

The Narragansett Bay Commission
One Service Road
Providence, RI 02905

(401) 461-8848
(401) 461-6540 FAX

Vincent J. Mesoella
Chairman

Raymond J. Marshall, P.E.
Executive Director



OFFICIAL MINUTES OF:

Meeting of:	Joint LRP-Finance Committee Meeting
Date:	April 2, 2013
Time:	10:00 a.m.

MEMBERS PRESENT:

Robert Andrade, Committee Chairman
Richard Burroughs
Mario Carlino
Jonathan Farnum
Joseph Kimball
Ronald Leone
Vincent Mesoella
Joan Milas
Michael Salvatore
Leo Thompson
Harold Gadon, CAC

MEMBERS ABSENT:

Michael DiChiro
Leslie Gray, III
John MacQueen
Alan Nathan

STAFF AND GUESTS PRESENT:

Raymond J. Marshall, NBC Executive Director
John Zuba, NBC
Jennifer Harrington, NBC
Karen Musumeci, NBC
Joe Pratt, Louis Berger Group
Karen Giebink, NBC
Richard Bernier, NBC
Deborah Samons, NBC
Joanne Maceroni, NBC

Mark Thomas, NBC
Gilbert Veilleux, NBC

1. Call to Order

Finance Committee Chairman Robert Andrade called the April 2, 2013 Joint LRP-Finance Committee Meeting to order at 10:30 a.m.

**2. Approval of Minutes – Joint LRP-Finance Committee – September 25, 2012
Finance Committee - January 29, 2013**

Chairman Andrade asked for a motion to approve the September 25, 2012 Joint LRP- Finance Committee meeting minutes as written and the January 29, 2013 Finance Committee meeting minutes as written. NBC Chairman Mesolella moved to approve the September 25, 2012 Joint LRP- Finance Committee meeting minutes as written and the January 29, 2013 Finance Committee meeting minutes as written. Commissioner Salvadore seconded the motion. The vote taken by the Joint LRP-Finance Committee was unanimous. The motion carries.

3. Items for Action

A. Review of Monthly Financial Statements and Expenditures

Karen Giebink advised that the Committee members have before them the February 2013 monthly financial report.

With respect to Budget vs. Actual we continue to spend under budget at approximately 94.5 % of the year to date budget. The number of filled positions vs. budgeted positions is 99 percent. On page 2 of the report, she noted that the user fee billings are running a little bit under what we had projected for this point in the fiscal year. She added that the February billing also is a little bit lower than what we had projected so staff is keeping an eye on that. The billing shortfall appears to be related to consumption as well as flat fees which are being addressed in the pending rate case before the PUC. The receivables are shown at the bottom of the page. They are up slightly from this point last year and that's mostly in the current column. This year, as of the end of February we had approximately \$3.3 million in current billings as opposed to \$2.5 million last year. So the increased in receivables is probably just a timing issue.

On page 3 of the report, cash and investments total \$83.5 million. The investments are shown at the bottom of the page. The majority of that cash is within the project fund and that reflects the balance of the BAN's which have not been expended. On the next page you can see the Variable Rate Demand Bonds continue to price well, they are pricing at about 0.1 %. The BAN's that were issued on November 20, 2012 were called when we issued the open market revenue bonds on March 21, 2013. We issued \$71.5 million in open market revenue bonds at an all-in total interest cost of 4.04 %. That's a 30 year revenue bond with an average life of 26.2 years, which is pretty amazing.

Total debt outstanding is \$510.9 million.

Ms. Giebink stated that Page 5 shows Capital Funds available of \$40.9 million which reflect additional proceeds from the revenue bonds that were issued in March. The available capital funds are shown in the graph at the bottom of the page.

Page 6, of the report shows capital payments by month and source. You can see that we are spending quite a bit on capital. The pink bars represent the BAN's that have been spent over the last few months.

Ms. Giebink noted the attachments to the Monthly Financial Report include the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets as well as the detailed Budget vs. Actual report.

This concluded Ms. Giebink's report.

B. Consideration of Purchase Requisition

Mr. Marshall stated the Committee members have before them a list of Purchase Requisitions from January 18, through March 25, 2013, that were included as part of the FY13 Budget and are in excess of \$10,000, so they are for reporting purposes only and do not require the Committee's approval.

There is one item that does require the Committee's approval. In the existing budget under capital operating outlays we have two items that total \$135,000, both at Bucklin Point, the storage building rehabilitation and masonry improvements to certain buildings. Those two items were expected to cost \$135,000 but came in significantly under budget at \$67,000. With the \$68,000 that is left we would like to spend it on the following three items: methane gas booster pump, a channel monster rehabilitation that is a unit that sits in the influent channel and grinds up the material that comes in the plant that is too big to go through the normal processing equipment and a set of cutters that go into that channel monster that actually do the grinding.

The members also have a list of budget transfers for the months of January & February 2013.

Commissioner Farnum made a motion to approve the changes to the FY13 budget. Commissioner Milas seconded the motion and the vote taken by the Joint Long Range Planning-Finance Committee was unanimous. The motion carries.

C. Consideration of Personnel Actions

None.

D. Review and Approval of Resolution 2013:11; Recommendation for Use of Environmental Enforcement Funds

Mr. Marshall stated that The Narragansett Bay Commission (NBC) has been organizing and performing an annual Woonasquatucket River Clean-Up Event for over a decade. This year, we are expanding our River Clean Up program to restore additional local rivers, streams, lakes and ponds in or around the NBC service district by providing support to our cities, towns and local water improvement organizations.

This new NBC River Clean-up Grant program was approved by the NBC Board of Commissioners at the April 2012 Board meeting and a copy of the April 2012 Board memo and resolution is attached for your information. Funds awarded through this grant program will allow cities, towns and organizations to purchase bags, gloves, dumpsters and other cleanup materials that are needed for their event, while providing goodwill throughout the 10 cities and towns we serve by supporting their local clean-up organizations and events.

NBC's first year of soliciting proposals through local advertisement and word-of-mouth proved to have an outstanding response! The PP&R Division received and reviewed a total of 23 grant applications from throughout the state, requesting a total of \$18,691.82. Staff reviewed the applications and determined 19

applicants met NBC grant qualifications. We therefore recommend funding for the following 19 projects in the amounts specified:

<u>Organization</u>	<u>Grant Amount</u>
Central Falls Parks & Recreation	\$ 1,000.00
Save the Bay, Inc.	\$ 750.00
Woonasquatucket River Watershed Council (4/18/13 event)	\$ 600.00
Woonasquatucket River Watershed Council (4/20/13 event)	\$ 600.00
City of East Providence	\$ 450.00
Keep Blackstone Valley Beautiful	\$ 750.00
Blackstone River Watershed Council/ Friends of the Blackstone	\$ 750.00
Neighborhood Alliance of Pawtucket/ Friends of the Moshassuck	\$ 750.00
Blackstone Valley Community Action Program	\$ 750.00
Cumberland Land Trust	\$ 500.00
Neutaconkanut Hill Conservancy, Inc.	\$ 500.00
Friends of India Point Park	\$ 650.00
City of Providence	\$ 500.00
Serve Rhode Island	\$ 500.00
Smithfield Conservation Commission	\$ 200.00
Edgewood Waterfront Preservation Association "EWPA"	\$ 500.00
East Providence Police Cadets	\$ 500.00
Crescent Park Carousel Commission	\$ 500.00
Miss Rhode Island Scholarship Program	\$ 500.00
TOTAL	\$ 11,250.00

The NBC plans to provide funding to the local environmental organizations in time for their 2013 Earth Day Clean-Up events. In addition, the NBC intends to inform the environmental groups and the public about NBC sponsorship by ensuring that each grant recipient includes the NBC logo on all advertisements and publications promoting their events. The NBC will also post the dates of each event on the NBC website. The NBC will also provide each grant recipient with a supply of water bottles containing the NBC logo to distribute to their clean-up volunteers to educate the volunteers that the event was sponsored by the NBC.

There are adequate funds available in the Environmental Enforcement Fund to fund river clean-up activities dedicated to these worthwhile projects. Therefore, I recommend approval of Resolution Number 2013:11 to provide \$11,250 in funding to the above grant applicants for their 2013 Earth Day Clean-up Events.

Commissioner Salvadore made a motion to approve Resolution 2013:11; Recommendation for Use of Environmental Enforcement Funds. Commissioner Farnum seconded the motion and the vote taken by the Joint LRP-Finance Committee was unanimous. The motion carries.

4. Other Business

None.

5. Adjournment

A motion to adjourn was made by Commissioner Salvadore, seconded by Commissioner Kimball and the Joint LRP-Finance Committee meeting adjourned at 10:45 a.m.

Respectfully submitted,



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