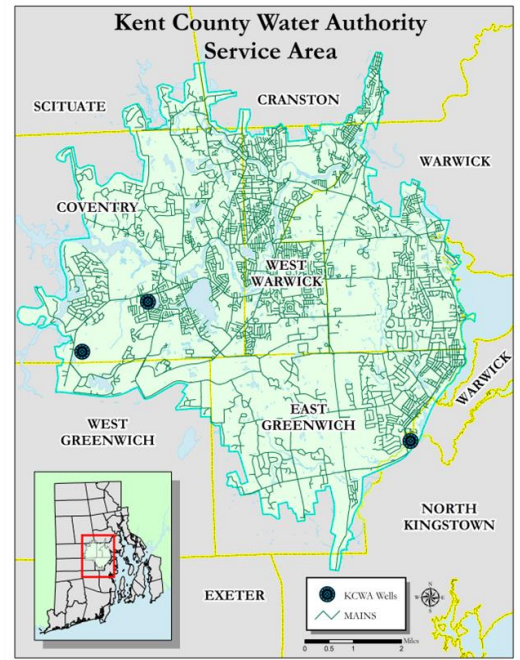


# Annual Report to Customers:

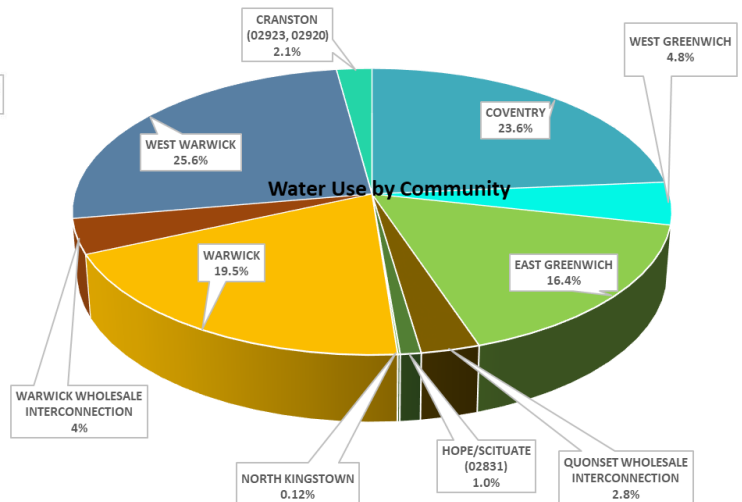
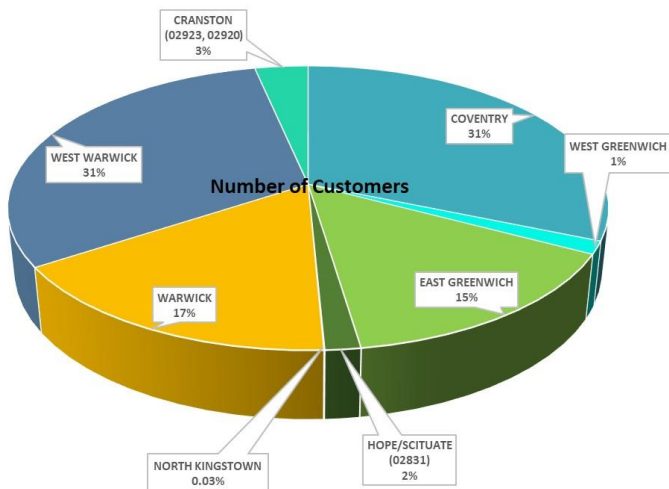
October 2023

We are completing another successful year for the Kent County Water Authority and our customers. Interruptions have been restricted to emergencies and service enhancement projects only. The dedicated staff has continuously worked to provide the essential safe supply of drinking water for consumption and fire protection to our customers. The supply has been sufficient, and we have had no disruptions in water quality. Infrastructure and capital programs continue, and we are setting our sights on the future for automation and continuous improvement of our systems. Despite severe economic headwinds, KCWA continues to deliver enhancements and resiliency with a state-of-the-art water system providing a quality product and service without incurring any increase in cost to the customers. How many utilities can say the same?



ACTIVE KCWA CUSTOMERS BREAKDOWN BY TOWN / CITY (FY 2023)	
COVENTRY	8,535
WEST GREENWICH	393
EAST GREENWICH	4,055
HOPE/SCITUATE (02831)	447
NORTH KINGSTOWN	8
WARWICK	4,495
WEST WARWICK	8,415
CRANSTON (02923, 02920)	917
<b>TOTALS</b>	<b>27,265</b>

WATER USE IN GALLONS BREAKDOWN BY TOWN / CITY (FY 2023)	
COVENTRY	631,810,195
WEST GREENWICH	128,327,523
EAST GREENWICH	438,086,355
QUONSET WHOLESALE INTERCONNECTION	75,457,380
HOPE/SCITUATE (02831)	26,630,461
NORTH KINGSTOWN	3,102,792
WARWICK	521,544,526
WARWICK WHOLESALE INTERCONNECTION	105,692,400
WEST WARWICK	683,560,891
CRANSTON (02923, 02920)	57,339,880
<b>TOTALS</b>	<b>2,671,552,403</b>



## **Financials**

As implemented, our revenues are stable and expenses balance with our operational needs. Our Moody's water revenue rating is Aa2. Standard & Poor was not reviewed in FY 2023 and is still holding at Aa2. The Authority can only sell revenue bonds and our solid AA rating reinforces our strength in the ability to competitively raise funds for future bonding mechanism within market levels.

Total operating revenues were up \$1,798,345 for fiscal year 2023 from the previous year. Operating expenses increased by \$1,455,482 from the previous fiscal year mainly due to the increase of transmission and distribution expenses, supply source fees, and pumping expenses. Total net operating income at the end of the year was \$4,461,889, up 8.3% from the previous fiscal year. Total assets were \$226 million in FY2023, an increase of \$6.4 million or 2.9% from the previous year. The Authority had \$188.4 million invested in capital assets, which represents an increase of \$10.6 million or 6.0% from the previous year. The Authority's debt to equity ratio was 3% for FY2023, indicating the continuance of capacity to issue additional debt. The restricted IFR account will be funded at \$6 million, and the restricted CIP account will be funded at \$2.1 million for FY2024.

Once again, our financial statements are professionally audited and prepared annually utilizing the Government Accounting Standards Board as we are classified as a public benefit corporation and a district designation of a political subdivision by the State Legislature. The annual report presented includes all current GASB Statements. It is our pleasure to report that our 2023 financial statements continue to demonstrate the sound and consistent operation of the Kent County Water Authority.



### **MAJOR GOALS COMPLETED IN FY23:**

1. Awarded the bid and started construction of the new central operating facility in West Greenwich.
2. Completed construction of backup pressure reducing valve feeds from high service to low service in Clinton Avenue and Knotty Oak stations to provide continuous pressure and flow at all times. These systems will provide passive flow and pressure without the need of pumping or local power.
3. Deployed Utility Cloud software to track the hydrant flushing and maintenance program and private construction inspections and to store all critical operation and maintenance data for pump stations, tanks, treatment plants and pressure reducing stations.
4. Completed the majority of the IFR 2021 contract including the installation of a new PRV station on Pontiac Avenue to provide secondary feed into the Oaklawn Gradient. Reservice Signal Ridge from low to high service in East Greenwich. Reservice Eagle Glen and Hope Furnace Road from low to high service in Hope. Main replacements in West Warwick: Brayton Street, Pike Street, East Main Street, Carlson Circle, and Greene Street.
5. Completed one half of the IFR 2022 contract including main replacement on Cowesett Avenue from New London Turnpike to Coit Avenue in West Warwick.
6. Conducted an evaluation of per- and poly-fluoroalkyl substances (PFAS) for all KCWA well water in accordance with State regulations. PFAS was detected at all wells at levels below the 20 parts per trillion (ppt) standard set by RI State regulations.

## **FY24 GOALS**

1. Finish large meter changeout and testing program.
2. Fully deploy leak detection sensors and software for systemwide comprehensive leak detection program.
3. Continue to implement and leverage the meter technology using Muni-link Customer Information System (CIS) and utility billing and Neptune software. Deploy at least 10 fixed gateways so meters can be read through Advanced Metering Infrastructure (AMI).
4. Review and update rules and regulations, strategic plan, and CIP 5 year update.
5. Update and deploy all Supervisory Control and Data Acquisition (SCADA) hardware and software.
6. Deploy Digsafe tracking and records management using Utility Cloud.
7. Finish the design for the construction of East Greenwich Well treatment facility. This facility is being primarily designed to remove iron and manganese utilizing greensand filtration. Recent PFAS legislation in RI requires additions to the design to accommodate the current regulatory changes along with upcoming future Federal changes. The Authority is reviewing funding options being made available under the Bipartisan Infrastructure Law and other sources. KCWA is looking to wholesale partner with the Town of North Kingstown and Quonset Development Corporation (QDC) to provide PFAS free water from this treatment facility.
8. Complete the lead service line (LSL) inventory for both the public and private side of the distribution system to provide public mapping in conformance with the EPA and RIDOH/RIGL Lead Poisoning Prevention Act. Develop a replacement program for private side LSLs.
9. Finish integration and deployment GIS for desktop into GIS enterprise so KCWA can develop custom applications and data collection for enhanced mapping and editing, asset management, and real-time program management.
10. Initiate remote net metering contract to supply KCWA with electricity the balance of renewables energy sources to meet 100% of the energy needs.
11. Continue the cross training of our employees both field and office, as well as emergency management training as needed for the company's future and ability to meet needs under emergency conditions. Continued workforce planning and organization structure improvements.
12. Continue to operate and service our customers with courtesy, professionalism, and a quality product. We will continue our emphasis on implementing customer service and customer communication strategies.
13. Continue our "invest and invigorate" employee program. This enhancement in the company will provide for better communication, staff training, and result in efficiency of operations.

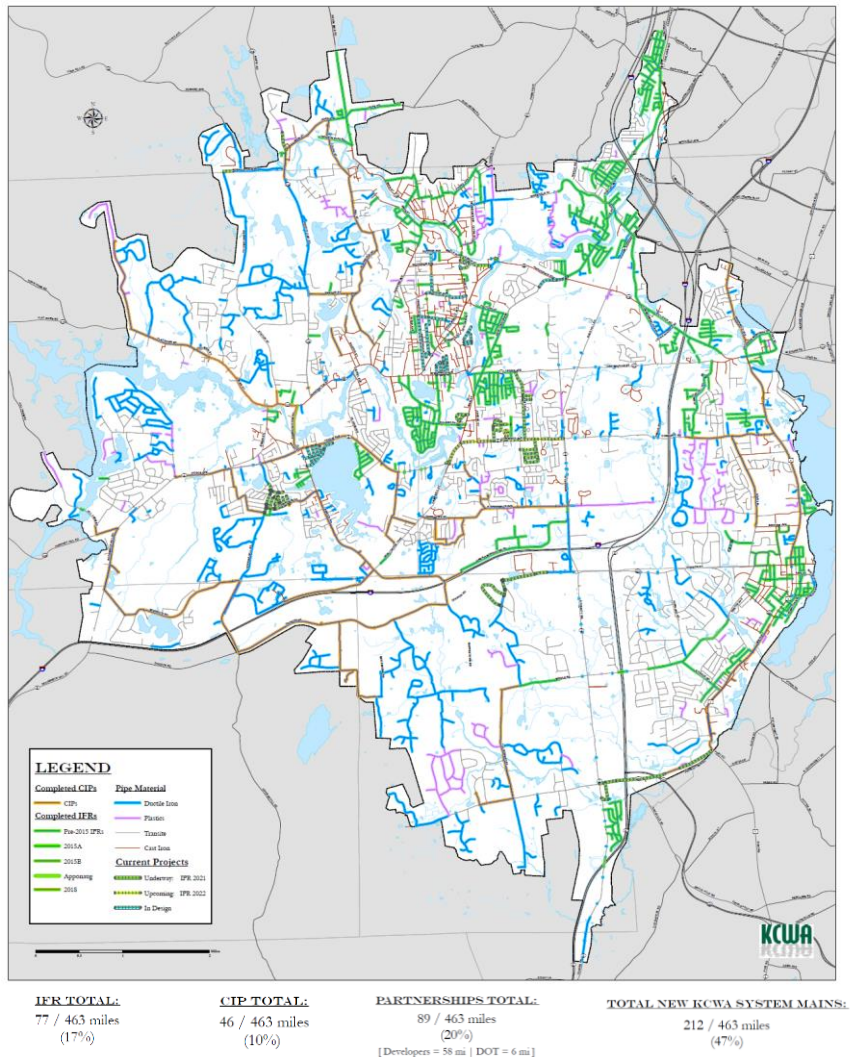
## **Water Quality and Resiliency**

Our continued priorities have been and will be to comply with all requirements of the Safe Drinking Water Act and their Amendments. This assures our customers that they are receiving safe and healthy water throughout our system, and it is our continued pledge to improve our system and to strive for the highest quality and most efficient, cost-effective system possible. We have established, as our highest priority, improvement programs to facilitate resiliency and enhance water quality into the far reaches of the distribution system.

## **Infrastructure Replacement (IFR) and Capital Improvement Projects (CIP)**

KCWA has been a leader in infrastructure replacement (IFR) and capital improvement (CIP). KCWA has added and/or replaced over 212 miles of water main since the state law and programming was implemented. It is required under state law that water suppliers perform a full detailed analysis of its infrastructure to determine useful life expectancy, prioritize repairs and replacements, and meet the needs of the public for consumptive use and fire protection.

To meet these requirements, the Authority finances large infrastructure projects through a pay-as-you-go model depending on the type of project and the approved funding allowed under the Public Utilities Commission. The infrastructure replacement (IFR) component is the renewal and replacement of existing infrastructure, whereas capital improvement projects (CIP) are for new infrastructure mostly large in scale and scope.



## **Infrastructure Replacement (IFR)**

This portion of the report contains information on the approved programs under the current Infrastructure Replacement Program (IFR) restricted funding approved by the PUC. The restricted IFR account is fully funded at \$6 million annually with the debt service rolling off upon paying the bond in full.

### **Current Infrastructure Projects**

#### **IFR 2021**

IFR 2021 includes several critical upgrades to KCWA, or the Authority, distribution system to increase resiliency and higher quality of service. The project scope is comprised of replacement and new installation of water main and supporting infrastructure in the Towns of Coventry, East Greenwich, West Warwick, and Scituate. IFR 2021 involves the installation of approximately six (6) miles of pipelines consisting of primarily 12-inch and 8-inch ductile iron pipe and three pressure reducing valve (PRV) stations. This work includes reservicing existing and new

customers to higher pressures, looping dead end mains to increase water quality, and inactivation of old obsolete and degraded piping. As with all IFR pipeline replacement projects on existing roadways, pavement restoration is incorporated into this project resulting in higher quality road surfaces when the projects are completed. Also included are the installation of service connections, furnishing of telemetry equipment and programming to KCWA's supervisory control and data acquisition (SCADA) system, connections to existing mains, hydrants, fittings, by-pass piping systems, and other related appurtenances. The IFR 2021 construction bid was awarded on February 18, 2021, to CB Utility Co. Inc. This project will be completed in December 2023 with the exception of final paving by April of 2024 at a contract price of \$13,504,316.

### **IFR 2022**

IFR 2022 was designed to continue the aggressive replacement of critical infrastructure for several high priority locations within the KCWA distribution system. The work of this project generally involves the installation of water mains in the Town of West Warwick, which will serve the Kent County Water Authority. This project involves installing pipelines consisting of approximately 7,600 linear feet of 16-inch ductile iron pipe, 4,360 linear feet of 12-inch ductile iron pipe and 2,100 linear feet of 8-inch ductile iron pipe. Specifically, the project involves the replacement of 1887 vintage cast iron main along Cowesett Avenue. While in the roadway, we will be simultaneously installing a separate high service line to loop several dead-end mains and reservice localized areas of historic low pressures. A major component to this project is the replacement and relocation of the water main at the intersection of Cowesett Avenue and Bald Hill Road. Water main failure at this location has the potential of catastrophic collateral damage to surrounding infrastructure due to the recent installation of a natural gas high pressure underground station and infrastructure in close proximity to KCWA's existing water infrastructure. The IFR 2022 construction bid was awarded on October 27, 2022, to Boyle & Fogarty Construction Co., Inc. This project will be completed in the Summer of 2024 at a contract price of \$8,381,537.

### **Future IFR Lead and Galvanized Service Replacement**

With the passage of the Bipartisan Infrastructure Law (BIL), the Drinking Water State Revolving Fund (DWSRF) will be receiving approximately \$292 million of additional funding for projects, including \$179 million for lead service line (LSL) and galvanized service line replacements. Currently, 49% of the funding is allocated toward principal forgiveness/grants on full private and public side replacement. KCWA is working to put together a project to obtain the grant funding to remove any remaining lead and galvanized service lines in the system. KCWA is currently completing the lead service line (LSL) inventory for both the public and private side of the distribution system to provide public mapping in conformance with the EPA and RIDOH/ RIGL Lead Poisoning Prevention Act.

### **Meter Replacement Program**

The original meter program funding under Docket 4611 did not include the replacement of large and medium meters sized 3-inches and above. There are approximately 300 accounts out of 27,500 that fall into this category but contribute 20% of the revenues to the Authority. The Authority strongly felt that the large meter customers needed the most current and correctly sized metrology in place to accurately monitor the use from these customers in real time with the latest technology.

Docket 5012 expanded the meter program to include a right-sizing survey for larger meters sized three inches and above to best determine if size and type of each large meter is correctly matched to the downstream use. The survey outlined the recommendations on replacement of unitized measuring elements (UME) and update/replace old turbine meters to new ultrasonic meters. The goal of the program is to apply a uniform metering technology to deliver improved service and billing that is in line with current utility standards. The Authority is also providing certified large meter testing for every meter checked, updated, and/or installed under the program to ensure baseline accuracy. All meters are being outfitted with the same latest generation automatic meter reading (AMR) technology and metrology as what was installed on all meters sized 2-inches or less. We are also outfitting every large meter with additional updated microchips installed in the register heads that have the ability to broadcast a Long-Range Wide Area Network (LoRaWAN) signal. When activated, the Authority and the customers will have the ability to monitor these accounts in real time similar to expensive fixed network systems without additional infrastructure costs. This phase of the project is currently approximately 90% complete and should be completed by Spring of 2024.

### **Renewable Energy**

The Kent County Water Authority is working toward being powered by 100% renewable sources in the next two years from our own solar facility on the new central operating facility, 665,000 kWh annually, in combination with a remote net metering agreement. In March of 2023, KCWA solicited a request for proposals from qualified firms to provide competitive market-based virtual net metering credits from qualified renewable energy resources. Both new projects and active renewable systems with available credits were eligible for consideration. KCWA is anticipating an average annual usage and remote net metering need (offset amount) of 3,606,641 kWh to be served under the agreement. Taking into consideration the evaluation factors set forth in the RFP, Green Development, LLC was the most responsible offeror, whose proposal was the most advantageous, and provided the greatest long-term fiscal savings and value to KCWA. The savings are estimated to be \$12,000,000 over the next 25 years once the contract goes live and we begin off taking power.

### **Payment Processing**

Starting in July of 2023, the KCWA began using Invoice Cloud to accept payments. Invoice Cloud allows KCWA to provide online payment processing in a securely hosted, real-time environment.

Invoice Cloud was selected to replace the existing payment processor, Jet Pay, because of its ability to send notifications to customers reminding them of their bill due dates. These notifications have been useful in preventing non-payment shutoffs. Customer service representatives are able to notify customers of a pending non-payment shutoff, allowing the customer sufficient time to make a payment prior to their non-payment shutoff date.

Invoice Cloud allows customers to view and print bills and payment records online and make a payment using credit cards, debit cards and electronic checks all through the existing KCWA online customer portal and automated phone service with no transaction fees. Invoice Cloud also allows customers to store multiple payment methods in the online customer portal.

### **Hydraulic Model / GIS/Utility Cloud**

*Hydraulic Model:* The Authority updated its hydraulic model and integrated the model with our GIS system using WaterGEMS. Integration with the GIS system and the tools in WaterGEMS now allows for hydraulic and pipeline evaluations inclusive of age, material, diameter, break history, water quality, static and residual pressure analysis, and scenario development more efficiently for optimization and the creation of IFR and CIP projects. The Authority is now performing full in-house hydraulic modeling for customers/developers requesting these services.

*Utility Cloud:* The Authority has launched the integration of Utility Cloud to manage its assets and project programming. Specifically, storing all critical operation and maintenance data, as-builts for development of a systematic preventative maintenance program for our pump stations, tanks, treatment plants, and pressure reducing stations. Small system assets and programs are also tracked. These include, but are not limited to, hydrants, blowoffs, and private construction inspection. Utility Cloud will also rest on our CIS system for the office staff and managers to create work orders that are available on the operator phones or tablets in the field.

### **Quonset Development Corporation (QDC) Wholesale Interconnection**

QDC and KCWA both use groundwater wells located within the Hunt River Aquifer. KCWA has two wholesale interconnections from Providence Water Supply Board (PWSB) that are conveyed to the south to backstop the existing supply in that region. Analysis performed by the RI Department of Environmental Management suggested that the intermittent surface flow conditions may be influenced by high water withdrawals from the Hunt aquifer. The water supply being conveyed through KCWA to QDC will purportedly relieve the stress on the aquifer and provide an alternative water source thus enhancing the reliability of the available water to allow them to maximize growth within the business park. QDC wanted to present to all new businesses that are interested in coming to RI and producing new jobs that there are zero utility constraints regarding available water. Based on these findings, QDC determined that it was in the best interest of the park to enter into a permanent wholesale agreement with KCWA. It should be noted that with the aforementioned legislation in place and water quality studies completed, a similar agreement could be extended to provide wholesale water to the Town of North Kingstown to alleviate the same PFAS issues that face that community. KCWA has more than sufficient capacity to satisfy the needs of both QDC and the Town of North Kingstown.

An interconnection agreement between QDC and KCWA was executed on March 19, 2021. The PUC approved the wholesale rate to feed QDC in the most recent rate filing PUC Docket 5012. QDC completed the construction of the infrastructure necessary to start conveying water to the business park in the Spring of 2022. The Rhode Island Department of Health required a corrosion control study prior to the activation of service. This was completed in August of 2022 and the service was activated in October of 2022 at a rate of approximately 200 GPM. The current feed design will accommodate the full build out of the park at 1.7 million gallons per day. KCWA has sufficient capacity to meet these demands.

### **Capital Improvement Projects (CIP)**

This portion of the report contains information on the programs under the restricted funding approved by the Rhode Island Public Utilities Commission. The Kent County Water Authority (KCWA, or the Authority) receives Capital Improvement Project funding available to advance

approved projects on a cash-based pay as you go basis. The restricted CIP account is funded at \$3.6 million annually without debt service.

### **CIP Bonding/Debt Service**

The CIP 2012 Series A bond was defeased as approved under the abbreviated rate filing Docket #5012. Also approved under Docket #5012 was the use of a portion of this restricted account to fund debt service on project(s) that require bonding. KCWA filed for and received authorization in February 2022 to borrow \$20 million dollars for the construction of a new central operations facility under Docket D-22-03. The debt service funding for this bond will be applied through approved restricted CIP collections. The amount of debt service carved out of the CIP funding is approximately 40%, or \$1.45 million dollars, annually. The annual accrual to the CIP restricted account after meeting the debt service obligation is \$2.15 million dollars.

### **New Office and Maintenance Facility**

The Authority currently operates out of its office and maintenance facilities located at 1072 Main Street, West Warwick, Rhode Island. These facilities were originally built at the turn of the century with modifications and new garages in the 1970's. Several additional renovations have been accomplished to support increased operations, and accommodate capital equipment acquisitions, spare parts warehousing and workforce needs. These existing facilities have no usable area for additional expansion and the Authority believes they can no longer support the Authority's daily operations. Furthermore, there is inadequate public parking to properly service KCWA customers. Customers have to park on the street in the lane of traffic in front of the building and exit their vehicle into oncoming traffic to conduct business at the Authority.

In 1999, Camp Dresser & McKee conducted a feasibility study for a new KCWA Facility. In 2016, C&E Engineering Partners prepared a Water Supply System Five-Year Capital Improvement Program Update for 2017-2022 for the KCWA and the Public Utilities Commission (PUC). The updated Capital Improvement Project (CIP) plan recommended a new facility supporting the 1999 findings, deeming the project as essential to provide the expected level of service goals required by State Regulatory Requirements and the Authority's Strategic Plan.

A new updated feasibility study was necessary to support and supplement future Capital Plan implementation, Commission rate filings, and bond issues because the original study was over 20 years old. The Authority requested proposals from qualified professional architects and engineers to conduct the update to the facilities analysis and





evaluation study (2020 Study). The Authority publicly engaged the professional services of Vision 3 Architects (V3A) partnered with Pare Engineering to complete the study.

As a part of due diligence, the 2020 Study re-evaluated the potential modification and retrofitting the existing facility and concluded that the buildings have far exceeded their useful lives and are no longer adequate to support the future increase in capital equipment acquisitions, warehousing and administrative responsibilities of the KCWA. The study also calculated that a minimum net five acres would be required to meet the needs of the Authority. The Authority's current complex occupies in its entirety approximately one acre on 1072 Main Street. Exploring the viability of remaining at its current location by means of renovating the existing facility and /or constructing additional buildings would involve acquiring multiple separate sites, either adjacent to or in very close proximity to 1072 Main Street. Thus, it was reaffirmed that KCWA's current location was not an option. The efforts were then focused on spatial programming needs, potential site locations, and schematics.

The 2020 study submitted to the Authority detailed a comprehensive spatial programming analysis, conceptual building schematic options, and eleven available site locations. Based on spatial and programming needs, the study further recommended three sites that could best fit the Authority's facility requirements. Included in the study were pricing valuations, construction/site cost estimates, and energy efficient design components such as, rooftop solar and electric vehicle charging stations.

In addition to the 2020 Study, the Board performed additional due diligence in searching for potential other property locations by issuing a public RFP, which was added to the study. After reviewing the thirteen properties in detail, the Board settled on pursuing 35 Technology Way in West Greenwich, which was deemed the best fit for the next phase. A subcommittee was formed to order a formal appraisal and negotiate and provide detailed information regarding the site and its ability to satisfy the Authority's future facility needs to the



full Board. The Authority entered into a purchase and sales agreement contingent upon the satisfactory full site due diligence evaluation inclusive of geotechnical, Phase 1 environmental, wetlands delineation and verification, pre-application planning review, and a full ALTA survey.

The site was purchased in September of 2021 and the Board signed a resolution authorizing the engagement of financing for the design and construction of a new central operations facility. The Authority put out an RFP in December 2021 to complete the final design and prepare construction bid documents. The contract was awarded to the V3A and Pare Corporation team. KCWA filed for and received debt service authorization in February 2022 to borrow \$20 million dollars for the



construction of a new central operations facility under Docket D-22-03. On April 29, 2022, after completing all of the clearing house procedures, the Authority closed on two bonds with the Rhode Island Infrastructure Bank. The Safe Drinking Water bond (\$18,173,087) and the Efficient Buildings Fund bond (\$1,826,913). These bonds will be used to construct the new office and maintenance facility in West Greenwich. The final design and bid documents were completed for construction and the project was advertised for bid on September 9, 2022. The work of this project includes the construction of a new 16,000 square foot administrative building and the attached 30,000 square foot prefabricated metal garage. The project includes construction of the proposed building and a covered storage area, a fueling area, an asphalt parking area, site improvements, and utilities. The construction project was awarded to Bentley Builders in January of 2023 and construction commenced immediately thereafter. Construction is anticipated to be completed in April of 2024.

### **Updated East Greenwich /Warwick Well Treatment Facility**

The East Greenwich well is a critical facility designed to maximize water quality and allow sufficient hydraulic capacity to meet the needs of the KCWA system now and into the future. This source in combination with KCWA's Mishnock treatment facility provide sufficient capacity to continue to provide essential service to its critical customers, and emergency interconnections, in the event something goes wrong with water supplied from Providence Water and/or major disruption to the associated transmission systems.

The East Greenwich/Warwick Well has a full production yield capability of approximately 2,000 gallons per minute. The East Greenwich/Warwick Well is located at 5870 Post Road, in the general vicinity of the intersection of Post Road and Franklin Street, along the East Greenwich and Warwick city line within the Hunt River Aquifer. The existing facilities consist of one submersible pump well, emergency power, SCADA control and monitoring, disinfection and pH adjustment. The Authority requested proposals from qualified Professional Engineering firms to conduct an inspection, evaluation, and review of the newly constructed well facilities and prepare final design and contract documents for construction of a new water treatment facility at the existing site under its Capital Improvement initiatives. Pare Engineering in partnership with Stantec was chosen and awarded the contract to design the updated facility in December of 2019. A preliminary design report and plans were completed and reviewed by the Rhode Island Department of Health and Rhode Island Department of Environmental Management during 2021.

The updated treatment plant included an addition to the rehabilitated well facilities constructed in 2018 under the KCWA Infrastructure Replacement initiative. The facility was being designed to provide an average daily output capacity of 1.44 MGD (1,000 gpm) to the system with one treatment unit offline and to provide for a maximum daily output capacity of 3 MGD (approx. 2,000 gpm) with both treatment units online. The output capacity was being designed at a maximum of 3 MGD to ensure resiliency and redundancy of individual unit processes, treatment trains, and discharge pumping. With recent Federal and State regulatory changes, and discussions with QDC and the Town of North Kingstown faced with similar challenges we are currently looking at increasing the throughput of this facility. The updated design will allow the ability to treat additional well(s) if acquired in the future. This design and subsequent responsible operation will not adversely affect the Hunt River, today or in the future, as it reflects significantly less volume than historic withdrawals from this basin.

The goal of the new treatment facility design is to provide a reliable source of high-quality potable water that meets and exceeds drinking water regulations. Mainly, the objective of the

design was to reduce manganese levels to below the applicable secondary standards to prevent water discoloration and staining, provide enhanced disinfection treatment (4-log inactivation), and facilitate radon removal. However, during the final design and permitting, the Biden-Harris Administration proposed the first ever national standard for Per- and polyfluoroalkyl substances (PFAS). This signaled to the States that regulation is imminent and for affected water utilities to start preparing. The Rhode Island legislature passed a law ahead of the EPA setting proposed contaminant concentration standards that now must be incorporated/planned into the design.

### *Design Changes to Comply with State Law and Prepare for Future Federal PFAS Regulations*

PFAS are an emerging contaminant of concern in groundwater throughout the United States. PFAS are man-made chemicals used to fight fires and in a variety of products and applications that are resistant to water, grease, or stains, including nonstick cookware, carpets, upholstered furniture, clothing, and food packaging. These chemicals are highly recalcitrant to degradation in the environment and can mobilize into surface and groundwater from areas throughout the country that may have been contaminated for various reasons.

The Rhode Island Legislature, working with the RI Department of Health (RIDOH), passed a law in June of 2022 to set an interim concentration standard of 20 parts per trillion (ppt) and to require water systems to conduct additional sampling by July 1, 2023. Systems that cannot provide water less than 20 ppt are required to find alternative sources.

***One part per trillion is equivalent to one drop in an Olympic sized swimming pool.***

Soon after the State legislation was introduced, the Biden-Harris Administration proposed the first ever national standard to protect communities from PFAS in drinking water. Because a potential maximum contaminant level (MCL) of 4 ppt for PFAS is being set at the Federal level, if promulgated, the State requirement will have to shift to the EPA standard.

### *EPA Press Release on PFAS March 14, 2023:*

*“The proposal, if finalized, would regulate PFOA and PFOS as individual contaminants, and will regulate four other PFAS – PFNA, PFHxS, PFBS, and GenX Chemicals – as a mixture.*

- *PFOA and PFOS: EPA is proposing to regulate PFOA and PFOS at a level they can be reliably measured at 4 parts per trillion.*
- *PFNA, PFHxS, PFBS, and GenX Chemicals: EPA is also proposing a regulation to limit any mixture containing one or more of PFNA, PFHxS, PFBS, and/or GenX Chemicals. For these PFAS, water systems would use an established approach called a hazard index calculation, defined in the proposed rule, to determine if the **combined** levels of these PFAS pose a potential risk.”*

**Source:** *Biden-Harris Administration Proposes First-Ever National Standard to Protect Communities from PFAS in Drinking Water*  
<https://www.epa.gov/newsreleases/biden-harris-administration-proposes-first-ever-national-standard-protect-communities>

An evaluation of per- and polyfluoroalkyl substances (PFAS) for all KCWA wells was performed in June of 2023. During this testing, PFAS were detected at 11.18 parts per trillion (11.18 ppt) at the East Greenwich Well. Although currently below the interim standard of 20 ppt, the proposed Federal maximum contaminant level (MCL) is 4 ppt. In anticipation of this, the proposed treatment facility and major unit processes at the East Greenwich well facility were reevaluated based on achieving the primary objective of protecting public health by providing a regulatory compliant, reliable source of potable water that meets or exceeds current and foreseeable future proposed drinking water regulations. The updated design, inclusive of PFAS treatment, should be completed by Spring of 2024 and KCWA will be seeking any and all available grants to help facilitate construction of the facility. With the passage of the Bipartisan Infrastructure Law (BIL), the Drinking Water State Revolving Fund (DWSRF) will be receiving approximately \$292 million of additional funding for projects, including \$179 million for lead service line replacements and addressing emerging contaminants over the next five years, including Per and Polyfluoroalkyl Substances (PFAS). In addition to the funding research and development, KCWA has entered into a class action lawsuit. Below is an excerpt from our most recent press release the regarding PFAS lawsuit.

*The costs to remove of these toxic ‘forever chemicals’ has created a financial burden for the Kent County Water Authority and initiation of this litigation and the terms of the proposed settlement will allow KCWA to hold the PFAS manufacturers financially accountable for the costs, expenses, and impacts caused by this contamination. The KCWA has and continues to spend countless efforts and resources testing and working to remediate PFAS from the drinking water to remain in compliance with State and Federal water quality guidelines.*

*The Executive Director of the Kent County Water Authority, David L. Simmons, PE, said “This lawsuit represents the collective interests of all residents within the Kent County Water Authority’s service area and aims to safeguard the preservation of clean drinking water. Joining this litigation demonstrates our continuing efforts to prioritize the protection of our water supply and will help guarantee a sustained supply of clean water for future generations.” The Director added, “The litigation will help to ensure that the cost of removing PFAS contaminants are borne by the manufacturers and sellers of these products, not the ratepayers.”*

Source: <https://www.businesswire.com/news/home/20230803434638/en/Kent-County-Water-Authority-Joins-PFAS-%E2%80%98Forever-Chemicals%E2%80%99-Lawsuit-Against-Manufacturers-3M-DuPont-and-Others-For-PFAS-Drinking-Water-Contamination>

## **Closing Message from the Chairman**

As the Chairman of the Kent County Water Authority, I would like to thank my fellow Board members: Vice Chair, Mr. Jefferey M. Giusti; Treasurer, Mr. Scott R. Duckworth, Mr. Brian E. Kortz, Mr. Charles Donovan and Mr. Geoffrey S. Rousselle for their cooperation, diligence, and their foresight into the future of the Authority. I would like to add a personal thank you to Russell Crossman, Secretary, and his family, for his devotion to the Authority over the last six years.

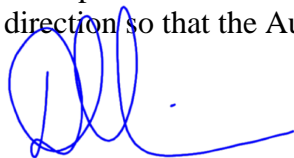
Coventry Board Member Russell Crossman passed away in October. Serving as the Secretary, Russ provided a tremendous amount of knowledge, insight, and guidance through some of the largest changes and challenges the Authority has experienced in recent years. Even through his long battle with cancer, Russ remained highly active and attentive. Russ was larger than life, boisterous, and loved being active in the ongoings in local political and professional circles

throughout Rhode Island. Russ brought a lot to the table for the Authority and is truly leaving a large void in not just KCWA, but the lives of so many he touched, he will be missed.

Our programs certainly keep the staff at the Authority very busy, but we continue to see major strides in the quality of our product and reduced breakage within our system. This does not mean that our aged infrastructure will not fail as we continue to repair and/or replace mains in problem areas. Infrastructure and operations will continuously be reviewed, and needs prioritized, to maximize efficiencies and maintain quality. We will stay current with the best available technologies to bring the highest-level service and excellence to our customers. Our ongoing maintenance programs must continue and in some areas be accelerated. The board deserves all the credit for their foresight and direction in pressing these programs and providing the support needed to our staff.

The Authority's cooperation with all of the various State agencies and regulators has been excellent and the Board is proud of what has been achieved so rapidly. We look forward with great enthusiasm toward the future. Most importantly, I would like to express my gratitude for our customers who continue to support our efforts in the cost-effective modernization of the system and a long overdue central operating facility to better serve our customers. Great accomplishments each year have been achieved by the professionalism of everyone involved with the Authority. We look forward to the continued support of our customers as we implement our programs this year and in meeting our regulatory obligations and the continuous delivery of safe potable water at a very reasonable cost of \$0.007 per gallon.

As always, critical issues are addressed first, emergencies repaired, and customer service diligently performed every day. Again, public health and safety are paramount and represent the overarching guiding principle that guides the Authority on our continued mission. The Authority has welcomed a few new members in recent years, along with a change in leadership and direction. We will continue to keep an eye on reducing expenditure, increasing efficiencies, and expansion in sales where possible. We have a great team, and I am confident we will all bring great stewardship and continuity to the organization in the future. I know the board has always been proud of our staff and our actions and we will continue to support the board in their direction so that the Authority can remain in the forefront of the water supply industry.



Executive Director/Chief Engineer  
David L. Simmons, P.E.



Chairman  
Robert B. Boyer P.L.S