



NARRAGANSETT BAY COMMISSION



OPERATING BUDGET

FISCAL YEAR 08

Vincent J. Mesolella, Chairman
Raymond J. Marshall, Executive Director

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
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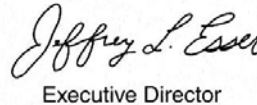
Narragansett Bay Commission
Rhode Island

For the Fiscal Year Beginning

July 1, 2006

Special Performance Measures Recognition


President


Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Narragansett Bay Commission, (NBC), Rhode Island, for its annual budget for the fiscal year beginning July 1, 2006. The GFOA also awarded NBC Special Performance Measures Recognition. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe that the current budget continues to conform to the program requirements, and we will submit it to GFOA to determine its eligibility for another award.

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Narragansett Bay Commission Fiscal Year 2008 Budget

Board of Commissioners

NBC is governed by a 19-member Board of Commissioners (Board). The Board represents the municipalities in the service area, as well as ten gubernatorial appointments. Empowered with responsibilities ranging from ensuring that NBC operates a balanced budget to approving contracts for improving and sustaining the treatment facilities and wastewater collection system, the Board meets monthly to guide the direction of NBC.

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Raymond J. Marshall, Executive Director and Secretary of the Board



A flight of birds over Narragansett Bay

Narragansett Bay Commission

Fiscal Year 2008 Budget

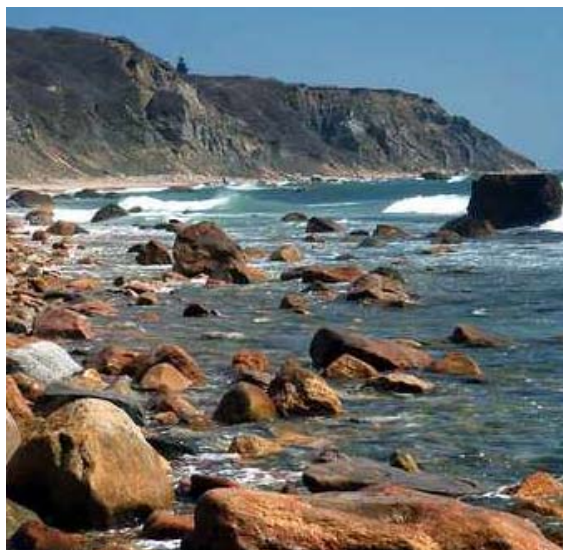
Citizens Advisory Committee

The Narragansett Bay Commission's Citizens Advisory Committee (CAC) is a diverse group of dedicated individuals, representing municipalities throughout the Commission's service area, industrial and residential users, environmental organizations and the general public. This committee advises the Board of Commissioners on matters pertaining to sewer usage fees, sewer construction, industrial pretreatment, public awareness, and education.

Harold Gadon, Chairman

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Hohegan Bluffs, Block Island

Narragansett Bay Commission

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*Celebrating 25
Years of Service*

Chairman's Message

In FY 2007 after thirty years of dedicated public service, Paul Pinault retired from his position as the Executive Director of the Narragansett Bay Commission. We will miss him, not only as an exceptional leader, but as a role model, a man of unimpeachable integrity and as a friend.

I am pleased to relate that Ray Marshall has taken the helm as our new Executive Director. Ray joined the Commission in 1992 and has served as the Deputy Director for fifteen years. Ray is a registered professional engineer in Rhode Island and has many years of experience and leadership in the wastewater industry. I fully expect the Commission to continue its track record of success and dedication under his guidance. The Board and I wish him success as NBC's Executive Director.



*Vincent J. Mesolella, Chairman, on the right working
with Raymond J. Marshall, Executive Director*

Executive Director's Message

Fiscal Year 2008 Budget Summary

The Narragansett Bay Commission's fiscal year 2008 Operating Budget represents an 11.8% increase over the prior year. Operating Revenue is projected to increase by 12.3% due to two increases in sewer user rates, both effective July 1, 2007. The first rate increase is for debt service and debt service coverage associated with the financing of NBC's capital improvements, and the second rate increase is related to increased operating expenses and an update of the billable rate base. Non-Operating Revenue shows a 3.3% net increase, which can be attributed primarily to the budgeting of the first year of a two-year Previously Restricted funding source, and an increase in Late Charge revenues.

With respect to expenses, Operating and Maintenance Expense is projected to increase by 5.1%, with the majority of the increase reflective of a contracted increase in the cost of biosolids disposal as well as increased personnel costs. Debt service is projected to increase by 22.3%, while Operating Capital Outlays will decrease by 4.1%. The Restricted Carry-Forward shows a year-to-year increase of 9.5%. The net effect of these changes is an 11.8% increase in expenses over FY 2007.

Year-to-Year Operating Budget Comparison

	<u>FY 2007 Budget</u>	<u>FY 2008 Budget</u>	<u>Percent Change</u>
Revenues			
Operating Revenue	\$ 62,822,306	\$ 70,525,802	12.3%
Non-Operating Revenue:	3,510,572	3,628,077	3.3%
Total Revenue	<u>66,332,878</u>	<u>74,153,879</u>	<u>11.8%</u>
Expenses			
Operating and Maintenance Expense	31,706,157	33,311,737	5.1%
Debt Service	25,073,487	30,663,602	22.3%
Operating Capital Outlays	2,087,758	2,002,000	-4.1%
Restricted Carry-Forward	7,465,476	8,176,540	9.5%
Total Expense	<u>\$ 66,332,878</u>	<u>\$ 74,153,879</u>	<u>11.8%</u>

“The mission of the Narragansett Bay Commission is to maintain a leadership role in the protection and enhancement of water quality in Narragansett Bay and its tributaries by providing safe and reliable wastewater collection and treatment services to its customers at a reasonable cost.”



Cow Cove, Narragansett Bay

Introduction

In FY 2007, the Narragansett Bay Commission (NBC) celebrated twenty-five years of environmental leadership and protection of the water quality of Narragansett Bay. Since the NBC was created in 1982, we have demonstrated dedication to water quality improvement through investments in capital improvements, effective operation of our wastewater treatment and collection systems as well as aggressive water quality monitoring initiatives. While meeting the challenges of more stringent regulatory requirements, we have also maintained our commitment to providing these services at the lowest possible cost. Sound financial management practices have enabled NBC’s user rates to remain relatively low in comparison to sewer charges in other U.S. cities. NBC looks forward to continued success in the years to come.

The Budget Document

This year’s budget document includes a number of changes and enhancements. Given that the largest driver of NBC’s operating budget is debt service which, in turn, is a function of NBC’s Capital improvement Program (CIP), additional emphasis was placed on the development of this year’s CIP.

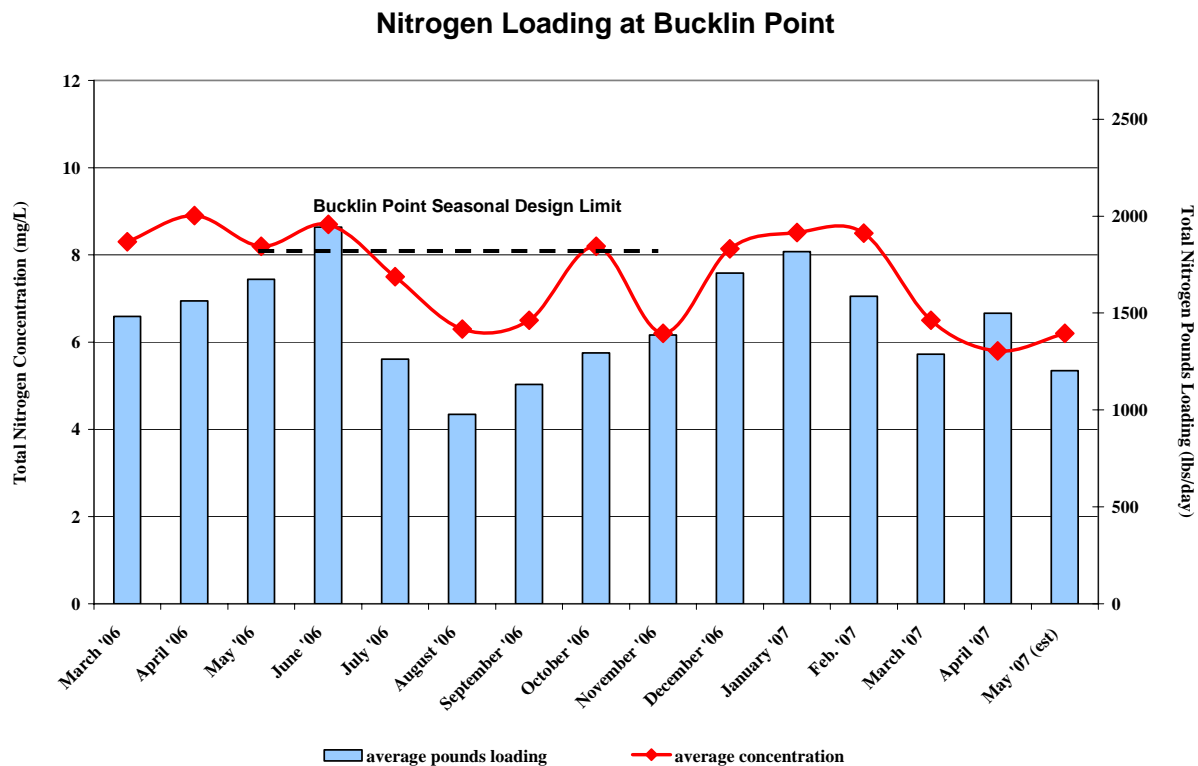
Some of the most notable changes are the formal integration of the CIP into the Strategic Plan and the implementation of project priority status in the CIP, and consequently the operating budget. As part of the CIP process, project managers were asked to identify the relationship of each project to NBC’s strategic goals and to assign a priority rating. In addition, CIP budget

request forms were revised to include detailed documentation regarding the scope of each project, the basis for the cost estimates, and project schedules. Hand-in-hand with this increased strategic focus was the implementation of a more formal CIP project review process. All projects were reviewed by a committee in order to assess resources, costs and schedules. The Capital Improvement Program section of this document has been expanded to give an overview of the new CIP process.

Other revisions to this budget document include a consolidation of the section on Long-Term Debt and enhanced demographic information. In addition, ten year revenue and expenses comparisons are included for trend analysis. It is anticipated that these enhancements will serve to present an informative and comprehensive picture of NBC's budget and financing needs for FY 2008 and beyond.

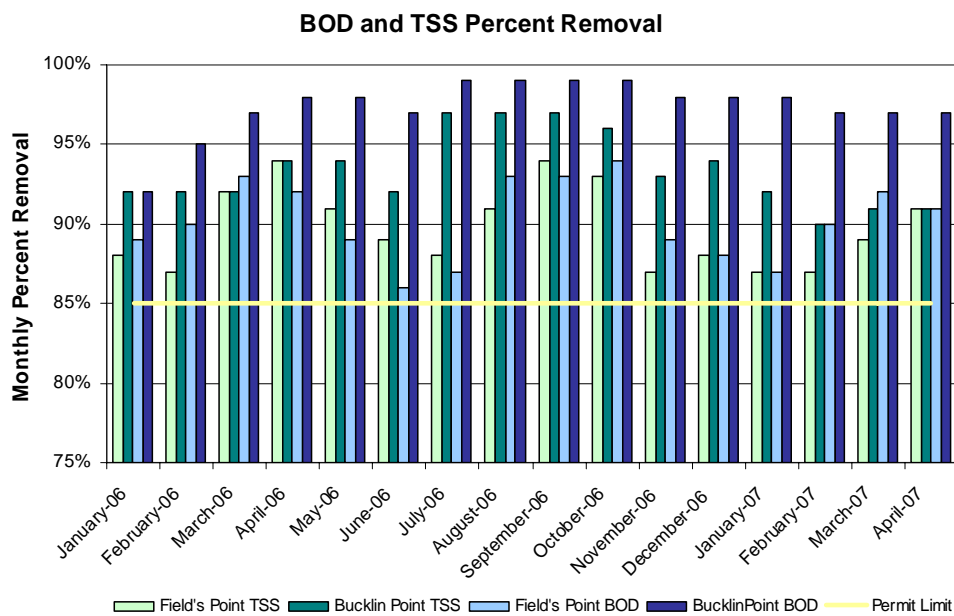
Fiscal Year 2007 in Review

The past year was both rewarding and challenging for NBC. On June 16, 2006, NBC entered into Consent Agreements regarding nutrient reduction at its Bucklin Point and Field's Point Wastewater Treatment Facilities (WWTF's). Prior to the execution of the Consent Agreement, NBC had constructed nitrogen removal facilities at Bucklin Point as part of the Bucklin Point Improvements Contract. During the past year, NBC has worked to optimize nitrogen removal. The graph below shows that average pounds and concentration of nitrogen in the Bucklin Point effluent have been lower than the design limit for all but one month.



During the past year, NBC also completed a facilities plan for nitrogen removal at the Field's Point WWTF and submitted the document to Rhode Island Department of Environmental Management (RIDEM) for review and approval. The Facilities Plan is based on the utilization of a special technology described in the CIP section of this document.

From a wastewater treatment perspective, this year NBC was honored to receive its first New England Water Environment Association (NEWEA) Wastewater Utility Management Award. The award recognizes NBC for its leadership in management and environmental excellence. NBC's effluent was below the permitted discharge levels for Biological Oxygen Demand (BOD) and Total Suspended Solids (TSS). BOD and TSS levels in the influent and effluent are measured as indicators of pollution. The chart below shows BOD/TSS percent removals attained at both Field's Point and Bucklin Point with respect to the 85% BOD/TSS removal required by NBC's discharge permits. As can be seen from the graph, BOD/TSS removals greatly exceeded permit requirements every month at both facilities.

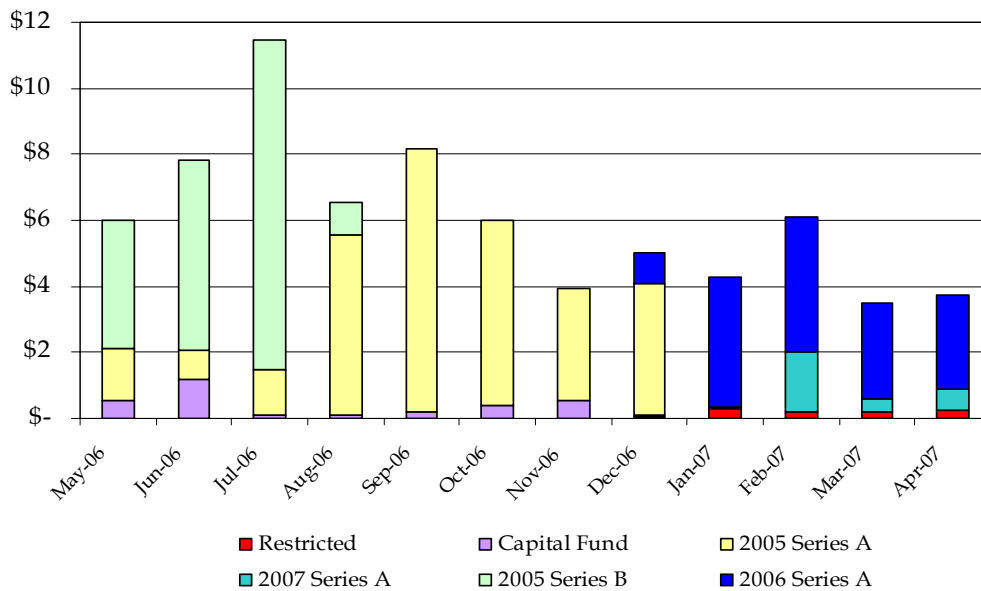


NBC made significant progress on the implementation of its Asset Management Program during the past year. The program is designed to identify and perform condition assessments of NBC's assets. This information, in turn, will assist NBC with the allocation of resources and ensure a timely and cost-effective asset replacement schedule. The program capitalizes on NBC's current asset management software and incorporates inspection, cleaning, and improvements to the collection system infrastructure. In the FY 2007 timeframe the focus has been to complete the asset registry and establish a process to maintain the data. As of March 2007 the Field's Point, Bucklin Point, and IM registries were respectively nearly 100%, 40% and 50% complete.

In FY 2007, NBC made significant progress on several planning, design and construction contracts. Of particular significance is the near completion of Phase I Combined Sewer Overflow Abatement Project (CSO). Overall, the construction of CSO Phase I Facilities is approximately 86% complete including eleven of the fourteen contracts. On March 19, 2007, the \$176 million contract for the Main Spine Tunnel was declared substantially complete, and the

\$54 million Tunnel Pump Station contract remains on schedule. Although the CSO Phase I Facilities are not yet complete, NBC initiated design of the CSO Phase II Facilities in January 2007 in order to ensure compliance with the Consent Agreement between NBC and the RIDEM. In FY 2007, NBC spent nearly \$68 million on capital improvements. The chart below shows capital payments for FY 2007 by month.

Capital Payments by Month and Source
(in millions)



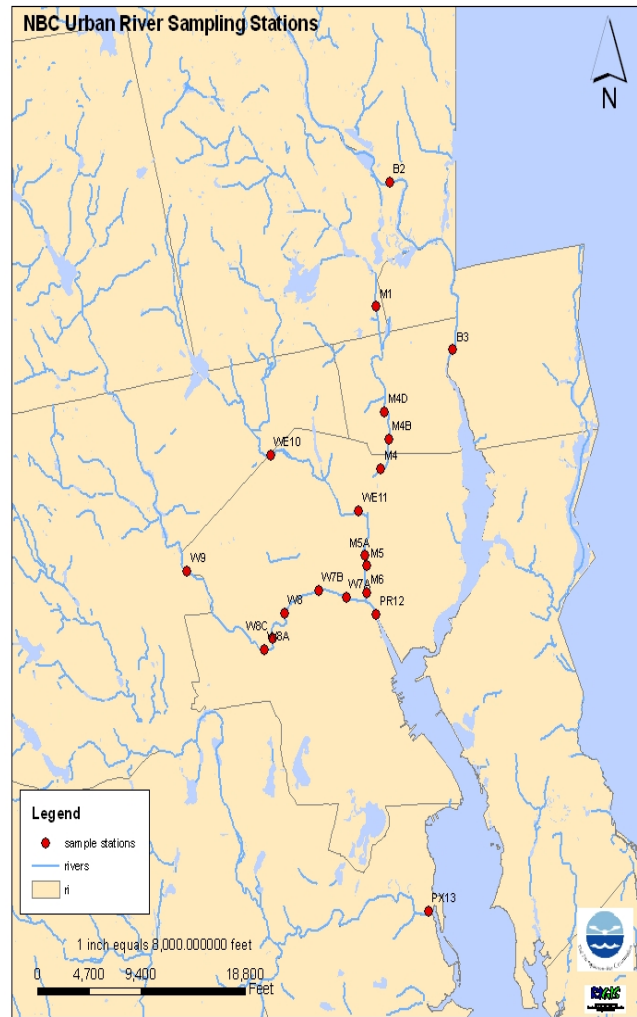
From a financial perspective, FY 2007 was another year marked with activity and achievements. NBC was awarded the GFOA Distinguished Budget Award for the fifth consecutive year with Special Recognition for Performance Measures for the second consecutive year. NBC is also pleased to report the receipt of the GFOA Certificate of Achievement for Excellence in Financial Reporting for its FY 2006 Comprehensive Annual Financial Report for the fifth consecutive year. NBC’s consistently sound financial performance is evident with 15 consecutive years of operating surpluses.

With respect to long term debt issuance, the NBC borrowed \$30 million through a low-interest loan from the Rhode Island Clean Water Finance Agency and issued \$42.5 million in revenue bonds in February 2007. Standard & Poor’s Rating Services assigned its “A+” standard long-term rating, and stable outlook, to the NBC’s \$42.5 million revenue bond issue. With respect to NBC’s \$70 million Variable Rate Demand Obligations (Series 2004A), Standard and Poor’s affirmed the “AAA/A+” rating with a stable outlook.

NBC continued its wide-ranging monitoring initiatives. In response to more extensive mandates set forth in the Rhode Island Pollution Discharge Elimination System (RIPDES) permit, NBC increased both the number of samples collected and the type of parameters to be analyzed in FY 2007. For example, this past year, NBC's bacteria monitoring program added *Enterococcus* analysis to the Fecal Coliform testing based on RIDEM's change of the water quality criteria standards for primary contact.

In addition to traditional sampling, NBC continued to perform sampling of NBC CSO affected rivers on a weekly basis. This effort will yield baseline data from which NBC can gauge the impact of the CSO program. The map to the right shows the many sampling locations in the rivers.

In FY 2007, NBC continued its work with the University Of Rhode Island School Of Oceanography to develop a hydrodynamic model of the upper Narragansett Bay. The model will provide important information on the role of nutrients and pollutants in Narragansett Bay.



Map: Sampling locations for CSO affected rivers.

From a human resources standpoint, NBC and its two unions successfully negotiated a collective bargaining agreement that extends through June 30, 2010. Some of the highlights of the new contract are the implementation of a wage study, health benefit plan changes, health insurance premium co-payments and the phase-out of longevity pay. NBC also implemented a domestic partner health benefit in FY 2007.

This year was a big year for NBC's Wellness Program as NBC received the second highest National Worksite Wellness Award from the Wellness Council of America. It was also the second year that we received a Superior Worksite Health Award from the Greater Providence Chamber of Commerce. Some of the FY 2007 Wellness programs included flu shot clinics, health assessments and Wellness Clinics related to weight, nutrition, stress management, and asthma management. The Strategic Plan was also revised to reflect NBC's Wellness objectives.

In terms of public outreach, NBC continued to enhance its educational programs for Rhode Island's school children regarding clean water. Throughout the school year children in over seven schools tested local rivers and learned about pollution and the importance of protecting our urban rivers. At the end of the school year the children took part in an Environmental Education Summit in which they shared their data and their findings. In FY 2007 NBC was pleased to receive, for the first time, the NACWA National Environmental Achievement Award in the Public Information and Educational Program category for this educational initiative. NBC also participated in a cooperative educational program with the Save the Bay program, and published our first e-newsletter.



Photo: A calm Moshassuck River scene, one of the upper valley rivers monitored by Rhode Island's schoolchildren in conjunction with Narragansett Bay Commission.

Finally, from a technological standpoint, a number of milestones were achieved including the upgrade of the database software, consolidation of all of the databases on a single server and the conversion to a new operating system. The most notable accomplishment, however, is the in-house development and implementation of a new Customer Service application which will greatly enhance NBC's ability to serve its customers. The application is state-of-the art, and due to the fact that it was developed by NBC staff, it is precisely suited to NBC's requirements.

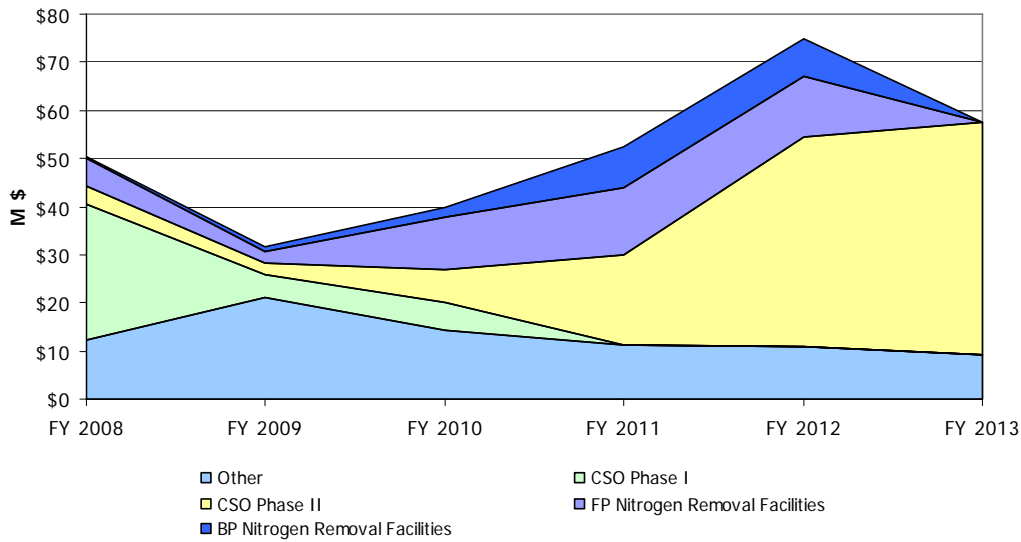
NBC Outlook

NBC has allocated resources based on the objectives and priorities highlighted in the Strategic Plan. The Strategic Plan forms the framework of NBC's long-term priorities over the next ten years. This year's budget has been developed based on an anticipated increase in user fees that is required to support the operating needs of NBC in FY 2008. The following identifies the connection between NBC's short and long-term goals of the Strategic Plan and the resource allocations in the FY 2008 operating budget.

Core Business

In support of NBC's core business functions, NBC will continue to plan, design and construct the improvements set forth in its CIP. Current planning shows the expenditure of \$50.5 million on capital improvements in FY 2008. The chart on the following page shows the four major projects outlined in the CIP in addition to numerous smaller contracts.

CIP Expenditures by Major Contract



The chart above reflects the fact that NBC will continue to address CSO issues for the foreseeable future. Work will continue on the completion of the remaining outstanding contracts associated with the CSO Phase I Facilities over the next three years. Current construction activity is focused on the tunnel pump station and the instrumentation and controls necessary for the start-up of the Phase I Facilities, scheduled for October 2008.

During FY 2008, NBC will continue to develop the CSO Phase II Facilities which began with the initiation of the facilities plan update in January 2007. This project entails the construction of two interceptors to bring flows from combined sewer overflows along the Woonasquatucket and Seekonk Rivers to the Main Spine Tunnel. Design is anticipated to be completed in FY 2010, and construction will begin in FY 2011. The CIP contains projected construction costs of \$186 million in the five year period FY 2009-2013.

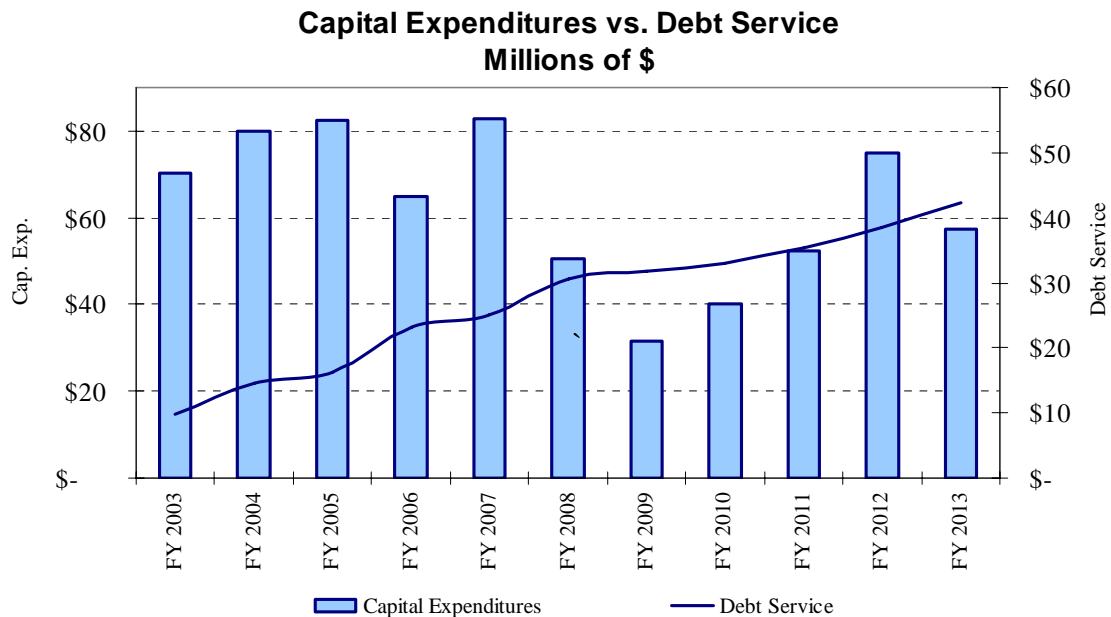


Photo: This combined sewer overflow is located in the Woonasquatucket River near Valley Street in Providence, and will be addressed as part of the Phase II facilities.

In addition to CSO facilities, NBC is also contemplating the design and construction of additional facilities to ensure compliance with the Consent Agreement between NBC and RIDEM regarding nitrogen removal. It is projected that the facilities plan recommending installation of a fixed film media in the existing aeration basins for the Field's Point wastewater treatment facility will be approved by RIDEM in the spring of 2007. It is therefore anticipated that NBC will initiate design of nitrogen removal facilities at Field's Point in FY 2008. The current estimate for construction costs for these facilities is \$37.5 million.

At NBC's Bucklin Point WWTF, significant nitrogen removal has been achieved. However, by November 30, 2007, NBC must evaluate whether further modifications are necessary to achieve compliance with total seasonal nitrogen limits of 5mg/l. If further modifications are necessary, the NBC must submit a facilities plan within twelve months. Project 809 reflects the \$18.6 million pre-design construction estimate for additional nutrient removal facilities at Bucklin Point.

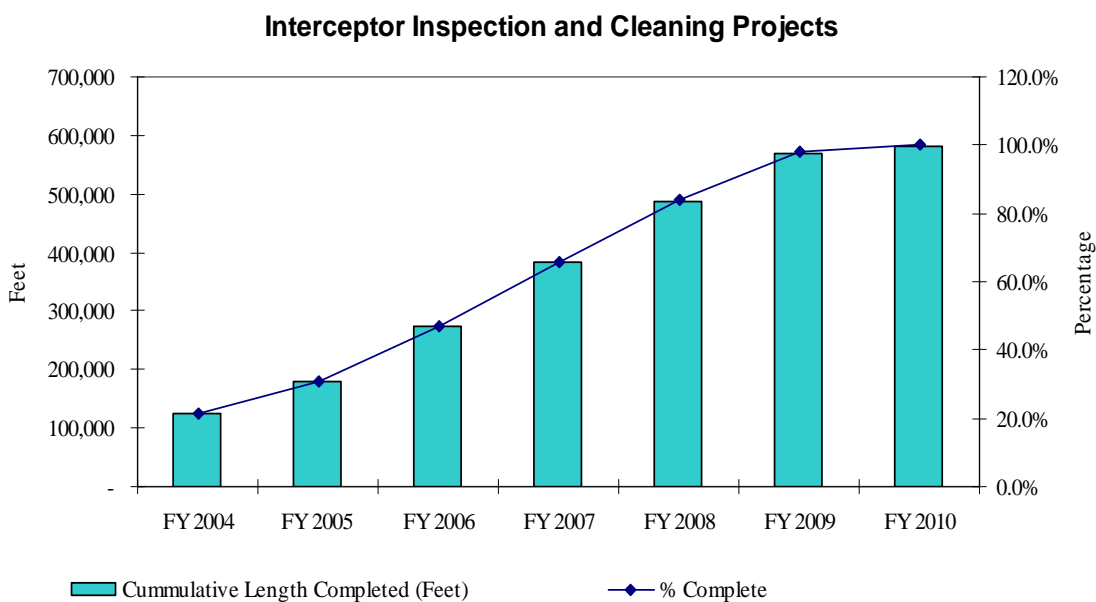
In order to finance the CIP NBC faces considerable annual increases in debt service. Debt service for FY 2008 will be \$30.7 million or a 22% increase over FY 2007. The following chart shows that even though annual capital expenditures will decrease from prior levels, debt service continues to increase.



As part of its core business, NBC must ensure that biosolids are disposed of in an environmentally safe manner. In FY 2006 NBC shut down the incinerator at the Field's Point WWTF and outsourced biosolids disposal, which will save millions of dollars in the long-term. This budget year will be the first full year at the CPI adjusted rate for biosolids disposal. The FY 2008 budget shows an increase of approximately \$503 thousand for this operating expense category.

In FY 2008, NBC continues to support its investment in infrastructure maintenance and replacement. As noted above, NBC is developing an Asset Management Program which will provide insights as to where, when, and how much to invest in NBC's capital assets over time. In addition, NBC continues to program at least \$5 million annually for interceptor inspection, cleaning, and repairs. The maintenance and construction projects originate from NBC's inspections as well as emergency situations caused by root intrusion, structural damage, odor control, aging infrastructure, pipe damage, etc. NBC's infrastructure maintenance and improvements are anticipated to be continuous throughout the near future as part of NBC's commitment to the asset management initiative.

As part of this program, NBC expects to complete the inspection and cleaning of all 110 miles of sewers by the end of FY 2009. The graph below shows the interceptor cleaning timeframe and the percentage projected to be complete for each fiscal year.



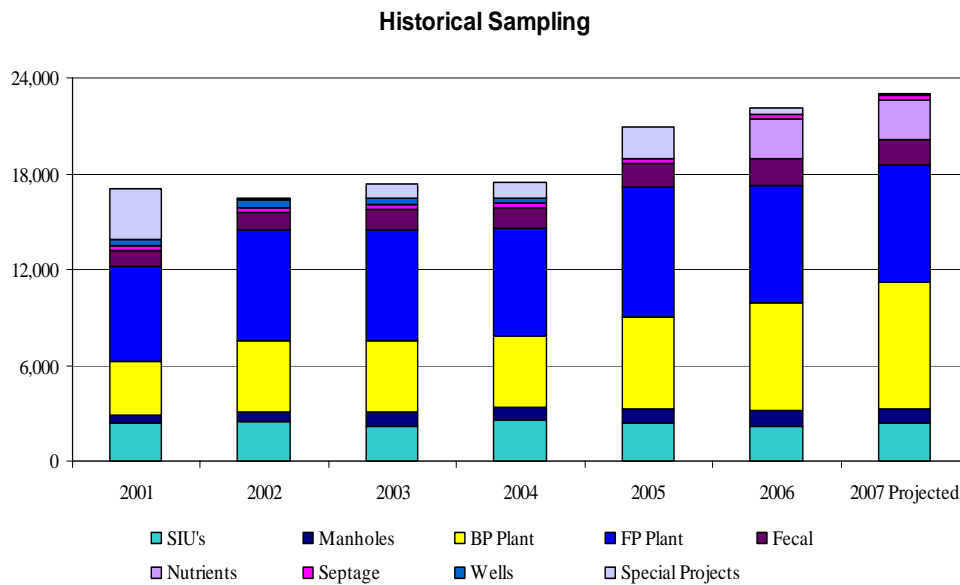
In January 2007, thirty communities, including NBC, received a letter from the Environmental Protection Agency (EPA) outlining an initiative for the elimination of sanitary sewer overflows in the State of Rhode Island. The EPA subsequently issued Administrative Orders to eight communities and set forth a one-year period for compliance with a number of tasks related to system evaluations and improvements. Because NBC had initiated an asset management program and completed a Capacity Maintenance and Operations Management (CMOM) program in 2006, NBC anticipates that it will easily be able to meet the one-year requirement.

Over the next year, NBC will continue its implementation of the Asset Management Program and has programmed \$1.8 million to be spent in total. In FY 2008, NBC plans to complete the asset registry for Field's Point, Bucklin Point and Interceptor Maintenance. In addition, NBC will document, develop and modify the work processes critical to asset management. The final phase of this program will be to complete the asset registry for other structures and fleet assets critical to NBC. The program is scheduled to be fully implemented by June 2009.

Environmental Performance

In keeping with NBC's strategic goal to continuously evaluate and minimize NBC's impact on the environment, NBC will expand its sampling and data analysis effort. This year's budget continues to fund NBC's Environmental Monitoring for Public Access and Community Tracking (EMPACT) Monitoring project, which provides data to measure compliance with water quality criteria for dissolved oxygen. The FY 2008 budget also contains funding for several other ongoing monitoring initiatives, including nutrients as part of the CIP's River Model Development project as well as hazardous waste and mercury. This budget also reflects a new

initiative to conduct critical monitoring during emergency situations or extreme weather conditions such as extended torrential rains. The data collected under this initiative will allow researchers to learn more about the normal and unusual loadings to the treatment plants and Narragansett Bay. The chart below shows the increase in sampling over the years.



This year's budget also supports the provision of stormwater discharge guidance to developers and builders. Through low impact design using greenery, dry wells and barrels, much of the stormwater run-off from parking lots and buildings can be diverted from the sewer collection system directly into the ground, translating into reduced wastewater treatment plant operating costs and fewer adverse environmental impacts.



Photo: Mega-Watt Class Wind Turbine

In support of NBC's commitment to environmental protection, NBC has received authorization from the Internal Revenue Service to issue \$2.6 million in Clean Renewable Energy Bonds (CREBs) to provide partial funding of two renewable energy projects. This method of financing is attractive because the issuer makes no interest payments to the bondholders; rather the bondholder receives a tax credit in lieu of interest payments.

At Bucklin Point, NBC is studying the conversion of methane biogas generated within the biosolids digestion tanks into a reusable energy source. Preliminary estimates indicate this system could produce a significant amount of the electricity used annually by Bucklin Point. At Field's Point, NBC is investigating the feasibility of converting wind energy into electricity by erecting a Mega-Watt (MW) Class Wind Turbine. In order to assess the feasibility of the project, a forty meter meteorological tower has been erected at the facility to record wind speed and direction. Electricity generated from the turbine could be used to provide power for NBC's Field's Point WWTF. Feasibility studies are currently underway for each of these projects and should be completed by December 2007. Construction of the biogas facility is

estimated to cost \$1.9 million while construction of the wind turbine is estimated to cost \$3.5 million. These two projects are yet another example of NBC's proactive approach to protecting the environment.

Staffing and Organizational Performance

NBC's strategic objective is to recruit, develop and retain highly qualified staff. NBC offers several incentives to develop and retain a qualified employee base including a comprehensive benefits package, tuition reimbursement and voluntary benefits. Due to an increased concern with the magnitude of turnover among professional, technical and skilled craft positions, this budget includes funding for a comprehensive study of NBC's non-union compensation structure. The FY 2008 budget reflects the implementation of a similar wage study of union positions. In addition, NBC will continue the sponsorship of Workplace Wellness programs to educate and raise employee awareness of health issues such as weight loss, nutrition, and stress management.

Financial Management

The FY 2008 budgeted revenue is based on two across-the-board percentage rate increases effective July 2007. The Public Utilities Commission (PUC) has approved the first rate increase of 9.99% for debt service and debt service coverage associated with the financing of NBC's capital improvements. The second rate increase is related to increased operating expenses and an adjustment to the rate base. This rate case remains pending before the PUC and is projected to be 4.63%. Despite these rate increases, it is anticipated that NBC will have for file for additional rate relief in FY 2008 to support new debt issuance and the increased operating costs associated with the CSO Phase I Facilities when they become operational in October, 2008.

Customer Service and Communication

With the implementation of the new Customer Service application in FY 2007, NBC anticipates significant improvement in our ability to serve our customers in the years to come. Many aspects of Customer Service were streamlined and enhanced. Some of the improvements are access to the system for staff in the field, a more accurate collection method, tracking of assignments, and automated versus manual procedures. In the future, the new system will also incorporate the permitting and pretreatment billing functions.

NBC will also to continue its public outreach program through the in-classroom educational program for area schools, numerous public and educational forums, e-news letter and charitable campaigns.



Photo: Fourth Graders from Curtis Elementary School took part in the “Woon Watershed Explorers” program. The students were performing water quality tests at Slater Park in Pawtucket.

Summary

NBC is proud to look back on its many years of clean water stewardship and sound financial practices. NBC’s proactive leadership, with its strong emphasis on asset management, monitoring initiatives, and readiness to explore new technologies has merited numerous awards. This diligence has gone hand in hand with a commitment to sound fiscal management and the provision of reliable wastewater treatment at a reasonable cost to NBC’s customers. In FY 2008, NBC will continue to make these goals our priority. We will continue to work to protect our community, customers, and infrastructure, and prepare for the challenges of the future.

Raymond J. Marshall
Executive Director

About the Narragansett Bay Commission

Background

In 1979, the Governor of Rhode Island's Sewage Facilities Task Force reported that the discharge of pollutants into Narragansett Bay, and particularly in the Providence metropolitan area of the Bay, posed problems of such scope and cost as to be beyond the City of Providence's capability to control them. Additionally, the prospect of continued federal funding of sewer construction programs under the Clean Water Act was clouded by the then scheduled expiration of the Clean Water Act at the close of the 1982 federal fiscal year.

Consequently, the Task Force recommended, and the Rhode Island General Assembly in 1980 approved, the establishment of a regional district commission to correct and minimize pollution discharges into the Upper Bay. The Narragansett Bay Water Quality Management District Commission, renamed the Narragansett Bay Commission in 1999, was authorized to acquire, operate and upgrade the metropolitan Providence wastewater collection and treatment facility.

On January 1, 1992, the former Blackstone Valley District Commission was merged into NBC. NBC is considered a component unit of the State of Rhode Island for financial reporting purposes.

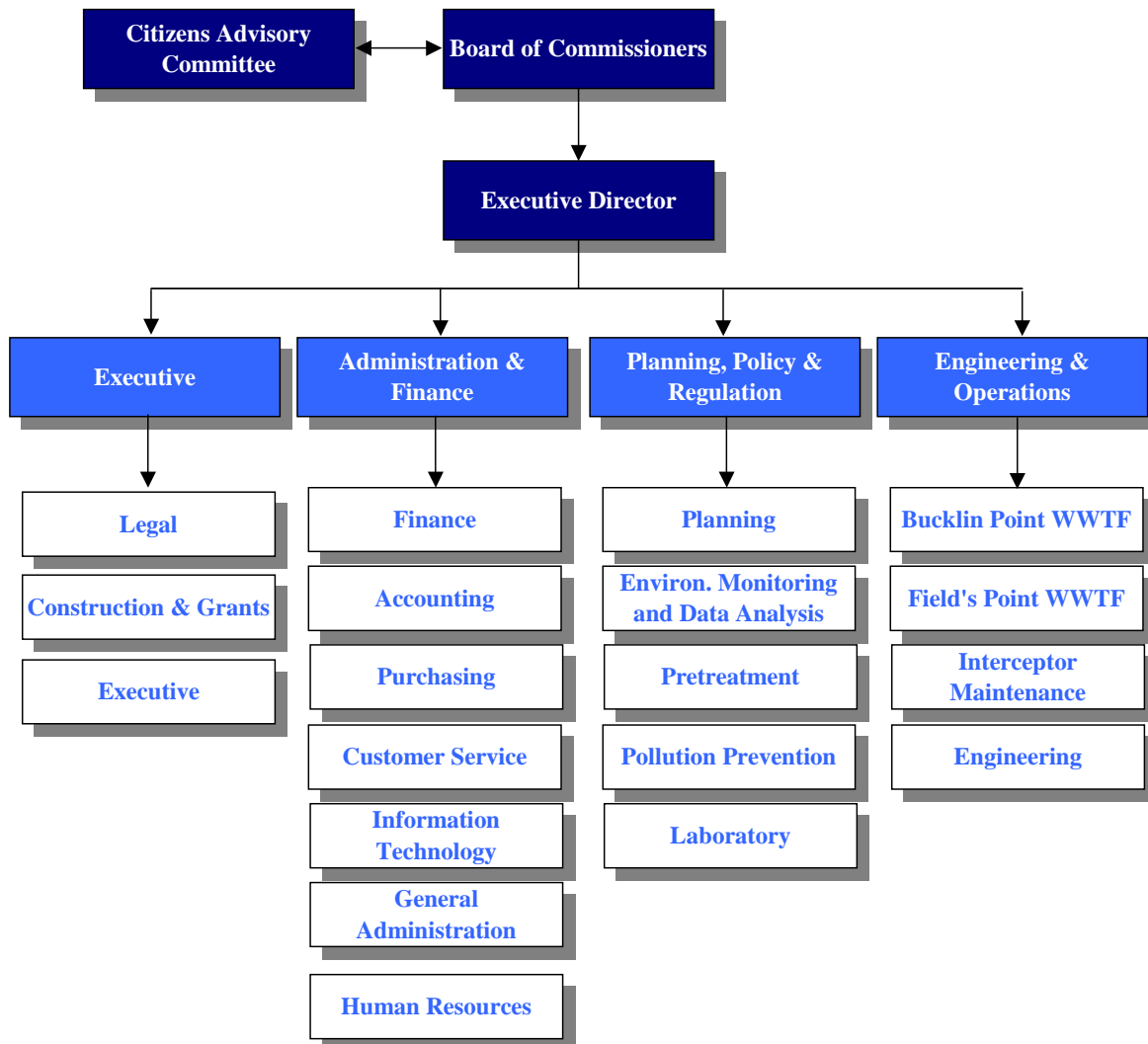
The Commission

NBC is governed by a 19-member Board of Commissioners (Board). The Board represents the municipalities in the service area, as well as ten gubernatorial appointments. Empowered with responsibilities ranging from ensuring that NBC operates a balanced budget to approving contracts for improving and sustaining the treatment facilities and wastewater collection system, the Board meets monthly to guide the direction of NBC.

The NBC is regulated by the Rhode Island Public Utilities Commission (PUC). Accordingly, both the Board and the PUC must authorize adjustments to sewer user rates.

NBC is comprised of a team of dedicated professionals who are committed to the fulfillment of NBC's goals. NBC's organizational structure consists of four Divisions headed by Division Directors who report to the Deputy Director and Executive Director. Each Division is comprised of several sections. For an overview of each Division and its programs, please see the Division Summaries section of this document. An organizational chart of NBC is located on the following page.

NBC Organizational Chart



Governmental Regulation

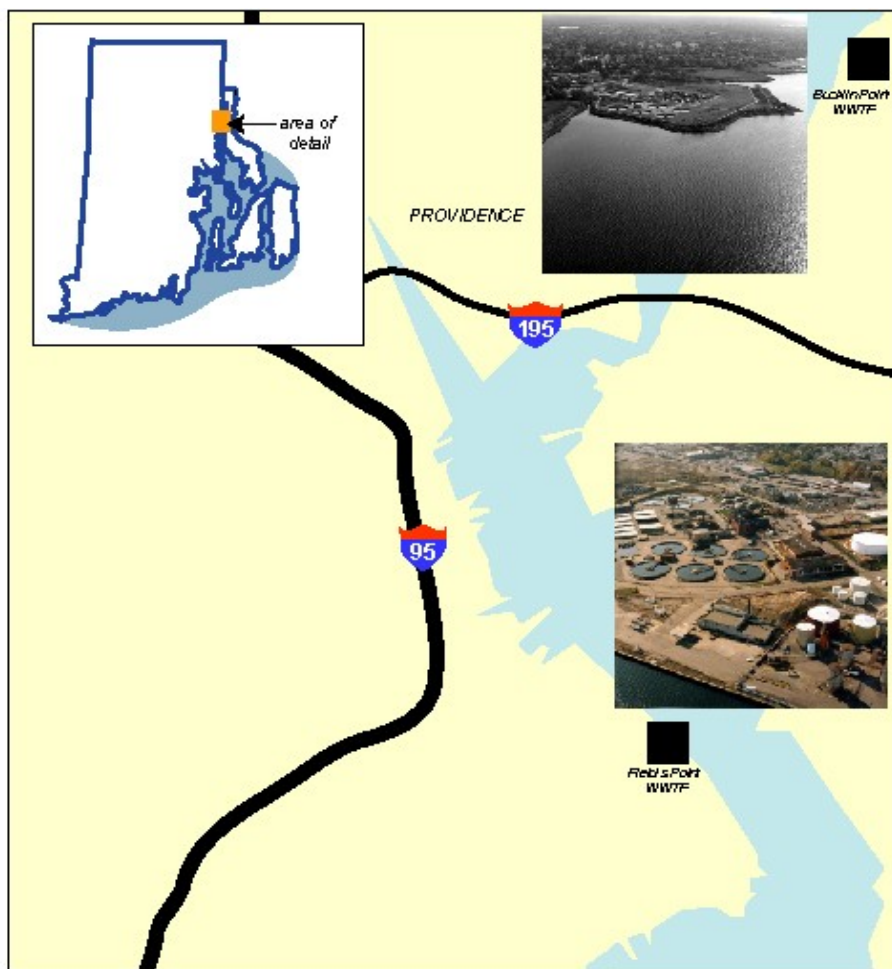
In addition to PUC oversight, NBC is regulated by the Rhode Island Department of Environmental Management (RIDEM) and the U.S. Environmental Protection Agency (USEPA) to ensure compliance with State and federal Clean Air and Clean Water Acts. NBC has been issued Rhode Island Pollutant Discharge Elimination System (RIPDES) permits for each of its wastewater treatment plants.

State and Federal Compliance Issues

NBC is under a Consent Agreement with RIDEM to implement a federally mandated Combined Sewer Overflow (CSO) program that will address NBC's 64 CSOs. The first phase of the CSO abatement facilities addresses 40% of the CSO volume. Design for the second phase of the CSO program began in January 2007. As mentioned in the Executive Director's Message, NBC is also facing more stringent permit requirements for total nitrogen removal.

Facilities

NBC owns and operates the State's two largest wastewater treatment plants along with an extensive infrastructure of interceptors, pump stations, tide-gates and combined sewer overflows. The location of the two wastewater treatment facilities is shown on the map below:



Field's Point Service Area Facilities and Technology

Constructed in 1901 and reconstructed in the 1980s, the Field's Point Wastewater Treatment Facility (WWTF) provides secondary treatment to average dry weather flows of up to 65 million gallons per day (MGD), sustained wet weather flows of 77 MGD, and peak hourly flows of 91 MGD. With the addition of primary wet weather facilities, the plant provides primary treatment and disinfection for an additional 123 MGD of wet weather flows. Total treatment capacity at Field's Point is 200 MGD.



Photo: Aerial photo of the Field's Point Wastewater Treatment Facility

NBC also owns, operates and maintains three outlying pump stations in the Field's Point Service Area. The Washington Park and Reservoir Avenue Pump Stations located within the City of Providence and the Central Pump Station in Johnston. The Ernest Street Pump Station is located adjacent to the Field's Point WWTF and handles 98% of the flow to Field's Point.

NBC maintains several flow metering stations to measure discharges from various areas. In addition, NBC owns and is responsible for the maintenance and correction of 38 Combined Sewer Overflows, 32 tide gates and 80 miles of interceptors in the Field's Point Service Area. NBC is engaged in a long-term construction program to minimize overflows from its combined sewers.

Bucklin Point Service Area Facilities and Technology



Photo: Bucklin Point Wastewater Treatment Facility.

The former Blackstone Valley District Commission ("BVDC") was established by the Rhode Island General Assembly in 1947 to service the Blackstone Valley area. State legislation effectuated the merger of BVDC into NBC on January 1, 1992.

A comprehensive upgrade of the Bucklin Point WWTF was completed in 2006 making it the most technologically advanced treatment plant in the state. The facilities provide secondary treatment for flows of up to 46 MGD and primary treatment for flows up to 116 MGD.

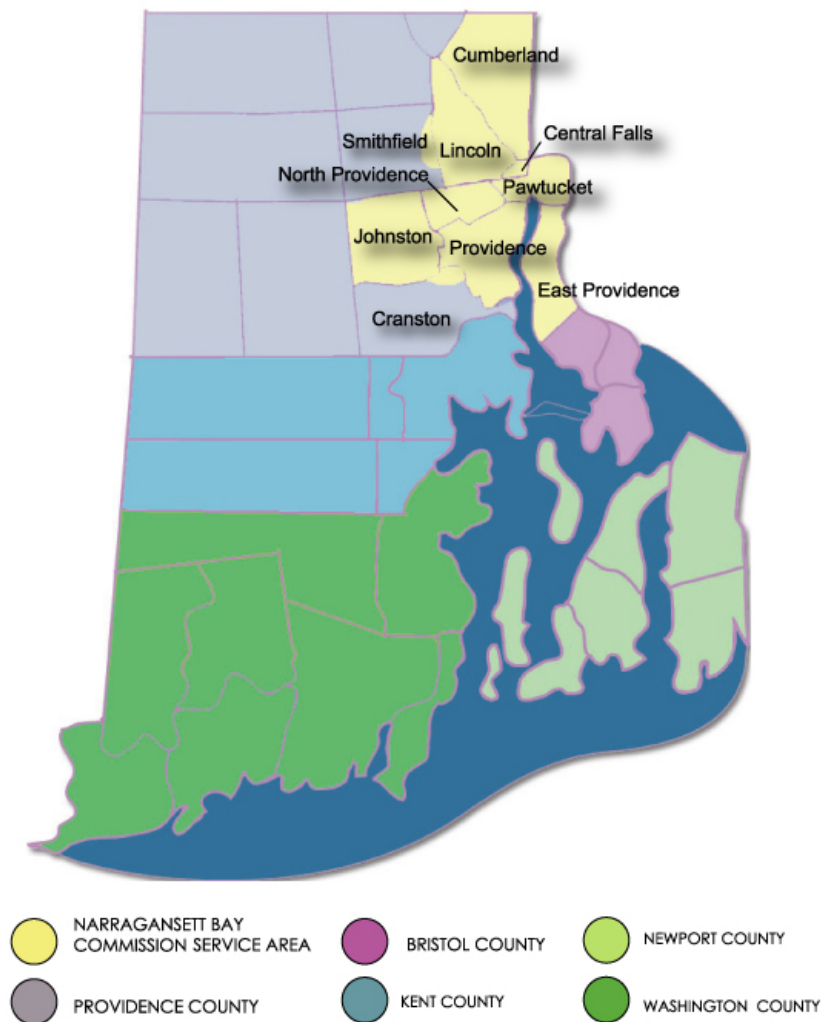
NBC also owns and operates three pump stations in the Bucklin Point Service Area including the Omega Pump Station (East Providence), Saylesville Pump Station (Lincoln) and Washington Highway Pump Station (Lincoln).

NBC owns and is responsible for the maintenance and correction of 26 Combined Sewer Overflows in the Bucklin Point service along with the North Diversion structure and 30 miles of interceptors.

General

The NBC provides reliable, cost-effective wastewater collection and treatment services to over 360,000 residents and approximately 7,900 businesses in ten Rhode Island communities in the metropolitan Providence and Blackstone Valley areas. These communities include: Providence, North Providence, Johnston, Pawtucket, Central Falls, Cumberland, Lincoln, the northern portion of East Providence and small sections of Cranston and Smithfield. The map below shows the NBC's service area.

NBC Service Area

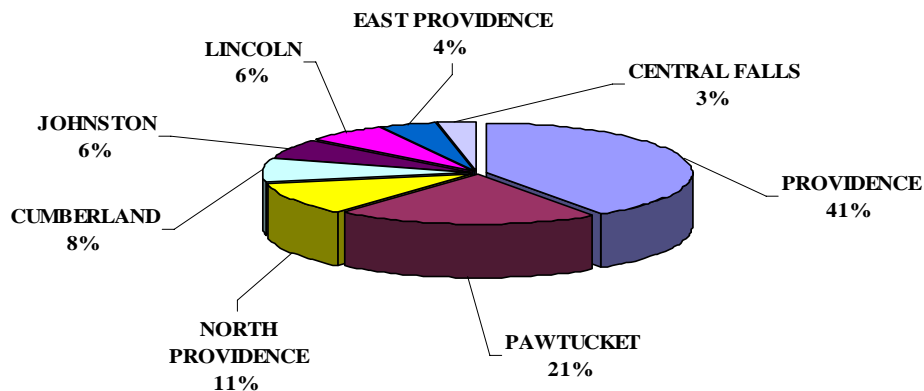


NBC’s customer base consists of residential and non-residential customer classes, which includes commercial and industrial users. The residential class has approximately 75,000 accounts, while the non-residential class has approximately 7,900 accounts. The largest NBC customers are service and education providers. NBC’s ten largest customers based on FY 2006 billings are listed below:

Customer	Total Annual Billing	Percentage of Total Annual User Charges
Brown University	\$ 1,584,842	2.81%
Providence Housing Authority	1,068,858	1.90%
Rhode Island Hospital	1,026,614	1.82%
Providence School Department	541,919	0.96%
City of Providence	530,098	0.94%
City of Pawtucket	405,782	0.72%
Rhode Island College	309,601	0.55%
Providence College	280,273	0.50%
Johnson & Wales University	265,147	0.47%
State of Rhode Island	251,975	0.45%

Of the ten communities and partial communities serviced by NBC, Providence, Pawtucket and North Providence account for the majority of users with 73% of the accounts. The following chart illustrates the distribution of accounts across the eight communities with the largest number of customers served NBC’s service area.

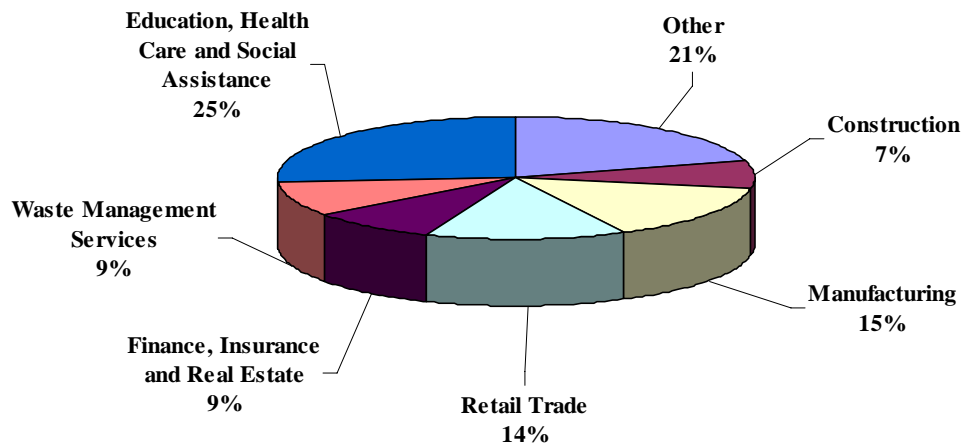
Number of Accounts by Community



Rhode Island Economy

According to the Rhode Island Department of Economic Development, the economic base of Rhode Island has shifted from manufacturing and goods to service industries over the last decade. The chart below shows estimated employment by industry for the calendar year 2005.

Estimated Employment by Industry

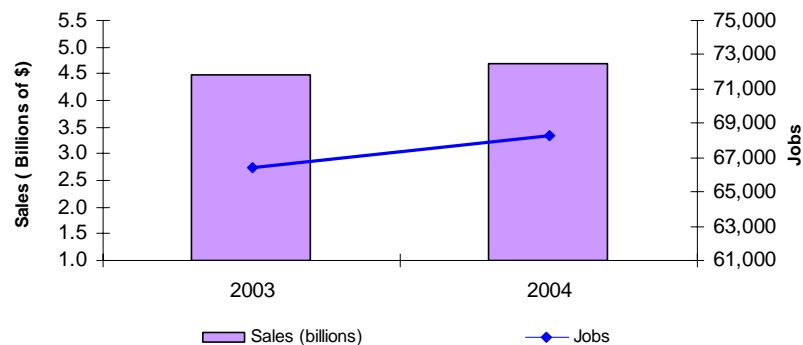


*Source: United States Census Bureau

NBC's service area reflects the national trend towards employment in the services sector since universities, hospitals and governmental accounts are NBC's largest customers.

In Rhode Island, one of the main service industries is tourism, which is largely focused on recreational activities on and around Narragansett Bay. According to the Rhode Island Travel and Tourism Satellite Account, Rhode Island's tourism and travel industries have realized increased revenues each year over the last decade. In 2004 tourism and travel sales were \$4.69 billion, generating 68,326 jobs. The graph below shows the increase in sales and tourism-related jobs in 2004, as compared to 2003, when they were \$4.49 billion and 66,393 respectively. NBC has an important role in the effort to build and maintain tourism related to Narragansett Bay.

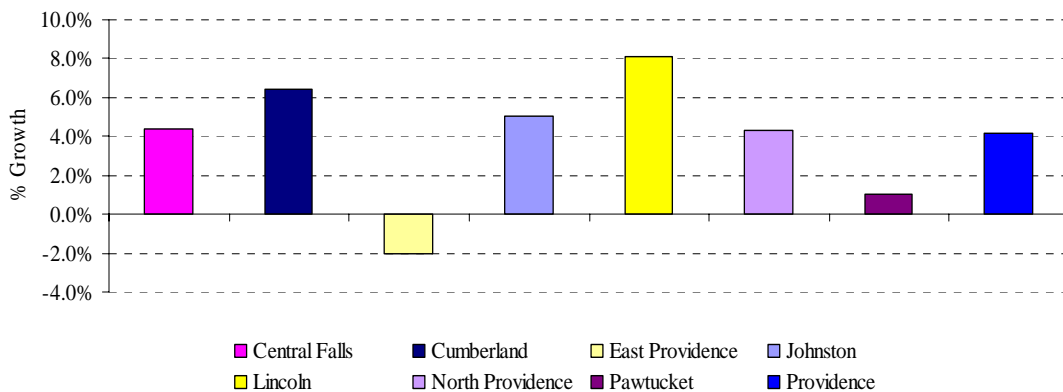
Rhode Island Travel & Tourism Industry 2003-2004



Population and Household Information

The Rhode Island Office of Statewide Planning projects the state population by city and town. The graph below displays the projected population growth for NBC's service area from the years 2000 to 2015. The most significant percentage increase in population over the next fifteen years is projected to be in the towns of Lincoln and Cumberland, in which the populations are projected to grow by 8.1% and 6.4% respectively. The population in East Providence is projected to decline by 2% over this period.

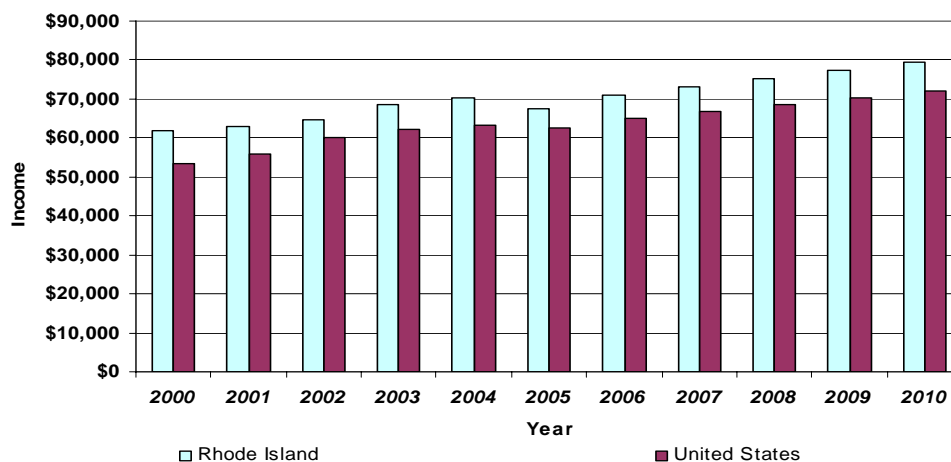
Projected Population Growth by City/Town 2000-2015



*Source: Rhode Island Travel and Tourism Satellite Account

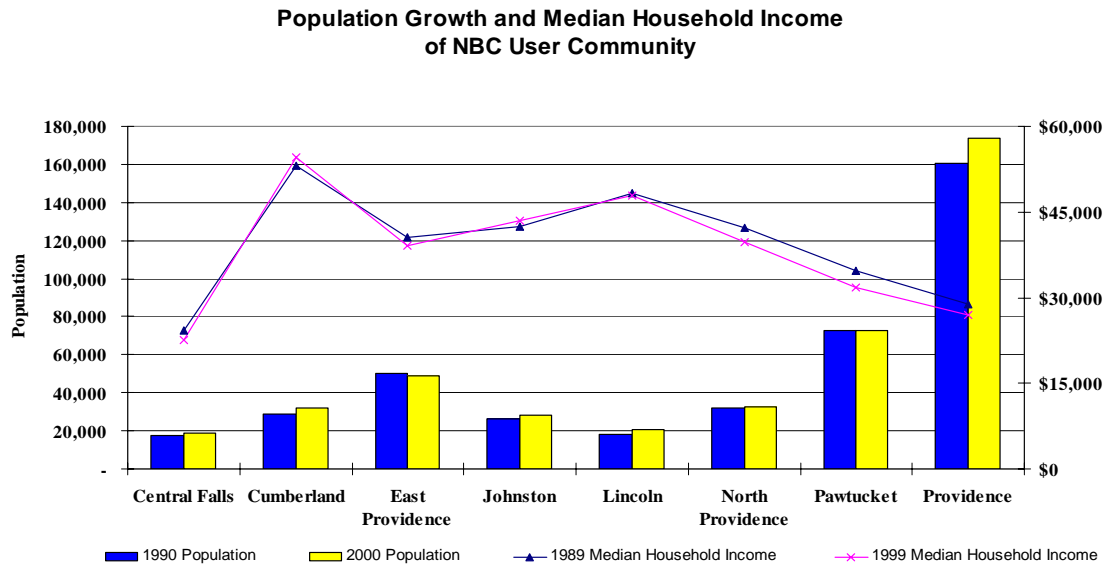
According to the Rhode Island Public Expenditure Council and the Bureau of Economic Analysis, the economy is situated to see stable employment and personal income growth in the FY 2005 through FY 2007 period. The graph below shows annual actual and projected Rhode Island Median Family Income compared to the national statistics. For the years 2000 through 2010, Rhode Island median family incomes are slightly higher compared to those of the U.S.

Actual / Projected Median Family Income

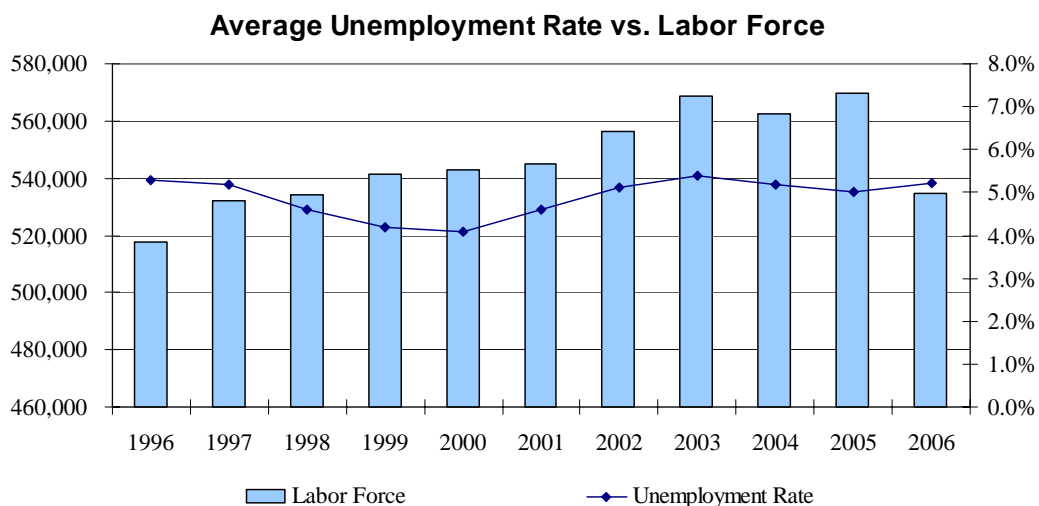


*Source: RIPEC forecast based on Bureau of Economic Analysis

The following chart shows population growth and median income for the years 1989-2000 for the eight major communities in NBC's service area. It can be seen that the populations in Cumberland, Lincoln, Providence, Johnston, and Central Falls are growing. On the other hand, population growth in Pawtucket, North Providence, and East Providence remains flat or is decreasing. Median household income remains fairly constant for all communities.



The graph below, compiled from data from the Bureau of Labor Statistics, shows historical unemployment figures for the state of Rhode Island. It can be seen that the unemployment rate has remained relatively stable over the last decade, averaging approximately 5% while the state's labor force is growing over time.



* Source: Bureau of Labor Statistics

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Budget Summary Information

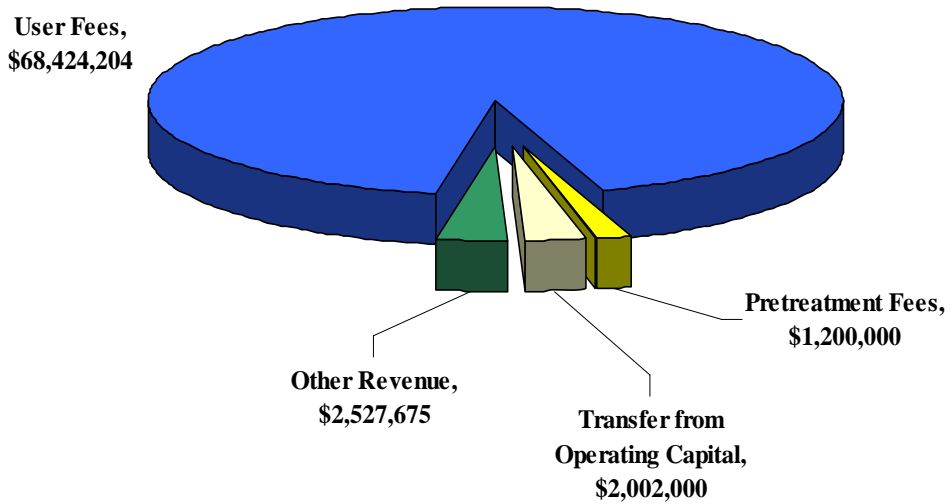
Budget Overview

<u>Revenues</u>	<u>Actual FY 2006</u>	<u>Budget FY 2007</u>	<u>Budget FY 2008</u>
Operating Revenue:			
User Fees	\$ 56,395,730	\$ 60,470,708	\$ 68,424,204
Pretreatment Fees	1,165,749	1,250,000	1,200,000
Septage	387,068	550,000	400,000
Connection Permit Fees	357,496	350,000	300,000
BOD/TSS Surcharges	152,123	150,000	150,000
Miscellaneous	38,928	51,598	51,598
Sub-total Operating Revenue	58,497,094	62,822,306	70,525,802
Non-Operating Revenue:			
Investment Income	458,235	600,000	600,000
Late Charges	447,672	450,000	650,000
Operating Grants	20,695	30,000	15,000
Capital Grants	1,165,958	-	-
Miscellaneous	30,465	51,598	31,000
Previously Restricted	-	-	330,077
Transfer from Operating Capital Account	-	2,087,758	2,002,000
Prior Year Surplus	-	291,216	-
Subtotal Non-Operating Revenue	2,123,025	3,510,572	3,628,077
Total Revenue	60,620,119	66,332,878	74,153,879
Expenses			
O&M Expenses:			
Personnel Costs	15,677,850	16,997,417	17,742,307
Operating Supplies/ Expense	9,642,292	12,297,430	12,766,738
Professional Services	2,280,597	2,411,310	2,802,692
Total O&M Expenses	27,600,739	31,706,157	33,311,737
Pledged Revenue/ Net Revenue (Restricted)	33,019,380	34,626,721	40,842,142
Debt Service:			
Debt Service	20,766,929	23,400,487	29,980,002
Programmed New Debt	-	1,673,000	683,600
Total Debt Service	20,766,929	25,073,487	30,663,602
Direct CIP Funding	1,165,958	-	-
Operating Capital Outlays	1,659,674	2,087,758	2,002,000
Restricted Carry-Forward	9,426,819	7,465,476	8,176,540
Total Expense	\$ 60,620,119	\$ 66,332,878	\$ 74,153,879
Debt Service Coverage Ratio:	1.59	1.38	1.33

In the Budget Overview table above, the FY 2008 budget is 11.8% higher than that of FY 2007.

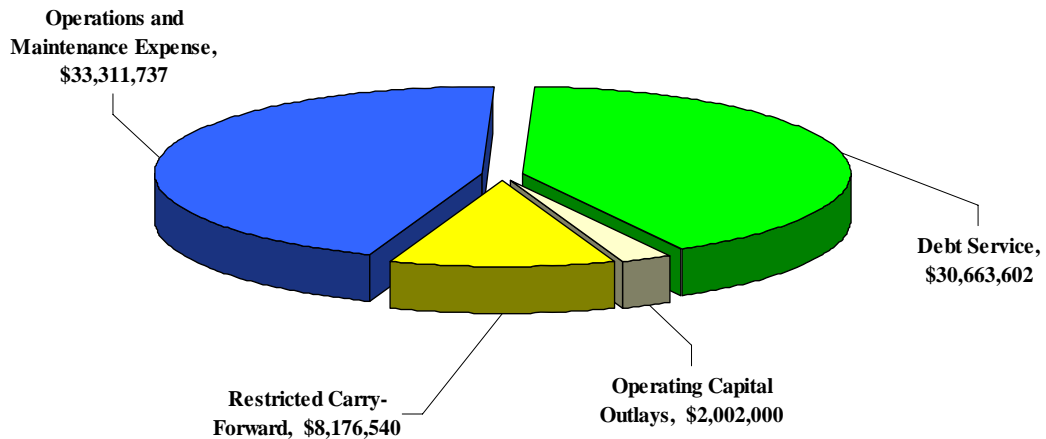
The Budget Overview table reflects projected revenue for FY 2008 of \$74.1 million. User fees are the most significant portion of revenue, representing \$68.4 million, or 92.3% of total revenue. The chart below illustrates the sources of FY 2008 revenue.

Sources of Revenue



The largest category of expense in FY 2008 supports NBC's Operations and Maintenance (O&M). In FY 2008, the O&M expense of \$33,311,737 represents 44.9% of total uses of revenue. The Pledged Revenue / Net Revenue (Restricted) line item of \$40.8 million on the Budget Overview is determined by subtracting O & M Expense from Total Revenue. This figure represents the net revenue available for debt service and results in a debt service coverage ratio of 1.33, ensuring compliance with NBC's rate covenants. Of the total \$40.8 million, \$30.7 million is designated for existing and programmed new debt service, and \$2.0 million is a restricted carry-forward from the prior year and will be used to fund the operating capital. In addition, \$8.1 million is projected to be available to carry forward to fiscal year 2009. The chart below illustrates FY 2008 budgeted uses of revenue.

Uses of Revenue



This year's operating budget was developed within the framework of the assumptions and guidelines discussed on the following pages. The service level objectives and performance levels were developed based upon NBC's Strategic Plan prior to the development of budget figures. Once NBC's priorities were identified on a programmatic basis, program managers identified the resources required to meet these service levels. All programs submitted their budgets and identified variances between the proposed funding levels and the prior year budget. With guidance from the Executive Director, Finance staff assessed short and long-term requirements for each program. The budget was allocated based on these needs and the total resources available.

The Strategic Plan & the FY 2008 Budget

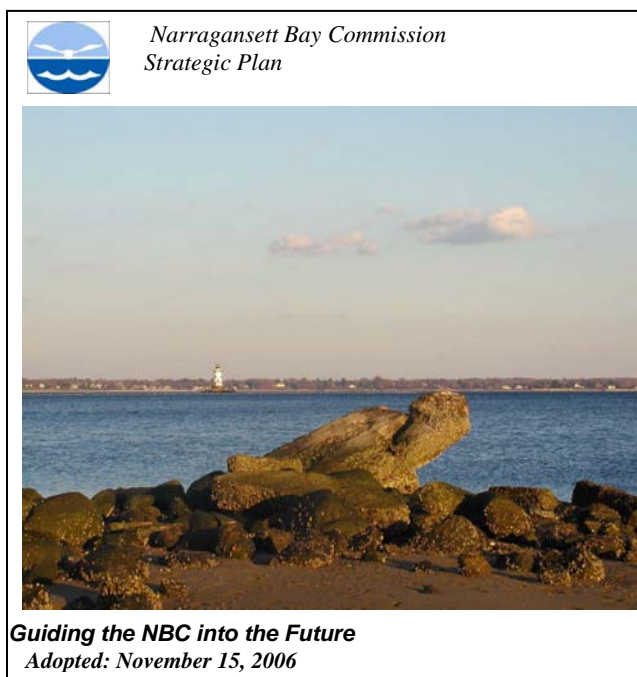
Narragansett Bay is Rhode Island's greatest resource, and the actions of NBC have a significant impact on its water quality. Water quality, in turn, has effects on aquatic life, recreational activities, tourism, waterfront development, and the livelihoods of many who make a living on or near Narragansett Bay. In order to ensure NBC's ability to meet its water quality objectives within the constraints of a regulated environment, NBC developed and adopted a Strategic Plan. The Strategic Plan is a dynamic document that was formally adopted in 2005 and is updated as needed.

In the fall of 2006 the Strategic Plan was again updated and approved by the Board of Directors. Changes included the following:

- New RIPDES storm water monitoring requirements
- Updated Biosolids processing procedures
- A new Legal Section Initiative
- The incorporation of the NBC Wellness Program

In this budget cycle, each program was again asked to fully integrate the Strategic Plan into their performance data for the operating budget. Finance and program managers worked closely together, prior to any numerical budget generation, to identify and incorporate Strategic Plan driven service level objectives and key target measures into their budgets. These objectives and measures were reviewed and approved by the Executive Director.

For the first time, this budget also reflects the formal integration of the CIP into the Strategic Plan. Due to the increasing complexity of the CIP, NBC's funding constraints and multiple regulatory compliance issues, NBC evaluated proposed capital investments in light of their strategic value. As part of the capital budget process, project managers were required to identify the strategic goal each project addressed. In addition, all projects were assessed a priority ranking based upon their relevance to the Strategic Plan.



This planning process has resulted in an operating budget document with an integrated Performance Data section for each program and a greater focus on resource allocation for both operating programs and CIP projects based on NBC's strategic goals. The Performance Data for each program can be found in the Division Summaries section, and the CIP Strategic Plan data is further discussed in the Capital Improvement Program section of this document.

History of the Strategic Plan

In February of 2003, NBC issued a request for qualifications/proposals to facilitate and direct the planning process. An engineering consulting firm experienced with strategic plan development for wastewater utilities was selected. The planning process began in March of that year. After initial meetings with the NBC Project Manager, the consultant conducted thirty-five interviews with a broad spectrum of NBC stakeholders. This included a "diagonal cross-section" of employees, from bottom to top levels, and across all job functions. In addition, attention was given to outside stakeholders such as NBC Commissioners, Citizen Advisory Committee members, regulatory agencies, and other interest groups.

The results of these interviews were analyzed for common themes and areas of strategic focus. This information was summarized and distributed to members of a Strategic Planning workgroup comprised of thirty managers and employees. The Chairman of NBC's Long Range Planning Committee also participated in the workgroup sessions. Preliminary goals and objectives were identified, as well as performance indicators to measure progress toward achieving objectives and which organizational function had the primary role in accomplishing the objectives.

A draft Strategic Plan was then prepared and distributed to NBC staff for review. The draft was revised to incorporate additional comments and submitted for review by the NBC Directors and Board of Commissioners. The NBC Board of Commissioners approved this draft at the June 2003 board meeting.

In the spring of 2004, the project manager surveyed NBC directors, managers and supervisors to assess their level of satisfaction with the Strategic Plan. Recommended improvements were reviewed and thoroughly evaluated, and the Strategic Plan was revised as deemed appropriate. The revised plan was a unified and focused reflection of NBC's mission, and was adopted by the NBC Board of Commissioners on June 15, 2005. The goals of the Strategic Plan are listed on the following page.

Strategic Plan Goals

Goal 1. Core Business Goal: Operate, maintain and protect our collection and treatment systems to ensure that all State and Federal requirements are met or exceeded.

Goal 2. Environmental Performance Goal: Continuously evaluate NBC environmental performance to identify, quantify and minimize NBC impacts to the environment in a cost effective manner.

Goal 3. Financial Management Goal: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.

Goal 4. Customer Focus Goal: Maintain a customer-focused attitude throughout the organization.

Goal 5. Staffing Goal: Attract, develop and retain highly qualified employees.

Goal 6. Communication Goal: Improve and enhance internal and external communications

Goal 7. Organizational Performance Goal: The NBC organization is aligned with and supports our strategic goals.

FY 2008 Budget – Key Assumptions

The development of the FY 2008 budget was governed by the following:

Key long-term guidelines:

- The Strategic Plan, as discussed above, guided the development of priorities, and program objectives and measures.
- An operating capital outlay policy with a minimum threshold of \$2,500 combined with a minimum useful life of two years.
- An asset management policy requiring the identification of short-term capital needs and a long-term (five years) asset replacement plan.

Key short-term guidelines:

- New planning rates for fringe benefits, including an 8% increase in health insurance premiums. (See Budgeted Benefits Comparison schedule in Supporting Schedules for more information).
- An increase in NBC's contribution rate from 18.4% to 20.77% to the Rhode Island State Retirement System on behalf of participating union employees (an increase of 12.88%).
- An increase in NBC's contribution rate from 2.41% to 3.63% for the State Retirement Health benefit for union employees.
- Four-year collective bargaining agreements with a 3.25% COLA for union personnel effective FY 2008. Non-union personnel are not eligible for step and longevity increases and will receive 3.5 – 5% increases.
- Projected increases in insurance premiums of almost 30% for Worker's Compensation and 5% for other insurance premiums.
- Effective 12/1/06 a new electricity capacity charge of approximately \$.00933/kwh.
- Contracted 17% increase in the Biosolids Disposal outsourcing rate on May 1, 2007, and an additional 2.8% increase on January 1, 2008.
- Assumed 3.55% CPI increase in the Aquarion management contract for Bucklin Point effective January 1, 2008.
- Increased soda ash usage at Bucklin Point due to nitrogen removal goals.

Other Assumptions:

- FY 2008 Programmed New Debt is based on the long-term financial planning model that reflects the cash flow requirements in the FY 2009-2013 CIP.
- Two sewer user rate increases effective July 1, 2007 including a 9.99% increase for debt service and debt service coverage and a projected increase of 4.63% to support operating expenses. These rate increases are reflected in the projected revenue and the assumptions regarding the percent of user fees restricted for debt service and debt service coverage. Rates are designed to generate revenues that are 125% of principal and interest. Principal and interest payments are funded from current year revenues and a “restricted carry-forward” is generated each year. The PUC allows the expenditure of the restricted carry-forward for operating capital outlays, direct funding of capital projects or “pay as you go capital,” and debt service. In FY 2008, \$2.0 million is projected to be available to fund operating capital outlays.
- The budget is consistent with the flow of funds set forth in the Trust Indenture and Supplemental Trust Indentures (see Fund Definitions in Section IV).

Staffing Levels

The FY 2008 budget reflects no increases or decreases in the number of Full-Time Equivalent positions from the FY 2007 budget, as illustrated in the following table:

NUMBER OF FTE's	Actual FY 2005	Actual FY 2006	Budget FY 2007	Budget FY 2008	Budgeted Changes 2007/2008
Union	124.0	119.0	127.0	127.0	0.0
Non-Union	123.0	125.0	127.0	127.0	0.0
Total	247.0	244.0	254.0	254.0	0.0

The budget reflects a change at Bucklin Point with the upgrade of two Mechanic I positions to Mechanic II positions.

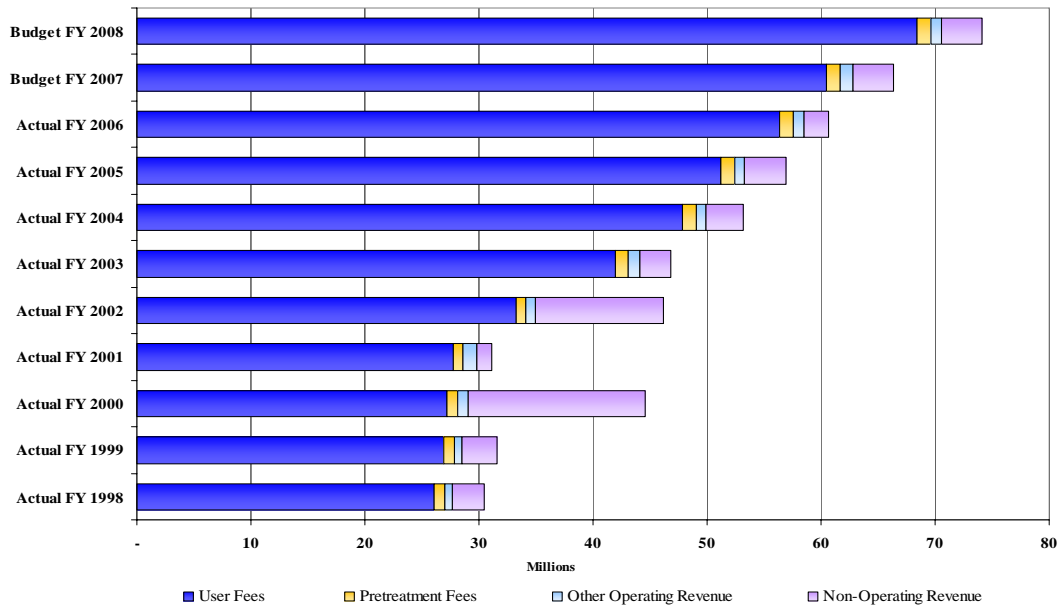
The NBC employs non-union employees and union employees. The NBC’s union employees are members of either the Rhode Island Laborers’ District Council Public Service Employees’ Local 1033 of the LIUNA AFL-CIO or members of the Rhode Island Council 94, AFSCME AFL-CIO, Local 1010 and Local 2884. NBC has a Collective Bargaining Agreement (CBA) with these two unions. The CBA for the term July 1, 2004 through June 30, 2008 had a re-opener clause effective July 1, 2006. As a result, the CBA has been extended until June 30, 2010, with negotiated health insurance design plan changes and wage adjustments for the additional two years.

A historical perspective of budgeted staffing levels is provided in the Supporting Schedules section of this document.

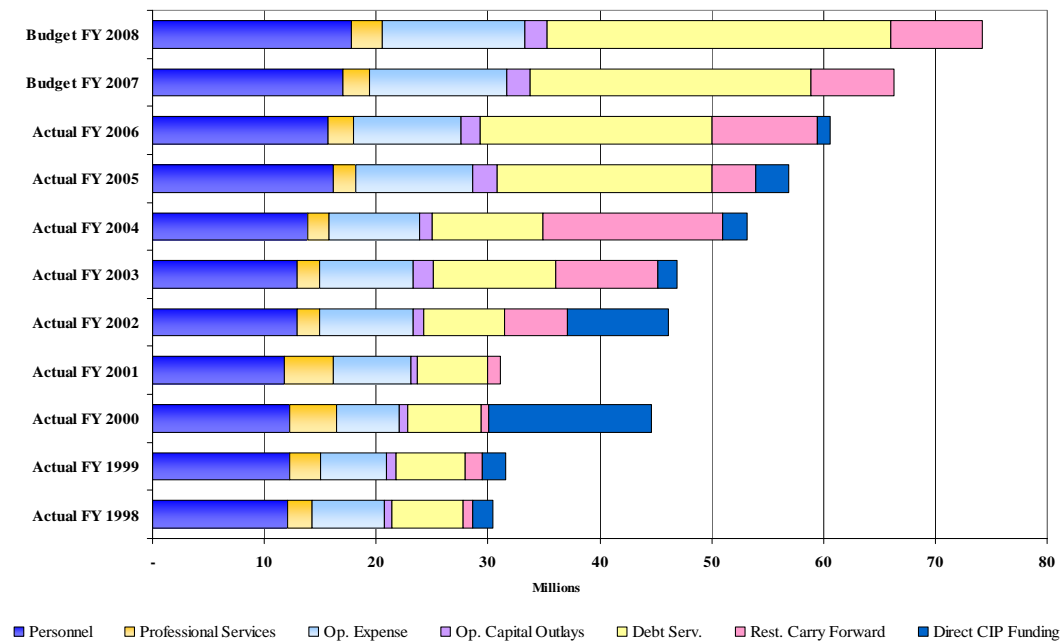
Historical Overview

Revenues have grown significantly over the past ten years primarily to support the debt service associated with NBC's capital program and also to address increased operating and personnel costs. The charts below represent a ten year historical overview of NBC's revenue and expense.

Historical Revenue Comparison FY 1998-2008



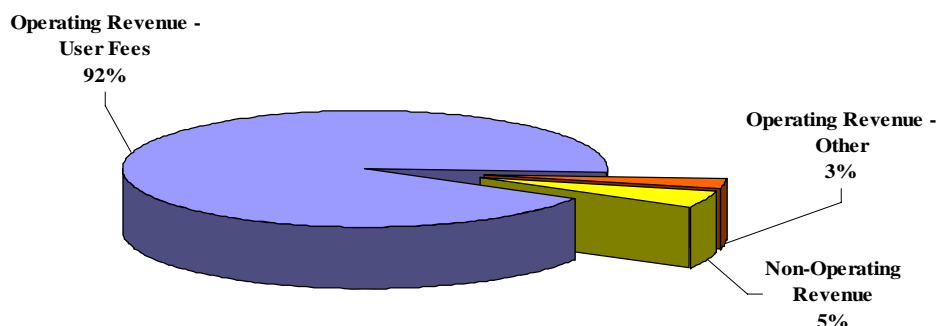
Historical Expense Comparison FY 1998-2008



Revenue Profile

Revenue By Category

FY 2008 Revenue by Category



Projected revenues for FY 2008 are \$74.1 million or 11.8% more than FY 2007 revenues. This increase is due primarily to two user fee rate increases effective July 1, 2007. The first increase is 9.99% for debt service and debt service coverage. The second increase is projected to be 4.63%, for increased operating expenses and an update of the rate base. Of the \$74.1 million in total revenues, approximately \$68.4 million is from user fees, \$2.1 million is from other operating revenues and \$3.5 million is from non-operating revenues. The table below provides a four year historical comparison of NBC's revenues by category. The most significant increase over the four years is in user fees.

Revenue Sources:	FY 2005 Actual	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Operating Revenue				
User Fees	\$ 51,186,822	\$ 56,395,730	\$ 60,470,708	\$ 68,424,204
Pretreatment Fees	1,209,418	1,165,749	1,250,000	1,200,000
Septage	435,145	387,068	550,000	400,000
Connection Permit Fees	197,595	357,496	350,000	300,000
BOD/TSS Surcharges	194,215	152,123	150,000	150,000
Miscellaneous	23,503	38,928	51,598	51,598
<i>Total Operating Revenue</i>	<i>53,246,698</i>	<i>58,497,094</i>	<i>62,822,306</i>	<i>70,525,802</i>
Non-Operating Revenue				
Operating Grant Revenue	35,530	20,695	30,000	15,000
Capital Grant Revenue	2,941,693	1,165,958	-	-
Investment Income	196,124	458,235	600,000	600,000
Late Charges	458,176	447,672	450,000	650,000
Previously Restricted	-	-	-	330,077
Transfer from Operating Capital	-	-	2,087,758	2,002,000
Prior Year Surplus	-	-	291,216	-
Miscellaneous	-	30,465	51,598	31,000
<i>Total Non-Operating Revenue</i>	<i>3,631,523</i>	<i>2,123,025</i>	<i>3,510,572</i>	<i>3,628,077</i>
Total	\$ 56,878,221	\$ 60,620,119	\$ 66,332,878	\$ 74,153,879

Trends and rationale for individual revenue sources are discussed in the following sections on Operating and Non-Operating Revenue.

Operating Revenue

In FY 2008, user fees represent 97% of projected operating revenue and 92.3% of total revenues. As noted above, user fees are projected to increase in FY 2008 due to implementation of new rates on July 1, 2007. The total increase in user fees over the FY 2007 budget is 13.2%. As part of NBC's most recent rate filing, NBC performed an extensive analysis of its rate base which resulted in changes to dwelling units, number of meters by meter size and billable consumption. The table below shows how the rate base has changed.

Rate Base Units

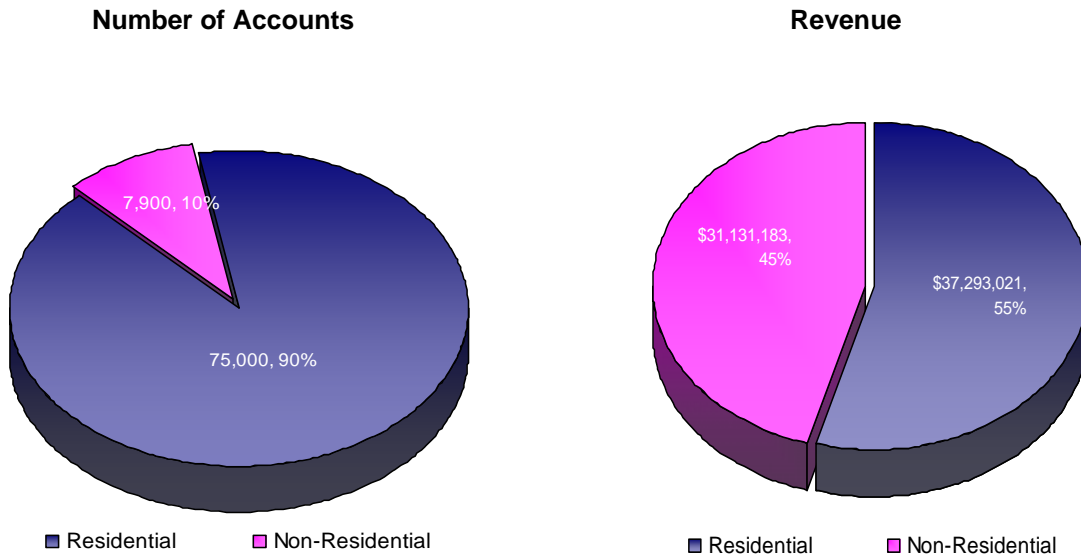
Type of Units	Previous Billing Units	Current Billing Units	Difference	Percent Change
Flat Fees:				
Residential Dwelling Units	112,831	115,513	2,682	2.38%
Non-Residential Meters	8,579	8,526	(53)	(0.62%)
Consumption Fees:				
Residential Consumption (HCF)	10,689,623	10,438,944	(250,679)	(2.35%)
Non-Residential Consumption (HCF)	7,544,626	7,162,267	(382,359)	(5.07%)

NBC has experienced modest growth in the number of residential accounts, but this has been offset by a decline in both the number of non-residential accounts and the number of large non-residential meters. Therefore, NBC has not made any adjustments to revenue for growth in the rate base.

Revenue projections are calculated based upon projected PUC user fees for residential and non-residential user classifications. Residential customers include residential structures up to and including six dwelling units, and all condominiums, regardless of the number of dwelling units. NBC projects that in FY 2008 residential user fees will be billed to approximately 75,000 accounts with approximately 115,500 dwelling units within the service area. Non-residential accounts include residential structures containing more than six dwelling units, commercial, mixed-use and industrial properties. There are approximately 7,900 non-residential accounts with over 8,500 non-residential meters.

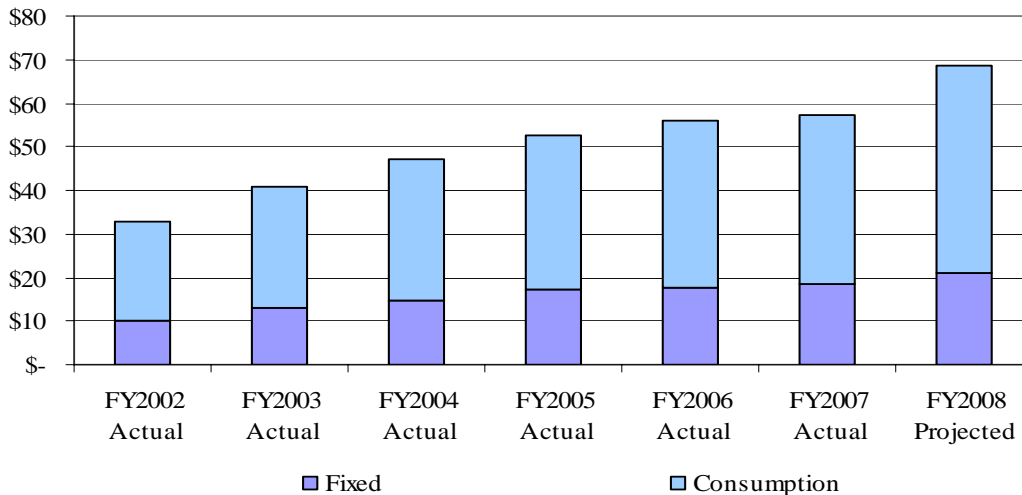
Residential customers make up 90% of NBC's sewer user accounts and generate 55% of total user fees. On the other hand, non-residential customers comprise only 10% of total sewer user accounts and generate 45% of total user fees. The chart on the following page illustrates this relationship.

Residential vs. Non-Residential Accounts Number of Accounts vs. Amount of Revenue

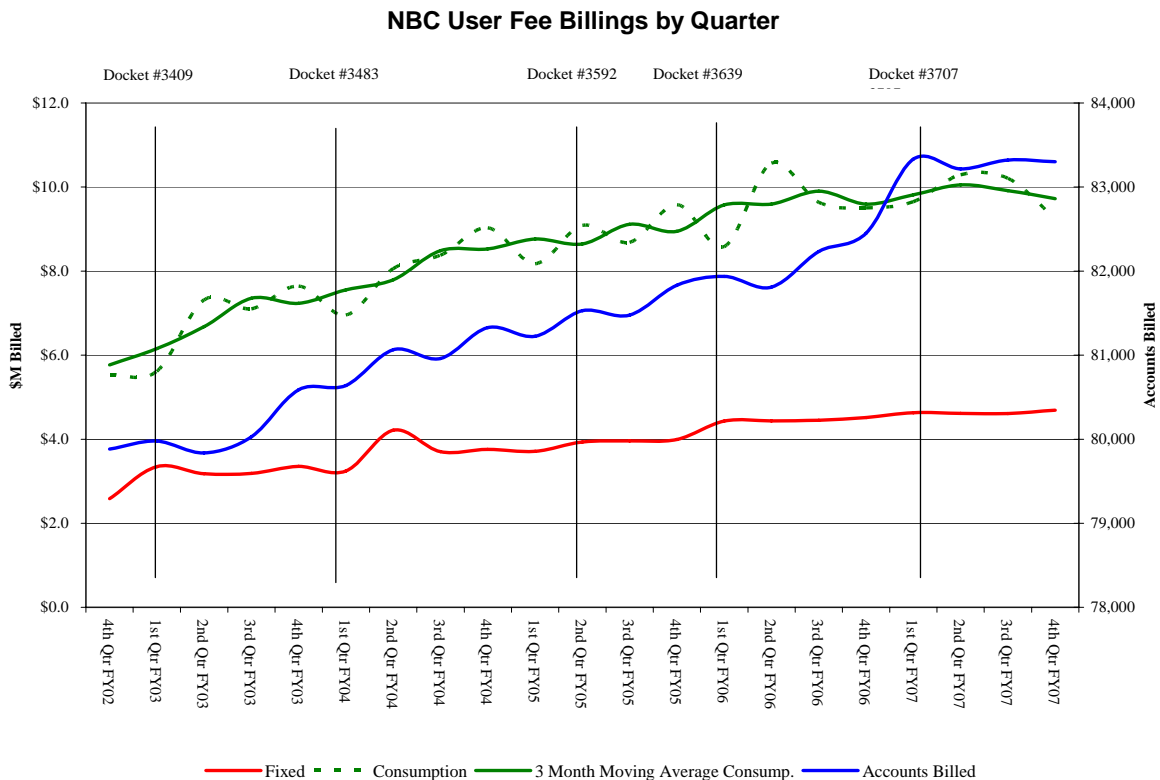


NBC’s sewer user charges consist of a fixed fee that is billed quarterly and a consumption fee that is billed when NBC receives the meter reading from the water supplier. NBC’s sewer user rates have increased nearly every year since FY 2002 in order to support NBC’s capital plan and operations. The rate increases have been across the board percentage increases resulting in relatively equal growth of consumption and fixed fee sewer user revenue. The chart below illustrates this relative growth of user fee revenue.

Fixed vs. Consumption User Fee Billings Millions of \$



NBC's has had five increases to sewer user rates during the past five years. The chart below shows quarterly billing data from the fourth quarter of FY 2002 to the fourth quarter of FY 2007. The effective dates of rate increases are shown by PUC Docket number at the top of the graph. The red line, which displays data for residential and non-residential fixed fees, noticeably increases after new rates go into effect. The green line, based upon consumption data, also shows a correlation to rate increases. It is noticeable, however, that the fixed fee and consumption revenues have remained relatively level during the past year despite a July 1, 2006 rate increase. It is anticipated that the correction of billable units addressed as part of NBC's most recent rate filing will ensure that rate increases have the projected effect on sewer user revenues. The blue line shows a slight increase in the number of accounts billed over time.



The table on the following page shows NBC's FY 2008 projected user rates for residential and non-residential property classifications. For residential customers the fixed fee is based on the number of dwelling units. For non-residential customers, the fixed fee is based on meter size. The consumption fee is based upon water usage and the assumption that 15% of water consumed is not returned to sewer. Under the new rates the projected average annual residential rate is \$339. This rate is slightly higher than the average rate in the State in 2006 of \$328, and well below the national average of \$403.

Schedule of Projected User Fees Effective 7/1/2007			
Residential:		Non-Residential (cont.)	
Customer Charge	\$ 113.00	Customer Charge (based on Meter size)	
Consumption Charge (per HCF*)	\$ 2.320	5/8"	\$ 254
		3/4"	380
Total Residential		1"	632
		1 1/2"	1,266
Non-Residential:		2"	2,025
		3"	3,794
Commercial Consumption (per HCF*)	\$ 3.370	4"	6,323
Industrial Consumption (per HCF*)	\$ 2.170	6"	12,649
		8"	20,238
		10"	\$ 29,092
* Hundred Cubic Feet			

Other Operating Revenue

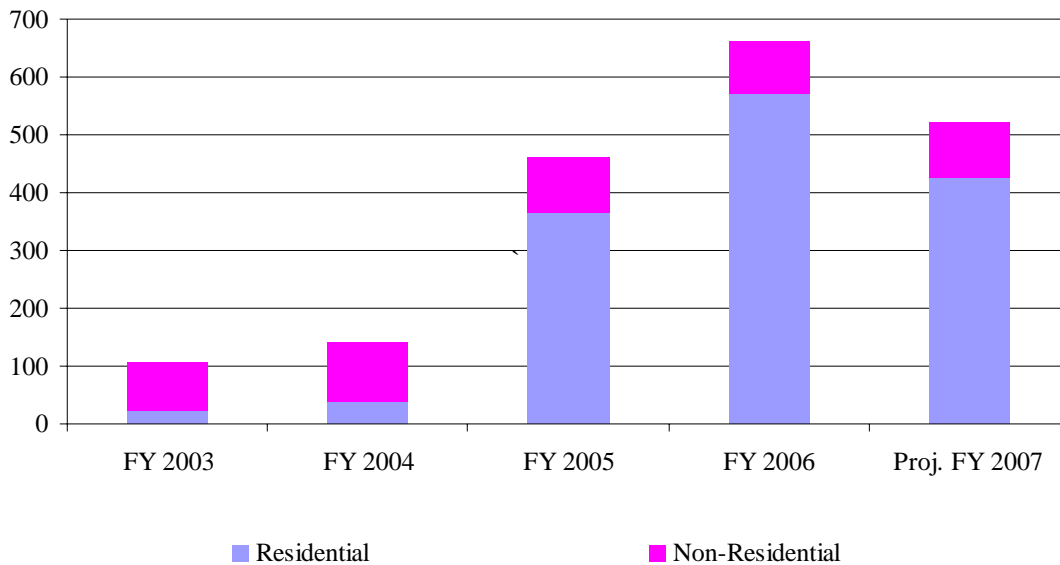
While the primary source of operating revenue is user fees, NBC has other operating revenues such as Pretreatment Fees, Septage Fees, Biological Oxygen Demand (BOD) / Total Suspended Solids (TSS) surcharges, and Sewer Connection Permit Fees. The Pretreatment and Septage Fees represent approximately 2.1% of total operating revenue.

The NBC is federally mandated to have a pretreatment program that controls the discharge of metals and other toxic chemicals into the sewer system. To accomplish this, NBC requires certain commercial and industrial users to obtain a discharge permit so that NBC can limit and monitor permitted discharges into the sewer system. Customers are billed Pretreatment Fees based on a user classification system. NBC did not request an increase in Pretreatment rates in the last four rate filings in order to keep fees consistent with industry standards. Pretreatment Fee revenue has remained constant at approximately \$1.2 million over the past few years.

Septage fees are paid by permitted septage haulers when they discharge at NBC's Septage Receiving Station. NBC has taken several measures to address declining septage demand and associated revenues, including a fee reduction and program changes such as increased hours for large haulers, modified sampling techniques, and other measures, without result. As a result the FY 2008 budgeted septage revenues are projected to be \$400 thousand, or 27% lower than the FY 2007 budgeted level.

Projected BOD/TSS surcharge revenues, which are assessed to users with high BOD/TSS discharges, remain unchanged. NBC's Connection Permit Fees, for new direct or indirect sewer connections to NBC facilities increased dramatically during FY 2005 and FY 2006 as the result of an increase in building and a change in NBC's permitting structure. In FY 2007, however, there has been significantly less activity. As a result, NBC is projecting a lower level of Connection Permit Fee revenues in FY 2007, and the FY 2008 budget. The chart on the following page is a historical presentation of the number of permits and shows the projected decline in FY 2007.

Historical & Projected Sewer Connection Permits



Miscellaneous revenues are difficult to predict with certainty and the FY 2008 budget amount has been left at FY 2007 budget levels.

Non-Operating Revenue

Non-Operating revenue includes grant revenue, investment income, late charges, and other miscellaneous revenue. It also reflects the funding mechanism approved by the PUC on June 6, 2002, whereby a portion of the prior year's debt coverage allowance is carried forward to fund operating capital outlays. This policy change was proposed by NBC and supported by the PUC as a means to mitigate ratepayer impact due to the capital program.

Total Non-Operating revenue is projected to be approximately \$3.6 million in FY 2008. Late Charges are expected to increase nearly 45% to \$650 thousand based upon NBC's experience in FY 2007. In addition, although NBC anticipates finishing FY 2007 with an operating surplus, a Prior Year Surplus is not budgeted as a revenue source. It should also be noted that NBC will not receive any capital grant funding in FY 2008.

This year's budget does include a new budget line-item, Previously Restricted. This \$330 thousand line-item is the result of an anticipated regulatory decision by the PUC to release restricted funds previously set aside to finance an overseer for the CSO program. This line-item will be available to fund operations and maintenance for the next two budgetary years.

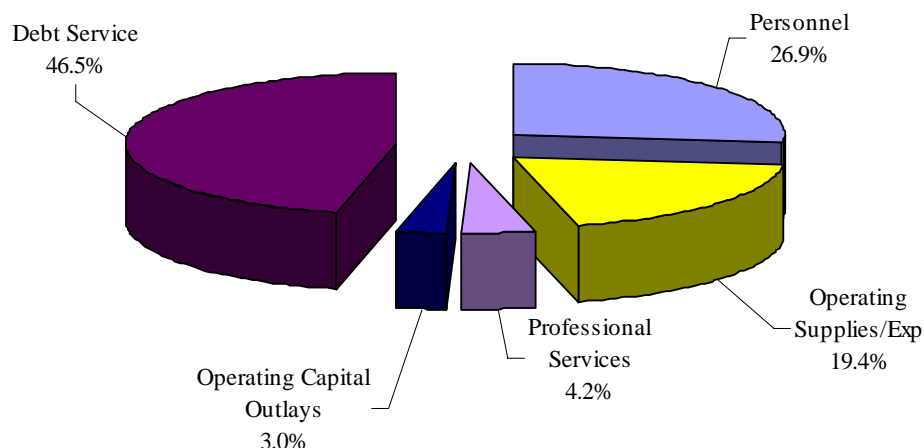
Finally, NBC's FY 2008 budget shows a decrease of approximately \$86 thousand over FY 2007 in the Transfer from Operating Capital Account. As noted above, this transfer is funded by the FY 2007 restricted carry-forward. This figure is a direct reflection of NBC programmed operating capital expenses determined by NBC's facility managers and engineers.

Expense Profile

Expense by Element

The chart below shows the fiscal year 2008 operating expenses by element. Personnel Costs and Debt Service account for 73.4% of the total budget.

FY 2008 Operating Budget by Element of Expense

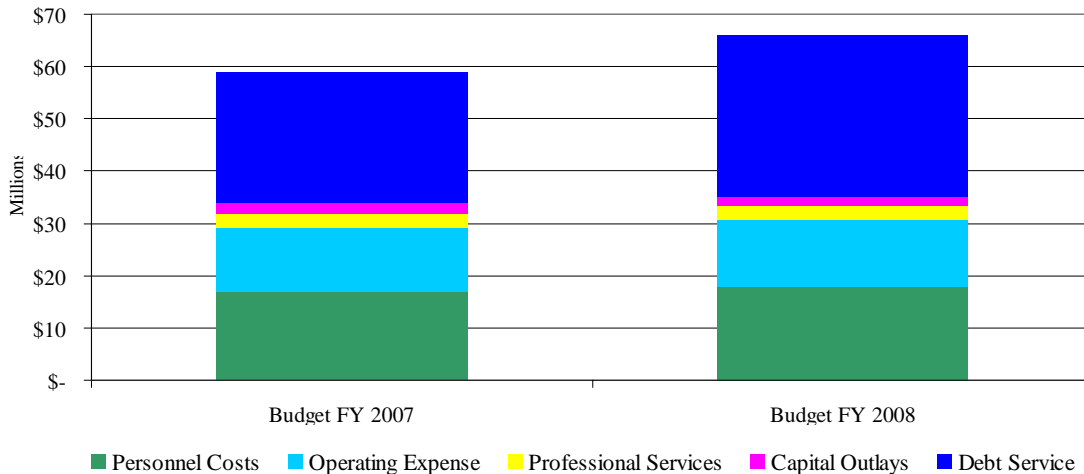


NBC's total Operating Expense Budget for FY 2008 is \$65,977,339, an increase of \$7,109,937 (12.1%) over the approved FY 2007 budget. The table below shows historical and budgeted operating budget expense over a five year period.

	Actual FY 2004	Actual 2005	Actual 2006	Budget 2007	Budget 2008
Personnel	\$ 15,021,223	\$ 15,361,176	\$ 15,677,850	\$ 16,997,417	\$ 17,742,307
Operating Supplies/Exp	8,397,832	8,924,254	9,642,292	12,297,430	12,766,738
Professional Services	1,874,162	1,830,305	2,280,597	2,411,310	2,802,692
Sub-total Operations & Maint.	25,293,217	26,115,735	27,600,739	31,706,157	33,311,737
Operating Capital Outlays	1,918,618	1,696,684	1,659,674	2,087,758	2,002,000
Debt Service	14,634,248	16,349,371	20,766,929	25,073,487	30,663,602
Total	\$ 41,846,083	\$ 44,161,790	\$ 50,027,342	\$ 58,867,402	\$ 65,977,339

The most significant increases on a year-to-year basis are in Debt Service, which is 22.3% higher than fiscal year 2007, and Professional Services, which is projected to increase by 16.2%. Personnel and Operating costs together increase by 8.2%, while Capital Outlays decrease by 4.1% on a year-to-year basis. A comparison of the FY 2007 and FY 2008 operating budgets by element of expense is shown in the graph that follows.

FY 2007/2008 Budget Comparison By Element of Expense



Major highlights by element are as follows:

Personnel Costs

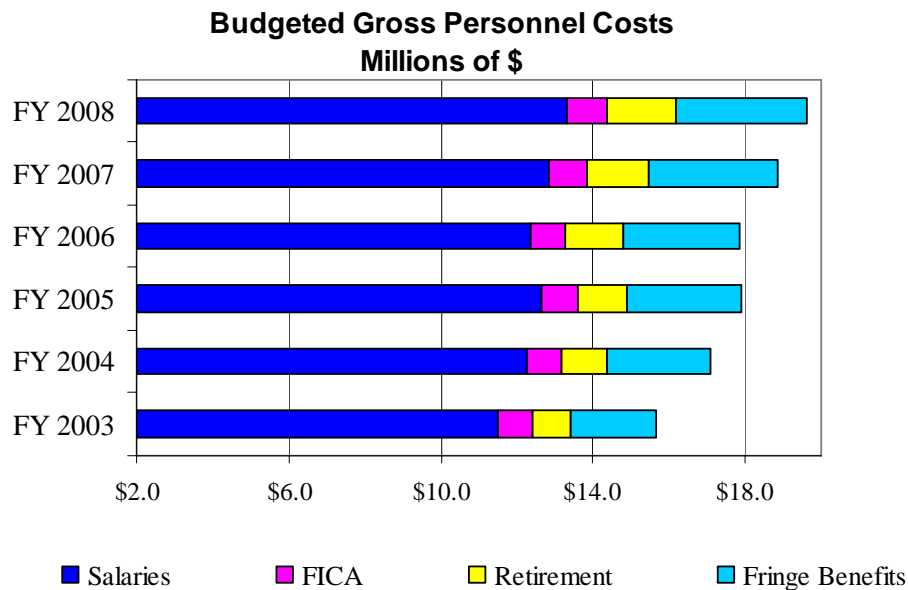
Personnel costs consist of employee wages, employee benefits, employer payroll taxes and unemployment expenses. They are also net of capital related reimbursements for staff working on CIP projects. At a projected cost of \$17.7 million, these costs represent 26.9% of the FY 2008 Operating Budget and are the second largest expense category. In light of other rising expenses, this year NBC has acted to contain personnel cost increases by maintaining the FY 2007 staffing levels and increasing the percentage of turnover allowance in the Field's Point, Bucklin Point and Interceptor Maintenance sections over the prior year. It is important to note that despite increases in health insurance and union retirement costs, NBC has limited the net increase in personnel costs to only \$745 thousand or 4.4%.

This budget reflects negotiated wages set forth in the Collective Bargaining Agreement (CBA) with a 3.25% cost-of-living adjustment (COLA) for all union positions, and the implementation of a wage study, effective July 2007. Pay-for-performance increases are included for NBC's non-union employees.

Like many other employers, NBC has faced increased costs for health insurance premiums. The FY 2008 health insurance premiums are based upon an 8% increase in the renewal which is slightly offset by higher employee premium co-payments. (See Supporting Schedules for a historical view of Budgeted Fringe Benefit Rates Comparison).

An additional factor exerting upward pressure on personnel costs is the increase in the NBC's contribution rate to the state retirement plan. This rate has increased by 12.9% on a year-to-year basis, from 18.4% to 20.77%. The rate is established by the State Retirement Board, and is applied to eligible salaries and wages of NBC's union employees who participate in the plan. The increase in the employer contribution has a budgetary impact of \$168 thousand, or 23% of the total personnel cost increase. In addition, the Post Retirement Health employer contribution, for union employees in the State Retirement Plan, has increased from 2.41% to 3.63%, or 51%. This translates to an increase of approximately \$69 thousand over FY 2007.

The chart below illustrates budgeted personnel costs over the past six years. The impact of the increased rates for health insurance (in the fringe benefits category) and union pensions (in the retirement category) can be clearly seen.



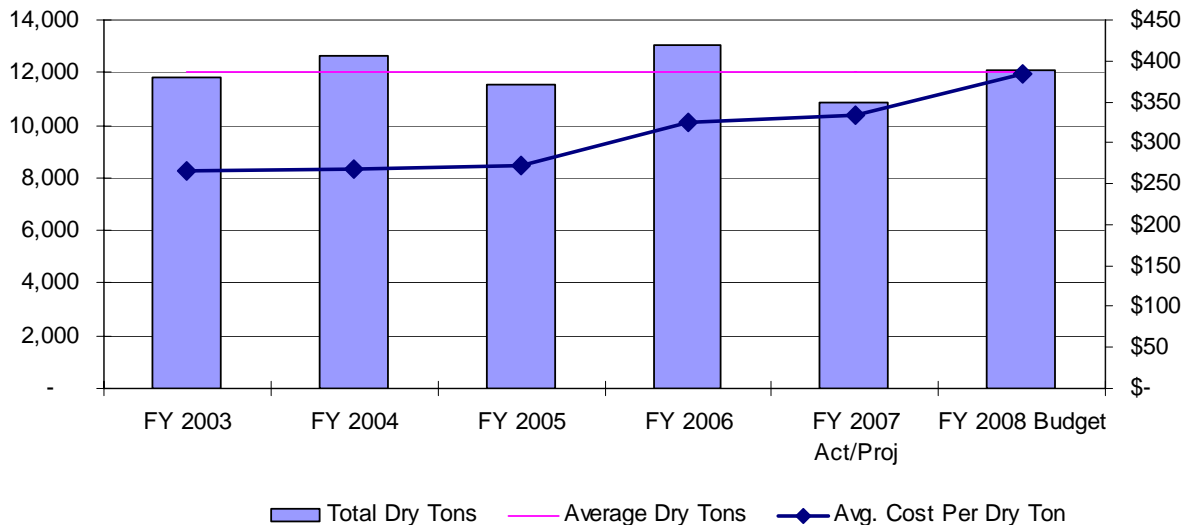
Operating Supplies and Expense

Operating supplies and expenses represent 19.4% of the total FY 2008 operating budget. These expenses are projected to increase by \$469,308 or 3.8% from FY 2007 to FY 2008. On an ongoing basis, the largest operational expenses relate to the support of the WWTFs and are the cost of biosolids disposal, utilities, repairs to building and structures, maintenance and service agreements, insurance and chemicals.

The most significant factor driving the budgeted operating cost increase in FY 2008 is the cost of outsourcing biosolids disposal at both Field's Point and Bucklin Point. This method of operations was adopted at Bucklin Point in FY 2005, and at Field's Point in FY 2006. Overall this new method of operations is more cost-effective than building new biosolids processing and disposal facilities. However, it does impact the operating budget. The NBC successfully negotiated favorable rates of \$325 per dry ton through most of FY 2007. FY 2008 will be the first full year at the CPI adjusted rate, which will average \$384 per dry ton. The impact on the FY 2008 budget for biosolids disposal is an increase of \$503 thousand, or 12%, on a year-to-year basis.

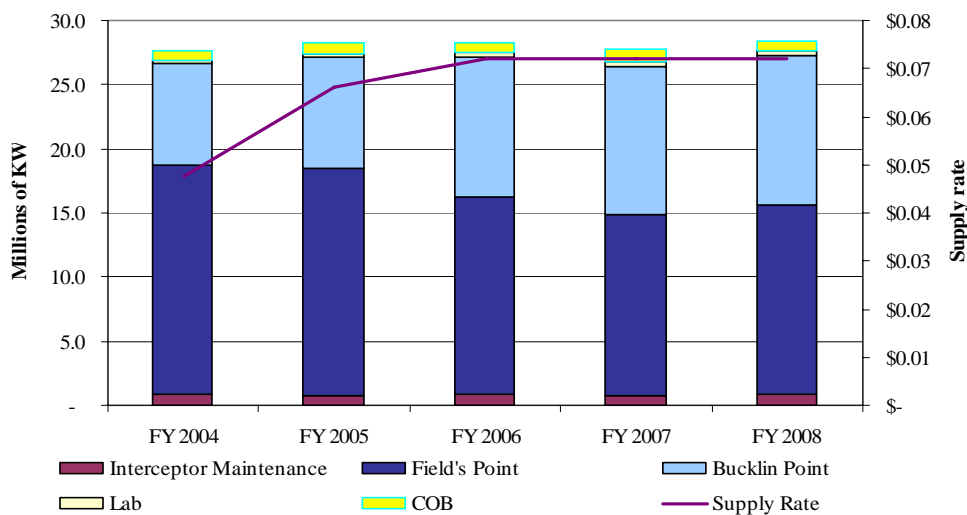
The graph below shows some variation in the annual total biosolids production over the past five years with the average total production of 12,000 dry tons for Field's Point and Bucklin Point. The chart shows the significant increases in the cost per dry ton from \$174 in FY 2005 to an average \$384 in FY 2008. This year's budget is based upon the average production at the FY 2008 average rate.

Total NBC Biosolids Production vs. Cost Per Dry Ton

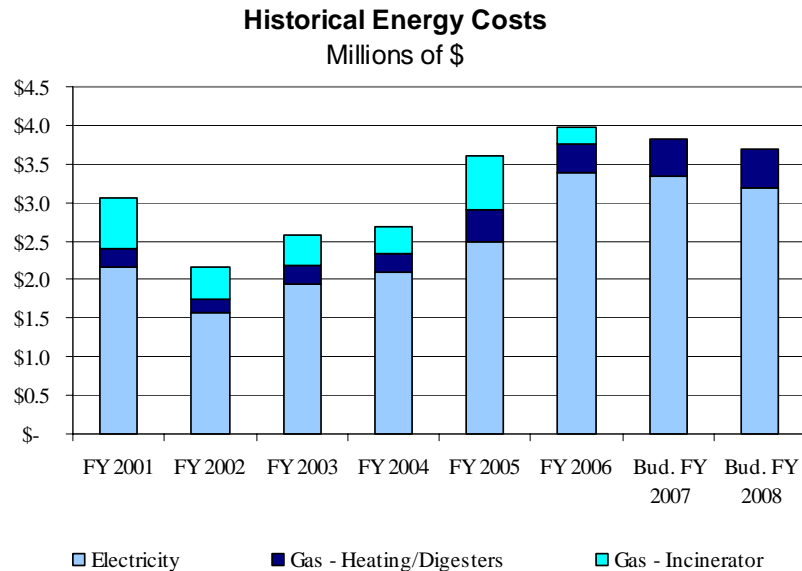


The cost of energy required to operate the wastewater treatment facilities is one of the most significant expenditures for NBC. NBC entered into a four-year electricity contract which included a 50.9% increase in the supply rate beginning January 1, 2006. In December 2006, NBC's electricity use became subject to a new "capacity charge," which is estimated to increase electricity costs by approximately \$265,000 in FY 2008. The increased costs will be somewhat offset by lower projected usage in both the Field's Point and Bucklin Point facilities. As a result, electricity is budgeted at \$3.2 million, a decrease of 2.4% from FY 2007.

Historical and Budgeted Electricity Usage and Supply Rate

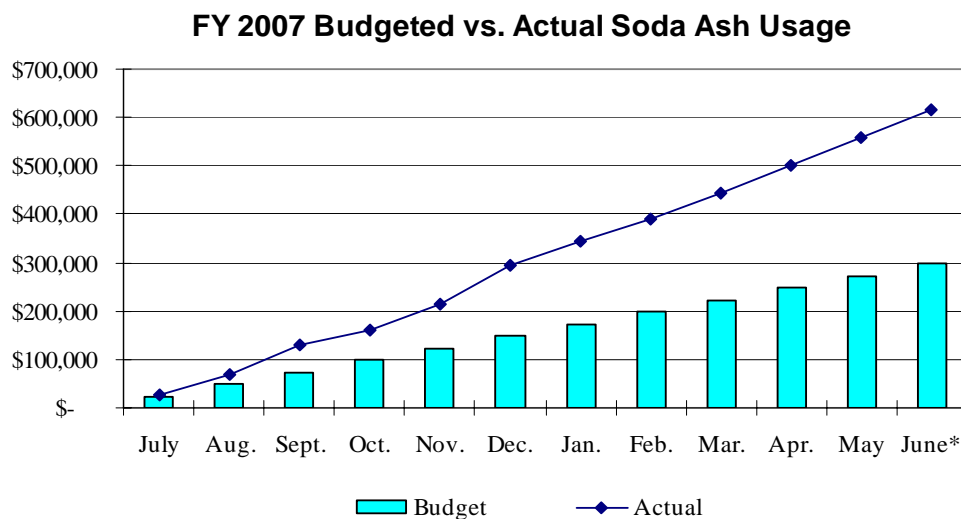


With respect to natural gas, the FY 2008 budget is slightly below the FY 2007 level at approximately \$489,000. Overall, the FY 2008 budget for energy is 3.5% lower than that of FY 2007. The chart below illustrates NBC's utilities costs over time.



Professional Services

Professional Services make up 4.2% of the FY 2008 operating budget. These services include regulatory expense, security services, outside legal and clerical services and management/audit services. On a year-to-year basis Professional Services shows an increase of 16.2%. The most significant increase is related to the long-term contract for management of Bucklin Point Operations, which will increase due to two factors. First, the contract includes pass-through costs for chemicals and based upon operational experience in FY 2007, higher amounts of soda ash will be needed to achieve targeted nitrogen removal levels. Second, the contract includes a CPI adjustment estimated at 3.5%. FY 2007 budgeted vs. actual soda ash, data which was used to develop the FY 2008 budget, is shown in the chart below.



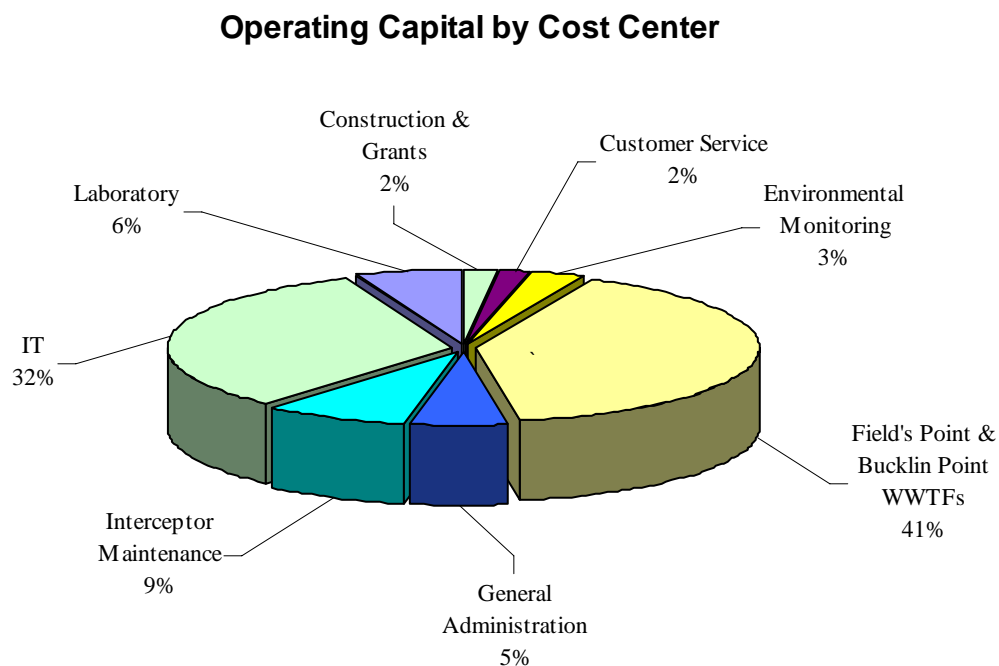
* Projected

Operating Capital Outlays

NBC classifies an expense as an Operating Capital outlay if the item, or group of items, has a cost of \$2,500 or more, a minimum useful life of two years, and is not significant enough to be included in the CIP. Capital outlays make up 3% of the FY 2008 operating budget. On a year-to-year basis this element of expense shows a decrease of 4.1%, decreasing from \$2,087,758 in FY 2007 to \$2,002,000 in FY 2008.

The most significant portion, or 50% of the FY 2008 Operating Capital outlays funding will be expended on the equipment and structures at the NBC's two wastewater treatment facilities as well as on the interceptors, manholes and tidegates which make up the rest of NBC's infrastructure. An additional 6% is budgeted for sampling and laboratory analysis equipment, including \$52,000 for an autoclave. The Information Technology section also has a significant operating capital plan, which includes approximately \$230 thousand for a Tape Library upgrade and \$125 thousand for the PC Lease Refresh program.

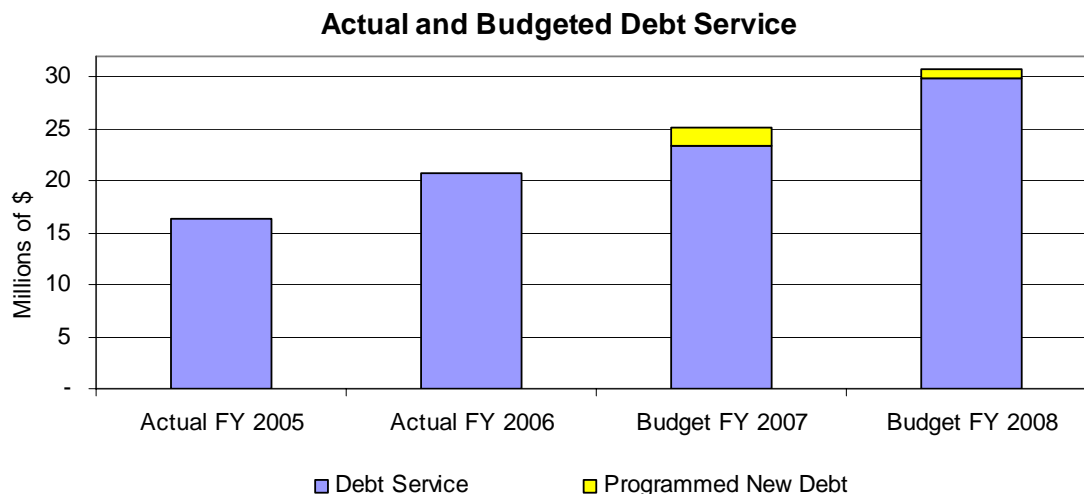
The percent of NBC's Operating Capital budget by cost center is illustrated graphically below.



As noted previously in this discussion, Operating Capital outlays are funded by the restricted carry-forward from the previous year. Please see the FY 2008 Operating Capital Outlays and the Five-Year Operating Capital Outlays Plan schedules in the Supporting Schedules section for more information on the actual items budgeted in this category.

Debt Service

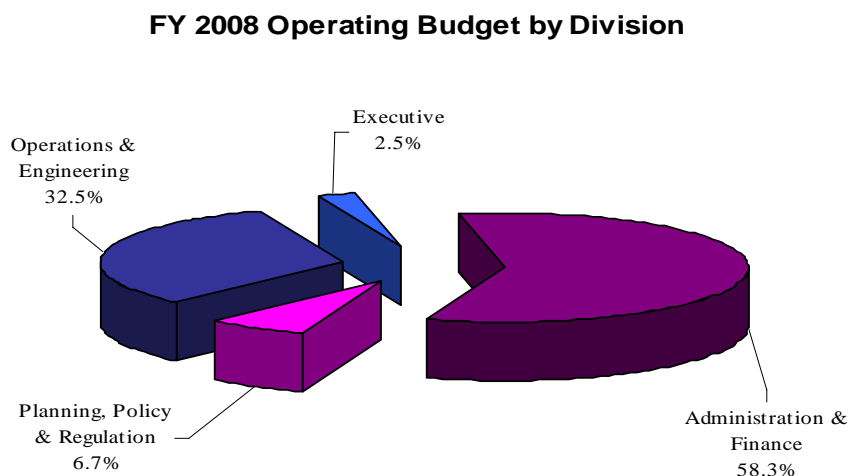
In FY 2007, NBC's debt service represented 42.6% of the total operating budget. In FY 2008, this element of expense will increase to 46.5% of the current year budget, due to NBC's past and programmed borrowings to support the CIP. As NBC has proceeded through the construction phase of Phase I of the CSO project, the impact of the capital projects has become progressively more significant. The total amount of debt service budgeted for FY 2008 is \$30.7 million, which includes \$30 million in principal and interest payments on existing debt as well as \$.7 million for programmed new debt. The graph below shows actual and budgeted existing and programmed new debt for the four year period beginning FY 2005.



For more on the capital projects and related financing, please refer to the Long-Term Debt and the Capital Improvement Program in section five of this document.

Expenses by Division

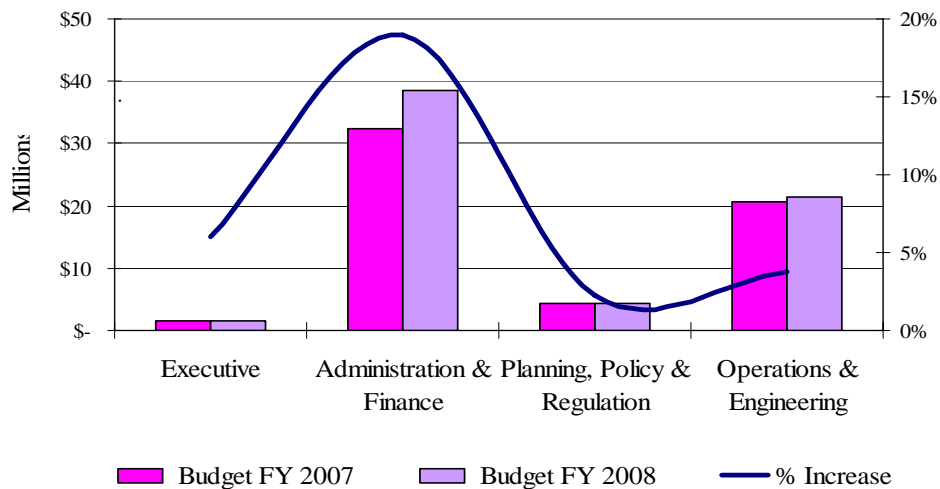
NBC is organized into four Divisions. The graph below depicts the percentage each of the four divisions represents of the FY 2008 budget.



The table below shows historical and budgeted expense by division, over a five year period.

	Actual FY 2004	Actual 2005	Actual 2006	Budget 2007	Budget 2008
Executive	\$ 1,396,196	\$ 1,283,764	1,325,013	1,525,718	1,617,373
Administration & Finance	20,517,110	22,582,138	27,312,999	32,343,718	38,480,080
Planning, Policy & Regulation	3,556,251	3,792,062	3,949,245	4,324,968	4,423,127
Operations & Engineering	16,376,527	16,503,826	17,440,084	20,672,997	21,456,759
Total	\$ 41,846,084	\$ 44,161,790	\$ 50,027,341	\$ 58,867,402	\$ 65,977,339

FY 2007 / 2008 Budget Comparison by Division



The chart above summarizes a year-to-year comparison of the four divisions. The greatest increase is in the Administration and Finance Division, due to the fact that Debt Service is included as part of that division's expense.

The Executive Division includes Executive Management, Construction and Grants, and Legal. This Division represents approximately 2.5% of the total operating budget. The Executive Division budget has increased by 6% over FY 2007, due primarily to the plan to update two public information videos, and the planned operating capital purchase of a public relations vehicle.

The Administration and Finance Division represents 58.3% of the FY 2008 operating budget. This Division includes the Human Resources, Finance, Accounting, Information Technology (IT), Customer Service, Purchasing, and General Administration sections. The Administration and Finance Division budget is 19% higher than last year. The most significant impact on this division's budget is the 22.3% increase in debt service. When debt service is not factored into

Administration and Finance's budget, the increase from year to year is reduced to 7.5%. The major drivers for the remainder of this increase are the increases in union pension, retiree health and health insurance rates, Worker's Compensation insurance, postage and utilities.

The Planning, Policy and Regulation (PP&R) Division consists of the Planning, Environmental Monitoring and Data Analysis (EMDA), Pretreatment, Environmental Safety and Technical Assistance, and Laboratory sections. This division makes up approximately 6.7% of FY 2008's operating budget. On a year-to-year basis, this division has a budgeted increase of 2.3%. The FY 2008 PP&R budget reflects increased funding for monitoring and sampling supplies and equipment. It also includes capital funding for a replacement ICP Trace for metals analysis and some equipment for the EMPACT program.

The Operations and Engineering Division represents approximately 32.5% of the total operating budget. Included in this division are the Field's Point and Bucklin Point WWTFs, as well as the Engineering and the Interceptor Maintenance sections. The budget for the Operations and Engineering Division is 3.8% higher in FY 2007 than the previous year. As discussed above in the Expense by Element section, this division is facing large expenditure increases in FY 2008 due to the increased contracted rate for biosolids disposal at Field's Point and Bucklin Point, and increased operating and management expense at Bucklin Point. In particular, due to the effort to achieve lower nitrogen removal, this budget reflects the fact that Bucklin Point will increase its soda ash usage by more than \$200 thousand on a year to year basis.

More detailed data for each division may be found in the Division Summaries section of this document.

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Budget Philosophy, Process and Policies

Philosophy

NBC is committed to the protection of Narragansett Bay and its surrounding rivers, and to providing a high level of service at a reasonable cost. To this end, in developing the annual Operating Budget, NBC strives to identify all potential impacts to revenue and expense for the upcoming fiscal year.

Fiscal Year

NBC's fiscal year runs from July 1st through the following June, and is numbered for the calendar year in which it ends. The current fiscal year is the one which ends the coming June. The actual fiscal year is the year ending June of the previous year. In this budget, we compare the coming fiscal year 2008 to current fiscal year 2007 budget, and actual fiscal year 2006.

Basis of Accounting

The accounting policies of NBC conform to generally accepted accounting principles as applicable to governmental proprietary fund types (enterprise funds). For enterprise funds, the intent of the governing body is that costs of providing goods and services to the general public on a continuing basis be financed or recovered through user charges. The financial statements of NBC are prepared using the accrual basis of accounting, with the exception of fine assessments and monitoring fees, which are recorded on a cash basis. Revenues are recorded when earned, and expenses are recognized when incurred.

Budget Basis

The NBC prepares its operating budget on a modified cash basis. Accordingly, certain non-cash expenditures such as depreciation, bad debt, and amortization expense are not provided for in the operating budget.

The budget includes the debt service principal payments on all debt, including financing on the large capital projects listed in the Capital Improvement Plan. Replacement and other capital outlays related to NBC's existing infrastructure are also included in the operating budget.

All expenses are recorded upon date of invoice and goods received. Revenues are recognized when they are billable by NBC.

The Budget Process

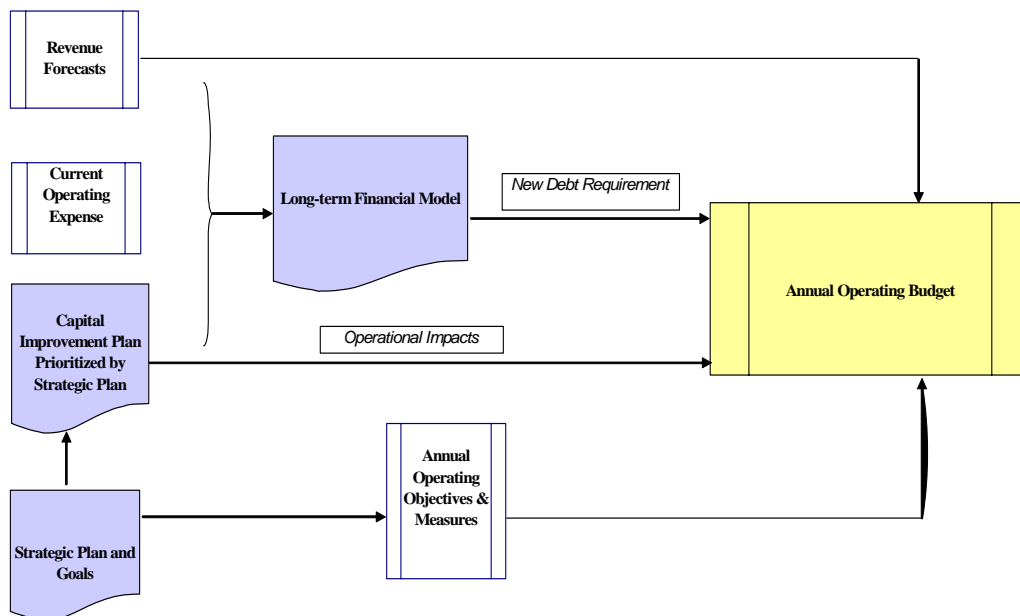
As a regulated agency, NBC maintains a broad understanding of financial and operational needs at all times of the year. However, NBC begins a formal review for its operating budget in November of each year. As part of this process, regulatory requirements are reviewed, as well as major program changes and capital needs. Large capital projects, requiring major changes to facilities and infrastructure, are identified in the Capital Improvement Program (CIP), which is developed in conjunction with the annual operating budget. The CIP identifies projects on a five-year basis. This plan, as well as known operating expense parameters and revenue projections, are integrated into the Long-term Financial Planning model in order to assess new debt requirements. The model identifies available funding sources and funding needs (see Long-Term Debt Overview for more details). The model details the existing and new debt service requirements which are included in the annual operating budget. Operational impacts of the CIP are also included in the operating budget.

Revenues for the upcoming fiscal year are determined based on projected user rates and factors affecting non-operating revenue, such as grants, collection rates, and the expected rate of return on cash balances.

If it is determined that user rates will not be sufficient to meet NBC's future financial obligations, the NBC applies for rate relief with the PUC. The rate filing is subject to a seven month review and approval process, which takes place before any new rates can be implemented.

A flow-chart illustrating the interaction of long-range plans and the basic budget process is shown below.

Interaction of Budget Process and Long-Range Planning



In October, the Administration and Finance Division presents short and long-term budget directives to all Division Directors and Program Managers. The managers are given online operating budget work-files which include the following:

- Budget Calendar
- Detail expense budget worksheet
- Summary expense budget worksheet
- Division Overview Worksheet, which includes prior fiscal year Major Accomplishments, Program Objectives and Performance Measures
- Staffing increase justification forms
- New Equipment Cost/Benefit justification forms
- Budgeted Operating Capital Outlays for the budget year
- Operating Capital Outlays Plan for the budget year and four out-years (5 year plan)
- Rates and other budget guidelines
- Account Justification forms

In November, program managers are asked to develop their Performance Goals and Measures, and provide the measurement data. This year, for the first time, program managers also developed their five year Operating Capital Outlay plans in November. This upfront approach was adopted to allow management more time to assess their capital requirements.

The sections are given approximately two months to compile their actual budgets. The Finance section works with managers and staff throughout this timeframe. In January the Finance section also conducts Mid-Year Reviews for the current year budget, which provides program managers with trend analysis for use in their budget estimates.

After a preliminary review with Administration and Finance, the Division Directors and Program Managers present their requirements to the Administration and Finance Director in late January and to the Executive Director in early February. The Administration and Finance Division then produces a draft of the budget.

The budget then undergoes line-by-line examination by Finance staff and management, and several revisions may be produced until such a time as the Executive Director is satisfied the budget is ready to be submitted to the Finance Committee, which is a sub-committee of NBC's Board of Commissioners.

The first Finance Committee meeting is usually scheduled for the April/May timeframe. At this meeting, the committee reviews the budget and offers their guidance.

In May, the CIP is completed and presented to the Board of Commissioners for approval. The CIP is then integrated into the annual Operating Budget.

The NBC finance staff and Executive Director ensure needed modifications are incorporated into the final operating budget. The final budget is submitted for review to the Finance Committee in May/June.

The final budget document and resolution is submitted to the Board of Commissioners in the month of June, and the Board of Commissioners formally adopts the budget as the next year's operating budget.

Budget Monitoring and Amendment Procedures

General

- A line item budget is maintained for each individual section or program. Budget transfers are required for any significant expense overrun on any line item.
- Finance staff conducts a review of budget versus actual status on a monthly basis, and ensures needed budget transfers are made.
- At each monthly Board of Commissioners meeting a financial overview of current budget to actual status is submitted.
- Expense accruals are made at the close of every accounting period in order to reflect the most accurate portrait of the current financial status.

Budget Amendments

NBC exercises strong financial controls to ensure total expenses do not exceed the amount approved in the current year's operating budget.

The Program Manager and Division Director approve budget transfers within a section. Finance staff then reviews all budget transfers. By resolution, the Director of Administration and Finance has authority to approve all budget transfers within sections and divisions. Finance then carries out the budget transfer.

No budget transfers shall be made from capital to operating expense under normal circumstances.

All budget transfers are documented by Finance and tracked on NBC's computerized financial system.

FY 2008 Budget Calendar

October	Administration and Finance Fiscal Year 2008 Budget Overview presentation to Division Directors and Program Managers.
Month of November	Budget Input Sheet Preparation.
November – December	All programs develop and refine Performance Service Level Objectives and Target Measures to be in alignment with Strategic Plan.
December	All Performance Objectives and Measures and Five Year Capital Outlay Plans due to Administration & Finance.
January 17 - 18	Mid-Year FY 2007 Budget Reviews.
January 25	All divisions required to electronically submit budget work-files.
January 31 - February 1	Preliminary review meetings between divisions and Administration & Finance.
February 14 – 15	All divisions present budget requirements to Executive Director.
April 4	Administration & Finance presents consolidated proposed budget to Executive Director.
May 3	Finance Committee Review of Preliminary Operating Budget.
May 16	Board of Commissioners adoption of FY 2009-2013 CIP.
June 20	Finance Committee Review and Board of Commissioners adoption of Fiscal Year 2008 Operating Budget.

Financial Policies

NBC's financial policies guide the financial management and planning process of NBC. These policies encourage NBC to take a long-term, agency-wide approach to financial planning and incorporate various regulatory and legislative requirements.

Long-Range Planning

- NBC will update and modify the Strategic Plan as needed, in order to accurately reflect priorities and goals.
- NBC shall update and maintain the Long-term Financial Model, in order to assess the impacts of current and future operating and capital requirements. The model will be used to develop and support financing strategies that will provide stability, continuity and minimize ratepayer impact (for more detail, see Debt Policy).

Revenue Policies

- NBC will develop and seek PUC approval of rates that will result in net revenues (gross revenues less operating expenses) at least equal to 125% of the annual debt service to meet the rate covenants as set forth in the Trust Indenture.
- NBC will continually review capital and operating needs to determine if a rate adjustment is required.
- Restricted receipts for debt service and debt service coverage shall be administered in accordance with the Orders from the PUC and the Trust Indenture.

Expense Policies

- All purchases shall be in accordance with NBC's Purchasing Rules and Regulations and applicable State and Federal legislation.
- The Executive Director shall provide a report to the Finance Committee of all purchase requisitions greater than \$10,000 for items included in the budget. The Executive Director will present all purchase requisitions greater than \$50,000 not included in the budget for approval by the Finance Committee.
- The Finance Committee will review and approve the creation of new positions and the upgrading of existing positions not included in this budget. The Executive Director may post for vacancies of existing positions or newly created positions included in this budget.

Auditing, Accounting and Financial Statements

- NBC will prepare financial reports in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board (GASB).
- An independent audit of NBC's financial statements is performed annually.

Budget Policy

- NBC shall prepare a balanced operating budget in which total expenses are equal to total revenue.
- The Finance Committee will review and approve the monthly financial statements, including the status of the budget versus expenses, prior to the monthly Board Meeting.
- NBC will monitor the operating budget to ensure that sufficient resources are available to safely and effectively provide wastewater treatment.

Capital Budget Policy

- NBC will adopt and maintain a five-year Capital Improvement Program and update it on an annual basis.
- The projects in the Capital Improvement Program will be prioritized based upon their strategic importance.
- NBC will adopt and maintain a five-year operating capital outlays plan and update it on an annual basis.

Debt Policy

- NBC has a significant CIP and recognizes the importance of proper financial and debt management to ensure the successful implementation of its CIP, obtain the highest possible credit ratings and ensure that ratepayer impact is minimized. NBC may issue debt to finance capital improvements as well as to meet short-term operating and capital cash flow needs.
- NBC will maintain a Long-term Finance Model that takes into consideration the CIP, cash flows, NBC's annual operating revenues and expenses, debt service coverage, State Revolving Fund capacity and other relevant items. The long-term financial plan shall be used as the basis for determining debt issuance needs.
- There are a wide variety of financial products available. The Director of Administration and Finance, in conjunction with NBC's Financial Advisor, will evaluate the options and implement recommendations that will minimize risk and maximize benefits. NBC's lowest cost of permanent financing is through subsidized State Revolving Fund (SRF) loans from the Rhode Island Clean Water Finance Agency. NBC will use SRF if funds are available and may issue short or long-term debt in fixed or variable mode to finance its capital program.

Variable rate debt may be issued in various modes and NBC may use financial products that will result in either a synthetic variable or a synthetic fixed rate. Short-term debt may also be issued to meet operating cash flow needs.

NBC may employ one or more financial products to manage interest rate risk and maximize market benefit upon the recommendation of the Director of Administration and Finance and NBC's Financial Advisor.

- In accordance with RIGL 39-3-15, the Division of Public Utilities and Carriers must approve NBC's issuance of long-term debt.
- The Director of Administration and Finance will determine the issuance method (competitively bid or negotiated) in conjunction with NBC's Financial Advisor. The method may be modified from time to time as NBC's needs change or new or modified financial market methods emerge. The issuance method will be modified if a lower effective market interest cost is expected to result.
- Appropriate Ratio Levels:
 - Debt service coverage ratio minimum of 1.25 (calculated as Gross Revenues less Operating Expenses (excluding depreciation) divided by annual principal and interest.)
 - Principal maturities for fixed and variable rate debt is not to exceed thirty years.
 - Outstanding long-term maturity variable rate bonds are not to exceed a sum equal to 25% of total long-term fixed rate debt except for the inaugural issue.
- NBC does not have a statutory limit on debt issuance.

Investment Policy (in part)

- The "prudent investor" standard and shall be applied in the context of managing an overall portfolio.
- Investment of financial assets shall be diversified to minimize the risk of loss that may occur due to concentration in a specific maturity, a specific issuer or a specific class of securities.
- All financial assets shall be invested in a manner that will preserve the value and safety of capital.
- NBC shall invest funds in order to maximize earnings and minimize risk during the period of availability of the funds.
- NBC shall comply will all Federal, State and other legal requirements.

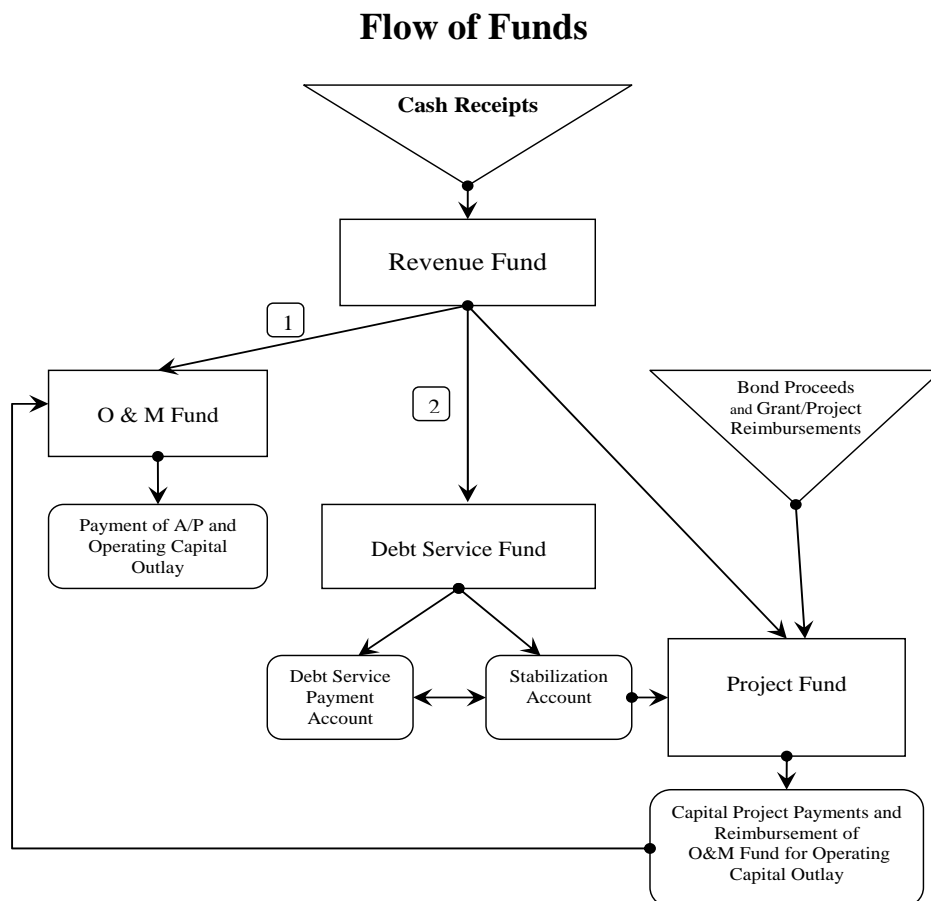
Fund Definitions and Financial Data

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitation.

NBC operates as an Enterprise Fund on its Financial Statements. On April 15, 2004 a Trust Indenture by and between NBC and the Trustee was executed, followed by:

- A First Supplemental Indenture dated April 15, 2004
- A Second Supplemental Indenture dated December 30, 2004
- A Third Supplemental Indenture dated August 4, 2005
- A Fourth Supplemental Indenture dated December 15, 2005
- A Fifth Supplemental Indenture dated December 21, 2006
- A Sixth Supplemental Indenture dated February 8, 2007

Collectively, these are the “Trust Indenture”. The schematic below provides a general overview of the flow of funds as directed by the Trust Indenture. It is not meant to be a complete representation of the Trust Indenture. The numbers refer to the order in which the funds are funded.



Due to the complexity of the documents, it is difficult to present a detailed description of all of the funds and their interrelationships. The following serves as a brief summary of the ten funds established pursuant to the documents.

<p align="center">Revenue Fund</p>	<p>All NBC revenues, with a few minor exceptions as stated in the Trust Indenture, are deposited as promptly as practicable into the Revenue Fund. A Narragansett Bay Environmental Enforcement Fund is also established within the Revenue Fund. On a monthly basis, funds are transferred from the Revenue Fund to the other Funds as required per the Trust Indenture.</p>
<p align="center">Operating and Maintenance Fund</p>	<p>Funds are transferred from the Revenue Fund to the Operating and Maintenance Fund (O&M) monthly. The O&M Fund is used to pay operating expenses.</p>
<p align="center">Project Fund</p>	<p>Proceeds from bond issues, bond anticipation notes, capital grants, project reimbursements and transfers from the Stabilization Account of the Debt Service Fund are deposited in the Project Fund. The Project Fund is designated to pay for capital project, operating capital outlays and related costs.</p>
<p align="center">Debt Service Fund</p>	<p>The Debt Service Fund includes a Stabilization Account along with Debt Service Payment Accounts. PUC restricted debt service and debt service coverage amounts are transferred from the Revenue Fund into the Stabilization Account monthly. Debt Service and related payments are paid from the Debt Service Fund.</p>
<p align="center">Renewal and Replacement Reserve Fund</p>	<p>The funding goal of the Renewal and Replacement Reserve Fund (R&R) is one percent of the depreciated value of the system as shown on the financials and is to be built up over time as allowed by the PUC.</p>
<p align="center">Debt Service Reserve Fund</p>	<p>This Fund is not presently funded as the NBC purchased a Surety Bond for the VRDO program. Future issues may require the funding of the Debt Service Reserve Fund and the fund is to be used if there are insufficient funds in the Debt Service Fund to make any debt service payment.</p>
<p align="center">Operating and Maintenance Reserve Fund</p>	<p>This fund will be built up over time as allowed by the PUC. The O&M Reserve Fund is designed to pay operating expenses of NBC if there are insufficient funds within the O&M Fund.</p>
<p align="center">Redemption Fund</p>	<p>The Redemption Fund is not presently funded. The Fund is to be used for redemption costs, and/or principal and interest on the redemption of bonds.</p>
<p align="center">Insurance Reserve Fund</p>	<p>Because the NBC is not self-insured, funding of the Insurance Reserve Fund is not presently required. The Insurance Reserve Fund will be used for restoration, replacement, or reconstruction of property injured or damaged.</p>
<p align="center">Unrestricted Fund</p>	<p>The Unrestricted Fund is the depository for any cash surplus provided that all funds and accounts established under the Trust Indenture are funded, and NBC is in compliance with the Trust Indenture. These funds may be used for any deficiency in amounts required by other funds or for any lawful purpose of the NBC.</p>

The Environmental Enforcement Fund (EEF) is within the Revenue Fund. Deposits into the EEF include funds recovered through administrative or civil enforcement action and cannot be used for normal operating expenses in accordance with Chapter 46-25 of the Rhode Island General Laws. This fund is insignificant and is not included in the annual operating budget.

The data in this budget has been used to project year-end fund balances for FY 2008, as shown in the table below. For an overview showing the relationship between major funds and Divisions / Sections please see the Fund – Organization Matrix in the Supporting Schedules section of this budget.

	Ending Balance FY 2006	Net Change	Projected Ending Balance FY 2007	Net Change	Projected Ending Balance FY 2008
Revenue Fund	\$ 27,639,679	\$ (8,777)	\$ 27,630,902	\$ -	\$ 27,630,902
Operating and Maintenance Fund	(551,210)	1,257,061	705,851	-	705,851
Project Fund	211,277,068	(961,864)	210,315,204	6,116,837	216,432,041
Debt Service Fund	18,177,693	(59,206)	18,118,487	-	18,118,487
EEF	84,735	34,265	119,000	(4,000)	115,000
Total	<u>\$ 256,627,965</u>	<u>\$ 261,479</u>	<u>\$ 256,889,444</u>	<u>\$ 6,112,837</u>	<u>\$ 263,002,281</u>

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Long-term Debt Overview

As discussed in the preceding Financial Policies section, (see Debt Policy), NBC is authorized to issue debt to finance its CIP. NBC uses its Long-term Financial Model to project current and future operating and capital needs, and the resulting need for debt issuance.

Capital Funding

In order to determine the appropriate funding mechanism for a capital project, a number of factors must be taken into consideration. NBC's objective is to manage its capital financing such that ratepayer impacts are minimized and compliance with regulatory constraints is ensured. In general, NBC will maximize its borrowing from the Rhode Island Clean Water Finance Agency (RICWFA) to the extent that there is funding available. The RICWFA, through its State Revolving Fund Program (SRF) subsidizes the interest rate on loans, resulting in a 1/3 or greater interest rate subsidy. When SRF funds are not available, NBC may issue short or long-term debt in fixed or variable mode.

Some of the other factors that must be considered include:

- The NBC is regulated by the Rhode Island Public Utilities Commission (PUC) and the PUC has restricted the use of the prior year debt service coverage allowance to fund operating capital and capital projects.
- NBC must take into consideration arbitrage expenditure requirements to avoid financial penalties.
- There are restrictions on the types of expenditures that may be financed through SRF. For example, land may not be financed through SRF and only projects that have been approved by RIDEM and meet certain DEM established priority may be funded by SRF.
- NBC must also expend and manage its resources in accordance with the Trust Indenture and six Supplemental Indentures.

With respect to this year's CIP, a number of funding sources have been identified as part of the Long-Term Debt Model and they are listed in the following table.

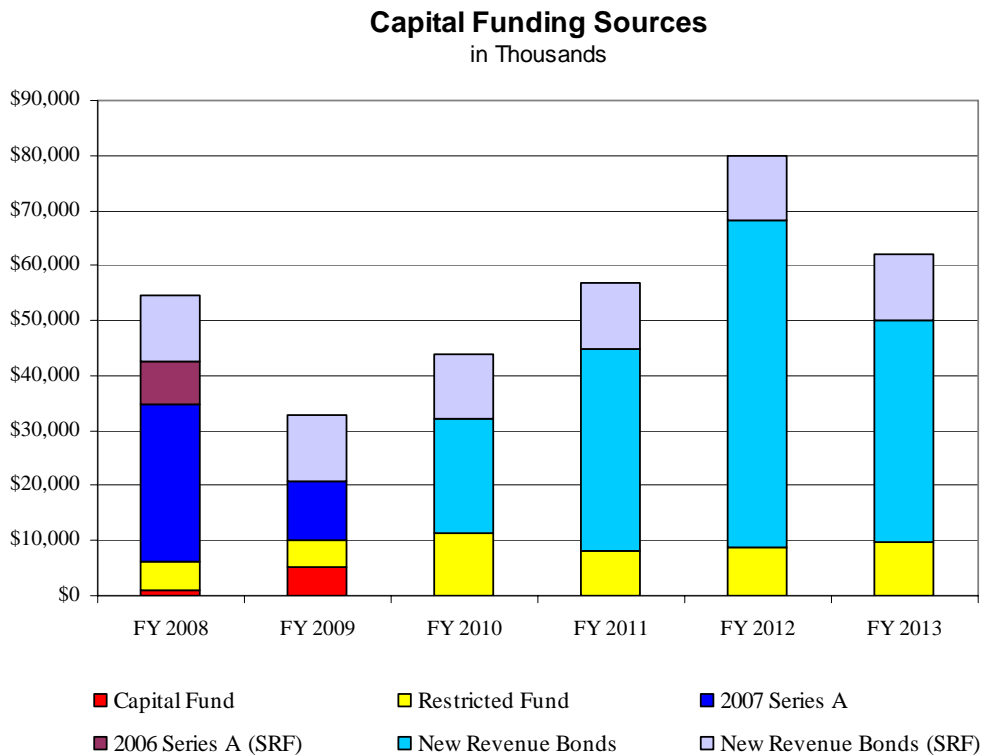
Funding Source	Description
Capital Fund	Federal grant or project reimbursements.
Restricted Fund	Prior year debt service carry-forward restricted by PUC for capital projects.
2006 Series A (SRF)	Available Balance from NBC \$30M SRF Loan, December 21, 2006.
2007 Series A	Unspent Proceeds from NBC \$42.5M Open Market Issue, February 7, 2007.
New Revenue Bonds	NBC Future Open Market Revenue Bonds.
New Revenue Bonds (SRF)	Future SRF Loans from the RICWFA Backed by NBC Revenue Bonds.

In FY 2008, NBC plans to fund the CIP with approximately \$36.2 million in unexpended bond and SRF proceeds along with \$5.1 million in Restricted Funds and \$0.9 million in Capital Funds. The NBC also plans on borrowing the maximum amount available from the RICWFA over the next six years. SRF capacity is expected to continue to decline from prior levels to \$12 million per year. The table below shows the projected Sources of Funds over the next six years.

SOURCES OF FUNDS (in Thousands)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Total FY 2009-2013	Total FY 2008-2012
Capital Fund	\$ 891	\$ 5,140	\$ -	\$ -	\$ -	\$ -	\$ 5,140	\$ 6,031
Restricted Fund	5,139	7,042	11,419	8,244	8,830	9,623	\$ 45,158	\$ 50,297
2007 Series A	28,445	11,130	-	-	-	-	11,130	39,575
2006 Series A (SRF)	7,703	-	-	-	-	-	-	7,703
New Revenue Bonds	-	-	20,600	36,650	59,245	40,345	156,840	156,840
New Revenue Bonds (SRF)	12,000	12,000	12,000	12,000	12,000	12,000	60,000	72,000
Total	\$ 54,178	\$ 35,312	\$ 44,019	\$ 56,894	\$ 80,075	\$ 61,968	\$ 278,268	\$ 332,446

The NBC plans on issuing \$156.8 million in new open market revenue bonds during the five-year period of the FY 2009 – 2013 CIP, making it NBC’s largest source of capital. Current borrowing plans also include \$60 million in SRF borrowings over this same period. The actual timing and type of debt issuance will be determined based upon cash flows, market conditions, SRF availability and other factors. NBC will modify its borrowing plans should it be determined that the CREBs funding will be available for the biogas and wind turbine capital projects, as discussed in the Executive Message.

The graph below illustrates the projected sources of funds from FY 2008 through FY 2013.



The table below depicts the uses of the funds. In addition to payments for capital projects, the table identifies operating capital expenses and incremental increases to the debt service payment fund which are funded out of the Restricted Fund. The cost of issuance expenses are also shown and are financed from bond proceeds.

USES OF FUNDS (in Thousands)							Total FY	Total FY
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	2009-2013	2008-2013
Operating Capital	\$ 2,002	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 10,000	\$ 12,002
Debt Service Payment Fund Increase	1,500	1,500	1,500	1,500	1,500	1,500	\$ 7,500	9,000
Capital Improvements	50,496	31,632	39,876	52,390	75,062	57,381	\$ 256,341	306,837
Cost of Issuance	180	180	643	1,004	1,512	1,087	\$ 4,426	4,606
Total	\$ 54,178	\$ 35,312	\$ 44,019	\$ 56,894	\$ 80,074	\$ 61,968	\$ 278,267	\$ 332,445

As of June 30, 2007, NBC will have thirteen (13) SRF loans outstanding. Total outstanding principal at year-end FY 2008 is projected to be \$427.6 million. This includes the \$12 million low interest loan from the RICWFA which NBC plans to secure in FY 2008. The following table summarizes NBC's long-term debt as of June 30th for the years FY 2006, FY 2007, and FY 2008, including projected new debt.

Long-term Debt Balances FY 2006 - 2008

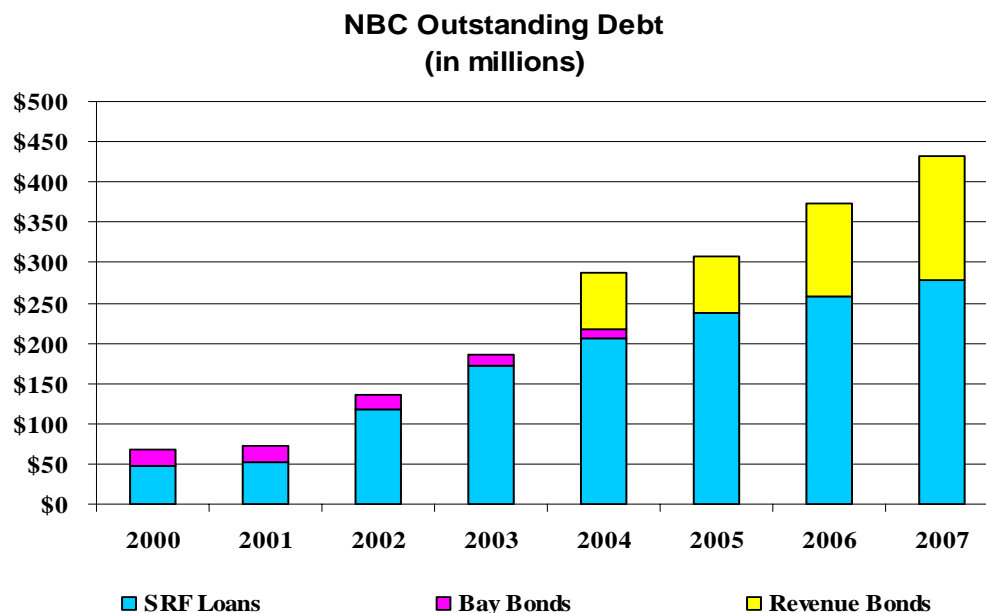
Debt	Long-term Debt as of June 30, 2006	Net Additions/ (Payments)	Long-term Debt as of June 30, 2007	Net Additions/ (Payments)	Long-term Debt as of June 30, 2008
SRF Loans	\$ 258,756,858	\$ 18,912,178	\$ 277,669,036	\$ (3,345,972)	\$ 274,323,064
Revenue Bonds 2007 Series A	-	42,500,000	\$ 42,500,000	-	\$ 42,500,000
Revenue Bonds 2005 Series A	45,000,000	-	45,000,000	-	45,000,000
Revenue Bonds 2004 Series A (variable rate)	68,635,000	(1,415,000)	67,220,000	(1,455,000)	65,765,000
Total Long-term Debt	\$ 372,391,858	\$ 59,997,178	\$ 432,389,036	\$ (4,800,972)	\$ 427,588,064

The schedule on the following page details NBC's outstanding debt as of year-end FY 2007.

Outstanding Debt by Issue as of 6/30/07

Issue	Interest	Principal
RICWFA (SRF Loans)		
SRF - NO. PROV. \$2.647M	\$ 81,758	\$ 852,994
SRF - WP/RA - \$3.694	134,066	1,503,956
SRF -BUTLER - \$1.662M	74,010	632,638
SRF POOL LOAN I - \$14.781M	1,387,758	7,977,750
SRF POOL LOAN II - \$17.279M	1,522,255	9,212,035
SRF POOL LOAN III - \$8.150M	1,514,447	5,934,413
SRF POOL LOAN IV - \$23.955M	5,484,843	23,950,000
SRF POOL LOAN V - \$57M	10,683,892	48,260,000
SRF POOL LOAN VI - \$57M	6,463,269	47,858,250
SRF POOL LOAN VII - \$40M	7,134,087	36,567,000
SRF POOL LOAN VIII - \$40M	7,521,210	36,301,000
SRF POOL LOAN IX - \$30M	5,720,537	28,619,000
SRF POOL LOAN X - \$30M	5,657,112	30,000,000
Revenue Bonds		
VRDO \$70M 2004 Series A (Includes fees)	39,133,467	67,220,000
\$45M 2005 Series A	54,901,750	45,000,000
\$42.5M 2007 Series A	53,309,836	42,500,000
Total	\$ 200,724,298	\$ 432,389,036

A historical perspective of outstanding debt by fiscal year is shown in the graph below. As the graph illustrates, NBC has maximized its SRF borrowings from RICWFA, with recent supplemental revenue bond borrowings on the open market.



The following tables show debt service payments for FY 2008, and existing outstanding debt by fiscal year.

Debt Service Payments Fiscal Year 2008 *

Issue	Interest	Principal
RICWFA (SRF Loans)		
SRF - NO. PROV. \$2.647M	\$ 28,825	\$ 158,354
SRF - WP/RA - \$3.694	34,789	199,329
SRF -BUTLER - \$1.662M	22,009	95,944
SRF POOL LOAN I - \$14.781M	278,710	763,500
SRF POOL LOAN II - \$17.279M	306,337	888,052
SRF POOL LOAN III - \$8.150M	209,650	364,555
SRF POOL LOAN IV - \$23.955M	807,857	2,155,000
SRF POOL LOAN V - \$57M	1,486,723	2,750,000
SRF POOL LOAN VI - \$57M	736,191	2,439,238
SRF POOL LOAN VII - \$40M	691,073	1,745,000
SRF POOL LOAN VIII - \$40M	667,625	1,240,000
SRF POOL LOAN IX - \$30M	536,435	1,279,000
SRF POOL LOAN X - \$30M	455,726	1,268,000
REVENUE BONDS		
VRDO \$70M 2004 Series A (Includes fees)	2,420,385	1,455,000
\$45M 2005 Series A	2,250,000	0
\$42.5M 2007 Series A	2,025,399	0
	\$ 12,957,733	\$ 16,800,972

* Existing Debt only

Outstanding Debt by Fiscal Year *

Fiscal Year	Outstanding Debt	Principal	Interest	Payment
2008	\$ 432,389,036	\$ 16,800,972	\$ 12,957,733	\$ 29,758,705
2009	415,588,064	17,457,042	12,613,593	30,070,634
2010	398,131,023	17,923,897	12,142,579	30,066,476
2011	380,207,125	18,307,657	11,657,182	29,964,839
2012	361,899,469	18,305,443	11,179,387	29,484,830
2013	343,594,026	18,319,503	10,698,562	29,018,064
2014	325,274,523	18,609,382	10,223,385	28,832,767
2015	306,665,141	18,638,142	9,745,535	28,383,677
2016	288,027,000	18,599,393	9,275,283	27,874,675
2017	269,427,607	18,651,466	8,801,751	27,453,217
2018	250,776,141	18,636,988	8,341,010	26,977,998
2019	232,139,153	18,618,366	7,883,974	26,502,339
2020	213,520,788	18,604,683	7,435,197	26,039,881
2021	194,916,104	18,588,090	6,981,962	25,570,052
2022	176,328,014	17,687,228	6,553,742	24,240,969
2023	158,640,787	13,969,787	6,195,625	20,165,412
2024	144,671,000	10,593,000	5,917,943	16,510,943
2025	134,078,000	9,726,000	5,665,813	15,391,813
2026	124,352,000	6,222,000	5,461,132	11,683,132
2027	118,130,000	8,140,000	5,219,702	13,359,702
2028	109,990,000	10,030,000	4,917,801	14,947,801
2029	99,960,000	10,490,000	4,445,450	14,935,450
2030	89,470,000	10,960,000	3,953,642	14,913,642
2031	78,510,000	11,465,000	3,439,037	14,904,037
2032	67,045,000	11,990,000	2,901,603	14,891,603
2033	55,055,000	12,540,000	2,336,769	14,876,769
2034	42,515,000	13,100,000	1,757,612	14,857,612
2035	29,415,000	13,690,000	1,151,997	14,841,997
2036	15,725,000	10,520,000	622,063	11,142,063
2037	5,205,000	5,205,000	247,238	5,452,238
	\$ 432,389,036	\$ 200,724,298	\$ 633,113,334	

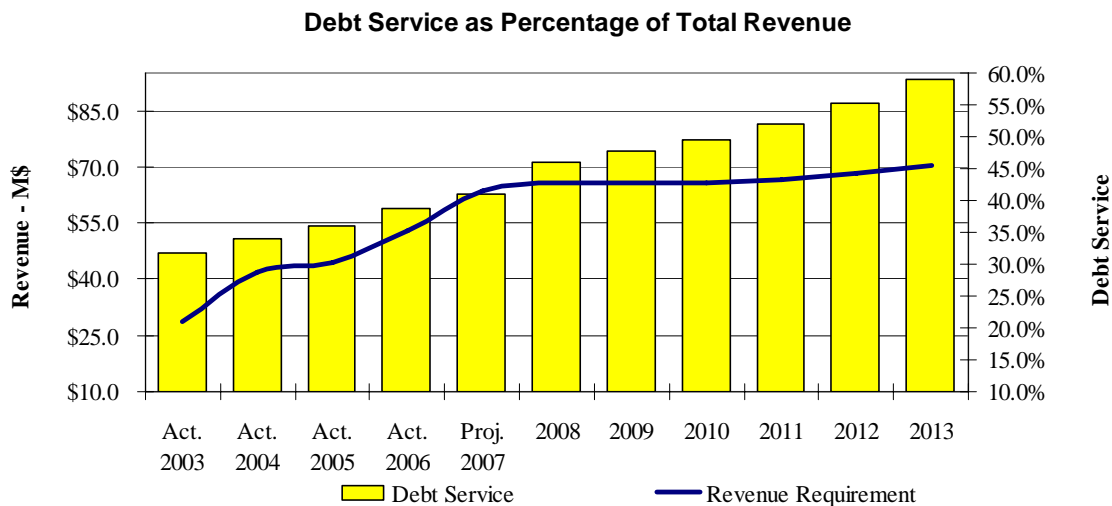
* Existing debt only

CIP Impact Overview

Impact of CIP on Debt Service

Since the CIP is financed primarily through the issuance of long-term debt, the capital program’s impact on the operating budget is the payment of the associated principal and interest. Overall, debt service is anticipated to increase from approximately \$31 million in FY 2008 to approximately \$42 million in FY 2013. The annual debt service requirement as a percentage of total revenue has increased from 21.1% in FY 2001 to 42.9% in FY 2008, and is projected to reach 45.4% in FY 2013. All debt service projections are based on a number of assumptions including the cash flow estimates outlined in the annual CIP.

The chart below shows debt service as a percentage of projected revenues through FY 2013. Debt service as a percentage of Total Revenue has climbed steadily over the past five years, but is projected to level off in future years.



Impact of CIP on Operation and Maintenance Costs

Although the CIP’s primary impact on the Operating Budget is debt service, certain capital improvements will also directly impact operating costs. For example, the CSO Phase I Facilities will have a significant impact on the operating budget in FY 2009, as a result of the main spine tunnel and tunnel pump station being put into service. Increased flows will impact costs for biosolids disposal, utilities, screening and grit removal, and chemicals. These costs are estimated to increase annual operating costs by approximately \$824 thousand in FY 2009.

The table on the following page lists those projects anticipated to have operating cost impacts over the next five years. These expenses will be recurring annually. However, for purposes of this analysis, the expense is only recognized in the first year of impact.

CIP Impact on Operating Budget
(In thousands)

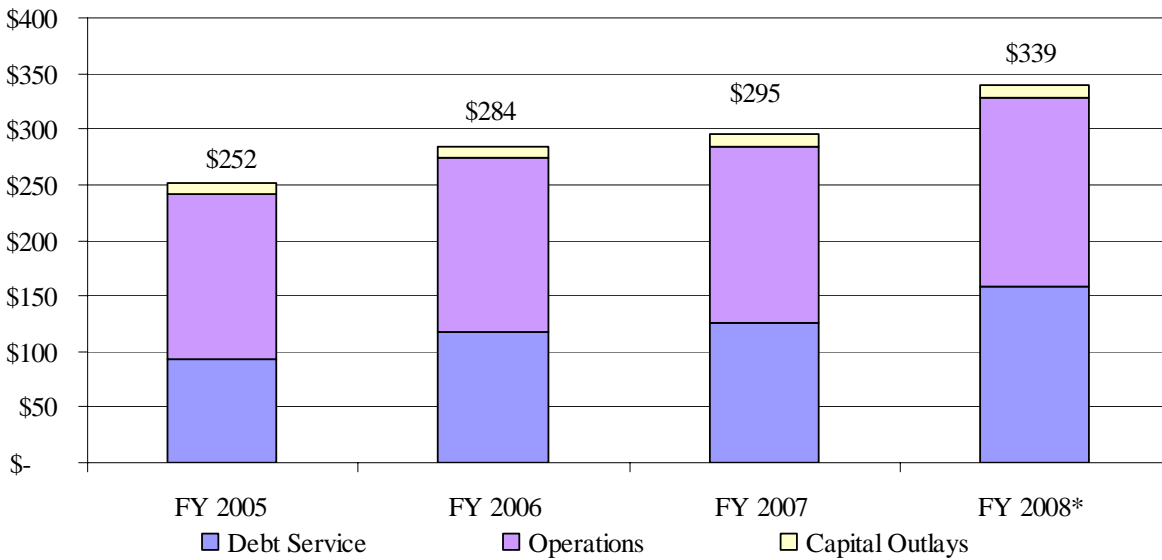
Project Name	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Field's Point Nitrogen Removal Facilities*	\$ -	\$ -	\$ -	\$ 550,000	\$ 1,676,000
Bucklin Point Nitrogen Removal Facilities	-	-	-	88,000	-
CSO Phase I Facilities	824,407	-	-	-	-
CSO Phase II Facilities	-	-	-	-	-
Geographic Information System	75,000	-	-	-	-
Total	\$ 899,407	\$ -	\$ -	\$ 638,000	\$ 1,676,000

* FP Nitrogen impact in FY 2012 represents costs for 4 months, as this is the first year of operation.
* FP Nitrogen in FY 2013 reflects impact for a full year of operation.

Impact of CIP on Sewer User Rates

NBC has required rate relief five times since FY 2005. The purpose of two of these filings has been to finance the CIP debt service costs. The chart below illustrates how much of the average annual residential rate is due to debt service. As can be readily seen, growing debt service accounts for a greater percentage of the annual charge.

Cost Basis for Average Household Customer Charge
(Average Annual Usage of 200 Gallons)

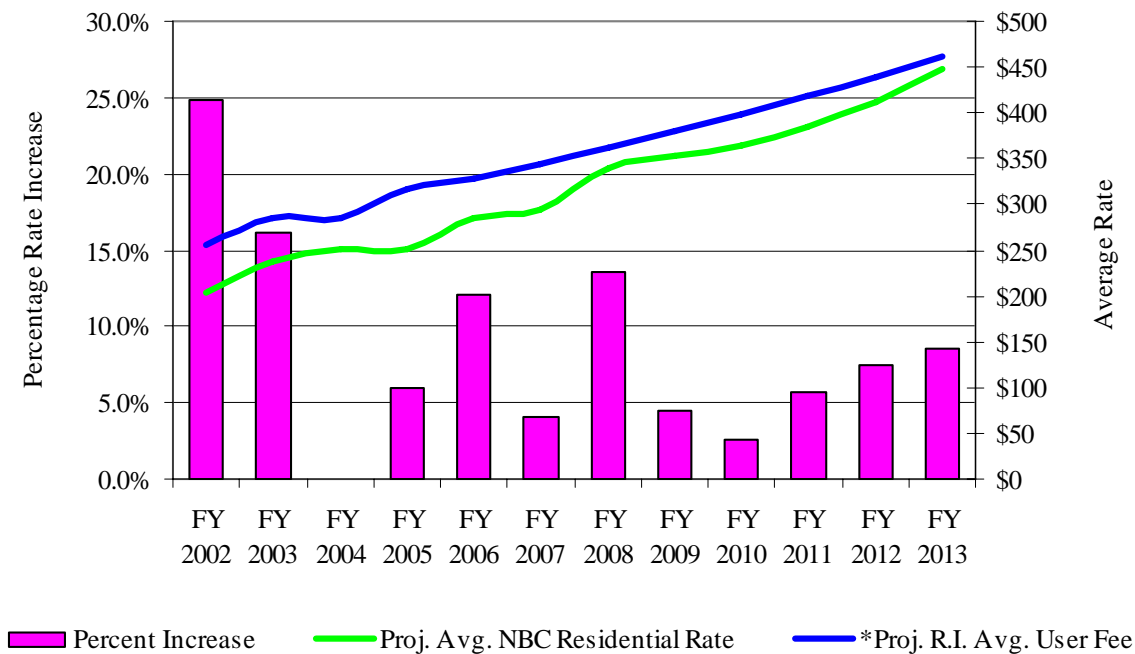


* Projected Rate

Sewer rates will increase over time due to the financing costs associated with the capital program and increased operating costs. The chart on the following page takes into consideration the projected impact on operation and maintenance costs associated with the programmed capital

projects, including Phase II of the CSO program and the nitrogen removal projects at both WWTFs. Based on a number of assumptions, the NBC average residential user rates are projected to increase from approximately \$339 in FY 2008 to approximately \$444 in FY 2013. On a percentage basis, except for a large increase in FY 2013, the rate increases in future years are projected to remain under 7.5%. Ultimately, the magnitude of the rate increases will depend upon the financing mechanisms available to NBC, regulatory requirements, operational cost impacts of capital improvements, as well as other operating cost factors.

Average Annual Residential Rate and Percentage Increases

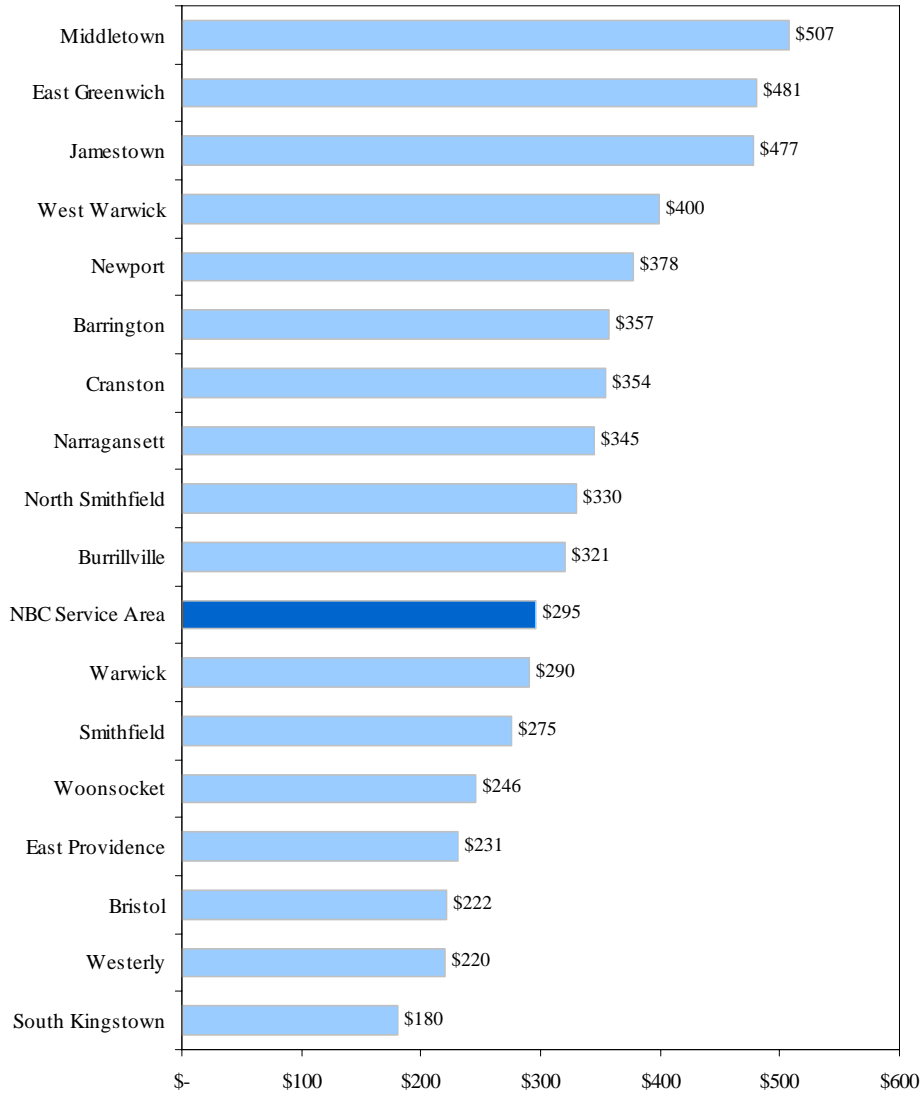


* The increases in Projected R.I. Avg. User Fee Rate data above is estimated at 5% per year. This percentage is based on the average change in the consumer price index for New England from 2000-2006 and the state-wide average increase over the past 3 years.

Even with these increases, NBC’s sewer user rates remain competitive. The chart on the following page shows that NBC’s average annual residential user charge for 2006 is the 8th lowest in the State of Rhode Island based upon usage of 200 gpd. The \$295 rate is also lower than the average annual residential sewer user fee in Rhode Island of \$328. A similar comparison

on a national basis conducted by the Massachusetts Water Resource Authority shows Providence (NBC) as having the twelfth lowest rate for major U.S. cities (see Appendix).

Annual Residential Sewer Charges Rhode Island Cities and Towns



Capital Improvement Program

Program Overview

NBC's 2009-2013 CIP identifies 42 projects totaling approximately \$256 million either in progress, to be initiated, or to be completed during the fiscal years of 2009-2013. In addition, it identifies approximately \$50 million of programmed expenditures in FY 2008, or approximately \$307 million over the six-year period. Expenditures on these capital improvement projects are necessary in order to comply with current and future regulatory requirements, take advantage of technological changes, and ensure the integrity of NBC's infrastructure.

The table below summarizes the CIP expenditures. Fiscal year 2012 has the largest amount of programmed expenditures over the six-year period with \$75 million. The majority of the expense is in the construction category, and is primarily composed of CSO Phase II and nutrient removal costs. Fiscal year 2009 is programmed to have the lowest construction expenditures due to the scheduled completion of the CSO Phase I project during the early part of that year.

CIP Costs by Year and Category (In thousands)

Cost Category	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Total FY 2009-2013	Total Costs 2008-2013
Administrative	2,610	2,123	2,273	2,137	2,627	1,920	11,080	13,690
Land	322	1,718	3,680	650	250	250	6,548	6,870
A/E Professional	14,895	7,530	5,379	4,413	6,560	6,421	30,303	45,198
Construction	32,251	16,275	22,501	41,765	56,565	45,023	182,129	214,380
Contingency	14	2,080	5,572	1,582	6,384	1,090	16,708	16,722
Other	404	1,906	471	1,843	2,676	2,677	9,573	9,977
Total Project Costs	50,496	31,632	39,876	52,390	75,062	57,381	256,341	306,837

Capital Improvement Program Assumptions

The CIP is a planning document and the project managers have limited information upon which to base their cost estimates prior to completion of design and receipt of bids. Accordingly, NBC has based the figures in this CIP on a number of financial assumptions as follows:

- Costs and cash flows are based on engineering estimates as well as bid amounts if they are available.

- The CIP does not include operating capital projects such as plant and equipment replacement required on an annual basis. These projects are identified in the Operating Budget as part of the five-year Operating Capital Plan.
- Construction projects currently underway include a 10% contingency. The contingency for future construction projects is 12% which reflects recent industry experience related to construction cost factors. The cost estimates for future design projects include an allowance of 7% for salary and fringe associated with project management, based on historical data.
- Financing costs associated with new debt for the CIP projects are not included in the project cash flows. Financing costs are included in the debt service element of expense in the Operating Budget and are reflected in the Long Term Debt section of the budget.

Capital Improvement Program Development

Although NBC is nearing completion of the Combined Sewer Overflow (CSO) Phase I Facilities, the table on the previous page clearly shows that NBC's capital funding needs are expected to remain high over the next five years. This is primarily due to federal mandates such as the CSO abatement program and nutrient reduction. The magnitude of the program has presented NBC with the opportunity to enhance its CIP development process. During the past year the CIP process was refined in order to further define the key factors for each capital project. The CIP program is the driver of NBC's borrowing requirements, and this increased focus on each project will assist in the management of NBC's debt.

The new process entailed a series of enhancements. First, new capital budget forms were designed to document the scope of each project, the basis of the cost estimate, and the key factors impacting costs and schedules. Also required was an explanation of any modifications from the prior year CIP, and information related to the project's funding approval status. Project managers were also asked to submit detailed scheduling information with regard to each project phase and the overall project timeline. Beginning and ending dates for each task within each phase of the projects were also submitted. A Gant chart illustrating the detailed project scheduling can be found in the Supporting Documents.

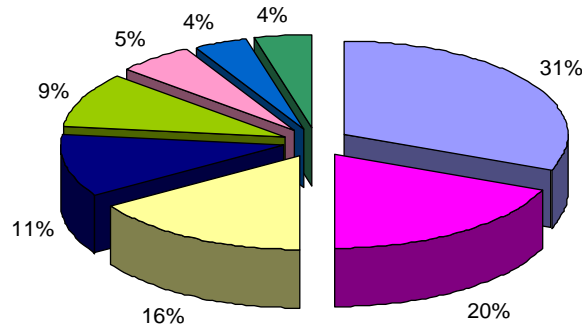
As an integral part of the new process, the criticality of each project was assessed and a priority ranking was assigned based on that assessment. Approximately 80% of the projects identified in the fiscal year 2009-2013 CIP are prioritized with an "A" ranking. These projects are either mandated, or currently under construction, and represent approximately \$204 million in the five year window. In addition, 16% of projects are identified with a "B" ranking, representing approximately \$41 million in improvements in the five year window that are imperative to ongoing NBC operations. Finally, 4% or approximately \$11 million in the five year window are ranked with a "C", the classification for projects which are important but not critical to ongoing operations. The table on the next page outlines the programmed costs specific to each one of the three priority rankings.

Estimated Costs by Project Priority (In thousands)

Project Priority	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Total FY 2009-2013	Total Costs 2008-2013
A	\$ 43,322	\$ 13,607	\$ 28,835	\$ 44,139	\$ 66,792	\$ 50,428	\$ 203,801	\$ 247,123
B	6,703	11,664	8,667	5,819	8,270	6,953	41,373	48,076
C	471	6,361	2,374	2,432	-	-	11,167	11,638
Total Project Costs	50,496	31,632	39,876	52,390	75,062	57,381	256,341	306,837

The new CIP development process also formally integrates the Strategic Plan into the CIP. Project managers were asked to align each project with the specific strategic goal or goals that the project will address. The chart below illustrates the percentage of projects aligned with each strategic objective. It is important to note that some projects are aligned with more than one goal. As can be seen, of the total number of CIP projects, 31% are aligned with the Collection System objective and 20% are aligned with the Permit/ Compliance objective. The third largest category of projects is aligned to the Sewer Inspection / Cleaning objective.

Number of Capital Projects by Strategic Goal



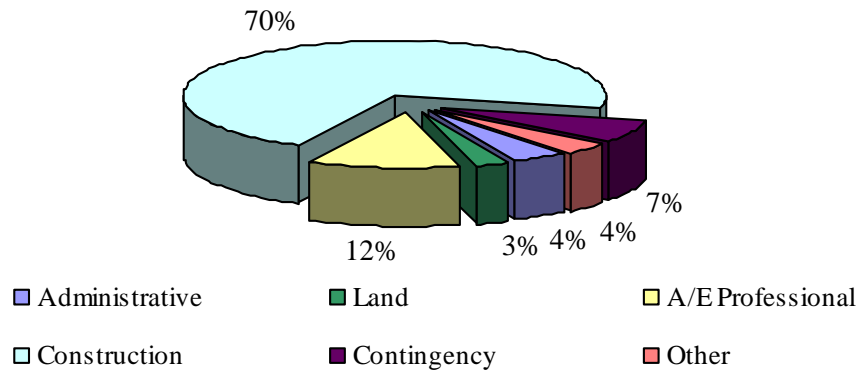
- Collection System
- RIPDES Permit/ DEM Consent Agreement Compliance
- Miles of Sewer Pipe Inspected, Televised and/ or Cleaned
- Minimize NBC Impacts to the Environment in a Cost Effective Manner
- Maximize Technology & Maintain Capability w/ Adequate Resources
- DMR Monitoring Requirements
- Nine (9) Minimum CSO Controls
- Develop & Implement an Asset Management Plan

As a further enhancement to the CIP development process, a CIP Review Committee was established to approve the projects included in the plan. Once all of the capital budget forms were submitted, each project was reviewed by the committee in terms of cost, schedule, and priority. Projects approved by the review committee were subsequently analyzed to assess major program changes and overall capital funding needs.

Capital Improvement Program Cost Allocation

The CIP allocates costs by type of cost and also groups projects by functional area. The chart below shows the programmed capital costs during the five-year planning period of FY 2009-2013. Construction, including contingency, represents 77% of the costs. Planning and Design services represent approximately 12% of the costs during this same period.

CIP Costs by Type

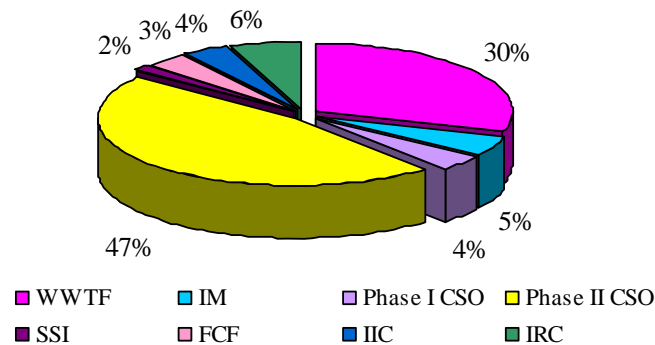


In order to further specify the allocation of NBC's capital investment, the capital projects have also been identified as belonging to one of eight functional areas. New this year is the addition of the Infrastructure Management functional area. NBC has taken a proactive role in the development and management of projects designed to protect NBC assets. This new functional area includes projects related to asset management, NBC sewer system infrastructure accessibility, system capacity, geographic location of facilities, and water quality monitoring. The eight functional areas are described in the table below.

Functional Area	Definition
Wastewater Treatment Facility (WWTF)	Projects related to NBC's wastewater treatment facilities including new nitrogen removal facilities.
Sewer System Improvements (SSI)	Projects related to pumping station improvements, and other sewer system related improvements.
Floatables Control Facilities (FCF)	This functional area includes all CSO Floatables Control Facilities projects.
CSO Interceptor Inspection and Cleaning (IIC)	This area includes projects related to interceptor inspection and cleaning.
CSO Interceptor Repair and Construction (IRC)	This area includes projects related to interceptor repair and maintenance.
Combined Sewer Overflow Phase I (CSO Phase I)	This category includes contracts related to the CSO Abatement Phase I facilities.
Combined Sewer Overflow Phase II (CSO Phase II)	This functional area includes the CSO Abatement Phase II facilities.
Infrastructure Management	This area includes Asset Management, Water Quality Monitoring, System-wide Facilities Planning, CMOM, GIS, and Interceptor Easements.

The graph below illustrates the allocation of capital funds by functional area. Of the approximately \$256 million in capital improvements scheduled over the five-year period of fiscal years 2009-2013, the majority, or 51%, is for Phase I and II of the CSO Abatement Project. In addition, 30% or \$77 million is for Wastewater Treatment Facility Improvements and 6% or \$15 million is for Interceptor Repair and Construction.

CIP Costs by Functional Area



As seen in the table below, a comparison of functional areas on a year-to-year basis shows an increase in the amount planned for the Wastewater Treatment Facilities, Infrastructure Management, the Phase II CSO Facilities, and the Floatables Control Facilities. It also reflects a significant decrease in the amount to be spent on CSO Phase I Facilities as construction concludes. Overall, there is an increase of 32% in programmed spending for the five-year period of this CIP compared to that of the prior year.

Annual Change by Functional Area (In thousands)

Functional Area	Prior Year	Current Year	% Change
Wastewater Treatment Facility	\$ 57,260	\$ 76,917	34%
Infrastructure Management	-	11,826	100%
Phase I CSO Facilities	33,646	10,281	-69%
Phase II CSO Facilities	66,913	119,868	79%
Sewer System Improvements	5,635	3,940	-30%
Floatables Control Facilities	4,813	8,500	77%
CSO Interceptor Inspection and Cleaning	9,995	10,000	0%
CSO Interceptor Repair and Construction	15,245	15,009	-2%
Total	\$ 193,507	\$ 256,341	32%

Capital Improvement Program Funding

NBC recognizes the importance of programming capital expenditures in the context of overall financial management. NBC is committed to obtaining the lowest cost of borrowing in order to minimize ratepayer impact, while ensuring compliance with its regulatory constraints. NBC is authorized to issue debt to finance its CIP and uses its Long-Term Financial Model to project capital funding needs and debt issuance.

NBC maximizes its borrowing from the Rhode Island Clean Water Finance Agency (RICWFA) to the extent that there are loans available. The RICWFA, through its State Revolving Fund Program (SRF) subsidizes the interest rate on loans.

Other factors that must be considered include:

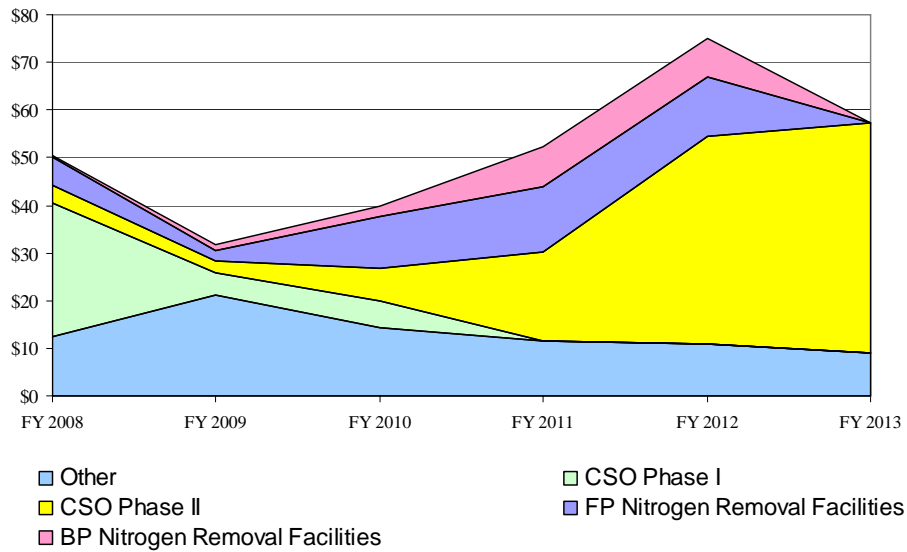
- NBC is regulated by the Rhode Island Public Utilities Commission (PUC) and the PUC has restricted the use of the prior year debt service coverage allowance to fund operating capital and capital projects.
- NBC must take into consideration arbitrage expenditure requirements to avoid financial penalties.
- There are restrictions on the types of expenditures that may be financed through SRF. For example, land may not be financed through SRF and only projects that have been approved by RIDEM and are reachable on the RIDEM's project priority list are eligible for SRF funding.
- NBC must also expend and manage its resources in accordance with the Trust Indenture and Six Supplemental Indentures.

Significant Capital Improvement Projects

This CIP includes four major projects in addition to numerous smaller contracts. The major expenditures associated with the CSO Phase I Facilities will be winding down over the next two years as the project nears completion. Design on the CSO Phase II Facilities began in FY 2007, with the most significant construction costs projected for FY 2012-2014. Construction activity related to nutrient removal at both the Field's Point and Bucklin Point WWTFs is programmed for fiscal years 2010 through 2012. NBC's infrastructure maintenance and improvements are anticipated to be continuous throughout the near future as part of NBC's commitment to the asset management initiative.

The graph and table on the following page show the cash flows for NBC's four major projects over the next six years, as well as the other smaller projects included in this CIP.

Expenditures by Major Project (M\$)



Expenditures by Major Project (In thousands)

Project	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
CSO Phase I	\$ 28,135	\$ 4,479	\$ 5,802	\$ -	\$ -	\$ -
CSO Phase II	3,801	2,539	6,776	18,732	43,598	48,224
FP Nitrogen Removal Facilities	5,873	2,302	11,005	13,924	12,506	-
BP Nitrogen Removal Facilities	339	1,041	2,125	8,347	8,162	-
Other	12,348	21,271	14,168	11,387	10,796	9,157
Total	\$ 50,496	\$ 31,632	\$ 39,876	\$ 52,390	\$ 75,062	\$ 57,381

Contract 302: Combined Sewer Overflow (CSO) Phase I Facilities

The CSO Phase I facilities will improve water quality in and around the greater Providence metropolitan area and the upper Narragansett Bay, by reducing the discharge of sewage from combined sewer overflows at approximately 64 locations during and after wet weather events.

The construction of CSO Phase I Facilities is approximately 86% complete with the execution of eleven of the fourteen contracts. The most notable success of CSO Phase I is the completion of the main spine tunnel contract (30206C). The 16,000 foot main spine tunnel will capture combined sewer overflows from wet weather events. A cavern was excavated to house the tunnel pump station. A listing of the CSO Phase I contracts and their status is shown in the table below. Completed contracts represent 66% or approximately \$231 million of the total estimated Phase I construction cost.

CSO Phase I Facilities
As of March 2007

Contract #	Project Name	Estimated/Actual Cost (In Thousands)	Percentage Complete
Contracts Completed:			
30204C	MRI	\$ 5,951	100%
30205C	Floatables Control	1,012	100%
3020600	OCIP (Owner Controlled Insurance Program)	16,522	100%
30206C	Main Spine and Ancillary Facilities *	179,880	100%
30207C	Preparation of Workshaft Site Termination	193	100%
30208C	Overflows 004/061	8,397	100%
30209C	Overflow 009 and Emergency Overflow Structure	5,491	100%
30210C	Overflow 032	10,792	100%
30211C	Woonasquatucket Interceptor Relief	6,707	100%
30215C	Overflows 006-007	10,048	100%
30220C	CSO Land Acquisition (RIDOT)	3,000	100%
	<i>Subtotal - Contracts Completed</i>	247,993	
Contracts In-Progress:			
30203RS	Program Management and Construction Management	34,970	86%
30213C	Regulator Modifications	2,219	0%
30214C	Tunnel Pump Station Fitout and Startup	59,604	30%
CSO Admin	CSO Construction Staff/Police Detail/Legal Costs	3,382	68%
	<i>Subtotal - Contracts In-Progress</i>	100,175	
	Total - Phase I CSO Construction	\$ 348,168	71%

* Scheduled for completion in FY 2007.

The final construction contract (30213C) commenced in March 2007, with a scheduled completion date of July 2008. This contract involves the construction of modifications to the regulator structures at various overflows located along the Woonasquatucket River, South Water Street, and Market Square. These modifications will allow the overflows to be diverted to existing interceptors.

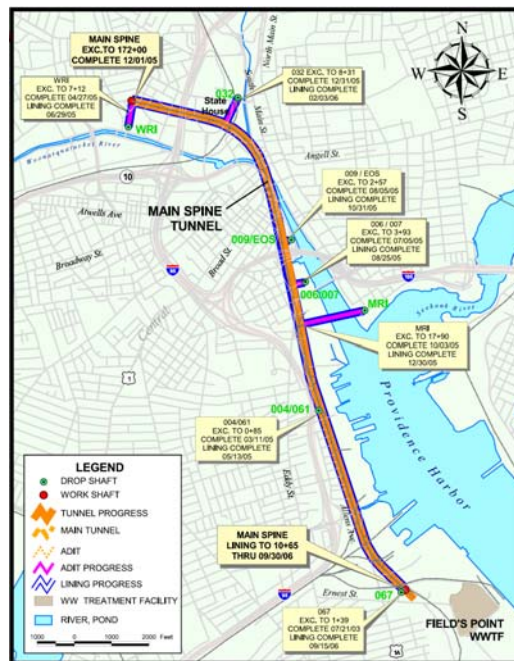
Current construction activity for the CSO Phase I facilities is focused on the tunnel pump station and the instrumentation and controls necessary for the start-up of the Phase I facilities, scheduled for October 2008. The picture below illustrates the height of the tunnel pump station cavern constructed under contract 30214C. The contract also includes an above-ground force main and a screening building, as well as a shaft screen.



Photo: A view from the pump station cavern utility shaft looking up through stairway forms and a steel roof deck. The pump station floor is approximately 300 feet below the ground surface, the equivalent of a 25 story building.

The map below illustrates the construction progress of the CSO Phase I facilities.

Right: A map illustrating the CSO Tunnel Construction Progress as part of the CSO Phase I Facilities.



Contract 303: Combined Sewer Overflow (CSO) Phase II Facilities

This year's CIP reflects the beginning of the design phase of the CSO Phase II facilities. In January 2007, NBC began design of the Phase II Facilities in order to ensure compliance with the Consent Agreement. Costs for Phase II have been adjusted to reflect the experience in Phase I. Phase II construction is scheduled to begin in FY 2010.

The CSO Phase II Facilities consist of the construction of two interceptors to convey flows from combined sewer overflows in Providence along the Seekonk and Woonasquatucket Rivers to the Main Spine Tunnel constructed in Phase I. The Woonasquatucket Interceptor will be 19,150 feet long and the Seekonk Interceptor will be 11,200 feet long. It also includes a sewer separation project in Providence and a constructed wetlands treatment facility in Central Falls.

This is the second of three phases of NBC's CSO Abatement Project required as part of a Consent Agreement between NBC and RIDEM. The costs for Phase II represent \$120 million or 47% of the total costs included in the five-year window reflected in this year's CIP. The cost estimates are pre-design and are based on the following assumptions:

- Design and construction costs for Phase II have been updated and reflect costs which are 1.56 times the original Phase II estimates and based on construction costs incurred through the mid-point of Phase I. These estimates were subsequently updated by 1.2 times, based on the Engineering News Record Cost Construction Index (CCI) projected to October 2012, to reflect construction costs through the mid-point of Phase II construction.

- Cash flow start and end dates are consistent with the schedule in the RIDEM Consent Agreement.



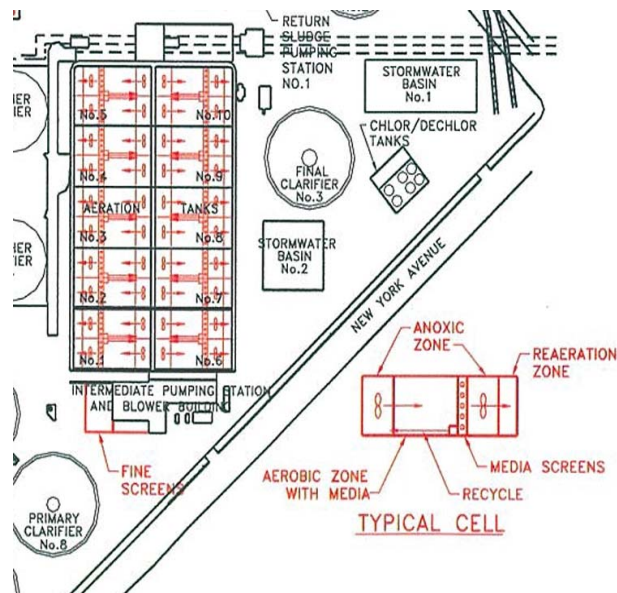
Photo: A picture of NBC combined sewer overflow # 49 in the Woonasquatucket River, located near Valley Street in Providence. The CSO will be addressed as part of the Phase II construction.

Nitrogen Removal at Field's Point and Bucklin Point

NBC has entered into Consent Agreements regarding nutrient reduction at its Bucklin Point and Field's Point Wastewater Treatment Facilities (WWTFs). A facilities plan for the Field's Point WWTF was submitted to RIDEM for review and approval. The Facilities Plan is based on the utilization of a special technology described in detail below. It also includes plans for completion of design within eighteen months of RIDEM approval. The contract 109 pre-design construction cost is estimated to be \$37 million for nutrient removal facilities and related upgrades at Field's Point. The pre-design construction estimates for the cost of achieving the mandated nitrogen removal at both WWTFs have increased by \$7 million over the prior year CIP.

NBC has thoroughly investigated the Integrated Fixed Film Activated Sludge (IFAS) process for nutrient removal at Field's Point WWTF. The IFAS system is a combination of suspended growth (activated sludge systems) and attached growth (biofilm) systems. The suspended media provide longer Sludge Retention Times (SRTs) for nitrifying biomass attached to the media, while maintaining shorter SRTs for suspended growth. Existing aeration basins would be converted into ten independent cells, which would then be divided into two parallel trains. Zones would be constructed in each of the cells, separated by walls or screens. Primary effluent would be routed to each cell through a submerged pipe or gate. The diagram on the following page illustrates the IFAS system.

Diagram: A diagram of the IFAS floating media process within the existing plant aeration tanks. Each tank would be converted into ten independent biological reactors (cells) with the ability to remove any one of the ten cells from service.



Prior to entering into the Consent Agreement, NBC designed and constructed new nitrogen removal facilities at Bucklin Point that were designed to achieve a total nitrogen limit of 8mg/l. These facilities became fully operational in 2006 and have attained significant reductions in nitrogen loading. By November 30, 2007, NBC will evaluate whether further modifications are necessary to achieve compliance with recently issued nitrogen limits of 5mg/l. If further modifications are necessary, the NBC must submit a facilities plan within twelve months. Project 809 reflects the \$18.6 million pre-design construction estimate for additional nutrient removal facilities at Bucklin Point.

Contract 115: Asset Management

NBC continues to develop an important initiative in its asset management program. This program will serve as the basis for future repair / replacement decisions and provide significant data for development of future CIP's and operating capital plans related to NBC's infrastructure. This initiative is consistent with wastewater treatment industry focus on infrastructure protection through the maintenance and repair of assets.

Program development consists of a three phase program. Phase I identified high priority critical assets. This phase was completed in FY 2007. Phase II will complete the asset registry information for critical assets, documentation, development, and modification of work processes critical to asset management. Phase III will complete the asset registry for all wastewater collection and treatment assets, update procedures and manuals to manage data, and advance the initiative. Design and implementation costs are contained under project 115 and are currently estimated at \$1.8 million.

Capital Improvement Program Changes

Completed Projects

NBC continues its program to annually clean and inspect NBC's interceptors. Through this initiative, NBC is able to program its maintenance expenditures in an efficient manner. NBC annually allocates \$3 million a year to interceptor construction and repairs and approximately \$2 million a year to interceptor inspection and cleaning. As projects are identified through the inspection process they are funded from the annual allocation.

Last year, two interceptor inspection contracts were completed as well as one interceptor design project. In addition, NBC completed contract 80700C as well as other various facility improvements. As discussed previously, the most notable completion was that of contract 30206C, the main spine tunnel. A listing of completed projects is shown in the table below.

Project #	Project Description	Total Cost (In thousands)
*Completed Projects:		
80700C	BPWWTF CSO Facilities and Other Improvements	64,679
70400D	Rehabilitation of Washington Highway & Omega Pump Stations -Design	871
30206C	Main Spine and Ancillary Facilities *	179,880
30428M	South Providence & Elmwood Interceptor	55
30429M	Johnston South & North Interceptors	203
30444P	Moshassuck Valley Interceptor - Planning	22
Completed Projects		\$ 245,710

* Completed Projects listed above scheduled to be finished in FY2007.

Contract Number Changes

The Central Avenue Pump Station contract number has been changed this year from Contract 30443 to Contract 70500. In addition, this year's CIP reflects two subsequent projects related to the improvements at both the Bucklin Point and Field's Point facilities. Contracts 11700BP and 11700FP resulted from the design work completed under contract 11700D. This change will provide flexibility for scheduling and the programmed expenditures at each location.

New Projects

This year's CIP identifies three new contracts. Contract 30221P involves updating the sewer system model to assist NBC in determining potential flow impacts in the system as a result of future development. Contract 30410D will provide further assessment of areas of the sewer system identified as having excessive infiltration and inflow (I/I). In addition, a number of repairs related to the interceptor maintenance and repair program have been identified at various locations throughout the NBC service area and they will be addressed in Contract 30449C. A complete listing of new projects is shown in the table that on the following page.

Project #	Project Description	Estimated Total (In thousands)
New Projects:		
11600C	Field's Point WWTF Air Piping Improvements	\$ 1,407
30221P	Hydraulic Systems Modeling	217
30410D	NBC System-Wide Facilities Plan - Design	2,272
30449C	NBC Sewer Repair Project No. 1	724
	New Projects	\$ 4,620

Capital Projects

Capital Project Cost Summary

Project Number	Project Name	Project Priority	Pre-Fiscal Year 2008	Fiscal Year 2008	Fiscal Years 2009 - 2013	Post-Fiscal Year 2013	Total Estimated Project Cost
Wastewater Treatment Facility Improvements							
10901D	FPWWTF - Nitrogen Removal Facilities - Design	A	\$ 400	\$ 5,873	\$ 2,276	\$ -	\$ 8,549
10901C	FPWWTF - Nitrogen Removal Facilities - Construction	A	-	-	37,461	-	37,461
12000P	BPWWTF - Biogas Microturbines - Planning	C	22	26	-	-	48
12000D	BPWWTF - Biogas Microturbines - Design	C	-	-	181	-	181
12000C	BPWWTF - Biogas Microturbines - Construction	C	-	-	1,892	-	1,892
12100P	FPWWTF - Wind Turbine - Planning	C	16	22	-	-	38
12100D	FPWWTF - Wind Turbine - Design	C	-	165	-	-	165
12100C	FPWWTF - Wind Turbine - Construction	C	-	2	3,562	-	3,564
11600C	Field's Point WWTF Air Piping Improvements	A	1,060	197	150	-	1,407
11700D	FP & BP Architectural Improvements	A	457	21	-	-	478
	BP Code Upgrades, NBC Disaster Recovery and FP Security	B	-	12	2,347	-	2,359
11700BP	FP Facility Code and Operations Improvements	B	-	12	8,569	-	8,581
80900P	BPWWTF - Nitrogen Removal Facilities - Planning	A	-	70	-	-	70
80900D	BPWWTF - Nitrogen Removal Facilities - Design	A	-	269	1,041	-	1,310
80900C	BPWWTF - Nitrogen Removal Facilities - Construction	A	-	-	18,634	-	18,634
9070000	Lab Building HVAC Repairs	B	170	1,228	804	-	2,202
	Subtotal - Wastewater Treatment Facility Improvements		\$ 2,124	\$ 7,896	\$ 76,917	\$ -	\$ 86,937
Infrastructure Management							
1100000	Site Specific Study	A	\$ 212	\$ 240	\$ -	\$ -	\$ 452
1140100	River Model Development	B	172	124	72	-	368
11500	Asset Management	A	823	577	415	-	1,815
3022100	CSO Flow and Water Quality Monitoring	A	1,178	348	1,908	840	4,274
30221P	Hydraulic Systems Modeling	A	61	104	52	-	217
30410P	NBC System-Wide Facilities Plan - Planning	A	1,628	80	-	-	1,708
30410D	NBC System-Wide Facilities Plan - Design	A	-	424	1,848	-	2,272
30424P	CMOM Plan Development	A	344	48	-	-	392
30438D	Interceptor Easements - Design	B	322	686	3,981	1,163	6,152
30438C	Interceptor Easements - Construction	B	-	2	3,550	1,420	4,972
9030100	Geographic Information System Implementation	B	1,071	135	-	-	1,206
	Subtotal - Infrastructure Management		\$ 5,811	\$ 2,768	\$ 11,826	\$ 3,423	\$ 23,828
Phase I CSO Facilities							
30203RS	Program Management and Construction Management	A	\$ 30,799	\$ 2,890	\$ 1,281	\$ -	\$ 34,970
30213C	Regulator Modifications	A	209	1,723	287	-	2,219
	Tunnel Pump Station Fitout and Startup & Overflow						
30214C	067	A	28,176	23,200	8,228	-	59,604
CSO Admin	CSO Construction Staff/Police Detail/Legal Costs	A	2,575	322	485	-	3,382
	Subtotal - Phase I CSO Construction		\$ 61,759	\$ 28,135	\$ 10,281	\$ -	\$ 100,175
Phase II CSO Facilities							
30301D	Phase II CSO Facilities - Design	A	\$ 541	\$ 3,801	\$ 9,302	\$ -	\$ 13,644
30301C	Phase II CSO Facilities - Construction	A	-	-	110,566	75,025	185,591
	Subtotal - Phase II CSO Facilities		\$ 541	\$ 3,801	\$ 119,868	\$ 75,025	\$ 199,235
Sewer System Improvement Projects							
70400D	Rehabilitation of Washington Highway and Omega Pump Stations - Design	A	\$ 923	\$ 67	\$ -	\$ -	\$ 990
70400C	Rehabilitation of Washington Highway and Omega Pump Stations - Construction	A	4,636	1,334	536	-	6,506
70500P	Central Avenue Pump Station - Planning	B	12	116	22	-	150
70500D	Central Avenue Pump Station - Design	B	-	-	370	-	370
70500C	Central Avenue Pump Station - Construction	B	-	-	2,940	-	2,940
70600C	Omega Pump Station Rack Room - Construction	B	-	696	72	-	768
	Subtotal - Sewer System Improvements		\$ 5,571	\$ 2,213	\$ 3,940	\$ -	\$ 11,724

Capital Project Cost Summary

Project Number	Project Name	Project Priority	Pre-Fiscal Year 2008	Fiscal Year 2008	Fiscal Years 2009 - 2013	Post-Fiscal Year 2013	Total Estimated Project Cost
<u>Floatables Control Facilities Projects</u>							
30600D	Floatables Control Facilities - Design	A	\$ -	\$ -	\$ 1,300	\$ -	\$ 1,300
30600C	Floatables Control Facilities - Construction	A	-	-	7,200	-	7,200
Subtotal - Floatables Control Facilities Projects			\$ -	\$ -	\$ 8,500	\$ -	\$ 8,500
<u>CSO Interceptor Inspection and Cleaning Projects</u>							
30400M	Inspection & Cleaning of CSO Interceptors	B	\$ 786	\$ 395	\$ 9,249	\$ 2,000	\$ 12,430
30419M	Pleasant Valley Parkway Interceptor Inspection and Cleaning	B	-	282	-	-	282
30430M	Woonasquatucket Interceptor along Route 10 Inspection and Cleaning	B	-	192	118	-	310
30431M	Allens Avenue Interceptor and Various Siphons Inspection and Cleaning	B	41	439	-	-	480
30432M	Washington Highway Interceptor Inspection and Cleaning	B	39	84	-	-	123
30433M	Woonasquatucket Interceptor Inspection and Cleaning	B	20	108	-	-	127
30434M	Seekonk River Interceptor Inspection & Cleaning	B	-	332	68	-	400
30435M	East Providence Interceptor Inspection and Cleaning	B	-	72	81	-	153
30436M	Johnston South Interceptors Inspection and Cleaning	B	71	69	-	-	140
30445M	Blackstone Valley Interceptor Inspection and Cleaning	B	-	32	484	-	516
Subtotal - CSO Interceptor Inspection and Cleaning Projects			\$ 956	\$ 2,005	\$ 10,000	\$ 2,000	\$ 14,961
<u>CSO Interceptor Repair and Construction Projects</u>							
30400C	Repair and Construction of CSO Interceptors	B	\$ 1,333	\$ 866	\$ 6,942	\$ 3,000	\$ 12,141
30409D	Burrington Street and Grotto Brook Sewer Repairs - Design	A	323	53	-	-	376
30409C	Burrington Street and Grotto Brook Sewer Repairs - Construction	A	3	1,075	762	-	1,840
30416C	Elmwood Interceptor Repairs - Construction	B	28	145	163	-	336
30417C	India St. Siphon Gate House Replacement - Construction	B	-	443	219	-	662
30421D	Louisquissett Pike Interceptor Replacement- Design	B	3	233	85	-	321
30421C	Louisquissett Pike Interceptor Replacement- Construction	B	-	-	1,237	-	1,237
30423D	BVI Odor Control Facilities - Design	C	97	90	10	-	197
30423C	BVI Odor Control Facilities - Construction	C	-	2	392	-	394
30444D	Moshassuck Valley Interceptor - Design	C	-	165	358	-	523
30444C	Moshassuck Valley Interceptor - Construction	C	-	-	4,772	-	4,772
30446C	CIP Sewer Liner at Dudley Street and Manhole Rehabilitation	A	230	15	-	-	245
30449C	NBC Sewer Repair Project No. 1	A	64	591	69	-	724
Subtotal - CSO Interceptor Repair and Construction Projects			\$ 2,081	\$ 3,678	\$ 15,009	\$ 3,000	\$ 23,768
Total Capital Improvement Program			\$ 78,843	\$ 50,496	\$ 256,341	\$ 83,448	\$ 469,128

Category	Project Priority
A	Mandated, emergency, or under construction, etc.
B	Not mandated but project is imperative to ongoing operation of facilities
C	Project is important but not critical to ongoing operations

10901
FPWWTF - Nitrogen Removal Facilities

Project Overview:

Location: Field's Point Wastewater Treatment Facility (Providence, RI)
 Contractor(s): SEA Consultants
 Project Manager: Terry Cote, P.E.
 Project Priority: A

The Field's Point Wastewater Treatment Facility (FPWWTF) permit requires the attainment of new standards for nitrogen of 5 mg/L total nitrogen from May to October. The facilities plan amendment has been completed and recommended installation of a fixed film media in the existing aeration basins. The construction cost estimate has been revised from last year's CIP based on the costs presented in the facilities plan amendment.

The facilities plan estimate for the increase in utility, chemical and maintenance costs associated with the operation of the new nitrogen removal facilities is \$1,700,000 per year for the first full year of operation and subsequent years.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	April-01	May-07	75 Months	987
Design	February-07	January-09	24 Months	8,549
Construction	February-09	July-12	42 Months	37,461
Total Project	April-01	July-12	137 Months	46,997

Projected Expenditures - 10901P

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	389	-	-	-	-	-	-	-	389
A/E Professional	531	-	-	-	-	-	-	-	531
Other	67	-	-	-	-	-	-	-	67
Total Project Costs	987	-	-	-	-	-	-	-	987

Projected Expenditures - 10901D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	93	269	186	-	-	-	-	-	548
Land	-	-	1,400	-	-	-	-	-	1,400
A/E Professional	307	5,604	489	-	-	-	-	-	6,400
Other	-	-	201	-	-	-	-	-	201
Total Project Costs	400	5,873	2,276	-	-	-	-	-	8,549

Projected Expenditures - 10901C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	2	360	432	283	-	-	1,077
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	24	632	808	536	-	-	2,000
Construction	-	-	-	10,013	12,684	8,003	-	-	30,700
Contingency	-	-	-	-	-	3,684	-	-	3,684
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	26	11,005	13,924	12,506	-	-	37,461

Note Cash Flow Basis in Thousands

12000
BPWWTF Biogas Microturbines

Project Overview:

Location: Bucklin Point Wastewater Treatment Facility (East Providence, RI)
 Contractor(s): N/A
 Project Manager: James McCaughey, P.E.
 Project Priority: C

The NBC is investigating the feasibility of converting methane biogas generated within the bio-solids anaerobic digestion tanks at the Bucklin Point Wastewater Treatment Facility into electricity using a microturbine system. Preliminary studies anticipate that this system could produce significant annual electrical cost savings at Bucklin Point.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	November-06	October-07	12 Months	48
Design	November-07	June-08	7 Months	181
Construction	June-08	November-08	6 Months	1,892
Total Project	November-06	November-08	25 Months	2,121

Projected Expenditures - 12000P

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	17	6	-	-	-	-	-	-	23
A/E Professional	5	20	-	-	-	-	-	-	25
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	22	26	-	-	-	-	-	-	48

Projected Expenditures - 12000D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	21	-	-	-	-	-	21
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	150	-	-	-	-	-	150
Other	-	-	10	-	-	-	-	-	10
Total Project Costs	-	-	181	-	-	-	-	-	181

Projected Expenditures - 12000C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	28	-	-	-	-	-	28
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	50	-	-	-	-	-	50
Construction	-	-	433	-	-	-	-	-	433
Contingency	-	-	165	-	-	-	-	-	165
Other	-	-	1,216	-	-	-	-	-	1,216
Total Project Costs	-	-	1,892	-	-	-	-	-	1,892

Note Cash Flow Basis in Thousands

12100
FPWWTF Wind Turbine

Project Overview:

Location: Field's Point Wastewater Treatment Facility (Providence, RI)
 Contractor(s): N/A
 Project Manager: James McCaughey, P.E.
 Project Priority: C

The NBC is investigating the feasibility of converting wind energy into electricity using a Mega-Watt (MW) Class Wind Turbine at the Field's Point WWTF. Preliminary studies anticipate that the turbine would result in decreased electricity costs at the Field's Point WWTF's.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	December-06	November-07	11 Months	38
Design	November-07	June-08	7 Months	165
Construction	June-08	February-09	8 Months	3,564
Total Project	December-06	February-09	26 Months	3,766

Projected Expenditures - 12100P

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	13	-	-	-	-	-	-	-	13
A/E Professional	3	22	-	-	-	-	-	-	25
Other	1	-	-	-	-	-	-	-	1
Total Project Costs	16	22	-	-	-	-	-	-	38

Projected Expenditures - 12100D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	14	-	-	-	-	-	-	14
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	150	-	-	-	-	-	-	150
Other	-	1	-	-	-	-	-	-	1
Total Project Costs	-	165	-	-	-	-	-	-	165

Projected Expenditures - 12100C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	2	12	-	-	-	-	-	14
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	50	-	-	-	-	-	50
Construction	-	-	3,125	-	-	-	-	-	3,125
Contingency	-	-	375	-	-	-	-	-	375
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	2	3,562	-	-	-	-	-	3,564

Note Cash Flow Basis in Thousands

11600C
Field's Point WWTF Air Piping Improvements

Project Overview:

Location: Bucklin Point & Field's Point WWTF (East Providence & Providence, RI)
 Contractor(s): Hart Engineering
 Project Manager: Rich Bernier, P.E.
 Project Priority: A

Contract 11600C includes replacement of gaskets and pipe supports in the aeration tanks as well as cleaning of the tanks at the Field's Point WWTF. The air header piping is over 20 years old and leaking joints may be causing inefficiencies in the air flow distribution. It is cost effective to clean the tanks at this time, as they have to be dewatered in order to replace gaskets and pipe supports. The gates on Splitter Box D need replacement as they too are over 20 years old and have lost effectiveness in accurately distributing flows. A membrane covered salt storage structure has also been included.

At the Bucklin Point WWTF, the railings, gratings, masonry, and station monitors at the wet weather tanks need repair. A hydraulic closure for the UV disinfections system gate and a EFW strainer will be installed, as well as replacement of various meters and valves and bitumenous paving for additional parking.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	August-06	August-08	24 Months	1,407
Total Project	August-06	August-08	24 Months	1,407

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 11600C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	36	6	1	-	-	-	-	-	43
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	1,024	191	25	-	-	-	-	-	1,240
Contingency	-	-	124	-	-	-	-	-	124
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	1,060	197	150	-	-	-	-	-	1,407

Note Cash Flow Basis in Thousands

11700D FP & BP Architectural Improvements

Project Overview:

Location: Field's Point & Bucklin Point WWTF (Providence, & East Providence, RI)
 Contractor(s): William Kite Architects, Inc.
 Project Manager: Rich Bernier, P.E.
 Project Priority: A

Contract 11700 includes improvements at both the Fields Point and Bucklin Point Wastewater Treatment Facilities. At Fields Point, upgrading and expanding the Operations Building and improving the security system. The Operations Building was built in the early 1980s and currently houses Operations, EMDA and Pre-treatment. The building was not originally sized to accommodate this extensive work force. Additionally, the building is in need of improvements to satisfy new code requirements and provide a safe and efficient working atmosphere.

At Bucklin Point, the Administration Building, which was built in the 1950s, is in need of improvements to satisfy code requirements, remove asbestos, and make general renovations. The roofs at the Service Building are well over 20 years old and also need replacement.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	August-06	July-07	12 Months	478
Construction	N/A	N/A	N/A	N/A
Total Project	August-06	July-07	12 Months	478

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 11700D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	46	1	-	-	-	-	-	-	47
Land	-	-	-	-	-	-	-	-	-
A/E Professional	400	20	-	-	-	-	-	-	420
Other	11	-	-	-	-	-	-	-	11
Total Project Costs	457	21	-	-	-	-	-	-	478

Projected Expenditures - Construction

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Note Cash Flow Basis in Thousands

11700BP
BP Code Upgrades, NBC Disaster Recovery and FP Security

Project Overview:

Location: Bucklin Point & Field's Point WWTFs (East Providence, & Providence, RI)
 Contractor(s): William Kite Architects, Inc.
 Project Manager: Rich Bernier, P.E.
 Project Priority: B

Contract 11700BP includes improvements at both the Bucklin Point and Fields Point Wastewater Treatment Facilities. At Bucklin Point, the Administration Building which was built in the 1950s, is in need of improvements to satisfy code requirements, remove asbestos, provide disaster recovery facilities for the Commission, as well as general renovations. Additionally, the roofs at the Service Building are well over 20 years old and also need replacement. At Field's Point, in response to a report by Vulnerability Self Assessment Tool, the site security system is being upgraded with a card admittance system in the remote buildings, and a new perimeter fence is being installed.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	August-07	July-09	24 Months	2,359
Total Project	August-07	July-09	24 Months	2,359

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 11700BP

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	6	97	1	-	-	-	-	104
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	4	73	1	-	-	-	-	78
Construction	-	-	1,925	40	-	-	-	-	1,965
Contingency	-	-	-	210	-	-	-	-	210
Other	-	2	-	-	-	-	-	-	2
Total Project Costs	-	12	2,095	252	-	-	-	-	2,359

Note Cash Flow Basis in Thousands

11700FP
FP Facility Code and Operations Improvements

Project Overview:

Location: Field's Point WWTF (Providence, RI)
 Contractor(s): William Kite Architects, Inc.
 Project Manager: Rich Bernier, P.E.
 Project Priority: B

Contract 11700FP includes improvements at the Fields Point Wastewater Treatment Facility. The Operations Building was built in the early 1980s and currently houses Operations, EMDA and Pre-treatment. The original scope included updates to correct code deficiencies and make improvements to the men's locker room, provide a new women's locker room and lunch facilities. However, the building was not originally sized to accommodate EMDA or Pre-Treatment and it became apparent during the planning phase that a building addition was needed. The existing building must be updated to adequately satisfy new fire and building code requirements and provide a safe and efficient working atmosphere.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	April-08	February-11	35 Months	8,581
Total Project	April-08	February-11	35 Months	8,581

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 11700FP

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	9	146	113	3	-	-	-	271
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	3	201	81	1	-	-	-	286
Construction	-	-	3,222	3,875	145	-	-	-	7,242
Contingency	-	-	-	-	780	-	-	-	780
Other	-	-	1	1	-	-	-	-	2
Total Project Costs	-	12	3,570	4,070	929	-	-	-	8,581

Note Cash Flow Basis in Thousands

80900
BPWWTF - Nitrogen Removal Facilities

Project Overview:

Location: Bucklin Point Wastewater Treatment Facility (East Providence, RI)
 Contractor(s): N/A
 Project Manager: Terry Cote, P.E.
 Project Priority: A

New nitrogen removal facilities became fully operational at the Bucklin Point WWTF in 2006. These facilities were designed to provide a summer effluent concentration of 7 mg/L total nitrogen. However, the recently issued RIDEM nitrogen limit for the Bucklin Point WWTF is 5 mg/L in the summer. NBC's Consent Agreement with RIDEM requires NBC to provide a report in November 2007 describing what further steps will need to be taken for nitrogen removal if NBC does not meet the 5 mg/l monthly limit at the end of October 2007. Should these limits not be met, additional Bucklin Point nitrogen removal facilities may need to be designed and constructed. Projected costs for the design and construction are listed below.

The current pre-design estimate for operating costs associated with additional nitrogen removal facilities is \$88,000, for the addition of methanol to be used in the operation of the facilities.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	July-07	March-08	8 Months	70
Design	January-08	September-09	20 Months	1,310
Construction	September-09	March-12	30 Months	18,634
Total Project	July-07	March-12	57 Months	20,014

Projected Expenditures - 80900P

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	20	-	-	-	-	-	-	20
A/E Professional	-	50	-	-	-	-	-	-	50
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	70	-	-	-	-	-	-	70

Projected Expenditures - 80900D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	28	72	-	-	-	-	-	100
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	241	969	-	-	-	-	-	1,210
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	269	1,041	-	-	-	-	-	1,310

Projected Expenditures - 80900C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	115	252	189	-	-	556
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	45	180	135	-	-	360
Construction	-	-	-	1,965	7,915	5,940	-	-	15,820
Contingency	-	-	-	-	-	1,898	-	-	1,898
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	2,125	8,347	8,162	-	-	18,634

Note Cash Flow Basis in Thousands

9070000
Lab Building HVAC Repairs

Project Overview:

Location: NBC Laboratory Building (Providence, RI)
 Contractor(s): Camp Dresser McKee (CDM)
 Project Manager: Thomas Brueckner, P.E.
 Project Priority: B

Deficiencies in the Laboratory building HVAC system will be addressed under contract 9070000. An engineering report prepared by CDM identified problems that need to be corrected. As a result, design plans have been completed to address these deficiencies. The final phase of this contract is for the construction costs associated with the improvements to the ventilation system. These improvements will resolve the air quality issues in the lab that affect both personnel and the integrity of analysis performed.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	April-07	September-08	17 Months	2,202
Total Project	April-07	September-08	17 Months	2,202

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 9070000

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	14	80	40	-	-	-	-	-	134
Land	-	-	-	-	-	-	-	-	-
A/E Professional	156	80	40	-	-	-	-	-	276
Construction	-	1,068	532	-	-	-	-	-	1,600
Contingency	-	-	192	-	-	-	-	-	192
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	170	1,228	804	-	-	-	-	-	2,202

Note Cash Flow Basis in Thousands

110000 Site Specific Study

Project Overview:

Location: Field's Point Wastewater Treatment Facility (Providence, RI)
 Contractor(s): Marine Ecosystems Research Lab; Microinorganics, Inc.
 Project Manager: John Motta
 Project Priority: A

The Site Specific Study was required by NBC's RIPDES permit as part of the Metals Compliance Plan. This study characterized the level of dissolved and total metals in the receiving waters of the Field's Point and Bucklin Point WWTF's and determined a metals translator. Fieldwork and Lab analysis were completed in FY 2003. The final results were submitted to RIDEM at the end of FY 2004. Depending upon the feedback from RIDEM regarding NBC's submittal, additional studies may be necessary.

Data has shown that the receiving waters for both NBC treatment facilities meet water quality criteria for metals and ammonia toxicity. As a result, the Providence River was removed from the list for trace metals in the RIDEM's 303(d) list. This data has been used to work with RIDEM on the development of new discharge permits and consent agreements for both plants. Currently, the data obtained from this contract is being used for Contract 1140100.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	November-01	June-08	81 Months	452
Construction	N/A	N/A	N/A	N/A
Total Project	November-01	June-08	81 Months	452

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 110000

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	16	216	-	-	-	-	-	-	232
Land	-	-	-	-	-	-	-	-	-
A/E Professional	163	24	-	-	-	-	-	-	187
Other	33	-	-	-	-	-	-	-	33
Total Project Costs	212	240	-	-	-	-	-	-	452

Projected Expenditures - Construction

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Note Cash Flow Basis in Thousands

1140100 River Model Development

Project Overview:

Location: Field's Point Wastewater Treatment Facility (Providence, RI)
 Contractor(s): University of Rhode Island, Graduate School Of Oceanography
 Project Manager: John Motta
 Project Priority: B

NBC partnered with the URI-Graduate School of Oceanography (GSO) to develop a model of circulation and transport within the Providence and Seekonk Rivers and Upper Narragansett Bay. The Regional Ocean Modeling System (ROMS) has been applied to Narragansett Bay by Kincaid's Coastal Hydrodynamics Group at URI-GSO. In support of this initiative, NBC EMDA staff sampled biweekly, for nutrients at 12 stations in the Providence and Seekonk Rivers and 5 tributary river stations. Boat surveys of dissolved oxygen and physical water parameters were taken at various depths. The work was conducted from mid-March through October in 2005. Additional monitoring of the Seekonk River was conducted in 2006. The goal of the project is to aid the successful development and validation of the ROMS model, and ultimately track success of nitrogen reduction. The model will track the dispersion of waters from NBC facilities. The model may ultimately be applied to the development of Total Maximum Daily Loads (TMDLs) for nutrients.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	March-05	November-08	45 Months	368
Construction	N/A	N/A	N/A	N/A
Total Project	March-05	November-08	45 Months	368

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 1140100

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	12	14	5	-	-	-	-	-	31
Land	-	-	-	-	-	-	-	-	-
A/E Professional	160	110	67	-	-	-	-	-	337
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	172	124	72	-	-	-	-	-	368

Projected Expenditures - Construction

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Note Cash Flow Basis in Thousands

11500 Asset Management System

Project Overview:

Location: N/A
 Contractor(s): Camp Dresser & McKee
 Project Manager: Paul Nordstrom, P.E.
 Project Priority: A

An Asset Management System (AMS) will evaluate the NBC's collection and treatment facilities, establishing methods to account for and link inventory, condition, service levels, useful life, and repair costs. This will produce insights regarding where, how much, and when to invest in system maintenance, rehabilitation and replacement.

Asset Management systems provide a means of managing infrastructure to minimize the cost of owning and operating wastewater collection treatment facilities while delivering the service levels customers expect. Any impact to NBC's operating budget will not be determined until subsequent phases of this project have been concluded.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	June-04	June-05	13 Months	200
Design	July-05	June-09	49 Months	1,815
Construction	N/A	N/A	N/A	N/A
Total Project	June-04	June-09	62 Months	2,015

Projected Expenditures - 11500P

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	36	-	-	-	-	-	-	-	36
A/E Professional	164	-	-	-	-	-	-	-	164
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	200	-	-	-	-	-	-	-	200

Projected Expenditures - 11500D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	206	120	124	-	-	-	-	-	450
Land	-	-	-	-	-	-	-	-	-
A/E Professional	455	342	171	-	-	-	-	-	968
Other	162	115	120	-	-	-	-	-	397
Total Project Costs	823	577	415	-	-	-	-	-	1,815

Projected Expenditures - Construction

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Note Cash Flow Basis in Thousands

3022100 CSO Flow & Water Quality Monitoring

Project Overview:

Location: Narragansett Bay Commission Service Area
 Contractor(s): Environmental Sampling Technology, Hach Company
 Project Manager: Kathryn Kelly
 Project Priority: A

This project includes the installation and maintenance of flow meters at CSO outfalls to determine frequency and volume of CSO discharges. It will also include the installation of monitoring devices that will provide an alarm in the event of a dry weather overflow at any of the combined sewer overflows. Water quality monitoring will also be conducted to determine the occurrence of dry weather overflows and establish baseline water quality conditions to determine the effectiveness of the CSO control program.

Flow monitoring data will be used for design of floatables control facilities, for design of Phase II and Phase III CSO facilities and to provide an alarm in the event of a dry weather overflow. NBC will continue installing wireless communications at each flow meter location.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	August-01	June-15	169 Months	4,274
Construction	N/A	N/A	N/A	N/A
Total Project	August-01	June-15	169 Months	4,274

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 3022100

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	332	48	48	48	48	48	48	96	716
Land	-	-	-	-	-	-	-	-	-
A/E Professional	629	60	68	84	92	108	116	264	1,421
Other	217	240	240	240	240	240	240	480	2,137
Total Project Costs	1,178	348	356	372	380	396	404	840	4,274

Projected Expenditures - Construction

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Note Cash Flow Basis in Thousands

30410
NBC System-Wide Facilities Plan

Project Overview:

Location: Narragansett Bay Commission Service Area
 Contractor(s): Beta Engineering
 Project Manager: Terry Cote, P.E.
 Project Priority: A

NBC's interceptor sewers convey flow from local sewers in the district's eight cities and towns to the two NBC wastewater treatment facilities. The purpose of this study is to determine if there is adequate capacity for the next twenty years and if there is any excessive infiltration/inflow (I/I) in NBC's interceptors. As the planning phase of the project nears completion, it has been determined that some areas of the system are subject to excessive I/I. The next phase of this project will be to evaluate the extent of the I/I in the system by sewer system evaluation surveys to determine the source of the I/I and if it is cost-effective to remove it.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	October-04	July-07	33 Months	1,708
Design	June-07	December-11	55 Months	2,272
Construction	N/A	N/A	N/A	N/A
Total Project	October-04	December-11	88 Months	3,980

Projected Expenditures - 30410P

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	113	3	-	-	-	-	-	-	116
A/E Professional	1,515	77	-	-	-	-	-	-	1,592
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	1,628	80	-	-	-	-	-	-	1,708

Projected Expenditures - 30410D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	34	38	38	38	24	-	-	172
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	390	468	468	468	306	-	-	2,100
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	424	506	506	506	330	-	-	2,272

Projected Expenditures - Construction

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Note Cash Flow Basis in Thousands

30424P CMOM Plan Development

Project Overview:

Location: Narragansett Bay Commission Service Area
 Contractor(s): Brown & Caldwell
 Project Manager: Thomas Brueckner, P.E.
 Project Priority: A

Proposed Federal regulations and good management practices require the development of a capacity management operations and management (CMOM) plan for NBC's interceptor system. Contract 30410 would provide the capacity analysis part of the plan while Contract 30424P will provide the management, operations, and maintenance analysis. The CMOM plan will result in recommendations and changes necessary to bring management, operation and maintenance of the sewer system up to current standards.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	December-04	December-07	37 Months	392
Design	N/A	N/A	N/A	N/A
Construction	N/A	N/A	N/A	N/A
Total Project	December-04	December-07	37 Months	392

Projected Expenditures - 30424P

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	63	7	-	-	-	-	-	-	70
A/E Professional	280	40	-	-	-	-	-	-	320
Other	1	1	-	-	-	-	-	-	2
Total Project Costs	344	48	-	-	-	-	-	-	392

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Construction

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Note Cash Flow Basis in Thousands

30438 Interceptor Easements

Project Overview:

Location: Narragansett Bay Commission Service Area
 Contractor(s): N/A
 Project Manager: Thomas Grala, P.E.
 Project Priority: B

Many of NBC's interceptors are not located in public rights of way but in overland areas that run through private property. As a result of the difficulty in accessing these easements due to vegetative growth and terrain, these easements have become overgrown and the sewer is difficult to locate. The purpose of Contract 30438 is to locate these interceptors and easements in the field through field survey and to then clear the easement sufficiently to provide access for maintenance crews and equipment. In urban areas where NBC interceptors run through private property, NBC will research and verify the locations of easements and access to these easements. It is anticipated that one community in the NBC service area will be completed each year.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	October-05	June-14	106 Months	6,152
Construction	March-08	June-15	89 Months	4,972
Total Project	October-05	June-15	119 Months	11,124

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30438D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	45	136	137	137	137	138	149	249	1,128
Land	-	250	250	250	250	250	250	500	2,000
A/E Professional	277	297	396	398	408	408	408	408	3,000
Other	-	3	3	3	3	3	3	6	24
Total Project Costs	322	686	786	788	798	799	810	1,163	6,152

Projected Expenditures - 30438C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	2	38	38	38	38	38	76	268
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	600	600	600	600	600	1,200	4,200
Contingency	-	-	72	72	72	72	72	144	504
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	2	710	710	710	710	710	1,420	4,972

Note Cash Flow Basis in Thousands

9030100
Geographic Information System Implementation

Project Overview:

Location: Providence, RI
 Contractor(s): Plangraphics
 Project Manager: Thomas Grala, P.E.
 Project Priority: B

The NBC has completed a study to implement a Geographic Information System (GIS) program. The GIS will allow the NBC to geographically relate and maintain databases on its sewer system and other facilities. The project includes data conversion, data development, and acquisition of additional hardware and software. The implementation of GIS includes potential functions for the Interceptor Maintenance and Construction, Engineering, Pretreatment, and Customer Service sections of the NBC. The first part of the GIS program will be to provide coverage of NBC interceptors throughout the district.

Once completed the equivalent of one full time employee will be required to maintain this system, estimated at approximately \$75,000.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	July-01	July-08	85 Months	1,206
Construction	N/A	N/A	N/A	N/A
Total Project	July-01	July-08	85 Months	1,206

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 9030100

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	668	120	-	-	-	-	-	-	788
Land	-	-	-	-	-	-	-	-	-
A/E Professional	312	-	-	-	-	-	-	-	312
Other	91	15	-	-	-	-	-	-	106
Total Project Costs	1,071	135	-	-	-	-	-	-	1,206

Projected Expenditures - Construction

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Note Cash Flow Basis in Thousands

30203RS

Phase I CSO Facilities - Program Management & Construction Management

Project Overview:

Location: N/A
 Contractor(s): Louis Berger Group
 Project Manager: Rich Bernier, P.E.
 Project Priority: A

Contract 30203RS provides Program Management and Construction Management of the Phase I CSO Facilities construction program, which consists of ten separate construction contracts.

Contract 30203RS is underway and will continue until Phase I of the CSO project is completed.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	August-01	September-09	98 Months	34,970
Total Project	August-01	September-09	98 Months	34,970

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30203RS

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	30,799	2,890	1,150	131	-	-	-	-	34,970
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	30,799	2,890	1,150	131	-	-	-	-	34,970

Note Cash Flow Basis in Thousands

30213C
Phase I CSO Facilities - Regulator Modifications

Project Overview:

Location: Providence, RI
 Contractor(s): Rosciti Construction Co.
 Project Manager: Rich Bernier, P.E.
 Project Priority: A

Contract 30213C involves construction of modifications to the regulator structures at overflows 012, 013, 016, 042, and 044. These modifications will allow these overflows to be diverted to existing interceptors. This work will take place along the Woonasquatucket River, South Water Street and Market Square.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	April-07	June-09	27 Months	2,219
Total Project	April-07	June-09	27 Months	2,219

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30213C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	209	1,723	85	-	-	-	-	-	2,017
Contingency	-	-	202	-	-	-	-	-	202
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	209	1,723	287	-	-	-	-	-	2,219

Note Cash Flow Basis in Thousands

30214C

Phase I CSO Facilities - Tunnel Pump Station Fitout and Startup & Overflow 067

Project Overview:

Location: Providence, RI
 Contractor(s): Hart Engineering
 Project Manager: Rich Bernier, P.E.
 Project Priority: A

Contract 30214C includes construction necessary to complete the tunnel pump station, located near Ernest and Ellis Streets. This includes installation of pumps, piping and other necessary mechanical equipment into the tunnel pump station chamber, which was excavated under Contract 30206C. Also included in this contract is the installation of a screen at shaft S-1, the tunnel pump station above ground building, force main, and screening building. The instrumentation and controls for all of the Phase I facilities, including startup of the facilities is also included. Contract 30214C also includes the construction of a tunnel, gate and screening structure, diversion chamber and consolidation piping for Overflow 067, work previously planned under Contract 30212C.

The addition of the tunnel pump station will create increased sludge disposal, grit removal and utility costs. Current estimates put these costs at \$825,000 per year.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	July-05	December-09	55 Months	59,604
Total Project	July-05	December-09	55 Months	59,604

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30214C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	28,176	23,200	2,720	500	-	-	-	-	54,596
Contingency	-	-	-	5,008	-	-	-	-	5,008
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	28,176	23,200	2,720	5,508	-	-	-	-	59,604

Note Cash Flow Basis in Thousands

CSO Admin
CSO Construction Staff /Police Detail /Legal Costs

Project Overview:

Location: N/A
 Contractor(s): N/A
 Project Manager: N/A
 Project Priority: A

CSO Administration represents cost estimates for annual administration costs incurred by the NBC staff who work on the various CSO construction contracts. Administration costs included salary and fringe, police detail, legal and reimbursement costs.

CSO Administration costs will continue until Phase I is completed.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Administration	June-01	December-09	105 Months	3,382
Total Project	June-01	December-09	105 Months	3,382

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - CSO Admin

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	2,575	322	322	163	-	-	-	-	3,382
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	2,575	322	322	163	-	-	-	-	3,382

Note Cash Flow Basis in Thousands

30301
Phase II CSO Facilities

Project Overview:

Location: Providence, RI; Central Falls, RI
 Contractor(s): Louis Berger Group
 Project Manager: Thomas Brueckner, P.E.
 Project Priority: A

CSO Phase II is the second of three phases of the NBC's CSO Abatement Project. It consists of the construction of two interceptors to convey flows from combined sewer overflows in Providence along the Seekonk and Woonasquatucket Rivers to the Main Spine Tunnel constructed in Phase I. The proposed length of the Woonasquatucket Interceptor is 19,150 feet. The proposed length of the Seekonk CSO Interceptor is 11,200 feet. This project also includes some minor sewer separation in Providence and a constructed wetlands treatment facility in Central Falls.

Total cost estimates included in this CIP for CSO Phase II are pre-design estimates.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	January-07	June-10	41 Months	13,644
Construction	April-10	September-14	54 Months	185,591
Total Project	January-07	September-14	93 Months	199,235

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30301D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	41	201	219	583	-	-	-	-	1,044
Land	-	-	-	3,400	-	-	-	-	3,400
A/E Professional	500	3,600	2,320	2,780	-	-	-	-	9,200
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	541	3,801	2,539	6,763	-	-	-	-	13,644

Projected Expenditures - 30301C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	12	500	1,400	1,275	1,600	4,787
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	2,220	4,800	5,680	6,300	19,000
Construction	-	-	-	-	14,500	35,130	39,000	48,070	136,700
Contingency	-	-	-	-	-	-	-	16,404	16,404
Other	-	-	-	-	1,512	2,268	2,269	2,651	8,700
Total Project Costs	-	-	-	12	18,732	43,598	48,224	75,025	185,591

Note Cash Flow Basis in Thousands

70400

Rehabilitation of Washington Highway & Omega Pump Stations

Project Overview:

Location: East Providence, RI; Lincoln, RI
 Contractor(s): Beta Engineering; CB Utility
 Project Manager: Rich Bernier, P.E.
 Project Priority: A

The Washington Highway and Omega Pump Stations in the Bucklin Point service area are older stations nearing the end of their design life. Improvements to the Omega Pump Station and replacement of the Washington Highway Pump Station were designed under this contract and are currently being constructed under Contract 704.00C.

This project also includes design costs of the Omega Pump Station Rack Room. The rack room provides screening facilities for the Omega Pump Station. The self-cleaning screen has reached the end of its useful life and needs to be replaced. In addition, the electrical, heating, and ventilation systems need to be replaced, and fire code updates and minor structural repairs to the building must be made. The construction costs for these additional rack room improvements are under Contract 70600C.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	February-02	September-07	68 Months	990
Construction	December-05	August-08	32 Months	6,506
Total Project	February-02	August-08	80 Months	7,496

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 70400D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	159	17	-	-	-	-	-	-	176
Land	167	-	-	-	-	-	-	-	167
A/E Professional	595	50	-	-	-	-	-	-	645
Other	2	-	-	-	-	-	-	-	2
Total Project Costs	923	67	-	-	-	-	-	-	990

Projected Expenditures - 70400C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	274	71	1	-	-	-	-	-	346
Land	-	-	-	-	-	-	-	-	-
A/E Professional	222	75	1	-	-	-	-	-	298
Construction	3,876	1,186	25	-	-	-	-	-	5,087
Contingency	-	-	509	-	-	-	-	-	509
Other	264	2	-	-	-	-	-	-	266
Total Project Costs	4,636	1,334	536	-	-	-	-	-	6,506

Note Cash Flow Basis in Thousands

70500
Central Avenue Pump Station

Project Overview:

Location: Providence, RI
 Contractor(s): N/A
 Project Manager: Thomas Brueckner
 Project Priority: B

The purpose of this project is to evaluate the feasibility of redirecting flow from the Central Avenue Pump Station to the Atwood Avenue interceptor, which is closer to the station. The Atwood Avenue interceptor did not have sufficient capacity to handle flows from the pump station when the pump station was first built, but, because of an upgrade to the interceptor's capacity, it should now be able to accommodate the pump station flows. The study would also determine improvements needed at the pump station to meet current code requirements and if the pumps should be replaced to match the new discharge requirements. Redirecting the flow will result in lower pumping costs and free up capacity in the 8 inch line.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	January-07	August-08	19 Months	150
Design	August-08	September-10	25 Months	370
Construction	July-10	July-12	24 Months	2,940
Total Project	January-07	July-12	67 Months	3,460

Projected Expenditures -70500P

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	12	36	6	-	-	-	-	-	54
A/E Professional	-	80	16	-	-	-	-	-	96
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	12	116	22	-	-	-	-	-	150

Projected Expenditures - 70500D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	21	42	17	-	-	-	80
Land	-	-	-	-	50	-	-	-	50
A/E Professional	-	-	78	162	-	-	-	-	240
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	99	204	67	-	-	-	370

Projected Expenditures - 70500C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	59	105	8	-	172
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	22	54	4	-	80
Construction	-	-	-	-	665	1,602	133	-	2,400
Contingency	-	-	-	-	-	-	288	-	288
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	746	1,761	433	-	2,940

Note Cash Flow Basis in Thousands

70600C
Omega Pump Station Rack Room - Construction

Project Overview:

Location: East Providence, RI
 Contractor(s): Beta Engineering
 Project Manager: Terry Cote, P.E.
 Project Priority: B

The Omega Pump Station Rack Room provides screening facilities for the Omega Pump Station, which is located in the Bucklin Point service area. The self cleaning screen has reached its useful life and needs to be replaced. In addition, the electrical, heating, and ventilation systems need to be replaced, and fire code updates and minor structural repairs to the building must be made. The design of these improvements was completed under contract 70400D. Contract 70600C is for the construction of these improvements.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	October-07	June-09	20 months	768
Total Project	October-07	June-09	20 Months	768

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 70600C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	61	-	-	-	-	-	-	61
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	30	-	-	-	-	-	-	30
Construction	-	600	-	-	-	-	-	-	600
Contingency	-	-	72	-	-	-	-	-	72
Other	-	5	-	-	-	-	-	-	5
Total Project Costs	-	696	72	-	-	-	-	-	768

Note Cash Flow Basis in Thousands

30600
Floatables Control Facilities

Project Overview:

Location: Providence, RI; Pawtucket, RI; Central Falls, RI
 Contractor(s): N/A
 Project Manager: Thomas Brueckner, P.E.
 Project Priority: A

As part of the nine minimum controls required under the EPA's CSO Control Policy, floatables control is to be provided at all CSO overflows. NBC completed the evaluation of a trash net floatables control facility and has submitted a plan for addressing floatables control for Phase II and III overflows to RIDEM. RIDEM will require that all of the CSO overflows be provided with floatables control in the interim of the NBC submitted plan schedule. This contract is for design and construction of floatables control facilities at approximately 40 outfalls. Two of the forty outfalls were constructed in the pre-fiscal year 2007 timeframe.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	January-08	November-10	35 Months	1,300
Construction	March-10	June-13	41 Months	7,200
Total Project	January-08	June-13	67 Months	8,500

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30600D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	80	90	100	-	-	-	270
Land	-	-	-	-	350	-	-	-	350
A/E Professional	-	-	320	360	-	-	-	-	680
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	400	450	450	-	-	-	1,300

Projected Expenditures - 30600C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	125	125	125	125	-	500
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	158	158	158	158	-	632
Construction	-	-	-	1,379	1,379	1,379	1,379	-	5,516
Contingency	-	-	-	138	138	138	138	-	552
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	1,800	1,800	1,800	1,800	-	7,200

Note Cash Flow Basis in Thousands

Contracts 304 M Summary CSO Interceptor Inspection and Cleaning Projects

Project Overview:

Location: Narragansett Bay Commission Service Area
 Contractor(s): Various
 Project Manager: Meg Goulet, P.E.
 Project Priority: B

The 304 M projects continue NBC's program to clean and inspect all NBC interceptors. This program includes TV inspection of all interceptor sewers in the NBC's service area to determine their condition and to develop solutions to correct any problems which may be identified. Based on inspections done to date, the interceptors primarily need to have accumulated grit removed. Any necessary interceptor inspection and cleaning projects as identified from the TV inspections of the NBC's interceptor sewers are to be funded through the 304 M contracts.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Maintenance	July-01	Ongoing	Ongoing	14,961
Total Project	July-01	Ongoing	Ongoing	14,961

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Contracts 304 M Summary

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	162	315	216	261	295	184	184	184	1,800
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Maintenance	761	1,677	1,673	1,512	1,617	1,651	1,651	1,651	12,193
Contingency	-	-	-	-	-	-	-	-	-
Other	34	13	111	227	88	165	165	165	968
Total Project Costs	956	2,005	2,000	2,000	2,000	2,000	2,000	2,000	14,961

Note Cash Flow Basis in Thousands

30400C
Repair and Construction of CSO Interceptors

Project Overview:

Location: Narragansett Bay Commission Service Area
 Contractor(s): Various
 Project Manager: Rich Bernier, P.E.
 Project Priority: B

Contract 30400C estimates the unknown costs of interceptor repair and construction resulting from NBC's inspection and cleaning projects and emergency situations. Interceptor repair and construction contracts result from such issues as root intrusion, structural damage, odor control, aging infrastructure, inaccessible structures, pipe damage and emergency situations. As new repair and construction contracts are identified they are given a unique project number and draw funding from the funds available in 30400C.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	July-01	Ongoing	Ongoing	12,141
Total Project	July-01	Ongoing	Ongoing	12,141

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30400C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	171	107	31	-	18	93	93	93	606
Land	-	22	8	-	-	-	-	-	30
A/E Professional	116	50	14	-	11	55	55	55	356
Construction	1,023	681	281	-	428	2,260	2,260	2,260	9,193
Contingency	18	4	39	-	112	592	592	592	1,949
Other	5	2	-	-	-	-	-	-	7
Total Project Costs	1,333	866	373	-	569	3,000	3,000	3,000	12,141

Note Cash Flow Basis in Thousands

30409
Burrington Street and Grotto Brook Sewer Repairs

Project Overview:

Location: Providence, RI
 Contractor(s): N/A
 Project Manager: Rich Bernier, P.E.
 Project Priority: A

Contract 30409 is for the construction costs associated with the Burrington Street and Grotto Brook Sewer Repairs. As a part of the interceptor cleaning and inspection program, NBC found the Burrington Street Interceptor and the Grotto Brook Interceptor to be damaged and in need of repair/replacement.

Part of the Burrington Street sewer needs to be relined and the remainder replaced to avoid failure. The Grotto Brook system needs replacement because of damage to the pipe, infiltration problems and difficulty in conducting maintenance due to inaccessibility in a wetland.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	July-02	September-07	63 Months	376
Construction	April-07	December-08	20 Months	1,840
Total Project	July-02	December-08	78 Months	2,216

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30409D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	111	3	-	-	-	-	-	-	114
Land	-	50	-	-	-	-	-	-	50
A/E Professional	212	-	-	-	-	-	-	-	212
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	323	53	-	-	-	-	-	-	376

Projected Expenditures - 30409C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	3	72	37	-	-	-	-	-	112
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	45	30	-	-	-	-	-	75
Construction	-	958	518	-	-	-	-	-	1,476
Contingency	-	-	177	-	-	-	-	-	177
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	3	1,075	762	-	-	-	-	-	1,840

Note Cash Flow Basis in Thousands

30416 Elmwood Interceptor Repairs

Project Overview:

Location: Providence, RI
 Contractor(s): GZA Geoenvironmental
 Project Manager: Rich Bernier, P.E.
 Project Priority: B

Contract 30416 is for the construction costs associated with the Elmwood Interceptor repairs. There are two structures on this interceptor that cannot be maintained because they are not accessible. One is a regulator manhole in Interstate 95, which is inaccessible because of traffic. The other is a gate chamber buried in the Interstate 95 embankment. These two structures will be modified to make them easier to maintain, resulting in improved flow in the system.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	October-05	March-06	5 Months	6
Construction	June-06	August-09	39 Months	336
Total Project	October-05	August-09	47 Months	342

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30416D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	6	-	-	-	-	-	-	-	6
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	6	-	-	-	-	-	-	-	6

Projected Expenditures - 30416C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	5	38	24	-	-	-	-	-	67
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	33	7	-	-	-	-	-	40
Construction	23	70	103	4	-	-	-	-	200
Contingency	-	-	-	24	-	-	-	-	24
Other	-	4	1	-	-	-	-	-	5
Total Project Costs	28	145	135	28	-	-	-	-	336

Note Cash Flow Basis in Thousands

30221P Hydraulic Systems Modeling

Project Overview:

Location: Entire District
 Contractor(s): CH2M
 Project Manager: Kathryn Kelly
 Project Priority: A

This project involves the updating of a sewer system model that will allow NBC to determine the impact of changes to the sewer system and future development on flows in the sewer system. This information can then be used to determine where there is insufficient capacity in accordance with CMOM requirements being established by the EPA.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	June-06	October-08	28 Months	217
Design	N/A	N/A	N/A	N/A
Construction	N/A	N/A	N/A	N/A
Total Project	June-06	October-08	28 Months	217

Projected Expenditures - 30221P

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	10	24	12	-	-	-	-	-	46
A/E Professional	43	80	40	-	-	-	-	-	163
Other	8	-	-	-	-	-	-	-	8
Total Project Costs	61	104	52	-	-	-	-	-	217

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Construction

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Note Cash Flow Basis in Thousands

30417
India Street Siphon Gate House Replacement

Project Overview:

Location: Providence, RI
 Contractor(s): Pare Engineering Corp.
 Project Manager: Kathryn Kelly
 Project Priority: B

Contract 30417 is for the construction costs associated with the India St. Siphon Gate House and seawall replacement. The India St. Siphon Gate House and seawall are in very poor condition and need to be rebuilt. The new Gate House will be designed to architecturally match the original structure built one hundred years ago. The seawall will be rebuilt to match the original wall.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	July-04	August-07	38 Months	191
Construction	September-07	August-08	11 Months	662
Total Project	July-04	August-08	50 Months	853

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30417D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	35	-	-	-	-	-	-	-	35
Land	-	5	-	-	-	-	-	-	5
A/E Professional	150	-	-	-	-	-	-	-	150
Other	1	-	-	-	-	-	-	-	1
Total Project Costs	186	5	-	-	-	-	-	-	191

Projected Expenditures - 30417C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	42	10	-	-	-	-	-	52
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	43	7	-	-	-	-	-	50
Construction	-	358	142	-	-	-	-	-	500
Contingency	-	-	60	-	-	-	-	-	60
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	443	219	-	-	-	-	-	662

Note Cash Flow Basis in Thousands

30421
Louisquissett Pike Interceptor Replacement

Project Overview:

Location: Lincoln, RI
 Contractor(s): N/A
 Project Manager: Terry Cote, P.E.
 Project Priority: B

The Facilities Plan for this contract 30421 identified wet weather capacity problems with the Louisquissett Interceptor and recommended replacement of the interceptor. A new interceptor with more capacity will be designed and constructed under this project.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	May-07	October-08	17 Months	321
Construction	September-08	October-09	13 Months	1,237
Total Project	May-07	October-09	29 Months	1,558

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30421D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	3	50	17	-	-	-	-	-	70
Land	-	-	50	-	-	-	-	-	50
A/E Professional	-	183	17	-	-	-	-	-	200
Other	-	-	1	-	-	-	-	-	1
Total Project Costs	3	233	85	-	-	-	-	-	321

Projected Expenditures - 30421C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	41	26	-	-	-	-	67
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	26	24	-	-	-	-	50
Construction	-	-	555	445	-	-	-	-	1,000
Contingency	-	-	-	120	-	-	-	-	120
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	622	615	-	-	-	-	1,237

Note Cash Flow Basis in Thousands

30423
BVI Odor Control Facilities

Project Overview:

Location: Lincoln, RI
 Contractor(s): CH2M Hill
 Project Manager: Kathryn Kelly
 Project Priority: C

The BVI siphon inlet chamber is downstream of NBC's Washington Highway Septage Receiving Facility and Washington Highway Pump Station. Due to the hydraulic conditions of the sewer in this area, the sewer vents to the atmosphere through manhole covers upstream on the inlet chamber. An evaluation, completed in October 2005, recommended installation of a biofilter in the land between the Blackstone canal and the Blackstone River to control odors, which have been a source of complaints by residents in the area for over 20 years. A new fan has been installed in the chamber to vent odors to a remote site away from the neighbors. This project will treat the air to eliminate odors from the discharge of the relocated vent.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	October-04	February-08	42 Months	197
Construction	March-08	February-09	11 Months	394
Total Project	October-04	February-09	53 Months	591

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30423D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	16	20	-	-	-	-	-	-	36
Land	-	-	10	-	-	-	-	-	10
A/E Professional	67	70	-	-	-	-	-	-	137
Other	14	-	-	-	-	-	-	-	14
Total Project Costs	97	90	10	-	-	-	-	-	197

Projected Expenditures - 30423C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	2	36	-	-	-	-	-	38
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	20	-	-	-	-	-	20
Construction	-	-	300	-	-	-	-	-	300
Contingency	-	-	36	-	-	-	-	-	36
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	2	392	-	-	-	-	-	394

Note Cash Flow Basis in Thousands

30444

Replace/Rehabilitate Moshassuck Valley Interceptor

Project Overview:

Location: Providence, RI
 Contractor(s): Greeley and Hansen
 Project Manager: Thomas Brueckner, P.E.
 Project Priority: C

Recent inspection of 2,600 feet of the Moshassuck Valley Interceptor from Higginson Street in Central Falls to Lockbridge Street in Pawtucket revealed that this line has sunk from its original grade at numerous points along the line by as much as 2.5 feet. This settlement is causing maintenance problems (accumulation of grease) and may result in structural problems as well. This project will evaluate alternatives to replace or rehabilitate this line.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	May-06	October-06	6 Months	22
Design	September-07	September-09	24 Months	523
Construction	June-09	November-10	17 Months	4,772
Total Project	May-06	November-10	55 Months	5,317

Projected Expenditures - 30444P

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	2	-	-	-	-	-	-	-	2
A/E Professional	20	-	-	-	-	-	-	-	20
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	22	-	-	-	-	-	-	-	22

Projected Expenditures - 30444D

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	33	52	6	-	-	-	-	91
Land	-	-	-	30	-	-	-	-	30
A/E Professional	-	132	268	-	-	-	-	-	400
Other	-	-	2	-	-	-	-	-	2
Total Project Costs	-	165	322	36	-	-	-	-	523

Projected Expenditures - 30444C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	2	115	75	-	-	-	192
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	55	45	-	-	-	100
Construction	-	-	-	2,168	1,832	-	-	-	4,000
Contingency	-	-	-	-	480	-	-	-	480
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	2	2,338	2,432	-	-	-	4,772

Note Cash Flow Basis in Thousands

30446C
CIP Sewer Liner at Dudley Street and Manhole Rehabilitation

Project Overview:

Location: Providence, RI
 Contractor(s): Insituform
 Project Manager: Rich Bernier, P.E.
 Project Priority: A

Contract 30446C is for the construction costs associated with the installation of new sewer liner at Dudley Street. The current liner is in very poor condition and needs to be rebuilt. Manhole rehabilitation/replacement is also included in these construction costs for this location.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	April-06	November-06	8 Months	245
Total Project	April-06	November-06	8 Months	245

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30446C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	34	1	-	-	-	-	-	-	35
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	195	4	-	-	-	-	-	-	199
Contingency	-	10	-	-	-	-	-	-	10
Other	1	-	-	-	-	-	-	-	1
Total Project Costs	230	15	-	-	-	-	-	-	245

Note Cash Flow Basis in Thousands

30449C
NBC Sewer Repair Project No. 1

Project Overview:

Location: Providence and Johnston, RI
 Contractor(s): R. Zoppo Corp
 Project Manager: Rich Bernier, P.E.
 Project Priority: A

Contract 30449C includes the following, identified as part of the NBC Interceptor Maintenance (IM) department sewer televising and inspection program:

Locations in Providence include Sheridan St., modifications to the regulator manhole; Hartford Ave., installation of approximately 245 ft of cured in place liner, masonry repairs, filling of voids, and televising; Oxford St., replacement of approximately 10 ft of sewer and lining approximately 115 ft of overflow pipe; Vanderwater St., replacement of approximately 30 ft of pipe; Gallatin St., replacement of approximately 20 ft of sewer and chimney; and OF 51, installation of liner pipe within the existing brick sewer, within the limits of the river. George Waterman Rd. in Johnston includes replacement of approximately 90 ft of asbestos cement sewer with PVC pipe and replacing brick manholes with precast concrete.

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	January-07	November-08	23 Months	724
Total Project	January-07	November-08	23 Months	724

Projected Expenditures - Planning

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - Design

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	-	-	-	-	-	-	-	-	-

Projected Expenditures - 30449C

Cost Category	Pre-FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Post-FY 2013	Total
Administrative	31	55	1	-	-	-	-	-	87
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	22	535	11	-	-	-	-	-	568
Contingency	-	-	57	-	-	-	-	-	57
Other	11	1	-	-	-	-	-	-	12
Total Project Costs	64	591	69	-	-	-	-	-	724

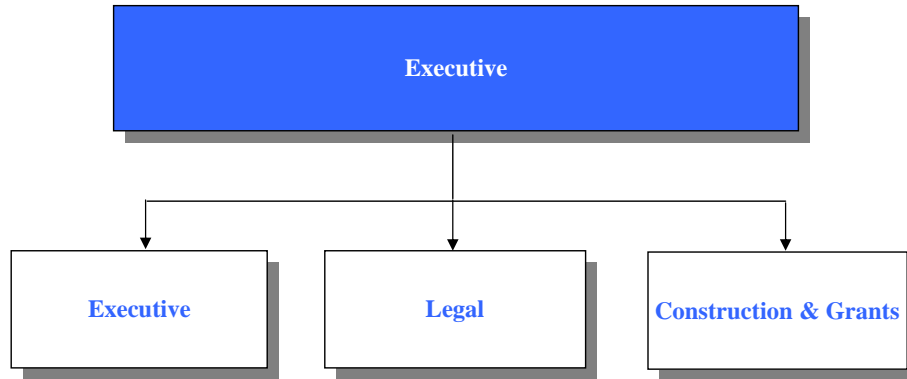
Note Cash Flow Basis in Thousands

Division Summaries

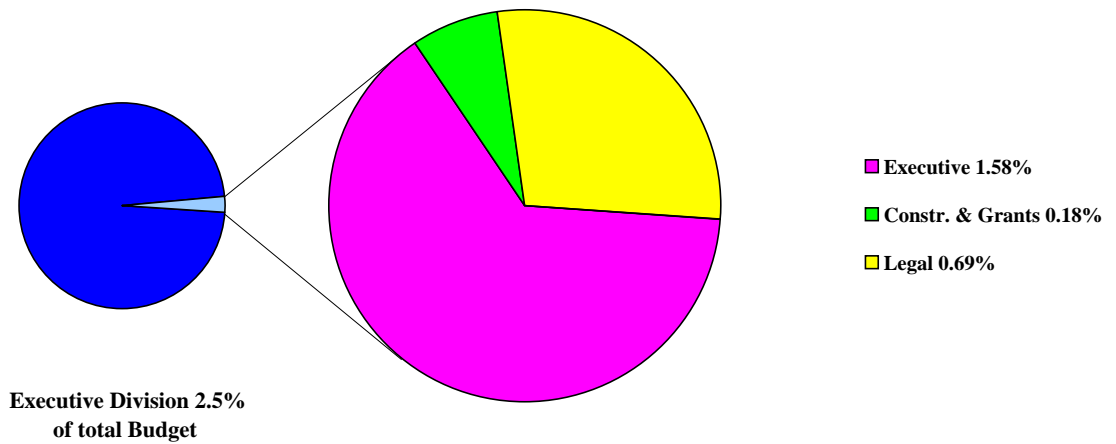
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Division Structure

Executive Division Division Summary



Executive Division



Division Program

Executive Division Division Summary

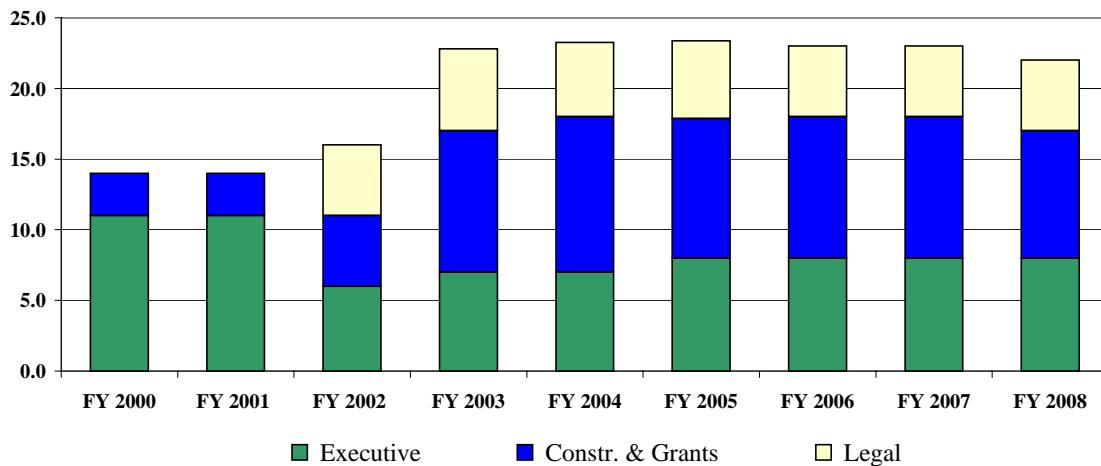
Purpose and Overview

The Executive Division is responsible for overall management of the NBC, Public Relations, Government Affairs, Legal Services, and NBC's Construction Program. This section oversees all aspects of policy development, strategic planning, and agency management responsibilities.

Significant Budget Modifications

The FY 2008 Executive operating budget has increased by 6% over FY 2007. The increase is primarily due to operating expense increases. The Executive section has a one-time \$5,000 Rental Equipment expense budgeted for a celebration of NBC's 25th anniversary. In addition, the Legal and Construction programs have both budgeted for increased capital outlays in FY 2008. The Legal section will be purchasing office furniture and the Construction section will be acquiring survey equipment for approximately \$10,000.

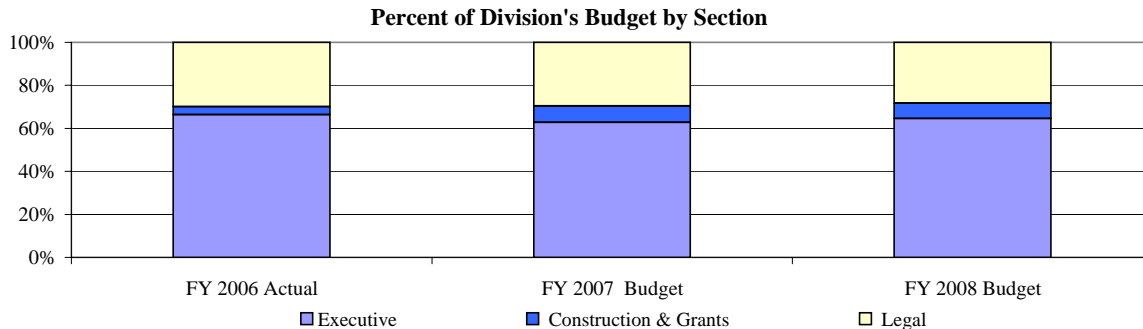
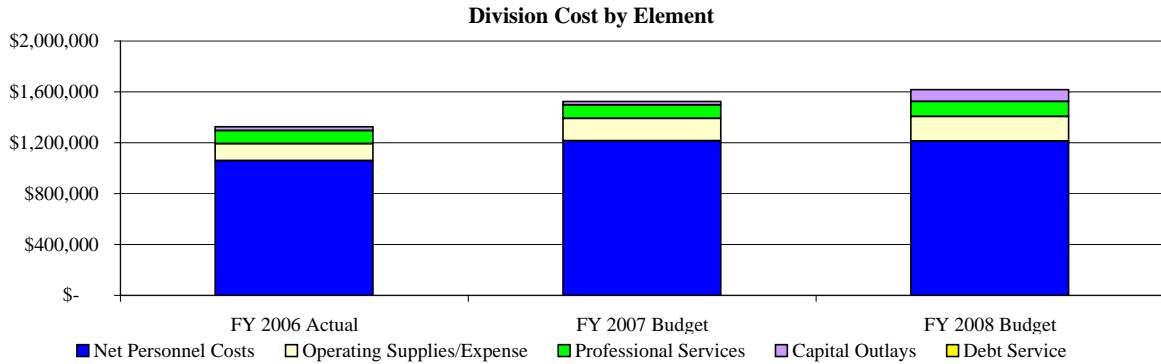
**Historical Budgeted Positions (FTEs)
Executive Division**



Division Budget

Executive Division Division Summary

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 2,027,491	\$ 2,197,970	\$ 2,149,996
Less Capital Reimbursements	(968,478)	(982,457)	(938,308)
Net Personnel Costs	1,059,013	1,215,513	1,211,688
Operating Supplies/Expense	134,481	176,705	194,485
Professional Services	101,408	104,500	118,000
Capital Outlays	30,111	29,000	93,200
Debt Service	-	-	-
Total Expenditures	\$ 1,325,013	\$ 1,525,718	\$ 1,617,373
Expenditures by Funding Source			
Revenue	\$ 1,325,013	\$ 1,525,718	\$ 1,617,373
Grant	-	-	-
Total Expenditures by Source	\$ 1,325,013	\$ 1,525,718	\$ 1,617,373
Full time Equivalent (FTE) Positions	23.0	23.0	22.0



The Program

Executive Division Executive

Mission and Overview:

The Executive Section includes the Board of Commissioners, the Executive Director, the Deputy Director, Public Affairs, Labor/Employee Relations and Government Affairs. This section is responsible for policy development, overall agency management, negotiating collective bargaining agreements (CBA), monitoring and compliance with CBA provisions, liaison activities with governmental entities and officials (local, state, and federal) and maintaining a public information effort. The purpose of this public information effort is to educate and inform the public, the media, elected officials, and opinion leaders about NBC's ongoing effort to provide safe and reliable wastewater collection and treatment for the protection of Narragansett Bay.

The Construction and Grants and Legal sections report directly to Executive as do the three major Divisions: Operations and Engineering; Administration and Finance; Planning, Policy and Regulation.

Prior Year Accomplishments

- Successful completion of three construction contracts.
- Designed and put out to bid five contracts.
- Nearing completion of the NBC Asset Management Phase II - whole program to be completed by June 2009.
- Assisted in lobbying for Federal funds for the CSO abatement program.
- Received first ever NEWEA Wastewater Utility Management Award.
- Public outreach: Enhanced NBC's in-classroom educational program, and participated in a cooperative educational program with Save the Bay for students at Classical High School in Providence.
- Successfully negotiated wage restructuring and freezing of Union longevity

Program Staffing (Budgeted)			
Executive Director	1.0	Deputy Director	1.0
Executive Assistant	1.0	Government Affairs Manager	1.0
Public Affairs Manager	1.0	Public Affairs Specialist	1.0
Public Affairs Multimedia Coordinator	1.0	Labor & Employee Relations Manager	1.0
8.0 FTEs			

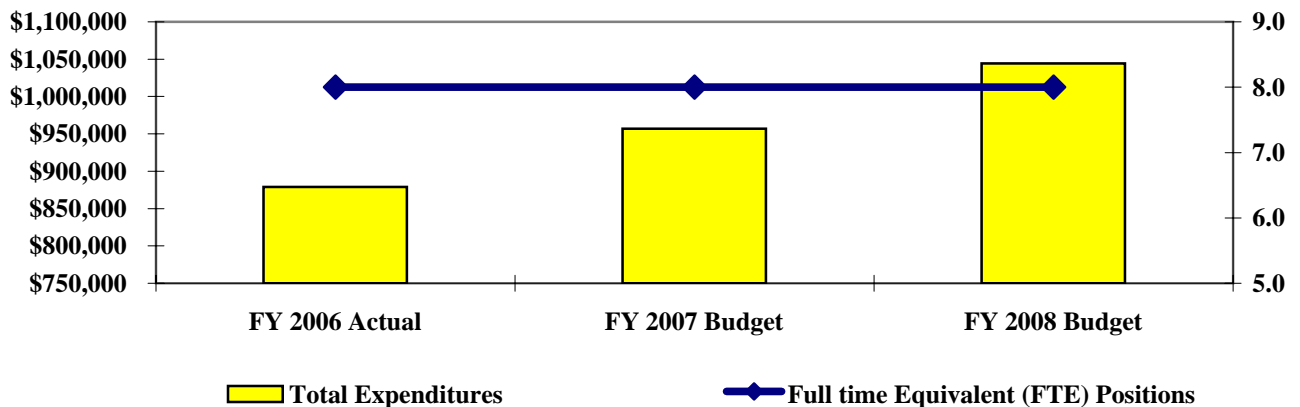
The Budget

Executive Division Executive

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 829,755	\$ 870,021	\$ 868,887
Less Capital Reimbursements	(102,344)	(71,967)	(70,463)
Net Personnel Costs	727,410	798,054	798,424
Operating Supplies/Expense	108,152	113,030	139,810
Professional Services	43,453	46,000	56,000
Capital Outlays	-	-	50,000
Debt Service	-	-	-
Total Expenditures	\$ 879,016	\$ 957,084	\$ 1,044,234
Expenditures by Funding Source			
Revenue	\$ 879,016	\$ 957,084	\$ 1,044,234
Grant	-	-	-
Total Expenditures by Source	\$ 879,016	\$ 957,084	\$ 1,044,234

Full time Equivalent (FTE) Positions **8.0** **8.0** **8.0**

Executive - Historical Data



Performance Data

Executive Division

Executive

Strategic Objective	Service Level Objective
Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.	Ensure safe and reliable wastewater processing through effective asset management. Provide a long-term cost-effective solution for biosolids processing and disposal.
Environmental Performance: Continuously evaluate NBC environmental performance to identify, quantify and minimize NBC impacts to the environment in a cost-effective manner.	Take active role in initiating an effective sampling & modeling effort that has the support of various stakeholders in the environmental science community.
Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.	Strengthen liaison with congressional delegation to secure funding for capital projects.
Customer Focus: Maintain a customer-focused attitude throughout the organization.	Maintain programs that give back to the community.
Staffing: Attract, develop and retain highly qualified employees.	Expand system of staff recognition to include team and group level accomplishment. Foster a positive working relationship with employees through effective communication.
Communication: Improve and enhance internal and external communication to increase understanding of "who we are" and "what we do".	Continue to expand public outreach regarding NBC's programs, especially CSO activities. Expand the successful watershed education program for students. Proactively manage public and legislative affairs related to NBC's ongoing activities.
Organizational Performance: Ensure that the NBC organization is aligned with and supports our strategic goals.	Conduct NBC business in an open manner.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Implement Asset Mgt Program by completing required phases	3/1/06 Phase I	6/30/2007 Phase II	6/30/08 Phase III
Address construction and first year operating issues associated with new biosolids facilities at Bucklin Point & Field's Point	1/1/2006 FP Service	1/1/2007	N/A
Attend PPR data review meetings and Governor's Watershed Committee meetings	7	7	9
Monitor and evaluate the first year operation of the Bucklin Point Wastewater Treatment Facility (BPWWTF) total nutrient removal facilities	N/A	N/A	6/30/2008
Obtain federal grant for CSO project or work to develop a program/funding source at the Federal level	6/30/2006	6/30/2007	6/30/2008
Number of events held and awards/scholarships given	24	28	32
Conduct survey to evaluate response to positive awards program for employees	3/15/2006	3/15/2007	N/A
Respond to employee comments / concerns expressed in the Spring 2006 Employee Attitude Survey	N/A	N/A	11/30/2007
Conduct agency-wide training program related to organizational behavior and management	31-Mar-06	3/31/2007	3/31/2008
Meet with both Union and Nonunion staff	2 / year	2 / year	2 / year
Update website to provide current info on CSO	Quarterly	Monthly	Monthly
Number of public outreach functions	40	42	44
Prepare and distribute briefing packets, including annual report, to members of General Assembly	1/31/2006	1/31/2007	1/31/2008
Distribute newsletter to public entities providing update of CSO projects	6/30/2006	6/30/2007	6/30/2008
Post all meetings as required and file meeting minutes with the Secretary of State within the required time limit	100%	100%	100%

The Program

Executive Division Construction & Grants

Mission and Overview:

The NBC Construction and Grants program is responsible for overseeing the construction of capital improvement projects to the NBC's system of interceptors, pump stations and wastewater treatment facilities. These improvements to the sewer system's infrastructure are necessary to ensure proper collection and treatment of wastewater collected, as well as treatment of wastewater and storm water flows that enter the NBC system. This section is currently contractually responsible for approximately \$300 million of ongoing construction projects.

Prior Year Accomplishments

Completed the following contracts:

103.02C - Demolition of the Solids Handling Facility and Incinerator

304.48C - Emergency Repairs to OF 052

808C - Bucklin Point Siding, Paving and Roofing and Fields Point Grit Storage Pad

Designed and put out to bid the following contracts:

116 - Miscellaneous Improvements to the Fields Point and Bucklin Point Facilities

304.42C - CIP Sewer Lining at Various Locations

304.46C - CIP Sewer Lining at Dudley Street and Manhole Rehabilitation

304.47C - Sheridan, Hartford, Oxford and Vandewater Sewer Repairs

304.49C - NBC Sewer Repairs Project No. 1

Managing the design of Contract 117 - Upgrade of Fields Point Operations Building and Other Misc. Improvements

Awarded Contract 302.13C - Regulator Modifications

Program Staffing (Budgeted)			
Construction Manager	1.0	Senior Construction Coordinator	2.0
Chief Environmental Engineer	1.0	Construction Office Coordinator	1.0
Assistant Resident Inspector	1.0	Assistant Construction Manager	1.0
Civil Inspector	2.0	Mechanical Inspector	1.0
10.0 FTEs			

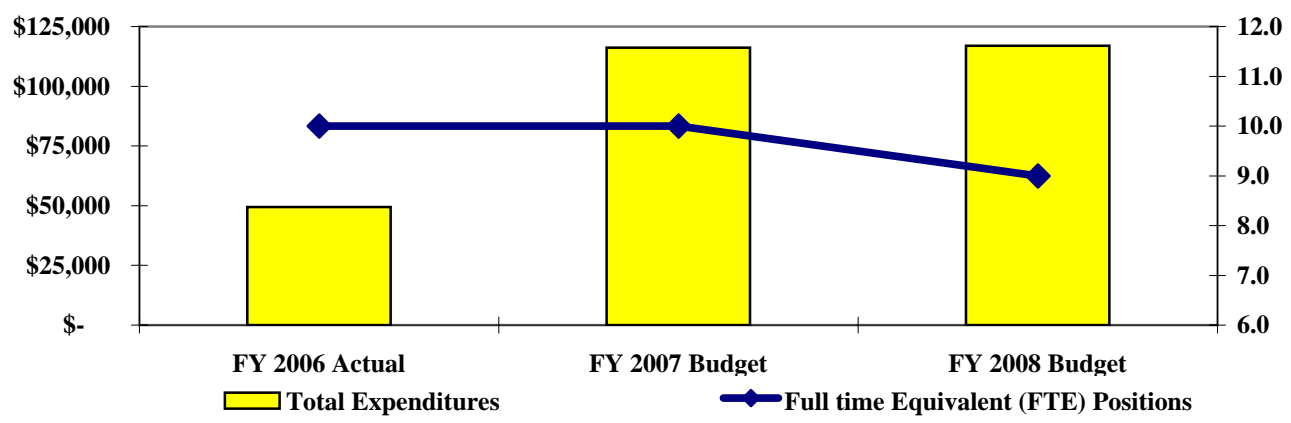
The Budget

Executive Division Construction & Grants

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 833,581	\$ 936,883	\$ 906,316
Less Capital Reimbursements	(831,244)	(887,240)	(867,845)
Net Personnel Costs	2,337	49,643	38,471
Operating Supplies/Expense	16,992	41,500	40,500
Professional Services	-	-	-
Capital Outlays	30,111	25,000	38,000
Debt Service	-	-	-
Total Expenditures	\$ 49,440	\$ 116,143	\$ 116,971
Expenditures by Funding Source			
Revenue	\$ 49,440	\$ 116,143	\$ 116,971
Grant	-	-	-
Total Expenditures by Source	\$ 49,440	\$ 116,143	\$ 116,971

Full time Equivalent (FTE) Positions **10.0** **10.0** **9.0**

Construction & Grants - Historical Data



Performance Data

Executive Division

Construction & Grants

Strategic Objective	Service Level Objective
---------------------	-------------------------

Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.

Complete projects on schedule, within budget, and in the most cost-effective manner.

Communication: Improve and enhance internal and external communication to increase understanding of "who we are" and "what we do".

Effectively communicate status of capital projects to NBC staff and Board members.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Resident Engineering cost as a percentage of construction cost (Non-CSO contracts)	9%	20%	15%
Percent of contract cost is over original bid amount on a yearly basis	5%	10%	10%
Percent of CIP contracts completed within six months of Master Schedule	60%	90%	90%
Number of updates given to NBC staff, Board members and public	9	6	4

* No non-CSO contracts completed

The Program

Executive Division Legal

Mission and Overview:

The goal of the NBC Legal section is to provide prompt and accurate legal advice to agency staff with regard to issues that arise in the course of NBC's business activities. The in-house legal staff has expertise in the following legal areas: environmental, contractual, corporate, legislative, administrative, real estate, collections, and bankruptcy. Outside legal sources are available to supplement in-house expertise as needed.

Prior Year Accomplishments

Successfully maintained NBC's lien sale authority by lobbying against legislation to eliminate same.

Represented and negotiated RIPDES permit modifications for Nitrogen and BOD/TSS.

Obtained Environmental Land Use Restriction and finalized/terminated soil monitoring program at COB.

Revised and published Rules and Regulations for Use of Wastewater Facilities within NBC District.

Established plan of action for NBC Real Estate Consolidation Project to include all real estate holdings, including but not limited to, major parcels and all sewer easements.

Coordinated and oversaw all legal aspects of the CSO project.

Represented NBC on major environmental compliance matters (Title V report, RIPDES permit appeals, Significant Non-Compliance responses and Pretreatment issues).

Program Staffing (Budgeted)			
General Counsel	1.0	Executive Paralegal	1.0
Associate Legal Counsel	1.0	Executive Paralegal II	1.0
Legal Counsel	1.0		
	5.0 FTEs		

The Budget

Executive Division Legal

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 364,155	\$ 391,066	\$ 374,794
Less Capital Reimbursements	(34,889)	(23,250)	-
Net Personnel Costs	329,266	367,816	374,794
Operating Supplies/Expense	9,337	22,175	14,175
Professional Services	57,956	58,500	62,000
Capital Outlays	-	4,000	5,200
Debt Service	-	-	-
Total Expenditures	\$ 396,558	\$ 452,491	\$ 456,169
Expenditures by Funding Source			
Revenue	\$ 396,558	\$ 452,491	\$ 456,169
Grant	-	-	-
Total Expenditures by Source	\$ 396,558	\$ 452,491	\$ 456,169

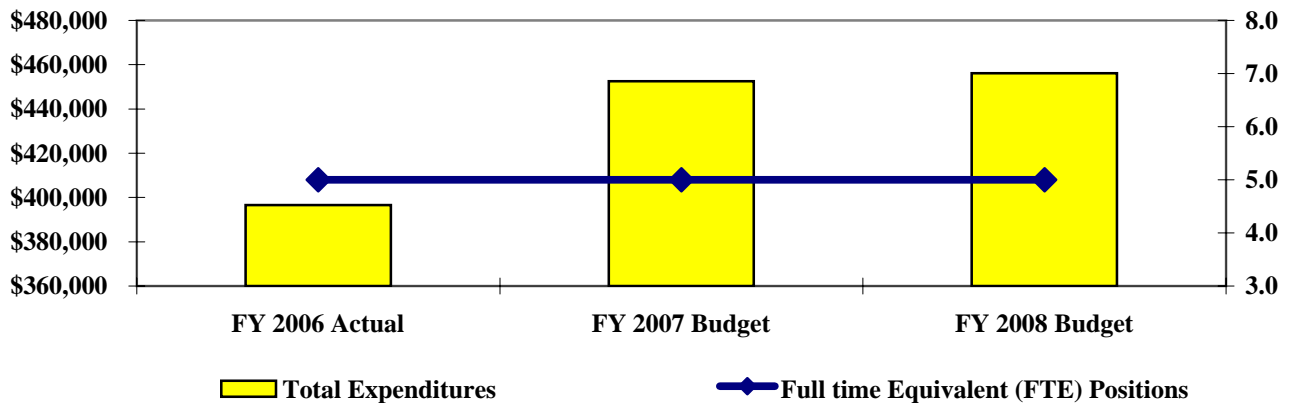
Full time Equivalent (FTE) Positions

5.0

5.0

5.0

Legal - Historical Data



Performance Data

Executive Division

Legal

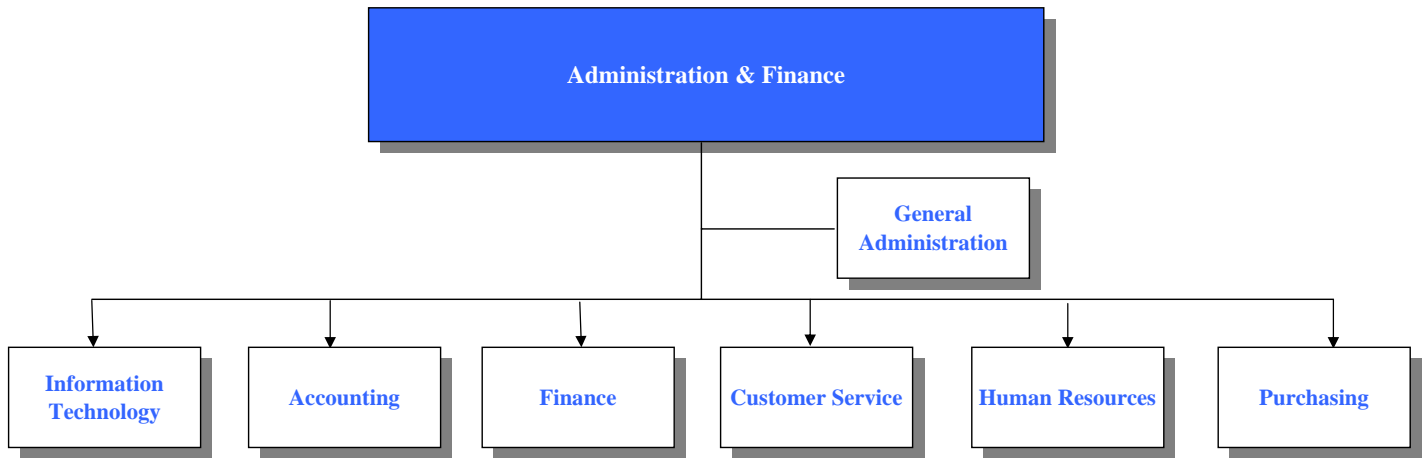
Strategic Objective	Service Level Objective
Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.	Provide prosecutorial function to NBC staff to ensure compliance with NBC requirements. Provide environmental legal assistance on regulatory compliance matters.
Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.	Conduct lien sales to minimize outstanding accounts receivable and bad debt.
Customer Focus: Maintain a customer-focused attitude throughout the organization.	Provide prompt and efficient legal services.
Staffing: Attract, develop and retain highly qualified employees.	Retain skilled, experienced staff.
Communication: Improve and enhance internal and external communication to increase understanding of "who we are" and "what we do".	Conduct or coordinate presentations to educate NBC staff and public about legal aspects of NBC projects/matters.
Organizational Performance: Ensure that the NBC organization is aligned with and supports our strategic goals.	Ensure compliance with state ethics requirements. Ensure compliance with regulatory agenda filing requirements. Ensure compliance with requirements for disclosure of consultants.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Percentage of Administrative Orders issued within two weeks of request submittal	100%	100%	100%
Percentage of environmental legal assistance provided on regulatory compliance matters	100%	100%	100%
Number of lien sales conducted in budget year	2	2	1
Bring less than 20% of accounts selected to lien sale	15%	17%	16%
Collect at least 50% of accounts prior to lien sale	80%	75%	80%
Respond to all public records requests within legal time frame	100%	100%	100%
Number of hours of training staff members receive	47	50	50
Number of presentations conducted by legal staff	5	3	4
Prepare and file all NBC staff ethics reports within the required time periods	100%	100%	100%
Prepare and file regulatory agenda at required intervals	100%	100%	100%
Prepare and file disclosure of consultant submittals at required intervals	100%	100%	100%

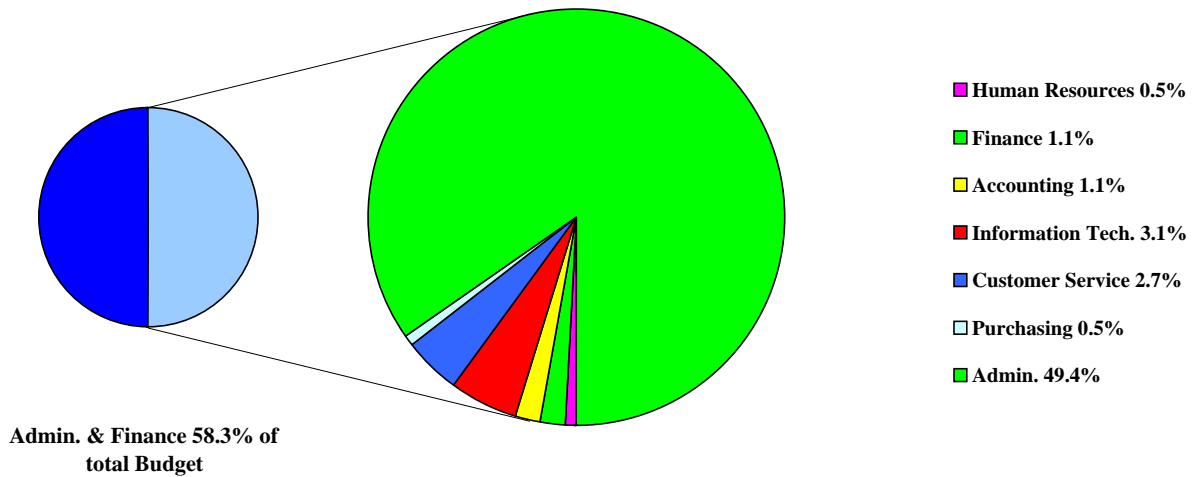
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Division Structure

Administration & Finance Division Division Summary



Administration & Finance Division



Division Program

Administration & Finance Division Division Summary

Purpose and Overview

The Administration and Finance Division is responsible for the Financial, Cash Management, Payroll, Employee Benefits, Accounting, Customer Service, Purchasing, Human Resources and Information Technology (IT) functions at NBC. This division is responsible for providing sound financial leadership and support to all areas of NBC, and for the production of monthly financial statements in accordance with "Generally Accepted Accounting Principles". The division is also responsible for ensuring compliance with the Public Utilities Commission.

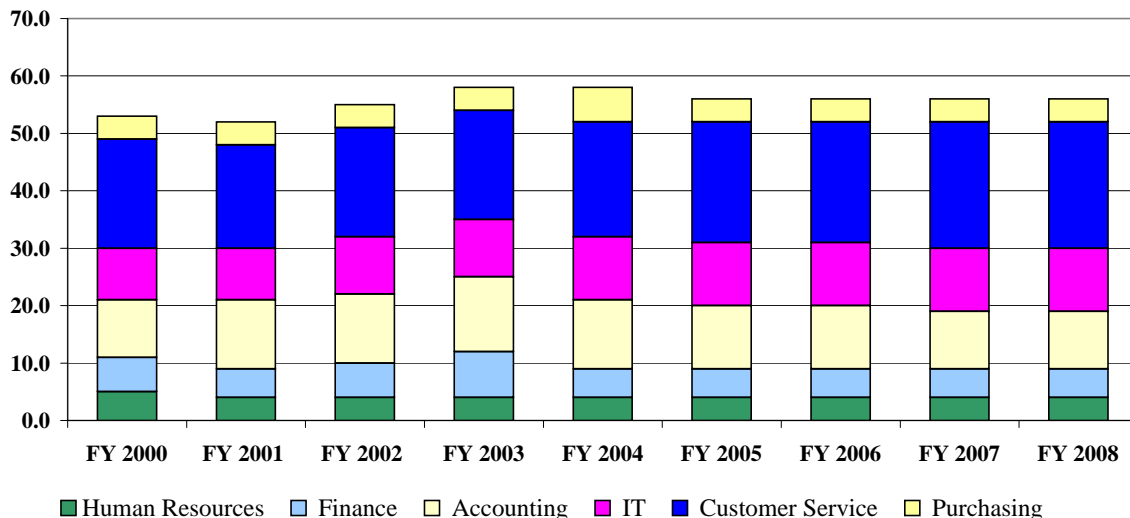
Significant Budget Modifications

The Administration and Finance operating budget has increased by 19% over the FY 2007 budget. The most significant impact has been the 22.3% increase in debt service. This increase is primarily due to the FY 2007 borrowings from the Rhode Island Clean Water Finance Agency and Series A Revenue bonds to finance the capital improvement program.

This division's budget shows no change in the number of FTE's on a year to year basis. However, net personnel costs have increased due to higher health insurance, union pension and post-retirement health benefits.

Operating costs have also risen, showing increases in regulatory fees from the PUC, higher insurance premiums and increases due to maintenance and repairs of the corporate office building.

**Historical Budgeted Positions (FTEs)
Administration and Finance Division**



The Program

Administration & Finance Division Human Resources

Mission and Overview:

The Human Resources section is responsible for the administration and processing of employee records, employee recruitment and retention, workers' compensation and equal employment opportunity for union and non-union personnel. This section is also responsible for the evaluation and administration of employee benefits, and for administering provisions of the two collective bargaining agreements.

Prior Year Accomplishments

Continued the Workplace Wellness Program - NBC received a Superior Worksite Health Award from the Providence Chamber of Commerce.

Submitted annual EEO report by due date.

Ensured that policies and procedures remained current with HR laws and regulations.

Continued to provide workforce training on HR related and employment law issues.

Assisted with Life, Long Term Disability and Vision Insurance renewals.

Program Staffing (Budgeted)			
Human Resources Manager	1.0	Human Resources Rep.	1.0
Senior Human Resources Rep.	1.0	Human Resources Clerk	1.0
	4.0 FTEs		

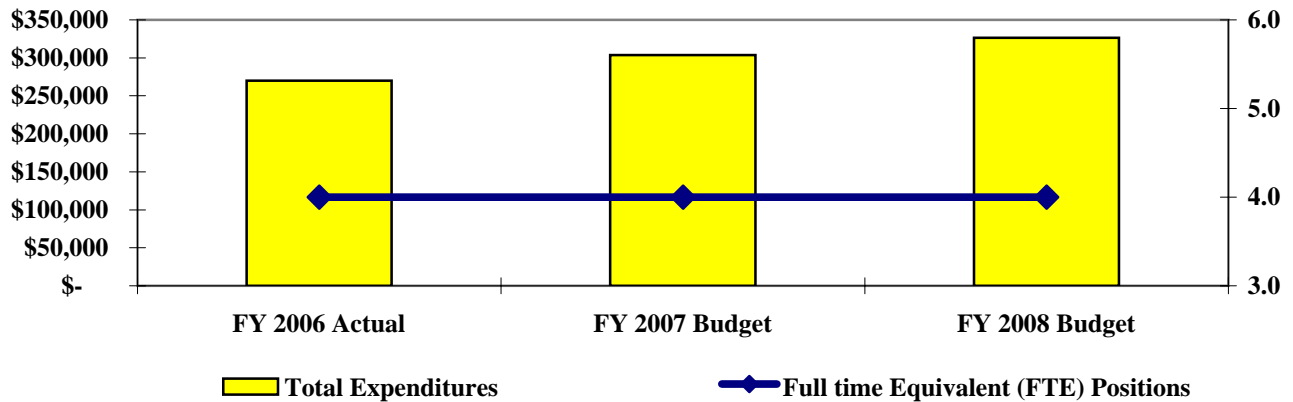
The Budget

Administration & Finance Division Human Resources

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 252,345	\$ 276,215	\$ 287,728
Less Capital Reimbursements	-	-	-
Net Personnel Costs	252,345	276,215	287,728
Operating Supplies/Expense	6,627	9,550	12,550
Professional Services	11,199	18,000	26,000
Capital Outlays	-	-	-
Debt Service	-	-	-
Total Expenditures	\$ 270,171	\$ 303,765	\$ 326,278
Expenditures by Funding Source			
Revenue	\$ 270,171	\$ 303,765	\$ 326,278
Grant	-	-	-
Total Expenditures by Source	\$ 270,171	\$ 303,765	\$ 326,278

Full time Equivalent (FTE) Positions **4.0** **4.0** **4.0**

Human Resources - Historical Data



Performance Data

Administration & Finance Division

Human Resources

Strategic Objective	Service Level Objective
Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.	Effectively manage employee benefits to maximize benefits and minimize costs.
Customer Focus: Maintain a customer-focused attitude throughout the organization.	Enhance internal communications to ensure consistency and reliability.
Staffing: Attract, develop and retain highly qualified employees.	Ensure compliance with Federal and State Labor laws. Encourage HR Staff Training. Assist in retaining highly qualified employees.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Evaluate alternative comparative benefit solutions within six months of renewal, as necessary	100%	100%	100%
% of HR forms on-line	75%	75%	75%
Annual EEO Report submitted by due date	07/15/06	07/15/07	07/15/08
One outside HR related seminar per representative	100%	100%	100%
Conduct exit interviews and gather data regarding employee attitudes and perceptions	100%	100%	100%
Percentage of postings prepared and distributed within forty-eight hours of approval	100%	100%	100%
Number of "Good Health" Programs implemented	2	2	2
Percentage of employees satisfied with HR's customer service	98%	N/A	N/A
Number of employee training programs implemented	2	1	1
Receive the Superior Worksite Wellness Award on behalf of NBC from the Greater Providence Chamber of Commerce.	N/A	06/30/07	06/30/08
Receive the Wellness Councils of America (WELCOA) Well Workplace Award on behalf of NBC. (Apply every three years).	N/A	5/30/2007	N/A

The Program

Administration & Finance Division Finance

Mission and Overview:

The Finance section ensures NBC has sufficient resources to carry out its mission. The Finance section ensures that sound fiscal policies and practices are in place in order to maintain at least an "A" bond rating for NBC, and to secure financing for Capital projects aimed at the protection of Narragansett Bay and its tributaries. Finance is responsible for developing and managing the Capital Improvement Plan, the development and management of the annual Operating Budget, establishing user rates and managing long-term debt.

The Finance section ensures compliance with the Public Utilities Commission. This section is also responsible for cash management as well as employee benefit programs including retirement.

Prior Year Accomplishments

Again received A+ credit rating from Standard & Poors.

Received Government Finance Officers' Association Distinguished Budget Presentation Award for fifth fiscal year. Also received Special Performance Measures Recognition for second consecutive year (awarded to less than 2% of organizations submitting budgets).

Filed and received 4.06% across-the-board rate increase from the PUC for O & M.

Filed and received a 9.99% rate increase for debt service from the PUC.

Submitted a general rate filing December 1, 2006.

Issued \$42.5 million in open market revenue bonds and executed a \$30 million loan from Rhode Island Clean Water Finance Agency (RICWFA).

Program Staffing (Budgeted)			
Director of Administration & Finance	1.0	Senior Financial Analyst	1.0
Budget Analyst	1.0	Financial Analyst	1.0
Administrative Assistant - Finance	1.0		
	5.0 FTEs		

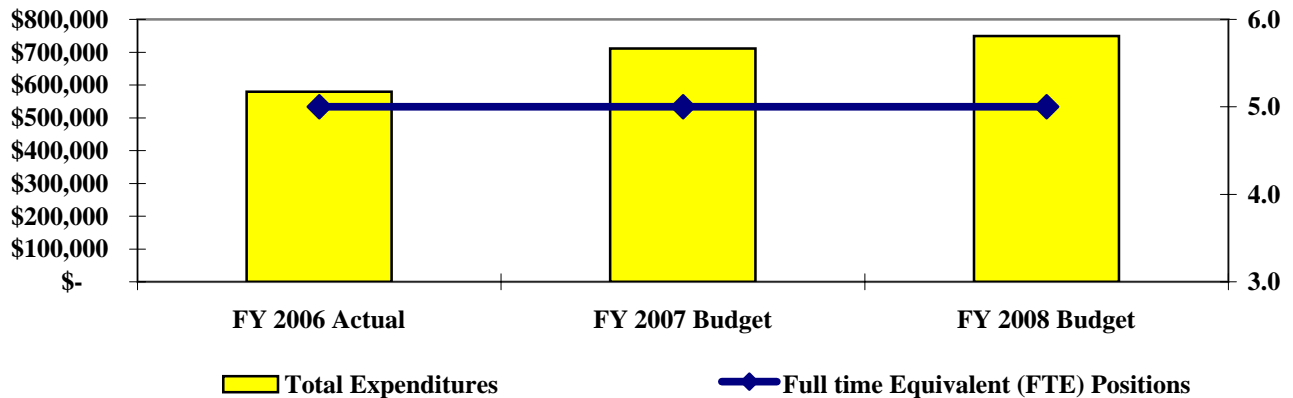
The Budget

Administration & Finance Division Finance

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 341,626	\$ 394,539	\$ 428,443
Less Capital Reimbursements	-	-	-
Net Personnel Costs	341,626	394,539	428,443
Operating Supplies/Expense	6,712	36,800	38,000
Professional Services	231,186	280,000	283,000
Capital Outlays	-	-	-
Debt Service	-	-	-
Total Expenditures	\$ 579,523	\$ 711,339	\$ 749,443
Expenditures by Funding Source			
Revenue	\$ 579,523	\$ 711,339	\$ 749,443
Grant	-	-	-
Total Expenditures by Source	\$ 579,523	\$ 711,339	\$ 749,443

Full time Equivalent (FTE) Positions 5.0 5.0 5.0

Finance - Historical Data



Performance Data

Administration & Finance Division

Finance

Strategic Objective	Service Level Objective
Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.	Ensure sufficient operating budget and capital budget funding with least ratepayer impact. Ensure NBC receives lowest cost of borrowing. Effective arbitrage administration Develop and administer high quality annual operating budget and CIP.
Customer Focus: Maintain a customer-focused attitude throughout the organization.	Ensure internal and external finance customers have financial information needed to make informed decisions.
Staffing: Attract, develop and retain highly qualified employees.	Provide training to staff members.
Communication: Improve and enhance internal and external communication to increase understanding of "who we are" and "what we do".	Enhance operating budget, CIP, and Compliance Reports as a communication device.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
File with PUC to maintain sufficient Operating and Capital funding	11/1/05	11/6/06	12/1/07
Spend .5% or less of revenue increase on outside rate case assistance	0.52%	0.50%	0.50%
Maintain at least "A+" credit rating with Standard & Poor's (S&P)	A+	A+	A+
Update Long-term Financial Plan	Quarterly	Quarterly	Semi-Annually
Continuous Disclosure when required	100%	100%	100%
Update of capital cash flows	6	4	2
Calculation of arbitrage liability performed annually	Yes	Yes	Yes
Receive GFOA Distinguished Budget Presentation Award	Yes	Yes	Yes
Notification of budget issues within 3 days of month end report	3 days	3 days	3 days
Administer survey to ascertain percentage of internal customers satisfied with finance services, based on accuracy, timeliness and customer friendly processes	98%	N/A	N/A
Number of hours of training / seminars attended	47	50	50
Operating Budget receives a proficient or better rating as a communication device by GFOA	Yes	Yes	Yes
Complete MWRA and NACWA User Fee Survey Annually	Yes	Yes	Yes
Transmit compliance reports on capital projects and restricted accounts with the Public Utilities Commission	4	4	4

The Program

Administration & Finance Division Accounting

Mission and Overview:

The Accounting section is responsible for preparing and issuing monthly financial statements in accordance with "Generally Accepted Accounting Principles". Accounting also provides cash management support and ensures compliance with the flow of funds set forth in the Trust Indenture and PUC Orders. The Accounting section is also responsible for processing payroll, vendor payments, maintaining the general ledger, assisting in securing financing, rate filings and processing capital project expenditures.

Prior Year Accomplishments

Received clean opinion with no management letter on FY2006 audit.

Received the GFOA Certificate of Excellence in Financial Reporting for the FY2006 audit.

Worked with other departments on the successful implementation of the Customer Service application.

Assisted with 12/06 PUC general rate filing and the 9/06 PUC debt service compliance filing.

Assisted with the long-term debt issued filings with the Division, for the RICWFA loan and the \$42.5 million revenue bond issue.

Ensured proper monthly Trust transfers and compliance with PUC restricted accounts.

Program Staffing (Budgeted)			
Controller	1.0	Staff Accountant	2.0
Capital Principal Accountant	1.0	Principal Accountant	1.0
Capital Accounting Assistant	1.0	Fiscal Clerk	2.0
Senior Payroll Administrator	1.0	Payroll Administrator	1.0
10.0 FTEs			

The Budget

Administration & Finance Division Accounting

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 618,126	\$ 686,272	\$ 715,450
Less Capital Reimbursements	(85,309)	(87,050)	(69,750)
Net Personnel Costs	532,817	599,223	645,700
Operating Supplies/Expense	9,761	12,125	12,045
Professional Services	21,328	42,000	40,000
Capital Outlays	-	-	-
Debt Service	-	-	-
Total Expenditures	\$ 563,906	\$ 653,348	\$ 697,745
Expenditures by Funding Source			
Revenue	\$ 563,906	\$ 653,348	\$ 697,745
Grant	-	-	-
Total Expenditures by Source	\$ 563,906	\$ 653,348	\$ 697,745

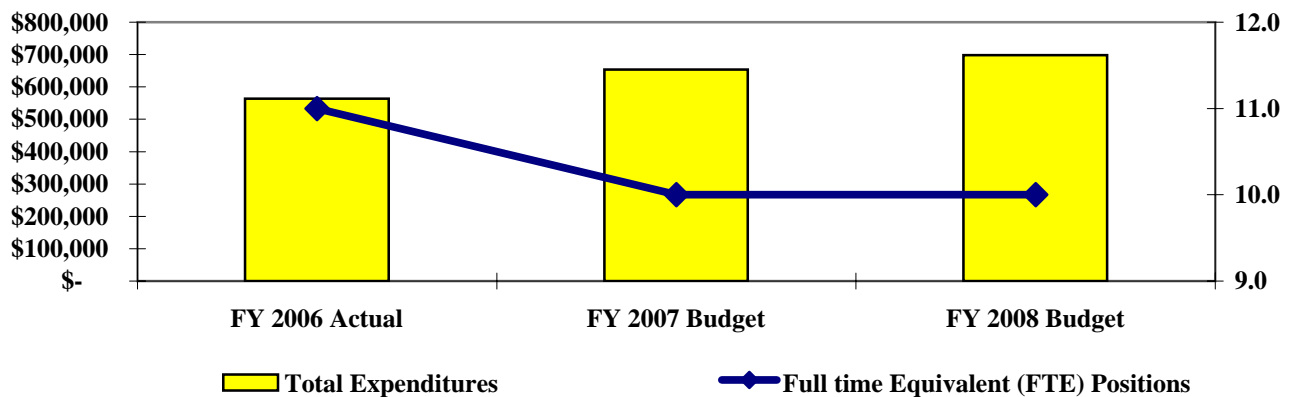
Full time Equivalent (FTE) Positions

11.0

10.0

10.0

Accounting - Historical Data



Performance Data

Administration & Finance Division Accounting

Strategic Objective	Service Level Objective
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Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.

Ensure audited financial statements are in compliance with "Generally Accepted Accounting Principles".

Compliance with flow of funds restrictions.

Staffing: Attract, develop and retain highly qualified employees.

Continue to encourage accounting staff training.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Receive the GFOA Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes	Yes
Audit completed by September 30th	100%	100%	100%
Audit receives clean opinion and no management letter	Yes	Yes	Yes
Conduct internal audit	2 areas	2 areas	2 areas
Prepare the restricted account reporting on a monthly basis	100%	100%	100%
Completion of the fund transfers on the fourth business day before close of the month	100%	100%	100%
Perform a monthly fund reconciliation	100%	100%	100%
Each Accountant and Payroll Administrator to attend one outside accounting/payroll seminar	100%	100%	100%

The Program

Administration & Finance Division Information Technology

Mission and Overview:

The IT section of NBC is responsible for all aspects of networks, telecommunications, hardware, software, and databases for the entire enterprise. As a group, IT provides the infrastructure to enable NBC to have a cohesive, productive workforce. IT is responsible for ensuring the agency has the technology to perform at the expected level of 98% uptime.

Prior Year Accomplishments

Brought the new Customer Services application on-line; this state of the art application was designed and developed with a focus on giving the users a platform that will enhance their ability to respond to our customers.

Changed our primary Operating System to HP-UX (UNIX), with the increased performance and storage capacity we will be able to sustain substantial growth for at least five years.

Migrated the entire Oracle e-Suite to the most recent release and updated our database two levels to add additional security, data integrity, and performance.

Updated the Laboratory Information Management System (LIMS), providing the users with better reporting and monitoring tools.

Program Staffing (Budgeted)			
IT Manager	1.0	Network & Communications Administrator	1.0
Computer Training Applications Specialist	1.0	Senior Systems Administrator	1.0
Applications System Supervisor	1.0	Senior Systems Design Programmer	2.0
Senior Data Base Administrator	2.0	System Administrator	1.0
PC Support Specialist	1.0		
	11.0 FTEs		

The Budget

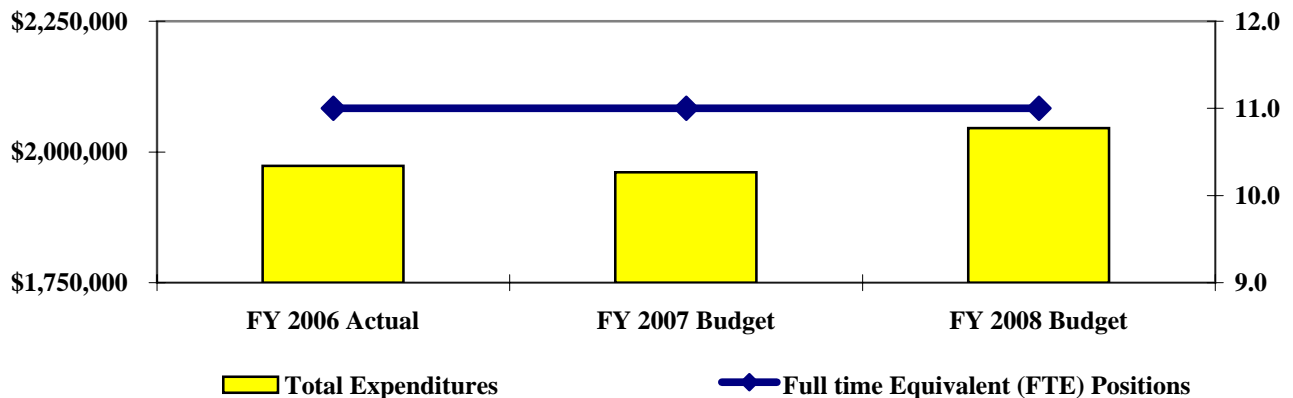
Administration & Finance Division Information Technology

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 879,973	\$ 927,583	\$ 949,703
Less Capital Reimbursements	-	-	-
Net Personnel Costs	879,973	927,583	949,703
Operating Supplies/Expense	375,697	457,985	465,929
Professional Services	3,680	-	-
Capital Outlays	714,180	575,800	630,000
Debt Service	-	-	-
Total Expenditures	\$ 1,973,531	\$ 1,961,368	\$ 2,045,632

Expenditures by Funding Source	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Revenue	\$ 1,973,531	\$ 1,961,368	\$ 2,045,632
Grant	-	-	-
Total Expenditures by Source	\$ 1,973,531	\$ 1,961,368	\$ 2,045,632

Full time Equivalent (FTE) Positions **11.0** **11.0** **11.0**

Information Technology - Historical Data



Performance Data

Administration & Finance Division

IT

Strategic Objective	Service Level Objective
Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.	Continue the level of network stability with the highest level of service uptime. Maximize productive use of automation and computerization throughout the agency. Ensure IT maintains and improves security systems and applications. Provide adequate training opportunities to ensure user comfort with our systems.
Staffing: Attract, develop and retain highly qualified employees.	Encourage and support an adequate level of staff training opportunities.
Organizational Performance: Ensure that the NBC organization is aligned with and supports our strategic goals.	Provide end-user technology and systems to meet NBC's strategic goals.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Level of system availability	99%	99%	99%
Percentage of systems migrated to latest installed operating systems and applications	96%	95%	98%
Number of security breaches into NBC servers and applications	0	0	0
Successful completion of Phase II of the new Customer Service/Billing system	N/A	12/15/06	N/A
Number of user training sessions	130	138	120
Response to Help Desk requests within two hours	100%	100%	100%
Percentage of staff participating in training sessions during the year	55%	70%	65%
Review all NBC systems and upgrade coinciding with lease expirations annually	100%	100%	100%

The Program

Administration & Finance Division Customer Service

Mission and Overview:

The Customer Service section is responsible for the accurate and timely billing of approximately 82,000 accounts in the NBC service area. Water consumption billings comprise 70% of annual user charges and the NBC receives water consumption data from seven different water supply boards. NBC bills its customers quarterly, which includes Customer Service reading the meters of large customers. The billing section also responds to customer inquiries. Additionally, Customer Service has field investigators that research accounts and help with the abatement program. Our collection activity includes phone calls, dunning letters, water shut-off and the management of accounts in bankruptcy. Customer Service is committed to providing NBC's customers with excellent service.

Prior Year Accomplishments

Selected 1500 accounts for Water Shut-off, that is 300 more accounts than prior year.

Billed more than \$58 million in user fees.

Investigated and completed dye tests on 180 accounts listed as non-sewered and obtained actual readings on 3,200 accounts with estimated readings.

Managed NBC's collection efforts, which resulted in a reduction in late fees as a percent of user charges to less than 0.80%.

In conjunction with IT, the new Customer Service application was successfully implemented on 2/1/07.

Program Staffing (Budgeted)			
Customer Service Manager	1.0	Customer Service Paralegal	1.0
Customer Research Supervisor	1.0	Customer Service Analyst	2.0
Customer Service Statistical Analyst	1.0	Customer Service Associate	1.0
Field Investigator	2.0	Customer Service Representative	10.0
Fiscal Clerk	2.0	Billing Supervisor	1.0
22.0 FTEs			

Performance Data

Administration & Finance Division

Customer Service

Strategic Objective	Service Level Objective
---------------------	-------------------------

Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.

Increase efficiency and accuracy of user charge billing.

Ensure timely collection of accounts.

Customer Focus: Maintain a customer-focused attitude throughout the organization.

Review accounts and develop relationships with large users.

Maximize Customer Focus attitude.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Percentage of accounts with meter reading within prior 12 months	96%	95%	96%
Percentage of over thirty-day receivables called	81%	85%	85%
Number of accounts selected for Water Shut Off	1400	1300	1400
Late fees as a percentage of billing	<1%	0.89%	<1%
Number of large user accounts reviewed per year	10	12	12
Number of Customer Focus training sessions annually	4	5	7
Percentage of calls abandoned	2%	<5%	<4%
Number of Connection Permits investigated	100%	100%	100%
Resolution of Disputes within 30 days	95%	93%	95%
Quarterly Reads on Large Customers	529	400	529

The Program

Administration & Finance Division Purchasing

Mission and Overview:

The Purchasing section is responsible for ensuring the legal, timely and cost-effective purchasing of goods and services. This section also provides support for NBC communications, security and maintenance of the Corporate Office Building.

Prior Year Accomplishments

Established the first NBC master price contract.

Created specifications and bid for the first time on the following: Thermographic Imager, Asset Management Annual Inspection of Critical Equipment, Engraving Machine, Vertical Lift, Laboratory Block Digestion System and Laboratory Robotic Dispenser System.

Established procedure for ordering on Amazon.com.

Program Staffing (Budgeted)			
Purchasing Manager	1.0	Purchasing Coordinator	1.0
Office Administrator	1.0	Fiscal Clerk	1.0
	4.0 FTEs		

The Budget

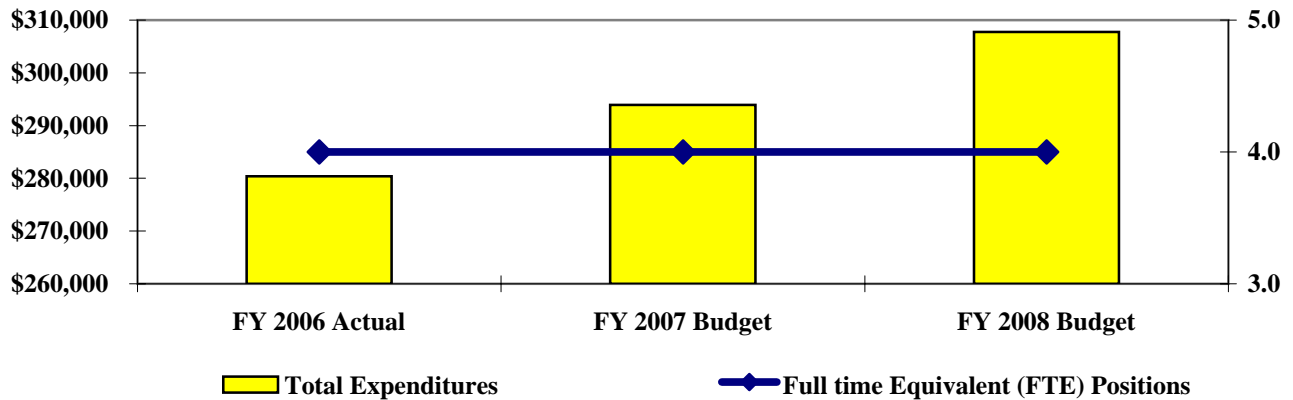
Administration & Finance Division Purchasing

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 276,505	\$ 288,463	\$ 302,309
Less Capital Reimbursements	-	-	-
Net Personnel Costs	276,505	288,463	302,309
Operating Supplies/Expense	3,874	5,445	5,430
Professional Services	-	-	-
Capital Outlays	-	-	-
Debt Service	-	-	-
Total Expenditures	\$ 280,378	\$ 293,908	\$ 307,739

Expenditures by Funding Source	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Revenue	\$ 280,378	\$ 293,908	\$ 307,739
Grant	-	-	-
Total Expenditures by Source	\$ 280,378	\$ 293,908	\$ 307,739

Full time Equivalent (FTE) Positions **4.0** **4.0** **4.0**

Purchasing - Historical Data



Performance Data

Administration & Finance Division

Purchasing

Strategic Objective	Service Level Objective
---------------------	-------------------------

Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.

Ensure goods are purchased in a timely manner.

Evaluate utility and chemicals contracts.

Customer Focus: Maintain a customer-focused attitude throughout the organization.

Ensure compliance with federal and state purchasing laws.

Work towards maximum satisfaction of internal customers

Staffing: Attract, develop and retain highly qualified employees.

Encourage and support adequate level of staff training opportunities.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Percentage of purchase requisitions completed within two weeks	95%	95%	95%
Number of days to complete bid specifications	30 days	30 days	30 days
Percentage of contracts reviewed three months prior to expiration	100%	100%	100%
Percentage of non sole-source, non-emergency purchase requisitions over \$2,500 put out to bid	90%	100%	100%
Percentage of non sole-source, non emergency purchase requisitions over \$2,500 listed on State of Rhode Island Vendor Information Program (website)	100%	100%	100%
Percentage of purchasing system users trained	100%	100%	100%
Percentage of internal customers satisfied with purchasing services, based on accuracy, timeliness and customer friendly processes	N/A	80%	N/A
Number of training hours per employee	12 hours	12 hours	12 hours

The Program

Administration & Finance Division General Administration

Mission and Overview:

The budget for the General Administration section contains expenses such as insurance, unemployment, workers' compensation, special studies, support for the corporate office building, telephones, and debt service payments. Debt service represents the most significant element of the General Administration budget.

Prior Year Accomplishments

Provided support to Nextel with construction of new antenna at Field's Point.

Created identification cards for Bucklin Point employees for security system.

Provided support to NBC engineer in identifying HVAC ducts/vents and smoke detectors for inclusion in as-built drawings.

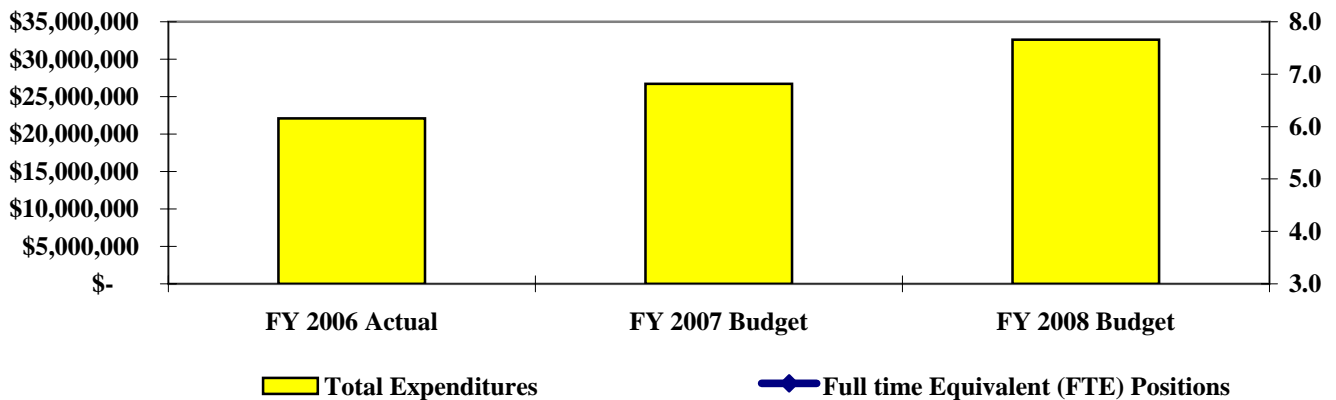
Program Staffing (Budgeted)
No staffing in this overhead section
0 FTEs

The Budget

Administration & Finance Division General Administration

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 154,296	\$ 223,645	\$ 305,475
Less Capital Reimbursements and Turnover Allowance	-	-	-
Net Personnel Costs	154,296	223,645	305,475
Operating Supplies/Expense	948,079	1,114,613	1,213,415
Professional Services	163,972	184,900	307,819
Capital Outlays	74,234	128,000	106,000
Debt Service	20,766,929	25,073,487	30,663,602
Total Expenditures	\$ 22,107,511	\$ 26,724,645	\$ 32,596,311
Expenditures by Funding Source			
Revenue	\$ 22,107,511	\$ 26,694,645	\$ 32,581,311
Grant	-	30,000	15,000
Total Expenditures by Source	\$ 22,107,511	\$ 26,724,645	\$ 32,596,311
Full time Equivalent (FTE) Positions	0.0	0.0	0.0

General Administration - Historical Data



Performance Data

Administration & Finance Division General Administration

Strategic Objective	Service Level Objective
---------------------	-------------------------

Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.

Provide cost-effective administration of the Corporate Office Building (COB).

Maintain and repair COB annually and invest in capital improvements as needed.

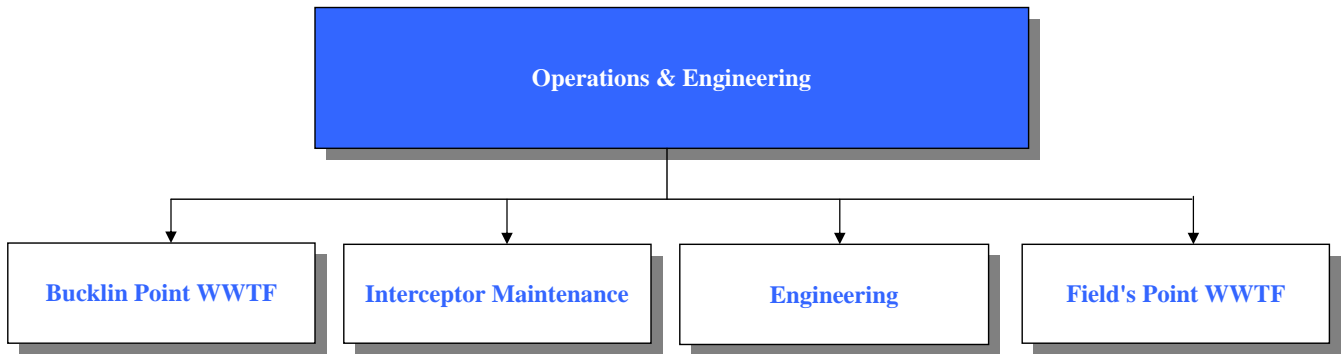
Ensure all COB facility inspections are completed on time and deficiencies corrected within 30 days.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Percentage of building maintenance requests completed within two weeks	84%	80%	80%
Cost per square foot maintained	\$6.34/sq.ft.	\$7.50 / sq. ft.	\$7.00/sq.ft.
Completion of budgeted operating capital projects	100%	100%	100%
Number of facility inspections	N/A	9	9

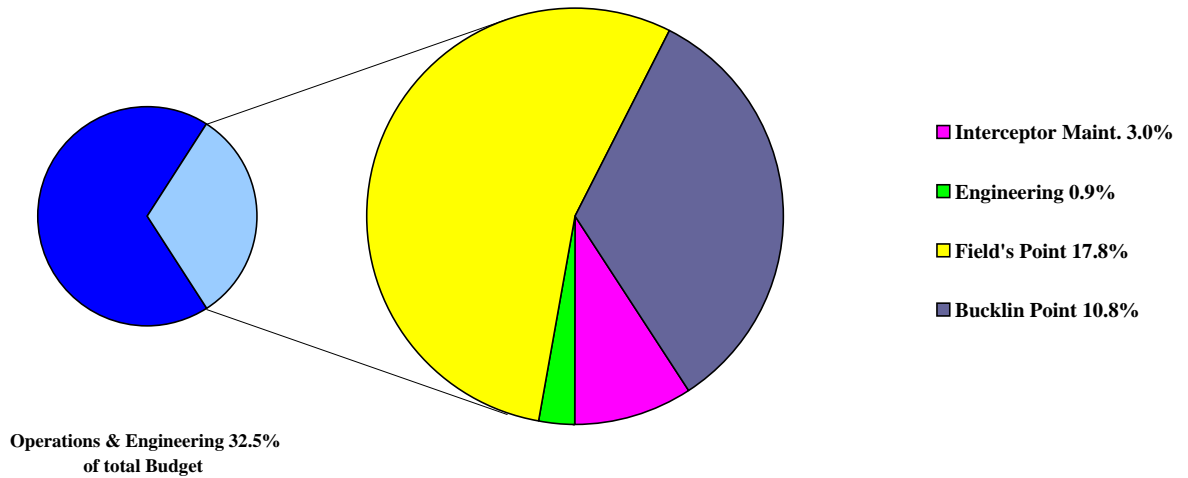
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Division Structure

Operations & Engineering Division Division Summary



Operations & Engineering Division



Division Program

Operations & Engineering Division Division Summary

Purpose and Overview

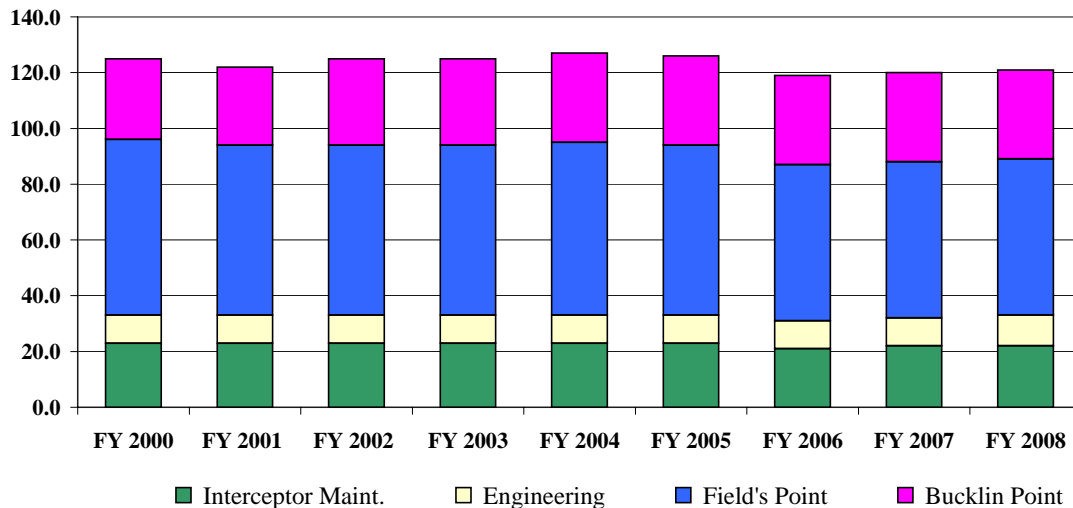
The Operations and Engineering division is responsible for planning and designing capital improvements to the NBC's system of interceptors, pump stations, and wastewater treatment facilities. These improvements to the sewer system's infrastructure are necessary to ensure proper collection and treatment of the wastewater and storm water flows collected. In addition, the division is responsible for operating and maintaining the treatment plants and monitoring the interceptor infrastructure. The division is also responsible for risk management.

Significant Budget Modifications

The Operations and Engineering division's budget has increased by 3.8% on a year to year basis. In terms of Personnel costs, the number of FTE' positions in this division have not changed since FY 2007. However, this division has the greatest number of union positions in NBC, and is therefore heavily impacted by the increasing state retirement pension and post-retirement health benefit contributions.

Where Operating costs are concerned, the most significant increase is the approximate \$500,000 in the cost of Biosolids Disposal at both the Field's Point and Bucklin Point facilities, due to contracted CPI adjustments. In addition, costs for the Management contract at Bucklin Point have increased due to higher chemical usage and the contracted CPI adjustment.

**Historical Budgeted Positions (FTEs)
Operations and Engineering Division**



The Program

Operations & Engineering Division Interceptor Maintenance

Mission and Overview:

The Interceptor Maintenance (IM) section is responsible for maintaining facilities which collect and transport wastewater to the NBC wastewater treatment plants within the Bucklin Point and Fields Point district. This section inspects and maintains, approximately 93 miles of interceptor sewers, 6 pumping stations, 84 regulators, 22 meter stations, 48 sumps, 32 tidegates, approximately 550 catch basins, and the Lincoln Septage Receiving Facility. The purpose for the proper maintenance of these facilities is to ensure sufficient capacity is maintained within the collection system to maximize the amount of wastewater that is transported to the treatment facilities, while complying with applicable state and federal requirements.

Prior Year Accomplishments

An estimated 12 miles of interceptors is anticipated being cleaned and inspected in FY07. This is 20% above the goal.

An estimated 373 tons of grit has been removed from the collection system through the 304 cleaning and inspection contracts, thereby improving collection system carrying capacity.

Reduced contamination from bypass events by 80.7% from 2005 to 2006, thereby improving the quality of area waterways. The number of events was reduced from 25 per year to 21 per year (16% reduction) and the volume was reduced from 2,393,842 gallons to 462,102 gallons (80.7% reduction).

It is estimated that the OF-218 Netting Facility will remove approximately 50 tons of grit and screenings from wet weather discharges to the Seekonk River, thereby improving water quality.

Approximately 5,000 feet of NBC sewers in Lincoln were lined to remove excessive infiltration/inflow into the collection system, thereby improving pipe capacities.

Staff completed a total of 295 training hours in the first half of FY07.

Program Staffing (Budgeted)			
Interceptor Maintenance Manager	1.0	IM Technical Assistant	1.0
Assistant Interceptor Maintenance Manager	1.0	Dispatcher	1.0
IM Supervisor	2.0	Operator	12.0
Heavy Motor Equipment Operator	1.0	IM Clerk	1.0
Mechanic	1.0	IM Environmental Engineer	1.0
	22.0 FTEs		

Performance Data

Operations & Engineering Division Interceptor Maintenance

Strategic Objective	Service Level Objective
Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.	Maintain on-going inspection and careful maintenance of NBC's collection system. Comply with all State and Federal reporting requirements on reporting bypass events. To maintain an asset management program for NBC's infrastructure.
Envir. Performance: Continuously evaluate NBC environmental performance to identify, quantify and minimize NBC impacts to the environment in a cost-effective manner.	Minimize environmental pollution.
Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.	Minimize unplanned capital expenditures.
Customer Focus: Maintain a customer-focused attitude throughout the organization.	Provide prompt courteous responses to all customer requests.
Attract, develop and retain highly qualified employees.	Provide training and equipment to ensure safe and environmentally sound management practices are followed.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Number of miles of interceptors inspected and cleaned annually	15.8	10	10
Address emergency situations within 24 hours of notification	100%	100%	100%
Report all bypass events verbally within 24 hours and send a written report within 5 days	100%	100%	100%
Comply with DEM Best Management Practices (BMP) reporting requirements (Semi-Annually)	100%	100%	100%
Length of time required to alleviate dry weather bypass events from initial notification to end of bypass.	2.5hr	6 hours or less	6 hours or less
Tons of material removed from full trash nets within 72 hours in order to prevent pollution from entering receiving waters.	60 tons	70 tons	70 tons
Percentage of capital expenditures spent on planned items	100%	100%	100%
Number of customer service training hours per employee completed annually.	2 hour	1 hour	1 hour
Length of time to review sewer connection permits	2.4 business days	3 business days	3 business days
Number of optional training hours completed annually	195	75	75

The Program

Operations & Engineering Division Engineering

Mission and Overview:

The primary responsibility of the Engineering section is the planning and design of facilities needed for the collection and treatment of wastewater within the NBC's service area. Current projects are identified in the NBC's five-year Capital Improvement Plan. The types of capital projects designed by the Engineering section include CSO facilities,, improvements to existing wastewater treatment facilities, sewer system improvement projects, and CSO interceptor repair and construction projects.. The Engineering section also provides facilities engineering services to FPWWTF. Staff in the Engineering section also perform risk management functions.

Prior Year Accomplishments

Completed preliminary design plans for Nitrogen Removal at FPWWTF.

Evaluated performance of the BPWWTF nitrogen removal and submitted a report to RIDEM.

Completed preliminary design of Phase II CSO Facilities.

Completed evaluation of feasibility of using digester gas for regeneration of electricity and heat at the BPWWTF.

Prepared facilities plan for Central Avenue Pump Station replacement.

Program Staffing (Budgeted)

Director of Operations & Engineering	1.0	Administrative Assistant	1.0
Engineering Manager	1.0	Facilities Engineer	1.0
Instrumentation Engineer	1.0	Principal Environmental Engineer	2.0
Environmental Engineer	1.0	Risk Management Coordinator	1.0
Senior Project Manager	1.0	GIS Coordinator	1.0

11.0 FTEs

The Budget

Operations & Engineering Division Engineering

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 662,490	\$ 980,252	\$ 1,060,610
Less Capital Reimbursements	(122,355)	(371,871)	(459,501)
Net Personnel Costs	540,135	608,381	601,109
Operating Supplies/Expense	18,120	19,200	16,450
Professional Services	-	-	-
Capital Outlays	7,661	23,000	-
Debt Service	-	-	-
Total Expenditures	\$ 565,916	\$ 650,581	\$ 617,559
Expenditures by Funding Source			
Revenue	\$ 565,916	\$ 650,581	\$ 617,559
Grant	-	-	-
Total Expenditures by Source	\$ 565,916	\$ 650,581	\$ 617,559

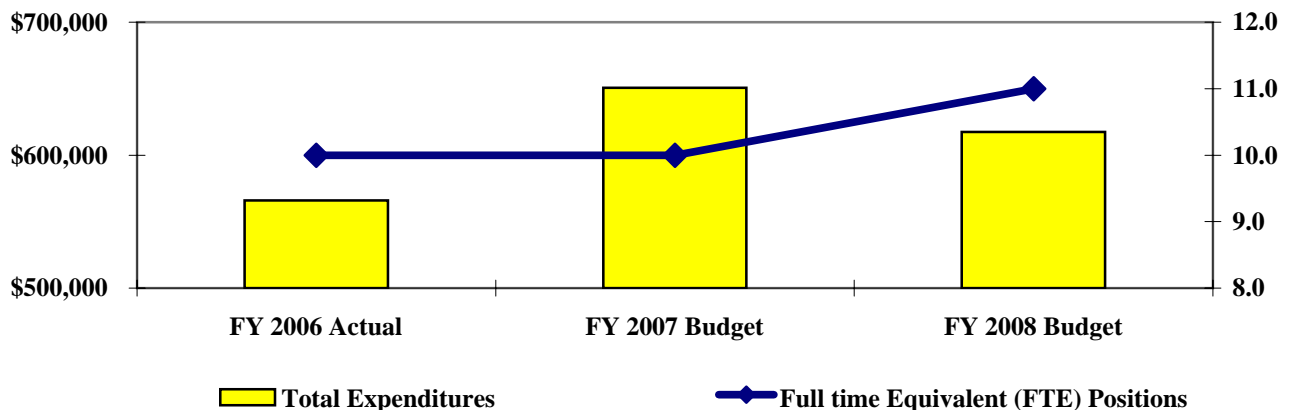
Full time Equivalent (FTE) Positions

10.0

10.0

11.0

Engineering - Historical Data



Performance Data

Operations & Engineering Division Engineering

Strategic Objective	Service Level Objective
---------------------	-------------------------

Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.

Complete the planning and design of all projects in accordance with the master schedule and in compliance with RIDEM requirements.

Envir. Performance: Continuously evaluate NBC environmental performance to identify, quantify and minimize NBC impacts to the environment in a cost-effective

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Number of project tasks completed related to nutrient removal at wastewater treatment facilities in accordance with permit and consent order requirements.	8/11	8	5
Number of project tasks completed related to the sewer collection system	2/3	2	6
Number of project tasks completed related to the development of GIS/Hansen sewer maintenance applications	5/6	4	3
Number of project tasks completed related to Phase II Combined Sewer Overflow Control in accordance with permit and consent order requirements.	3/4	4	2

The Program

Operations & Engineering Division Field's Point Operations

Mission and Overview:

The Field's Point WWTF is the largest, most technically-advanced wastewater treatment facility in RI. It treats over 52 million gallons of wastewater per day. The goal and mission of the Operations staff is to run the facility in a way that will produce the highest quality effluent in the most efficient manner. To accomplish this goal Operations must assure that all processes function at their optimum. Residuals removed from the wastewater must be disposed of and/or utilized in a cost-efficient manner. Roughly 1,000 tons of grit and 130 tons of screenings are removed in the treatment process and they are properly disposed of at the landfill. Approximately 26 dry tons of sludge are removed on a daily basis. Sludge in liquid form is either hauled to an incineration facility or dewatered on-site by a private contractor.

Prior Year Accomplishments

The facility has produced an effluent that far surpasses national secondary treatment quality standards. The average for total suspended solids, biochemical oxygen demand and fecal coli forms (Conventional Pollutants) are 12 mg/l, 15 mg/l and 24 MPN/100 mls respectively.

Achieved a 99.9% compliance rate for Conventional Pollutants.

Began incorporating parts of the Asset Management Plan. The naming conventions and equipment inventories, for some of facility, have been completed as a prelude to a formalized "Condition Assessment" of all critical equipment within the facility.

Transition to Synagro Facility was uneventful. The first full year of contracted biosolids removal went smoothly.

Removed approximately 29 dry tons daily.

Program Staffing (Budgeted)

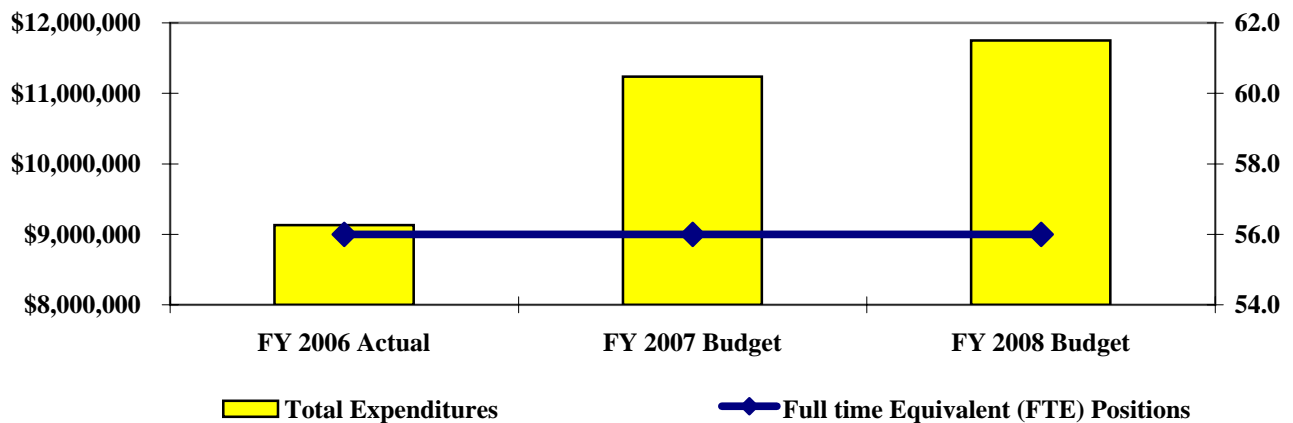
Operations Manager FP	1.0	Assistant Operations Manager	1.0
Control Systems Administrator	1.0	Assistant Control Systems Administrator	1.0
O & M Clerk	1.0	O & M Coordinator	1.0
Maintenance Manager	1.0	Fleet Mechanic	1.0
O & M Technician	1.0	O & M Supervisor	4.0
Process Monitor	9.0	Inventory Control Clerk	2.0
Assistant Inventory Control Clerk	1.0	Operator	13.0
Mechanic	10.0	Carpenter	1.0
E & I Technician	1.0	Electrician	2.0
Master Electrician	1.0	O & M Support Supervisor	1.0
Maintenance Supervisor	2.0		
	56.0 FTEs		

The Budget

Operations & Engineering Division Field's Point Operations

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	3,894,062	\$ 4,201,687	\$ 4,381,094
Less Capital Reimbursements and Turnover	(2,621)	(171,209)	(219,055)
Net Personnel Costs	3,891,441	4,030,478	4,162,039
Operating Supplies/Expense	4,918,759	6,548,531	6,990,179
Professional Services	22,786	13,350	14,472
Capital Outlays	298,327	644,558	584,400
Debt Service	-	-	-
Total Expenditures	\$ 9,131,311	\$ 11,236,917	\$ 11,751,090
Expenditures by Funding Source			
Revenue	\$ 9,131,311	\$ 11,236,917	\$ 11,751,090
Grant	-	-	-
Total Expenditures by Source	\$ 9,131,311	\$ 11,236,917	\$ 11,751,090
Full time Equivalent (FTE) Positions	56.0	56.0	56.0

Field's Point Operations - Historical Data



Performance Data

Operations & Engineering Division Field's Point Operations

Strategic Objective	Service Level Objective
Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.	Achieve 100% compliance on RIPDES permit. Recondition facility buildings, structures, piping and equipment to extend their useful life. Achieve higher treatment performance for TSS and BOD than is required by permit by maximizing effluent treatment. The limit for both these parameters is 30 mg/l.
Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.	Optimize efficiency of the Solids Handling area. Reduce number of Workers' Compensation claims. Maximize safe, efficient and cost-effective operation of the treatment plant. Minimize unplanned capital expenditures.
Staffing: Attract, develop and retain highly qualified employees.	Develop a pool of candidates for future supervisory positions.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Achieve 100% compliance rate by eliminating daily maximum, weekly average, and monthly average violations for TSS, BOD, fecal coliforms, and chlorine residuals (potentially 1,716 violations)	99.8%	100%	100%
Perform preventative maintenance tasks on 25 percent of the total number of buildings and structures within the facility on an annual basis.	N/A	25%	25%
Effluent Quality Goals:			
Yearly average TSS	15.3 mg/l	15 mg/l	15 mg/l
Yearly average BOD	12.9 mg/l	13 mg/l	12 mg/l
Yearly average Fecal Coliforms	20 MPN	20 MPN	20 MPN
Permit levels TSS & BOD	30 mg/l	30 mg/l	30 mg/l
Permit levels Fecal Coliforms	200 MPN	200 MPN	200 MPN
Keep daily average sludge production to less than or equal to 26 DT/day	28.9 DT/day	< 25 DT/day	<26 DT/day
Reduce the number of accidents at Field's Point	N/A	<30	<25
Reduce the number of changes to the current year Operating Capital budget due to plan changes	6	< 5	<5
Percentage of capital expenditures spent on planned items	90%	100%	100%
Number of Incentive Training courses taken by Operations and Maintenance employees	N/A	N/A	20

The Program

Operations & Engineering Division Bucklin Point Operations

Mission and Overview:

The Bucklin Point WWTF is the second largest in the state, treating approximately one-fifth of the state's wastewater flow. The facility treats an average of 25/MGD per day with the ability to treat a dry weather flow up to 46/MGD. Since the completion of a major upgrade to provide advanced secondary treatment and biological nutrient reduction, Bucklin Point continues to post impressive treatment records in both the pre-existing permitted parameters and the new permitted nitrogen standard. In addition, this construction provided for fundamental treatment of wet weather flows by almost double the previous capacity, utilizing existing tanks and treatment technologies, reducing untreated flows into the Seekonk River by almost 90%. New initiatives are in place to exceed current permitted nutrient reduction target to the most technologically feasible level attainable.

Prior Year Accomplishments

Participated in team effort to implement revised blower air strategy management software.

Reviewed and upgraded inventory management and inventory stock.

Continued team effort to implement utility-wide asset management program.

Placed the refurbished anaerobic digesters in service after extensive rehabilitation project and continue efforts to reduce natural gas use.

Continued successful program to attain electrical usage below projected levels.

Supported PP&R in addressing changes to sampling requirements and frequency and other pretreatment related issues.

Program Staffing (Budgeted)			
BP Contract Administrator	1.0	Utility Crew Foreman	1.0
Scada System Operator	1.0	Process Monitor	5.0
Operator	12.0	Heavy Motor Equipment Operator	1.0
Mechanic	5.0	E & I Technician	1.0
Electrical Foreman	1.0	Electrician	2.0
Inventory Control Clerk	1.0	Mechanical Foreman	1.0
	32.0 FTEs		

Performance Data

Operations & Engineering Division Bucklin Point Operations

Strategic Objective	Service Level Objective
---------------------	-------------------------

Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.

Maximize safe, efficient and cost-effective operation of the treatment plant.

Achieve higher treatment performance for Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD) than is required by permit by maximizing effluent treatment. The limit for both these parameters is 30 mg/l. Meet the total nitrogen limit of 8 mg/l during the months of May through October.

Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.

Optimize efficiency of the Solids Handling area.

Reduce number of Workers' Compensation claims.

Minimize unplanned capital expenditures.

Reduce emergency maintenance expenditures

Staffing: Attract, develop and retain highly qualified employees.

Continue training of employees on new plant start-up.

Maintain number of health and safety training hours per employee.

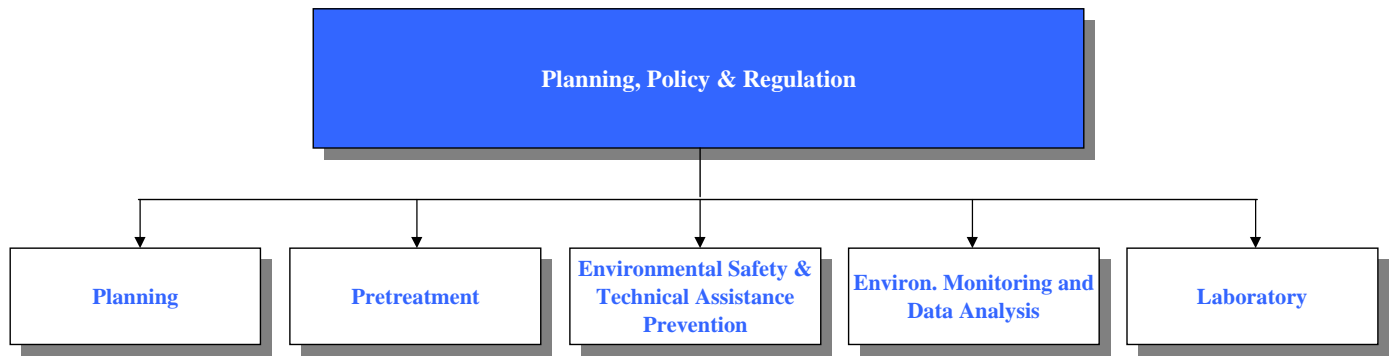
Provide post-construction technical training to optimize team performance.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Completion of budgeted operating capital projects	100%	100%	100%
Compliance with all new equipment and treatment facility warranties	100%	100%	100%
Effluent Quality Goals:			
Monthly total Nitrogen average May - October	9 mg/l	8 mg/l	5 mg/l
Permit Level Nitrogen (changes to 5 mg/l February 2008)	10 mg/l	8 mg/l	5 mg/l
Yearly average TSS	10 mg/l	15 mg/l	12 mg/l
Yearly average BOD	6 mg/l	15 mg/l	12 mg/l
Yearly average Fecal Coliforms	13 MPN	30 MPN	30 MPN
Permit levels TSS & BOD	30 mg/l	30 mg/l	30 mg/l
Permit levels Fecal Coliforms	200 MPN	200 MPN	200 MPN
Keep daily average sludge production less than or equal to 6.8 DT/day	6.31 DT/day	7.5 DT/day	6.8 DT/day
Reduction as per Workers' Compensation Injury Report - of a serious nature	100%	N/A	N/A
Percentage of capital expenditures spent on planned items	100%	100%	100%
Reduction in Monthly Emergency Maintenance Orders due to more comprehensive use of asset management program	N/A	N/A	10%
Percentage of employees fully trained for new facility in both Phase 1A and Phase 1B	100% in Phase 1A	100% in Phase 1B	N/A
Maintain number of hours of training as per Safety and Health Training Hours report	24 hours / employee completed	24 hours / employee	24 hours / employee
One training session per month per employee	N/A	24 hours / employee	24 hours / employee

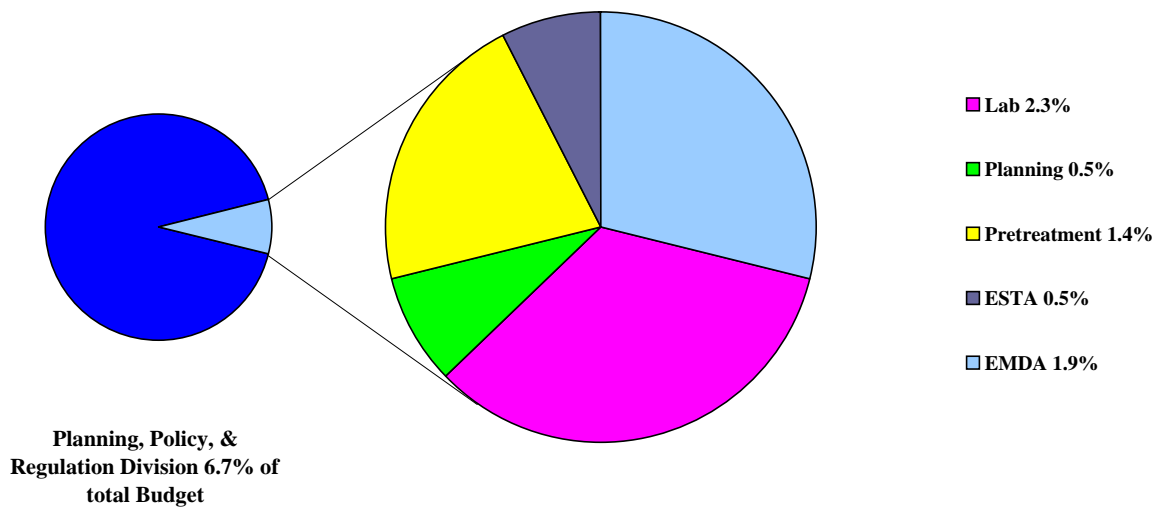
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Division Structure

Planning, Policy & Regulation Division Summary



Planning, Policy & Regulation Division



Division Program

Planning, Policy & Regulation Division

Division Summary

Purpose and Overview

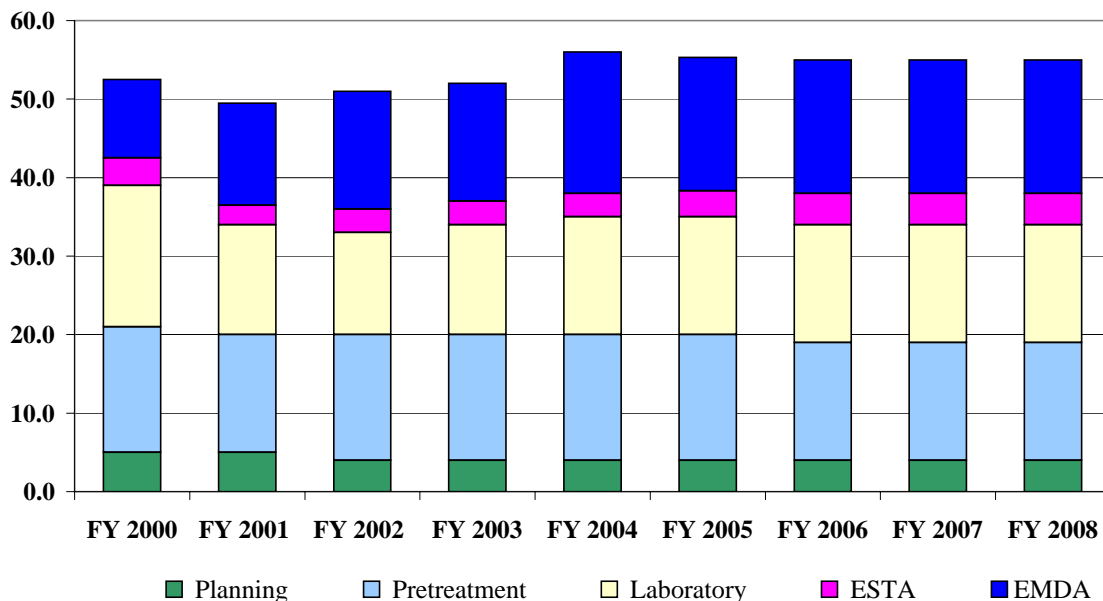
The Planning, Policy and Regulation Division is responsible for long-range agency planning and the issuance of new sewer connection permits. The Division also includes the pretreatment program, environmental monitoring and data analysis, environmental safety and technical assistance, and the laboratory. The Division also provides technical support to the operating sections and performs a variety of special studies.

Significant Budget Modifications

Overall, this division's budget increased by 2.3% over FY 2007. There are no changes in the number of FTEs, although Personnel costs rose slightly due to changes in personnel and union related benefits.

In terms of operating costs, costs in the Lab Supplies account will increase due to the more stringent requirements of nitrogen removal and other permitted sampling. The Laboratory has also budgeted increases in maintenance and repairs of their facility.

**Historical Budgeted Positions (FTEs)
Planning, Policy and Prevention Division**

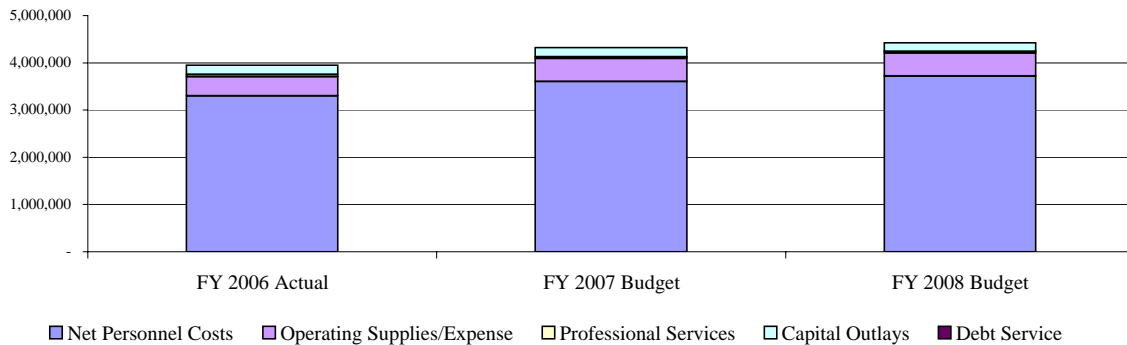


Division Budget

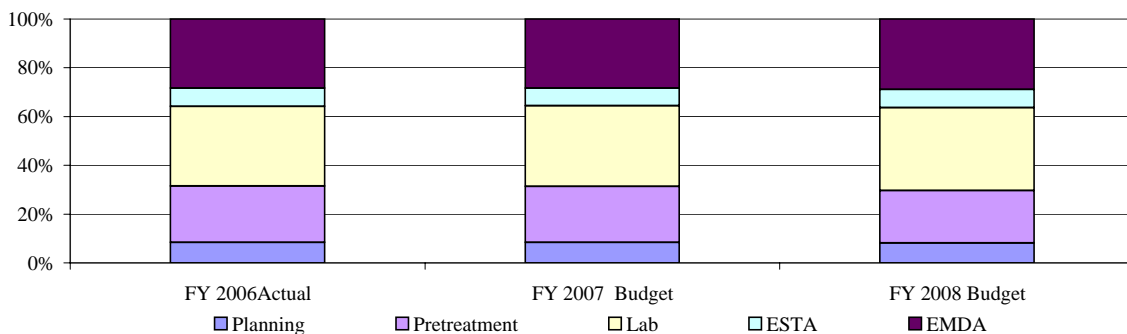
Planning, Policy & Regulation Division Summary

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 3,311,099	\$ 3,615,951	\$ 3,736,341
Less Capital Reimbursements	(13,604)	(12,710)	(19,375)
Net Personnel Costs	3,297,495	3,603,241	3,716,966
Operating Supplies/Expense	410,774	486,627	489,481
Professional Services	45,303	38,700	35,280
Capital Outlays	195,674	196,400	181,400
Debt Service	-	-	-
Total Expenditures	\$ 3,949,245	\$ 4,324,968	\$ 4,423,127
Expenditures by Funding Source			
Revenue	\$ 3,949,245	\$ 4,324,968	\$ 4,423,127
Grant	-	-	-
Total Expenditures by Source	\$ 3,949,245	\$ 4,324,968	\$ 4,423,127
Full time Equivalent (FTE) Positions	55.0	55.0	55.0

Division Cost by Element



Percent of Division's Budget by Section



The Program

Planning, Policy & Regulation Division Planning

Mission and Overview:

The Planning & Permits section issues sewer connection, storm water and sewer alteration permits. It is also responsible for the issuance and maintenance of NBC policies, assisting other sections with the enforcement of NBC Rules and Regulations, protection of NBC sewer easements, and public outreach projects such as the Chairman's River Restoration Initiative. In addition, staff provides free water audits for businesses as well as technical assistance to the sewer abatement program. Permit Section staff maintain the RIPDES storm water permits for both the Field's Point and Bucklin Point Wastewater Treatment Facilities. This section is also responsible for NBC Planning activities, including developing and maintaining the NBC Strategic Plan, and negotiating RIPDES Permit issues with the DEM.

Prior Year Accomplishments

Issued 583 permits for 865 sewer connections.

Conducted annual site inspections of Fields Point and Bucklin Point Wastewater Facility as required under our General Stormwater Permits for these facilities and reapplied for permit re-issuance.

The stormwater mitigation program reduced stormwater flow to the NBC facilities by 2.6 million gallons based upon a 3 month storm event.

Assisted Customer Service in the review and field inspection of commercial abatement requests.

Participated on the Rhode Island Environmental Monitoring Collaborative, a subpanel of the Governor's Rivers, Bay and Watersheds Coordinating Team.

Worked successfully to review, negotiate and resolve RIPDES Permit issues with DEM.

Oversaw development of the annual Affirmative Action Plan.

Program Staffing (Budgeted)			
Director of Planning, Policy & Reg.	1.0	Administrative Assistant	1.0
Permits Coordinator	1.0	Permits and Planning Manager	1.0
	4.0 FTEs		

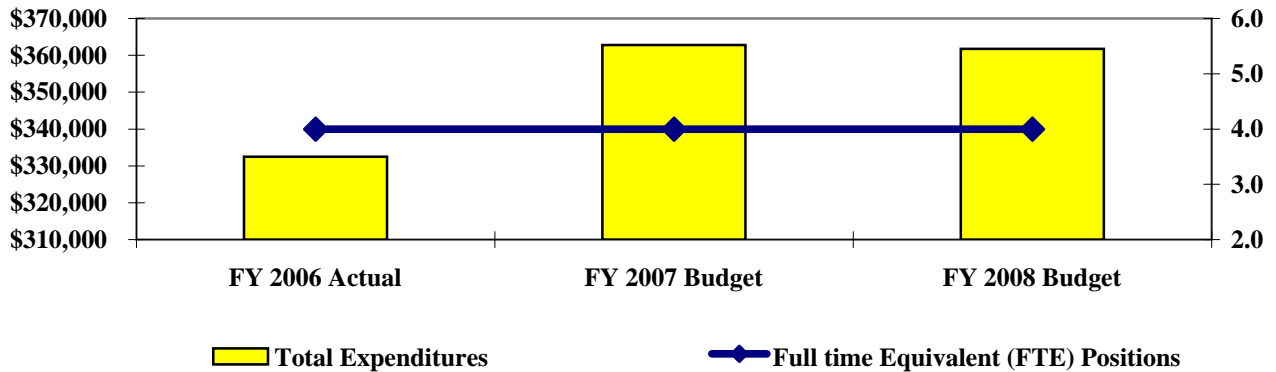
The Budget

Planning, Policy & Regulation Division Planning

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 319,720	\$ 340,518	\$ 348,553
Less Capital Reimbursements	-	-	-
Net Personnel Costs	319,720	340,518	348,553
Operating Supplies/Expense	12,550	21,500	13,200
Professional Services	200	800	-
Capital Outlays	-	-	-
Debt Service	-	-	-
Total Expenditures	\$ 332,470	\$ 362,818	\$ 361,753
Expenditures by Funding Source			
Revenue	\$ 332,470	\$ 362,818	\$ 361,753
Grant	-	-	-
Total Expenditures by Source	\$ 332,470	\$ 362,818	\$ 361,753

Full time Equivalent (FTE) Positions 4.0 4.0 4.0

Planning - Historical Data



Performance Data

Planning, Policy & Regulation Division Planning

Strategic Objective	Service Level Objective
Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.	Maintain full compliance with all requirements of Phase I Stormwater Permits for both NBC's WWTFs.
Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.	Administer the connection fee structure in a fair and accurate manner.
Customer Focus: Maintain a customer-focused attitude throughout the organization.	Work to create a customer-focused attitude to enhance the efficiency of the permitting program.
Staffing: Attract, develop and retain highly qualified employees.	Establish projects that give back to the cities/towns and state. Work to create and establish opportunities for continued growth and professional development of staff.
Communication: Improve and enhance internal and external communication to increase understanding of "who we are" and "what we do".	Establish internal communication process for the permit program.
Organizational Performance: Ensure that the NBC organization is aligned with and supports our strategic goals.	Develop and publish a formal statement of NBC's Strategic Plan goals and communicate to employees.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Develop annual stormwater inspection report for each WWTF	12/15/05	12/30/06	12/30/2007
Apply for renewal of RIPDES Stormwater permits per RIDEM requirements	6/1/06	Renewal 5/31/11	Renewal 5/31/11
Collect 100% of fees for every permit issued	100% (\$316,492)	100% (\$293,685)	100%
Meet time limit for issuance of sewer and storm connection permits	10 Business days	10 Business days	10 Business days
Meet time limit for issuance of sewer alteration permits	9 Business days	9 Business days	9 Business days
Track annual funding of Chairman's River Restoration Initiative	6/30/2006	6/30/2007	6/30/2008
Conduct biannual review meetings with staff to discuss professional development and tuition reimbursements	6 meetings/year	2 meetings/year	2 meetings/year
All staff complete four hours of professional training	26 hrs. (avg./staff)	4 hours/employee	4 hours
Meet monthly with customer service section to review status of new permits	18 meetings	12 meetings	12 meetings
Notify employees annually regarding updated Strategic Plan goals	5/31/06 & 6/1/2006	6/30/06	6/30/2007

The Program

Planning, Policy & Regulation Division Pretreatment

Mission and Overview:

The Pretreatment section is responsible for the federally mandated pretreatment program. The primary purpose of the pretreatment program is to protect the NBC's wastewater treatment plants from toxic chemicals that could disrupt and interfere with plant operations, as well as to protect the receiving waters of the metropolitan-area rivers and, ultimately, Narragansett Bay.

The Pretreatment section uses various tools to accomplish this task, including the issuance of wastewater discharge permits to industrial and commercial users. Additionally, this section performs site inspections of these users, responds to spills within the NBC district and tracks toxic discharges through the sewer system to determine the source.

Prior Year Accomplishments

All SIUs were inspected multiple times within the 12-month period, achieving 100% of the goal.

All SIUs were continuously permitted in accordance with federal regulations, achieving 100% of the goal.

The Pretreatment Annual Report was submitted to the DEM on March 15, 2007 as required by the RIPDES permit.

Pretreatment staff members participated in six public presentations and workshops exceeding the goal of three.

Eight educational form letters were issued to users over the past year.

Program Staffing (Budgeted)			
Pretreatment Manager	1.0	Assistant Pretreatment Manager	1.0
Principal Pretreatment Engineer	1.0	Pretreatment Engineer	3.0
Pretreatment Technician	5.0	Pretreatment Clerk	4.0
15.0 FTEs			

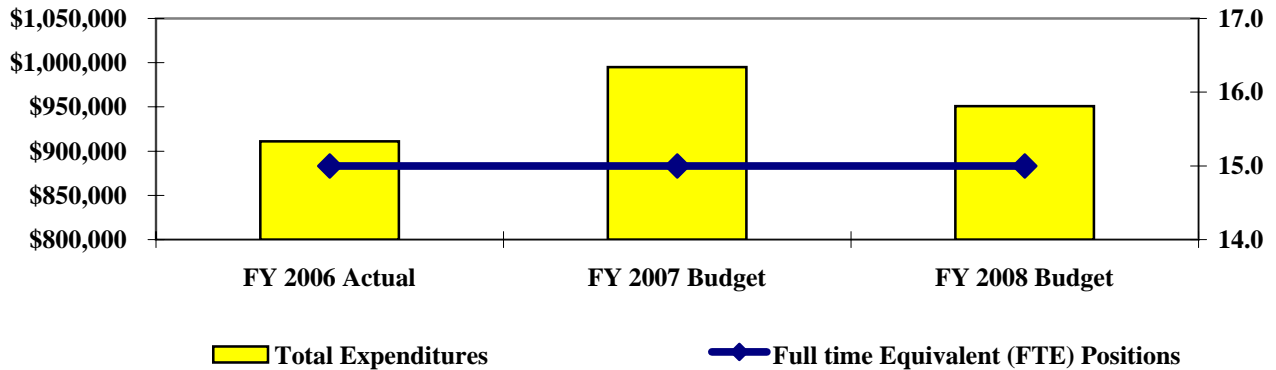
The Budget

Planning, Policy & Regulation Division Pretreatment

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 876,453	\$ 921,228	\$ 913,495
Less Capital Reimbursements	-	-	-
Net Personnel Costs	876,453	921,228	913,495
Operating Supplies/Expense	24,790	44,736	37,553
Professional Services	9,701	4,200	-
Capital Outlays	-	25,000	-
Debt Service	-	-	-
Total Expenditures	\$ 910,944	\$ 995,164	\$ 951,048
Expenditures by Funding Source			
Revenue	\$ 910,944	\$ 995,164	\$ 951,048
Grant	-	-	-
Total Expenditures by Source	\$ 910,944	\$ 995,164	\$ 951,048

Full time Equivalent (FTE) Positions **15.0** **15.0** **15.0**

Pretreatment - Historical Data



Performance Data

Planning, Policy & Regulation Division Pretreatment

Strategic Objective	Service Level Objective
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Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.

Meet the Pretreatment Program requirements of NBC's RIPDES permits for its two wastewater treatment plants.

Envir. Performance: Continuously evaluate NBC environmental performance to identify, quantify and minimize NBC impacts to the environment in a cost-effective manner.

Continuously evaluate the Pretreatment Program and report the data to the public.

Customer Focus: Maintain a customer-focused attitude throughout the organization.

Provide excellent customer service and educate NBC permitted users regarding NBC regulations and requirements.

Communication: Improve and enhance internal and external communication to increase understanding of "who we are" and "what we do".

Educate internal and external customers on the Pretreatment program.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Conduct non-sampling inspections of all Significant Industrial Users (SIUs) within required 12 month period.	104 SIUs (100%)	100%	100%
Complete and submit Annual Pretreatment Report to DEM	03/15/06	03/15/07	03/15/08
Issue Notices of Violations for 100% of incidents of non-compliance	2,264 NOV's issued (100%)	100%	100%
Compile data for the Pretreatment Annual Report and present findings to the Citizens' Advisory Committee	3/15/06 & 6/7/06	3/15/07 & 6/30/07	3/15/08 & 6/30/08
Compile the list of companies in Significant Non-Compliance to be published in newspaper	2/20/06	2/28/07	2/28/2008
Issue educational form letters	8	8	8
Participate in Public Presentations / Workshops	6	3	3
Upload Pretreatment Annual Report to the Internet	03/30/06	04/15/07	04/15/08

The Program

Planning, Policy & Regulation Division Laboratory

Mission and Overview:

The Laboratory section is responsible for ensuring the production of high quality analytical data through the use of diagnostic measurements that are accurate, reliable, and yield the most precise result possible, in order to comply with federal and state regulations. The laboratory is certified by the State of RI and must comply with certification requirements by the Department of Health (DOH) and United States Environmental Protection Agency (US EPA).

The Laboratory supports the Field's Point and Bucklin Point WWTFs and Pretreatment in their effort for regulated discharges through special studies relating to the rivers and Narragansett Bay. The Lab also supports the Engineering department with special studies at the WWTFs.

Prior Year Accomplishments

100% accuracy on both the Proficiency Testing for State Certification and EPA's DMR reporting.

Initiated the Department of Health's State Licensing requirements for the monthly and yearly testing of the laboratory's water and control charts for all analyses.

Improved the procedure for Total Kjeldahl Nitrogen by using an initial step to remove interferences.

Participated in EPA's "holding time" study on E. Coli and Enterococci for qualification and verification.

Established the minimum detection limit (MDL) on all the laboratory procedures.

Coordinated the design of the neutralization system in the laboratory.

Supported several hazardous waste investigative studies for EMDA, Bucklin Point, and Engineering. These projects included the Field's Point incinerator grit analysis and sewer grit analyses for the IM department.

Remodeled the lab fecal processing room and microbiology lab to improve efficiency.

Program Staffing (Budgeted)			
Laboratory Manager	1.0	Assistant Laboratory Manager	1.0
Senior Organic Chemist	1.0	Senior Environmental Chemist	1.0
Biologist	1.0	Environmental Chemist	2.0
Technical Database Coordinator	1.0	Chemist	2.0
Laboratory Clerk	1.0	Laboratory Technician	4.0
15.0 FTEs			

The Budget

Planning, Policy & Regulation Division Laboratory

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 929,359	\$ 997,029	\$ 1,056,925
Less Capital Reimbursements	-	-	-
Net Personnel Costs	929,359	997,029	1,056,925
Operating Supplies/Expense	258,845	284,081	298,313
Professional Services	32,667	27,350	28,930
Capital Outlays	69,248	118,400	119,400
Debt Service	-	-	-
Total Expenditures	\$ 1,290,120	\$ 1,426,860	\$ 1,503,568
Expenditures by Funding Source			
Revenue	\$ 1,290,120	\$ 1,426,860	\$ 1,503,568
Grant	-	-	-
Total Expenditures by Source	\$ 1,290,120	\$ 1,426,860	\$ 1,503,568

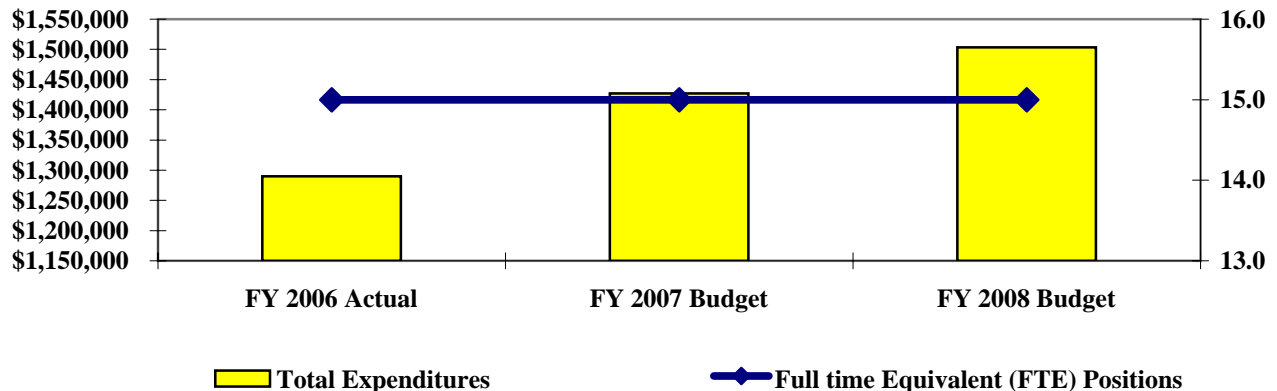
Full time Equivalent (FTE) Positions

15.0

15.0

15.0

Laboratory - Historical Data



Performance Data

Planning, Policy & Regulation Division Laboratory

Strategic Objective	Service Level Objective
<p>Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.</p>	<p>Maintain full compliance with all requirements specified in RIPDES Permits and Consent Agreements.</p> <p>Maintain NBC Laboratory quality and resources necessary to meet state and federal certifications, mandated environmental requirements, and ensure proper WWTF operations.</p> <p>Ensure EPA, DOT, and regulations for calibration of all instruments that generate regularatory data, including the laboratory instruments at Field's Point, Bucklin Point and EMDA.</p>
<p>Envir. Performance: Continuously evaluate NBC environmental performance to identify, quantify and minimize NBC impacts to the environment in a cost-effective manner.</p>	<p>Ensure all lab data is available in a timely manner for management decisions regarding NBC priorities and programs.</p> <p>Provide quality and expedient analytical service for all special studies and samples collected to evaluate NBC impacts from nutrients and fecals to the Bay.</p>
<p>Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.</p>	<p>Review laboratory service contracts on each instrument to determine its cost effectiveness. Provide Preventative Maintenance (PM) training to maintain EPA's requirements.</p>
<p>Staffing: Attract, develop and retain highly qualified employees.</p>	<p>Develop program with mechanisms and opportunities for continued growth and professional development.</p>

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Monthly audits of two procedures per month	24/year	43/year	24/year
Achieve 100% accuracy on Proficiency testing for EPA's Discharge Monitoring Report (DMR), reporting, and state licensing	100%	100%	100%
Yearly calibration of all instruments by Caley & Whitmore.	100%	100%	100%
Ensure 100% of all analyses completed and validated within EPA's specified "holding time"	100 % (# of analyses performed = 63,424)	100%	100%
Analyze all fecal, nutrient and special study samples	100%	100%	100%
Provide PM training on 2 instruments for NBC Laboratory staff.	2 Instruments (Cyanide and Nutrient analyzer)	2 Instruments	2 Instruments
Provide a minimum 15 hours to meet certification requirements by the National Registry of Environmental Professionals	Average 19 hours per employee	15 hours per employee	15 hours per employee
Number of hours of cross-training for each staff member	Average 94 hours/staff member	Min. 10 hours/staff member	Min. 10 hours/staff member

The Program

Planning, Policy & Regulation Division Environmental Safety & Technical Assistance

Mission and Overview:

The Environmental Safety & Technical Assistance (ESTA) section helps Industrial and Commercial customers minimize, and where feasible eliminate, the creation of waste and pollutants at the source. In addition, ESTA assists internal NBC sections to comply with environmental, health and safety regulations and improve NBC's overall environmental performance. These efforts protect NBC's employees, wastewater treatment plants and the Narragansett Bay.

ESTA interacts regularly with various NBC sections, NBC customers, the RIDEM and the EPA to help identify and develop new and innovative ways of improving the overall environmental performance of NBC operations. The program makes pollution prevention information available to the general public.

Prior Year Accomplishments

Applied for and received two \$25,000 grants from the State of Rhode Island to conduct renewable energy feasibility studies at Field's Point and Bucklin Point.

Completed initial biogas renewable energy feasibility study. (Summary Report of Findings)

Erected meteorological tower to investigate the feasibility of constructing a wind turbine at Field's Point..

Participated in siloxane study.

Organized and held a Hazardous Waste Management workshop for Auto Salvage Yards.

Assisted with implementing IMEC Immunization Program - coordinated on-site T/D and Hepatitis A/B vaccinations of 108 NBC employees.

Coordinated and participated in a Port-of-Providence evacuation drill at Field's Point.

Assisted with developing a Pandemic Planning/Response Plan.

Program Staffing (Budgeted)			
Environmental Safety Manager	1.0	Pollution Prevention Engineer	1.0
Safety Compliance Coordinator	1.0	Environmental Compliance Technical Assistant	1.0
4.0 FTEs			

Performance Data

Planning, Policy & Regulation Division Environmental Safety & Technical Assistance

Strategic Objective	Service Level Objective
Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.	Ensure full compliance with regulations such as the Clean Air Act, Clean Water Act, Occupational Safety Health Act (OSHA), Resource Conservation Recovery Act (RCRA), Emergency Planning and Community Right-to-Know Act (EPCRA), etc.
Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.	Explore the development of new revenue sources.
Customer Focus: Maintain a customer-focused attitude throughout the organization.	Maintain efforts of NBC's Environmental Safety & Technical Assistance technical assistance program.
Staffing: Attract, develop and retain highly qualified employees.	Develop mechanisms and opportunities for continued growth and professional development.
Communication: Improve and enhance internal and external communication to increase understanding of "who we are" and "what we do".	Develop a culture within NBC for protecting employees with safe and sound practices. Strengthen and expand NBC's base of support for its programs through continued positive relationships with key stakeholders (customers, Board, elected officials, regulatory officials and the public) to ensure NBC's mission and actions are well understood.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Compile and process annual OSHA 300 Logs and Tier II Reports two weeks prior to respective due dates	100%	100%	100%
Number of Internal Environmental Health & Safety audits performed	8	8	8
Number of grant applications submitted	5	1	1
Amount of funds received as a % of program budget	9.25%	4%	4%
Number of Environmental Safety & Technical Assistance technical assistance site-visits conducted	66	35	35
Number of presentations at colleges/schools and or public/business/trade association meetings	6	2	2
Meet with staff on quarterly basis to identify professional educational opportunities	4	4	4
Number of classes/seminars	54 hrs/employee (aver.)	10 hours/employee	10 hours/employee
Conduct CPR / Defibrillator training	7 classes	6 classes	6 classes
Number of employees certified in CPR / Defibrillator	51 employees/year	50 employees/year	50 employees/year
Assist with coordinating NBC's Environmental Merit Awards Program and present awards	June 20, 2006	Jun-07	Jun-08
Number of technical papers submitted for publication	4	4	4
Number of articles submitted for publication in the NBC "Pipeline"	12	8	8

The Program

Planning, Policy & Regulation Division Environmental Monitoring & Data Analysis

Mission and Overview:

The Environmental Monitoring and Data Analysis (EMDA) section is responsible for water quality monitoring throughout NBC's service district, including at our own two wastewater treatment facilities, throughout our collection system, at commercial and industrial facilities, and in upper Narragansett Bay and its urban rivers. EMDA serves to protect the health of area residents, our wastewater treatment plants and the quality of our receiving waters.

EMDA conducts significant industrial user and manhole sampling to ensure compliance with discharge permits. Wastewater treatment facility sampling is conducted daily. EMDA provides an analysis of the data obtained from monitoring projects in a timely manner to other sections of the NBC, to state and federal agencies and the public on water quality issues. This section designs and implements monitoring programs to assess major NBC projects, such as CSO Abatement and WWTF improvements, and to respond to state and federal mandates, such as the TMDL (Total Maximum Daily Load) program.

Prior Year Accomplishments

Sampled each stage of the treatment process 7 days per week, 365 days per year at both WWTFs.

Sampled all SIUs a minimum of twice during the year, exceeding the federal requirement of once per year.

392 industrial and sanitary manholes sampled during the past year to monitor industry and protect the WWTFs and Narragansett Bay.

Sampled urban rivers weekly and upper bay biweekly, at a total of 40 sites during the past year, to track the effects of CSOs and provide background data to evaluate the success of CSO Remediation Project.

Supported the NBC hydrodynamic modeling project of the Providence River by URI/GSO scientists through the deployments and retrievals of Acoustic Doppler Current Profilers and water column profiling.

Successfully monitored the Providence and Seekonk Rivers with continuous assessment of dissolved oxygen and other water quality measurements at two sites via buoy as well as dock-fixed site locations.

Continued a long-term nutrient sampling program of Providence and Seekonk River reaches and tributary rivers for dissolved nutrients.

Program Staffing (Budgeted)

Environmental Monitoring Manager	1.0	Assistant Environmental Monitoring Manager	1.0
Environmental Monitoring Assistant	8.0	Environmental Scientist	2.0
Monitoring Technician	2.0	EMDA Clerk	1.0
Environmental Monitoring Data Assistant	1.0	Monitoring Field Supervisor	1.0

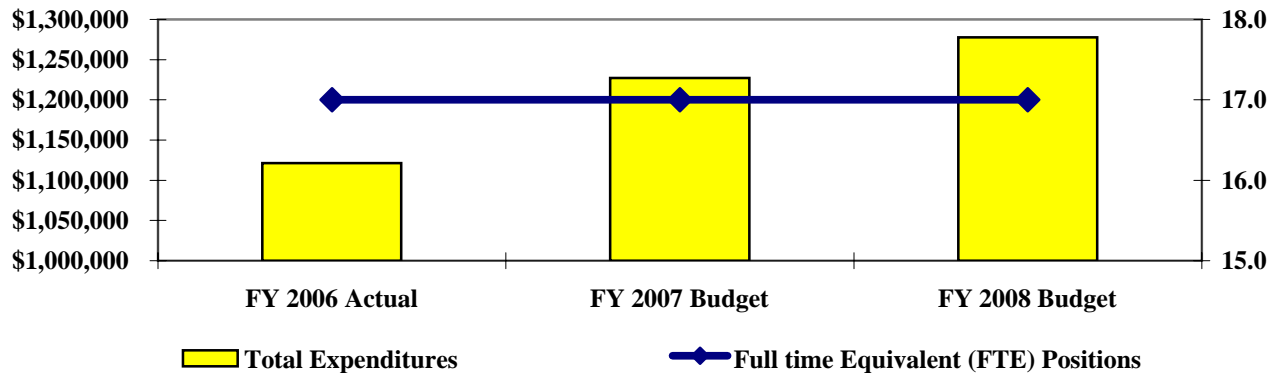
17.0 FTEs

The Budget

Planning, Policy & Regulation Division Environmental Monitoring & Data Analysis

Expenditures by Element of Expense	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Personnel Costs	\$ 903,896	\$ 1,065,020	\$ 1,104,840
Less Capital Reimbursements	(13,604)	(12,710)	(15,500)
Net Personnel Costs	890,292	1,052,310	1,089,340
Operating Supplies/Expense	102,362	115,740	120,275
Professional Services	2,299	6,000	6,000
Capital Outlays	126,425	53,000	62,000
Debt Service	-	-	-
Total Expenditures	\$ 1,121,378	\$ 1,227,050	\$ 1,277,615
Expenditures by Funding Source			
Revenue	\$ 1,121,378	\$ 1,227,050	\$ 1,277,615
Grant	-	-	-
Total Expenditures by Source	\$ 1,121,378	\$ 1,227,050	\$ 1,277,615
Full time Equivalent (FTE) Positions	17.0	17.0	17.0

EMDA - Historical Data



Performance Data

Planning, Policy & Regulation Division Environmental Monitoring & Data Analysis

Strategic Objective	Service Level Objective
Core Business: Operate, maintain and protect our collection and treatment systems to ensure that all state and federal requirements are met or exceeded.	Ensure all SIUs are sampled in accordance with RIPDES Permit requirements. Collect and analyze data of NBC's collection systems, treatment systems, and receiving waters to ensure all State and Federal requirements are met or exceeded.
Envir. Performance: Continuously evaluate NBC environmental performance to identify, quantify and minimize NBC impacts to the environment in a cost-effective manner.	Document water quality data and improvements. Provide quality and expedient sample collection service for all special studies undertaken to evaluate NBC impacts from nutrients and fecals to the Bay.
Staffing: Attract, develop and retain highly qualified employees.	Work to create and establish opportunities for continued growth and professional development.
Communication: Improve and enhance internal and external communication to increase understanding of "who we are" and "what we do".	Meet routinely with Operations and other interested program personnel to ensure prompt dissemination of changes in plant operations status.

Target Measure	FY 2006 Actual	FY 2007 Budget	FY 2008 Budget
Sample all SIUs annually	100% (104 SIUs Sampled)	100%	100%
Sample treatment plant 365 days per year	365	365	365
Notify DMR compliance team within two hours of any issues to allow for timely rectification	100%	100%	100%
Publish all monitoring activities and resultant data analyses for prior year	10/15/06	4/30/07	4/30/08
Collect all fecal and nutrient samples for special studies	100%	100%	100%
Meet with staff to encourage training and use of tuition reimbursement program	2 times/year	2 times/year	2 times/year
Minimum number of hours of training per employee	23.6 hours/employee	8 hours/employee	8 hours/employee
Conduct monthly data meetings	12	12	12

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Supporting Schedules

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RESOLUTION 2007:14

FISCAL YEAR 2008 OPERATING BUDGET

1. The Board of Commissioners adopts this budget based upon the following schedule of projected revenues:

REVENUES

Operating Revenues

User Fees	\$	68,424,204
Pretreatment Fees		1,200,000
Septage		400,000
Connection Permit Fees		300,000
BOD/TSS Surcharges		150,000
Miscellaneous		51,598
Subtotal Operating Revenue	\$	70,525,802

Non Operating Revenues

Investment Income	\$	600,000
Late Charges		650,000
Operating Grants		15,000
Capital Grants		-
Miscellaneous		31,000
Previously Restricted		330,077
Transfer from Operating Capital Account		2,002,000
Prior Year Surplus		-
Subtotal Non-Operating Revenues	\$	3,628,077

Total Revenues

\$ 74,153,879

- The Board of Commissioners adopts this budget based upon the following schedule of projected expenses.

EXPENSES

Operating Expenses

Personnel	\$ 17,742,307
Operating Supplies and Expenses	12,766,738
Special Services	2,802,692
Capital Outlays	2,002,000
Debt Service	29,980,002
<i>Subtotal Operating Expenses</i>	<u>\$ 65,293,739</u>

Other

Programmed New Debt	\$ 683,600
Direct CIP Funding	-
Restricted Carry Forward	8,176,540
<i>Subtotal Other</i>	<u>\$ 8,860,140</u>

<i>Total Expense</i>	<u><u>\$ 74,153,879</u></u>
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- The number of full-time equivalent positions funded in this budget is 254. A list of the funded positions is included as part of this Resolution as Attachment 1.
- The Finance Committee and the Executive Director shall at all times seek to ensure that total operational expenditures do not exceed \$ 65,977,339 for the period July 1, 2007 to June 30, 2008.

5. The Executive Director shall administer this budget consistent with the restricted accounts imposed by the Public Utilities Commission until such time as the restricted accounts are modified, adjusted or amended.
6. The Executive Director shall administer this budget consistent with the Trust Indenture and all Supplemental Trust Indentures.
7. The Executive Director and Director of Administration and Finance are hereby authorized to finance FY 2008 Operating Capital Outlays and capital projects included in the NBC's 2009 – 2013 Capital Improvement Program from the Operating Capital Account of the Project Fund.
8. The implementation of the health benefit plan modification regarding co-payments for Specialist Office Visits shall be postponed pending further evaluation.
9. For the period of July 1, 2007 to June 30, 2008:
 - a. The Executive Director shall provide a report to the Finance Committee of all purchase requisitions greater than \$10,000 for items included in this budget. The Executive Director will present all purchase requisitions greater than \$50,000 not included in the budget for approval by the Finance Committee.
 - b. The Personnel and Finance Committees will review and approve the creation of new positions and the upgrading of existing positions not included in this budget. The Executive Director may post and fill vacancies of existing positions, modified positions or newly created positions included in this budget.
 - c. The Finance Committee will review and approve the monthly financial statements, including the status of the budget versus expenses, prior to presentation at the monthly Board Meeting.
 - d. This budget shall include a 5% employer contribution to the non-union defined contribution retirement plan, funding of the employer share of the non-union defined benefit plan and an employer contribution to the union retirement plan at the rate established by the State Retirement Board.
6. The Director of Administration & Finance may make adjustments between line items within categories and adjustments between categories. The Executive Director shall notify the Finance Committee on a monthly basis of all such adjustments.

ADOPTED ON: _____

SIGNED: _____

SECTION TITLE		FTEs	UNION/NON-UNION
21	DEPUTY DIRECTOR	1	NON-UNION
21	EXECUTIVE ASSISTANT	1	NON-UNION
21	EXECUTIVE DIRECTOR	1	NON-UNION
21	GOVERNMENT AFFAIRS MANAGER	1	NON-UNION
21	LABOR & EMPLOYEE RELATIONS MANAGER	1	NON-UNION
21	PUBLIC AFFAIRS MANAGER	1	NON-UNION
21	PUBLIC AFFAIRS MULTIMEDIA COORDINATOR	1	NON-UNION
21	PUBLIC AFFAIRS SPECIALIST	1	NON-UNION
		8	
22	ASSISTANT CONSTRUCTION MANAGER	1	NON-UNION
22	ASSISTANT RESIDENT INSPECTOR	1	NON-UNION
22	CHIEF ENVIRONMENTAL ENGINEER	1	NON-UNION
22	CIVIL INSPECTOR	1	NON-UNION
22	CONSTRUCTION MANAGER	1	NON-UNION
22	CONSTRUCTION OFFICE COORDINATOR	1	NON-UNION
22	MECHANICAL INSPECTOR	1	NON-UNION
22	SENIOR CONSTRUCTION COORDINATOR	2	NON-UNION
		9	
23	HUMAN RESOURCES CLERK	1	UNION
23	HUMAN RESOURCES MANAGER	1	NON-UNION
23	HUMAN RESOURCES REPRESENTATIVE	1	NON-UNION
23	SENIOR HUMAN RESOURCES REPRESENTATIVE	1	NON-UNION
		4	
24	GENERAL COUNSEL	1	NON-UNION
24	ASSOCIATE LEGAL COUNSEL	1	NON-UNION
24	LEGAL COUNSEL	1	NON-UNION
24	EXECUTIVE PARALEGAL	1	NON-UNION
24	EXECUTIVE PARALEGAL II	1	NON-UNION
		5	
31	ADMINISTRATIVE ASSISTANT- FINANCE	1	NON-UNION
31	DIRECTOR OF ADMINISTRATION & FINANCE	1	NON-UNION
31	BUDGET ANALYST	1	NON-UNION
31	FINANCIAL ANALYST	1	NON-UNION
31	SENIOR FINANCIAL ANALYST	1	NON-UNION
		5	
32	CAPITAL ACCOUNTING ASSISTANT	1	NON-UNION
32	CAPITAL PRINCIPAL ACCOUNTANT	1	NON-UNION
32	CONTROLLER	1	NON-UNION
32	FISCAL CLERK	2	UNION
32	PAYROLL ADMINISTRATOR	1	NON-UNION
32	PRINCIPAL ACCOUNTANT	1	NON-UNION
32	SR. PAYROLL ADMINISTRATOR	1	NON-UNION
32	STAFF ACCOUNTANT	2	NON-UNION
		10	
33	APPLICATIONS SYSTEMS SUPERVISOR	1	NON-UNION
33	COMPUTER TRAINING APPLICATIONS SPECIALIST	1	NON-UNION
33	INFORMATION TECHNOLOGY MANAGER	1	NON-UNION
33	NETWORK & COMMUNICATIONS ADMINISTRATOR	1	NON-UNION
33	PC SUPPORT SPECIALIST	1	NON-UNION
33	SENIOR DATA BASE ADMINISTRATOR	2	NON-UNION
33	SENIOR SYSTEMS ADMINISTRATOR	1	NON-UNION
33	SR. SYSTEMS DESIGN PROGRAMMER	2	NON-UNION

SECTION TITLE	FTEs	UNION/NON-UNION
33 SYSTEMS ADMINISTRATOR	1	NON-UNION
	11	
34 BILLING SUPERVISOR	1	NON-UNION
34 CUSTOMER RESEARCH SUPERVISOR	1	NON-UNION
34 CUSTOMER SERVICE ANALYST	2	NON-UNION
34 CUSTOMER SERVICE MANAGER	1	NON-UNION
34 CUSTOMER SERVICE REPRESENTATIVE	10	UNION
34 CUSTOMER SERVICE STATISTICAL ANALYST	1	NON-UNION
34 CUSTOMER SERVICE ASSOCIATE	1	UNION
34 FIELD INVESTIGATOR	2	UNION
34 FISCAL CLERK	2	UNION
34 CUSTOMER SERVICE PARALEGAL	1	NON-UNION
	22	
36 FISCAL CLERK	1	UNION
36 OFFICE ADMINISTRATOR	1	NON-UNION
36 PURCHASING COORDINATOR	1	NON-UNION
36 PURCHASING MANAGER	1	NON-UNION
	4	
43 ASSISTANT IM MANAGER	1	NON-UNION
43 IM INSPECTOR	1	NON-UNION
43 DISPATCHER	1	UNION
43 HEAVY MOTOR EQUIPMENT OPERATOR	1	UNION
43 IM MANAGER	1	NON-UNION
43 IM OPERATOR	12	UNION
43 IM SUPERVISOR	1	NON-UNION
43 IM ENVIRONMENTAL ENGINEER	1	NON-UNION
43 MASON	1	UNION
43 IM CLERK	1	UNION
43 MECHANIC	1	UNION
	22	
44 ADMINISTRATIVE ASSISTANT	1	NON-UNION
44 DIRECTOR OF OPERATIONS & ENGINEERING	1	NON-UNION
44 ENGINEERING MANAGER	1	NON-UNION
44 ENVIRONMENTAL ENGINEER	1	NON-UNION
44 FACILITIES MANAGER	1	NON-UNION
44 INSTRUMENTAION ENGINEER	1	NON-UNION
44 PRINCIPAL ENVIRONMENTAL ENGINEER	2	NON-UNION
44 GIS COORDINATOR	1	NON-UNION
44 RISK MANAGEMENT COORDINATOR	1	NON-UNION
44 SENIOR PROJECT MANAGER	1	NON-UNION
	11	
46 ASSISTANT OPERATIONS MANAGER	1	NON-UNION
46 ASST. INVENTORY CONTROL CLERK	1	UNION
46 CARPENTER	1	UNION
46 CONTROL SYSTEMS ADMINISTRATOR	1	NON-UNION
46 ASSISTANT CONTROL SYSTEMS ADMINISTRATOR	1	NON-UNION
46 E AND I TECHNICIAN	1	UNION
46 ELECTRICIAN	2	UNION
46 FLEET MECHANIC	1	UNION
46 INVENTORY CONTROL CLERK	2	UNION
46 MAINTENACE MANAGER	1	NON-UNION
46 MAINTENACE SUPERVISOR	2	NON-UNION
46 MECHANIC	10	UNION

SECTION TITLE		FTEs	UNION/NON-UNION
46	O & M COORDINATOR	1	NON-UNION
46	O & M SUPPORT SUPERVISOR	1	NON-UNION
46	O & M SUPERVISOR	4	NON-UNION
46	O & M TECHNICIAN	1	NON-UNION
46	O AND M CLERK	1	UNION
46	OPERATIONS MANAGER - FP	1	NON-UNION
46	OPERATOR	13	UNION
46	PROCESS MONITOR	9	UNION
46	MASTER ELECTRICIAN	1	UNION
		56	
47	SCADA SYSTEM OPERATOR	1	UNION
47	BUCKLIN POINT CONTRACT ADMINISTRATOR	1	UNION
47	E AND I TECHNICIAN	1	UNION
47	ELECTRICIAN	2	UNION
47	UTLILITY CREW FOREMAN	1	UNION
47	HEAVY MOTOR EQUIPMENT OPERATOR	1	UNION
47	INVENTORY CONTROL CLERK	1	UNION
47	MECHANIC	5	UNION
47	OPERATOR	12	UNION
47	PROCESS MONITOR	5	UNION
47	MECHANICAL FOREMAN	1	UNION
47	ELECTRICAL FOREMAN	1	UNION
		32	
51	ADMINISTRATIVE ASSISTANT	1	NON-UNION
51	DIRECTOR OF PLANNING, POLICY, & REGULATON	1	NON-UNION
51	PERMITS AND PLANNING MANAGER	1	NON-UNION
51	PROJECT COORDINATOR	1	NON-UNION
		4	
52	ASSISTANT PRETREATMENT MANAGER	1	NON-UNION
52	PRETREATMENT CLERK	3	UNION
52	PRETREATMENT ENGINEER	4	NON-UNION
52	PRETREATMENT MANAGER	1	NON-UNION
52	PRETREATMENT TECHNICIAN	5	NON-UNION
52	PRINCIPAL PRETREATMENT ENGINEER	1	NON-UNION
		15	
53	ASSISTANT LABORATORY MANAGER	1	NON-UNION
53	BIOLOGIST	1	UNION
53	CHEMIST	2	UNION
53	ENVIRONMENTAL CHEMIST	2	NON-UNION
53	LABORATORY CLERK	1	UNION
53	LABORATORY MANAGER	1	NON-UNION
53	LABORATORY TECHNICIAN	4	NON-UNION
53	SENIOR ENVIRONMENTAL CHEMIST	1	NON-UNION
53	SENIOR ORGANIC CHEMIST	1	NON-UNION
53	TECHNICAL DATABASE COORDINATOR	1	NON-UNION
		15	
54	ENVIRONMENTAL SAFETY & TECHNICAL ASSISTANT MANAGER	1	NON-UNION
54	SAFETY COMPLIANCE COORDINATOR	1	NON-UNION
54	POLLUTION PREVENTION ENGINEER	1	NON-UNION
54	ENVIRONMENTAL COMPLIANCE TECHNICAL ASSISTANCE	1	NON-UNION
		4	
55	ASSISTANT EMDA MANAGER	1	NON-UNION

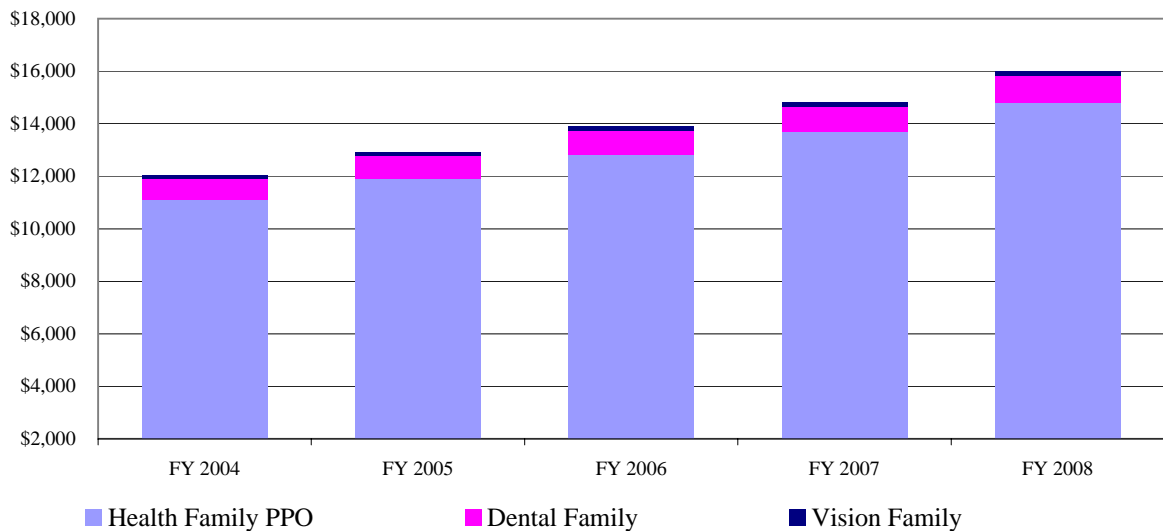
SECTION TITLE		FTEs	UNION/NON-UNION
55	ENVIRONMENTAL MONITORING ASSISTANT	8	UNION
55	ENVIRONMENTAL MONITORING MANAGER	1	NON-UNION
55	ENVIRONMENTAL SCIENTIST	2	NON-UNION
55	MONITORING TECHNICIAN	2	NON-UNION
55	EMDA CLERK	1	UNION
55	MONITORING FIELD SUPERVISOR	1	NON-UNION
55	ENVIRONMENTAL MONITORING DATA ASSISTANT	1	UNION
		<u>17</u>	
	TOTAL NBC	<u><u>254</u></u>	

Budgeted Benefits Comparison

<i>Expense Category</i>	<i>FY 2004</i>	<i>FY 2005</i>	<i>FY 2006</i>	<i>FY 2007</i>	<i>FY 2008</i>
Health Family PPO	\$11,102	\$11,908	\$12,792	\$13,676	\$14,793
Dental Family	807	879	922	972	1,036
Vision Family	138	138	181	181	181
Total Health Care Cost	\$12,046	\$12,924	\$13,895	\$14,829	\$16,010
Year-to-Year % Change		7%	8%	7%	8%
Other Benefits:					
State Retirement (Union)	9.60%	11.51%	16.96%	18.40%	20.77%
Non-Union Retirement	10.00%	10.00%	10.00%	10.00%	10.00%
FICA	6.20%	6.20%	6.20%	6.20%	6.20%
Medicare	1.45%	1.45%	1.45%	1.45%	1.45%
Retirement Health (Union)	1.00%	1.30%	1.63%	2.41%	3.63%

* FICA is 6.2% on wages up to \$94,200

Total Budgeted Health Insurance per Employee

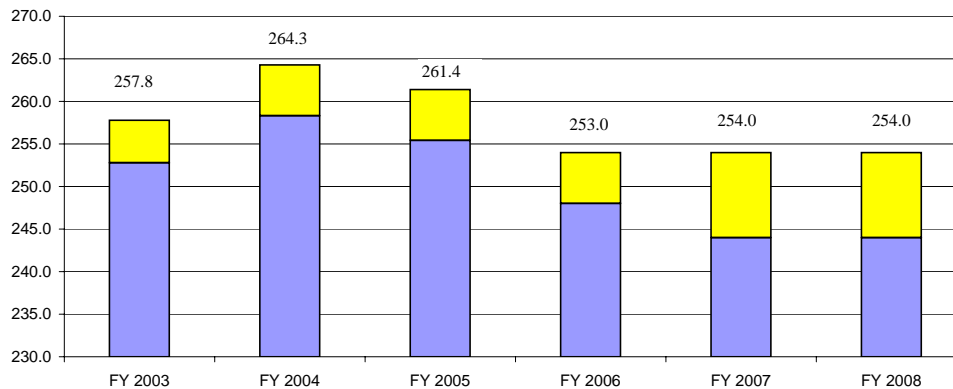


Historical Position Summary

Full-Time Equivalents

Program	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Executive	7.0	7.0	8.0	8.0	8.0	8.0
Constr. & Grants	10.0	11.0	9.9	10.0	10.0	9.0
Human Resources	4.0	4.0	4.0	4.0	4.0	4.0
Legal	5.8	5.3	5.5	5.0	5.0	5.0
Finance	8.0	5.0	5.0	5.0	5.0	5.0
Accounting	13.0	12.0	11.0	11.0	10.0	10.0
IT	10.0	11.0	11.0	11.0	11.0	11.0
Customer Service	19.0	20.0	21.0	21.0	22.0	22.0
Purchasing	4.0	6.0	4.0	4.0	4.0	4.0
Planning	4.0	4.0	4.0	4.0	4.0	4.0
Pretreatment	16.0	16.0	16.0	15.0	15.0	15.0
Laboratory	14.0	15.0	15.0	15.0	15.0	15.0
ESTA	3.0	3.0	4.0	4.0	4.0	4.0
EMDA	15.0	18.0	17.0	17.0	17.0	17.0
Interceptor Maint.	23.0	23.0	23.0	21.0	22.0	22.0
Engineering	10.0	10.0	10.0	10.0	10.0	11.0
Field's Point	61.0	62.0	61.0	56.0	56.0	56.0
Bucklin Point	31.0	32.0	32.0	32.0	32.0	32.0
Total	257.8	264.3	261.4	253.0	254.0	254.0

Historical Number of Positions (FTEs) Budgeted by Fiscal Year



Represents number of FTEs charged to CIP projects

FY 2008 Operating Capital Outlays

<i>Section</i>	<i>Budget Account</i>	<i>Description</i>	<i>Cost</i>
<u>Executive</u>			
Executive	16510	Public Relations Transport- Minibus	\$ 50,000
		Sub-total Executive	50,000
Construction & Grants	16600	Replacement vehicles	28,000
Construction & Grants	16590	Other Equipment	10,000
		Subtotal Construction & Grants	38,000
Legal		Office Furniture & equipment	5,200
		Subtotal Legal	5,200
		Sub-total Executive	93,200
<u>Administration & Finance</u>			
Information Technology	16583	Oracle ERP Phase III	45,000
Information Technology	16583	Hansen Upgrades	80,000
Information Technology	16583	Software Licensing Updates	80,000
Information Technology	16585	Computer Room Console	25,000
Information Technology	16585	Expand Internet Connectivity	25,000
Information Technology	16585	Tape Library Upgrade	230,000
Information Technology	16585	Facility Wireless Infrastructure	20,000
Information Technology	16585	PC Lease Refresh Program	125,000
		Sub-total IT	630,000
Customer Service		2001 Sierra	25,000
Customer Service		Miscellaneous	5,000
		Sub-total Customer Service	30,000
General Administration		Phone System Upgrade	10,000
General Administration		HVAC System Upgrades	60,000
General Administration		Miscellaneous	26,000
General Administration		Copier Replacement	10,000
		Sub-total General Admin.	106,000
		Sub-total Administration & Finance	766,000
<u>Operations & Engineering</u>			
Interceptor Maintenance	16520	Wireless radio fire alarm system	10,000
Interceptor Maintenance	16520	Replace Lakeside grit trough	12,000
Interceptor Maintenance	16583	WinCan software for Cues camera	9,000
Interceptor Maintenance	16585	WinCan hardware for Cues camera	6,000
Interceptor Maintenance	16600	Replace Unit 480 (Backhoe)	130,000
		Sub-total Interceptor Maintenance	167,000
Field's Point	16520	Grit Pump	20,000
Field's Point	16600	PSPS I Sludge pump and motor assembly	25,000
Field's Point	16520	RASPS II RAS Pump	27,000
Field's Point	16600	Replace Motorola Radios with Kenwood	5,000
Field's Point	16600	Hydraulic gates for grit bins (2)	5,000
Field's Point	16520	CB Overload Protection Assembly for SLBB	5,000
Field's Point	16520	CB A200 3 Pole Motor Controller for SLBB	2,500
Field's Point	16520	CB AB DE-ION SELTRONIC for SLBB	12,000
Field's Point	16520	CB MCP motor protector for SLBB (2)	15,000
Field's Point	16520	CB AB DE-ION for SLBB (2)	15,000
Field's Point	16520	Spare softstart for the #4,5 blower in SLBB	8,000
Field's Point	16520	AT's Polysonics flow meters (5)	6,000

FY 2008 Operating Capital Outlays

<i>Section</i>	<i>Budget Account</i>	<i>Description</i>	<i>Cost</i>
Field's Point	16520	RASPSII - RAS pumps cartridges	17,000
Field's Point	16600	PSPS Replace mag flow meter (2)	3,500
Field's Point	16600	PSPS - Replace piston with Borger pump (2)	15,000
Field's Point	16610	Replace Hydraulic Gate Controller	15,000
Field's Point	16520	Disinfection - Primary containment system for Hypo Storage	35,000
Field's Point	16520	Spare Stranrol ORP system at CCT	6,000
Field's Point	16520	Ammonia online analyzer at CCT	6,000
Field's Point	16520	Nitrate online analyzer at CCT	6,000
Field's Point	16520	FPWWTF - Spare actuators EL-O-Matic EL 350 (10)	5,000
Field's Point	16520	FPWWTF - Spare actuators EL-O-Matic EL500 (2)	6,000
Field's Point	16610	FPWWTF - High mast lighting fixtures (24)	8,000
Field's Point	16583	FPWWTF - PI licenses	20,000
Field's Point	16600	FPWWTF - SL Pump drive	30,000
Field's Point	16630	GT and RASPS II roof repairs	50,000
Field's Point	16520	RASPSII DeZurick valves	12,500
Field's Point	16610	MPS - Serpentex Conveyor Complete w/o frame	13,000
Field's Point	16520	Old Wet Well Sump Pumps (2)	4,500
Field's Point	16600	Gould Pump Large Impeller	36,000
Field's Point	16600	Gould Pump Small Impeller at MPS	18,000
Field's Point	16520	Electro - Hydraulic Press in Maintenance Shop	23,000
Field's Point	16520	Plasma Cutting and Gouging Unit in Maintenance Shop	4,400
Field's Point	16600	Cargo Van/Truck	25,000
Field's Point	16600	Replace Old MPS Bldg. and Boathouse Doors	20,000
Field's Point	16600	Replace Copier/Fax/Printer	20,000
Field's Point	16520	1 outside personnel lift	25,000
Field's Point	16600	EZ-Go carts (3)	15,000
		Sub-total Field's Point	584,400
Bucklin Point		Grounds Keeping Mower Purchase	15,000
Bucklin Point		RAS Pumps Rehabilitation (2)	40,000
Bucklin Point		Masonry Repairs to Building Phase I	50,000
Bucklin Point		WAS Pumps System Rehabilitation (2)	25,000
Bucklin Point		Operation Section Truck	30,000
Bucklin Point		6-Yard Dump Truck Replacement	50,000
		Sub-total Bucklin Point	210,000
		Sub-total Operations & Engineering	961,400
<u>Policy, Planning & Regulations</u>			
Laboratory	16570	Auto digester in "clean room"	25,000
Laboratory	16570	Autoclave for fecal room	52,000
Laboratory	16600	CVAC Spectro for mercury	34,000
Laboratory	16600	Double Door Refrigerator	8,400
		Sub-total Laboratory	119,400
EMDA	16510	Chevy Astro Van Replacement (7964)	25,000
EMDA	16600	Replace 2 Refrigerated Auto Samplers	10,000
EMDA	16600	Replace 2 Manhole Auto Samplers	6,000
EMDA	16600	Replace 2 Manhole pH Meters	2,500
EMDA	16600	Replace 2 SIU Auto Samplers	6,000
EMDA	16600	Replace 2 EMPACT sondes	10,000
EMDA	16570	650 Multiparameter Display System Meter	2,500
		Subtotal EMDA	62,000
		Sub-total Policy, Planning & Regulations	181,400
		Grand Total Operating Capital Outlays FY 2008 \$	<u>2,002,000</u>

Five-Year Operating Capital Plan

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	Total Cost
Executive						
<i>Executive</i>						
Public Relations Transport Minibus	\$ 50,000	\$ -	\$ -	\$ -	\$ -	50,000
<i>Sub-total Executive</i>	50,000	-	-	-	-	50,000
Construction & Grants						
Replacement vehicles	28,000	28,000	30,000	30,000		116,000
Other Equipment	10,000					10,000
<i>Sub-total Construction & Grants</i>	38,000	28,000	30,000	30,000	-	126,000
Legal						
Office Furniture & equipment	5,200					5,200
<i>Sub-total Legal</i>	5,200	-	-	-	-	5,200
Administration & Finance						
<i>Information Technology</i>						
Oracle ERP Phase III	45,000				50,000	95,000
LIMS Phase IV		25,000		25,000		50,000
Hansen Upgrades	80,000		35,000			115,000
Data Warehousing Phase I			85,000			85,000
Customer Services Rewrite Enhancements		25,000	40,000			65,000
Document Imaging Upgrades		50,000		50,000		100,000
Software Licensing Updates	80,000		65,000		80,000	225,000
Computer Room Console	25,000			25,000		50,000
Expand Internet Connectivity	25,000		30,000		35,000	90,000
Tape Library Upgrade	230,000					230,000
Server Infrastructure Replacement			200,000		500,000	700,000
Facility Wireless Infrastructure	20,000			30,000		50,000
PC Lease Refresh Program	125,000	135,000	70,000	140,000	135,000	605,000
<i>Sub-total IT</i>	630,000	235,000	525,000	270,000	800,000	2,460,000
Customer Service						
2001 Sierra	25,000					25,000
2002 Ford Windstar		25,000				25,000
2006 Chev Trailblazer			25,000			25,000
2007 ?				25,000		25,000
Miscellaneous	5,000	5,000	5,000	5,000		20,000
<i>Sub-total Customer Service</i>	30,000	30,000	30,000	30,000	-	120,000
General Administration						
Phone System Upgrade	10,000					10,000
HVAC System Upgrades	60,000					60,000
Miscellaneous	26,000	26,000	26,000	26,000	26,000	130,000
Carpet Replacement			80,000			80,000
COB Painting				70,000		70,000
Copier Replacement	10,000	10,000	55,000		40,000	115,000
Audio Visual Upgrade					50,000	50,000
Boardroom Furniture				24,800		24,800
<i>Sub-total General Admin.</i>	106,000	36,000	161,000	120,800	116,000	539,800

Five-Year Operating Capital Plan

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	Total Cost
Operations & Engineering						
Interceptor Maintenance						
Wireless radio fire alarm system	10,000					10,000
Replace Lakeside grit trough	12,000					12,000
WinCan software for Cues camera	9,000					9,000
WinCan hardware for Cues camera	6,000					6,000
Replace Unit 480 (Backhoe)	130,000					130,000
Replace unit 417 (1998 Digger)		140,000				140,000
Replace Salt Spreader		5,000				5,000
Replace unit 419 (pickup truck)		35,000				35,000
Replace unit 420 (PD sewer cleaner)			250,000			250,000
Replace unit 415 (2001 Digger)				150,000		150,000
Replace unit 416 (1996 Flusher)					160,000	160,000
Replace unit 414 (2002 crewcab)					35,000	35,000
Sub-total Interceptor Maintenance	167,000	180,000	250,000	150,000	195,000	942,000
Engineering						
Replace/upgrade GPS Equipment				35,000		35,000
Replacement of Engineering Vehicle		25,000				25,000
Sub-total Engineering	-	25,000	-	35,000	-	60,000
Field's Point						
RASI Pump Cartridge			27,000		27,000	54,000
Grit Pump	20,000		20,000		20,000	60,000
Replace Grit, Chain & Flight Mechanism			20,000			20,000
Dechlor Bldg, One pump one motor		25,000			25,000	50,000
Disinfection Bldg, One pump and one motor		25,000			25,000	50,000
PSPS I Sludge pump and motor assembly	25,000	25,000		25,000	25,000	100,000
Replace Hoffman Blower		50,000		50,000		100,000
RASPS II WAS Pump cartridge		11,000		11,000	11,000	33,000
RASPS II RAS Pump	27,000					27,000
RSPS II Scum pump and motor		11,000		11,000		22,000
ESPS drive gear/box turntable		25,000				25,000
Replace Motorola Radios with Kenwood	5,000	5,000	5,000	5,000		20,000
MPS Screenings Washer Monster			105,000			105,000
Rebuild Grit Tank - Chains, Sprokets, Etc..		50,000		55,000	55,000	160,000
New Grit Aeration Blower				5,000	5,000	10,000
New Grit pump cartridges		8,000	8,000	8,000	8,000	32,000
Hydraulic gates for grit bins (2)	5,000					5,000
GTPS Chain and flight mechanism reducer (2)			10,000			10,000
Replace GTPS piston pumps with Borger		25,000				25,000
CB Overload Protection Assembly for SLBB	5,000					5,000
CB A200 3 Pole Motor Controller for SLBB	2,500					2,500
CB AB DE-ION SELTRONIC for SLBB	12,000					12,000
CB MCP motor protector for SLBB (2)	15,000					15,000
CB AB DE-ION for SLBB (2)	15,000					15,000
Spare softstart for the #4,5 blower in SLBB	8,000					8,000
AT's Dual LDO systems HACH		13,500	5,000			18,500
AT's Polysonics flow meters (5)	6,000	6,500	8,000	9,000	10,000	39,500
RASPSII Self-priming chopper pumps (2)		8,000		8,000		16,000
RASPSII Underflow actuators (2)		8,000	9,000			17,000
RASPSII - RAS pumps cartridges	17,000			16,000		33,000
RASI Self-priming chopper pump			8,000			8,000
PSPS Replace mag flow meter (2)	3,500		4,000			7,500
PSPS Sludge pump		8,000		9,000		17,000
PSPS - Replace piston with Borger pump (2)	15,000			16,000		31,000
Replace Hydraulic Gate Controller	15,000					15,000
PWPS Spare pump					15,000	15,000
Disinfection - Primary containment system for Hypo Storage	35,000					35,000

Five-Year Operating Capital Plan

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	Total Cost
Spare Stranrol ORP system at CCT	6,000					6,000
Ammonia online analyzer at CCT	6,000					6,000
Nitrate online analyzer at CCT	6,000					6,000
FPWWTF - Spare actuators El-O-Matic EL 350 (10)	5,000	5,000	6,000	7,000	7,000	30,000
FPWWTF - Spare actuators El-O-Matic EL500 (2)	6,000	6,000	7,000	8,000	8,000	35,000
FPWWTF - High mast lighting fixtures (24)	8,000	10,000	10,000		12,000	40,000
FPWWTF - PI licenses	20,000					20,000
FPWWTF - Spare radars (2)		3,500		5,000		8,500
FPWWTF - SL Pump drive	30,000					30,000
Final Clarifier Turntable			50,000			50,000
GT and RASPS II roof repairs	50,000					50,000
RASPSII DeZurick valves	12,500	13,000	14,000	15,000	16,000	70,500
Painting projects (Grit, PSPS)				60,000		60,000
Bar Rack at MPS		139,000	145,000	150,000	160,000	594,000
MPS - Serpentex Conveyor Complete w/o frame	13,000			15,000		28,000
Old Wet Well Sump Pumps (2)	4,500	4,500				9,000
Gould Pump Large Impeller	36,000				45,000	81,000
Gould Pump Small Impeller at MPS	18,000				25,000	43,000
Electro - Hydraulic Press in Maintenance Shop	23,000					23,000
Plasma Cutting and Gouging Unit in Maintenance Shop	4,400					4,400
Cargo Van/Truck	25,000		27,500			52,500
SUV for FPWWTF		25,000				25,000
Replace #1 Grit Screw				16,658		16,658
Replace Old MPS Bldg. and Boathouse Doors	20,000					20,000
Replace Copier/Fax/Printer	20,000		22,000		25,000	67,000
1 outside personnel lift	25,000					25,000
EZ-Go carts (3)	15,000	15,000		15,000	15,000	60,000
Replace Employee Entrance gate		10,000				10,000
Sub-total Field's Point	584,400	535,000	510,500	519,658	539,000	2,688,558
Bucklin Point						
Grounds Keeping Mower Purchase	15,000					15,000
RAS Pumps Rehabilitation (2)	40,000					40,000
Masonry Repairs to Building Phase I	50,000					50,000
WAS Pumps System Rehabilitation (2)	25,000					25,000
Operation Section Truck	30,000					30,000
6-Yard Dump Truck Replacement	50,000					50,000
WAS Pumps System Rehabilitation (2)		15,000				15,000
EFW Pumps Rehabilitation		35,000				35,000
Grounds Keeping Mower Purchase		15,000				15,000
DAF Building Roof Replacement		65,000				65,000
Steel Storage Building		45,000				45,000
Maintenance Truck Replacement			35,000			35,000
SCADA Software Upgrade for Tablet Capacity			75,000			75,000
Distribution Building Roof			30,000			30,000
Service Building Doors Replacement			10,000			10,000
Masonry Repairs to Building Phase II			50,000			50,000
WW Influent Channel Pump Capability				45,000		45,000
Truck Mounted Sand/Salt Spreader Replace				15,000		15,000
Methane Gas Building System Valve Replace				35,000		35,000
DAF Pumps and Air System Rehabilitation				50,000		50,000
Replace Lakeside Unit @ Septage				300,000		300,000
Final Clarifiers DOB Instruments					21,000	21,000
Rebuild/Repair Fenceline					50,000	50,000
Increase Pumping Capacity From WW Tank					50,000	50,000
Substation/Generators 1 & 2 Upgrade					50,000	50,000
Operation Truck Replacement					25,000	25,000
Subtotal Bucklin Point	210,000	175,000	200,000	445,000	196,000	1,226,000

Five-Year Operating Capital Plan

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	Total Cost
Policy, Planning & Regulation						
Laboratory						
Auto digester in "clean room"	25,000					
Autoclave for fecal room	52,000					
CVAC Spectro for mercury	34,000					
Double Door Refrigerator	8,400					
Ligant Exchange FI Cyanide		45,000				
Oil & Grease Extractor & Evaporator		28,000				
Copier/FAX/Printer/Scanner		25,000				
3 Refrigeraters (micro, CN, misc)		17,000				
2 Balances		6,000				
Microscope with video camera		10,230				
ICP/MS for low level metals			185,000			
GC/MS for Organics				100,000		
Refrigerator (metals)				3,000		
ICP for Industrial metals				60,000		
Nurtrient Analyzer (salt water)					60,000	
Nurtrient Analyzer (water)					48,000	
YSI DO Meter (BOD)					2,500	
Precision low temo incubator					3,000	
Oven (process work)					2,500	
Barnstead DI Unit					7,000	
Furnace (Process)					5,000	
Refrigerator (mercury)					4,000	
Maxi Stirrers (S) Process work					4,000	
Sub-total Laboratory	119,400	131,230	185,000	163,000	136,000	734,630
EMDA						
Chevy Astro Van Replacement (7964)	25,000					
Replace 2 Refrigerated Auto Samplers	10,000					
Replace 2 Manhole Auto Samplers	6,000					
Replace 2 Manhole pH Meters	2,500					
Replace 2 SIU Auto Samplers	6,000					
Replace 2 EMPACT sondes	10,000					
650 Multiparameter Display System Meter	2,500					
Chevy Astro Van Replacement (7388)		25,000				
Replace 3 Refrigerated Auto Samplers		15,000				
Replace 1 SIU Auto Sampler		3,000				
Replace 1 Manhole Auto Sampler		3,000				
Replace 2 EMPACT sondes		10,000				
Chevy Astro Van Replacement (7350)			25,000			
Replace 3 SIU Auto Samplers			9,000			
Replace 1 Manhole Auto Sampler			3,000			
Replace 2 Refrigerated Auto Samplers			10,000			
Replace 4 EMPACT sonds			20,000			
Replace Chevy Astro Van (7387)				25,000		
Replace 3 SIU Auto Samplers				9,000		
Replace 3 Refrigerated Auto Samplers				15,000		
Replace Rhodamine Probe				3,500		
Replace 4 EMPACT sonds				20,000		
Replace 2 Industrial Dishwashers				10,000		
Replace 3 SIU Auto Samplers					9,000	
Replace 2 Refrigerated Auto Samplers					10,000	
Replace 2 EMPACT sondes					10,000	
Replace FP DI Unit (1 of 2) and BP DI Unit					10,000	
Subtotal EMDA	62,000	56,000	67,000	82,500	39,000	306,500
Total	\$ 2,002,000	\$ 1,431,230	\$ 1,958,500	\$ 1,845,958	\$ 2,021,000	\$ 9,258,688

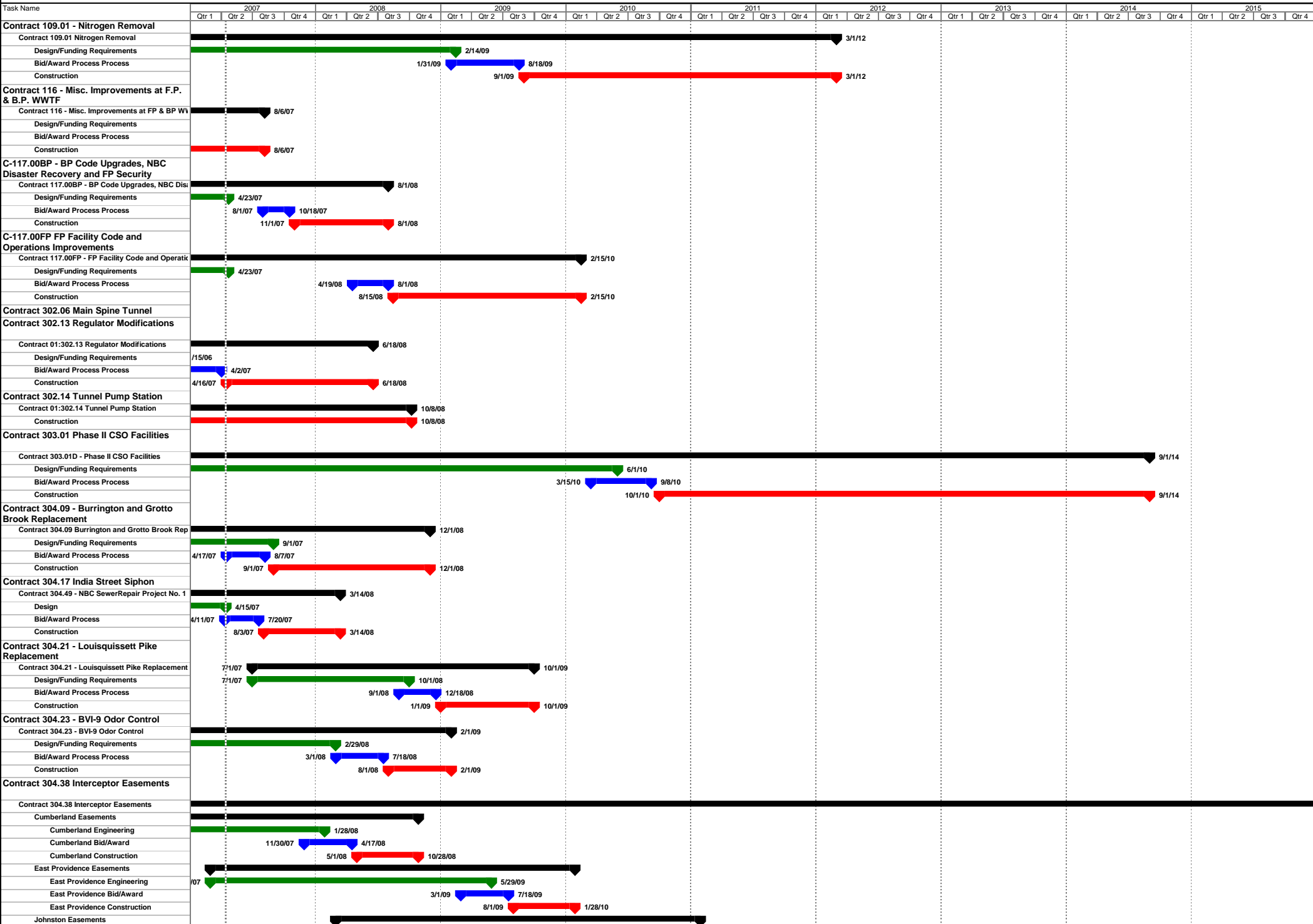
Summary of Grants

<i>Grant Program</i>	<i>CDF Number</i>	<i>Year Awarded</i>	<i>Award Amount</i>	<i>Amount Available FY 2008</i>	<i>Projected Revenue FY 2008</i>
Stormwater Pollution Prevention	NP97107901-1	2004	\$ 35,000	\$ 13,489	\$ 10,000
RI Biogas Feasibility Study	-	2007	25,000	25,000	5,000
RI Wind Energy Feasibility Study	-	2007	25,000	25,000	-
				<u>\$ 63,489</u>	<u>\$ 15,000</u>

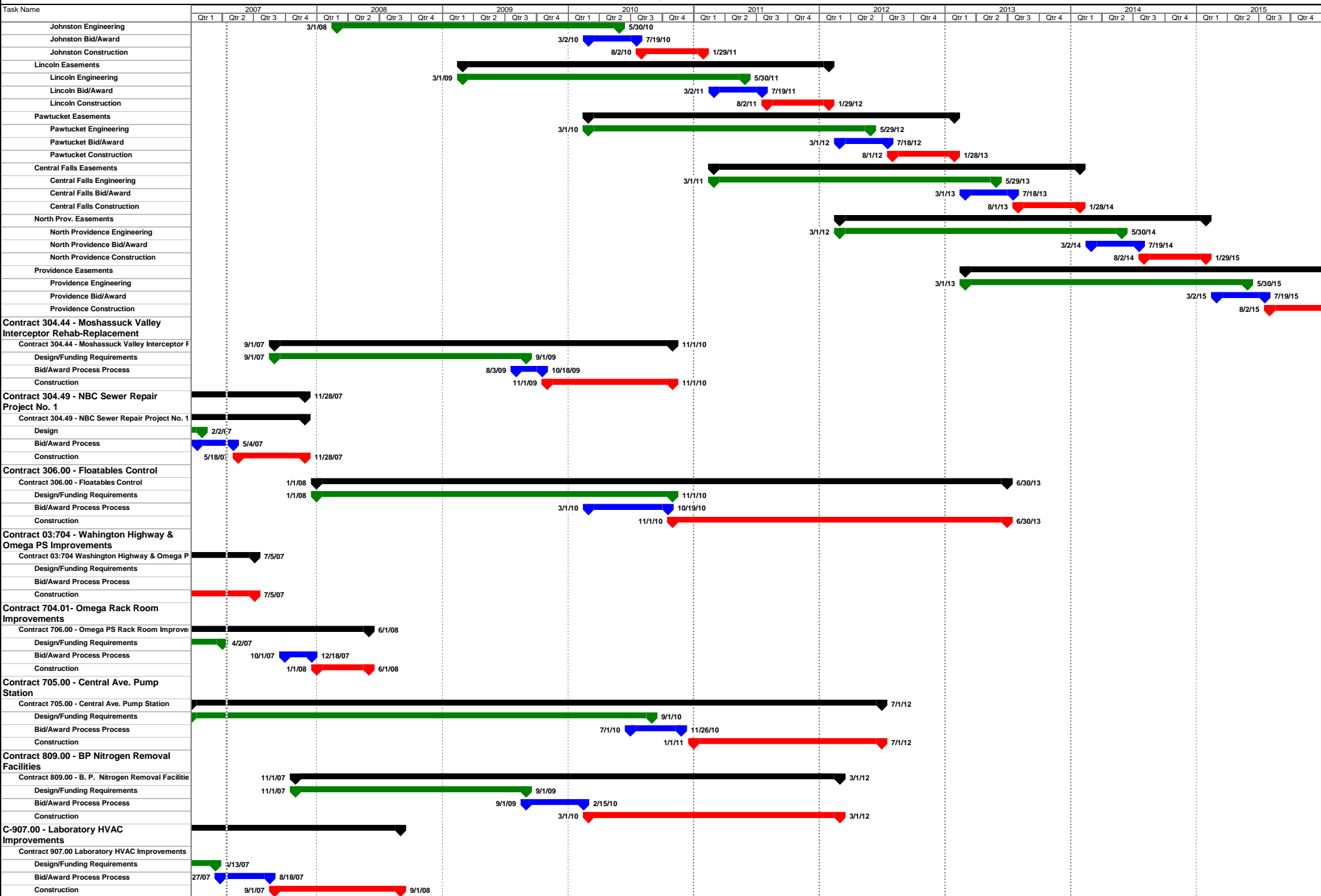
Fund - Organization Matrix

Division / Section	Revenue Fund	Operating and	Project Fund	Debt Service Fund	Renewal &	Debt Service	Operating &	Redemption Fund	Insurance	Rebate Fund	Unrestricted Fund	TOTAL
		Maintenance Fund			Replacement Reserve Fund	Reserve Fund	Maintenance Reserve Fund		Reserve Fund			
Executive Division:												
Executive	\$ 994,234		\$ 50,000									\$ 1,044,234
Construction & Grants		78,971	38,000									116,971
Legal		450,969	5,200									456,169
Executive Division		1,524,173	93,200									1,617,373
Administration & Finance Division:												
Human Resources		326,278										326,278
Finance		749,443										749,443
Accounting		697,745	-									697,745
IT		1,415,632	630,000									2,045,632
Customer Service		1,726,932	30,000									1,756,932
Purchasing		307,739										307,739
Administration		1,826,709	106,000	30,663,602								32,596,311
Administration & Finance Division		7,050,478	766,000	30,663,602								38,480,080
Planning, Policy & Regulation Division:												
Lab		1,384,168	119,400									1,503,568
Planning		361,753	-									361,753
Pretreatment		951,048	-									951,048
Environmental Safety & Technical		329,143										329,143
Environmental Monitoring		1,215,615	62,000									1,277,615
Planning, Policy & Regulation Division		4,241,727	181,400									4,423,127
Operations / Engineering Division:												
IM		1,789,230	167,000									1,956,230
Engineering		617,559	-									617,559
Fields Point		11,166,690	584,400									11,751,090
Bucklin Point		6,921,880	210,000									7,131,880
Operations / Engineering Division		20,495,359	961,400									21,456,759
Non-Departmental												
Direct CIP Funding		-										-
Carry-Forward				8,176,540								8,176,540
TOTAL	\$ -	\$ 33,311,737	\$ 2,002,000	\$ 38,840,142	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,153,879

Master Project Schedule



Master Project Schedule



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Appendix

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The Narragansett Bay Commission

Glossary of Terms

Abatement - A refund to users who can demonstrate that more than 15% of water consumed does not enter the sewer system.

Abatement Fee - See CSO Abatement Program/Fee.

Abbreviated Rate Filing - An adjustment to NBC's tariffs filed with the Public Utilities Commission. The rate increase cannot exceed 25%, and must relate to certain expense categories.

Accounting System - A system of financial recordkeeping that records, classifies, and reports information on the financial status and operation of an organization.

Accrual - An entry made to book an expense or revenue to the correct accounting period.

Adopted Budget - The budget approved by the NBC Board of Commissioners.

Allocation - The distribution of available monies, personnel, buildings and equipment among various Commission divisions and/or cost centers.

Amortization - The allocation of the cost of an asset over its useful life.

Annual Budget - An estimate of expenditures to be used for specific purposes during the fiscal year (July 1 - June 30) along with the proposed means (estimated revenues) for financing those activities.

Arbitrage - Investing funds borrowed at a lower interest cost, in investments providing a higher rate of return.

Audit - A study of the Commission's accounting system to ensure that financial records are accurate and in compliance with all legal requirements for handling of public funds, including state law.

Balanced Budget - A budget in which receipts are greater than /or equal to expenditures.

Biochemical Oxygen Demand (BOD) - Is an indicator of the amount of oxygen that is being consumed by sewage; the greater the BOD the greater the degree of pollution. Sewage robs oxygen from the receiving waters.

Biosolids (Also Sludge) -. The solids (heavy organic waste matter) resulting from the wastewater treatment process. This material is separated from the effluent, treated and appropriately discarded.

Bond - A certificate of debt containing a promise to pay a specified sum of money (face value or principal) on a specified date/dates in the future (maturity date) together with periodic interest at a specified rate.

Bond Market Association Index (BMA) - The Bond Market Association Municipal Swap Index, produced by Municipal Market Data (MMD), is a 7 day high grade market index comprised of tax-exempt VRDOs from MMD's extensive database.

Board of Commissioners - 19 Member board which represent the municipalities in the district as well as ten gubernatorial appointments.

Budget (Operating) - A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Message - A general discussion of the submitted budget presented in writing by the Executive Director as part of the budget document.

Capital Budget - A plan of proposed outlays for acquiring long-term assets and the means of financing those acquisitions during the current fiscal period.

Capital Improvement Program (CIP) - A plan for major capital expenditures to be incurred each year over a fixed period of five years to meet capital needs arising from the long-term work program. It sets forth each project and specifies the full resources estimated to be available to finance the projected expenditures.

Capital Reimbursements - The means by which NBC is reimbursed by the Rhode Island Clean Water Finance Agency (RICWFA) for labor and other expenses related to major Capital Improvement Program projects.

Catch Basin - A structure designed for the collection and retention of solid matter from streets, which allows an unobstructed flow of surface water into a storm sewer.

Citizens' Advisory Committee (CAC) - Advisory group to NBC. CAC represents users, the general public and environmental groups.

Clarifiers – The components of the wastewater treatment plant, that separates sludge (which sinks) and scum (which floats) from wastewater flows. Also called sedimentation tanks.

Collective Bargaining Agreements (CBA) - Agreements reached between management and union representatives as to the terms of future union contracts.

COB - The NBC's corporate office building.

Combined Sewage - A mixture of stormwater and domestic sewage with or without industrial waste: combined sewage consists of liquid waste from home, industries, businesses, institutions, and storm water runoff from streets and other surfaces.

Combined Sewers - Sewer systems in which the storm water and sanitary waste from industrial, commercial or residential sources are combined. A benefit is that non-point pollution flushed from the watershed during moderate rain is treated, but the system can be overwhelmed during severe storms, resulting in untreated waste being flushed into the receiving waters as a combined sewer overflow (CSO).

Combined Sewer Overflows (CSO) - Areas along Rhode Island rivers where combined sewers overflow during significant rain events.

CSO Abatement Program/Fee. - A charge based on the amount of runoff that can be expected to leave eligible properties during rain events. This runoff contributes to CSO overflows. NBC does not currently charge a fee for this.

Comprehensive Annual Financial Report (CAFR) - Communicates the annual financial position and results of operations of the NBC.

Cost of Living Adjustment (COLA) - An annual adjustment made to salary of union employees of NBC to maintain the level of wages against inflation.

Debt Service - Payment of interest and repayment of principal to holders of the commission's debt instruments.

Debt Service Coverage - A measure of NBC's ability to meet debt service payments. The numerator is net revenue, and the denominator is current annual debt service.

Deficit or Budget Deficit - The excess of budget expenditures over receipts.

Depreciation - In accounting, depreciation is a term used to describe any method of attributing the cost of an asset across its useful life, roughly corresponding to normal wear and tear.

Digester - A treatment in which organic matter is broken down.

Diversion Chamber - A chamber or box, which contains a device for diverting or drawing off all or part of a flow or for discharging portions of the total flow to various outlets.

Effluent - The "cleaned" wastewater, or final liquid by-product of the wastewater treatment process, that flows out a treatment facility.

Enterprise Fund - A fund established to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that the full costs of providing the goods or services be financed primarily through charges and fees, thus removing the expenses from the tax rate.

Environmental Protection Agency (EPA) - An agency of the federal government designated to oversee environmental protection in the United States.

Expenditures - The amount of money, cash or checks, actually paid or obligated for payment from the operating account.

Financing Plan - The estimate of revenues and their sources that will pay for the service programs outlined in the annual budget.

Fiscal Year (FY) - The twelve-month financial period used by the Narragansett Bay Commission, that runs from July 1, to June 30, of the following calendar year. The year is represented by the end date. Example: July 1, 2007 to June 30, 2008 is FY 2008.

FY 2008 Approved Budget - Numbers stated in the FY 2008 budget and approved by the NBC Board of Commissioners.

FY 2008 Projected - Estimate of what will be achieved in FY 2008 based on year-to-date performance.

Flowmeter - A meter used to measure the flow of water, effluent or influent.

Force Main - A sewer line fed by a lift station; carries pumped wastewater to a point where additional pumps or gravity can take over.

Fringe Benefit - A component of personnel costs: includes health insurance and other employee benefits.

Full-time Equivalents (FTE's) - The amount of hours worked being equal to a full-time employee.

Fund Accounting - Governmental accounting systems should be organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitation.

Fund Balance - The accumulative excess of assets over liabilities in a fund, at the end of the fiscal year.

Global Positioning Satellite System (GPS) - A system which uses information obtained by satellite to indicate the coordinates of a specific location.

Government Finance Officers Association (GFOA) - GFOA is the professional association of state/provincial and local finance officers in the United States and Canada, and has served the public finance profession since 1906. Over 15,500 GFOA members are dedicated to the sound management of government financial resources.

Grant - A contribution of assets by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal government. Grants are usually made for specific purposes.

Grit Chambers - The grit chambers slow the moving water long enough for the grit, gravel and sand to fall to the bottom. This is one of the primary treatment steps to physically remove large particles before biological treatment begins.

Incineration - The process of destroying solids through burning.

Infiltration - The seepage of groundwater into a sewer system, including service connections. Seepage frequently occurs through defective or cracked pipes, pipe joints and connections, interceptor access risers and covers, or manhole walls.

Inflow - Water discharged into a sewer system and service connections from sources other than regular connections. This includes flow from yard drains, foundation drains and around manhole covers. Inflow differs from infiltration in that it is a direct discharge into the sewer rather than a leak in the sewer itself.

Influent - Water as it flows into the treatment plant.

Interceptor - A large sewer that receives flow from several smaller sewers and conveys flow to a sewage treatment plant.

License and Permit Fees - The charges for permits to connect to the sewer system, granted by the Narragansett Bay Commission.

Line-Item Budget - A format of budgeting which organizes costs by type of expenditure, such as supplies, equipment, maintenance or salaries.

Mgd. - Abbreviation for million gallons per day.

Mg/L. - Abbreviation for milligrams per liter. 1 mg/L can also be expressed as 1 part per million.

Mission Statement - Summation of an Agency's purpose and goals.

N/A. - The information is not available or not applicable.

National Association of Clean Water Agencies (NACWA) - An association which represents the interests of over 300 public agencies and organizations which deal with wastewater treatment. The association plays a key role in the development of environmental legislation and regulations.

Nutrient - An organic or inorganic compound essential for growth of organisms.

Operating Budget - See Budget (Operating)

Operating Capital Outlays Plan - A plan of proposed outlays for acquiring or replacing long-term assets and the means of financing those acquisitions during the current fiscal period.

Operations and Maintenance (O & M) –Accounts related to the cost of operating and maintaining NBC’s infrastructure.

Outfall - A discrete location where quantities of water and/or waste are discharged into lakes, streams or oceans, generally through a pipe.

Overflow - Sewage flow that discharges directly from a sewer into a receiving water because the total sewage flow is greater than the capacity of the sewer.

Performance Budget - A budget that bases expenditures primarily upon measurable performance of activities and work programs. A performance budget may also incorporate other bases of expenditures classification, such as character and object class, but these are secondary to activity performance.

Planning - The management function of preparing a set of decisions for future action.

Pretreatment - Reduction or elimination of pollutants from industrial wastewater by use of various processes prior to its discharge into the sewer system.

Program Measures - Variables measuring the degree of goal fulfillment achieved by programs.

Policy - A definite course of action adopted after a review of information, and directed at the realization of goals.

Priority - A value that ranks goals and objectives in order of importance relative to one another.

Procedure - A method used in carrying out a policy or plan of action.

Program - Collections of work-related activities initiated to accomplish a desired end.

PUC - Public Utilities Commission regulates all public utilities in the state of Rhode Island.

Pump Station - Installation of pumps to lift wastewater to a higher elevation in places where flat land would require excessively deep sewer trenches or to raise wastewater from areas too low to drain into available collection lines. These stations may be equipped with air operated ejectors or centrifugal pumps.

Purchase Order - A document issued to authorize a vendor or vendors to deliver specified merchandise or render a specified service for a stated or estimated price.

Rate Filing - An adjustment to NBC's user fee rates which is filed with the Public Utilities Commission for their approval.

Rating Agencies - This term usually refers to Moody's Investors Service, Standard and Poor's Corporation, and Fitch ICBA, Inc. These are the three major agencies which issue credit ratings on municipal bonds.

Receiving Water - A body of water such as, a stream, river, lake, or ocean which receives storm water and wastewater.

Regulator Structures – An underground structure, which regulates the amount of flow entering interceptors.

Restricted Accounts - Accounts that are legally restricted for a specific purpose or not available for appropriation and subsequent spending.

Revenue - Additions to the Commission's financial assets (such as user fees and grants) which do not in themselves increase the Commission's liabilities or cancel out a previous expenditure. Revenue may also be created by canceling liabilities, provided there is no corresponding decrease in assets or increase in other liabilities.

RIDEM - The Rhode Island Department of Environmental Management. An environmental regulatory department of the State.

RICWFA - The Rhode Island Clean Water Finance Agency. Administers the State Revolving Fund for projects relating to water and wastewater.

RIPDES Permit - Rhode Island Pollution Discharge Elimination System. A permit issued by the Rhode Island Department of Environmental Management which sets forth discharge limitation requirements for wastewater utilities.

RIRRC - The Rhode Island Resource Recovery Corporation. Administers waste and garbage disposal and recycling.

Sampling - The act of taking water samples in order to determine water quality.

Section - The lowest hierarchical level of allocating monies.

Settling Tanks - A holding area for wastewater, where heavier particles sink to the bottom for removal and disposal.

Sewer User Fee - The charges assessed on users of the sewer system provided by the Narragansett Bay Commission.

Sludge- See biosolids.

Special Master - A Rhode Island Public Utilities Commission appointed individual charged with the responsibility to oversee all phases of the CSO Abatement Program.

Significant Industrial Users (SIUs) - NBC's largest industrial customers.

State Revolving Fund (SRF) - A Rhode Island Clean Water Finance Agency program which offers low cost financing to public agencies.

Stormwater Runoff - The portion of rainfall, melted snow or other precipitation that flows across the ground surface to a drain, sewer, stream, lake, pond, or river.

Strategic Plan - A plan created to outline the long term goals and objectives of the Agency.

Total Maximum Daily Load (TMDL) – A calculation of the maximum amount of a pollutant that a body of water can receive and still meet water quality standards, and allocation of that amount to the pollutant's sources. The Clean Water Act, Section 303, establishes the water quality standards and TMDL programs.

Total Suspended Solids (TSS) - The measurement of the amount of solid matter in the effluent in parts per million.

Trust Indenture – A contract between an issuer and a bond trustee for the benefit of bondholders. In order to issue revenue bonds NBC is required to execute a trust indenture.

Ultraviolet Disinfection - A disinfection method in which final wastewater effluent is exposed to ultraviolet light to kill pathogens and microorganisms.

Variable Rate Debt Obligation (VRDO) - A long-term multi-modal debt instrument. NBC's current issue of VRDO sets interest rates on a weekly basis.

Wastewater - The liquid-borne waste products of domestic, industrial, agricultural and manufacturing activities.

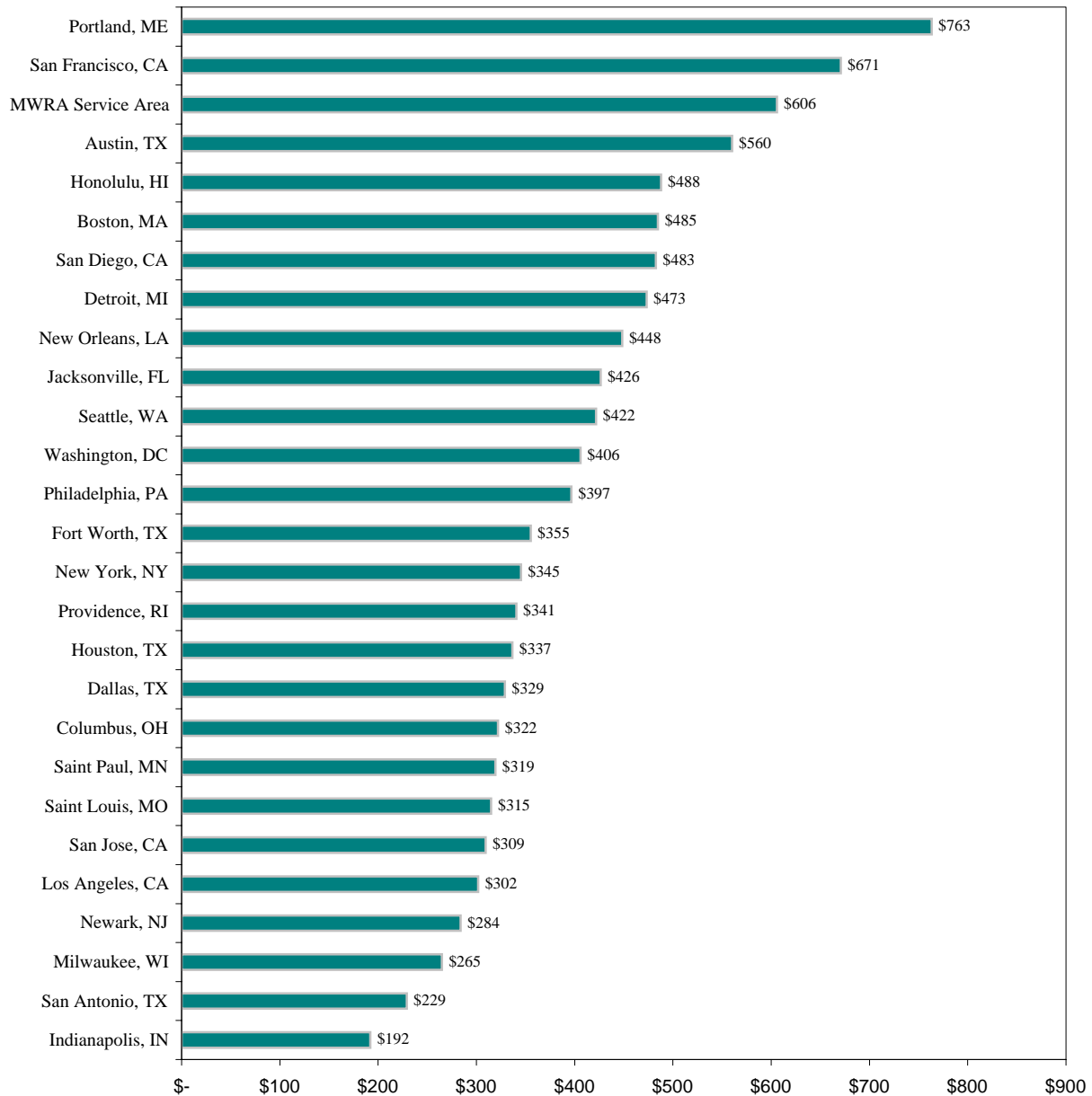
Wastewater Treatment Facility (WWTF) - A facility used to treat wastewater.

Wetland - Any area in which the water table stands near, at, or above the land surface for at least part of the year. Such areas are characterized by plants that are adapted to wet soil conditions.

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Annual Residential Sewer Charges for Major U.S. Cities

The survey shown below, conducted by the Massachusetts Water Resource Authority (MWRA) in 2006, compares the annual residential sewer charges for major U.S. cities.



Source: 2006 MWRA Water & Sewer Retail Rate Survey

* MWRA bases their Annual Sewer Retail Rates on 120 HCF (approximately 12,000 cubic feet or 90,000 gallons) whereas NBC bases its Annual Sewer Retail Rate on 97.6 HCF. The adjustment has been made to accurately compare these rates.

Note: The average 2006 Annual Residential Sewer User Fee for Major U.S. Cities is \$403.

Narragansett Bay Commission
Operating Budget For Fiscal Year 2008

ACCT. NUMBER	BUDGET ACCOUNT	FY 2007 Budget	FY 2008 Proposed	Change +/- from FY 2007	EXECUTIVE				ADMINISTRATION AND FINANCE					PLANNING, POLICY & REGULATION					OPERATIONS					
					MGMT. CC 21	CONGRIS. CC 22	LEGAL 24	H/R CC 23	FINANCE CC 31	ACCT. CC 32	IT CC 33	CUST SVC CC 34	PURCH. CC 36	GEN. ADM. CC 80	LAB. CC 53	PLN & POL. CC 51	PT CC 52	ESTA CC 54	ENV. MON. CC 55	FIELDS PT. CC 46	BUCK. PT. CC 47	IM CC 43	ENG. CC 44	
PERSONNEL SERVICES																								
52100	UNION - REGULAR	4,970,837	5,218,880	248,043	-	-	-	37,033	-	73,344	-	549,036	41,560	40,000	174,633	-	138,466	-	344,382	1,782,140	1,457,839	580,447	-	
52150	UNION OVERTIME	440,250	420,200	(20,050)	-	-	-	-	-	-	-	2,000	-	-	3,000	-	200	-	35,000	220,000	120,000	40,000	-	
52200	UNION LIMITED	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52250	UNION LIMITED O.T.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52300	NON-UNION REGULAR	7,328,495	7,609,219	280,724	649,430	659,444	284,106	159,330	317,732	418,340	685,798	350,249	166,673	110,000	552,804	254,402	485,791	212,965	349,589	887,539	-	284,887	780,138	
52350	NON-UNION OVERTIME	71,150	60,425	(10,725)	200	5,000	-	-	-	100	-	2,000	-	-	12,000	400	500	1,000	1,225	35,000	-	3,000	-	
52400	NON-UNION LIMITED	30,100	22,600	(7,500)	4,200	-	-	-	-	2,500	-	-	-	-	2,400	6,300	-	-	7,200	-	-	-	-	
52450	NON-UNION LIMITED OVERTIME	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52510	NON-UNION LIMITED (FULL TIME)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52800	UNION PENSION	907,274	1,075,653	168,379	-	-	-	7,692	-	15,234	-	114,035	8,632	-	36,271	-	28,759	-	71,528	370,151	302,793	120,559	-	
52810	FICA	981,597	1,019,831	38,234	50,003	50,830	21,734	15,022	24,307	37,813	52,464	69,101	15,930	11,475	56,980	19,974	47,809	16,368	56,411	223,738	120,705	69,488	59,681	
52820	UNEMPLOYMENT INSURANCE	35,000	35,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52840	EMPLOYEE BEN. GRP. LIFE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52920	NON UNION PENSION	742,524	769,104	26,580	65,363	66,444	28,411	15,933	31,773	42,094	68,580	35,225	16,667	11,000	56,720	26,110	48,629	21,297	35,801	92,254	-	28,789	78,014	
52940	UNION RETIREMENT HEALTH	118,835	187,993	69,158	-	-	-	1,344	-	2,662	-	19,930	1,509	-	6,339	-	5,026	-	12,501	64,692	52,920	21,070	-	
52950	HEALTH INSURANCE	2,854,738	2,842,723	(12,015)	91,657	113,738	35,595	47,264	49,400	113,467	130,513	250,631	47,229	-	142,356	38,016	145,557	56,029	174,498	648,924	356,974	270,448	130,428	
52970	DENTAL INSURANCE	210,162	219,149	8,987	6,802	9,328	4,356	3,483	4,519	8,376	10,574	18,397	3,483	-	11,406	2,820	10,743	4,146	14,305	47,915	27,200	20,722	10,574	
52980	VISION INSURANCE	40,744	38,639	(2,105)	1,232	1,532	592	627	711	1,519	1,775	3,378	627	-	2,015	530	2,015	724	2,399	8,741	4,824	3,623	1,775	
52990	DISABILITY INSURANCE	34,000	34,000	-	-	-	-	-	-	-	-	-	-	34,000	-	-	-	-	-	-	-	-	-	-
53000	SUPP PENSION RETIREES	2,000	2,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
53090	WORKMAN'S COMP. - OLD CLAIMS	66,000	62,000	(4,000)	-	-	-	-	-	-	-	-	-	62,000	-	-	-	-	-	-	-	-	-	
	SLUDGE ADJUSTMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL PERSONNEL SERVICES		18,833,706	19,617,416	783,710	868,887	906,316	374,794	287,728	428,443	715,450	949,703	1,413,982	302,309	305,475	1,056,925	348,553	913,495	312,528	1,104,840	4,381,094	2,443,253	1,443,033	1,060,610	
59000	SALARY REIMBURSEMENT	(1,005,629)	(1,004,312)	1,317	(45,460)	(559,900)	-	-	-	(45,000)	-	-	-	-	-	-	-	(2,500)	(10,000)	-	-	(45,000)	(296,452)	
59011	FRINGE REIMBURSEMENT	(549,208)	(552,372)	(3,164)	(25,003)	(307,945)	-	-	-	(24,750)	-	-	-	-	-	-	-	(1,375)	(5,500)	-	-	(24,750)	(163,049)	
59002	TURNOVER ALLOWANCE	(281,452)	(318,426)	(36,974)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(219,055)	(48,865)	(50,506)	-	
NET PERSONNEL SERVICES		16,997,417	17,742,307	744,890	798,424	38,471	374,794	287,728	428,443	645,700	949,703	1,413,982	302,309	305,475	1,056,925	348,553	913,495	308,653	1,089,340	4,162,039	2,394,388	1,322,777	601,109	
OPERATING SUPPLIES/EXPENSES																								
52100	MEDICAL SVCS.	38,441	18,668	(19,773)	100	600	75	3,500	-	100	150	375	-	-	1,300	300	1,190	540	1,400	3,012	1,500	4,476	50	
52110	POSTAGE	162,575	179,775	17,200	-	-	100	-	-	50	25	147,600	-	32,000	-	-	-	-	-	-	-	-	-	-
52340	DUES & SUBSCRIPTIONS	67,576	66,836	(740)	34,310	500	5,650	2,400	2,400	1,500	6,500	5,155	750	1,000	500	521	1,700	250	2,000	2,000	-	700	1,000	
52350	FREIGHT	34,000	35,700	1,700	500	1,000	200	100	200	100	2,000	200	100	3,000	200	400	100	1,500	15,000	500	3,000	100	100	
52310	PRINTING & BINDING	105,850	113,900	8,050	15,000	100	100	50	20,500	50	300	62,000	1,500	4,500	-	300	2,800	2,600	3,100	-	800	200	-	
52320	ADVERTISING	21,825	21,000	(825)	2,500	1,200	1,000	-	1,000	-	1,300	-	-	-	1,000	1,200	2,000	3,600	1,450	2,250	1,400	1,000	-	
52330	RENTAL EQUIPMENT	37,500	48,150	10,650	17,600	-	-	-	-	-	-	-	-	14,550	2,500	-	-	-	-	10,000	3,500	-	-	
52340	RENTAL CLOTHING	55,000	57,600	2,600	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,600	20,000	9,000	-	
52350	RENTAL OUTSIDE PROPERTY	7,633	7,749	116	-	-	-	-	-	-	-	-	-	-	-	-	-	900	3,200	-	2,449	-	-	
52360	MISCELLANEOUS EXPENSE	24,100	29,100	5,000	-	600	-	-	-	500	-	28,000	-	-	-	-	-	-	-	-	-	-	-	
52370	PUBLIC OUTREACH EDUCATION	13,200	14,000	800	14,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52410	LOCAL TRAVEL	4,850	5,220	370	400	100	150	100	300	120	1,300	200	100	300	100	50	500	300	-	-	100	700	400	
52420	LONG DISTANCE TRAVEL	84,800	95,600	10,800	31,500	2,500	4,800	2,000	6,200	-	23,000	2,500	500	-	2,000	2,000	3,600	3,000	3,000	3,000	-	1,500	4,500	
52470	BLDG. & GRND. MAINT.	131,815	108,503	(23,312)	-	-	-	-	-	-	-	-	-	40,000	14,650	-	200	-	-	33,268	-	12,885	-	
52480	SLUDGE, ASH HAULING & DISPOSAL	4,098,626	4,601,229	502,603	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,645,216	956,013	-	-	
52490	SCREENING & GRIT DISPOSAL	140,604	154,830	14,226	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59,130	22,500	73,200	-	
52510	VEHICLE FUEL & MAINTENANCE	149,182	151,389	2,207	2,000	8,000	-	-	-	-	-	8,000	-	-	-	-	5,782	-	17,325	48,482	-	60,000	1,800	
52610	REPAIRS - BLDG. STRUCTURE & EQUIP.	556,400	567,520	11,120	-	-	-	100	-	-	-	-	-	38,500	54,600	-	200	-	8,000	440,120	-	26,000	-	
52611	SOLIDS HANDLING REPAIRS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52620	REPAIR-HIGHWAY & WALKS	8,000	8,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,000	-	
52630	MAINTENANCE/SERVICE AGREE.	596,200	510,460	(85,740)	-	700	50	400	-	75	309,454	2,000	80	28,113	3,500	100	2,760	-	650	139,804	11,890	10,884	-	
52650	HIGHWAY & LANDSCAPE	12,000	12,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,000	-	8,000	-	
52660	INSURANCE	399,518	382,120	(17,398)	-	-	-	-	-	-	-	-	-	382,120	-	-	-	-	-	-	-	-	-	
52680	WORKMAN'S COMP. INSURANCE	354,523	460,529	106,006	-	-	-	-	-	-	-	-	-	460,529	-	-	-	-	-	-	-	-	-	
52900	CENTRAL PHONE SVCS.	3,000	3,000	-	-	-	-	-	-	-	-	-	-	3,000	-	-	-	-	-	-	-	-	-	
54000	TELEPHONE	131,890	132,000	110	1,500	4,000	-	-	-	-	37,850	7,200	850	36,500	-	800	5,000	-	4,600	5,200	6,000	20,000	2,5	

Narragansett Bay Commission
Operating Budget For Fiscal Year 2008

ACCT. NUMBER	BUDGET ACCOUNT	FY 2007 Budget	FY 2008 Proposed	Change +/- from FY 2007	EXECUTIVE				ADMINISTRATION AND FINANCE					PLANNING, POLICY & REGULATION					OPERATIONS						
					MGMT. CC 21	CON/GRTS. CC 22	LEGAL 24	H/R CC 23	FINANCE CC 31	ACCT. CC 32	IT CC 33	CUST SVC CC 34	PURCH. CC 36	GEN. ADM. CC 80	LAB. CC 53	PLN & POL. CC 51	PT CC 52	ESTA CC 54	ENV. MON. CC 55	FIELDS PT. CC 46	BUCK. PT. CC 47	IM CC 43	ENG. CC 44		
PROFESSIONAL SERVICES																									
52600	REGULATORY EXPENSE	202,460	209,861	7,401	-	-	-	-	185,000	-	-	-	-	-	-	350	-	-	-	-	12,111	12,100	300	-	
52620	ARCHITECT/ENG. SERVICES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52630	LECTURES/ED./PROF. SVCS.	350	350	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52650	SECURITY SERVICES	29,200	29,281	81	-	-	-	-	-	-	-	-	7,120	-	1,500	1,000	-	-	350	-	2,361	3,300	14,000	-	
52660	LEGAL SERVICES	172,500	176,000	3,500	3,500	61,500	-	-	20,000	-	-	-	1,000	-	90,000	-	-	-	-	-	-	-	-	-	
52670	MGMT/AUDIT SERVICES	1,829,400	2,210,920	381,520	35,500	-	-	8,000	75,000	36,000	-	-	-	-	146,319	-	-	-	-	-	-	-	-	-	
52680	CLERICAL SERVICES	15,400	9,200	(6,200)	2,000	-	500	-	3,000	-	-	-	-	-	-	-	-	-	-	-	-	1,910,101	-	-	
52690	OTHER SERVICES	162,000	167,080	5,080	15,000	-	-	18,000	-	4,000	-	-	25,500	-	70,000	27,580	-	-	-	6,000	-	-	1,000	-	
TOTAL PROFESSIONAL SERVICES		2,411,310	2,802,692	391,382	56,000	62,000	-	26,000	283,000	40,000	-	37,320	-	307,819	28,330	-	350	6,000	-	14,472	1,925,501	15,300	-	-	
TOTAL OPERATIONS & MAINTENANCE		31,706,157	33,311,737	1,605,580	994,234	78,971	450,969	326,278	749,443	697,745	1,415,632	1,726,932	307,739	1,826,709	1,384,168	361,753	951,048	329,143	1,215,615	11,166,690	6,921,880	1,789,230	617,559		
CAPITAL OUTLAYS																									
16500	EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16510	AUTOMOTIVE EQUIP.	325,000	155,000	(170,000)	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16520	BLDG. & PLANT EQUIP.	265,201	432,900	167,699	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000	-	-	260,900	80,000	22,000	-	
16530	CONSTRUCTION EQUIP.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16540	ED. AND REC. EQUIP.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16570	LABORATORY EQUIP.	27,000	79,500	52,500	-	-	-	-	-	-	-	-	-	-	-	77,000	-	-	-	-	-	-	-	-	
16580	OFFICE FURN&EQUIP. COMPUT.	87,000	46,200	(40,800)	-	-	5,200	-	-	-	-	-	-	36,000	-	-	-	-	-	-	-	-	-	-	
16583	COMPUTER SOFTWARE	150,800	234,000	83,200	-	-	-	-	-	-	205,000	-	5,000	-	-	-	-	-	-	-	20,000	-	9,000	-	
16585	COMPUTER HARDWARE	565,000	431,000	(134,000)	-	-	-	-	-	-	425,000	-	-	-	-	-	-	-	-	-	-	-	6,000	-	
16590	OTHER EQUIPMENT	8,000	10,000	2,000	-	10,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16600	REPLACEMENT RESERVE	573,058	477,400	(95,658)	-	28,000	-	-	-	-	-	25,000	-	-	-	42,400	-	-	-	34,500	217,500	-	130,000	-	
16610	BUILDING & OTHER STRUCT.	86,699	86,000	(699)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36,000	50,000	-	-	
16630	DMP-NOT BLDG OR STRUCT.	-	50,000	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,000	-	-	-	
TOTAL CAPITAL OUTLAYS		2,087,758	2,002,000	(85,758)	50,000	38,000	5,200	-	-	-	630,000	30,000	-	106,000	119,400	-	-	-	62,000	584,400	210,000	167,000	-	-	
DEBT SERVICE																									
57800	EXP. REL. TO BONDS/NOTES	3,500	32,000	28,500	-	-	-	-	-	-	-	-	-	32,000	-	-	-	-	-	-	-	-	-	-	-
57900	INTEREST EXPENSE OTHER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
57908	INTEREST EXPENSE - 2007 SERIES A	-	2,025,399	2,025,399	-	-	-	-	-	-	-	-	-	2,025,399	-	-	-	-	-	-	-	-	-	-	
57909	INTEREST EXPENSE - 2005 SERIES A	2,250,000	2,250,000	-	-	-	-	-	-	-	-	-	-	2,250,000	-	-	-	-	-	-	-	-	-	-	
57910	STATE INTEREST EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
57912	SRF INTEREST EXPENSE	6,020,029	6,261,949	241,920	-	-	-	-	-	-	-	-	-	6,261,949	-	-	-	-	-	-	-	-	-	-	
57913	LEASE INTEREST EXPENSE	16,000	58,000	42,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
57914	INTEREST EXPENSE - VRDO	2,608,136	2,551,682	(56,454)	-	-	-	-	-	-	-	-	-	2,551,682	-	-	-	-	-	-	-	-	-	-	
57915	PROGRAMMED NEW DEBT	1,673,000	683,600	(989,400)	-	-	-	-	-	-	-	-	-	683,600	-	-	-	-	-	-	-	-	-	-	
57920	PRINCIPAL	12,502,822	16,800,972	4,298,150	-	-	-	-	-	-	-	-	-	16,800,972	-	-	-	-	-	-	-	-	-	-	
58920	INTEREST - LATE PMT.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
58940	ARBITRAGE EXPENSE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
58990	OTHER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL DEBT SERVICE		25,073,487	30,663,602	5,590,115	-	-	-	-	-	-	-	-	-	30,663,602	-	-	-	-	-	-	-	-	-	-	
GRAND TOTAL		58,867,402	65,977,339	7,109,937	1,044,234	116,971	456,169	326,278	749,443	697,745	2,045,632	1,756,932	307,739	32,596,311	1,503,568	361,753	951,048	329,143	1,277,615	11,751,090	7,131,880	1,956,230	617,559		