

THE CITY OF PROVIDENCE
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 34

Approved January 26, 1981

RESOLVED, That the City Council of Providence hereby requests The Narragansett Bay Water Quality Management District Commission to investigate the possibility of advancing to the City of Providence, the purchase price of the Providence Sewage Treatment Plant as provided for it by the Eighty-Five Million Dollar (\$85,000,000.) Bond Issue approved by the Voters in the General Election held November 4, 1980, in view of the City's current financial dilemma.

IN CITY COUNCIL
JAN 15 1981

READ AND PASSED

Ralph Fargnoli PRES.

Rose M. Mauchon CLERK

APPROVED
Vincente Canaf
MAYOR

JAN 26 1981

Council man Easton and Councilman Meise

January 29, 1981

Mr. Joseph Turco
The Narragansett Bay Water Quality
Management District Commission
209 High Street
Westerly, Rhode Island 08291

Dear Mr. Turco,

Enclosed is certified copy of Resolution No. 34 passed by the City Council January 15, 1981 and approved by His Honor the Mayor on January 26, 1981, the same being self explanatory.

Councilman Nicholas W. Easton and Councilman William J. Moise are the sponsors of said Resolution.

Very truly yours,

Rose M. Mendonca,
City Clerk.

RMM/jma

NARRAGANSETT BAY WATER QUALITY MANAGEMENT DISTRICT COMMISSION

c/o RHODE ISLAND OFFICE OF STATE PLANNING

265 MELROSE STREET

PROVIDENCE RHODE ISLAND 02907

February 10, 1981

Ms. Rose M. Mendonca
City Clerk
Providence City Hall
Dorrance Street
Providence, Rhode Island 02903

Dear Ms. Mendonca:

We have received a copy of Resolution Number #34 of the Providence City Council, which was approved on January 26, 1981, requesting that the Narragansett Bay Water Quality Management District Commission investigate the possibility of advancing the city of Providence, the purchase price of the Providence Sewage Treatment Plant. As you know, the enabling legislation of the Narragansett Bay Commission requires the Commission to acquire the Providence wastewater treatment facility as well as other facilities and property as is necessary to accomplish its mandate.

Chapter #25, Section #10 of Title 46 of the General Laws of Rhode Island states:

The Commission shall acquire the City of Providence Fields Point sewage treatment plant, as well as interceptors, combined sewer overflow facilities, force mains and appurtenant facilities and the land, property, easements, and other interests in property from municipalities within the district as may be necessary or desirable in its discretion to carry out the duties under this Chapter.

The acquisition of any such treatment plant, facilities, interceptors, combined sewer overflow facilities, mains and other appurtenant facilities and any such lands, property, easements, or other interests in property shall be paid for solely by user charges and fees to be assessed by the Commission in accordance with this Chapter.

As part of such acquisition, the Commission may agree to assume payment of general obligation debt service liabilities of the City of Providence for long term bonded debt, that is, for debt with maturity schedules of not less than twenty years incurred for capital improvement of the sewage treatment facilities, as determined in the sole discretion of the Commission, pursuant to findings of the Auditor General, in an amount not to exceed \$14,000,000; provided, however, that the payment of such debt service liabilities shall be paid solely out of user charges and fees to be assessed by the Commission in accordance with this Chapter.

Prior to the acquisition of any facilities in any communities, the Commission, at a minimum, will need to:

- a. define which facilities are to be acquired;
- b. identify the assets and liabilities associated with each facility;
- c. identify the extent of long-term bonded debt incurred by the City of Providence for recent improvements of sewage treatment facilities;
- d. enter into negotiations with the community;
- e. establish and implement user charges to finance the acquisition;
- f. hire the personnel necessary to operate and maintain the acquired facilities;
- g. define the level of long-term bonded indebtedness (see c. above) to be assumed by the Commission;
- h. define and execute an acquisition agreement;

As you can well understand, the acquisition of any facility will not be immediate. Any acquisition costs incurred by the Commission will have to be justified to the users of the system at a public hearing. Obviously, these costs will have to be well-researched and documented. A preliminary schedule of activities for the Commission anticipates acquisition of the Providence facilities in approximately 8 - 10 months. We hope, however, to begin the needed research and negotiation with the City of Providence in the immediate future. You can rest assured that all possible steps will be taken to achieve or shorten this time frame. This matter will be further discussed at future meetings of the Commission.

Thank you for your interest in the Narragansett Bay Water Quality Management District Commission. We look forward to working with the city in this matter.

Very truly yours,


Joseph F. Turco
Chairman

JFT:JM