

1 STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
2 NARRAGANSETT BAY COMMISSION

3 IN RE:

4 MONTHLY BOARD MEETING OF COMMISSION

5 DATE: September 26, 2007  
6 TIME: 11:00 A.M.  
7 PLACE: Narragansett Bay Commission  
Corporate Office Building  
Providence, RI 02905

8 PRESENT:

9 Vincent Mesolella, Chairman  
10 Raymond Marshall, Executive Director  
11 Joseph D'Angelis, Legal Counsel  
12 Patrick Caine  
13 Richard Worrell  
14 Kristin Sullivan  
15 Alan Nathan  
16 Richard Burroughs  
17 R. David Cruse  
18 Al Montanari  
19 Leslie Gray, III  
20 Leo Thompson  
21 Jonathan Farnum  
22 Michael DiChiro  
23 Michael Salvatore

24 ALSO PRESENT:

25 Jean-Marie Grossi  
Karen Gibeink  
Patricia Boucher  
Paul Nordstrom  
Harold Gadon  
Jenn Harrington  
Dan Smith  
Thomas Uva

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1 (HEARING COMMENCED AT 11:16 A.M.)

2 MR. CHAIRMAN: Okay. The first thing I'd like to do  
3 this morning is introduce myself. I'm still Vin Mesolella.  
4 I'll call the meeting to order at 11:16 on September 26th.

5 I'd like to welcome everyone back. I hope everyone  
6 had a great, safe summer vacation and we're ready to go back  
7 to work. Over the next couple of months we have some very  
8 exciting things to be talking about.

9 The first order of business today is approval of the  
10 minutes from June the 20th. Have all members had an  
11 opportunity to review the minutes? And if so, are there any  
12 comments, questions or criticisms?

13 (NO RESPONSE.)

14 MR. CHAIRMAN: Hearing none.

15 MR. GRAY: Move to accept.

16 MR. CHAIRMAN: We have a motion to accept the  
17 previous minutes as presented. Seconded by Commissioner  
18 Caine and Salvatore. And all those that are in favor will  
19 say aye. Are there any opposed? There are none opposed.  
20 And the motion carries.

21 Next order of business is Item number 4 -- I'm  
22 sorry, number 3, which is old business. Is there any old  
23 business to come before the Commission, old business of any  
24 kind? Old business?

25 Okay. Moving right along, Item number 4, the

3

1 Executive Director's report. Do you have a report for us,  
2 Secretary?

3 MR. MARSHALL: Yes, I do, Mr. Chairman.

4 MR. CHAIRMAN: Proceed.

5 MR. MARSHALL: Okay. I'll try to be brief. For the

6 months of June and July we mailed out your monthly reports.  
7 Hopefully you received them. If you did not, we will get  
8 you a copy. I hope you found them interesting or at least  
9 they helped you fall asleep a little easier every night  
10 during the summer.

11 For August we had excellent treatment results with  
12 the numbers in the teens at Field's Point and in the single  
13 digits at Bucklin Point.

14 We're experiencing some historic low flows at both  
15 of the plants. At Field's Point it's the lowest flows we've  
16 seen since late 2001, that's due to the lack of rainfall.  
17 And the same thing is happening at Bucklin Point, where it's  
18 the lowest flows in the last two or three years.

19 There's some fairly aggressive projects at Field's  
20 Point, where we had to operate with three sedimentation  
21 tanks. It was all planned, as opposed to the nine we  
22 normally have online. We still got very good removal  
23 numbers and that's a testament to all the planning and hard  
24 work of engineering, the contractor that we had working on  
25 it, our operations staff, our maintenance people, and of

4

1 course, the weather, because it was all -- all had to be  
2 timed with a dry period, which as it turns out, the entire  
3 month was essentially.

4 We've been able to operate as a result of the lower  
5 flows with some savings in electricity. At the bottom of  
6 page 2 you'll see that for both July and August we've been  
7 able to save about 100,000 kilowatt hours per month for the  
8 first two months as compared to last year, where it was  
9 operating with fewer pumps, which will use up a lot of

10 electricity, so that is a good trend. We will see if that  
11 continues. But of course, again, we're at the mercy of the  
12 weather.

13 We had a number of training programs that operations  
14 staff underwent during the month for biological nutrient  
15 removal to get them ready at Field's Point for that new  
16 technology we will be bringing to them in the next couple  
17 years.

18 We've got Confined Space Field Training. We've  
19 instituted some new standard operating procedures for  
20 process control that we've had them work on.

21 The mechanics continue to work on several very large  
22 projects at the Ernest Street Pump Station and our  
23 Return/Pumping Station in our grid area.

24 We've been able to get more aggressive with the  
25 long-term improvement projects that the maintenance staff

5

1 can do, because the asset management program has better  
2 allocated our resources.

3 At Bucklin Point with the single digit numbers,  
4 they're almost achieving 100 percent removal, which is  
5 really phenomenal, but they -- they've been very -INAUDIBLE-  
6 with the new facilities they've been able to place some  
7 techniques that we haven't been able to do before.

8 In terms of nitrogen removal, we are operating at  
9 less than the designed standard of 8. We are down around 7.  
10 Some days we get down to 5, which is what -- where DEM  
11 eventually wants us to go.

12 It doesn't look like we'll be able to get there with  
13 the current facility we have in place, which is not a

14 surprise. We're trying to determine just how close we can  
15 get. We have a study going on that's due to DEM in November  
16 to identify what our limits actually are.

17 Interceptor Maintenance on page 5 they continue to  
18 do their standard 200 to 300 inspections of regulators and  
19 catch basins, tidegate structures every month.

20 We were actively and have been actively involved in  
21 our summertime program of treating all the catch basins to  
22 reduce the areas where mosquitos can breed, that's something  
23 we worked with DEM on.

24 On page 6 we identify the Lincoln Septage Receiving  
25 Station. Even in the dry weather we received somewhere

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1 between 260 and 270 truck loads of material, which put us  
2 well over 700,000 gallons of septage that we received and  
3 then we feed into our system and eventually we treated it at  
4 Bucklin Point.

5 The item at the bottom of page 6 is listed under  
6 Interceptor Maintenance, but you'll probably also find it  
7 under Engineering and Construction Services.

8 We had a problem with one of our overflow structures  
9 out in the system, located on South Water Street, right next  
10 to The Hot Club. We have an overflow there.

11 We were having some work done by Rosciti  
12 Construction, who was our contractor on the last CSO  
13 contract that we bid. He was doing his work. He needed to  
14 block the outflow pipe, so that the tide would not come back  
15 in on him while he was doing his work.

16 So he plugged it on the land side and decided it  
17 would be a good idea if he also plugged it on the water side

18 and actually found out that he didn't have to do that,  
19 because a concrete wall had been poured in front of the end  
20 of the overflow pipe.

21 That created some real scrambling by staff. They  
22 did a great job coming up with a solution. We have a  
23 30-inch outflow at that point. When it was built in 1897 --  
24 we actually have a plans that show that -- they also built  
25 -- they, meaning the City built a 24-inch drain right above

7

1 it, so they have dual purposes. They were not  
2 interconnected though.

3 So what we did is we met with the City. We were  
4 able to tie into their drain, which we'll now use as our  
5 outflow on a short-term basis.

6 The problem, in addition to the 4-foot thick wall  
7 that they poured in front of our pipe, they allowed the  
8 concrete to flow back into our 30-inch pipe about 15 feet,  
9 so it's a solid core of concrete.

10 We are looking at technologies to potentially remove  
11 that, but we have not taken the step to do it. All the  
12 hydraulic calculations have been done and seem to indicate  
13 that we can get by on the short term with just the 24-inch  
14 pipe that we're now tied into.

15 They did extend the 24-inch line through their wall.  
16 They didn't realize the 30-inch pipe was beneath the 24-inch  
17 line, because one is exposed at low tide. The other -- our  
18 overflow pipe is never exposed.

19 So that was an interesting four or five days,  
20 because we did have -- the one rainstorm, by the way, that  
21 occurred in August came in, like, two or three days after we

22 discovered that problem.

23 So we had people out there overnight with pumps and  
24 we were ready to do what we had to do to keep the flow from  
25 bubbling up into South Water Street, flooding the area and

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1 backing up into the basements of the buildings in that  
2 neighborhood. It happened to be a Friday night, too, by the  
3 way, which is one of the most active times down in that  
4 particular vicinity.

5 MR. WORRELL: Question, when was that wall built?

6 MR. MARSHALL: It was built in early July as I  
7 remember.

8 MR. WORRELL: Of this year? So it's brand new.

9 It's not --

10 MR. MARSHALL: Brand new.

11 MR. WORRELL: Not something when The Hot Club went  
12 there or anything --

13 MR. MARSHALL: That's correct. Now, we do have a  
14 sign out there that says: NBC Overflow Pipe No. 16. It's  
15 green with white lettering. It's clearly labeled. They  
16 apparently thought that the drain was our pipe and there was  
17 no need to contact us, which we should have been contacted  
18 in any event.

19 MR. WORRELL: Is there any liability on their  
20 part as far as --

21 MR. MARSHALL: We think so. And in addition,  
22 activity of that type would require a CRMC permit. So we  
23 asked CRMC, how come we weren't notified, and they said  
24 because no permit was applied for.

25 So we are -- of course, our main goal was to make

1 sure that the system could have a relief point at that  
2 location. We've accomplished that short term. Now we're  
3 trying to figure out a long-term solution.

4 It's one of those items that fall into the category  
5 of you never know what's going to happen when you show up at  
6 work in the morning. The staff did a great job responding  
7 and I will keep you posted on the final resolution.

8 Also, on page 7 and 8 we indicate that there are a  
9 number of cleaning and inspection jobs that we are working  
10 on in our interceptor system, trying to create more capacity  
11 as we can remove grit, that allows more room for the flow,  
12 of course.

13 We had an interesting situation as we wrapped up a  
14 project in Johnston -- on the Johnston/Providence line,  
15 where Buttonhole Golf Course is located. We were having  
16 some trouble cleaning a portion of that pipe and what we  
17 found after several days of hard work was that there was 17  
18 cubic yards of material that we all probably recognize as  
19 riprap, large black stones that they use on the side of an  
20 embankment on a river.

21 No one's really sure how they got in there, 17 yards  
22 is a lot of material. It could have been kids, who just  
23 popped a cover and thought it would be a lot of fun to throw  
24 the rocks down into the pipe.

25 It was restricting flow, so things are operating

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1 better now. We have some pictures of that, if you're  
2 interested. There must have been a lot of kids that had a  
Page 8

3 lot of time on their hands.

4 So those are the types of things that by being  
5 proactive our interceptor maintenance crew is able to find  
6 and resolve before it becomes a much larger problem.

7 Engineering has been busy. They've begun several  
8 projects that you approved back in June, which would include  
9 the nutrient removal, design work at Field's Point. They  
10 had a kick-off meeting on that.

11 CSO Phase II work has begun mapping and survey  
12 continues. The two long interceptors we'll have along the  
13 Woonasquatucket and the Seekonk. In addition to having a  
14 kick-off meeting, we've also met with the DOT and the city  
15 to work with them coordinating our routing with some planned  
16 bike routes that the -- that those two organizations have on  
17 the drawing boards or in one case it's actually in place, so  
18 we might have to disrupt it, but we'll repair it when we're  
19 done.

20 So there's a good opportunity to work with sister  
21 agencies to accomplish some good overall. So that in  
22 addition to the environmental benefits there hopefully will  
23 be some recreational benefits, in addition.

24 We've begun the work on looking for the extraneous  
25 flow that we find in the Loui squisset and Branch-Douglas

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1 interceptor up in North Providence. The Loui squisset pipe  
2 interceptor replacement, the design has begun on that.

3 We're working with the owners of Twin Rivers/BLB to  
4 find out what their future plans include and what future  
5 flows they expect to generate, so that we can size the pipe  
6 appropriately in case that facility needs to expand in the

7 next several years.

8 That project will probably be designed by the end of  
9 the winter with -- hopefully we'll go out to bid some time  
10 in the spring and get your approval to go to construction  
11 before we adjourn for the next summer recess.

12 We are doing the evaluation at Bucklin Point right  
13 now, that's noted on the bottom of page 10, for nitrogen  
14 removal. We will probably have to have an additional  
15 contract there at some point, that is what we're trying to  
16 determine.

17 The construction group has been busy. We have a job  
18 out to bid right now, the Bucklin Point Operations Building  
19 rehab, where we're going to set up our backup servers and  
20 where we will send our employees if anything ever happens to  
21 this building, that will be our backup facility. So that is  
22 actually out to bid. We have five or six interested bidders  
23 at this time. The opening is October 3rd.

24 We've been doing a lot of planning work with the  
25 Chairman on the future of our facilities down here at

12

1 Field's Point. We are acquiring a lot of baseline  
2 information and I believe the Chairman is going to ask the  
3 Long-Range Planning Committee to get involved in that at  
4 some point and so we will have a lot of baseline data for  
5 them to work with.

6 We'll pass this around. This is the material that I  
7 was mentioning that was removed from that interceptor out by  
8 the Buttonhole Golf Course.

9 It's good work by the Rosciti Construction Company  
10 on the regulator modifications. They finished Promenade

11 Street, both at the intersections of Bath and Holden, so we  
12 think -- hopefully, we didn't annoy the Chairman too much,  
13 because that's where his office is located, and we didn't  
14 make him late for too many meetings with all the  
15 construction activity we had down in that neck of the woods.

16 The Tunnel Pump Station is about 60 percent complete  
17 and proceeding well. You probably saw the progress they've  
18 made on building the building over the -- that will be the  
19 entrance to that pump station.

20 The emergency contract off of Route 95 that I  
21 brought to your attention last spring is all completed. We  
22 managed to finish that within days of our last meeting.  
23 Everything seems to be fine. All the bypass pumping was  
24 removed. It was done in a matter of five or so days once  
25 they actually got out there and started working.

13

1 Karen gave you a financial report that shows with  
2 16.7 percent of the year gone by, we've spent about 15  
3 percent of the budget, so we're running under budget.

4 On page 14, Policy, Planning and Regulation, they're  
5 working hard trying to resolve our siloxane problem, which  
6 we've been able to calculate that 90 percent of the load to  
7 the Bucklin Point plant is coming from one company. They  
8 are identified in the report.

9 We've issued an administrative order to them with a  
10 penalty of \$109,500, which they have appealed and asked for  
11 a hearing on. So we'll go forward with that as the schedule  
12 permits.

13 We continue to work on emergency planning procedures  
14 for hazardous materials and are working on a Memorandum of

15 Agreement with other water and wastewater agencies for  
16 mutual assistance.

17 Page 16 takes you to the pretreatment activity  
18 report, where they show that they've done 95 inspections  
19 just in the month of August, as well as issuing 35 discharge  
20 permits, that's indicated on page 17.

21 Permits and Planning on page 18. We had a large  
22 project that we worked on over the summer for a project that  
23 was proposed in Johnston, just west of Route 295. It's  
24 1,500 assisted living facility units by an Erickson  
25 Retirement Community Group.

14

1 We worked with them in terms of making sure that our  
2 pipe was able to take the flows, which was substantial that  
3 they were going to generate, and that was going along well,  
4 and for non-sewer related issues they've decided to put the  
5 project on hold.

6 We were going to try to work out something along the  
7 lines that we did with the Twin River people, where they  
8 would make some contributions to some improvements that had  
9 to be made. BLB did that for Twin Rivers, where we lined  
10 that 12-inch pipe that's up there.

11 And in addition, they removed all of their  
12 infiltration inflow on their own site by putting in an  
13 entirely new system and lining various manholes.

14 So on page 19 we show that we continue to make  
15 progress with various applicants to remove storm water from  
16 our system whenever possible. So 100,000 gallons at each  
17 the Field's Point and the Bucklin Point districts, that will  
18 not come into our combined system any longer.

19           And the total for the year is now up to 657,000  
20 gallons of flow in a three-month storm, which is what the  
21 tunnel was sized for, just in the first part of 2007.  
22 That's equal to about 1 percent, by the way, of the volume  
23 of the tunnel. So we're pretty happy with that and we'll  
24 continue to work along those lines.

25           EMDA, they continue to sample like crazy with nearly

15

1           2,000 samples taken in the month of August, and they're  
2 trying to calculate or get an idea of what the nitrogen  
3 loading is from the treatment plant as a percentage of the  
4 entire load that goes into the receiving waters.

5           They've been able to compare it to the rivers that  
6 come in, but there are so many other sources, that it isn't  
7 necessarily accurate to say that while if we have -- the  
8 total was three. The treatment plants contribute one and  
9 the rivers contribute two units. We'll just call them for  
10 now.

11           But there are so many other sources that are hard to  
12 quantify, including the atmosphere, deposition, ground  
13 water, storm drains and just overland flow from fertilizer  
14 on people's lawns.

15           In monitoring the fecal coliform levels of the  
16 rainstorms, so that we'll be able to compare what's  
17 happening now with the improvements that are realized  
18 through the tunnel coming online next October -- October of  
19 '08.

20           The lab, of course, then has to analyze all these  
21 samples. On page 23 you'll see that they analyzed 9,000  
22 samples in the month of August -- or they did analysis that

23 way, to, 9,000 separate activities on those 2,000 samples  
24 that were taken.

25 We are waiting to hear, on page 24, on some grant

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1 applications that the state organizations have approved and  
2 now we're waiting for some federal responses on those same  
3 applications.

4 One is a \$1 million grant for the wind turbines that  
5 we continue to collect data on, the feasibility of across  
6 the street. And the other grant is -- or we've asked for a  
7 \$100,000 from Homeland Security to install a new fence  
8 around Field's Point. That wouldn't cover the entire cost,  
9 but it would be a contribution toward that.

10 So I haven't heard anything on those in the past  
11 couple of months. But we're waiting to hopefully get a  
12 positive response in the next few months.

13 We signed up for the Demand Response Program, where  
14 ISO New England calls you up and asks you to come offline  
15 with your load and to go onto emergency power.

16 There was a test of that back in August -- back on  
17 August 15th, I believe it was -- 16th -- and Field's Point  
18 was able to respond right away and that went smoothly at  
19 Bucklin Point, because of the sophistication of the new  
20 control system, it's not quite as easy to just flip the  
21 switch and go on to emergency power. It all has to happen  
22 more or less automatically.

23 So we're working to install some new facilities, so  
24 we'll be able to make a quick switch over, which will make  
25 the ISO New England people a little happier.



3 MR. NORDSTROM: We started that probably about four  
4 years ago. We've addressed some major concerns. The  
5 project, which you've already approved a disaster recovery  
6 -INAUDIBLE- at Bucklin Point. So if anything should happen  
7 to the computers here, we can still conduct our business  
8 operations. Some of the features as far as checking  
9 procedures, badges, we have those in place.

10 Jim McCaughey who works in PP&R and Joe Laplante  
11 also worked with me on these things and periodically go  
12 through that program and add features that we have  
13 incorporated, so we can have the security. We look at it on  
14 a regular basis.

15 MR. CHAIRMAN: Are there any other questions? Now,  
16 do we have the F-16s recruited in? Should I have everyone  
17 licensed to carry firearms for security purposes --

18 MR. MARSHALL: Not yet.

19 MR. CHAIRMAN: All right. Do we need firearm  
20 training --

21 MR. NORDSTROM: I think part of the discussion,  
22 obviously, when we talk about the campus -- devising the  
23 campus, that's one of the big features that we're looking at  
24 is how we would make the whole area a little bit more secure  
25 and a little bit less passive.

19

1 MR. CHAIRMAN: Are you -- when you made their  
2 application for that -- when you make your application, do  
3 you have to give them some concepts of what you're proposing  
4 or --

5 MR. NORDSTROM: Yeah, and we've always been kind of  
6 aware of all this stuff, because we were doing the security

7 stuff before the 9/11, just out of practicality. We're in  
8 an industrial area.

9 There was a time when we first took over and there  
10 were no fences, none of that. People were caught wandering  
11 through the plant and some pretty colorful stories about  
12 bookies coming in and collecting debts and stuff like that,  
13 bullet holes in the walls and stuff.

14 So I mean this has been ongoing since, like, '82,  
15 and especially as we go forward, some unmanned facilities --  
16 a big step that we did with the Ernest Street Pump Station,  
17 where we've got 15 people running that pump station. Now  
18 everything is done through the computer, so we have to pay  
19 an awful lot of attention to the security of that facility  
20 because it's only visited a couple times a shift. It's been  
21 an ongoing effort and I like to think we're improving on it.

22 MR. CHAIRMAN: Thank you. Any other questions?  
23 Okay. Moving right along. Employee recognition. This is  
24 always one of the most pleasant parts of serving on this  
25 Board and that's the opportunity to recognize our staff and

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1 employees for outstanding performance.

2 Three of our employees have been recognized for  
3 excellence in their various categories for education and for  
4 plant wastewater operation and they've been awarded these  
5 recognitions by NACWA and we'd like to take a moment today  
6 to recognize these individuals.

7 The first person we'd like to recognize is Cynthia  
8 Morissette for winning an award regarding Woonasquatucket  
9 Watershed Explorers Program. Would you like to expand on  
10 the essence of the program, Ray?

11 MR. MARSHALL: I believe that you've heard from  
12 Cynthia in the past about what her program involves, maybe  
13 she'd actually like to tell us --

14 MR. CHAIRMAN: Why don't you come up.

15 MR. MARSHALL: You can see she's thrilled to do  
16 this.

17 MR. CHAIRMAN: And I know that, you know, Mike  
18 Salvadore and I were -INAUDIBLE- part of your Explorers  
19 Program. Mike and I were there. Very interesting,  
20 educational program. I think we enjoyed it more than  
21 anybody else, but why don't you explain to the Board exactly  
22 what that program is all about.

23 MS. MORISSETTE: Sure. Basically, we focus on the  
24 Woonasquatucket River, because that's what Providence  
25 service is in, but we also go into the Blackstone, because I

21

1 have some schools in Central Falls and Pawtucket.

2 There are 11 schools in the program this year and  
3 about 520 students. So it's a little overwhelming. We've  
4 reached out to some communities that we hadn't serviced in  
5 the past, including East Providence. We do service a small  
6 portion of East Providence.

7 North Providence was another one that we reached out  
8 to. So I sent letters to the principals asking and we got  
9 an overwhelming response, but with having, you know, little  
10 staff working on it I just have one school per service  
11 community. So right now we have 11 schools.

12 And basically, what they do is they go out to a  
13 water quality site that we choose, something close to the  
14 school, so the kids take some ownership over it and they do

15 some water quality testing. Two field trips, once in the  
16 fall in October and then once in April for some water  
17 quality testing. Then we have monthly lessons where they  
18 learn about different aspects of watersheds and -INAUDIBLE-  
19 systems.

20 What the Chairman went to was our overall conference  
21 that we have at the end, where the students get to come and  
22 they do some environmental activities, as well as share  
23 their ideas through a poster presentation that they do for  
24 everyone. So it's very exciting. It's fun.

25 MR. CHAIRMAN: And I'd like you to know that Mike

22

1 Salvadore is a whiz with crayons. Give him a box of crayons  
2 and he can go crazy. It's great. Congratulations.

3 Next, of course, we'd like to recognize Carmine  
4 Goneconte who's been with us -- he's done such a magnificent  
5 job through the years. Where is that guy. Come on up for  
6 comment. Carmine was -- won the Silver Operations Award for  
7 all of his efforts at the Field's Point Wastewater Treatment  
8 Facility and we want to express our congratulations and  
9 thanks to him today, as well.

10 MR. GONECONTE: Thank you very much. This is a  
11 plant award won by the people who work at Field's Point,  
12 basically for permit compliance.

13 NACWA has a certain amount -- has a requirement of  
14 how many permit violations you have or don't have and they  
15 give awards based on that.

16 So although I'm up here to receive it and thank you  
17 for the kind words, this award is basically for everyone at  
18 Field's Point in operations and maintenance, and in reality

19 it's a whole Bay Commission award, because everybody  
20 participates in what we do across the street, so for that  
21 thanks to everybody. Appreciate it.

22 MR. CHAIRMAN: And for his counterpart at Bucklin  
23 Point, Brent Herring is here, who also won an award.  
24 Congratulations.

25 MR. HERRING: Well, I can only -- I won't reiterate

23

1 what Carmine said, it's so true at Bucklin Point as it is at  
2 Field's Point. It's very much a team effort. Everybody in  
3 this building and our other operations, IM, that contribute  
4 to our success. It's truly about success and thank you.

5 MR. CHAIRMAN: Thank you. It's a real pleasure to  
6 be recognized nationally by your peers and Narragansett Bay  
7 with its commission of excellence and is always right on top  
8 of its game and we appreciate it so much.

9 Moving right along. Committee Reports and Action  
10 Items Resulting. The first committee reporting was the  
11 Finance Committee, which failed to meet a full quorum, so  
12 we're going to ask for full board consideration of Review  
13 and Approval of Resolution 2007:24, which is an  
14 authorization filed for compliance filing for rate relief  
15 related to debt service and debt service coverage with the  
16 Rhode Island Public Utilities Commission.

17 We heard from Karen with regard to this and it's  
18 primarily to protect our credit rating, as well as to meet  
19 the requirements of our trust indenture, which is a debt  
20 service covered ratio of 1.25. Am I correct?

21 So the Chair will move to approve Resolution  
22 2007:24. Can I have a second? Second, Commissioner Farnum.

23 Discussions on that resolution?

24 (NO RESPONSE.)

25 MR. CHAIRMAN: Hearing none. All those that are in

24

1 favor will say aye. Are there any opposed? There are none  
2 opposed and that motion carries.

3 Next order of business from the Finance Committee  
4 was review and approval of Resolution 2007:25, which is  
5 authorization for the Narragansett Bay Commission to amend  
6 the definition of permitted investments in the trust  
7 indenture of the Narragansett Bay Commission.

8 Basically, it is a housekeeping measure. It  
9 simplifies and clarifies the language. In addition to that,  
10 it should be noted that these are all in strict compliance  
11 with the Rhode Island Investment Commission, as well.

12 Is there anything I need to add with regard to that?  
13 Commissioner Worrell, do you have a question?

14 MR. WORRELL: What are we adding to that by -- if  
15 anything, by way of a permitted investment?

16 MR. CHAIRMAN: I don't think we're really adding  
17 anything, but it's a language clarification. Karen?

18 MS. GIEBINK: It clarifies some of the definitions  
19 and some of the thresholds for the types of investments that  
20 you can make. One of the concerns that the trustee had was  
21 with respect to money market funds. The clarification of  
22 the language says money market funds that we utilize would  
23 allow for repos within the money markets.

24 MR. WORRELL: I'm sorry? Money market funds would  
25 allow for --

25

1 MS. GIEBINK: Would allow for repos in the money  
2 market.

3 MR. WORRELL: So now, we -- a little uncertainty  
4 about repos and now it clarifies that, is that basically --

5 MS. GIEBINK: Well, the repos are allowed, but it  
6 wasn't within the definition of the money market and then  
7 there's some other thresholds that are just clarified in the  
8 new -INAUDIBLE-

9 MR. CHAIRMAN: Okay. I think, again, it should be  
10 noted that these are all in very strict compliance with the  
11 Rhode Island State Investment Commission, as well.

12 So having said that, the Chair moves approval of  
13 Resolution 2007: 25.

14 MR. SALVADORE: So moved, Mr. Chairman.

15 MR. CHAIRMAN: We have a second by Commissioner  
16 Salvadore.

17 MR. DI CHI RO: Second.

18 MR. CHAIRMAN: Commissioner Di Chi ro and Commissioner  
19 Farnum?

20 MR. FARNUM: Yeah.

21 MR. CHAIRMAN: Further discussion on Resolution  
22 2007: 25?

23 (NO RESPONSE.)

24 MR. CHAIRMAN: Hearing none. All of those that are  
25 in favor will say aye. Are there any opposed? There are

26

1 none opposed and the motion carries.

2 Next order of business is review and now approval of  
3 Resolution 2007: 26, which is authorization to approve and

4 accept the comprehensive annual financial report.

5 In your packet you have all received a draft of the  
6 annual report and you're going to hear from Pat from Bacon &  
7 Company in a moment. It's noteworthy that, again, this year  
8 that the annual report does not contain any management  
9 letters. There are no -- any substantive footnotes, that  
10 internal controls are in place and functioning well and that  
11 overall it's a great report. Pat, do you want to proceed  
12 with your report?

13 MS. BOUCHER: I hope everyone has their audit  
14 report. I'd like to refer to the actual report and  
15 highlight some information and then answer any questions you  
16 might have.

17 I mean, this is a pretty comprehensive report. It  
18 is a comprehensive annual financial report. It's a  
19 certificate report that you prepare, so it's quite  
20 comprehensive, a lot of good information in it.

21 First thing -- I mean, I think I'll just start right  
22 on page 1 and just kind of quickly go through and highlight  
23 some information. A lot of the information that is in this  
24 document is prepared by management, so I will, you know,  
25 identify that.

27

1 Pages 1 through 5 is documents prepared by  
2 management, transmittal letter. It's a requirement for your  
3 certificate report. It has a lot of good information in it.  
4 We review it just to make sure there's no conflict with the  
5 audited financial statements -- you know, so as far as data  
6 and that's incorporated in as part of your audit report.

7 The next section that I'll draw your attention to --

8 there is a lot of separated pages in here -- in pages 10,  
9 11, which is our Independent Auditors' Report, which is a  
10 clean opinion. It's an unqualified opinion, which means  
11 that the statements as presented here are presented in  
12 conformance with Generally Accepted Accounting Principles.  
13 So that in final form will appear on our letterhead in the  
14 report and be signed off by us.

15 Pages 12 through 18 is your Management Discussion  
16 and Analysis, that again is prepared by management. It has  
17 -- it basically summarizes a lot of the data that's in the  
18 audited financial statement, which is a requirement under  
19 the Generally Accepted Accounting Principles under GASB 34.

20 And again, we review all the data in here to make  
21 sure that's in conformance with the audited financial  
22 statements. So that has a lot of good information in there.  
23 It's a lot of comparative analysis of the audits from  
24 current and prior year.

25 Okay. And actually, the financial statement begins

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1 on pages 19 -- 19 and 20 are your statement of net assets.  
2 Page 20 reflects your net assets at the bottom of the page,  
3 where you ended the year, it's your net assets -- your  
4 excess of your assets over your liabilities.

5 You can see it's approximately \$270 million, your  
6 end of the year assets over liabilities broken into three  
7 components. The biggest one being, obviously, your  
8 investment in capital assets, net related debt. And then  
9 your unrestricted net assets of approximately \$55 million.  
10 Your only small restriction is on the environmental  
11 enforcement money, which is required by law to be

12 restricted.

13 Just some other highlights on those pages. The  
14 capital assets on page 19 -- your net investments in capital  
15 assets, that's probably the biggest increase from prior year  
16 about \$53 million. Obviously, with all the activity going  
17 on in issuance of bonds, there's a big increase in your  
18 capital assets.

19 The overall increase in your net capital assets,  
20 which is your capital assets minus related debt items is  
21 approximately \$9.2 million. And your overall increase in  
22 your unrestricted net assets was approximately 3.7 from the  
23 prior year.

24 I just wanted to note on this page and I mentioned  
25 it at the Finance meeting that there was a reclassification

29

1 from prior years in this net asset section. The total net  
2 assets didn't change, what changed was how we classified  
3 things in either unrestricted or invested in capital. It  
4 was just a clarification of what meets the definition of  
5 related debts.

6 So there was a couple items there to add back into  
7 this component, primarily upon related issuance, cost and  
8 remaining bond proceeds, so it kind of changed the  
9 components of net assets.

10 But if you look in the statistical sections of the  
11 report, all of those numbers are now received, so they're  
12 now comparable. But in total it did not change. So I don't  
13 know if there's any questions on pages 19 or 20?

14 Page 21 is your actual statement of revenues and  
15 expenses for the year, shows your operating revenues,

16 operating expenses.

17 Since you ended with operating income, approximately  
18 \$22 million for the year, after you take a non-operating,  
19 primarily being your interest expense on your debt, you had  
20 a change in your net assets of approximately \$13 million  
21 increase overall in your net assets.

22 Subsequent to you receiving this draft financial  
23 statement, management brought to my attention in the finance  
24 that they wanted to reclassify one expense. I had shown  
25 amortization upon issuance cost down below as non-operating.

30

1 I guess in the past it was shown above in depreciation and  
2 amortization.

3 So the final copy of the report will just show that  
4 change. Overall expenses will be the same. So it was just  
5 a presentation change that they request that we make in the  
6 report. Any questions on revenues or expenses?

7 Page 22 and 23 is your Statement of Cash Flows.  
8 It's a required statement, basically shows the inflows and  
9 outflows of all the cash for the year.

10 On page 22 you see your net increase in cash for the  
11 year was \$16 million. Again, a lot of that attributed to  
12 issuance of bonds, bond proceeds remaining, and then the  
13 additional monies that are required to be set aside in  
14 restricted accounts, the indentures, PUC, that's a main  
15 increase in your cash there. Some of it from operations,  
16 but that's primarily it.

17 Page 24 begins your notes to the financial  
18 statement. This is a lot of descriptive information that,  
19 you know, hopefully will help you in giving some of the

20 details of what's incorporated in the actual financial  
21 statements we just discussed.

22 No major changes from last year's footnotes. You  
23 weren't required to implement any new reporting standards,  
24 so I'm really -- again, a lot of it's descriptive,  
25 especially notes one and two.

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1 The remaining footnotes, I think pretty much if you  
2 were to look at last year's report, they're similar,  
3 obviously, but just being updated for the new information.

4 Page 28 will show your detail and your change --  
5 note for, your capital assets, which I said, that's where a  
6 lot of your activity took place in the exchange. And then  
7 starting with note six it's all your loan activity, so I  
8 mean, again, that's an area where there's the biggest  
9 change.

10 Note eight is your long-term debt. Like I said, no  
11 major changes. A little bit of wording changes on some of  
12 the pension footnotes -- you know, management -- these are  
13 really management footnotes and we just review them and work  
14 with them to get them in conformance with the standards, but  
15 it's how they would like them presented.

16 Page 41 is your Schedule of Expenses Budget to  
17 Actual, shows your final budget and then your actual  
18 expenditures. It covers three pages. Page 43 shows your  
19 budget expenditures -- you were under budget by,  
20 approximately, \$2.8 million on a budgetary basis.

21 Obviously, there's going to be some differences  
22 between these expenses and what's reported in our GAAP  
23 Financial Statements and those items are reflected below.

24                   Primarily, you know, in GAAP Statements we report  
25                   depreciation, that's not a budgeted line item and capital

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1                   assets are budgeted, but not reported as an expense for GAAP  
2                   purposes.

3                   So that's just that reconciliation between the two  
4                   statements, page 43. That highlights -- you know, that's  
5                   pretty detailed and is consistent, I believe, with the  
6                   monthly reports that you receive, that budget to actual.

7                   And page 44 and 45, 46 and 47 is just a breakdown of  
8                   funds that you're required to maintain for your bond  
9                   indenture. The total column will tie into the statements in  
10                  the front that we discussed, but this is the breakdown of  
11                  the funds that are required for the indenture.

12                  And then we get into the statistical section of the  
13                  report. Most of -- all these tables are prepared by  
14                  management. They do say they're unaudited, but we do review  
15                  them to make sure that they're consistent with the rest of  
16                  the audited financial statements, so that has a lot of good  
17                  historical, demographic information in it.

18                  Again, these are requirements for your certificate  
19                  report for the GFOA and those have changed slightly from the  
20                  prior year, just because of the GASB Standard 44 that  
21                  changes the tables, so that has some good information in it,  
22                  as well.

23                  And then the last section is the Compliance Section.  
24                  Page 63 is your Internal Control and Compliance Report.  
25                  This also has changed -- the presentation of this report has

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1 changed as a result of a new standard that we had to  
2 implement.

3 It really kind of just redefines -- in the past it  
4 was considered reportable condition, now it's a significant  
5 deficiency or material weakness, but the procedures we're  
6 required to perform pretty much have stayed the same.

7 We perform internal control reviews and compliance  
8 testing and as you can see in this report there were no  
9 findings of internal control or compliance issues in this  
10 report.

11 Then there's Schedule of Federal Awards and Schedule  
12 of Travel/Entertainment, which are documents that the  
13 Auditor General's Office requires for incorporation of state  
14 report.

15 So that's a real good overview of the financial  
16 statement. A couple other things I just wanted to note in  
17 the Statistical Section, on page 59, your debt coverage,  
18 again, is a big thing that we look at as part of the audit,  
19 because it's a requirement.

20 I think you're at 1.37 percent, which the  
21 requirement is, of course, 137 percent. It's a 125 percent,  
22 so you're in compliance with that. So I think that's it.  
23 Are there any specific questions on the report?

24 MR. CHAIRMAN: Does anyone have any questions  
25 regarding the annual financial report?

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1 (NO RESPONSE.)

2 MR. CHAIRMAN: No one? Okay. In such case the  
3 Chairman will move that we accept and approve Resolution

4 2007:26, approval of the annual financial report for fiscal  
5 year 2007.

6 MR. CAINE: Second.

7 MR. CHAIRMAN: Seconded by Commissioner Caine.

8 MR. SALVADORE: Second.

9 MR. CHAIRMAN: Commissioner Salvatore, as well. Any  
10 further discussion? If there is no further discussion, all  
11 those in favor will say aye. Are there any opposed? None  
12 opposed and the motion carries.

13 I'd like to thank Karen and, of course, Leah Foster  
14 for all their hard work in preparation of the annual report  
15 and thank Bacon & Company, as well. Thank you so much for  
16 all your efforts.

17 MS. BOUCHER: Thank you.

18 MR. CHAIRMAN: Moving right along. Committee  
19 reporting, CEO?

20 MR. SALVADORE: Mr. Chairman, I want to assure the  
21 Board of Commissioners that the CEO Committee is alive and  
22 we're functioning at peak. For the first time in my memory,  
23 Mr. Chairman, we do not have a report.

24 MR. CHAIRMAN: That's true. You're right. It's a  
25 long time since the CEO Committee was not active.

35

1 MR. SALVADORE: See you next month.

2 MR. CHAIRMAN: We'll have something for you next  
3 month. Next committee reporting would be the Personnel  
4 Committee. I don't think there was any report from the  
5 Personnel Committee. Legislative Committee? Joann,  
6 anything to report?

7 MS. MACERONI: Nothing to report.

8 MR. CHAIRMAN: Were there any legislative actions  
9 that the Board should be aware of?

10 MS. MACERONI: Included in the packet is my final  
11 legislative report, which notes about nine -- six bills that  
12 are of interest to us.

13 I think the most important one is the first one I  
14 have listed, which is the amendment to the Renewable Energy  
15 Standard Statute.

16 We were able to work with the sponsor,  
17 Representative Seigel, and the Senate Policy Advisor, Ken  
18 Payne, to include Narragansett Bay Commission in the  
19 amendment, so that if we do build a wind turbine across the  
20 street we would be able to participate in the Net Metering  
21 Program, which would be very beneficial to us.

22 So thanks to Laurie Horridge-Bissonette for her work  
23 on this amendment, Jim McCaughey from PP&R. Again, we were  
24 able to work with the sponsor and Senate to amend the bill.  
25 Other than that, everything else is just kind of standard.

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1 MR. CHAIRMAN: Thank you. Rules and Regulations  
2 there was no meeting. No report. Long Range Planning there  
3 is no meeting this month, but the Long Range Planning is  
4 going to become very active in the next couple of months.  
5 We're hoping to have a report -- Tom, do we have a report on  
6 the expansion program for next month?

7 MR. UVA: I can get it for you, Mr. Chairman, if you  
8 like.

9 MR. CHAIRMAN: Yeah, for the retreat.

10 MR. UVA: We'll have an update.

11 MR. CHAIRMAN: Okay. Great. I'll get Long Range

12 Planning active in that regard. Next committee reporting  
13 would be the Citizen Advisory Committee. Do you have a  
14 report for us today?

15 MR. GADON: Yes. The CAC did not meet last week,  
16 but will meet this evening due to special circumstances at  
17 which time I'll report as to what transpired during this  
18 meeting.

19 In regard to our members and staff, George Redman is  
20 now doing quite well while recuperating at home. He  
21 expects to start attending meetings in December. He'll  
22 appreciate if you delay any Long Range Planning Meetings  
23 until he gets back.

24 And the other thing is we wish to express our  
25 sympathies to Jamie Samons who recently lost her mother and

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1 will be returning to our next meeting.

2 MR. CHAIRMAN: Thank you. Appreciate that.  
3 Executive Committee had no report. The Ad Hoc Committee on  
4 Compensation, unfortunately Commissioner Kimball is not well  
5 and is unable to be here today, but the Ad Hoc Committee on  
6 Compensation did meet earlier in the month and it was  
7 resolved that we would ask The Employer's Association -- I  
8 don't know if everyone here is familiar with The Employer's  
9 Association.

10 Is everyone familiar with who they are, the  
11 Employer's Association? The Employer's Association is a  
12 service and agency that we have used in the past. They are  
13 non-profit.

14 A lot of employers use this particular agency for a  
15 number of tasks relating to employees and primarily

16 compensation levels and benefit levels and those sort of  
17 things.

18 And Narragansett Bay Commission has used them in the  
19 past. At the Ad Hoc Compensation Committee meeting we  
20 agreed to ask them for a proposal, which they have  
21 submitted, which would basically research where our  
22 employees are relative to industry compensation and  
23 benefits. Commissioner Caine, you were involved in that  
24 discussion, as well as some of the other members here.

25 But what has transpired since is we did receive a

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1 proposal from the Employer's Association and Ray has  
2 reviewed it with me and we'd like to review it with the  
3 Board and then we'd like to proceed with this. So, Ray, why  
4 don't you kind of discuss --

5 MR. MARSHALL: Sure. I'd be happy to do that. What  
6 I had them do is -- because they have done so much work here  
7 in the past establishing -- or helping us establish all of  
8 our job titles, job descriptions and pay grades. And then  
9 as I think we -- you know, we mention every year they review  
10 all of the ranges to see if they need any adjustments based  
11 on industry trends.

12 They were able to work up for us what I think is a  
13 very compact, but a very comprehensive set of work items, a  
14 scope of work. I believe you all have a copy. I wrote  
15 draft on the front of it, because I wasn't going to approve  
16 it until any number of you have had the opportunity to  
17 either ask for additions or deletions from this.

18 Now, they'll look at all of our job -- all of our  
19 non-union jobs, all the positions, all the pay grades. They

20 will compare those to what they are seeing in the industry  
21 and they actually identify some market-based evaluation  
22 sources that they will compare us to, not only in terms of  
23 pay rates, but also in terms of our benefits.

24 They will also compare us to other national public  
25 agencies, for example, the Hampton Roads Sanitation

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1 District, Northeast Ohio, just to name a few large  
2 organizations that are similar in nature.

3 In addition to regional quasi agencies, whether it's  
4 Resource Recovery or the MWRA in the Boston area and also to  
5 the people that we compete with for staff; that is, the  
6 engineering firms in the wastewater industry.

7 We'll be able to help them identify and get some  
8 response from some of the large engineering organizations  
9 that do work for us, as well as some of the smaller, more  
10 local organizations that do work for us.

11 We should have a good cross section of how we stack  
12 up against the competition, so to speak, in terms of  
13 acquiring or hiring and then retaining employees in the  
14 non-union category.

15 And as I believe I already mentioned, in addition to  
16 payroll there will also be benefits. Then they will come up  
17 with some recommendations for the Compensation Committee and  
18 therefore the Board as to where we stand and what, if any,  
19 actions we should take going forward.

20 They expect to be able to do this in a fairly short  
21 order or time period of about 60 days and if they get the  
22 okay to proceed beginning the week of October 1, they should  
23 be done by Thanksgiving and then we can report back to you

24 on their findings.

25 MR. CHAIRMAN: Commissioner Caine, did you want to

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1 comment?

2 MR. CAINE: This is just -- when we met, one of the  
3 big issues is it's very hard to find comparative data for  
4 people who work for an organization like this, it's just not  
5 like you've got -- being an attorney, looking at law firms  
6 and looking at what law firms are offering new hirers to  
7 come out and where there are. Because it's such a unique  
8 organization, it's hard to find that comparative data.

9 In this case it's a relatively -- I'll call it  
10 inexpensive, although the number seems relatively high for  
11 \$17,500, but there's a lot of work that's going to have to  
12 go into this, obviously.

13 But at least it will give a comparative to see where  
14 we are from a compensation perspective, but also as you grow  
15 and as we grow here the ability to kind of retain your good  
16 employees and frankly any employee here is huge.

17 And one of the problems I think we discussed in that  
18 was losing folks to engineering firms that may be able to  
19 pay a significant higher value doing either similar or  
20 something that might be a little bit different.

21 This is at least the first step in taking a look at  
22 kind of where the employees are and the non-union employees  
23 are here and this was recommended by everybody on the  
24 committee.

25 MR. CHAIRMAN: Okay. So we're going to ask The

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1 Employer's Association to proceed and we'll have that  
2 report -- you said before the Thanksgiving weekend?

3 MR. MARSHALL: That's what I'm expecting.

4 MR. CAINE: Do you need a motion, Mr. Chairman, or  
5 anything to move this or approve this? Does anybody have  
6 any questions or issues about it?

7 MR. CHAIRMAN: I feel we were pretty clear on our  
8 motivation for doing this in earlier meetings and everyone  
9 was on board. If you want, out of an abundance of caution,  
10 we'll take a motion to proceed with this --

11 MR. CAINE: I would move to accept the contract and  
12 move forward with that.

13 MR. CHAIRMAN: We have a motion.

14 MR. FARNUM: Second.

15 MR. CHAIRMAN: Seconded by Commissioner Salvatore  
16 and Commissioner Farnum and I think Commissioner Cruse.  
17 Further discussion? All those that are in favor will say  
18 aye. Any opposed? None opposed and the motion carries.

19 Next committee reporting is the Ad Hoc Internal  
20 Ethics Committee. Commissioner DiChiरो chaired that  
21 meeting. Commissioner DiChiरो, do you have a report for us?

22 MR. DICHIRO: Yes, Mr. Chairman. Thank you. The Ad  
23 Hoc Internal Ethics Committee met last month. There was a  
24 number of members in attendance. We discussed, basically,  
25 the issue of ethics, because it's a new committee and it was

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1 the first meeting we've had.

2 We discussed the issue of ethics and ethics  
3 reporting within the Narragansett Bay Commission within the  
4 organization and we discussed the concept of having an

5 outside agency or an outside company come in and review  
6 actions by the Narragansett Bay Commission, by employees and  
7 Members of the Board, as well.

8 And I guess the spirit -- we didn't put it to a  
9 vote, but the impression of most of the members -- or the  
10 majority of the members there was that there's no need to  
11 have an outside agency or an outside company come in to do  
12 that, because as members -- as appointed members -- most of  
13 us are appointed -- or we are all appointed. We're  
14 obligated to file with the Ethics Commission. Every year  
15 we're obligated to file a statement with the Ethics  
16 Commission, which lists your compensation and your interest  
17 in any companies.

18 So the understanding or the idea of the majority of  
19 the members that day was that that pretty much covers it,  
20 that we're covered by the Ethics Commission.

21 However, to go one step further, out of an abundance  
22 of caution, what we decided to do was speak to the Ethics  
23 Commission and I think we're going to have our staff do  
24 that, talk to the Ethics Commission themselves, because we  
25 understand that they do send out a person or persons, who

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1 will come to an organization and give a brief presentation  
2 on ethics and take a look at what we're doing and maybe give  
3 us some ideas.

4 So that's where we left it that we're going to have  
5 staff -- someone from staff speak to the Ethics Commission  
6 and maybe give a presentation at the October retreat, that's  
7 where we left.

8 MR. MARSHALL: We did do that. Laurie, Jenn  
Page 37

9 Harrington and I met with the Ethics Commission Attorney. I  
10 think Jenn is prepared, if you'd like, to give a very short  
11 summary of what happened at that meeting.

12 MR. CHAIRMAN: Come on up, Jenn.

13 MS. HARRINGTON: As most of you know, my name is  
14 Jennifer Harrington and I work in the Legal Department here  
15 at NBC. Pursuant to the Internal Ethics Committee's  
16 instructions following the August 30th meeting, we contacted  
17 Jason Gramitt at the Ethics Commission. He's the Rules  
18 Coordinator.

19 In addition, to his responsibility as Rules  
20 Coordinator he also goes to different agencies, companies,  
21 organizations and conducts education and training.

22 So we thought he'd be the most appropriate person to  
23 speak with to review our existing policies and discuss the  
24 ideas that the committee had.

25 Upon speaking with Mr. Gramitt, we explained to him

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1 that in an effort to be proactive, as one of the  
2 Commissioners had used that term in the meeting, and insure  
3 that NBC is doing everything that it needs to, to be in  
4 compliance with the Rhode Island Code of Ethics that the  
5 Board had formed this Internal Ethics Committee and that  
6 they were interested in having him come in and speak at the  
7 October retreat.

8 He was delighted at the prospect and offered to come  
9 in and meet with a couple of us beforehand to find out  
10 exactly what we were looking for. So on September 13th,  
11 Jason Gramitt came in and spoke with Ray, Laurie, who is our  
12 General Counsel, and myself.

13           And at that time what we did was we kind of told him  
14 what we currently have in place, the measures that we have  
15 here at NBC, and how we address ethical issues.

16           We gave him a copy of the excerpt that we handed out  
17 to all of the Commissioners at the Ad Hoc Committee and that  
18 is included in our Non-Union Employee Handbook for him to  
19 look over.

20           We explained to him why this committee was formed,  
21 and we also let him know that this was the committee's idea  
22 to have him come in. It was nothing specific, but just to  
23 kind of go over what's going on in the Rhode Island Ethical  
24 world today, basically. He made suggestions like opening  
25 meetings, recusals, ex parte communications, conflicts of

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1 interest, things like that.

2           Mr. Gramitt was actually very impressed with the  
3 policies that we currently have in place now and said that  
4 no other agency aside from the Department of Health had gone  
5 this far to address ethical issues.

6           He specifically asked if we had anything on  
7 conflicts of interest and moonlighting. So we turned his  
8 attention to the packet we had provided him. He was  
9 actually surprised that we had it in writing. A lot of  
10 agencies and organizations just rely on the Code of Ethics  
11 themselves instead of having a smaller section for the  
12 employees to go and look at. So he thought that was quite  
13 helpful.

14           We also raised the idea of providing the  
15 Commissioners with vendor lists, because that was something  
16 that came up in the subcommittee meeting. And the idea of

17 -- I don't know how to say it, but maybe an audit or an  
18 accounting, so to speak, would have an outside organization  
19 come in and we wanted his opinion on these two ideas.

20 He basically said that the only thing that really  
21 needs to be done by the Commissioners, if they suspect a  
22 conflict of interest, is to file the recusal form that's  
23 online with the Ethics Commission.

24 He would be very much in support of the idea of  
25 providing the Commissioners with a vendor list, but he did

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1 say that that was something that he wasn't aware that any  
2 agency was currently doing, but it wouldn't be a bad idea.

3 We also addressed the idea of accounting/audit, but  
4 he wasn't sure exactly what that would accomplish as he felt  
5 that an outside organization seemed -- would be taking the  
6 vendor list, so to speak, and comparing it to the  
7 Commissioners' financial disclosures statements that are  
8 currently on file and that was something we could handle at  
9 NBC on an internal basis.

10 So with that, we requested that he look over our  
11 handouts and we'll speak to him about it at a later date.  
12 We told him that after the Board met in September that we  
13 would be getting back to him with a firm date and time for  
14 him to come and speak at the October retreat. He was  
15 blocking off a time period for us, and that was it.

16 MR. CHAIRMAN: So how was it left? Is he coming in  
17 October?

18 MS. HARRINGTON: Yes, he is. He has the date open  
19 and I told him that after today's meeting Ray would be  
20 firming up the exact time for him to come in. I figured you

21 guys would -- like, whether it's going to be a morning  
22 retreat or afternoon and then we can give him an hour or so  
23 to speak, to come in and give a presentation and answer any  
24 questions that anyone might have and some handouts and stuff  
25 that he gives on his -- on his training programs and

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1 whatnot.

2 MR. CHAIRMAN: Okay.

3 MR. DICHIRO: Thank you. I guess that concludes the  
4 report, Mr. Chairman. I don't know if we need to vote on  
5 it.

6 MR. CHAIRMAN: There's nothing before us. I guess  
7 we'll just -- well, from my perspective there's nothing  
8 before us for a vote. Are you expecting him in October  
9 then? He's going to present?

10 MR. DICHIRO: I guess he'll present at the retreat.

11 MR. CHAIRMAN: And then you'll call another  
12 subcommittee meeting?

13 MR. DICHIRO: Yeah, I imagine that's what will  
14 happen.

15 MR. CHAIRMAN: Fine. Thank you. The next Ad Hoc  
16 Committee would be the Ad Hoc Committee on the Paperless  
17 Board. I guess, we call it that. There was a meeting. The  
18 Members of the Board -- of the committee were unable to  
19 attend, but the executive committee members were there and  
20 so we proceeded with a presentation on moving forward with a  
21 new paperless board process and IT made a presentation and I  
22 think today -- are we going to move forward with that  
23 presentation today?

24 MR. MARSHALL: They are prepared to give, basically,  
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25 the same presentation that they gave a couple weeks ago,

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1 except it's been updated and it's been developed even  
2 further and it would give you an idea as to what you'd be  
3 looking at when -- next month when we actually do the  
4 training, where you'll all have the laptops in front of you  
5 and you'll actually step through it yourself in an effort to  
6 move away from the piles of paper that you have before  
7 you to a more modern approach.

8 MR. CHAIRMAN: Well let me just say this, it's 20  
9 minutes -- 22 minutes after 12:00. The presentation was  
10 about 10 minutes, maybe. I mean, we could talk about it  
11 today. You could get a sense of what it's about and go into  
12 it more extensively in October or we can pass today. I know  
13 it's getting a little late. What is your pleasure?  
14 Anybody?

15 MR. SALVADORE: Do it next month.

16 MR. CHAIRMAN: You want to do it next month? We can  
17 move onto next month, except to say, just briefly if we  
18 could just talk about the hardware we selected. Is  
19 anyone -- we did select the hardware. You want to talk just  
20 a little bit about the hardware, maybe have a sample for the  
21 Board. Perfect. If you could just talk about that a little  
22 bit.

23 MR. SMITH: During the last meeting there was a  
24 discussion as to size, weight of the units and the --

25 MR. CHAIRMAN: Why don't you come up here, so you

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1 can sit it right up --

2 MR. SMITH: Those who were present agreed that this  
3 size would be best for all concerned, because of its weight.  
4 The screen is a 15-inch wide screen unit. I'd be more than  
5 happy to pass it, if people actually want to hold it.

6 MR. CHAIRMAN: And that was really the one that was  
7 selected over -- that's a 15-inch screen, right? The other  
8 one that was presented was a 17-inch screen, but it was a  
9 lot heavier and a little more awkward to carry around and  
10 move around.

11 MR. SMITH: I think at this point no decision has  
12 been made as to whether or not they will be taking them with  
13 them or just leaving them here. It would help to know that  
14 at some point.

15 MR. CHAIRMAN: Did you have an opportunity to talk  
16 to -- is that a Hewlett Packard?

17 MR. SMITH: Yes.

18 MR. CHAIRMAN: That's an HP. Did you have occasion  
19 to talk to the vendor about approximate cost at all? Why  
20 don't you talk about that, just a little bit?

21 MR. SMITH: The cost per unit is \$1,500.

22 MR. CHAIRMAN: That's net cost to the Commission?

23 MR. SMITH: That's net cost to the Commission.

24 MR. CHAIRMAN: Each. That's not all of them?

25 MR. SMITH: No, that's per unit. I can give you --

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1 the total price is \$33,884, that includes the laptops,  
2 includes a mouse for easy use. So you're not using the  
3 touch pad. We will also have a special cart to hold the  
4 units and charge them when they're here, not necessary, but

5 if people choose to leave them, they'll be set up there.

6 MR. CHAIRMAN: It's actually what we anticipated  
7 anyway about \$30,000, so it's not far off. We actually  
8 thought they'd be about \$30,000 all in, so --

9 Well, this is the hardware. This is how far we got  
10 so far. I guess what we're saying is we'll go into a -- be  
11 prepared to go into a small training session at the October  
12 retreat. We kind of walked through it last month. It  
13 doesn't seem to be too difficult, but I don't know if we're  
14 going to be 100 percent paperless.

15 We're going to give the Commission an opportunity,  
16 an option to continue to receive packets or go online, but  
17 in any event it will dramatically cut down on the amount of  
18 copy and paper and a lot of work that is currently being  
19 done manually.

20 MR. WORRELL: So we would receive a week or so  
21 before a meeting an e-mail that we could open and look at  
22 these reports?

23 MR. SMITH: Right.

24 MR. WORRELL: And then when we came to the meeting  
25 we wouldn't bring anything, but we could open up to the same

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1 --

2 MR. CHAIRMAN: I guess the decision is going to be  
3 made: How do you want to deal with the hardware itself?  
4 Some of us have computers. Some of us don't. In any event,  
5 you could take the computer with you, this would be e-mailed  
6 to you -- a disk -- I guess it would be a disk, right, or  
7 it's going to be electronic transmissions?

8 MR. GALEGO: It's all electronic.

9 MR. CHAIRMAN: It's all electronic transmissions, so  
10 you would be receiving your packet electronically. When you  
11 come to the board meeting, you set your computer down,  
12 everything is in front of you. There's literally no paper,  
13 except for incidental things that we may need, so that's the  
14 plan -- that's pretty much it in a nutshell, right?

15 MR. SMITH: It will be available 24 hours a day.  
16 It's a special site that my crack staff has created, so that  
17 you're not bound to the system. Any computers that you have  
18 access to will allow you into the port.

19 MR. MARSHALL: So if you're traveling and you want  
20 to do it from your vacation spot or your hotel room or  
21 whatever, you can log in, see what's coming up for the board  
22 meeting, close it down. Then when you show up here, we'll  
23 have a computer waiting for you; or if you'd rather use your  
24 own computer, you can let us know that. If you carry around  
25 a laptop anyway and you don't want to be bothered with

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1 having another laptop that you have to drag around, you'd be  
2 able to use your own in addition.

3 So -- and we will run, as the Chairman pointed out,  
4 I think the term is parallel systems, that is electronic and  
5 hard copy for a month or two or three until we make sure  
6 that everyone's comfortable. And I suppose in the end if  
7 you really want to remain with all paper, I think Jean would  
8 be okay with producing five packets, rather than 50 packets,  
9 right, Jean?

10 MS. GROSSI: No doubt.

11 MR. CHAIRMAN: In addition to that, I think what  
12 we'll plan to do is make some computer training available

13 for anybody who needs it on an individual basis. We'll have  
14 people here from IT when the meeting starts, you know, just  
15 until everybody gets accustomed to using it, make sure  
16 everybody is following along and getting accustomed to the  
17 new system.

18 I'm very enthusiastic about it and in addition to  
19 the cost mitigation, I think these units are going to pay  
20 for themselves very quickly in terms of staff time and paper  
21 and supplies and all the things that go along with producing  
22 these packets. What does it cost us to send the packet out,  
23 Jean-Marie?

24 MS. GROSSI: Before the new mailing procedures came  
25 in from the US Mail, they have new envelopes that they say

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1 is cheaper to use. Prior to that, though, anywhere from \$4  
2 to \$6 something -- \$4 to almost \$7.

3 MR. CHAIRMAN: And how many packets go out to all  
4 the people that receive them?

5 MS. GROSSI: About 28 in total.

6 MR. CHAIRMAN: 28 to 30 --

7 MS. GROSSI: Approximately.

8 MR. CHAIRMAN: And then that's all the time and  
9 effort and staff time all that affiliated with that  
10 processing. I think we're going to realize the value of  
11 this expenditure really quickly, so -- in addition to being  
12 more efficient, so --

13 So I guess in October we'll be getting a little bit  
14 of a training session. We'll have individual training  
15 available on an as-needed basis and we're going to get this  
16 going. How long before we place an order will we receive

17 the actual hardware?

18 MR. SMITH: Well, the good news is the order was  
19 placed last Friday, so I'm glad everybody is okay with this.

20 MR. CHAIRMAN: That's great. When will we receive  
21 the hardware? Will it be available for, I assume, the  
22 October meeting, so --

23 MR. SMITH: We are doing everything in our power to  
24 make that happen.

25 MR. CHAIRMAN: Is Hewlett Packard the kind of

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1 hardware that we're using now in IT?

2 MR. SMITH: That's what we use here. In fact, what  
3 we did with these units was roll them into -- we lease our  
4 product here for three years, so what we did was roll these  
5 into the lease.

6 MR. CHAIRMAN: Perfect. Thank you. Any questions,  
7 anyone, regarding the issue of our computer use,  
8 paperless -- okay. Perfect. Chairman's report. Chairman  
9 has no report, other than to say that over the next couple  
10 of months certainly, I think a pretty exciting time for the  
11 Commission. We have some real expansion opportunities here,  
12 not only necessary, but in terms of operating efficiencies  
13 are going to be, I think, very exciting.

14 Long Range Planning is going to get really  
15 intimately involved with this process. Tom will have a --  
16 Tom, are you going to be reporting on this in October or is  
17 someone else going to be reporting -- bring us up-to-date?

18 MR. UVA: Absolutely, sir.

19 MR. CHAIRMAN: Maybe get some of that virtual  
20 imaging for us.

21 MR. UVA: Absolutely. I'll bring a presentation for  
22 you.

23 MR. CHAIRMAN: Other than that, the next board  
24 meeting is -- we have a --

25 MR. MARSHALL: One or two more things, Mr. Chair.

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1 If I could just pass out this handouts as Cynthia -- this is  
2 outlining our planned celebration for the 25 years of  
3 operating Field's Point and 15 years of operating Bucklin  
4 Point and the 35th anniversary of the Clean Water Act. This  
5 will give you a little bit of information on that. We'll be  
6 sending you more. Jamie is coming to be back today and  
7 we'll be getting more information out to you about those  
8 activities.

9 MS. MORISSETTE: Yeah, I mean everything is still in  
10 the planning process. We have dates set up and activities  
11 set up, but we -- I mean, we're still trying to put  
12 everything together.

13 MR. MARSHALL: It's October 18, 19 and 20. We'll  
14 celebrate each of the anniversaries on individual days at  
15 different locations and we'll keep you updated on what's  
16 going on with those activities.

17 MR. CHAIRMAN: That's a new business item.

18 MR. MARSHALL: Yes. On the board meeting/retreat  
19 for October we will have some action items, so we'll have to  
20 actually have a Board Meeting and some committee meetings as  
21 we would normally do. We'll try to keep those short.

22 We're going to send out to each of you a  
23 questionnaire. We're going to do a poll, either by e-mail  
24 and/or regular mail asking for your feedback on how much

25 time you think you have that day and give you a list of

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1 items that we can suggest that we cover that day and we'll  
2 see what the level of interest is, that would include the  
3 paperless board training. We'll have the Ethics Commission  
4 Attorney in. We'll give you a CSO update on both Phases I  
5 and II.

6 We can explain to you what we do on the shellfish  
7 transplant program, that will be Jean's presentation. Then  
8 we have a combination of the future NBC facilities that the  
9 chairman was just mentioning, along with the status of the  
10 work we're doing with the City of Providence in acquiring  
11 the land that they own that we're interested in. Those two  
12 work hand in hand.

13 And another example would be where we are on the  
14 wind turbine project. We have some interesting video and  
15 noise level readings that have been done actually at the  
16 site to kind of give you a better idea of what's going on.

17 So we'll list all of those in the communication to  
18 you in the next week or so; and if you could just give us  
19 feedback, you are interested in all of those, none of those  
20 or in addition to those or instead of those, you have other  
21 items that you would like to go over, we'd be happy to do  
22 that.

23 MR. CHAIRMAN: Okay. Moving along to other business  
24 before we go to adjournment, I would like to make a motion  
25 that the Commission extend its sincere condolences to Jamie

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1 Samons on her recent loss. She's not with us today, of  
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2 course. Her mother after a long illness has passed away. I  
3 would move that the Commission extend their condolences to  
4 Jamie in an appropriate resolution.

5 I would assume that's seconded by the entire Board.  
6 All in favor will say aye. And all opposed would say nay.  
7 There are none opposed.

8 So I have one humorous story I'd like to tell you  
9 about my summer events, kind of embarrassing actually, but  
10 you know, just to show that I'm not perfect.

11 So I have a place in Narragansett -- a summer place  
12 in Narragansett, but I never had a boat. My children kept  
13 asking me to get a boat, get a boat, get a boat. I always  
14 thought it was just a pain and I spent very little time up  
15 at the house to begin with and a boat would just add to the  
16 aggravation.

17 Well, I decided to acquire a boat, Not a big boat,  
18 but just a boat to have some fun with. No real experience  
19 on the water. So one particular day -- and I'd only been on  
20 it a couple times -- one particular day I decided to take it  
21 into Providence -- you know, we have to come by Conimicut.

22 It was low tide. So I went to the left side of the  
23 lighthouse. Of course, I should have been to the right side  
24 of the lighthouse and I ran aground, which wasn't  
25 embarrassing enough, except that all the shell fisherman are

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1 out there, digging the shell fish.

2 Couple of quahoggers came over, couple shell  
3 fishermen came over they say, you're supposed to be on the  
4 right. Yes, I know. I wasn't paying attention. Then he  
5 happens to notice that I have an NBC cap on and a

6 Narragansett Bay Commission shirt. He said, Narragansett  
7 Bay Commission, you work for them? No, I said, I don't work  
8 for the Commission, but I am on the Board of Directors and  
9 I'm the Chairman.

10 And instead of him saying, gee, we're so happy that  
11 you've been engaged in the transplant process, you're the  
12 Chairman of the Bay Commission, don't you have a shot, can't  
13 you see the water and he starts to reprimand and harass me  
14 and then he calls his friends over and try to get me off  
15 this burrow of sand that I couldn't get off. It was the  
16 most embarrassing situation, to be representing the NBC and  
17 they you are run aground.

18 So I had my first incident. Now, I've learned to  
19 stay to the right of the lighthouse. So having said that,  
20 we move to adjourn. Commissioner Salvadore makes that  
21 motion and is seconded by all the Commissioners. All those  
22 in favor say aye. Any opposed? None opposed and the motion  
23 carries. The meeting is adjourned.

24 (HEARING CONCLUDED AT 12:33 P.M.)

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1 C E R T I F I C A T E

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3 I, ASHLEY C. HIGH, RPR, Notary Public, do hereby  
4 certify that I reported in shorthand the foregoing  
5 proceedings, and that the foregoing transcript contains a  
6 true, accurate and complete record of the proceedings at the  
7 above-entitled hearing.

8 IN WITNESS WHEREOF, I have hereunto set my hand this  
9 29th of October, 2007.

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ASHLEY C. HIGH, RPR, NOTARY PUBLIC  
MY COMMISSION EXPIRES: 6-22-11

IN RE: Narragansett Bay Commission Board Meeting  
DATE: September 26, 2007