NARRAGANSETT BAY COMMISSION

OPERATING BUDGET



FISCAL YEAR 2011

A COMPONENT UNIT OF THE STATE OF RHODE ISLAND

Vincent J. Mesolella, Chairman | Raymond J. Marshall, P.E., 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, 2009. The GFOA also awarded NBC Special Performance Measures Recognition as well as Special Capital 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. In order to obtain Special Recognition the governmental unit must obtain outstanding ratings in certain categories by all three reviewers. 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.

Contact Information:

Narragansett Bay Commission
Division of Administration and Finance
One Service Road
Providence, Rhode Island 02905

Telephone: (401)-461-8848
Fax: (401)-461-6540

www.narrabay.com

Narragansett Bay Commission
Fiscal Year 2011 Budget

Board of Commissioners

Narragansett Bay Commission (NBC) is governed by a 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

Photo: An osprey carries its fish catch

Narragansett Bay Commission
Fiscal Year 2011 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.

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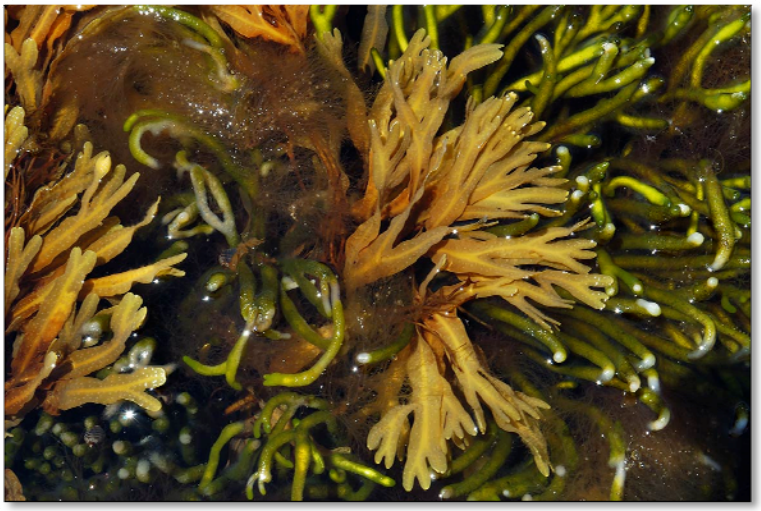

Photo: Seaweed at low tide in Narragansett Bay

Narragansett Bay Commission
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Executive Director's Message

Fiscal Year 2011 Budget Summary

Raymond J. Marshall, P.E.
Executive Director

The Narragansett Bay Commission's FY 2011 Operating Budget is 1.9% lower than the prior year and is reflective of NBC's commitment to providing excellent service at the lowest possible cost.

The FY 2011 budget reflects a decrease in Operating Revenues of 2.6%. This is primarily due to lower user fee revenues as a result of NBC's ability to secure $57 million in federally subsidized American Recovery and Reinvestment Act (ARRA) loans which eliminated a planned rate increase in FY 2010 to support the capital program. Non-Operating Revenue shows an increase of 13.5% on a year-to-year basis.

With respect to expenses, budgeted Operating and Maintenance Expense is 1.7% lower than the prior year, with the majority of the decrease related to lower personnel costs. Budgeted debt service is 5.6% lower than the prior year as the result of the ARRA funding received in FY 2010. Operating Capital Outlays are 12.7% higher, while the Restricted Carry-Forward shows a year-to-year increase of 7.8%. The net effect of these changes is a 1.9% decrease in total expense compared to FY 2010.

Year-to-Year Operating Budget Comparison

	FY 2010 Budget	FY 2011 Budget	Percent Change
Revenues			
Operating Revenue	$ 79,390,000	$ 77,327,544	-2.6%
Non-Operating Revenue	3,535,600	4,012,778	13.5%
Total Revenue	82,925,600	81,340,322	-1.9%
Expenses			
Operating and Maintenance Expense	36,939,412	36,306,457	-1.7%
Debt Service	34,737,793	32,801,374	-5.6%
Operating Capital Outlays	2,260,600	2,547,778	12.7%
Restricted Carry-Forward	8,987,795	9,684,713	7.8%
Total Expense	$ 82,925,600	$ 81,340,322	-1.9%

"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."

Photo: A stormy ocean near Little Compton, R.I.

Introduction

The Narragansett Bay Commission (NBC) is pleased to present its FY 2011 operating budget. This budget reflects NBC's commitment to provide first class service to its ratepayers at a reasonable cost with the development of an operating budget that is 1.9% lower than the prior year. This year's budget also demonstrates NBC's continued environmental leadership through the dedication of resources for significant capital investments, effective operation of NBC's wastewater treatment and collection systems, and systematic water quality monitoring.

The Budget Document

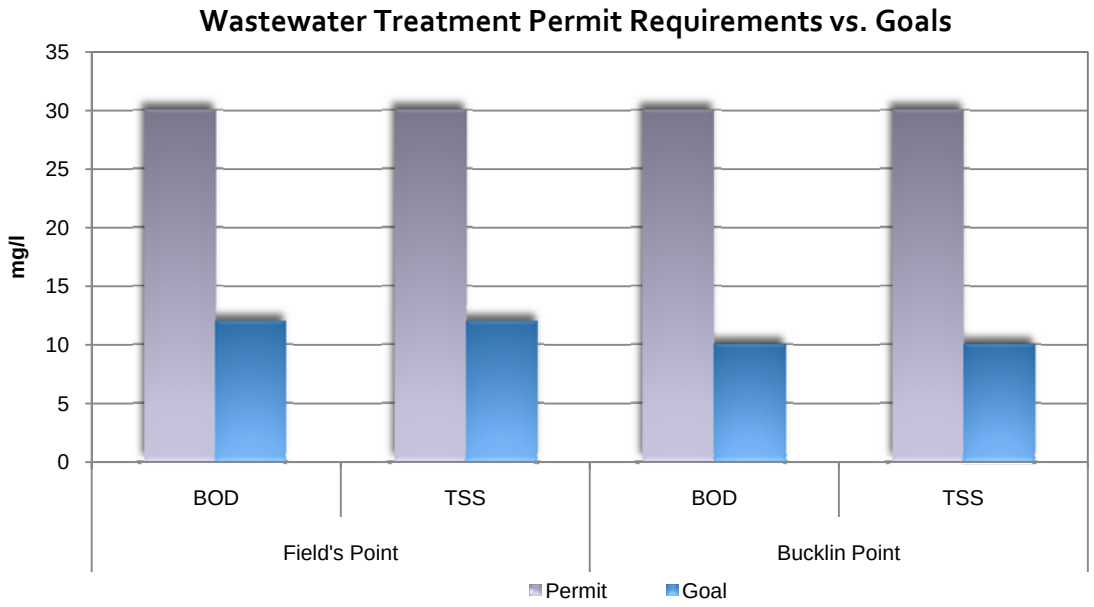
The FY 2011 budget document includes a number of changes and enhancements. The Rhode Island State economic data presented in the demographic section contains new information not presented in prior budget documents. The Strategic Plan discussion has been moved forward in the document in order to emphasize its importance in the development of the budget. Other revisions to this budget document include the addition of a map of Rhode Island illustrating the location of NBC's significant capital projects, a new chart showing NBC's budget by department in order to display the relative size of operations and several other new charts and visuals. These enhancements are designed to present an informative and comprehensive picture of NBC's budget and financing needs for FY 2011 and beyond.

NBC Outlook

NBC has allocated resources based on the objectives and priorities highlighted in NBC's Strategic Plan. The Strategic Plan provides the framework of NBC's long-term priorities over the next ten years. The following narrative identifies the connection between NBC's short-term goals and long-term goals of the Strategic Plan and the resource allocations in the FY 2011 operating budget.

Core Business

NBC's primary focus for FY 2011 and beyond is the successful operation and maintenance of the wastewater treatment and collection systems to ensure that federal and state requirements are met or surpassed. NBC's Rhode Island Pollution Discharge Elimination System (RIPDES) permits contain limits of 30 milligrams per liter (mg/l) for both Biological Oxygen Demand (BOD) and Total Suspended Solids (TSS). BOD and TSS levels are wastewater industry standards for measuring the effectiveness of wastewater treatment and the quality of effluent discharged into the receiving waters. The chart below reflects NBC's FY 2011 water quality goals, which exceed the permitted treatment levels at both the Field's Point Wastewater Treatment Facility (WWTF) and the Bucklin Point WWTF.



Another treatment related goal is the attainment of a seasonal total nitrogen limit of 5 mg/l from May to October at both the Field's Point and Bucklin Point WWTFs. In order to achieve this goal, NBC will continue to expend resources on the construction of the nitrogen removal facilities at Field's Point in FY 2011. The total project cost estimate for this project is $79.5 million and this project qualified for $57 million in financing through the ARRA program. As a result, in addition to the traditional interest rate subsidy provided by the Rhode Island Clean Water Finance Agency (RICWFA), the ARRA funding includes a "principal forgiveness" component of approximately 15% or approximately $8.6 million. In FY 2011, NBC also plans on completing the final design plans and specifications for the Bucklin Point nitrogen removal facilities.

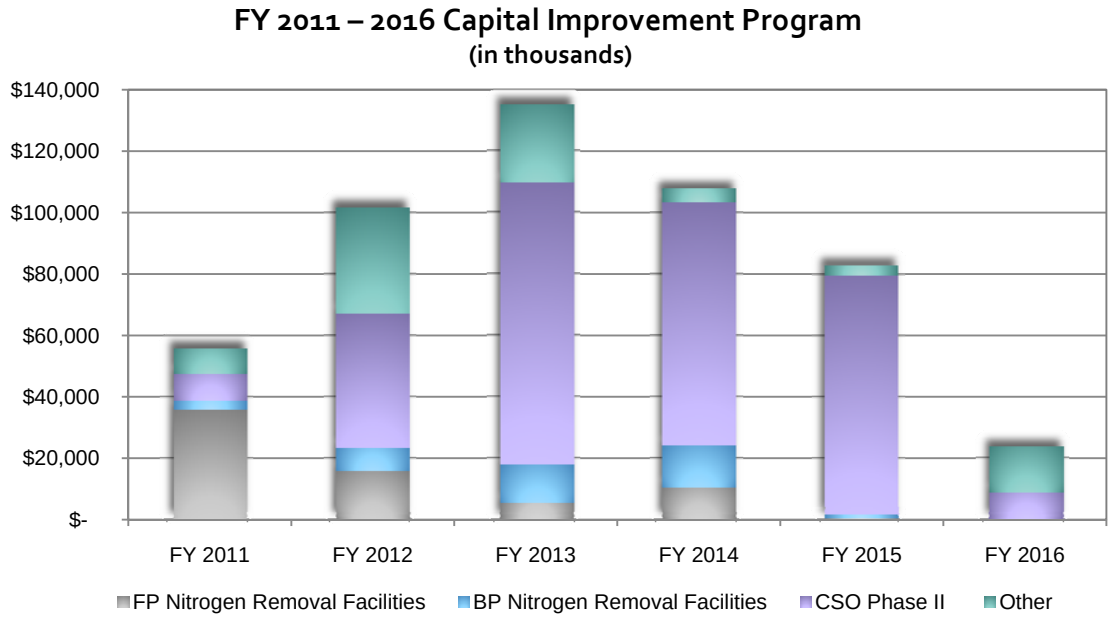
Photo: Inspection of a Field's Point Clarifier to be upgraded as part of the nitrogen removal project

NBC is also required by Consent Agreement to continue with the subsequent phases of its Combined Sewer Overflow (CSO) Abatement Facilities. The Phase I Facilities became operational in FY 2009, and NBC will begin construction of the Phase II Facilities in FY 2011. The estimated cost for Phase II design is approximately $19 million. Construction is approximately $307 million and at the height of construction, NBC projects annual expenditures on this project will peak at approximately $80 million per year in FY 2013 – FY 2015.

As part of NBC's commitment to its core business, environmental performance and financial management goals, NBC's FY 2011 budget reflects an investment in "green" technology with three projects. NBC will install up to three wind turbines at Field's Point to convert wind energy into electricity. This project is expected to generate clean sustainable energy for use on-site for wastewater treatment operations and will help stabilize energy related operating costs. At Bucklin Point, methane rich biogas byproducts of the biosolids digestion process will be used to generate both electricity and heat energy for use within the wastewater treatment facility. This process will reduce NBC's dependency on fossil fuel generated electricity and will reduce NBC's carbon footprint through the efficient use of this readily available renewable fuel. Finally, four variable frequency drives (VFDs) will be installed at the Ernest Street Pump Station to control the rate of the flow entering the Field's Point WWTF, maximizing energy efficiency.

Photo: A wind turbine similar to what will be installed at Field's Point

NBC's Capital Improvement Program (CIP) identifies 46 projects totaling approximately $507 million that are either in progress, to be initiated, or to be completed during the fiscal years of 2011-2016. Of that total, approximately $56 million of the programmed expenditures are in FY 2011 and approximately $451 million are to be spent over the five-year period of FY 2012-2016. The graph below shows NBC's CIP by major project.



Environmental Performance

In keeping with NBC's strategic goal to continuously evaluate and minimize NBC's impact on the environment, this year's budget continues to support NBC's sampling and data analysis efforts. NBC's comprehensive monitoring program has expanded over the years in response to increasingly stringent state and federal mandates. NBC is required by its RIPDES permits to perform sampling of both wastewater plants daily for permit and process analysis, as well as other monitoring such as industrial pretreatment, manhole sampling, and river and bay bacteria monitoring. NBC must also conduct critical monitoring during emergency situations or extreme weather conditions such as significant wet weather events. This budget also continues to fund NBC's Environmental Monitoring for Public Access and Community Tracking (EMPACT) project, which evaluates receiving water quality at certain buoy and fixed station sites and provides the means to measure water quality improvements resulting from NBC's treatment plant upgrades and the CSO project. The table below shows how NBC's sampling activity has increased over the years and reflects the fact that between the years of 2005 and 2009 sampling activity increased by over 40%.

Number of Samples					
	2005	2006	2007	2008	2009
WWTF Monitoring	11,253	14,129	14,486	16,455	17,586
River & Bay Nutrient Monitoring	1,445	1,644	2,677	2,588	1,647
River & Bay Bacteria Monitoring	1,044	2,435	1,839	1,812	2,579
Significant Industrial User Monitoring	2,424	2,221	2,155	2,252	2,183
Manhole Monitoring	812	904	999	953	1,269
Septage Monitoring	313	312	313	314	307
Other	949	481	114	200	42
Total	18,240	22,126	22,583	24,574	25,613

This year's budget also includes costs for the ongoing replacement and maintenance of flow meters at CSO outfalls that are used to determine the frequency and volume of CSO discharges. Flow monitoring data will also be used for design of the floatables control facilities required under EPA's CSO Control Policy, and the Phase II and III CSO facilities. The flow monitoring related costs were initially funded through the capital program but are expected to continue indefinitely and therefore are being funded as an ongoing operating expense. The FY 2011 operating budget includes $134,000 in operating expenses and $75,000 in operating capital outlays for this program.

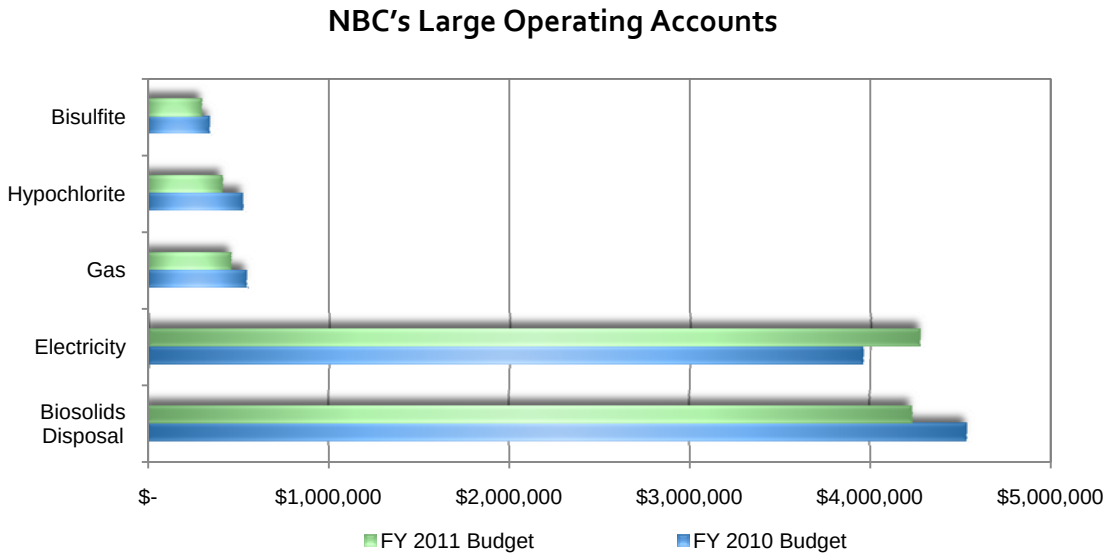
In order to keep up with analysis requirements, this budget also includes capital outlays for the Laboratory which were not identified in the FY 2010 five-year operating capital outlays budget. Aging lab instruments and other issues necessitate the replacement of equipment costing approximately $142,000 more than was identified in prior budgets.

Financial Management

The FY 2011 operating budget reflects NBC's commitment to the financial management goal. Overall, the operating budget is 1.9% lower than the prior year. This was accomplished through lower personnel costs achieved through the freezing of salaries and wages, higher budgeted turnover and capital reimbursements, mitigation of health insurance costs, and reduced mandatory employer contributions to the union retirement and retirement health benefit programs.

Operating experience of the CSO Tunnel Pump Station and operating efficiencies at the wastewater treatment facilities have contributed to reduced budgeted expense for biosolids disposal and chemicals. These savings are offset by a higher electricity supply rate and increases in smaller operating cost line items. Overall the total amount budgeted for operating expense has increased by 0.1% from the prior year. At Bucklin Point, use of soda ash and other chemicals was optimized, resulting in a 1.4% reduction in these pass-through line items included in the Bucklin Point management contract. Overall, the budget for Professional Services is 1.6% lower than in FY 2010.

The chart below provides a comparison of the FY 2010 and FY 2011 operating budgets for large accounts.



With respect to debt service, the FY 2011 budget is nearly $2 million lower than the prior year primarily due to the $57 million in ARRA funds. The ARRA program ultimately included a 15% principal forgiveness component which was not known at the time of last year's budget adoption. The FY 2011 debt service line item also includes programmed new debt of $1.7 million for a traditionally structured $30 million loan from the RICWFA. Financing of the CIP will continue to be one of the biggest challenges facing NBC and therefore NBC will ensure that projects are "shovel-ready" in case additional federal stimulus funds become available.

Overall, sewer user rates were increased by 10.29% in FY 2010 as opposed to the approximately 16.00% projected. The Rhode Island Public Utilities Commission approved a 2.25% user fee increase to support debt service and debt service coverage effective July 1, 2010.

Staffing

NBC's strategic objective is to recruit, develop and retain highly qualified staff. In FY 2011 NBC will continue the sponsorship of Workplace Wellness programs. NBC will also sponsor financial seminars from time to time to assist employees with retirement planning. In addition, NBC will continue its commitment to providing comprehensive benefits to employees.

Customer Service and Communication

NBC successfully converted to monthly billing from quarterly billing in October 2009. Not only has this helped to make customer bills smaller and more predictable, but it has also had the effect of smoothing out NBC's cash flow. In addition, the consumption billings are now current, as NBC estimates consumption monthly with automatic adjustments when actual meter readings are received from the water suppliers. The FY 2011 budget shows a small increase in postage expense due to the increased billing frequency. In FY 2011 NBC will continue to enhance its customer service application in order to offer customers greater ease of use. The budget includes $30,000 in operating capital outlays for these enhancements.

In the next fiscal year NBC will continue its efforts toward better communication with its ratepayers by making available a special Ratepayer Report. The Report strives to communicate the scope of NBC's initiatives and the regulatory environment in which NBC operates. NBC will also continue its public relations program with the Woon Watershed Explorers educational program for Rhode Island schools. The program takes place in the classroom and at various river locations, and culminates in an environmental education conference which all the students attend. The FY 2011 budget also includes

funding for the Chairman's River Restoration program in which over 200 volunteers remove trash and other debris from rivers in the NBC service area. NBC also sponsors many other public meetings, letters, and charitable campaigns.

Fiscal Year 2010 in Review

FY 2010 was an important year for NBC in that it was the first full year of operations for the CSO Phase I Facilities. Since the facilities went online, NBC has safely collected and treated over 2 billion gallons of combined water and wastewater which previously would have flowed untreated into Narragansett Bay. The chart below shows the rainfall and captured combined stormwater and wastewater flows by fiscal year. The data shows that for every inch of rainfall, 24.51 million gallons of flows are captured and stored for subsequent treatment and safe discharge into receiving waters.

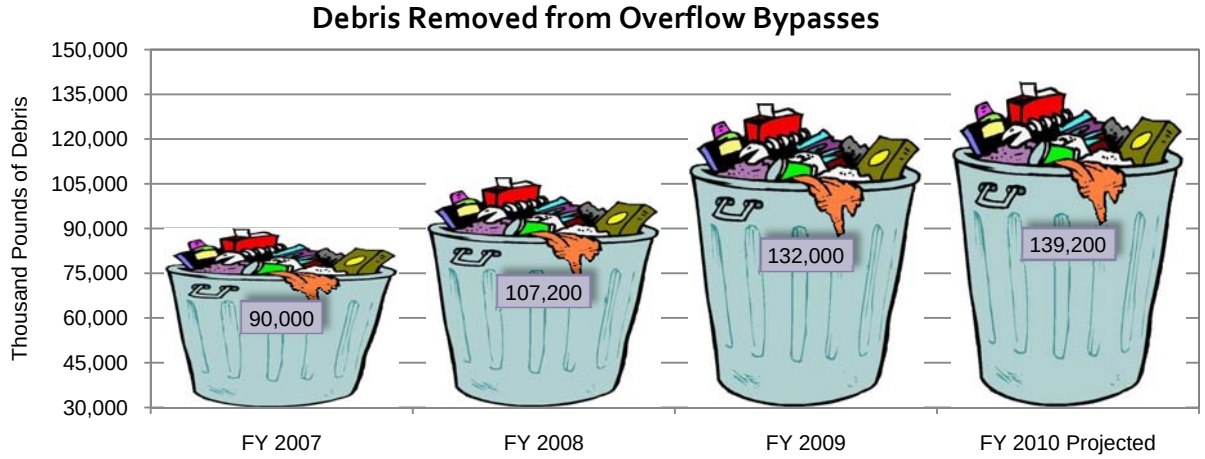
CSO Phase I Facilities –Flow Collection

	FY 2009*	YTD June 9th FY 2010	Total
Rainfall (Inches)	28.49	54.94	83.43
Millions Gallons (MG) of Flow Collected	735.92	1,309.14	2,045.06
MG per Inch of Rainfall	25.83	23.83	24.51

* Beginning November 2008

NBC also made progress with its capital investment and operating goals. The RIPDES permits for the Field's Point and Bucklin Point WWTFs limit the seasonal total nitrogen in NBC's effluent to 5 mg/l. To meet these requirements, NBC began construction on the Field's Point WWTF Nitrogen Removal Facilities in FY 2010. With respect to Bucklin Point, design on the recommended upgrade to the existing facilities is underway and is expected to be completed in FY 2011. Design for the CSO Phase II program was also completed in FY 2010. The Phase II CSO Facilities consist of several projects including the construction of two interceptors to convey flows from combined sewer overflows in Providence along the Woonasquatucket and Seekonk Rivers to the Main Spine Tunnel constructed as part of Phase I.

In terms of collection system cleaning and CSOs, in FY 2010 NBC's Interceptor Maintenance department continued to remove debris from the CSO Overflows. These efforts increase collection system capacity and prevent the debris from polluting the area's rivers and bay. The graph below shows the increasing amount of material removed from the Overflows on an annual basis.



From an information technology standpoint, NBC's IT department took several steps forward in FY 2010. IT successfully completed the conversion from quarterly billing to monthly billing. A significant effort was made to ensure that the monthly bills provided accurate estimates in cases where there was no meter reading available. The conversion and implementation of the new system was well received by NBC's ratepayers. IT also began upgrading all of the primary Oracle production databases to the latest version. This will provide a more stable and secure platform and allow IT to better utilize its resources to increase productivity.

With regard to operating goals, in FY 2010 NBC's Pretreatment program was honored to be awarded the EPA's Pretreatment Excellence Award for Region 1. NBC was also awarded an Environmental Achievement Award by the National Association of Clean Water Agencies (NACWA) for its book *Narragansett Bay Commission: Combined Sewer Overflow Project.* In addition, NBC's Environmental Safety and Technical Assistance staff received the George W. Burke, Jr. Award for NBC's excellent Safety Program. The Bucklin Point WWTF also received the NACWA Silver Award for meeting TSS / BOD permit requirements.

Photo: Pretreatment Staff with Award

In terms of financial accomplishments in FY 2010, Standard & Poor's reaffirmed NBC's AA- credit rating. NBC was also able to borrow significantly more than originally projected due to the increased federal funding available through ARRA. The initial ARRA loan amount was $55 million, more than four times higher than what RICWFA had originally projected would be available to NBC. In addition, NBC was in a position to take advantage of another $2 million in ARRA subsidized loans that became available. The ARRA loans included a "principal forgiveness" component of $8.6 million. Overall, NBC was able to borrow $24 million more than planned in FY 2010 and no rate increase was required to support the debt until July 1, 2010. NBC also saved nearly $2 million in interest expense on the outstanding variable rate debt as a result of historically low interest rates on the weekly remarketed bonds.

NBC's FY 2010 Operating Budget garnered the GFOA Distinguished Budget Award for the eighth consecutive year with Special Recognition for Performance Measures for the fifth consecutive year. In addition, for the first time NBC received Special Recognition for Capital. NBC also was awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting for its FY 2009 Comprehensive Annual Financial Report, for the eighth consecutive year. NBC's consistently sound financial performance is evident with 18 consecutive years of operating surpluses.

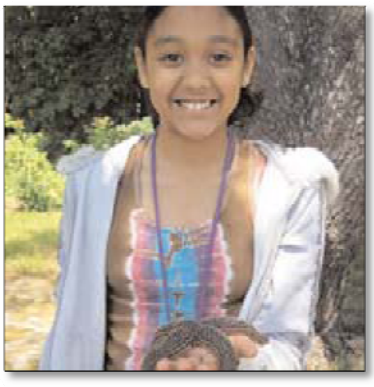


Photo: A student from Reservoir Avenue School Meets a starfish

In FY 2010 NBC continued its monitoring initiatives. NBC's monitoring efforts included routine plant sampling to determine compliance with standards, manhole, industrial user and septage monitoring and river, and Bay monitoring to determine water quality after NBC discharges. From a public outreach perspective, NBC delivered its elementary educational program through the Woon Watershed Explorers Program to over five hundred elementary students in ten service area schools. NBC also expanded on its 2009 pilot water quality program with a local high school that incorporates science, history, and policy-making activities for both local and global clean water issues. In an additional effort to communicate with ratepayers, NBC filmed a new documentary about NBC called "Environmentalism at Work" which will be shown on the local broadcasting network and will also be available on the website.

In addition, NBC coordinated a number of ARRA events to highlight the benefits of NBC's share of the economic stimulus funding to NBC ratepayers. NBC actively worked with the Rhode Island

congressional delegation on green infrastructure and clean water trust fund bills. On a national basis NBC provided support for NACWA for national initiatives on green infrastructure, job creation, and clean water funding.

Finally, NBC continued to perform community outreach with specific service area groups, such as Providence neighborhoods concerned about CSO odor control and the planned construction of CSO Phase II.

In terms of the CSO Phase I tunnel construction project, in FY 2010 NBC received awards from the American Council of Engineers as well as McGraw Hill's New York Construction Magazine.

With regard to human resources NBC was the recipient of the Outstanding Worksite Health Award from the Greater Providence Chamber of Commerce, and several wellness programs were offered during the year. NBC also continued to provide workforce training on HR related issues. In addition, NBC has organized numerous group and individual financial planning seminars for employees.

Summary

NBC continues to practice environmental leadership and sound financial management, efforts that have been recognized nationally. NBC's proactive approach, ranging from investments in state-of-the-art technology, effective operation of its facilities and investment in its employees, point to NBC's ongoing commitment to the environment and ratepayers.

Raymond J. Marshall, P.E.
Executive Director

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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 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.

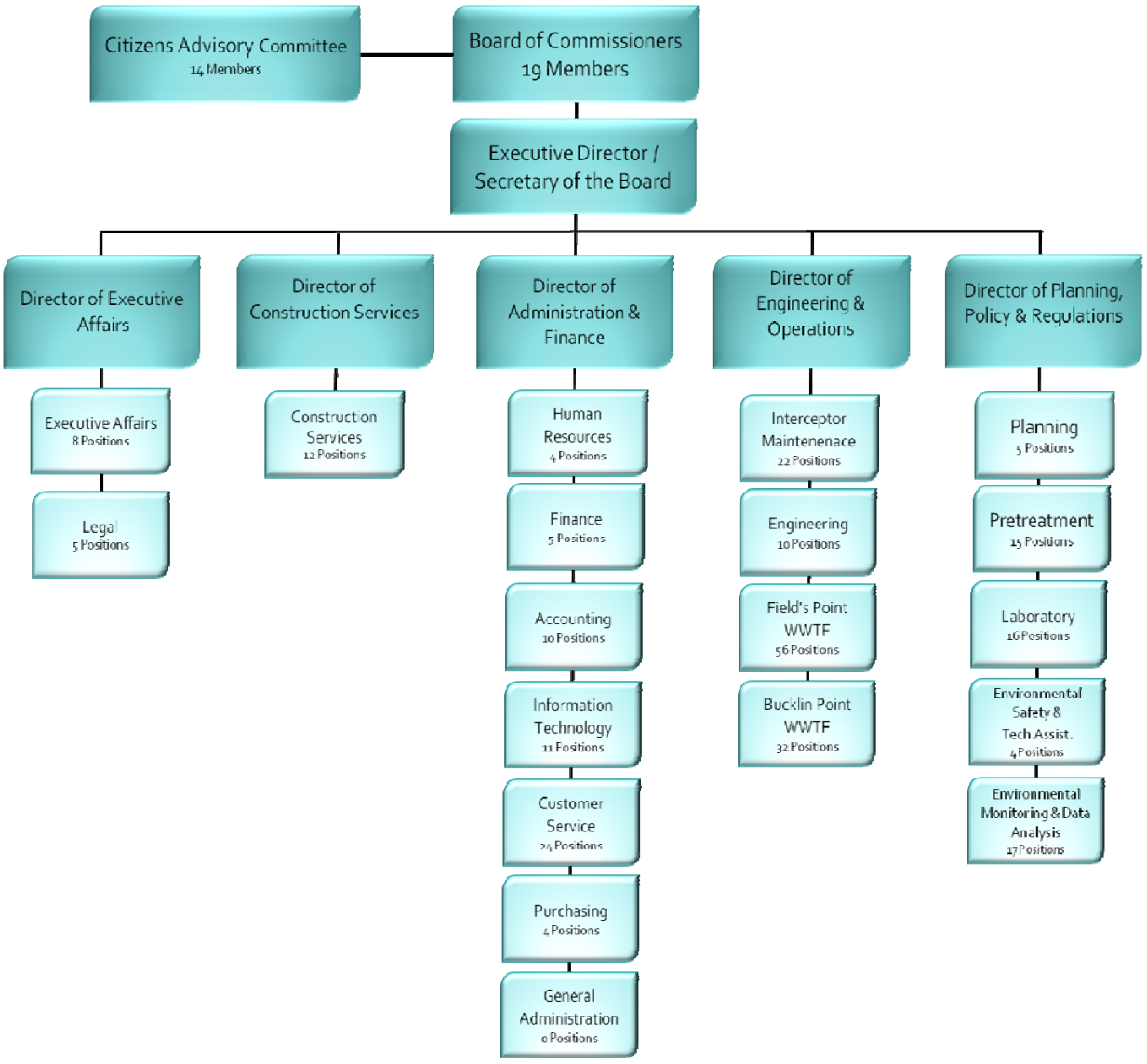
As of January 1, 2005, the effective date of the Rhode Island Constitutional amendment of Separation of Powers, legislators may no longer serve on quasi-public boards and commissions. In the future, such appointments may be made by other appointing authorities pursuant to the Separation of Powers amendment to the Rhode Island Constitution.

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 services its existing debt and will service future debt as well as its operations and maintenance costs through user rates.

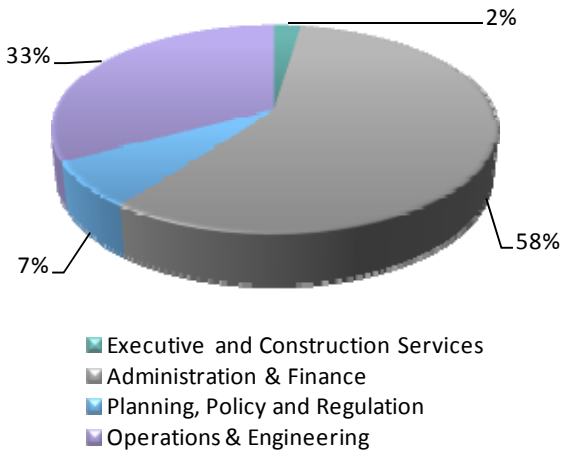
NBC Organization

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 five Divisions headed by Division Directors who report to the Executive Director. Each Division is comprised of several programs. An organizational chart of NBC is located on the following page. The pie chart below the organizational chart shows the relative budgetary size of each program. The next page contains a brief description of the Divisions and the responsibilities of each organizational entity.

NBC Organization



FY 2011 Budget by Program



The table below shows organizational responsibilities at the program, or section level.

Program Level Operational Responsibilities Overview

EXECUTIVE DIVISION:

Oversees all aspects of policy development, strategic planning, and agency management responsibilities.

Executive Affairs: Oversees all aspects of policy development, strategic planning, and agency management responsibilities.

Legal: Provides legal advice to staff regarding issues that may arise in the course of NBC's business activities.

CONSTRUCTION SERVICES DIVISION:

Oversees the construction of capital improvements to NBC's system of interceptors, pump stations and wastewater treatment facilities.

ADMINISTRATION & FINANCE DIVISION:

Provides administrative and support functions, including the finance department, and the customer service, purchasing, information technology, human resources and accounting functions.

Human Resources: Administers and processes employee records, recruitment & retention, workers' compensation, benefits and collective bargaining agreements.

Finance: Ensures that sound financial policies and practices are in place, manages the CIP, Operating budget and long-term debt and ensures compliance with the PUC.

Accounting: Maintains NBC financial records, issues monthly financial statements in accordance with GAAP, and responsible for cash management and compliance with NBC's Trust Indenture and PUC restricted funds.

Information Technology: Maintains all aspects of networks, telecommunications, hardware, software, and databases for the entire enterprise.

Customer Service: Provides accurate and timely billing of approximately 84,000 accounts in the NBC service area and all other aspects of providing excellent customer service.

Purchasing: Ensures the legal, timely and cost-effective purchasing of goods and services.

General Administration: Overhead section containing expenses such as debt service payments, insurance, workers' compensation, and various other expenses for the corporate office building.

ENGINEERING & OPERATIONS DIVISION:

Responsible for planning and designing capital improvements to the NBC's system of interceptors, pump stations, and wastewater treatment facilities, as well as operating and maintaining all of NBC's infrastructure.

Interceptor Maintenance: Maintains interceptors and facilities which collect and transport wastewater to the NBC wastewater treatment plants within the Bucklin Point and Field's Point district.

Engineering: Plans and designs facilities needed for the collection and treatment of wastewater within the NBC's service area.

Bucklin Point WWTF: Operates and maintains the Bucklin Point facilities that treat one fifth of the state's wastewater flow.

Field's Point WWTF: Operates and maintains the Field's Point facilities in a way that will produce the highest quality effluent in the most efficient manner.

PLANNING, POLICY & REGULATION DIVISION:

Responsible for long-range agency planning and the issuance of new sewer connection permits, pretreatment, environmental monitoring and analysis and a state-of-the-art laboratory.

Planning: Issues sewer connection, storm water and sewer alteration permits.

Environmental Monitoring & Data Analysis: Monitors water quality throughout NBC's service district, at the two wastewater treatment facilities, throughout the collection system, at commercial and industrial facilities, and upper Narragansett Bay and its urban rivers.

Pretreatment: Maintains the federally mandated pretreatment program and protects the NBC's wastewater treatment plants from toxins and pollutants.

Environmental Safety & Technical Assistance: Assists industrial and commercial customers in minimizing/eliminating the creation of waste and pollutants at the source.

Laboratory: Ensures the production of high quality analytical data through the use of diagnostic measurements in order to comply with federal and state regulations.

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

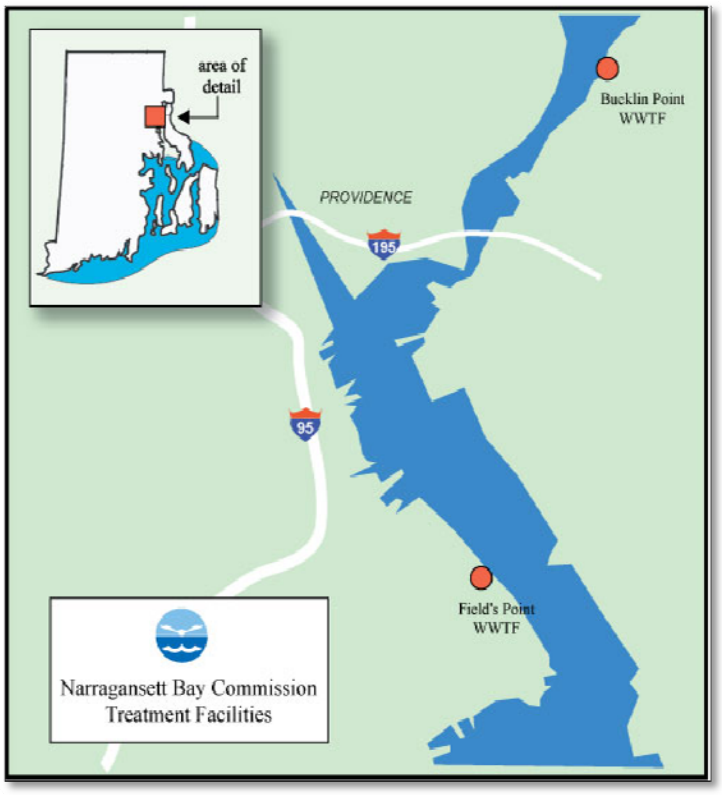
NBC executed a Consent Agreement with RIDEM to implement a federally mandated Combined Sewer Overflow (CSO) program. The first phase of the CSO abatement facilities was implemented in the fall of FY 2009. Additional CSO abatement facilities must be constructed in Phase II and Phase III of the CSO program to address the remaining CSO volume. Construction of Phase II is scheduled to begin in FY 2011. NBC's RIPDES permit also limits total seasonal nitrogen to mg/l from May to October at both Field's Point and Bucklin Point. Construction of nitrogen removal facilities at Field's Point is underway and design of nutrient removal facilities at Bucklin Point is expected to be completed in FY 2011.

Financial Obligations

As part of NBC's long-term debt issuance, the NBC must comply with the Continuous Disclosure requirements including the filing of certain financial information, operating data, timely notice of occurrence of certain enumerated events, and other such provisions.

Facilities

NBC owns and operates Rhode Island'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

Photo: Aerial View of Field's Point

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. The wet weather facilities at the plant provide primary treatment and disinfection for an additional 123 MGD of wet weather flows. Total wet weather treatment capacity at Field's Point is 200 MGD.

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 Avenue Pump Station in Johnston. The Ernest Street Pump Station is located adjacent to the Field's Point WWTF and handles 90% of the flow to Field's Point. The Field's Point Service Area also operates the new Tunnel Pump Station which pumps flows stored in the Phase I CSO Tunnel to the Field's Point WWTF.

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 37 Combined Sewer Overflows, 32 tide gates and 61 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.

CSO Phase I Facilities

In FY 2009 NBC's new CSO Phase I Facilities became operational. The centerpiece of the new facilities is a three mile long, 250 feet deep tunnel. During periods of significant precipitation, drop shafts transport stormwater and wastewater from various locations along the route of the tunnel for collection and storage until the flows can be pumped to the Field's Point WWTF for safe treatment and discharge. Since the facilities became operational, over 2 billion gallons of flows that previously would have overflowed directly into rivers and Narragansett Bay have been stored and treated.

Photo: A view of a portion of the completed three mile long CSO Tunnel

Bucklin Point Service Area Facilities and Technology

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.

Photo: Bucklin Point Wastewater Treatment Facility

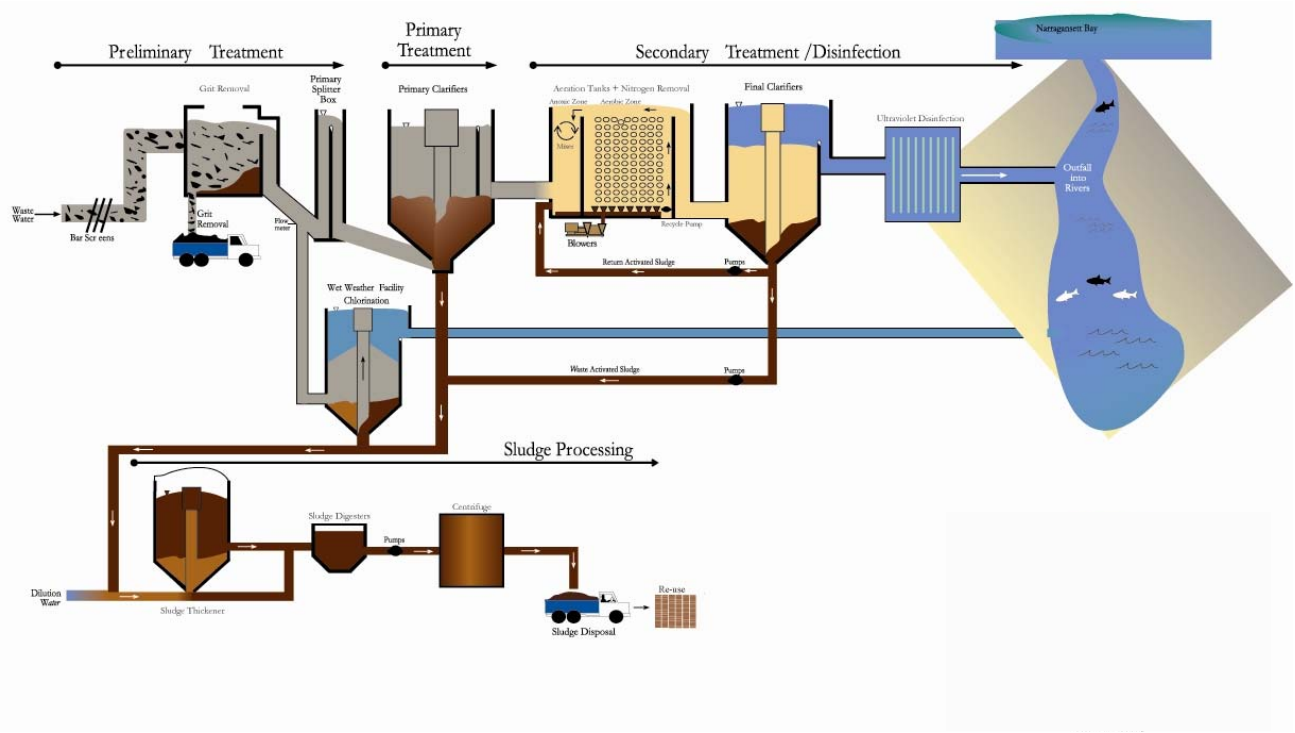
NBC also owns and operates three pump stations in the Bucklin Point Service Area including the Omega Pump Station (East Providence), Saylesville Pump Station (Lincoln) and Washington Highway Pump Station (Lincoln).

NBC owns and is responsible for the maintenance of 26 Combined Sewer Overflows in the Bucklin Point service area as well as the North Diversion Structure and 31 miles of interceptors.

Wastewater Treatment Process

NBC works hard to protect the water quality of Narragansett Bay and its tributaries. NBC's task is to protect public health by taking billions of gallons of dirty water every year and making it clean. This is accomplished by operating on a twenty-four hour day, three hundred and sixty-five days-a-year basis.

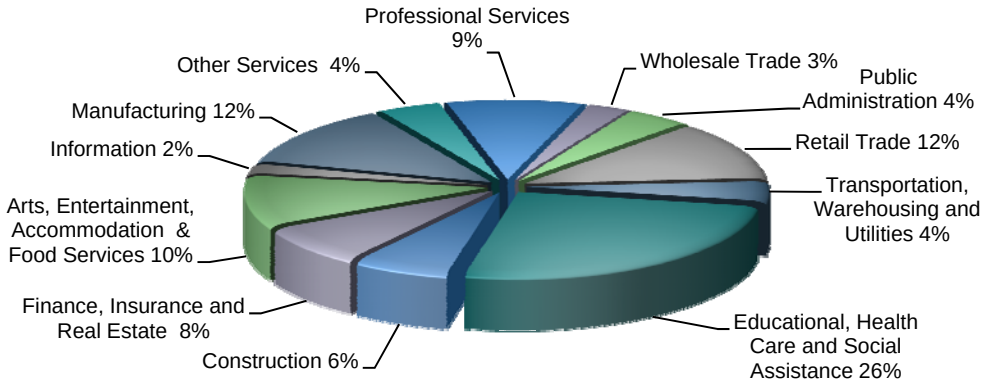
The schematic below shows the state-of-the-art treatment process at the Bucklin Point WWTF.



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 2008.

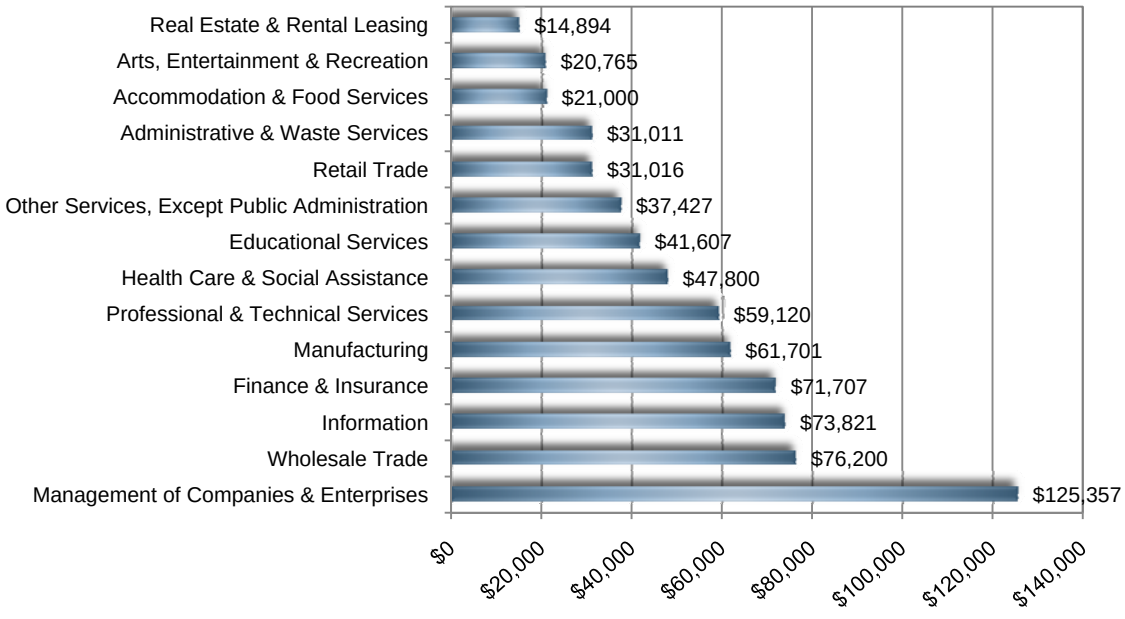
Estimated Employment by Industry



*Source: American Community Survey 2008

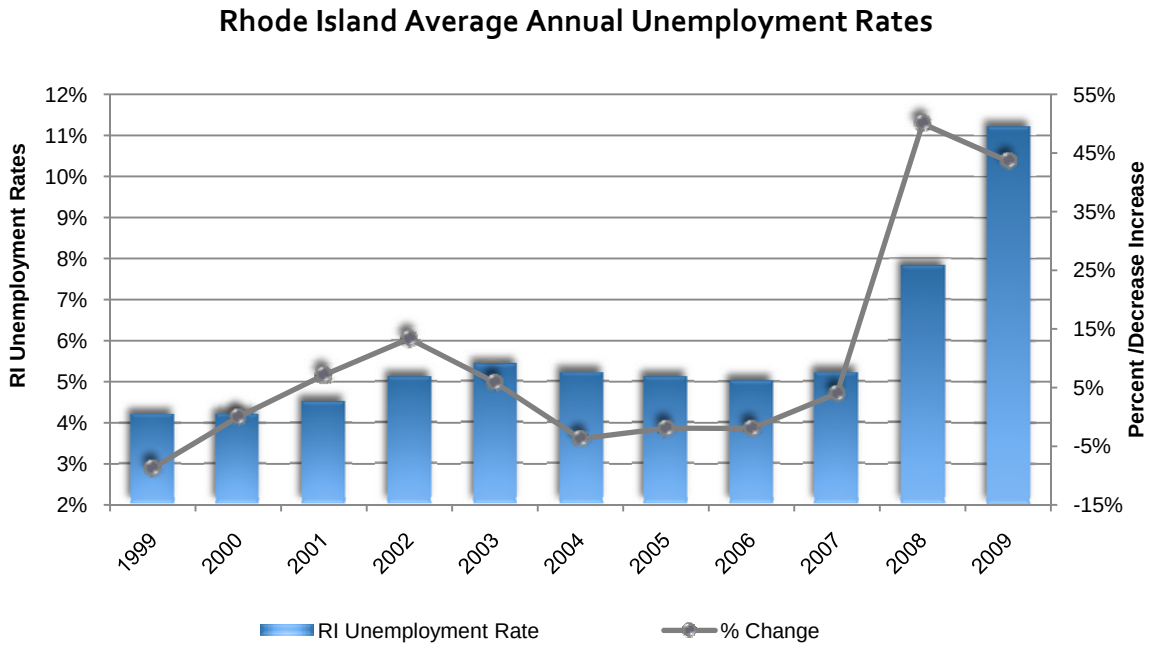
Employment in Rhode Island reflects the national trend towards increasing employment in the services sector. The chart below illustrates Rhode Island's average annual earnings per employee in each major industry for 2008.

Rhode Island Average Annual Earnings per Employee by Major Industry



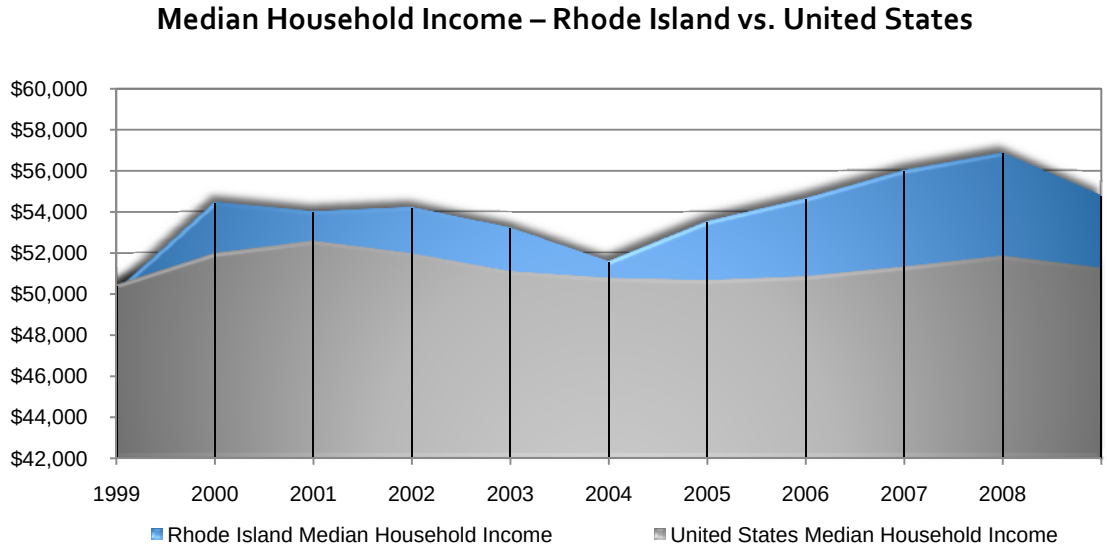
*Source: United States Regional Economic Analysis Project. Average Earnings by Job, Rhode Island 2008

The graph below, compiled from data from the Bureau of Labor Statistics, shows historical unemployment figures over the past eleven years for Rhode Island. It can be seen that the unemployment rate in Rhode Island has significantly increased year-over-year since 2007. The unemployment rate increased by approximately 50% from 5.2% in 2007 to 7.8% in 2008 and increased by approximately 44% from 2008 to 11.2% in 2009.



*Source: Bureau of Labor Statistics. RI state-wide Unemployment Rates Seasonally Adjusted.

The graph below shows the median household income in Rhode Island for the years 1999-2008 compared to national statistics. Rhode Island's median household income has remained above the national average since 1999.

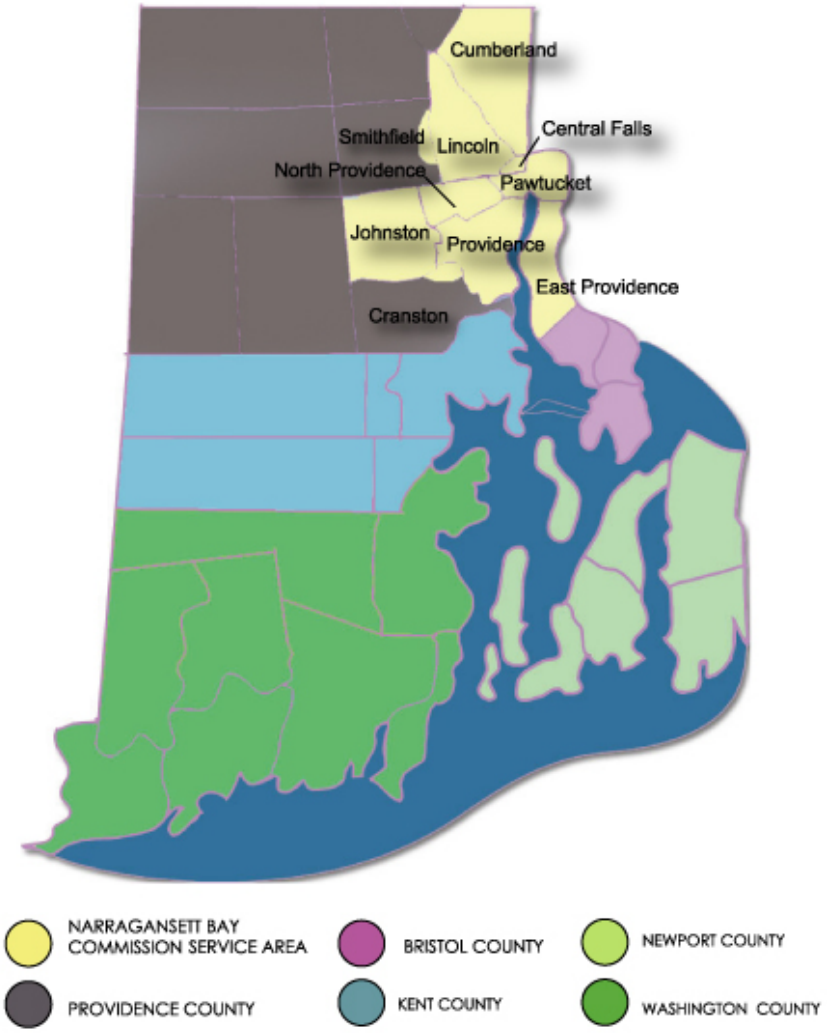


*Source: United States Census Bureau – Historical Income Tables

NBC Service Area

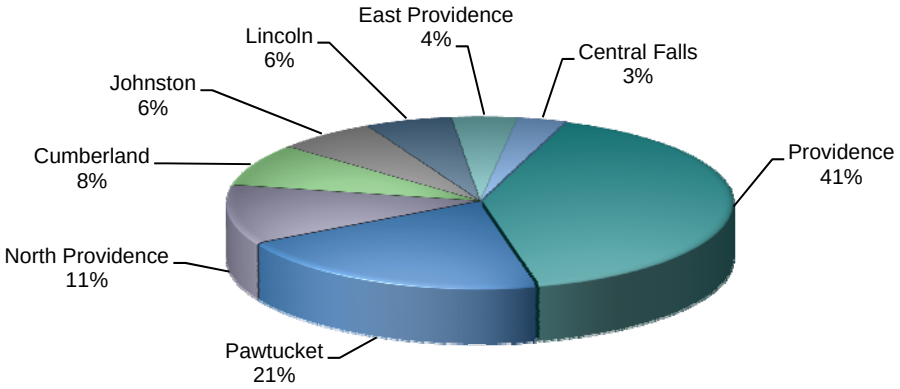
NBC provides reliable, cost-effective wastewater collection and treatment services to over 360,000 residents and approximately 7,900 businesses in the metropolitan Providence and Blackstone Valley areas. These communities include: Providence, North Providence, Johnston, Pawtucket, Central Falls, Cumberland, 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 include commercial and industrial users. Of the eight major 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.

Number of Accounts by Community

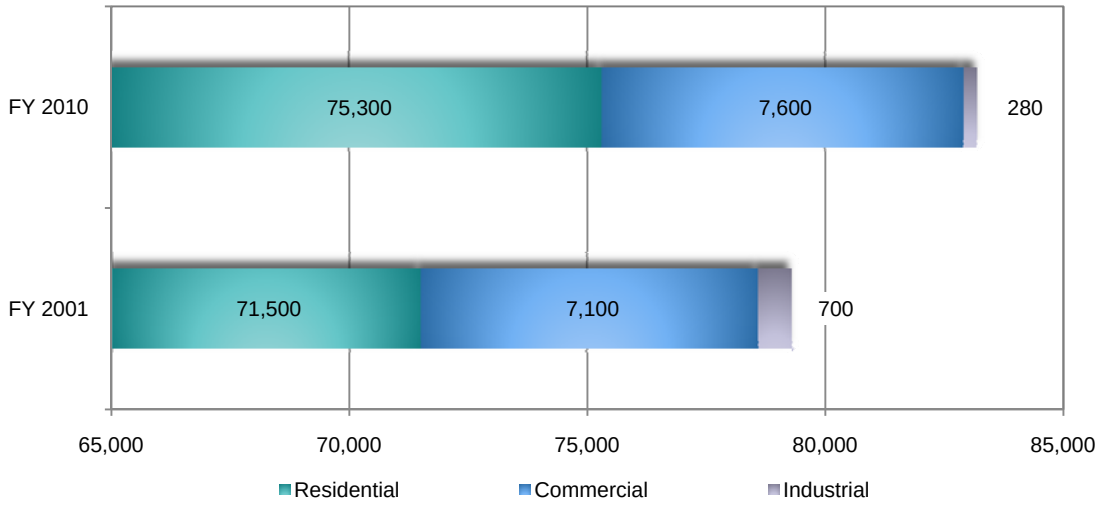


The residential customer class has approximately 75,300 accounts, while the non-residential class has approximately 7,880 accounts. The largest NBC customers are service and education providers and NBC's ten largest customers based on FY 2010 billings are listed in the table below:

Customer	Total Annual Billing FY 2010	Percentage of Total Annual User Charges
Rhode Island Hospital	$ 1,344,693	1.65%
Brown University	1,311,639	1.61%
Providence Housing Authority	1,269,187	1.55%
City of Providence	706,540	0.86%
City of Pawtucket	620,007	0.76%
Providence School Department	520,011	0.64%
Fairfield Residential	357,819	0.44%
Providence College	357,794	0.44%
Johnson & Wales	327,983	0.40%
State of Rhode Island	308,128	0.38%

Over the last ten years there has been a shift in NBC's rate base, most notably as a result of a decline in the number of Industrial accounts. Since 2001, the number of Industrial accounts has decreased by 60% from 700 to 280. Over this same time period, the number of Residential and Commercial accounts has increased by 5% and 7% respectively.

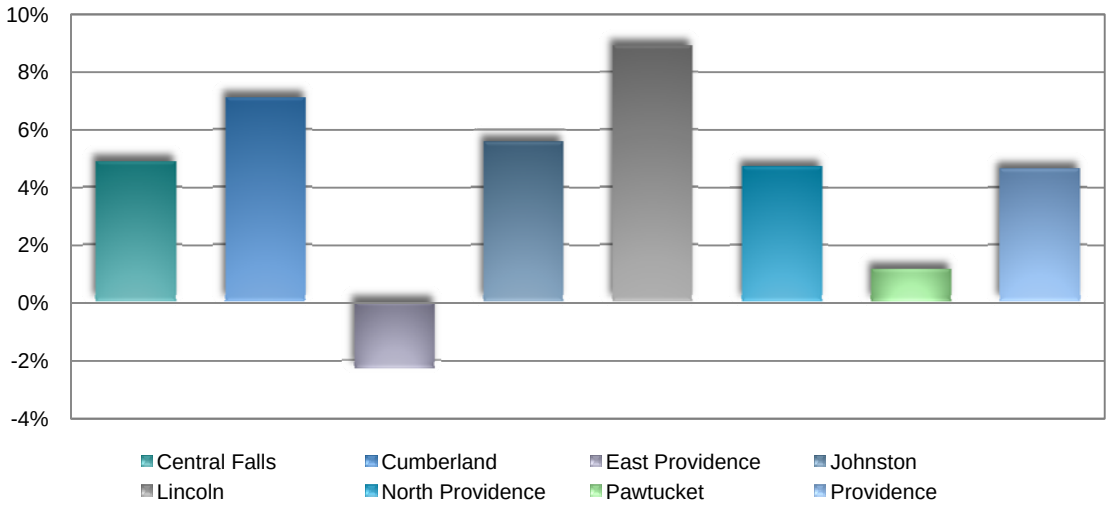
Number of Accounts by Customer Class



NBC Service Area Population and Statistical 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 2005 to 2020. The most significant percentage increase in population over the fifteen years is projected to be in the towns of Cumberland and Lincoln, in which the populations are projected to grow by 7.1% and 8.9% respectively. The population in East Providence is projected to decline by 2.3% over this period.

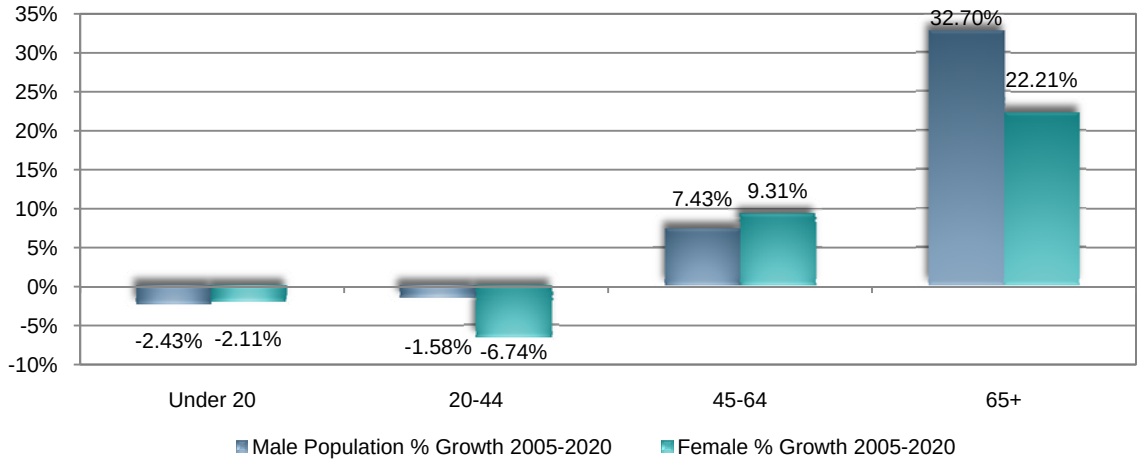
Projected Population Growth by City/Town 2005 – 2020



Source: Rhode Island Statewide Planning – Population Projections

In 2008 Rhode Island had an estimated state-wide population of 1,053,209 and NBC's service area had an estimated population of approximately 427,909. The graph below illustrates the projected population growth from 2005-2020 in the NBC service area according to age group and gender. The population is projected to decrease in both the Under 20 and 20-44 age groups, with the steepest decline among the female population in the 20-44 age group at -6.7%. The population within the service area is projected to increase in both the 45-64 and 65+ age groups, with the most significant increase in the male population in the 65+ age group at 32.7%.

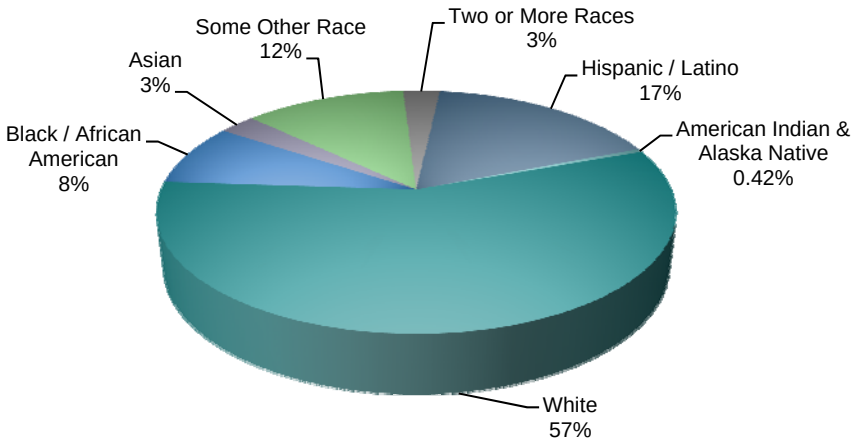
NBC Service Area Projected Population Percent Growth By Age Group and Gender 2005-2020



*Source: Rhode Island Statewide Planning- Population Projections

The chart below illustrates the NBC's service area population by race. As is evident in the chart, 57% of the population is white and 17% is Hispanic/Latino. The rest of the population is spread across various ethnic groups.

NBC Service Area Population by Race



*Source: American Community Survey Population Estimates 2006-2008

The Strategic Plan and the FY 2011 Budget

This year's operating budget was developed using 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.

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 Commissioners.

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 actions for achievement, or service level objectives, and key target measures into their budgets. These objectives and measures were reviewed and approved by the Executive Director.

The Strategic Plan is also integrated into the CIP. 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.

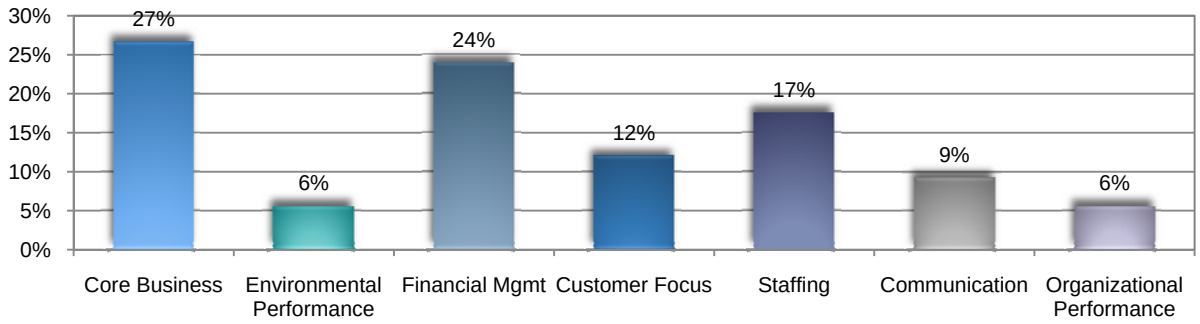
This planning process has resulted in an operating budget document with an integrated Performance Data section for each program and a greater focus on resource allocation for both operating programs and CIP projects based on NBC's strategic goals. The Performance Data for each program can be found in 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. 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. A draft Strategic Plan was then prepared and distributed to NBC staff for review. After much review and revision, the final plan was adopted by

the NBC Board of Commissioners on June 15, 2005. The graph below illustrates the percentage of Actions for Achievement, or Service Level Objectives aligned with each of NBC's Strategic Objective.

Percentage of Actions for Achievement by Strategic Objective



The goals of the Strategic Plan are listed on the following pages. Also included are the Actions for Achievement, or Service Level Objectives, for all NBC programs, which indicate a clear pathway between the long-term and short-term objectives. These Actions for Achievement are linked to Target Measures in the Division Summaries section of this document.

Strategic Goals:

Core Business Goal:

- Operate, maintain and protect our collection and treatment systems to ensure that all State and Federal requirements are met or exceeded.

Organizational Performance Goal:

- The NBC organization is aligned with and supports our strategic goals.

Environmental Performance Goal:

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

Communication Goal:

- Improve and enhance internal and external communications.

Financial Management Goal:

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

Customer Focus Goal:

- Maintain a customer-focused attitude throughout the organization.

Staffing Goal:

- Attract, develop and retain highly qualified employees.

Core Business Goal Actions for Achievement

- Complete projects on schedule, within budget, in the most cost-effective manner, and in compliance with RIDEM requirements
- Provide prosecutorial function to NBC staff to ensure compliance with NBC requirements
- Provide environmental legal assistance on regulatory compliance matters
- Continue the level of network stability with the highest level of service uptime
- Maximize productive use of automation and computerization throughout the agency
- Provide adequate training opportunities to ensure user comfort with our systems
- Provide cost-effective administration and complete repairs and capital improvements as needed
- Ensure all facility inspections are completed on time and deficiencies corrected within 30 days
- Maintain on-going inspection and careful maintenance of NBC's collection system
- Comply with all State and Federal reporting requirements on reporting bypass events
- Maintain an asset management program for NBC's infrastructure
- Ensure safe and reliable wastewater processing through effective asset management and higher treatment performance for TSS and BOD than is required by permit
- Achieve 100% compliance on RIPDES permit and consent agreements
- Meet the total nitrogen limit of 8 mg/L during the months of May through October
- Maintain full compliance with all requirements of Phase I Stormwater Permits for both WWTFs
- Maintain NBC Laboratory quality and resources necessary to meet state and federal certifications, mandated environmental requirements, and ensure proper WWTF operations
- Ensure EPA, DOH, and regulations for calibration of instruments that generate regulatory data have been satisfied, including laboratory instruments at Field's Point, Bucklin Point, and EMDA
- 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.
- 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

Organizational Performance Goal Actions For Achievment

- Conduct NBC business in an open manner
- Promote diversity in hiring practices
- Ensure compliance with state ethics requirements
- Ensure compliance with regulatory agenda filing requirements
- Ensure compliance with requirements for disclosure of consultants
- Provide end-user technology and systems to meet NBC's strategic goals
- Develop and publish a formal statement of NBC's Strategic Plan Goals and communicate to employees

Environmental Performance Goal Actions For Achievment

- Take active role initiating an effective sampling & modeling effort that has the support of various stakeholders in the environmental science community
- Continuously evaluate the Pretreatment Program and report the data to the public
- Provide quality and expedient analytical service for all special studies and samples collected to evaluate impacts from nutrients and fecals in NBC' s effluent to the Bay
- Document water quality data and improvements
- Provide quality and expedient sample collection service for all studies undertaken to evaluate NBC impacts from nutrients and fecals to the Bay
- Provide technical assistance to evaluate energy conservation and renewable energy opportunities at NBC facilities

Communication Goal Actions For Achievment

- 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
- Effectively communicate status of capital projects to NBC staff and board members
- Conduct or coordinate presentations to educate NBC staff and public about legal aspects of NBC projects/matters
- Enhance operating budget, CIP, and Compliance Reports as a communication device
- Maintain internal communication process for the permit program
- Educate internal and external customers on the Pretreatment program
- Strengthen and expand NBC's base of support for its program 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

Financial Management Goal Actions For Achievment

- Strengthen liaison with congressional delegation to secure funding for capital projects
- Develop and promote "Shovel Ready" projects to secure funding from Economic Stimulus Package
- Effectively manage employee benefits to maximize benefits and minimize costs
- Conduct lien sales to minimize outstanding accounts receivable and bad debt
- Maximize the efficiency and effectiveness of the billing and collection process
- 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
- Ensure audited financial statements are in compliance with "Generally Accepted Accounting Principles"
- Compliance with flow of funds restrictions
- Increase efficiency and accuracy of user charge billing
- Ensure timely collection of accounts
- Ensure goods are purchased in a timely manner
- Evaluate utility and chemicals contracts
- Minimize unplanned capital expenditures
- Optimize efficiency of the Solids Handling area
- Reduce number of Workers' Compensation claims
- Maximize safe, efficient and cost-effective operation of the treatment plant
- Optimize hypochlorite addition to the effluent by monitoring and adjusting processes as needed
- Reduce emergency maintenance expenditures
- Administer the connection fee structure in a fair and accurate manner
- Explore the development of new revenue sources
- Assist with benchmarking NBC energy use by updating NBC's Energy Star Portfolio Manager Accounts
- Conduct Energy Management Assessments/Follow-up activities of NBC Facilities/Operations to help identify and implement energy savings opportunities

Customer Focus Goal Actions For Achievment

- Maintain programs that give back to the community
- Assist member communities with evaluating sewer systems to maximize overall capacity
- Enhance internal communications to ensure consistency and reliability
- Provide prompt and efficient legal services
- Review customer accounts and develop relationships with large users
- Maximize Customer Focus attitude
- Ensure compliance with federal and state purchasing laws
- Work towards maximum satisfaction of internal customers
- Provide prompt, courteous responses to all customer requests
- Work to create a customer-focused attitude to enhance the efficiency of the permitting program
- Conduct projects that give back to the cities/towns and state
- Provide excellent customer service and educate NBC permitted users regarding NBC regulations and requirements
- Maintain training and technical assistance efforts provided by the NBC's Environmental Safety & Technical Assistance Program

Staffing Goal Actions For Achievment

- Effectively manage employee benefits to maximize benefits and minimize costs
- Foster a positive working relationship with employees through effective communication
- Retain skilled, experienced staff
- Ensure compliance with Federal and State Labor Laws
- Encourage HR Staff Training
- Assist in retaining highly qualified employees
- Encourage and support an adequate level of staff training opportunities
- Provide training and equipment to ensure safe and environmentally sound management practices are followed
- Provide a healthy and safe working environment
- Maintain number of health and safety training hours per employee
- Provide ongoing technical training to optimize team performance
- Develop mechanisms and opportunities for continued growth and professional development
- Develop a culture within NBC for protecting employees with safety practices

Budget Summary Information

Budget Overview

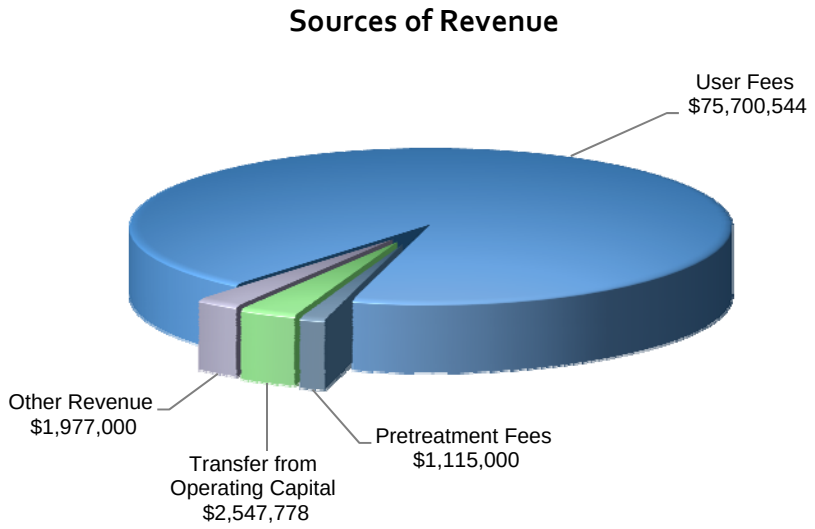
Revenues

	Actual FY 2009	Budget FY 2010	Budget FY 2011
Operating Revenue:			
User Fees	$ 67,958,753	$ 77,700,000	$ 75,700,544
Pretreatment Fees	1,126,654	1,115,000	1,115,000
Septage	382,955	370,000	380,000
Connection Permit Fees	140,822	150,000	90,000
BOD/TSDS Surcharges	66,439	45,000	40,000
Miscellaneous	15,231	10,000	2,000
Sub-total Operating Revenue	69,690,854	79,390,000	77,327,544
Non-Operating Revenue:			
Investment Income	420,017	200,000	250,000
Late Charges	849,127	900,000	950,000
Operating Grants	34,300	25,000	25,000
Miscellaneous	185,832	150,000	240,000
Previously Restricted	330,077	-	-
Transfer from Operating Capital Account	1,529,433	2,260,600	2,547,778
Sub-total Non-Operaing Revenue	3,348,786	3,535,600	4,012,778
Total Revenue	73,039,640	82,925,600	81,340,322

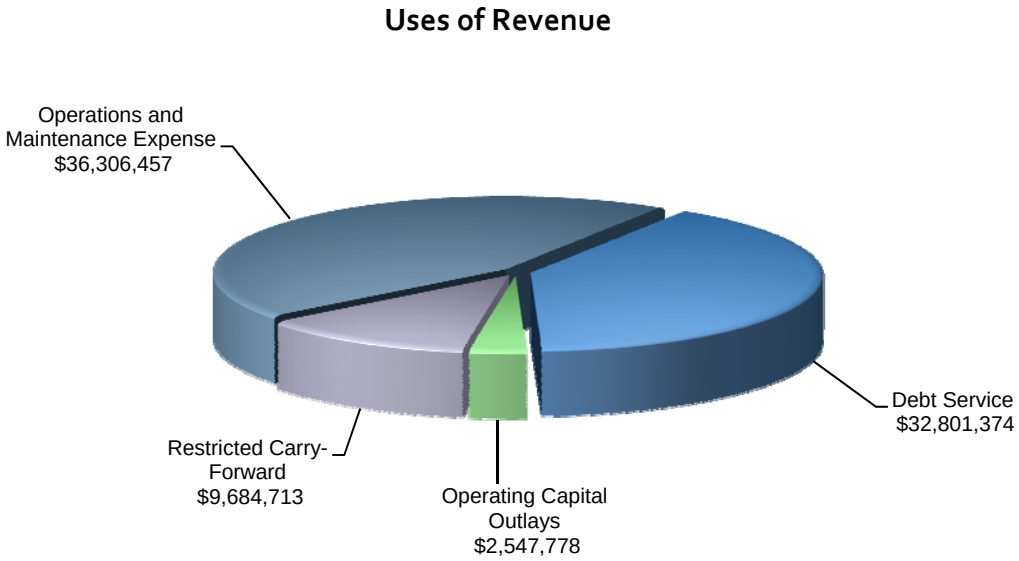
Expenses

O & M Expense:			
Personnel Costs	18,108,181	19,720,309	19,118,418
Operating Supplies/Expense	12,522,080	14,096,529	14,116,692
Professional Services	2,948,277	3,122,574	3,071,348
Total O & M Expense	33,578,538	36,939,412	36,306,457
Net Revenue (Restricted)	39,461,102	45,986,188	45,033,865
Debt Service:			
Debt Service	29,486,227	30,829,093	31,128,374
Programmed New Debt	-	3,908,700	1,673,000
Total Debt Service	29,486,227	34,737,793	32,801,374
Operating Capital Outlays	1,529,433	2,260,600	2,547,778
Restricted Carry-Forward	8,445,442	8,987,795	9,684,713
Total Expense	$ 73,039,640	$ 82,925,600	$ 81,340,322
Debt Service Ratio	1.34	1.32	1.37

The Budget Overview table on the previous page shows that budgeted revenues are $1.6 million, or 1.9%, lower than last year. Projected revenue for FY 2011 is approximately $81.3 million and user fees are the most significant source of revenue, representing $75.7 million, or 93.1% of total revenue. The chart below illustrates the sources of FY 2011 revenue.



The largest category of expense in FY 2011 is NBC's Operations & Maintenance (O & M), which is $36.3 million and represents 44.6% of total uses of revenue. Debt Service expense of $32.8 million represents 40.3% of total uses of revenue. The Net Revenue (Restricted) line item of approximately $45 million in 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 1.37, ensuring compliance with NBC's bond covenants which require a 125% coverage ratio. Of the total $45 million, $32.8 million is designated for existing and programmed new debt service, and $2.5 million is for operating capital outlays. In addition, $9.7 million is projected to be available to carry-forward to fiscal year 2012. The chart below illustrates FY 2011 budgeted uses of revenue.



FY 2011 Budget – Key Assumptions

The development of the FY 2011 budget was governed by the following:

Key long-term guidelines:

- The Strategic Plan, as discussed previously, 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:

- The budget does not contain any Cost of Living Adjustments (COLAs) for union employees or merit increases for non-union employees.
  .
- NBC's contribution rate to the Rhode Island State Retirement System on behalf of participating union employees decreased from 25.03% in the FY 2010 budget to 21.64% in FY 2011.
- NBC's contribution rate to the State Retirement Health benefit for participating union employees decreased from 7.67% in the FY 2010 budget to 6.74% in FY 2011.
- New planning rates for fringe benefits, including a 6% increase in health insurance premiums (See Budgeted Benefits Comparison schedule in Supporting Schedules for more information).
- Projected CPI increase of 2.16% in the contracted biosolids disposal rate as of January 1, 2011.
- Projected 1.92% January 1, 2011 CPI increase in the Bucklin Point management contract.
- Electricity supply rate of $0.08125 per kWh.
- Projected 3% increase in the rates for hypochlorite and sodium bisulfate as of April 1, 2011.
- First full year of monthly billing will occur in FY 2011.
- FY 2011 will be the first year that the cost for operating and maintaining the CSO flow meters will be fully integrated into the operating budget from the CIP.

* Impacts discussed in Expense Profile section of budget

Other Assumptions:

- FY 2011 Programmed New Debt is based on the long-term financial planning model that reflects the cash flow requirements in the FY 2012-2016 CIP.
- A 2.25% sewer user rate increase effective July 1, 2010 for increased debt service and debt service coverage. This rate increase is 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 from the excess 25%. The PUC has authorized the use of the prior year restricted carry-forward for operating capital outlays, direct funding of capital projects, and funding of the Operating Reserve for Revenue Stability Fund. In FY 2011, $2.5 million is available from the prior year restricted carry-forward to fund operating capital outlays.

- The budget is consistent with the flow of funds set forth in the Trust Indenture and Thirteen Supplemental Trust Indentures (see Fund Definitions in Section IV).

Staffing Levels

The FY 2011 budget reflects an increase of two Full-Time Equivalent (FTE's) positions from the FY 2010 budget, as illustrated in the following table. These additional positions will be reimbursed through the capital program. The table also reflects the reallocation of a union position (Operator I) to a non-union position (Control Systems Associate).

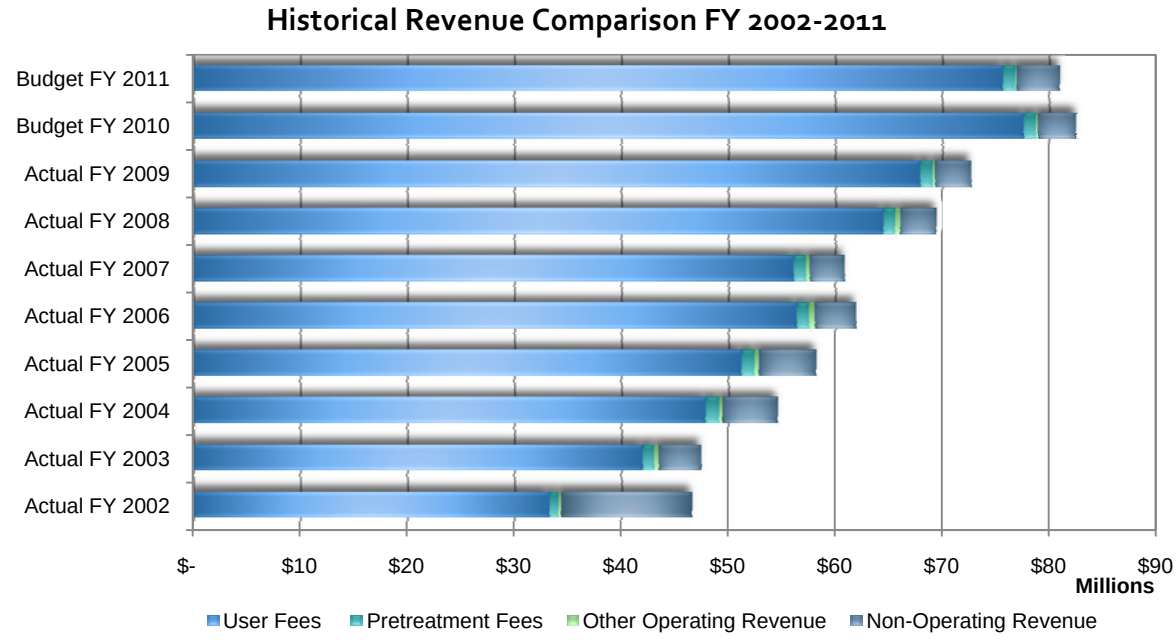
NUMBER OF FTEs	Actual FY 2008	Actual FY 2009	Actual FY 2010	Budget FY 2011	Budgeted Changes 2009/2010
Union	127.0	128.0	130.0	129.0	-1.0
Non-Union	127.0	126.0	128.0	131.0	3.0
Total	254.0	254.0	258.0	260.0	2.0

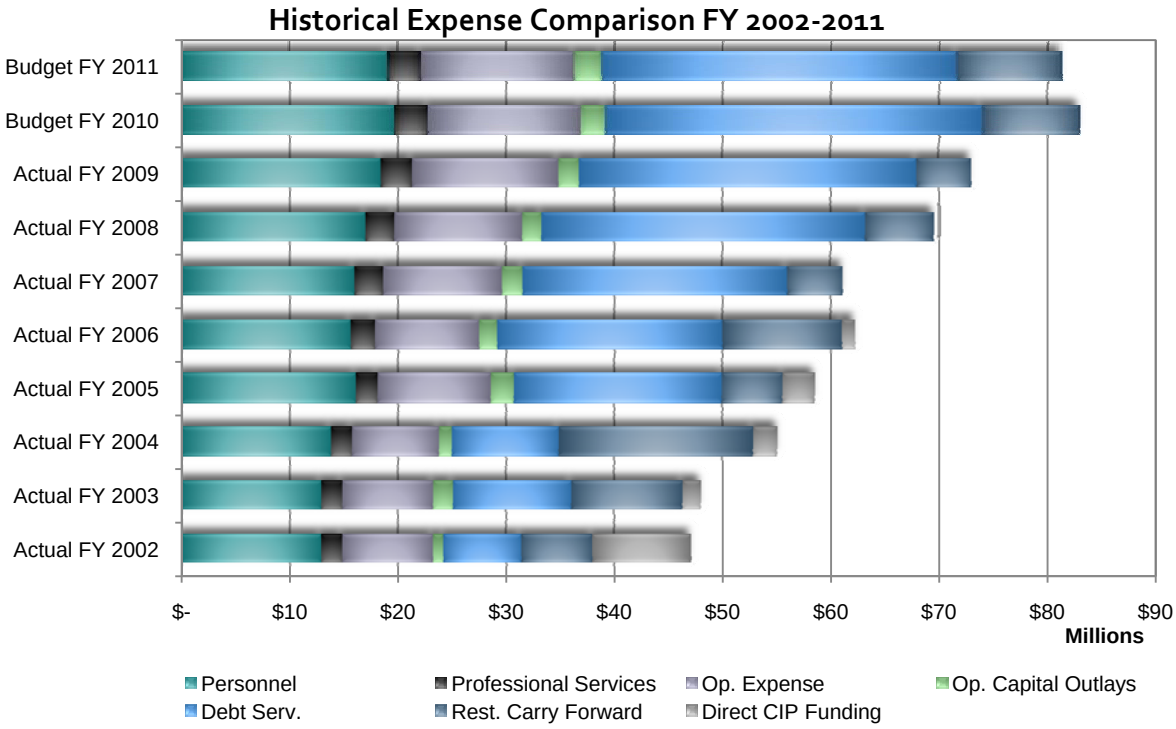
The NBC employs non-union employees and union employees. The NBC's union employees are members of either the Rhode Island Laborers' District Council Public Service Employees' Local 1033 of the LIUNA AFL-CIO, or members of the Rhode Island Council 94, AFSCME AFL-CIO, Local 1010 and Local 2884. NBC has a Collective Bargaining Agreement (CBA) with these two unions which expires June 30, 2010. It should be noted that as a result of a union petition and subsequent decision by the Rhode Island State Labor Relations Board, five (5) non-union laboratory positions were accreted into the union near the end of FY 2010. These changes will be reflected in next year's operating budget but are already reflected as union positions in the detailed listing of budgeted positions attached to the Resolution in the Supporting Schedules of this document.

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

Historical Overview

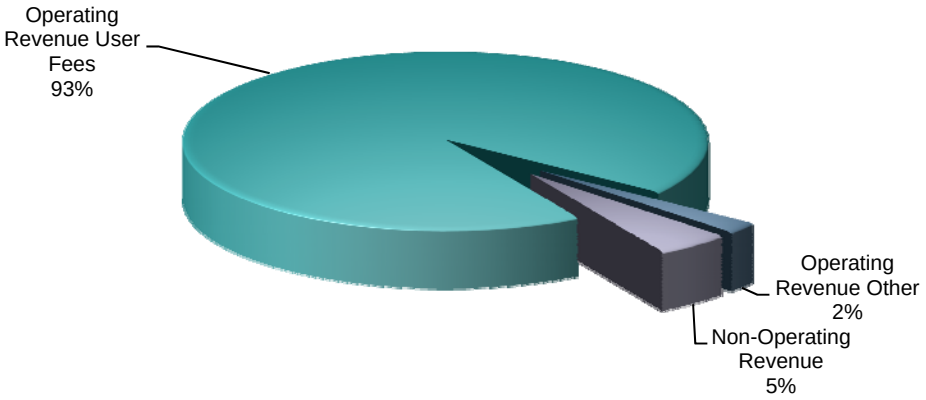
Revenues have grown significantly over the past ten years, primarily to support the debt service associated with NBC's capital program, and also to address increased operating and personnel costs. The charts below represent a ten year historical overview of NBC's revenue and expense.





Revenue Profile

Revenue by Category



Projected revenues for FY 2011 are approximately $81.3 million, or 1.9% less than FY 2010 budgeted revenues. This decrease is the net result of the final rates approved by the Rhode Island Public Utilities Commission (PUC). NBC's FY 2010 Budget was adopted prior to the issuance of a decision in the rate case pending before the PUC for new rates effective July 1, 2009. Ultimately the PUC approved a revenue requirement that was approximately $970,000 less than the amount projected by NBC. In addition, the FY 2010 budget included a projected increase in user fees of $2.7 million, or 4%, to support projected debt issuance based upon the long-term financing model. Because NBC was able to borrow $57 million through the heavily subsidized ARRA program, the rate increase was not needed. Finally, NBC filed for rate relief to support a $20 million borrowing from the RICWFA in June 2010 and the PUC approved a 2.25% increase in user fee revenues effective July 1, 2010. The net change in user fee revenues from the FY 2010 to the 2011 budget is shown in the table below.

FY 2011 Budgeted User Fee Revenues		
FY 2010 Budgeted User Fee Revenue	$	77,700,000
less:		
Final Approved Revenue Level (determined after budget adoption)		(970,147)
Debt Service Filing (not required due to ARRA funding)		(2,695,996)
Approved User Fee Revenue as of 6/30/10		74,033,857
Debt Service Increase effective 7/1/10		1,666,687
Approved User Fee Revenue as of 7/1/10	$	75,700,544

Of the $81.3 million in total revenues, approximately $75.7 million is from user fees, $1.6 million is from other operating revenues and $4.0 million is from non-operating revenues. The table on the following page shows a four year historical comparison of NBC's revenues by category. A number of revenue sources have increased over the last four years. Most notably, User Fees, Late Charges, and Miscellaneous Revenues have increased by 18%, 28% and 153%, respectively. On the other hand, Investment Income and Connection Permit Fees have decreased by 29% and 50%, respectively.

Historical/Budgeted Revenue

	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Operating Revenue				
User Fees	$ 64,462,984	$ 67,958,753	$ 77,700,000	$ 75,700,544
Pretreatment Fees	1,115,529	1,126,654	1,115,000	1,115,000
Septage	372,711	382,955	370,000	380,000
Connection Permit Fees	181,290	140,822	150,000	90,000
BOD/TSS Surcharges	116,096	66,439	45,000	40,000
Miscellaneous	6,423	15,231	10,000	2,000
Total Operating Revenue	66,255,033	69,690,854	79,390,000	77,327,544
Non-Operating Revenue				
Operating Grant Revenue	27,653	34,300	25,000	25,000
Investment Income	354,743	420,017	200,000	250,000
Late Charges	741,834	849,127	900,000	950,000
Previously Restricted	330,077	330,077	-	-
Transfer from Operating Capital	1,746,442	1,529,433	2,260,600	2,547,778
Miscellaneous	95,316	185,832	150,000	240,000
Total Non-Operating Revenue	3,296,065	3,348,786	3,535,600	4,012,778
Total	$ 69,551,098	$ 73,039,640	$ 82,925,600	$ 81,340,322

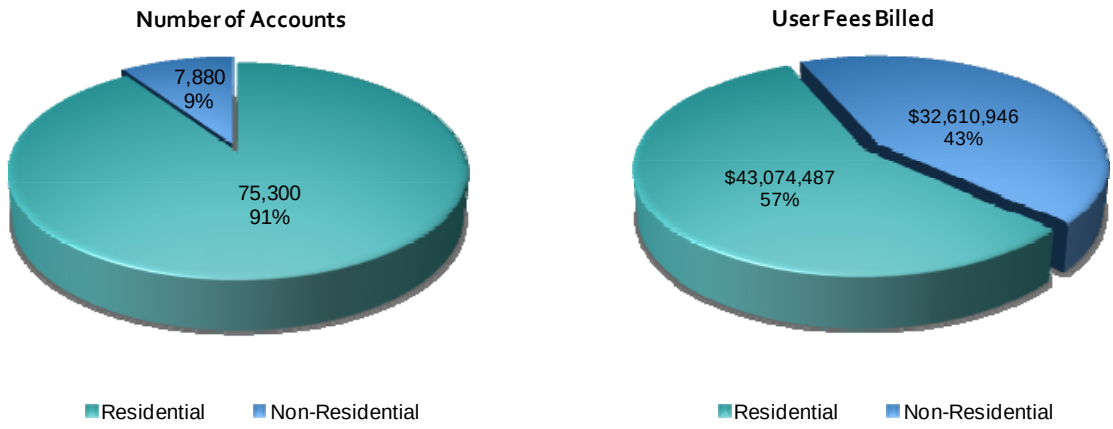
Trends and rationale for individual revenue sources are discussed in the following sections on Operating and Non-Operating Revenue.

Operating Revenue

In FY 2011, user fees represent 97.9% of projected operating revenue and 93.1% of total revenues. Revenue projections are calculated based upon PUC approved 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 2011 residential user fees will be billed to approximately 75,300 accounts with approximately 117,000 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 8,400 meters. NBC does not anticipate any significant increase or decrease in the number of billable accounts in FY 2011 and therefore no rate base growth adjustments for fixed fees are included in the FY 2011 budget.

Residential customers make up 91% of NBC's sewer user accounts and generate 57% of total user fees. On the other hand, non-residential customers comprise 9% of total sewer user accounts and generate 43% of total user fees. The revenue recovery allocation between the residential and non-residential accounts is in closer alignment with their relative billable consumption which is 63% and 37%, respectively. The charts on the following page show the residential versus non-residential split between the number of accounts and user fees billed.

Residential and Non-Residential Accounts
Number of Accounts vs. User Fees Billed



NBC's sewer user charges consist of a fixed fee and a consumption fee. The fixed fee is based on the number of dwelling units for residential customers and the meter size for non-residential customers.

Change in Flat Fee Rate Base

Rate Base Years	Residential Dwelling Units	Non-Residential No. of Meters	Total
FY 2007	112,831	8,579	121,410
FY 2011	117,528	8,435	125,963
Change	4,697	-144	4,553
Percent Change	4%	(2%)	4%

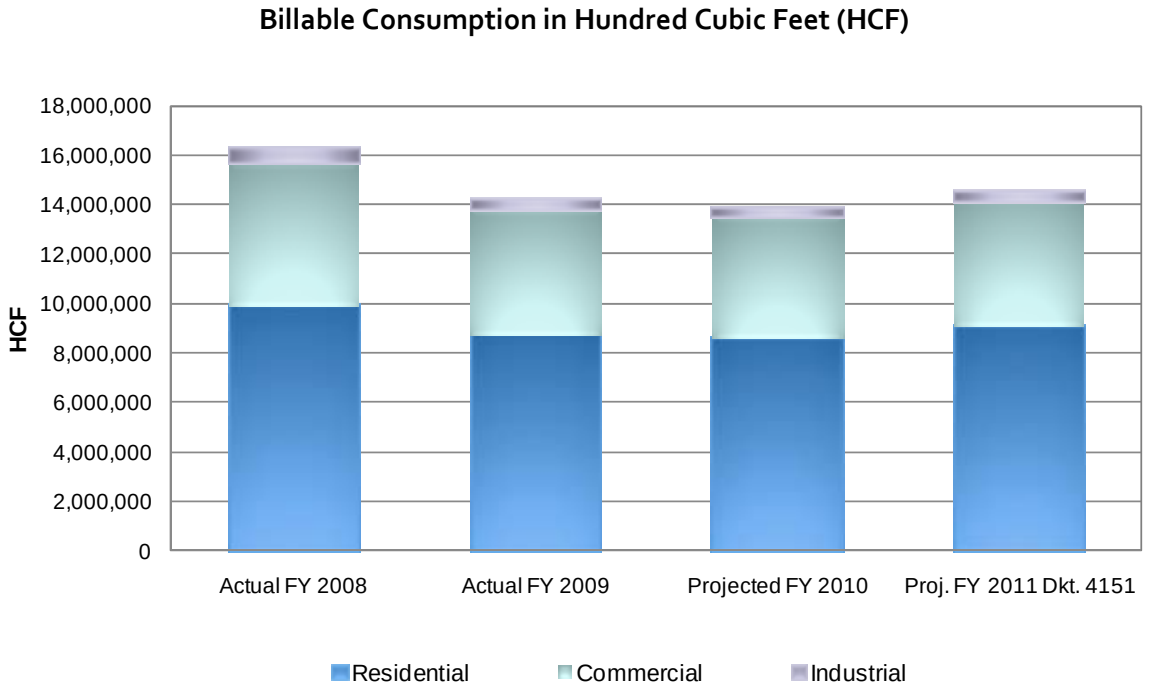
The consumption fee is based upon water usage. Billable consumption has declined over the past several years and this has been addressed through projected lower billable consumption for ratemaking purposes. There have been three separate rate base adjustments in FY 2008, FY 2009 and FY 2010 to account for the consumption decline. The table below shows that on a cumulative basis, these rate base adjustments represent a 20% reduction in billable consumption. The most significant reduction has been for Industrial consumption which has declined by 77%.

Change in Consumption Rate Base

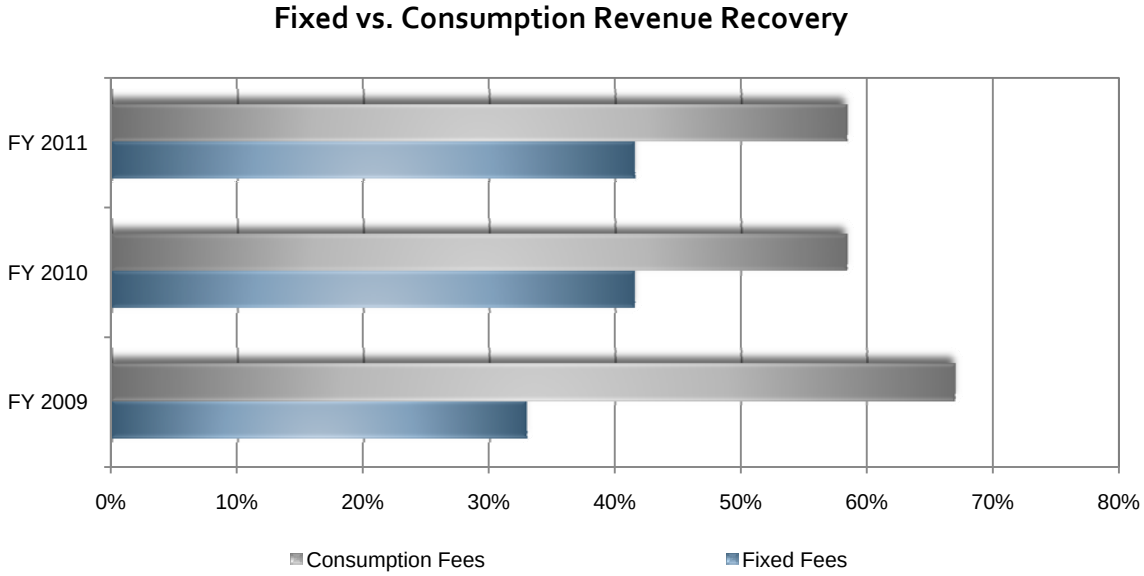
Rate Base Years	Residential	Commercial	Industrial	Total
FY 2007	10,689,623	5,825,507	1,717,119	18,232,249
FY 2011	9,114,443	5,071,297	389,608	14,575,348
Change	(1,575,180)	(754,210)	(1,327,511)	(3,656,901)
Percent Change	(15%)	(13%)	(77%)	(20%)

NBC successfully converted from quarterly to monthly billing in October, 2009. Due to the varying meter reading frequencies of the water suppliers in NBC's service area, NBC bills consumption based upon estimated usage. When an actual reading is provided by the water supplier, the account is

automatically adjusted based upon the actual reading. The graph below shows the actual and projected billed consumption for the four years FY 2008-FY 2011. It should also be noted that these figures have been adjusted to reflect the reduction in unbilled revenues as NBC moved to more current consumption bills through the conversion to monthly billing.



NBC's sewer user rates increases have historically been straight across-the-board percentage increases. In order to address declining consumption, however, the July 1, 2009 rate increase was limited to the fixed fee portion only of the user fee charge. In addition, the rate increase was based upon a projected lower billable consumption level. As a result of these two factors, revenue recovery has shifted approximately 9% from consumption based revenues to fixed fee revenues and is evident in the chart below.



The PUC approved a rate increase of 2.25% across-the-board as of July 1, 2010. The table below shows NBC's FY 2011 projected user rates for residential and non-residential users. NBC's estimated average annual residential rate is $419 in FY 2011.

Schedule of Projected User Fees Effective 7/1/2010

		Non-Residential Customer Charge	
Residential:		Meter Size	Customer Charge
Customer Charge	$162.79/hcf	5/8"	$389
Consumption Charge	$2.627/hcf	3/4"	581
Total Annual Average Residential Rate	$419.17	1"	967
(Based on 97.6 hcf* annual usage)		1 1/2"	1,939
Non-Residential:		2"	3,098
Customer Charge - Based on Meter Size		3"	5,804
Commercial Consumption	$3.81/hcf	4"	9,672
Industrial Consumption	$2.45/hcf	6"	19,352
		8"	30,962
		10"	$44,509

*hcf = Hundred Cubic Feet

This 2011 rate is slightly higher than the average 2009 rate in Rhode Island of $401. The table shows the results for NBC's 2009 sewer rate survey. The survey covers many of the cities and towns in Rhode Island. It documents the fact that although NBC has the largest operations and covers the most significant service area in Rhode Island, NBC's average residential user rate is the thirteenth lowest in the state.

2009 Rhode Island Annual Residential Sewer Charges *

Middletown	$818
Jamestown	$673
Warwick	$526
East Greenwich	$520
Newport	$495
NBC Service Area	$410
Bristol	$385
North Smithfield	$384
Barrington	$376
Cranston	$373
Burrillville	$354
Narragansett	$345
East Providence	$319
Smithfield	$280
Woonsocket	$262
Westerly	$260
West Warwick	$223
South Kingstown	$220

* Based on usage of 200 gpd

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 1.9% of total 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 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. In order to keep fees consistent with industry levels, these fees have not increased since FY 2004. Pretreatment Fee revenue is projected to remain at the FY 2010 budgeted level.

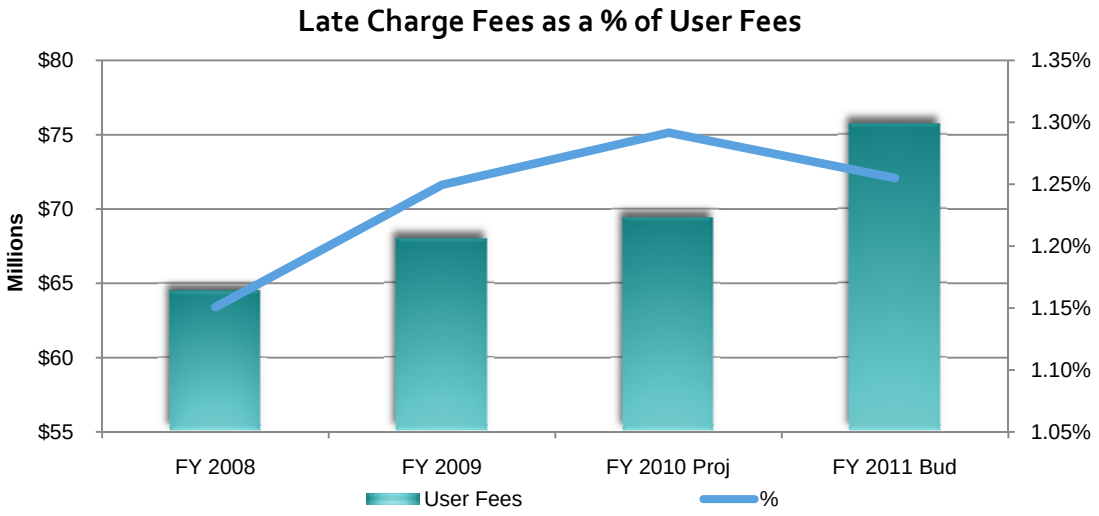
Septage fees are paid by permitted haulers based upon the amount of septage that they discharge at NBC's Septage Receiving Station. Septage fees are budgeted slightly higher than the FY 2010 level.

BOD/TSS surcharge revenues, which are assessed to users with high BOD/TSS discharges, have decreased since FY 2009 as the number of customers with high BOD/TSS discharges is now small. The revenue in this category shows a decrease of 11% on a year-to-year basis.

NBC's Connection Permit Fees, for new direct or indirect sewer connections to NBC facilities is expected to decrease by 40% in the FY 2011 budget year based upon the decline in the Connection Permit Fee revenues over the past 3 years.

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 service coverage is carried forward to fund operating capital outlays. Total Non-Operating revenue is projected to be approximately $4.0 million in FY 2011. Late charges are expected to increase by approximately 6% to $950,000 in FY 2011. The FY 2011 late charge revenues are based upon NBC's experience in FY 2010 and the projected increase in user fee billings in FY 2011. The graph below shows late charges as a percentage of user fee revenues.



In FY 2011 investment income is projected to increase by 25% from the FY 2010 budget, based on the assumption that interest rates will rise.

Miscellaneous non-operating revenues are projected to increase by approximately $90,000 as a result of an increase in rental income. NBC acquired land as part of the CSO Phase II Facilities project and there are tenants on the property that are anticipated to remain throughout FY 2011.

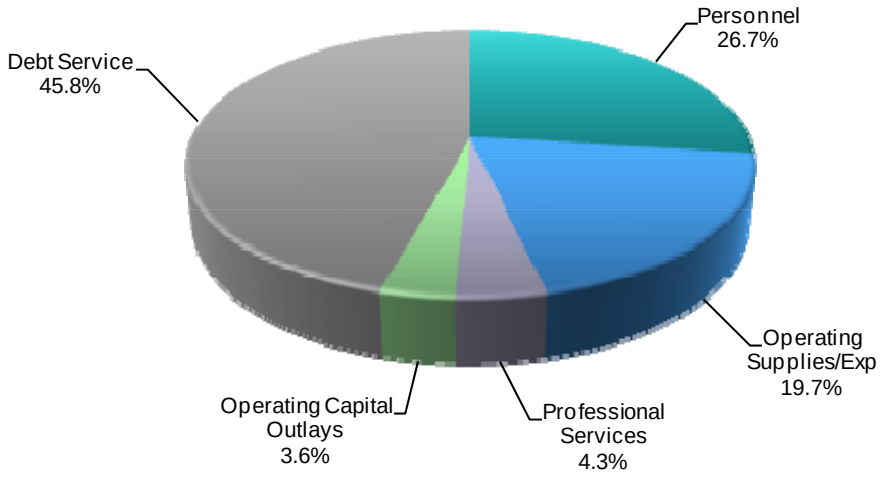
Finally, the FY 2011 budget shows an increase of approximately $287,000 or 13% over FY 2010 in the Transfer from Operating Capital Account. This is a direct pass-through amount and matches the amount budgeted for Operating Capital Outlays.

Expense Profile

Expense by Element

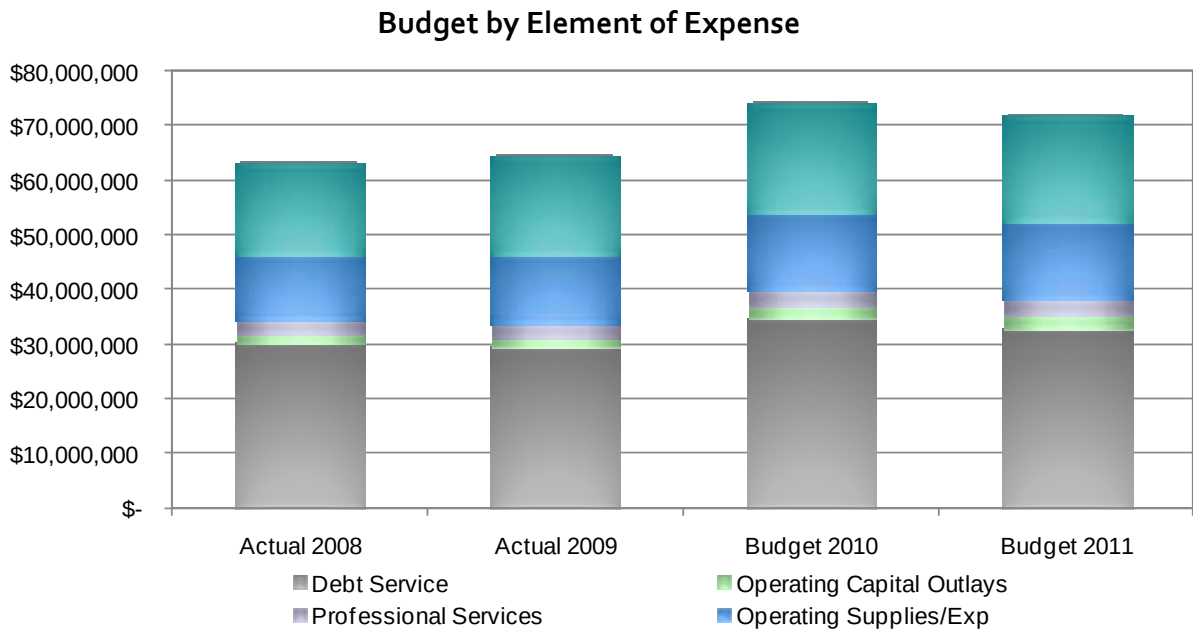
The chart below shows the fiscal year 2011 operating expenses by element. Debt Service accounts for nearly half of the total budget, at 45.8%, followed by Personnel at 26.7%.

FY 2011 Operating Budget by Element of Expense

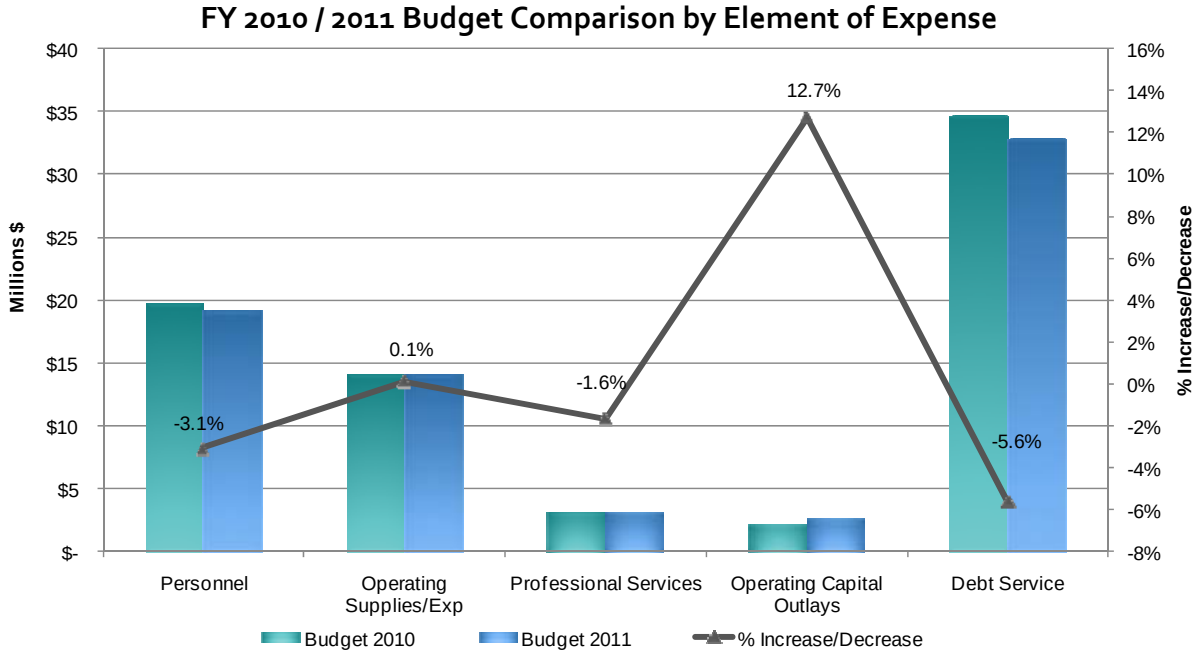


NBC's total Operating Budget for FY 2011 is $71,655,610 before Restricted Carry-Forward, a decrease of approximately $2.3 million or 3.1% from the approved FY 2010 budget. The table below and chart on the following page shows historical and budgeted expense over a four-year period.

	Actual 2008	Actual 2009	Budget 2010	Budget 2011	FY10 - FY11 % Change	FY 2011 % of Budget
Personnel	$ 17,031,269	$ 18,032,935	$ 19,720,309	$ 19,118,418	-3.1%	26.7%
Operating Supplies/Exp	11,828,487	12,501,022	14,096,529	14,116,692	0.1%	19.7%
Professional Services	2,649,793	2,937,924	3,122,574	3,071,348	-1.6%	4.3%
Sub-total Operations & Maint.	31,509,549	33,471,880	36,939,412	36,306,458	-1.7%	50.7%
Operating Capital Outlays	1,746,442	1,454,024	2,260,600	2,547,778	12.7%	3.6%
Debt Service	29,947,152	29,462,666	34,737,792	32,801,374	-5.6%	45.8%
Total	$ 63,203,143	$ 64,388,570	$ 73,937,804	$ 71,655,610	-3.1%	100.0%



The graph below compares budgeted expenses in fiscal year 2010 to 2011 and illustrates the increases and decreases for each element of expense. Three of the five expense categories have decreased over the prior year's budget. Personnel Expense decreased by 3.1%, or approximately $602,000, Professional Services decreased by 1.6%, or approximately $51,000 and Debt Service decreased by 5.6%, or approximately $1.9 million. Operating Capital Outlays increased by 12.7% or approximately $287,000 and Operating Supplies Expense increased by 0.1% or approximately $20,000, over the FY 2010 Budget.

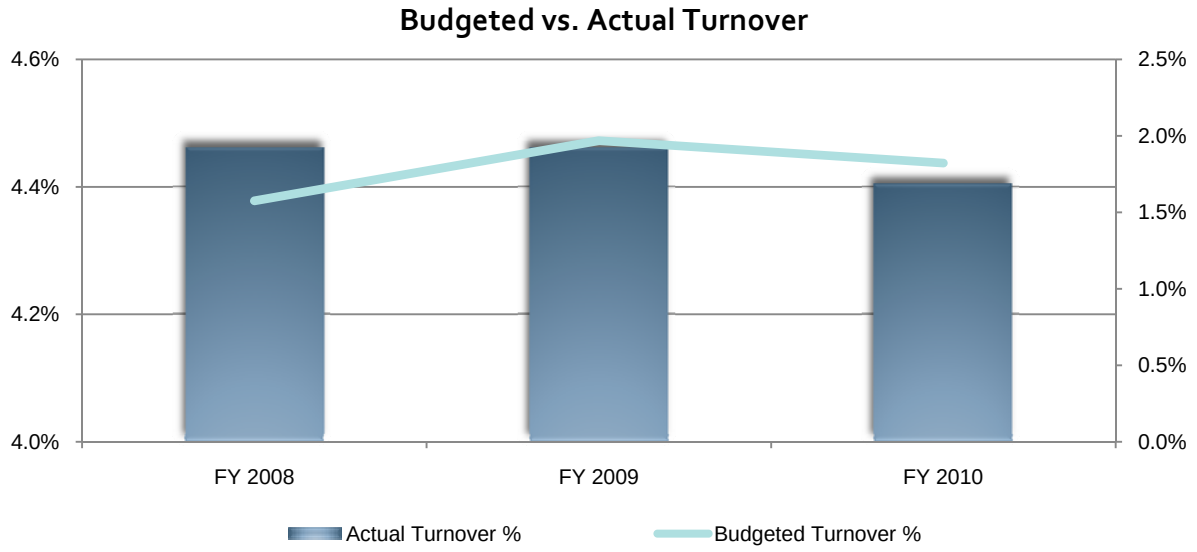


Major highlights by element of expense are as follows:

Personnel Costs

Personnel costs consist primarily of employee wages and benefits, employer payroll taxes and unemployment expenses. They are budgeted net of capital-related reimbursements for staff working on capital projects not funded through the operating budget. At a projected cost of $19.1 million, these costs represent 26.7% of the FY 2011 Operating Budget and are the second largest expense category. Overall, there is a net decrease in personnel costs of approximately $602,000, or 3.1% less than the prior year.

There are a number of factors contributing to the overall reduction in the personnel budget. With respect to salaries and wages, this budget does not include either a cost of living adjustment (COLA) for union employees or merit increases for non-union employees and overall budgeted salaries are $11,000 less than last year. In addition, NBC has altered the amount of budgeted turnover based upon experience. The chart below shows budgeted turnover vs. actual turnover.



NBC has also sought to contain costs through effective employee benefit management. This year's budget reflects a year-to-year decrease in the amount budgeted for employee health insurance of $177,000 or 5.3%. NBC's FY 2010 budget was based upon a projected health insurance renewal rate of 8.5%; however, NBC changed insurance providers and the actual increase was 2.5% which was upheld through arbitration. NBC also changed the budgeting methodology for this line item so that it is based on actual enrollment. The table below shows budgeted expenses for employee benefit insurance premiums.

Family Coverage	FY 2009	FY 2010	FY 2011	FY10 - FY11 % Change
Health Insurance	$15,096	$15,128	$16,036	6%
Dental Insurance	1,005	1,067	1,148	8%
Vision Insurance	181	181	181	0%
	$16,282	$16,376	$17,366	6%

The FY 2011 budget for union related retirement costs is approximately $236,000 less than the amount budgeted in FY 2010. The employer contribution rate to the state retirement plan for union employees has decreased from 25.03% to 21.64%, resulting in a decrease of $185,000. 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. In addition, the employer contribution for the Post-Retirement Health decreased by from 7.67% to 6.74%, resulting in a decrease of $51,000 from the FY 2010 level. As the table below shows, the non-union pension contribution rate has remained level at 10%.

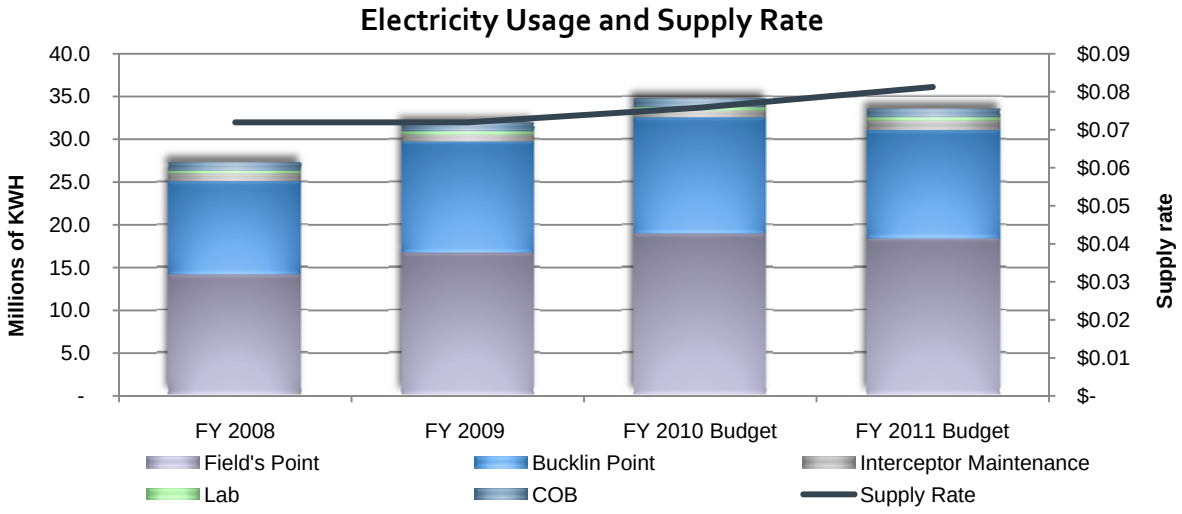
Retirement Benefits	FY 2009	FY 2010	FY 2011	FY10 - FY11 % Change
Union Retirement	21.13%	25.03%	21.64%	-14%
Union Retiree Health	5.46%	7.67%	6.74%	-12%
Non-Union Retirement	10.00%	10.00%	10.00%	0%

Finally, it should be noted that although two new positions have been added to the FY 2011 budget, the associated costs will be almost completely reimbursed by capital, and therefore they do not impact personnel costs.

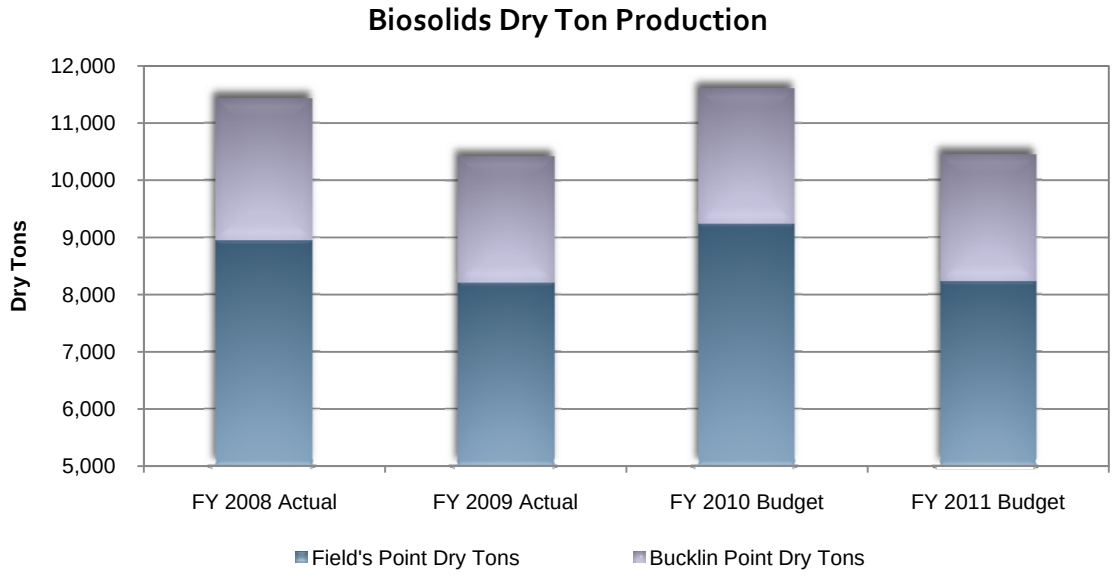
Operating Supplies and Expense

Operating supplies and expenses represent 19.7% of the total FY 2011 operating budget. These expenses are projected to increase by approximately $20,000 or 0.1% over FY 2010. On an ongoing basis, the largest operational expenses are related to the support of the WWTFs and include the cost of Biosolids Disposal, Utilities, Repairs to Building and Structures, Maintenance and Service Agreements, Insurance, and Chemicals.

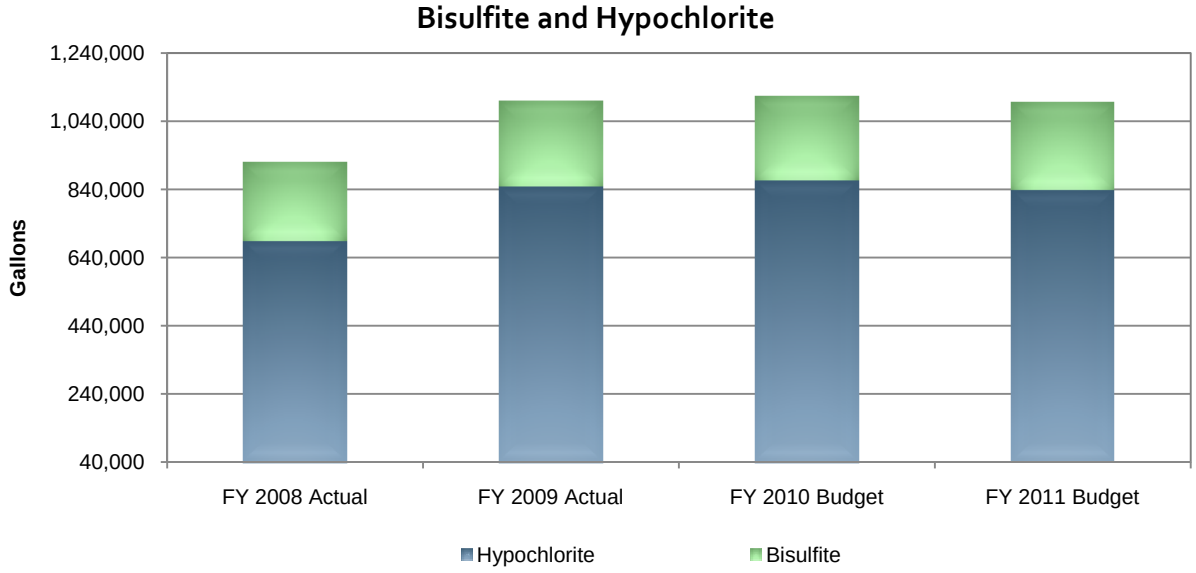
Approximately 30% of NBC's FY 2011 budgeted O&M costs are for electricity needed to operate the pumps and other equipment. The chart below illustrates the amount of historical and budgeted kWh and the supply rate. The net number of budgeted kWh in FY 2011 is less than the prior year. Lower budgeted electricity usage at Bucklin Point is the result of operating efficiencies. The Field's Point projection is lower based upon a full year of usage information for the Tunnel Pump Station. Higher electricity usage is projected for new CSO odor control facilities projected to become operational in FY 2011. Despite the net decrease in usage, the overall budget for electricity is approximately $318,000, or 8%, higher than the FY 2010 budget as a result of a full year of supply at the new higher rate implemented on January 1, 2010 and higher delivery charges.



With respect to Biosolids Disposal, the FY 2011 budget is approximately $302,000 lower than the FY 2010 Budget. The graph below illustrates the decline in dry ton production for both the Field's Point and Bucklin Point WWTFs between FY 2008 and FY 2009. Budgeted dry ton production in FY 2010 was projected to be higher than the prior year's actual dry ton production due to the first full year of operating the CSO Phase I facilities. However, actual dry ton production in FY 2010 was not as high as had been estimated. Therefore, the FY 2011 budget is at a lower level.

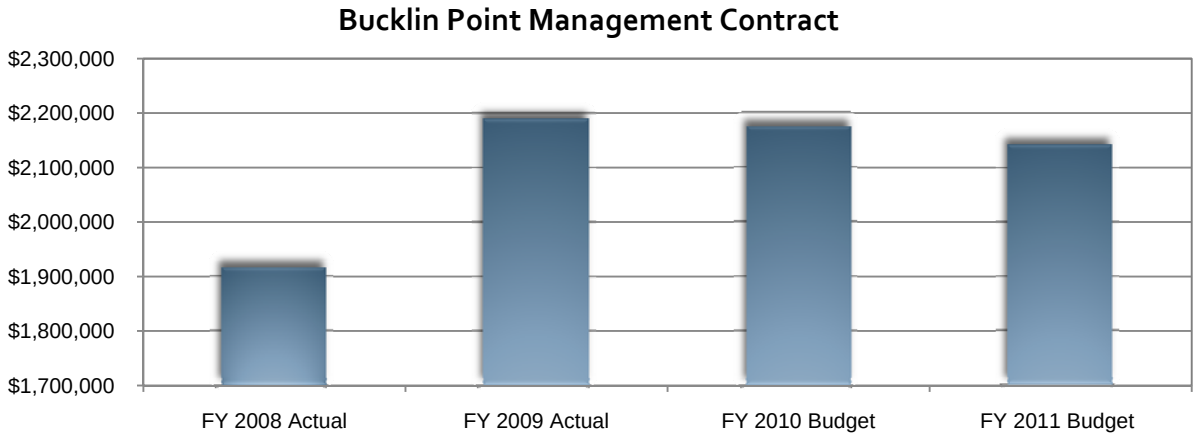


Chemicals have an overall budgeted decrease of approximately $153,000 or 18% below the previous fiscal year due to a lower FY 2010 rate than projected in the FY 2010 budget. Budgeted Bisulfite expense has decreased by approximately $40,000 or 12%. Hypochlorite has decreased by approximately 21% or $113,000. The chart below shows historical and budgeted usage of these chemicals.



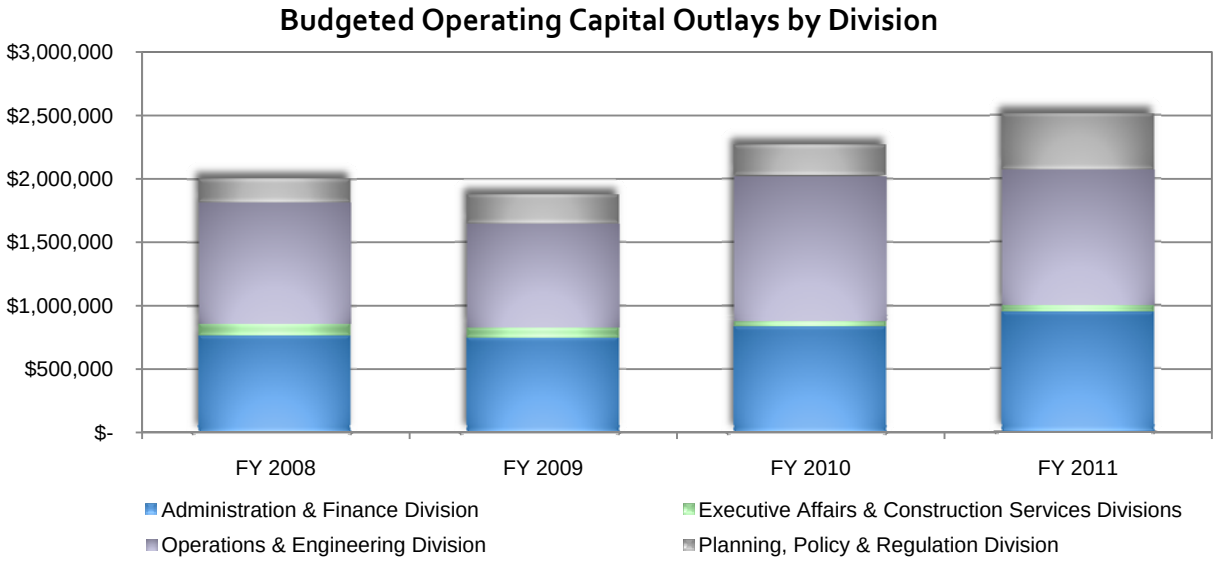
Professional Services

The Professional Services budget has decreased by approximately $51,000 or 1.6% over the FY 2010 budget. This is due primarily to a decrease in the amount budgeted for the Bucklin Point Management contract which contains a pass-through for chemicals. Over the last year, Operations has implemented operational strategies that have significantly reduced Soda Ash usage without compromising treatment. The costs for the Bucklin Point management contract also reflect a projected CPI adjustment of 1.92% on January 1, 2011 to the base management contract. The graph below shows historical and budgeted expenses for the Bucklin Point management contract.



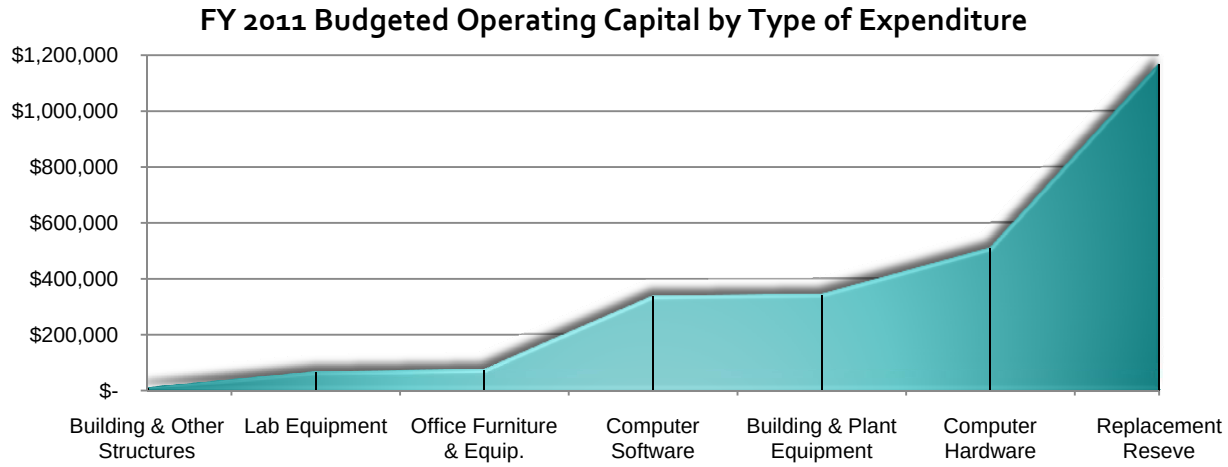
Operating Capital Outlays

Operating Capital outlays make up 3.6% of the FY 2011 operating budget. On a year-to-year basis this element of expense shows an increase of 12.7%, increasing from approximately $2.3 million in FY 2010 to approximately $2.5 million in FY 2011. Major items include the replacement of operational and laboratory equipment and investments in information technology. The graph below illustrates the budgeted operating capital outlays since FY 2008. The bulk of these budgeted expenses are in the Operations & Engineering Division, the Administration & Finance Division, and the Planning, Policy and Regulation Division.



The most significant capital outlays budgeted in the Operations Division are for the replacement of two major pieces of equipment at the Field's Point WWTF that are expected to cost approximately $134,000. In the Planning, Policy and Regulation (PP&R) Division there will be significant replacements of Laboratory Equipment expected to cost approximately $327,000. Within the Administration and Finance Division, the IT department plans to spend $85,000 for Data Warehousing, $135,000 for the PC Lease Refresh program and $230,000 for updates to the server infrastructure.

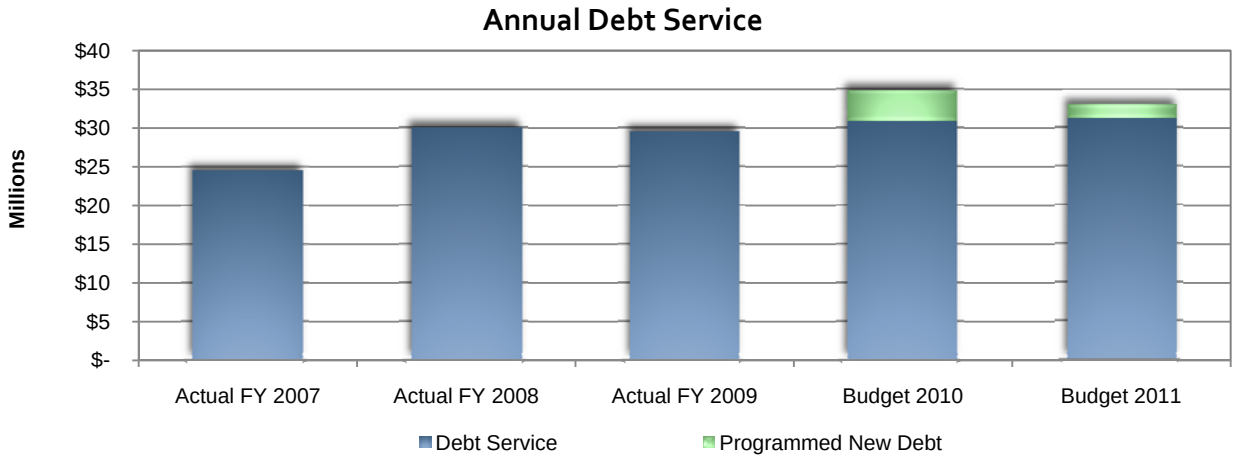
The allocation of NBC's FY 2011 Operating Capital Outlays budget by type of expenditure is illustrated in the following chart.



As noted previously in this budget document, Operating Capital outlays are funded by the restricted carry-forward from the previous year. For more information on the actual items budgeted in this category see the FY 2011 Operating Capital Outlays and the Five-Year Operating Capital Outlays Plan schedules in the Supporting Schedules section.

Debt Service

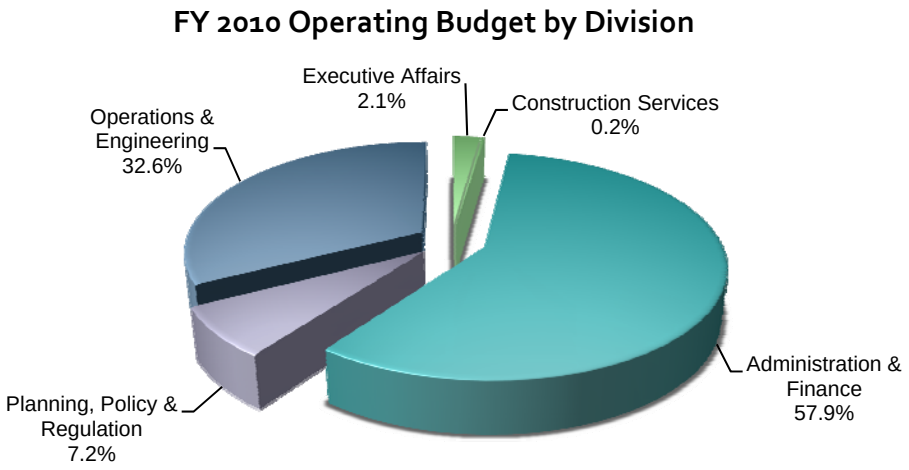
NBC's budgeted debt service for FY 2011 is 5.6% lower than last year's budget as a result of the unexpected ARRA funding received in FY 2010, which resulted in lower debt service. The total amount of debt service budgeted for FY 2011 is $32.8 million, which includes $31.1 million in principal and interest payments on existing debt as well as $1.7 million for programmed new debt based on a projected SRF borrowing of $30 million in FY 2011. The graph below shows actual and budgeted existing and programmed new debt for the five year period beginning FY 2007.



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.

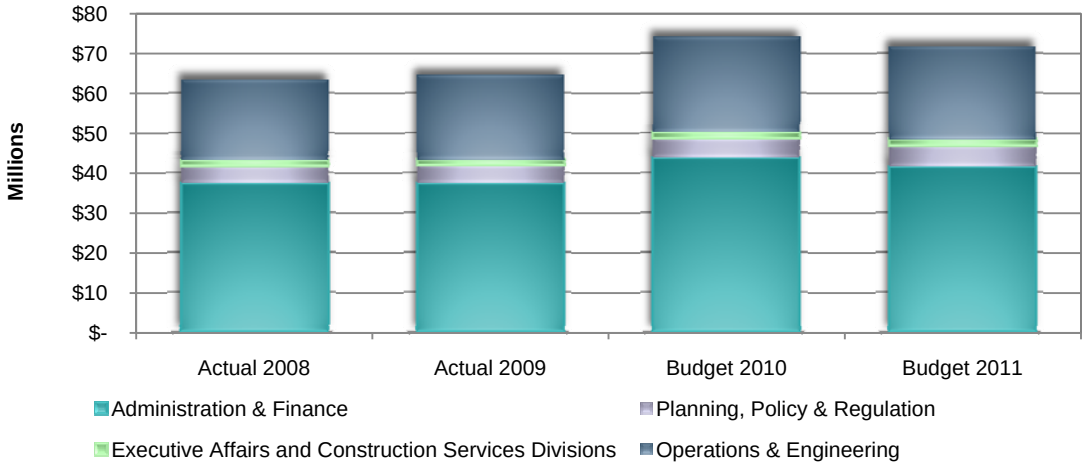
Expenses by Division

NBC is organized into five Divisions. The graph below depicts the percentage of the FY 2011 budget each of the five Divisions represents.



The chart and graph below shows historical and budgeted expense by division, over a four year period.

	Actual 2008	Actual 2009	Budget 2010	Budget 2011	% of Budget
Executive Affairs	$ 1,300,930	$ 1,383,755	$ 1,463,122	$ 1,485,583	2.1%
Construction Services	64,612	44,400	138,672	149,377	0.2%
Administration & Finance	37,271,620	37,217,607	43,610,712	41,496,022	57.9%
Planning, Policy & Regulation	4,321,478	4,562,819	4,897,370	5,171,080	7.2%
Operations & Engineering	20,244,502	21,179,989	23,827,928	23,353,548	32.6%
Total	$ 63,203,143	$ 64,388,570	$ 73,937,804	$ 71,655,610	100.0%



The Executive Affairs Division includes the Executive and Legal sections. This division makes up 2.1% of the total budget, and shows an increase of 1.5% from the previous year due to increased operating expenses. The Construction Services Division makes up a small portion of the total operating budget, only 0.2% for the costs not reimbursed through capital projects. The Construction Services Division budget will increase by 7.7% in FY 2011 due to slight increases in operating expense and personnel.

The Administration and Finance Division represents 57.9% of the FY 2011 operating budget, due mostly to the fact that debt service is contained in this budget. This Division includes the Human Resources, Finance, Accounting, Information Technology, Customer Service, Purchasing, and General Administration sections. The Administration and Finance Division budget is 4.8% lower than last year. The major driver for this decrease is the $1.9 million decrease in debt service

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 7.2% of FY 2011's operating budget. On a year-to-year basis, this division has a budgeted increase of 5.6% due to increased expense in the EMDA section's professional services expenses for RIPDES required bioassay analyses, changes in personnel and an increase in budgeted capital outlays in the Laboratory for FY 2011.

The Operations and Engineering Division represents approximately 32.6% 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 2% lower in FY 2011 than the previous year. As noted previously, this division is projecting expenditure decreases in FY 2011.

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 2011 to current fiscal year 2010 budget, and actual fiscal year 2009.

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 earned by NBC.

The Budget Process

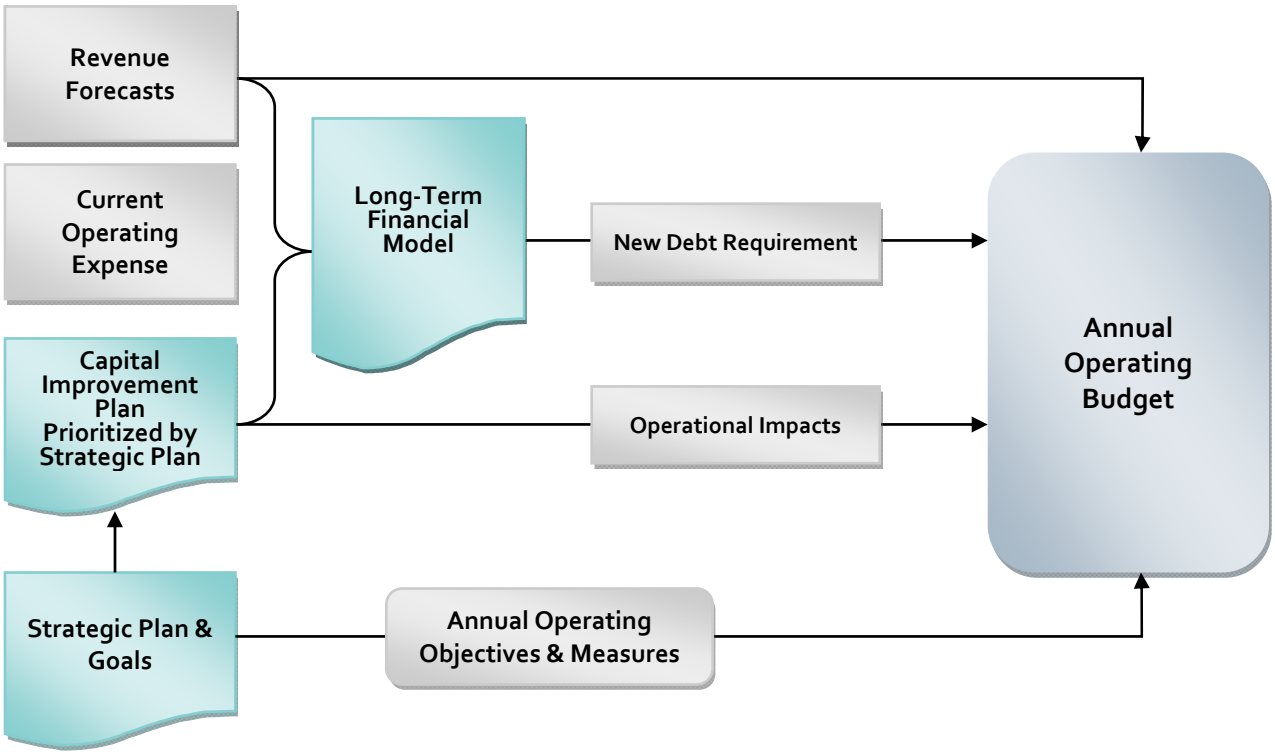
As a regulated agency, NBC maintains a broad understanding of financial and operational needs at all times of the year. However, NBC begins a formal review for its operating budget in November of each year. As part of this process, regulatory requirements are reviewed, as well as major program changes 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
- 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. 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 to prevent any significant expense overrun on any line item.
- Finance staff conducts a review of budget versus actual status on a monthly basis, and ensure 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 2011 Budget Calendar

October	Administration and Finance Fiscal Year 2011 Budget Overview presentation to Division Directors and Program Managers.
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. Also develop Five Year Capital Outlay Plans.
December	All Performance Objectives and Measures and Five Year Capital Outlay Plans due to Administration & Finance.
January 17 - 18	Mid-Year FY 2010 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 12 – 13	All divisions present budget requirements to Executive Director.
March	FY 2012-2016 Capital Improvement Program development: Capital Cash Flows updated and analyzed, Basis for Capital Budgets completed, CIP major project changes, CIP impact on operating budget, and CIP incorporated into the Long Term Financing Model.
April	CIP Review Committee Review of FY 2012-2016 Capital Improvement Program.
May 19	Board of Commissioners adoption of FY 2012-2016 CIP.
May 27	Finance Committee Review of Preliminary Operating Budget.
June 23	Finance Committee Review and Board of Commissioners adoption of Fiscal Year 2011 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 Financing 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 are 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 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

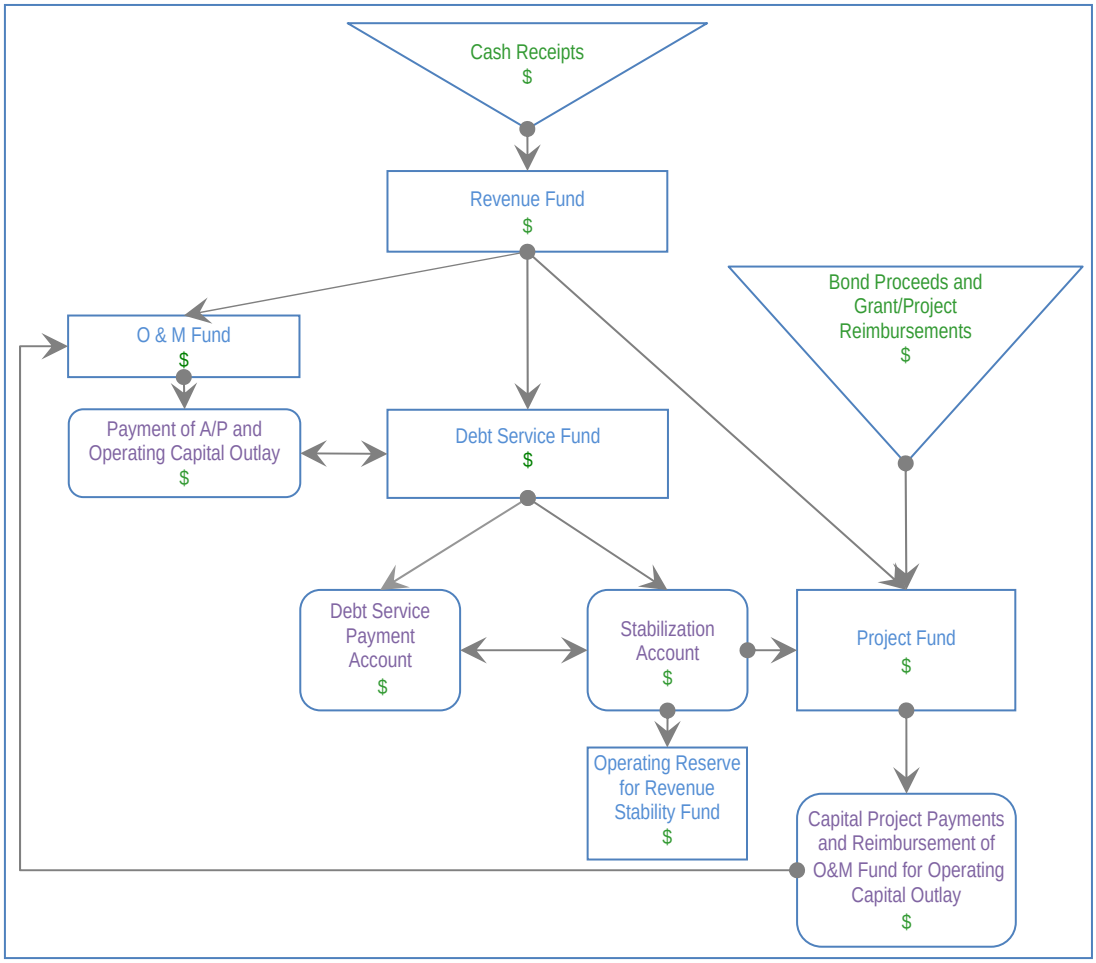
A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities 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 and the First Supplemental Indenture were executed by and between NBC and the Trustee, followed by:

- Second Supplemental Indenture dated December 30, 2004
- Third Supplemental Indenture dated August 4, 2005
- Fourth Supplemental Indenture dated December 15, 2005
- Fifth Supplemental Indenture dated December 21, 2006
- Sixth Supplemental Indenture dated February 8, 2007
- Seventh Supplemental Indenture dated October 15, 2007
- Eighth Supplemental Indenture dated December 12, 2007
- Ninth Supplemental Indenture dated July 1, 2008
- Tenth Supplemental Indenture dated November 1, 2008
- Eleventh Supplemental Indenture dated October 6, 2009
- Twelfth Supplemental Indenture dated February 12, 2010
- Thirteenth Supplemental Indenture dated June 22, 2010

Collectively, these are the “Trust Indenture.” The schematic below provides a general overview of the flow of funds as directed by the Trust Indenture. These are the only funds that are funded. The schematic is not meant to be a complete representation of the Trust Indenture.

Flow of Funds



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 eleven funds established pursuant to the documents.

Revenue Fund (the Narragansett Bay Water Quality Management District Commission Fund)	The Revenue fund is the initial depository for all NBC user fee revenues and other miscellaneous fees. These funds are transferred to the other funds as required once a month. Also included in the Revenue Fund is the NBC Environmental Enforcement Fund.
Operating and Maintenance Fund	The Operating and Maintenance (O & M) Fund is used to pay the current expenses of operations, administrative costs, maintenance and ordinary current repairs of NBC's facilities and infrastructure.
Project Fund	Funds from the Project Fund are designated to pay for costs of improvements and additions to NBC's capital assets. This includes operating capital costs, project costs related to the Capital Improvement Plan, and costs of Bond Issuance.
Debt Service Fund	The Debt Service Fund is designated to make debt service payments (principal and interest).
Renewal and Replacement Reserve Fund	This fund is used for the replacement or renewal of capital assets of the Wastewater treatment system and its infrastructure when these costs are not covered by the Project Fund.
Debt Service Reserve Fund	The Debt Service Reserve Fund is used when there are insufficient funds in the Debt Service Fund to cover debt service payments.
Operating and Maintenance Reserve Fund	This fund is designed to pay current Operating expenses of NBC whenever the monies on deposit in the O & M fund are deemed insufficient.
Redemption Fund	The Redemption Fund is used for redemption costs, and/or principal and interest on the redemption of bonds.
Insurance Reserve Fund	The funds in the Insurance Reserve Fund are equal to an amount deemed adequate to cover the insurance reserve requirement, as determined by an insurance consultant retained by NBC. Deposits in this fund will be used for restoration, replacement, or reconstruction of property injured or damaged.
Unrestricted Fund	The Unrestricted Fund is the depository for any cash surplus provided that all funds and accounts established under this indenture are funded, and NBC is in compliance with the indenture.These funds may be used for any deficiency in amounts required by other funds.
Operating Reserve for Revenue Stability Fund	The Oprating Reserve for Revenue Stability Fund is used when there are insufficient funds in the Revenue Fund to make the monthly transfers to other funds.

The Environmental Enforcement Fund (EEF) consists of monies 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 2011, as shown in the table below.

	Ending Balance FY 2009	Net Change	Projected Ending Balance FY 2010	Net Change	Projected Ending Balance FY 2011
Revenue Fund	$ 27,300,703	$ 2,198,358	$ 29,499,061	$ 418,506	$ 29,917,567
Operating and Maintenance Fund	(211,546)	465,927	254,381	593,285	847,666
Project Fund	252,870,089	19,574,372	272,444,461	15,366,561	287,811,021
Debt Service Fund	23,309,089	5,172,341	28,481,430	4,553,900	33,035,330
Operating Reserve for Revenue Stability Fund	1,500,422	1,500,190	3,000,612	1,500,500	4,501,112
EEF	157,021	(916)	156,105	9,578	165,684
Total	$ 304,925,778	$ 28,910,273	$ 333,836,051	$ 22,442,329	$ 356,278,379

Significant changes (10% or over) in the fund balances are as follows:

O & M Fund: In FY 2010 the O & M Fund increased by approximately $0.5 million and in FY 2011 it is projected to increase by an additional $0.6 million. The balance increases each year as NBC makes monthly deposits into this Fund based upon budgeted monthly expenditures.

Debt Service Fund: In FY 2010 the Debt Service Fund is projected to increase by nearly 22%, and in FY 2011 it is expected to increase by 16%. Deposits are made into the Debt Service Fund based upon a percentage of cash receipts from user charges. Increases in this fund balance reflect an increase in sewer user rates and consequently receipts from user charges as well as an increase in the relative percentage of user fees for debt service and debt service coverage versus operations and maintenance. The growth in the Debt Service Fund strengthens NBC's financial position and demonstrates sufficient debt service coverage.

Operating Reserve for Revenue Stability Fund: This fund was established two years ago through the execution of a Tenth Supplemental Indenture on November 1, 2008 subsequent to authorization by the Public Utilities Commission to establish and implement such an account. The fund is financed through transfers from the restricted carry-forward at a level of $1.5 million per year, to a maximum of $4.5 million which is the activity reflected in the table above. The maximum will be reached in FY 2011. An increase in the fund balance demonstrates to creditors and other interested parties that NBC has the resources to meet its financial obligations during periods of revenue fluctuation.

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.

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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 are taken into consideration. NBC's objective is to manage capital financing such that ratepayer impacts are minimized and compliance with regulatory constraints is ensured. In general, NBC will maximize borrowings from the Rhode Island Clean Water Finance Agency (RICWFA) to the extent that there is funding available. The RICWFA, through the State Revolving Fund Program (SRF) subsidizes the interest rate on loans, resulting in a 1/3 or greater interest rate subsidy. If 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 authorized the use of the restricted carry-forward fund capital projects on a pay-as-you-go basis.
- NBC's revenue bonds are subject to arbitrage expenditure requirements.
- 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 reachable on the RIDEM Priority List may funded by SRF.
- NBC must expend and manage its resources in accordance with the Trust Indenture and Thirteen Supplemental Indentures.

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

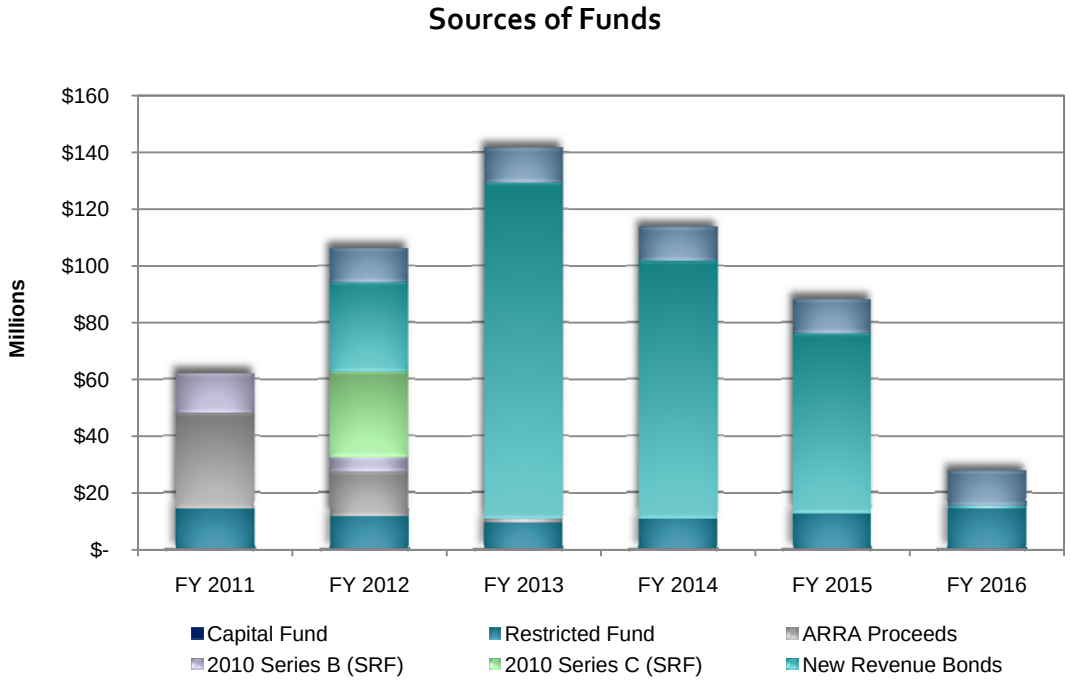
Funding Source	Description
Capital Fund	Grant or project reimbursements
Restricted Fund	Prior year restricted carry-forward
ARRA Proceeds	SRF Loan Proceeds with ARRA Subsidy of 15% Principal Forgiveness
2010 Series B	Unspent Proceeds from NBC 2010 Series B
2010 Series C	FY 2011 SRF Loan NBC 2010 Series C
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 2011, NBC plans to fund the CIP with approximately $13.9 million in unexpended SRF proceeds, $34 million in ARRA proceeds, $14 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 be $30 million in FY 2011 and $12 million per year, each subsequent fiscal year. The table below shows the projected Sources of Funds over the next six years.

Thousands of $

SOURCES OF FUNDS	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total FY 2012-2016	Total FY 2011-2016
Capital Fund	$ 85	$ -	$ -	$ -	$ -	$ -	$ -	$ 85
Restricted Fund	14,046	11,330	9,196	10,429	12,476	14,082	57,513	71,559
ARRA Proceeds	33,834	15,824	1,343	-	-	-	17,167	51,001
2010 Series B (SRF)	13,904	5,249	-	-	-	-	5,249	19,153
2010 Series C (SRF)	-	30,000	-	-	-	-	30,000	30,000
New Revenue Bonds	-	31,596	118,805	91,115	63,605	1,195	306,316	306,316
New Revenue Bonds (SRF)	-	12,000	12,000	12,000	12,000	12,000	60,000	60,000
Total	$ 61,869	$ 105,999	$ 141,344	$ 113,544	$ 88,081	$ 27,277	$ 476,245	$ 538,114

During the five-year period of the FY 2012 – 2016 CIP, the NBC plans on issuing $306.3 million in revenue bonds, 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. The graph below illustrates the projected sources of funds from FY 2011 through FY 2016. NBC will rely heavily on revenue bonds to finance the CIP, with the revenue bond issuance peaking in FY 2013 at more than $118 million.



NBC must take into consideration the uses of capital funds as part of the planning process. The table below lists the individual funding uses along with their descriptions. 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.

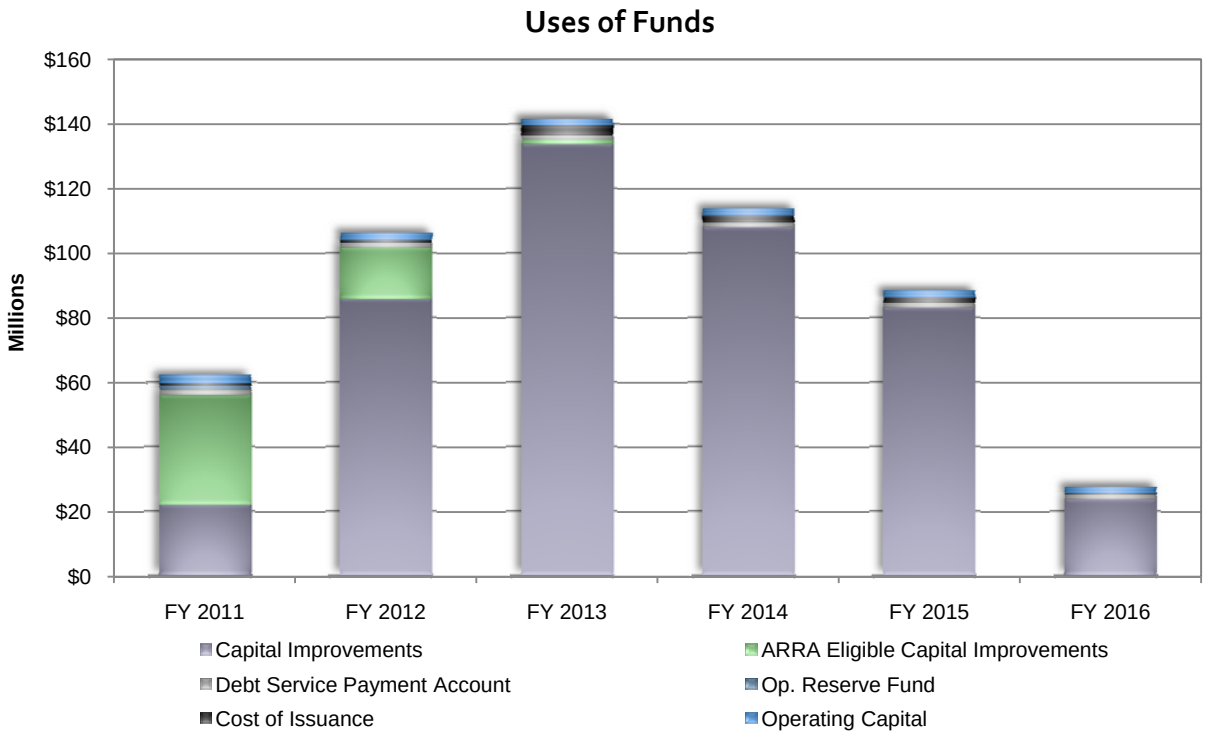
Funding Use	Description
Operating Capital	Annual Operating Capital Purchases
Capital Improvements	Projects identified in the Capital Improvement Program
ARRA Eligible Capital Improvements	Field's Point Wastewater Treatment Facility Nitrogen Removal Project
Debt Service Payment Account	Incremental increase in monthly deposits due to debt issuance
Operating Reserve for Revenue Stability Fund	Operating Reserve for Revenue Stability Fund - $4.5 million total
Cost of Issuance	Costs for underwriting, bond counsel, financial advisory services, etc.

The following table shows that the largest use of capital funds is for Capital Improvements at 91% of the total uses for the FY2012-2016 CIP window and ARRA Eligible Capital Improvements account for nearly 4% of the capital funds use over the same five-year period.

Thousands of $

USES OF FUNDS	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total FY 2012-2016	Total FY 2011-2016
Operating Capital	$ 2,547	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 10,000	$ 12,547
Capital Improvements	22,038	85,814	133,618	107,814	82,970	23,571	433,787	455,825
ARRA Eligible Capital Improvements	33,834	15,824	1,343	-	-	-	17,167	51,001
Debt Service Payment Account	1,500	1,500	1,500	1,500	1,500	1,500	7,500	9,000
Operating Reserve for Revenue Stability Fund	1,500	-	-	-	-	-	-	1,500
Cost of Issuance	450	861	2,883	2,230	1,611	206	7,791	8,241
Total	$ 61,869	$ 105,999	$ 141,344	$ 113,544	$ 88,081	$ 27,277	$ 476,245	$ 538,114

The chart below shows the uses of capital funds by fiscal year. Expenditures on capital improvements will peak in FY 2012 through FY 2014, with average annual expenditures over the three years of $115 million as NBC moves into the construction phase of the CSO Phase II Facilities.



As of June 30, 2011, NBC will have fourteen (14) SRF loans outstanding. Total outstanding principal at year-end FY 2011 is projected to be $426.8 million. This includes the $30 million low interest loan from the RICWFA which NBC plans to secure in FY 2011. The following table summarizes NBC's long-term debt as of June 30th for the years FY 2009, FY 2010, and FY 2011, including projected new debt.

Long-term Debt Balances FY 2009 - 2011

Debt	Long-term Debt as of June 30, 2009	Net Additions / (Payments)	Long-term Debt as of June 30, 2010	Net Additions / (Payments)	Long-term Debt as of June 30, 2011
SRF Loans	$ 271,381,023	$ (15,635,756)	$ 255,745,267	$ 21,925,481	$ 277,670,748
2007 Series A (30-year)	42,500,000	-	42,500,000	-	42,500,000
2005 Series A (30-year)	45,000,000	-	45,000,000	-	45,000,000
2008 Series A (Variable Rate)	64,845,000	(1,565,000)	63,280,000	(1,620,000)	61,660,000
Total	$ 423,726,023	$ (17,200,756)	$ 406,525,267	$ 20,305,481	$ 426,830,748

The schedule below details NBC's outstanding debt as of year-end FY 2010.

Outstanding Debt by Issue as of 6/30/2010

Outstanding Debt	Interest	Principal
RICWFA (SRF Loans)		
SRF - NO. PROV. $2.647M	$ 13,533	$ 360,017
SRF - WASHINGTON PARK - $3.694	44,822	890,957
SRF - BUTLER - $1.662M	19,160	333,834
SRF POOL LOAN I - $14.781M	638,280	5,601,500
SRF POOL LOAN II - $17.279M	699,068	6,453,237
SRF POOL LOAN III - $8.150M	926,585	4,800,197
SRF POOL LOAN IV - $23.955M	3,290,323	17,375,000
SRF POOL LOAN V - $57M	6,568,013	37,295,000
SRF POOL LOAN VI - $57M	4,372,778	40,344,383
SRF POOL LOAN VII - $40M	5,134,752	31,261,000
SRF POOL LOAN VIII - $40M	5,545,883	34,336,000
SRF POOL LOAN IX - $30M	4,174,745	24,840,000
SRF POOL LOAN X - $30M	4,225,771	26,131,000
SRF POOL LOAN XI - $25M	5,334,812	24,775,000
$55 M ARRA - $8.3 M Principal Forgiveness	16,774,226	46,697,886
$2 M ARRA - $0.3 M Principal Forgiveness	498,335	1,698,105
SRF POOL LOAN XIII - $20M	6,892,075	20,000,000
Less: Funds not yet drawn from pool loans		(67,447,849)
Revenue Bonds		
VRDO $70M 2008 Series A Refunding (Includes fees)	32,498,844	63,280,000
$45M 2005 Series A	48,151,750	45,000,000
$42.5M 2007 Series A	47,153,312	42,500,000
Total	$ 192,957,067	$ 406,525,267

Note: Existing debt only. Does not reflect premiums on revenue bonds or loss on refunding.

The following table shows debt service payments for FY 2011.

Debt Service Payments Fiscal Year 2011

Outstanding Debt	Interest	Principal
RICWFA (SRF Loans)		
SRF - NO. PROV. $2.647M	$ 10,119	$ 176,717
SRF - WASHINGTON PARK - $3.694	19,414	214,591
SRF - BUTLER - $1.662M	10,549	107,192
SRF POOL LOAN I - $14.781M	189,912	851,250
SRF POOL LOAN II - $17.279M	208,258	984,923
SRF POOL LOAN III - $8.150M	167,554	406,102
SRF POOL LOAN IV - $23.955M	576,158	2,125,000
SRF POOL LOAN V - $57M	1,116,033	4,200,000
SRF POOL LOAN VI - $57M	616,009	2,638,881
SRF POOL LOAN VII - $40M	612,265	1,820,000
SRF POOL LOAN VIII - $40M	644,919	484,000
SRF POOL LOAN IX - $30M	472,204	1,345,000
SRF POOL LOAN X - $30M	454,451	1,334,000
SRF POOL LOAN XI - $25M	487,158	325,000
$55 M ARRA - $8.3 M Principal Forgiveness	179,887	-
$2 M ARRA - $0.3 M Principal Forgiveness	26,837	67,075
SRF POOL LOAN XIII- $20M	79,419	3,000
Revenue Bonds		
VRDO $70M 2008 Series A Refunding (Includes fees)	2,283,889	1,620,000
$45M 2005 Series A	2,250,000	-
$42.5M 2007 Series A	2,065,563	
Total	$ 12,470,596	$ 18,702,732

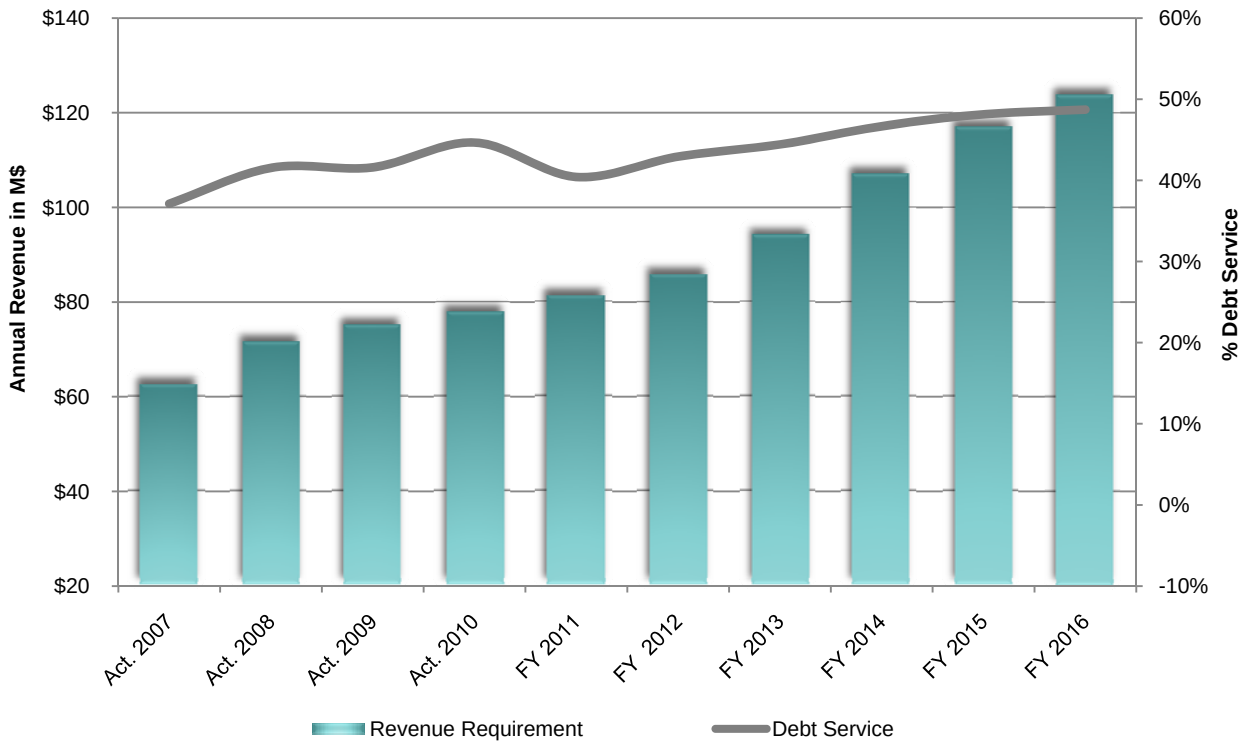
Note: Existing debt only. Does not reflect premiums on revenue bonds and loss on refunding.

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 $32.8 million in FY 2011 to approximately $60.3 million in FY 2016. The chart below shows debt service as a percentage of the projected revenue requirement through FY 2016. Annual debt service as a percentage of total revenue will rise from 40.4% in FY 2011 to 48.7% in FY 2016. All debt service projections are based on a number of assumptions including the cash flow estimates outlined in the CIP.

Projected Debt Service as a Percent of Total Revenue Requirement



Impact of the CIP on the Operating Budget

The primary impact of the CIP on the Operating Budget is the payment of the debt service in the form of principal and interest. The debt service and user fee projections associated with financing this CIP are identified earlier in this document.

Although the CIP's primary impact on the Operating Budget is debt service, some capital improvements also impact operating costs directly. These expenditures relate to the operation of the completed capital improvements and their costs must be incorporated into the annual operating budget. NBC's engineers have identified four capital projects that will impact NBC's operating budget once they become operational, beginning in FY 2013. The table on the following page identifies these four projects and their specific operational impacts.

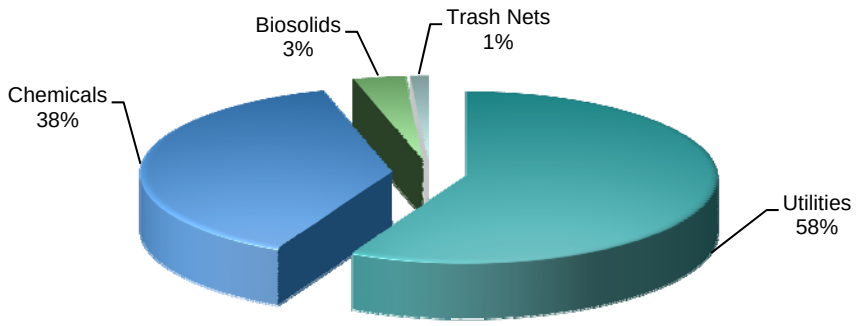
Capital Projects with Operating Cost Impacts
(In thousands)

Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
FPWWTF Nitrogen Removal Facilities*					
Utilities	$ -	$ 330	$ 1,000	$ 1,050	$ 1,103
Chemicals	-	220	676	710	745
Subtotal	-	550	1,676	1,760	1,848
BPWWTF Nitrogen Removal Facilities					
Utilities	-	-	-	130	134
Chemicals	-	-	-	120	124
Subtotal	-	-	-	250	258
CSO Phase II Facilities					
Utilities	-	-	38	65	68
Biosolids	-	-	45	90	95
Subtotal	-	-	83	155	163
Floatable Control Facilities					
Trash Nets	-	10	21	22	24
Subtotal	-	10	21	22	24
Total Impact on Operating Budget	$ -	$ 560	$ 1,780	$ 2,187	$ 2,293

* FP Nitrogen impact in FY 2013 represents costs for 4 months, as it is the first year of operation.

The graph below shows the projected CIP impact by expense type. The majority, or 58%, of the impact is related to utility costs for Nitrogen Removal Facilities at both wastewater treatment facilities and for the CSO Phase II Facilities. In addition, increased chemical usage at the wastewater treatment facilities will account for approximately 38% of the cost increase. Biosolids disposal will increase as a result of the additional flows from the CSO Phase II Facilities and represents 3% of the impact. Finally, the impact of the trash nets for the Floatables Control Facilities accounts for 1% of the annual operational impact.

Projected CIP Impact by Expense Type



In order to assess the relative impact of the operating cost of the new facilities on the annual Operations and Maintenance Budget, the projected impact has been calculated as a percent of the annual O&M Budget. The table below shows that the FPWWTF Nitrogen removal facilities, with a projected annual operating cost of $1.8 million, will have the most significant impact on the O&M Budget increasing annual costs by more than 5%.

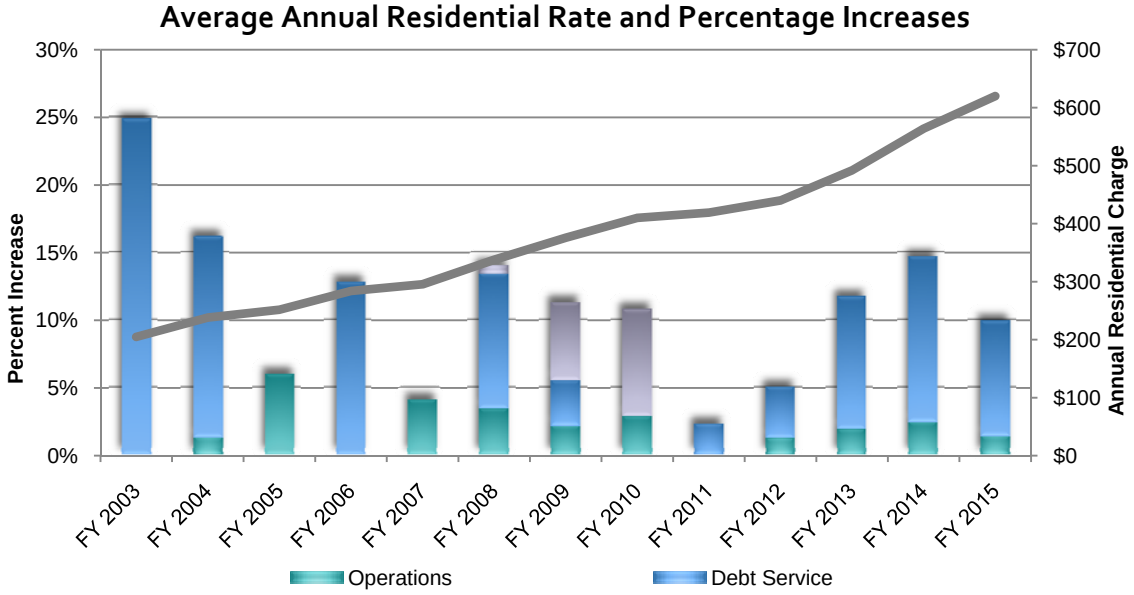
Projected CIP Impact on Operations & Maintenance Budget
(In thousands)

Project	FY 2016 Projected Operating Costs	Percentage Impact on O&M Budget*
FPWWTF Nitrogen Removal Facilties	$ 1,848	5.06%
Floatables Control Facilities	24	0.07%
BPWWTF Nitrogen Removal Facilities	258	0.71%
CSO Phase II Facilities	163	0.45%
Total	$ 2,293	6.28%

* Based on the 2011 Operating Budget

Impact of CIP on Sewer User Rates

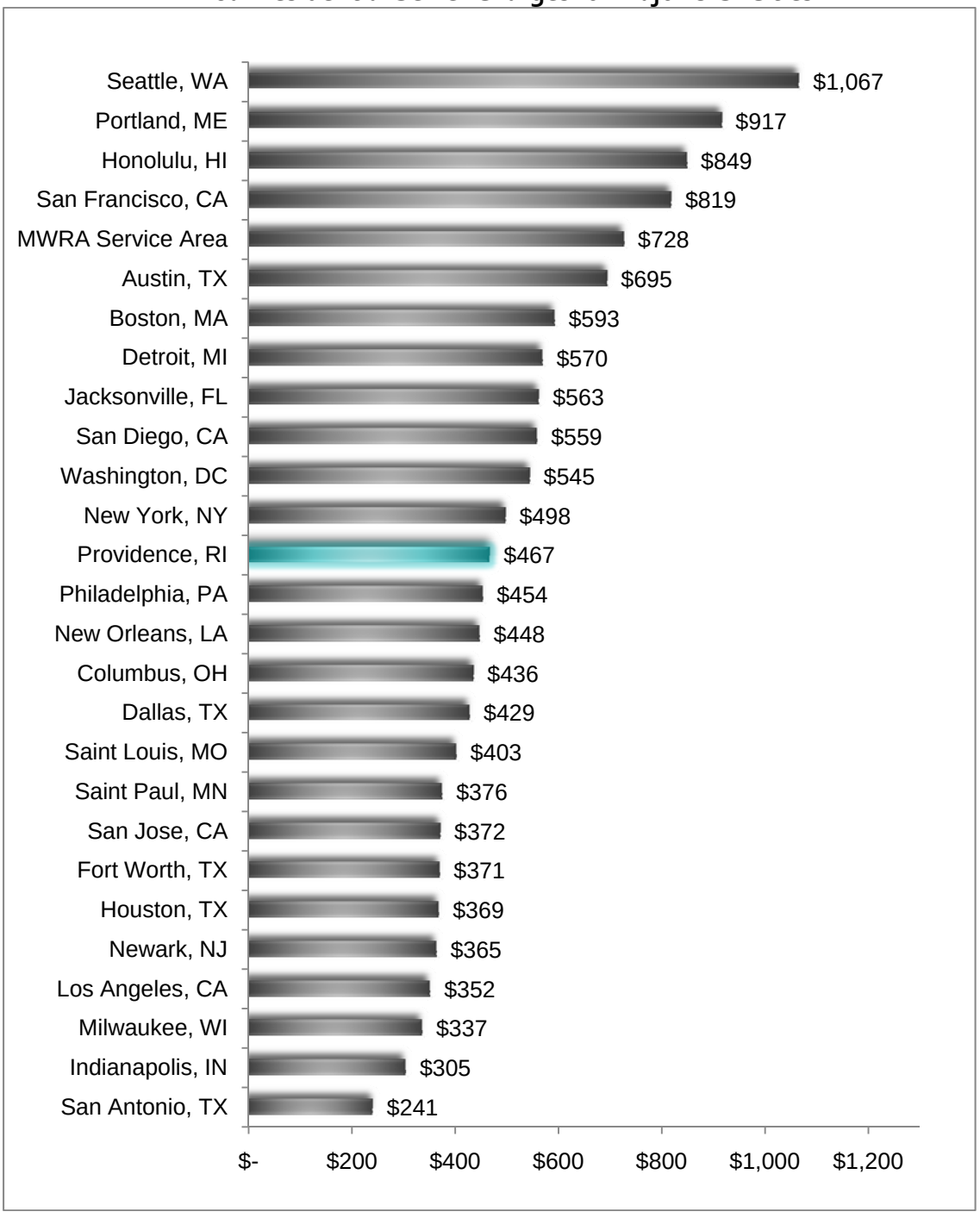
Sewer rates will increase over time due to the financing costs associated with the capital program and increased operating costs. The chart below takes into consideration the projected impact on operation and maintenance costs associated with the programmed capital projects, including Phase II of the 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 $419 in FY 2011 to approximately $620 in FY 2015. On a percentage basis, except for a larger increase in fiscal years 2013 and 2014, the rate increases in future years are projected to remain under 9%. 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.



* The increases in Projected R.I. Avg. User Fee Rate data above is estimated at 10% per year.

Even with these increases, NBC's sewer user rates remain competitive. In the 2009 survey of major U.S. cities, the Metropolitan Water Resource Authority (MWRA) Survey reported a national average rate of $523.22 based on average usage of 120 HCF. As can be seen in the chart, when NBC's 2009 rate is converted to the 120 HCF basis, it is well below the national average at $467.

Annual Residential Sewer Charges for Major U.S. Cities



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Capital Improvement Program (CIP)

The Capital Improvement Program

The Narragansett Bay Commission's CIP identifies programmed capital investments necessary to comply with current and future regulatory requirements, take advantage of technological advancements, and ensure the integrity of NBC's infrastructure. The projects, schedules, and costs that are included in the CIP have been developed through a planning process that involves NBC's engineering and construction staff and also incorporates the needs identified through NBC's asset management program. These capital improvements represent projects greater than $250,000 and are for new facilities as well as the repair and replacement of existing infrastructure. The CIP is a planning document and in addition to the depiction of costs for fiscal year 2011, the CIP shows programmed expenditures for fiscal years 2012-2016.

Capital Improvement Program Overview

This year's CIP identifies a total of 46 projects totaling approximately $507 million that are either in progress, to be initiated, or to be completed during the fiscal years of 2011-2016. Of that total, approximately $56 million of the programmed expenditures are in FY 2011 and approximately $451 million are to be spent over the five-year period of FY 2012-2016.

The following table summarizes the CIP expenditures by cost category. At $135 million, fiscal year 2013 has the largest amount of programmed expenditures during the six-year period. The construction of the CSO Phase II Facilities accounts for approximately 68% of the total of these expenditures, while Wastewater Treatment Facility improvements account for 26%.

FY 2011-2016 CIP Costs by Category
(In thousands)

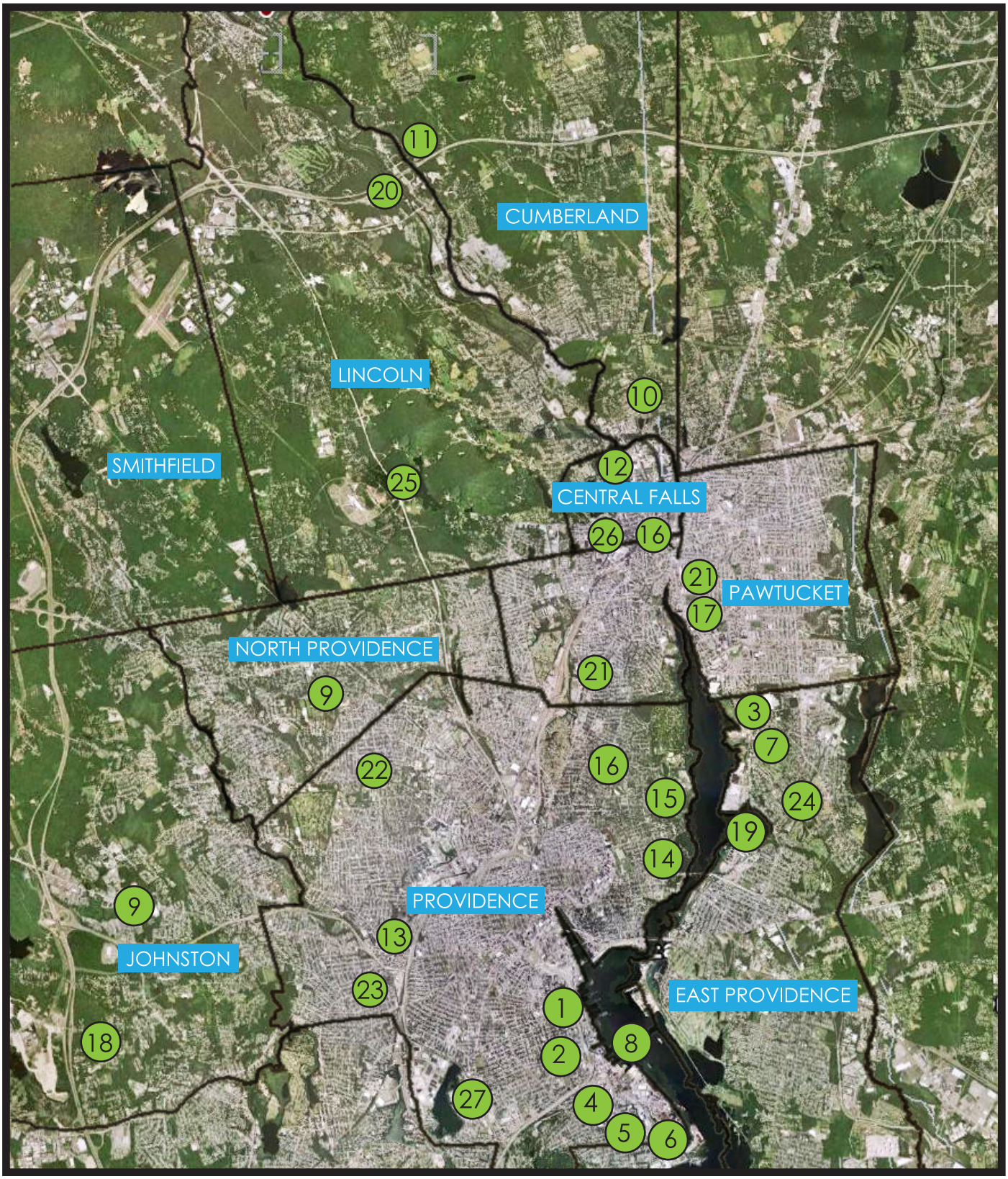
Cost Category	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total FY 2012-2016	Total Costs 2011-2016
Administrative	$ 2,294	$ 3,566	$ 4,156	$ 2,532	$ 1,626	$ 480	$ 12,360	$ 14,654
Land	6,681	530	600	-	500	-	1,630	8,311
A/E Professional	7,890	11,851	12,644	8,747	2,637	12,397	48,276	56,165
Construction	36,112	75,520	102,775	69,644	52,096	10,270	310,305	346,417
Contingency	272	2,216	4,324	18,596	19,478	274	44,888	45,160
Other	2,624	7,955	10,462	8,294	6,635	150	33,498	36,122
Total Project Costs	**$ 55,872**	**$ 101,638**	**$ 134,961**	**$ 107,814**	**$ 82,972**	**$ 23,571**	**$ 450,956**	**$ 506,828**

Capital Improvement Program Project Locations

The capital projects included in this CIP are categorized into one of eight areas depending on their scope and tasks to be completed. NBC maintains its commitment to program these capital expenditures in an efficient manner. Although 46 capital projects are identified in this year's CIP, the map on the following page outlines 27 project locations. The overall project locations are illustrated without overlapping due to the classification of phases. The map on the following page shows the various capital project locations as identified in the key below.

Legend Key	Project Number	Project Name
	Wastewater Treatment Facility Improvements	
1	10901	FPWWTF - Nitrogen Removal Facilities
2	11900	Regulatory Compliance Building
3	12000	BPWWTF - Biogas Reuse
4	12100	FPWWTF - Wind Turbine
5	12200C	FPWWTF - Flow Control Efficiencies
6	12400	NBC IM Facilities
7	80900	BPWWTF - Nitrogen Removal Facilities
	Infrastructure Management	
8	1100000	Site Specific Study
8	1140100	River Model Development
9	30221	Hydraulic Systems Modeling
10	30438	Interceptor Easements - Construction
11	30501	Interceptor Easements - NBC BVI
	Phase II CSO Facilities	
12	30302C	Phase II CSO Facilities - OF 106
13	30303C	Phase II CSO Facilities - WCSOI
14	30404C	Phase II CSO Facilities - SCSOI
15	30305C	Phase II CSO Facilities - OF 027
16	30306C	Phase II CSO Facilities - OF 037
	Phase III CSO Facilities	
17	30800	Phase III CSO Facilities
	Sewer System Improvements	
18	70500	Central Avenue Pump Station
19	70600C	Omega Pump Station Rack Room
20	70700C	Lincoln Septage Station - Lakeside Unit Replacement
	Floatables Control Facilities	
21	30600	Floatables Control Facilities
	CSO Interceptor Inspection and Cleaning	
22	30419M	Pleasant Valley Parkway Interceptor Inspection and Cleaning
23	30430M	Woonasquatucket Interceptor along Route 10 Inspection & Cleaning
24	30435M	East Providence Interceptor Inspection and Cleaning
	CSO Interceptor Repair and Construction	
25	30421	Louisquisset Pike Interceptor Replacement
26	30444	Moshassuck Valley Interceptor
27	30453C	Improvements to NBC Interceptors FY 2009

CAPITAL IMPROVEMENT PROGRAM
PROJECT LOCATIONS



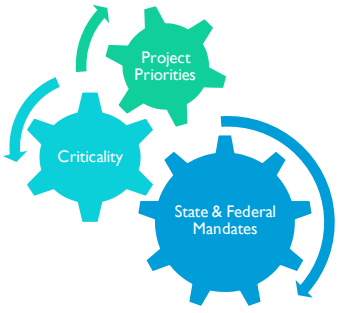
Capital Improvement Program Assumptions

The CIP is a planning document and NBC's 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, once they become available.
- The CIP does not include the operating capital outlay expenses such as plant and equipment replacement required on an annual basis. These expenses are identified in NBC's annual operating budget and are outlined in the five-year Operating Capital Outlay 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 includes a 7% allowance for salary and fringe associated with project management, based on historical data.
- Financing costs and debt service associated with new debt for the CIP Program are not included in the CIP expenditures or the project cash flows. Financing costs are capitalized and amortized over the length of the debt payment schedule, and debt service is included as an expense in the annual operating budget.

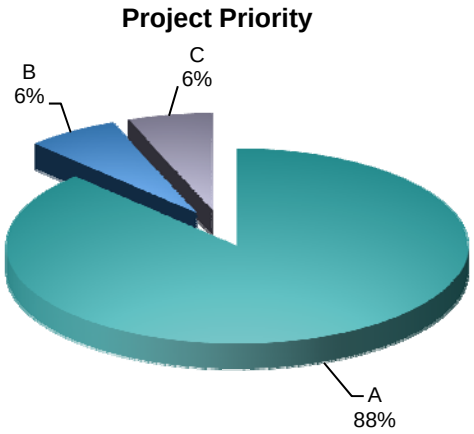
Capital Improvement Program Development

Over the years, NBC has developed a comprehensive capital improvement planning process that incorporates program priorities, the permitting process, construction management availability, seasonal considerations, scheduling and other factors. The CIP drives NBC's long-term financing requirements, and therefore the particulars of each project are an essential component of NBC's financial plan. NBC's capital expenditures are expected to remain high over the next five years. The funding levels are primarily due to investments required to meet state and federal mandates for CSO abatement and biological nutrient removal (BNR).



NBC's Project Managers begin the annual CIP process with the development of detailed justifications for each capital project including the project scope, the basis of the cost estimate, and the key factors impacting costs and schedules. The Project Managers also explain modifications from the prior year's CIP and the overall project timeline. A chart illustrating the detailed project scheduling can be found in the supporting schedules at the end of this document. A CIP Review Committee reviews the proposed capital project expenditures. Projects approved for inclusion in the CIP are subsequently analyzed to assess major program changes, overall capital funding needs, and the strength of the project's connection to the objectives in NBC's Strategic Plan.

As part of the CIP program development, the criticality of each project is assessed and a priority ranking is assigned based on that assessment. Projects with an "A" ranking indicate the highest criticality. Approximately 88% of the projects identified in fiscal years 2011-2016 are prioritized with an "A" ranking. These projects are either mandated or currently under construction and represent approximately $444 million. In addition, 6% or approximately $33 million of projects are identified with a "B" ranking, which includes projects imperative to NBC's ongoing operations. Finally, 6%, or nearly $30 million of the capital expenditures, are ranked as "C", as projects which are important but not critical to ongoing operations. The following table outlines the programmed expenditures according to each one of the three priority ranking throughout fiscal years 2011 – 2016.



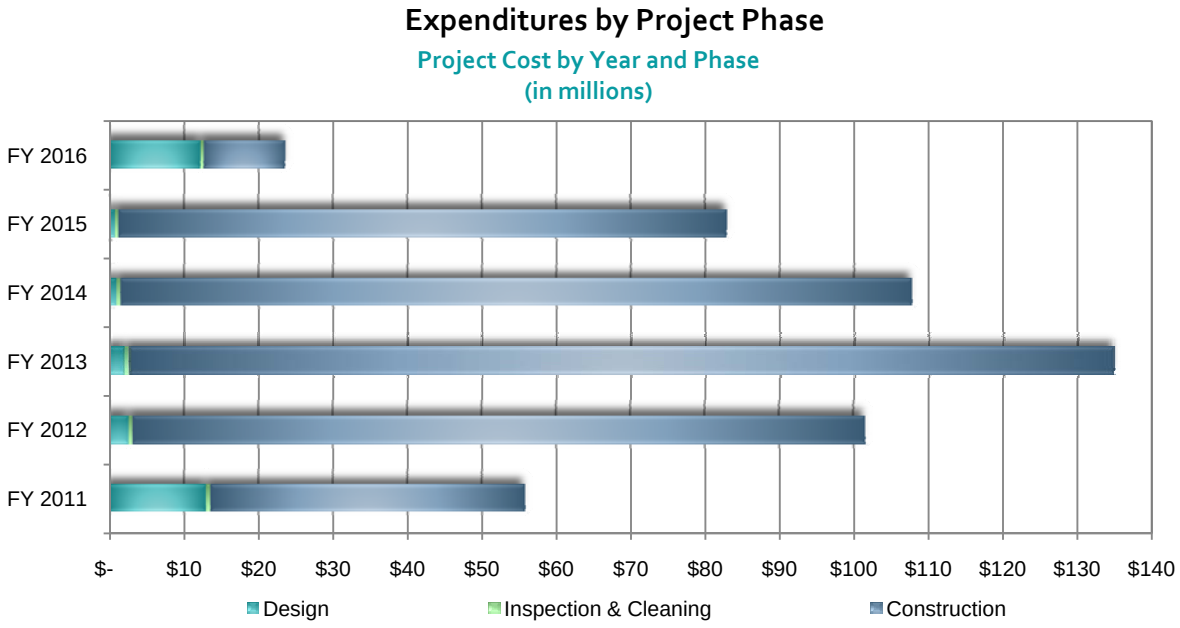
Estimated Costs by Project Priority
(In thousands)

Project Priority	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total Costs 2011-2016	Ranking Percentage
A	$ 51,905	$ 71,506	$ 112,836	$ 105,448	$ 80,972	$ 21,571	$ 444,237	88%
B	3,007	10,664	13,164	1,932	1,900	2,000	32,667	6%
C	960	19,469	8,961	434	100	-	29,924	6%
Total Project Costs	**$ 55,872**	**$ 101,638**	**$ 134,961**	**$ 107,814**	**$ 82,972**	**$ 23,571**	**$ 506,828**	**100%**

Capital Expenditure by Phase

To facilitate project management, NBC's large construction projects are delineated by phases, beginning with planning, followed by design, and finally construction. Planning consists of tasks such as feasibility studies and mapping. The design phase includes the intended technology as well as the development of all plans and specifications, acquisition of easements and permits. During the Construction phase, the facility improvements and infrastructure rehabilitation are constructed. The CIP also includes programmed capital projects which are not broken down into phases, since they deal with the routine inspection, cleaning, and repair of NBC's miles of interceptors, or other one-time special studies.

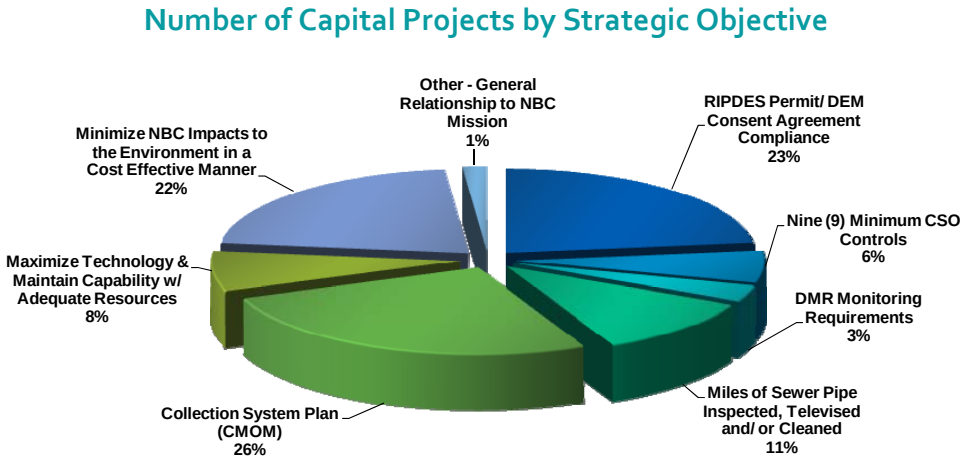
The following graph illustrates the programmed capital expenditures according to the project phase. The construction phase has the largest amount of expenditures during FY 2011-2016, with approximately 93% or $472 million of the total expenditures. Design is the second largest phase with $32 million or 6% of the capital expenditures. Finally, the inspection and cleaning and planning phase expenditures are approximately 1%.



Capital Projects by Strategic Objective

As part of the CIP development process, Project Managers determine the specific strategic goal or goals that the project will address. Projects may be aligned with more than one objective as the project may be intended for multiple purposes.

Of the total number of CIP projects, 26% are related to the Collection System Plan Objective which relates to capacity management and operation and maintenance of NBC's collection and treatment system. In addition, 23% of the projects are aligned with the RIPDES Permit/ DEM Consent Agreement Compliance Objective, which includes projects needed to meet regulatory requirements, and 22% of the projects are aligned to Minimize NBC's Impacts to the Environment in a Cost Effective Manner. The following chart illustrates the percentage of projects aligned with each Strategic Objective.



Capital Improvement Program Project Cost Allocation

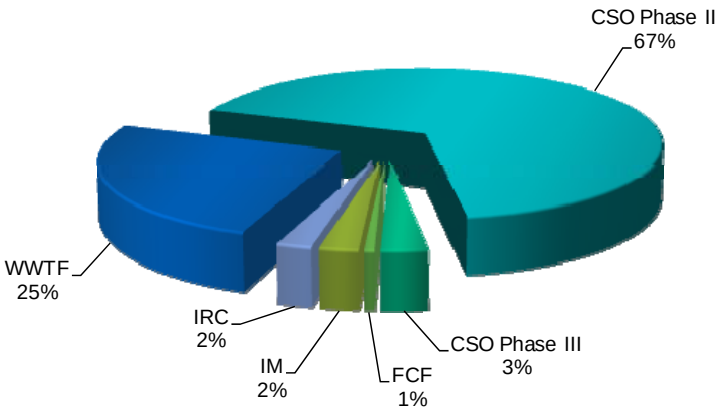
NBC classifies the capital expenditures by categorizing each capital project into one of eight functional areas, according to the scope and tasks involved within each capital project. The eight functional areas are described in the table below.

Allocation of Projects by Functional Area

Functional Area	Definition
Wastewater Treatment Facility Improvements (WWTF)	Projects related to improvements at the NBC's Wastewater Treatment Facilities, including the Nitrogen Removal Facilities.
Infrastructure Management (IM)	Includes Water Quality Monitoring, System-wide Facilities Planning, and Interceptor Easements.
Combined Sewer Overflow Phase II (CSO Phase II)	Projects related to the CSO Abatement Phase II Facilities.
Combined Sewer Overflow Phase III (CSO Phase III)	Projects related to the CSO Abatement Phase III Facilities.
Sewer System Improvements (SSI)	Projects related to pump station improvements, and other sewer system related improvements.
Floatables Control Facilities (FCF)	Includes all CSO Floatables Contol Facilities projects.
CSO Interceptor Inspection and Cleaning (IIC)	Includes projects related to interceptor inspection and cleaning.
CSO Interceptor Repair and Construction (IRC)	Includes projects related to interceptor repair and maintenance.

The following graph shows the allocation of capital expenditures according to the functional area classification. Of the approximately $451 million in capital expenditures scheduled over the five-year period of FY 2012-2016, $302 million, or 67%, is for Phase II of the CSO Abatement Project. In addition, 25% or $112 million is for Wastewater Treatment Facility Improvements, of which $67 million will be spent on the nitrogen removal facilities at both Field's Point and Bucklin Point. Finally, 3% or $12 million is allocated for Phase III of the CSO Abatement Project, for the same period.

CIP Costs by Functional Area



The following table shows a comparison of the capital expenditure costs by functional area on a year-to-year basis. The most significant change is due to the CIP's five-year window shift from year to year. The project with the largest percentage change from the prior year's CIP is the CSO Phase III Facilities, scheduled to begin in 2016. The programmed expenditures for the CSO Phase II Facilities are 18% or $46 million higher than last year's CIP based on revised cost estimates completed during preliminary design.

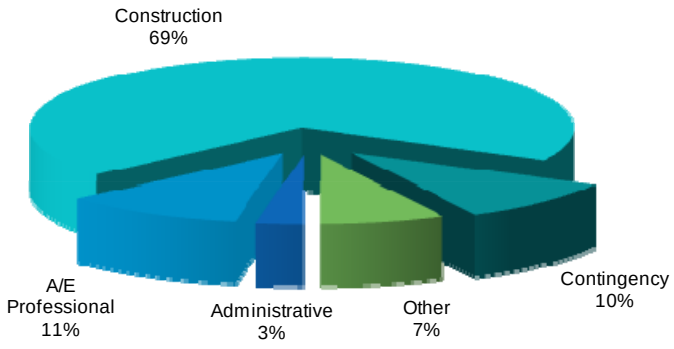
The remaining functional areas show decreases from the prior year CIP, reflecting the completion of several capital projects across the functional areas. Overall, there is a 4% increase in programmed expenditures for the current five-year period of FY 2012-2016 as compared to last year's five year CIP window.

Change by Functional Area
(In thousands)

Functional Area	Prior Year CIP (FY 2011-2015)	Current Year CIP (FY 2012-2016)	% Change
Wastewater Treatment Facility Improvements	$ 131,839	$ 111,824	-15%
Infrastructure Management	10,554	10,365	-2%
CSO Phase II Facilities	255,901	301,723	18%
CSO Phase III Facilities	-	12,257	100%
Sewer System Improvements	558	130	-77%
Floatables Control Facilities	7,813	2,747	-65%
CSO Interceptor Inspection and Cleaning	10,000	2,500	-75%
CSO Interceptor Repair and Construction	15,000	9,410	-37%
Total	$ 431,665	$ 450,956	4%

For planning purposes, the programmed expenditures within each project are classified into cost categories. Cost categories include the Administrative category, which includes NBC labor costs as well as police, legal, and advertising expenses. The Land category includes costs for easements, as well as land acquisition. The Architectural/Engineering (A/E) Professional cost category is comprised of the architectural and engineering services generally related to planning or design. The Construction cost category reflects contractor and construction management costs. Lastly, the Contingency cost category includes an allowance for construction cost increases based upon industry experience related to construction cost factors. As shown in the following chart, construction costs represent $310 million, or approximately 69% of the total costs within the five-year period. Architectural and Engineering services represent approximately 11% or $48 million of the costs during this same period.

CIP Costs by Type of Activity

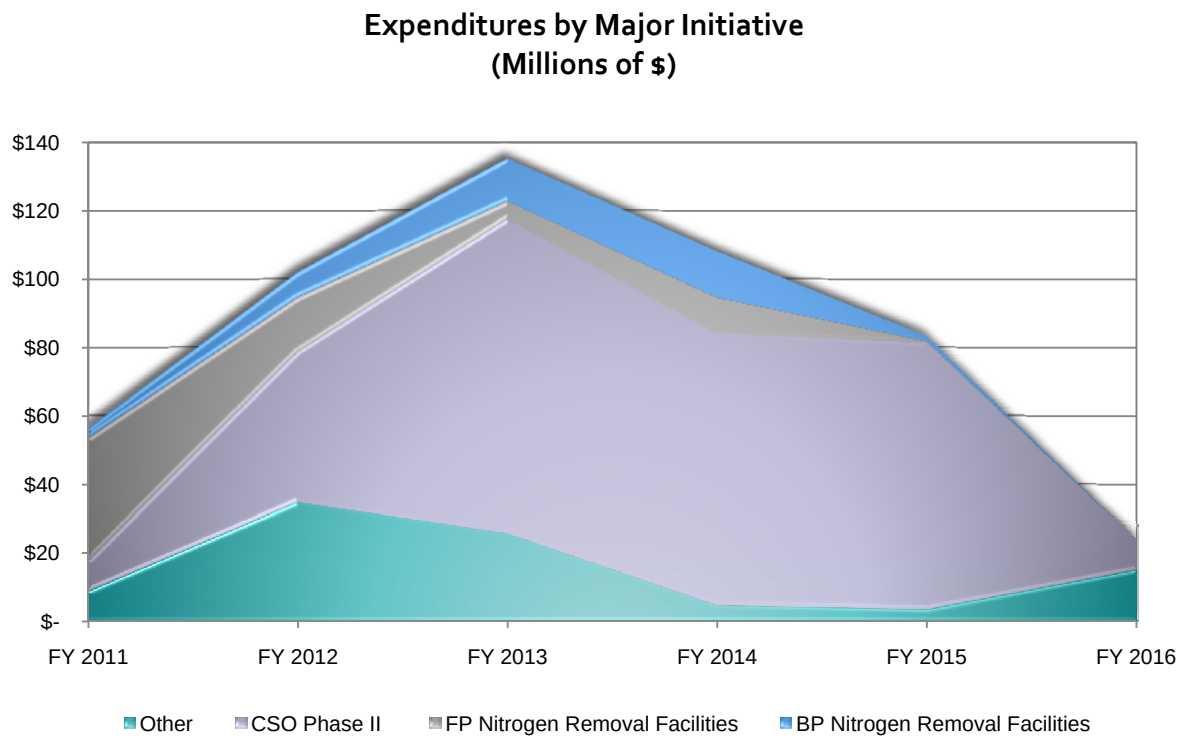


Significant Capital Improvement Projects

This year's CIP includes costs for three major initiatives: construction of the CSO Phase II Facilities, the nutrient removal facilities at the Field's Point WWTF and nutrient removal at the Bucklin Point Wastewater Treatment Facility. Costs for these three initiatives during the six-year period total $416 million, or more than 80% of this year's CIP. Construction of the Field's Point nutrient removal facilities began in FY 2010. Construction of the CSO Phase II Facilities is scheduled to begin in FY 2011 and the Bucklin Point nutrient removal facilities in FY 2012. NBC's investment in its other infrastructure projects is anticipated to remain fairly level in the near future as part of NBC's commitment to maintain its facilities. The following table and graph show the programmed expenditures for NBC's major initiatives and other smaller projects included in this CIP over the next six years.

Expenditures by Major Initiative
(In thousands)

Project	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total Costs FY 2011 - 2016	Percentage of Six-Year Costs
CSO Phase II Facilities	$ 8,812	$ 43,999	$ 91,810	$ 79,419	$77,835	$ 8,660	$ 310,535	61%
FP Nitrogen Removal Facilities	35,805	15,824	5,205	10,357	278	-	67,469	13%
BP Nitrogen Removal Facilities	2,720	7,332	12,474	13,555	1,500	-	37,580	7%
Other	8,534	34,484	25,473	4,483	3,359	14,911	91,244	18%
Total	$55,872	$ 101,638	$ 134,961	$ 107,814	$82,972	$23,571	$ 506,828	100%



Project 303: CSO Phase II Facilities

The CSO Phase II Facilities are the second phase of the three phase federally mandated CSO Abatement Program. NBC completed the preliminary design plans for CSO Phase II and submitted the plans to the Rhode Island Department of Environmental Management (RIDEM), in accordance with the schedule in the Consent Agreement between NBC and RIDEM. The plans were conditionally approved by RIDEM in December 2009.

Currently, final design of the CSO Phase II Facilities is approximately 90% complete. The estimated cost for Phase II construction is approximately $307 million, or 67% of the total costs included in the five-year window of FY 2012-2016. This year's CIP reflects and assigns separate capital project numbers for the six components of the Phase II Facilities based upon the task and the corresponding estimated costs.

Project #	Project Description		Estimated Cost (In thousands)
Phase II CSO Facilities - Construction Project Assignment:			
30301RS	Phase II CSO Facilities - Program and Construction Management	$	30,315
30302C	Phase II CSO Facilities - 106 Wetlands Treatment Facility		10,197
30303C	Phase II CSO Facilities - Woonasquatucket CSO Interceptor		141,312
30304C	Phase II CSO Facilities - Seekonk CSO Interceptor		65,839
30305C	Phase II CSO Facilities - 027 Sewer Separation		15,892
30306C	Phase II CSO Facilities - 037 Sewer Separation		43,884
	Total Phase II Facilities - Construction	$	307,439

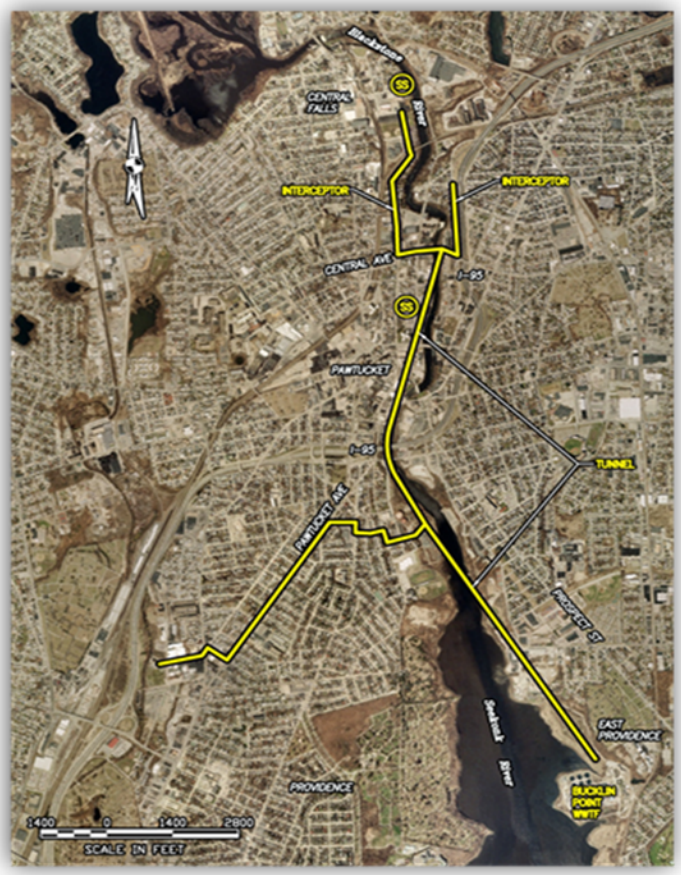
Phase II involves the construction of two interceptors in the Field's Point Service Area. The first is to be located along the Seekonk River (Project 30304C) and the second is to be located along the Woonasquatucket River (Project 30303C). These two interceptors will eliminate the discharge from approximately ten outfalls (OFs) for most storms. These flows will then be conveyed to the CSO Tunnel constructed in Phase I.

OF 106 located near Higginson Avenue in Central Falls, where the wetlands treatment facility will be constructed

The length of the Woonasquatucket Interceptor is 19,150 feet and the length of the Seekonk Interceptor is approximately 8,000 feet. Phase II also includes two sewer separation projects in the Hillside area of Providence which will separate the sanitary flow from the storm water flow. A wetlands treatment facility will also be constructed in Central Falls consisting of a storage tank and created wetlands. For small storms or 1 month storms, all the combined sewer flow will be stored in the tank until after the storm when it will be discharged to the interceptor. For storms greater than the 1 month storm, treatment will be provided by the wetland.

Project 308: CSO Phase III Facilities

The CSO Phase III Facilities represent the third and final phase of the federally mandated CSO Abatement Program required as part of a Consent Agreement between NBC and RIDEM. This phase includes the construction of a tunnel in Pawtucket along the Seekonk and Blackstone Rivers (shown right), totaling approximately 13,000 feet in length. This tunnel will store flows from three CSO Interceptors totaling approximately 14,500 feet in length, and two sewer separation projects. Flows from this tunnel will be conveyed to NBC's Bucklin Point WWTF for treatment. Total pre-design cost estimates are $603 million for the CSO Phase III Facilities and are included in this year's CIP. The CSO Phase III Facilities represent approximately 3% or $12 million for design in the five-year period of FY 2012-2016.



Nitrogen Removal at Field's Point and Bucklin Point

In accordance with terms of the Consent Agreement between NBC and RIDEM, NBC is required to attain a seasonal total nitrogen limit of 5 mg/l from May to October at both facilities. NBC issued the Notice to Proceed for nitrogen removal construction services at Field's Point on September 28, 2009. The draft Facilities Plan Amendment for nitrogen removal at Bucklin Point was conditionally approved by RIDEM on November 10, 2009.

Field's Point

The construction cost estimate for the Field's Point nitrogen removal facilities and related upgrades (Project 109), is $72 million, which is $20 million less than the amount carried in last year's CIP. The cost differential is the direct result of a lower construction bid than estimated. In addition to the low bid, this project qualified for $57 million in financing through the Federal American Recovery and Reinvestment Act (ARRA). The ARRA program, administered though the Rhode Island Clean Water Finance Agency, includes a "principal forgiveness" component of approximately 15% or approximately $8.6 million in addition to the traditional interest rate subsidy.

Throughout the construction period, significant structural and mechanical changes will be made to the plant, without disruption to the 24 hour day to day operations. As part of this project, the existing aeration basins will be modified to accommodate an Integrated Fixed Film Activated Sludge (IFAS) process. In order to support the IFAS process, and achieve the mandated nitrification / denitrification limits, it will be necessary to install and furnish a variety of wastewater treatment equipment, process piping, electrical components and controls.

The existing blower building will be modified to accommodate turbo blowers that will provide the necessary aeration for the nitrogen removal process. Work is also being performed on site to relocate the electrical concrete encased duct bank (photo shown to the left) as well as the preliminary excavation work throughout the area for the new operations building. This building will house the computer control systems for the BNR Facilities, wastewater operations at Field's Point, the Tunnel Pump Station, and the Ernest Street Pumping Station.

A new screenings facility will eliminate the fine solids from the flow prior to entering the aeration tanks. The screw lift pumps will be replaced and new piping installed to improve the distribution of the return activated sludge (RAS), before entering the aeration tanks. Tanks and pumps will also be installed for the chemical addition of carbon and alkalinity, needed for the BNR process.

Finally, upgrades will be made to the current electrical service in order to provide the additional power needed for BNR and a new backup generator will be connected to ensure a constant power supply.

Bucklin Point

NBC's facilities at Bucklin Point were designed to achieve a total nitrogen level of 8mg/l, but subsequent to the completion of construction for these facilities, RIDEM established a seasonal total nitrogen limit of 5 mg/l. Currently, NBC is working on the design for the new and upgraded facilities (Project 809). The final design plans and specifications are required to be submitted to RIDEM by December 31, 2010. Current pre-design construction estimates are $35 million.

This project will upgrade the existing BNR processes at Bucklin Point. The current two stage aeration tanks (shown right) will be reconfigured to a four stage process with one additional anoxic zone and one additional aerobic zone. A number of existing process operations will be upgraded and a new chemical addition system for supplemental carbon will be constructed.

Other Capital Projects

Green Technologies

A renewable energy source may be considered a green technology or "green" if it does not produce greenhouse gasses or otherwise adversely impact the environment or compromise the ability for future generations to meet their energy needs. NBC currently has three projects that meet these criteria.

NBC's Wind Turbine energy project at Field's Point (Project 121) will convert wind energy into electricity using up to three turbines. This project is expected to generate clean sustainable energy for use on-site for wastewater treatment operations. In addition to reducing greenhouse gas emissions, the wind turbines will help stabilize energy related operating costs. The project is expected to cost approximately $14.9 million.

At Bucklin Point, NBC uses a process called anaerobic digestion to treat and stabilize biosolids from the wastewater treatment process. Here the biosolids are placed in large heated tanks and allowed to biologically decompose in the absence of oxygen, generating a methane rich biogas byproduct suitable for energy recovery. NBC currently uses about 50% of this biogas in an on-site heat exchanger to supply heat to the anaerobic digestion tanks. The remaining biogas is flared as waste. Using a combined heat and power system NBC will burn all the biogas in an engine, such as the one shown below, to generate both electricity and heat energy for use within the wastewater treatment facility. This process will reduce NBC's dependency on fossil fuel generated electricity and will reduce NBC's carbon foot print through the efficient use of this readily available renewable fuel. Estimated construction costs (Project 120) are approximately $2.4 million.

A secondary digester at Bucklin Point

Finally, four variable frequency drives (VFDs) will be installed at the Ernest Street Pump Station to control the rate of the flow entering the Field's Point WWTF (Project 122) from the Ernest Street Pump Station and the Tunnel Pump Station, maximizing energy efficiency. In addition, to these flow control efficiencies, a generator at the ESPS will be connected to Field's Point to provide additional power for treatment should a power outage occur. The generator will ensure that NBC can run the equipment and processes required to treat incoming flow and will also supplement the electricity supply for the tunnel pump station should the electrical demand become greater than the supply. The system is projected to cost approximately $1.7 million.

Capital Improvement Program Changes

Completed Projects

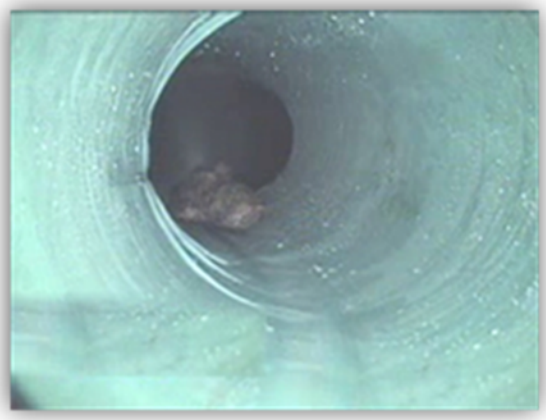
This CIP includes projects that demonstrate NBC's continued commitment to annually clean and inspect NBC's interceptors. Through this initiative, NBC is able to program its maintenance expenditures in an efficient manner. These projects allow NBC to protect its infrastructure, maximize flow capacity, and provide for the health and safety of the public. In this year's CIP, NBC allocates $1.5 million annually to interceptor construction and repairs and $500 thousand annually to interceptor inspection and cleaning. As improvement projects are identified through the inspection process they are funded from the annual allocation.

Of the twelve projects completed last year, the majority of the expenditures were a result of the final payment releases for the CSO Phase I Facilities. Both the Infrastructure Management and Interceptor Repair and Construction functional areas accounted for approximately 10% of the completed projects. Also noteworthy is the completion of NBC's Asset Management Program, which provides NBC with the pertinent data to manage its infrastructure and assist in the planning of capital expenditures. The following table summarizes the completed projects and their total costs.

Completed Project #	Completed Project Description		Total Costs (In thousands)
Wastewater Treatment Facility Improvements			
11700BP	BP Code Upgrades, NBC Disaster Recovery and FP Security	$	2,892
80900P	BPWWTF - Nitrogen Removal Facilities - Planning		260
	Subtotal - Wastewater Treatment Facility Improvements		3,152
Infrastructure Management			
11500D	Asset Management	$	2,359
3022100	CSO Flow and Water Quality Monitoring		2,491
30438D	Interceptor Easements - Design		775
	Subtotal - Infrastructure Management		5,625
Phase I CSO Facilities			
30203RS	Phase I CSO Facilities - Program and Construction Management	$	36,220
30214C	Phase I CSO Facilities - Tunnel Pump Station Fitout and Startup		58,595
CSO Admin	CSO Construction Staff/Police Detail/Legal Costs		4,898
	Subtotal - Phase I CSO Facilities		99,713
Sewer System Improvement			
70500D	Central Avenue Pump Station - Design	$	174
	Subtotal - Sewer System Improvement		174
CSO Interceptor Inspection and Cleaning			
30433M	Woonasquatucket Interceptor Inspection and Cleaning	$	67
	Subtotal - CSO Interceptor Inspection and Cleaning		67
CSO Interceptor Repair and Construction			
30417C	India Street Siphon Gate House Replacement	$	975
30451C	Improvements to NBC Interceptors FY 2008		2,097
30452C	Improvements to NBC Interceptors FY 2009		2,693
	Subtotal - CSO Interceptor Repair and Construction		5,765
	Total Completed Projects	$	114,496

New Projects

The FY 2012-2016 CIP identifies nine new projects. Approximately 55% of these new projects are to meet state and federal regulatory requirements. These requirements range from fire code changes to federally mandated programs such as the CSO Phase III Facilities. This year's CIP reflects the identification of two new interceptor easement projects. Funds were reallocated to these projects from the interceptor easement placeholder. The final new project is the addition of a design phase to complete the sewer system model. The projects and estimated costs are outlined in the following table.



A portion of the recently lined sanitary and CSO interceptor near Sumter Street in South Providence completed under Project 30452C.

Project #	Project Description	Estimated Cost (In thousands)
New Projects:		
12300C	NBC Fire Code Compliance	$ 1,225
12400D	NBC IM Facilities - Design	557
12400C	NBC IM Facilities - Construction	6,052
30221D	Hydraulic Systems Modeling - Design	252
30501D	Interceptor Easements - NBC BVI Design	631
30501C	Interceptor Easements - NBC BVI Construction	730
30453C	Improvements to NBC Interceptors FY 2010	702
30800D	Phase III CSO Facilities - Design	37,012
30800C	Phase III CSO Facilities - Construction	565,950
	Total New Projects	$ 613,111

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 financing in order to minimize ratepayer impact, while ensuring compliance with regulatory constraints. NBC is authorized to issue debt to finance its CIP and uses a Long-Term Financial Model to identify capital funding needs and sources and to project 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 the State Revolving Fund Program (SRF) provides interest rate subsidies on loans for eligible projects.
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 only operating capital and capital projects, as well as the Reserve for Revenue Stability Fund.

- 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 NBC's Trust Indenture and Thirteen Supplemental Indentures.

Capital Projects

Capital Project Cost Summary

Project Number	Project Name	Project Priortiy	Pre-Fiscal Year 2011	Fiscal Year 2011	Fiscal Years 2012 - 2016	Post-Fiscal Year 2016	Total Estimated Project Cost
Wastewater Treatment Facility Improvements							
10901D	FPWWTF - Nitrogen Removal Facilities - Design	A	$ 4,884	$ 1,922	$ -	$ -	$ 6,806
10901C	FPWWTF - Nitrogen Removal Facilities - Construction	A	6,242	33,884	31,663	-	71,789
11900D	Regulatory Compliance Building - Design	B	1,166	770	171	-	2,106
11900C	Regulatory Compliance Building - Construction	B	-	22	21,090	-	21,112
12000D	BPWWTF - Biogas Reuse - Design	C	10	180	-	-	190
12000C	BPWWTF - Biogas Reuse - Construction	C	-	33	2,330	-	2,363
12100C	FPWWTF - Wind Turbine - Construction	C	17	465	14,430	-	14,912
12200C	FPWWTF - Flow Control Efficiencies	A	294	1,446	-	-	1,740
12300C	NBC Fire Code Compliance	A	-	551	674	-	1,225
12400D	New IM Facilities - Design	C	-	3	554	-	557
12400C	New IM Facilities - Construction	C	-	-	6,052	-	6,052
80900D	BPWWTF - Nitrogen Removal Facilities - Design	A	730	2,720	-	-	3,450
80900C	BPWWTF - Nitrogen Removal Facilities - Construction	A	-	-	34,860	-	34,860
	Subtotal - Wastewater Treatment Facility Improvements		$ 13,342	$ 41,996	$ 111,824	$ -	$ 167,162
Infrastructure Management							
1100000	Site Specific Study	A	$ 211	$ -	$ 246	$ -	$ 457
1140100	River Model Development	C	230	41	107	-	378
30221D	Hydraulic Systems Modeling - Design	C	-	-	252	-	252
30438D	Interceptor Easements - Design	A	644	131	-	-	775
30438C	Interceptor Easements - Construction	A	-	529	83	-	612
30500D	NBC Interceptor Easements - Design	B	1	133	4,130	-	4,264
30500C	NBC Interceptor Easements - Construction	B	-	-	3,670	-	3,670
30501D	Interceptor Easements - NBC BVI Design	A	67	565	-	-	631
30501C	Interceptor Easements - NBC BVI Construction	A	-	-	730	-	730
30700	NBC System-wide Facilities Planning	B	-	245	1,147	-	1,392
	Subtotal - Infrastructure Management		$ 1,153	$ 1,644	$ 10,365	$ -	$ 13,162
Phase II CSO Facilities							
Phase II CSO Facilities - Design							
30301D	Phase II CSO Facilities - Design	A	$ 13,395	$ 5,646	$ -	$ -	$ 19,041
	Subtotal - Phase II CSO Facilities - Design		$ 13,395	$ 5,646	$ -	$ -	$ 19,041
Phase II CSO Facilities - Construction							
30301RS	Phase II CSO Facilities - Program & Construction Management	A	$ -	$ 1,605	$ 28,710	$ -	$ 30,315
30302C	Phase II CSO Facilities - OF 106	A	-	137	10,060	-	10,197
30303C	Phase II CSO Facilities - WCSOI	A	-	-	141,312	-	141,312
30304C	Phase II CSO Facilities - SCSOI	A	-	-	63,289	2,550	65,839
30305C	Phase II CSO Facilities - OF 027	A	-	797	15,095	-	15,892
30306C	Phase II CSO Facilities - OF 037	A	-	627	43,257	-	43,884
	Subtotal - Phase II CSO Facilities - Construction		$ -	$ 3,166	$ 301,723	$ 2,550	$ 307,439
Phase III CSO Facilities							
30800D	Phase III CSO Facilities - Design	A	$ -	$ -	$ 12,257	$ 24,755	$ 37,012
30800C	Phase III CSO Facilities - Construction	A	-	-	-	565,950	565,950
	Subtotal - Phase III CSO Facilities		$ -	$ -	$ 12,257	$ 590,705	$ 602,962

Capital Project Cost Summary

Project Number	Project Name	Project Priortiy	Pre-Fiscal Year 2011	Fiscal Year 2011	Fiscal Years 2012 - 2016	Post-Fiscal Year 2016	Total Estimated Project Cost
Sewer System Improvements							
70500C	Central Avenue Pump Station - Construction	A	$ 734	$ 120	$ -	$ -	$ 854
70600C	Omega Pump Station Rack Room - Construction	B	4	124	-	-	128
70700C	Lincoln Septage Station - Lakeside Unit Replacement	A	43	439	130	-	612
	Subtotal - Sewer System Improvements		$ 781	$ 683	$ 130	$ -	$ 1,594
Floatables Control Facilities							
30600D	Floatables Control Facilities - Design	A	$ 78	$ 656	$ -	$ -	$ 733
30600C	Floatables Control Facilities - Construction	A	-	27	2,747	-	2,774
	Subtotal - Floatables Control Facilities		$ 78	$ 683	$ 2,747	$ -	$ 3,507
CSO Interceptor Inspection and Cleaning							
30400M	Inspection & Cleaning of CSO Interceptors	B	$ 341	$ -	$ 2,500	$ 500	$ 3,341
30419M	Pleasant Valley Parkway Interceptor Inspection and Cleaning	B	103	179	-	-	282
30430M	Woonasquatucket Interceptor along Route 10 Inspection and Cleaning	B	-	310	-	-	310
30435M	East Providence Interceptor Inspection and Cleaning	B	-	165	-	-	165
	Subtotal - CSO Interceptor Inspection and Cleaning		$ 444	$ 654	$ 2,500	$ 500	$ 4,098
CSO Interceptor Repair and Construction							
30400C	Repair and Construction of CSO Interceptors	B	$ -	$ 628	$ 4,021	$ 1,500	$ 6,149
30421C	Louisquissett Pike Interceptor Replacement- Construction	C	-	-	2,382	-	2,382
30444D	Moshassuck Valley Interceptor - Design	C	-	238	285	-	523
30444C	Moshassuck Valley Interceptor - Construction	C	-	-	2,572	-	2,572
30453C	Improvements to NBC Interceptors FY 2010	A	17	535	150	-	702
	Subtotal - CSO Interceptor Repair and Construction		$ 17	$ 1,400	$ 9,410	$ 1,500	$ 12,328
Total Capital Improvement Program			$ 29,209	$ 55,872	$ 450,956	$ 595,255	$ 1,131,292

Note: Cash Flow Basis in Thousands

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

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10901
FPWWTF - Nitrogen Removal Facilities

The RIPDES permit for Field's Point requires a nitrogen limit of 5mg/l, from May to October. This project will modify the existing aeration basins to accomodate an Integrated Fixed Film Media process. The construction cost estimate has been revised from last year's CIP based on the bid received. The estimate for the increase in utility, chemical and maintenance costs associated with the operation of the new nitrogen removal facilities is approximately $1.7 million for the first full year of operation. The subsequent years have a projected 5% increase in operating costs.

Photo: Aerial view of the FPWWTF

Project Overview:

Location: Field's Point WWTF (Providence, RI)
Contractor(s): SEA Consultants, Daniel O'Connell's Sons
Project Manager: Rich Bernier, P.E.
Project Priority: A

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Project Duration	Cost (in Thousands)
Planning	April-01	May-07	75 Months	$872
Design	February-07	July-10	42 Months	6,806
Construction	March-09	March-15	73 Months	71,789
Total Project	**April-01**	**March-15**	**170 Months**	**$79,466**

Projected Expenditures - 10901P

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 392	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 392
A/E Professional	413	-	-	-	-	-	-	-	413
Other	67	-	-	-	-	-	-	-	67
Total Project Costs	$ 872	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 872

Projected Expenditures - 10901D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 414	$ 34	$ -	$ -	$ -	$ -	$ -	$ -	$ 448
Land	20	1,881	-	-	-	-	-	-	1,900
A/E Professional	4,396	-	-	-	-	-	-	-	4,396
Other	55	7	-	-	-	-	-	-	62
Total Project Costs	$ 4,884	$ 1,922	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,806

Projected Expenditures - 10901C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 501	$ 658	$ 622	$ 575	$ 270	$ 2	$ -	$ -	$ 2,627
Land	1	2	-	-	-	-	-	-	3
A/E Professional	1,016	1,025	926	666	567	-	-	-	4,200
Construction	4,697	31,750	14,230	3,930	520	276	-	-	55,403
Contingency	-	-	-	-	9,000	-	-	-	9,000
Other	27	450	46	34	-	-	-	-	557
Total Project Costs	$ 6,242	$ 33,884	$ 15,824	$ 5,205	$ 10,357	$ 278	$ -	$ -	$ 71,789

Note: Cash Flow Basis in Thousands

11900
NBC Regulatory Compliance Building and Related Upgrades

This project will plan, design, and construct a Regulatory Compliance Building, which will house the Pretreatment, EMDA, and Laboratory sections of the NBC. This building will unify NBC's efforts for environmental sampling and related analysis. The building will be located on Service Road in Providence. This project also includes related site demolition, site access and security.

Photo: An architect's rendering of the Regulatory Compliance Building

Project Overview:

Location: Service Road (Providence, RI)
Contractor(s): CDM (preliminary design)
Project Manager: Mark Thomas, P.E.
Project Priority: B

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	September-08	June-09	9 Months	$323
Design	September-10	July-11	10 Months	2,106
Construction	May-11	March-14	34 Months	21,112
Total Project	**September-08**	**March-14**	**67 Months**	**$23,542**

Projected Expenditures - 11900P

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 132	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 132
A/E Professional	191	-	-	-	-	-	-	-	191
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ 323	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 323

Projected Expenditures - 11900D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 11	$ 101	$ 11	$ -	$ -	$ -	$ -	$ -	$ 123
Land	1,155	19	-	-	-	-	-	-	1,173
A/E Professional	-	640	160	-	-	-	-	-	800
Other	-	10	-	-	-	-	-	-	10
Total Project Costs	$ 1,166	$ 770	$ 171	$ -	$ -	$ -	$ -	$ -	$ 2,106

Projected Expenditures - 11900C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ 22	$ 420	$ 199	$ 1	$ -	$ -	$ -	$ 642
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	150	150	-	-	-	-	300
Construction	-	-	8,300	9,610	90	-	-	-	18,000
Contingency	-	-	-	2,160	-	-	-	-	2,160
Other	-	-	10	-	-	-	-	-	10
Total Project Costs	$ -	$ 22	$ 8,880	$ 12,119	$ 91	$ -	$ -	$ -	$ 21,112

Note: Cash Flow Basis in Thousands

12000
BPWWTF Biogas Reuse

NBC is investigating the feasibility of using biogas generated within the biosolids anaerobic digestion tanks at the Bucklin Point WWTF to generate electricity, using a reciprocating engine or microturbine. Preliminary studies anticipate that this system could produce significant electrical cost savings at Bucklin Point.

Photo: A Caterpillar reciprocating engine

Project Overview:

Location: Bucklin Point WWTF (East Providence, RI)
Contractor(s): N/A
Project Manager: Kathryn Kelly, P.E.
Project Priority: C

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	June-07	December-09	31 Months	$46
Design	April-10	January-11	10 Months	190
Construction	February-11	January-13	24 Months	2,363
Total Project	**June-07**	**January-13**	**69 Months**	**$2,599**

Projected Expenditures - 12000P

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 22	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22
A/E Professional	23	-	-	-	-	-	-	-	23
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ 46	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 46

Projected Expenditures - 12000D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 2	$ 28	$ -	$ -	$ -	$ -	$ -	$ -	$ 30
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	130	-	-	-	-	-	-	130
Other	7	23	-	-	-	-	-	-	30
Total Project Costs	$ 10	$ 180	$ -	$ -	$ -	$ -	$ -	$ -	$ 190

Projected Expenditures - 12000C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ 11	$ 35	$ 2	$ -	$ -	$ -	$ -	$ 48
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	12	38	-	-	-	-	-	50
Construction	-	-	1,900	100	-	-	-	-	2,000
Contingency	-	-	240	-	-	-	-	-	240
Other	-	10	15	-	-	-	-	-	25
Total Project Costs	$ -	$ 33	$ 2,228	$ 102	$ -	$ -	$ -	$ -	$ 2,363

Note: Cash Flow Basis in Thousands

12100
FPWWTF Wind Turbine

NBC has investigated the feasibility of converting wind energy into electricity using three Mega-Watt (MW) Class Wind Turbines at the Field's Point WWTF. Preliminary studies indicated that the turbine would result in decreased electricity costs. Currently NBC is determining the scale and number of turbines. Once this information is evaluated, NBC will be able to estimate the electricity savings. The design phase has been incorporated into the construction phase, since the wind turbines will be pre-built and then assembled on site.

Photo: A rendering of the wind turbines from accross Narragansett Bay

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	December-06	December-09	38 Months	$41
Design	N/A	N/A	N/A	N/A
Construction	October-10	November-12	25 Months	14,912
Total Project	**December-06**	**November-12**	**72 Months**	**$14,953**

Projected Expenditures - 12100P

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 25	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 25
A/E Professional	-	-	-	-	-	-	-	-	-
Other	15	-	-	-	-	-	-	-	15
Total Project Costs	$ 41	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 41

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 12100C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 17	$ 85	$ 50	$ -	$ -	$ -	$ -	$ -	$ 152
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	180	12,670	150	-	-	-	-	13,000
Contingency	-	-	1,560	-	-	-	-	-	1,560
Other	-	200	-	-	-	-	-	-	200
Total Project Costs	$ 17	$ 465	$ 14,280	$ 150	$ -	$ -	$ -	$ -	$ 14,912

Note: Cash Flow Basis in Thousands

12200C
FPWWTF Flow Control Efficiency

This project will add four Variable Frequency Drives (VFD) to existing constant speed pumps at the Ernest Street Pump Station. These VFDs will control the rate of flow entering the Field's Point WWTF and therefore maximize energy efficiency. This project will connect the existing Ernest Street Pump Station generator to the FPWWTF, in order to provide the treatment power capabilities during power outages, ensuring NBC maintains the necessary processes to treat the incoming flow.

Photo: A schematic of a variable frequency drive unit

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	June-09	May-11	24 Months	$1,740
Total Project	**June-09**	**May-11**	**24 Months**	**$1,740**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 12200C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 23	$ 31	$ -	$ -	$ -	$ -	$ -	$ -	$ 54
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	68	1,415	-	-	-	-	-	-	1,484
Contingency	180	-	-	-	-	-	-	-	180
Other	22	-	-	-	-	-	-	-	22
Total Project Costs	$ 294	$ 1,446	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,740

Note: Cash Flow Basis in Thousands

12300C
NBC Fire Code Compliance

Recent inspections by the State Fire Marshal to determine compliance with the new state fire code have identified some deficiencies at several NBC owned buildings. This project is for improvements necessary to correct the deficiencies.

Photo: An existing fire alarm panel from one of NBC's buildings

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	September-10	October-11	N/A	$1,225
Total Project	**September-10**	**October-11**	**13 Months**	**$1,225**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 12300C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ 31	$ 24	$ -	$ -	$ -	$ -	$ -	$ 55
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	500	500	-	-	-	-	-	1,000
Contingency	-	-	120	-	-	-	-	-	120
Other	-	20	30	-	-	-	-	-	50
Total Project Costs	$ -	$ 551	$ 674	$ -	$ -	$ -	$ -	$ -	$ 1,225

Note: Cash Flow Basis in Thousands

12400
New IM Facilities

Design and constuction of new facilities will be needed when the IM responsibilities are increased. The facilities will include administrative areas and garage areas with a storage yard.

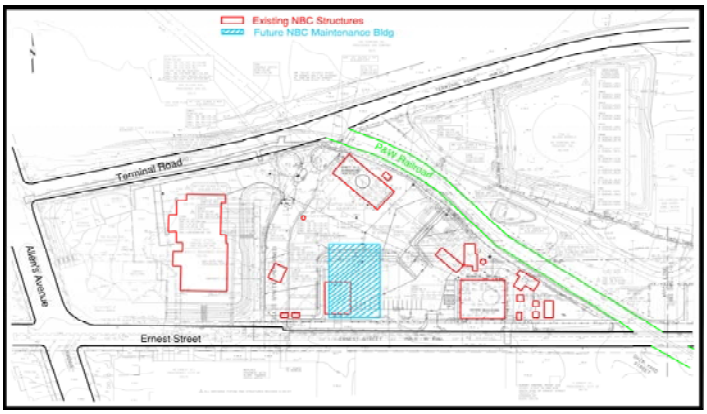

Photo: Proposed Site for the new IM Facilities

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	January-11	November-12	22 Months	$557
Construction	November-12	February-14	15 Months	6,052
Total Project	**August-12**	**February-14**	**18 Months**	**$6,609**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 12400D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ 3	$ 21	$ 13	$ -	$ -	$ -	$ -	$ 37
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	350	150	-	-	-	-	500
Other	-	-	-	20	-	-	-	-	20
Total Project Costs	$ -	$ 3	$ 371	$ 183	$ -	$ -	$ -	$ -	$ 557

Projected Expenditures - 12400C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ 87	$ 260	$ 5	$ -	$ -	$ -	$ 352
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	15	35	-	-	-	-	50
Construction	-	-	600	4,350	50	-	-	-	5,000
Contingency	-	-	-	600	-	-	-	-	600
Other	-	-	-	50	-	-	-	-	50
Total Project Costs	$ -	$ -	$ 702	$ 5,295	$ 55	$ -	$ -	$ -	$ 6,052

Note: Cash Flow Basis in Thousands

80900
BPWWTF Nitrogen Removal Facilities

NBC's facilities at Bucklin Point were designed to achieve a nitrogen level of 8mg/l, but subsequent to the completion of construction, RIDEM established a permit nitrogen limit of 5 mg/l. NBC's Draft Facilities Plan Amendment recommended upgrading the existing Biological Nutrient Removal (BNR) process to achieve the new nitrogen limit. It also recommended other improvements for unit operations. This project is for the planning, design, and construction of these facilities.

Photo: Aerial view of the BPWWTF

Project Overview:

Location: Bucklin Point WWTF (East Providence, RI)
Contractor(s): Camp Dresser & McKee
Project Manager: Terry Cote, P.E.
Project Priority: A

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	July-07	September-09	26 Months	$260
Design	April-10	January-11	9 Months	3,450
Construction	March-11	March-15	50 Months	34,860
Total Project	**July-07**	**March-15**	**94 Months**	**$38,569**

Projected Expenditures - 80900P

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 57	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 57
A/E Professional	203	-	-	-	-	-	-	-	203
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ 260	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 260

Projected Expenditures - 80900D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 59	$ 141	$ -	$ -	$ -	$ -	$ -	$ -	$ 200
Land	-	-	-	-	-	-	-	-	-
A/E Professional	364	2,486	-	-	-	-	-	-	2,850
Other	307	93	-	-	-	-	-	-	400
Total Project Costs	$ 730	$ 2,720	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,450

Projected Expenditures - 80900C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ 248	$ 330	$ 347	$ -	$ -	$ -	$ 924
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	84	144	108	-	-	-	336
Construction	-	-	7,000	12,000	9,500	1,500	-	-	30,000
Contingency	-	-	-	-	3,600	-	-	-	3,600
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ 7,332	$ 12,474	$ 13,555	$ 1,500	$ -	$ -	$ 34,860

Note: Cash Flow Basis in Thousands

1100000
Site Specific Study

The Site Specific Study required by NBC's RIPDES permit was completed in FY 2003 and final results were submitted to RIDEM in FY 2004. This study characterized the level of dissolved and total metals in the receiving waters at both Field's Point and Bucklin Point. The data obtained from this study was used for project 1140100, as well as by NBC and RIDEM in the joint development of new discharge permits and consent agreements for both plants. RIDEM is currently developing new RIPDES permits for each WWTF. As a result, new studies may be required as part of the re-permitting process.

Photo: The RV Monitor, NBC's sampling vessel

Project Overview:

Location: Field's Point WWTF (Providence, RI)
Contractor(s): N/A
Project Manager: John Motta
Project Priority: A

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	November-01	June-12	130 Months	$457
Construction	N/A	N/A	N/A	N/A
Total Project	**November-01**	**June-12**	**130 Months**	**$457**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 1100000

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 16	$ -	$ 234	$ -	$ -	$ -	$ -	$ -	$ 250
Land	-	-	-	-	-	-	-	-	-
A/E Professional	163	-	6	-	-	-	-	-	169
Other	33	-	5	-	-	-	-	-	38
Total Project Costs	$ 211	$ -	$ 246	$ -	$ -	$ -	$ -	$ -	$ 457

Projected Expenditures - Construction

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Note: Cash Flow Basis in Thousands

1140100
River Model Development

NBC has partnered with the University of Rhode Island (URI) Graduate School of Oceanography (GSO) to develop a Regional Ocean Management System (ROMS) model of circulation and transport within the Providence and Seekonk Rivers and Upper Narragansett Bay. The first phase of the model development is nearly complete. The second phase will run the model under varying conditions and loadings to determine the impact of nitrogen loads on the receiving waters. This analysis will assist in determining the Total Maximum Daily Load (TMDL) for nitrogen that can be discharged from NBC's two wastewater treatment facilities without violating water quality standards.

Photo: The Providence River, the northernmost part of Narragansett Bay

Project Overview:

Location: Field's Point WWTF (Providence, RI)
Contractor(s): University of RI, Graduate School of Oceanograhpy
Project Manager: Tom Brueckner, P.E.
Project Priority: C

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	March-05	July-11	77 Months	$378
Construction	N/A	N/A	N/A	N/A
Total Project	**March-05**	**July-11**	**77 Months**	**$378**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 1140100

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 25	$ 14	$ 2	$ -	$ -	$ -	$ -	$ -	$ 41
Land	-	-	-	-	-	-	-	-	-
A/E Professional	167	2	-	-	-	-	-	-	170
Other	38	24	106	-	-	-	-	-	167
Total Project Costs	$ 230	$ 41	$ 107	$ -	$ -	$ -	$ -	$ -	$ 378

Projected Expenditures - Construction

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Note: Cash Flow Basis in Thousands

30221
Hydraulic Systems Modeling

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

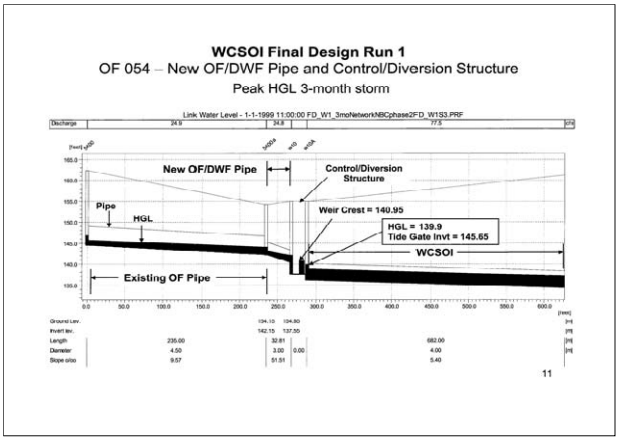

Photo: A graphic depicting the output from the WCSOI model

Project Overview:

Location: Narragansett Bay Commission Service Area
Contractor(s): N/A
Project Manager: Kathryn Kelly, P.E.
Project Priority: C

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	June-06	December-11	68 Months	$75
Design	July-10	March-12	21 Months	252
Construction	N/A	N/A	N/A	N/A
Total Project	**June-06**	**March-12**	**71 Months**	**$327**

Projected Expenditures - 30221P

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 13	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 13
A/E Professional	59	-	-	-	-	-	-	-	59
Other	2	-	-	-	-	-	-	-	2
Total Project Costs	$ 75	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 75

Projected Expenditures - 30221D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ 28	$ 24	$ -	$ -	$ -	$ -	$ 52
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	82	118	-	-	-	-	200
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ 110	$ 142	$ -	$ -	$ -	$ -	$ 252

Projected Expenditures - Construction

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Note: Cash Flow Basis in Thousands

30438
Interceptor Easements

Much of the NBC sewer system in Cumberland is located in easements that cross private property. NBC is presently evaluating these easements, as to whether the access to the easements is sufficient for access and maintenance. This project is for an evaluation of the Abbott Valley Interceptor easements. Upon completion of the evalaution, the easements will be cleared and access provided as necessary under the construction phase of this project.

Photo: Cumberland sewer system easement locations

Project Overview:

Location: Cumberland, RI
Contractor(s): VHB
Project Manager: Thomas Brueckner, P.E.
Project Priority: A

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	October-05	August-10	59 Months	$775
Construction	July-10	July-12	24 Months	612
Total Project	**October-05**	**July-12**	**82 Months**	**$1,387**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30438D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 167	$ 41	$ -	$ -	$ -	$ -	$ -	$ -	$ 208
Land	78	75	-	-	-	-	-	-	153
A/E Professional	396	12	-	-	-	-	-	-	409
Other	2	3	-	-	-	-	-	-	5
Total Project Costs	$ 644	$ 131	$ -	$ -	$ -	$ -	$ -	$ -	$ 775

Projected Expenditures - 30438C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ 29	$ 3	$ -	$ -	$ -	$ -	$ -	$ 32
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	420	55	25	-	-	-	-	500
Contingency	-	60	-	-	-	-	-	-	60
Other	-	20	-	-	-	-	-	-	20
Total Project Costs	$ -	$ 529	$ 58	$ 25	$ -	$ -	$ -	$ -	$ 612

Note: Cash Flow Basis in Thousands

30500
NBC Interceptor Easements

Many of NBC's interceptors are located in overland areas that run through private property. It is difficult to access these easements due to the terrain and vegetative growth. Many areas have become overgrown and the sewer is difficult to locate. The easements will be located through field survey and then cleared sufficiently to provide access for maintenance crews and equipment. Project 30500 will continue NBC's efforts to locate the interceptors and easements in each of the communities within the NBC service area. As the field surveys begin for the remaining cities and towns, each will be given a unique project number and draw funding from Project 30500.

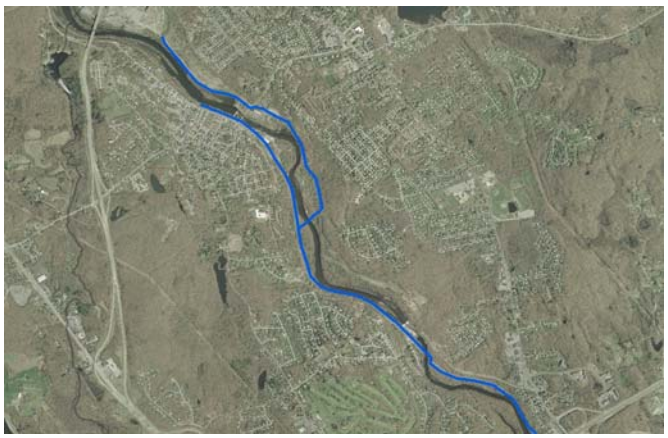

Photo: Blackstone Valley Interceptor in Lincoln

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	January-12	September-14	33 Months	$4,264
Construction	June-12	December-15	43 Months	3,670
Total Project	**January-12**	**December-15**	**48 Months**	**$7,934**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30500D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 1	$ 13	$ 91	$ 94	$ 57	$ 39	$ -	$ -	$ 295
Land	-	-	500	600	-	500	-	-	1,600
A/E Professional	-	120	600	660	733	237	-	-	2,350
Other	-	-	6	6	-	7	-	-	19
Total Project Costs	$ 1	$ 133	$ 1,197	$ 1,360	$ 790	$ 783	$ -	$ -	$ 4,264

Projected Expenditures - 30500C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ 37	$ 32	$ 63	$ 36	$ 30	$ -	$ 198
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	510	510	1,040	520	520	-	3,100
Contingency	-	-	-	124	124	-	124	-	372
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ 547	$ 666	$ 1,227	$ 556	$ 674	$ -	$ 3,670

Note: Cash Flow Basis in Thousands

30501
Interceptor Easements - NBC BVI

Many of NBC's interceptors are located in overland areas that run through private property. It is difficult to access these easements due to the terrain and vegetative growth. Many areas have become overgrown and the sewer is difficult to locate. The easements will be located through field survey and then cleared sufficiently to provide access for maintenance crews and equipment. Project 30501 is to locate manholes and easements on the Blackstone Valley Interceptor in Lincoln and Cumberland. Upon completion of this work, the easement will be cleared to allow access for maintenance of the sewer.

Photo: Newly installed barway gate for access to the BVI Easements

Project Overview:

Location: Lincoln, RI
Contractor(s): N/A
Project Manager: Tom Brueckner, P.E.
Project Priority: A

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	July-09	March-11	20 Months	$631
Construction	May-11	June-12	13 Months	730
Total Project	**July-07**	**November-15**	**102 Months**	**$1,361**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30501D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 18	$ 122	$ -	$ -	$ -	$ -	$ -	$ -	$ 139
Land	-	247	-	-	-	-	-	-	247
A/E Professional	28	56	-	-	-	-	-	-	84
Other	21	141	-	-	-	-	-	-	162
Total Project Costs	$ 67	$ 565	$ -	$ -	$ -	$ -	$ -	$ -	$ 631

Projected Expenditures - 30501C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ 38	$ -	$ -	$ -	$ -	$ -	$ 38
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	530	70	-	-	-	-	600
Contingency	-	-	72	-	-	-	-	-	72
Other	-	-	20	-	-	-	-	-	20
Total Project Costs	$ -	$ -	$ 660	$ 70	$ -	$ -	$ -	$ -	$ 730

Note: Cash Flow Basis in Thousands

30700
NBC System-wide Facilities Planning

NBC's interceptor sewers convey flow from local sewers in the district's eight cities and towns to the two NBC wastewater treatment facilities. Project 30700 will continue NBC's studies 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 evaluations begin for the remaining cities and towns, each will be given a unique project number and draw funding from Project 30700.

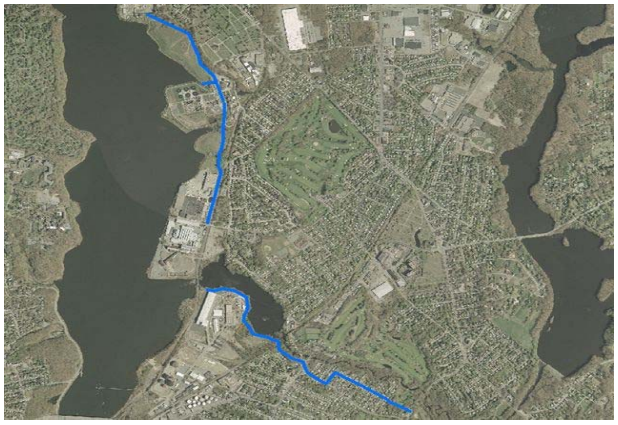

Photo: Proposed area for the East Providence capacity analysis

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	December-10	September-13	34 Months	$1,392
Construction	N/A	N/A	N/A	N/A
Total Project	**June-10**	**February-13**	**33 Months**	**$1,392**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30700

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ 45	$ 53	$ 75	$ 20	$ -	$ -	$ -	$ 192
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	200	400	400	200	-	-	-	1,200
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ 245	$ 453	$ 475	$ 220	$ -	$ -	$ -	$ 1,392

Projected Expenditures - Construction

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Note: Cash Flow Basis in Thousands

30301D
CSO Phase II Facilities

CSO Phase II is the second phase of NBC's CSO Abatement Program. 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 Tunnel constructed in Phase I. The proposed length of the Woonasquatucket Interceptor is 19,150 feet and the Seekonk Interceptor will be approximately 8,000 feet. Phase II also includes two sewer separation projects in Providence, and a constructed wetlands treatment facility in Central Falls. Total cost estimates for CSO Phase II are updated in this year's CIP based on the construction cost estimates prepared by the design engineers, upon completion of preliminary design.

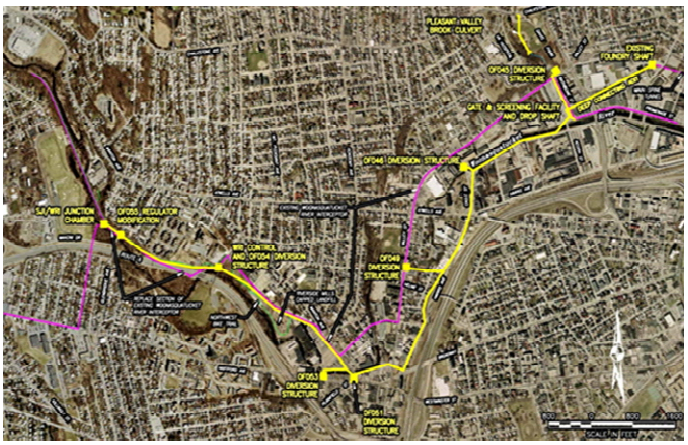

Photo: Proposed Woonasquatucket CSO Interceptor alignment

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	January-07	December-10	48 Months	$19,041
Construction	N/A	N/A	N/A	N/A
Total Project	**January-07**	**December-10**	**48 Months**	**$19,041**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30301D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 536	$ 274	$ -	$ -	$ -	$ -	$ -	$ -	$ 810
Land	3,303	4,108	-	-	-	-	-	-	7,411
A/E Professional	9,521	1,264	-	-	-	-	-	-	10,785
Other	35	-	-	-	-	-	-	-	35
Total Project Costs	$ 13,395	$ 5,646	$ -	$ -	$ -	$ -	$ -	$ -	$ 19,041

Projected Expenditures - Construction

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Note: Cash Flow Basis in Thousands

30301RS
Phase II CSO Facilities Program & Construction Management

Project 30301RS provides Program and Construction Management of the Phase II CSO Phase Facilities construction program, which consists of five construction projects. This project is currently underway and will continue until Phase II of the CSO Program is complete.

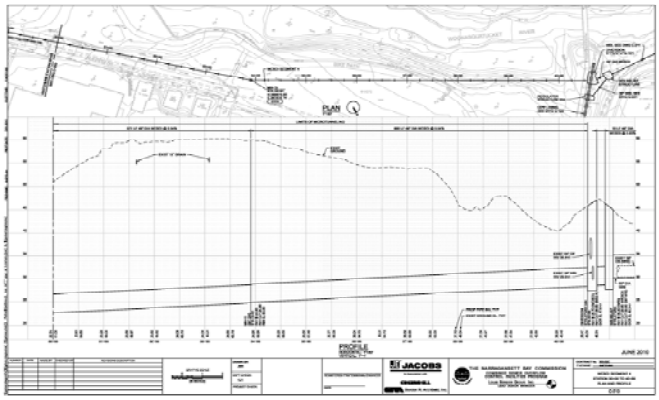

Photo: Plans of the proposed CSO Phase II WCSO alignment

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	September-10	September-15	60 Months	$30,315
Total Project	**September-10**	**September-15**	**60 Months**	**$30,315**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30301RS

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	1,605	8,650	10,130	7,130	2,400	400	-	30,315
Construction	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ 1,605	$ 8,650	$ 10,130	$ 7,130	$ 2,400	$ 400	$ -	$ 30,315

Note: Cash Flow Basis in Thousands

30302C
Phase II CSO Facilities OF 106

CSO Phase II is the second phase of NBC's CSO Abatement Program. It consists of the construction of two interceptors to convey flows from combined sewer overflows along the Woonasquatucket and Seekonk Rivers to the Main Tunnel constructed in Phase I, two sewer separation projects in Providence, and a constructed wetlands treatment facility in Central Falls. This project (30302C) is the construction of the wetlands facility to treat the combined sewer oveflow from OF 106 in Central Falls.

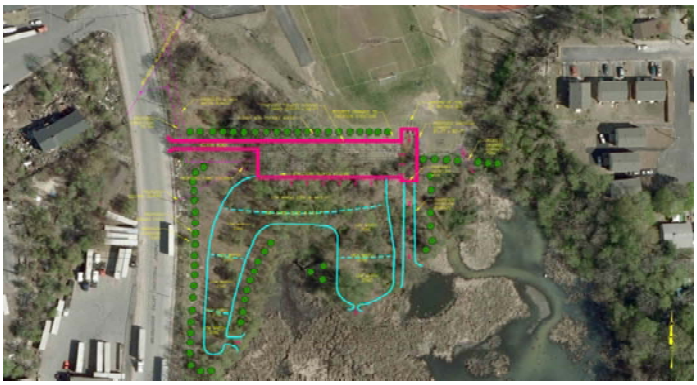

Photo: Proposed Wetlands Facility in Central Falls

Project Overview:

Location: Central Falls, RI
Contractor(s): Louis Berger Group
Project Manager: Rich Bernier, P.E.
Project Priority: A

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	December-10	April-14	41 Months	$10,197
Total Project	**December-10**	**April-14**	**41 Months**	**$10,197**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30302C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ 17	$ 60	$ 80	$ -	$ -	$ -	$ -	$ 157
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	3,840	3,760	400	-	-	-	8,000
Contingency	-	-	-	960	-	-	-	-	960
Other	-	120	480	480	-	-	-	-	1,080
Total Project Costs	$ -	$ 137	$ 4,380	$ 5,280	$ 400	$ -	$ -	$ -	$ 10,197

Note: Cash Flow Basis in Thousands

30303C
Phase II CSO Facilities - WCSOI

CSO Phase II is the second phase of NBC's CSO Abatement Program. 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 Tunnel constructed in Phase I, two sewer separation projects in Providence and a constructed wetlands treatment facility in Central Falls. This project (30303C) is the construction of the 19,200 foot long Woonasquatucket CSO Interceptor (WCSOI) along the Woonasquatucket River.

Photo: Proposed Woonasquatucket CSO Interceptor alignment

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	July-11	March-16	57 Months	$141,312
Total Project	**July-11**	**March-16**	**57 Months**	**$141,312**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30303C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ 347	$ 720	$ 796	$ 669	$ -	$ -	$ 2,532
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	9,700	32,400	32,700	29,700	5,500	-	110,000
Contingency	-	-	-	-	-	13,200	-	-	13,200
Other	-	-	2,280	4,560	4,560	4,180	-	-	15,580
Total Project Costs	$ -	$ -	$ 12,327	$ 37,680	$ 38,056	$ 47,749	$ 5,500	$ -	$ 141,312

Note: Cash Flow Basis in Thousands

30304C
Phase II CSO Facilities - SCSOI

CSO Phase II is the second phase of NBC's CSO Abatement Program. 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 Tunnel constructed in Phase I, two sewer separation projects in Providence and a constructed wetlands facility in Central Falls. This project (30304C) is the construction of the 8000 foot long Seekonk CSO Interceptor (SCSOI) along the Seekonk River.

Photo: Proposed Seekonk CSO Interceptor alignment

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	December-11	July-16	56 Months	$65,839
Total Project	**December-11**	**July-16**	**56 Months**	**$65,839**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30304C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ 52	$ 425	$ 486	$ 656	$ -	$ -	$ 1,619
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	-	12,820	16,560	16,310	2,760	2,550	51,000
Contingency	-	-	-	-	-	6,120	-	-	6,120
Other	-	-	-	2,400	2,400	2,300	-	-	7,100
Total Project Costs	$ -	$ -	$ 52	$ 15,645	$ 19,446	$ 25,386	$ 2,760	$ 2,550	$ 65,839

Note: Cash Flow Basis in Thousands

30305C
Phase II CSO Facilities - OF 027

CSO Phase II is the second phase of NBC's CSO Abatement Program. 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 Tunnel constructed in Phase I, two sewer separation projects in Providence, and a constructed wetlands treatment facility in Central Falls. This project (303.05C) is the separation of combined sewers in the Hope St./Blackstone Boulevard area on the East Side of Providence.

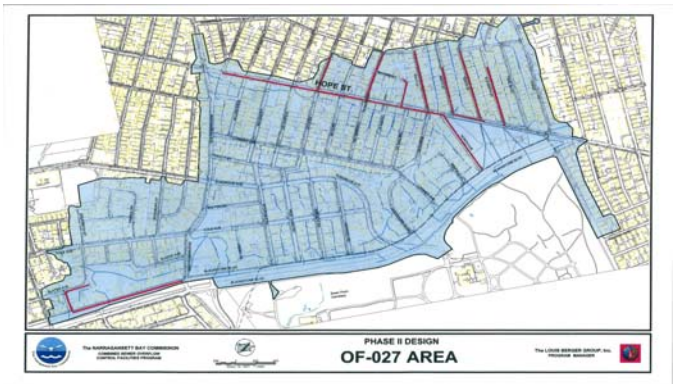

Photo: Proposed OF 027 Sewer Separation

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	January-11	July-14	43 Months	$15,892
Total Project	**January-11**	**July-14**	**43 Months**	**$15,892**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30305C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ 47	$ 340	$ 380	$ 5	$ -	$ -	$ -	$ 772
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	4,750	5,500	400	600	-	-	11,250
Contingency	-	-	-	-	1,440	-	-	-	1,440
Other	-	750	770	840	70	-	-	-	2,430
Total Project Costs	$ -	$ 797	$ 5,860	$ 6,720	$ 1,915	$ 600	$ -	$ -	$ 15,892

Note: Cash Flow Basis in Thousands

30306C
Phase II CSO Facilities - OF 037

CSO Phase II is the second phase of NBC's CSO Abatement Program. 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 Tunnel constructed in Phase I, two sewer separation projects in Providence and a constructed wetlands facility in Central Falls. This project (30306C) is the separation of combined sewers in the Hope St./North Main St. area of the East Side of Providence.

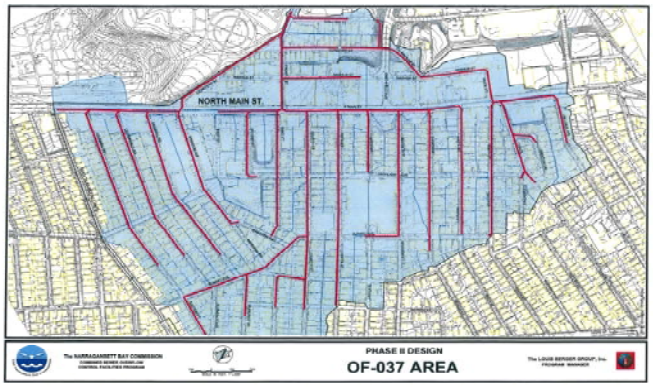

Photo: Proposed OF 037 Sewer Separation

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	February-11	January-15	48 Months	$43,884
Total Project	**February-11**	**January-15**	**48 Months**	**$43,884**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30306C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ 27	$ 330	$ 535	$ 272	$ -	$ -	$ -	$ 1,164
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	-	8,400	13,900	7,000	1,700	-	-	31,000
Contingency	-	-	-	-	4,080	-	-	-	4,080
Other	-	600	4,000	1,920	1,120	-	-	-	7,640
Total Project Costs	$ -	$ 627	$ 12,730	$ 16,355	$ 12,472	$ 1,700	$ -	$ -	$ 43,884

Note: Cash Flow Basis in Thousands

30800
CSO Phase III Facilities

CSO Phase III is the third phase of NBC's CSO Abatement Program. This phase includes the construction of a tunnel in Pawtucket totaling approximately 13,000 feet in length. Phase III also includes three CSO Interceptors totaling approximately 14,500 feet in length, and two sewer separation projects. Total pre-design cost estimates for CSO Phase III are included in this year's CIP.

Photo: Proposed alignment for the Pawtucket CSO Tunnel

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	June-15	August-17	27 Months	$37,012
Construction	August-17	August-22	61 Months	565,950
Total Project	**June-15**	**August-22**	**88 Months**	**$602,962**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30800D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ 20	$ 240	$ 692	$ 952
Land	-	-	-	-	-	-	-	4,000	4,000
A/E Professional	-	-	-	-	-	-	11,997	20,003	32,000
Other	-	-	-	-	-	-	-	60	60
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ 20	$ 12,237	$ 24,755	$ 37,012

Projected Expenditures - 30800C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,000	$ 6,000
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	56,000	56,000
Construction	-	-	-	-	-	-	-	400,000	400,000
Contingency	-	-	-	-	-	-	-	48,000	48,000
Other	-	-	-	-	-	-	-	55,950	55,950
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 565,950	$ 565,950

Note: Cash Flow Basis in Thousands

70500
Central Avenue Pump Station

Project 70500 involves installation of a new force main to redirect 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 Atwood Avenue interceptor it is now able to accomodate the pump station flows. The pumps will also be replaced to match the new force main design. Redirecting the flow will result in lower pumping costs.

Photo: The Central Avenue Pump Station

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	January-07	June-08	17 Months	$45
Design	June-08	July-09	13 Months	174
Construction	May-09	January-10	9 Months	854
Total Project	**January-07**	**January-10**	**37 Months**	**$1,073**

Projected Expenditures - 70500P

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 12	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 12
A/E Professional	33	-	-	-	-	-	-	-	33
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ 45	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 45

Projected Expenditures - 70500D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 24	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 24
Land	-	-	-	-	-	-	-	-	-
A/E Professional	140	-	-	-	-	-	-	-	140
Other	10	-	-	-	-	-	-	-	10
Total Project Costs	$ 174	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 174

Projected Expenditures - 70500C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 131	$ 16	$ -	$ -	$ -	$ -	$ -	$ -	$ 147
Land	-	-	-	-	-	-	-	-	-
A/E Professional	24	-	-	-	-	-	-	-	24
Construction	578	28	-	-	-	-	-	-	606
Contingency	-	77	-	-	-	-	-	-	77
Other	1	-	-	-	-	-	-	-	1
Total Project Costs	$ 734	$ 120	$ -	$ -	$ -	$ -	$ -	$ -	$ 854

Note: Cash Flow Basis in Thousands

70600C
Omega Pump Station Rack Room - Construction

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 the end of its useful life and must be replaced. Further, the electrical, heating, and ventilation systems must be replaced, and fire code updates along with minor structural repairs need to be made to the building. Project 70600C will facilitate these improvements.

Photo: Bar screen in the Omega rack room

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	March-10	December-10	9 Months	$128
Total Project	**March-10**	**December-10**	**9 Months**	**$128**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 70600C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 4	$ 10	$ -	$ -	$ -	$ -	$ -	$ -	$ 14
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	100	-	-	-	-	-	-	100
Contingency	-	12	-	-	-	-	-	-	12
Other	-	2	-	-	-	-	-	-	2
Total Project Costs	$ 4	$ 124	$ -	$ -	$ -	$ -	$ -	$ -	$ 128

Note: Cash Flow Basis in Thousands

70700C
Lincoln Septage Station - Lakeside Unit Replacement

The grit removal unit at the Lincoln Septage Station removes stone and sand from septage before it is discharged to the Bucklin Point sewer system. Removal of the grit at the septage station prevents buildup of grit in the downstream sewer, which could become a maintenance problem. The existing unit has reached the end of its useful life and needs to be replaced. This project involves the purchase and installation of the new unit.

Photo: Lakeside Grit Removal Unit

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	March-09	July-10	15 Months	$612
Total Project	**March-09**	**July-10**	**15 Months**	**$612**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 70700C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 33	$ 18	$ 1	$ -	$ -	$ -	$ -	$ -	$ 52
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	351	5	-	-	-	-	-	356
Contingency	-	60	124	-	-	-	-	-	184
Other	10	10	-	-	-	-	-	-	20
Total Project Costs	$ 43	$ 439	$ 130	$ -	$ -	$ -	$ -	$ -	$ 612

Note: Cash Flow Basis in Thousands

30600
Floatables Control Facilities

As part of the nine minimum controls required under EPA's CSO Control Policy, floatables control is to be provided at the Phase III CSO overflows. NBC will conduct an evaluation and then design floatables control for the three largest Phase III overflows; OF 205, OF 219 and OF 220. NBC will provide trash racks for the remaining Phase III overflows. This project is for design and construction of these facilities.

Photo: Floatables Control Facilities at Bucklin Brook

Project Overview:

Location: Pawtucket, RI; Central Falls, RI
Contractor(s): Louis Berger Group
Project Manager: Kathryn Kelly, P.E.
Project Priority: A

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	September-09	June-11	21 Months	$733
Construction	June-11	October-13	28 Months	2,774
Total Project	**September-09**	**October-13**	**50 Months**	**$3,507**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30600D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 36	$ 138	$ -	$ -	$ -	$ -	$ -	$ -	$ 173
Land	-	350	-	-	-	-	-	-	350
A/E Professional	42	127	-	-	-	-	-	-	169
Other	-	41	-	-	-	-	-	-	41
Total Project Costs	$ 78	$ 656	$ -	$ -	$ -	$ -	$ -	$ -	$ 733

Projected Expenditures - 30600C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ 15	$ 150	$ 88	$ -	$ -	$ -	$ -	$ 252
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	13	150	88	-	-	-	-	250
Construction	-	-	1,030	870	100	-	-	-	2,000
Contingency	-	-	-	240	-	-	-	-	240
Other	-	-	20	12	-	-	-	-	32
Total Project Costs	$ -	$ 27	$ 1,350	$ 1,297	$ 100	$ -	$ -	$ -	$ 2,774

Note: Cash Flow Basis in Thousands

Projects 304 M Summary
CSO Interceptor and Cleaning Projects

The 304 M projects continue NBC's program to clean and inspect NBC interceptors as needed. The TV inspections assist in determining pipe conditions and developing solutions to any problems which may be identified. Based on completed inspections to date, the cleaning is needed to remove accumulated grit. As new inspection and cleaning projects are identified from the TV inspections, they will be given a unique project number and draw funding from the funds available in Project 30400M.

Photo: Heavy rock debris removed from sewer off Manton Ave

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Maintenance	July-09	Ongoing	Ongoing	$4,098
Total Project	**July-09**	**Ongoing**	**Ongoing**	**$4,098**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Projects 304 M Summary

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 120	$ 124	$ 135	$ 135	$ 135	$ 135	$ 135	$ 135	$ 1,052
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Maintenance	223	440	240	240	240	240	240	240	2,103
Contingency	-	-	-	-	-	-	-	-	-
Other	100	90	125	125	125	125	125	125	943
Total Project Costs	$ 444	$ 654	$ 500	$ 500	$ 500	$ 500	$ 500	$ 500	$ 4,098

Note: Cash Flow Basis in Thousands

30400C
Repair and Construction Of CSO Interceptors

Project 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 projects 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 projects are identified they are given a unique project number and draw funding from the funds available in Project 30400C.

Photo: Removal of abandoned pipe at Atwells Ave. and Valley Street

Project Overview:

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

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Project Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	July-01	Ongoing	Ongoing	$6,149
Total Project	**July-01**	**Ongoing**	**Ongoing**	**$6,149**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30400C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ 31	$ -	$ -	$ 56	$ 69	$ 75	$ 75	$ 306
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	523	-	-	934	1,150	1,250	1,250	5,107
Contingency	-	63	-	-	112	158	150	150	633
Other	-	10	-	-	19	23	25	25	102
Total Project Costs	$ -	$ 628	$ -	$ -	$ 1,121	$ 1,400	$ 1,500	$ 1,500	$ 6,149

Note: Cash Flow Basis in Thousands

30421
Louisquisset Pike Interceptor Replacement

The Facilities Plan for project 30421 identified wet weather capacity problems with the Louisquisset Interceptor and recommended that the southern half of the interceptor in Lincoln be replaced with a larger pipe to accommodate present and projected flows.

Photo: Proposed portion of Lincoln interceptor replacement

Project Overview:

Location: Lincoln, RI
Contractor(s): Beta Engineering
Project Manager: Terry Cote, P.E.
Project Priority: C

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Project Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	May-07	July-09	26 Months	$206
Construction	August-11	September-12	13 Months	2,382
Total Project	**May-07**	**September-12**	**65 Months**	**$2,588**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30421D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 40	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 40
Land	-	-	-	-	-	-	-	-	-
A/E Professional	155	-	-	-	-	-	-	-	155
Other	11	-	-	-	-	-	-	-	11
Total Project Costs	$ 206	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 206

Projected Expenditures - 30421C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ 71	$ 21	$ -	$ -	$ -	$ -	$ 92
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	38	12	-	-	-	-	50
Construction	-	-	1,250	750	-	-	-	-	2,000
Contingency	-	-	-	240	-	-	-	-	240
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ 1,359	$ 1,023	$ -	$ -	$ -	$ -	$ 2,382

Note: Cash Flow Basis in Thousands

30444
Moshassuck Valley Interceptor

Recent inspection of 2,600 feet of the Moshassuck Valley Interceptor from Higginson Street in Central Falls to Lockbridge Street in Providence revealed that this line has sunk from its original grade at numerous points, by as much as 2.5 feet. This settling is causing maintenance problems, and accumulation of grease and may result in structural problems as well. This project would replace this line in the public right of way.

Photo: Portion of the sinking Moshassuck Valley Interceptor

Project Overview:

Location: Providence, RI
Contractor(s): N/A
Project Manager: Tom Brueckner, P.E.
Project Priority: C

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Project Duration	Cost (in Thousands)
Planning	May-06	October-06	6 Months	$22
Design	September-10	March-12	18 Months	523
Construction	March-12	June-13	15 Months	2,572
Total Project	**May-06**	**June-13**	**86 Months**	**$3,117**

Projected Expenditures - 30444P

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2
A/E Professional	20	-	-	-	-	-	-	-	20
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ 22	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22

Projected Expenditures - 30444D

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ 40	$ 51	$ -	$ -	$ -	$ -	$ -	$ 91
Land	-	-	30	-	-	-	-	-	30
A/E Professional	-	198	202	-	-	-	-	-	400
Other	-	-	2	-	-	-	-	-	2
Total Project Costs	$ -	$ 238	$ 285	$ -	$ -	$ -	$ -	$ -	$ 523

Projected Expenditures - 30444C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ 22	$ 170	$ 20	$ -	$ -	$ -	$ 212
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	91	9	-	-	-	100
Construction	-	-	-	1,790	110	100	-	-	2,000
Contingency	-	-	-	-	240	-	-	-	240
Other	-	-	5	15	-	-	-	-	20
Total Project Costs	$ -	$ -	$ 27	$ 2,066	$ 379	$ 100	$ -	$ -	$ 2,572

Note: Cash Flow Basis in Thousands

30453C

Improvements to NBC Interceptors FY 2010

Project 304.53C will replace approximately 35 lf of 6"clay pipe with 6" PVC pipe at the intersection of Melrose and Sumter Streets in Providence; installation of approximately 1500 lf of CIPP lining in Hartford Ave Johnston along with manhole rehabilitation of 12 manholes; installation of a new manhole and reconfiguring existing sewers into the new manhole.

Photo: Clay Interceptor in need of replacement

Project Overview:

Location: Providence, RI
Contractor(s): R.P. Iannuccillo & Sons
Project Manager: Mark Thomas, P.E.
Project Priority: A

Total Project Duration/Cost

Project Phase	Actual/Projected Start Date	Actual/Projected Completion Date	Project Duration	Cost (in Thousands)
Planning	N/A	N/A	N/A	N/A
Design	N/A	N/A	N/A	N/A
Construction	August-09	April-12	33 Months	$702
Total Project	**August-09**	**April-12**	**33 Months**	**$702**

Projected Expenditures - Planning

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - Design

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Project Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Projected Expenditures - 30453C

Cost Category	Pre-FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Post-FY 2016	Total
Administrative	$ 17	$ 130	$ 5	$ -	$ -	$ -	$ -	$ -	$ 152
Land	-	-	-	-	-	-	-	-	-
A/E Professional	-	-	-	-	-	-	-	-	-
Construction	-	405	10	-	-	-	-	-	415
Contingency	-	-	100	-	-	-	-	-	100
Other	-	-	35	-	-	-	-	-	35
Total Project Costs	$ 17	$ 535	$ 150	$ -	$ -	$ -	$ -	$ -	$ 702

Note: Cash Flow Basis in Thousands

Division Summaries

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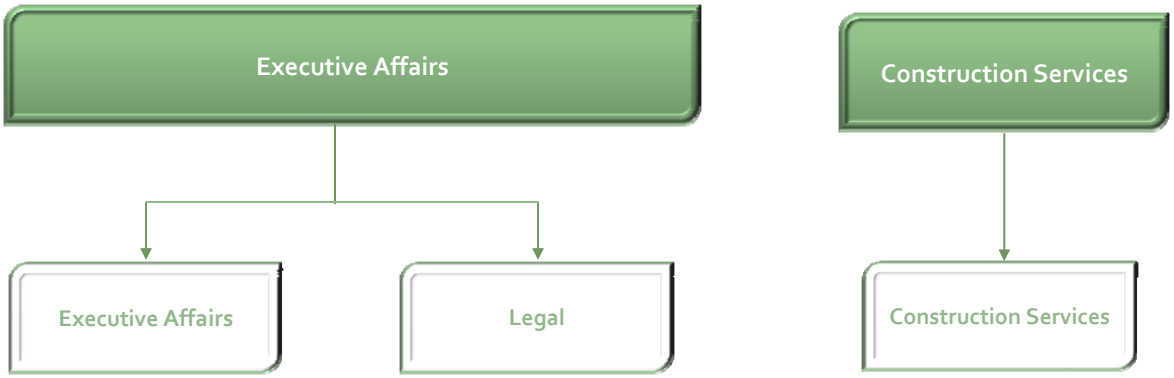
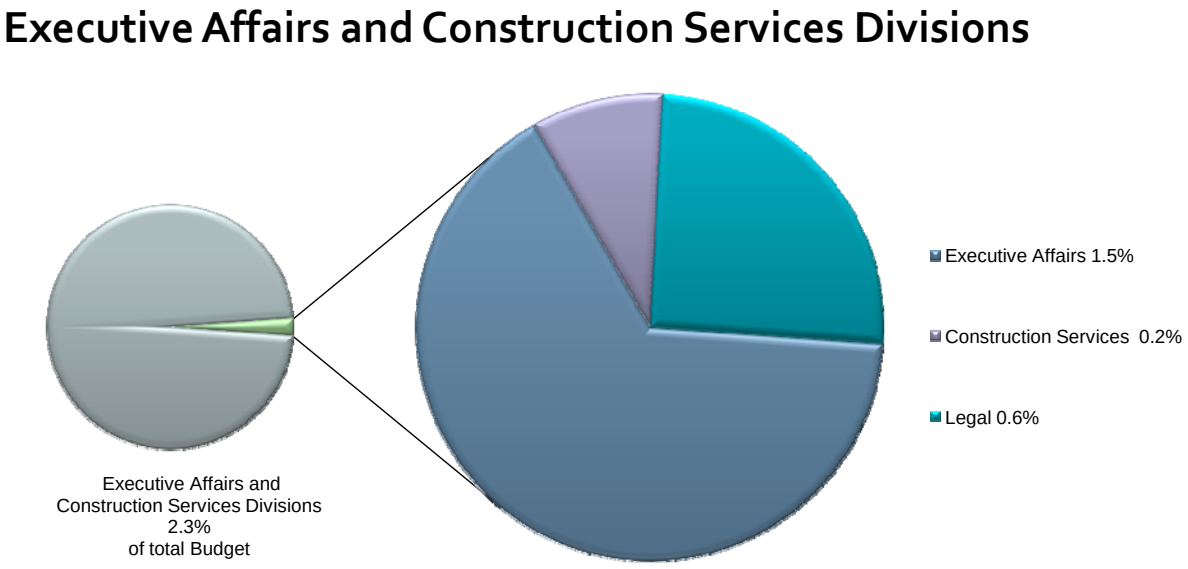
Division Structure

Executive Affairs and Construction Services Division Summary





Division Program

Executive Affairs and Construction Services Divisions Division Summary

Purpose and Overview

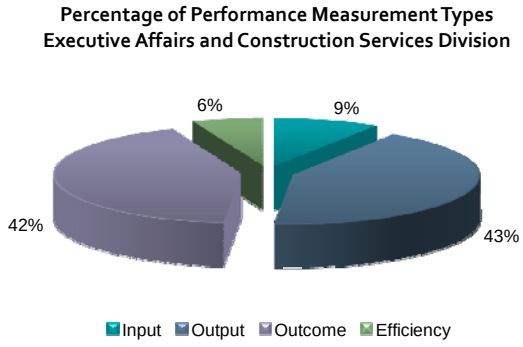
The Executive Affairs Division is responsible for Public Relations, Government Affairs, and Legal Services. The Construction Services Division is responsible for overseeing the construction of capital improvement projects.

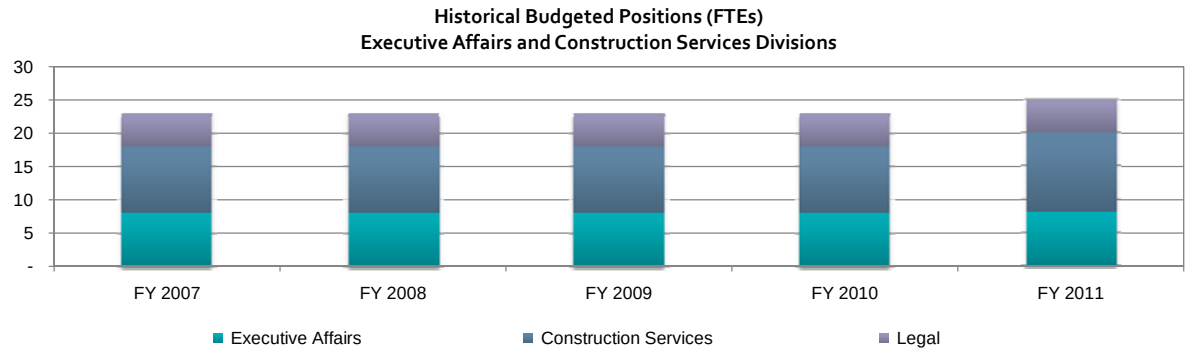
Significant Budget Modifications

The FY 2011 Executive Affairs and Construction Services Divisions' budgets have experienced an overall increase of 2.1%, over FY 2010. This increase is due to the addition of two new positions in the Construction Services Division and for the planned capital purchase in the Executive Affairs Division.

Executive Affairs and Construction Services Divisions Performance Data Summary

The chart below illustrates the Executive Affairs and Construction Services Divisions' Performance Data by type of measure. The measures can be found in the individual sections following this division summary. As can be seen, in these two divisions Outcome and Efficiency measures make up 48% of total performance measures.

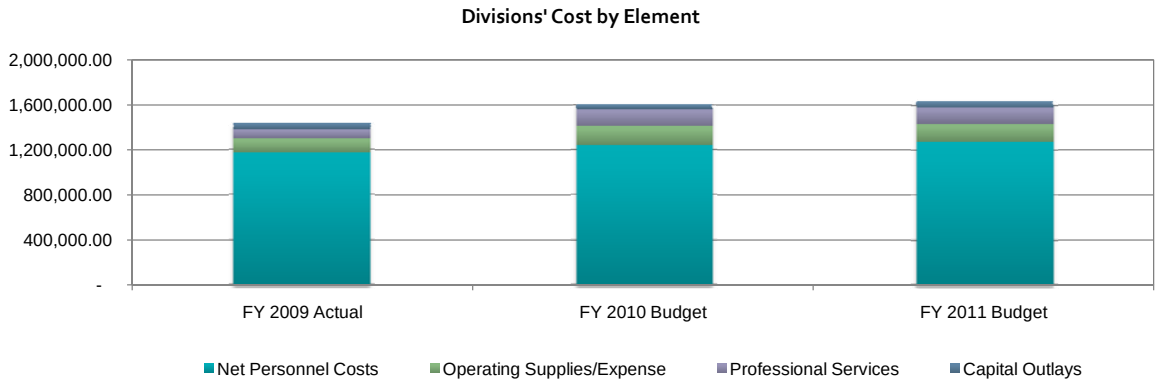


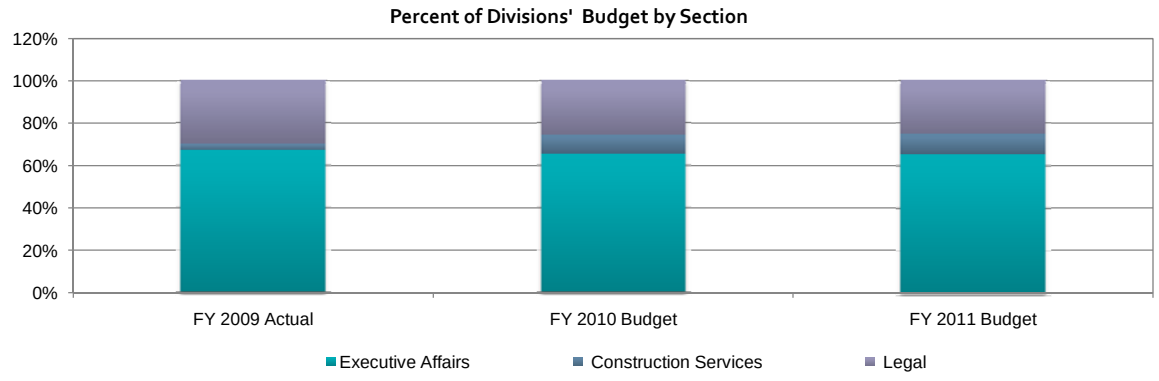


Division Budget

Executive Affairs and Construction Services Divisions
Division Summary

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 2,202,083	$ 2,323,101	$ 2,528,857
Less Capital Reimbursements	(1,027,788)	(1,080,486)	(1,253,854)
Net Personnel Costs	1,174,295.21	1,242,614.57	1,275,003.53
Operating Supplies/Expense	119,975	168,030	163,205
Professional Services	86,626	151,150	141,750
Capital Outlays	47,260	40,000	55,000
Debt Service	-	-	-
Total Expenditures	$ 1,428,156	$ 1,601,795	$ 1,634,959
Expenditures by Funding Source			
Revenue	$ 1,428,156	$ 1,601,795	$ 1,634,959
Grant	-	-	-
Total Expenditures by Source	$ 1,428,156	$ 1,601,795	$ 1,634,959
Full time Equivalent (FTE) Positions	**23.0**	**23.0**	**25.0**





The Program

Executive Affairs Division
Executive Affairs

Mission and Overview:

The Executive Affairs Section includes the Executive Director, Director of Executive Affairs, Public Affairs, Labor/Employee Relations, and Government Affairs. The Executive Affairs section is responsible for overall agency management responsibilities, including policy development, collective bargaining negotiations and contract compliance, liaison activities with local, state and federal entities and officials, legal oversight and maintenance of a strong public information program.

All of the agency divisions; Operations and Engineering; Administration and Finance; Planning, Policy and Regulation, Construction Services and Executive Affairs report directly to the Executive Director.

Prior Year Accomplishments

Pursued and obtained approximately $57 million of stimulus funds toward Biological Nutrient Removal Program.

Developed ARRA protocols and established dialogue with relevant EPA offices to ensure compliance with Buy American requirements attached to receipt of stimulus funds.

Provided significant input to and oversight of the planning and design of Biological Nutrient Removal Program.

Initiated development of a Revenue Expansion Plan by looking at neighboring cities and towns to evaluate a system-wide expansion plan within and outside the existing service area in an effort to increase the NBC's ratepayer base.

Enhanced award-winning water quality education to over 1,000 elementary students in 10 district schools.

Completed in-kind exchange between NBC and the City of Providence for a new Providence Animal Control facility when NBC acquired the existing animal facility as a site for NBC's future Regulatory Compliance Building.

Completed new NBC documentary.

Received NACWA Award for CSO publication.

Convened neighborhood meetings; set up hotline and on-line odor reporting form in response to odor issues from the CSO Phase I exit shaft in the Foundry neighborhood.

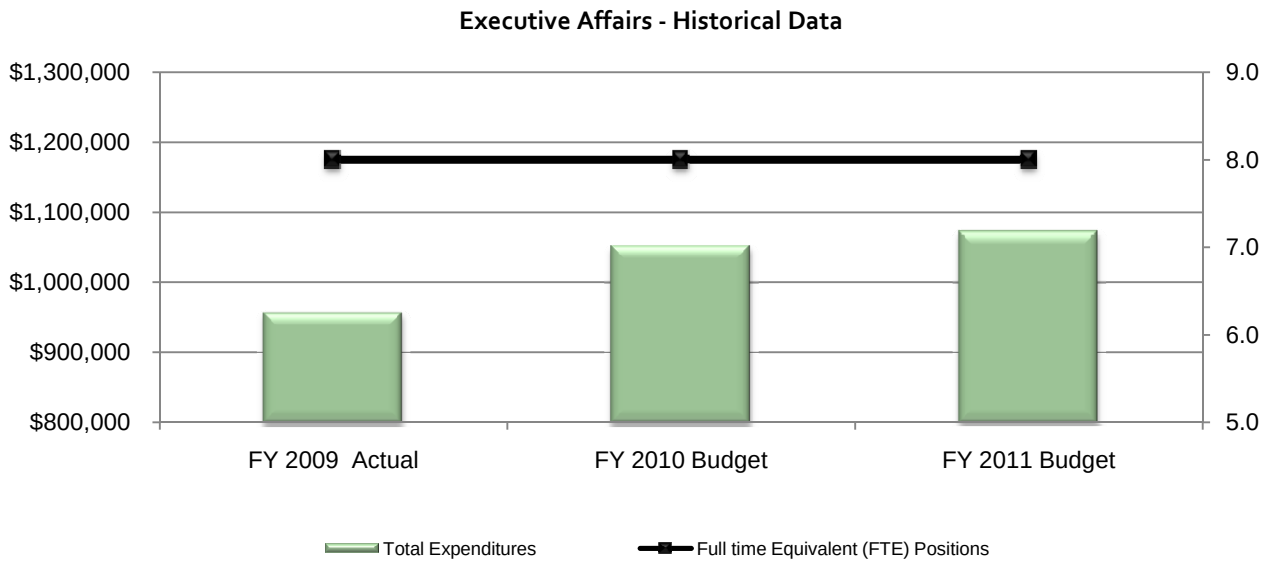
Successfully acquired property for use during Phase II of the CSO project.

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

The Program

Executive Affairs Division
Executive Affairs

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 868,906	$ 866,556	$ 879,412
Less Capital Reimbursements	(67,244)	(77,500)	(77,500)
Net Personnel Costs	801,662	789,056	801,912
Operating Supplies/Expense	90,955	119,720	110,605
Professional Services	34,520	137,650	129,950
Capital Outlays	29,362	5,000	30,000
Debt Service	-	-	-
Total Expenditures	$ 956,500	$ 1,051,426	$ 1,072,467
Expenditures by Funding Source			
Revenue	$ 956,500	$ 1,051,426	$ 1,072,467
Grant	-	-	-
Total Expenditures by Source	$ 956,500	$ 1,051,426	$ 1,072,467
Full time Equivalent (FTE) Positions	**8.0**	**8.0**	**8.0**



Performance Data

Executive Affairs Division
Executive Affairs

Strategic Objective	Actions for Achievement Service Level Objective
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 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.
	Develop and promote "Shovel Ready" projects to secure funding from Economic Stimulus Package.
Customer Focus: Maintain a customer-focused attitude throughout the organization.	Maintain programs that give back to the community.
	Assist member communities with evaluating sewer systems to maximize overall capacity.
Staffing: Attract, develop and retain highly qualified employees.	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.
	Promote diversity in hiring practices.

Target Measure	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Oversee design and construction issues associated with nitrogen removal at Bucklin Point and Field's Point	3/30/2009	3/30/2010	3/30/2011
Attend PPR data review meetings and Governor's Watershed Committee meetings	10	10	10
Contacts with Rhode Island's Congressional Delegation	5	3	4
Number of projects submitted	5	2	1
Maximize funding for "Shovel Ready" projects	100%	100%	100%
Number of events held and awards/scholarships given	56	35	40
Number of meetings with member communities	N/A	N/A	3
Meet with both Union and Nonunion staff	2 / year	2 / year	2 / year
Conduct corporate office training	N/A	1/year	1/year
Update website to provide current info on CSO	Weekly	Weekly	Weekly
Convene neighborhood meetings in all areas affected by CSO Phase II construction	3	2	3
Presentation of water quality findings from student participants of the WWE program to the Board of Commissioners	1	1	1
Number of school visits	200	50	100
Prepare and distribute briefing packets, including annual report, to members of General Assembly	1/31/2009	1/31/2010	1/31/2011
Distribute newsletter to public entities providing update of CSO projects	6/30/2009	6/30/2010	6/30/2011
Post all meetings as required and file meeting minutes with the Secretary of State within the required time limit	100%	100%	100%
Submit Affirmative Action Plan to the Equal Employment Opportunity Commission by July 15th deadline	7/15/2008	7/15/2009	7/15/2010

The Program

Executive Affairs 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

Conducted 2 Lien sales collecting approximately $1.3M.

Approximately 100 accounts were added to both the November 2009 and April 2010 Lien Sales in an effort to increase collections.

Streamlined and revised Lien sale procedures to make process more time efficient to accommodate increased workload resulting from additional accounts taken to Lien sale.

Filed 100% of all compliance filings (ethics, financial statements, disclosure of government consultants and regulatory agenda) within RI Secretary of State's required timeframe.

Promptly responded to all public records requests within statutory timeframe.

Reviewed, analyzed and opined on pending legislation.

Developed ARRA protocols and initiated dialogue with EPA representative to ensure compliance with Buy American requirements attached to receipt of stimulus funds.

Developed and began implementation of cross training legal functions as a result of "pandemic planning" requirements.

Finalized amendments and novation of Field's Point nitrogen removal contract to allow receipt of ARRA stimulus funds.

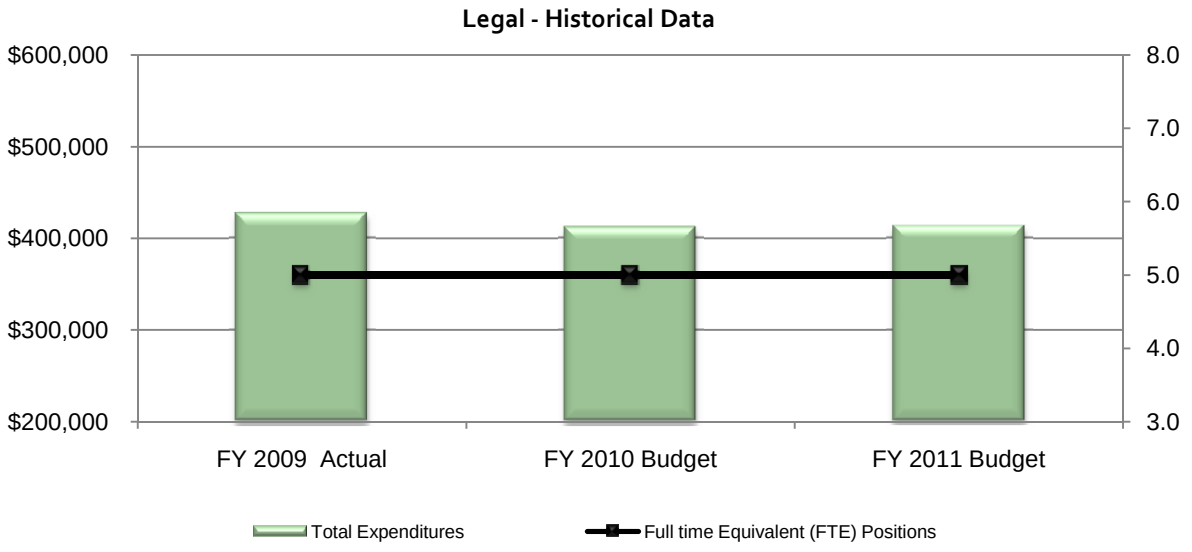
All proof of claims were filed within the statutory parameters, resulting in a preservation of NBC’s ability to collect sewer use and assessment fees through the bankruptcy/receivership process.

Successfully challenged a decision of the State Fire Safety Board. This decision, if left unchallenged, would have been a significant expense to NBC ratepayers.

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

Executive Affairs Division
Legal

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 377,275	$ 387,250	$ 397,468
Less Capital Reimbursements	(9,579)	(13,854)	(13,854)
Net Personnel Costs	367,696	373,396	383,615
Operating Supplies/Expense	7,454	14,800	18,000
Professional Services	52,106	13,500	11,500
Capital Outlays	-	10,000	-
Debt Service	-	-	-
Total Expenditures	$ 427,255	$ 411,696	$ 413,115
Expenditures by Funding Source			
Revenue	$ 427,255	$ 411,696	$ 413,115
Grant	-	-	-
Total Expenditures by Source	$ 427,255	$ 411,696	$ 413,115
Full time Equivalent (FTE) Positions	**5.0**	**5.0**	**5.0**



Performance Data

Executive Affairs Division
Legal

Strategic Objective	Actions for Achievement 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.
	Maximize the efficiency and effectiveness of the billing and collection process.
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 2009 Actual	FY 2010 Budget	FY 2011 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 within statutory time standards	100%	100%	100%
Number of lien sales conducted in budget year	2	2	2
Percentage of selected accounts brought to lien sale	19%	35%	35%
Percentage of accounts paid and/or removed prior to lien sale	81%	65%	65%
Prepare and file proof of claim within 30 days of receipt of notice	100%	100%	100%
Respond to all public records requests within legal time frame	within 10 days	within 10 days	within 10 days
Number of hours of training staff members receive	50	30	30
Number of presentations conducted by legal staff	3	3	3
Prepare and file all NBC staff ethics reports within the required time periods	100%	100%	100%
Prepare and file regulatory agenda at required intervals	Bi-Annually	Bi-Annually	Bi-Annually
Prepare and file disclosure of consultant submittals at required intervals	Quarterly	Quarterly	Quarterly

The Program

Construction Services Division
Construction Services

Mission and Overview:

The NBC Construction Services Division is responsible for overseeing 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 and stormwater flows that enter the NBC system. This section is currently contractually responsible for approximately $56 million of ongoing construction projects.

Prior Year Accomplishments

Completed Phase 1 of the CSO Program and assisted Operations through the first year of operation.

Received the “Outstanding Project of the Year Award” from the United States Underground Construction Industry.

Put out to bid and awarded Contract 109.01C – Biological Nitrogen Removal Project, Fields Point.

Assisted A&F in obtaining ARRA funding for Contract 109.01C.

With Legal’s assistance, developed ARRA protocols for “Buy American” and Payroll reporting procedures.

Awarded Contract 119.00DB – Design Build of the Providence Animal Control Facility.

Put out to bid and awarded Contract 122.00C – Ernest Street Flow Control.

Developed and awarded an RFQ for Contract 302.14OC – Tunnel Odor Control.

Developed, bid and awarded Contract 304.52C – NBC Interceptor Improvements FY 2009.

Completed Contract 304.17C – India Street Siphon Gate House Improvements.

Put out to bid and awarded Contract 705C – Central Avenue Pump Station Improvements.

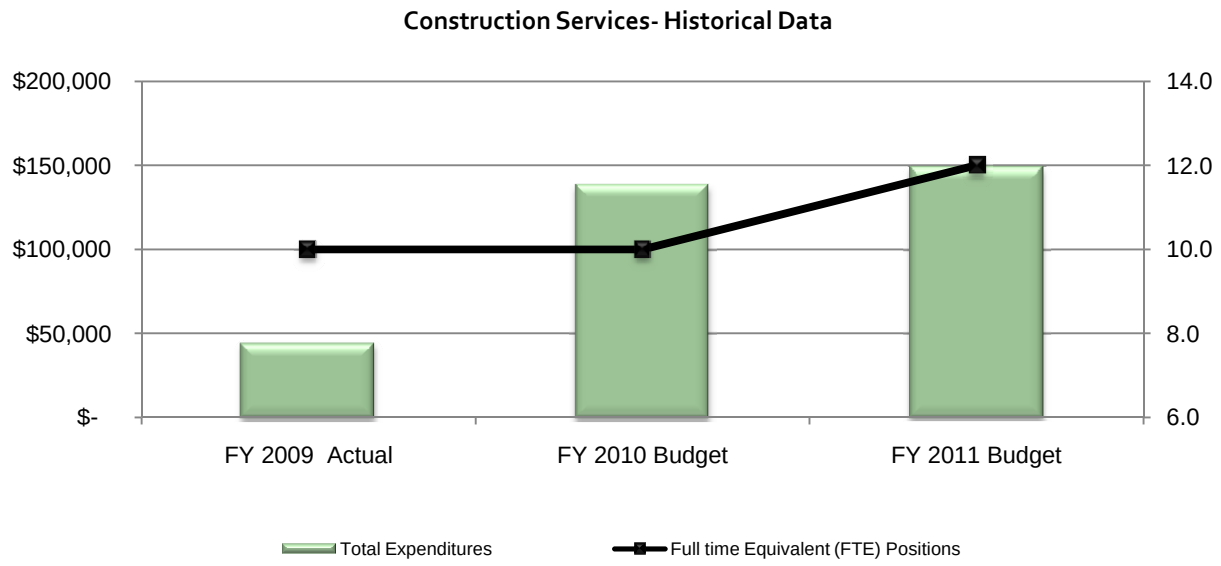
Put out to bid and awarded Contract 707C – Lincoln Septage Station Equipment Replacement.

Program Staffing (Budgeted)			
Director of Construction Services	1.0	Senior Construction Coordinator	2.0
Construction Manager	1.0	Construction Office Coordinator	1.0
Assistant Resident Inspector	1.0	Chief Environmental Engineer	1.0
Civil Inspector	3.0	Mechanical Inspector	2.0
	12.0 FTEs		

The Budget

Construction Services Division
Construction Services

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 955,902	$ 1,069,295	$ 1,251,977
Less Capital Reimbursements	(950,965)	(989,133)	(1,162,500)
Net Personnel Costs	4,937	80,162	89,477
Operating Supplies/Expense	21,566	33,510	34,600
Professional Services	-	-	300
Capital Outlays	17,898	25,000	25,000
Debt Service	-	-	-
Total Expenditures	$ 44,401	$ 138,672	$ 149,377
Expenditures by Funding Source			
Revenue	$ 44,401	$ 138,672	$ 149,377
Grant	-	-	-
Total Expenditures by Source	$ 44,401	$ 138,672	$ 149,377
Full time Equivalent (FTE) Positions	**10.0**	**10.0**	**12.0**



Performance Data

Construction Services Division
Construction Services

Strategic Objective	Actions for Achievement 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 2009 Actual	FY 2010 Budget	FY 2011 Budget
Resident Engineering cost as a percentage of construction cost (Non-CSO contracts)	10%	15%	15%
Percent of contract cost is over original bid amount on a yearly basis	1%	8%	8%
Percent of CIP contracts completed within six months of Master Schedule	43%	85%	85%
Number of updates given to NBC staff, Board members and public	10	4	4

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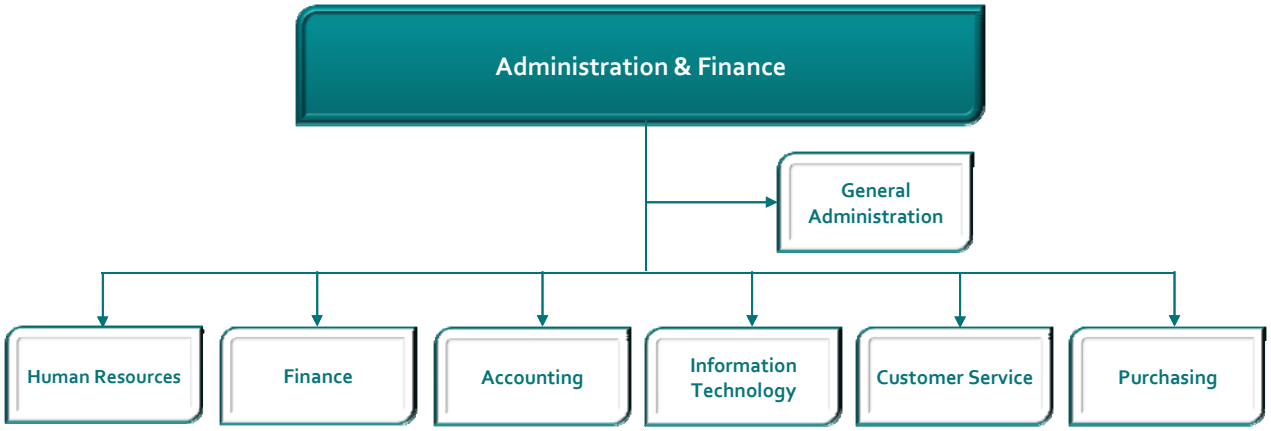
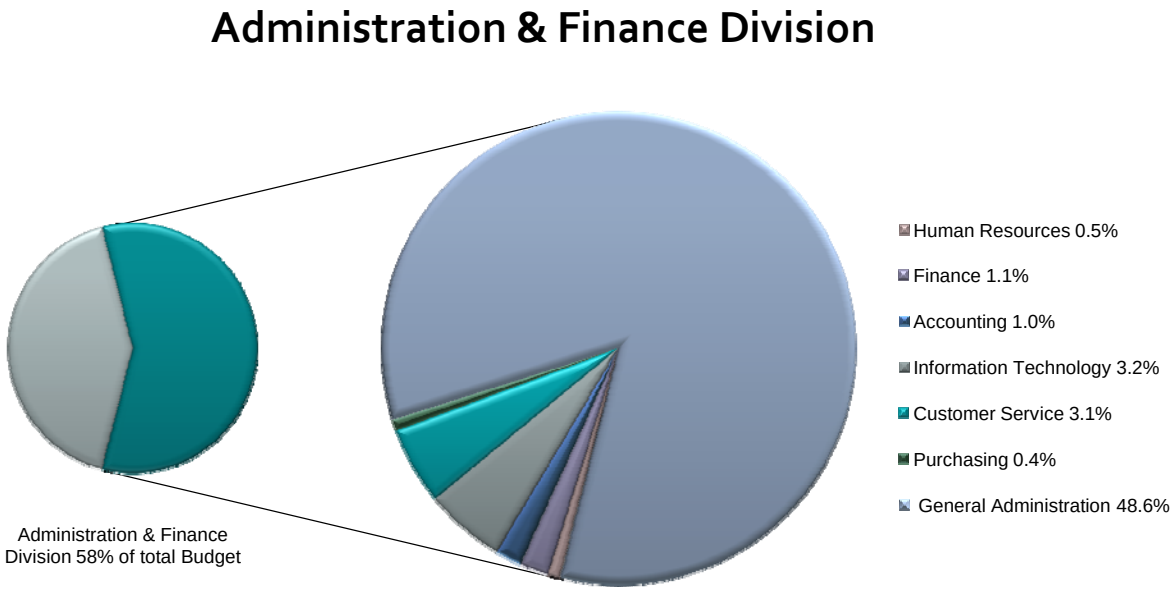
Division Structure

Administration & Finance Division
Division Summary





Division Program

Administration & Finance Division
Division Summary

Purpose and Overview

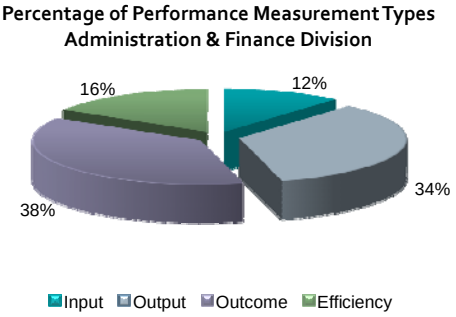
The Administration and Finance Division is responsible for the Financial, Cash Management, Payroll, Employee Benefits, Accounting, Customer Service, Purchasing, Human Resources and Information Technology (IT) functions at NBC. This division is responsible for providing sound financial leadership and 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.

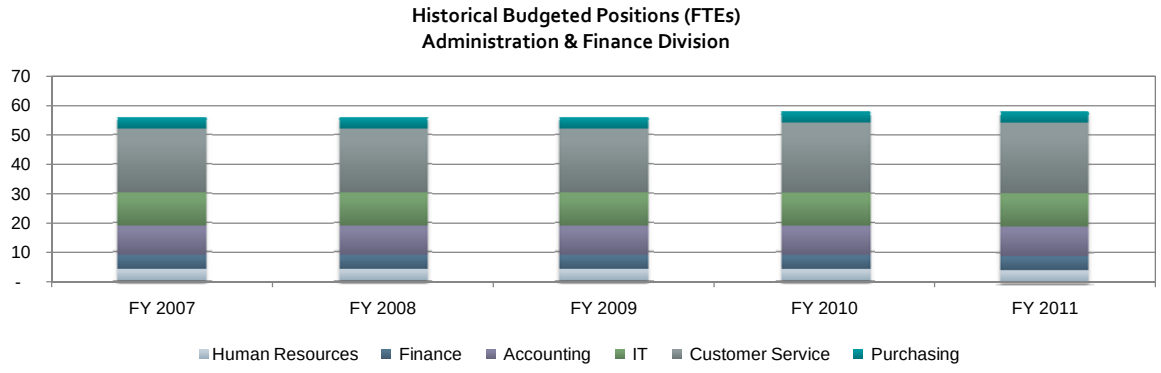
Significant Budget Modifications

The Administration & Finance budget has decreased by approximately $2.1 million, or 4.9% over the FY 2010 budget. The most significant decrease is a $1.9 million, or 5.6% decrease in debt service, followed by a decrease of approximately $404 thousand, or 7.9% in Personnel primarily due to the exclusion of programmed merit increases in FY 2011. An increase of approximately $160 thousand, or 7.4% in Operating Expense is mostly due to the inclusion of Bond and Note Fees and Lease Interest, which were previously budgeted in the Debt Service category. In addition, maintenance and service agreements have also been included within the Information Technology budget.

Administration & Finance Division Performance Data Summary

The chart below illustrates the Administration and Finance Division's Performance Data by type of measure. The measures can be found in the individual sections following this division summary. As can be seen, in this division Outcome and Efficiency measures make up 54% of total performance measures.

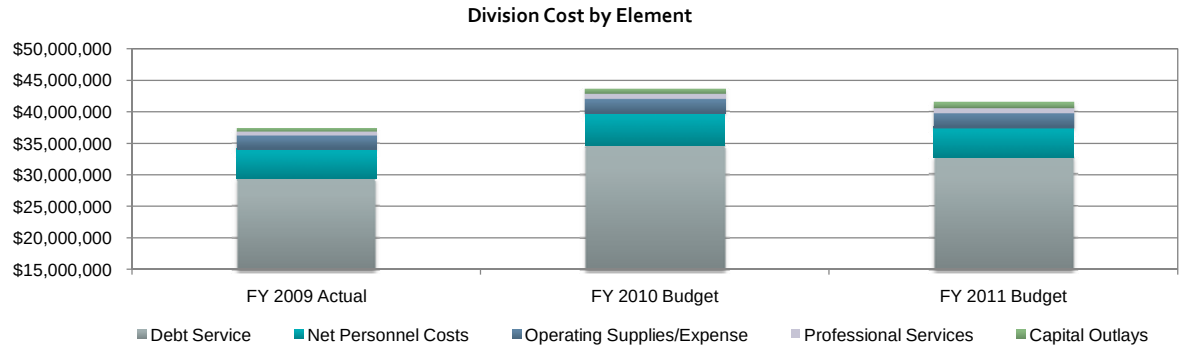


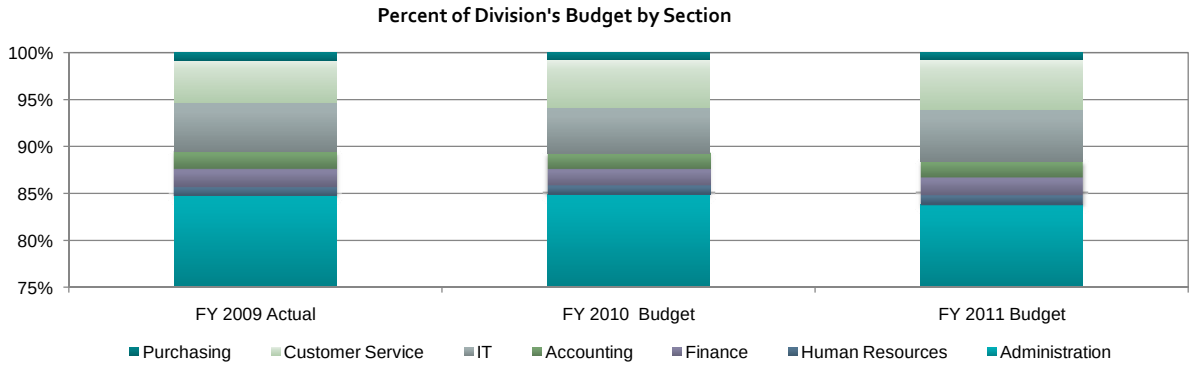


Division Budget

Administration & Finance Division
Division Summary

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 4,745,061	$ 5,203,202	$ 4,799,548
Less Capital Reimbursements & Turnover	(66,777)	(69,750)	(69,750)
Net Personnel Costs	4,678,283.85	5,133,452.16	4,729,798.15
Operating Supplies/Expense	1,898,872	2,184,567	2,345,136
Professional Services	560,479	720,401	676,714
Capital Outlays	617,306	834,500	943,000
Debt Service	29,462,666	34,737,792	32,801,374
Total Expenditures	$ 37,217,607	$ 43,610,712	$ 41,496,022
Expenditures by Funding Source			
Revenue	$ 37,217,607	$ 43,585,712	$ 41,471,022
Grant	-	25,000	25,000
Total Expenditures by Source	$ 37,217,607	$ 43,610,712	$ 41,496,022
Full time Equivalent (FTE) Positions	**56.0**	**58.0**	**58.0**





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

Received the annual Worksite Health Award from the Greater Providence Chamber of Commerce.

Provided workplace wellness programs including Wellness and Flu Shot Clinics.

Continued workforce training on Sexual Harassment, Financial Management, DCL Disqualification and presentations provided by EAP.

Evaluated and renewed health, dental, group life and long term disability insurance.

Coordinated the NBC transition from Blue Cross to United Healthcare.

Submitted the semi-annual and annual EEO report by the due date.

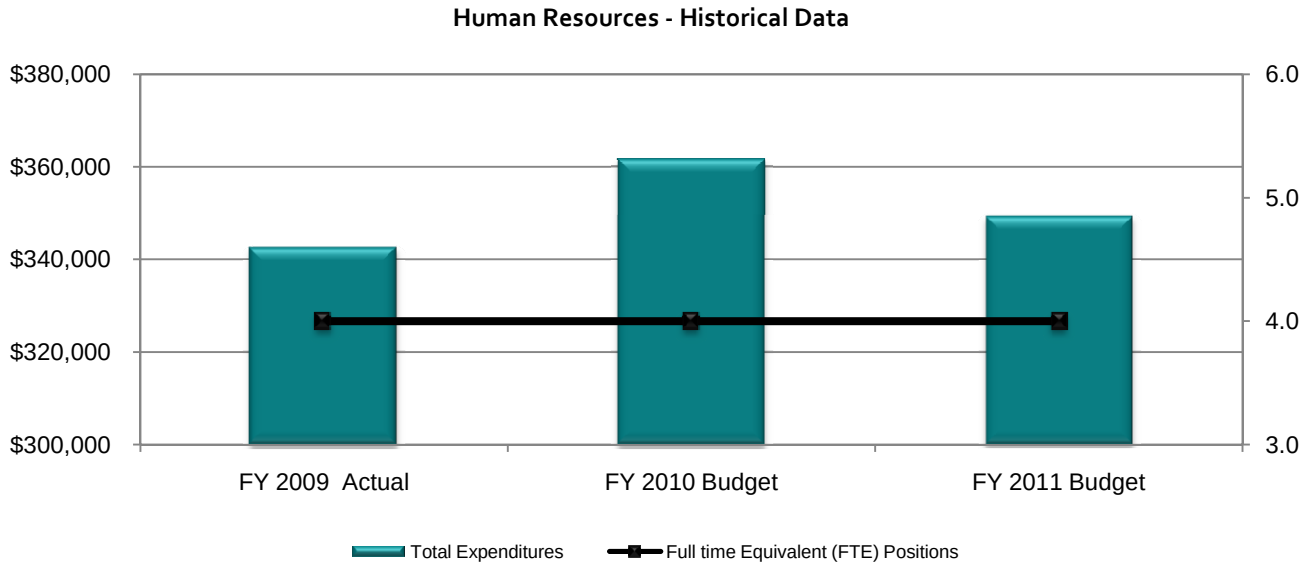
Administered the non-union retirement plans and prepared the year-end census.

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

The Budget

Administration & Finance Division
Human Resources

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 304,560	$ 319,852	$ 315,686
Less Capital Reimbursements	-	-	-
Net Personnel Costs	304,560	319,852	315,686
Operating Supplies/Expense	7,260	8,750	10,550
Professional Services	30,723	23,000	23,000
Capital Outlays	-	10,000	-
Debt Service	-	-	-
Total Expenditures	$ 342,543	$ 361,602	$ 349,236
Expenditures by Funding Source			
Revenue	$ 342,543	$ 361,602	$ 349,236
Grant	-	-	-
Total Expenditures by Source	$ 342,543	$ 361,602	$ 349,236
Full time Equivalent (FTE) Positions	**4.0**	**4.0**	**4.0**



Performance Data

Administration & Finance Division
Human Resources

Strategic Objective	Actions for Achievement 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 2009 Actual	FY 2010 Budget	FY 2011 Budget
Evaluate alternative comparative benefit solutions within six months of renewal, as necessary	100%	100%	100%
% of HR forms on-line	100%	100%	100%
Annual EEO Report submitted by due date	07/15/08	07/15/09	07/15/10
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	4	2	2
Number of employee training programs implemented	6	1	1
Apply for and receive the Worksite Wellness Award on behalf of NBC from the Greater Providence Chamber of Commerce	05/30/09	05/30/10	05/30/11

The Program

Administration & Finance Division
Finance

Mission and Overview:

The Finance section ensures NBC has sufficient resources to carry out its mission. This section ensures that sound fiscal policies and practices are employed in order to maintain the highest credit rating possible. The Finance section is also responsible for developing and managing the 5-year Capital Improvement Plan, the development and management of the annual Operating Budget, establishment of user charges and management of long-term debt.

The Finance section ensures compliance with the Public Utilities Commission, the Trust Indenture and other regulatory requirements. This section is also responsible for cash management and employee benefit programs, including retirement.

Prior Year Accomplishments

Standard & Poors' reaffirmed NBC's AA- credit rating.

Received Government Finance Officers' Association (GFOA) Distinguished Budget Presentation Award for eighth consecutive year. Also received Special Performance Measures Recognition for the fifth consecutive year, and Special Capital Recognition for the first year.

Developed five-year Capital Improvement Program and managed capital funding.

Ensured compliance with the Trust Indenture and related financial requirements.

Executed three loans from the Rhode Island Clean Water Finance Agency (RICWFA). The loans included approximately $8.6 million in "principal forgiveness" as part of the federal ARRA program.

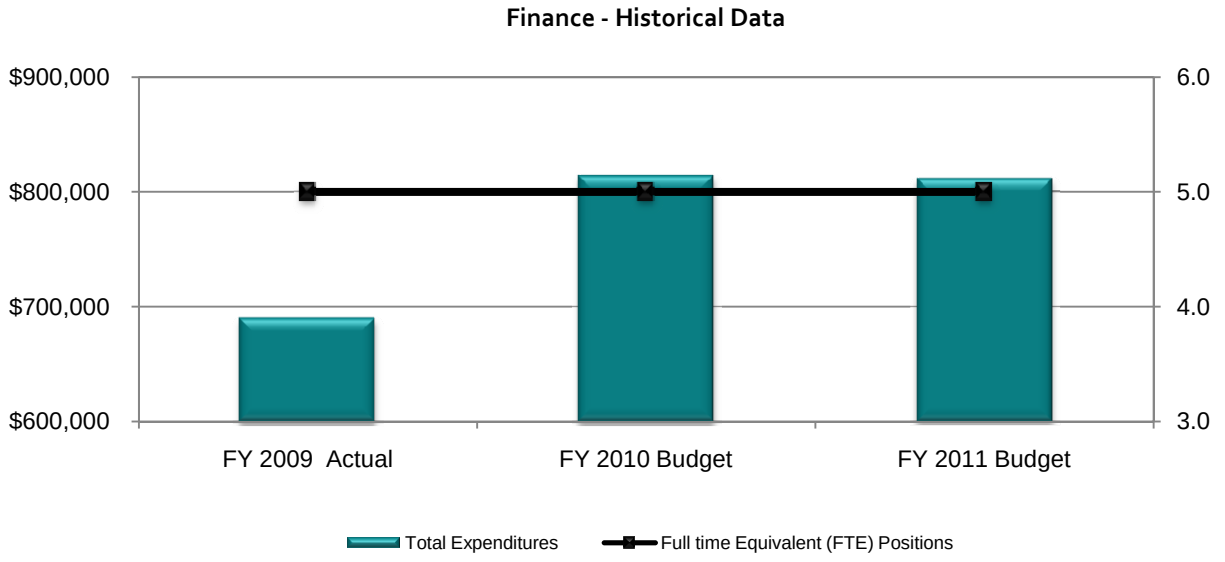
Implemented new rates with the incremental increase recovered from flat fees only and oversaw the conversion to monthly billing.

Program Staffing (Budgeted)			
Director of Administration & Finance	1.0	Budget Manager	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 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 458,982	$ 470,367	$ 475,030
Less Capital Reimbursements	-	-	-
Net Personnel Costs	458,982	470,367	475,030
Operating Supplies/Expense	8,551	26,900	25,400
Professional Services	222,068	316,081	310,634
Capital Outlays	-	-	-
Debt Service	-	-	-
Total Expenditures	$ 689,600	$ 813,348	$ 811,064
Expenditures by Funding Source			
Revenue	$ 689,600	$ 813,348	$ 811,064
Grant	-	-	-
Total Expenditures by Source	$ 689,600	$ 813,348	$ 811,064
Full time Equivalent (FTE) Positions	**5.0**	**5.0**	**5.0**



Performance Data

Administration & Finance Division
Finance

Strategic Objective	Actions for Achievement 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.
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 2009 Actual	FY 2010 Budget	FY 2011 Budget
File with PUC to maintain sufficient Operating and Capital funding	12/22/08	12/1/09	10/31/10
Spend .5% or less of revenue increase on outside rate case assistance	0.44%	0.50%	0.50%
Maintain at least "A+" credit rating with Standard & Poor's (S&P)	AA-	AA-	AA-
Update Long-term Financial Plan	Semi-Annually	Semi-Annually	Semi-Annually
Continuous Disclosure when required	100%	100%	100%
Update of capital cash flows	4	2	2
Calculation of arbitrage liability performed annually	Yes	Yes	Yes
Receive GFOA Distinguished Budget Presentation Award	Six Consecutive Years	Seven Consecutive Years	Eight Consecutive Years
Notification of budget issues within 3 days of month-end report	3 days	3 days	3 days
Number of hours of training / seminars attended	37	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 to the Public Utilities Commission	2	2	2
Transmit restricted accounts reports to 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

Completed the FY 2009 Audit on a timely basis.

Received a clean audit opinion and no management letter for twelve consecutive years.

Received the GFOA Certificate of Achievement for Excellence in Financial Reporting for eight consecutive years.

Ensured proper calculation and processing of monthly transfers as required by the Trust Indenture.

Ensured compliance with the PUC's restricted account reporting requirements.

Processed and submitted approximately $21.1 million in capital invoices in the last twelve months.

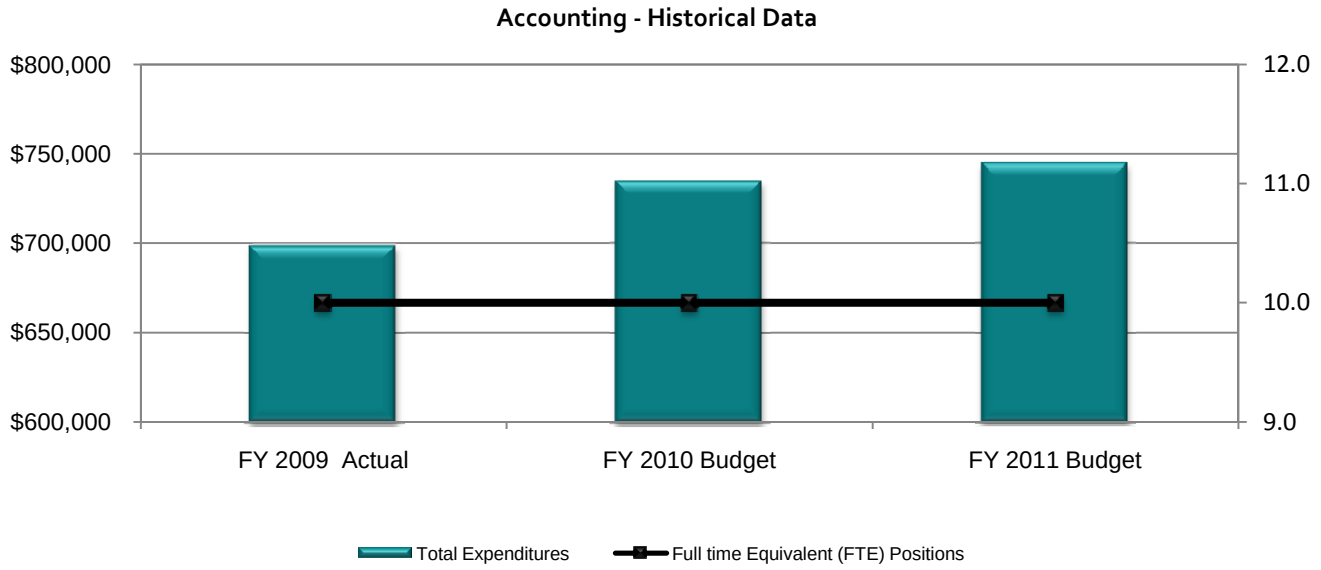
Performed internal control audits on the Capital Invoicing and Accounts Payable invoicing without Purchase Orders.

Program Staffing (Budgeted)			
Controller	1.0	Staff Accountant	2.0
Capital Principal Accountant	1.0	Principal Accountant	1.0
Capital Accounting Assistance	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 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 734,686	$ 764,415	$ 774,806
Less Capital Reimbursements	(66,777)	(69,750)	(69,750)
Net Personnel Costs	667,909	694,665	705,056
Operating Supplies/Expense	8,329	11,025	11,025
Professional Services	22,250	29,000	29,000
Capital Outlays	-	-	-
Debt Service	-	-	-
Total Expenditures	$ 698,488	$ 734,690	$ 745,081
Expenditures by Funding Source			
Revenue	698,488	734,690	745,081
Grant	-	-	-
Total Expenditures by Source	$ 698,488	$ 734,690	$ 745,081
Full time Equivalent (FTE) Positions	**10.0**	**10.0**	**10.0**



Performance Data

Administration & Finance Division
Accounting

Strategic Objective	Actions for Achievement Service Level Objective
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 2009 Actual	FY 2010 Budget	FY 2011 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 99% uptime.

Prior Year Accomplishments

Completed a full Security Assessment of NBC's Network and Computer environment with an independent security advisor. This included internal and external penetration assessments, a wireless vulnerability review, along with a social networking exercise.

Began upgrading all of the primary production databases to the latest version, 11g. This will provide a more stable and secure platform as we move forward and allow IT to better utilize its resources to increase productivity.

Implemented a new billing process that changed the cycle from quarterly to monthly. This process was accomplished in record time and is currently providing a more predictable cash flow for the Commission.

Implemented a new Performance Tracking system.

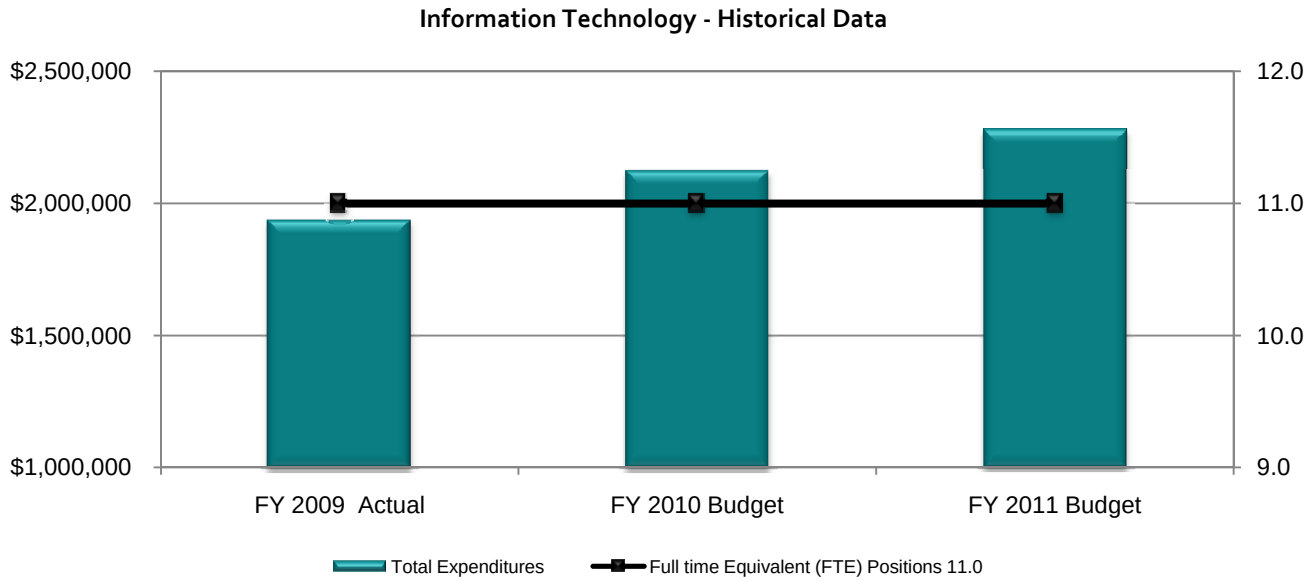
Installed a Web enabled system that handles all of the time clocks. This system has been more than meeting the requirements and goals set forth.

Program Staffing (Budgeted)			
Information Technology Manager	1.0	Network & Communications Administrator	1.0
Computer Training Applications Specialist	1.0	Senior Systems Administrator	1.0
Applications Systems Supervisor	1.0	Systems Design Programmer	1.0
Senior Data Base Administrator	2.0	Systems Administrator	1.0
Senior Systems Programmer / Systems Administrator	1.0	Solutions Architect	1.0
	11.0 FTEs		

The Budget

Administration & Finance Division
Information Technology

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 971,593	$ 1,058,164	$ 1,057,096
Less Capital Reimbursements	-	-	-
Net Personnel Costs	971,593	1,058,164	1,057,096
Operating Supplies/Expense	440,114	441,130	469,425
Professional Services	15,344	-	-
Capital Outlays	507,222	622,000	753,000
Debt Service	-	-	-
Total Expenditures	$ 1,934,272	$ 2,121,294	$ 2,279,521
Expenditures by Funding Source			
Revenue	$ 1,934,272	$ 2,121,294	$ 2,279,521
Grant	-	-	-
Total Expenditures by Source	$ 1,934,272	$ 2,121,294	$ 2,279,521
Full time Equivalent (FTE) Positions	**11.0**	**11.0**	**11.0**



Performance Data

Administration & Finance Division
IT

Strategic Objective	Actions for Achievement 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 2009 Actual	FY 2010 Budget	FY 2011 Budget
Level of system availability	99.8%	99.9%	99.9%
Percentage of systems migrated to latest installed operating sytems and applications	99%	99%	99%
Number of security breaches into NBC servers and applications	0	0	0
Successful completion of IT budgeted projects	95%	95%	96%
Number of user training sessions	197	185	188
Response to Help Desk requests within two hours	100%	100%	100%
Percentage of staff participating in training sessions during the year	55%	75%	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 83,000 accounts in the NBC service area. Water consumption billings comprise approximately 58% of annual user charges and the NBC receives water consumption data from seven different water supply boards. The Customer Service section has successfully converted from quarterly to monthly billing in fiscal year 2010. The billing section also responds to customer inquiries. Additionally, Customer Service has field investigators who research accounts and help with the abatement program. Collection activity includes phone calls, 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

Successfully completed the conversion from quarterly to monthly billing including the estimation of consumption for all accounts without actual reads on a monthly basis.

Implemented remote deposits, payment imaging, decision module to process exceptions and third party processing of on-line checks.

Completed the implementation of a new call system.

Selected and processed more than 4,000 accounts as part of the Water Shut-Off program.

Billed more than $75 million in user fees.

Investigated and completed 2,800 customer inquiries within 30 days.

Managed NBC's collection efforts to achieve late fees as a percent of user charges <2%.

Continued to refine and expand CS Application to more efficiently service NBC Customers.

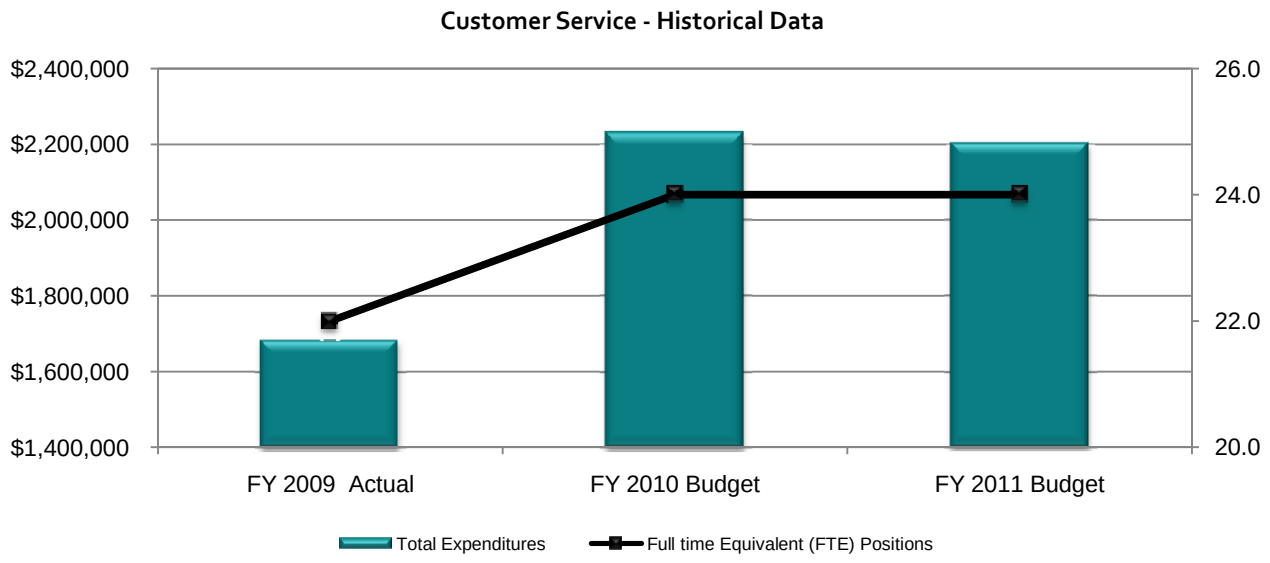
Continued to focus on collections of past-due accounts averaging approximately 1,800 collection calls per month.

Program Staffing (Budgeted)			
Customer Service Manager	1.0	Special Account Coordinator	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	3.0	Customer Service Representative	11.0
Fiscal Clerk	2.0	Billing Supervisor	1.0
	24.0 FTEs		

The Budget

Administration & Finance Division
Customer Service

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 1,400,248	$ 1,650,929	$ 1,646,893
Less Capital Reimbursements	-	-	-
Net Personnel Costs	1,400,248	1,650,929	1,646,893
Operating Supplies/Expense	226,017	464,225	485,125
Professional Services	35,158	36,120	40,220
Capital Outlays	22,120	80,000	30,000
Debt Service	-	-	-
Total Expenditures	$ 1,683,543	$ 2,231,274	$ 2,202,238
Expenditures by Funding Source			
Revenue	$ 1,683,543	$ 2,231,274	$ 2,202,238
Grant	-	-	-
Total Expenditures by Source	$ 1,683,543	$ 2,231,274	$ 2,202,238
Full time Equivalent (FTE) Positions	**22.0**	**24.0**	**24.0**



Performance Data

Administration & Finance Division
Customer Service

Strategic Objective	Actions for Achievement 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 2009 Actual	FY 2010 Budget	FY 2011 Budget
Percentage of accounts with meter reading within prior 12 months	98%	98%	98%
Percentage of over thirty-day receivables called	90%	90%	90%
Number of accounts selected for Water Shut Off	6,411	3,200	3,200
Late fees as a percentage of billing	1.2%	<2%	<2%
Number of large user accounts reviewed per year	15	15	15
Number of Customer Focus training sessions annually	8	8	8
Percentage of calls abandoned	3.67%	<4%	<4%
Number of Connection Permits investigated	1	1	1
Resolution of Disputes within 30 days	96%	96%	96%
Quarterly Reads on Large Customers	549	500	500

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

Managed security changes for the new Tunnel Pump Station and the renovated administration building at Bucklin Point.

Implemented an update to the security software and cameras.

Prepared the annual energy usage and expenditure report for the Department of Administration.

Received approval from The Secretary of State's Office for the NBC record retention / destruction schedule and record storage form.

Prepared thirty nine bid proposals, including fuel service for the NBC FP campus.

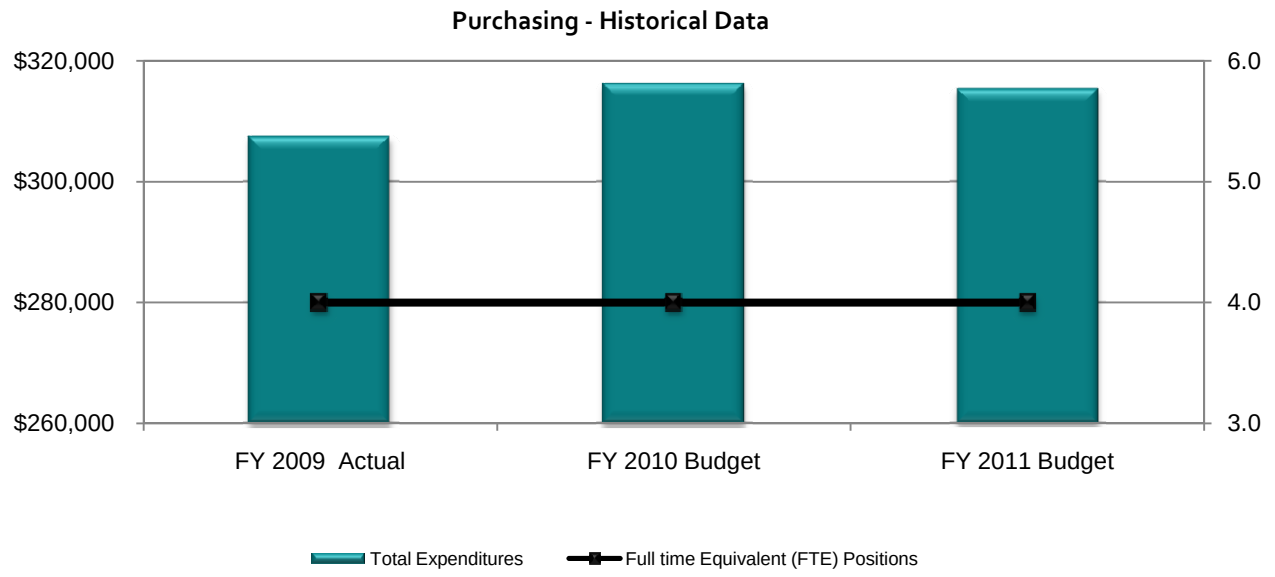
Provided assistance to other NBC Departments related to purchasing issues.

Program Staffing (Budgeted)			
Purchasing Manger	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 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 303,125	$ 311,134	$ 310,447
Less Capital Reimbursements	-	-	-
Net Personnel Costs	303,125	311,134	310,447
Operating Supplies/Expense	2,081	5,080	4,900
Professional Services	2,251	-	-
Capital Outlays	-	-	-
Debt Service	-	-	-
Total Expenditures	$ 307,457	$ 316,214	$ 315,347
Expenditures by Funding Source			
Revenue	$ 307,457	$ 316,214	$ 315,347
Grant	-	-	-
Total Expenditures by Source	$ 307,457	$ 316,214	$ 315,347
Full time Equivalent (FTE) Positions	**4.0**	**4.0**	**4.0**



Performance Data

Administration & Finance Division
Purchasing

Strategic Objective	Actions for Achievement 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 2009 Actual	FY 2010 Budget	FY 2011 Budget
Percentage of purchase requisitions completed within two weeks	95%	97%	97%
Number of days to complete bid specifications	30	30	30
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	100%	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%
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

Completed monthly analysis of the Corporate Office Building (COB) maintenance expenses to ensure overhead expense is at or below budget.

Ensured proper preventive and corrective maintenance of the COB was completed.

Coordinated with other NBC sections to ensure the continuous update and enhancement of security for NBC facilities.

Completed upgrades and changes required as part of the report from the State Fire Marshal.

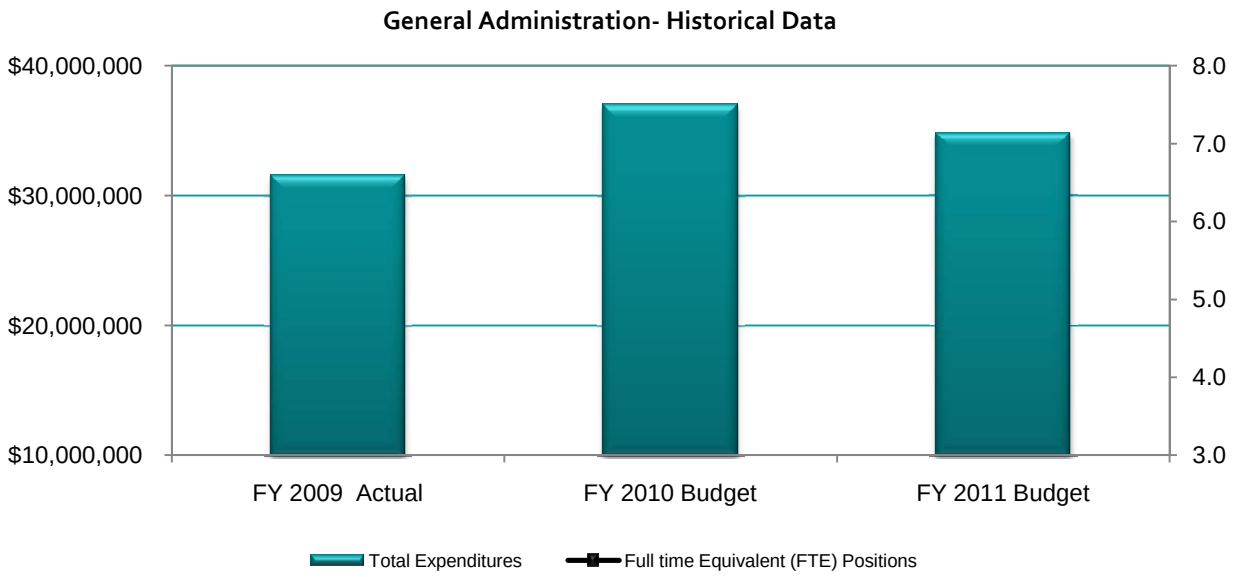
Completed improvements required as a result of the Environmental Land Usage Restriction (ELUR) inspection of the COB.

Program Staffing (Budgeted)
Responsibilities are executed by Purchasing staff

The Budget

Administration & Finance Division
General Administration

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 571,868	$ 628,340	$ 219,590
Less Capital Reimbursements	-	-	-
Net Personnel Costs	571,868	628,340	219,590
Operating Supplies/Expense	1,206,520	1,227,457	1,338,711
Professional Services	232,686	316,200	273,860
Capital Outlays	87,964	122,500	160,000
Debt Service	29,462,666	34,737,792	32,801,374
Total Expenditures	$ 31,561,703	$ 37,032,289	$ 34,793,535
Expenditures by Funding Source			
Revenue	$ 31,561,703	$ 37,007,289	$ 34,768,535
Grant	-	25,000	25,000
Total Expenditures by Source	$ 31,561,703	$ 37,032,289	$ 34,793,535
Full time Equivalent (FTE) Positions	**0.0**	**0.0**	**0.0**



Performance Data

Administration & Finance Division
General Administration

Strategic Objective	Actions for Achievement 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 2009 Actual	FY 2010 Budget	FY 2011 Budget
Percentage of building maintenance requests completed within two weeks	90%	85%	85%
Cost per square foot maintained	$7.68	$8.50	$8.50
Completion of budgeted operating capital projects	100%	100%	100%
Number of facility inspections	9	9	9

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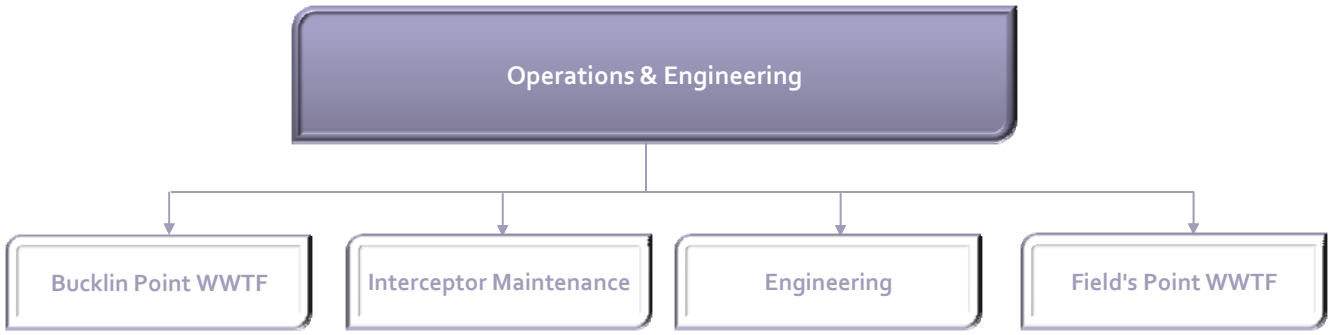
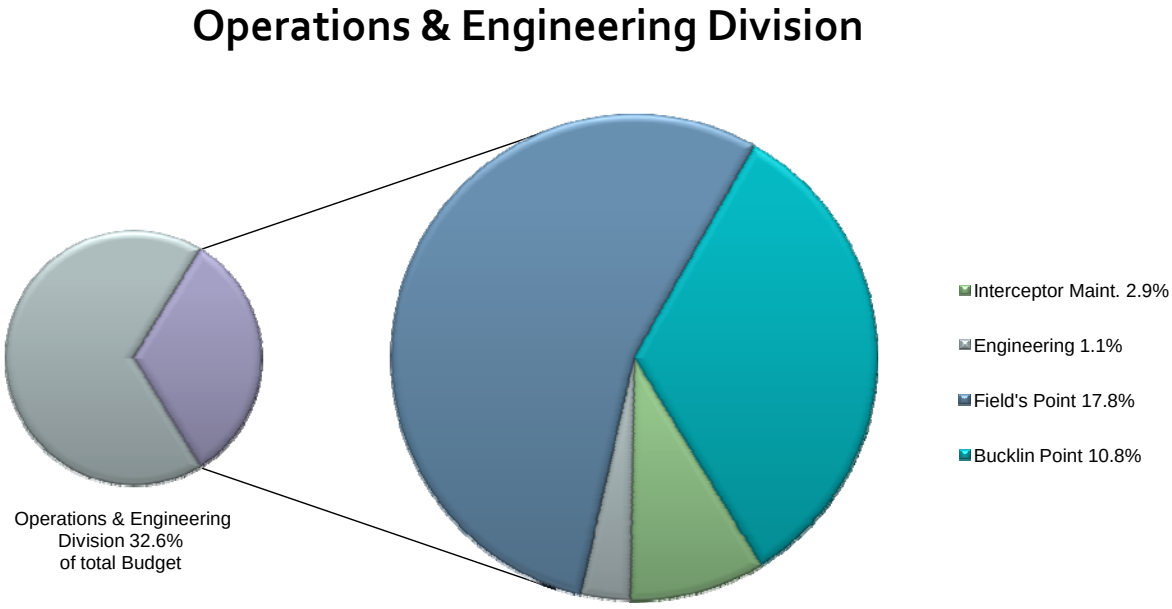
Division Structure

Operations & Engineering Division
Division Summary





Division Program

Operations & Engineering Division
Division Summary

Purpose and Overview

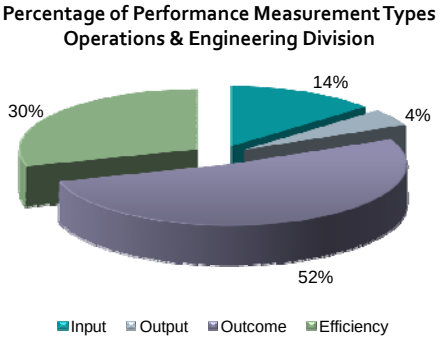
The Operations and Engineering division is responsible for operating and maintaining the treatment plants and the collection system. In addition, the division is responsible for planning and designing capital improvements to the NBC's system of interceptors, pump stations, and wastewater treatment facilities.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

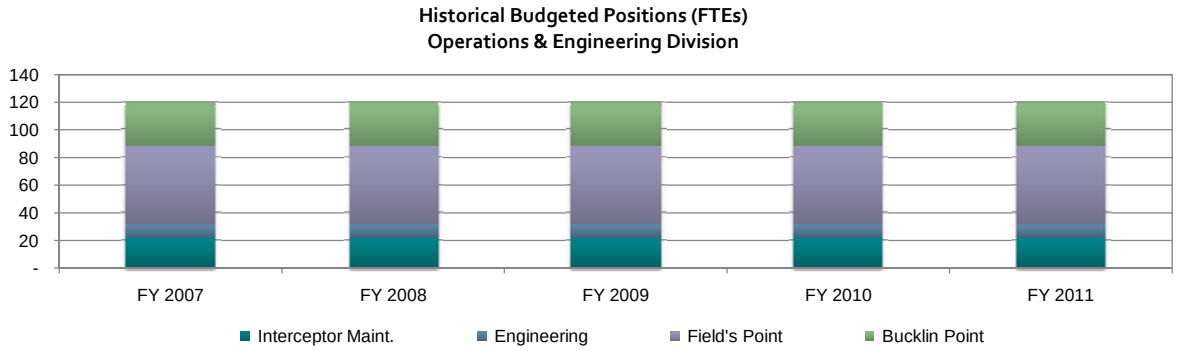
Significant Budget Modifications

The Operations and Engineering Division's budget has decreased in each expense category for a total of $474 thousand over the FY 2010 budget. Personnel expense decreased by approximately $295 thousand, or 3.2% due to changes in personnel in the Engineering and Field's Point sections. Operating Expense has a net decrease of approximately $132 thousand, or 1.2% due, in part to a decrease in Field's Point budget for Hypochlorite, Bisulfite, Biosolids Disposal and decreases in Natural Gas for both the Field's Point and Bucklin Point WWTFs. Professional Services has decreased by approximately $9 thousand, or .4% and Capital Outlays has decreased by approximately $39k, or 3.4% over the FY 2010 budget.

Operations & Engineering Division Performance Data Summary

The chart below illustrates the Operations & Engineering Division's Performance Data by type of measure. The measures can be found in the individual sections following this division summary. As can be seen, in this division Outcome and Efficiency measures make up 82% of total performance measures.

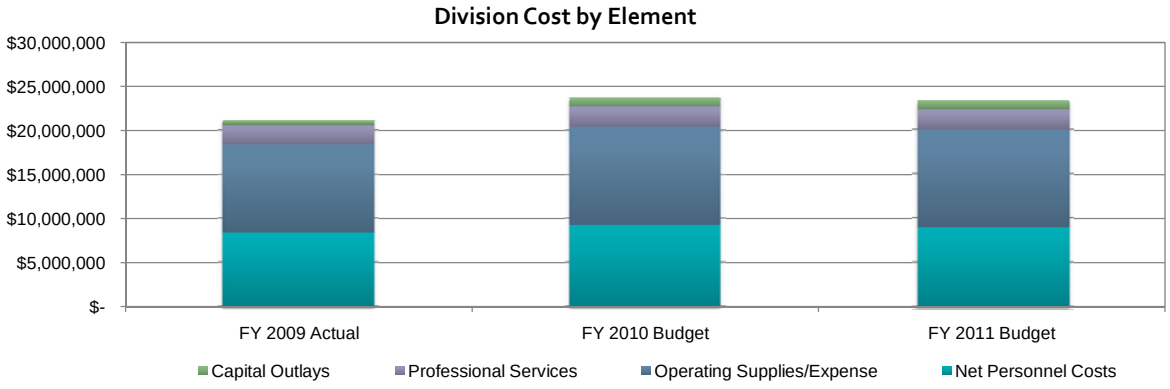


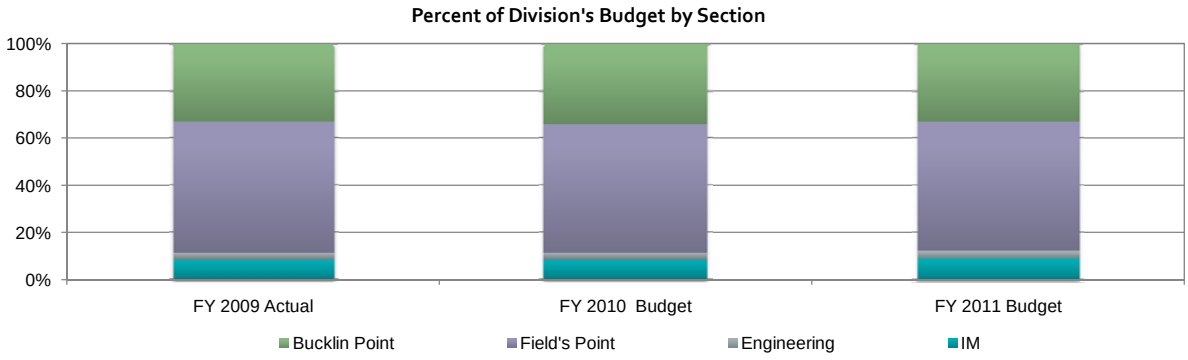


Division Program

Operations & Engineering Division
Division Summary

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 8,834,727	$ 10,065,629	$ 9,833,740
Less Capital Reimbursements and Turnover	(462,515.75)	(858,963.47)	(921,766.51)
Net Personnel Costs	8,372,212	9,206,666	8,911,973
Operating Supplies/Expense	9,991,181	11,251,099	11,119,268
Professional Services	2,255,176	2,220,663	2,211,404
Capital Outlays	561,420	1,149,500	1,110,903
Debt Service	-	-	-
Total Expenditures	$ 21,179,989	$ 23,827,928	$ 23,353,548
Expenditures by Funding Source			
Revenue	$ 21,179,989	$ 23,827,928	$ 23,353,548
Grant	-	-	-
Total Expenditures by Source	$ 21,179,989	$ 23,827,928	$ 23,353,548
Full time Equivalent (FTE) Positions	**120.0**	**120.0**	**120.0**





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 92 miles of interceptor sewers, 6 pumping stations, 84 regulators, 22 meter stations, 45 sumps, 32 tidegates, approximately 605 catch basins, the Lincoln Septage Receiving Facility, and the six tunnel drop shafts. 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

Completed a cleaning and inspection contract that involved the merging of CCTV inspections into Hansen which will vastly improve the ability to manage the sewer pipes and prioritize maintenance needs.

Imported CCTV inspection data from field software (WinCan) into NBC's Hansen database system. This makes it possible to track sewer main inspections and as well as providing a more comprehensive means for storing the data.

Created Preventative Maintenance (PM) work orders on many collection system assets. This includes regulator inspections, tidegate inspections, sump cleanings.

Coordinated with Field's Point Maintenance to develop the pump station PMs to reflect the needs of the station.

Converted the Planning and Scheduling of work tasks to reflect the improvements that the agency has been developing over the years. This approach has been beneficial by creating a more cohesive team effort and more productive work tasks.

Removed an estimated 88 yards of accumulated grit from the collection system, thereby improving sewerage capacity.

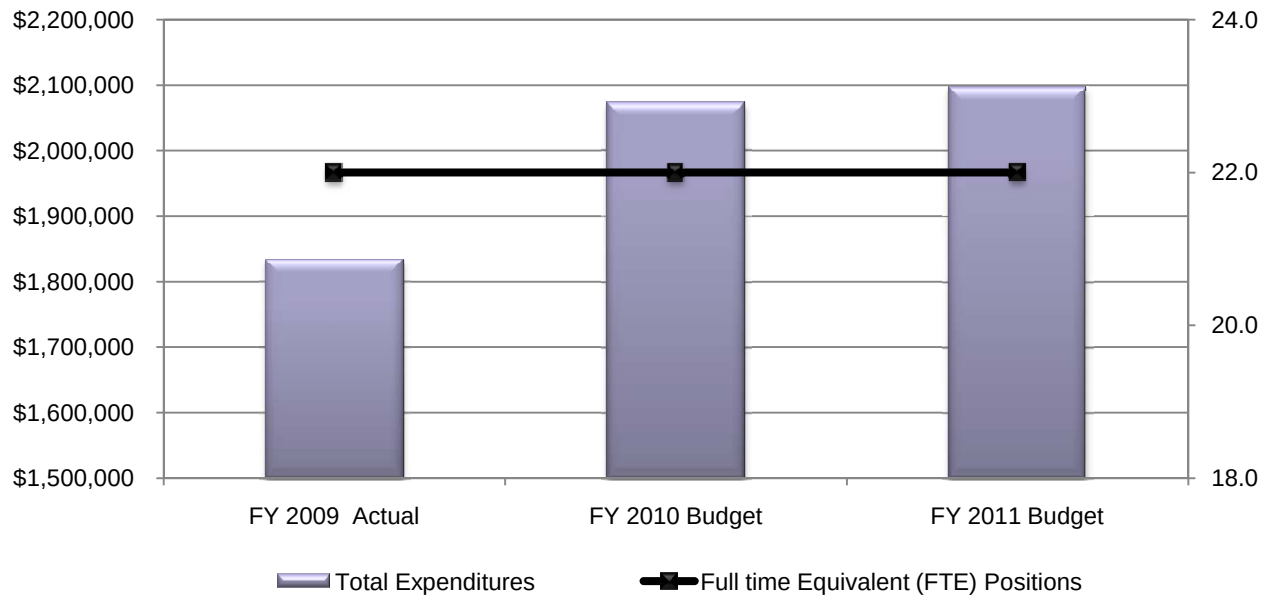
An estimated 43 tons of floatables and debris was removed from the wet weather CSOs at OF-218. This material was properly disposed of at the landfill instead of contaminating the Seekonk River.

IM staff has completed a total of 170 training hours.

Program Staffing (Budgeted)			
IM Manager	1.0	Technical Assistant	1.0
Assistant IM Manager	1.0	Dispatcher	1.0
IM Operator	14.0	IM Inspector	1.0
Heavy Motor Equipment Operator	1.0	IM Environmental Engineer	1.0
IM Mechanic	1.0		
	22.0 FTEs		

Operations & Engineering
Interceptor Maintenance

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 1,354,300	$ 1,584,208	$ 1,627,020
Less Capital Reimbursements and Turnover Allowance	(45,411)	(188,005)	(160,762)
Net Personnel Costs	1,308,888	1,396,203	1,466,258
Operating Supplies/Expense	463,323	491,625	548,587
Professional Services	15,434	14,800	20,800
Capital Outlays	45,018	170,000	61,200
Debt Service	-	-	-
Total Expenditures	$ 1,832,663	$ 2,072,628	$ 2,096,845
Expenditures by Funding Source			
Revenue	$ 1,832,663	$ 2,072,628	$ 2,096,845
Grant	-	-	-
Total Expenditures by Source	$ 1,832,663	$ 2,072,628	$ 2,096,845
Full time Equivalent (FTE) Positions	**22.0**	**22.0**	**22.0**



Performance Data

Operations & Engineering Division
Interceptor Maintenance

Strategic Objective	Actions for Achievement 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.
	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.
Staffing: Attract, develop and retain highly qualified employees.	Provide training and equipment to ensure safe and environmentally sound management practices are followed.

Target Measure	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Number of miles of interceptors inspected and cleaned annually	4	10	5
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	2.5 hours	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	66 tons	70 tons	60 tons
Percentage of capital expenditures spent on planned items	100%	100%	100%
Number of customer service training hours per employee completed annually	0	1 hour	1 hour
Length of time to review sewer connection permits	2 business days	3 business days	3 business days
Number of optional training hours completed annually	586	150	200

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. 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 the FPWWTF.

Prior Year Accomplishments

Completed design of the Nitrogen Removal facilities and other Improvements at the FPWWTF.

Completed Facilities Plan for the Town of Johnston.

Completed Inflow investigation for the Town of North Providence.

Initiated design of Nitrogen Removal facilities and other Improvements at the BPWWTF.

Completed design of the Phase II CSO Facilities.

Completed evaluation of floatables control technologies to be used at OF's 205, 219 and 220.

Initiated easement investigation for the Blackstone Valley Interceptor in Cumberland.

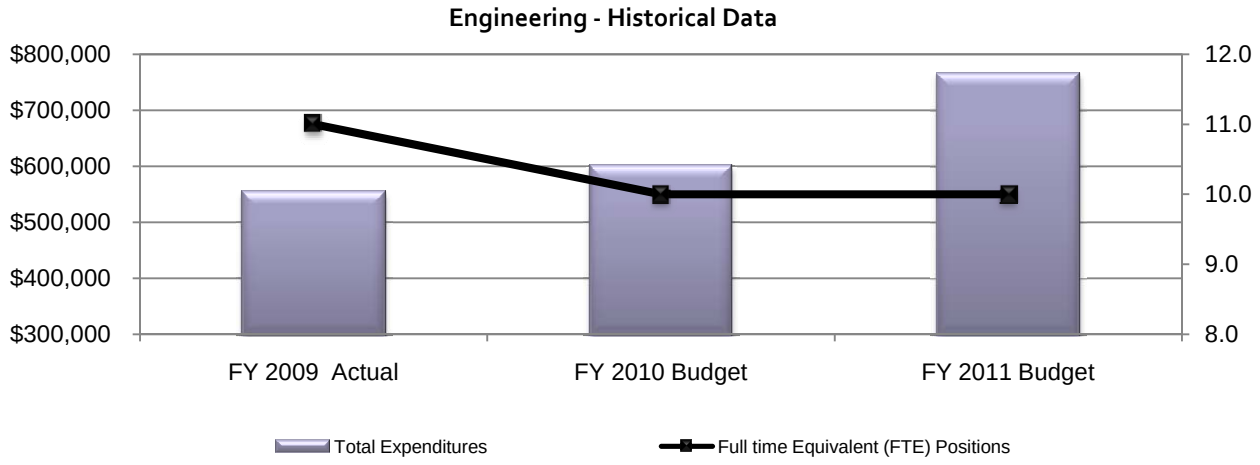
Initiated migration of the operating software and hardware for the FPWWTF from Bailey to Wonderware.

Established web based access to GIS for all users.

Program Staffing (Budgeted)			
Engineering Construction Coordinator	1.0	Engineering & Operations Fiscal Administrator	1.0
Engineering Manager	1.0	Principal Environmental Engineer	1.0
Instrumentation Engineer	1.0	Facilities Engineer	3.0
Environmental Engineer	1.0	Director of Operations & Engineering	1.0
	10.0 FTEs		

Operations & Engineering Division
Engineering

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 953,656	$ 963,320	$ 936,714
Less Capital Reimbursements	(417,104)	(407,248)	(396,631)
Net Personnel Costs	536,552	556,072	540,083
Operating Supplies/Expense	15,512	17,615	134,065
Professional Services	-	200	15,200
Capital Outlays	-	25,000	75,000
Debt Service	-	-	-
Total Expenditures	$ 552,063	$ 598,887	$ 764,348
Expenditures by Funding Source			
Revenue	$ 552,063	$ 598,887	$ 764,348
Grant	-	-	-
Total Expenditures by Source	$ 552,063	$ 598,887	$ 764,348
Full time Equivalent (FTE) Positions	**11.0**	**10.0**	**10.0**



Performance Data

Operations & Engineering Division
Engineering

Strategic Objective	Actions for Achievement 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. Ensure safe and reliable wastewater processing through effective asset management.
Envir. Performance: Continuously evaluate NBC environmental performance to identify, quantify and minimize NBC impacts to the environment in a cost-effective manner.	

Target Measure	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Number of project tasks completed related to nutrient removal and other improvements at wastewater treatment facilities	5	4	4
Implement Asset Management Program by phases	12/30/09 Phase III	6/30/2010 Phase IV	N/A
Number of project tasks completed related to the sewer collection system	2	4	4
Number of project tasks completed related to the development of GIS/Hansen sewer maintenance applications	2	2	2
Number of project tasks completed related to Phase II Combined Sewer Overflow Control in accordance with permit and consent order requirements	2	2	1

The Program

Operations & Engineering Division
Field's Point Operations

Mission and Overview:

The Field's Point WWTF is the largest wastewater treatment facility in RI. It treats over 47 million gallons of wastewater per day. The goal and mission of the Operations staff at the facility is to operate the facility in a way that will produce the highest quality effluent in the most efficient manner. To accomplish this goal Operations must ensure that all processes function at their optimum. Residuals removed from the wastewater must be disposed of and/or utilized in a cost-efficient manner. Over 1,300 tons of screenings and grit are removed in the treatment process and they are properly disposed of at the landfill. Approximately 23 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

Produced high-quality effluent on a daily basis. Experienced only one excursion of the RIPDES permit.

Maintained permit limits (daily maximum, weekly or monthly average) for the conventional pollutants total suspended solids (TSS) and biochemical oxygen demand (BOD) and residual chlorine.

Successfully integrated the flow from the CSO Abatement Tunnel into its normal pumping routine.

Removed the "soft start" mechanism from the No.4 Aeration Blower and replaced it with a conventional starter to address catastrophic shaft failures.

Replaced an original dual-piston plunger pump in the GTPS with a new Penn Valley diaphragm pump and also replaced an old Scum Pump in RASPS 2 with a second PVP. This was done as part of the AMP equipment replacement program.

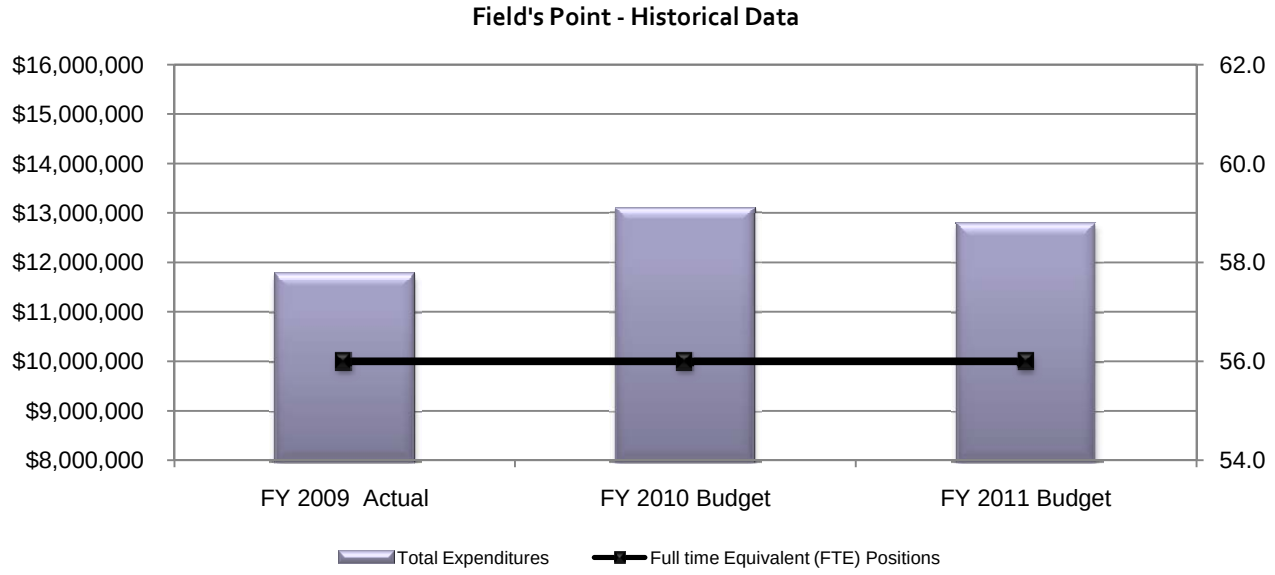
Repacked faulty influent knife gates at the ESPS which, left unattended, would flood the ESPS basement.

Held weekly Scheduler/Planner meetings to lay out maintenance work for the next week.

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	11.0
Mechanic	10.0	Carpenter	1.0
E and I Technician	1.0	Electrician	2.0
Master Electrician	1.0	O & M Support Supervisor	1.0
Maintenance Supervisor	1.0	Assistant E and I Technician	1.0
Senior Maintenance Supervisor	1.0	Control Systems Associate	1.0
	56.0 FTEs		

Operations & Engineering Division
Field's Point Operations

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 4,278,144	$ 4,794,340	$ 4,696,126
Less Turnover Allowance	-	(221,944)	(235,405)
Net Personnel Costs	4,278,144	4,572,396	4,460,721
Operating Supplies/Expense	7,020,340	7,962,080	7,686,148
Professional Services	17,321	16,186	16,994
Capital Outlays	422,380	523,000	599,703
Debt Service	-	-	-
Total Expenditures	$ 11,738,186	$ 13,073,661	$ 12,763,566
Expenditures by Funding Source			
Revenue	$ 11,738,186	$ 13,073,661	$ 12,763,566
Grant	-	-	-
Total Expenditures by Source	$ 11,738,186	$ 13,073,661	$ 12,763,566
Full time Equivalent (FTE) Positions	**56.0**	**56.0**	**56.0**



Performance Data

Operations & Engineering Division
Field's Point Operations

Strategic Objective	Actions for Achievement 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.
	Train Operations staff to test for nitrogen compounds using a Hach Colorimetric meter.
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.
	Maximize safe, efficient and cost-effective operation of the treatment plant.
	Minimize unplanned capital expenditures.
	Optimize hypochlorite addition to the effluent by monitoring and adjusting processes as needed.
Staffing: Attract, develop and retain highly qualified employees.	Provide opportunities for Operations and Maintenance employees to Increase their knowledge level by taking NBC computer courses and/or courses for Incentive Credit.

Target Measure	FY 2009 Actual	FY 2010 Budget	FY 2011 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)	99.7%	100%	100%
Perform preventative maintenance tasks on 25 percent of the total number of buildings and structures within the facility on an annual basis.	25%	25%	25%
Effluent Quality Goals:			
Yearly average TSS	12	14	12
Yearly average BOD	16	12	12
Yearly average Fecal Coliforms	27	20	20
Permit levels TSS & BOD	30 mg/l	30 mg/l	30 mg/l
Permit levels Fecal Coliforms	200 MPN	200 MPN	200 MPN
Provide a "sign off" sheet for each Operator indicating that they demonstrated proficiency in using the Hach meter to test for ammonia, nitrite and nitrate. Train all Operators and Process Monitors (22 total)	N/A	N/A	22 Operators and Process Monitors
Keep daily average sludge production to less than or equal to 25 DT/day	22.5 DT/day	<25 DT/day	<23 DT/day
Reduce the number of changes to the current year Operating Capital budget due to plan changes	13	<5	<5
Percentage of capital expenditures spent on planned items	83%	90%	100%
Gallons of hypochlorite added to the CCT per day	1270 gpd	< 1500 gpd	< 1,600 gpd
Number of NBC computer courses and/or Incentive credit training courses taken by Operations and Maintenance employees	25	25	25

The Program

Operations & Engineering Division
Bucklin Point

Mission and Overview:

NBC's Bucklin Point WWTF is the second largest treatment facility 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. The facility also treats up to another 70 MGD of wet weather flow for a total treatment capacity of 116-MGD during wet weather events. The facility has treated over 85% of wet weather flow entering the facility by storing flow during lesser storms and pumping it back to the facility during low flow periods. This has resulted in a greater than 90% reduction in the number of permitted facility bypass events which previously would have resulted in the discharge of untreated wet weather flows. The facility continues to attain excellent treatment. Facility staff and management continue to seek ways to optimize treatment levels with the existing facility.

Prior Year Accomplishments

Continued safety and other training to all staff and have coordinated all utility-wide training into program.

Continued innovative treatment strategies to determine operational scenarios for facilities plan amendment.

Continued next phases of utility-wide asset management program implementation resulting in optimized maintenance.

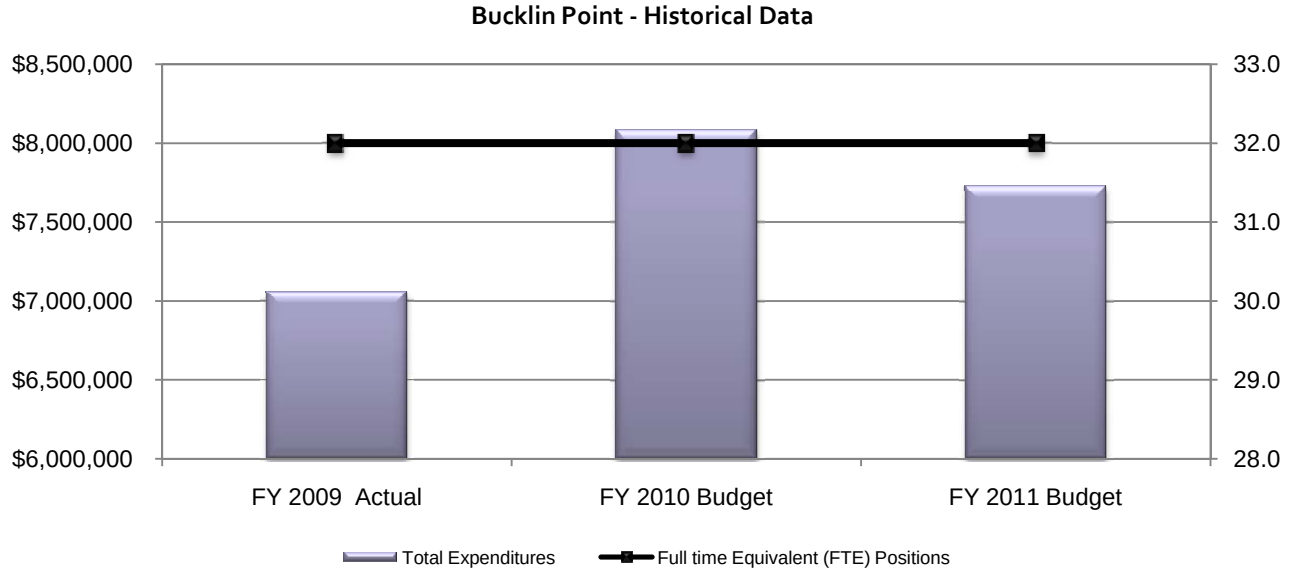
Worked with various sections on on-going design and optimization projects including energy and biogas reuse.

Provided tours to several hundred students at all levels to further understanding of utility mission and goals.

Program Staffing (Budgeted)			
Bucklin Point Contract Coordinator	1.0	Utility Crew Foreman	1.0
Scada System Operator	1.0	Process Monitor	5.0
Operator	12.0	Heavy Equipment Operator	1.0
Mechanic	5.0	E and I Technician	1.0
Electrical Foreman	1.0	Electrician	2.0
Inventory Control Clerk	1.0	Maintenance Scheduler/Planner	1.0
	32.0 FTEs		

Operations & Engineering Division
Bucklin Point Operations

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 2,248,628	$ 2,723,761	$ 2,573,880
Less Turnover Allowance	-	(41,766)	(128,969)
Net Personnel Costs	2,248,628	2,681,995	2,444,911
Operating Supplies/Expense	2,492,007	2,779,779	2,750,469
Professional Services	2,222,421	2,189,477	2,158,410
Capital Outlays	94,021	431,500	375,000
Debt Service	-	-	-
Total Expenditures	$ 7,057,077	$ 8,082,751	$ 7,728,789
Expenditures by Funding Source			
Revenue	$ 7,057,077	$ 8,082,751	$ 7,728,789
Grant	-	-	-
Total Expenditures by Source	$ 7,057,077	$ 8,082,751	$ 7,728,789
Full time Equivalent (FTE) Positions	**32.0**	**32.0**	**32.0**



Performance Data

Operations & Engineering Division
Bucklin Point Operations

Strategic Objective	Actions for Achievement 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.
	Minimize unplanned capital expenditures.
	Reduce emergency maintenance expenditures.
Staffing: Attract, develop and retain highly qualified employees.	Provide a healthy and safe working environment.
	Maintain number of health and safety training hours per employee.
	Provide ongoing technical training to optimize team performance.

Target Measure	FY 2009 Actual	FY 2010 Budget	FY 2011 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	8.5 mg/l	8 mg/l	8 mg/l
Permit Level Nitrogen	8.5 mg/l	8 mg/l	8 mg/l
Yearly average TSS	7 mg/l	10 mg/l	10 mg/l
Yearly average BOD	5 mg/l	10 mg/l	10 mg/l
Yearly average Fecal Coliforms	1 MPN	30 MPN	30 MPN
Permit levels TSS & BOD	1.4 mg/l	30 mg/l	30 mg/l
Permit levels Fecal Coliforms	14 MPN	200 MPN	200 MPN
Keep daily average sludge production less than or equal to 6.8 DT/day	6.04 DT/day	6.8 DT/day	6.8 DT/day
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	100%	100%	100%
Compliance with all state and federal health and safety regulations	100%	100%	100%
Maintain number of hours of training as per Safety and Health Training Hours report	100%	24 hours / employee	24 hours / employee
One training session per month per employee (internal and external)	24 hours / employee	24 hours / employee	24 hours / employee

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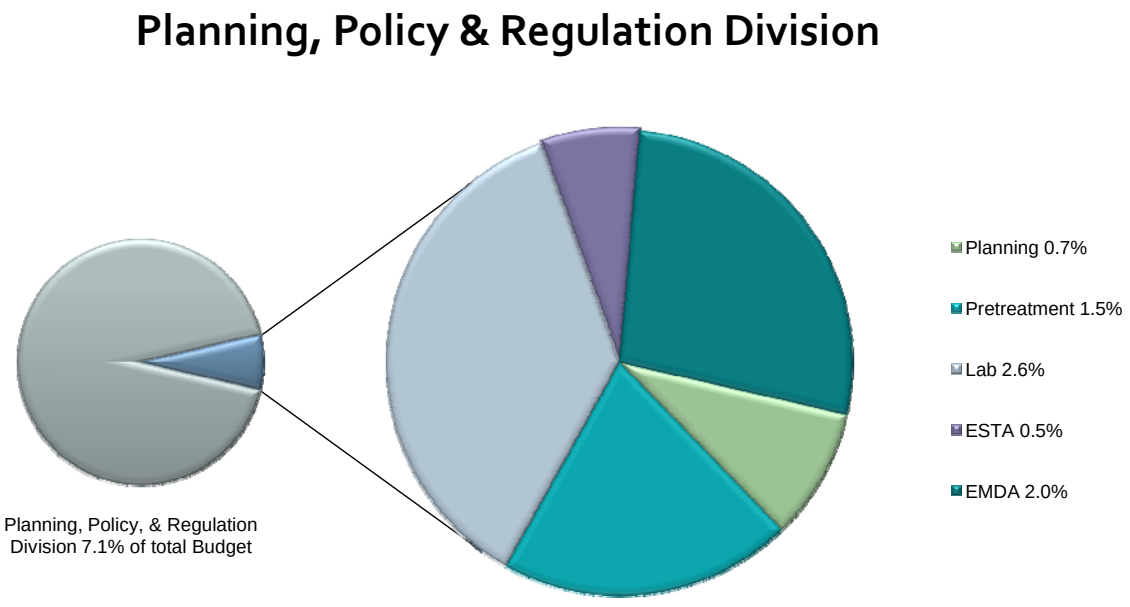
Division Structure

Planning, Policy & Regulation Division
Division Summary



Division Program

Planning, Policy & Regulation Division
Division Summary

Purpose and Overview

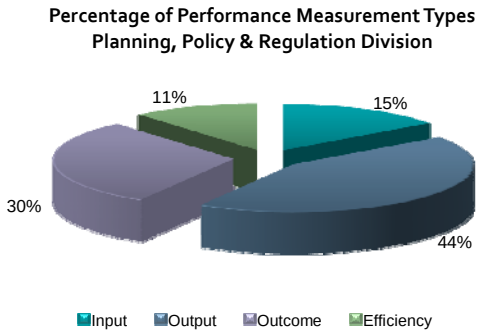
The Planning, Policy and Regulation Division is responsible for long-range agency planning and the issuance of new sewer connection permits. The Division includes the Pretreatment program, Environmental Monitoring and Data Analysis, Environmental Safety and Technical Assistance, and the Laboratory. The Division provides technical support to the operating sections and performs a variety of special studies.

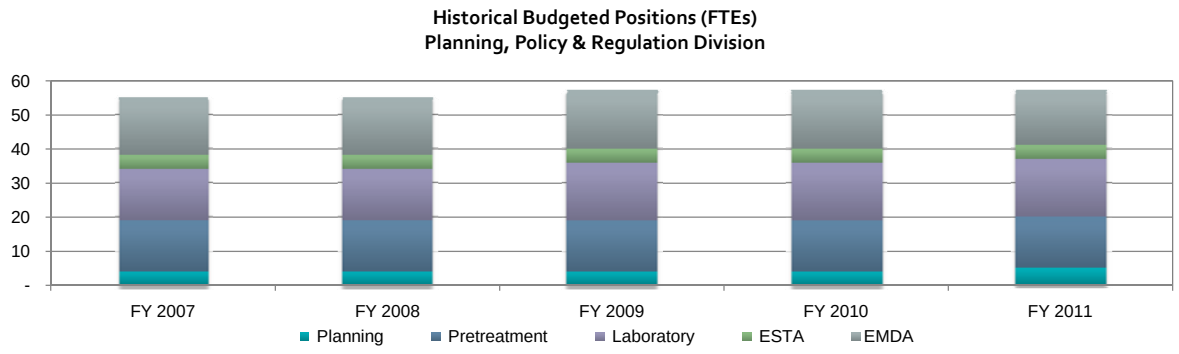
Significant Budget Modifications

The Planning, Policy & Regulation Division's budget increased by approximately $274 thousand, or 5.6% on a year to year basis. Personnel costs rose by approximately $64 thousand, or 1.6%, Professional services increased by approximately $11 thuosand, or 36.6% due to increased costs in the EMDA section for RIPDES-required bioassay analyses. Operating supplies expense has decreased by approximately $4 thousand, or 1%. Each section in this division has worked diligently to keep costs at or below the FY 2010 level.

Planning, Policy & Regulation Division Performance Data Summary

The chart below illustrates the Planning, Policy & Regulation Division's Performance Data by type of measure. The measures can be found in the individual sections following this division summary. As can be seen, in this division Outcome and Efficiency measures make up 41% of total performance measures.

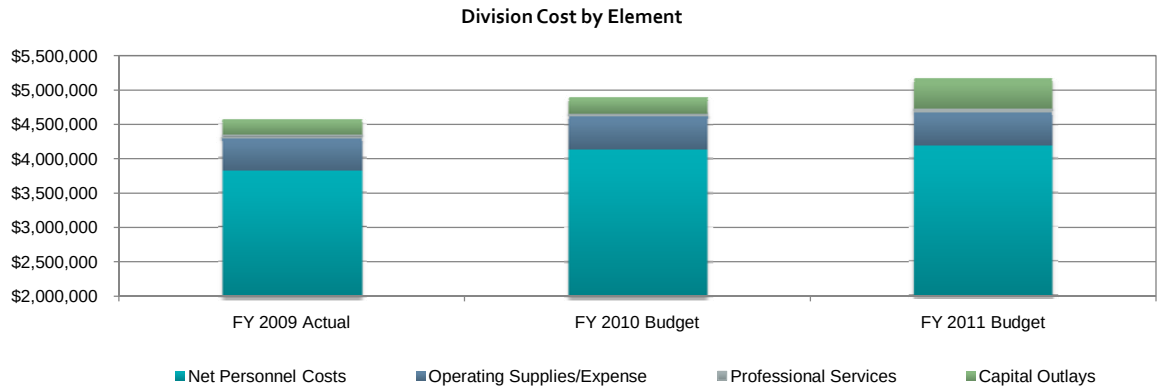


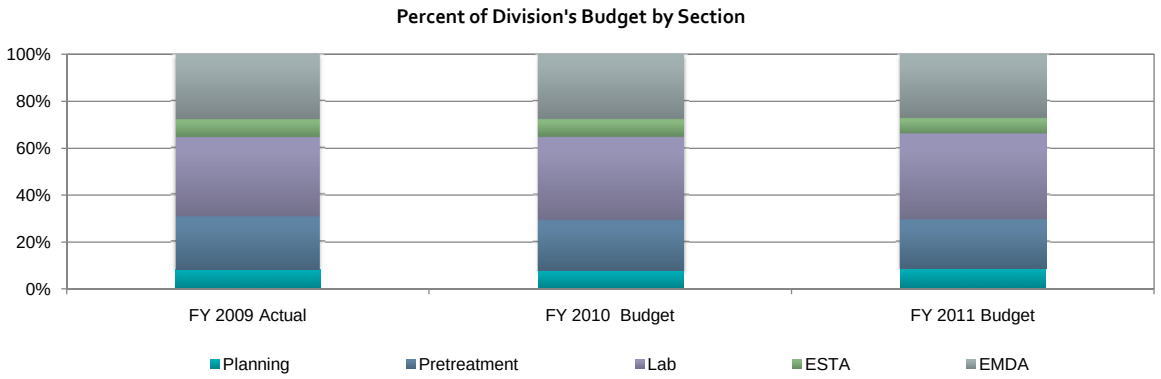


Division Program

Planning, Policy & Regulation Division
Division Summary

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 3,826,383	$ 4,156,952	$ 4,221,018
Less Capital Reimbursements	(18,238.18)	(19,375.00)	(19,375.00)
Net Personnel Costs	3,808,144	4,137,577	4,201,643
Operating Supplies/Expense	490,918	492,833	489,083
Professional Services	35,718	30,360	41,480
Capital Outlays	228,038	236,600	438,875
Debt Service	-	-	-
Total Expenditures	$ 4,562,819	$ 4,897,370	$ 5,171,080
Expenditures by Funding Source			
Revenue	$ 4,562,819	$ 4,897,370	$ 5,171,080
Grant	-	-	-
Total Expenditures by Source	$ 4,562,819	$ 4,897,370	$ 5,171,080
Full time Equivalent (FTE) Positions	**55.0**	**57.0**	**57.0**





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. This section assists other sections with the enforcement of NBC Rules and Regulations, protection of NBC sewer easements, public outreach projects such as the Chairman's River Restoration Initiative, provides free water audits for businesses and provides 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, and dealing with stakeholders and regulatory agencies on all types of environmental issues involving the NBC.

Prior Year Accomplishments

Approved 207 sewer connections.

A total of nine projects in the NBC district employed some type of Low Impact Development (LID) techniques over the past year, diverting over 1,400,000 gallons of stormwater flow from the NBC sewer system (25 year storm). Encouraged developers to use LID techniques for stormwater disposal.

Organized and oversaw the Chairman's River Restoration Initiative Earth Day Clean-up Event and the State's Shellfish Transplant Program.

Conducted annual site inspections of the Field's Point and Bucklin Point Wastewater Treatment Facilities, as required under our General Stormwater Permits for these facilities.

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

The PP&R Director served as Co-Chair of the Rhode Island Environmental Monitoring Collaborative, represented the NBC on the Ad-hoc Subcommittee and represented the NBC on the RIRBW Coordination Team at meetings held throughout the year.

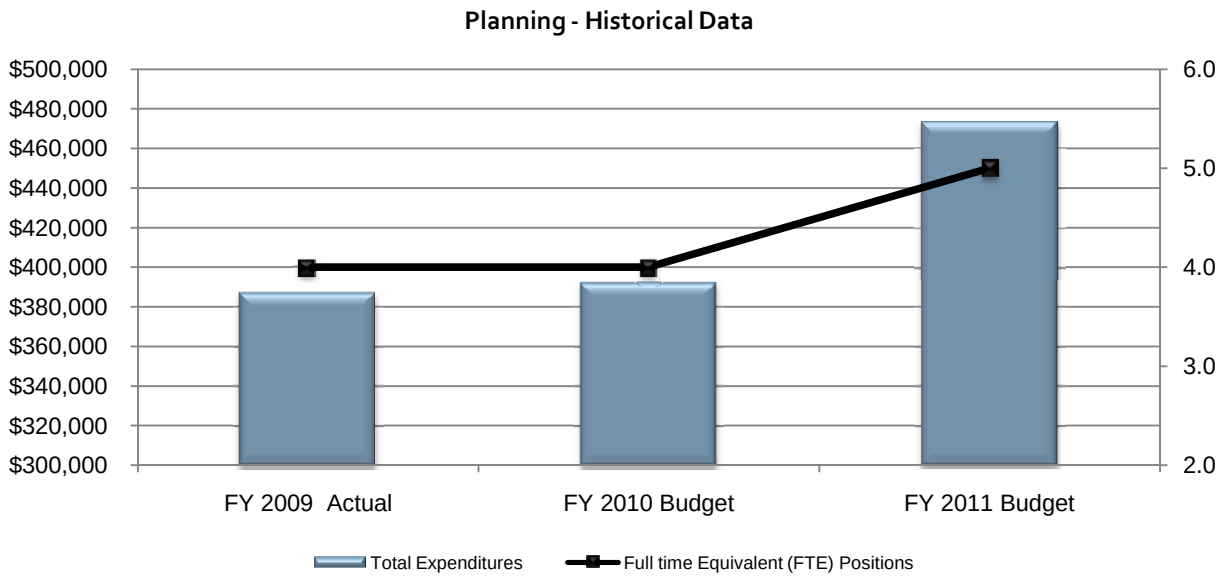
Incorporated GIS into the Permit Program, increasing the database on the NBC GIS system by including over 2,130 applicant names, addresses, type of connections (residential or commercial), showing direct sewer connection to our facilities and indirect connections to city or town owned sewer systems.

Program Staffing (Budgeted)			
Director of Planning, Policy, & Regulation	1.0	Administrative Assistant	1.0
Permits Coordinator	1.0	Permits and Planning Manager	1.0
Environmental Scientist	1.0		
	5.0 FTEs		

The Budget

Planning, Policy & Regulation Division
Planning

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 377,012	$ 378,878	$ 460,757
Less Capital Reimbursements	-	-	-
Net Personnel Costs	377,012	378,878	460,757
Operating Supplies/Expense	10,182	13,300	12,300
Professional Services	-	-	-
Capital Outlays	-	-	-
Debt Service	-	-	-
Total Expenditures	$ 387,194	$ 392,178	$ 473,057
Expenditures by Funding Source			
Revenue	$ 387,194	$ 392,178	$ 473,057
Grant	-	-	-
Total Expenditures by Source	$ 387,194	$ 392,178	$ 473,057
Full time Equivalent (FTE) Positions	**4.0**	**4.0**	**5.0**



Performance Data

Planning, Policy & Regulation Division
Planning

Strategic Objective	Actions for Achievement 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 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.
	Conduct projects that give back to the cities/towns and state.
Staffing: Attract, develop and retain highly qualified employees.	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".	Maintain 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 2009 Actual	FY 2010 Budget	FY 2011 Budget
Prepare annual stormwater inspection report for each WWTF	12/15/2008	12/30/2009	12/30/2010
Apply for renewal of RIPDES Stormwater permits per RIDEM requirements	Renewal 5/31/11	Renewal 5/31/11	Renewal 5/31/11
Collect 100% of fees for every permit issued	100%	100%	100%
Meet the time limits for issuance of sewer and storm connection permits	6 Business days	10 Business days	10 Business days
Meet the time limits for issuance of sewer alteration permits	7 Business days	9 Business days	8 Busness days
Conduct monthly survey of permit customers to evaluate the quality of service	12	12	12
Provide Director with summary results report of the permit customer survey and recommendations for improvements to program	4	4	4
Hold Earth Day River Cleanup Event	4/22/2009	4/30/2010	4/30/2011
Conduct biannual review meetings with staff to discuss professional development and tuition reimbursement programs	3 meetings/year	2 meetings/year	2 meetings/year
Provide staff with four hours of professional training	4 hrs/employee	4 hrs/employee	4hrs/employee
Meet monthly with customer service section to review status of new permits	12 meetings	12 meetings	12 meetings
Notify employees annually regarding updated Strategic Plan goals	6/30/2009	6/30/2010	6/30/2011

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

Inspected all significant industrial users (SIUs) multiple times within the 12 month period, achieving 100% of the goal.

Participated in eleven public presentations and workshops, exceeding the goal of three.

Issued eight educational form letters to users over the past year, meeting the goal.

Received the Regional EPA 2009 Pretreatment Excellence Award.

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

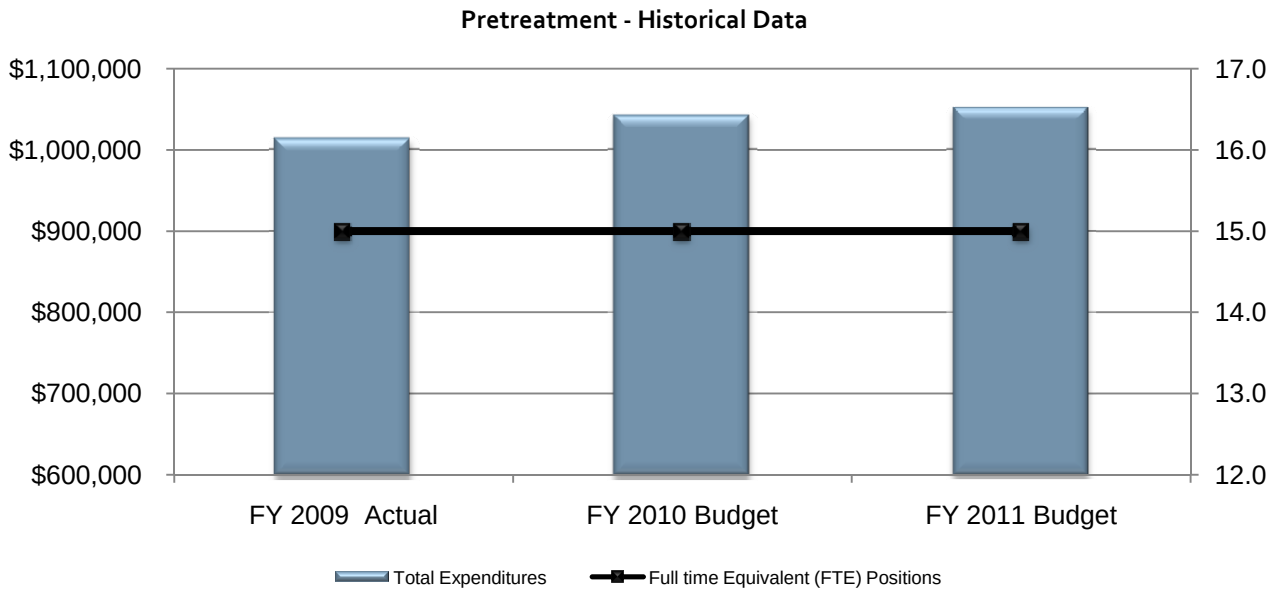
Submitted the Pretreatment Annual Report to the DEM by March 15, 2010 as required by the RIPDES permit.

Program Staffing (Budgeted)			
Pretreatment Manager	1.0	Assistant Pretreatment Manager	1.0
Principal Pretreatment Engineer	1.0	Pretreatment Engineer	2.0
Pretreatment Technician	5.0	Pretreatment Clerk	4.0
Senior Pretreatment Technician	1.0		
	15.0 FTEs		

The Budget

Planning, Policy & Regulation Division
Pretreatment

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 940,269	$ 989,417	$ 995,272
Less Capital Reimbursements	-	-	-
Net Personnel Costs	940,269	989,417	995,272
Operating Supplies/Expense	27,252	32,980	31,480
Professional Services	-	-	-
Capital Outlays	45,892	20,000	25,000
Debt Service	-	-	-
Total Expenditures	$ 1,013,413	$ 1,042,397	$ 1,051,752
Expenditures by Funding Source			
Revenue	$ 1,013,413	$ 1,042,397	$ 1,051,752
Grant	-	-	-
Total Expenditures by Source	$ 1,013,413	$ 1,042,397	$ 1,051,752
Full time Equivalent (FTE) Positions	**15.0**	**15.0**	**15.0**



Performance Data

Planning, Policy, & Regulation Division
Pretreatment

Strategic Objective	Actions for Achievement 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.	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 2009 Actual	FY 2010 Budget	FY 2011 Budget
Conduct non-sampling inspections of 100% Significant Industrial Users (SIUs) within required 12 month period	113 SIUs	100%	100%
Complete and submit Annual Pretreatment Report to DEM	3/13/2009	3/15/2010	3/15/2011
Issue Notices of Violations (NOVs) for 100% of incidents of non-compliance	2160 NOVs	100%	100%
Compile data for the Pretreatment Annual Report and present findings to the Citizens' Advisory Committee	3/13/09 & 4/15/09	3/15/10 & 6/30/10	3/15/11 & 6/30/11
Compile the list of companies in Significant Non-Compliance to be published in newspaper	2/27/2009	2/28/2010	2/28/2011
Issue educational form letters	9	8	8
Participate in Public Presentations / Workshops	11	3	3
Conduct User Surveys	2	2	2
Upload Pretreatment Annual Report to the Internet	3/31/2009	4/15/2010	4/15/2011

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 analytical measurements that are accurate, reliable, and achieve the most precise measurements 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 USEPA. The Laboratory performs all RIPDES required analyses for the Field's Point and Bucklin Point WWTFs, the Pretreatment's programs monitoring activities, IM's fecal Best Management Practices (BMP) of the urban rivers, receiving water evaluations of upper Narragansett Bay, and supports the Engineering department with special studies at the WWTFs.

Prior Year Accomplishments

Attained 100% accuracy for analytical proficiency on both the Proficiency Testing for State Licensing and EPA's Dishcharge Monitoring Report (DMR).

Completed and submitted the renewal application for the DOH State Licensing requirements by November 30, 2009.

Performed 101,571 parameter analyses.

Increased analytical capacity and the number of parameter analyses performed.

Performed eighty-one self-audits on the lab's analytical procedures.

Averaged 49.62 training hours per employee.

Completed yearly calibration on hoods and small instruments at the lab, EMDA and Operations as required by EPA and DOH.

Ensured proper compliance to the EPA and the DOH's ever changing rules and regulations. Mercury and low level metal detection limits continue to be amongst the lowest in Rhode Island.

Purchased back-up equipment for vital permit analyses in order to improve agency permit compliance.

Supported several investigative studies for Environmental Monitoring and Data Analysis, Operations, Interceptor Maintenance and Engineering.

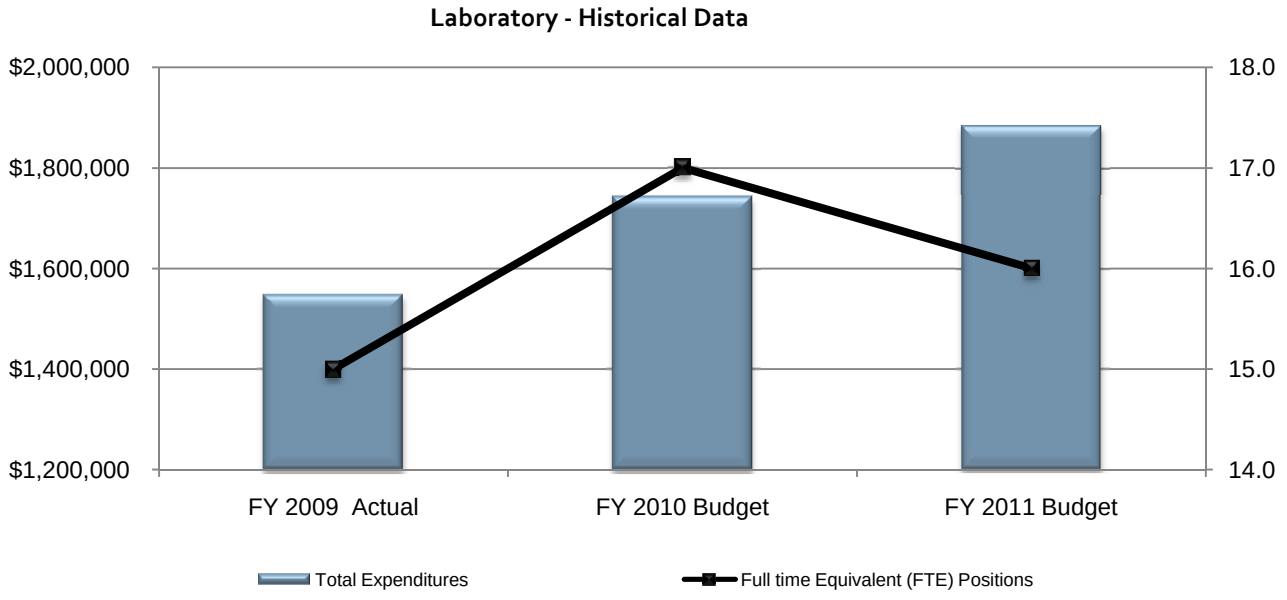
Continued to improve the sample log-in and receiving area in order to eliminate errors in chain of custody.

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
LIMS Administrator / Sample Coordinator	1.0	Chemist	2.0
Laboratory Clerk	1.0	Laboratory Technician	5.0
	16.0 FTEs		

The Budget

Planning, Policy & Regulation Division
Laboratory

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 1,097,637	$ 1,242,762	$ 1,220,690
Less Capital Reimbursements	-	-	-
Net Personnel Costs	1,097,637	1,242,762	1,220,690
Operating Supplies/Expense	313,402	299,928	311,528
Professional Services	32,227	26,860	23,980
Capital Outlays	104,577	172,600	327,375
Debt Service	-	-	-
Total Expenditures	$ 1,547,842	$ 1,742,150	$ 1,883,573
Expenditures by Funding Source			
Revenue	$ 1,547,842	$ 1,742,150	$ 1,883,573
Grant	-	-	-
Total Expenditures by Source	$ 1,547,842	$ 1,742,150	$ 1,883,573
Full time Equivalent (FTE) Positions	**15.0**	**17.0**	**16.0**



Performance Data

Planning, Policy & Regulation Division
Laboratory

Strategic Objective	Actions for Achievement 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 specified in RIPDES Permits and Consent Agreements.
	Maintain NBC Laboratory quality and resources necessary to meet state and federal certifications, mandated environmental requirements, and ensure proper WWTF operations.
	Ensure EPA, DOH, and regulations for calibration of all instruments that generate regulatory data have been satisfied, including the laboratory instruments at Field's Point, Bucklin Point and EMDA.
Envir. Performance: Continuously evaluate NBC environmental performance to identify, quantify and minimize NBC impacts to the environment in a cost-effective manner.	Provide quality and expedient analytical service for all special studies and samples collected, to evaluate impacts from nutrients and fecals in NBC's effluent to the Bay.
Financial Mgmt: Manage NBC's finances through strong financial planning and controls such that sewer user charges are minimized.	Minimize service contracts by providing preventative maintenance (PM) training to in-house staff.
Staffing: Attract, develop and retain highly qualified employees.	Develop program with mechanisms and opportunities for continued growth and professional development.

Target Measure	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Analyze all RIPDES required parameters	100% (101,474 parameter analyses)	100%	100%
Achieve 100% accuracy on Proficiency testing for EPA's Discharge Monitoring Report (DMR), reporting, and state licensing	100%	100%	100%
Monthly audits of two procedures per month	81 audits were performed	24/year	24/year
Complete and submit to Department of Health Renewal application and a check for the laboratory License by December 1st of each year	11/28/08	12/1/09	12/1/10
Yearly calibration of all fume hoods and small instruments for the lab, EMDA, Field's Point and Bucklin Point by Caley & Whitmore	100% (21 fume hoods calibrated. 28 small instruments calibrated.)	100%	100%
Analyze all fecal,enterrococci, and nutrient analyses on bay and river samples	100% (4,491 analyses completed)	100%	100%
Provide specialized training on 2 instruments for several Laboratory staff on annual basis	2 Instruments: Headspace analyzer and Oil and Grease Extractor	2 Instruments : TOC Analyzer and Nutrient Analyzer	2 Instruments
Provide a minimum 15 training hours to meet certification requirements by the National Registry of Environmental Professionals	49.62 training hours per employee	15 hours per employee	15 hours per employee
Provide a minimum of 10 hours of training, cross-training for each employee	10 hours/staff of cross trainining was performed	10 hours/staff member	10 hours/staff member

The Program

Planning, Policy & Regulation Division
Environmental Safety & Technical Assistance

Mission and Overview:

The NBC's Environmental, Safety and Technical Assistance (ESTA) Program provides environmental, health and safety, and technical assistance internally to all NBC sections, and externally to NBC customers, other environmental organizations, and the general public. The ESTA Program interacts on a daily basis with NBC employees, NBC customers, the RIDEM, local emergency planning and response authorities, other publicly owned Treatment Works, and the EPA to help identify and develop new and innovative ways of improving the overall environmental performance of NBC operations and to help ensure these operations are performed in the safest and most economical manner possible. The ESTA program provides pollution prevention, energy efficiency and conservation, environmental compliance, and health safety assistance through research activities, written publications, workshops, on-site technical assistance activities, and public outreach.

Prior Year Accomplishments

Completed two grant applications: BP Biogas Renewable Energy Project Feasibility Study Report and FP Wind Renewable Energy Project Feasibility Study Report.

Submitted four grant applications:
Rhode Island Non-Utility Scale Renewable Energy for Wind Project - $750,000
Rhode Island Non-Utility Scale Renewable Energy for Biogas Project - $500,000
Rhode Island Renewable Energy funds for Wind Project - $750,000
Rhode Island Renewable Energy funds for Biogas Project - $750,000

Coordinated WWTF Energy Workshop with National Grid.

Conducted 4 WWTF Energy Audits.

Completed Energy Efficiency Assessment Report for Bristol WWTF and Renewable Energy Assessment Reports for eight WWTFs.

Completed draft FOG BMP Workbook and FOG Environmental Results Program.

Conducted CPR/AED/First Aid Training.

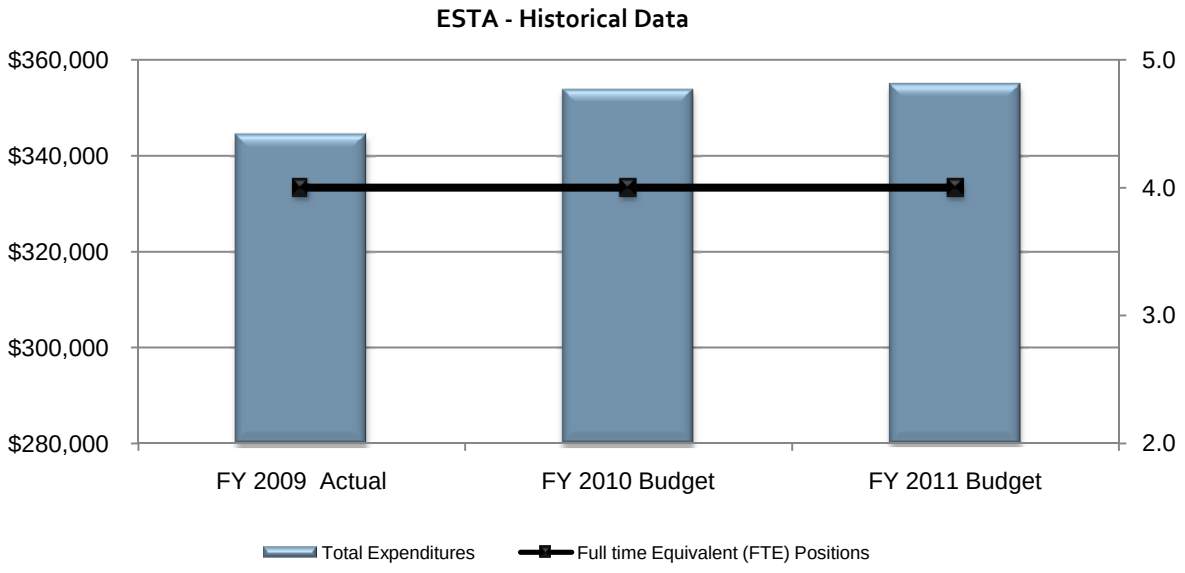
Conducted three presentations at the New England Water Environment Association (NEWEA) Annual Conference.

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

The Budget

Planning, Policy & Regulation Division
Environmental Safety & Technical Assistance

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 326,430	$ 333,109	$ 334,257
Less Capital Reimbursements	(4,628)	(3,875)	(3,875)
Net Personnel Costs	321,802	329,234	330,382
Operating Supplies/Expense	19,820	22,015	22,015
Professional Services	2,745	2,500	2,500
Capital Outlays	-	-	-
Debt Service	-	-	-
Total Expenditures	$ 344,367	$ 353,749	$ 354,897
Expenditures by Funding Source			
Revenue	$ 344,367	$ 353,749	$ 354,897
Grant	-	-	-
Total Expenditures by Source	$ 344,367	$ 353,749	$ 354,897
Full time Equivalent (FTE) Positions	**4.0**	**4.0**	**4.0**



Performance Data

Planning, Policy & Regulation Division
Environmental Safety & Technical Assistance

Strategic Objective	Actions for Achievement 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 grant funding sources.
	Assist with benchmarking NBC energy use by updating NBC's Energy Star Portfolio Manager Accounts.
	Conduct Energy Management Assessments/Follow-up activities of NBC Facilities/Operations to help identify and implement energy savings opportunities.
Envir. Performance: Continuously evaluate NBC environmental performance to identify, quantify and minimize NBC impacts to the environment in a cost-effective manner.	Provide technical assistance to evaluate energy conservation and renewable energy opportunities at NBC facilities.
Customer Focus: Maintain a customer-focused attitude throughout the organization.	Maintain training and technical assistance efforts provided by the NBC's Environmental Safety & Technical Assistance Program.
Staffing: Attract, develop and retain highly qualified employees.	Develop mechanisms and opportunities for continued growth and professional development.
	Develop a culture within NBC for protecting employees with safety practices.
Communication: Improve and enhance internal and external communication to increase understanding of "who we are" and "what we do".	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 2009 Actual	FY 2010 Budget	FY 2011 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	2	1	1
Number of Utility Meters updated on Portfolio Manager	N/A	N/A	6
Number of Energy assessments/follow-up activities conducted	N/A	N/A	3
Number of Energy Conservation and Renewable Energy Assessment Recommendation Reports completed	N/A	N/A	2
Number of Pollution Prevention technical assistance site-visits conducted	27	24	24
Number of presentations at colleges/schools and or public/business/trade association meetings	11	2	2
Number of OSHA required training sessions offered to NBC employees	51	24	24
Meet with staff on quarterly basis to identify professional educational opportunities	4	4	4
Number of classes/seminars	40 hours/employee	10 hours/employee	10 hours/employee
Conduct CPR / Defibrillator training	12 Offered/ 5 Held	6 classes	6 classes
Number of employees certified in CPR / Defibrillator	25 employees	50 employees/year	50 employees/year
Assist with coordinating NBC's Environmental Merit Awards Program and present awards	Sep-09	Jun-10	Jun-11
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, and ensure the proper operation of 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 routine analysis of the data obtained from monitoring projects in a timely manner to sections of the NBC, to state, federal agencies and the public. 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, including all RIPDES permit required monitoring.

Prior Year Accomplishments

Sampled both the Bucklin Point and Field's Point Wastewater Treatment Facilities every single day over the course of the year to ensure compliance with RIPDES permit requirements.

Sampled all but one SIU a minimum of twice during the year, exceeding Federal EPA and state requirements to sample once per year.

Sampled 485 industrial and sanitary manholes.

EMDA staff collected 26,089 samples, an increase of 1,709 samples over fiscal year 2009.

Staff continued its weekly urban rivers and biweekly upper bay monitoring initiatives at a total of 40 sites to track the effects of CSOs and to evaluate the success of the CSO remediation project.

Continued to provide real time environmental data from 2 upper Bay sites to the public via the internet.

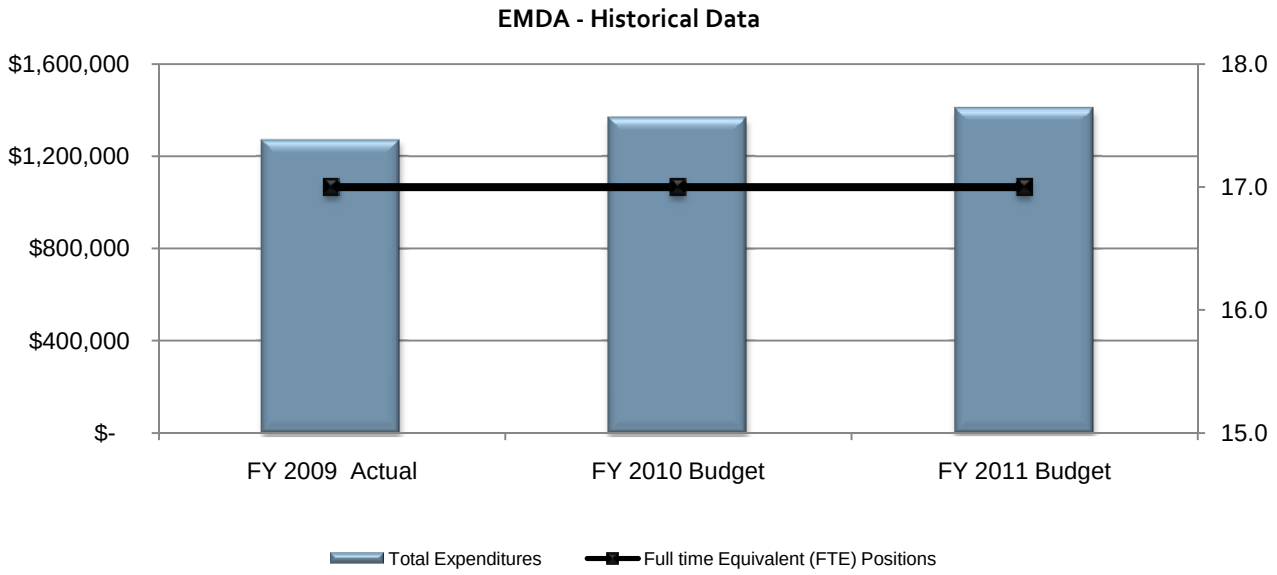
EMDA made a presentation entitled "An Evaluation of Nitrogen Loading into Upper Narragansett Bay" at the NEWEA regional conference held in Boston, Massachusetts.

Program Staffing (Budgeted)			
Environmental Monitoring Manager	1.0	Assistant Environmental Monitoring Manager	1.0
Environmental Monitor	8.0	Environmental Scientist	2.0
Environmental Monitoring Data Assistant	1.0	EMDA Clerk	1.0
Monitoring Field Supervisor	3.0		
	17.0 FTEs		

The Budget

Planning, Policy & Regulation Division
Environmental Monitoring & Data Analysis

Expenditures by Element of Expense	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
Personnel Costs	$ 1,085,035	$ 1,212,784	$ 1,210,041
Less Capital Reimbursements	(13,610)	(15,500)	(15,500)
Net Personnel Costs	1,071,425	1,197,284	1,194,541
Operating Supplies/Expense	120,263	124,610	111,760
Professional Services	746	1,000	15,000
Capital Outlays	77,569	44,000	86,500
Debt Service	-	-	-
Total Expenditures	$ 1,270,004	$ 1,366,894	$ 1,407,801
Expenditures by Funding Source			
Revenue	$ 1,270,004	$ 1,366,894	$ 1,407,801
Grant	-	-	-
Total Expenditures by Source	$ 1,270,004	$ 1,366,894	$ 1,407,801
Full time Equivalent (FTE) Positions	**17.0**	**17.0**	**17.0**



Performance Data

Planning, Policy & Regulation Division
Environmental Monitoring & Data Analysis

Strategic Objective	Actions for Achievement 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 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 2009 Actual	FY 2010 Budget	FY 2011 Budget
Sample all SIUs annually	100% (113)	100%	100%
Sample treatment plant 365 days per year	365	365	365
Notify DMR compliance team within two hours of any regulatory monitoring issues to allow for timely rectification	100%	100%	100%
Publish all monitoring activities and resultant data analyses for prior year	6/30/09	6/30/10	6/30/11
Collect all fecal and nutrient samples for special studies (all Bay and river work)	4,248 (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	16.7 hrs/employee	8 hrs/employee	8 hrs/employee
Conduct monthly data meetings	12	12	12

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Supporting Schedules

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RESOLUTION 2010:18

FISCAL YEAR 2011 OPERATING BUDGET

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

		REVENUES
Operating Revenues		
User Fees	$	75,700,544
Pretreatment Fees		1,115,000
Septage		380,000
Connection Permit Fees		90,000
BOD/TSS Surcharges		40,000
Miscellaneous		2,000
Sub-total Operating Revenue	$	77,327,544
Non-Operating Revenues		
Investment Income	$	250,000
Late Charges		950,000
Operating Grants		25,000
Miscellaneous		240,000
Transfer from Operating Capital Account		2,547,778
Sub-total Non-Operating Revenues	$	4,012,778
Total Revenues	$	81,340,322

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

		EXPENSES
Operating Expense		
Personnel	$	19,118,418
Operating Supplies and Expense		14,116,692
Professional Services		3,071,348
Capital Outlays		2,547,778
Debt Service		32,801,374
Sub-total Operating Expense	$	71,655,610
Other		
Restricted Carry-Forward		9,684,712
Sub-total Other	$	9,684,712
Total Expense	$	81,340,322

3. The number of full-time equivalent positions funded in this budget is 260. A list of the funded positions is included as part of this Resolution as Attachment 1.

4. The Finance Committee and the Executive Director shall at all times seek to ensure that total operational expenditures do not exceed $71,655,610 for the period July 1, 2010 to June 30, 2011.

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 2011 Operating Capital Outlays and capital projects included in the NBC's 2012 – 2016 Capital Improvement Program from the Operating Capital Account of the Project Fund. The Director of Administration and Finance may authorize changes in Budgeted Operating Capital as long as the total expenditures do not exceed the total amount approved for Operating Capital Outlays. Any changes to the Budgeted Operating Capital Outlay in excess of $50,000 shall also be approved by the Finance Committee.

8. For the period of July 1, 2010 to June 30, 2011:

    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. Personnel Committee review and approval is required for the creation of new positions and the upgrading of existing positions not included in this budget. Finance Committee approval is also required if the action will result in a net increase in operating costs. 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.

9. The Director of Administration & Finance may make adjustments between line items within categories, adjustments between categories and adjustments between cost centers. 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	EXECUTIVE ASSISTANT	1	NON-UNION
21	EXECUTIVE DIRECTOR	1	NON-UNION
21	DIRECTOR OF EXECUTIVE AFFAIRS	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	ENVIRONMENTAL EDUCATION COORDINATOR	1	NON-UNION
		8	
22	CONSTRUCTION MANAGER	1	NON-UNION
22	ASSISTANT RESIDENT INSPECTOR	1	NON-UNION
22	CIVIL INSPECTOR	3	NON-UNION
22	CHIEF ENVIRONMENTAL ENGINEER	1	NON-UNION
22	CONSTRUCTION OFFICE COORDINATOR	1	NON-UNION
22	DIRECTOR OF CONSTRUCTION SERVICES	1	NON-UNION
22	MECHANICAL INSPECTOR	1	NON-UNION
22	SENIOR CONSTRUCTION COORDINATOR	2	NON-UNION
22	MECHANICAL INSPECTOR	1	NON-UNION
		12	
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	ASSOCIATE LEGAL COUNSEL	1	NON-UNION
24	EXECUTIVE PARALEGAL	1	NON-UNION
24	EXECUTIVE PARALEGAL II	1	NON-UNION
24	LEGAL COUNSEL	1	NON-UNION
24	CHIEF LEGAL COUNSEL	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	BUDGET MANAGER	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	SENIOR 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	SENIOR SYSTEMS PROGRAMMER / SYSTEMS ADMINISTRATOR	1	NON-UNION
33	SENIOR DATA BASE ADMINISTRATOR	2	NON-UNION
33	SENIOR SYSTEMS ADMINISTRATOR	1	NON-UNION
33	PC SUPPORT SPECIALIST / SYSTEMS ADMINISTRATOR	1	NON-UNION
33	SYSTEMS DESIGN PROGRAMMER	1	NON-UNION
33	SOLUTIONS ARCHITECT	1	NON-UNION
		11	

SECTION	TITLE	FTEs	UNION/NON-UNION
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	11	UNION
34	CUSTOMER SERVICE STATISTICAL ANALYST	1	NON-UNION
34	CUSTOMER SERVICE ASSOCIATE	1	UNION
34	FIELD INVESTIGATOR	3	UNION
34	FISCAL CLERK	2	UNION
34	SPECIAL ACCOUNTS COORDINATOR	1	NON-UNION
		24	
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	14	UNION
43	IM ENVIRONMENTAL ENGINEER	1	NON-UNION
43	TECHNICAL ASSISTANT	1	UNION
43	MECHANIC	1	UNION
		22	
44	ENGINEERING & OPERATIONS FISCAL ADMINISTRATOR	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 ENGINEER	1	NON-UNION
44	INSTRUMENTATION ENGINEER	1	NON-UNION
44	PRINCIPAL ENVIRONMENTAL ENGINEER	3	NON-UNION
44	ENGINEERING CONSTRUCTION COORDINATOR	1	NON-UNION
		10	
46	ASSISTANT OPERATIONS MANAGER	1	NON-UNION
46	ASSISTANT 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	CONTROL SYSTEMS ASSOCIATE	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	MAINTENANCE SUPERVISOR	1	NON-UNION
46	SENIOR MAINTENANCE SUPERVISOR	1	NON-UNION
46	MECHANIC	10	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 & M CLERK	1	UNION
46	OPERATIONS MANAGER - FP	1	NON-UNION
46	OPERATOR	11	UNION
46	ASSISTANT E AND I TECHNICIAN	1	UNION
46	PROCESS MONITOR	9	UNION
46	SENIOR ELECTRICIAN	1	UNION
		56	

SECTION	TITLE	FTEs	UNION/NON-UNION
47	SCADA SYSTEM OPERATOR	1	UNION
47	BUCKLIN POINT CONTRACT COORDINATOR	1	UNION
47	E AND I TECHNICIAN	1	UNION
47	ELECTRICIAN	2	UNION
47	UTLILTY CREW FOREMAN	1	UNION
47	HEAVY EQUIPMENT OPERATOR	1	UNION
47	INVENTORY CONTROL CLERK	1	UNION
47	MECHANIC	5	UNION
47	OPERATOR	12	UNION
47	PROCESS MONITOR	5	UNION
47	MAINTENANCE SCHEDULER / PLANNER	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	PERMITS COORDINATOR	1	NON-UNION
51	ENVIRONMENTAL SCIENTIST	1	NON-UNION
		5	
52	ASSISTANT PRETREATMENT MANAGER	1	NON-UNION
52	PRETREATMENT CLERK	4	UNION
52	PRETREATMENT ENGINEER	2	NON-UNION
52	PRETREATMENT MANAGER	1	NON-UNION
52	PRETREATMENT TECHNICIAN	5	NON-UNION
52	SENIOR PRETREATMENT TECHNICIAN	1	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	5	UNION
53	SENIOR ENVIRONMENTAL CHEMIST	1	NON-UNION
53	SENIOR ORGANIC CHEMIST	1	NON-UNION
53	LIMS ADMINISTRATOR / SAMPLE COORDINATOR	1	NON-UNION
		16	
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 ASSISTANT	1	NON-UNION
		4	
55	ASSISTANT ENVIRONMENTAL MONITORING MANAGER	1	NON-UNION
55	EMDA CLERK	1	UNION
55	ENVIRONMENTAL MONITOR	8	UNION
55	ENVIRONMENTAL MONITORING DATA ASSISTANT	1	UNION
55	ENVIRONMENTAL MONITORING MANAGER	1	NON-UNION
55	ENVIRONMENTAL SCIENTIST	2	NON-UNION
55	MONITORING FIELD SUPERVISOR	3	NON-UNION
		17	
	TOTAL NBC	**260**	

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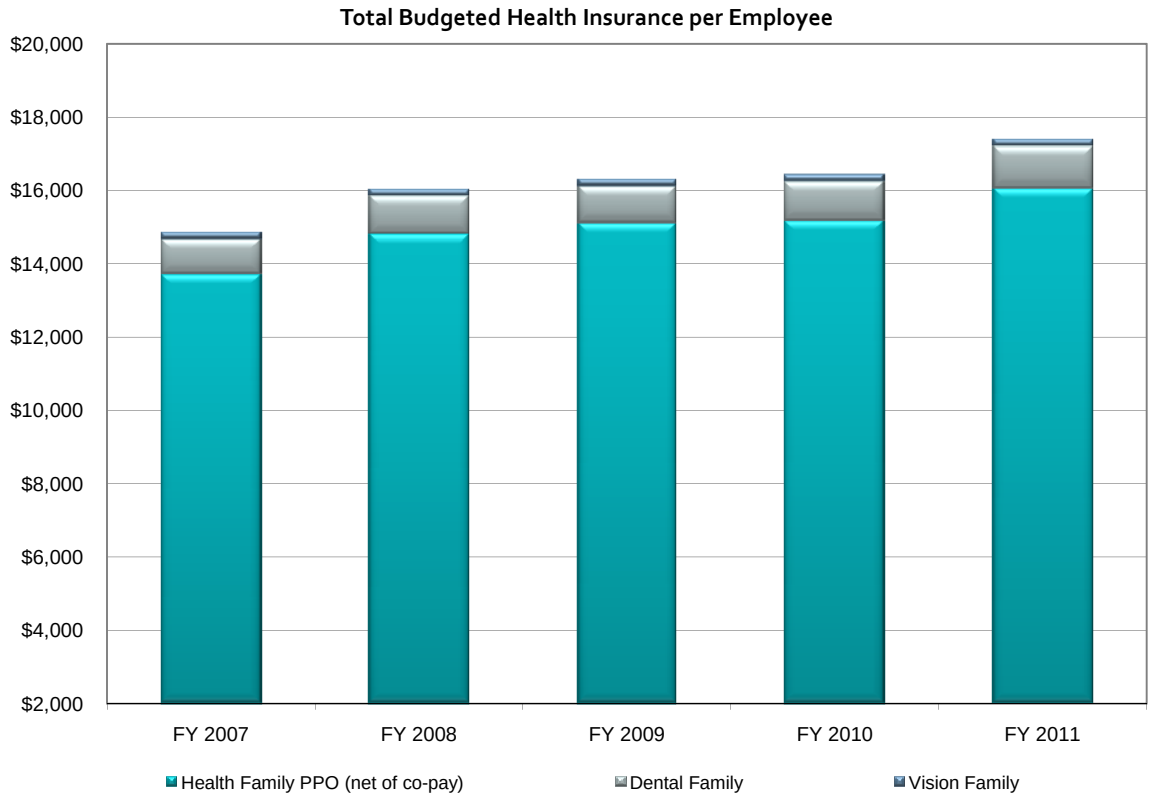
Budgeted Benefits Comparison

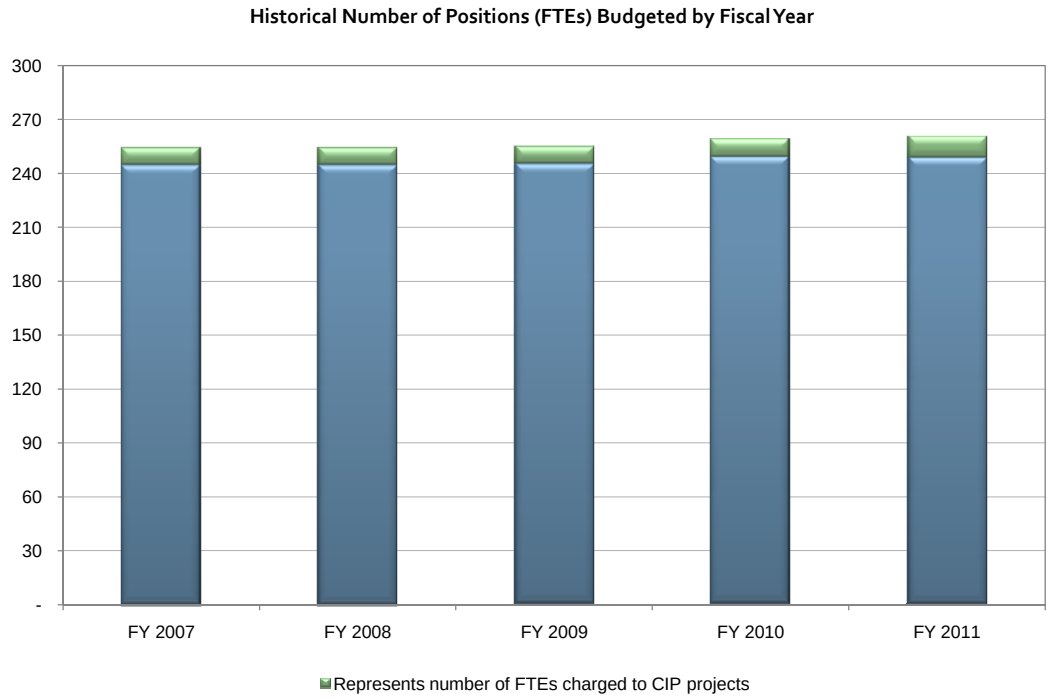
Expense Category	*FY 2007*	*FY 2008*	*FY 2009*	*FY 2010*	*FY 2011*
Health Family PPO (net of co-pay)	$13,676	$14,793	$15,096	$15,128	$16,036
Dental Family	972	1,036	1,005	1,067	1,148
Vision Family	181	181	181	181	181
	$14,829	$16,010	$16,282	$16,376	$17,365
Other Benefits:					
State Retirement (Union)	18.40%	20.77%	21.13%	25.03%	21.64%
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)	2.41%	3.63%	5.46%	7.67%	6.74%

FICA is 6.2% on wages up to $111,000



Historical Position Summary

Program	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Executive Affairs	8.0	8.0	8.0	8.0	8.0
Construction Services	10.0	9.0	10.0	10.0	12.0
Human Resources	4.0	4.0	4.0	4.0	4.0
Legal	5.0	5.0	5.0	5.0	5.0
Finance	5.0	5.0	5.0	5.0	5.0
Accounting	10.0	10.0	10.0	10.0	10.0
IT	11.0	11.0	11.0	11.0	11.0
Customer Service	22.0	22.0	22.0	24.0	24.0
Purchasing	4.0	4.0	4.0	4.0	4.0
Planning	4.0	4.0	4.0	4.0	5.0
Pretreatment	15.0	15.0	15.0	15.0	15.0
Laboratory	15.0	15.0	15.0	17.0	16.0
ESTA	4.0	4.0	4.0	4.0	4.0
EMDA	17.0	17.0	17.0	17.0	17.0
Interceptor Maint.	22.0	22.0	22.0	22.0	22.0
Engineering	10.0	11.0	10.0	10.0	10.0
Field's Point	56.0	56.0	56.0	56.0	56.0
Bucklin Point	32.0	32.0	32.0	32.0	32.0
Total	254.0	254.0	254.0	258.0	260.0



FY 2011 Operating Capital Outlays

Section	Budget Account	Description	Cost
Executive Affairs			
Executive Affairs	16600	**Replacement Vehicle for Executive Director**	$ 25,000
Executive Affairs	16580	**Office Furniture**	5,000
		Subtotal Executive Affairs	30,000
		Subtotal Executive Affairs	**30,000**
Construction Services			
Construction Services	16600	**Replacement Vehicle Unit #402**	25,000
		Subtotal Construction Services	25,000
		Subtotal Construction Services	**25,000**
Administration & Finance			
Information Technology	16583	**Oracle ERP/Database Upgrades**	45,000
Information Technology	16583	**Hansen V8 Upgrades**	30,000
Information Technology	16583	**Data Warehousing Phase I**	85,000
Information Technology	16583	**Customer Service Enhancements**	30,000
Information Technology	16583	**Document Imaging Upgrades**	45,000
Information Technology	16583	**Software Licensing Updates**	25,000
Information Technology	16583	**Training Application Implementation**	35,000
Information Technology	16585	**Computer Room Enhancements**	25,000
Information Technology	16585	**Expand Internet connectivity**	30,000
Information Technology	16585	**Server Infrastructure Replacement**	230,000
Information Technology	16585	**Annual PC Refresh Program**	135,000
Information Technology	16585	**Printer Refresh**	38,000
		Subtotal Information Technology	753,000
Customer Service	16580	**Office Equipment**	5,000
Customer Service	16600	**Replacement Vehicle Unit #474**	25,000
		Subtotal Customer Service	30,000
General Administration	16520	**Phone system upgrade**	10,000
General Administration	16520	**HVAC system upgrade**	20,000
General Administration	16580	**Miscellaneous**	50,000
General Administration	16600	**Carpet replacement**	80,000
		Subtotal General Administration	160,000
		Subtotal Administration & Finance	**943,000**
Operations & Engineering			
Interceptor Maintenance	16600	**Replace IM copier/Fax**	12,000
Interceptor Maintenance	16583	**Update software for CCTV camera**	42,000
Interceptor Maintenance	16520	**Pneumatic Pipe Plugs w/ Lift Line & Filler Hoses (2)**	3,000
Interceptor Maintenance	16520	**Safety Grating for Allens Ave G&S Structure**	4,200
		Subtotal Interceptor Maintenance	61,200
Engineering	16600	**Replacement Flow Meters**	75,000
			75,000
Field's Point	16520	**Flow meter for ESPS pumps**	11,000
Field's Point	16520	**Portable Flow meter**	8,454
Field's Point	16520	**VFDs (2) for PSPS sludge pumps**	4,227
Field's Point	16585	**ABB PC Cabinets (3 total) @ $17,000 ea.)**	51,000
Field's Point	16600	**Replace boilers in ESPS**	67,000
Field's Point	16600	**VFD for PWPS**	35,000
Field's Point	16600	**PV Pump for RASPS 2 scum**	25,000
Field's Point	16600	**Motor for large Raw Sewage Pump @ ESPS**	83,000
Field's Point	16520	**Hach Infrared Ammonia/Nitrate analyzer**	25,000
Field's Point	16520	**Automatic bearings grease system for Grit tanks**	9,000
Field's Point	16600	**Ducted/ductless AC system for MCC room in RSPSII**	15,000
Field's Point	16600	**Ductless AC system for PSPS**	15,000

FY 2011 Operating Capital Outlays

Section	Budget Account	Description	Cost
Field's Point	16610	**Waste oil heater for O&M support garage**	6,000
Field's Point	16610	**Waste oil heater for WPPS**	4,000
Field's Point	16520	**Borger pump for bisulfite analyzer**	9,000
Field's Point	16600	**Prominent Chlorine residual analyzer**	3,500
Field's Point	16600	**Upgrade Henderson St. remote radio system**	4,400
Field's Point	16600	**Upgrade FP radio system**	7,500
Field's Point	16600	**Upgrade WPPS radio system**	7,500
Field's Point	16520	**Sludge blanket transducer for GTPS**	5,389
Field's Point	16520	**Inventory Reach/Forklift Stacker**	23,000
Field's Point	16520	**Gould Pump Large Cartridge**	66,800
Field's Point	16520	**RASPS 2 - RAS pump cartridge w/impeller**	17,933
Field's Point	16600	**Cargo van/truck for Carpenter**	25,000
Field's Point	16520	**High mast lighting fixture**	8,000
Field's Point	16520	**Polysonics flow meters for AT'S (2)**	8,000
Field's Point	16600	**Rebuild Grit Tank - Chains, Sprockets, Etc..**	55,000
			599,703
Bucklin Point	16520	**Soda Ash Feed Control System**	50,000
Bucklin Point	16520	**Install Wet Weather Influent Channel Pump**	30,000
Bucklin Point	16600	**Replacement Soda Ash Control System**	30,000
Bucklin Point	16600	**Methane Gas Building System Component Replacement**	20,000
Bucklin Point	16600	**Utility Tractor with Attachments**	80,000
Bucklin Point	16580	**Network Copier/Fax/Scanner**	15,000
Bucklin Point	16585	**Wonderware Instrumentation**	35,000
Bucklin Point	16600	**DAF Unit Chain Replacement**	28,000
Bucklin Point	16600	**Thickened Sludge Pump Replacement**	32,000
Bucklin Point	16520	**Rebuild Digester Recirculation Pump**	15,000
Bucklin Point	16600	**Replacement of EZ Go Carts (2)**	25,000
Bucklin Point	16520	**Rebuild Primary Sludge Pumps**	15,000
		Subtotal Bucklin Point	375,000
		Subtotal Operations & Engineering	**1,110,903**
Planning, Policy, & Regulations			
Pretreatment	16600	**Replacement Vehicle Unit # 425**	25,000
		Subtotal Pretreatment	25,000
Laboratory	16600	**ICP/MS for low level metal analyses**	213,375
Laboratory	16600	**Micro Distillation Unit**	5,000
Laboratory	16570	**Sample Processing Module and Heating Assembly**	7,000
Laboratory	16600	**DI unit with RO for pure water**	12,000
Laboratory	16570	**ICP for industrial metal analyses**	60,000
Laboratory	16600	**Replacement Microscope DP-71**	20,000
Laboratory	16600	**3 water Bath for fecal analyses**	10,000
		Subtotal Laboratory	327,375
EMDA	16600	**Replacement Vehicle Unit #7964**	25,000
EMDA	16600	**Replace 3 SIU Auto Samplers**	9,000
EMDA	16600	**Replace 3 Refrigerated Auto Samplers**	16,500
EMDA	16600	**Replace 3 YSI Monitors**	15,000
EMDA	16600	**Replace YSI Probes**	21,000
		Subtotal EMDA	86,500
		Subtotal Planning, Policy, & Regulations	**438,875**
		Grand Total Operating Capital Outlays FY 2011	**$ 2,547,778**

Five-Year Operating Capital Outlays

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Total Cost
Executive Affairs						
Executive Affairs						
Replacement Vehicle for Executive Director	$ 25,000				$ 25,000	$ 50,000
Office Furniture	5,000					5,000
Subtotal Executive Affairs	30,000	-	-	-	25,000	55,000
Legal						
Replacement Vehicle for Executive Director		2,500				2,500
Office Furniture						-
Subtotal Legal	-	2,500	-	-	-	2,500
Replacement Vehicle Unit #402	25,000					
Replacement Vehicle Unit #424		25,000				
Replacement Vehicle Unit #400			25,000			
Replacement Vehicle Unit #427				25,000		
Replacement Vehicle Unit #479					25,000	25,000
Subtotal Construction Services	25,000	25,000	25,000	25,000	25,000	125,000
Administration & Finance						
Information Technology						
Oracle ERP/Database Upgrades	45,000		50,000		50,000	145,000
Hansen V8 Upgrades	30,000			50,000		80,000
Data Warehousing Phase I	85,000		60,000		45,000	190,000
Customer Service Enhancements	30,000	40,000			40,000	110,000
Document Imaging Upgrades	45,000		40,000		25,000	110,000
Software Licensing Updates	25,000	40,000		145,000		210,000
Training Application Implementation	35,000				25,000	60,000
Computer Room Enhancements	25,000	25,000		25,000		75,000
Expand Internet connectivity	30,000		30,000			60,000
Server Infrastructure Replacement	230,000		500,000		100,000	830,000
Annual PC Refresh Program	135,000	135,000	135,000	135,000	135,000	675,000
Printer Refresh	38,000			25,000		63,000
Network Upgrade				145,000		145,000
LIMS Phase V		25,000		35,000		60,000
Security Analysis		50,000		30,000		80,000
Facility Wireless Infrastructure Upgrade		25,000		25,000		50,000
Email Archiving Project		65,000		40,000		105,000
Subtotal Information Technology	753,000	405,000	815,000	655,000	420,000	3,048,000
Customer Service						
Office Equipment	5,000	5,000	5,000	5,000	5,000	25,000
Replacement Vehicle Unit #474	25,000					25,000
Replacement Vehicle Unit #403		25,000				25,000
Replacement Vehicle Unit #478			25,000			25,000
Replacement Vehicle Unit #404				25,000		25,000
Replacement Vehicle Unit #474					25,000	25,000
Subtotal Customer Service	30,000	30,000	30,000	30,000	30,000	150,000
General Administration						
Phone system upgrade	10,000	10,000	10,000	10,000	10,000	50,000
HVAC system upgrade	20,000					20,000
Miscellaneous	50,000	50,000	50,000	50,000	50,000	250,000
Carpet replacement	80,000					80,000
Boardroom Furniture		50,000				50,000
Copier replacement		40,000	10,000	10,000	10,000	70,000
Audio Visual Upgrade		50,000				50,000
Subtotal General Administration	160,000	200,000	70,000	70,000	70,000	570,000
Operations & Engineering						
Interceptor Maintenance						
Replace IM copier/Fax	12,000					12,000
Update software for CCTV camera	42,000					42,000
Pneumatic Pipe Plugs w/Lift Line & Filler Hoses (2)	3,000					3,000
Safety Grating for Allens Ave G&S Structure	4,200					4,200
Replacement Vehicle Unit #415 (2001 Catch Basin Digger)		220,000				220,000
Replace Unit # 420(2000 PD Combination Truck)			270,000			270,000
Replacement Vehicle Unit #414				40,000		40,000
Replacement Vehicle Unit #407				35,000		35,000
Replacement Vehicle Unit #484					35,000	35,000
Replace IM Plotter					30,000	30,000
Subtotal Interceptor Maintenance	61,200	220,000	270,000	75,000	65,000	691,200

Five-Year Operating Capital Outlays

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Total Cost
Engineering						
Replacement Vehicle Unit #421					30,000	30,000
Replacement of Flow Meters	75,000	75,000	75,000	75,000	75,000	375,000
Subtotal Engineering	75,000	75,000	75,000	75,000	105,000	405,000
Field's Point						
Flow meter for ESPS pumps	11,000					11,000
Portable Flow meter	8,454					8,454
VFDs (2) for PSPS sludge pumps	4,227					4,227
ABB PC Cabinets (3 total) @ $17,000 ea.)	51,000					51,000
Replace boilers in ESPS	67,000					67,000
VFD for PWPS	35,000					35,000
PV Pump for RASPS 2 scum	25,000					25,000
Motor for large Raw Sewage Pump @ ESPS	83,000					83,000
Hach Infrared Ammonia/Nitrate analyzer	25,000					25,000
Automatic bearings grease system for Grit tanks	9,000					9,000
Ducted/ductless AC system for MCC room in RSPSII	15,000					15,000
Ductless AC system for PSPS	15,000					15,000
Waste oil heater for O&M support garage	6,000					6,000
Waste oil heater for WPPS	4,000					4,000
Borger pump for bisulfite analyzer	9,000					9,000
Prominent Chlorine residual analyzer	3,500					3,500
Upgrade Henderson St. remote radio system	4,400					4,400
Upgrade FP radio system	7,500					7,500
Upgrade WPPS radio system	7,500					7,500
Sludge blanket transducer for GTPS	5,389					5,389
Inventory Reach/Forklift Stacker	23,000					23,000
Gould Pump Large Cartridge	66,800			75,000	75,000	216,800
Gould Pump Small Cartridge		55,960		60,000	60,000	175,960
RASPS 2 - RAS pump cartridge w/impeller	17,933		20,000		25,000	62,933
Cargo van/truck for Carpenter	25,000	25,000				50,000
High mast lighting fixture	8,000	12,000		15,000		35,000
Polysonics flow meters for AT'S (2)	8,000	10,000				18,000
Rebuild Grit Tank - Chains, Sprockets, Etc..	55,000	55,000		60,000	60,000	230,000
Electricians Bucket Truck		30,000				30,000
Misc. DeZurick valves		25,000		30,000		55,000
Grit Pump		20,000		20,000		40,000
RASPS 1 Pump Cartridge		27,000		27,000		54,000
Spare actuators El-O-Matic EL 350 (10)		7,000				7,000
Spare actuators El-O-Matic EL 500 (2)		8,000				8,000
EZ-Go carts (3)		30,000				30,000
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
WWPS Sludge pump cartridge		25,000		25,000		50,000
WAS Pump cartridge		11,000		11,000		22,000
New Grit Aeration Blower		5,000		5,000		10,000
PWPS Spare pump		15,000		17,500		32,500
New Grit pump cartridges		8,000	8,000	8,000		24,000
Bar Rack at ESPS		160,000	170,000		180,000	510,000
ESPS - Serpentex Conveyor Complete w/o frame		15,000	40,000			55,000
Cargo Van/Truck		27,500	30,000			57,500
SUV for FPWWTF		25,000	30,000			55,000
PSPS - Replace piston pump (2)			20,000			20,000
Replace Grit, Chain & Flight Mechanism			20,000			20,000
Replace Copier/Fax/Printer			25,000			25,000
Replace Scum Truck			55,000			55,000
Replace Forklift			50,000			50,000
ESPS Screenings Washer Monster			105,000			105,000
Grit Tank C+F reducer (2)			10,000	10,000	15,000	35,000
Replace International Roll -off container truck				120,000		120,000
Final Clarifier Turntable				60,000		60,000
Spare 24" Cone Valve for TPS					35,000	35,000
Subtotal Field's Point	599,703	646,460	583,000	593,500	450,000	2,872,663

Five-Year Operating Capital Outlays

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Total Cost
Bucklin Point						
Soda Ash Feed Control System	50,000					50,000
Install Wet Weather Influent Channel Pump	30,000					30,000
Replacement Soda Ash Control System	30,000					30,000
Methane Gas Building System Component Replacement	20,000					20,000
Utility Tractor with Attachments	80,000					80,000
Network Copier/Fax/Scanner	15,000					15,000
Wonderware Instrumentation	35,000					
DAF Unit Chain Replacement	28,000	28,000				56,000
Thickened Sludge Pump Replacement	32,000	32,000				64,000
Rebuild Digester Recirculation Pump	15,000	15,000	15,000		15,000	60,000
Replacement of EZ Go Carts (2)	25,000	25,000		25,000	25,000	100,000
Rebuild Primary Sludge Pumps	15,000	15,000				30,000
Truck Mounted Salt/Sander		20,000				20,000
DAF Air System Rehabilitation		25,000				25,000
Digital Two-Way Radio System and Radios		30,000				30,000
Final Clarifiers DOB Instrumentation		25,000				25,000
Repair/Rebuild Perimeter Fenceline		75,000				75,000
Replace Maintenance Truck (Plow) (unit #7383)		35,000				35,000
Fire Hydrants Replacement		24,000		24,000		48,000
Replace Polymer Storage and Feed System			50,000			50,000
Steel Storage Building			45,000			45,000
Repair Building Masonry			60,000			60,000
Motor Repair 600-HP Blower			25,000			25,000
UPS (Generator and Control Devices)			22,000			22,000
Screenings Grinder Rebuild			22,000		22,000	44,000
Rebuild Johnson Effluent Wet Weather Pump			40,000	40,000	40,000	120,000
Replace Maintenance Truck (unit #7378)				35,000		35,000
Trailer Mounted Generator				65,000		65,000
Rebuild DAF Screw Conveyor				30,000		30,000
DAF Building Roof Replacement				85,000		85,000
Rebuild RAS Pump				35,000	35,000	70,000
Replace Maintenance Truck (unit #7382)					35,000	35,000
Subtotal Bucklin Point	375,000	349,000	279,000	339,000	172,000	1,514,000
Policy, Planning & Regulation						
Pretreatment						
Replacement Vehicle Unit # 425 (2002 Ford Escape)	25,000					25,000
Replacement Vehicle Unit # 429 (2002 Ford Escape)			25,000			25,000
Replacement Vehicle Unit # 483(2003 Ford Escape)					25,000	25,000
Subtotal Pretreatment	25,000	-	25,000	-	25,000	75,000
Laboratory						
ICP/MS for low level metal analyses	213,375					213,375
Micro Distillation Unit	5,000					5,000
Sample Processing Module and Heating Assembly	7,000					7,000
DI unit with RO for pure water	12,000					12,000
ICP for industrial metal analyses	60,000					60,000
Replacement Microscope DP-71	20,000					20,000
3 water Bath for fecal analyses	10,000	10,000	10,000	10,000	10,000	50,000
GC/MS for organics and siloxane analyses		31,000				31,000
New Auto Digester for metal samples		31,000				31,000
3 circulation Chillers for ICP instruments		12,000				12,000
back-up BOD unit, probe and software		4,500				4,500
Nutrient Analyzer for sea water samples			50,000			50,000
Cyanide Analyzer (total cyanide)			45,000			45,000
Maxi Stirrers for process samples			4,000			4,000
HACH COD reactor			35,000			35,000
ICP (Trace) metal analyses for plant analyses			8,000			8,000
TKN Digester block for TKN analyses				8,500		8,500
Auto Digester for metal plant samples					40,000	40,000
Ligant Exchange FI-amenable cyanide analyses					86,000	86,000
Subtotal Laboratory	327,375	88,500	152,000	18,500	136,000	722,375

Five-Year Operating Capital Outlays

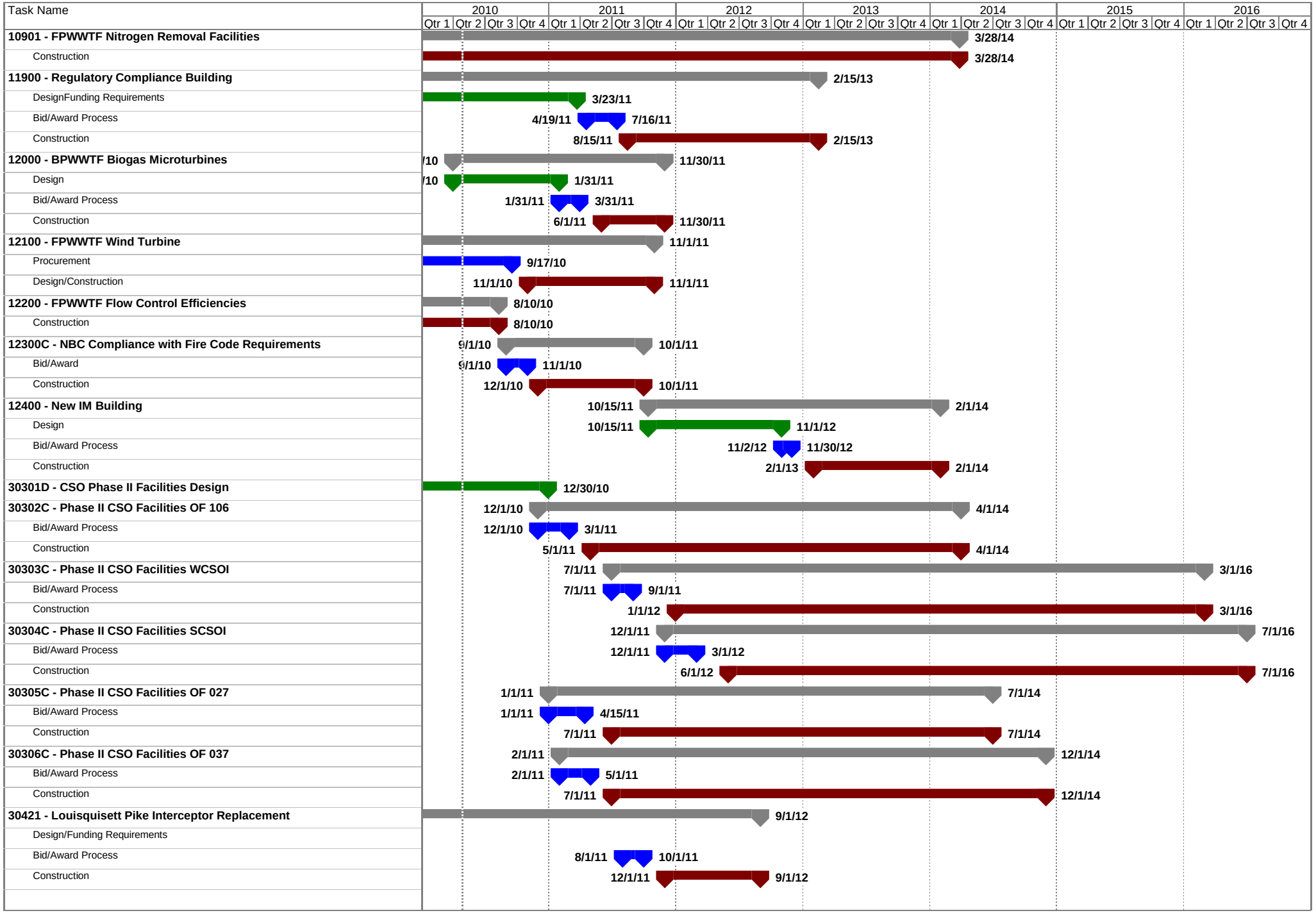
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Total Cost
EMDA						
Replacement Vehicle Unit #7964 (1996 Chevy Astro Van)	25,000					25,000
Replace 3 SIU Auto Samplers	9,000					9,000
Replace 3 Refrigerated Auto Samplers	16,500					16,500
Replace 3 YSI Monitors	15,000					15,000
Replace YSI Probes	21,000					21,000
Replacement Vehicle Unit # 8154 (Chevy Astro Van)		25,000				25,000
Replace 2 Industrial Dishwashers		10,000				10,000
Replace 3 SIU Auto Samplers		9,000				9,000
Replace 4 Refrigerated Auto Samplers		22,000				22,000
Replace 4 YSI Monitors		20,000				20,000
Replace YSI Probes		6,000				6,000
Replace 2 manhole pH Monitors		6,000				6,000
Replace 2 Deionizer units in FP Lab		15,000				15,000
Replacement Vehicle Unit #7350 (1998 Chevy Astro Van)			25,000			25,000
Replace 1 SIU Auto Sampler			3,000			3,000
Replace 2 Refrigerated Auto Samplers			11,000			11,000
Replace 3 YSI Monitors (2-6820s & 1-600XL)			14,000			14,000
Replace 6600 EDS Monitor with probes			6,500			6,500
Replace YSI Probes			6,000			6,000
Replace 2 YSI Monitors			14,000			14,000
Replace Rhodamine Probe			3,500			3,500
Replacement Vehicle Unit #8101 (Chevy Astro Van)				25,000		25,000
Replace 2 SIU Auto Samplers				6,000		6,000
Replace 4 Refrigerated Auto Samplers				22,000		22,000
Replace 2 650 Handheld Computers				6,000		6,000
Replace YSI Probes				6,000		6,000
Replace 3 YSI Monitors (2-6600s & 1-600XL)				17,500		17,500
Replace Outboard Motor on RV Monitor					21,000	21,000
Replacement Vehicle Unit #7387 (Dodge Caravan)					25,000	25,000
Replace 2 ISCO 3700 SIU Auto Samplers					6,000	6,000
Replace 1 manhole Sampler					3,000	3,000
Replace Caribe Boat and Mercury Motor					9,300	9,300
Replace 2 YSI Monitors					11,000	11,000
Replace YSI Probes					6,000	6,000
Replace 4 Refrigerated Auto Samplers					22,000	22,000
Subtotal EMDA	86,500	113,000	83,000	82,500	103,300	468,300
Total	**$ 2,547,778**	**$ 2,151,960**	**$ 2,407,000**	**$ 1,963,500**	**$ 1,626,300**	**$ 10,696,538**

Summary of Operating Grants

Grant Program	*CDF Number*	*Year Awarded*	*Award Amount*	*Amount Available FY 2011*	*Projected Revenue FY 2011*
SIG Grant	EI-97187901-0	2008	$ 275,000	$ 64,000	$ 25,000
				$ 64,000	$ 25,000

Fund - Organization Matrix

Division / Section	Revenue Fund	Operating and Maintenance Fund	Project Fund	Debt Service Fund	Renewal & Replacement Reserve Fund	Debt Service Reserve Fund	Operating & Maintenance Reserve Fund	Redemption Fund	Insurance Reserve Fund	Operating Reserve for Revenue Stability Fund	Rebate Fund	Unrestricted Fund	TOTAL
Executive Affairs Division:													
Executive Affairs	$ -	$ 1,042,467	$ 30,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,072,467
Legal		413,115	-										413,115
Executive Affairs Division		1,455,581	30,000	-	-	-	-	-	-		-	-	1,485,581
Construction Services Division:													
Construction Services		124,377	25,000										149,377
Construction Services Division		124,377	25,000	-	-	-	-	-	-	-	-	-	149,377
Admistration & Finance Division:													
Human Resources		349,236	-										349,236
Finance		811,064	-										811,064
Accounting		745,081	-										745,081
IT		1,526,521	753,000										2,279,521
Customer Service		2,172,238	30,000										2,202,238
Purchasing		315,347	-										315,347
Administration		1,832,161	160,000	32,801,374									34,793,535
Admistration & Finance Division		7,751,648	943,000	32,801,374	-	-	-	-	-		-	-	41,496,022
Planning, Policy & Regulation Division:													
Lab		1,556,198	327,375										1,883,573
Planning		473,057	-										473,057
Pretreatment		1,026,752	25,000										1,051,752
Environmental Safety & Technical		354,897	-										354,897
Environmental Monitoring		1,321,301	86,500										1,407,801
Planning, Policy & Regulation Division		4,732,205	438,875	-	-	-	-	-	-		-	-	5,171,080
Operations / Engineering Division:													
IM		2,035,645	61,200										2,096,845
Engineering		689,348	75,000										764,348
Fields Point		12,163,863	599,703										12,763,566
Bucklin Point		7,353,789	375,000										7,728,789
Operations / Engineering Division		22,242,645	1,110,903	-	-	-	-	-	-		-	-	23,353,548
Non-Departmental													
Direct CIP Funding													-
Carry-Forward				9,684,713									9,684,713
TOTAL	$ -	$ 36,306,457	$ 2,547,778	$ 32,801,374	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 81,340,322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2010
2011
2012
2013
2014
2015
2016
Qtr 1 Qtr 2 Qtr 3 Qtr 4
10901 - FPWWTF Nitrogen Removal Facilities
3/28/14
Construction
3/28/14
11900 - Regulatory Compliance Building
2/15/13
DesignFunding Requirements
3/23/11
Bid/Award Process
4/19/11
7/16/11
Construction
8/15/11
2/15/13
12000 - BPWWTF Biogas Microturbines
11/30/11
Design
1/31/11
Bid/Award Process
1/31/11
3/31/11
Construction
6/1/11
11/30/11
12100 - FPWWTF Wind Turbine
11/1/11
Procurement
9/17/10
Design/Construction
11/1/10
11/1/11
12200 - FPWWTF Flow Control Efficiencies
8/10/10
Construction
8/10/10
12300C - NBC Compliance with Fire Code Requirements
9/1/10
10/1/11
Bid/Award
9/1/10
11/1/10
Construction
12/1/10
10/1/11
12400 - New IM Building
10/15/11
2/1/14
Design
10/15/11
11/1/12
Bid/Award Process
11/2/12
11/30/12
Construction
2/1/13
2/1/14
30301D - CSO Phase II Facilities Design
12/30/10
30302C - Phase II CSO Facilities OF 106
12/1/10
4/1/14
Bid/Award Process
12/1/10
3/1/11
Construction
5/1/11
4/1/14
30303C - Phase II CSO Facilities WCSOI
7/1/11
3/1/16
Bid/Award Process
7/1/11
9/1/11
Construction
1/1/12
3/1/16
30304C - Phase II CSO Facilities SCSOI
12/1/11
7/1/16
Bid/Award Process
12/1/11
3/1/12
Construction
6/1/12
7/1/16
30305C - Phase II CSO Facilities OF 027
1/1/11
7/1/14
Bid/Award Process
1/1/11
4/15/11
Construction
7/1/11
7/1/14
30306C - Phase II CSO Facilities OF 037
2/1/11
12/1/14
Bid/Award Process
2/1/11
5/1/11
Construction
7/1/11
12/1/14
30421 - Louisquisett Pike Interceptor Replacement
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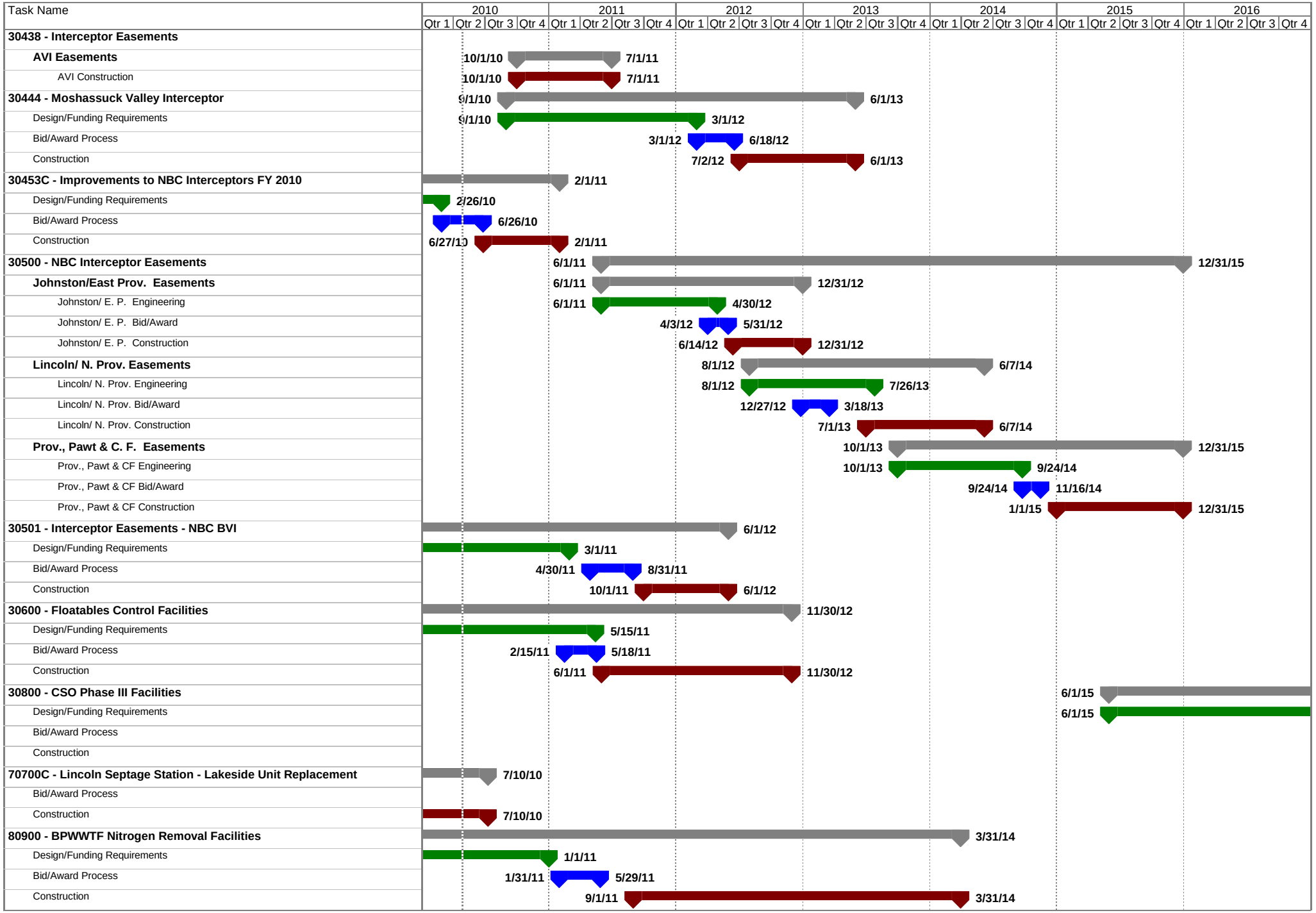
Design/Funding Requirements
Bid/Award Process
8/1/11
10/1/11
Construction
12/1/11
9/1/12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2011
2012
2013
2014
2015
2016
Qtr 1 Qtr 2 Qtr 3 Qtr 4
30438 - Interceptor Easements
AVI Easements
10/1/10
7/1/11
AVI Construction
10/1/10
7/1/11
30444 - Moshassuck Valley Interceptor
9/1/10
6/1/13
Design/Funding Requirements
9/1/10
3/1/12
Bid/Award Process
3/1/12
6/18/12
Construction
7/2/12
6/1/13
30453C - Improvements to NBC Interceptors FY 2010
2/1/11
Design/Funding Requirements
2/26/10
Bid/Award Process
6/26/10
Construction
6/27/10
2/1/11
30500 - NBC Interceptor Easements
6/1/11
12/31/15
Johnston/East Prov. Easements
6/1/11
12/31/12
Johnston/ E. P. Engineering
6/1/11
4/30/12
Johnston/ E. P. Bid/Award
4/3/12
5/31/12
Johnston/ E. P. Construction
6/14/12
12/31/12
Lincoln/ N. Prov. Easements
8/1/12
6/7/14
Lincoln/ N. Prov. Engineering
8/1/12
7/26/13
Lincoln/ N. Prov. Bid/Award
12/27/12
3/18/13
Lincoln/ N. Prov. Construction
7/1/13
6/7/14
Prov., Pawt & C. F. Easements
10/1/13
12/31/15
Prov., Pawt & CF Engineering
10/1/13
9/24/14
Prov., Pawt & CF Bid/Award
9/24/14
11/16/14
Prov., Pawt & CF Construction
1/1/15
12/31/15
30501 - Interceptor Easements - NBC BVI
6/1/12
Design/Funding Requirements
3/1/11
Bid/Award Process
4/30/11
8/31/11
Construction
10/1/11
6/1/12
30600 - Floatables Control Facilities
11/30/12
Design/Funding Requirements
5/15/11
Bid/Award Process
2/15/11
5/18/11
Construction
6/1/11
11/30/12
30800 - CSO Phase III Facilities
6/1/15
Design/Funding Requirements
6/1/15
Bid/Award Process
Construction
70700C - Lincoln Septage Station - Lakeside Unit Replacement
7/10/10
Bid/Award Process
Construction
7/10/10
80900 - BPWWTF Nitrogen Removal Facilities
3/31/14
Design/Funding Requirements
1/1/11
Bid/Award Process
1/31/11
5/29/11
Construction
9/1/11
3/31/14

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Appendix

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The Narragansett Bay Commission
Acronyms Glossary

AMS - **Asset Management System**
The computer system that incorporates all the processes, tools, data and policies needed to effectively manage assets.

ARRA – The **American Recovery and Reinvestment Act of 2009**
Commonly referred to as **The Stimulus** or **The Recovery Act**, is an economic stimulus package enacted by the 11th United States Congress in February 2009.

BMA - **Bond Market Association Index**
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.

BMP – **Best Management Practices**
The EPA defines a BMP as a "technique, measure or structural control that is used for a given set of conditions to manage the quantity and improve the quality of stormwater runoff in the most cost effective manner".

BNR - **Biological Nutrient Removal**
A biological process to remove nitrogen from wastewater, to prohibit excessive algal growth and low oxygen levels in receiving waters.

BOD - **Biochemical Oxygen Demand**
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.

BVI - **Blackstone Valley Interceptor**

CAC - **Citizens' Advisory Committee**
An advisory group to NBC, CAC represents users, the general public and environmental groups.

CAFR - **Comprehensive Annual Financial Report**
Communicates the annual financial position and results of operations of the NBC.

CBA - **Collective Bargaining Agreement**
Agreement reached between management and union representatives as to the terms of future union contracts.

CDL - **Commercial Drivers License**
A license that meets certain "standards" uniform to all states, as required by federal law, and is mandatory for the operation of particular commercial vehicles.

CIP - **Capital Improvement Program**
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.

CMOM - **Capacity Management Operation and Maintenance Program**
A dynamic and adaptable system management approach that utilizes feedback regarding system performance, variable conditions and operating and maintenance practices to direct and adjust responses, routine activities procedures, and capital investments.

COB - The NBC's **Corporate Office Building**.

COLA - **Cost of Living Adjustment**
Is an annual adjustment made to salary of union employees of NBC to maintain the level of wages against inflation.

CPI - **Consumer Price Index**
A measure of the average change over time in prices for selected consumer goods and services.

CSO - **Combined Sewer Overflows**
Areas along Rhode Island rivers where combined sewers overflow during significant rain events.

DMR – **Discharge Monitoring Report**
Monitoring reports required to be submitted to the RIDEM every month; these reports summarize the findings of daily samplings conducted at each wastewater treatment facility.

DOH – **Rhode Island Department of Health**

DT/day – **Dry Tons per Day**

EAP – **Employee Assistance Program**
A confidential, professional resource for employees and their family members, who may need assistance with any type of personal concern.

EEF – **Environmental Enforcement Fund**
Includes funds recovered through administrative or civil enforcement action and are not available for normal operating expenses per Chapter 46-25 of RI General Laws.

EEO – **Equal Employment Opportunity**
In compliance with Federal and State legislation, NBC promotes fair and equitable treatment to all employees regardless of race, color, sex, age, national origin, handicap/disability status, veteran status, sexual orientation or gender identity or expression.

EPA - Environmental Protection Agency
An agency of the federal government designated to oversee environmental protection in the United States.

ERP – **Environmental Results Program**
An innovative environmental management approach that uses compliance assistance, self-audits/certifications, and statistically based inspections and performance measurements to help educate owners, and operators of regulated facilities to more effectively meet or exceed regulatory compliance obligations while enabling regulators to obtain long-term, verifiable results at less cost and effort.

FTEs - **Full-time Equivalents**
The amount of hours worked being equal to a full-time employee.

FY - **Fiscal Year**
The twelve-month financial period used by the NBC, that runs from July 1, to June 30 of the following calendar year. The year is represented by the end date. Example: July 1, 2010 to June 30, 2011 is FY 2011.

GAAP - **Generally Accepted Accounting Principles**
The conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements.

GASB – **Governmental Accounting Standards Board**
An independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local government.

GFOA - **Government Finance Officers Association**
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.

GPS - **Global Positioning Satellite System**
This system uses information obtained by satellite to indicate the coordinates of a specific location.

HCF - **Hundred Cubic Feet**
Unit of liquid measure, used to bill NBC's consumption fees.

IFAS – **Integrated Fixed Film Activated Sludge**
A process of adding media, usually plastic, to aeration tanks to increase surface area for bacterial growth.

Mgd/MGD - **Million Gallons per Day.**

Mg/L - **Milligrams per Liter. 1 mg/L can also be expressed as 1 part per million.**

MRI – **Moshassuck River Interceptor**

MWRA – **Massachusetts Water Resource Authority**

N/A - The information is **Not Available** or **Not Applicable**.

NACWA - **National Association of Clean Water Agencies**
An association which represents the interests of over 300 public agencies and organizations that deals with wastewater treatment.

O & M - **Operations and Maintenance**
Accounts related to the cost of operating and maintaining NBC's infrastructure.

OCIP – **Owner Controlled Insurance Program**

OSHA – **Occupational Safety and Health Act of 1970**
OSHA's role is to set and enforce standards that assist employers with their responsibility to promote workplace safety and the health of their employees.

PUC - **Public Utilities Commission**
Regulates all public utilities in the state of Rhode Island, including the NBC.

RAS – **Return Activated Sludge**
The settled activated sludge (which contains bacteria that feeds on the organic content in sewage) collected in the secondary clarifiers then returned to the aeration basins to re-seed the process for the incoming wastewater.

RICWFA - **Rhode Island Clean Water Finance Agency**
Administers the State Revolving Fund for projects relating to water and wastewater.

RIDEM - **Rhode Island Department of Environmental Management**
An environmental regulatory department of the State.

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.

RIPEC - **Rhode Island Public Expenditure Council**
An independent, nonprofit and nonpartisan public policy research and education organization

RIRRC - **Rhode Island Resource Recovery Corporation**
Administers waste and garbage disposal and recycling.

RIWARN – **RI Water/Wastewater Agency Response Network**
A mutual aid agreement between cities, towns or agencies to provide assistance in the event of an emergency.

ROMS – **Regional Ocean Model System**
A numerical hydrodynamic computer model in the public domain that is being applied to the Narragansett Bay by the URI-Graduate School of Oceanography. This model will predict circulation, thermal and pollutant transport for Narragansett Bay, including the Providence and Seekonk river systems.

SIFMA Index - **Securities Industry and Financial Markets Association**
A Short Term index which accurately reflects activity in the VRDO market.

SIUs - **Significant Industrial Users**
NBC's largest industrial customers.

SOP – **Standard Operating Procedure**
A written procedure that promotes uniformity in operations, SOPs provides individuals with the information necessary to perform a task properly and facilitates consistency in the quality and integrity of end result.

SRF - **State Revolving Fund**
Rhode Island Clean Water Finance Agency program which offers low cost financing to public agencies.

TMDL - **Total Maximum Daily Load**
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.

TSS - **Total Suspended Solids**
The measurement of the amount of solid matter in the effluent in parts per million.

VFD – **Variable Frequency Drive**
A device that adjusts the speed of a pump in response to the amount of flow entering the pump station.

VRDB – **Variable Rate Demand Bonds**
NBC's short-term bond issue which is reinvested weekly and is placed primarily with major institutional investors.

WWTF - **Wastewater Treatment Facility**
A facility used to treat wastewater, so that the release of effluent poses no adverse impact on public health or the ecology.

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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.

Asset Management Program - Program established to document assets and provide the data necessary to manage NBC's infrastructure, including operational life and replacement history, in order to assist with the allocation of resources over time.

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.

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.

Bioassay – A method for the quantification of the effects on a biological system by its exposure to a substance including the quantification of the concentration of a substance by some observable effect on the biological system.

Bisulfite - Chemical used to adjust the PH of the wastewater.

Board of Commissioners - 19 member board which represent the municipalities in the district as well as ten gubernatorial appointments.

Bond - A certificate of debt containing a promise to pay a specified sum of money (face value or principal) on specified date/dates in the future (maturity date) together with periodic interest at a specified rate.

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 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.

Clarifiers - The components of the wastewater treatment plant that separates sludge (which sinks) and scum (which floats) from wastewater flows, also called sedimentation tanks.

Collection System - System of NBC owned wastewater treatment facilities, including interceptors, pipes, tide gates, pumping stations, manholes, regulators, and catch basins.

Combined Sewage - A mixture of stormwater and residential sewage with or without industrial waste: combined sewage consists of liquid waste from home, industries, businesses, institutions, and stormwater runoff from streets and other surfaces.

Combined Sewers - Sewer systems in which the stormwater 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).

Consent Agreement - An agreement between agencies which identifies specific compliance issues and stipulates corrective measures to resolve such issues.

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.

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.

Discharge Permit - A permit issued by NBC to regulate the users discharging to NBC's collection system. The permits ensure compliance with all EPA and State mandates and the protection of the treatment facilities and receiving waters.

Dissolved Oxygen - The level of oxygen dissolved in the water. This measure is an important indicator of the health of aquatic life.

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 of 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.

Expenditures - The amount of money, cash or checks, actually paid or obligated for payment from the operating account.

Facilities Plan - An improvement plan that integrates new facilities, major rehabilitation, ongoing repairs, or the renewal of existing facilities.

Financing Plan - The estimate of revenues and their sources, that will pay for the service programs outlined in the annual budget.

FY 2010 Approved Budget - Numbers stated in the FY 2010 budget and approved by the NBC Board of Commissioners.

FY 2010 Projected - Estimate of what will be achieved in FY 2010 based on year-to-date performance.

Flow Meter - 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.

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 Equity - The accumulative excess of assets over liabilities in a fund, at the end of the fiscal year.

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.

Hypochlorite - A disinfectant or bleaching agent, commonly known as bleach. This chemical is used to disinfect effluent, control bacteria, and control odors.

Hypoxia - Inadequate dissolved oxygen in the water. This condition has a negative impact on the health of aquatic life.

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.

Late Charge - Penalty assessed on unpaid accounts, including any outstanding interest charges, over thirty (30) days from the billing date.

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.

Mission Statement - Summation of an Agency's purpose and goals.

Nitrogen Removal - The removal of excess nitrogen in the discharged effluent of a wastewater treatment facility. Excessive nitrogen levels can adversely impact the aquatic environment.

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.

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 that 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.

Policy - A definite course of action adopted after a review of information, and directed at the realization of goals.

Pretreatment - Reduction or elimination of pollutants from industrial wastewater by use of various processes prior to its discharge into the sewer system.

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 - Group activities, operations or organizational units directed to attaining specific purposes or objectives.

Program Measures - Variables measuring the degree of goal fulfillment achieved by programs.

Proprietary Funds - Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds. NBC is an enterprise fund.

Pump Station - An 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.

Ratepayer - NBC customer who pays a fee for the collection and treatment of wastewater services provided in its service area.

Rating Agencies - This term usually refers to Moody's Investors Service, Standard and Poors' 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 stormwater 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.

Restricted Carry-Forward - Funds which were restricted for debt service in the prior budget year and are now released to finance the Capital Improvement Program and operating capital outlays.

Revenue - Additions to the Commission's financial assets (such as user fees and grants) which do not in themselves increase the Commissions 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.

Revenue Stability Fund - Fund established in order to provide the necessary financing of Operations & Maintenance expenses in the event that realized revenue is less than had been projected.

Sampling - The act of taking water samples in order to determine water quality.

Section - The lowest hierarchical level of allocating monies**.**

Septage - Household waste that is disposed through a home's plumbing system into a septage holding tank, and ultimately transported for treatment to a wastewater treatment facility center.

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**.**

Soda Ash (Sodium Carbonate) - A chemical used in the wastewater treatment process to adjust the alkalinity levels, as part of the nitrogen removal process.

Sondes - A collection of instruments that are used to profile and monitor water conditions in wastewater effluents and receiving waters.

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.

Tide-gate - A gate which opens and closes with tidal height to prohibit river water from entering the sewer system.

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.

Wastewater - The liquid-borne waste products of domestic, industrial, agricultural and manufacturing activities.

Wet Weather Flow - The untreated discharges that occur during storm events.

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.

Narragansett Bay Commission
Operating Budget For Fiscal Year 2011

ACCT. NUMBER	BUDGET ACCOUNT	FY 2010 Budget	FY 2011 Proposed	Change +/(-) from FY 2010	EXECUTIVE AFFAIRS EXEC. CC 21	EXECUTIVE AFFAIRS CONSTR. CC 22	EXECUTIVE AFFAIRS LEGAL 24	ADMINISTRATION AND FINANCE H/R CC 23	ADMINISTRATION AND FINANCE FINANCE CC 31	ADMINISTRATION AND FINANCE ACCT. CC 32	ADMINISTRATION AND FINANCE IT CC 33	ADMINISTRATION AND FINANCE CUST SVC CC 34	ADMINISTRATION AND FINANCE PURCH. CC 36	ADMINISTRATION AND FINANCE GEN. ADM. CC 80	PLANNING, POLICY & REGULATION LAB. CC 53	PLANNING, POLICY & REGULATION PLN & POL CC 51	PLANNING, POLICY & REGULATION PT CC 52	PLANNING, POLICY & REGULATION ESTA CC 54	PLANNING, POLICY & REGULATION ENV. MON. CC 55	OPERATIONS FIELDS PT. CC 46	OPERATIONS BUCK. PT. CC 47	OPERATIONS IM CC 43	OPERATIONS ENG. CC 44
PERSONNEL SERVICES																							
52100	UNION - REGULAR	$ 5,607,644	$ 5,600,561	$ (7,083)	$ -	$ -	$ -	$ 39,163	$ -	$ 77,932	$ -	$ 634,644	$ 44,169	$ 60,000	$ 183,492	$ -	$ 151,879	$ -	$ 360,069	$ 1,856,190	$ 1,515,719	$ 677,304	$ -
52150	UNION OVERTIME	402,252	438,400	36,148	-	-	-	-	-	-	-	30,000	-	-	3,000	-	400	-	35,000	210,000	120,000	40,000	-
52200	UNION LIMITED	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52250	UNION LIMITED O.T.	200	-	(200)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52300	NON-UNION REGULAR	8,123,781	8,119,425	(4,356)	657,689	894,685	283,714	174,071	349,500	437,455	764,649	376,074	172,794	-	625,769	324,919	513,458	225,776	388,671	970,209	-	269,370	690,623
52350	NON-UNION OVERTIME	84,865	81,800	(3,065)	500	10,000	-	-	-	100	-	2,000	-	-	15,000	-	500	1,000	1,500	50,000	-	1,200	-
52400	NON-UNION LIMITED	48,340	48,700	360	4,200	3,000	5,000	-	3,000	4,500	-	5,000	-	-	4,000	6,300	500	-	7,700	-	-	-	5,500
52450	NON-UNION LIMITED OVERTIME	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52510	NON-UNION LIMITED (FULL TIME)	500	-	(500)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52800	UNION PENSION	1,383,569	1,198,977	(184,592)	-	-	-	8,475	-	16,865	-	137,337	9,558	-	39,708	-	32,867	-	77,919	401,679	328,001	146,569	-
52810	FICA	1,091,470	1,093,100	1,630	50,673	69,438	22,087	16,312	26,966	39,779	58,496	80,150	16,598	4,590	63,591	25,338	51,005	17,348	60,660	236,110	125,132	75,572	53,253
52820	UNEMPLOYMENT INSURANCE	65,000	55,000	(10,000)	-	-	-	-	-	-	-	-	-	55,000	-	-	-	-	-	-	-	-	-
52840	EMPLOYEE BEN. GRP. LIFE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52920	NON UNION PENSION	825,749	824,992	(756)	66,239	90,769	28,871	17,407	35,250	44,205	76,465	38,307	17,279	-	64,477	33,122	51,446	22,678	39,787	102,021	-	27,057	69,612
52940	UNION RETIREMENT HEALTH	423,970	373,434	(50,536)	-	-	-	2,640	-	5,253	-	42,775	2,977	-	12,367	-	10,237	-	24,269	125,107	102,159	45,650	-
52950	HEALTH INSURANCE	3,330,163	3,153,615	(176,548)	91,029	170,463	52,121	53,077	54,638	137,365	144,999	273,360	42,531	-	191,122	65,401	165,953	62,914	195,168	681,238	346,541	319,322	106,373
52970	DENTAL INSURANCE	228,229	249,365	21,136	7,673	11,509	4,795	3,836	4,795	9,591	10,550	23,018	3,836	-	15,346	4,795	14,386	3,836	16,305	53,709	30,691	21,100	9,591
52980	VISION INSURANCE	41,151	45,795	4,644	1,409	2,114	881	705	881	1,761	1,937	4,227	705	-	2,818	881	2,642	705	2,994	9,864	5,636	3,875	1,761
52990	DISABILITY INSURANCE	40,000	40,000	-	-	-	-	-	-	-	-	-	-	40,000	-	-	-	-	-	-	-	-	-
53000	SUPP PENSION RETIREES	2,000	-	(2,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53690	WORKMAN'S COMP. - OLD CLAIMS	50,000	60,000	10,000	-	-	-	-	-	-	-	-	-	60,000	-	-	-	-	-	-	-	-	-
	SLUDGE ADJUSTMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PERSONNEL SERVICES		21,748,883	21,383,163	(365,720)	879,412	1,251,977	397,468	315,686	475,030	774,806	1,057,096	1,646,893	310,447	219,590	1,220,690	460,757	995,272	334,257	1,210,041	4,696,126	2,573,880	1,627,020	936,714
59000	SALARY REIMBURSEMENT	(1,057,329)	(1,152,329)	(95,000)	(50,000)	(750,000)	(8,938)	-	-	(45,000)	-	-	-	-	-	-	-	(2,500)	(10,000)	-	-	(30,000)	(255,891)
59001	FRINGE REIMBURSEMENT	(581,531)	(633,781)	(52,250)	(27,500)	(412,500)	(4,916)	-	-	(24,750)	-	-	-	-	-	-	-	(1,375)	(5,500)	-	-	(16,500)	(140,740)
59002	TURNOVER ALLOWANCE	(389,715)	(478,636)	(88,921)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(235,405)	(128,969)	(114,262)	-
NET PERSONNEL SERVICES		19,720,308	19,118,418	(601,891)	801,912	89,477	383,615	315,686	475,030	705,056	1,057,096	1,646,893	310,447	219,590	1,220,690	460,757	995,272	330,382	1,194,541	4,460,721	2,444,911	1,466,258	540,083
OPERATING SUPPLIES/EXPENSES																							
52610	MEDICAL SVCS.	13,400	15,650	2,250	100	300	200	2,500	100	100	150	375	-	1,000	300	100	500	4,265	460	2,100	1,500	1,500	100
53210	POSTAGE	348,113	368,246	20,133	-	-	100	-	-	50	25	336,000	-	32,021	-	-	-	-	-	-	-	-	50
53240	DUES & SUBSCRIPTIONS	57,650	59,715	2,065	26,455	1,000	7,550	3,200	2,400	1,500	5,800	3,000	700	700	500	500	580	1,450	400	1,680	-	700	1,600
53250	FREIGHT	33,300	32,400	(900)	600	500	200	100	200	100	750	200	100	7,500	4,500	200	400	100	1,500	12,500	300	2,500	150
53310	PRINTING & BINDING	150,500	141,100	(9,400)	6,000	100	100	50	12,000	50	300	113,000	1,500	3,000	-	300	1,800	900	1,000	-	-	1,000	-
53320	ADVERTISING	15,050	18,450	3,400	2,500	2,000	2,000	-	1,500	-	1,350	-	100	1,000	1,000	-	2,300	1,200	-	2,100	900	500	-
53330	RENTAL- EQUIPMENT	29,460	27,600	(1,860)	10,500	-	-	-	-	-	-	1,300	-	3,800	-	-	-	-	-	10,000	-	2,000	-
53340	RENTAL- CLOTHING	38,000	38,425	425	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,425	13,000	6,000	-
53350	RENTAL-OUTSIDE PROPERTY	5,500	5,150	(350)	500	-	-	-	-	-	-	-	-	-	-	1,200	-	250	3,200	-	-	-	-
53360	MISCELLANEOUS EXPENSE	1,100	1,100	-	-	600	-	-	500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53370	PUBLIC OUTREACH EDUCATION	16,000	16,000	-	16,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53410	LOCAL TRAVEL	4,200	4,500	300	500	100	350	100	300	100	1,100	-	100	-	100	100	50	200	400	-	100	500	400
53420	LONG DISTANCE TRAVEL	72,500	63,500	(9,000)	17,000	1,500	2,500	1,500	2,000	-	23,000	1,500	-	-	1,500	1,500	2,000	2,000	1,000	2,000	1,000	1,000	2,500
53470	BLDG. & GRND. MAINT.	111,412	116,432	5,020	-	9,000	-	-	-	-	-	-	-	50,000	12,400	-	200	-	-	36,567	-	8,265	-
53480	SLUDGE, ASH HAULING & DISPOSAL	4,539,462	4,237,395	(302,066)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,336,597	900,798	-	-
53490	SCREENING & GRIT DISPOSAL	183,422	155,896	(27,526)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44,430	28,108	83,358	-
53510	VEHICLE FUEL & MAINTENANCE	175,182	181,950	6,768	3,000	7,000	-	-	-	-	-	8,000	-	-	-	-	6,200	-	25,000	50,000	-	80,750	2,000
53610	REPAIRS - BLDG, STRUCTURE & EQUIP.	574,188	574,400	212	-	-	-	100	-	50	500	200	-	38,500	45,000	-	200	-	11,000	427,350	-	31,500	20,000
53611	SOLIDS HANDLING REPAIRS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53620	REPAIR-HIGHWAY & WALKS	13,000	14,500	1,500	-	-	-	-	-	-	-	-	-	2,500	-	-	-	-	-	-	-	12,000	-
53630	MAINTENANCE/SERVICE AGREE.	568,729	711,874	143,145	50	3,000	50	-	-	75	320,000	2,500	100	23,444	5,050	100	1,200	-	500	180,000	78,077	20,228	77,500
53650	HIGHWAY & LANDSCAPE	12,213	12,423	210	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,423	-	8,000	-
53,660	INSURANCE	351,404	360,256	8,852	-	-	-	-	-	-	-	-	-	360,256	-	-	-	-	-	-	-	-	-
53680	WORKMAN'S COMP. INSURANCE	500,000	500,000	0	-	-	-	-	-	-	-	-	-	500,000	-	-	-	-	-	-	-	-	-
53900	CENTRAL PHONE SVCS.	4,000	4,600	600	-	-	-	-	-	-	-	-	-	4,600	-	-	-	-	-	-	-	-	-
54000	TELEPHONE	144,600	159,700	15,100	3,000	3,000	-	-	1,000	-	36,000	8,500	500	36,500	-	800	4,500	-	5,200	10,200	7,500	29,000	14,000
54010	KEROSENE	400	-	(400)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
54020	FUEL OIL #2 - DIESEL FOR EQUIPMENT	10,000	-	(10,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
54060	FUEL-GAS	545,625	462,306	(83,319)	-	-	-	-	-	-	-	-	-	26,438	17,884	-	-	-	-	242,584	139,239	36,161	-
54090	ELECTRICITY	3,956,529	4,274,277	317,748	-	-	-	-	-	-	-	-	-	122,952	52,694	-	-	-	-	2,338,559	1,577,647	182,425	-
54110	WATER	43,426	42,626	(800)	-	-	-	-	-	-	-	-	-	4,000	4,400	-	-	-	-	30,226	-	4,000	-
54200	CLOTHING	33,889	31,700	(2,189)	2,500	2,000	100	-	-	-	-	2,100	-	-	1,500	400	1,000	500	6,000	9,000	2,300	4,000	300
54330	CHEM., HOUSE & LAUNDRY SUPPLIES	26,836	29,289	2,453	300	500	50	-	-	160	-	400	-	1,000	300	-	-	50	3,000	20,029	-	3,500	-
54332	CHEMICALS - CHLOR. / HYPOCHLORITE	528,737	415,667	(113,070)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	415,367	-	300	-
54337	CHEMICALS - SODIUM BIFULFITE	339,592	299,330	(40,262)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	299,330	-	-	-
54338	CHEMICALS - SODA ASH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
54340	LAB SUPPLIES	227,100	217,180	(9,920)	-	-	-	-	-	-	-	-	-	-	160,300	-	2,000	500	38,000	16,380	-	-	-
54370	SUPPLIES BUILDING & MAINTENANCE	167,420	188,065	20,645	100	500	-	-	-	50	750	250	-	2,500	500	200	500	400	2,800	151,500	-	18,000	10,015
54371	SUPPLIES FOR SOLIDS HANDLING	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
54410	EDUCATIONAL SUPP. & EXP.	69,250	63,550	(5,700)	5,500	500	3,300	1,750	1,400	3,000	8,000	1,500	500	18,000	1,000	1,000	2,000	5,800	4,000	1,800	-	2,000	2,500
54420	COMPUTER SUPPLIES	78,650	78,300	(350)	500	700	-	-	-	-	70,000	300	300	1,000	300	300	200	-	1,550	2,500	-	400	250
54430	OTHER OPERATING SUPPLIES & EXP.	7,300	9,300	2,000	500	-	-	-	-	-	800	-	-	2,500	-	2,200	50	-	250	2,000	-	1,000	-
54440	SAFETY EQUIPMENT	25,700	24,400	(1,300)	-	200	-	-	-	-	-	2,000	-	500	300	200	1,600	1,000	4,000	9,500	-	5,000	100
54500	OFFICE EXPENSE	73,690	74,440	750	15,000	2,100	1,500	1,250	4,000	5,790	900	4,000	1,000	10,000	2,000	3,200	4,200	3,400	2,500	8,000	-	3,000	2,600
57800	EXP. REL. TO BONDS/NOTES	35,000	35,000	-	-	-	-	-	-	-	-	-	-	35,000	-	-	-	-	-	-	-	-	-
57913	LEASE INTEREST EXPENSE	-	50,000	50,000	-	-	-	-	-	-	-	-	-	50,000	-	-	-	-	-	-	-	-	-
TOTAL OPERATING SUPP. & EXP.		14,131,529	14,116,692	(14,837)	110,605	34,600	18,000	10,550	25,400	11,025	469,425	485,125	4,900	1,338,711	311,528	12,300	31,480	22,015	111,760	7,686,148	2,750,469	548,587	134,065

Narragansett Bay Commission
Operating Budget For Fiscal Year 2011

ACCT. NUMBER	BUDGET ACCOUNT	FY 2010 Budget	FY 2011 Proposed	Change +/(-) from FY 2010	EXECUTIVE AFFAIRS EXEC. CC 21	EXECUTIVE AFFAIRS CONSTR. CC 22	EXECUTIVE AFFAIRS LEGAL 24	ADMINISTRATION AND FINANCE H/R CC 23	ADMINISTRATION AND FINANCE FINANCE CC 31	ADMINISTRATION AND FINANCE ACCT. CC 32	ADMINISTRATION AND FINANCE IT CC 33	ADMINISTRATION AND FINANCE CUST SVC CC 34	ADMINISTRATION AND FINANCE PURCH. CC 36	ADMINISTRATION AND FINANCE GEN. ADM. CC 80	PLANNING, POLICY & REGULATION LAB. CC 53	PLANNING, POLICY & REGULATION PLN & POL CC 51	PLANNING, POLICY & REGULATION PT CC 52	PLANNING, POLICY & REGULATION ESTA CC 54	PLANNING, POLICY & REGULATION ENV. MON. CC 55	OPERATIONS FIELDS PT. CC 46	OPERATIONS BUCK. PT. CC 47	OPERATIONS IM CC 43	OPERATIONS ENG. CC 44
PROFESSIONAL SERVICES																							
52600	REGULATORY EXPENSE	248,102	255,837	7,735	-	-	-	-	227,044	-	-	-	-	-	480	-	-	-	-	13,113	14,700	300	200
52620	ARCHITECT/ENG. SERVICES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52630	LECTURES/ED./PROF. SVCS.	1,000	1,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000	-	-	-	-	-
52650	SECURITY SERVICES	29,567	50,251	20,684	750	-	-	-	-	-	-	5,620	-	2,000	1,000	-	-	-	-	3,881	2,000	20,000	15,000
52660	LEGAL SERVICES	190,000	190,100	100	55,000	-	10,000	-	25,000	-	-	100	-	100,000	-	-	-	-	-	-	-	-	-
52670	MGMT/AUDIT SERVICES	2,443,725	2,415,360	(28,365)	66,700	-	-	8,000	58,590	25,000	-	-	-	115,360	-	-	-	-	-	-	2,141,710	-	-
52680	CLERICAL SERVICES	20,500	21,500	1,000	7,000	-	1,500	-	-	4,000	-	9,000	-	-	-	-	-	-	-	-	-	-	-
52690	OTHER SERVICES	189,680	137,300	(52,380)	500	300	-	15,000	-	-	-	25,500	-	56,500	22,500	-	-	1,500	15,000	-	-	500	-
TOTAL PROFESSIONAL SERVICES		3,122,574	3,071,348	(51,226)	129,950	300	11,500	23,000	310,634	29,000	-	40,220	-	273,860	23,980	-	-	2,500	15,000	16,994	2,158,410	20,800	15,200
TOTAL OPERATIONS & MAINTENANCE		36,974,411	36,306,457	(667,953)	1,042,467	124,377	413,115	349,236	811,064	745,081	1,526,521	2,172,238	315,347	1,832,161	1,556,198	473,057	1,026,752	354,897	1,321,301	12,163,863	7,353,789	2,035,645	689,348
CAPITAL OUTLAYS																							
16510	AUTOMOTIVE EQUIP.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16520	BLDG. & PLANT EQUIP.	331,000	343,003	12,003	-	-	-	-	-	-	-	-	-	30,000	-	-	-	-	-	195,803	110,000	7,200	-
16540	ED. AND REC. EQUIP.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16570	LABORATORY EQUIP.	57,600	67,000	9,400	-	-	-	-	-	-	-	-	-	-	67,000	-	-	-	-	-	-	-	-
16580	OFFICE FURN&EQUIP. COMPUT.	102,500	75,000	(27,500)	5,000	-	-	-	-	-	-	5,000	-	50,000	-	-	-	-	-	-	15,000	-	-
16583	COMPUTER SOFTWARE	235,000	337,000	102,000	-	-	-	-	-	-	295,000	-	-	-	-	-	-	-	-	-	-	42,000	-
16585	COMPUTER HARDWARE	387,000	544,000	157,000	-	-	-	-	-	-	458,000	-	-	-	-	-	-	-	-	51,000	35,000	-	-
16590	OTHER EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16600	REPLACEMENT RESERVE	780,500	1,171,775	391,275	25,000	25,000	-	-	-	-	-	25,000	-	80,000	260,375	-	25,000	-	86,500	342,900	215,000	12,000	75,000
16610	BUILDING & OTHER STRUCT.	367,000	10,000	(357,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,000	-	-	-
16630	IMP.-NOT BLDG OR STRUCT.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL OUTLAYS		2,260,600	2,547,778	287,178	30,000	25,000	-	-	-	-	753,000	30,000	-	160,000	327,375	-	25,000	-	86,500	599,703	375,000	61,200	75,000
DEBT SERVICE																							
	PROGRAMMED NEW DEBT	3,908,700	1,673,000	(2,235,700)	-	-	-	-	-	-	-	-	-	1,708,000	-	-	-	-	-	-	-	-	-
	PRINCIPAL	18,148,897	18,702,732	553,835	-	-	-	-	-	-	-	-	-	18,702,732	-	-	-	-	-	-	-	-	-
	INTEREST	12,680,195	12,425,642	(254,553)	-	-	-	-	-	-	-	-	-	12,425,642	-	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE		34,737,792	32,801,374	(1,936,418)										32,801,374									
GRAND TOTAL		$ 73,972,803	$ 71,655,609	$ (2,317,193)	$ 1,072,467	$ 149,377	$ 413,115	$ 349,236	$ 811,064	$ 745,081	$ 2,279,521	$ 2,202,238	$ 315,347	$ 34,793,535	$ 1,883,573	$ 473,057	$ 1,051,752	$ 354,897	$ 1,407,801	$ 12,763,566	$ 7,728,789	$ 2,096,845	$ 764,348

	July	August	September	October	November	December	January	February	March	April	May	June	Total FY 2011
O & M Monthly	$ 3,850,000	$ 3,250,000	$ 2,890,000	$ 3,050,000	$ 3,030,000	$ 3,270,000	$ 2,910,000	$ 3,050,000	$ 2,130,000	$ 3,110,000	$ 2,720,000	$ 3,048,457	$ 36,308,457