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1 STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
NARRAGANSETT BAY COMMISSION

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4 IN RE: MONTHLY BOARD MEETING OF THE COMMISSION

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DATE: MARCH 8, 2006
TIME: 11:00 A.M.
NARRAGANSETT BAY COMMISSION
CORPORATE OFFICE BUILDING
ONE SERVICE ROAD
PROVIDENCE, RI 02905

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MEMBERS PRESENT:

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VINCENT MESOLELLA, CHAIRMAN

14

MICHAEL SALVADORE

MICHAEL DI CHIRO, JR.

15

LESLIE GRAY, III

R. DAVID CRUISE

16

JOHN MACQUEEN

RICHARD BURROUGHS

17

TOM PERKINS

LEO THOMPSON

18

ALAN NATHAN

JONATHAN FARNUM

19

BRUCE CAMPBELL

PATRICK CANE

20

PAUL PINAULT, SECRETARY

JOSEPH D'ANGELIS, ESQUIRE

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22

23

RHODE ISLAND COURT REPORTING
25 SEA VIEW AVENUE
EAST PROVIDENCE, RI 02915
(401) 437-3366

24

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(COMMENCED AT 11:08 A.M.)

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THE CHAIRMAN: Good morning,

2

3 everyone. Thank you for attending today's
4 meeting. So we will call the monthly board
5 meeting of Wednesday, March 8, 2006 to order at
6 11:08. Recognizing a quorum, the first order of
7 business is the approval of the previous minutes
8 of January 25, 2006. Have all of our members had
9 an opportunity to review the previous minutes?
10 And if so, are there any comments, questions or
11 corrections on the previous minutes of January 25,
12 2006?

13

MR. MACQUEEN: So moved.

14

THE CHAIRMAN: We have a motion.

15 Commissioner MacQueen moves that we approve the
16 previous minutes.

17

MR. FARNUM: Second.

18

THE CHAIRMAN: Seconded by

19 Commissioner Farnum. Discussion? Hearing none,
20 all of those that are in favor will say aye. Are
21 there any opposed? There are none opposed and
22 that motion carries.

23 The first order of official business
24 today is to officially welcome our new

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1 commissioner, Alan Nathan. We'd like to welcome
2 you today. I'm sure you'll find the work of the
3 Bay Commission interesting and certainly
4 rewarding. Okay.

5 The next order of business is a
6 presentation to the Narragansett Bay Commission
7 from the United States Central Command. One of
8 our employees, Robert Partington, has been
9 activated and he's been called to service in
10 Afghanistan and Iraq, and he served his country
11 proudly. And he is here today with Lieutenant
12 Colonel Steve Orlomoski; did I say that right?

13 LT. COL. ORLOMOSKI: Very good.
14 THE CHAIRMAN: When you have to
15 live with a name like "Mesolella," it all becomes
16 easy. We'd like to call him today to come here
17 for purposes of making an official presentation to
18 the Narragansett Bay Commission. Please come
19 forward. Robert is a master sergeant, I might
20 add, and proudly serves.

21 MASTER SGT. PARTINGTON: Mr. Chairman,
22 on behalf of the United States Central Command, I
23 present you with this flag that came from Central
24 Command Headquarters, MacDill Air Force Base,

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1 Florida showing our appreciation for allowing me
2 to serve my country.

3 THE CHAIRMAN: Thank you very
4 much.

5 MASTER SGT. PARTINGTON: Also I
6 have a certificate from United States Central
7 Command. It says, "In grateful appreciation from
8 the United States Central Command for allowing
9 Master Sgt. Robert Partington to serve his country
10 here at MacDill Air Force Base. Exceptional
11 commitment and dedication has made positive impact
12 on the nation's war on terrorism."

13 THE CHAIRMAN: Thank you very
14 much.

15 MASTER SGT. PARTINGTON: Thank
16 you.

17 THE CHAIRMAN: Thank you so much.
18 Would you like to say a few words?

19 LT. COL. ORLOMOSKI: I wasn't
20 planning on it, but since you asked, I would like
21 to thank you on behalf of our unit, the 281st
22 Combat unit, Com group -- we're currently located
23 in Coventry and we're moving to North Smithfield
24 in the next six months -- for allowing Sgt.

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1 Partington to serve and support him in his
2 full-time employment.

3 I'm sure he does a great job here. I
4 can't tell you how important he is to our unit.
5 If they had the opportunity in active duty
6 services, they'd have him there every day. He's
7 done us all proud. He hits the ground running.
8 And they're asking for him by name all the time.
9 I can't say enough good about the guy.

10 I have a very small section. I'm

11 supervisor of a 12-man unit and I shouldn't be
12 telling you this, but he's clearly the best we
13 have. So again, thank you very much.

14 THE CHAIRMAN: Thank you. Days
15 like these make being in the hot seat all
16 worthwhile. We have a very short agenda today.

17 The next order of business is the
18 executive director's report. Mr. Secretary, do
19 you have a report for us today?

20 MR. PINAULT: Yes, I do, Mr. Chairman.

21 THE CHAIRMAN: Proceed.

22 MR. PINAULT: In your packet is my
23 report from January. I changed things around a
24 little bit. I shuffled some of the things just

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1 because of the format, but starting out with plant
2 operations, there's a summary of our treatment for
3 both facilities for the month of January. And as
4 you can see, we met all of the major parameters
5 without any problem.

6 Just quickly going to page two under
7 miscellaneous, staff has continued to decommission
8 the old sludge incinerator and they're getting
9 ready to turn it over to the demolition
10 contractor. At Bucklin Point, final construction
11 vendor training and system checkout continues with
12 numerous training sessions. That's ongoing.

13 And also with the increase in hydraulic
14 capacity of the plant, several significant wet
15 weather events occurred during the month where we
16 treated 70 million up to 116 million gallons of
17 flow. Prior to the expansion, we couldn't handle
18 more than 60. Interceptor maintenance on page
19 three. We had no dry weather overflow events
20 during the month and the semi-annual best
21 management practices report was sent to DEM for
22 the period ending December 31st. There's a lot of
23 information here. I'm just trying to hit some
24 highlights.

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1 On page six, under engineering, for the
2 Fields Point facility planning nitrogen removal,
3 on January 20th we received from DEM a proposed
4 consent agreement for both Fields Point and
5 Bucklin Point for the nitrogen permit limits and
6 staff met numerous times and we responded to them
7 that basically the proposal they made was
8 unacceptable. So we're still scheduled to go to
9 hearing, I believe, starting in May.

10 Moving right along to page nine,
11 construction. The demolition contract, 103.02 was
12 awarded and the contractor's MBE and EEO plans
13 have been approved and since this writing, the
14 contracts have been signed and we're ready to
15 start the demolition work. On the main spine
16 tunnel, the tunnel forms are being installed for
17 the first cast-in-place lining.

18 And as you came in today, you probably
19 noticed that he set up a batch plant, concrete
20 on-site. He's scheduled to pour an average of
21 545 yards a day of concrete every day between now
22 and the end of the year. And his first pour is
23 scheduled for Friday. He's also purchased eight

24 cement trucks which you saw lined up out there.

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1 And I met with Mike Shank yesterday and he's
2 raring to go. As of January 31st, that contract
3 is 82 percent complete. It is behind schedule,
4 but we are negotiating for a time expansion. On
5 the contract 032 facilities out near the Marriott
6 and Orms Street, the work is essentially done.

7 As of January 31st, it was 97 percent
8 complete, but basically it's now done. We just
9 have to do some permanent paving as soon as the
10 weather breaks. We are meeting with Arthur
11 Robbins who owns the Marriott and the Orms
12 building on Friday of next week to talk about
13 restoration of the disturbed areas to make sure
14 we're all on the same page and can get that done
15 quickly, as soon as the weather breaks.

16 Page 11, the tunnel pump station is
17 moving along. As of January 31st, it's five
18 percent complete. They're coming up the main
19 shaft, putting the stairwell and the elevator
20 shaft. On Lockbridge Street is the emergency
21 repair work we talked about. The contract is done
22 with the exception of final paving. Temporary
23 paving has been laid.

24 Page 12, Washington Highway and Omega

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1 pump stations, work has begun on clearing the site
2 at Washington Highway. I believe pipe has been
3 delivered over the last couple of weeks for the
4 Omega Pond pumping station force main in East
5 Providence.

6 Bucklin Point facility is 99 percent
7 complete, four months ahead of schedule, thanks to
8 Mark Thomas and his staff and their hard work.
9 Bucklin Point digester siding contract
10 administration, roofing is 40 percent complete and
11 on schedule. Financially, with 58 percent of the
12 fiscal year, we're spending at a rate of 51.5
13 percent, so we're spending below budget as Karen
14 mentioned during her presentation to the finance
15 committee.

16 Personnel, we had 239 employees as of
17 January 31st. Moving along to page 13, pollution
18 prevention. Staff has worked to update all of our
19 emergency preparedness plans and we submitted them
20 to the PUC. Page 14, pollution prevention
21 department provided free technical assistance to
22 five companies during the month to help them get
23 into compliance. Page 17, legislation. Legal
24 staff has worked with other staff to review a

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1 number of bills that have been introduced to
2 determine whether or not they have an impact on us
3 and we'll be talking about later a summary of the
4 bills that we're monitoring.

5 This handout should be in the back of
6 your packet. It's entitled, "2006 Legislative
7 Update." Page 18 and to the top of page 19 is a
8 summary of what's happening on the permits for
9 both Fields Point and Bucklin Point nitrogen limit
10 modifications, and also the wet weather conditions
11 for the Bucklin Point facility. I won't go

12 through all of them, but basically we responded to
13 DEM at length. If anyone wants a copy of our
14 letters, see me or Laurie Porridge Bissenette and
15 we'll get you a copy. And the beat goes on, as
16 they say.

17 And last, but not least, under the
18 attached monthly financial statements, projects
19 scheduled, and all of the change order logs, all
20 of the active construction projects.

21 THE CHAIRMAN: Okay. All members
22 have heard the report of the executive director;
23 are there any comments or questions of the
24 executive director?

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1 MR. GRAY: Quick question, what
2 are we running for nitrogen?

3 MR. PINAULT: Right now we don't
4 have nitrogen removal facilities at Fields Point
5 and we discharge on the order of 14 to 16
6 milligrams per liter. DEM has proposed that only
7 we and Woonsocket get down to five and that every
8 other plant in the state gets eight.

9 To get to eight is fairly easy and
10 fairly inexpensive. To get to five is
11 exponentially more expensive, both from a capital
12 and the operation and maintenance point of view.
13 So we and Woonsocket appealed our permits quite
14 some time ago. The other thing is they wanted us
15 to be in compliance two weeks after they issued
16 the permit which obviously couldn't be done.

17 We're talking about probably 50 to 100
18 million dollars worth of work. There's a lot of
19 history here. They're basically basing their
20 permit plans on a 1981 to 1984 pilot study at URI
21 which was done for another purpose and they
22 extrapolated those results in lieu of doing what's
23 called a total maximum daily load which they tried
24 to do and failed.

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1 So we feel that there's no technical
2 basis for the limits that they've proposed. We
3 want to do something, but we don't want to waste
4 money and spend money on foolishness.

5 MR. GRAY: Roughly, what would be
6 the impact on rates of the eight percent or five
7 percent?

8 MR. PINAULT: I don't have those
9 numbers here. I'll get those to you. It's fairly
10 significant, not only because of the capital
11 costs, but the O and M never goes down, it only
12 goes up. And it's very energy intensive,
13 electricity for aeration and also very chemical
14 intensive.

15 In order to meet the limits, they're
16 proposing you have to add a carbon source such as
17 ethanol or methanol. It's very expensive.

18 MR. CANE: I'm going to follow up
19 on that. From East Providence's perspective,
20 obviously, and I'll just give you an example, NBC
21 runs a third of East Providence from a sewer
22 perspective. We in the city of East Providence
23 run the other two thirds.

24 The original idea was to drop East

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1 Providence down to eight milligrams per litre and
2 just for capital costs for our small system, for
3 the two-thirds, just capital cost would be about
4 \$13 million. That's just for East Providence.
5 And that doesn't include, as Paul pointed out,
6 electrical, chemical, all the rest that runs in
7 there. So the number would be huge from NBC's
8 perspective.

9 The bizarre part, Paul, that I wanted to
10 mention and ask you was when we objected obviously
11 to the reduction of limit to eight, they came back
12 with a consent agreement to require us to come
13 down to three, which I'm not sure how that works.
14 We're obviously appealing that. The joke last
15 night at city council by one of the other council
16 members, Peter Midgley, says the only way we can
17 get to three is by going back to outhouses.
18 Otherwise, there'd be no way to get the nitrogen
19 level down to that level. So it just gives you an
20 example of a very, very small scale. NBC is a
21 whole larger than East Providence, but I just
22 wanted to share that information.

23 THE CHAIRMAN: Commissioner

24 Campbell?

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1 MR. CAMPBELL: Isn't the issue
2 about the arbitrariness of this limit related to
3 the fact that we may be putting effluent into the
4 river that's of a lower nitrogen level than is
5 already in the river? So you're actually
6 improving --- your effluent is better than what's
7 in the river already, so you're sort of diluting
8 and improving the river's total quality.

9 MR. PINAULT: The nitrogen issue
10 in estuaries and salt water is that nitrogen
11 contributes to the growth of algae, but the
12 nitrogen is coming from a number of sources.
13 Obviously, sewage treatment plants are one.
14 Septic systems leaching along the coast
15 where many summer homes have been converted to
16 year round and still haven't been upgraded their
17 septic system is two. Air deposition from nitrous
18 oxide. Runoff from lawns. People like green
19 lawns and they use more fertilizer than can be
20 consumed, and it gets washed off, so the sources
21 are many.

22 There is a group at URI who have felt
23 that if you reduce the nitrogen levels too much,
24 you're going to start to affect primate production

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1 in the bay, which could be a negative impact. But
2 basically when you have too much algae and the
3 algae dies off and it settles to the bottom, it
4 consumes oxygen. And low lying creatures that
5 can't get out of the way, that are not mobile,
6 die; clams, small fish.

7 If you remember, the summer of '03 I
8 believe we had the big fish kills in East
9 Greenwich. And also, it's not only the nitrogen.
10 It also has to depend upon the weather. We had
11 had some rain. You know, salt water is heavier
12 than fresh water, so you have a layer of fresh

13 water along the top. There was very little wind,
14 so there was no mixing.

15 And that had been predicted by a
16 professor that that would happen if those
17 conditions existed, and they did exist, and it did
18 happen. The other issue on Bucklin Point is six
19 months before we put Bucklin Point on-line, we
20 were designing, even though we were not required
21 to do it, eight milligrams per litre of nitrogen.

22 There was nothing in our permit that
23 required it, but we decided to do it. And they
24 told us basically scrap that and go to five. Our

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1 position is at least let us put it on-line,
2 operate it and maintain it, and let's see if we
3 can get lower than eight and then we'll talk. And
4 so that's been kind of the bone of contention.
5 I'm trying to stay calm.

6 THE CHAIRMAN: From my
7 perspective, inasmuch as I feel we have a
8 fiduciary responsibility to our ratepayers, that
9 the broader issue is and Paul alluded to it, I
10 don't think he went deep enough into it is that
11 the basis on which they're setting these limits,
12 there is no credible scientific data to support
13 it. It's just we want it. It's very arbitrary,
14 in my opinion, and that's it.

15 And as I told the director, Paul and I
16 have had at least a couple of meetings with the
17 director, demonstrate to us, demonstrate to us why
18 these limits are imperative in terms of the water
19 quality, sustaining fish and plant life. There's
20 nothing, except that there's some information
21 extrapolated from a study which was not even
22 related to nitrogen removal. And on that, they're
23 basing these limits.

24 For me, it's just very difficult to come

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1 before this board or even our rate paying
2 community and say we're going to incur 70 to 100
3 million dollars in expenditures that you're going
4 to have to pay for, based on no credible data
5 whatsoever.

6 And I'm not going to speak for our
7 attorney or the executive director or the staff,
8 but it seems to me that this is a very heavy
9 burden being placed on the department before the
10 administrative process. So, that's my
11 perspective.

12 MR. CANE: Mr. Chairman, if I may
13 follow up, just follow that a little bit. It
14 seems to me, at least from my perspective from
15 dealing with Providence, East Providence and being
16 the NBC board that they're looking to, they own
17 the entities that they can control or have a
18 permit application to actually lower that nitrogen
19 level so that you make up for the bad septic
20 systems along the coast, the fertilizers that are
21 used as opposed to looking at it globally from a
22 legislative objective to have cities and towns
23 regulate the fertilizer that's put on lawns.

24 Maybe everybody along the coast can't

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1 use fertilizer or has to use an organic product as
2 opposed to the nitrogen based product. It seems
3 that that's the case, but it's amazing to me and
4 from Paul's perspective I'll say the same thing,
5 we almost blew our top last night finding out what
6 their response to us was. Instead of giving us
7 some time to deal with the eight, they drop it to
8 three. It was just crazy. We just have no idea.

9 MR. PINAULT: We have coordinated
10 with your legal counsel, by the way, to make sure
11 they understand what we're doing on our appeal, so
12 that we're all on the same page.

13 MR. CANE: I very much appreciate
14 that. That's great.

15 MR. GRAY: My only comment was
16 from a political perspective, I'm not a politician
17 so I can't really speak --

18 THE CHAIRMAN: Neither am I
19 anymore.

20 MR. GRAY: But if the impact were
21 large on the rates and that were known, then you'd
22 have other pressure put on DEM to bring it down.
23 If it's only a percent or half a percent, then why
24 are we fighting?

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1 MR. PINAULT: DEM has told us
2 point blank that they don't care what the impact
3 on the rates are. That is not a factor for them.
4 But it's significant. Especially -- we've raised
5 rates 25 percent a year twice, 16.9 percent,
6 12 percent, 5 percent, the last five since 2001 to
7 pay for the CSO project, Bucklin Point
8 improvements.

9 And as Karen mentioned in her report, we
10 have 345 million in debt and they're talking about
11 another maybe 100 million. And then we still have
12 sewer system rehabilitation projects.

13 MR. GRAY: So this would be like a
14 sixth of the total debt.

15 MR. PINAULT: In that order. It's
16 significant. And the O and M is significant.
17 Like I said, it will be electricity and chemicals,
18 a big, big jump. I'll give you those figures.

19 THE CHAIRMAN: But it's not just
20 the cost, it's the cost benefit ratio.
21 Demonstrate it. We're going to spend 100 million
22 dollars and get some significant improvements.
23 There's nothing on the table. There's nothing.
24 So, you understand the dilemma.

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1 Are there any other questions of the
2 executive director on the report because I just
3 wanted to give for the benefit of our newer
4 commissioners, you heard him say earlier in his
5 report that we were a little bit behind schedule
6 on the CSO project, and we were talking about it
7 this morning earlier.

8 For the benefit of the newer
9 commissioners, we had experienced a problem early
10 on in the project with freeze walls which actually
11 caused this delay. Paul, do you want to talk
12 about that for just a minute?

13 MR. PINAULT: Sure. One of the

14 first things that the contractor did is, he had to
15 go down 300 feet, about 160 feet through soil and
16 140 feet through rock, just to create an area
17 where he could open up and set up his tunnel
18 boring machine. He chose a method of ground
19 freezing and he thought it was going to happen in
20 something like 120 days, freeze the ground.

21 He had to develop a five-foot thick wall
22 of ice all the way around a 55-foot diameter
23 shaft, and then they had two other shafts, a
24 12-foot and a 35-foot, to support the tunnel pump

0021 station. And it took quite a bit longer than
1 that.
2

3 The contention is that that was a former
4 site of a gasoline and fuel oil tank farm, that
5 there had been leaks over the years and that the
6 petroleum that was in the ground inhibited the
7 freezing and the closure of the freeze wall. So
8 what happened was it took a lot longer to get the
9 ground to freeze.

10 And then once they started to excavate,
11 they actually found that the ground was
12 over-frozen as they went down. We have the
13 pictures of that and have discussed it over the
14 years. And that he was in the middle of one of
15 the worst winters trying to set up a 690-ton
16 tunnel boring machine up top, and then take it
17 apart and reassemble it. And that basically, we
18 had a slow start and that pushed everything back.

19 And once he started boring on March 8th,
20 actually two years ago today, he finished
21 December 1st of last year. So it took him 21
22 months once he started boring to go three miles
23 and we think the worst part of the project is out
24 of the way as different site conditions and

0022 issues.

1 Now he has to line the three miles, but
2 that also affected other work that was happening
3 on the site which was the tunnel pumping station
4 which is a 55 million dollar job which another
5 contractor got. And we had to time that so that
6 they -- they couldn't co-exist on the same site
7 with all that activity and that pushed that back.
8 So, we're behind the original schedule, but
9 overall, I think we'll be okay.

10 THE CHAIRMAN: I just wanted Paul
11 to touch base on that. Okay. Are there any other
12 questions or comments with regard to the executive
13 director's report? If not, we'll move right along
14 to committee minutes and action items.

15 The first committee reporting is the
16 Finance Committee. The Finance Committee met
17 today. There is no action of the Finance
18 Committee which require board action. The
19 Construction, Engineering and Operations Committee
20 met. The new chair of the committee, Commissioner
21 Salvadore, had to leave the room for a moment, I
22 hope he comes back, but in his absence, I'll
23 handle these matters.
24

0023 1 The committee, the CEO committee had

2 three matters before it. The first action was
3 passage of Resolution 2006:04, Authority to
4 contract with Capital Growth Systems, Inc. for the
5 acquisition, further development and marketing of
6 innovative systems developed by the Narragansett
7 Bay Commission.

8 Narragansett Bay Commission developed some
9 software operating our own systems and also I
10 refer to it as hardware. Paul doesn't like it
11 when I refer to it as hardware, that sewer cover
12 monitoring system. And Paul, why don't you give
13 them the particulars?

14 MR. PINAULT: Many of you were at
15 the CEO committee, so I'll try and be brief. In
16 your packet is a memo dated February 27th. And as
17 I noted at last month's board meeting, we issued
18 a request for qualifications and proposals for the
19 acquisition, further development and marketing of
20 innovative systems that were developed by NBC
21 staff.

22 The first system is a specialized sewer
23 system monitoring collection and pollution alert
24 system. And under our pretreatment program we're

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1 required on significant industries to sample
2 upstream and downstream of the industries.
3 Historically, to take a conventional sample, you
4 put it in a manhole downstream and upstream.

5 Unfortunately, the industries usually
6 see you out there. It takes three or four hours.
7 They run for 24 to 36 hours because that's the
8 battery life and any matter that settles down, you
9 pull the samples out, you don't find much even
10 though you could have problems in that area.

11 What we've done is we've is we've
12 developed a system I has what we call a tellog
13 unit in that we monitor the pH. If the pH goes
14 outside of a pre-set range, that usually means
15 something's going on. It will turn the downstream
16 sampler on. It will call for wireless technology.

17 The upstream sampler, turn that one on,
18 and at the same time call our NBC staff, either on
19 their cell phone, computer or a pager, to let them
20 know that something has happened. And that could
21 take place weeks after we install the unit because
22 the battery used to just monitor the pH is very
23 low.

24 So they never know when the sample is

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1 going to kick on. We also feel that that could be
2 adapted to some Homeland Security systems. We've
3 developed that over the last couple of years.
4 We've had manufactured manhole covers out of
5 fiberglass which have imbedded antennas in them,
6 so that we can move them from place to place and
7 send the wireless signal. So that's the first
8 system.

9 The second system is the pretreatment
10 software system. We have over 1600 businesses in
11 industries that we regulate and monitor. There
12 are a number of off-the-shelf software packages,
13 but most of the time they're a square peg in a
14 round hole and a lot of the features are not

15 easily adaptable.
16 Our IT department in coordination with
17 pretreatment department developed a customized
18 system which has a lot of the bells and whistles,
19 if you will, and report writing capability and it
20 can be used for a whole gamut of systems from
21 small to large. The chairman and I have discussed
22 this.

23 We feel that both systems have national
24 applicability, but we don't have the wherewithal

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1 to market these systems and further develop them
2 and try and get some money from them, so we
3 decided to issue an RFQ/RFP.

4 We had a mandatory presubmittal meeting
5 on February 6th. Nine people attended. Anyone
6 that attended had to sign a confidentiality
7 agreement up front before we reviewed the package
8 with them. They were given a couple of weeks to
9 ask questions and submit proposals. And on
10 February 17th, prior to the deadline, we did
11 receive a proposal from the same group for both
12 systems. They didn't have to submit on both.
13 They could submit on one or the other and they did
14 submit on both.

15 And what they did is they teamed up with
16 some other people that had attended the meeting.
17 Basically what they're proposing is to acquire
18 both systems for the collection, monitoring and
19 pollution alert system, upon signing of an
20 agreement, assuming that we can work out the
21 details, pay us \$10,000 cash up front and then
22 \$10,000 for four additional years, guaranteed for
23 a minimum of \$50,000.

24 They would also reimburse us if they

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1 needed any staff assistance to help them out.
2 Salary, fringe benefits, overhead and any other
3 expenses, travel somewhere, pay us our actual cost
4 plus ten percent and five percent royalty for a
5 20-year period on net profits.

6 For the software piece, conditions are
7 similar, but in addition, instead of \$10,000 a
8 year, it's \$15,000 for five years for a total of
9 \$75,000. We've reviewed this in-house. We feel
10 that worse case, we would get \$125,000. We would
11 get some national exposure, because that's part of
12 the deal, we would have to be given credit for
13 this.

14 Any enhancements that they make to
15 either system we would receive at no additional
16 cost. And we have the possibility, assuming being
17 optimistic that these things do have a market out
18 there, getting a piece of the profits for a period
19 of 20 years. So I kind of did that quickly, but
20 everyone should have had the memo for a week and
21 our recommendation is outlined in 2006:04.

22 MR. DICHIRO: I make a motion to
23 approve 2006:04.

24 THE CHAIRMAN: We have a motion.

0028

1 MR. CANE: Second.
2 MR. FARNUM: Second.

3 THE CHAIRMAN: And a second by
4 Commissioners Cane and Farnum. Any further
5 discussion? Hearing none, all those in favor will
6 say aye. Are there any opposed? None opposed;
7 the motion carries.

8 Next order of business is item B:
9 Review and approval of Resolution 2006:05,
10 Recommendation for award of Contract 304.42C,
11 cured-in-place sewer lining at various locations.
12 The committee heard the matter. There's been a
13 change in the budgeted price because of some added
14 scope. It's pretty self-explanatory. Do we need
15 to go through that, Paul?

16 MR. PINAULT: I'll just do it
17 quickly. Basically for commissioners that aren't
18 familiar with lining, rather than dig and replace
19 a pipe, many of our pipes are fine, but they have
20 some cracks in them.

21 They're structurally sound and there's a
22 technology that we've used over the years, where
23 they go in, clean the pipe, they bypass it, bypass
24 pumps around it. And then actually insert a liner

0029 1 that is fiberglass. It's impregnated with a
2 resin. It's basically blown up using hot water.

3 And then they have a boiler system that
4 heats it and cures it and then it basically
5 produces, you know, depending upon the diameter of
6 the pipe and the depth and other things, you know,
7 half inch or thicker liner within the existing
8 pipe, it's much smoother than the existing pipe
9 because the pipes are usually brick or vitrified
10 clay with a lot of joints.

11 And then what they do is they cut out
12 around the manhole and seal that. And then they
13 have a little robot that goes in and if there's
14 any service connections, they actually cut out
15 without sending a person in there, but with the
16 robot, the dimples where the service connection
17 is. We've used this many times over the years.

18 We put it out to bid, as the chairman
19 mentioned, from the time that we originally wanted
20 to put this out and the time we put it out, we
21 identified a few other areas that needed lining;
22 Branch Avenue, Lockbridge Street and a few others,
23 Vandewater Street. And we've analyzed the bids.

24 The low bidder was Insituform

0030 1 Technologies which we've used in the past and have
2 been very happy with. Their low bid was
3 \$507,667.50. Bids ranged up to \$689, \$610. We
4 reviewed all of their qualifications, bid bond and
5 references, and we feel that they are the lowest
6 responsive responsible bidder and we recommend
7 award of Resolution 2006:05.

8 THE CHAIRMAN: Hearing the
9 executive director's explanation and upon
10 recommendation of the Construction Engineering
11 Committee; do I have a motion?

12 MR. CANE: Moved.

13 MR. MACQUEEN: Second.

14 MR. FARNUM: Second.

15 THE CHAIRMAN: Seconded by

16 Commissioners MacQueen and Farnum. Further
17 discussion on Resolution 2006:05? Further
18 discussion? Hearing none, all those in favor will
19 say aye. Any opposed? There are none opposed and
20 that motion carries.

21 The next order of business is Item C
22 which is the review and approval of Resolution
23 2006:06, Recommendation for award of Contract
24 117.00D, Architectural services for upgrade of

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1 Fields Point Operations Building and other
2 miscellaneous improvements. It's the operations
3 building across the street. Quite old. How old
4 is it?

5 MR. PINAULT: We designed it in
6 1980 and started building it in '83? '84? And
7 moved in in '86. So it's 20 years old that we've
8 occupied it. It's open 24-hours a day, 365-days a
9 year. The facility houses our operations, staff,
10 pretreatment and environmental monitoring, our
11 computer control system, conference rooms, lunch
12 rooms and locker rooms.

13 And the lower level, which is the locker
14 rooms and lunch rooms need some TLC. Since the
15 building was designed over 20 years ago, there's
16 been a number of code changes; ADA, access code
17 changes. So we needed the services of an
18 architect to design the improvements and upgrades
19 to the building.

20 We went out for proposals and on
21 February 16th, we received five. I put a team of
22 five key staff people on it to review it. They
23 unanimously felt that Earth Tech, Edwards and
24 Kelcey, and William Kite Architects had the best

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1 three proposals. They interviewed them on the
2 22nd. They concluded that all firms were
3 qualified to do the work.

4 And on page two of the memo, it's
5 explained that they feel that William Kite, who's
6 a local architect on Valley Street; which they've
7 checked the references, which were excellent
8 references, definitely has the capabilities for
9 this project.

10 And the other two firms, although
11 they're qualified, they're national firms and
12 they're not familiar with local codes and that
13 type of thing. And as you can see, their hourly
14 rates are much higher. So the recommendation is
15 to go with William Kite Architects and the cost is
16 \$12,960. And it's outlined in Resolution 2006:06.

17 THE CHAIRMAN: Okay. So hearing
18 the executive director's recommendation and upon
19 recommendation by the CEO committee for approval;
20 do I have a motion?

21 MR. DICHIRO: So moved, Mr. Chairman.

22 THE CHAIRMAN: Commissioner DiChiro
23 moves that we approve Resolution 2006:06; is there
24 a second?

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1 MR. CRUISE: Second.

2 THE CHAIRMAN: Commissioner Cruise
3 makes the second. Further discussion on this

4 motion? Further discussion? Hearing none, all of
5 those that are in favor will say aye. Are there
6 any opposed? There are none opposed and that
7 motion carries. Thank you very much. There's no
8 other business before the Construction,
9 Engineering and Operations Committee.

10 Moving right along to other committees
11 reporting; earlier this month, we made some
12 committee assignments. The chair appointed Mike
13 Salvadore, Commissioner Salvadore as the chairman
14 of the Construction, Engineering and Operations
15 Committee. Appointed Commissioner Campbell as
16 chairman of the Personnel Committee and
17 Commissioner Tom Lazieh as the chairman of the
18 Rules and Regulations Committee. So I don't
19 believe the Personnel Committee met.

20 MR. CAMPBELL: No, no report.

21 THE CHAIRMAN: There's no report
22 from the Personnel Committee. The Legislative
23 Committee, there is none. We have no committee.

24 MR. PINAULT: We have no committee

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1 since we lost our legislators, but we do have a
2 report.

3 THE CHAIRMAN: Before we move on
4 to the report, do you have a recommendation -- or
5 counsel, is there a recommendation on how we deal
6 with this? Do we have to have a formal motion of
7 the board to abolish the committee?

8 MR. PINAULT: No. It's in our
9 bylaws.

10 MR. D'ANGELIS: Just leave it as
11 it is or adopt a change in the bylaws.

12 THE CHAIRMAN: I don't want to do
13 that. Well, there is no legislative committee to
14 report, no chair and no committee; so do you have
15 a report on legislation?

16 MR. PINAULT: Joanne Maceroni
17 issued a memo dated March 8. It's one page,
18 two-sided. It's entitled, "2006 Legislative
19 Update." It's in your packet. These are the
20 bills that we're tracking to date. Most of them
21 we either support or have no position.

22 There is the first one that we oppose
23 and that was introduced by Senator Metts, S2093.
24 And this would remove from our authority allowing

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1 us to conduct lien sales on residential property.
2 They have also introduced 2092 where it would
3 allow Rhode Island Housing to have the right of
4 first refusal to acquire liens. And this would
5 apply to our liens, and we do support that. And
6 we've told the senators that we do. So, we're
7 tracking these. None of them have come up for
8 hearing yet, but when the times comes, we will
9 give them our opinion and the reasons why.

10 THE CHAIRMAN: There are any
11 commence or questions regarding the legislative
12 report? Rules and Regulations?

13 MR. PINAULT: No report.

14 THE CHAIRMAN: No report.
15 Committee, Ad Hoc Storm Water Rate Committee?

16 MR. PINAULT: No report.

17 THE CHAIRMAN: Citizens Advisory
18 Committee. Harold, you're up.

19 MR. GADON: The CAC meeting was
20 held on March 1st with a quorum present. Jamie
21 presented the previous month's reports with all
22 being within allowed limits. The public notice
23 signifies non-compliance which appeared in the
24 Providence Journal on March 1st. It was

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1 discussed, being noted that the violations were
2 mostly of reports not being made on time.

3 It was also noted that Rhode Island
4 Public Transit and US Post Office in Providence
5 were among the listed violators. The lien issue
6 was again discussed and it is hoped that the
7 legislation is passed with the Rhode Island
8 Housing responsible, which will relieve NBC from a
9 considerable burden. We thoroughly support his
10 legislation.

11 Jamie brought us up to date on future
12 NBC activities including a planned cleanup in
13 April, including a business expo, and May Science
14 Fair at CCRI. With the permission of the
15 executive director, we will be asking our neighbor
16 Save the Bay to rejoin the CAC and send a
17 representative to our meeting. CAC also welcomes
18 Alan Nathan, and congratulates NBC on receiving a
19 national award to be presented in Washington, the
20 DVD of the CSO, the biggest project you'll never
21 see. That concludes my report.

22 THE CHAIRMAN: Thank you. Next
23 committee reporting is the Executive Committee.
24 The Executive Committee did meet earlier today.

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1 The Executive Committee meeting consisted of Paul
2 and I today in the absence of the rest of the
3 committee. We had a discussion. Many of the
4 members were in attendance during that point in
5 time anyway regarding the issue that we've been
6 speaking about for the last several years which is
7 unifying our campus. The upshot of the meeting
8 was simply that there had been discussion with the
9 department of --

10 MR. PINAULT: I met with Mayor
11 Cicilline and his chief of staff Michael Mello,
12 along with Vice Chairman Andrew Rotella and Joanne
13 Maceroni two weeks ago.

14 THE CHAIRMAN: Paul laid out for
15 him our plan for unifying our campus which may
16 call for abandonment of Service Road, potentially.
17 Do we have to abandon that cross road here onto
18 New York Avenue?

19 MR. PINAULT: Somebody would have
20 to --

21 THE CHAIRMAN: Develop the paper
22 street. There was no conclusions reached. The
23 way the meeting was left with the city was that
24 they were going to be responding to us shortly.

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1 We hope to hear from them. I think this is a good
2 initiative for the NBC, make our operating
3 efficiencies much better and hopefully find a
4 place, locate a place for the dog pound which has

5 been the subject of controversy in the past.

6 Suffice it to say that there's an
7 ongoing discussion and as soon as we have
8 something to report to the board regarding that
9 matter, we will. That was the extent of the
10 Executive Committee meeting this morning.
11 Chairman's report. Just a couple of things.

12 The first thing I would like to announce
13 is the next scheduled meeting will be Wednesday,
14 April 5, 2006. I have received some intelligence
15 that the Narragansett Bay Commission had received
16 notice from the Government Finance Office
17 Association that the Narragansett Bay Commission
18 again had received a certificate of achievement
19 for excellence in financial reporting for a
20 comprehensive annual report for year-ending
21 June 30th of 2005.

22 And as Paul said a while back, it's an
23 accomplishment to receive this once. Does this
24 make three times, Karen? Three or four? It's a

0039

1 magnificent achievement. I would like to
2 personally congratulate and thank Karen Giabink
3 and Leah Foster for them leading this effort.

4 Narragansett Bay Commission, through
5 Karen and Leah, always prided itself on financial
6 reporting and the method in which the finance
7 reports itself to the commissioners and its
8 ratepayers and government. And I'm very proud
9 today to announce that again we received that
10 award. I've already talked about committee
11 assignments that were made.

12 One other issue that I would like to
13 apprise the commission on, and that is with regard
14 to communication that you had all received from
15 Mayor David Cicilline regarding our negotiations
16 and discussions with Providence Redevelopment
17 Agency vis-a-vis Quality Beef.

18 It's almost three years now the
19 Providence Redevelopment Agency approached the
20 Narragansett Bay Commission with regard to
21 property which is owned by the Bay Commission
22 which was acquired through the Department of
23 Transportation when we did the shaft construction
24 near the Foundry Office Building.

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1 We have a building there which has
2 received historical designation and we're under
3 agreement with the Rhode Island Historic
4 Preservation Society to introduce a plan for the
5 rehabilitation of that building.

6 Since that time, back in almost, I would
7 think 2003, maybe early 2004, the Providence
8 Redevelopment Agency approached Narragansett Bay
9 Commission with regard to acquiring that property
10 at the appropriate time for purposes of reselling
11 it to a local businessman whose property abuts
12 that building.

13 We went through a process of appraisal.
14 We were happy to coordinate and cooperate with the
15 Providence Redevelopment Agency for purposes of
16 developing this property for economic development
17 in the city of Providence. Narragansett Bay

18 Commission has no need for this property. It
19 would become surplus property anyway.

20 However, this negotiation has literally
21 just dragged on for at least two years and
22 probably closer to three. To the extent now that
23 the end -- what would have been the end owner of
24 Quality Beef has indicated that he has not been

0041

1 kept apprised of the negotiations between the
2 Narragansett Bay Commission and the Providence
3 Redevelopment Agency. We thought we had pretty
4 much an agreement.

5 I met with Providence Redevelopment
6 Agency with our legal counsel and they had three
7 representatives and their legal counsel. We
8 hammered out what I thought were all the terms --
9 this is back in September, I think. And we were
10 just waiting to hear, establish a closing date and
11 move forward. Well, nothing has transpired.

12 I have been informed yesterday by our
13 legal counsel that basically the potential end
14 user, Quality Beef has through its attorney
15 notified our legal counsel that they literally
16 want to make wholesale changes to the agreement.

17 I'm not familiar with the nuances of
18 that, but basically renegotiate pretty much all of
19 the substantial issues regarding the agreed upon
20 agreement with the Providence Redevelopment
21 Agency. And all I can say is I don't know what
22 the intent of that letter that you received was,
23 but you received my response which I thought was a
24 pretty detailed response to that letter.

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1 We continue to try to wrap this thing
2 up. I can't speak with any confidence as to
3 specifically what the issues are that they want to
4 renegotiate, except that I understand that it's
5 pretty, what I like to refer to as "wholesale
6 negotiations," and the only thing I can tell you
7 at this time is that we'll report to you next
8 month on the status, but I don't know.

9 We'll report to you back on the status
10 and then take the commission's recommendation on
11 the ultimate disposal of the property, whether we
12 decide to proceed or just go through the normal
13 process of disposing of surplus property. Thank
14 you. And that's it for the chairman's report.

15 Is there any new business to come before
16 the commission? New business? Any other
17 business, any kind; old, new, any other business?
18 I just would like to add one last thing and that
19 is we know that Commissioner Kimball has not been
20 feeling well, so I'm going to on behalf of the
21 commission, send him our best regards and wishes
22 for a quick recovery and hopefully he'll be back
23 with us next month. And that's it. Welcome,
24 Nathan, to our commission. I hope you enjoy

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1 serving with us. And that's it. Other than that,
2 I'd take a motion to adjourn.

3 MR. CANE: So moved.

4 THE CHAIRMAN: Motion made.

5 MR. DICHIRO: Second.

THE CHAIRMAN: And seconded. All in favor will say aye. Any opposed? None opposed and the motion carries.

(ADJOURNED AT 12:00 P.M.)

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C E R T I F I C A T E

I, Claudia J. Read, Notary Public, do hereby certify that I reported in shorthand the foregoing proceedings, and that the foregoing transcript contains a true, accurate, and complete record of the proceedings at the above-entitled hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 23rd day of March, 2006.

CLAUDIA J. READ, NOTARY PUBLIC/CERTIFIED COURT REPORTER
MY COMMISSION EXPIRES NOVEMBER 2, 2008.

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