

**Prudence Island Water District
Minutes of meeting held June 5th, 2010**

Call to Order – Meeting was called to order at 1 p.m. Present were David Buffum, moderator, Philip Brooks and Robert Hanson, board members, Patricia Richard, treasurer and William Capron, system manager. Absent were Leo Perrotta, Clerk and Richard Brooks, board member.

Approval of minutes – P. Brooks made a motion to approve the minutes of May 15th 2010, R. Hanson seconded the motion, vote; motion passed unanimously.

Administrative

Treasury and Purchasing – Current account balances: BOA balance \$24,871.76, Citizens balance \$54,191.11, undeposited funds; \$315.00, for a total of \$79,377.87, Less opening balance equity of \$32,700, with \$10,000 set aside for RICWFA payment we have operating funds of \$36,677.87. Ran the expenses for the first five months of the year which were \$46,470.00 were budgeted for \$53,488. We are about \$7000 under budget for the first five months of the year. This includes expenses for Warner Ave project. We spent \$2958 less money this year than the same period last year, even with a slightly higher labor, backhoe, and parts costs. This drop in expenses is due in part to: lower legal expenses, lower taxes, no purchase of office equipment and lower utility costs. (we pumped 330,000 fewer gallons for same period last year). We are in a good financial position.

P. Richard handed out Profit and Loss report for May. Slightly higher expenses than normal due to Warnerville. project. Warnerville project expenses are as follows: Backhoe \$3412.50, labor \$1252.50, parts \$1022.66. Adding in a month's wages for W. Capron, for \$8700.00 in total expenses, which translates into an expense rate of about \$20/ft. for the project.

Renewed Department Of Health license for \$500.

Customer accounts and billing – June billing went out. Consumer Confidence Report wasn't available to mail with the billing so it will go out on a separate mailing.

Discussion of proposal for Backhoe Lease W. Capron checked with his insurance and the deductible is for \$500. D. Buffum asked if anyone knew the cost of hydraulic hose, R. Hanson said it is about \$125/ft. for the high-pressure lines. With regards to hydraulic line breakage caused by tree limbs while working in tight quarters, in an effort to minimize tree damage and to offset the added risk of hose breakage P. Brooks suggests the District pay up to the deductible of W. Capron's insurance. R. Hanson said the customer cares about cost, and we need to keep expenses down. P. Richards pointed out that the new proposed backhoe rate would save us considerable money over the old rate. For example, the Warnerville project cost us \$3400 at the proposed rate and would have cost us at the old rate \$4600. So a \$500 possible expense at the new rate, isn't cost prohibitive. We also have the right to revisit the issue if it becomes a problem. P. Brooks said at the new rate we save \$25/hr. P. Brooks and D. Buffum agreed the District should assume the \$500 risk, R. Hanson feels it's the backhoe operators responsibility, so for now the Board will agree to covering up to the deductible. R. Hanson wanted to know how the 150 hour minimum compared to what we budgeted. P. Richard said we budgeted \$9600/yr, which equals 128 hrs. (at \$75/hr.). That doesn't include capital improvement items, such as Governor Paine project, which has its own backhoe budget. So we will go over the 150 hour minimum. We also agreed to having a provision in the hours minimum that allows the District not to be required to pay that minimum in case of financial hardship brought on by unforeseen circumstances. D. Buffum will put together a written proposal that reflects the discussions of the past meetings, for the next meeting.

Technical

Systems managers report – Met with TNT Fracking about the lack of flow in the number one well. They advise against fracking the #1 well because we might open fissures in the rock that would give us the same water as the # 4 well, (which we don't want). Surging the #1 well might clean out the system and restore its flow rate, it should be done every four years and we are due. Since the #1 well has a pump that out produces the capacity of the wells we should at least surge and replace the pump in the #1 well. W. Capron will contact Mark Young to have the well surged, and then schedule for a new pump.

Water production in May was high, partly due to leaks, filling Greer tank, and a couple of fire dep't truck fillings. Leak on Merrill Ave repaired, replaced leaking curb stop, on Mt. Tom road. Leak on hydrant on Deer Lane repaired. Service line on home on Ross Lane fixed. Hit by contractor. Replaced leaking curb stop on Fairview. No water pressure at 02 Raphael Ave, old line inadvertently cut off when new line installed to town garage, new line will be installed out to Raphael Ave. Any curb stops installed on opposite side of street from property will be replaced so curb stop is on same side of street at property line.

Technical Other Stream flow /test wells at 4 feet from max, to be tested next week.

New Business Correspondence Got check list for updating Operations manual.

No other business.

P. Brooks made a motion to adjourn, R. Hanson seconded, vote was unanimous, meeting adjourned at 1:50 pm.