

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

3 In Re: Monthly Board Meeting of the Commission

4 DATE: March 25, 2014
5 TIME: 11:00 a.m.
6 PLACE: Narragansett Bay Commission
Corporate Office Building
One Service Road
Providence, RI 02905

7 PRESENT:

- 8 Vincent Mesolella, Chairman
Raymond Marshall, Secretary–Executive Director
9 Robert Andrade, Treasurer
Joseph DeAngelis, Esquire
10 Richard Burroughs
Mario Carlino
11 Michael DiChiro
Jonathan K. Farnum
12 Seth Hardy
Paul Lemont
13 Ronald Leone
Joseph Kimball
14 John MacQueen
Alan Nathan

15 ALSO PRESENT:

- 16 Anthony Accardi, MWH
17 Kerry M. Britt, NBC
Thomas Brueckner, NBC
18 Melissa Carter, MWH
Christine Comeau, NBC
19 Christine Cooper, NBC
Linda George, RI Senate
20 Karen Giebink, NBC
Talia Girard, NBC
21 Jennifer Harrington, NBC
Stephen Lallo, NBC
22 Joseph LaPlante, NBC
Larry Laws, MWH
23 Jean Lynch, CAC
Joanne Maceroni, NBC
24 John Motta, MBC
Karen Musumeci, NBC

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1 ALSO PRESENT, cont.

2 Joseph Pratt, Louis Berger
Larry Riggs, Pare Corporation

3 Jamie Samons, NBC
Sean Searles, MWH

4 Mark Thomas, NBC
Jeffrey Tortorella, NBC

5 Matt Travers, MWH
Thomas Uva, NBC

6 John Zuba, NBC

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1 (MONTHLY BOARD MEETING COMMENCED AT 11:05 A.M.)

2 CHAIRMAN MESOLELLA: Good morning, everyone.

3 THE COMMISSION: Good morning.

4 CHAIRMAN MESOLELLA: Recognizing a quorum,

5 we will convene with the monthly meeting of March 25,

6 2014 to order at 11:05.

7 The first thing I'd like to say is, in light of the

8 events of last week, I want you to know that these bags

9 should be used for lawful purposes only. All right.

10 That was bad, right? That was bad, but I couldn't help

11 myself. I'm going to hear about that, I'm sure. I know

12 I'm going to hear about that tomorrow or maybe even

13 today.

14 All right. First order of business is the approval

15 of the previous minutes of January, 14th. Have all of

16 our members had an opportunity to review the previous

17 minutes, and if so, are there any comments, questions or

18 corrections on the previous minutes?

19 THE COMMISSION: (No response)

20 CHAIRMAN MESOLELLA: On the previous

21 minutes, do we have a motion to approve the previous
22 minutes?

23 COMMISSIONER CARLINO: So moved.

24 CHAIRMAN MESOLELLA: Commissioner Carlino
25 seconded by Commissioner Kimball, Commissioner Farnum.

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1 COMMISSIONER KIMBALL: Second.

2 COMMISSIONER FARNUM: Second.

3 CHAIRMAN MESOLELLA: All in favor of
4 approval will say aye.

5 THE COMMISSION: Aye.

6 CHAIRMAN MESOLELLA: Are there any opposed?

7 THE COMMISSION: (No response)

8 CHAIRMAN MESOLELLA: There are none opposed,
9 and that motion carries.

10 (MOTION PASSED UNANIMOUSLY)

11 CHAIRMAN MESOLELLA: The next order of
12 business, Item Number 3, is Old Business. Is there any
13 old business to come before the Commission this morning,
14 old business of any nature? Old business.

15 THE COMMISSION: (No response)

16 CHAIRMAN MESOLELLA: Okay, no old business.

17 Next order of business is Item Number 4, the Executive
18 Director's Report. Mr. Secretary, do you have a report

19 for us this morning?

20 RAYMOND MARSHALL: Yes, I do. I want to let
21 you know that the treatment plants ran well through the
22 winter months. We've been achieving some nitrogen
23 removal levels down to 7 parts per million, even though
24 we're not in the permit period, which is May to October,
25 so we've getting ready to ramp up for that where we'll

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1 need to meet the 5 part per million level of removals.

2 We still have a lot of ongoing construction at
3 Bucklin Point. They're trying to complete their work,
4 and they're scheduled for substantial completion by
5 mid-July.

6 We are in discussions with DEM about this matter
7 because the new permit will start. The job will not be
8 complete until mid-July, so we're trying to work out
9 some sort of an agreement. We think we can come close
10 to 5 during those interim months, so I'll keep you
11 posted on that.

12 Plus the winter has provided us some interesting
13 challenges, the storms and snow and cold and wild
14 temperature fluctuations which don't seem to be coming
15 to an end seeing that we have more expected tomorrow.

16 The only two major issues we have at each of the

17 facilities is, at Field's Point the air filtration
18 system on the new blowers is not performing as we
19 expected, so we're working with the manufacturer on
20 that, and then at Bucklin Point, it's just the normal
21 operational difficulties you have when you have major
22 construction going on at a plant, so it's like a big
23 chess game. You keep having pieces around and still
24 meet permits. We are working through that.
25 The wind turbines, on January 15th, National Grid

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1 removed the limitation on how much power we can export.
2 We've had some very good days so far for January and
3 February combined. We generated 50 percent of the power
4 that we needed at the Field's Point Treatment Plant.
5 Last year we generated 42 percent of power.
6 We are in the windy months of year, though, so that
7 average is likely to drop somewhat, but I would say that
8 if you're looking for something to pray for when you're
9 in church, ask for windy weather because it will
10 certainly help our operating budget.
11 Interceptor Maintenance, I've indicated in my report
12 over the last two months that a listing of the calls
13 we've been receiving from homeowners and businesses on
14 sewer backups, now, these backups have been the

15 responsibilities of the cities and towns that they're
16 occurring in, so we've been referring the people to the
17 correct authorities, but at this point, I will let you
18 know that someday those might be our problems, if the
19 lateral sewer bill gets through the General Assembly,
20 and we do the study and everyone agrees that we should
21 take over the public sewers in each of the communities,
22 those problems will then become ours. Just a little
23 foreshadowing, possibly, on what we might be
24 encountering.
25 The study that we'll do, if we're asked to by the

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1 General Assembly, will tabulate all of that information
2 in much greater detail for you, and we'll present it to
3 you at the appropriate time.
4 Engineering's been busy getting ready for the Phase 3
5 re-evaluation project, which has actually started in
6 earnest. You'll hear more about that a little later
7 today.
8 The first stakeholders' meeting was held on March
9 12th, and the next two are scheduled for April 10th and
10 May 22nd, I believe. We sent the Commissioners a list
11 of all those stakeholder dates at this point.
12 Each stakeholder meeting will focus on a specific

13 topic, and it's interesting to see the divergent of
14 opinions on what should and should not be done on this,
15 which is the same process we went through before we
16 started Phase 1.

17 In the construction world, the laboratory site
18 preparation work has begun. We awarded that job a
19 couple of months ago. You authorized that, and we plan
20 to have a groundbreaking as part of the May board
21 meeting on that project, and it will take about a year
22 and a half to construct. We are in dire need of it.
23 The old lab building just gets, we encounter more and
24 more problems as each year goes by, so we'll be
25 resolving that.

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1 Phase 2 of the CSO work which Rich Bernier will
2 report out a little later is going well. We're
3 completing some of the jobs; we're making good progress
4 on others. I won't get into all the details because I
5 don't want to steal Richard's thunder, but overall, the
6 biggest project in the group, the Woonasquatucket CSO
7 interceptor main job, the tunnel portion of it is
8 completed, and they've broken through into the main
9 tunnel now.
10 The main spine tunnel, which is part of Phase 1, is

11 shut down for about 3 weeks while they do some work at
12 the downstream end of this new work, and then they'll
13 seal it up; and then we'll be able to put the tunnel
14 back on line at only 60 percent of its capacity in order
15 to protect the construction activity that's at the far
16 north end of the tunnel. So, you probably read about
17 that in the papers as well.

18 You might have read about our, I would say our, I
19 didn't really go in, Rich and Paul Desrosiers from our
20 staff went in along with several other people to inspect
21 the tunnel, and after a 5-year period, it looks like
22 it's in great shape structurally.

23 The big surprise that they found down there was the
24 number of plastic bottles that have accumulated in the
25 tunnel, and we're looking into how we might remove

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1 those; and we're searching around the country to see
2 what others have done, and it just goes to show you the
3 volume of litter that we encounter.

4 If you're looking for any pictures of the inside of
5 the tunnel, you can go see Rich. I think he has some
6 suitable for framing, in case you're interested, and he
7 can probably tell you what it's like walking around down
8 there in a CSO tunnel that's been on-line for 5 years.

9 Now, the Bucklin Point improvements, even though
10 they're not going to be completed until July, it's about
11 90 percent done. It's all the really time-consuming
12 smaller pieces of the project now that we have to get to
13 tumble into place.

14 A & F reports that our FY'14 budget is still
15 projected to finish under budget, but there are some
16 line items that we're watching. We've spent more money
17 than we expected on overtime because of all the
18 snowstorms and all the snow and ice removal that we've
19 had to handle as well as biosolids production is up
20 because of the higher levels of treatment that we're
21 providing.

22 Offsetting that are the electrical usage is down
23 because the turbines are generating electricity for us,
24 and chemical use is down because of the Operations
25 staff, under Paul Nordstrom's guys, have done a good job

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1 trying to optimize the process both at Field's and
2 Bucklin Point.

3 We have received a higher assessment from the PUC,
4 which is part of the cost of being regulated by them.
5 The cost is \$140,000 more than we originally budgeted,
6 but that is offset by some savings of debt service that

7 we budgeted because the variable rate bonds that we have
8 are running so low. I think most recently they're .03
9 percent or something in that range, so it's actually
10 been a very helpful cost savings.

11 And the FY'15 budget, which will go into effect on
12 July 1st if you approve it, is well into its development
13 stage and will be coming before the Finance Committee in
14 the next couple of months with a preliminary budget for
15 them to work over, and we'll make whatever changes they
16 suggest, and then we'll bring it before the full board
17 at the June board meeting.

18 The PUC is in the process of reviewing our rate
19 request that we filed a few months ago. It's been a
20 very time-consuming process. They've had a lot of
21 requests for information, they're called data requests,
22 and we've been processing all of those trying to get
23 them all the information they need so they can make an
24 informed decision.

25 As part of that process, they have asked for a tour

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1 of our facilities. There are three commissioners, and
2 at least two of them I don't believe have ever seen
3 anything that we own and operate. One of the
4 commissioners used to be with the Attorney General's

5 office, so he knows something about us.
6 They're going to spend a day and a half here at the
7 end of April. April 30th we're going to meet with them,
8 and we're going to go over all the CSO projects and
9 phases and show them some of our CSO facilities, then
10 they're coming back the next day, May 1st, and we're
11 going to talk about biological nutrient removal, and
12 we're going to give them a tour of both the Field's
13 Point and the Bucklin Point treatment plants, so that
14 way they'll be better informed on what it is we do, and
15 can hopefully, make a favorable decision on our rate
16 request.

17 (COMMISSIONER DiCHIRO IS NOW PRESENT)

18 RAYMOND MARSHALL: The non-union retirement
19 plans, which we have a defined benefit plan, and a 401A
20 plan as well as a 457 that employees contribute all
21 their own money to have all brought in under the
22 umbrella Mass Mutual, so the employees will be receiving
23 one consolidated statement for these plans rather than
24 three different statements from different companies.
25 That's a process we've been undergoing for about a year

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1 now, and it's really come together very well.
2 Policy Planning & Regulation, the staff has given a

3 number of technical papers at different conferences in
4 the last couple of months. Including the New England
5 Water Environment Association, we must have had four or
6 five papers that were delivered by our staff. They're
7 really becoming known region-wide as experts in the
8 areas of water quality and wastewater operations, and
9 we've had a lot of real good follow up.

10 Questions from other organizations on how we do
11 things and why we do things the way we do, so just
12 spreading the reputation of the Narragansett Bay
13 Commission far and wide, and that's a good thing.

14 The EMDA, which is the environmental monitoring
15 group, is getting ready for another sampling season.
16 They'll be out there in the receiving waters out on the
17 bay, taking all the samples that they have for the last
18 several years demonstrating in a quantitative way what
19 great impact all the projects that we've been
20 constructing and putting on line is having on the water
21 quality in the Upper Narragansett Bay.

22 Also, in PP&R, the staff is evaluating other energy
23 options for us to consider, us as an organization.
24 They're really scrutinizing the wind turbine data, and
25 also the biogas generation rates, we have a project

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1 which is essentially designed now, and we're getting
2 ready to do some permitting on it so we can put it out
3 to bid; and they're doing all the calculations to work
4 on payback periods and things of that nature as well as
5 evaluating the possibility of a solar energy project at
6 the closed Bucklin Point landfill, the sledge landfill.
7 It has a nice southwest facing orientation.

8 So, we continue to try to find ways to cut our
9 operating costs, but we do want to make sure that it
10 makes sense from a business point of view; and we'll
11 keep you updated on all of those. I think at the May
12 meeting we're going to give you an update on all of our
13 energy projects so you'll have a little more substance
14 to what I've just covered.

15 And before you today, we're going to have a request
16 for environmental enforcement fund funding for our river
17 cleanup activities. PP&R put out an RFP and got 21
18 responses, and we're making recommendations to you on
19 how most all of those should receive some funding from
20 our environmental enforcement funds because it again
21 spreads the name and the good will of the Bay Commission
22 throughout the service district; and that's what the
23 bags that are before are you tied into, and I'll get
24 into that a little later on when that item comes up.

25 In Executive, a lot of time and effort has been spent

1 on legislation that is being introduced in the General
2 Assembly. Joanne reads just dozens and dozens of bills
3 seemingly every day. She pulls out the ones that she
4 thinks are going to have impact on NBC.

5 We sit down as a staff, and we evaluate those. We
6 prepare position papers, and we suggest changes to
7 language on the bills, and we meet with the sponsors in
8 order to try to make sure that there's not any
9 legislation that will be detrimental to how we conduct
10 business here, and if it's going to be supportive of how
11 we do our jobs, then we try to make it in the best
12 possible manner, and that will continue for the next
13 several months. Joanne will have a legislative report a
14 little later, and she'll get into some of the
15 particulars.

16 We have a lien sale scheduled for April 17th, so
17 legal has been very busy. This started with 300
18 accounts owing \$495,000. We're down to 112 accounts,
19 and we've collected \$342,000 to date, and we'll continue
20 to whittle those down and collect more money as we get
21 closer to the date of April 17th.

22 Our watershed education program, which is under Jamie
23 Samons's guidance, is continuing to provide
24 science-based education for students in 9 schools that
25 we visit, and it will all culminate in a major

1 conference event on May 23rd at Goddard Park, I believe,
2 is where we're going to have it again at that location,
3 and we're trying to arrange for maybe some of the
4 students to come in at the May board meeting to give a
5 short presentation to show you all what it is they
6 learned as a result of this very worthwhile program.

7 We have made plans for the environmental and merit
8 award breakfast, which will be April 2nd, which is next
9 Wednesday, at the Kirkbrae Country Club. It will start
10 at 8 a.m. If you'd like to attend, let Jamie know, and
11 we'll make sure that you have a reserved seat.

12 It's where we present the awards for both the EEF
13 funds that hopefully you'll approve today, but as well
14 as a number of our industrial and commercial users who
15 have done an outstanding job in complying with our
16 pretreatment regulations.

17 And also in Executive, I mentioned the stakeholders
18 group. We spent a fair amount of time, Jamie and Tom
19 Brueckner, the Chairman and I, identifying who should be
20 on the stakeholders group. We came up with a very
21 robust and diverse group of stakeholders. We have about
22 41 members. I'm sure they'll not all attend every one
23 of the stakeholder meetings, but there's a very wide

24 variety of opinions; and if you're able to attend one of
25 those, to just sit back and observe, I think you'll find

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1 it interesting, maybe even at times entertaining. So,
2 we'll see how it all plays out over the next several
3 months.

4 The regional stormwater utility feasibility study
5 group that's headed up out of the City of Providence and
6 DEM, which we have been a participant in, both Tom Uva
7 and I have been attending those meetings, they have come
8 out finally with their draft report, and what the report
9 says is that there is a need to further study the
10 concept of having a regional entity handle the
11 stormwater problems in the metropolitan Providence,
12 Pawtucket, Cranston, Warwick area.

13 So, we have been present airing our opinions quite
14 strongly, and now what the next step will be is the
15 group has acquired additional funding, and they're going
16 to try to better identify what this regional entity
17 should look like, what powers they should have, what
18 kind of legislation is needed, what the service district
19 would be and exactly to what level of involvement the
20 regional group would address the stormwater matter in
21 just a financially supportive way or actual boots on the

22 ground, if you will.

23 So, that second study is scheduled to start in August
24 and go through September of 2015, so it's still a ways
25 down the road; and we will continue to participate and

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1 to make that we're an active party in any of the
2 discussions, and I'll be reporting to you or Tom will
3 with probably greater frequency as the real meat and
4 potatoes of this whole issue really starts to unfold in
5 the next year.

6 And finally, I received in the mail yesterday my
7 Ethics Commission form, so many of you probably did as
8 well. I just wanted to let you know, if you haven't
9 opened it up yet, it's due April 25th, which is before
10 the next board meeting. I just wanted to give you a
11 heads up on that.

12 If you have any questions about it, although she
13 cannot help you actually fill it out, Jen Harrington is
14 our resident ethics expert, and you can approach her if
15 you have any questions.

16 It's something you want to make sure that you don't
17 overlook, though, because they will eventually reach out
18 to you and ask you where it is, and it's always good if
19 that doesn't happen. That's it, Mr. Chairman.

20 CHAIRMAN MESOLELLA: Thank you, Mr.

21 Secretary. Jen, are you offering house calls as well?

22 MS. HARRINGTON: I can take your questions

23 and try to point you in the right direction to the

24 people at the Ethics Commission and assist you in any

25 way I can. I may not have all the answers right away,

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1 but I can try to get them. House calls, no.

2 CHAIRMAN MESOLELLA: Thank you for being

3 accommodating. We've all heard the Executive Director's

4 Report. Are there any comments or questions with regard

5 to the Executive Director's Report? Anyone have any

6 issues they want to discuss regarding stormwater?

7 Commissioner Handy.

8 COMMISSIONER HANDY: Yes, I have a question.

9 What are some of the positions we're taking into context

10 with the regional stormwater issues?

11 RAYMOND MARSHALL: I think our overarching

12 message is that everyone should understand being in the

13 communities that are interested, exactly what they're

14 getting themselves into.

15 For example, while they, they meaning the cities and

16 towns would like someone else to do the work. They

17 don't really want someone else telling them what to do,

18 if that makes sense. So, they don't want to lose local
19 control, but they don't believe that they have the local
20 resources to actually meet the requirements that the
21 regulatory agency will impose on them.

22 And I think, I know that to us, the cost of this has
23 been undersold. So, a number that has been used is 4 to
24 \$5 per month per homeowner is what it would take to run
25 a stormwater program, and we don't believe that for a

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1 second. Maybe on the first day, but it's quickly going
2 to ramp up from there, and we just want to make sure,
3 our goal is to make sure that people understand what
4 they're getting themselves into and what it's going to
5 cost; and I think you've heard Vin say that it's
6 probably going to approach what the CSO program is
7 costing the ratepayers.

8 They have to be ready for that reality because the
9 first year or two is the least expensive part of the
10 entire program, then it really starts ramping up from
11 there, and that's the main thing.

12 COMMISSIONER HANDY: I have another
13 question, if you don't mind. I'm interested in the PUC
14 assessment. I don't remember what that's about and why
15 it would be so different from what we anticipated.

16 RAYMOND MARSHALL: Is Karen Giebink in the
17 room? Karen, would you like to address that question?

18 MS. GIEBINK: Sure. The PUC assessment is
19 something that we pay for every year, that the regulated
20 utilities are required to pay for, basically, being
21 regulated by the PUC, and my understanding is that in
22 the past, they had included revenues from a certain
23 utility that were much higher than they actually were,
24 so the proportionate share that that utility was paying
25 was too high, they discovered their mistake, and so they

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1 sent us a revised assessment this year -- we didn't plan
2 appropriately so that they didn't calculate properly.

3 COMMISSIONER HANDY: Thank you.

4 CHAIRMAN MESOLELLA: So, I just want to be
5 clear on the stormwater issue. I don't want to get too
6 deep into it because we have some presentations today.
7 I want to make sure as many commissioners attend the
8 presentations, but you've heard me say in the past that
9 I'm really concerned about the cost affiliated with
10 stormwater mitigation.

11 The thing that's most important to me, personally,
12 and I think the board should be concerned is that it
13 doesn't appear as though these are fees that are being

14 imposed by the Narragansett Bay Commission.
15 So, I know Ray's been tipping around and Tom's been
16 tipping around it, as much as the Department of
17 Environmental Management and others trying to draw us
18 into this discussion, and I think the reality is, they'd
19 love to hand the responsibilities over to Narragansett
20 Bay Commission because I think they know that we're
21 abundantly capable of not only implementing the program,
22 but administering the program.
23 But for me it's important for people to understand
24 that this is not our initiative, and that the cost
25 affiliated with this is not a Narragansett Bay

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1 Commission imposed cost.
2 I think the board agreed with that, the idea that
3 we're trying present with that. If anyone feels
4 differently about it, I'm happy to hear your thoughts on
5 it, but I think that's pretty much, would you say, Ray,
6 that that's been the discussion here at the board level?
7 If anyone has any different opinion about it, please
8 raise the issue, and we're happy to have that
9 discussion. Commissioner Burroughs.
10 COMMISSIONER BURROUGHS: Can the communities
11 raise the issue of the ability of their ratepayers in

12 the community to absorb this cost much in the way we've
13 looked at the CSO?

14 RAYMOND MARSHALL: Yes, they can.

15 COMMISSIONER BURROUGHS: If they choose,
16 right?

17 RAYMOND MARSHALL: One thing you'll hear
18 about a little latter when the team makes a presentation
19 on Phase 3 is affordability and integrated planning, and
20 that's really part of what those efforts can provide for
21 you. You don't have to look at just wastewater. You
22 can look at stormwater and water supply as well, and
23 when you start spreading it across the entire spectrum
24 of water, which some agencies like ours are fully
25 responsible for, that's when you have to make those hard

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1 choices. Where do you want to spend your money?

2 When it's done by different groups, it's not quite

3 that easy, but it is still the same issue. It's the

4 same people paying, whether they're paying three

5 different entities or whether they're paying one entity.

6 COMMISSIONER BURROUGHS: Thank you.

7 CHAIRMAN MESOLELLA: Commissioner Handy.

8 COMMISSIONER HANDY: While I don't disagree

9 with the positions that you stated, I do think it is

10 important for us to be a stakeholder because it's a big
11 issue for us, and I also think it's a political hot
12 potato in the local level and at the state level, and no
13 one really wants to claim it.
14 We may be in a better position than most as long as
15 we're adequately compensated for our efforts to step up
16 and do something, and it is to our benefit because we're
17 treating stormwater whether we like it or not. The
18 better we do at mitigating stormwater impacts.

19 CHAIRMAN MESOLELLA: All right. Are there
20 any other questions with regard to the Executive
21 Director's Report?

22 THE COMMISSION: (No response)

23 CHAIRMAN MESOLELLA: If not, we'll move
24 right along to Item Number 5, which is Acknowledgement
25 of Awards. I'm told that Peter Trombetti who's been a

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1 long-time employee of Narragansett Bay Commission who
2 has retired is not with us today, but will be coming to
3 the April meeting to accept a Certificate of Resolution
4 of Appreciation. The other award is the NEWEA Award.
5 Ray, you want to explain?

6 RAYMOND MARSHALL: Yes. We received an
7 award from NEWEA, as it's called the New England Water

8 Environment Association, for our Asset Management
9 Program. It's something we started in 2004. We were
10 one of the first organizations across the country to
11 implement this program, now everyone has it. There's
12 even talk about, everyone is bringing it inhouse.
13 There's even discussion down in Washington that in
14 order to receive certain loans from, like, SRF, and
15 things of that nature, that they're going to want you to
16 have an asset management program at some point. It's
17 providing great benefits for us. We're doing more
18 predictive maintenance as well as preventative
19 maintenance rather than just preventative and emergency
20 maintenance.
21 We've also been able to identify several systems in
22 both of our treatment plants that were nearing the end
23 of their useful life, and as a result, we were able to
24 incorporate the replacement of those systems into our
25 two treatment plant contracts, the one we just completed

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1 at Field's Point and the one that's ongoing at Bucklin
2 Point.
3 To accept the award is the person who was the lead
4 and in charge on our Asset Management Program, which is
5 Joe LaPlante, and I'd like Joe to come up here and

6 accept the award and to have his picture taken, which is
7 probably the best part of the show, right, having your
8 picture taken?

9 (APPLAUSE)

10 CHAIRMAN MESOLELLA: Thank you, Joe. Thank
11 you very much for all of your efforts in that regard.
12 Item Number 6 is Committee Reports and Action Items
13 Resulting. The first committee reporting this morning
14 is the CEO Committee. Commissioner MacQueen, do you
15 have a report for us this morning?

16 COMMISSIONER MacQUEEN: Yes, I do, Mr.
17 Chairman.

18 CHAIRMAN MESOLELLA: Then proceed.

19 COMMISSIONER MacQUEEN: We have one item for
20 action. Review and Approval of Resolution 2014:04;
21 Authorization to increase the Amount of the Agreement
22 for Engineering and Design Services for Contract
23 12:304.44D Relocation/Repair of the Central Falls Branch
24 of Moshassuck Valley Interceptor.

25 RAYMOND MARSHALL: Yes, sir. This project

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1 was awarded in April of 2012 by the board to the Louis
2 Berger Group. We have a segment of this interceptor
3 that has settled. It's very old, built in the early

4 1900s, if I remember correctly, and we need to replace
5 it and relocate it.

6 The design work that was awarded to Berger did not
7 include any geotechnical design engineering for the
8 support of excavation. It's a terms you've heard us use
9 in relation to CSO Phase 2.

10 Historically, our contracts have not included that
11 component, and we've provided some geotechnical
12 information as in borings and maybe groundwater
13 readings, and then require the general contractor who
14 gets the job to hire an engineer to design that
15 supportive excavation.

16 That has, of course, resulted in some problems for
17 us, some significant problems in Phase 2 of the CSO
18 program. So, as we talk about it, we want to try to
19 change that approach to see if we can find a better way
20 of putting our projects out on the street and making
21 sure there's more certainty brought to the bids that we
22 receive.

23 So, what we want to do in this particular case is we
24 want to add the geotechnical engineering design of the
25 supportive excavation to this contract. This will be

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1 like a trial run on this project before we get into

2 Phase 3, and the amount is \$78,268 is what we want to
3 add to the original award of 255 or authorization,
4 \$255,000, so the total will come to \$333,268. That
5 would include a design for the supportive excavation
6 that a contractor will have to follow exactly just like
7 he does on some of the structural work that we put out.
8 The contractor won't have any leeway and won't be able
9 to cut corners and those types of things and won't be
10 able to interpret the information differently than we
11 intended it to be interpreted.

12 So, we highly recommend that we do this, and we think
13 that it will be a good demonstration project for what we
14 do in the future as we go into Phrase 3 of the CSO
15 program, so we ask your approval of 2014:04.

16 CHAIRMAN MESOLELLA: Are there any
17 questions?

18 THE COMMISSION: (No response)

19 COMMISSIONER MacQUEEN: All those in favor?

20 THE COMMISSION: Aye.

21 CHAIRMAN MESOLELLA: So, we have a motion,
22 Mr. Chairman, for approval of Resolution 2014:04.

23 COMMISSIONER DiCHIRO: Second.

24 COMMISSIONER FARNUM: Second.

25 CHAIRMAN MESOLELLA: Seconded by

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1 Commissioner DiChiro, Commissioner Farnum. Further
2 discussion on Resolution 2014:04. Further discussion on
3 the resolution.

4 THE COMMISSION: (No response)

5 CHAIRMAN MESOLELLA: Hearing none, all of
6 those that are in favor will say aye.

7 THE COMMISSION: Aye.

8 CHAIRMAN MESOLELLA: Are there any opposed?

9 THE COMMISSION: (No response)

10 CHAIRMAN MESOLELLA: There are none opposed,
11 and that motion carries.

12 (MOTION PASSED UNANIMOUSLY)

13 CHAIRMAN MESOLELLA: Do you have further
14 business, Commissioner MacQueen?

15 COMMISSIONER MacQUEEN: No, I don't.

16 CHAIRMAN MESOLELLA: No further business
17 from the CEO Committee. Joint Long Range Planning and
18 Finance. Commissioner, Andrade, do you have a report
19 for us?

20 COMMISSIONER ANDRADE: Yes, I do, Mr.
21 Chairman.

22 CHAIRMAN MESOLELLA: Please proceed.

23 COMMISSIONER ANDRADE: The committee met and
24 approved, reviewed and approved Resolution 2014:05,
25 Recommendation for Use of Environmental Enforcement

1 Funds, and I would like to make a motion to approve it.

2 CHAIRMAN MESOLELLA: We have a motion to
3 approve Resolution 2014:05.

4 COMMISSIONER MacQUEEN: Second.

5 COMMISSIONER FARNUM: Second.

6 COMMISSIONER KIMBALL: Second.

7 CHAIRMAN MESOLELLA: Seconded by
8 Commissioner MacQueen, Commissioner Farnum, Commissioner
9 Kimball. In your packet is a list of the recipients.

10 Do you want to review those, who they might be?

11 RAYMOND MARSHALL: Sure. I can read them
12 off for you, if you need to. Woonasquatucket River
13 Watershed Council, Blackstone Valley Community Action
14 Program, the City of Providence, and they're varied
15 amounts, the City of Central Falls, Friends of
16 Moshassuck, Environmental Justice League, Save the Bay,
17 Neutaconkanut Hill Conservancy, Miss Rhode Island
18 Scholarship Program, Serve Rhode Island, Keep Blackstone
19 Valley Beautiful, Mercy Ecology at New Dawn Earth
20 Center, Town of Cumberland, Cumberland Land Trust,
21 Johnson & Wales Science Department, City of East
22 Providence, DPW/Refuse/Recycling Section, Edgewood
23 Waterfront Preservation Association, Smithfield
24 Conservation Commission and the East Providence Police

25 Explorers Post, all for amounts varying from \$150 to

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1 \$1,000 for a total of \$11,000, and this comes out of the
2 portion of the Environmental Enforcement fund that is
3 dedicated solely to river cleanups.

4 There's another amount of money that is more
5 open-ended that can be used for other purposes. This is
6 the same approach we took last year in terms of
7 distributing these funds. It worked out very, very
8 well, and a lot of very good press from the community or
9 the communities that were involved, and we have an
10 understanding with all of these groups that our logo
11 will be on all their advisements and publications
12 promoting their events. We'll advertise it on our
13 website.

14 Each grant recipient will receive the bags, like you
15 have before you today, to hand out to their volunteers
16 so they can further spread the word of the Narragansett
17 Bay Commission and our efforts to work toward a better
18 environment in the State of Rhode Island. If you have
19 any questions, I would be happy to answer those.

20 CHAIRMAN MESOLELLA: Any questions with
21 regard to the use of Environmental Enforcement Funds?
22 Anyone?

23 THE COMMISSION: (No response)

24 CHAIRMAN MESOLELLA: Okay. I think we have

25 a motion; we do have a second. All of those that are in

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1 favor will say aye.

2 THE COMMISSION: Aye.

3 CHAIRMAN MESOLELLA: Are there any opposed?

4 THE COMMISSION: (No response)

5 CHAIRMAN MESOLELLA: There are none opposed,

6 and that motion carries.

7 (MOTION PASSED UNANIMOUSLY)

8 CHAIRMAN MESOLELLA: Further report?

9 COMMISSIONER ANDRADE: No further report

10 from the committee.

11 CHAIRMAN MESOLELLA: Thank you very much,

12 Mr. Chairman. The next committee reporting is the

13 Executive Committee. In that regard, I'd like to

14 recommend that the board enter into executive session

15 pursuant to Section 42.46.5 A2, to discuss and

16 potentially act on related and anticipated litigation

17 relative to a few technical issues on the CSO Phase 2

18 project. Do I hear a motion to go into Executive

19 Session?

20 COMMISSIONER DiCHIRO: Motion.

21 COMMISSIONER FARNUM: Second.
22 COMMISSIONER KIMBALL: Second.
23 COMMISSIONER DiCHIRO: Commissioner DiChiro,
24 motion to go into Executive Session, seconded by
25 Commissioner Farnum and Commissioner Kimball. All of

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1 those that are in favor of going into executive session
2 will say aye.

3 THE COMMISSION: Aye.

4 CHAIRMAN MESOLELLA: Are there any opposed?

5 THE COMMISSION: (No response)

6 CHAIRMAN MESOLELLA: There are none opposed,
7 the motion carries.

8 (MOTION PASSED UNANIMOUSLY)

9 CHAIRMAN MESOLELLA: We are now in Executive
10 Session. If I can ask our guests to which they're not
11 related to leave the room.

12 (EXECUTIVE SESSION)

13 (BOARD OF COMMISSIONERS MEETING CONTINUES AT 12:39 P.M.)

14 CHAIRMAN MESOLELLA: We are now in public
15 session. We can invite our guests in. So, we're going
16 to go right to Item Number 8, I guess, Other Business.
17 While we're waiting for our guests, we're going to go
18 into Committee Reports. Personnel Committee did not

19 meet. Rules and Regs did not meet. Citizens Advisory.

20 Is Howard back in the room yet?

21 MS. SAMONS: He had to leave, so he left his

22 comments.

23 CHAIRMAN MESOLELLA: Do you have his

24 comments, you'll make them part of the record?

25 MS. HARRINGTON: Yes, Karen has the

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1 comments.

2 CITIZENS ADVISORY COMMITTEE: "The CAC

3 meeting was held last Tuesday with a quorum present.

4 There was an excellent presentation by Phil Albert on

5 the wind turbines. The main points were that turbines

6 cost approximately 6 million, are generating about 1

7 million a year in revenue and expects a 14-year payback.

8 "Depending on wind conditions, there are days when

9 the turbines generate excess electricity that is

10 exported to National Grid.

11 "With a few of our members having been former

12 stakeholders, they are very interested in what will be

13 happening as Phase III is being reconsidered. April 11,

14 Thursday, there is a stakeholder meeting. Tom Brueckner

15 agreed to attend the CAC meeting. Our next meeting is

16 scheduled for April 23rd."

17 CHAIRMAN MESOLELLA: All right. Ad Hoc
18 Committee on Compensation did not meet. Ad Hoc on
19 Ethics did not meet. Legislative Report. Here she is.
20 Joanne, do you have a Legislative Report for us?

21 MS. MACERONI: Yes. I'll be very brief, Mr.
22 Chairman.

23 CHAIRMAN MESOLELLA: Thank you for that.

24 MS. MACERONI: As you will note from the
25 report that's on line, I'm monitoring newer pieces of

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1 legislation. I just want to bring a couple to your
2 attention.
3 The first being, Article 5 in the budget where the
4 Governor has proposed \$20 million for Rhode Island Clean
5 Water Finance Agency which is going to leverage low
6 interest loans for wastewater infrastructure projects.
7 Obviously, we are in favor of that. We spoke in support
8 on the House Finance and Senate Finance.
9 The next bill, the House and Senate bills were
10 introduced at the request of the City of Pawtucket.
11 They want NBC to take over the laterals in the City of
12 Pawtucket.
13 While we're not opposed to the concept of us
14 considering that, we are in opposition to this bill

15 which would mandate that we take over immediately the
16 sewers just in Pawtucket. We don't have the manpower,
17 the equipment to do that, and plus given the fact that
18 we're a regional agency, we would rather consider the
19 concept on a regional basis.

20 So, what we're proposing is an alternative to this
21 bill, which would create a -- which would mandate that
22 the NBC study the issue acquiring laterals throughout
23 our district.

24 I've spoken to sponsors on both sides. They
25 understand what our concerns are with their bill, and

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1 we're working with them to try to bring forth that
2 concept.

3 Just one other bill, it's the Quasi Public
4 Transparency Bill that's been around for the last couple
5 of years, basically, codifying what a quasi public
6 agency should be doing, so everybody's on the same
7 playing field.

8 We've worked with the sponsors both last year and
9 this year, and he has addressed all of our concerns so
10 we will be supporting this bill. Again, there are other
11 bills on the report. I would be happy to answer any
12 questions now or at a later time.

13 CHAIRMAN MESOLELLA: Does anyone have any
14 questions with regard to the Legislative Report?

15 THE COMMISSION: (No response)

16 CHAIRMAN MESOLELLA: You may recall that we
17 supported this bill, a bill last year, basically, which
18 created a study commission to study the issue of taking
19 over the laterals in our service area.

20 We were a little surprised that that bill came in
21 just for Pawtucket in light of the fact that, the bill
22 passed the House last year, and it did not get
23 consideration of the Senate?

24 MS. MACERONI: No. It was towards the end
25 of the session, and I think it just got lost in the last

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1 minute session on the Senate side.

2 CHAIRMAN MESOLELLA: So, we're watching that
3 because I expect that, eventually, that's going to
4 happen anyway, so we might as well get ahead of the
5 curve.

6 One thing I'd like to mention in conjunction with the
7 lateral bill, and that is, we've had a request from the
8 Town of North Providence to possibly take a look at
9 taking over a section of pipe that goes from roughly
10 where you get off on 146 onto Mineral Spring Avenue

11 through the Pawtucket line, there's an interceptor line
12 there which the Town of North Providence owns.
13 No one, now, I've been here since the inception of
14 the Narragansett Bay Commission, no one has a clear
15 explanation as to why this small section of pipe between
16 where you get off on 146 on Mineral Spring Avenue and
17 Pawtucket was not taken over, NBC did not take over the
18 ownership of that pipe from inception back in, I don't
19 know, 1979, '80, '81. We don't know why. But we don't
20 own the pipe. The Town of North Providence does.
21 In anticipation of something happening with the
22 lateral bill, Ray and I have agreed with Commissioner
23 Leone that we should understand the conditions of that
24 pipe, so we're going to be sending out a crew, maybe do
25 some televising it to kind of get a sense where we are

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1 with that pipe, and then it will be for future
2 consideration sometime done the line, maybe at the end
3 of the session when we get through this lateral bill.
4 So, I don't know why it was never taken on, but there's
5 a reason. Somebody to say, okay.
6 So, having said that, that concludes your Legislative
7 Report?
8 MS. MACERONI: Yes, Mr. Chairman.

9 CHAIRMAN MESOLELLA: Very, very briefly, the
10 Chairman's Report. A couple of things. I guess first
11 I'll say that today, sadly, I've accepted the
12 resignation of Commissioner Leo Thompson.
13 Commissioner Thompson had expressed early on in the
14 year, even before the end of the year, his desire to
15 resign from the Commission. I don't know if it was
16 health reasons or whatever, but he submitted his letter
17 of resignation. He actually submitted the letter back
18 in February, but I, basically, refused to accept it. I
19 wanted him to reconsider it. He's been a valuable
20 member of the Commission for a long time, and I had ask
21 him to reconsider it.
22 I even spoke to him yesterday, and I said, if you are
23 not, you're convinced that you want to resign from the
24 board, I will accept your resignation tomorrow because
25 we have four members who have been reappointed by the

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1 Governor whose reappointment has not been submitted to
2 the Senate for confirmation.
3 So, I spoke with the Governor last week. He was
4 asking whether or not there were any vacancies on the
5 board that needed to be filled, as he had someone he was
6 interested in appointing to the board, and he wanted to

7 send all the nominations down maybe this week or the
8 beginning of April for Senate confirmation.
9 So, having heard that, I called Leo and said, if
10 you're going to stay, stay, but if you're not, I want to
11 accept your resignation so I can get the reappointment
12 official for all of the Commissioners whose appointments
13 are pending. I think would be you, Commissioner
14 Carlino, Commissioner Nathan, Commissioner Worrell, and
15 maybe Commissioner Kimball, right?

16 COMMISSIONER KIMBALL: Yes.

17 CHAIRMAN MESOLELLA: So, those four we'll
18 get hopefully confirmed by the end of April along with
19 the replacement for Commissioner Salvadore. My
20 understanding is that Michelle DeRoche is going to get
21 that appointment. We'll have another woman on the
22 board, and she would be confirmed as well along with the
23 person who Governor Chaffee appoints to fill the vacancy
24 created by Leo Thompson's resignation. So, sadly, I
25 wanted to report that to you.

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1 Other than that, I'm looking forward, really looking
2 forward to a groundbreaking ceremony in May for the
3 compliance building. You know it's 14 or 15 years we
4 were trying to get a title to that property and a title

5 to Service Road here, and we're really excited about that
6 construction. We'll have more to report to you next
7 month with regard to Cuffee School and all of the other
8 issues, Barletta and everyone else.

9 COMMISSIONER FARNUM: We'll send Leo a
10 letter thanking home for his great service.

11 CHAIRMAN MESOLELLA: Yes. I asked him if he
12 wanted to attend. He wasn't feeling well, he said, no,
13 but he may come to the April meeting at which point we
14 will provide the appropriate Resolution of Appreciation
15 for Commissioner Thompson.

16 Having said that, and I know it's later than we
17 usually like to go, we do have a presentation on Phase
18 3, which has been prepared for you. I would beg your
19 indulgence. It's important for me to make certain that
20 everyone understands and knows the direction we're going
21 on Phase 3, so if you have any questions or comments,
22 we're certainly happy to take them. I'm ready to
23 receive the presentation. Are we ready, Tom?

24 MR. BRUECKNER: Yes.

25 RAYMOND MARSHALL: What we're going to do

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1 is, we're going to bypass Phase 1 and Phase 2, which you
2 hear about on a regular basis, and we can also drop

3 those presentations in at any time because they're going
4 to be made by staff members. What we have are the
5 outside group coming in, just coming in to do the Phase
6 3 who are here today, so we want to get right to that.
7 So, I'll turn it over to Tom, and he's going to lead the
8 show.

9 MR. BRUECKNER: I'm going to just briefly
10 talk to you about a few things leading up to Phase 3, a
11 short presentation on the background of the CSO program,
12 then I just want to talk about what we're doing in Phase
13 3, and then I'll turn it over to our consultant who's
14 doing a Phase 3 re-evaluation for us, MWH and Pare
15 Associates.

16 Just very quickly, what's a combined sewer overflow?
17 We talk about it. In the City of Pawtucket, Providence
18 and Central Falls, there's one sewer system, one pipe in
19 the street. It takes both the sanitary flow from the
20 houses and the stormwater from the streets and roof
21 leaders.

22 When it's not raining, the flow, the sanitary flow
23 gets into a connector pipe and into the interceptor
24 pipe, goes to the treatment plant for treatment.

25 When it rains, the additional stormwater flow is too

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1 much for the one pipe to take, the connector pipe and
2 the interceptor pipe to take, so we have what's called a
3 combined sewer overflow, which is a mixture of
4 stormwater and sanitary flow that discharges directly to
5 the river.

6 A little bit of background. Why are we doing the CSO
7 program? By federal law, CSOs must be addressed to meet
8 water quality standards, and that's a very important
9 point. We have to meet water quality standards, and
10 I'll talk about that a little bit in a minute. The
11 primary pollutant that we're concerned with for combined
12 sewer overflow is the bacteria.

13 In 1992, we signed a consent agreement with DEM
14 establishing the schedule for planning, designing and
15 construction of the facilities so that we could comply
16 with the law, and in 1994, we completed a conceptual
17 design report that was approved by DEM, saying what were
18 going to do to meet the requirements of the federal law.

19 The recommended alternative, basically, at that time
20 was a system of tunnels in Providence, Central Falls and
21 Pawtucket that would pick up the overflows and store
22 them until after the storm and the flow could then be
23 treated at the treatment plant, the Bucklin Point plant
24 up here (indicating).

25 The Bucklin Point plant is over here, and the Field's

1 Point plant is down here (indicating), right there.

2 There's the Field's Point plant, and there's the Bucklin

3 Point plant. Along the Woonasquatucket River we had a

4 series of near surface storage facilities.

5 Now, because of the -- we started the design for

6 those facilities in 1994, preliminary design, but in

7 1994, EPA revised their CSO policy to provide more

8 flexibility in what you needed to do to meet water

9 quality standards.

10 So, in 1996, we decided to re-evaluate the approved

11 program due to the policy, the cost for the program that

12 we had come up with and technical concern of the program

13 that we had come up with, particularly with regard to

14 geotechnical issues.

15 So, from 1996 to 1998 we had the first re-evaluation

16 with input from the stakeholders group; that was our

17 first stakeholders, and as a result of that, we came up

18 with a new program called, the Conceptual Design Report

19 Amendment, which was approved by DEM in 1998.

20 Now, the program goals are to reduce, once the three

21 phases of the project are done, reduce the volume by 98

22 percent. The annual volume is 2.2 billion gallons from

23 the existing overflows. We expect an 80 percent

24 reduction in shellfish bed closures again by reducing

25 the amount of bacteria going into the receiving waters,

1 and the program was designed to capture a 3-month storm
2 or 1.6 inches of rain in 6 hours. Anything greater than
3 that, we'd have an overflow that would affect water
4 quality.

5 The program was to be done in three phases. The
6 first phase, which I think most of you are familiar
7 with, was completed in 2008. Phase 2 is going to be
8 completed by the end of this year, and Phase 3 is the
9 one that we're going to be discussing today.

10 Just briefly, I think you've seen this graphic
11 before, but the program, 3 phases. The first phase is
12 the big tunnel under the City of Providence. It picks
13 up the overflows along the Providence River, and also,
14 there was another component which was to upgrade the
15 Bucklin Point plant to provide treatment for one of the
16 big overflows on the Seekonk River that we provide
17 primary treatment and disinfection at the treatment
18 plant for that overflow.

19 Phase 2 is going to be and is under construction, the
20 interceptor along the Woonasquatucket River and one
21 along the Seekonk River to pick up those overflows.
22 Those interceptors will drop into the tunnel, and that
23 flow is treated at the Field's Point treatment plant

24 after the storm, given secondary treatment.

25 Also as part of Phase 2, there are two sewer

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1 separation projects on the East Side of Providence, and

2 although we've completed them, it's certainly, or most

3 of them are complete, there's three that are still

4 ongoing.

5 The disruptions to the East Side was such that we

6 decided we probably really don't what to do sewer

7 separation again, and the other issue is then we'll

8 create stormwater discharge, which, as you heard earlier

9 in the meeting, stormwater is another issue that's going

10 to have to be addressed in the future.

11 So, we're looking as we go into Phase 3 to, although

12 we've provided some sewer separation was proposed for

13 Phase 3, we want to look at other alternatives to that.

14 And then part of Phase 3 was going to be the tunnel

15 from the Bucklin Point treatment plant up to Central

16 Falls, two interceptors and then an adit to pick up one

17 overflow on the Moshassuck River that would go into the

18 tunnel. So, the Phase 3 program, what are we proposing?

19 So, if we look at the cost for Phases 1 and 2, I

20 think that's 375 million, and I think this is 215. I

21 can't see too well without my glasses, but those are the

22 current costs for Phase 1; its actual cost 375, 215 is
23 the projected cost to finish Phase 2.
24 Phase 3, we're estimating the cost at 600 million,
25 basically, interceptors and a tunnel as was done in

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1 Phase 1 and 2, so the total cost for all 3 phases will
2 be about a billion dollars.
3 What impact does this have on our rates? Obviously,
4 it's getting expensive for us to do this program. You
5 can see the blue part of the rate increase is the base
6 of the rates in 2002.
7 Since that time we've started to incur debt for the
8 CSO program, and for the nutrient removal program, for
9 nitrogen removal, that's the red part, which is a
10 substantial part of the increase we've seen over the
11 years.
12 And then we have the cost for operating and
13 maintenance. Again, this is associated with the tunnel
14 operation and the BNR removal at the two treatment
15 plants.
16 The criterion that EPA uses for affordability is 2
17 percent of the median household income. For Central
18 Falls, 2 percent of the median household income would be
19 about \$585 per year. This line indicates what that

20 amount is. You can see in 2014 we're approaching that
21 affordability limit. As we project the cost out into
22 the coming years, we expect to exceed that.

23 So, it's obvious that the current program that we're
24 proposing, which this does not include the additional
25 \$600,000,000 for Phase 3, it's going to probably greatly

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1 exceed the amount of 2 percent meeting household income
2 for Central Falls and even for Providence, which is up
3 around \$765, we'll probably be approaching that and
4 exceeding that. So, obviously, there's an affordability
5 issue, and that's a big concern for the Commission.

6 COMMISSIONER CARLINO: So, this slide does
7 not include the 600 million in Phase 3?

8 MR. BRUECKNER: No, it doesn't. So, what
9 are we going to do for the re-evaluation tasks? The
10 first item is we need to develop a sewer hydraulic model
11 for the Bucklin Point service area. This is primarily
12 needed as a tool to evaluate the alternatives we'd be
13 looking at in Phase 3.

14 The second task is to evaluate changes in water
15 quality since the completion of Phase 1, and expected
16 water quality upon completion of Phases 2 and 3, which
17 will be done with the receiving water model that was

18 used during the first evaluation of Phase 1.
19 Now, the question is, what is it that we need to do
20 to meet water quality standards? So, our recent
21 discussions with EPA indicated that your program is not
22 complete until water quality standards are met. Now,
23 you cannot meet water quality standards. We can't meet
24 it all the time because, as I pointed out, the storm we
25 designed for in Phase 1 and 2 is only a 3-month storm.

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1 So, obviously, any storm bigger than that is going to
2 exceed water quality standards.
3 In addition to the CSOs, there are also stormwater
4 component that's the discharge from stormwater that has
5 an impact, has bacteria, will effect water quality. And
6 other issues that we're dealing with that will cost us
7 money, or the communities that we serve will have to
8 spend money on it are the wastewater treatment plants
9 and a big component is sewer infrastructure.
10 Ray alluded to the fact that we may take over
11 municipal sewers if some legislation passes currently in
12 the General Assembly or at least evaluate the
13 feasibility of that, and we think that there is a
14 substantial cost component associated with upgrading
15 local sewers due to deferred maintenance that has gone

16 on for years, and the cities just have not maintained
17 their sewers. Should we take those over? That would be
18 a very big component that we would have to pay for and
19 would affect our rates.

20 So, one of the big issues that EPA is having
21 communities address is called integrated planning where
22 instead of just saying, what do we need to do for CSOs?
23 The intent is to look at all of the programs that you
24 have to pay for related to water quality and then to
25 establish the cost for those and then establish

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1 priorities for which one should be done first or
2 concurrently.
3 And with regard to what you can afford, you really
4 just keep spending to your limit of affordability. So,
5 if today we could not afford to do anything because the
6 rates were too high, we exceeded the 2 percent, we could
7 defer doing the work for Phase 3 at some time when we
8 could afford it after we've retired some debt, and so,
9 we would not get out from under having to do anything.
10 We might just defer it, or bring it down the road.
11 And it's a long-term approach in terms of meeting
12 water quality standards, so even if we were to complete
13 Phase 3 and we still didn't meet standards and we

14 reached the limit of affordability, at some point when
15 in the future we could afford to spend more money to
16 address, let's say, stormwater, then we'd have to start
17 spending on stormwater until we met water quality
18 standards.

19 So, this program would go on for many, many years.
20 Spend what you can, and when you can afford to do more,
21 you can do more, spend some more, so on and so forth.
22 So, that's the approach.

23 The third task for re-evaluation is to evaluate the
24 recommended abatement method for each overflow and
25 answer the following: Is it currently the most

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1 cost-effective method? And particularly, are there any
2 green infrastructural alternatives that we can implement
3 where EPA is now indicating that green infrastructure
4 may be a viable alternative to the grey infrastructure
5 approach for a tunnel, and could we do that within the
6 district, and what would that entail?

7 The forecast is to develop a cost estimate for Phase
8 3 and determine the following, which is the impact on
9 sewer rates, and is it affordable based on EPA criteria?

10 And then there are three other tasks, fairly minor,
11 to map the project area for Phase 3. Conduct a limited

12 geotechnical program, and re-establish the stakeholders
13 to discuss the results and receive feedback, basically,
14 to come up with possibly a revised plan, and Ray
15 mentioned that there are six of those meetings. We've
16 had the first one. The second one is April 10th, and
17 then we will continue until October, and we expect to
18 complete the re-evaluation by the end of this year.

19 I'd like to turn it over to MWH who will now give a
20 talk about they will be doing specifically.

21 MS. CARTER: Good afternoon. Melissa
22 Carter, and with me today are Sean Searles and Larry
23 Laws, and we are all representing MWH.

24 We were invited here today to introduce our team to
25 you for Phase 3 re-evaluation. MWH is leading the

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1 effort. We're a global engineering firm with about
2 7,000 employees globally, and we are teamed with Pare
3 Corporation. They have extensive local experience as
4 well as relationships with many of the member
5 communities. They've also worked on several MDC
6 projects over the years.

7 RPS, ASA is also on our team. They did the water
8 quality modeling for Phase 1 and 2 and will continue on
9 that for Phase 3.

10 So, what makes MWH unique among our competitors? We
11 focus only on wet infrastructure. We don't do roads or
12 bridges or buildings, and by wet infrastructure, I mean,
13 we do water, wastewater treatment, dams, hydropower,
14 tunnels, dam systems and CSO programs.

15 Because we focus on wet infrastructure, we
16 continually appear at the top of the ENR rankings in our
17 sector, and you'll notice here that we show up not only
18 in the design firm rankings, but also the contractor
19 rankings as well. We are the largest wastewater
20 contractor in the U.S.

21 So, MWH is a full-service firm, and what that means
22 is we do planning, we do designs, we do construction, we
23 do design build, we do asset management, construction
24 management and program management.

25 We have national experience with wet weather

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1 programs. In New England, specifically, we have been
2 working with the City of Cambridge over 15 years on
3 their wet weather program.

4 We are working with the Springfield Water and Sewer
5 Commission on their long-term control plan. We've been
6 working with them for 4 years. We have worked with New
7 York City DEP on a couple of their programs for over 5

8 years.

9 Outside of New England, we've been working with the
10 City of Baltimore for three years on their consent
11 decree program. We've been working with the City of
12 Atlanta for over 10 years on their consent decree
13 program. We worked with Cape Coral, the City of
14 Houston, Indianapolis, Northeast Ohio Sewer District,
15 Lima Ohio. We are working with Muncie and most recently
16 with Akron, Ohio.

17 Now, MWH has emerged as the industry leader in
18 applying EPA's new integrated planning framework. For
19 example, we have worked with the City of Baltimore to
20 have their integrated planning framework plan be
21 accepted by the EPA, not only accepted, but it was the
22 first approved in the U.S.

23 We've also worked with the City of Atlanta to help
24 them negotiate a 13-year time extension to their consent
25 decree, and we helped Indianapolis re-negotiate their

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1 consent decree.

2 We are also currently working with Springfield on
3 using the integrated planning approach for their consent
4 order on Munci and now Narragansett Bay Commission.

5 So, what is the IPF, and what does it mean for Phase

6 3? As Tom mentioned, we're going to be validating the
7 original Phase 3 plan, and to do this we're going to be
8 doing some detailed hydraulic modeling and analysis, and
9 applying a holistic approach to refine that plan, which
10 means we're going to be looking at green infrastructure
11 and grey infrastructure technology in order to reduce
12 some of the stormwater runoff that gets into the system
13 and optimize the operation of the existing system, and
14 hold back some of the flow that gets into the system
15 upstream to make room downstream for more stormwater,
16 the intent there is to alleviate CSOs and potentially
17 reduce the size and cost of some of the components of
18 the original Phase 3 plan.

19 So, this photo on the left here is an example of a
20 green infrastructure technology, and this is just a
21 grassy area around a catch basin inlet, and what that
22 does is it slows down runoff, and some of them will
23 infiltrate into the soil before it ends up going into
24 the catch basin and eventually into the pipe in the
25 ground.

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1 The photo at the top there is an example of a rain
2 garden, and this is catching runoff from the roof. The
3 photo on the right is an underground storage tank, and

4 this is a temporary stormwater storage tank which would
5 catch and store stormwater during the peak of a storm
6 and then slowly and gradually discharge it back into the
7 system once the storm is passed.

8 We will also be looking at passive control systems
9 that can be strategically placed within the existing
10 system. The illustration at the bottom is an example of
11 a bending ware, and this would go into a small junction
12 box, and it be would placed between two existing pipes,
13 and what it does is it holds back flow upstream until
14 that flow reaches a certain level, and then when it's
15 needed, the bending ware will start slowly tipping over
16 and allow more and more flow downstream. Again, what
17 does is it helps maximize storage upstream so that your
18 downstream systems can work better during these storms.

19 So, the follow-on path to the technical approach is
20 looking at a balanced implementation of the refined
21 Phase 3 plan, and Tom also discussed how that means
22 balancing priorities through integrated planning and
23 looking at the financial impact to ratepayers for all of
24 the commitment, not only CSO compliance commitments, but
25 all capital improvement commitments, and a huge part of

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1 that is an affordability assessment. To clarify how

2 this works, Sean Searles is going to talk about the City
3 of Baltimore.

4 MR. SEARLES: Well, I thought Tom did an
5 excellent job describing to you the potential benefits
6 of integrated planning. I think what I would like to
7 share with the board today is my experience specifically
8 in the City of Baltimore with integrated planning where
9 we've been leading the city there for about the last two
10 years in the development of a plan.

11 Melissa indicated that that plan has been approved by
12 the regulators. I don't want to mislead the Commission.
13 That plan is right now the core of a negotiating
14 position that we're working with the regulators on to
15 modify the existing 2002 consent decree.

16 What the regulators have said is that that plan will
17 inform their decision with regard to any approved
18 modifications to the consent decree including time
19 extension, which we anticipate will be a significant
20 time extension.

21 So, what we're looking for here through the
22 integrated planning process is, you see on the left
23 there's a series of graphics that talks to business as
24 usual and then what we're looking to achieve through the
25 integrated planning efforts.

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1 Business as usual, what we find in most utilities is
2 you get a very unbalanced investment that's largely
3 unaffordable. When you combine all of the needs of the
4 utility including the regulatory-driven needs which tend
5 to constrain your consent decree, and actually, the
6 graphic in the middle, which you're looking at, is a
7 representation of what Baltimore's investment profile
8 looked like before we began this integrated planning
9 effort.

10 We've now moved it to the right to a much more
11 balanced investment, and we've made affordability as the
12 driver for the actual implementation schedule for that
13 plan.

14 The other thing that you're looking to achieve
15 through the integrated planning effort, particularly,
16 the regulators are looking at this, they want to see
17 some very beneficial improvement. You can interpret
18 that as environmental benefit early on in the planning
19 years.

20 So, in Baltimore's case, what we've done is we've
21 come up with a plan that's balanced, that's affordable,
22 but also front loads total benefits. That includes
23 environmental benefits, but in Baltimore's case, we've
24 used the quadruple bottom line approach because just
25 like we want to be balanced in terms of our investment

1 across the asset infrastructure, we want to make sure
2 that the priorities and goals of the city are being met.
3 Those are not just environmental. While those are very
4 important, there's other social economic and other
5 considerations that are important in the plan.

6 So, what we developed through our experience in
7 Baltimore is a 10-step process. This, by the way, has
8 been endorsed by EPA, this methodology, for the
9 development of the plan, it's a set of repeatable steps,
10 it can be tailored to the unique needs of any utility.

11 It was developed specifically to conform to EPA's
12 guidelines for integrated planning. Their guidelines
13 include about a 6-component plan that results from the
14 process. This methodology is meant to achieve that.

15 Just to give you an idea, now, what you're looking at
16 there is the service area for the City of Baltimore. If
17 you look on the left there in 2013, that's the situation
18 as it stands today. Now, you heard some of the previous
19 affordability discussions.

20 In the City of Baltimore, 26 percent of their
21 ratepayer base lives below the federal poverty line, and
22 of that 26 percent, 50 percent of those live more than
23 50 percent below the poverty line.

24 So, what that red represents, they're showing the

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1 already can't afford their utility bill.

2 Now, if we were to proceed with the current plan

3 which is largely regulatory driven, this is before

4 integrated planning, what you see is the majority of the

5 census tracks in Baltimore, by EPA's current definition

6 of affordability, would not be able to afford the

7 utility bill by 2030.

8 So, what we're trying to do through integrated

9 planning is to ease that pain, and to hopefully, end up

10 with a more balanced approach that minimizes the total

11 burden to the ratepayers because they're funding all of

12 these improvements.

13 Now, this is, and I just put this up here; please

14 don't try to read this, this is the framework for EPA's

15 guidelines for affordability. They were developed back

16 in '97. They're largely considered by the industry,

17 including the regulators as being out of date, and

18 there's a lot of work that's been done through the U.S.

19 Conference of Mayors with AWWA and WETH and even NACWA

20 to help amend the affordability guidelines, and as Tom

21 indicated, it's based around percent of burden relative

22 to the median household income, which doesn't take into

23 account a lot of the real economic impacts that really
24 determine whether or not a capital plan is affordable in
25 a given utility district.

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1 So, on the left what you see is the economic
2 indicators related to the residential indicator. That's
3 that 2 percent, if you will, of median household income.
4 On the right what you see is a set of other economic
5 indicators that really are meant to establish a utility
6 customer's ability to absorb additional financial burden
7 beyond the one that they currently have. Like I said,
8 this is largely considered to be out of date and is
9 being re-looked at right now.

10 The big problem with the residential indicator as Tom
11 mentioned previously is that it ignores the impact of
12 actual bills on your current ratepayer base. In
13 addition, it totally ignores how income is skewed within
14 those census tracks around the median.

15 If you look at the profile for the City of Baltimore,
16 you would find around the median there is a very small
17 amount of population base that's clustered there. Most
18 of it is on the very low end, and then there's a fairly
19 large pocket on the high end.

20 So, when you're really looking at affordability and

21 you're doing it down on a census-track basis, you can
22 quickly see how the burden is accrued to those
23 households that live in those census tracks, so the
24 details really matter, and in fact, this data I think we
25 pulled from Providence.

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1 What we're looking at here is we want to make sure
2 that we understand what the income distribution is
3 across the census track. We want to be able to analyze
4 affordability considerations down at the lowest level
5 where the ratepayers actually pay their bills.
6 The good news in all of this, the approach that we
7 advocated in Baltimore and that we have used is now the
8 leading candidate, if you will, to be adopted by the
9 regulated community. Again, this document was published
10 here just last summer that was pushed by the U.S.
11 Conference of Mayors who, by the way, and I think maybe
12 you realize this, the U.S. Conference of Mayors was also
13 the big impetus behind the development of the integrated
14 planning framework. They felt the burden of the big
15 cities trying to comply with these very onerous consent
16 decrees that were largely unaffordable, and they pushed
17 the regulators to develop the integrated planning
18 framework guidelines that were released in June of 2012.

19 So, the goods news is, for those of us that are out
20 there with affordability concerns is, there's a new
21 mousetrap that's going to be hopefully adopted here in
22 the near future. It happens to be the one that we've
23 been using, the one that we used in Baltimore. The
24 regulators in Region 3 and even the US EPA like that
25 approach.

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1 One difference, though, I will tell you in Baltimore,
2 and Tom alluded to it when he put all of the different
3 asset classes up there under integrated planning on the
4 slide that he had, in Baltimore, we have included all of
5 the asset infrastructure that the integrated utility
6 owns and operates, including water.

7 The integrated planning in terms of the EPA
8 guidelines only applies to those Clean Water Act
9 infrastructures of wastewater and stormwater.

10 So, they had a little bit of a challenge with us in
11 terms of what we've chosen to do which is, and our
12 argument is, Baltimore, look, the same money comes out
13 of the same ratepayers' pockets. We've got to consider
14 the total need across the entire utility and how that
15 impacts affordability to bills to the ratepayers.

16 So, they've come a long way. They're now, like I

17 said, actually considering using our integrated plan to
18 inform their decisions on major modifications to the
19 consent decree.

20 So with that, I'm going to ask Larry to come up here
21 and give you an overview of MWH's program implementation
22 experience.

23 MR. LAWS: Thank you, Sean. My name is
24 Larry Laws, and I'd like to talk to you about a couple
25 of the projects that Melissa referred to a little

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1 earlier, Cape Coral, Florida and Austin, Texas where we
2 have a couple of big construction programs going on and
3 just recently finished.

4 Some of you may be familiar with Florida and where
5 Cape Coral is. It's in Southwest Florida down in the
6 Fort Meyers area. It's developed in a very unique way.
7 It's a relatively young city, and two brothers from
8 Baltimore went down there and bought up 100 square miles
9 of Florida's swampland and drained the swamp by dredging
10 400 miles into the canal.

11 You can see some of the canals in the lower left-hand
12 portion on the slide here, built up the land, subdivided
13 all of that land into quarter-acre lots, pre-platted
14 lots, and aggressively marketed those throughout the

15 northeast and the upper Midwest to thousands and
16 thousands and thousands of homeowners who eventually
17 started coming down there and developing their own well
18 and septic because the city didn't have any central
19 services.

20 You can imagine with 400 miles of canal, which,
21 incidentally is more canals than we have in Venice,
22 Italy, that becomes an environmental challenge after a
23 while when you start getting more density down there.

24 So, the city decided they needed to do something, so
25 they embarked on a program administered by themselves.

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1 They held the engineering contracts. You see to the
2 right on the lower slide or part of the slide, an
3 organizational chart that shows the city in control of
4 the engineering contract, the construction contract, and
5 CM and inspector contract.

6 That effort didn't work out so well. You can see
7 from the slide they issued multiple large contract.
8 They ended serving 14,000 customers with over 20,000
9 formal complaints that ended up going to what they call
10 a blue ribbon panel for adjudication. They used the old
11 design bid bill followed by the inevitable argue, fight
12 and sue phase of the process. Four of the five

13 contractors sued the city and the city, in term, sued
14 everybody else.
15 So, they decided to take a timeout from utility
16 expansion and let things kind of cool down while they
17 settled all the lawsuits and so forth.
18 The new regime, new management, new ideas, several
19 years later, people started moving back in droves,
20 unprecedented growth in the early 2000s forcing them to
21 pick up where they left off to do more utility
22 expansion, but this time they did it in a different way.
23 They had developed what they call a program manager
24 at risk, which shows to the right the organizational
25 chart where they hired one individual entity to

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1 coordinate the planning, the construction, the design
2 because it all had to come together in a very, very
3 coordinated way. They were finding themselves about ten
4 years behind their master plan, and they really needed
5 to catch up because more people were coming down there
6 and poking straws in the ground, draining the aquifers
7 and putting more of those canals at risk from an
8 environmental standpoint with increased density of those
9 septic systems.
10 So, what they ended up doing was not only extending

11 those same water, sewer and irrigation utilities, but
12 also developing increased capacity with their treatment
13 plant and building a new treatment plant.
14 See, the middle graphic on the right-hand side shows
15 some of the projects. There were over 80 projects that
16 were developed during this 9-year nearly \$1 billion
17 program. They were scattered all over the city. We
18 literally were in everybody's front yard putting in
19 water and sewer lines and affecting homeowners from one
20 end of the city to the other.
21 We successfully delivered that program, and by having
22 one entity in charge, we increase consistency of
23 quality, safety, scheduled certainty. We're able to
24 coordinate things like extending utilities while you're
25 increasing the capacity of the related treatment plant.

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1 So, you had that capacity when you were ready to put
2 those people on line, so there was a lot of fast-track
3 construction.
4 Since the city was going to have the homeowners pay
5 for a lot of those improvements, it was important that
6 they keep it very economical and look for external
7 sources of money. We were able to help them find an
8 additional \$12 million in grant funding for stormwater,

9 and we were able to bring all of the projects in under
10 budget. So, what that meant was bringing rebates back
11 to some of those homeowners, which was a very important
12 thing from a political standpoint.

13 As you can imagine, from the first program, customer
14 service was a huge determinant in selecting who they
15 wanted to work with, and we had a proven what we called,
16 Customer First Program, which was very comprehensive.
17 Least to say that an independent survey commissioned by
18 the folks down there ended up with an 83 percent success
19 rating in terms of the construction process when they
20 talked to homeowners that were affected --

21 We used competitive bidding to get the best available
22 local subcontractors. We pre-qualified a lot of local
23 subcontractors, and it was important to the city down
24 there to keep work local, and that's exactly what we
25 did.

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1 The program, and I'm pleased to say, won a number of
2 state and OSHA safety awards. We got to 2 million hours
3 without a lost time accident, which was very impressive
4 given the fact that we were in the streets in traffic
5 and all over the city every day of the week. We also
6 won a national partnering award from the American

7 General Contractors Association as well.

8 So, project price certainty, which was important to
9 the client changeorder rate on nearly a billion dollar
10 program far less than 2 percent, closer to 1 percent,
11 and just as important to the client, 0 contractor claims
12 after the entire program was finished.

13 The reason I show you the picture on the lower right
14 is not to show you what a house looks like in southwest
15 Florida, but to show you that we designed and
16 constructed a massive pump station to look like a house
17 in southwest Florida.

18 So, 2/3 of the sewerage from Cape Coral lower half of
19 the city flows through two big wet wells in the
20 courtyard in the front of what looks like a house,
21 rollout generator in the garage and an odor control
22 facility behind the white picket fence in the backyard.
23 We so blended in, we got lots of junk mail delivered to
24 that pump station.

25 Another large program still underway, about 90

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1 percent complete, the City of Austin, Texas, looking at
2 similarly going with the design bid build mentality to
3 build a new water treatment plant. A water treatment in
4 Austin you would think would be a good thing, but it was

5 35 years in the making, a very politically hot potato
6 kind of a project.

7 Environmentalists were determined to make sure that
8 we didn't disrupt the habitat of the -- flat tailed
9 salamander and other similar creatures, so they were
10 very aggressive in trying to stop Austin from building a
11 water treatment plant. So successful it took 35 years,
12 almost a generation, before they got the political will
13 and everything mustered in the right direction to go
14 ahead and build the water treatment plant. It didn't
15 stop the environmentalists. They twice tried to stop
16 the project, even though it was well under construction.

17 This is another sizable project, half billion
18 dollars, treatment plant, and the combination of the
19 water treatment plant and tunnel, not quite the same
20 size as some of the tunnels I've seen on the wall here.
21 The TBN that you see on the left is only a 7 footer
22 compared to some of the ones that I see pictures of
23 around the room here.

24 We had three substantial tunnels that brought water
25 from, all water from Lake Travis, which you see in the

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1 center pictures there. A very high-profile project,
2 obviously, from a community standpoint.

3 For those of you who fancy country music, you may
4 have heard the tune that Garth Brooks has, I've got
5 friends in low places, let's go down to the Oasis.
6 Well, the Oasis restaurant overlooked that middle
7 picture that you see there, so we were out there for
8 months on the lake underneath the Oasis restaurant.
9 We had lots of sidewalk superintendents watching over
10 the work that we were doing out on the lake, so it
11 couldn't be a more high-profile of a project expanding
12 over 7 miles.

13 As you can see, while Rhode Island may be a small
14 state, Texas fancies themselves are doing everything
15 bigger, so some of the equipment we have down there is
16 indicative of that.

17 Austin Water Utility chose MWH to do this project for
18 various reasons. They were headed down the design bid
19 build path, but decided the more they learned about
20 alternative delivery and other ways to deliver projects,
21 the more they liked the fact that they could preserve
22 some of their own control over the process, not just
23 turn it over to the design and the construction entities
24 and sit back and kind of hope that everything goes well,
25 but to take an active role throughout the process.

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1 This gave them a lot more flexibility to respond to a
2 lot of either political or budget or other
3 environmental-induced changes. It gave us a lot of
4 flexibility to work with the owner in doing just that.
5 This also improved cost and schedule certainty in
6 bringing your constructor aboard earlier in the process
7 and working with the design firm.

8 So, not only did that encourage us to work closely
9 together, it increased collaboration during the design
10 process when you can usually influence what the outcome
11 might be in the construction process and reduce those
12 changeorders and increase the probability that you won't
13 have big claims at the end.

14 So, you can see our changeorder rate on this half
15 billion dollar project with lots of moving parts, it is
16 way less than 1 percent at this point. We're about 95
17 percent through with the project.

18 One of the other things that the City of Austin was
19 very interested in was keeping the work local. Those of
20 you who have been to Austin may know that they pride
21 themselves on a T-shirt that says, Keep Austin Weird.
22 So, what that means to them is to keep the work local,
23 keep everything local. They don't like the big boxes
24 and chain and so forth. They really fancy themselves as
25 being very unique down there in many ways.

1 So, they had some very ambitious goals for us to keep
2 work local, and also to include the minority business
3 enterprises and local businesses which we shattered all
4 of their participation goals by breaking the project up
5 into smaller packages that were suitable for the bonding
6 capacity for those local contractors.

7 Lastly and very important to the Austin Water Utility
8 director, he wanted a single point of responsibility to
9 bring all these different parts of this program together
10 in a coordinated way, it didn't really do him any good
11 to have the lake tap done and the finished water tunnel
12 done if the treatment plant wasn't done at the same time
13 to make it all work together.

14 So, they wanted a single point of responsibility and
15 someone who could bond the entire program, so that was
16 one of the reasons they chose our particular company was
17 because we could do all those other things, and as he
18 referred to it as not just single point of
19 responsibility, he liked us to say he wanted one throat
20 to choke, and that's what he got with our company.

21 So, we definitely had skin in the game, and I'm
22 pleased to report we're just about finished with that
23 project.

24 Those aren't the only projects that are high profile
25 or large projects that MWH is doing. We are the lead

1 designer for the new Panama Canal, the third set of
2 taxes for the Panama Canal that is an ongoing project
3 right now.

4 We are very, very big in the United Kingdom or the UK
5 where we managed several of their multi-year, what they
6 call Asset Management Programs or AMP programs
7 throughout the country. We're the largest contractor in
8 the UK, and we managed the 5 years CIP Program for the
9 City of London and for other large AMP programs
10 throughout the UK.

11 And last, but not least, you see a picture there of
12 the Colorado Springs project. Another, nearly, \$1
13 billion program that's currently underway in Colorado.

14 So, if I could just summarize what I believe you
15 heard from us is that we definitely are a fully-
16 integrated provider, and we stick to the knitting. Wet
17 infrastructure is what we do, and as you can see from
18 the ENR rating, we consistently rate very high in
19 leadership in that area. We're not only a leader in
20 design and construction, but integrated planning, we
21 definitely have the tools to help our clients find
22 balance and affordable solutions earlier.

23 A lot of our big projects, we're no strangers to

24 community involvement, community outreach. We've got a
25 lot of experience in doing that and being good neighbors

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1 in the communities that we serve. We try to make sure
2 that our approach is tailored to whatever the client
3 needs. There's no cookie cutter with us, and we will
4 tailor our approach to what you are looking for as our
5 client.

6 And as you can see from some of the slides, we
7 definitely have proven experience with large-scale
8 projects and programs. With that, I'm sure any of us
9 would be happy to take any questions that you might
10 have.

11 COMMISSIONER BURROUGHS: Could you use your
12 experience in Baltimore to give us a sense of, if you
13 switch out of grey infrastructure towards green, what
14 the consequences of that are on operations and
15 maintenance costs?

16 MR. SEARLES: That's a very good question.
17 There is obviously a big push in the regulated
18 community. In fact, with integrating planning, they
19 encourage you to consider green alternatives as opposed
20 to grey solutions, and again, as we said a couple of
21 times today, it is really tailored and unique to every

22 utility as to how much benefit you can derive from green
23 infrastructure solutions.
24 I don't have any metrics that I can give you today
25 that would suggest what the relative costs are. What

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1 you hear today is we could save a billion dollars if we
2 go green vs. grey. That doesn't take into account the
3 long-term O&M costs. That's a big consideration.
4 And because a lot of these solutions are very new,
5 they're evolving, there's not a lot of data out there in
6 the community to tell us how effective these solutions
7 are relative to the grey solution.

8 COMMISSIONER BURROUGHS: Can you say
9 anything about effectiveness with respect to water
10 quality? Is that still unknown, if you shift from grey
11 to green and how reliable --

12 MR. SEARLES: The idea with green
13 infrastructure, you're trying to keep infiltration from
14 getting into your pipes, and to the extent that there's
15 things like bio-retention basins and green gardens and
16 things like that that you not only capture some of that
17 infiltration flow that ultimately get into your pipes,
18 but also, environmentally treated, if you will, you
19 can't replace treatment for the water that ultimately

20 get into the pipes and makes it to the plant in terms of
21 ultimate water quality.
22 There's a lot of debate within the community about
23 the effectiveness of some of these green solutions, just
24 how much, what percentage of your total program flow
25 that you're trying to remove, whether it's the tunneling

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1 or whether it's the application of green, how much
2 you're going to get out of that these green solutions.
3 COMMISSIONER HANDY: The slide you showed
4 about Baltimore suggested that you were moving towards a
5 huge investment in additional stormwater controls and
6 the draining back to the investment on the grey
7 infrastructure. So, I guess, why would you reach that
8 conclusion if it isn't a powerful drive in terms of the
9 comprehensive analysis?

10 Also, who's paying for that and who's administering
11 on the stormwater sites, if we can get some education
12 here as to how --

13 MR. SEARLES: Well, in Baltimore, they as of
14 last July, they approved a stormwater utility fee. They
15 now have a dedicated enterprise fund for surface water
16 management projects where before they were using general
17 obligation money, and of course, as you know, that's

18 hard to come by, and it was way under what they needed
19 to meet the needs.
20 I don't think, unless I'm mistaken, I don't think I
21 had a slide up there that suggested Baltimore had a
22 major involvement in green. It's actually an SSO
23 community as opposed to a CSO community like you have
24 here. So, the relative effectiveness in terms of the II
25 control is not as great.

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1 However, Baltimore has a number of green initiatives
2 that they are pursuing, and what we have done through
3 the integrated planning process is, we took a look at
4 the total capital program based on the identified needs
5 across all the utility. We looked for opportunities to
6 put green infrastructure solutions in there, some of
7 which may be downsized, some of the grey projects, none
8 of which that I can recall did away with any of the grey
9 projects.

10 COMMISSIONER HANDY: I guess, maybe I'm
11 mistaken. The stormwater element of that -- and I
12 assume that those were green stormwater --

13 MR. SEARLES: Right. That was meant to
14 suggest a more balanced investment whereas Baltimore was
15 spending probably \$7 for a wastewater system improvement

16 against every 50 cents that they spend on stormwater,
17 maybe every dollar they spend on stormwater. So,
18 through the integrated planning process, we're looking
19 to make a more balanced investment.

20 MR. BRUECKNER: Just want to mention that in
21 the scope of work for MWH in the re-evaluation, one of
22 the things we asked them to look at is green
23 infrastructure throughout the entire district as an
24 alternative to what we are currently proposing, so
25 they're going to look at that.

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1 They're also looking at, and if it's not where, are
2 there areas within the district that are very feasible
3 can be implemented cost effectively and something we
4 might recommend.

5 But I think one of the big concerns we would have
6 with green infrastructure, let's say it's a bio swale on
7 the street, when it's done, who's going to maintain
8 that? You would you think it's the city or public works
9 people, but a lot of local communities don't have the
10 funding capability to do that, so that's an issue, and
11 it does need to be maintained and it could be expensive.
12 We are going to look at that as part of the
13 re-evaluation.

14 CHAIRMAN MESOLELLA: So, are there any other
15 questions?

16 THE COMMISSION: (No response)

17 CHAIRMAN MESOLELLA: Any other questions at
18 all?

19 THE COMMISSION: (No response)

20 CHAIRMAN MESOLELLA: I know this has been a
21 long meeting for our Commissioners, but I felt it was
22 important for everyone to understand who MWH is, why
23 they were selected. You can see from the very positive
24 experiences that they have, I hope we have a positive
25 experience with them. We're happy that they're on

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1 board, and thought it was important for the board to
2 understand who they are, what they do and the issues
3 that we're confronted with. So, I certainly appreciate
4 your indulgence today, and if you have any questions or
5 concerns, raise them now or raise them at some future
6 date. Commissioner Burroughs.

7 COMMISSIONER BURROUGHS: One other thing on
8 the agenda was the water quality impacts from Phase 1,
9 is there a way that we could either individually or
10 collectively get that information?

11 RAYMOND MARSHALL: Yes. We can send it to

12 you individually, and we'll reschedule it for another
13 meeting where we'll have some -- we're going to be
14 having additional informational sessions from now until
15 the end of this fiscal year at each of the board
16 meetings.

17 CHAIRMAN MESOLELLA: We want to make sure
18 everyone is completely informed as to where we've been
19 and where we're going, and I know it takes a little bit
20 of time, but I think it needs to be done.

21 You better defend me on this, Commissioner Nathan,
22 because you were the interest behind that we heard all
23 of the issues, and he remains silent. Well, thank you
24 very much.

25 COMMISSIONER NATHAN: Thank you. We need to

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1 know this type of stuff. How can we make decisions
2 without it?

3 CHAIRMAN MESOLELLA: So, having heard that,
4 unfortunately, Commissioner Rotella is not here to move
5 along to Item Number 9.

6 COMMISSIONER MacQUEEN: So moved.

7 CHAIRMAN MESOLELLA: Commissioner MacQueen
8 moves that we adjourn.

9 COMMISSIONER HANDY: Second.

10 CHAIRMAN MESOLELLA: Second by Commissioner
11 Handy and I think the entire board. All of those that
12 approve adjournment will say aye.

13 THE COMMISSION: Aye.

14 CHAIRMAN MESOLELLA: Are there any opposed?

15 THE COMMISSION: (No response)

16 CHAIRMAN MESOLELLA: None opposed. Motion
17 carries. We are adjourned.

18 (MOTION PASSED UNANIMOUSLY)

19 (MONTHLY BOARD MEETING CLOSED AT 1:40 P.M.)

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1 CERTIFICATE

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3

4 I, Heather Marie Finger, do hereby certify
5 that the foregoing is a true, accurate, and complete
6 transcript of my notes taken at the above-entitled
7 hearing.

6

7 IN WITNESS WHEREOF, I hereunto set my hand
this 16th day of April 2014.

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HEATHER MARIE FINGER, CSR, NOTARY PUBLIC
MY COMMISSION EXPIRES 4/02/16

DATE: March 25, 2014

IN RE: Board of Commissioners Monthly Meeting

HEARING OF: Narragansett Bay Commission
Board of Commissioners

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