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May 1, 2020

Via Electronic Mail

Ms. Luly Massaro, Clerk
Rhode Island Public Utilities Commission
89 Jefferson Blvd
Warwick, R.I. 02888

Re: Docket No. 4879 – City of Woonsocket Division’s Multi-Year Rate Plan (Step 2)

Dear Luly:

On behalf of the City of Woonsocket, Water Division (“WWD”), attached please find an electronic version of WWD’s responses to the Public Utilities and Carriers’ Fourth Set of Data Requests (Step 2) issued April 21, 2020.

Given the current circumstances with the Governor’s Executive Orders regarding remote office arrangements, we are sending this document remotely via e-mail. We can follow up with paper copies once our offices are re-opened should you need them.

Please let me know if there are any questions concerning these reports.

Very truly yours,

/s/ ALAN M. SHOER

ALAN M. SHOER
ashoer@apslaw.com

Enclosures

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DIVISION OF PUBLIC UTILITIES' COMMISSION**

**In re: City of Woonsocket Water Division's Multi-Year
Rate Plan (Step 2)**

Docket No. 4879

**CITY OF WOONSOCKET WATER DIVISION'S
("WWD") RESPONSES TO PUBLIC UTILITIES COMMISSION'S FOURTH SET OF
DATA REQUESTS DIRECTED TO WOONSOCKET WATER**

(Issued April 21, 2020)

4-1	When will the Plant Master Maintenance Mechanic be transferred to the vendor?
WWD Response 4-1:	There are no plans to transfer this position. Please see the response to Comm 4-2.
Respondent:	David G Bebyn CPA
Date:	May 1, 2020

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DIVISION OF PUBLIC UTILITIES' COMMISSION**

**In re: City of Woonsocket Water Division's Multi-Year
Rate Plan (Step 2)**

Docket No. 4879

**CITY OF WOONSOCKET WATER DIVISION'S
("WWD") RESPONSES TO PUBLIC UTILITIES COMMISSION'S FOURTH SET OF
DATA REQUESTS DIRECTED TO WOONSOCKET WATER**

(Issued April 21, 2020)

4-2	Why was there no downward adjustment in the cost of the treatment plant operating contract given that the vendor accepted one less employee than anticipated.
WWD Response 4-2:	The vendor still is required to perform the necessary staffing level whether the position was provided by WWD former employees, or, if the vendor had to hire the given position to fill the needed staffing. The memorandum of agreement (see attachment "Attachment for Response to Comm 4-2") which is in Schedule 18 of the DBO Contract, requires the vendor to hire displaced employees. This memorandum only mentions the 8 Water Treatment Plant Operators (the fifth page of the attachment) and 1 Chemist (the tenth page of the attachment). The vendor did not accept one less employee but rather the removal of the Plant Master Maintenance Mechanic was an error in the original filing.
Respondent:	David G Bebyn CPA
Date:	May 1, 2020

SCHEDULE 18 – MEMORANDA OF AGREEMENT (LABOR)

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is entered into by and between the City of Woonsocket (hereinafter the “City”) and Rhode Island Council 94, AFSCME, AFL-CIO on behalf of City of Woonsocket, Rhode Island Employees Local 670 (hereinafter “Local 670”).

WHEREAS, the City and Local 670 have a collective bargaining agreement (hereinafter the “CBA”) covering, among other things, worked performed at the City’s Water Treatment Plant; and

WHEREAS, the City has decided to engage a vendor to design, build and operate a new Water Treatment Plant and to operate the existing Water Treatment Plant while the new plant is being designed and built (hereinafter the “DBO”); and

WHEREAS, it is expected that the vendor selected by the City to execute the DBO (hereinafter the “Vendor”) will assume responsibility for the operation of the current Water Treatment Plant on December 31, 2018, which actual takeover date is designated herein as “Date of Transition;” and

WHEREAS, Local 670 has agreed not to object to the DBO, and the City has agreed that the Vendor’s agreement with the City to operate the Water Treatment Plant shall be limited to management and maintenance of the Water Treatment Plant and its employees and that the remainder of the functions of the City’s Water Division covered by the CBA (*e.g.*, distribution system maintenance, meter reading, cross connections and clerical) shall continue to be performed by employees of the City.

NOW, THEREFORE, for good and valuable consideration, the exchange of which is acknowledged by the City and Local 670, it is hereby agreed as follows:

1. The Date of Transition is expected to be December 31, 2018. In the event that the Date of Transition is later for any reason, the City shall provide Local 670 with sixty (60) days’ notice of said change.
2. Except where indicated otherwise below, this Agreement applies only to bargaining unit employees represented by Local 670 who are employed by the City at the City’s existing Water Treatment Plant on the Date of Transition. A list of said employees is attached hereto as **Exhibit A**.
3. The employees at the existing Water Treatment Plant shall be given the opportunity to apply for positions with the Vendor selected by the City for the DBO.
4. The City shall require the Vendor to hire employees displaced by the DBO and the Vendor shall recognize Rhode Island Council 94 as the collective bargaining representative of employees in the existing and new Water Treatment Plant.
5. Any employee displaced at the Water Treatment Plant due to the DBO and who declines employment with the Vendor within thirty (30) days after the Date of Transition, shall

have all of the rights provided by Article 5, and more specifically Sections 5.5 through 5.8 of the CBA.

6. Any displaced employee who accepts employment with the Vendor may, within ninety (90) days of the Date of Transition, either have all rights provided by Article 5, and more specifically Sections 5.5 through 5.8 of the CBA, or waive his or her rights under Article 5 of the CBA in exchange for: (i) payment by the City of seventy (70%) percent of the employee's unused, accumulated sick leave; and (ii) either one week of pay for every three (3) years of continuous service with the City, or three (3) months of health insurance continuation, less the employee's premium contribution as described in Article 14, Section 14.1 of the CBA, which amount shall be deducted from the payment described herein.

7. In anticipation of the DBO, the City shall have the right to cross-train employees within the Water Division to perform functions outside their normal job duties as the need arises without objection from Local 670.

8. The City and Local 670 agree that the job specifications and descriptions of positions within the Water Division are not part of or incorporated within the CBA. Effective upon the City's issuance of a Request for Proposals for the DBO, the City shall have the right to amend such job descriptions after providing notice to Local 670 and an opportunity for discussion regarding those changes. The City and Local 670 agree that employees displaced by the DBO shall be given the opportunity to bid into vacant bargaining unit positions within other City divisions, subject to qualification and/or testing requirements, if any. Employees who successfully bid to vacant positions elsewhere in the City will not be eligible for the benefits set forth in Section 5 above.

9. The City and Local 670 agree that the City may utilize temporary employees, without objection from Local 670, to fill positions of Water Treatment Plant employees identified in Exhibit A who bid into vacant bargaining unit positions within other City divisions prior to the Date of Transition. Said employees shall receive pay and benefits as determined by the City and said temporary employees shall not be subject to any provisions of the CBA, but shall pay to Local 670 a lawful, monthly service fee to be determined by Local 670.

10. The City and Local 670 agree that the City may utilize temporary employees, without objection from Local 670, to fill vacant laborer positions within the Public Services Division until such time as the new Water Treatment Plant is operational. Such temporary employees shall not be subject to any provisions of the CBA, but they shall pay to Local 670 a lawful, monthly service fee to be determined by Local 670.

11. Employees who are displaced as a result of the DBO may bid into such laborer positions, subject to qualifications and/or testing requirements, if any.

12. Any dispute regarding the application, interpretation or alleged breach of this Memorandum of Agreement shall be deemed a grievance. If the grievance is not resolved within thirty (30) days of the submission of the grievance to the other party, the grieving party may submit it to arbitration. The arbitrator shall be selected by filing a request for a list of arbitrators from the American Arbitration Association Labor Arbitration Panel pursuant to its voluntary

labor arbitration rules then in effect. The decision of the arbitrator shall be final and binding upon the parties. The arbitrator shall have no authority to alter, amend, change, add to, subtract from, or modify any of the terms and conditions of this Memorandum of Agreement. All fees and expenses of the arbitrator shall be borne equally by the parties. Each party shall bear the expense of the presentation of its own case.

13. In consideration of the payments and other terms of this Memorandum Agreement, it is hereby agreed as follows:

(a) Subject to the provisions of Section 13(b), upon execution of this Memorandum of Agreement by all parties, Local 670 and the undersigned employees hereby release and discharge the City, its elected and appointed officers, officials, employees, heirs, successors, assigns, directors, agents and attorneys (collectively "Employer Releasees") from any and all manner of actions, causes of actions, debts, claims, demands, grievances, unfair labor practices, costs and attorneys' fees, both in law and equity, which against the Employer Releasees, Local 670 and the undersigned employees ever had, by reason of the City's decision to engage the Vendor to execute the DBO, from the beginning of the world to the effective date of this Memorandum of Agreement.

Subject to the provision of this Section 13(b), upon execution of this Memorandum of Agreement, the City hereby releases and discharges Local 670 and the undersigned employees, their elected and appointed officers, officials, employees, heirs, successors, assigns, directors, agents and attorneys (collectively "Union Releasees") from any and all manner of actions, causes of actions, debts, claims, demands, grievances, unfair labor practices, costs and attorneys' fees, both in law and equity, which against the Union Releasees the City has or ever had by reasons of the actions or activities of the Union Releasees in response to the City's decision to engage the Vendor to execute the DBO, from the beginning of the world to the effective date of the Memorandum of Agreement.

(b) The following are excluded from and are not covered by the release set forth in Section 13(a): (i) any workers' compensation claims; (ii) any disputes regarding the interpretation, application and enforcement of this Memorandum of Agreement; and (iii) any grievances, litigation or claims not related to the City's decision to engage the Vendor to execute the DBO.

(c) Any employee who has been offered employment by the Vendor, or the benefits described herein, but who has not executed this Memorandum of Agreement, shall not receive the benefits described therein.

14. The City and Local 670 agree that the parties are authorized to enter into this Memorandum of Agreement and that the City is authorized to award the Vendor the DBO and that Local 670 hereby waives its right to challenge the DBO, as well as the validity of this Agreement, or any term hereof, for the life of the DBO.

15. This Agreement shall supersede all prior agreements between the City and Local 670 with regard to the DBO.

16. This Memorandum of Agreement shall be governed by the laws of the State of Rhode Island and any applicable CBA and shall be binding upon and inure to the benefit of the parties hereto and their respective executors, heirs, successors and assigns.

IN WITNESS WHEREOF, this Memorandum of Agreement has been executed on the dates below, but shall not become effective until executed by the City and Local 670.

R.I. COUNCIL 94
LOCAL 670

CITY OF WOONSOCKET

By: John Bunn
Title: Senior Staff Representative
Date: 1/14/16

By: Russ Ballelli-Hunt
Title: Mayor
Date: 04-29-16

Darrell Baxter 1-22-16
Date

Michael Bouchard Date

William DeScoteau 1-17-16
Date

Kevin Judson 1-15-16
Date

Paul J. Lockett 2/13/16
Date

Robert S. Rochefort, Jr. 2-3-16
Date

Employee Date

Employee Date

EXHIBIT A

Water Treatment Plant employee(s) who may apply for employment with the Vendor selected by the City for the DBO:

Name	Title
Baxter, Darrell	Water Treatment Plant Operator
Bouchard, Michael	Water Treatment Plant Operator
DeScoteau William	Water Treatment Plant Operator
Judson, Kevin	Water Treatment Plant Operator
Lockett, Paul	Water Treatment Plant Operator
Rocheftort, Jr., Robert	Water Treatment Plant Operator
Vacant	Water Treatment Plant Operator
Vacant	Water Treatment Plant Operator

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is entered into by and between the City of Woonsocket (hereinafter the "City") and Rhode Island Council 94, AFSCME, AFL-CIO on behalf of City of Woonsocket, Professional and Technical Employees Local 3851 (hereinafter "Local 3851").

WHEREAS, the City and Local 3851 have a collective bargaining agreement (hereinafter the "CBA") covering, among other things, worked performed at the City's Water Treatment Plant; and

WHEREAS, the City has decided to engage a vendor to design, build and operate a new Water Treatment Plant and to operate the existing Water Treatment Plant while the new plant is being designed and built (hereinafter the "DBO"); and

WHEREAS, it is expected that the vendor selected by the City to execute the DBO (hereinafter the "Vendor") will assume responsibility for the operation of the current Water Treatment Plant on December 31, 2018, which actual takeover date is designated herein as "Date of Transition;" and

WHEREAS, Local 3851 has agreed not to object to the DBO, and the City has agreed that the Vendor's agreement with the City to operate the Water Treatment Plant shall be limited to management and maintenance of the Water Treatment Plant and its employees and that the remainder of the functions of the City's Water Division covered by the CBA (*e.g.*, distribution system maintenance, meter reading, cross connections and clerical) shall continue to be performed by employees of the City.

NOW, THEREFORE, for good and valuable consideration, the exchange of which is acknowledged by the City and Local 3851, it is hereby agreed as follows:

1. The Date of Transition is expected to be December 31, 2018. In the event that the Date of Transition is later for any reason, the City shall provide Local 3851 with sixty (60) days' notice of said change.
2. Except where indicated otherwise below, this Agreement applies only to bargaining unit employees represented by Local 3851 who are employed by the City at the City's existing Water Treatment Plant on the Date of Transition. A list of said employee(s) is attached hereto as **Exhibit A**.
3. The employees at the existing Water Treatment Plant shall be given the opportunity to apply for positions with the Vendor selected by the City for the DBO.
4. The City shall require the Vendor to hire employees displaced by the DBO and the Vendor shall recognize Rhode Island Council 94 as the collective bargaining representative of employees in the existing and new Water Treatment Plant.
5. Any employee displaced at the Water Treatment Plant due to the DBO and who declines employment with the Vendor within thirty (30) days after the Date of Transition, shall have all of the rights provided by Article 9 of the CBA.

6. Any displaced employee who accepts employment with the Vendor may, within ninety (90) days of the Date of Transition, either have all rights provided by Article 9 of the CBA, or waive his or her rights under Article 9 of the CBA in exchange for: (i) payment by the City of seventy (70%) percent of the employee's unused, accumulated sick leave; and (ii) either one week of pay for every three (3) years of continuous service with the City, or three (3) months of health insurance continuation, less the employee's premium contribution as described in Article 14, Section 14.1 of the CBA, which amount shall be deducted from the payment described herein.

7. In anticipation of the DBO, the City shall have the right to cross-train employees within the Water Division to perform functions outside their normal job duties as the need arises without objection from Local 3851.

8. The City and Local 3851 agree that the job specifications and descriptions of positions within the Water Division are not part of or incorporated within the CBA. Effective upon the City's issuance of a Request for Proposals for the DBO, the City shall have the right to amend such job descriptions after providing notice to Local 3851 and an opportunity for discussion regarding those changes. The City and Local 3851 agree that employees displaced by the DBO shall be given the opportunity to bid into vacant bargaining unit positions within other City divisions, subject to qualification and/or testing requirements, if any. Employees who successfully bid to vacant positions elsewhere in the City will not be eligible for the benefits set forth in Section 5 above.

9. The City and Local 3851 agree that the City may utilize temporary employees, without objection from Local 3851, to fill positions of Water Treatment Plant employees identified in Exhibit A who bid into vacant bargaining unit positions within other City divisions prior to the Date of Transition. Said employees shall receive pay and benefits as determined by the City and said temporary employees shall not be subject to any provisions of the CBA, but shall pay to Local 3851 a lawful, monthly service fee to be determined by Local 3851.

10. Any dispute regarding the application, interpretation or alleged breach of this Memorandum of Agreement shall be deemed a grievance. If the grievance is not resolved within thirty (30) days of the submission of the grievance to the other party, the grieving party may submit it to arbitration. The arbitrator shall be selected by filing a request for a list of arbitrators from the American Arbitration Association Labor Arbitration Panel pursuant to its voluntary labor arbitration rules then in effect. The decision of the arbitrator shall be final and binding upon the parties. The arbitrator shall have no authority to alter, amend, change, add to, subtract from, or modify any of the terms and conditions of this Memorandum of Agreement. All fees and expenses of the arbitrator shall be borne equally by the parties. Each party shall bear the expense of the presentation of its own case.

11. In consideration of the payments and other terms of this Memorandum Agreement, it is hereby agreed as follows:

(a) Subject to the provisions of Section 11(b), upon execution of this Memorandum of Agreement by all parties, Local 3851 and the undersigned employees hereby release and discharge the City, its elected and appointed officers, officials, employees, heirs,

successors, assigns, directors, agents and attorneys (collectively "Employer Releasees") from any and all manner of actions, causes of actions, debts, claims, demands, grievances, unfair labor practices, costs and attorneys' fees, both in law and equity, which against the Employer Releasees, Local 3851 and the undersigned employees ever had, by reason of the City's decision to engage the Vendor to execute the DBO, from the beginning of the world to the effective date of this Memorandum of Agreement.

Subject to the provision of this Section 11(b), upon execution of this Memorandum of Agreement, the City hereby releases and discharges Local 3851 and the undersigned employees, their elected and appointed officers, officials, employees, heirs, successors, assigns, directors, agents and attorneys (collectively "Union Releasees") from any and all manner of actions, causes of actions, debts, claims, demands, grievances, unfair labor practices, costs and attorneys' fees, both in law and equity, which against the Union Releasees the City has or ever had by reasons of the actions or activities of the Union Releasees in response to the City's decision to engage the Vendor to execute the DBO, from the beginning of the world to the effective date of the Memorandum of Agreement.

(b) The following are excluded from and are not covered by the release set forth in Section 11(a): (i) any workers' compensation claims; (ii) any disputes regarding the interpretation, application and enforcement of this Memorandum of Agreement; and (iii) any grievances, litigation or claims not related to the City's decision to engage the Vendor to execute the DBO.

(c) Any employee who has been offered employment by the Vendor, or the benefits described herein, but who has not executed this Memorandum of Agreement, shall not receive the benefits described therein.

12. The City and Local 3851 agree that the parties are authorized to enter into this Memorandum of Agreement and that the City is authorized to award the Vendor the DBO and that Local 3581 hereby waives its right to challenge the DBO, as well as the validity of this Agreement, or any term hereof, for the life of the DBO.

13. This Agreement shall supersede all prior agreements between the City and Local 3851 with regard to the DBO.

14. This Memorandum of Agreement shall be governed by the laws of the State of Rhode Island and any applicable CBA and shall be binding upon and inure to the benefit of the parties hereto and their respective executors, heirs, successors and assigns.

IN WITNESS WHEREOF, this Memorandum of Agreement has been executed on the dates below, but shall not become effective until executed by the City and Local 3851.

R.I. COUNCIL 94, LOCAL 3851

CITY OF WOONSOCKET

By: John Burns
Title: Senior Staff Representative
Date: 2/15/16

By: Lisa Baldeeli-Hurt
Title: Mayor
Date: 04.29.16

William Platt

Date

EXHIBIT A

Water Treatment Plant employee(s) who may apply for employment with the Vendor selected by the City for the DBO:

Name	Title
Platt, William	Chemist/Bacteriologist

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DIVISION OF PUBLIC UTILITIES' COMMISSION**

**In re: City of Woonsocket Water Division's Multi-Year
Rate Plan (Step 2)**

Docket No. 4879

**CITY OF WOONSOCKET WATER DIVISION'S
("WWD") RESPONSES TO PUBLIC UTILITIES COMMISSION'S FOURTH SET OF
DATA REQUESTS DIRECTED TO WOONSOCKET WATER**

(Issued April 21, 2020)

4-3	DGB Step 1-Schedule 1 (a) makes reference to Schedule WEE-4 and WEE 4 (a) in Docket 4880. This should be Docket 4879. Please submit a corrected Schedule so that outside readers of this document are not confused.
WWD Response 4-3:	See Attached
Respondent:	David G Bebyn CPA
Date:	May 1, 2020

Summary of Adjustments
Woonsocket Water Division

DGB Step 1 Schedule - 1b

Plant Op Contract (existing plant)

This adjustment was need due to the timing of the filing. The base rate year for CY 2019 in year1 of the 5 year plan only had rates had rates that went into effect during May of 2019. Thus the first year actual covered May 2019 thru May 2020. The issue is that the DBO contract increases on January 1 of each year. As a result the year 1 actual had an increase during the year rather than the beginning of year 2 of the plan.

Year 2 recalculation

1st year (thru Dec) actual monthly rate 161,750
2nd year (thru Dec) actual monthly rate 165,256 (+3506)
3rd year (thru Dec) projected monthly rate 168,840 (+3584)

Increase for June thru Dec 2020	\$	24,542	
Increase for Jan thru May 2021	\$	35,450	
		\$ 59,992	
		\$ 52,407	See Joint Settlement Schedule 1.0 page 1 of 2
variance	\$	7,585	

Light & Power Increase

Year 1 CY 2019 projected Light & Power exp	\$	335,269	See Joint Settlement Schedule 1.0 page 1 of 2
Actual CY 2019 costs	\$	315,717	
		\$ 19,552	
variance	\$	19,552	

Adjustment for change in water Sales

Please see analysis on See DGB Step 1 Schedule - 1b.

PLANT MASTER MAINT MECHANIC position not eliminated

In year 1 of the 5 year plan the WWD had proposed to eliminate 10 positions (8 plant operators, 1 Chemist & 1 Plant Master Maint Mechanic) leaving 26 positions. The plant operators and chemist positions were eliminated with most transferring over to the DBO Contractor. The Plant Master Maint Mechanic position however was retained due to most of this position duties involve the maintenance of the Transmission & Distribution system fleet of equipment and equipment. This position should not have been eliminated in year1 of the plan. This step 1 increase year 2 of the plan restores the funding of this position.

PLANT MASTER MAINT MECHANIC	\$	47,437	Schedule WEE-4a of Mr. Bebyn's testimony in Docket 4879
Longevity @ 6.0%	\$	2,846	Schedule WEE-4 of Mr. Bebyn's testimony in Docket 4879
		\$ 50,283	
		\$ 50,283	

Pension and Fica expense on PLANT MASTER MAINT MECHANIC

<u>Extra Pension expense</u>			
PLANT MASTER MAINT MECHANIC	\$	50,283	
		12.20%	
Pension Rate	\$	6,135	Schedule WEE-4 of Mr. Bebyn's testimony in Docket 4879
		\$ 50,283	
Fica Rate	\$	3,847	Schedule WEE-4 of Mr. Bebyn's testimony in Docket 4879
		\$ 9,981	
		\$ 9,981	

CITY OF WOONSOCKET, WATER
DIVISION
By its Attorneys,

/s/ Alan M. Shoer
Alan M. Shoer, Esq. (#3248)
Christine M. DiBiase, Esq. (#9634)
Adler Pollock & Sheehan, P.C.
One Citizens Plaza, 8th Floor
Providence, RI 02904-1345
Tel: 401-274-7200
Fax: 401-751-0604
Dated: May 1, 2020

CERTIFICATE OF SERVICE

I hereby certify that on May 1, 2020 I delivered a true copy of the foregoing responses of the **City of Woonsocket Water Division in response to the Public Utilities Commission's Fourth Set of Data Requests Directed to Woonsocket Water** via electronic mail to the parties on the attached service list.

/s/Alan M. Shoer