

Prudence Island Water District
Minutes of Meeting January 8, 2005

1. Call to order. Meeting was called to order at 1:05 p.m. Present were Richard Brooks, Moderator Pro-tem, Patricia Richard, Clerk; David Buffum and Robert Hanson.

2. Approval of minutes for meeting held 12/11/04. Motion to approve by Mr. Buffum, seconded by Mr. Brooks, approved unanimously.

3a. Appointments. Mr. Brooks said that he had approached Mr. Robert Casey, who helped to organize the first election, about serving on the Board of Canvassers and that he had declined.

Ms. Richard presented the board with a list of names of potential candidates and said that she had gone through the voter list looking for names of people who were on the island frequently and might be approached about serving as an officer. She said that she would make copies of the voter list and distribute it to the board so that they could look it over and see if any other potential candidates might be suitable. She said that the list needed to be updated for 2005. Mr. Brooks asked if Mr. Ken Lowe, who has experience serving as a treasurer, might consent to serve in that capacity. Mr. Hanson said that he had approached Mr. Lowe about that position and that Mr. Lowe had declined.

Ms. Richard commented that the notice about serving as an officer posted by Mr. Buffum had not lasted very long. Mr. Buffum said that he thought she had removed it when posting the notice of meeting. Ms. Richard said that she had not. Mr. Buffum said that he would repost the notice.

Ms. Richard stressed that the treasurer position had to be filled quickly because the district now had a bank account and at the moment only one person was authorized to access the funds. She asked if any of the board members would be willing to serve as treasurer. Mr. Hanson said that the treasurer needed to be familiar with the duties of the position. Mr. Buffum said that he would be willing to serve as treasurer but was also considering volunteering to serve as moderator. Mr. Brooks observed that it might be easier to get someone to serve simply as a board member rather than as moderator.

3b. Bylaws. Mr. Brooks said that bylaws should address the issue of penalties for damage resulting to the system because a customer did not take proper precautions against freezing pipes. Ms. Richard said that the PIUC had posted a notice informing the public that they were addressing that issue with the Public Utilities Commission. Mr. Hanson said that the hearing also involved shutoffs for late payments. Mr. Frederick Cornell, a board member of the PIUC, said that it was necessary to assure that bills were paid in a timely manner.

Ms. Richard said that Section 46 of the Bylaws that referenced Section 7-1.1-4.1 of the Business Corporations Act had in fact been repealed by the RI General Assembly effective July 2005. She said that she would contact Ray Gallison to find out if he had any information on the changes to the law regarding indemnification.

Ms. Richard said that Section 49 regarding the duties of the moderator, that a reference to Robert's Rules of Order should be made as the standard for settling disputes about procedure.

Mr. Hanson brought up the issue of resource conservation and asked Mr. Cornell if there was anything in the PIUC bylaws about penalties for wasteful usage during periods of drought. Mr. Cornell said that there was not and that the PIUC had always relied on the cooperation of the community for conservation measures. Mr. Brooks said that wasteful usage would be mitigated somewhat by instituting a metering system.

Mr. Brooks said that he was unclear about the concept of a non-binding vote in Section 62, Contractors. Ms. Richard said that no vote was appropriate until all the information was in and had been thoroughly discussed.

Mr. Brooks said that the dollar values for taking a job to bid needed to be discussed and that the dollar figure for going out to bid should probably be in excess of \$5000. Ms. Richard said that she had obtained some of the state guidelines for purchasing and gave the information to Mr. Buffum for his research on that issue. Ms. Richard also said that she wanted to make contact with the state purchasing division and see if they could be of any help to the district. She said that in her experience in working at a state facility, small purchases were defined as under \$250 and that above that amount required 3 quotes. Mr. Hanson said that state purchasing guidelines were constraining and that the district would become bogged down in the procedures and would not be able to focus on the job at hand, which was acquisition of the utility company. Ms. Richard said that if state money was being used, their guidelines needed to be adhered to.

Mr. Brooks said that references to a District Engineer in Section C, Service Connections, should probably be deleted because the district did not have the resources to hire a full-time engineer. He said that the Operations Manager or his designate would probably be responsible for the duties in Section C. Ms. Richard suggested that the term District Engineer might be changed to Project Engineer, since many functions would need engineering planning and approval.

Mr. Brooks asked if everyone within the district would be billed for private fire service. Mr. Buffum said that private fire service referred to a customer installing a private fire hydrant on their property. Ms. Richard said that she understood private fire service to mean a device like a sprinkler system, citing as an example if the PIA installed such a system in their kitchen. She said that as she understood it, the currently installed hydrants were for water system maintenance and not for fire service.

Mr. Brooks asked if 60 days was enough time to be in arrears before putting a lien on the property of a customer with a delinquent account balance. Mr. Buffum asked what an appropriate period of time would be. Mr. Hanson said he also felt 60 days was too harsh. Ms. Richard said that she felt placing a lien on customer properties was inappropriate and that termination of services should be a harsh enough penalty for non-payment.

Mr. Brooks said that in Section 28 “mandatory connections” should be “exclusions”.

3c1 Administrative goals. Ms. Richard said that she had been researching bonding but wanted to have conversation w/RI Risk Mgt. about the extent of their coverage.

Ms. Richard said that the district had received funds from Dept. of Admin and had started a bank account.

Ms. Richard said that the district needs to buy an official seal because it was necessary for processing the USDA grant application.

Ms. Richard said that she had obtained a DUNS number.

Mr. Buffum said that he had a conversation with Ms. Kim Greene, general counsel to the board, and that she reported to him that she had met with Sarah Mack, a lawyer with utilities experience, and that Ms. Mack had consented to meet with the board, and to provide counseling services at a reduced rate. Mr. Brooks said that Dave Delisle of USDA had told him that the district would need a lawyer with utilities experience.

3c2 – Technical goals. Mr. Brooks said that he had met with USDA and that Mr. Delisle continued to be optimistic that the district would remain eligible for funding. He also said that he wanted to couple the pre-development grant with the environmental survey. Mr. Brooks pointed out that there were many environmentally sensitive areas on the island. He said that he had just received a proposal from C&E Engineering regarding the enviro survey but had not had the chance to read it. He said that Northeast Engineering had also expressed an interest in doing the environmental survey. He said that the board should not

take any action on the issue until after meeting with the PIUC. He said that he had the requirements bulletin from USDA.

Ms. Richard said that she had received the grant application and spoken to Mr. Delisle. She said the grant application covered both the pre-development engineering and the environmental survey. She said that Mr. Delisle wanted the district to apply for both of the surveys because they had been proactive in its efforts to work with USDA to position itself to take on the challenges of upgrading the water system and he felt if the district acted quickly it could access a larger portion of the allocated money than originally planned for. She said that the district would need to come up with another \$2500 in matching funds and that she would speak to Mr. Driscoll in Portsmouth about having funds transferred to the District. Mr. Brooks said that if the environmental survey could be done for less than \$10k that the grant award would be adjusted downward and that the matching funds would also go down proportionally.

Ms. Richard said that Mr. Roger Greene recently retired as manager of the NBNERR but had furnished her with the reserve's site profile, which contained links to a wealth of information about the island's environmental parameters. She said that the files were downloadable from the URI system but that they were large files and she had not yet obtained them.

3d Funding. Ms. Richard said that she had submitted the media grant application to the RI Foundation. She said that she was working on the USDA grant application.

4a Appointment of moderator. Ms. Richard said that she had approached a few people but that no one wanted to serve and that there might be some difficulty in filling the position. Mr. Buffum said he would consider resigning his board seat and accepting an appointment as moderator.

4b Correspondence. Ms. Richard said that she had received a letter from PIUC about an exec session meeting and that she had received a letter from Northeast Engineers expressing disappointment in not having been chosen for the pre-development survey.

Mr. Brooks moved to adjourn to executive session, seconded by Ms. Richard, approved unanimously. The meeting adjourned at 2:05 p.m.

Patricia Richard, Clerk