

1 STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

2 NARRAGANSETT BAY COMMISSION

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6 IN RE: NBC MONTHLY BOARD MEETING
7 OF THE COMMISSION

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DATE: May 28, 2014

TIME: 11:00 A.M.

10 PLACE: Narragansett Bay Commission

Corporate Office Building

11 One Service Road

Providence, RI 02905

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COMMISSIONERS:

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Vincent Mesoella, Chairman

16 Angelo Rotella, Vice Chairman

Raymond Marshall, Executive Director & Secretary

17 Dr. Richard Burroughs

Bruce Campbell

18 Mario Carlino

Michael DiChiro

19 Seth Handy

Paul E. Lemont

20 John MacQueen

Joan Milas

21 Al Montanari

Richard Worrell

22 Joseph Andrade

Robert Andrade

23 Ronald Leone

Mario Carlino

24 Joseph DeAngelis, Legal Counsel

- 1 OTHER ATTENDEES:
- 2 Jenna Poland, S.D. Barnes School
Sophia Ribezzo, S.D. Barnes School
- 3 Milana Melvin
Dnate DiGregorio
- 4 Adriana Sousa
Cassandra Perrotta
- 5 Maija Spence
Flo Ribezzo
- 6 Debra Tuckett Ramm
Sandra Perrotta
- 7 Melissa DiGregorio
Cheryl & Anthony Carnevale
- 8 Anne Andrade
Deborah Samson, NBC
- 9 Jamie Samons, NBC
Joe Pratt, Louis Berger Group
- 10 Walter Palm, NBC
Paul Nordstrom, NBC
- 11 Vincent Ragosta, Counsel, NBC
Tom Uva, NBC
- 12 Laurie Horridge, NBC
Jennifer Harrington, NBC
- 13 Joanne Maceroni, NBC
Art Sheridan, NBC
- 14 Diane Buerger, NBC
Terry Cote, NBC
- 15 Tom Brueckner, NBC
Joseph D'Amico, Capital City Insurance
- 16 Mark Thomas, NBC
Karen Giebink, NBC
- 17 Sherri Arnold, NBC
Gail Degnan, NBC
- 18 Shaylyn McCauley, NBC
Harold Gadon, NBC
- 19 Jacqueline Giroux, NBC
Cheryl A. Pescarino, NBC
- 20 Leah Foster, NBC
Stephen Lallo, NBC
- 21 Kerry Britt, NBC
Karen Musumeci, NBC

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1 (BOARD OF COMMISSIONERS MEETING COMMENCED AT
2 11:03 A.M.)

3 CHAIRMAN MESOLELLA: Can I ask that
4 all of our commissioners to take their appointed
5 seats so we can begin the meeting. Good
6 morning, everyone. We will call the Wednesday,
7 May 28, 2014 Board of Commissioners meeting to o
8 order at 11:03.

9 First order of business is the
10 approval of previous minutes of April 29, 2014.
11 Have all of our members had an opportunity to
12 review the previous minutes, and if so are there
13 any comments, questions or corrections with
14 regard to the previous minutes, on the previous
15 minutes? Comments, questions? In such case,
16 Commissioner Rotella.

17 COMMISSIONER ROTELLA: Motion to
18 accept the minutes.

19 CHAIRMAN MESOLELLA: We have a
20 motion to approve the previous minutes.

21 COMMISSIONER CARLINO: Second.

22 COMMISSIONER MONTANARI: Second.

23 CHAIRMAN MESOLELLA: Seconded by

24 Commissioner Carlino, Commissioner Montanari.

25 All of those that are in favor of approval will

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1 say aye.

2 BOARD MEMBERS: Aye.

3 CHAIRMAN MESOLELLA: Are there any
4 opposed?

5 (SILENCE)

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

8 Okay, Item Number 3, WOON Watershed
9 Student Presentation. Jamie, where are you.

10 MS. SAMONS: I am here, but I'm not
11 the lady of the hour, that is Cynthia.

12 CHAIRMAN MESOLELLA: Okay, Cynthia.
13 Cynthia, you have a presentation for us today.
14 Come up, guys, come on up. Are we going to drop
15 the screen?

16 MS. MORISSETTE: Yes, we're going
17 to drop the screen.

18 MR. MARSHALL: This is a program
19 that Cynthia runs every year.

20 CHAIRMAN MESOLELLA: Why don't you
21 guys step over here a little bit so you can see
22 the program, and then we'll call you up to take

23 photographs.

24 MS. MORISSETTE: While we wait for
25 the projector, I'm just going to introduce

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1 myself, because I don't think everyone on the
2 board knows me. I'm Cynthia Morissette, I'm the
3 Environmental Education Coordinator here at
4 Narragansett Bay Commission, and the students
5 that are here today are from Sarah Dyer Barnes
6 School in Johnston, Rhode Island. The program
7 that we do with them is a full-year long
8 program, it's completely free of charge, all
9 hands-on activities. We start in September, we
10 end with our big conference which was last
11 Friday, May, and they do all different types of
12 activities from doing water quality testing in
13 their local rivers to see what the health of the
14 bay is, and then also doing some in class
15 lessons once a month that we work with them on.

16 So let me introduce of all of them.
17 This is Cassandra, Adrianna, Maia, Dante, Jenna,
18 Sophia, and Milana. I can't believe I got all
19 right.

20 (APPLAUSE)

21 MS. MORISSETTE: They're fourth
22 grade students. The program is for 2nd through

23 5th grade, and these are 4th grade students.
24 And the other thing I should mention is we try
25 to make sure that we have one school per service

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1 area. So we try to service all the areas that
2 we have in our service district, so that at
3 least one school is represented, and they are
4 from Johnston. This is Ms. Ramm, their teacher,
5 and I have been actually working together since
6 the program started back in 2002, so it's been
7 about 12 years. And do you want to say
8 anything, or do you want them to just start?

9 MR. RAMM: I really want the
10 students to speak for themselves, because they
11 certainly learned so from this program, it's
12 definitely brought in so much more science than
13 we could ever have in a regular ed classroom, so
14 I hope that they can certainly speak for the
15 program.

16 CHAIRMAN MESOLELLA: Do you want to
17 bring them up?

18 MS. MORISSETTE: Yes.

19 CHAIRMAN MESOLELLA: Are we going
20 to be seeing a presentation, or just this one
21 slide?

22 MS. MORISSETTE: Those individual
23 slides will be bigger.
24 CHAIRMAN MESOLELLA: Okay, who's
25 speaking first, come right over here.

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1 MS. MORISSETTE: Who's doing the
2 first slide, Jenna.

3 MS. JENNA POLLAN: Dissolved oxygen
4 test results. Dissolved oxygen tests the
5 amounts of oxygen in the water. Dissolved
6 oxygen: Fall results, 2 parts per million,
7 winter results, 2 parts per million.

8 MR. SOPHIA RIBEZZO: Nitrate and
9 Phosphate Results. Nitrate: This test tells us
10 if there are any nutrients from fertilizer,
11 food, or human/animal waste in the water. The
12 fall results for nitrate were 0 parts per
13 million, the winter results were 5 parts per
14 million.

15 MS. MAJA SPENCE: Phosphate: This
16 test tells us if there are any nutrients from
17 items such as cleaning products in the water.
18 The fall results for phosphate were 1 part per
19 million, the winter results for phosphate were
20 .5 five parts per million.

21 MR. DANTE DIGREGORIO: Turbidity

22 and Fecal Coliform Bacteria Test Results:
23 Turbidity: This is a test of water clarity.
24 Fall results, 0 are jtu, the winter results are
25 also 0 jtu. Fecal Coliform Bacteria: This

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1 tests for the bacteria in the water found from
2 animal and human waste. The fall results are
3 positive, winter results are also positive.

4 MS. ADRIANA SOUSA: PH Test
5 Results. PH: This is a test for the acids and
6 bases in the water. The fall were 6.5, and the
7 winter results were 7. Analysis of the results
8 of our test indicate that the overall health of
9 the water is fair. Certain animals who could
10 tolerate low levels of pollution could survive
11 in this watershed.

12 MS. MILAN MELVIN:
13 Macro-Invertebrates Found Pollution Tolerant
14 Levels. Group 1: None. Group 2: Crayfish and
15 scuds. Group 3: Waterstriders, aquatic
16 earthworms, narrow-winged damselfly, leech, and
17 skimmer, dragonfly, non-case making caddisfly
18 larvae. Based on our findings, we find that the
19 water is of a poor quality.

20 MS. MILAN MELVIN: Reflections of

21 our NBC work. The think I like best was finding
22 macro-invertebrates at Esmond Park. This helped
23 us see the quality of water. It's definitely
24 going to make me not pollute our watershed. I
25 liked how we learned about the amphibians and

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1 how they help us to learn the quality of water
2 where they are living. The water quality tests
3 helped us to learn what was healthy and not
4 healthy in a watershed. We can help others
5 learn how to keep our watersheds healthy too.
6 The Water Treatment Facility works hard to put
7 healthy water in our bay.

8 MS. CASSANDRA PERROTTA: Thank you
9 for this amazing experience. Check out our
10 class web-site for NBC activities.

11 (APPLAUSE)

12 CHAIRMAN MESOLELLA: Follow me,
13 come right up over here. Cynthia, come on.
14 Ladies, can you get this, can you get it? Do
15 you want to step in the center. Jamie, all set,
16 one more?

17 (PICTURES BEING TAKEN)

18 MS. SAMONS: Okay, we're good.

19 MR. MORISSETTE: One thing I just
20 wanted to mention is, they actually had two

21 testing sites this year, so we take two field
22 trips; one's in the fall and then again in the
23 springtime. So their fall is what they told you
24 about their water quality testing data, and then
25 in the springtime we go and we do

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1 macro-invertebrate study, so they get to see not
2 only the tests that we do here at NBC to test to
3 see how clean the water is, but also what
4 macro-invertebrates might live there based on
5 the health of the water. And they actually had
6 two different testing sites. One of their
7 testing sites there were some improvements going
8 on, so they tested at Esmond Park and then also
9 Greystone Mill Pond near Johnston, so they
10 actually did a fantastic job.

11 MR. MARSHALL: Those are our future
12 NBC employees.

13 CHAIRMAN MESOLELLA: Item Number 4
14 is Acknowledgment of awards. Commissioner
15 Rotella.

16 COMMISSIONER ROTELLA: I have the
17 privilege of reading a Resolution of
18 Appreciation:

19 Whereas Leo Thompson was appointed

20 by the Governor of the State of Rhode Island to
21 the Board of the Narragansett Bay Commission on
22 January 12, 2006, whereas, he has shown great
23 support for the Narragansett Bay Commission in
24 its mission to play a leadership role in the
25 protection and enhancement of Narragansett Bay

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1 and its tributaries by providing safe and
2 reliable wastewater collection and treatment
3 services to its customers at a reasonable cost,
4 and whereas, he served on the Narragansett Bay
5 Commissions's Long Range Planning, Ad Hoc
6 Internal Ethics, and Construction, Engineering
7 and Operations Committees and has advocated for
8 clean water through a variety of initiatives.

9 Now therefore be it resolved that
10 the Narragansett Bay Commission shall extend its
11 sincere appreciation to Leo Thompson for his
12 service on behalf of the State of Rhode Island
13 and the ratepayers of the Narragansett Bay
14 Commission.

15 Presented on this day, May 28,
16 2014.

17 (APPLAUSE)

18 COMMISSIONER THOMPSON: There's
19 nothing that I can say that would top that act.

20 I just wanted to thank my fellow board members
21 for all the support and friendship they've given
22 me, as well as all the employees at Narragansett
23 Bay Commission for the great job they've done.
24 It makes it so much easier for this board. And
25 with that, I thank you all again.

12

1 (APPLAUSE)

2 CHAIRMAN MESOLELLA: I just want to
3 share one story that I had with Leo. This was
4 -- I didn't realize already, it was 2006. So
5 Leo gets appointed by Governor Carcieri, and he
6 calls me, and he said, you know, I've just been
7 appointed to the the Bay Commission, you're the
8 chair. I'd like to have a meeting with you. I
9 said, that would be fine. When is convenient
10 for you? He said, well, how about 3:00 today?
11 I said, well, okay, if it's 3:00 today, it's
12 3:00, if that's what you want, 3:00 today. So
13 we agreed to meet at the Marriott Hotel on Orms
14 Street. And as usually, he was very punctual,
15 3:00 he's there, and I completely forget about
16 the meeting, very important meeting. I
17 completely forget about the meeting. So about
18 3:30 the phone rings. Ah, this is Leo Thomson.

19 I'm here at the Marriott. I'm wondering are you
20 intending to show up. Yes, of course, I'll be
21 right there. And my office is only right around
22 the corner. So I said I'll be there in just
23 five minutes. I said, you know, what a way to
24 start a relationship. I completely forget about
25 the meeting, you're a half hour late. And I

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1 think I'm going to get a roost, and I said, oh,
2 man. So I put on my sorry face, walk in very
3 keep sheepishly, and he's sitting there, having
4 a cup of coffee. I sit down, introduce each
5 other, and we start to talk about the Bay
6 Commission, about Save the Bay, and some of the
7 public relations aspects of Narraganset Bay
8 Commission. The cell phone rings -- his. It's
9 your wife. Who else. And he's going, yes, yes,
10 yes, loaf of bread, one pound of salami, she
11 wants capicola, you want the provolone. And I
12 said, Leo Thompson, provolone, salami, capicola,
13 like he was brought up in Sicily. I said, I'm
14 sorry, I have to ask, sound like you've been
15 around this for a while. Well, I'm from Silver
16 Lake. And it's been a great relationship ever
17 since. And I want to thank you, Leo, for your
18 time and efforts on this board. I really

19 appreciate all you have done.

20 MR. THOMPSON: I thank you for the
21 privilege of working on this board.

22 CHAIRMAN MESOLELLA: Thank you,
23 thank you, thank you, very much.

24 (APPLAUSE)

25 (PICTURES BEING TAKEN)

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1 (APPLAUSE)

2 CHAIRMAN MESOLELLA: Thank you,
3 very much. Okay. All right, next award is the
4 GFOA Budget Award. Okay, Ray.

5 MR. MARSHALL: Okay, the Government
6 Finance Office Association has an award program
7 for budget documents that organizations put
8 together. And for like 12 or 13 years running
9 we now have won that award, and you heard, for
10 those of you who were here a little earlier,
11 heard the preliminary budget presentation, the
12 full budget presentation will come in June that
13 we'll need your approval on, but I'd like Karen
14 Giebink, Sherri Arnold, Shaylyn McCauley and
15 Gail Degnan to come up and acknowledge this
16 award.

17 (APPLAUSE)

18 MR. MARSHALL: You probably heard
19 this morning on the budget is the culmination of
20 a lot of hard work which begins at the end of
21 August and continues right through June, when it
22 comes to you for approval. So it's a long, long
23 process and requires a lot of very attentive
24 work by the staff you just recognized. The next
25 award also from the Government Finance Office

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1 Association is the Excellent Financial
2 Reporting. And this award is a reflection of
3 all the great audits that we get every year,
4 where we have no management letters and the
5 auditors always praise our systems and our
6 controls and the way we present all our
7 financials to the outside world. And
8 responsible for that, and I'd like them to come
9 up here, Leah Foster, Cheryl Pescarino, Robin
10 Simoes, Jackie Giroux and Patty Pinelli.

11 (APPLAUSE)

12 CHAIRMAN MESOLELLA: All right, how
13 about that. Thank you for all your hard work,
14 thank you, very much. Is that it?

15 MR. MARSHALL: That's it. Now,
16 it's the chair. We need their approval on
17 Resolution 2014:15, the Clean Water Finance

18 Agency Agreement.

19 MR. CHAIRMAN: Yeah, that's in my
20 report. Okay. The next item is Item Number 5,
21 which is the Chairman's Report which is Review
22 and Approval of Resolution 2014:15. It's a
23 Recommendation of Agreement between the Rhode
24 Island Clean Water Finance Agency and the
25 Narragansett Bay Commission. Joe, you may

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1 recall that --

2 MR. MARSHALL: It was back, I
3 think, at the December meeting.

4 CHAIRMAN MESOLELLA: At the
5 December meeting I alerted the Board to the fact
6 that we were in discussion with the Rhode Island
7 Clean Water Finance Agency over several issues
8 regarding the appropriate amount of dollars that
9 would be appropriated for many grants to the
10 Narragansett Bay Commission. We asserted that
11 there were statutory requirement that were not
12 being abided by, as well as the fact that it has
13 cost Narragansett Bay Commission several
14 millions of dollars by not having received
15 funding for projects that we would otherwise
16 would had been qualified for. So as a result of

17 that, and after many months of negotiations and
18 discussions with counsel Joe D'Angelis and Karen
19 Giebink and Lori Horridge, and myself, and the
20 Executive Director, we did reach an agreement
21 which we believe is fair and equitable, the
22 particulars of which the Executive Director
23 would like to share.

24 MR. MARSHALL: I would like Lori to
25 go over it because she's the one who labored so

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1 hard over it.

2 MS. HORRIDGE: In short, with the
3 help of Joe and Karen and Vin taking a lead, we
4 have essentially secured rate Ray, actually,
5 this is Ray's idea -- we secured 50 percent for
6 the next eight years, 50 percent of all the
7 Clean Water SRS funding will come to NBC, and it
8 hadn't been that way for years prior.

9 We have agreed to disagree as to
10 whether or not the existing statute that we say
11 mandates that we get 50 percent, and they say
12 does not mandate that, we've agreed to disagree
13 about that, but for the next eight-year period
14 which will hopefully get us to the end of Phase
15 III, or not. I don't know where we'll really be
16 at that point, but at least for the next eight

17 years we've secured that 50 percent loan
18 capacity from Clean Water. In addition, one of
19 the other issues was future refunding. They've
20 agreed to a shared savings program where we'll
21 receive 25 percent of any refunding benefits
22 that they get. I mean, there's a lot of
23 administrative housekeeping things that they've
24 agreed to, as well, a lot of more transparency.
25 We want to see a lot more information that Karen

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1 and her group needs to be able to go forward and
2 figure out how we budget ourselves, and we've
3 gotten a lot of those things in the agreement.
4 The agreement has not been signed by them or us
5 at this point, but it will be signed after this
6 meeting, after the Board approves it, hopefully,
7 and they will be looking for the approval from
8 their board on that agreement on June 16.

9 CHAIRMAN MESOLELLA: So one last
10 thing, and just so you know what it means in
11 dollars and cents for Narragansett Bay
12 Commission. Karen's here, right. I see her in
13 the back. Karen, what do you expect that this
14 would be saving the Narragansett Bay Commission
15 in interest cost savings?

16 MS. GIEBINK: I don't have it off
17 the top of my head.
18 MR. HORRIDGE: If I can, for
19 example, we were originally supposed to get our
20 last loan with them, we're supposed to get \$25
21 million, and already, we've received \$45
22 million. So, in other words, we almost doubled
23 what we had coming to us. And that actually is
24 before the agreement is even signed, but in good
25 faith since that was our agreement, they already

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1 honored that, so that gives you an idea of the
2 type of money that we're talking about.

3 MR. HANDY: How does the interest
4 rate compare to the interest rate on the open
5 market?

6 MS. HORRIDGE: That Karen can
7 answer.

8 MS. GIEBINK: That's one-third off
9 the market rate.

10 CHAIRMAN MESOLELLA: It's one-third
11 off the market rate, but I think it's pretty
12 safe to say we're going to save several millions
13 of dollars in interest cost savings throughout
14 the course of the Phase III program. It's very,
15 very significant. So having said that, do any

16 of our commissioners have any questions with
17 regard to Resolution 2014-15?

18 (NO RESPONSE)

19 CHAIRMAN MESOLELLA: Okay, the
20 Chair makes a motion that we approve that
21 resolution, and a second, seconded by
22 Commissioner Milas, Commissioner Leone,
23 Commissioner Worrell and Commissioner Kimball,
24 and Commissioner Rotella. Further discussion?
25 Is there any further discussion on this matter?

20

1 Ray, anything you care to add?

2 MR. MARSHALL: No, Mr. Chairman.

3 CHAIRMAN MESOLELLA: In such case,
4 all of those that are in favor will say aye.

5 BOARD MEMBERS: Aye.

6 CHAIRMAN MESOLELLA: Are there any
7 opposed?

8 (SILENCE)

9 CHAIRMAN MESOLELLA: There are none
10 opposed, and the motion carries.

11 Moving right along to -- well,
12 there's no further committee report except,
13 hopefully, the next photograph we take as a
14 Board will be when this building across the

15 street is complete. For those of you who don't
16 know, this has been about, I don't know, where's
17 Tom Uva. He's been tracking me on this, about a
18 15-year program.

19 MR. UVA: At least 15 years.

20 CHAIRMAN MESOLELLA: Yeah, I think
21 discussions began when Buddy Cianci was mayor
22 about acquiring the former dog pound, and the
23 drive right in front of our Administration
24 Building. And you were around, Angelo, and this
25 discussion's been ongoing for 15 years. I'm

21

1 proud and pleased that finally we got the show
2 on the ground. What's the completion date, Ray?

3 MR. MARSHALL: The fall of 2015.

4 CHAIRMAN MESOLELLA: So we'll look
5 forward to the, there's a ribbon cutting, and
6 that's something I'm going to be very proud of,
7 so we're looking forward to that day. Other
8 than that, that completes the Chairman's Report.
9 We can move on to other business.

10 Item Number 6 is Committee Reports
11 and Action Items Resulting. The first committee
12 reporting would then be the
13 Construction/Engineering and Operations
14 Committee. Commissioner Macqueen, you have a

15 report for us today?

16 MR. MACQUEEN: Yes, we have three,
17 Mr. Chairman. The first one was review and
18 approval of Resolution 2014:08; Approval of
19 Fiscal Year 2016-2020 Capital Improvement
20 Program. Ray?

21 MR. MARSHALL: The Capital
22 Improvement plan that we develop every year
23 comes to you at this time for approval. At the
24 CEO Committee we did not have the presentation
25 made. We figured we would do it once before the

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1 full Board. So Karen, who are you having do
2 that?

3 MS. GIEBINK: Shaylyn McCauley and
4 Sherri Arnold.

5 MR. MARSHALL: Can you two come up
6 and sit here. I imagine you want to drop the
7 screen, or not? No. Everyone should have a
8 copy of the CIP. Okay, ready?

9 MS. MCCAULEY: Yeah. Good morning,
10 we'd like to present NBC's Capital Improvement
11 Program, known as the CIP, for fiscal year 2016,
12 through 2020, which I referred to as the window.
13 On Page 1, it lists the project total that falls

14 within the window equaling \$401.3 million. Page
15 3, the CIP identifies the program's capital
16 investment, primarily comply with current and
17 future regulatory requirements. The project's
18 schedules and costs in the CIP has been
19 developed by NBC's Engineering and Construction
20 staff. This year's CIP identifies a total of 71
21 projects that are either in progress, to be
22 initiated or to be completed during the window.

23 And you can see in the table below
24 FY 15 costs are estimated to be \$66.2 million.
25 The window is estimated at \$401.3, for a total

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1 of \$467.5 million. The following page explains
2 the development of the CIP. The CIP drives
3 NBC's long-term financing requirements.
4 Projects included in the CIP are analyzed to
5 assess major program changes, capital funding
6 needs, the connection to NBC's strategic plan,
7 and are given a priority ranking of either A, B
8 or C. A rankings are the most critical, and
9 either mandated or currently under construction.
10 These represent 89 percent of the projects in
11 the window, and total \$315.3 million, 4 percent
12 or \$17.8 million of the projects identified had
13 a B ranking, which includes projects that are

14 imperative to NCB's ongoing operations.
15 Finally, projects given a C ranking
16 are important, but not critical to ongoing
17 operations and represent approximately 6 percent
18 or \$25.3 million. Page 5, this goes over
19 program assumptions and projects by strategic
20 objective. The cost estimates in the CIP are
21 based on a number of assumptions. Costs and
22 cash flows are based on engineering estimates,
23 and maybe modified upon receipt of bids. NBC
24 does not include the expenses for the
25 acquisition or replacement of long-term asset or

24

1 debt service. These are explained and
2 identifies NBC's annual operating budget. The
3 chart on the bottom of the page illustrates the
4 percentage of capital projects by strategic
5 objective. Of the 71 projects, 27 percent are
6 related to the RIPDES Permit and the Consent
7 Agreement with DEM, for example, the CSO
8 facilities, while 26 percent are to minimize
9 NBC's impact to the environment in a cost
10 effective manner, like the solar energy at
11 Bucklin Point. The graph on the following page,
12 this shows capital expenditures by project

13 phase. Large construction projects are broken
14 down into three phases; planning, design and
15 construction. Construction handles facility
16 improvements and the actual construction of
17 infrastructure, and these represent 89.9 percent
18 or \$360.5 million. Design makes up 9.3 percent
19 of costs or \$37.4 million, and these include the
20 development of the plans, specification, and the
21 acquisition of easements and permits. Page 7,
22 you'll see a chart of NBC's eight functional
23 areas. Of the \$403 million in the expenditures
24 during the window, \$334.4 or 83 percent are
25 related to the design and construction of CSO

25

1 Phase III facilities. Twenty-eight point one
2 million or 7 percent is for treatment facility
3 improvements, and \$13.6 million or 4 percent is
4 for the completion of the CSO Phase II
5 facilities. And the table on page 8, this
6 compares the functional area costs between this
7 year's CIP and the last. The most significant
8 change is due to the shift in the window. The
9 largest increase is 64.4 percent for the CSO
10 Phase III facilities. And the most significant
11 decrease is 78 percent due to the completion and
12 near completion of various years CSO Phase II

13 contract. Overall there's a 25.2 percent
14 increase in program expenditures for the current
15 CIP. And for planning purposes, expenditures
16 are classified into cost categories. The pie
17 graph shows that construction, it reflects
18 contractor and outside management costs, and
19 this makes up \$265 million or 66 percent, and
20 any professional services includes costs for
21 architectural engineering related to planning or
22 design represent \$68.1 million or 17 percent.
23 Page 9, there are five significant capital
24 improvement projects in this year' CIP. The
25 Phase II Facilities, the nitrogen removal at

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1 Field's Point and Bucklin Point and reevaluation
2 design of Phase III, along with the regulatory
3 compliance building. Costs for these five
4 projects would total \$356.5 million or 89
5 percent represented in the table and graph on
6 that page. Page 10 through 13 goes into more
7 detail about significant projects. Page 10
8 talks about the CSO Phase II facilities.
9 Construction is approximately 82 percent
10 complete and estimated \$196.2 million. The
11 construction cost for the window are

12 approximately \$13.6 million or 3 percent of
13 total costs. Page 11, this goes over Projects
14 308, Phase III facilities, and in January of
15 2014 NBC initiated the design with our
16 reevaluation program. This will determine the
17 level of improvement and water quality for the
18 first two phases and investigate the most
19 cost-effective approach going forward. It
20 represents approximately \$34.4 million in the
21 window while predesign estimates for
22 construction costs represent approximately three
23 hundred million or 75 percent. The total
24 predesign estimate for Phase III is \$604.7
25 million. And next we have the nitrogen removal

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1 at Field's Point and Bucklin Point.
2 Construction at Field's Point has been declared
3 substantially complete while testing conducted
4 during the year. The facilities were
5 transferred to NBC for operation effective May
6 31st of 2013, and the construction cost estimate
7 for Bucklin Point is \$43 million, and
8 approximately 91 percent complete. The plans
9 are required to meet RIDEM permit limit of five
10 milligrams per liter in July of 2014. Page 12,
11 the renewable energy project in the CIP are both

12 happening at Bucklin Point; first being the
13 solar energy projects. NBC's currently
14 investigating the feasibility of installing
15 solar energy cells. Solar energy is clean, it's
16 reliable and economical. If it's well
17 maintained, the panels could produce energy for
18 more than 25 years.

19 The proposed solar energy system
20 would cover approximately 8.8 acreage at Bucklin
21 point, and estimated to generate approximately
22 15.9 percent of electrical needs. Secondly, is
23 the Bucklin Point biogas reuse. At Bucklin
24 Point NBC will use a reciprocating engine to
25 generate both electricity and heat energy using

28

1 biogas for within the treatment facility.
2 Estimated construction is approximately \$5.6
3 million, and the bottom half of page 13, we
4 begin going over the CIP program changes
5 starting with completed projects. Nine projects
6 were completed in
7 FY 14, totalling \$25.8 million. Of the nine 28
8 percent were related to design phases of various
9 projects. The largest completed design was the
10 nitrogen removal at Bucklin Point at \$3.4

11 million or 13 percent. The remaining 72 percent
12 was construction related with the largest
13 completed contract being the Field Point wind
14 turbine at \$14.8 million or 57 percent. Page 14
15 talks about the new 13 capital projects in this
16 year's CIP at a cost of \$13.8 million. A few
17 examples are project 128, solar energy project
18 at Bucklin Point, and project 129 which is the
19 planning design and construction modifications
20 to vacated lab building, sections the old
21 Operations Building for the new Regulatory
22 Compliance Building construction start. And
23 then page 15 covers the funding. NBC is
24 authorized to issue debt to finance its CIP and
25 maximizes borrowing needs from the Rhode Island

29

1 Clean Water Finance agency.
2 Page 16 this lists the project
3 locations by their functional area, and there's
4 a legend key that ties into the map on page 17,
5 and this highlights the 23 different project
6 locations throughout the service area. Pages 18
7 through 20 go over the impact of the CIP on the
8 operating budget. Although the CIP's primary
9 impact on the operating budget is debt service,
10 seven projects will directly impact operating

11 costs once in use. Page 19, the first graph
12 shows the percentage of CIP's impact by element
13 of operating expense for fiscal year 2015. The
14 majority or 60 percent is related to utilities
15 for the Nitrogen Removal Facilities and
16 Increased Chemical cost represent 36 percent of
17 the expense mainly from the Fields Point
18 Nitrogen Removal. In the second graph, this is
19 of the CIP impacts on operating budget during
20 the window. The majority of costs relate to the
21 Fields Point nitrogen removal, but are offset by
22 the Renewable Energy Project. And the final
23 chart on page 20 for fiscal year 2020, CIP
24 impacts that project. Costs for the completed
25 facility is \$967,000 or 2.4 percent of the

30

1 operating budget. And now if you please, well
2 turn the page to the next tab. This goes over
3 the two-page summary. It's a total of the
4 capital project costs for all the projects
5 identified in the CIP, and also lists their
6 project's priority. And the tabs that follow,
7 these are all the CIP detail sheets broken into
8 their functional categories. And for an example
9 of the detailed sheet, if you please turn to the

10 Interceptor Cleaning and Repair tab, and go to
11 page 74. Well, when you're there, this is the
12 detail sheet for project 30459C, Improvements to
13 Interceptors for Fiscal years 2016-2020. The
14 top of the page lists the project manager, the
15 contractor, if any, the location, project
16 priority, as well as the project duration and
17 costs. The mid page is the summary of the
18 projects along with a photo, and the bottom
19 breaks down costs by phase and fiscal year, as
20 well as any operating impacts the project may
21 have. And lastly, on pages 75 and 76, this is
22 the overall design and construction schedule for
23 the CIP colored coded by phases. And this
24 concludes the CIP presentation for fiscal year
25 2015. Any questions?

31

1 MR. MARSHALL: One thing I'd like
2 to point out is that this is a planning
3 document, so any project you see in this
4 document that Shay has just touched upon, all
5 these projects will come back to you for
6 additional approvals at planning or design or
7 construction as appropriate. So we're asking
8 for your approval of this document, but it is
9 only a planning document. We're not asking you

10 for a specific approval of each and every
11 project of each and every phase. Those will all
12 come back to you over the next several years.

13 CHAIRMAN MESOLELLA: Commissioner
14 Carlino?

15 MR. CARLINO: On page 3, the cost,
16 is that all in today's dollars, or is it
17 inflated like when you go out to fiscal year
18 '16, '17 and '18, is it inflated by an inflation
19 factor, or is that all in today's dollars?

20 MS. ARNOLD: These costs are
21 provided by the engineers, so I guess depending
22 on the specific projects, it would depend on the
23 ENRI Index. On page --

24 MR. MARSHALL: Tom, do you have any
25 --

32

1 MR. BRUECKNER: Generally, those
2 are today's dollars, but there is some. We use
3 the costs from previously projects to do the
4 estimates, and then we estimate a little bit
5 extra for going forward, but we don't use the
6 ENRI. It's strictly an estimate before we get
7 into the preplanning phase.

8 MR. CARLINO: Okay, it is done as

9 today. And just one last question just on the
10 priority. Is there a method that you use for
11 priority. And when I say a method, like at
12 National Grid we spend a billion dollars a year.
13 We have what is called a risk score methodology
14 where we look at the impact if we didn't do the
15 project, and the likelihood of something
16 occurring if we didn't do the project. So
17 there's a method that we use. Do we have one or
18 is it more based on what the needs we have or
19 past history?

20 MR. BRUECKNER: As Shay mentioned
21 the three priorities A and B and C, so most of
22 them will be the A, they're mandated projects
23 required by EPA or DEM --- for it is something
24 that is critical to the operation of the plant
25 that has to be done.

33

1 CHAIRMAN MESOLELLA: Commissioner
2 Handy.

3 MR. HANDY: I'm just interested if
4 as a result of our work on the Phase III
5 planning, we change the scope of that project.
6 Do we have to go back and amend this plan? I
7 mean, how binding is this in terms of changes to
8 projects go, or even new projects that come up?

9 MR. MARSHALL: That's an excellent
10 point and a point I was going to make. Thank
11 you for bringing it up. If you look at the very
12 first page where there's a \$401 million dollar
13 line item there, the bottom line. Phase III is
14 penciled in if you look along the column, about
15 half way down, \$334 million dollars. That's
16 based upon what is approved today, not only the
17 facilities, but also the timeline. So as Phase
18 III reassessment unfolds, this could change
19 dramatically. If you take that \$334 million
20 out, by the way, the CIP drops down to \$67
21 million dollars. That's not to say that Phase
22 III will ever be zero, but it could be much
23 smaller in the first several years. This could
24 look dramatically different next year.

25 MR. HANDY: So is this a moving

34

1 document where you come back every year to
2 approve amendments?

3 MR. MARSHALL: Yes.

4 CHAIRMAN MESOLELLA: So as Ray said
5 earlier, it really is a planning document, how
6 we precede things to be moving over the next
7 five years. And next year at about this time,

8 we'll have another document that will talk about
9 what we've done, what part, what portion we've
10 implemented this document. What priorities have
11 changed so it's as you would suggest a moving
12 target.

13 MR. HANDY: So it's a lot more firm
14 for this year than it is --

15 MS. ARNOLD: In Finance we put
16 these numbers into the long-term financing model
17 to be able to forecast what future debt service
18 may be and those impacts, so every year this
19 planning document gets updated.

20 CHAIRMAN MESOLELLA: Commissioner
21 Worrell.

22 MR. WORRELL: On the assumption
23 that we make changes with the Phase III, which
24 hopefully we're going to be making changes, how
25 responsive is the bonding process, how much lead

35

1 time to we need for changing our bonding
2 requirements? Does that factor in, or is that
3 just a none, don't worry about it?

4 MR. MARSHALL: No, I think it
5 factors in, but, you know, I mean the bonding
6 really, it becomes a much bigger issue when
7 we're talking about the construction portion of

8 these projects as opposed to planning and design
9 which are much smaller. So I think we've always
10 found that we've had enough lead time in order
11 to put in place the proper financing through a
12 Clean Water Finance or through the open market.

13 MR. WORRELL: So it's not an issue
14 then?

15 MR. MARSHALL: No.

16 CHAIRMAN MESOLELLA: Commission
17 Burroughs.

18 MR. BURROUGHS: As you know, I'm
19 suffering from sticker shock over Phase III and
20 trying to figure out procedurally how we as a
21 board will come to the deliberations that might
22 result in the change of what is here. And as I
23 understand it, now there's a lot of work being
24 done by the staff, by a stakeholders group,
25 which I'm pleased to have listened in on. What

36

1 do you anticipate when the Board will be able to
2 make its comments on Phase III?

3 CHAIRMAN MESOLELLA: Can you repeat
4 that, commissioner?

5 MR. BURROUGHS: So we've got in the
6 CIP an indication that the design stage, if I

7 heard correctly, started in January of 2013.
8 That we're spending around \$39 million dollars
9 in design over the next five years if we proceed
10 with the tunnel; is that correct?

11 CHAIRMAN MESOLELLA: Yes.

12 MR. BURROUGHS: So now I'm trying
13 to figure out when we will have enough
14 information from the staff and the stakeholders
15 process so that if members of the board want to
16 weigh in, how do we do that?

17 CHAIRMAN MESOLELLA: Okay, well, I
18 have my answer, I don't know if the executive
19 director wants one. Okay, there's a couple of
20 things because that's a pretty broad question.
21 The first thing is we're going through the
22 stakeholder process, as you know. The other
23 thing is we're having through MWH is now doing a
24 reevaluation of the conceptual plan and that
25 report is due --

37

1 MR. MARSHALL: At the end of the
2 year.

3 CHAIRMAN MESOLELLA: At the end of
4 the year. So I think what we might do is take
5 under consideration everything that comes out of
6 the stakeholder process, take a look at any

7 comments with regard to the reevaluation of the
8 conceptual plan. And in addition to that, I
9 suppose I should go into the saga and leave it
10 for other business, but I notice several of the
11 commissioners might leave early, so I wanted to
12 get through the full action items. But the
13 Executive Director, myself, and Laurie Horridge
14 have had a meeting with the Department of
15 Environmental Management regarding the
16 implications of the stormwater program. And
17 we've been trying to figure out where we fit
18 into this process of stormwater and we know it's
19 going to be a very costly program. But you may
20 recall that MWH made a presentation to the board
21 when they were acquainting themselves with the
22 board and our process, and they mention this
23 program they're involved called integrated
24 planning. And to the extent that we could
25 involve the integrating process into some storm

38

1 water considerations within our own Phase III
2 program, we should do that. And as a result of
3 that, we met with DEM when we introduced DEM
4 into this integrated planning process to see how
5 we might mitigate some to stormwater issues

6 which are present today, and I think what we
7 concluded from that was possibly we revisiting
8 the scope of services provided by MWH and have
9 them take into consideration first and foremost
10 green solutions, the stormwater problem and
11 other future stormwater problems additionally
12 within our district, right?

13 MR. MARSHALL: Yes.

14 CHAIRMAN MESOLELLA: And then
15 perhaps with discussions with DEM taking a much
16 broader view of the stormwater program
17 statewide. So that's a roundabout way of
18 saying, I don't know what this is going to cost,
19 but we will revisit it, and the board will have
20 an opportunity at some point to weigh in on
21 these recommendations.

22 MR. MARSHALL: I would say later in
23 this calendar year, after you come back from
24 summer break, October, November, December, that
25 time period, we'll probably have MWH back in, so

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1 we'll bring you up to date where they are in the
2 process, they'll let you know what the
3 stakeholders are saying, and then they'll start
4 to develop a couple of recommendations for Phase
5 III. The board will need to weigh in on that.

6 Of course, once we agree on a plan on how we
7 want to move forward with Phase III because of
8 integrated planning, affordability, whatever the
9 issue is, then we would submit that to DEM and
10 they would have to review it and approve the
11 change in Phase III, which could be the same
12 facility, it's just push them out 15 years. It
13 could be completely different, but all we spent
14 money on for Phase III, by the way, is the
15 reevaluation. That's all we spent money on so
16 far.

17 MR. BURROUGHS: So in the design
18 phase, we're actually doing planning work, or
19 not committed by that the way the CIP is
20 written.

21 MR. MARSHALL: There is no design
22 money shown in this CIP because it is intended
23 to span the fiscal year all the way out to
24 20/20. So at that point '16, '17, '18 is when
25 all this design would occur, and then we'd be

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1 flipping over to construction assuming nothing
2 changes, which I think we will see some changes,
3 which we'll revise this document and it would
4 look much different a year or two from now.

5 MR. BURROUGHS: So I guess the fork
6 in the road we're at now is whether we do the
7 planning for Phase III as a separate entity, or
8 whether we do the planning for Phase III as a
9 part of the integrated planning process, is that
10 fair?

11 CHAIRMAN MESOLELLA: Well, if I
12 understand your question, I think that's fair.
13 And what came out of this meeting was that while
14 we're planning Phase III, while we're looking at
15 evaluating it. And we should also take into
16 consideration what the impacts are on the
17 stormwater where no consideration had been given
18 because DEM was basically leading the parade on
19 that, and I was a little concerned about getting
20 involved because of the cost implications. But
21 to the extent that we can resolve, we're hoping,
22 we don't know that, to the extent that we can
23 resolve within the confines of our own district
24 some of the stormwater issues in a
25 environmentally green -- that's the buzz word, I

41

1 guess, in a green fashion, that we should do
2 that. It may mitigate some impacts to us in the
3 long-term, so, yeah, I think that's pretty safe
4 to say.

5 MR. WORRELL: Thank you. Speaking
6 about the green solutions and the integrated
7 planning, Tom, who at the last meeting gave a
8 presentation where he talked about what a
9 wonderful job we've done with Phases 1 and
10 halfway through Phase II, but pointed out that
11 we still had a very serious bacterial load
12 coming into the bay as a result of stormwater,
13 which we didn't pay much attention to anyway
14 when we were designing Phase I and Phase II, but
15 given the needs to design for stormwater that we
16 now are aware of going forward, it seems to me
17 that we should really be paying attention to
18 this stormwater issue and the integrative
19 planning issue, and hopefully DEM is going to be
20 in the same mind. As you pointed out Mr.
21 Chairman, that it's going to be the most costly
22 thing we've ever laid our eyes on, but it's very
23 real.

24 CHAIRMAN MESOLELLA: It is real.
25 And you know, when we went to DEM, we gave the

42

1 presentation and presented this integrated
2 planning process. During the course of the
3 meeting, it becomes clear that there are many

4 agendas at the table, and even within the
5 department there are several different agendas.
6 Who's concerned about flooding, who's concerned
7 about bacterial loading into the bay. What
8 issue are we going to be addressing? Are we
9 addressing flooding, are we addressing nonpoint
10 source? It is a very, very broad category of
11 issues that we need to deal with, so hopefully
12 we'll get started on it, we stepped out, we
13 stepped out front. And by the way, 10, 12 years
14 ago, Narragansett Bay Commission, this board,
15 lead the way by commissioning the first nonpoint
16 source pollution study long before it was
17 fashionable to be talking about, you know,
18 what's happening with the stormwater and the
19 bacteria loading. We were way ahead of the
20 curb, and who did that study for us?

21 MR. MARSHALL: I actually don't
22 remember.

23 CHAIRMAN MESOLELLA: It was 12 or
24 15 years ago we stepped out front of this issue.
25 Commissioner Handy.

43

1 MR. HANDY: So as we talk about
2 cost associated with Phase III and the
3 stormwater issue, we're also, as I recall,

4 bumping up against rate issues, right? Our
5 rates are capped and we're having issues. So
6 some of this implementation of the capital
7 improvement program will depend on some rate
8 relief; isn't that correct?

9 MR. MARSHALL: Yes.

10 MR. HANDY: So that's another
11 overhanging issue?

12 CHAIRMAN MESOLELLA: It's always
13 the issue.

14 MR. HANDY: Is that something that
15 we are pursue the NBC in current proceeding, or
16 is that something that we need to pursued in the
17 future?

18 MR. MARSHALL: That will have to be
19 pursued in the future. We would have to first
20 convince DEM and EPA that we have hit the
21 affordability limits as they're currently
22 defined 2 percent of median household income.

23 MR. HANDY: So that needs to be
24 part of this conversation, as well?

25 CHAIRMAN MESOLELLA: Absolutely has

1 to be part of this. While I've been very
2 gingerly approaching this issue with DEM because

3 I don't think, and I don't mean this in any
4 derogatory way, I don't think that they have any
5 idea how much this is going to cost. I mean,
6 they were talking three or four dollars per
7 user?

8 MR. MARSHALL: Yes, per user, per
9 month.

10 CHAIRMAN MESOLELLA: We don't think
11 that will cover even administrative cost, never
12 mind any physical alteration.

13 MR. HANDY: Even without those, we
14 have a capital improvement program that we're
15 looking at right now that's going to require
16 rate relief without the stormwater.

17 CHAIRMAN MESOLELLA: Absolutely, so
18 hopefully within this capital improvement
19 program and I guess what I'm getting at is
20 hopefully within this capital improvement
21 program we're going to address at least some of
22 the stormwater issues through new design and
23 green technology. That's what I'm hoping.

24 MR. HANDY: Hopefully, that can
25 help us reduce some of the capital cost that

1 we're looking at.

2 CHAIRMAN MESOLELLA: Right. So,

3 where was I?

4 MR. MARSHALL: We would like
5 approval of Resolution 2014:08.

6 CHAIRMAN MESOLELLA: That's
7 correct, that's correct. So we heard our
8 explanation on the capital improvement planning
9 program FY 2016 through 2020. Do any of our
10 commissioners have any questions with regards to
11 the Capital Improvement Program? I guess not.
12 All of those -- we have a motion to approve by
13 Commissioner Rotella, we have a second by
14 Commissioner Carlino, Commissioner Worrell?
15 Further discussion?

16 (SILENCE)

17 CHAIRMAN MESOLELLA: Hearing none.
18 All of those that are in favor will say aye.

19 BOARD MEMBERS: Aye.

20 CHAIRMAN MESOLELLA: Are there any
21 opposed?

22 (SILENCE).

23 CHAIRMAN MESOLELLA: There are none
24 opposed and the motion carries.

25 MR. MARSHALL: I think Commissioner

1 MacQueen now will do the next two items for CEO

2 Committee.

3 COMMISSIONER MACQUEEN: Thank you.

4 MR. MARSHALL: This is a contract
5 that we put out to bid back in April. We
6 received the bids on May 7. There were two of
7 them. The purpose of this contract is to clean
8 out a very large interceptor that is 78 inches
9 in diameter. It is just downstream of the
10 Providence River siphon, so we had authorized
11 the firm to inspect the siphon, as well as the
12 downstream interceptor. We expected a normal
13 amount of flushing and cleaning and TVing, but
14 what they found when they went to go look at
15 this 78 inch interceptor which connects to the
16 siphon, is that it is really a chockfull of grit
17 and rags, and other debris, and can't even be
18 inspected because it's so laden with that
19 material. So the only way to get in there is to
20 have a specialty company to come in and clean
21 that pipe out. This is above and beyond what we
22 normally see in our interceptors. Of the two
23 firms, National Water Main does a lot of the
24 work for us, but it's more light duty type work.
25 And this, we thought would require a large

1 national firm who's had a lot of experience, and

2 that is actually who was the low bidder, Pipe &
3 Plant Solution, Incorporated. They're out of
4 San Francisco, California. Their bid was
5 \$349,490. We have evaluated their bid. We
6 think it's a fair bid, and it's under the
7 engineer's estimate of \$500,000. We've checked
8 their resumé, we've called their prior clients,
9 and all the recommendations are positive. And
10 so, with that, we ask your approval of
11 resolution 2014:13, Authority to award this
12 contract to Pipe & Plant Solutions, Incorporated
13 for an amount to not exceed \$349,490 subject to
14 approval of their NBC and EEO plans with the
15 Department of Administration.

16 CHAIRMAN MESOLELLA: Okay, that
17 concludes the Executive Director's explanation
18 of Resolution 2014:13. Are there any questions?
19 Are there any questions, comments?

20 (SILENCE)

21 CHAIRMAN MESOLELLA: Hearing none.
22 All of those that are in approval of Resolution
23 2014:13 will say aye.

24 BOARD MEMBERS: Aye.

25 MR. DICHIRO: BLANK: I make a

1 motion, Mr. Chairman, for approval of 2014:13.

2 CHAIRMAN MESOLELLA: We have a
3 motion.

4 MR. ANDRADE: Second.

5 CHAIRMAN MESOLELLA: And a second
6 from Commissioner Andrade. Further discussion?

7 (SILENCE)

8 CHAIRMAN MESOLELLA: Hearing none.
9 All of those that are in favor of Resolution
10 2014:13 will say aye. Are there any opposed?

11 (SILENCE)

12 CHAIRMAN MESOLELLA: There are none
13 opposed and the motion carries. Further report,
14 Commissioner Macqueen.

15 MR. MACQUEEN: Review and Approval
16 of Resolution 2014:14, Authorization to Amend
17 Agreement 09.809-00IS with Optimization. Ray?

18 MR. MARSHALL: Yes, sir. Back in
19 September of '09, we had reached the point where
20 we used to take our two computer control systems
21 which came from different sources, one at
22 Bucklin Point, one at Fields Point, and to
23 integrate them into one cohesive system, so they
24 were similar in look, feel, and operating
25 approaches, so that as we moved into the future

1 with all our planned upgrades, we'd be a more
2 efficient operation. We acquired some new
3 software from this company Wonderware. That's
4 the actual software package. Optimization is the
5 company that was hired through an RFQP process
6 to come in to install the Wonderware system and
7 to take all of the feed, all the information
8 from the plant, into the control system so that
9 the operators sitting at the main control system
10 at either plant can make the changes and
11 adjustments that need to be made. Obviously,
12 this has taken a quite awhile to pull together.
13 As I mentioned, we started in about late 2009.
14 And over the years, the project has expanded and
15 become more complicated, or more complicated
16 than what was originally envisioned. Optimization
17 came in in 2012 and asked for a 306,000 dollar
18 change order, which at that time staff didn't
19 think was warranted, and Optimization continued
20 the work, finished the project to our
21 satisfaction, even though the delivery date has
22 been very late. At this point we're very
23 satisfied with the final product, and they
24 approached us again, Optimization, they approached
25 staff, about an adjustment to their fee. And

1 after several months of negotiation, our staff
2 has concluded that what would be reasonable is
3 to increase their compensation by \$173,140 to
4 finalize this project. In the end, great
5 results. It is late, but we are happy with the
6 way it now functions and allows our operation
7 staff to efficiently control the multimillion
8 dollar treatment processes which went into place
9 at both plants. So we request your approval of
10 Resolution of 2014:14.

11 CHAIRMAN MESOLELLA: Commissioner
12 Macqueen moves approval. Resolution 2014:14,
13 seconded by Commissioner Montanari, Commissioner
14 Worrell -- and Commissioner Worrell, as well.

15 Is there further discussion on this resolution?

16 (SILENCE)

17 CHAIRMAN MESOLELLA: Further
18 discussion?

19 (SILENCE)

20 CHAIRMAN MESOLELLA: Hearing none.

21 All of those that are in favor of passage of
22 Resolution 2014:14 will say aye.

23 BOARD MEMBERS: Aye.

24 CHAIRMAN MESOLELLA: Are there any
25 opposed?

1 (SILENCE)

2 CHAIRMAN MESOLELLA: There are none
3 opposed, and the motion carries. Further
4 business, Commissioner Macqueen?

5 MR. MACQUEEN: No, that's all I
6 have.

7 CHAIRMAN MESOLELLA: Thank you,
8 very much. The next committee reporting is the
9 Personal Committee. Commissioner Campbell, do
10 you have a report for us today?

11 MR. CAMPBELL: Yes. I'd like to
12 recommend that the board enter into executive
13 session pursuant to 42.46.5 A2 to discuss the
14 potential action regarding the proposed
15 Collective Bargaining Agreement and contingent
16 health care matters with NBC's respective
17 unions.

18 CHAIRMAN MESOLELLA: Okay, I'll
19 make the motion to move into executive session,
20 seconded by Commissioner Kimball. Okay. All in
21 favor of going into executive session will say
22 aye.

23 BOARD MEMBERS: Aye.

24 CHAIRMAN MESOLELLA: Any opposed?

25 (SILENCE)

1 CHAIRMAN MESOLELLA: None opposed,
2 the motion carries.

3 (OPEN SESSION COMMENCED AT 12:50 P.M.)

4 CHAIRMAN MESOLELLA: We are now
5 back in open session.

6 Long Range Planning, there is no
7 report, Rules and Regulations, there is not
8 report. Citizens Advisory Group, there is no
9 report today, is there.

10 MS. SAMONS: Harold had to leave,
11 but he did leave his comments.

12 CHAIRMAN MESOLELLA: To be read or
13 just for the record? Comments will be left for
14 the record. Ad Hoc Compensation Committee, no
15 report; Ad Hoc Committee Internal Ethics
16 Committee, no report; Executive Committee did
17 not meet, no report; Legislative Report there is
18 none; New Business to come before the
19 commission, no new business.

20 MS. HARRINGTON: Mr. Chairman, if
21 you please vote to seal the minutes and the vote
22 of the closed session now that you're outside
23 the closed session, that would be great.

24 CHAIRMAN MESOLELLA: That would be
25 on other business, I assume?

1 MS. MCCAULEY: That's perfect.

2 CHAIRMAN MESOLELLA: Under other
3 business, we would now move to provide the
4 minutes of the executive session be sealed.

5 MR. DICHIRO: I move.

6 CHAIRMAN MESOLELLA: So seconded by
7 Commissioner Dichiro and Commissioner Kimball.
8 All in favor of keeping the minutes of the
9 executive session sealed will say aye.

10 BOARD MEMBERS: Aye.

11 CHAIRMAN MESOLELLA: Are there any
12 opposed?

13 (SILENCE)

14 CHAIRMAN MESOLELLA: There are none
15 opposed, the motion carries. Is there any other
16 business?

17 (SILENCE)

18 CHAIRMAN MESOLELLA: We're going to
19 adjourn before 1:00. Commissioner Rotella.

20 MR. ROTELLA: Motion to adjourn,
21 please.

22 CHAIRMAN MESOLELLA: We have a
23 motion to adjourn, seconded by Commissioner
24 DiChiro, Commissioner Leone and Commissioner
25 MacQueen. All in favor of adjournment will say

1 aye.

2 BOARD MEMBERS: Aye.

3 CHAIRMAN MESOLELLA: Any opposed?

4 (SILENCE)

5 CHAIRMAN MESOLELLA: None opposed

6 and the motion carries. And we are adjourned.

7 And for all of you who did not have lunch,

8 please take a moment now and enjoy your lunch.

9 Thank you coming today. It was such a long

10 meeting today. We accomplished a lot today.

11 Thank you, very much.

12 (HEARING CONCLUDED AT 1:00 P.M.)

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

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3 I, PAULA J. CAMPAGNA, CSR, a Notary
4 Public, do hereby certify that the foregoing is
5 a true, accurate, and complete transcript of my
6 notes taken at the above-entitled hearing.

5

6 IN WITNESS WHEREOF, I hereunto set my
7 hand this 13th day of June, 2014.

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21 PAULA J. CAMPAGNA, CSR, NOTARY PUBLIC/CERTIFIED
22 COURT REPORTER

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22 MY COMMISSION EXPIRES: April 25, 2018

22

23 IN RE: NBC Monthly Board Meeting of
24 the Commission

24

DATE: May 28, 2014