

The Narragansett Bay Commission
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Vincent J. Mesolella
Chairman

Raymond J. Marshall, P.E.
Executive Director



OFFICIAL MINUTES OF:

Meeting of:	CEO Committee Meeting
Date:	February 11, 2009
Time:	9:30 a.m.

MEMBERS PRESENT:

Vincent J. Mesolella, NBC Chairman
Michael Salvatore, CEO Chairman
Robert Andrade
Jonathan Farnum
John MacQueen
Leo Thompson
Richard Worrell

MEMBERS ABSENT:

Al Montanari
Angelo Rotella

STAFF AND GUESTS PRESENT:

Raymond J. Marshall, Executive Director
Rich Bernier, NBC
Thomas Grala, NBC
Tom Brueckner, NBC
Paul Nordstrom, NBC
Deborah Samson, NBC
Mark Thomas, NBC
Tony Dalmazzi, NBC
Jennifer Harrington, NBC
Joe Pratt, Louis Berger Group
Karen Musumeci, NBC
Kathryn Kelly, NBC

1. Call to Order

Recognizing a quorum, Chairman Salvadore called the February 11, 2009 Construction/Engineering/Operations (CEO) Committee Meeting to order at 9:45 a.m.

2. Approval of Minutes – December 17, 2008 CEO Committee

Chairman Salvadore asked for a motion to approve the December 17, 2008 CEO Committee Meeting minutes as written. Commissioner MacQueen moved to approve the minutes of the December 17, 2008 CEO Committee as written. Commissioner Farnum seconded the motion. The vote taken by the CEO Committee was unanimous. The motion carries.

3. Items for Action

A. Review and Approval of Resolution 2009:01, Authorization to Increase the Amount of Contract 07:303.01D with the Louis Berger Group, Inc., for Design Services for Phase II Combined Sewer Overflow Control Facilities

Raymond Marshall stated that CSO Phase I is on-line and Phase II is currently under design. He advised in December of 2006 a Resolution was passed to authorize Louis Berger Group to complete a conceptual design report amendment and preliminary and final design for Phase II for an amount not to exceed \$9.2 million. The conceptual design report and the preliminary design have both been completed. The preliminary design was submitted to RIDEM in August in accordance with the consent agreement. Preliminary indications of DEM's review are favorable and we are waiting for final approval.

NBC has now begun to move forward on final design. Mr. Marshall advised that NBC has not approached the authorized amount of \$9.2 million however in order to get to where we are today it was necessary to borrow some money from final design and move it into preliminary design to do some additional studies of hydraulic nature. The studies were done to make NBC aware of what size pipe to install/ design, and to look at several drop shaft locations. Mr. Marshall noted that the Woonasquatucket interceptor will need to have its own drop shaft in the area of Dean Street and Pleasant Valley Parkway. Also, studied was the alignment of the pipe along the Woonasquatucket and the Seekonk Rivers to determine how the pipe would be routed through the various streets and neighborhoods in those districts. Additionally looking for drop shaft sites required that a series of very deep borings be done. A key element of selecting a drop shaft site is where the top of rock is located because the bottom of the drop shaft will have a connector tunnel to the now existing Phase I tunnel.

Mr. Marshall stated that review of the final design showed that there are some tight quarters where NBC will have to weave pipe this will create additional challenges in terms of design considerations. It is estimated that NBC will need additional funds of \$1,085,000 in addition to the \$9.2 million dollars originally authorized to complete the work. Mr. Marshall advised with the summer months fast approaching and in order to meet all the requirements of our consent agreement NBC staff is focused on keeping the project moving. Therefore, staff has requested approval of an additional contingency of \$500,000 over and above the \$1.085 million which will remain under NBC's control and will not be part of the amended contract at this time. The Chairman and the Executive Director would be authorized to spend this money only if needed. Additionally any monies that may be used in the future from the

\$500,000 contingency, the use, purpose and the exact scope of items that we needed to add in order to expend those funds will be reported to the Board.

Mr. Marshall stated that the Resolution before the Committee requests authorization of an additional \$1,085,000 to increase the Louis Berger Group's contract plus an additional \$500,000 contingency to remain under the control of NBC staff and to be spent only if needed. The total increase requested is \$1,585,000. Approval of this Resolution brings the total maximum limit for this contract to \$10,785,000.

Commissioner Worrell had questions regarding the original contract bid and whether the additional work items enumerated today were totally opaque and unforeseeable at that time.

Mr. Marshall stated when the original procurement was made we knew very generally what we needed to do but at that point in time didn't know exactly (this was a continuation of the procurement that was done under Phase I) how each phase would unfold. He advised there can be any number of variations to where we currently are and where we plan to go. It requires a great degree of study and analysis in order to evaluate what your next step is in each phase of this work. Mr. Marshall noted it is very complicated and contingent upon what you actually find in the ground when you go out there in relation to location, size, and the complexities of the facility.

Commissioner Worrell asked if it was possible to measure these factors when bidding for the work. His concern was that other companies competing for this project might submit a higher bid as a result of foreseeing the additional work.

Mr. Marshall stated that this contract is for professional services and all submissions are in the form of a proposal. Competing companies would submit a proposal based on their estimate of the cost, but important to remember that it is not a low bid type of situation. Companies who submitted proposals and, in this case would have been competing against Louis Berger, know that when a proposal is submitted certain assumptions are made and with a project of this complexity it is pretty likely that things are going to change somewhere along the line. Competing companies realize, on a project of this size, some modification of this process would have occurred, regardless of the company.

Commissioner Mesolella motioned to approve Resolution 2009:01, Authorization to Increase the Amount of Contract 07:303.01D Louis Berger Group, Inc. for Design Services for Phase II Combined Sewer Overflow Control Facilities. Commissioners Thompson and Farnum seconded the motion and the vote taken by the CEO Committee was unanimous. The motion carries.

B. Review and Approval of Resolution 2009:02, Contract 119.00DB Regulatory Compliance Building Land Acquisition-Project Award of Contract

Raymond Marshall stated that in the recent past NBC acquired from the City of Providence a piece of land which houses the City of Providence's dog pound along with Service Road. In exchange for the land NBC has agreed to construct for the City a new animal control facility on land owned by NBC on Terminal Road.

On November 12, 2008 we advertised an RFP for a design build contract for a new animal control facility and nine submissions were received. Each proposal was submitted with a partial design and a guaranteed maximum price. The guaranteed maximum prices ranged from \$1,137,000 to \$2,288,000. A project team comprised of three NBC staff members and two City personnel reviewed the proposals. Three firms were shortlisted and interviewed. Each firm presented their design and project approach to the team. The

firm that was most favorably rated by the project team was Alhambra /Building Company with Torrado Architects, they also had the lowest guaranteed maximum price of \$1,137,000.

Mr. Marshall brought to the Committee members attention that in each submission received for this project one to two items of work were excluded either because it was missed or they wanted to have further discussion before they committed to a price. Alhambra's proposal excluded the Builders Risk Insurance, some utility connection charges and air conditioning for the kennel. The additional cost for these items is \$36,100, bringing Alahambra's total guaranteed maximum price for the project to \$1,173,100, which is still the lowest price submitted. Both the members of NBC staff and the City personnel who are responsible for the animal control facility stated Alhambra's proposal had the best facility design.

Mr. Marshall asked for the Committee's approval of Resolution 2009: 02 to award the contract to Alhambra/Building Company of Warwick in the amount of \$1,173,100.

Commissioner Salvadore asked the amount and name of the next closest bidder and if NBC will be responsible for the construction of the entire facility. Richard Bernier, Director of Construction Services advised that the next closet bidder was Bailey Construction in the amount of \$1,294,000. Mr. Marshall advised that this will be a turnkey operation. Upon completion of construction by NBC we will turn the facility over to the City of Providence.

Commissioner Farnum asked if NBC would still retain ownership of the land on which the facility is built. Mr. Marshall advised that the City of Providence will become the owner of both the land and the facility.

Commissioner Salvadore asked if the facility will have an incinerator on site. Mr. Bernier advised that there will not be any incineration performed at this site. The City will be using an outside firm for this service.

With no further discussion Commissioner MacQueen made a motion to approve Resolution 2009:02, Contract 119.00DB Regulatory Compliance Building Land Acquisition Project-Award of Contract. Commissioner Farnum seconded the motion and the vote taken by the CEO Committee was unanimous. The motion carries.

C. Review and Approval of Resolution 2009:03, Amendment No. 4, Contract 06.304.38D: Easement Investigations and Improvements

Mr. Marshall stated this is an ongoing project that was started back in 2006. The consultant Vanasse Hangen Brustlin, Inc. is identifying the location of our pipes and easements in the eastern half of the Town of Cumberland that were inherited by NBC from the old Blackstone Valley District Commission. Mr. Marshall noted this is the first of a series of these types of projects that we will be doing throughout our service district to make sure that we have the proper legal descriptions and plans for the easements, and that the pipes are actually located within the easements. NBC needs to do this to allow for access to all of our pipes and manholes. He also advised that some of the areas where the easements are located are overgrown and have wetlands and streams crossing them.

Mr. Marshall stated the particular design work that needs to be added is because there are several easements in Cumberland where the consultants must design culverts to allow NBC vehicles to access our facilities. This was not something that was initially anticipated in the scope of work. He noted that NBC has been charged by the Regulatory agencies with the responsibility of knowing where every manhole is

and being able to access it in a moment's notice even though there are many communities in Rhode Island that don't even have sewer maps.

Mr. Marshall requests the Committee's approval of an increase in VHB's contract in the amount of \$28,000 for additional design work needed for easements in the Town of Cumberland.

Commissioner MacQueen motioned to approve Resolution to 2009:03, Amendment No. 4, Contract 06.304.38D; Easement Investigations and Improvements, Commissioner Farnum seconded the motion and the vote taken by the CEO Committee was unanimous. The motion carries.

C. Review and Approval of Resolution 2009:04, Authorization to Acquire Land & Structures from Governor Dyer Cooperative Market for Contract 303.01D; Phase II CSO Control Facilities Project.

Mr. Marshall stated that this item is connected to the first Resolution before the Committee today in that it is the location of the drop shaft that Louis Berger Group has identified for the Phase II project. This parcel of land is located at the end of Promenade Street west of the Cuffee School. It is a primarily vacant narrow lot that runs from the end of Promenade Street up to Valley Street. NBC needs to locate its drop shaft on the southern end of the property. This parcel of land has been for sale for some time and NBC has attempted to negotiate with the owners which are forty shareholders represented by an attorney. Due to the number of shareholders it has become very cumbersome to negotiate a reasonable acquisition cost.

Mr. Marshall advised that NBC is reaching the point where we need to know that we will have control of this property to move forward on the Phase II CSO Control Facilities Project therefore we are asking for the Committee's approval to acquire this land either by friendly acquisition or condemnation.

Ms. Bissonette advised that Everett Petronio the attorney representing the shareholders had recently passed away. She believes that his son will be taking over his practice and this matter. We will be contacting him to confirm that he will be representing the shareholders in this matter.

Commissioner Salvatore asked the size of the parcel and how much they were asking for the property.

Laurie Horridge Bissonette advised the property contains approximately four acres and that the original asking price was \$5 million dollars. We advised their attorney that based on our appraisal of the property it had a value of \$2.8 million dollars. They had countered with an offer of \$3.3 million. Ms. Bissonette advised the problem is each time we make an offer or they make a counter offer literally months go by because they have to get in touch with forty shareholders to make any decision. We are now hoping we can talk about the fact that we have the authority to proceed with condemnation and that this fact will encourage the shareholder to move quickly and proceed with a friendly acquisition. Ms. Bissonette stated her last contact with their attorney was several months ago and in the interim a more current appraisal of the property has been ordered. She noted if NBC were to proceed with Condemnation we would need to do two appraisals in addition to a review appraisal. The appraisals will provide further information regarding the current value of the property.

The Committee members and Ms. Horridge had a brief discussion regarding the Condemnation process.

Commissioner Worrell stated that because of a possible conflict of interest that he may have as a member of the Finance Committee of the Paul Cuffee School, which also has an interest in this piece of property, that he be recused from consideration and voting on this particular matter.

Commissioner Worrell recused from vote.

Commissioner MacQueen motioned to approve Resolution to 2009:04, Authorization to Acquire Land & Structures from Governor Dyer Cooperative Market for Contract 303.01D; Phase II CSO Control Facilities Project, Commissioner Farnum seconded the motion and the vote taken by the CEO Committee was unanimous. The motion carries.

4. Other Business

There was no other business to report.

5. Adjournment

A motion to adjourn was made by Commissioner Mesoella, seconded by Commissioner Thompson and the CEO Committee meeting adjourned at 10:15 a.m.

Respectfully submitted,



Raymond J. Marshall, P.E.
Executive Director/Secretary