	\$ 61,200.00	1	\$ 61,200.00	\$ -
2	Footing & Floor Complete	LS	1	\$ 244,700.00	\$ 244,700.00	1	\$ 244,700.00	\$ -
3	Casting Wall Panels	LS	1	\$ 183,500.00	\$ 183,500.00	1	\$ 183,500.00	\$ -
4	Casting Dome Panels	LS	1	\$ 163,100.00	\$ 163,100.00	1	\$ 163,100.00	\$ -
5	Erect Dome Shoring and Forms	LS	1	\$ 54,400.00	\$ 54,400.00	1	\$ 54,400.00	\$ -
6	Erect Wall Panels	LS	1	\$ 149,500.00	\$ 149,500.00	1	\$ 149,500.00	\$ -
7	Erecto Dome Panels	LS	1	\$ 108,800.00	\$ 108,800.00	1	\$ 108,800.00	\$ -
8	Form and Pour Wall Slots	LS	1	\$ 40,800.00	\$ 40,800.00	1	\$ 40,800.00	\$ -
9	Form Reinforce and Pour Dome Ring and Slots	LS	1	\$ 51,000.00	\$ 51,000.00	1	\$ 51,000.00	\$ -
10	Core Wall Shotcrete	LS	1	\$ 27,200.00	\$ 27,200.00	1	\$ 27,200.00	\$ -
11	Prestressing	LS	1	\$ 186,900.00	\$ 186,900.00	1	\$ 186,900.00	\$ -
12	Covercoat	LS	1	\$ 47,600.00	\$ 47,600.00	1	\$ 47,600.00	\$ -
13	Coating Systm	LS	1	\$ 27,200.00	\$ 27,200.00	1	\$ 27,200.00	\$ -
14	Strip and Remove Dome Shoring and Forms	LS	1	\$ 13,600.00	\$ 13,600.00	1	\$ 13,600.00	\$ -
15	Seismic Cables	LS	1	\$ 9,900.00	\$ 9,900.00	1	\$ 9,900.00	\$ -
16	Wall Manhole	LS	1	\$ 8,100.00	\$ 8,100.00	1	\$ 8,100.00	\$ -

BALANCING CHANGE ORDER  
1.5 MG WATER STORAGE TANK  
FOR THE  
KENT COUNTY WATER AUTHORITY  
28-Oct-11

ITEM NO.	DESCRIPTION	UNITS	QTY.	NATGUN		FINAL QTY.	TOTAL COST	DIFFERENCE
				UNIT COST	TOTAL COST			
17	Ladders	LS	1	\$ 11,300.00	\$ 11,300.00	1	\$ 11,300.00	\$ -
18	Interior Mixing System	LS	1	\$ 73,000.00	\$ 73,000.00	1	\$ 73,000.00	\$ -
19	Hatches, Vent, Handrail and Overflow	LS	1	\$ 26,500.00	\$ 26,500.00	1	\$ 26,500.00	\$ -
<b>8</b>	<b>Miscellaneous Site Work</b>							
a	Chain Link Fence	LF	1	\$ 29,400.00	\$ 29,400.00	1	\$ 29,400.00	\$ -
b	Concrete Tank Overflow Splash Pad	LF	1	\$ 1,400.00	\$ 1,400.00	1	\$ 1,400.00	\$ -
c	Removal of Concrete Rubble	LF	1	\$ 1,100.00	\$ 1,100.00	1	\$ 1,100.00	\$ -
d	Misc. Site Work	LF	1	\$ 32,700.00	\$ 32,700.00	1	\$ 32,700.00	\$ -
<b>9</b>	<b>Electrical &amp; Instrumentation Work</b>							
a	Excavation & Backfill	LS	1	\$ 13,200.00	\$ 13,200.00	1	\$ 13,200.00	\$ -
b	Instrumentation	LS	1	\$ 35,300.00	\$ 35,300.00	1	\$ 35,300.00	\$ -
c	Electrical Work	LS	1	\$ 33,200.00	\$ 33,200.00	1	\$ 33,200.00	\$ -
	<b>Unit Price Items</b>							
10	12" D.I. Water Main w/D.I. Pipe Fittings	LF	150	\$ 236.00	\$ 35,400.00	122.00	\$ 28,792.00	\$ (6,608.00)
11	20" D.I. Water Main w/D.I. Pipe Fittings	LF	225	\$ 295.00	\$ 66,375.00	231.30	\$ 68,233.50	\$ 1,858.50
12	12" PVC SDR35	LF	200	\$ 106.00	\$ 21,200.00	80.50	\$ 8,533.00	\$ (12,667.00)
13	Temporary Pump Station	LS	1	\$ 5,700.00	\$ 5,700.00	1.00	\$ 5,700.00	\$ -
	<b>SUB-TOTAL</b>				\$ 2,127,775.00		\$ 2,131,666.90	\$ 3,891.90
	<b>CHANGE ORDERS</b>							
1	Extra Rock	LS	1	\$ 22,353.07	\$ 22,353.07	1	\$ 22,353.07	\$ -
	<b>PENDING CHANGE ORDER</b>							
2	Settlement	LS	1	\$ -	\$ -	1	\$ (41,500.00)	\$ (41,500.00)
	<b>TOTALS</b>				\$ 2,150,128.07		\$ 2,112,519.97	\$ (37,608.10)

# **EXHIBIT E**

Kent County Water Board Meeting

December 15, 2011

<b>PLANNING DOCUMENT \$25,000/YEAR ALLOCATION</b>	
<b>PROJECT</b>	<b>STATUS</b>
Water Supply System Management Plan WSSMP	Approved
Hunt River Interim Management & Action Plan	Removed
2008 CIP Program Plan	Approved
Clean Water Infrastructure Plan 2008	Approved
<b>UPDATED CIP PROJECTS BOND FUNDING</b>	
<b>PROJECT</b>	<b>STATUS</b>
Mishnock Well Field (new wells) CIP - 1A	Construction Ongoing
Mishnock Transmission Mains CIP - 1B	Design Review, 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	Natgun Closeout
Read School House Road Main CIP 7c, 7d, 8a	Board Discussion Recommend Legal Action
<b>IFR FUNDED PROJECTS</b>	
<b>PROJECT</b>	<b>STATUS</b>
IFR 2005	Completed C. O. # 1 Asphalt Adjustment
IFR 2006 A	Closed out, Paving Issue West Warwick, Need Resolution
IFR 2006 B / IFR 2007	Closed Out
IFR 2009 A	2009 A - Closed Out
2009 B	2009 B, Construction Ongoing Till Winter Shut Down
IFR 2010	Design Separation 2010A January Bid, 2010B On Hold
Prospect Street	Completed
PWSB 78" / Johnson Blvd. P.S. Modification	Completed
Greenwich Avenue Replacement	Completed
Hydraulic Tank Evaluation	Completed
Quaker P. S. Design	January Bid
Tech Park Tank Recoating	Legal Action Required
Tiogue Tank Re-Service	Completed
Hydrant Painting	Winter Shutdown
SCADA Upgrade	Added to Quaker P. S. Design/Bid