

Prudence Island Water District

Minutes of meeting 12/11/04

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

2. Approval of minutes – Mr. Buffum moved to approve, seconded by Mr. Brooks, voted unanimously.

3a – Appointments. Mr. Brooks suggested that the board should stress that the positions of Collector and Assessor are only necessary to serve as Board of Canvassers for the upcoming election and that after serving in that capacity volunteers could resign the posts. Ms. Richard said that the terms collector and assessor were so repugnant to the community that no one was willing to volunteer for them and that Mr. Brooks suggestion was a good one. Mr. Brooks asked if the names of the positions could be changed in the bylaws. Ms. Richard said no, and that eventually those positions would need to be filled and their duties carried out. She said that someone had suggested to her that the members of the first board of canvassers (Mr. Friswell and Mr. Casey) should be approached with regard to running the election.

Ms. Richard said that a treasurer had to be appointed soon so that the infrastructure was in place to sign checks. She said that she had

spoken to Mr. Driscoll in Portsmouth and was told that when a bank account was set up he would facilitate the transfer of funds from the town. She said that bylaws regarding who has the authority to sign checks must be adopted. Mr. Brooks asked if any special qualifications were necessary to serve as treasurer. Ms. Richard said it would be good if someone could be found who had served in that capacity in another organization.

3b – Bylaws. Mr. Buffum presented a copy of amended bylaws regarding administrative practices and pointed out those sections regarding the duties of the treasurer. The board agreed to review the bylaws with an eye toward adopting bylaws concerning financial responsibilities at the next meeting. Mr. Buffum suggested that the board members email him with any suggestions to modify the language of the bylaws. Mr. Brooks asked if Mr. Buffum could forward electronic copies of the bylaws and Mr. Buffum said he would do so.

Mr. Brooks asked if bylaws could be written to address the issue of procurement and interviews for prospective employment. Ms. Richard said that it should be made clear within the bylaws that no vote on hiring should be done during an interview procedure. She also said that the district would need to have a written purchasing procedure that takes into account the expectations of various funding agencies. She said that the pre-development grant was not as stringent in that regard as other grants but that in future federal guidelines would be more exacting. She said that she had tried to contact Mr. Gilstein in

Portsmouth about documentation regarding purchasing guidelines for CDBG funds but he had been out of the office.

Mr. Brooks asked if bylaws should be written regarding vacancies of more than one board member. Ms. Richard said that there was a reference to appointing new board members within the charter, but that if it happened that several members of the board were to resign at once that the charter made no reference to such a scenario. She said that the biggest priority for adopting bylaws was in regard to financial procedures.

3c1 – Administrative priorities. Ms. Richard said that she had received correspondence from RI Risk Management Trust informing the Board that it was covered by D&O insurance as of Dec. 1, 2004. She presented the board with the description of the coverage and said that initially it was more coverage than needed, but would be economical when the acquisition of the water system was completed.

Ms. Richard presented the board with the 2005 calendar of meetings and asked the other board members to review it, as she needed to send it to the Secretary of State. Mr. Brooks asked what the last day was to declare for candidacy. Ms. Richard said that the date would be April 20, 2005. Mr. Brooks asked what the criteria were for requesting a mail ballot. Ms. Richard said that the charter listed many conditions under which a mail ballot could be requested. Mr. Brooks asked if a person could get a mail ballot simply because they didn't plan to be

on the island for election day. Ms. Richard said no, that the charter listed specific conditions and that although anyone could ask for a mail ballot application, the application itself was quite detailed and also required that the document be notarized.

Ms. Kim Greene, general counsel to the board, reported that she had been in contact with Mr. Ralph Kinder, counsel for PIUC, and that the PIUC wanted to meet with the board in executive session. She said that Mr. Kinder had stressed the issue of confidentiality with regard to the discussion. She said that Mr. Kinder pointed out that the district should not plan any engineering work for the system until it had discussed what engineering had been commissioned by the PIUC. She suggested that the board should plan to meet with the PIUC negotiating team sometime in January. She said that Mr. Kinder did not seem opposed to modifying the non-disclosure agreement, but that the company was concerned about personal financial information being spread all over the island. Ms. Richard said that in terms of the engineering, the pre-development survey was a requirement of the USDA if any substantial funding was to come from that source and must be done even if the PIUC considered the information to be redundant. Ms. Richard said that she had composed a letter to the PIUC informing them that the board was in the process of finalizing an agreement with an engineering firm for the survey and asking for their cooperation. She said that she would modify the letter to renew the board's invitation to meet with PIUC in executive session.

3c2 – Technical. Mr. Brooks reported that he had been in continuing contact with C&E regarding the pre-development survey. He said that everyone on the board should have a copy of the terms and conditions and the agreement. He said that Mr. Nicholson, PE had been cooperative about making changes to reflect the board’s concerns and that the language regarding interest on late payment had been deleted. Mr. Brooks said that in emails he had made additional assurances. Ms. Greene advised the board that the agreement specifically stated that the terms were delineated in their entirety and that if Mr. Nicholson had made other assurances that they should be included within the agreement. Ms. Richard said that the agreement itself had not changed, and that while it was not perfect, it would not be in C&E’s best interest to do anything that might endanger C&E’s relationship with the district and that USDA would be interested in any problems the district might have with regard to engineering firms.

Mr. Brooks said that he had been in contact with Mt. Hope Engineering with regard to future work and that they had said that C&E was probably the best firm for this particular phase of engineering services. He said that he was prepared to sign the agreement as the board’s representative. Mr. Buffum asked if there should be any further amendments to the agreement. Mr. Brooks said that Mr. Delisle at USDA was anxious to have the agreement consummated so that the grant application process could begin in December.

Mr. Hanson said that he had contacted Northeast Engineering and that they had said they would send a proposal but that he had received only a resume, which was impressive, but that no proposal had been received.

Ms. Richard made a motion to authorize Mr. Brooks to sign the agreement with C&E on behalf of the board. Mr. Buffum seconded, voted unanimously by the board.

Ms. Richard said that she would compose letters to Mt. Hope and Northeast Engineers informing them of the board's decision and thanking them for their interest and would let them know of any future engineering projects. Mr. Brooks said that it was important to have a rapport with several engineers to meet all contingencies.

3d – Funding. Ms. Richard said that she had been in contact with Dept. of Administration Office of Municipal affairs and that the direct funding had not yet been processed. She said that under normal conditions it takes 6-8 weeks, but that because the district was new to the system that it could take longer.

Ms. Richard said that she was in the process of completing an application for a media grant from the RI Foundation but was still undecided about whether to submit that application or the mini-grant application. She asked Ms. Greene if she had reviewed the mini-grant

application. Ms. Greene said that she had reviewed it and that it seemed fine. Ms. Richard asked if she should contact the foundation for advice about which application to submit. Ms. Greene said that would be the best course of action and that she would forward information about whom to contact.

Ms. Richard encouraged board members to write brief biographies for the district web site. Mr. Buffum said that he was pleased with the look of the web site. Mr. Brooks asked if the web site was available for the public. Ms. Richard said no, that it was on her personal web space and that she would not be purchasing hosting until she got a grant for it. She said that once the site was live, the public could access meeting notices and minutes, and participate in online surveys.

4.a – Correspondence. Ms. Richard said that she had received a letter from Alexander Stowe, Moderator of the Board, resigning his position. She said that Mr. Stowe wrote that district activities placed too many demands on his time. Mr. Brooks moved to accept Mr. Stowe's resignation, seconded by Ms. Richard, voted unanimously. Ms. Richard said that she had composed a letter to Mr. Stowe accepting his resignation and thanking him for his service.

Ms. Richard informed the board that she had checked the district charter and that the board needed to appoint a new moderator. She said that the moderator pro-tem did not automatically become

moderator, and that if Mr. Brooks wished to continue as moderator he would need to resign his current position and stand for re-election in June. Mr. Brooks said that he would prefer not to serve as moderator. Ms. Richard said that his decision was a good one because if he chose to serve as moderator the entire board would be up for re-election in June. Ms. Richard said that in order to have some continuity she might reconsider her decision not to stand for re-election if no viable candidate declared for the position of clerk.

Mr. Brooks asked if the board would continue with only 4 members until the next election. Ms. Richard said that the board would need to appoint a moderator and suggested that over the holiday the board should consider qualified candidates. She said there was not an immediate need, but that the moderator was an important leadership position and must be filled.

Ms. Richard reported that she had received a communication from Roger Greene of the NBNERR and that he was responding to the letter sent to him about an environmental survey and was interested in helping the district. She said that she would be forwarding the specifics of the environmental survey requirements to Mr. Greene for review. Mr. Buffum asked if the district would need to hire a consultant for the environmental survey and if they would be working with the reserve to review their data. Ms. Richard said that it would be necessary to hire an environmental consultant but that the parameters of working with the reserve had not been worked out.

4b – Other business. Mr. Buffum submitted a notice regarding appointment of officers and asked if the board would approve it for posting. Ms. Richard said that a reference to grant requirements should be removed. She said that she had spoken to Mr. Delisle about the status of grant requirements, that they had not yet changed and that he expected a decision by the middle of the month. She said that he had been guardedly optimistic about the district’s eligibility. Mr. Brooks said that he had spoken to Tom Nicholson about eligibility and that Mr. Nicholson had gotten the impression from David Steere (USDA) that the district would remain eligible at least through the pre-development survey process. Ms. Richard said that reference to the district’s eligibility status in the notice might cause undue concern within the community. Mr. Hanson said that saying the board would be compelled to run the election essentially gave the public a reason not to volunteer as they would simply assume that the board would take on the responsibility. He also said that references to system upgrades should be deleted, as the district currently had no means to make upgrades.

Mr. Brooks signed the engineering proposal, gave a file copy to the clerk and said that he would bring 2 copies of the agreement to C&E Engineering.

Ms. Richard moved for adjournment, seconded by Mr. Buffum, voted unanimously. The meeting was adjourned at 2:25.

Executive session was cancelled because there were no new issues regarding acquisition of the PIUC.

Patricia Richard, Clerk