

KEOUGH & SWEENEY, LTD.

ATTORNEYS AND COUNSELORS AT LAW
41 MENDON AVENUE
PAWTUCKET, RHODE ISLAND 02861
TELEPHONE (401) 724-3600
FACSIMILE (401) 724-9909
www.keoughsweeney.com

JOSEPH A. KEOUGH JR.*
JEROME V. SWEENEY III*

SEAN P. KEOUGH*
STACI L. KOLB

JEROME V. SWEENEY II
OF COUNSEL

*ADMITTED TO PRACTICE IN
RHODE ISLAND & MASSACHUSETTS

RAYNHAM OFFICE:
90 NEW STATE HIGHWAY
RAYNHAM, MA 02109
TEL. (508) 822-2813

BOSTON OFFICE:
171 MILK STREET
SUITE 28
BOSTON, MA 02109
TEL. (617) 574-0054
FAX (617) 451-1914

July 8, 2016

Ms. Luly Massaro, Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

**Re: *City of Newport, Utilities Department, Water Division
Docket 4595***

Dear Ms. Massaro:

Enclosed please find an original and nine (9) copies of the following documents:

1. City of Newport, Utilities Department, Water Division's Response to the State of Rhode Island Public Utilities Commission's Data Requests (Set 2).

Please note that an electronic copy of these documents have been provided to the service list.

Thank you for your attention to this matter.

Sincerely,



Joseph A. Keough, Jr.

JAK/kf

Enclosure

cc: Docket 4595 Service List (*via electronic mail*)

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

COMM. 2-1: Please update the balance in Newport Water's restricted Capital Account, beginning with the March 31, 2016 balance of \$3,261,516.09 to present date and include monthly funding, interest earned and vendor payments.

Response: Please see the attached schedule of activity from March 30, 2016 to date (May 30, 2016) for the selected Restricted Bank Accounts.

Prepared by: William Yost

Commission Second set of Data Requests

City of Newport Water
 Department of Utilities Water Division
 Restricted Account Analysis
 Fiscal Year 2016 to present date
 March 31, 2016 to May 31, 2016

Commission data Request #	2.1 <u>Capital</u>	2.2 <u>Debt Service</u>	2.3 <u>Chemicals</u>	2.4 <u>Electricity</u>	2.5 <u>Accrued Benefits</u>	2.8 <u>Retire Insurance</u>
March 31, 2016 Total Bank Balances	3,261,519.09	2,080,618.38	230,688.91	314,326.60	947,749.23	442,101.19
April 30, 2016 Monthly required Funding	208,333.33	567,583.00	49,743.48	50,961.16	14,583.33	42,833.33
April 30, Interest Earned	26.82	8.11	1.93	2.56	7.78	3.64
Transfer to Checking for Vendor Payments/Other	(142,724.36)		(5,955.89)	(105,946.20)	0.00	(29,801.01)
April 30, 2016 Total Bank Balances	3,327,154.88	2,648,209.49	274,478.43	259,344.12	962,340.34	455,137.15
May 31, 2016 Monthly required Funding	208,333.33	567,583.00	49,743.48	50,961.16	14,583.33	42,833.33
May 31, Interest Earned	28.46	10.58	2.37	2.25	8.14	3.93
Transfer to Checking for Vendor Payments/Other	(141,853.74)		(86,719.68)	(48,643.78)	(625.60)	(29,801.01)
May 31, 2016 Total Bank Balances	3,393,662.93	3,215,803.07	237,504.60	261,663.75	976,306.21	468,173.40

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

COMM. 2-2: Please update the balance in Newport Water's restricted Debt Service Account, beginning with the March 31, 2016 balance of \$ 2,080,618.38 to present date and include monthly funding, interest earned and vendor payments.

Response: Please see the attachment to Comm. 2-1.

Prepared by: William Yost

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

COMM. 2-3: Please update the balance in Newport Water's restricted Chemical Account, beginning with the March 31, 2016 balance of \$ 230,688.72 to present date and include monthly funding, interest earned and vendor payments.

Response: Please see the attachment to Comm. 2-1.

Prepared by: William Yost

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

COMM. 2-4: Please update the balance in Newport Water's restricted Electricity Account, beginning with the March 31, 2016 balance of \$ 314,326.60 to present date and include monthly funding, interest earned and vendor payments.

Response: Please see the attachment to Comm. 2-1.

Prepared by: William Yost

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

COMM. 2-5: Please update the balance in Newport Water's restricted Accrued Benefits Account, beginning with the March 31, 2016 balance of \$947,749.23 to present date and include monthly funding, interest earned and vendor payments.

Response: Please see the attachment to Comm. 2-1.

Prepared by: William Yost

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

COMM. 2-6: Please provide the amount of benefits paid from the Accrued Benefits Account and to whom paid for FY13, FY14, FY15 and FY16 to date.

Response: Please see the attached schedule of benefits paid from the Accrued Benefits account for Fiscal Years 2013 through 2016 to date.

Prepared by: William Yost

Commission Data Request #2.6

City of Newport
Department of Utilities
Benefits Paid from Accrued Benefits Account
Fiscal years 2013 - 2016 (to date)

<u>Period</u>	<u>Amount Paid</u>	<u>Paid to</u>
Fiscal Year 2013	\$18,592.22	Water Billing Clerk Dep. Dir.- Engineering Dep. Dir.- Finance Dep. Dir.- Finance
Fiscal Year 2014	\$27,564.64	Dep. Dir.- Finance Dist & Coll. Operator
Fiscal Year 2015	\$14,606.21	Water Plant Operator Water Plant Operator Water Plant Operator
Fiscal Year 2016 (thru May)	\$3,171.44	Engineering Technician Microbiologist

COMM. 2-7: Please provide the supporting documentation for the \$337,000 annual amount requested in Accrued Benefits Restricted Account to cover eligible employees.

Response: The annual amount requested in this Docket for Accrued Benefits is \$59,000, not \$337,000. This represents a reduction of \$116,000 from the current funding level of \$175,000. Attached is a schedule of details supporting the rate year request of \$59,000, which was prepared in reply to Division Data Request 2-2.

The figure of \$337,000 represents the amount Newport proposes to transfer from the Accrued Benefits Buyout Account to the Debt Service Account. As set forth in Julia Forgue's Direct Testimony, and Exhibit 2 to her Direct Testimony, Newport seeks to transfer this amount, plus \$185,000 from the Retiree Insurance Account, because Newport has faced shortfalls in the Debt Service Account when it makes its September debt service payments. These transfers will ensure that Newport has sufficient funds in the Debt Service Account when the September payment is due, and may also mitigate future rate increases for debt service.

Prepared by: Julia Forgue and William Yost

City of Newport Water Department
 Calculation of Accrued benefits Buyout
 Projected cost as of fiscal year 2017

EE#	Hire Date	hours os of 8/12/2015	2015 Rate	2017 Rate	Paid Leave Amount	Sick Time Amount
1859	12/22/2003	51	\$19.50	\$20.39	\$1,039.76	\$503.57
386	9/13/1982	395	\$25.38	\$26.53	\$10,481.30	\$25,000.00
2356	5/17/2010	41	\$22.17	\$23.18	\$908.97	\$-
1916	9/22/2003	181	\$22.17	\$23.18	\$4,195.38	\$3,435.11
2040	4/28/2008	73	\$23.14	\$24.19	\$1,689.22	\$-
2763	4/13/2015	10	\$17.30	\$18.09	\$173.00	\$-
2596	5/28/2013	47	\$24.95	\$26.09	\$1,172.65	\$-
420	10/8/1978	336	\$25.38	\$26.53	\$8,915.74	\$25,000.00
2214	8/20/2007	193	\$20.65	\$21.59	\$4,166.81	\$6,174.66
2165	4/9/2007	22	\$20.65	\$21.59	\$474.97	\$392.93
2754	1/20/2015	69	\$17.30	\$18.09	\$1,193.70	\$-
1856	3/24/2003	124	\$24.60	\$25.72	\$3,189.21	\$10,000.00
1985	10/18/2004	274	\$23.71	\$24.79	\$6,792.17	\$10,000.00
1731	3/12/2001	330	\$56.95	\$59.54	\$11,789.23	\$10,000.00
2110	6/26/2006	190	\$22.46	\$23.48	\$4,461.99	\$10,000.00
2757	2/17/2015	70	\$17.30	\$18.09	\$1,211.00	\$-
1079	10/7/1991	378	\$25.26	\$26.41	\$9,982.79	\$25,000.00
2041	8/9/2005	72	\$20.65	\$21.59	\$1,554.46	\$10,000.00
757	3/7/1988	278	\$23.69	\$24.77	\$6,885.52	\$25,000.00
960	2/26/1990	342	\$27.07	\$28.30	\$9,679.23	\$10,835.36
629	7/14/1986	109	\$22.65	\$23.68	\$2,581.20	\$10,420.70
2158	2/20/2007	155	\$22.24	\$23.25	\$3,604.07	\$2,267.08
2292	8/1/2011	266	\$19.47	\$20.36	\$5,179.02	\$-
2152	12/10/2007	54	\$22.46	\$23.48	\$1,268.14	\$4,640.47
2315	6/1/2009	87	\$21.81	\$22.80	\$1,897.47	\$-
1996	12/13/2004	185	\$24.43	\$25.54	\$4,725.22	\$10,000.00
2273	4/5/2010	292	\$19.19	\$20.06	\$5,603.48	\$-
1930	3/22/2004	250	\$23.96	\$25.05	\$6,262.58	\$8,108.79
405	9/12/1983	352	\$43.86	\$45.86	\$16,141.28	\$25,000.00
1091	4/6/1992	360	\$25.26	\$26.41	\$9,507.42	\$25,000.00
2007	5/2/2005	86	\$57.68	\$60.30	\$5,186.21	\$10,000.00
2063	11/28/2005	284	\$22.24	\$23.25	\$6,603.58	\$10,000.00
736	8/17/1987	315	\$27.88	\$29.15	\$9,181.84	\$9,113.35
2513	2/27/2012	21	\$21.38	\$22.35	\$269.39	\$-
1858	4/7/2003	212	\$33.86	\$35.40	\$7,504.98	\$10,000.00
2350	4/26/2010	173	\$35.64	\$37.26	\$6,165.72	\$-
2642	3/10/2014	64	\$17.82	\$18.63	\$1,140.48	\$-
728	9/24/1990	60	\$23.63	\$24.71	\$1,482.32	\$22,048.26
2567	12/10/2012	158	\$48.10	\$50.29	\$4,559.88	\$-
950	12/3/1989	255	\$25.38	\$26.53	\$6,766.41	\$25,000.00
2314	6/1/2009	242	\$21.17	\$22.13	\$5,123.14	\$-
2704	8/25/2014	68	\$21.29	\$22.26	\$1,447.72	\$-
2537	6/4/2012	101	\$19.47	\$20.36	\$1,966.47	\$-
867	2/1/1989	169	\$31.20	\$32.62	\$5,512.75	\$24,213.67
425	3/17/1980	329	\$25.38	\$26.53	\$8,730.00	\$25,000.00
2691	7/21/2014	62	\$42.02	\$43.93	\$1,634.28	\$-
Total					\$218,367.88	\$392,153.94
# of employee:					46	29
avg entitlementer					\$4,747.13	\$13,522.55
subtotal						\$18,269.68
FICA @7.65%						<u>\$1,397.63</u>
Average cost per employee						\$19,667.31
Avg # of employees retiring per year						3
Total Cost						\$59,002

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

COMM. 2-8: Please update the balance in Newport Water's restricted Retiree Insurance Account, beginning with the March 31, 2016 balance of \$442,101.19 to present date and include monthly funding, interest earned and vendor payments.

Response: Please see the attachment to Comm. 2-1.

Prepared by: William Yost

COMM. 2-9: Please provide the supporting documentation for the \$185,000 annual amount requested in Retiree Insurance Restricted Account to cover eligible retirees.

Response: The annual amount requested in this Docket to cover Retiree Insurance Costs for eligible retirees is \$370,000 not \$185,000. This represents a reduction of \$144,000 from the current funding level of \$514,000. Attached is a schedule of details supporting the rate year request of \$370,000, which was prepared in reply to Division Data Request 1-3.

The figure of \$185,000 represents the amount Newport proposes to transfer from the Retiree Insurance Account to the Debt Service Account. As set forth in Julia Forgue's Direct Testimony, and Exhibit 2 to her Direct Testimony, Newport seeks to transfer this amount, plus \$337,000 from the Accrued Benefits Buyout Account, because Newport has faced shortfalls in the Debt Service Account when it makes its September debt service payments. These transfers will ensure that Newport has sufficient funds in the Debt Service Account when the September payment is due, and may also mitigate future rate increases for debt service.

Prepared by: Julia Forgue and William Yost

Division Data Request 1.3 a

City of Newport
 Water Division
 Retiree Insurance
 Account # 50103

	<u>Monthly</u>	<u># of Retirees</u>	<u>City Contribution Annual</u>	<u>Average cost per Retiree</u>
<u>FY 2015</u>				
Family	\$ 1,472.51	1	\$ 17,670.12	
Family	\$ 1,428.33	1	\$ 17,139.96	
Individual	\$ 609.62	9	\$ 65,838.96	
Family	\$ 1,472.51	8	\$ 141,360.96	
Family	\$ 1,428.33	2	\$ 34,279.92	
Individual	\$ 548.66	1	\$ 6,583.92	
Family	\$ 1,428.33	2	\$ 34,279.92	
Individual	\$ 369.80	8	\$ 35,500.80	
individual & 2	\$ 739.60	3	\$ 26,625.60	
Total		35	\$ 379,280.16	\$ 10,836.58
<u>FY2016</u>				
Family	\$ 1,410.43	1	\$ 16,925.16	
Family		0		
Individual	\$ 601.98	10	\$ 72,237.60	
Family	\$ 1,454.05	6	\$ 104,691.60	
Family	\$ 1,410.43	3	\$ 50,775.48	
Individual	\$ 336.00	1	\$ 4,032.00	
Family	\$ 1,410.43	2	\$ 33,850.32	
Individual	\$ 373.33	9	\$ 40,319.64	
individual & 2	\$ 746.66	4	\$ 35,839.68	
Total		36	\$ 358,671.48	\$ 9,963.10

Fiscal Year 2017	
Assumptions:	
Add one additional Retiree	37
Keep Insurance Premium at 2016 level (rounded)	X \$ 10,000
Projected Cost	\$ 370,000.00

COMM. 2-10: With regard to the projects listed in Exhibit 1 of Julia Forgue's Direct Testimony, please provide:

- a. A complete description of the project;
- b. Start and complete dates (schedule);
- c. Amount of spending projected;
- d. Amount spent to date;
- e. How Newport Water funded or will fund each project (source of funds, including grants);
- f. Status of the project; and,
- g. Assumptions used in planning.

Response:

1. WSSMP 5 Year Update Project

- a) The Rhode Island Water Resources Board requires a five (5) year update to the Water Division Water System Supply Management Plan. The plan is completed with goals to ensure an adequate supply of water for the current and future customer base, promote effective and efficient conservation practices, ensure adequate quality of water in compliance with RIDOH drinking water standards, and ensure water volume and pressure for fire protection.
- b) Projected Start July 2018, Projected Completion May 2020
- c) \$80,000 Projected Expenditure
- d) N/A
- e) Restricted Capital Account

f) Pending

g) 2015 Infrastructure Replacement Plan ("IRP")

2. IRP 5 Year Update Project

a) The current (IRP was prepared in January 2015 and is required to be updated every 5 years in accordance with the RIGL Chapter 46-15.6 Clean Water Infrastructure, as amended. Under this Act, the Rhode Island Department of Health is designated as the primary agency to administer the IRP program. The IRP update will review all the Newport Water Division infrastructure components, assess their overall condition, and estimate their life-expectancy.

b) Projected Start January 2019, Projected Completion July 2020

c) \$80,000 Projected Expenditure

d) N/A

e) Restricted Capital Account

f) Pending

g) 2015 IRP

3. Source Water Phosphorus Reduction Feasibility Plan

a) Conducted a feasibility study of two of our reservoirs, St Mary's Pond in Portsmouth and Watson Reservoir in Little Compton which based on previous monitoring appear to be at the greatest risk for cyanobacteria (blue-green algae) bloom, to identify a recommended long term plan to control phosphorus levels. This study will serve as a pilot project for addressing phosphorus levels in the seven other surface water supplies as well as serve as an opportunity to engage the Towns of Little Compton, Middletown, and Portsmouth in protection of these surface water supplies.

b) Start January 2015, Projected Completion June 2016

c) \$133,724

d) \$121,224

e) \$ 104,775 from New England Interstate Water Pollution Control Commission Grant and \$28,949 from the Restricted Capital Account

f) Substantially Complete

g) N/A

4. Easton Pond Dam - Green End Avenue Project

a) Upkeep and maintenance of source water reservoirs is a critical element in providing safe drinking water. The existing fence line separating Green End Avenue and North Pond is beyond its useful life and requires replacement. In kind replacement does not adequately protect the water supply from hazards. An engineering evaluation, design and permitting will be completed in Phase 1 and implementing/constructing of the improvements will be Phase 2. Improvements will include but not be limited to slope protection, guardrail and/or fence installation.

b) Projected Start Winter 2016, Projected Completion July 2020

c) \$1,735,000 Projected Expenditure

d) N/A

e) Restricted Capital Account

f) Pending

g) N/A

5. Dam and Dike Rehabilitation – Lawton Valley

a) Upkeep and maintenance of source water reservoirs is a critical element in providing safe drinking water. Engineering Contract awarded for design of remedial measures downstream slope and the discharge channel.

b) Engineering Design Contract Awarded April 2016, Construction Projected Spring 2017, Projected Completion Spring 2018

c) \$1,200,000 Projected Expenditure

d) \$ 159,804 Engineering Contract Awarded

e) Restricted Capital Account

f) Ongoing

g) 2015 IRP

6. Dam & Dike Rehabilitation Station One

a) The Station One project was originally intended to address the spillway and outlet control structures. However, this has been modified to address sea level rise and climate change. A Phase 2 contract is forthcoming to provide interim remedial measures and complete a 30% design of embankment repairs, moat stabilization and spillway replacement (elevation increased as a result of sea level rise and climate change). It is currently projected interim remedial measures will be completed by the Fall of 2016.

b) Engineering Design Contract Awarded April 2016, Projected Completion Spring 2017

c) \$100,000 Projected Expenditure

d) \$ 91,496 Engineering Contract Awarded

e) Restricted Capital Account

f) Ongoing

g) 2015 IRP

7. Dam Rehab St Mary's Pond Project

a) Required for upkeep and maintenance of source water reservoir. A recent inspection identified severe erosion and scarping along the upstream slope of St Mary's dam that requires rehabilitation. An engineering evaluation, design and permitting will be completed in Phase 1 and implementing/constructing of the improvements will be Phase 2. Improvements will include but not be addressing upstream slope erosion and construction slope protection.

b) Projected Start July 2017, Projected Completion December 2018

c) \$500,000 Projected Expenditure

d) N/A

e) Restricted Capital Account

f) Pending

g) 2015 IRP

8. Fence Repairs Project

a) Required to address fencing providing physical security around system components in Newport, Middletown, Portsmouth, Tiverton and Little Compton. Inspections found fencing requiring repair, replacement and/or augmentation. The various sites have been combined into a single project for economies of scale and to establish analogous life-expectancies.

b) Projected Start July 2017, Projected Completion June 2018

c) \$30,000 Projected Expenditure

d) N/A

e) Restricted Capital Account

f) Pending

g) 2015 IRP

9. Station 1 Raw Water Pump Station Improvements Project

a) The Station 1 Raw Water Pump Station is the primary source of supply of raw water from the four reservoirs into the treatment plant. The pump station was built in 1970 and, if properly maintained, has a remaining estimated life of 20 years. Proposed maintenance upgrades includes new roofing, windows, exterior sealant, roof hatches, pond aeration system.

b) Started September 2015, Projected Completion September 2016

c) The original project estimate as set forth in Exhibit 2 to Julia Forgue's testimony was \$195,000. This estimate was revised to \$144,403 and the remaining \$50,597 was transferred to the Sakonnet Pump Station Project. (See below)

d) \$112,843

e) Restricted Capital Account

f) Ongoing

g) 2010 & 2015 IRP

10. Sakonnet Pump Station Improvements

a) The Sakonnet Pump Station provides pumping of raw water for the two mainland reservoirs to the island treatment plants. These two mainland reservoirs provide approximately 50% of the entire system reservoir capacity and thus the pump station is a vital component of the system. The pump station was constructed in 1993 and required construction of a second mean of access from the basement level of the pump station, installation of new concrete threshold and seal at the overhead door and miscellaneous concrete repairs. In addition repairs to the pump station intake structure (i.e. new inlet screen) and repairs to the gate structure at the Nonquit Pond Dam were identified.

b) Started September 2015, Projected Completion July 2017

c) The original project estimate as set forth in Exhibit 2 to Julia Forgue's testimony was \$152,000, which has since been revised to \$202,597 with the transfer of \$50,597 from the Station 1 Raw Water Pump Improvement Project. (See above)

d) \$92,590.58

e) Restricted Capital Account

f) Ongoing

g) 2015 IRP

11. 2 MG Lawton Valley Storage Tank

a) Required to extend the useful life of the tank. Rehabilitation will include the internal and external coating system, addition of Tideflex mixing system. The mixing system will be engineered to provide a consistent water age over the operating range of the tank to conform to current stored water turnover guidelines. Engineering Services for the Lawton Valley 2 Million Gallon Water Storage Tank Project are ongoing. It should be noted, that the engineer has identified advanced failure of the lead-based exterior tank coating system which requires ground remediation prior to the tank rehabilitation.

b) Engineering Contract Awarded October 2015; Projected Construction Fall 2016

c) \$900,000 Projected Expenditure

d) \$40,452.20

e) Restricted Capital Account

f) Ongoing

g) 2015 IRP

12. Pump Station SCADA Project

a) The project is to access and improve the NWD Supervisory, Control, and Data Acquisition (SCADA) remote facilities. The project will update aging control and

monitoring systems at remote facilities to the modern Plant SCADA system. The system will improve reliability and control. Increased remote control of the water system will improve response time and flexibility with personnel.

b) Projected Start July 2018, Projected Completion May 2020

c) \$500,000 Projected Expenditure

d) N/A

e) Restricted Capital Account

f) Pending

g) 2015 IRP

13. Water Main Improvements – Constr 2015 Contr

a) The project included the construction of shovel ready water mains as identified in the 2015 IRP, as approved by RIDOH. The IRP prioritized water mains due to age, condition, capacity and criticality. The Project consists of engineering and construction services and the replacement of water mains and appurtenances as follows:

- Stockton Dr. – from Rosedale Ave to West Main Rd.
- Rosedale Ct. – from Stockton Dr. to end
- Fairview Ave. – From Boulevard to end
- Adelaide Ave – from High St. to end
- Sherri Ln. – from Adelaide Ave. to end

b) Start September 2015, Projected Completion September 2016

c) \$1,057,494 Projected Construction Expenditures

d) \$702,100.74

e) \$500,000 from Restricted Capital Account and remainder from debt through the Rhode Island Infrastructure Bank

f) Substantially Complete

g) 2010 & 2015 IRP

14. Water Main Improvements – Design and Constr Serv 2016-20172015 Contr

a) The project includes the design and construction supervision of water mains as identified in the 2015 Infrastructure Replacement Plan (IRP), as approved by RIDOH. The IRP prioritized water mains due to age, condition, capacity and criticality. Improvements in the distribution system reinforce the hydraulic integrity of the system and the quality of water delivered to our customers. Engineering and Design Services associated with Water Distribution System Improvements is awarded and approximately three and a quarter (3.25) miles of critical water transmission mains is under design.

b) Start February 2016, Projected Completion December 2018

c) \$500,000 Projected Expenditure

d) \$21,770

e) Restricted Capital Account

f) Ongoing

g) 2015 IRP

15. Water Main Improvements (Design and Construction) – 2016-2022

a) 2016 – 2022 Design and Construction of Water Main Improvements. The projects include the design and construction of water mains as identified in the 2015 Infrastructure Replacement Plan (IRP), as approved by RIDOH. The IRP prioritized water mains due to age, condition, capacity and criticality. Improvements in the distribution

system reinforce the hydraulic integrity of the system and the quality of water delivered to our customers.

- b) Continuous
- c) \$9,500,000 Projected Expenditure
- d) N/A
- e) Restricted Capital Account
- f) Pending
- g) 2015 IRP

16. Meter Replacement

a) Annual replacement cost of aging meters, downsizing large meters and replacing those lacking low flow ability and/or accuracy. The Department owns all the meters and the cost of replacing all meters, regardless of size, is borne by the utility. There are almost 15,000 meters in the system.

- b) Annual Program
- c) \$538,253 (FY 16 – FY 21)
- d) \$75,789.82
- e) Restricted Capital Account
- f) Ongoing
- g) 2015 IRP

17. Water Trench Restoration

- a) Annual contract to be awarded for permanent restoration of water trenches.
- b) Annual Program

c) \$605,761 (FY 16 – FY 21)

d) \$63,626.25

e) Restricted Capital Account

f) Ongoing

g) 2015 IRP

18. Fire Hydrant Replacement

a) Comprehensive annual program to replace hydrants upon reaching an age of 50 years old. Continued funding for these hydrants will allow the Water Division to continue this program to provide adequate firefighting capabilities throughout the system.

b) Annual Program

c) \$344,000 (FY 16 – FY 21)

d) N/A

e) Restricted Capital Account

f) Ongoing

g) 2015 IRP

19. Equipment & Vehicle Replacement

a) Equipment and Vehicle Replacement is an annual replacement of equipment and/or vehicles to control the overall cost of operating and maintaining the fleet while fulfilling the needs of the NWD.

b) Annual Program

c) \$588,000 (FY 16 – FY 21)

d) \$67,682

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

e) Restricted Capital Account

f) Ongoing

g) 2015 IRP

Prepared by: R. Schultz

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

COMM. 2-11: Has Newport Water refinanced any long-term debt to reduce principal and interest on prior borrowings? Please explain.

Response: No. Newport has not refinanced any long term debt. All of Newport's debt is in the Rhode Island Infrastructure Bank's ("RIIB") pooled borrowings. Only RIIB can refinance these pooled borrowings, and RIIB has not done so.

Prepared by: Laura Sitrin

COMM. 2-12: With regard to conferences and training, please provide the number of employees required to take courses for certification each year and the name and cost of each course required by employee and the date the certification expires. Also, please provide the same information for FY13, FY14, FY15 and FY16 to date.

Response: The Rules and Regulations Pertaining to the Certification of Public Drinking Water Supply Treatment and Public Drinking Water Supply Transmission and Distribution Operators mandates operator certification. Renewal of said licensure is required three (3) years from the date of issue.

As a prerequisite to certificate renewal, an applicant must complete the number of continuing training/education contact hours related to drinking supply treatment and/or transmission and distribution which are acceptable to the Board of Certification of Public Drinking Water Supply Treatment and Public Drinking Water Supply Transmission and Distribution Operators. There are no specific required courses; rather, training contact hours pertinent to the individual license for drinking supply treatment and/or distribution. Because there are no specific required courses, rather, training contact hours pertinent to licensing there is also no set fee for training contact hours. The following are examples of training courses and their associated fee:

- Understating the Importance of Contact Time in Disinfection \$190
- Technical Training and Drinking Water Operator Exam Preparation \$550
- Cross Connection Surveyor Training \$575
- The Fundamentals of Cross Connection Control \$250
- Sound Procedures for Drinking Water Sampling \$190
- NEWWA Annual Conference \$650

Newport has 19 employees which require Public Drinking Water Supply Treatment Certification and the Deputy Director of Engineer who carries certification. The current RIDOH Licensee List is as follows:

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

License No.	Expiration Date
F100655T	4/24/2018
T100611T	11/14/2016
F1006200T	7/16/2017
T100597T	7/20/2016
F300516T	4/16/2018
F300327T	8/7/2016
F300525T	7/16/2016
F300506T	4/21/2018
F300535T	4/20/2018
F300483T	5/6/2019
F300526T	7/16/2019
F300555T	10/30/2018
F300504T	11/24/2017
F300545T	11/15/2016
G300086T	8/7/2017
T300559T	1/11/2017
T300568T	4/29/2018
G400102T	8/7/2017
F400543T	11/20/2018

One probationary employee is scheduled to take the July 2016 certification exam and doesn't currently carry a license.

Newport has 14 employees which require Public Drinking Water Supply Distribution Certification and the Water Quality Production Supervisor and Deputy Director of Engineer who carry certification. The current RIDOH Licensee List is as follows:

License No.	Expiration Date
F100717D	11/18/2016

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

F100097D	6/26/2016
F100684D	7/19/2016
F100741D	11/15/2018
F200644D	4/14/2017
F200635D	4/14/2017
F200631D	11/18/2016
F200625D	7/16/2018
F200651D	4/15/2019
F300605D	7/17/2017
T300548D	11/14/2017
F400479D	3/25/2017
F400521D	10/30/2018
F400523D	11/19/2018

Two probationary employees are scheduled to take the July 2016 certification exam and don't currently carry a license.

Meter Section staff is not required to obtain operator certification but they complete the on-site evaluation and/or inspections for the Cross Connection Control Program. Rhode Island has no certification program and the American Backflow Prevention Association (ABPA) and/or Prevention and Cross Connection Control Certification Programs of the New England Water Works Association (NEWWA) Certifications are recognized.

The NEWWA and/or ABPA need to add full name Tester Certification is valid for a period of three (3) years and requires recertification examination. The ABPA Cross-Connection Control Specialist is valid for a period of three (3) years and requires recertification examination. The NEWWA and/or Cross-Connection Control Surveyor are valid for a period of three (3) years and require recertification examination. Currently only one employee Meter Section is licensed, with expiration in October 2016.

Prepared by: Julia Forgue

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

COMM. 2-13: Please update Comm. 1-22 with the most recent property tax bills.

Response: As of this date, the only additional tax bill received is the Tiverton 2016 Tax Bill which is attached.

Prepared by: Julia Forgue

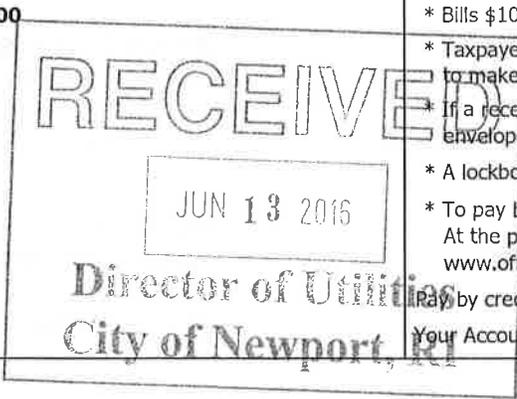
Town of Tiverton



Remit Tax Payment with stub to: Town of Tiverton 343 Highland Rd Tiverton RI 02878 401-625-6706	State Aid: Total Aid of \$7,810,975 reduced the 2017 Fiscal Year tax rate by \$4.09.	Tax Rate:	Real School 11.760 Municipal 7.380 Overall 19.140	Tangible 11.760 7.380 19.140
--	--	------------------	--	---------------------------------------

Account #: 27-4600-00

482606 358 01 007971 01
 NEWPORT WATER DEPT
 CITY OF NEWPORT
 70 HALSEY STREET
 NEWPORT RI 02840-1332



- * Bills \$100 or less are due in full August 1, 2016
 - * Taxpayers will have to the 10th of each quarterly payment to make payment without interest
 - * If a receipt is desired, enclose a self-addressed stamped envelope or enter your email on the payment stub
 - * A lockbox is available outside Town Hall for payments
 - * To pay by phone by credit card call: 1-800-2PAYTAX At the prompt, enter Jurisdiction Code: 4904 www.officialpayments.com Additional fee will apply.
- Pay by credit card on-line at : **www.RIeGov.com**
 Your Account number is : **27-4600-00** PIN # : **WNV-LLJ**

CURRENT TAX BILL	Valuation	Annual Tax
Description NEWPORT WATER DEPT - UTILITY PROPERTY (R)	\$271,500	\$5,196.51

2016 Tax Assessed as of 12/31/2015

Total Current Tax Bill \$5,196.51

TIVERTON RI 2016
 NEWPORT WATER DEPT
 Due Date: 01/01/2017
 Account Number: 27-4600-00
3rd Quarter



3rd Payment: **\$1,299.12**

Email: _____

RETURN STUB WITH PAYMENT

Payments not received on the due dates shall be assessed interest at the rate of twelve percent (12%) per annum from July 1st to the date of payment on the unpaid delinquent quarter.

TIVERTON RI 2016
 NEWPORT WATER DEPT
 Due Date: 04/01/2017
 Account Number: 27-4600-00
4th Quarter



4th Payment: **\$1,299.12**

Email: _____

RETURN STUB WITH PAYMENT

Payments not received on the due dates shall be assessed interest at the rate of twelve percent (12%) per annum from July 1st to the date of payment on the unpaid delinquent quarter.

TIVERTON RI 2016
 NEWPORT WATER DEPT
 Due Date: 07/01/2016
 Account Number: 27-4600-00
1st Quarter



Annual Tax: **\$5,196.51**
 1st Payment: **\$1,299.15**
 Past Due Amount: \$0.00

Total tax of \$100.00 or less is due in full 1st quarter.

Email: _____

RETURN STUB WITH PAYMENT

Payments not received on the due dates shall be assessed interest at the rate of twelve percent (12%) per annum from July 1st to the date of payment on the unpaid delinquent quarter.

TIVERTON RI 2016
 NEWPORT WATER DEPT
 Due Date: 10/01/2016
 Account Number: 27-4600-00
2nd Quarter



2nd Payment: **\$1,299.12**

Email: _____

RETURN STUB WITH PAYMENT

Payments not received on the due dates shall be assessed interest at the rate of twelve percent (12%) per annum from July 1st to the date of payment on the unpaid delinquent quarter.

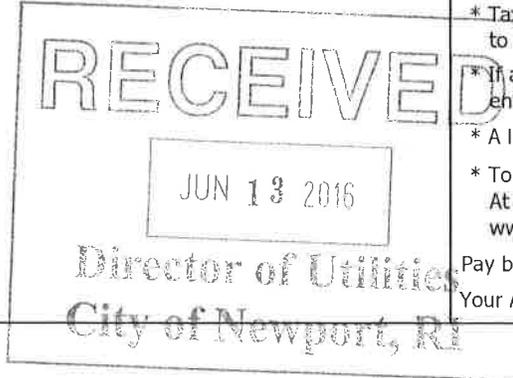
Town of Tiverton



Remit Tax Payment with stub to: Town of Tiverton 343 Highland Rd Tiverton RI 02878 401-625-6706	State Aid: Total Aid of \$7,810,975 reduced the 2017 Fiscal Year tax rate by \$4.09.	Tax Rate:	Real	Tangible
		School	11.760	11.760
		Municipal	7.380	7.380
		Overall	19.140	19.140

Account #: 14-0390-00

482606 358 01 005029 01
 NEWPORT CITY OF
 DEPT OF WATER
 70 HALSEY ST
 NEWPORT RI 02840



- * Bills \$100 or less are due in full August 1, 2016
- * Taxpayers will have to the 10th of each quarterly payment to make payment without interest
- * If a receipt is desired, enclose a self-addressed stamped envelope or enter your email on the payment stub
- * A lockbox is available outside Town Hall for payments
- * To pay by phone by credit card call: 1-800-2PAYTAX
 At the prompt, enter Jurisdiction Code: 4904
www.officialpayments.com Additional fee will apply.
- Pay by credit card on-line at : www.RIeGov.com
 Your Account number is : **14-0390-00** PIN # : **GRW-FW**

CURRENT TAX BILL

Description	Valuation	Annual Tax
808-102 at 145 POND BRIDGE ROAD	\$1,660,800	\$31,787.71

2016 Tax Assessed as of 12/31/2015

Total Current Tax Bill \$31,787.71

TIVERTON RI

2016

NEWPORT CITY OF

Due Date: 01/01/2017

Account Number: 14-0390-00

3rd Quarter



3rd Payment: **\$7,946.92**

Email: _____

RETURN STUB WITH PAYMENT

Payments not received on the due dates shall be assessed interest at the rate of twelve percent (12%) per annum from July 1st to the date of payment on the unpaid delinquent quarter.

TIVERTON RI

2016

NEWPORT CITY OF

Due Date: 04/01/2017

Account Number: 14-0390-00

4th Quarter



4th Payment: **\$7,946.92**

Email: _____

RETURN STUB WITH PAYMENT

Payments not received on the due dates shall be assessed interest at the rate of twelve percent (12%) per annum from July 1st to the date of payment on the unpaid delinquent quarter.

TIVERTON RI

2016

NEWPORT CITY OF

Due Date: 07/01/2016

Account Number: 14-0390-00

1st Quarter



Annual Tax: **\$31,787.71**
 1st Payment: **\$7,946.95**
 Past Due Amount: **\$0.00**

Total tax of \$100.00 or less is due in full 1st quarter.

Email: _____

RETURN STUB WITH PAYMENT

Payments not received on the due dates shall be assessed interest at the rate of twelve percent (12%) per annum from July 1st to the date of payment on the unpaid delinquent quarter.

TIVERTON RI

2016

NEWPORT CITY OF

Due Date: 10/01/2016

Account Number: 14-0390-00

2nd Quarter



2nd Payment: **\$7,946.92**

Email: _____

RETURN STUB WITH PAYMENT

Payments not received on the due dates shall be assessed interest at the rate of twelve percent (12%) per annum from July 1st to the date of payment on the unpaid delinquent quarter.

Town of Tiverton



Remit Tax Payment with stub to: Town of Tiverton 343 Highland Rd Tiverton RI 02878 401-625-6706	State Aid: Total Aid of \$7,810,975 reduced the 2017 Fiscal Year tax rate by \$4.09.	Tax Rate:	Real	Tangible
		School	11.760	11.760
		Municipal	7.380	7.380
		Overall	19.140	19.140

Account #: 14-0390-01

482606 358 01 005030 01
 NEWPORT CITY OF
 DEPT OF WATER
 70 HALSEY ST
 NEWPORT RI 02840

RECEIVED

JUN 13 2016

Director of Utilities

City of Newport, RI

- * Bills \$100 or less are due in full August 1, 2016
- * Taxpayers will have to the 10th of each quarterly payment to make payment without interest
- * If a receipt is desired, enclose a self-addressed stamped envelope or enter your email on the payment stub
- * A lockbox is available outside Town Hall for payments
- * To pay by phone by credit card call: 1-800-2PAYTAX
 At the prompt, enter Jurisdiction Code: 4904
www.officialpayments.com Additional fee will apply.
- Pay by credit card on-line at : www.RIeGov.com
- Your Account number is : **14-0390-01** PIN # : **ZSB-SCZ**

CURRENT TAX BILL Description	Valuation	Annual Tax
914-107 at 0 CRANDALL ROAD	\$285,000	\$5,454.90

2016 Tax Assessed as of 12/31/2015

Total Current Tax Bill \$5,454.90

TIVERTON RI **2016**
 NEWPORT CITY OF
 Due Date: 01/01/2017
 Account Number: 14-0390-01
3rd Quarter



3rd Payment: **\$1,363.72**

Email: _____

RETURN STUB WITH PAYMENT

Payments not received on the due dates shall be assessed interest at the rate of twelve percent (12%) per annum from July 1st to the date of payment on the unpaid delinquent quarter.

TIVERTON RI **2016**
 NEWPORT CITY OF
 Due Date: 04/01/2017
 Account Number: 14-0390-01
4th Quarter



4th Payment: **\$1,363.72**

Email: _____

RETURN STUB WITH PAYMENT

Payments not received on the due dates shall be assessed interest at the rate of twelve percent (12%) per annum from July 1st to the date of payment on the unpaid delinquent quarter.

TIVERTON RI **2016**
 NEWPORT CITY OF
 Due Date: 07/01/2016
 Account Number: 14-0390-01
1st Quarter



Annual Tax: **\$5,454.90**
 1st Payment: **\$1,363.74**
 Past Due Amount: **\$0.00**

Total tax of \$100.00 or less is due in full 1st quarter.

Email: _____

RETURN STUB WITH PAYMENT

Payments not received on the due dates shall be assessed interest at the rate of twelve percent (12%) per annum from July 1st to the date of payment on the unpaid delinquent quarter.

TIVERTON RI **2016**
 NEWPORT CITY OF
 Due Date: 10/01/2016
 Account Number: 14-0390-01
2nd Quarter



2nd Payment: **\$1,363.72**

Email: _____

RETURN STUB WITH PAYMENT

Payments not received on the due dates shall be assessed interest at the rate of twelve percent (12%) per annum from July 1st to the date of payment on the unpaid delinquent quarter.

COMM. 2-14: For all revenue requirement categories for which Newport Water originally estimated expenses, please update those estimates with any invoices received to date.

Response: As of June 23, 2016 we have received one real estate tax bill from the town of Tiverton, RI and one equipment maintenance service agreement for the treatment plants that were estimated for fiscal year 2017. We have also received updated Employee Benefits based on Pension costs, Health and Dental Insurance premiums for fiscal year 2017. A summary of those updated estimates are shown on the attached schedule.

Prepared by: William Yost

City of Newport
 Department of Utilities
 Fiscal Year 2017 estimated costs updated with invoices received to date

<u>Section</u>	<u>Account- Description</u>	<u>Account #</u>	<u>Updated Invoices received</u>	<u>Estimate as presented</u>	<u>Change</u>
Administration	Property Taxes	50308	\$42,439	\$43,712	-\$1,273
Station 1	Repairs & Maintenance	50275	\$4,305	\$4,100	\$205
Lawton Valley	Repairs & Maintenance	50275	\$4,305	\$4,100	\$205
Administration	Employee Benefits	50100	\$115,683	\$119,057	-\$3,374
Customer Service	Employee Benefits	50100	\$186,231	\$190,805	-\$4,574
Source of Supply - Island	Employee Benefits	50100	\$174,277	\$178,175	-\$3,898
Station 1	Employee Benefits	50100	\$281,892	\$283,513	-\$1,621
Lawton Valley	Employee Benefits	50100	\$278,235	\$278,003	\$232
Laboratory	Employee Benefits	50100	\$55,194	\$58,708	-\$3,514
Distribution	Employee Benefits	50100	<u>\$325,458</u>	<u>\$330,073</u>	<u>-\$4,615</u>
		Total	\$1,468,019	\$1,490,246	-\$22,227

CERTIFICATION

I hereby certify that on July 8, 2016, I sent a copy of the within to all parties set forth on the attached Service List by electronic mail and copies to Luly Massaro, Commission Clerk, by electronic mail and regular mail.

Parties/Address	E-mail Distribution	Phone
Julia Fogue, Director of Public Works Newport Water Department 70 Halsey St. Newport, RI 02840	jfogue@cityofnewport.com ;	401-845-5601
	lsitrin@CityofNewport.com ; rschultz@CityofNewport.com ; wyst@CityofNewport.com ;	
Harold Smith Raftelis Financial Consulting, PA 511 East Blvd. Charlotte, NC 28203	Hsmith@raftelis.com ;	704-373-1199
Christy Hetherington, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	Chetherington@riag.ri.gov ;	401-222-2424
	steve.scialabba@dpuc.ri.gov ;	
	pat.smith@dpuc.ri.gov ;	
	John.bell@dpuc.ri.gov ;	
	al.mancini@dpuc.ri.gov ;	
	jmunoz@riag.ri.gov ;	
Stacy Sherwood Jerome Mierzwa Exeter Associates, Inc. 10480 Little Patuxent Parkway, Suite 300 Columbia, MD 21044	Sherwood@exeterassociates.com ;	410-992-7500
	jmierzwa@exeterassociates.com ;	
Gerald Petros, Esq. Adam Ramos, Esq. Hinckley, Allen & Snyder 100 Westminster St., Suite 1500 Providence, RI 02903	gpetros@haslaw.com ;	401-274-2000
	aramos@hinckleyallen.com ;	
	cwhaley@hinckleyallen.com ;	
	jmansolf@hinckleyallen.com ;	

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2

<p>William McGlinn Portsmouth Water & Fire District 1944 East Main Rd. PO Box 99 Portsmouth, RI 02871</p>	<p>wmcglinn@portsmouthwater.org;</p>	<p>401-683-2090 ext. 224</p>
<p>Christopher Woodcock Woodcock & Associates, Inc. 18 Increase Ward Drive Northborough, MA 01532</p>	<p>Woodcock@w-a.com;</p>	<p>508-393-3337</p>
<p>Allison Genco, Esq. NAVFAC HQ- Building 33 Dept. of the Navy 1322 Patterson Ave SE, Suite 1000 Washington Navy Yard, D.C. 20374-5065</p>	<p>allison.genco@navy.mil;</p>	
<p>Dr. Kay Davoodi, P.E., Director Utility Rates and Studies Office NAVFAC HQ- Building 33 Dept. of the Navy 1322 Patterson Ave SE, Suite 1000 Washington Navy Yard, D.C. 20374-5065</p>	<p>Khojasteh.davoodi@navy.mil;</p>	
<p>Larry R. Allen, Public Utilities Specialist Dept. of the Navy</p>	<p>Larry.r.allen@navy.mil;</p>	
<p>Maurice Brubaker Brubaker and Associates, Inc. PO Box 412000 St. Louis, MO 63141-2000</p>	<p>mbrubaker@consultbai.com;</p> <p>bcollins@consultbai.com;</p>	<p>401-724-3600</p>
<p>File an original and nine (9) copies w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888</p>	<p>Luly.massaro@puc.ri.gov;</p> <p>Cynthia.WilsonFrias@puc.ri.gov;</p> <p>Sharon.ColbyCamara@puc.ri.gov;</p>	<p>401-780-2107</p>

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4595
Response Of The City Of Newport,
Utilities Division, Water Department
To The State of Rhode Island
Public Utilities Commission's
Data Requests
Set 2



Joseph A. Keough, Jr., Esquire # 4925
KEOUGH & SWEENEY, LTD.
41 Mendon Avenue
Pawtucket, RI 02861
(401) 724-3600 (phone)
(401) 724-9909 (fax)
jkeoughjr@keoughsweeney.com