



State of Rhode Island and Providence Plantations

Water Resources Board

Foundry Office Building, 4th Floor, Suite 438

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Providence, RI 02908

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FINANCE COMMITTEE MINUTES

Monday, May 18, 2009

11:00 AM

Members Present:

William Penn, Chairman

Jesse M. Rodrigues, Jr.

Members Absent:

William Parsons

Staff Present:

Kenneth J. Burke, P.E., General Manager

Kathleen Crawley, Staff Director

Emily Cousineau, Implementation Aide

Call to Order

Chairman Penn called the meeting to order at 11:03 a.m., noting that a quorum was present.

Motion by Mr. Rodrigues, second by Mr. Penn to approve the Finance Committee Meeting minutes of April 27, 2009. The vote in favor was unanimous. Motion carried.

Reports

Chief Business Officer Report

Motion by Mr. Rodrigues, second by Mr. Penn to accept the April 2009 Chief Business Officer's Report. The vote in favor was unanimous. Motion carried.

Discussion:

Ms. Crawley noted that the report accounted for time through May on the expenditure side only, not the revenue side. She also explained that part of the report was missing and only the first two pages were distributed by accident.

Current balances include:

- Moving expenses of approx. \$20,000.
- Insurance surplus of approx. \$20,000.
- A surplus in the HAP project of about \$47,000.
- The balance in the Big River account is due to timing. Final projected expenses are now estimated at approximately \$21,000 to be spent, rather than \$120,000 for FY 09. Mr. Penn noted that the State will not allow the board to pre-pay Weston & Sampson. The board must put the projected amount into next year's budget and request approval.
- The board has not yet received clearance for the water allocation program's data project, thus \$46,000 remains unused.

- Office moving costs were reduced from \$18,000 to \$5,000. Mr. Burke stated that this will not be a full move with wall partitioning. The major costs will come from phone and equipment transfers. Mr. Penn added that the square footage is also reducing from 1,800 to 900 square feet.
- Mr. Penn noted that the Budget office revised the revenue projected from surcharges by \$500,000 for FY 09. The amount decreased from \$5 million to \$4.5 million. Members again discussed whether this was due to usage, conservation, and/or the economy. Ms. Crawley and Mr. Penn suggested an informal survey of the suppliers. Mr. Rodrigues suggested that suppliers report amounts over due by 30 days.

Chief Financial Officer's Report

Motion by Mr. Rodrigues, second by Mr. Penn to accept the April 2009 Chief Financial Officer's Report. The vote in favor was unanimous. Motion carried.

Discussion:

It was noted that the agenda mistakenly reported that the March 2009 CFO Report was to be approved at this meeting. That was a clerical error on the agenda as the March report was in fact approved at the April 2009 Finance Committee Meeting.

Mr. Penn asked for an update on transferring financial management to the Clean Water Finance Committee. Mr. Burke responded that the request is slowly moving forward. Mr. Penn noted that entering into an MOU with Clean Water Finance would not mean eliminating Board Corporate. Board Corporate may still be needed to manage Big River ground water. Clean Water Finance would provide administrative support.

Items for Action:

Board: FY 2011 - 2015 Capital Budget – Preliminary Draft for Discussion

Motion made by Mr. Rodrigues, second by Mr. Penn to defer action on the Capital Plan and to hold a special meeting of the Finance Committee prior to the next Board meeting. The vote in favor was unanimous. The motion carried.

Discussion:

Members discussed several projects which require attention prior to the final draft and submission:

- **Big River Wells**
 - The total cost of the RFP (\$397,000) versus the original projection of \$250,000. Mr. Burke stated that the two wells to be installed would amount to \$100,000 added to the base bid of \$297,000.
 - The total cost to develop the wells would remain at \$27 million as estimated in the Supplemental Phase II Study for the Capital Request. The project estimate of \$50 million was submitted in the SRF application
 - The method of financing (general revenue v. GO bonds)
- **Water Allocation**

Ms. Crawley distributed a handout of details concerning the USGS survey (attached). At Mr. Penn's request, Mr. Burke described the deliverables of this project through 2015. He noted that the two main deliverables are the Sustainable Yield Estimator and the Decision Support System. Mr. Penn stated that the deliverables are to be summarized as "scientifically based, analytical tools to make decisions [concerning allocation] on a macro and micro basis."

- **Emergency Interconnection Program**
Establish a list of projects, timelines and priorities for existing funds as well as future funds.
- **BRMA**
Evaluate the options for transferring the funds and responsibilities to another entity.
- **South County GW Protection**
Revise the timeline for the expenditure of funds to \$1 million in FY 2010 to lay out a more reasonable implementation of proposed program changes.
- **Water Facilities Assistance Program**
Re-establish this program to fund future interconnections and recommendations of the Phase I and II of the Supplemental Water Study.

Board Corporate: Financial Report Assistance

Motion made by Mr. Rodrigues, second by Mr. Penn to pay B & E Consulting, LLC, Invoice # 698 in the amount of \$593.75. The vote in favor was unanimous. The motion carried.

Motion made by Mr. Rodrigues, second by Mr. Penn to pay B & E Consulting, LLC, Invoice # 699 in the amount of \$52.50. The vote in favor was unanimous. The motion carried.

Items for Discussion

WRB Agency Move

No discussion

Big River Management Area Well Contract

No Discussion

Other Business

No Other Business

Adjournment

Motion made by Mr. Rodrigues, second by Mr. Penn to adjourn the meeting. The vote in favor was unanimous. The motion carried. The meeting adjourned at 11:55 a.m.

Respectfully Submitted,



Emily Cousineau.
Implementation Aide

The meeting place is accessible to the handicapped in conformance with RIGL 42-46-2. Individuals requesting interpreter services for the hearing impaired must notify the Board office at tel. 574-8400/TDD 574-8401, at least 72 hours in advance of the meeting date. If requested, tapes of the meeting will be made available.



**State of Rhode Island and Providence Plantations
Water Resources Board**

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**Water Allocation Program Projects Summary
Draft for Discussion May 15, 2009**

Project	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY2015	Project Totals
1 Big River Ecology*	68,750	25,000	3,097				96,847
2 Big River Stream Monitoring	50,369	50,369	50,369	55,000	55,000	55,000	316,107
3 Sustainable Yield Estimator (SYE)	60,000	150,000	45,000	15,000	24,000		294,000
4 DSS for Chipuxet	51,000	150,000	150,000	75,000	40,000		466,000
5 Water Supply Reporting	45,000	24,000	6,000				75,000
6 Pawtuxet model	120,000	150,000	90,000				360,000
7 Model Scenarios	75,000	75,000	75,000	75,000	100,000		400,000
8 Mapping/Modeling (to refine SYE)					30000	30000	60,000
9 Resource Availability and use)			30000	120,000	100,000		250,000
10 Coastal Model				50,000	70000	40000	160,000
11 Westerly Model				50,000	50,000	50,000	150,000
TOTAL	\$470,119	\$624,369	\$449,466	\$440,000	\$469,000	\$175,000	2,627,954

* Indicates multiple year contracts already in place.

Notes:

General: The Water Allocation Program continues thirty years of long term planning and participation in the state-federal (US Geological Survey and Water Resources Board) cost sharing program. The plan continues the program adopted last year by the Board. The program is directed at providing the scientific foundation required to fulfilling the requirements of RIGL 46-15.7 *Management of the Withdrawal and Use of the Waters of the State*. Specifically the statute charges the Water Resources Board with the responsibility of conducting and maintaining an inventory of the water resources of the state (RIGL 46-15.7-3(2)), adopting rules, standards and procedures to implement water management (RIGL 46-15.7-3(1)), and identifying areas where “where existing uses and users are shown to have reached or threaten to approach or exceed the safe yield of that source (RIGL 46-15.7-3(3)).”

Several changes have been made to the proposed capital plan to reflect information that has been collected by other agencies, notably RIDEM, RIDOH and the University of Rhode Island. Some projects, such as the water database are more likely to engage consultants other than USGS in order to fully implement the work that has been completed to date with the appropriate expertise.

Any reductions in funding below the proposed amounts will require adjustments in the project schedule. No new projects have been added to the plan.

A priority for the program is to collect and provide hydrologic, water use and geospatial data for a statewide water supply plan and local planning/supplier assistance. Several projects assist in this effort.

All WAP projects listed above assume funding using General Revenue not from “capital” funding sources. In previous years, these projects have been funded with capital, federal and other funds. The board will explore other funding sources.

Item #1: The proposed **Big River (BR) “Ecology” project** fills statutory mandates (RIGL 46-15) to ensure resource protection, investigate the relationship between withdrawals and wetlands, and identify possible impacts from future groundwater withdrawals.

Item #2: The **BR Stream Monitoring program** funds five Big River area streamgages to provide hydrologic data to establish baseline conditions and assess the impacts of groundwater withdrawals. NOTE: Other WRB supported stream gages (9) and groundwater observation wells (20) are funded separately in the WRB annual operating budget.

Item #3: The **Sustainable Yield Estimator (SYE)** builds on many of the prior projects to make the **stream statistics, Water use and availability, hydrologic data and model information** available in a user friendly, web-based stream flow statistics system, similar to other states.

Item #4: The **Decision Support System (DSS) for the Chipuxet**, deferred for several years due to reduced funding, would begin in FY10 and would apply the new technique developed in the HAP to model withdrawal scenarios and predict stream flow impacts in the Chipuxet Basin. This basin is identified as the next pilot water allocation basin in the Board’s business plan.

Item #5: Water Supply Reporting This project develops the state’s water supply plan, continue and fully automate annual water reporting by the 28 largest water suppliers that are required to submit Water System Supply Management Plans and to collect and maintain other water use and availability data (NEWUDS and WSSMP databases).

Item #6: The **Pawtuxet Model** has been delayed due to funding. An HSPF (Hydrological Simulation Program-Fortran) model has been proposed (http://water.usgs.gov/cgi-bin/man_wrdapp?hspf). This project has been delayed several years due to funding. The Scituate Reservoir, Big River Management Area and Kent County Water Authority are located in this important basin. Also, there are flooding issues that can be best evaluated through the use of a model.

Item #7: The **Model Scenarios** project funds will further work using the hydrologic models that already exist to address statewide concerns.

Item #8: The **Perennial/Intermittent Stream Mapping** will update important stream information to further refine the SYE, inform stream flow standard setting efforts and update hydrological data statewide. These projects provide data and the statistical tools that are essential to developing and implementing streamflow standards.

Item #9: Funding for future updates of the **Water Resource Inventory** (Water Use and Availability) in FY12 and FY13 is also provided. This will provide a ten year update to the baseline water resource availability and water use (self supply, wastewater, etc) data collected for 1995-1999.

Items #10 and #11: Additional **drought model applications** are targeted for the **South Coastal** drainage basin and **Westerly**.