

The Year in Review – 2010

2010 was a difficult year for the water district. Although we started off well, with finances in the black and a water table at historically high levels, we encountered problems with both resource availability and water quality during the summer months.

After the deluge of spring rains, no one imagined that water availability would become a critical issue in 2010. However, an unusually hot and dry summer caused a spike in water usage, and the district was slow to respond to the changing conditions. Demand began to exceed our ability to pump sufficient quantities of water, and we were forced to impose water restrictions in July that continued through the end of summer.

Because demand for water was so high, and because of diminished pumping capacity from both the Army Well and Indian Springs #1, we were compelled to use the Indian Springs #4 well, which had seen only light duty during the previous year. IS#4 has high levels of iron and manganese, and the result was increasingly poor water quality. We had hoped that as seasonal demand diminished, we would be able to cut back on using it and improve the water quality. In an effort to improve the yield from IS#1, we surged that well in early August. The well was tested for bacteria, passed muster and was put back online. Unfortunately, the well developed a problem with coliform bacteria, and routine testing confirmed its presence in the IS#1 well, main storage tank and distribution system. RI Dept. of Health issued a boil

The district pumped 7,663,180 gallons of water in 2010, a marginal decrease from the 2009 figure of 7,723,770.

order for the system on Labor Day weekend. The IS#1 well was taken offline and the entire system disinfected. Continued testing confirmed that the procedure was ineffective. A second disinfection procedure was carried out and proved successful. The boil order was lifted and normal operations resumed on October 15. The IS#1 well remains offline until repairs can be made to a failed part in the pitless adapter, followed by rigorous testing to confirm its viability as a clean water source.

This incident, and the amount of time and resources we had to devote to resolving it, prevented us from carrying out some of the improvement projects we had scheduled for

DON'T FORGET!

Help your community and yourself by shutting down your water service whenever your island home is unoccupied for an extended period of time, especially during the winter. Pipe

breakage can lead to massive water loss that has an impact on the entire community. Prevent costly fines and damage to your home.

**SHUT DOWN YOUR WATER!
DRAIN YOUR PIPES!**



2010. While we did replace several critical system valves and installed a number of curbstops, cleared water lines that were obstructed by brush and trees, and replaced a water main in the Warnerville area, we were unable to begin the planned remediation of the system on Governor Paine Rd. and Allen Lane. However, at present we do have the financial resources to begin this project, and barring any unforeseen difficulties, hope to accomplish the task in the coming year.

The unusually high seasonal demand followed by the contamination incident made it clear that the district must reprioritize its project planning. Both pumping capacity and auxiliary storage must be improved if the system is to provide adequate water service to the community. Replacement of the Broadway storage tank, which has been offline for a number of years, is now a high priority. This is a costly project (upwards of \$100,000) and the district board will be researching funding mechanisms to carry it out. Equally important is development of a new water source – another costly project. Meanwhile, the district must continue to replace segments of the existing infrastructure so that the resources we have can be managed efficiently.

PLEASE NOTE:

Beginning with the next billing cycle (July 1, 2011), we will no longer be able to accept checks made out to the Prudence Island Utilities Corp. Checks received with PIUC as the payee will be returned.



**Annual Report
to the
District Electors
FY Ending
Sept. 30, 2010
Prudence Island
Water District
P.O. Box 93
Prudence Island
Rhode Island 02872
401-682-2981
www.pih2o.org**

2011 District Elections

In accordance with Chapter 7 of RI Public Laws 2004, an election is to be held on **Saturday, June 18, 2011**, between the hours of 10:00 a.m.-1:30 p.m., at a location to be determined, for these seats on the Board of Directors:

Moderator

(Term expires June 2015)

2 Board Members

(OneTerm expires June 2013)

(OneTerm expires June 2015)

This notice explains the process, the timetable and the means for obtaining additional information regarding your voting rights, and how interested individuals can seek election to the Prudence Island Water District Board of Directors.

Electors and candidates are defined by statute as all persons over eighteen years of age who:

- 1) are qualified to vote for Portsmouth town officers and are listed at an address within the boundaries of the Prudence Island Water District OR
- 2) are listed as taxpayers within the defined service area of the Prudence Island Water District OR
- 3) is a rate payer of the Prudence Island Water District. The Board of Canvassers, as established by statute, will certify qualified electors and candidates for this election.

Persons interested in seeking election to the water district Board of Directors must be qualified electors of the District. They must obtain a Declaration of Candidacy form for each position in which they seek election. Upon receipt of the completed Declaration of Candidacy form, nomination forms will be mailed to the candidate. Nomination forms require the candidate to obtain at least 5 certified signatures of qualified electors of the District. Completed nomination forms must be returned **by mail only**, postmarked no later than midnight **Wednesday, April 20, 2011**.

The current list of qualified electors and Declaration of Candidacy forms will be available beginning **March 1, 2011**, by request from the Clerk, P.O. Box 93, Prudence Island, RI 02872, tel. 401-682-2981, e-mail info@pih2o.org, or you may download these documents at www.pih2o.org/pdfs/voters.pdf for the voters list and

www.pih2o.org/pdfs/candidate.pdf for a Declaration of Candidacy. Acrobat Reader is required for online documents.

The Board of Canvassers of the District will meet on **Saturday, May 21, 2011** at 1:00 p.m. at the Prudence Island Fire Station, Narragansett Ave., and again on the morning of the election at a location to be determined on **Saturday, June 18, 2011** at 9:00 a.m. for the purpose of certifying the official voter list. If your name does not appear on the voter list and you feel that you are a qualified elector, please contact the district office or attend one of the Board of Canvassers meetings with your proof of eligibility.

Mail ballot applications: Any qualified elector of the District whose name appears on the official voters list may obtain from the Clerk (PO Box 93, Prudence Island, RI 02872, 401-682-2981, email info@pih2o.org

pih2o.org) an affidavit form setting forth the elector's application for a mail ballot. The completed application must be duly executed and delivered **by mail** to the district address so that it will be received not less than 21 days (**May 28, 2011**) in advance of the election.

The Board of Canvassers will hold a Candidates Forum for certified nominees June 6, 2009, immediately following the regularly scheduled Board of Directors meeting. This meetings is open to all interested individuals.

If you require any additional information about the election process, please contact the district office at 401-682-2981. Published election notices will appear in the Sakonnet Times and will be posted on community bulletin boards.

Important Dates:

Activity

Candidacy Forms Available
Mail Ballot Applications Available
Completed Nomination Papers Due
Board of Canvassers Meets
Mail Ballot Applications Due
Candidates Forum
Board of Canvassers Meets
District Elections
Results Announced/Swearing In

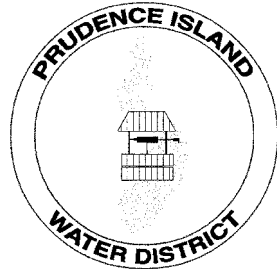
Date

March 1, 2011
April 1, 2011
April 20, 2011, Postmarked by midnight
May 21, 2011, 1 p.m.
May 28, 2011
June 4, 2011 after the board meeting
June 18, 2011, 9:00 a.m.
June 18, 2011, 10:00 a.m.-1:30 p.m.
June 18, 2011, 3 p.m.

Location

Web site, or contact the office
Contact the office
By Mail to District address
Prudence Island Fire Station
By Mail to District address
Prudence Island Fire Station
To Be Determined
To Be Determined
To Be Determined

Financial Statement



Financial Report FY 2009-10

The Board of Directors of the Prudence Island Water District presents this annual report in accordance with the district charter, Section 11(d), which states:

“Not later than one hundred eighty (180) days following the end of the district’s fiscal year, the board shall make an annual report, including its budget and operation plans to the qualified electors of its activities for the preceding fiscal year. Each report shall set forth a complete operating and financial statement covering its operations during the fiscal year. The board shall cause the books, records and accounts of the district to be reviewed or audited by a certified public accountant. The board shall forward copies of the district’s annual report to the town of Portsmouth, the Rhode Island Water Resources Board and the state’s Department of Health.”

The District’s fiscal year closed on September 30, 2010.

FY Ending on September 30, 2010

Statement of Net Assets September 30, 2010

Assets	
Current Assets	
Cash and cash equivalents	\$99,110
Accounts receivable.....	3,819
Total Current Assets	102,929
Property & Equipment	
Land.....	167,077
Buildings & Improvements.....	5,588
Equipment	183,842
less accumulated depreciation	22,696
Total Property & Equipment.....	333,811
Other Assets	
Intangibles <small>(net of amortization \$2551 and \$1278)</small> ...	22,914
Total Assets.....	\$459,654
Liabilities and Net Assets	
Current liabilities	
Loans payable	\$21,000
Accrued expenses	-
Total current liabilities	21,000
Other Liabilities	
Loans payable	372,000
Net Assets	
Unrestricted net assets.....	66,654
Total Net Assets.....	66,654
Total Liabilities and Net Assets.....	\$459,654

Statement of Activities September 30, 2010

Operating Income	
Revenue	\$178,496
Operating Expenses	
Advertising.....	\$285
Dues & Subscriptions	311
Equipment Rentals	12,015
Insurance.....	6,644
Interest.....	0
Lab fees.....	1500
Leases	4,970
Legal & Professional.....	5,193
Licenses & Permits.....	574
Office	3,899
Payroll and Payroll Taxes	61,598
Rent (meeting venue).....	650
Repairs & Maintenance	10,912
Vehicle & Ferry Expenses	3,794
Utilities	3,679
Total Operating Expenses	\$116,024
Net Operating Income	\$62,472
Non-Operating Income / (Expense)	
Amortization.....	(1,273)
Depreciation	(11,274)
Interest Income.....	141
Total Non-Operating Income /(Expense)(12,406)	
Net Income	\$50,066

We Need Candidates!

Are you concerned about the community water system on Prudence Island?

Are you dissatisfied with the quality and cost of your water?

Do you have ideas for improving the water system?

If so, please consider running for a seat on the Board of Directors.

Your voice on issues such as resource availability, water quality, project planning and financial strategies can help your family, friends and neighbors by assuring that the district provides the best possible water service, today and in the future.

The 2009 district elections were disappointing because no one stepped forward to run for a seat on the board. Please keep in mind that **the Prudence Island Water District belongs to YOU**, and your participation is needed if you expect the community water system to improve.

The PIWD Board of Directors meets every three weeks throughout the year, with a holiday hiatus in December. If you can contribute just a few hours a month, you can shape the future of Prudence Island in a meaningful way.

PIWD Budget Calendar Year 2011

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1															
2	Water revenue		86000						86000						172000
3															
4	Personnel														
5		Operations Manager	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300	3300	39600
6		Day Labor	1150	1150	1150	1150	1150	1150	1150	1150	1150	1150	1150	1150	13800
7		Relief Operations Person	830	830	830	830	830	830	830	830	830	830	830	830	9960
8		Office Help	500	500	500	500	500	500	500	500	500	500	500	500	6000
9		Payroll Taxes	400	400	400	400	400	400	400	400	400	400	400	400	4800
10		RI Unemployment Insurance/JDF	350	350	350	350	350	350	350	350	350	350	350	350	4200
11		Travel Expense (Auto Mileage & Ferry)	380	380	380	380	380	380	380	380	380	380	380	380	4560
12		Training/Education	0	0	350	0	0	350	0	0	350	0	0	350	1400
13															
14	Subcontractors														
15		Heavy Equipment rental	850	850	850	850	850	850	850	850	850	850	850	850	10200
16		Electrical/Plumbing	375	375	375	375	375	375	375	375	375	375	375	375	4500
17															
18	Insurance														
19		Worker's Comp	230	230	230	230	230	230	230	230	230	230	230	230	2760
20		D&O /Property /Liability							2500						2500
21															
22	Operations Costs														
23		Town Taxes (per office lease)			325			325			325			325	1300
24		Electric	450	450	450	450	450	450	450	450	450	450	450	450	5400
25		Well testing	250	250	250	250	250	250	250	250	250	250	250	250	3000
26		Parts and Supplies (includes gas for mowing, etc.)	450	450	450	450	450	450	450	450	450	450	450	450	5400
27		Equipment/Small Tools	200	200	200	200	200	200	200	200	200	200	200	200	2400
28		Meeting Venue	50	25	50	25	50	25	50	25	50	25	50	25	450
29		Leases	1200						1900						3100
30		Licensing	675												675
31		Dues/ Subscriptions	350												350
32															
33	Office														
34		Telephone	20	20	20	20	20	20	20	20	20	20	20	20	240
35		Consumables	50	50	50	50	50	50	50	50	50	50	50	50	600
36															
37	Annual Report														
38		Postage	44	286		44	154	154	44			44		154	924
39		Materials and Printing		300				300							600
40															
41	Professional Services														
42		Accountant												3500	3500
43		Legal	400	400	400	400	400	400	400	400	400	400	400	400	4800
44		Bank Fees	12	12	12	12	12	12	12	12	12	12	12	12	144
45		Advertising		125	125		125	125	125						625
46															
47	Long Term Debt														
48		RICWFA		1035						22,035					23070
49	Totals		12516	11968	11047	10266	10526	11476	14816	32257	10922	10266	10247	14551	160858