

1 STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
NARRAGANSETT BAY COMMISSION

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3 IN RE: :

MONTHLY BOARD MEETING :

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5

DATE: NOVEMBER 17, 2004

6

TIME: 11:00 A.M.

PLACE: ONE SERVICE ROAD

7

PROVIDENCE, RI

8

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10 BOARD MEMBERS PRESENT:

11 VINCENT J. MESOLELLA, CHAIRMAN

PAUL PINAULT, SECRETARY

12 ROBERT P. ANDRADE, TREASURER

MICHAEL A. SALVADORE

13 BRUCE D. CAMPBELL

AL MONTANARI

14 REP. JOHN J. McCAULEY, JR.

REP. PETER GINAITT

15 SEN. MICHAEL McCAFFREY

SEN. DANIEL DaPONTE

16 JOHN MacQUEEN

JOHN GIUSTI

17 TOM PERKINS

DR. ISADORE RAMOS

18 R. DAVID CRUISE

MICHAEL DiCHIRO

19 JOSEPH KIMBALL

DR. RICHARD H. BURROUGHS

20 THOMAS LAZIEH

JOSEPH D'ANGELIS, ESQUIRE

21

22

RHODE ISLAND COURT REPORTING

23                   25 SEA VIEW AVENUE  
                      EAST PROVIDENCE, RHODE ISLAND  
24                   (401) 437-3366

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1                   (Meeting opened at 11:00 A.M.)

2                   MR. CHAIRMAN: Recognizing a

3                   quorum, we will call the meeting of Wednesday

4                   November 17, 2004, to order at 11:00 A.M. First

5                   order of business is the approval of the previous

6                   minutes of October 20, 2004. We have a motion by

7                   Commissioner MacQueen and seconded by

8 Commissioner Lazieh and Commissioner Cruise.

9 Discussion on the previous minutes? Is there any

10 discussion on the previous minutes? Hearing

11 none. All of those that are in favor say "aye."

12 Are there any opposed? There are none opposed,

13 and the motion carries.

14 Next order of business is old business. Do

15 we have any old business to come before the

16 members today? Any old business? Hearing none,

17 we'll move along to the next order of business

18 which is the presentation of the Employee of the

19 Year Award, who was unable to be with us last  
20 month. Commissioner Salvadore, will you proceed.

21 MR. SALVADORE: Our Employee of  
22 the Year is Paul Desrosiers who is the Assistant  
23 Operations Manager of the Field's Point  
24 installation. Paul Desrosiers is one of the most

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1 valuable employees in the NBC, and his attention  
2 to detail and his ability to communicate

3 information is critical to the success of  
4 Operations at Field's Point.  
5 He comes to work early to meet with the  
6 outgoing 11 to 7 shift and stays late to check in  
7 with the incoming 3 to 11 shift. This type of  
8 commitment eliminates many potential  
9 miscommunications. Paul's easy and thoughtful  
10 manner and finesse as an educator lends him  
11 equally at home with a group of dignitaries as  
12 with a group of fourth graders, and his  
13 enthusiasm for the important work that the  
14 Narragansett Bay Commission does is unmistakable

15 regardless of to whom he is talking.

16 His work ethic is unparalleled at Field's

17 Point, and his dedication to the Narragansett Bay

18 Commission in his profession is unquestionable.

19 As a matter of fact, Paul had to miss the awards

20 ceremony last month because he was taking a

21 continuing education class for the NBC. He was

22 at Smoke School. I don't know what they do at

23 Smoke School. Paul, maybe you and I need to have

24 lunch.

1       It is with great pleasure that I name Paul

2       Desrosiers Employee of the Year.

3               MR. CHAIRMAN: Paul,

4       congratulations.

5               MR. DESROSIERS: Thank you very

6       much.

7               MR. SALVADORE: Hey, Paul, what

8       about smoke school?

9               MR. DESROSIERS: It sounds more

10       attractive than Visual Emissions Certification.

11 I get to read smoke.

12 MR. CHAIRMAN: Before we move on

13 to the next order of business, I'd just like to

14 say that there are many ways to judge a quality

15 of an employee. One of those standards is the

16 respect that one enjoys among his fellow workers,

17 and I can tell you that among his fellow workers

18 that Paul enjoys such a high degree of admiration

19 and respect that -- have no other choice but to

20 name him today the Employee of the Year; and for

21 that, you know, we congratulate him. So, again,

22 thank you, Paul.

23 Moving right along. Do you have a report

24 for us today, Mr. Secretary?

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1 MR. PINAULT: I have a report for

2 the month of October. Basically, both plants are

3 running well. Usually in the September, October

4 time frame, when the weather cools off, we do

5 have some operational upsets, but this year they

6 were fairly minimal.

7 At Bucklin Point, the new plant went on line

8 -- the first phase -- on September 28, and it's

9 worked extremely well. We always met permit; but

10 with the new plant on line, with only four weeks

11 under our belt -- the permit limit is 30

12 milligrams per liter -- not to exceed 30

13 milligrams per liter BOD and TSS, and it was 9.

14 Generally we're in the teens. We have been --

15 had about a 56 to 58 percent additional reduction

16 in pollutants.

17 I think once the staff fine tunes the plant

18 some more it will be even better. So our hats

19 off to everyone involved in that project.

20 Treatment levels are summarized in the middle of

21 Page 2.

22 As far as Interceptor Maintenance, the

23 emergency re-lining of the cracked pipe on

24 Cemetery Street near the Bonanza Bus has been

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1 completed. The cleaning and inspection of the

2 Abbot Run Interceptor up in Cumberland. We did  
3 find a rotten piece of log in the pipe. No one  
4 knows how it got in there. We're trying to  
5 figure out a way to get it out. Other than that,  
6 the pipe is good. We did have some minor  
7 problems on Louisquisset Pike in Lincoln.  
8 Because the pipe is shallow, when they were  
9 flushing the line, there was some minor backups  
10 into a couple of homes which we are taking care  
11 of.

12 Under Financials, bottom of Page 3, we have  
13 about 69 million invested at the end of October.

14 With 33 percent of the fiscal year past, we are

15 spending at a rate of 28.3 percent, so we are

16 under spending.

17 On Page 4 is a summary of Pool Loan 7. Out

18 of 40 million, we have 1.7 million left; and as

19 Karen mentioned, we are spending 8 to \$9 million

20 a month, and we will be borrowing another 40

21 million from the State Revolving Fund prior to

22 the end of the year, and we still have money left

23 in the Variable Rate Debt Obligation of 70

24 million. Personnel summary's also on Page 4.

1 Under construction, the tunnel construction  
2 is moving along well. The Chairman and I spent  
3 three hours underground last Monday and we  
4 witnessed -- they are about 5700 feet out of the  
5 16,000 feet have been bored and lined at least  
6 with the first-pack liner, and they're up on  
7 Allen's Avenue. If you know where the Channel 10  
8 Weather Board is with the temperature and wind,

9 they're up about that point, and they started

10 here, so they're about 5700 feet out of the

11 16,000 feet.

12 The Foundry Shaft on the SNM came down to

13 the invert that they want to be at. They are

14 still behind schedule, but we're hoping to make

15 some of that up, so we're moving along.

16 On the other projects that are summarized,

17 overall they are proceeding on schedule with the

18 exception of the Woonasquatucket River

19 Interceptor Project. It is behind schedule, but

20 we owed them a time extension because of the --

21 we modified the work in Promenade Street to  
22 minimize impact on the traffic for the mall,  
23 especially during the holiday season. So we have  
24 to give them some more time. Also there was some

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1 minor cracks that developed in the Higher  
2 Education Building that developed adjacent to the  
3 excavation. They were working to stabilize and  
4 correct that -- working with the Foundry.

5 Bucklin Point Improvements, I mentioned we  
6 started up at the end of the summer. It's going  
7 extremely well. It's 86 percent complete for the  
8 whole job and six months ahead of schedule. The  
9 contract amount is less than what it was when we  
10 awarded the contract two and a half years ago.

11 The Biosolids Project under resource  
12 recovery is proceeding well. They are on  
13 schedule to take over removing sludge from the  
14 Bucklin Point Facility January 1 and December 1  
15 of next year for Field's Point.

16 The nitrogen removal and other improvements,

17 the Pilot Study that we did at Field's Point. We  
18 started it last March. We extended it two  
19 months, and it's being wrapped up now. We have a  
20 lot of good data. Hopefully, we can use that to  
21 come up with an alternative that will remove  
22 nitrogen and save us a lot of money.

23 Moving along, Pretreatment Page 10, we  
24 initiated the program with the Dentists and

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1 Dental Association working to remove mercury from  
2 the system, and we are going to be cited by the  
3 governor next week on the 23rd. We're getting a  
4 citation for our efforts at mercury reduction in  
5 the state.

6 Page 11, the special Ad Hoc Storm Water  
7 Committee, when they last met, they directed  
8 staff to draft legislation to look into creating  
9 a Storm Water Management District. That  
10 legislation has been drafted. It's going through  
11 staff review now; and hopefully, by the December

12 15th meeting, we will call a meeting of  
13 Commissioner Perkins' committee to review the  
14 draft, and then we'll take it from there if we  
15 want to pursue having it introduced. The fall  
16 lien sale -- we have two a year -- is scheduled  
17 for December 2, and that's moving along well.

18 The last couple of things under Public  
19 Affairs, we began filming -- we're going to be  
20 doing a CSO documentary film. Because many  
21 people want to get into the tunnel, but it's very  
22 difficult to schedule to get people in there, we  
23 felt that we would prepare a film which could be

24 used for educational purposes, and maybe we could

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1 run it on PBS and other places, and that is in

2 the process of being prepared. Last month he was

3 here taking some footage of the Board in action.

4 Those are the highlights, Mr. Chairman; and

5 if there's any questions, I'll be glad to answer

6 them.

7 MR. CHAIRMAN: The members have

8 heard the Executive Director's report. Are there  
9 any questions or comments regarding the Executive  
10 Director's report? On the Executive Director's  
11 report, comments? Questions? Okay. Moving  
12 right along.

13 The next item is Committee Reports and  
14 Action Items Resulting. The first committee  
15 reporting is the Finance Committee. Chairman  
16 Andrade, do you have a report?

17 MR. ANDRADE: This committee has  
18 no report this morning.

19 MR. CHAIRMAN: Thank you. CEO

20 Committee, Commissioner Giusti.

21 MR. GIUSTI: No report, Mr.

22 Chairman.

23 MR. CHAIRMAN: Personnel

24 Committee, in the absence of Commissioner Kijak,

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1 the Chairman chaired the meeting of the Personnel

2 Committee. There were two matters up for action.

3 They're on your agenda. Action A. Review and

4 Approval of Resolution 2004:33, Adoption of the

5 Narragansett Bay Commission Non-union

6 Defined-Benefit Plan. The committee heard the

7 matter. A motion was made to make a

8 recommendation to the full Board for passage.

9 For the benefit of the entire Board, Karen

10 Giebink is going to give us a brief recap of the

11 high points of the meeting; and we're going to

12 need the screen for that. So if we can just have

13 your attention for five minutes?

14 MS. GIEBINK: I'd like to first of

15 all say, "Good morning," introduce Bob Chin from  
16 Abacus Benefit Consultants, Inc. He assisted the  
17 NBC in the development of the plan along with Dan  
18 Waugh from TLSPC.

19 Just by way of background, the current  
20 non-union plan was adopted in July 2002. Its  
21 401(A) plan is a profit-sharing plan. It's a  
22 defined-contribution plan, and that was to  
23 replace the SEPP plan, which was also a  
24 defined-contribution plan that was in place

1 previously; and basically, we had outgrown the  
2 SEPP plan and needed to adopt a more formal plan,  
3 a profit-sharing plan; and at that time, again,  
4 we were aware of the real inequity between the  
5 union plan, which is a defined-benefit plan as  
6 opposed to the non-union plan, which is a  
7 defined-contribution plan.

8 In addition, non-union employees may also  
9 participate in the 457 deferred compensation  
10 plan, which is employee funded that allows for

11 pre-tax employee contributions. The current  
12 union plan allows the participation in the state  
13 retirement system, and they have a defined  
14 benefit up to a maximum of 80 percent income  
15 replacement. The union employees also have  
16 retiree health insurance, and they can also  
17 participate in the 457 deferred compensation  
18 plan, and that's pre-taxed for the employee  
19 contributions. So there's a significant  
20 difference in the two retirement benefits.

21 In May 2004, the Chairman asked the  
22 Executive Director to explore retirement plan

23 options for NBC's non-union employees. Again, it

24 was motivated by the inequity of retirement

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1 benefits for the union and non-union employees.

2 There also was a concern about the non-union

3 retirement income adequacy, and he also wanted to

4 acknowledge the significant contribution of the

5 non-union employees to NBC's successful operation

6 over the years.

7       Just by way of background, the NBC is  
8       considered a governmental employer, and as such,  
9       we are sort of a square peg in a round hole. We  
10      don't fit in any of the traditional retirement  
11      plans, so that makes things a little more  
12      interesting. For example: We do not qualify for  
13      a 401K, which probably many of you are familiar  
14      with.

15      There are two basic plan types. They are  
16      Defined-Contribution Plans and Defined-Benefit  
17      Plans. Just to highlight some of the

18 differences, under a defined-benefit plan, the  
19 employee is guaranteed a fixed benefit upon  
20 retirement. In a defined-contribution plan,  
21 there is no fixed benefit. The employee will  
22 have upon retirement whatever he put into the  
23 plan plus any investment earnings. Under a  
24 defined-benefit plan, there is no fixed employer

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1 contribution, but there is a mandatory employer  
2 contribution. In a defined-contribution plan,

3 there is no fixed employer contribution, usually  
4 it's set at the beginning of the plan year, and  
5 it's not mandatory. Under a defined-benefit  
6 plan, the bearer of the investment risk is the  
7 employer; and under the defined-contribution  
8 plan, the bearer of the risk is really the  
9 employee.

10 So when we looked at the plan development,  
11 there were a number of objectives. We wanted to  
12 provide a basic retirement income. We wanted to  
13 share the risk between the employee and the

14 employer. We wanted to work to not increase  
15 NBC's overall contributions, and we also wanted  
16 to address the inequity issues between the union  
17 and non-union retirement plans.

18 So what we came up with is a hybrid plan  
19 that's designed to achieve 80 percent income  
20 replacement through a combination of sources.  
21 We're looking to add a defined-benefit plan that  
22 will provide for a maximum of 30 percent income  
23 replacement. The state plan is 80 percent. We  
24 also were interested in maintaining the

1 defined-contribution component; so that, again,  
2 we're sharing the risk between the employer and  
3 the employee. An employee would be entitled to  
4 social security benefits and any other savings  
5 they've set aside over the years.

6 So we're looking to establish a new  
7 defined-benefit plan. Again, maximum 30 percent  
8 income replacement if the employee performs  
9 service for 30 years. We are also looking at an

10 early retirement option, which I will explain  
11 later. Benefits would accrue at 1.0 percent per  
12 year. There is credit for past and future  
13 service. There is cliff vesting after seven  
14 years. Normal retirement age is 65 plus you need  
15 to be in the plan for five years. Participation  
16 in the plan is voluntary.

17 The way the plan would be funded -- we are  
18 looking at an employer contribution of 5 percent  
19 in fiscal '04. Obviously, the future  
20 contributions to the plan may change based upon

21 the performance of investments as well as plan  
22 demographics. We are also looking to fund it  
23 through a pre-tax contribution from employees of  
24 5 percent. So we're looking to share the funding

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1 of the plan, and the plan would be funded on a  
2 bi-weekly basis as we process payroll.

3 Overall, the plan would be funded as  
4 follows: Under the current plan, profit-sharing,  
5 the NBC has historically put in 10 percent in the

6 non-union defined-contribution plan, so that's  
7 the ER there, 10 percent. Under the proposed  
8 plan, we're looking at reducing NBC's  
9 contribution to the profit-sharing plan to  
10 5 percent, and funding the defined-benefit plan  
11 with 5 percent employee pre-tax and an employer  
12 5 percent contribution, so a total 10 percent  
13 contribution from NBC for both plans. Again, the  
14 NBC has historically funded the non-union plan at  
15 10 percent. The state plan -- it's interesting  
16 to note -- next year they're looking at a

17 contribution of 16.9 percent.

18 In this plan is an unfunded liability for

19 past service credit because we do want to give

20 employees credit for past service. I'd like Bob

21 to explain this to you.

22 MR. CHIN: Good morning,

23 everybody. The unfunded liability is, basically,

24 this is the difference between the actual initial

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1 deposit of the assets and the actual accrued  
2 benefits. Because this is a defined-benefit  
3 plan, we are rewarding people based on service.  
4 It was important that the employees get rewarded  
5 for service, so that creates this what we call  
6 this liability, this accrued benefit. So the  
7 definition here of unfunded liability is the  
8 difference between assets at the end of the year  
9 and your promised benefits in the initial year.

10 MR. KIMBALL: How much is that  
11 liability?

12 MR. CHIN: It's 2.9 so -- so in

13 the actual costs and in the estimates, the actual  
14 accrued benefit is -- it's 2.9 million funded.  
15 The initial funding, on a minimum basis, is  
16 \$694,000. We develop a cost method that as a  
17 minimum and a maximum. So the minimum is  
18 \$694,000 and the maximum is \$2.9 million.

19 MR. KIMBALL: Do you have an idea  
20 what the annual cost will be to -- for the  
21 5 percent contribution?

22 MS. GIEBINK: Right now, based  
23 upon the current census information, we are

24 looking at an annual total contribution of

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1 \$700,000 from the employer to both plans. I'm  
2 sure you're aware that depending upon  
3 demographics and investments, you know, that  
4 could go up or down. We're looking to design a  
5 plan such that is conservative and to mitigate  
6 that as much as possible. The present value of  
7 accrued benefits is 2.9 million. The first year  
8 plan funding is approximately 700,000. So this

9 is what we're looking at.

10 MR. KIMBALL: Karen, how's that

11 compared to the 10 percent employer contribution

12 to the profit-sharing plan?

13 MS. GIEBINK: We looked at the

14 budget, and we wanted to make sure we could live

15 within the budget, so we're amortizing the

16 unfunded liability over a 33-year period, or

17 rolling that in, plus any new accrued benefits

18 and is the total contribution to both plans this

19 year of \$700,000 which ties into the budget.

20 MR. ANDRADE: When future  
21 contributions are determined, if they have to be  
22 adjusted up or down, do you still have a  
23 50 percent employer and employee? Or is one of  
24 the 5 percent, the employee, fixed?

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1 MS. GIEBINK: The way the plan  
2 document is written right now, the employee  
3 contribution is fixed at 5 percent. I think that

4 was one of the things we looked at, you know, the  
5 sharing of the risk between employee and  
6 employer. Any other questions?

7 MR. ANDRADE: At what point will  
8 that 2.9 million of unfunded be reconciled --  
9 will they meet?

10 MR. CHIN: In the first year,  
11 you'll have the largest increase in liabilities  
12 because we are crediting past back service. As  
13 time goes on, the accrued benefits won't grow as  
14 quickly because the future service accrued in the  
15 current year and contributions will remain

16 basically the same. So if you had to estimate --  
17 probably if you had to estimate -- maybe four or  
18 five years equalize, and that's based upon the  
19 fund earning 6 percent. If the fund does better  
20 than that, it will be sooner.

21 MR. ANDRADE: Not too long a  
22 period.

23 MR. CHIN: No, it's not.

24 MS. GIEBINK: Any other questions?

1 So the projected annual contribution includes the  
2 amount of the unfunded liability, that's within  
3 the budget. The -- some plan revisions have been  
4 made since the documents were mailed out to the  
5 Board. I believe you all have received a memo.  
6 I'll just highlight the changes.

7 The first change has to do with early  
8 retirement options. We have eliminated two early  
9 retirement options. The plan was originally  
10 designed with an early retirement option of  
11 55 years of age and 20 years of service for

12 reduced benefit. That's been deleted as well as  
13 a 60 years of age and 25 years of service. The  
14 plan still contains one early retirement option  
15 of 62 years of age and 20 years of service. We  
16 are still in the process of evaluating that from  
17 an actuarial standpoint. Should that prove to be  
18 manageable, we will go forward and implement  
19 that; if not, then that one will be deleted.

20 Also, Section 4.3 Mandatory Contributions,  
21 language was modified to ensure that the employee  
22 contributions are pre-taxed. Plan termination

23 language was also modified, so that if employees

24 are committing to this plan, and they put in

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1 5 percent, and the plan is voluntarily terminated

2 by the NBC, the employees, at a minimum, would be

3 entitled to a return of their contributions plus

4 10 percent. In addition, there are a few minor

5 changes made in terms of capitalization and cross

6 references. They're all red-lined in your

7 copies.

8 In terms of the plan rollout, we're looking  
9 for the new DB plan being in effect on January 1,  
10 2005. The defined-contribution will be reduced  
11 to 5 percent at the same time. We will start  
12 funding the plan on January 1, 2005. In the  
13 month of December, we need to educate and enroll  
14 employees. Again, it's a voluntary plan, so we  
15 need to make sure that employees understand how  
16 the plan works. We also need to secure the  
17 services of a trustee, look at investments, and  
18 develop an investment platform, engage actuarial

19 services, and recordkeeping. So we've got a busy

20 month ahead of us.

21 In terms of a comparison between the DB

22 component for the non-union employees as opposed

23 to the State of Rhode Island, the maximum benefit

24 under this proposal is 30 percent. The State of

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1 Rhode Island is 80 percent. The employee

2 contribution for the NBC plan is 5 percent

3 pre-taxed. The State of Rhode Island  
4 contribution is 8.75 percent. The current  
5 employer contribution, we're looking at 5 percent  
6 for the DB plan. To the State of Rhode Island  
7 plan, we are contributing 10.51 percent, and  
8 that's increasing to 16.96 percent next year.

9 The formula is laid out here below. Ours is  
10 very simple, 1.0 percent per year. State of  
11 Rhode Island has an increasing accrued benefit.  
12 Vesting schedule is a 7-year cliff vesting for  
13 the NBC. Ten-year cliff vesting for the State.  
14 Our retirement age is -- under the NBC Plan

15 -- is 65 with five years of service. You need to  
16 be in the plan for five years. State of Rhode  
17 Island Defined-Benefits plan is 28 years of  
18 service, so you can retire at any age, and also  
19 age 60 with ten years. As I mentioned, we are  
20 exploring the early retirement option of age 62  
21 with 20 years, and that will be implemented if it  
22 is viable. It will be deleted if it is not. The  
23 State of Rhode Island, again, you can retire with  
24 28 years of service regardless of age.

1 Cost of living adjustment, and this is one  
2 of the big issues with the State of Rhode Island  
3 plan. The State of Rhode Island plan includes a  
4 3 percent compounded COLA the third January after  
5 retirement and every January thereafter, and  
6 that's creating a big liability for them. Our  
7 plan does not have a COLA, and our plan does not  
8 provide retiree health insurance coverage.  
9 So overall, to summarize, we're looking at a

10 hybrid plan that shares the risk between the  
11 employer and the employee; provides the employee  
12 with a base retirement income and a more  
13 equitable retirement plan. It's not as good as  
14 the State retirement plan, but it is a step in  
15 the right direction, and we've incorporated a  
16 number of design elements into the plan to make  
17 it conservative and viable.

18 MR. MONTANARI: Are we looking at  
19 working with an advisor?

20 MS. GIEBINK: In terms of the  
21 actual plan administration; but still, it comes

22 back on us. We do have a fiduciary

23 responsibility that we take seriously.

24 MR. CHAIRMAN: Can you hear? Can

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1 you hear?

2 THE REPORTER: I'm having a hard

3 time hearing Ms. Giebink. She's keeping her back

4 to me, and it's making it very difficult to hear.

5 MR. CHAIRMAN: All right. So if I

6 could just ask the Commissioners if they have any

7 questions? Try to use the closest mike so the

8 stenographer can pick up your comments and can

9 hear you. Can you hear me? Can you hear me now?

10 All right.

11 Before I add my own comments, are there any

12 questions of Karen or Mr. Chin regarding the

13 defined-benefit plan? Are there any questions

14 regarding the presentation that you just heard?

15 Okay.

16 So I would just like to put my own comments

17 on record, and that is, of course, that I would

18     urge you to support this resolution. As the  
19     Board knows, we have been looking at this issue  
20     for a number of months now -- it's almost a year,  
21     and I think I heard Karen make a reference to the  
22     fact that we have been -- that she found some  
23     records of discussions that dated back to the  
24     '80s with regard to implementing a plan which

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1     provided more parity for non-union employees as

2     opposed to the union employees.

3             And, more recently, we adopted the new plan;

4     and as a result of looking -- after abandoning

5     the SEPP Plan because we outgrew it, the

6     inequities of the two plans were so apparent and

7     stark that I felt compelled to try to address the

8     issue. That's why I asked the Executive Director

9     to start to examine ways we could bring our

10    non-union employees parity with our union

11    employees in terms of pension benefits.

12             And today, while there still exists a number

13 of inequities between the two, I think we make a  
14 great stride today in moving our non-union  
15 employees closer to parity with our union  
16 employees; and it becomes a very basic question  
17 of fairness, and we also had an eye toward -- and  
18 I have to commend Karen and Paul and Ray and  
19 others for looking at the cost implications of  
20 implementing this plan and keeping it within the  
21 realm of our present cost for a plan for  
22 non-union employees. So it's not only the  
23 fairness issue, it's the inequities and the  
24 parity issue; but if it was a cost issue, and all

1 of these issues are addressed in this plan, then

2 I would urge the members of this Board to support

3 this resolution.

4 So having said that, are there any other

5 comments or questions regarding Resolution

6 2004:33? Hearing none, Commissioner Salvadore.

7 MR. SALVADORE: Move to approve.

8 MR. CHAIRMAN: Seconded by

9 Commissioner MacQueen and by Commissioner  
10 Andrade, Commissioner Giusti, and Commissioner  
11 Lazieh. Further discussion on Resolution  
12 2004:33? Further discussion? Hearing none. All  
13 of those that are in favor will say "aye." Are  
14 there any opposed? There are none opposed, and  
15 the --

16 MR. GINAITT: Abstain, Mr.  
17 Chairman.

18 MR. CHAIRMAN: We have an  
19 abstention from Commissioner Ginaitt with  
20 explanation.

21                   MR. GINAITT: Yes, Mr. Chairman.

22    As we all know, we have just gone through the

23    elections, and we have several concerns over the

24    passage of SEPARATION OF POWERS. Because of

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1    that, and because some of the election lawyers

2    have looked at the passage, and they truly

3    believe that passage of SEPARATION OF POWERS is

4    effective upon passage that evening and not as of

5 January 1; and out of an abundance of caution,  
6 and while I'm certainly remiss to do so and love  
7 serving on this commission, I will be abstaining  
8 on all of the votes today while some of our  
9 election lawyers are looking further to make sure  
10 that it is, in fact, in place today or -- and not  
11 January 1.

12 MR CHAIRMAN: Thank you very much.

13 Commissioner McCaffrey requests to abstain, and

14 Commissioner DaPonte requests to abstain.

15 MR. McCAULEY: They can take me

16 away in shackles. I'm voting.

17 MR. CHAIRMAN: Representative

18 McCauley is voting in the affirmative. We have a

19 motion. We have a second. All in favor -- I

20 believe the motion passed with an abstention from

21 Commissioners Ginaitt, DaPonte, and McCaffrey.

22 Commissioner McCauley votes in the affirmative.

23 The motion carries. Are there any "nays"? Is

24 there any opposed? There are none opposed, and

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1 the motion carries. Thank you very much.

2 Item B Review and Approval of Resolution

3 2004:34, an Amendment of the Narragansett Bay

4 Commission Non-union Retirement Plan the

5 Defined-contribution. Suffice to say, the

6 Personnel Committee did meet on this issue as

7 well. The issues contained in Resolution 2004:34

8 are very basically housekeeping issues of no

9 substance whatsoever, and I would ask your

10 favorable position on this as well. Having said

11 that, Commissioner Salvadore.

12 MR. SALVADORE: Motion to approve.

13 MR. CHAIRMAN: We have a motion to

14 approve. I have a second by Commissioner

15 MacQueen, Commissioner Andrade, Commissioner

16 Lazieh, Commissioner Giusti. All in favor will

17 say "aye." Are there any opposed? There are

18 none opposed, and the motion carries. Record

19 abstentions from Commissioners Ginaitt,

20 McCaffrey, and DaPonte. Record Representative

21 McCauley as voting in the affirmative. That

22 concludes the business under the Personnel

23 Committee. The next committee reporting is the

24 Legislative Committee, Commissioner McCauley.

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1 MR. McCAULEY: Just a few rumors,

2 Mr. Chairman, no report.

3 MR. CHAIRMAN: Okay. No report.

4 Rules and Regulations Committee. I chaired that.

5 We had a couple of matters which have been before

6 the Commission, ongoing matters before the

7 Commission for several months. These involve the

8 revisions to our rules and regulations. One of  
9 the matters that we had dealt with today was a  
10 revision on NBC purchasing regulations, and we  
11 had Jill Colby -- made a brief presentation.  
12 Jill, you just want to hit the highlights for us.

13 MS. COLBY: Basically, I came  
14 before the Rules and Regulations Committee  
15 September 29, I believe it was, and then we  
16 scheduled a public hearing for November 4 at 5:30  
17 P.M. We placed an advertisement in  
18 The Providence Journal advising the public of our

19 intent to promulgate proposed purchasing rules  
20 and regulations. In addition, the advertising  
21 invited the public to comment at said public  
22 hearing and advised the public of the  
23 opportunities to submit their written comments  
24 regarding the proposed revised rules and

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1 regulations by November 8.  
2 At this time having received no other  
3 outside comments, questions, or revisions since I

4 last met with the Rules and Regulations  
5 Committee, I recommend that this Committee  
6 approve the attached Resolution. It is 2004:35,  
7 I believe.

8 MR. CHAIRMAN: Yes. I think the  
9 Board can note that at the public hearing -- I  
10 think Jill can give testimony to the Committee --  
11 there was no public attending -- that there was  
12 no public comment. So pretty benign I think. So  
13 having heard that.

14 MR. LAZIEH: Mr. Chairman, I move

15 passage.

16 MR. CHAIRMAN: We have a motion by

17 Commissioner Lazieh and seconded by Commissioner

18 Montanari to approve Resolution 2004:35.

19 Discussion on the matter? Commissioner Campbell.

20 MR. CAMPBELL: Does this contain

21 any changes over the -- from the draft?

22 MR. CHAIRMAN: No, there were no

23 changes in the draft. Commissioner Cruise, do

24 you have a question? Okay. We have a motion and

1 a second. All those that are in favor will say

2 "aye." Are there any opposed? There are none

3 opposed, and the motion carries.

4 MR. GINAITT: Same request.

5 MR. CHAIRMAN: Same request. Same

6 cast of characters.

7 (Commissioners Ginaitt, DaPonte, and McCaffrey

8 request to abstain from the vote.

9 Commissioner McCauley voted in the affirmative.)

10

11 MR. CHAIRMAN: Item B: Review and  
12 Approval of Resolution 2004:36, Revised Rules and  
13 Regulations for use of Wastewater Facilities  
14 within the NBC. Annette -- Laurie.

15 MS. HORRIDGE: Annette was tied  
16 up, so I'm doing this one. Annette was  
17 responsible for revision of the rules and regs  
18 for use of wastewater facilities within the NBC  
19 District. These are the rules and regs that deal  
20 with our pretreatment program in the industrial  
21 community. We held the same hearing the same

22 advertisement at the same time as we did the

23 first rules and regs.

24 Annette came before the Rules and Regs

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1 Committee on September 29 to present the

2 revisions to the wastewater regs at that time.

3 Most of them were re-organizational changes.

4 There's nothing major in them; and in fact, we've

5 received verbal notification from the DEM about

6 substantial modifications would require

7 additional hearings.

8 On October 5, an advertisement was placed in

9 The Providence Journal notifying the public of

10 this hearing to be held on November 4 for the

11 opportunity to submit comments. No one attended

12 that hearing from the public; and in fact, the

13 rules and regs were presented at that hearing,

14 and we received no other outside comments,

15 questions, or revisions since that time. So at

16 this point, we would ask you to approve

17 Resolution 2004:36.

18 MR. GIUSTI: So moved.

19 MR. CHAIRMAN: We have a motion

20 from Commissioner Giusti to approve Resolution

21 2004:36. Seconded by Commissioner Montanari and

22 Commissioner Lazieh. Discussion on the matter?

23 Discussion on the matter?

24 MR. PINAULT: Again, Laurie, there

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1 were no changes from the draft?

2 MS. HORRIDGE: No, there were no

3 changes.

4 MR. CHAIRMAN: These revisions

5 will be filed with the Secretary of State and

6 become effective in 20 days. Is that it?

7 MS. HORRIDGE: Yes.

8 MR. CHAIRMAN: And they'll be

9 filed today?

10 MS. HORRIDGE: Actually, we have

11 to put them on-line now. There's a requirement

12 to put them on the web, so probably by the

13 beginning of next week.

14 MR. CHAIRMAN: Okay. Great. All  
15 those that are in favor will say "aye." Any  
16 opposed? None opposed, and the motion carries  
17 with abstentions from Commissioners McCaffrey,  
18 Ginaitt and DaPonte.

19 MR. PERKINS: I also abstain.

20 MR. CHAIRMAN: As well as  
21 Commissioner Perkins. There is no other business  
22 before the Rules and Regulations Committee.  
23 Moving right along, the Ad Hoc Storm Water Rate  
24 Committee. Commissioner Perkins.

1 MR. PERKINS: No report.

2 MR. CHAIRMAN: You have no report,

3 but you will be scheduling a meeting next month

4 to review the draft legislation. The next

5 committee reporting is the Citizen's Advisory

6 Committee. Harold, do you have a report for us

7 today?

8 MR. GADON: Yes, I do.

9 MR. CHAIRMAN: Proceed.

10 MR. GADON: The CAC meeting was  
11 held Wednesday October 10th with 15 attendees.  
12 We welcomed back George Redman who had been out  
13 due to illness.  
14 We heard a report by Howard Schacter on the  
15 CCRI Academy now in place and sponsored by MJSA.  
16 This does provide training for electroplaters,  
17 most of whom are governed by NBC.  
18 We discussed the permits concerning nitrogen  
19 in the waste stream now being considered by DEM,  
20 which NBC will be required to meet. We did

21 request that Tom Uva, as well as someone from the

22 DEM, explain the effect this will have on NBC and

23 its customers at a future meeting.

24 Tony Ferri, a member, did invite the CAC to

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1 hold its next meeting at his plant, formerly

2 Colfax, for a tour with refreshments served. A

3 number of members agreed to attend, and this is

4 open to the public; so any who wish, may attend.

5 This concludes my report. Thank you.

6 MR. CHAIRMAN: Thank you, Harold.

7 Next committee reporting is the Executive

8 Committee. There's no report. Chairman's

9 Report. The Chairman has no report except to

10 announce the meeting date for next month which is

11 December the 15th and to remind our members that

12 on that day we usually have our holiday luncheon,

13 so bring your appetite. It's always great. So

14 beyond that, there is no report.

15 Next order of business is new business. Is

16 there new business to come before the Commission?

17 Any new business from any member? Commissioner

18 Lazieh.

19 MR. LAZIEH: Mr. Chairman, just a

20 question from the -- to the Executive Director

21 regarding the bonding that -- all the bonds that

22 passed the bondings -- those that passed, how

23 will it affect the NBC?

24 MR. PINAULT: As far as Question