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April 7, 2020

Ms. Luly Massaro, Clerk  
State of Rhode Island  
Division of Public Utilities & Carriers  
89 Jefferson Boulevard  
Warwick, RI 02888

**RE: *Docket D-20-02***  
***City of Newport, Utilities Department, Water Division***

Dear Ms. Massaro:

Enclosed please find an original of the City of Newport, Utilities Department, Water Division's Response to the April 7, 2020 Hearing Record Requests in the above captioned matter.

Thank you for your attention to this matter.

Sincerely,



Joseph A. Keough, Jr.

JAK:prc  
Enclosure

STATE OF RHODE ISLAND  
DIVISION OF PUBLIC UTILITIES  
AND CARRIERS  
DOCKET NO. D-20-02  
Response Of The City Of Newport,  
Utilities Division, Water Department  
To The April 7, 2020 Hearing  
Record Request

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**RR. 1-1:** Please provide documentation that memorializes the City of Newport's approval or authorization of the borrowing that Newport seeks approval of in this Docket.

**Response:** Attached please find Ordinance No. 2019-43 and Resolution No. 2020-17 from the Newport City Council authorizing Newport Water to borrow \$7,436,00 for water system improvements. The \$4,131,000 borrowing for which Newport Water seeks Division approval in this Docket is part of this authorized amount. As set forth in Newport Water's last rate filing before the Rhode Island Public Utilities Commission (Docket 4933), Newport Water anticipates undertaking a second borrowing in Fiscal Year 2022 and will seek Division approval of this borrowing at the appropriate time.

**Prepared by:** Julia Forgue

CITY OF NEWPORT, RHODE ISLAND

ORDINANCE OF THE COUNCIL

NO. 2019-43

AN ORDINANCE OF THE CITY OF NEWPORT APPROVING THE FINANCING OF IMPROVEMENTS TO THE NEWPORT WATER SYSTEM INCLUDING, BUT NOT LIMITED TO, THE CONSTRUCTION AND EQUIPPING OF DISTRIBUTION IMPROVEMENTS AND ALL ATTENDANT EXPENSES AND APPROVING THE ISSUANCE OF WATER REVENUE BONDS AND NOTES THEREFOR IN AN AMOUNT NOT TO EXCEED \$7,436,000

Be it Ordained by the City of Newport that:

SECTION 1. The sum of Seven Million Dollars Four Hundred Thirty Six Thousand (\$7,436,000) is appropriated for the purpose of financing of improvements to the Newport water system including, but not limited to, the construction and equipping of distribution improvements and all attendant expenses (collectively, the "Project").

SECTION 2. In accordance with Chapter 46-12.8 of the Rhode Island General Laws, the Director of Finance and the Mayor are hereby authorized to borrow an amount not exceeding Seven Million Four Hundred Thirty Six-Thousand Dollars (\$7,436,000) from the Rhode Island Infrastructure Bank, and to evidence such loan, such officers are hereby authorized to issue and refund on behalf of the City, in an amount not exceeding Seven Million Four Hundred Thirty Six-Thousand Dollars (\$7,436,000) water revenue bonds (the "Bonds") of the City, at one time, or from time to time in order to meet the foregoing appropriation.

SECTION 3. The said officers from time to time may issue and refund not exceeding \$7,436,000 interest bearing or discounted water revenue notes (the "Notes") in anticipation of the issue of said Bonds.

SECTION 4. The Bonds and Notes shall be payable solely from revenues of the Newport water 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.

SECTION 5. Pending the issuance of the Bonds under Section 2 hereof or pending or in lieu of the issue of Notes under Section 3 hereof, the Director of Finance, at the written direction of the City Council, may expend funds from the General Fund or Water Fund of the City for the purposes specified in Section 1 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 6. The Director of Finance and the Mayor are also authorized, empowered and directed, on behalf of the City, to: (i) execute, acknowledge and deliver a Supplemental Indenture (the "Supplemental Indenture") amending and supplementing the Trust Indenture dated March 7, 2007 by and between the City and U.S. Bank National Association, as successor trustee to Wells Fargo Bank, N.A. (as amended, the "Trust Indenture"), and any and all other loan agreements, documents, certificates or instruments necessary to effectuate such borrowing; (ii) amend, modify or supplement the Trust 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 said borrowing and the intent hereof.

SECTION 7. The Director of Finance and the Mayor 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, 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 8. This Ordinance is an affirmative action of the City Council of the City toward the issuance of the Bonds and Notes in accordance with the purposes of the laws of the State. This Ordinance constitutes the City's declaration of official intent, pursuant to Treasury Regulation §1.150-2, to reimburse the City's General Fund or the City's Water Fund for certain capital expenditures for the Project paid on or after the date which is sixty (60) days prior to the date of this Ordinance but prior to the issuance of the Bonds or Notes. Such amounts to be reimbursed shall not exceed Seven Million Four Hundred Thirty-Six Thousand Dollars (\$7,436,000) and shall be reimbursed not later than eighteen (18) months after the later of (a) the date on which the expenditure is paid or (b) the date on which the Project is placed in service or abandoned but in no event later than three (3) years after the date on which the expenditure is paid.

SECTION 9. The Director of Finance and the Mayor 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 a Continuing Disclosure Certificate in connection with the Bonds or Notes in the form as shall be deemed advisable by the Director of Finance and the Mayor 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 Continuing Disclosure Certificate, as it may be amended from time to time. Notwithstanding any other provision of this Ordinance or the Bonds or Notes, failure of the City to comply with the Continuing Disclosure Certificate 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 to comply with its obligations under this Section and under the Continuing Disclosure Certificate.

IN COUNCIL  
Read and Passed  
NOVEMBER 13, 2019

A handwritten signature in cursive script that reads "Laura C. Swistak". The signature is written in black ink and is positioned above the printed name and title.

Laura C. Swistak  
City Clerk

THE CITY OF NEWPORT

RESOLUTION

OF THE

COUNCIL

No. 2020-17

WHEREAS, the City will be borrowing up to \$7,436,000.00 from the Drinking Water State Revolving Fund (DWSRF) Loan from the Rhode Island Infrastructure Bank for water main improvement projects ; and

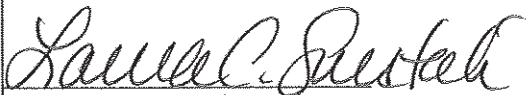
WHEREAS, in order to obtain a loan under the DWSRF program, the City must also comply with the Rhode Island Department of Health requirements which requires a certified resolution of the City Council directing the Administration to submit the application for DWSRF assistance. NOW THEREFORE BE IT

RESOLVED: that the Mayor is authorized to sign the required applications and loan documents required by the Rhode Island Infrastructure Bank and Rhode Island Department of Health on behalf of the City for the Drinking Water State Revolving Fund assistance.

IN COUNCIL

READ AND PASSED

FEBRUARY 12, 2020



Laura C. Swistak  
City Clerk

STATE OF RHODE ISLAND  
 DIVISION OF PUBLIC UTILITIES  
 AND CARRIERS  
 DOCKET NO. D-20-02  
 Response Of The City Of Newport,  
 Utilities Division, Water Department  
 To The April 7, 2020 Hearing  
 Record Request

**CERTIFICATION**

I hereby certify that on April 7, 2020, 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.

<b>Parties/Address</b>	<b>E-mail Distribution</b>	<b>Phone</b>
<b>Newport Water:</b> Julia Forgue, Director of Public Works Newport Water Department 70 Halsey St. Newport, RI 02840	<a href="mailto:jforgue@cityofnewport.com">jforgue@cityofnewport.com</a> ;	401-845-5601
Joseph A. Keough, Jr., Esq. Keough & Sweeney 41 Mendon Ave. Pawtucket, RI 02861	<a href="mailto:jkeoughjr@keoughsweeney.com">jkeoughjr@keoughsweeney.com</a> ;	401-724-3600
Tiffany Parenteau, Esq. Christy Hetherington, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	<a href="mailto:TParenteau@riag.ri.gov">TParenteau@riag.ri.gov</a> ; <a href="mailto:Chetherington@riag.ri.gov">Chetherington@riag.ri.gov</a> ;	
<b>Division of Public Utilities and Carriers:</b> Original and Four Copies: Luly E. Massaro Division Clerk 89 Jefferson Boulevard Warwick, RI 02888	<a href="mailto:Luly.Massaro@puc.ri.gov">Luly.Massaro@puc.ri.gov</a>	401-780-2109
<b>Hearing Officer:</b> John Spirito, Esquire State of Rhode Island Division of Public Utilities & Carriers 89 Jefferson Boulevard Warwick, RI 02888	<a href="mailto:John.Spirito@dpuc.ri.gov">John.Spirito@dpuc.ri.gov</a> ;	401-780-2177

STATE OF RHODE ISLAND  
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AND CARRIERS  
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