

Meeting was called to order by Alexander Stowe, moderator, at 2 p.m.

All board members were in attendance. The board members are Alexander Stowe, moderator; Patricia Richard, clerk; Richard Brooks, David Buffum and Robert Hanson.

Clerk told the board and the public that the meeting was to be taped to facilitate the transcription of meeting minutes.

Clerk read the minutes of the previous meeting, held on July 10th, in which the election of inaugural board members was held. The minutes were approved as read.

Agenda Item 1 - Setting priorities for action by board members:

Setting a schedule of meetings. The clerk told the board that the Portsmouth Water District holds a meeting every 2 weeks. The board agreed that for the time being a Prudence Island Water District meeting also should be held every 2 weeks. Next meeting is scheduled for Sat., Aug 14.

Ms. Richard suggested that substitutes for the moderator and the clerk must be chosen in the event that one of them could not attend a particular meeting. Mr. Brooks volunteered to stand in as moderator. Mr. Buffum volunteered to act as a stand-in for the clerk.

Ms. Richard told the board that according to sec 8 of the district charter, the board will appoint an assessor, a treasurer and a collector. She asked for interested members of the public to inform the board in writing if they would like to be considered for any of these positions. Hope Fitton asked if there will be a notice posted anywhere soliciting the public for volunteers. The clerk said she would post a notice.

An attendee asked by what means taxes would be assessed within the district, and if they would be the same assessment criteria that the town used. It was explained that charter affords the board many avenues by which to assess taxes.

Ms. Richard told the board that when speaking with many of the contacts for funding and professional services, she was asked for a copy of the charter and its by-laws. The board is given the power to adopt bylaws in section 10 of the charter. She told the board that one contact had suggested that we examine the bylaws of other districts to see if any of those bylaws might be useful for the Prudence Island Water District.

Ms. Richard told the board that they need to adopt an official seal in order to have letterhead printed, which is essential for communications with many governmental and professional entities. The board agreed to adopt an official seal as soon as was practicable, and the public was invited to submit designs.

Ms. Richard suggested that tasks for the board could be considered in 2 categories: administrative and technical, and suggested that board members choose in which area they would like to concentrate their efforts. Mr. Brooks and Mr. Hanson said they would like to focus on the technical aspects. Mr. Buffum stated that he had no preference and would work on whatever task seemed to be the most urgent at the time. The moderator and the clerk agreed that by definition their tasks would be administrative in nature.

Ms. Richard suggested that committees for each of the main areas be formed and that the volunteers be solicited to serve on each committee. Mr. Brooks and Mr. Hanson both said that they were not yet prepared to form such a committee.

Mr. Stowe told the board that he and the clerk had met with members of the Town of Portsmouth administrative staff, including the town administrator, the town's chief financial officer, the manager of the Portsmouth Water District, the clerk and the deputy clerk. He explained that while they had been a wealth of information, they were not encouraging in regard to any appeal for funding from the town. He explained that the Portsmouth town council was the proper entity to approach for funding from the town.

Ms Richard told the board that in order to be considered at the next council meeting, they had to request to be put on the agenda by Aug.

4.

Ms. Richard advised the board that a budget workshop would be necessary in order to pursue funding at any level. She stated that among the professional services needed would be a lawyer, an accountant and an engineer. She also advised the board that liability insurance for officers and directors must be purchased, and explained that the RI Risk Management Trust offers this type of coverage.

An informal discussion ensued. Hope Fitton asked if the creation of the district meant that the Prudence Island Utility Company was no longer in existence. Her initial perception was that since invoices for water had gone out in July, that money belonged to the district. Several board members and attendees explained that the utility company is still providing water to their customers and that the district is still in the process of putting together an organizational structure. Ms. Fitton asked when the district board expected to acquire the Prudence Island Utility Co. The clerk answered that the matter would be discussed in executive session after the public meeting, and explained that section of the open meetings law and its intended purposes.

Mr. Stowe said that he could fine anyone who disrupted a district meeting.

Agenda Item 2 – Sources of funding.

Normand Collamati asked if the district had the power to assess taxes in order to fund a startup of the district. Mr. Stowe said that in the meeting with Portsmouth Town administrators, they had recommended assessing a tax as a means of getting startup funds, and that Ms. Richard had said that she would never agree to a tax levy. Ms. Richard contradicted Mr. Stowe and asked him not to put words in her mouth.

Mr. Stowe said that the district was able to accept gifts and loans for the purposes of funding a startup of the district.

Ms. Richard told the board that there was some reason to be optimistic about funding opportunities available for small water systems. She said that she had spoken to Mr. David Delisle of the USDA Rural Development Office, and was told that a pre-development grant of \$15,000 was available specifically for engineering services, but that this money would not be available until October 1. She also told the board that this particular agency has an extensive grant and loan program for which the district was qualified.

Ms. Richard told the board that she also contacted Steve Levy of the Atlantic States Rural Water and Wastewater Assn., and that Mr. Levy had been active in helping the Prudence Island Utility Company. Mr. Levy was leaving for vacation and would not be available to meet

with the board for several weeks, but that he sees a number of funding opportunities available to the district.

Ms. Richard also contacted RI Water Resources Board and spoke Paul Sams, who explained that his agency does bonding for engineering services and provided some contact information for other types of resources.

The issue of approaching the town council for financial aid was revisited. Ms. Richard again stated that in order to be considered at the next council meeting, they must contact the Portsmouth Town Clerk no later than Aug. 4. She said that once the item appeared on the agenda it would be helpful if the residents of Prudence who were registered to vote in the Town of Portsmouth communicated their wish to see this funding granted to their representatives.

Hope Fitton asked specifically whom she should contact, and it was explained that members of the town council of Portsmouth would be the appropriate people to approach regarding this issue.

Mr. Stowe expressed the opinion that an appeal to the town by voters from Prudence Island would have little effect because they were so few in number. Ms. Richard said that some issues in the town had been decided by fewer votes than the number of registered voters on the island, citing the gymnasium issue as an example.

Kim Greene advised against rushing to the town council for funding until the board had a draft budget. Mr. Stowe agreed. Mr. Brooks pointed out that another public meeting will not be held before the next Portsmouth Town Council meeting. Ms. Richard said that an emergency meeting could be called. Robert Marshall said that he felt the district should not ask to be put on the agenda for the next town council meeting, and said that it would be unwise to keep going back to the town because of poor planning. Ms Richard said that she felt it would be unwise to ask the council for too much money, and that the appeal should be for the bare minimum needed for district to operate. Mr. Marshall agreed. After some discussion, it was decided that the next meeting will be devoted to a budget workshop in order to be ready to approach the town council at the end of August.

Ken Lowe revisited the question of the status of the Prudence Island Utility Co., and asked whom he should contact if he had a problem with his water. He was told that they were still in operation.

Ms. Richard asked if there were any other discussions regarding the funding issue. No discussion was offered.

Mr. Stowe asked if any of the attendees had any questions about the responsibilities of the board, and stated that the board had been given broad powers to accomplish its objectives, citing several examples. No questions were raised. He thanked the attendees for coming.

At 3:05 p.m., the meeting adjourned to executive session under 42-46-5 (5) of the open meetings law.

Submitted by Patricia Richard

Clerk of the District 8/14/04

Approved by the PIWD Board of Directors 8/14/04