

## **Prudence Island Water District**

### **Minutes of meeting held 11/13/04**

**The meeting was called to order at 2:05 p.m. Present were Alexander Stowe, Moderator, Patricia Richard, clerk; Richard Brooks, David Buffum and Robert Hanson. Mr. Thomas Nicholson of C&E Engineering was present as a guest of the Board.**

**Item 2 – Approval of Minutes – Motion to approve by Mr. Brooks, seconded by Mr. Buffum, approved unanimously.**

**Item 3a – Appointment of officers. Ms. Richard reminded Mr. Stowe that he and Mr. Buffum had volunteered to work up notices for the open positions.**

**3b – Bylaws – Mr. Buffum suggested that in the interest of time constraints that discussion should be tabled until the end of the meeting.**

**3c – Administrative priorities – Ms. Richard reported that she had sent email to RI Risk Mgt. Trust saying board had approved making application for D&O insurance and requesting an application, but had received no reply and would keep trying to contact them.**

**Ms. Richard said that when she was going over the 2005 calendar that she had found an irregularity regarding the election of board**

members, and that in fact according to the charter 3 seats would be up for election in 2005 rather than 2. She said that Mr. Buffum's seat would be up for election as Mr. Brooks was the top vote-getter for a seat on the board. Mr. Stowe asked if the election held in July 2004 was valid, and Ms. Richard said it was, that Mr. Buffum was duly elected, but not for the term that the original Board of Canvassers said he was.

Mr. Brooks asked Mr. Nicholson if he wanted a copy of the enacting legislation for the district. Ms. Richard said she would email Mr. Nicholson a copy of the charter.

3d – Technical – Mr. Brooks introduced Mr. Nicholson to the Board. He said that C&E had been recommended by Portsmouth Water District, approved by USDA and had experience with Prudence Island and with the requirements in USDA 1780-2.

Mr. Nicholson said that he had been doing consulting work such as this for 26 years in the state. He said that his firm could develop a report according to USDA requirements to demonstrate the need for funding. He presented a report that he had done for the Echo Lake Water District. He explained that Echo Lake had a similar situation in that a small private water company controlled the system and that his firm assisted the district in securing funding by quantifying the needs of the water system.

**Mr. Nicholson said that he was with Pare Engineering when they were hired to do a “master plan” for the PIUC, in 1996. He said that one of their recommendations was the installation of the new storage tank, and that there was still work to be done on that project because the storage tank on Broadway had yet to be taken offline, which impaired the ability of the new storage tank to be adequately filled. He presented a topographic map of the Prudence Island water system. Mr. Nicholson said that the reason that the old storage tank had not been taken offline was concern about the ability of the Narragansett Ave line to withstand the increased pressure. Mr. Stowe asked about the Broadway pumping station that served only a small number of people, and Mr. Nicholson explained that a booster pump was in use to serve a few customers that were at a higher elevation. Mr. Nicholson said that there was a small well in the area that pumped only 7 gallons per minute. Mr. Stowe said that one problem was that the board did not know how much water was being pumped on a daily basis. Mr. Nicholson said that as of 1996, the water system was pumping an average of 38 gals per minute. He further stated that at that time, the PIUC did not have a viable recordkeeping regimen and that his firm helped them initiate an operations log.**

**Mr. Nicholson explained that his firm used a computerized water system modeling application to help determine efficiency of various components of a water system. He said that the ability to simulate variable specifications was invaluable in planning a water system and that computer modeling had taken much of the guesswork out of**

**systems design.**

**Mr. Nicholson said that the DOH required approval of all remediation and capital improvement projects. He said that his firm was very experienced in designing water systems throughout the state. He said that the model for Prudence Island had been created in 1996 and that it was fortunate for us because most water systems of similar size did not have a computerized model.**

**Mr. Nicholson presented the board with an overview of his company and with a copy of the Master Plan created for the PIUC in 1996.**

**Mr. Hanson asked Mr. Nicholson about a section in his proposal that delineated certain documents that the district would be responsible to provide and pointed out that the district had none of these documents. Mr. Nicholson said that the language of the proposal was largely “boilerplate” language and that it was meant to discourage clients from withholding key information about their systems. He pointed out that the Prudence Island Water System Master Plan was a matter of public record because it had been submitted to the PUC during a rate application process. Mr. Hanson asked if the Master Plan substantially covered what documents were required within the context of the proposal. Mr. Nicholson said that it did.**

**Mr. Nicholson presented the Board with a copy of the Rules and Regulations for water systems issued by the DOH. He said that**

among the regulations was a requirement for all changes to water systems to be approved by an licensed engineer prior to the construction, and that the engineer's design had to be submitted to DOH for approval. He said that he had helped Mr. Rinker deal with the bacterial contamination in the new water tank. He said that proper design and construction procedures were imperative in order to minimize the risk of bacterial contamination.

Mr. Stowe asked Mr. Nicholson to explain what sort of information we could expect from a preliminary engineering survey. Mr. Nicholson said that would have some specifications, that it would not be enough to supply bid specs, but simply would inform the USDA of what needed to be done. He said the next step would be to do an environmental survey, then detailed documents for contractor bids. Mr. Stowe asked members of the board if there were any particular areas that they wanted to see addressed in the preliminary report. Mr. Buffum said it was the responsibility of the engineer to prioritize the needs of the water system. Mr. Stowe expressed concern about the evaluation of the existing infrastructure. Mr. Nicholson said that he had an evaluation of the system up through 1996 and that bringing the evaluation up to date required coming to terms with the existing water company. Ms. Richard asked what options might be available if the district could not reach an agreement with the PIUC and were compelled to construct its own water system. Mr. Nicholson said that such a project would be cost prohibitive. He said that the system had no prospect of developing an alternative source of supply. He said

**that Dr. Urish had done a hydrologic evaluation of the watershed and that the system was running at capacity.**

**Mr. Stowe expressed concern that evaluating the system would be difficult because of a lack of documentation. Mr. Nicholson said that he was capable of evaluating the system to meet UDSA requirements.**

**Ms. Richard asked if efforts might be centered upon capital improvement projects rather than system remediation. Mr. Nicholson said that it was imperative that the district take control of the existing system. Ms. Richard said that acquisition of the system could prove to be time consuming and might also be adversarial. Mr. Nicholson said that it was possible to make the case that the system had more liabilities than assets. Ms. Richard said that the PIUC board had a fiduciary responsibility to get what it could for the water system. Mr. Nicholson said that the PIUC was aware that it was not possible for them to continue in the current situation.**

**Mr. Nicholson said that the board had to be more realistic in its ability to improve the water system and that the costs of improvement far outmatched the district's ability to pay. He said that if federal money was being used that contractors had to be paid a prevailing wage. Mr. Buffum said that Mr. Levy had intimated that it might be possible to continue using local labor under certain conditions. Ms. Richard said that use of local labor was not necessarily the most practical or economical thing to do because in many cases they lacked the**

resources to complete the job in a timely fashion and to correct specifications. Mr. Nicholson said that work for a project would need to be under \$10,000 in order to use local labor. Mr. Brooks pointed out that a contractor had the option of hiring qualified local labor for their work on the island. Mr. Nicholson said that in a general sense contractors who proved to be competitive were those who understood ways to utilize local conditions.

Mr. Nicholson said that the board was a long way from accomplishing any of its goals and that his firm would produce a report that was realistic for the district's resources.

Ms. Richard asked if it was Pare Engineering that recommended the sequestering program. Mr. Nicholson answered that it was he that recommended the sequestering program because the alternative would cost \$250,000. He said that sequestering was working very well in Kent County and that it using it here was better than doing nothing. He said that one severe water quality problem was the presence of iron bacteria and that aggressive flushing was necessary. He said that customers should flush their water heaters regularly to prevent the buildup of the bacteria. Ms. Richard said that this placed the onus for water quality on the consumer, who was already severely inconvenienced. Mr. Nicholson said that the alternative to that would drive up the cost of water service to perhaps \$1000. He said that Mr. Kimball had contacted him about the water quality and that he had told Mr. Kimball that he did not have the resources to deal with the

issue. Ms. Richard said that the rates would be going up anyway and that to continue to deliver the poor quality would be unacceptable to the community. Mr. Nicholson said that alternative treatments depreciated the water supply and generated too much waste.

Mr. Nicholson reiterated that the most pressing need was to work on the distribution system. He said it would not be possible to replace all the substandard piping but that replacements needed to be prioritized.

Mr. Hanson asked about a timeline for beginning to address the water system problems. Mr. Nicholson said that he knew a lot more about the condition of the system than the board and would need to educate the board about its options. He said that the DOH had the ultimate power over what projects the district could take on. He said that DOH pressured PIUC into launching the sequestering program. He said that manganese levels were 3 to 4 times in excess of the acceptable secondary standard in Prudence Island water.

Mr. Brooks asked what the time frame would be to get the report completed. Mr. Nicholson said that the proposal indicated a 60-day time frame. He said that he would form a project team and initiate a dialogue with members of the PIUC board. He said that he was acquainted with Mark Kimball and that he felt Mr. Kimball was a reasonable person to deal with. He said that he also had worked with Steve Levy and that Mr. Kimball and Mr. Levy were responsible for

creation of the district.

Mr. Stowe asked Ms. Richard if the district had the money available. Ms. Richard said no, that the board must first approve an engineer's proposal before the application process could begin. Mr. Brooks said that Dave Delisle had said to contact him as soon as an engineer had been chosen. Mr. Nicholson said that his firm did not expect to be paid in advance and what he needed was for the board to sign the agreement for his services. Mr. Brooks said that the board needed to vote to approve Mr. Nicholson's firm as engineer for the district. Mr. Stowe asked for motions. Mr. Brooks made a motion to accept C&E Engineering to do the preliminary engineering report, seconded by Mr. Hanson. Mr. Buffum asked if all avenues had been explored with regard to a search for an engineer. Mr. Stowe said that C&E had the necessary familiarity with the system to move quickly through the process. Mr. Brooks said that he felt it was unnecessary to contact any other firm. Mr. Hanson said that a vote was being taken and that the time for discussion was over. Mr. Buffum said he was concerned that due diligence had not been done. Mr. Hanson pointed out that general counsel had been accepted without contacting other lawyers. Mr. Nicholson said that if the board became dissatisfied with his firm's services that the board had the option to fire them. The vote carried with Mr. Stowe, Mr. Brooks and Mr. Hanson voting to accept C&E Engineering, with Ms. Richard and Mr. Buffum abstaining. Mr. Nicholson presented Mr. Stowe with the agreement, which he said he would read, sign and return to Mr. Nicholson. Mr. Nicholson said that

meetings with the board would need to be scheduled. He said that he would be going on vacation shortly. Mr. Stowe asked Ms. Richard if she planned to contact Mr. Delisle at USDA and inform him that an engineer had been chosen. Ms. Richard said that she could but that perhaps Mr. Brooks would prefer to do that because the engineering was his and Mr. Hanson's project.

3d – Funding. Ms. Richard said that she was working on the grant application for the RI Foundation. She said that she had created a prototype design for the web site, which would be used as the centerpiece of the community outreach project. She said that the board needed to write biographies for inclusion on the site.

4a – Correspondence. Mr. Stowe said that the letter Ms. Richard had composed to Mr. Kinder was correct in its viewpoint that the NDA is unacceptable and the letter should be sent. Ms. Richard said that while the viewpoint might be correct that it would not bring the district any closer to an agreement with the PIUC and suggested that general counsel should seek to resolve the matter with PIUC's lawyer. Mr. Buffum said that Ms. Greene would rewrite the NDA to take district concerns in account. Mr. Stowe said that a letter should be sent to Mr. Rinker of the PIUC saying that we would not sign the NDA and that our counsel would contact Mr. Kinder to attempt to resolve the issue. He suggested that the letter be carbon copied to Mr. Kinder and Ms. Greene. The board agreed that the reply to Mr. Rinker should be sent.

**4b – Calendar. Ms. Richard said that because of time constraints discussion should be tabled until the next meeting.**

**4c – Other - Mr. Buffum presented the board with a revised copy of the bylaws.**

**Ms. Richard moved to adjourn, seconded by Mr. Brooks, voted unanimously. The meeting adjourned at 3:30 p.m. The executive session was cancelled because of time constraints.**

**Patricia Richard**

**Clerk**