



PROVIDENCE WATER

Tap Water Delivers

August 4, 2015

The Hon. Jorge O. Elorza
Mayor

Ricky Caruolo
General Manager

Mrs. Luly Massaro
Commission Clerk
RI Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

RE: Docket 4571- PUC 1-5

BOARD OF DIRECTORS

Xaykham Khamsyvovavong
Chairperson

Joseph D. Cataldi
Vice Chairperson

Michael J. Correia
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Lawrence J. Mancini
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Andy M. Andujar
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Member

Carissa R. Richard
Secretary

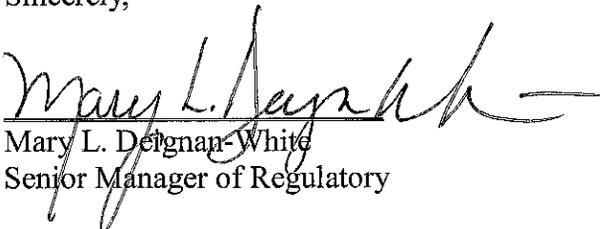
William E. O'Gara, Esq.
Legal Advisor

Dear Mrs. Massaro:

Enclosed for filing an original and nine copies of Providence Water's updated response to the Commissions data request 1-5 filed July 16, 2015.

If you have any questions I can be reached at 521-6300, extension 7217.

Sincerely,


Mary L. Delgnan-White
Senior Manager of Regulatory

cc: Dk 4571 Service List
File

MEMBER

Rhode Island Water Works Assn.
New England Water Works Assn.
American Water Works Assn.
Water Research Foundation

An EPA WaterSense Partner

(401) 521-6300

552 Academy Avenue
Providence, RI 02908

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PROVIDENCE WATER SUPPLY BOARD
Docket No.

Data Requests of the
Public Utilities Commission- Set 1
July 9, 2015

PUC 1-5. With regard to Providence Water receiving approval from all applicable state and local regulatory and financial authorities, please provide a list of all necessary approvals needed, the dates approval was received or is expected to be received.

Response: Update

See attached Ordinance from the City of Providence for the approval of \$39,000,000 borrowing for the COF.

CHAPTER 2015-31

No. 403 AN ORDINANCE APPROVING THE ACQUISITION, CONSTRUCTION, RENOVATION, FURNISHING AND EQUIPPING OF A NEW CENTRAL OPERATIONS FACILITY, INCLUDING, BUT NOT LIMITED TO, ACQUISITION OF REAL PROPERTY, DEMOLITION, DESIGN, ENGINEERING, PAVING, LANDSCAPING, AND ALL ATTENDANT EXPENSES AND APPROVING THE FINANCING BY THE ISSUANCE OF WATER REVENUE BONDS AND NOTES IN AN AMOUNT NOT TO EXCEED \$39,000,000.00

Approved July 24, 2015

Be it ordained by the City of Providence:

WHEREAS, The Providence Water Supply Board ("Providence Water") has outgrown its Academy Avenue administration building and its Scituate Avenue facility; and

WHEREAS, Providence Water's current facilities are in need of many upgrades and Providence Water's working out of two administrative facilities is inefficient and not conducive to a productive work environment; and

WHEREAS, It is in the best interest of Providence Water and its customers for Providence Water to operate from one central location (a "Central Operations Facility") that will house all departments and employees not located at the water treatment plant; and

WHEREAS, The new Central Operations Facility will house the following Divisions: Transmission & Distribution, Water Quality, Engineering, Support Services, Finance, Information Technology, Customer Service, and Administration; and

WHEREAS, The new Central Operations Facility will be located at 125 Dupont Drive, in Providence, in the heart of Providence Water's retail distribution system, enabling Providence Water staff to respond to water quality issues, such as main breaks, leaks and rusty water, in a more timely and efficient manner; and

WHEREAS, Currently, water samples taken throughout the distribution system are analyzed at the water treatment plant; the relocation of the lab to the new Central Operations Facility will allow Providence Water to analyze water quality in a more timely and efficient manner; and

WHEREAS, Relocating the Supervisory Control and Data Acquisition (SCADA) system to the new Central Operations Facility will provide a more secure and centralized network location for Providence Water's data system; and

WHEREAS, Providence Water plans to renovate the building to LEED (Leadership in Energy & Environmental Design) green certification standards; and

WHEREAS, Providence Water will explore all possibilities for alternative energy sources such as solar and wind energy to power the new Central Operations Facility; and

WHEREAS, Providence Water plans to install stormwater mitigation measures at the Central Operations Facility to minimize runoff into nearby water bodies.

NOW THEREFORE BE IT ORDAINED BY THE CITY OF PROVIDENCE THAT:

SECTION 1. The Providence Water Supply Board is authorized to acquire the real property located at 125 Dupont Drive, in Providence, Rhode Island to serve as the site of Providence Water's new Central Operations Facility.

SECTION 2. The sum of Thirty Nine Million Dollars (\$39,000,000) is appropriated for the purpose of financing the acquisition, construction, renovation, furnishing and equipping of a new Central Operations Facility, including, but not limited to, acquisition of real property, demolition, design, engineering, paving, landscaping, and all attendant expenses, including funding a debt service reserve fund and costs of issuance (the "Project"). The period of usefulness of the improvements financed as part of the Project is expected to be not less than forty (40) years.

SECTION 3. In accordance with Chapter 46-12.8 of the Rhode Island General Laws, the City Treasurer and the Mayor are hereby authorized to borrow an amount not exceeding Thirty Nine Million Dollars (\$39,000,000) from the Rhode Island Clean Water Finance Agency, and to evidence such loan, such officers are hereby authorized to issue and refund on behalf of the City, in an amount not exceeding Thirty Nine Million Dollars (\$39,000,000) water revenue bonds (the "Bonds") of the City, at one time, or from time to time in order to meet the foregoing appropriation.

SECTION 4. The said officers from time to time may issue and refund not exceeding \$39,000,000 interest bearing or discounted water revenue notes (the "Notes") in anticipation of the issue of said Bonds.

SECTION 5. The Bonds and Notes shall be payable solely from revenues of the Providence water supply system. The City may issue bonds, notes, or other obligations on a parity with these Bonds. The manner of sale, amount, denominations, maturities, conversion or registration privileges, interest rates, medium of payment, and other terms, conditions and details of the Bonds or Notes may be fixed by the officers authorized to sign the Bonds or Notes. The net debt of the City is not affected by the issuance of the Bonds or Notes and the Bonds and Notes authorized hereby will be within all debt and other limitations prescribed by the Constitution and the laws of Rhode Island.

SECTION 6. Pending the issuance of the Bonds under Section 3 hereof or pending or in lieu of the issue of Notes under Section 4 hereof, the General Manager of Providence Water may expend funds from the Water Fund of the City for the purposes specified in Section 2 hereof. Any advances made under this section shall be repaid without interest from the proceeds of the Bonds or Notes issued hereunder or from the proceeds of applicable federal or state assistance or from other available funds.

SECTION 7. The City Treasurer, the Mayor and the General Manager of Providence Water are also authorized, empowered and directed, on behalf of the City, to: (i) execute, acknowledge and deliver a Supplemental Indenture (the "Supplemental Indenture") by and between the City and U. S. Bank, National Association, as trustee (the "Trustee") amending and supplementing the Trust Indenture dated June 5, 2008 by and between the City and the Trustee (as supplemented, the "Indenture") relating to the Bonds and any and all other loan agreements, documents, including disclosure documents for investors, certificates or instruments necessary to effectuate such borrowing; (ii) amend, modify or supplement the Indenture, the Bonds or Notes and any and all other loan agreements, documents, certificates or instruments at any time and from time to time, in such manner and for such purposes as such officers shall deem necessary, desirable or advisable; (iii) direct the Trustee with regard to investments of trust funds pursuant to the Trust Indenture, and (iv) do and perform all such other acts and things deemed by such officers to be necessary, desirable or advisable with respect to any matters contemplated by this Ordinance in order to effectuate the acquisition of real property located at 125 Dupont Drive, the borrowing and the intent hereof.

SECTION 8. The City Treasurer, the Mayor and the General Manager of Providence Water are hereby authorized to deliver the Bonds or Notes to the purchaser and said officers are hereby authorized and instructed to take all actions, on behalf of the City and Providence Water, necessary to ensure that interest on the Bonds or Notes will be excludable from gross income for federal income tax purposes and to refrain from all actions which would cause interest on the Bonds or Notes to become subject to federal income taxes.

SECTION 9. The Director of Finance, the Mayor and the General Manager of Providence Water are authorized to take all actions necessary to comply with federal tax and securities laws including Rule 15c2-12 of the Securities and Exchange Commission (the "SEC Rule") and to execute and deliver one or more Disclosure Certificates in connection with the Bonds or Notes in the form as shall be deemed advisable by the Director of Finance, the Mayor and the General Manager of Providence Water in order to comply with the SEC Rule. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Disclosure Certificates, as they may be amended from time to time. Notwithstanding any other provision of this Ordinance or the Bonds or Notes, failure of the City or Providence Water to comply with a Disclosure Certificates shall not be considered an event of default; however, any Bondholder or Noteholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or Providence Water to comply with its obligations under this Section and under the Disclosure Certificate.

SECTION 10. This Ordinance shall take effect upon passage.

IN CITY COUNCIL

JUL 16 2015
FIRST READING
READ AND PASSED

[Signature]
CLERK

IN CITY
COUNCIL

JUL 22 2015
FINAL READING
READ AND PASSED

[Signature]
PRESIDENT
[Signature]
CLERK

I HEREBY APPROVE

[Signature]
Mayor
Date: 7/24/15



June 25, 2015

The Hon. Jorge O. Elorza
Mayor
Ricki Caruolo
General Manager

Council President Luis A. Aponte
Providence City Hall
25 Dorrance Street
Providence, RI 02903

BOARD OF DIRECTORS

- Xaykham Khamsyvovong
Chairperson
- Joseph D. Cataldi
Vice Chairperson
- Michael J. Correia
Councilperson
- Sabina Matos
Councilperson
- Lawrence J. Mancini
Ex-Officio
- Andy M. Andujar
Member
- Kerr Lynn Thurber
Member
- Carissa R. Richard
Secretary
- William E. O'Gara, Esq.
Legal Advisor

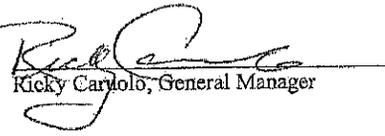
Dear President Aponte:

At the regular meeting of Providence Water Supply Board held on June 17, 2015, the Board authorized the General Manager to seek approval from the City Council for the purchase and renovation of 125 Dupont Drive in Providence as a Central Operations Facility for an amount not to exceed \$39 million in financing from the RI Clean Water Finance Agency.

A certificate of secretary attesting to the authorization by the Providence Water Supply Board is attached.

We are requesting that this issue be placed on the docket for the July 2, 2015 City Council meeting. Councilman Correia and Councilwoman Matos are sponsoring this request. Please contact me at 521-6300 ext. 7188 if you have any questions.

Respectfully,
PROVIDENCE WATER SUPPLY BOARD


Ricki Caruolo, General Manager

MEMBER
Rhode Island Water Works Assn.
New England Water Works Assn.
American Water Works Assn.
Water Research Foundation

An EPA WaterSense Partner

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Providence, RI 02908

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CERTIFICATE OF SECRETARY

I, Carissa R. Richard, do upon oath say:

- 1. That I am the duly appointed Secretary of the Providence Water Supply Board (PWSB), an entity established by the Home Rule Charter of the City of Providence.
2. That at the meeting of the PWSB held on Wednesday, June 17, 2015, the following was voted by all members of the Providence Water Supply Board:

The Hon. Jorge O. Elorza Mayor
Ricky Carufo General Manager

BOARD OF DIRECTORS

- Xaykham Khamsyvorvong Chairperson
Joseph D. Cataldi Vice Chairperson
Michael J. Correla Councilperson
Sabina Matos Councilperson
Lawrence J. Mancini Ex-Officio
Andy M. Antuajar Member
Kerri Lynn Thurber Member
Carissa R. Richard Secretary
William E. O'Gara, Esq. Legal Advisor

RESOLVED: That the Board of Directors authorizes the General Manager to seek approval from the Providence City Council for the purchase and renovation of 125 Dupont Drive in Providence for our Central Operations Facility for an amount not to exceed \$39 million in financing from the RI Clean Water Finance Agency.

In Witness Whereof, I have set my hand this 18th day of June 2015.

Carissa R. Richard
Carissa R. Richard
Secretary
Providence Water Supply Board

STATE OF RHODE ISLAND
PROVIDENCE, sc.

In Providence on the 18th day of June 2015, there personally appeared before me the above-named, Carissa R. Richard, individually and in her capacity as Secretary of the Providence Water Supply Board, and she acknowledged the execution of this certificate to be her free act and deed and in her said capacity.

MEMBER
Rhode Island Water Works Assn.
New England Water Works Assn.
American Water Works Assn.
Water Research Foundation
An EPA WaterSense Partner
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Notary Public: Joseph R. Murphy
My Commission Expires: 4/7/18
Lic 57857