



IWA PIPELINE



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Getting on the "Gravy Trains"

Good news for IWA and its members! It appears that IWA may not have to issue bonds and spend millions of dollars to replace the production capacity of the now defunct electrodialysis plant.

The problem was that during the last 10 years all six R.O. production modules (we call them "trains") had been installed. No more would fit, and it was thought that a new R.O. plant would have to be built to make up for the abandoned E.D. Plant.

Then we found out about newly designed R.O. membranes which could treat water faster than the ones we had. We made tests that showed we could use them in the existing R.O. Plant to make up for the lost E.D. water.

Of course it's not quite that simple. Luckily, we were just about ready to replace many old membranes anyway, but we will have to soup up our R.O. Trains with bigger pumps, and we'll have to change some of the membrane vessels so we can use these more efficient membranes.

But the good news is that we'll be able to do that for a fraction of the costs of floating a bond issue.

So IWA's capital spending program is back on track — the "pay as you go" track; and we're now in position to address some other pressing issues.

We'll be able to resume our efforts to complete our fire protection program over the next few years. That will mean adequate fire flow for our whole system, and it will bring fire hydrants to within 1,000 feet of every home.

Finally we have begun to plan for significant new facilities which will be required over the next couple of years to comply with new federal and state regulations. We plan to set aside a sum of money each year to help pay for these facilities

instead of borrowing to finance them and incurring large financial cost.

All these new developments will be taken into account when our board does its regular annual rate study later this year.

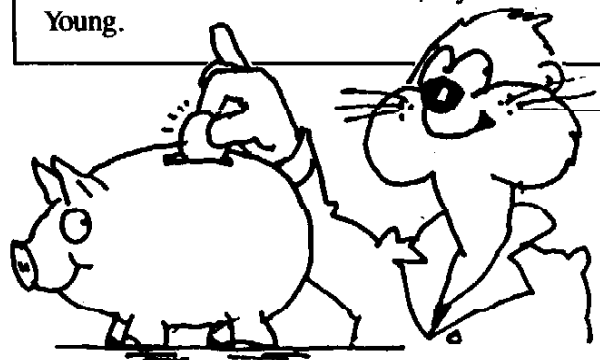
From The Wall Street Journal, January 7, 1993

HIGHER WATER rates are in store for the rest of the '90s.

Increases that outpace inflation will be the norm this decade as utilities upgrade aging water systems and as more stringent environmental regulations, such as the amendments to the federal Safe Drinking Water Act, take hold. The pace of increase is expected to exceed inflation by 50%, according to a study of 150 utilities by consultants Ernst & Young. In contrast, water rates in the late 1980s rose in line with inflation.

Rates also will get a push as utilities press for conservation. They're likely to switch to charging more for higher usage. Already, some consumers face steep hikes. California-American Water Co.'s rates rose 14% last week. Meanwhile, Philadelphia Suburban Water Co. seeks an 18% hike for 1993, citing costs of improving its system. Pennsylvania Gas & Water Co.'s request for a 34% increase also is pending.

Still, water costs aren't likely to exceed 1% of median net household income, says Ernst & Young.



PRESIDENT'S COMMENTARY

A Rewarding Experience



The next annual meeting of The Island Water Association will be held on Monday, April 12. At that time I will have completed my tenure as a member of the Board of Directors, and a new President will be elected to serve the membership.

This column, entitled "President's Commentary" may or may not be continued in the *IWA Pipeline* by the newly-elected President. It will be his or her choice.

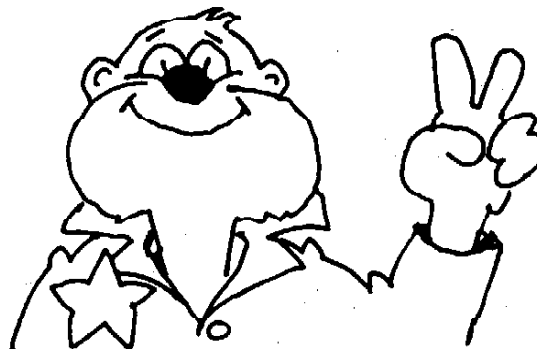
One day in 1987 I was birdwatching from my bicycle in the Ding Darling Sanctuary when the late John Cook and his daughter drove by and stopped for a chat. John had had a stroke and his daughter was on hand to care for him. During our conversation I mentioned that Milton Scheiter had approached me to stand for election to the IWA Board. I explained to John that I was unsure that I could devote the time because I was already serving on the Sanibel Vegetation Committee and the Board of the Committee of the Islands. He, in his own mind, was perhaps wondering about my sense of priorities, but said, "It is a rewarding experience."

John was right. My six years have been just that. Other members of the IWA Board that I have come to know and work with have included William Angst, Everett Kilmer, James Hermes, Dr. Robert Coyne, Warren Deuber, Dr. Ernst Hoen, Abbott Byfield, Robert Wigley and the late Cloyce Brooks and William Lees Jr.

The group has represented a strong, broad base of talent and experience, both technical and administrative. Together we have seen IWA grow in membership and capital worth. Many changes have occurred in plant facilities, production techniques and operations caused by bureaucratic decisions affecting potable water.

Indeed, it has been a rewarding experience.

A Gold Star for IWA!



The islands have passed their first lead test! The six-month testing program that IWA has been conducting for the Environmental Protection Agency has shown no significant risk of lead contamination at the user's faucet.

This was good news for IWA in that the preliminary test had indicated that there might be a problem, but successive tests showed much less lead than those preliminary tests. This improvement might be due to our change to sulfide conversion which produces less oxygen in the water which could leach out small amounts of lead in plumbing fixtures and solder joints.

The testing will continue for another six-month period. If we pass that series of tests we will be able to discontinue the testing program for three years.

Double trouble

For the past two or three years the City of Sanibel has been considering levying a tax on islanders' utility bills. Florida law permits such a tax, and IWA does not question the right of the city to levy these taxes.

IWA does, however, take exception to the possible double taxation that these taxes would bring about.

In simplest terms IWA would be taxed on the electricity used to produce water and the water rates would reflect this cost. Then the city would tax the user's water bill which includes the cost of the electricity already taxed. Result — double taxation.

To make sure that this will not happen in the event of a utilities tax, IWA and city representatives have been meeting with local legislators to see how they can solve this problem.

Byfield leaving Board

After serving three years on IWA's Board of Directors Abbott Byfield is leaving Sanibel and IWA. His hard work and wise counsel will be missed.

The Board of Directors has named Lee Derleth to finish out Mr. Byfield's term. Mr. Derleth will then stand for election to that office at the upcoming annual meeting.

Meet Omar Alvarez



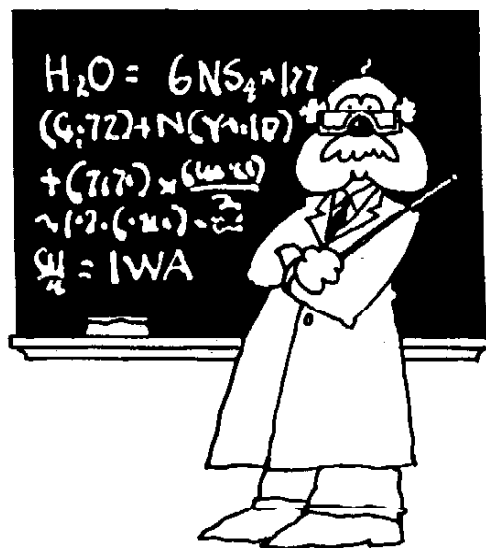
You may have already met Omar Alvarez on the job — he or his work partner stops by your home or business every month to read your water meter. If you do meet him the feature you'll most likely remember is his smile — it's big and it's constant.

Omar is one of our few workers who originally came from a place south of here — he's from Havana, Cuba. He and his wife, Patti Jo, and their four children now live in North Fort Myers.

The 11 years Omar carried mail for the U.S. Post Office helped prepare him for his meter routes. When he's not reading meters he's testing or fixing them.

Off the job he's an avid fisherman, and he ranges from here to Canada in pursuit of his quarry. Omar knows the old saying that fishing time is not deducted from your life span.

Test your exper-tease quiz



1. The R.O. Plant has 720 membranes, 8" in diameter and 40 inches long. These membranes are capable of producing about 4 million gallons of potable water per day. Approximately what is the retail cost of each membrane?

- A. \$100.00
- B. \$500.00
- C. \$1,500.00
- D. \$2,500.00

2. What is the total length of the mains in the IWA distribution system?

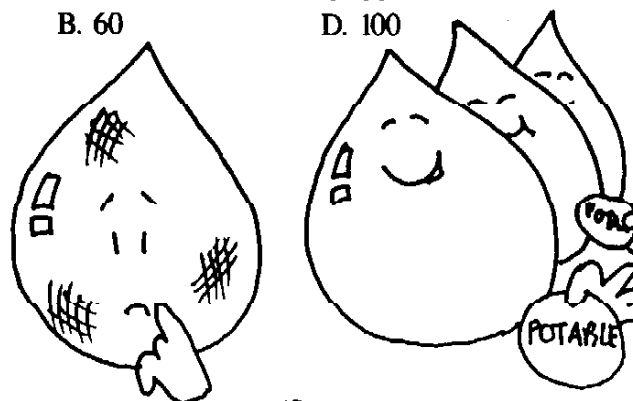
- A. 296,200 ft.
- B. 654,720 ft.
- C. 96,454 ft.

3. How many megabytes of computer disk storage space does IWA's main computer have?

- A. 80
- B. 120
- C. 320
- D. 1,600

4. For every 100 gallons of well water treated in IWA's Reverse Osmosis Plant, how many gallons of potable drinking water are produced?

- A. 40
- B. 60
- C. 80
- D. 100



(See answers on back page)



Answers to quiz

1. The correct answer is C. Each membrane costs about \$1,500. The estimated life span of membranes is 7½ years.

2. The correct answer is B. The IWA distribution system contains 654,720 feet of water main, a total of 124 miles.

3. The correct answer is D. IWA's main computer system has 1,600 million bytes (1.6

gigabytes) of disk storage space. The computer runs the utility billing, payroll, purchasing/inventory and accounting programs.

4. The correct answer is C. Eighty gallons of potable drinking water are made from every 100 gallons of brackish well water taken from deep underground aquifers.
