



NARRAGANSETT BAY COMMISSION

ONE SERVICE ROAD, PROVIDENCE, RI 02905

**Approval to Enter Into Long-Term Debt and
Issuance of Revenue Bonds for an Original Principal Amount Not
to Exceed \$60,000,000**

**United States Environmental Protection Agency
Water Infrastructure Finance and Innovation Act (WIFIA)**

April 20, 2022

Vincent Mesoletta, Jr.
Chairman

Laurie Horridge
Executive Director

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

RAYNHAM OFFICE:
90 NEW STATE HIGHWAY
RAYNHAM, MA 02109
TEL. (508) 822-2813
FAX (508) 822-2832

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

SEAN P. KEOUGH*

JEROME V. SWEENEY II
OF COUNSEL

*ADMITTED TO PRACTICE IN
RHODE ISLAND & MASSACHUSETTS

BOSTON OFFICE:
171 MILK STREET
SUITE 30
BOSTON, MA 02109
TEL. (617) 574-0054
FAX (617) 451-1914

April 20, 2022

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

RE: Narragansett Bay Commission Application For Borrowing Authority

Dear Ms. Massaro:

On behalf of the Narragansett Bay Commission ("NBC"), enclosed you will find an original and four copies of an Application for Borrowing Authority. In its application, NBC seeks authority to obtain financing not to exceed an original principal amount of sixty million dollars (\$60,000,000) through the United States Environmental Protection Agency's Water Infrastructure Finance and Innovation Act (WIFIA) for the purpose of financing the design and construction of the NBC's Field's Point Resiliency Improvements Project and to issue revenue bonds evidencing the loan. Included in the application package is a copy of the proposed notice to be published in the Providence Journal. Please let me know if the proposed notice is acceptable and please contact me with a hearing date so it can be published.

Thank you for your attention to these matters.

Sincerely,



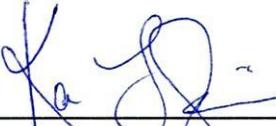
Joseph A. Keough, Jr.

Enclosures

cc: RI Attorney General's Office

CERTIFICATE OF SERVICE

I, Karen L. Giebink, hereby certify that I have, this 20th day of April, 2022 caused a copy of the within application filed under Section 39-3-15 for the Narragansett Bay Commission to be served on all parties designed on the official service list in this proceeding.



Karen L. Giebink
Chief Financial Officer

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DIVISION OF PUBLIC UTILITIES AND CARRIERS**

IN RE: THE NARRAGANSETT BAY COMMISSION:

Docket No. D-22-

**APPLICATION FOR BORROWING AUTHORITY
NOTICE OF FILING AND PUBLIC HEARING**

Notice is hereby given that on April 20, 2022, pursuant to Rhode Island General Laws §39-3-15, §39-3-17, §39-3-18 and Section 1.14 of the Rhode Island Division of Public Utilities and Carriers' Rules of Practice and Procedure, the Narragansett Bay Commission ("NBC") filed with the Division of Public Utilities and Carriers ("Division") an Application For Borrowing Authority to obtain financing, payable more than twelve (12) months from the date of issue, in an original principal amount not to exceed sixty million dollars (\$60,000,000).

NBC seeks to borrow an amount not to exceed an original principal amount of sixty million dollars (\$60,000,000) through the United States Environmental Protection Agency's Water Infrastructure Finance and Innovation Act ("WIFIA") for the purpose of financing the design and construction of the NBC's Field's Point Resiliency Improvements Project and to issue revenue bonds evidencing the loan.

A hearing on the proposal will be held at the Division of Public Utilities and Carriers, 89 Jefferson Boulevard, Warwick, Rhode Island on _____, 2022 at _____ a.m. The hearing may continue thereafter from day to day and time to time as required. At this hearing, the Division will consider the propriety of NBC's Application For Borrowing Authority. Please note that the Division is accessible to the handicapped, and that individuals requesting interpreter services for the hearing impaired must contact the Clerk seventy-two hours in advance of the hearing.

A copy of the application is on file for examination at the NBC, One Service Road, Providence, Rhode Island and at the offices of the Division of Public Utilities and Carriers, 89 Jefferson Boulevard, Warwick, Rhode Island. A copy of the filing was also provided to the Rhode Island Attorney General's Department, Consumer Division.

Reference is made to Chapters 39-1, 39-3 and 42-35 of the Rhode Island General Laws; specifically Sections 39-1-7, 39-1-8, 39-1-11, 39-1-12, 39-1-16, 39-1-18, 39-1-20, 42-35-8, and 42-35-10.

Linda D. George, Administrator

1 **NARRAGANSETT BAY COMMISSION**

2 **PRE-FILED DIRECT TESTIMONY**

3 **OF KAREN L. GIEBINK**

4

5 **INTRODUCTION**

6 **Q. Please state your name and address.**

7 A. Karen L. Giebink. My business address is the Narragansett Bay Commission, One Service Road,
8 Providence, Rhode Island 02905.

9

10 **Q. For whom are you employed and what is your position?**

11 A. I am employed by the Narragansett Bay Commission (NBC) as its Chief Financial Officer.

12

13 **Q. For how long have you been so employed?**

14 A. I have been employed as NBC's Chief Financial Officer since July 2018. Prior to that date, I served
15 as NBC's Director of Administration and Finance beginning in April 1997. I began my employment
16 with the NBC in 1989 and have held the positions of Policy Associate and Senior Environmental
17 Planner. The three years prior to my employment with the NBC I worked as an analyst for the
18 City of San Diego Water Utilities Department.

19

20 **Q. Have you previously testified before the Division of Public Utilities and Carriers (Division)?**

21 A. Yes. I provided testimony in previous NBC requests for approval to enter into long-term debt. I
22 have also provided testimony in dockets 1968, 2216, 3162, 3409, 3432, 3483, 3592, 3639, 3651,
23 3707, 3775, 3797, 3905, 4026, 4113, 4151, 4205, 4214, 4230, 4305, 4352, 4364, 4376, 4478, 4562,
24 4602, 4885, 4890, and 5224 before the Rhode Island Public Utilities Commission (PUC).

25

26 **Q. What is the purpose of your testimony?**

27 A. To support NBC's request for Division approval to borrow an original principal amount not to
28 exceed \$60,000,000 from the United States Environmental Protection Agency (USEPA) for the
29 purpose of financing the design and construction of the Field's Point Resiliency Improvements and
30 to issue revenue bonds evidencing the loan.

31

1 **Q. Has the Division previously approved loans to NBC from the USEPA?**

2 A. Yes. The Division has approved two Water Infrastructure Finance and Innovation Act (WIFIA)
3 loans totaling \$459.3 million through the WIFIA program administered by the USEPA (WIFIA I and
4 II). This will be NBC's third loan through the program, and I refer to this loan throughout my
5 testimony as "WIFIA III".
6

7 **Q. What are the advantages of the WIFIA loan program?**

8 A. The WIFIA program offers long-term, low-cost credit assistance to qualified credit worthy
9 borrowers for eligible water and wastewater infrastructure projects. There are many advantages
10 to borrowing through the WIFIA program including loan amortization flexibility and the
11 capitalization of interest. In addition, the WIFIA financing has lower issuance costs, low annual
12 service fees and a low interest rate. The maximum amount of a WIFIA loan is 49% of a project's
13 cost and total federal assistance may not exceed 80% of a project's eligible costs. The favorable
14 loan terms serve to mitigate the impact of NBC's capital program on ratepayers.
15

16 **Q. Would you please provide some background information regarding this loan?**

17 A. Yes. In July 2021, the NBC submitted a WIFIA Letter of Interest (LOI) to finance the Field's Point
18 Resiliency Improvements. In October 2021, NBC was invited by the USEPA to apply. NBC
19 submitted the application including information about NBC, project details, and a financing plan
20 on February 2, 2022. The WIFIA III loan application was for a \$52.2 million loan, based upon
21 estimated project costs of \$103.9 million and financing costs of \$2.5 million. Since the application
22 was submitted, staff has been working with USEPA on various aspects of the loan. Based upon
23 recent inflation, a market condition contingency was added to the project. The updated project
24 cost is \$111.1 million, with financing costs of \$2.2 million. The total eligible cost is \$113.3 million,
25 and this loan will finance 49% of that amount or \$55.5 million.
26

27 **Q. Why is NBC requesting an approval amount not to exceed \$60 million if the current loan amount
28 is \$55.5 million?**

29 A. As part of the USEPA loan process, project costs and schedules are reviewed. NBC is using a not-
30 to-exceed amount because the final loan amount will be determined as part of the loan approval
31 process. Division approval of the \$60 million request will provide NBC with flexibility should there
32 be upward adjustments to the eligible costs prior to closing, and the USEPA has the lending

1 capacity, the final loan amount may be higher than the original request. At the time of this filing,
2 NBC does not anticipate any further changes to the loan amount.

3
4 **Q. What are the projected project sources and uses?**

5 A. As part of the application, NBC worked with its municipal advisor to update the long-term financial
6 model. The WIFIA loan may finance up to 49% of the project cost and NBC plans to fund the
7 balance of the project with revenue bonds and pay-go capital. Keeping in mind that these
8 figures are preliminary, based on numerous assumptions, and are subject to change, the
9 project sources and uses are shown in the following table:

10
11 **WIFIA III Sources and Uses (in Millions)**

	Sources
WIFIA Loan	\$55.5
RIBB Loans	12.0
Pay-go Capital	45.8
Total Sources	<u>\$113.3</u>

	Uses
Construction ¹	\$93.7
Design ²	10.3
Financing Costs	2.2
WIFIA Market Condition Contingency	7.1
Total Uses	<u>\$113.3</u>

12
13
14
15
16
17
18
19 ¹ Includes NBC contingency

20 ² Includes land acquisition
21

22 **Q. Would you please describe the loan terms interest rate and proposed amortization?**

23 A. Yes. The long-term financial model was updated using the “What’s Best!” optimizer. For
24 modeling purposes, a projected WIFIA interest rate of 2.45% was used. The actual interest
25 rate will be determined when the loan is priced prior to closing. Please refer to the testimony
26 of Stephen Maceroni for additional information related to interest rates and the model.

27
28 The preliminary amortization schedule reflects the recommended repayment developed by NBC’s
29 municipal advisor that wraps around NBC’s existing debt, compounds interest and begins loan

1 payments five years after substantial completion. As such, payments do not begin until the fiscal
 2 year ending June 30, 2030. Principal payments begin in fiscal year 2035 and principal is fully
 3 amortized in fiscal year 2061. It should be noted that the original principal amount of \$55.5
 4 million increases to a principal amount of \$63.5 million prior to the commencement of loan
 5 payments due to the compounding of interest. The following table reflects the preliminary
 6 draw and amortization schedule. Please keep in mind that these are for planning purposes
 7 and are subject to change. Due to the flexible amortization, immediate rate relief is not
 8 required to support this borrowing; however, rate relief is required in the future.

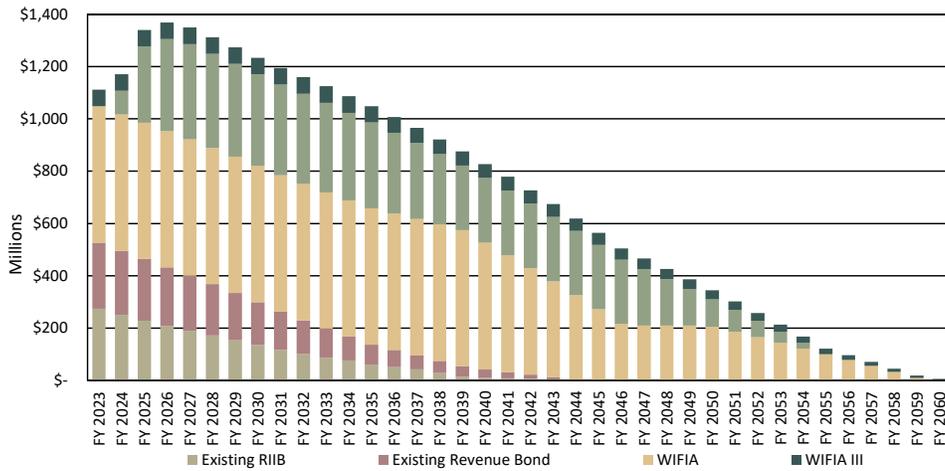
Preliminary WIFIA Draw and Amortization*						
Fiscal Year	Beginning Balance	Draw	Interest	Payment	Ending Balance	
2023	\$ -	\$ 16,082,856	\$ 91,700	\$ -	\$ 16,247,035	
2024	16,247,035	27,680,497	506,265	-	44,610,595	
2025	44,610,595	11,735,874	1,075,266	-	57,565,927	
2026	57,565,927	-	1,323,540	-	58,984,931	
2027	58,984,931	-	1,356,165	-	60,438,913	
2028	60,438,913	-	1,389,595	-	61,928,736	
2029	61,928,736	-	1,423,849	-	63,455,283	
2030	63,455,283	-	1,450,065	1,554,654	63,455,283	
2031	63,455,283	-	1,450,065	1,554,654	63,455,283	
2032	63,455,283	-	1,450,065	1,554,654	63,455,283	
2033	63,455,283	-	1,450,065	1,554,654	63,455,283	
2034	63,455,283	-	1,450,065	1,554,654	63,455,283	
2035	63,455,283	-	1,428,304	3,325,539	61,662,436	
2036	61,662,436	-	1,384,243	3,325,539	59,825,120	
2037	59,825,120	-	1,339,090	3,325,539	57,942,230	
2038	57,942,230	-	1,292,816	3,325,539	56,012,638	
2039	56,012,638	-	1,245,394	3,325,539	54,035,185	
2040	54,035,185	-	1,216,470	2,128,828	53,220,236	
2041	53,220,236	-	1,210,741	1,827,377	52,690,263	
2042	52,690,263	-	1,185,196	3,325,539	50,630,402	
2043	50,630,402	-	1,154,801	2,203,138	49,655,769	
2044	49,655,769	-	1,123,651	3,325,539	47,520,641	
2045	47,520,641	-	1,091,669	2,428,851	46,240,362	
2046	46,240,362	-	1,062,243	3,325,539	44,020,519	
2047	44,020,519	-	1,012,452	3,325,539	41,745,615	
2048	41,745,615	-	958,076	3,325,539	39,414,285	
2049	39,414,285	-	902,352	3,325,539	37,025,128	
2050	37,025,128	-	845,245	3,325,539	34,576,712	
2051	34,576,712	-	786,722	3,325,539	32,067,565	
2052	32,067,565	-	726,747	3,325,539	29,496,182	
2053	29,496,182	-	665,285	3,325,539	26,861,019	
2054	26,861,019	-	602,299	3,325,539	24,160,493	
2055	24,160,493	-	537,749	3,325,539	21,392,984	
2056	21,392,984	-	471,599	3,325,539	18,556,830	
2057	18,556,830	-	403,809	3,325,539	15,650,329	
2058	15,650,329	-	334,336	3,325,539	12,671,735	
2059	12,671,735	-	263,141	3,325,539	9,619,260	
2060	9,619,260	-	190,179	3,325,539	6,491,073	
2061	6,491,073	-	115,408	3,325,539	3,285,294	
2062	3,285,294	-	38,782	3,324,076	-	
		\$ 55,499,228	\$ 38,005,507	\$ 96,172,942		

* Preliminary and Subject to Change

1 **Q. How will this loan impact NBC’s outstanding debt and annual debt service?**

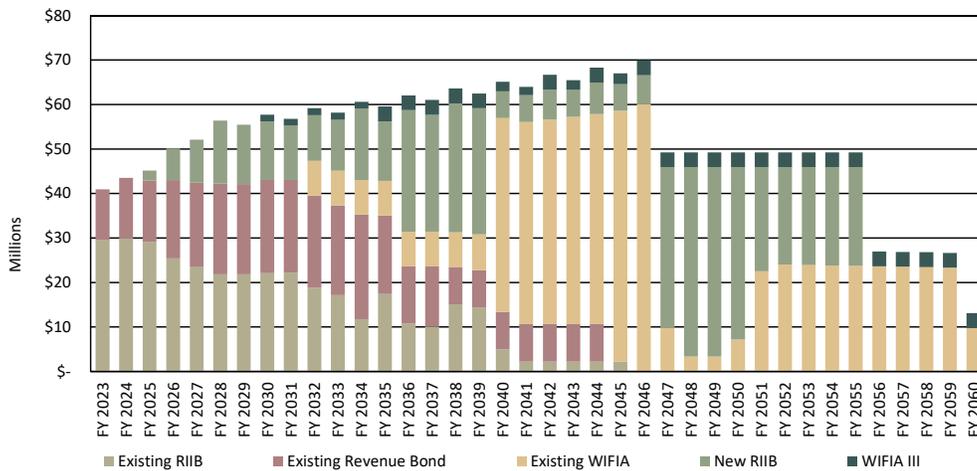
2 A. The modeling serves to develop a financing strategy that mitigates ratepayer impact. NBC’s capital
 3 program is substantial and current planning identifies long-term debt as the primary source of
 4 financing. This is reflected in the following chart that shows total outstanding debt, including
 5 existing debt, the WIFIA III loan and other debt issuance required for NBC’s 51% match, peaks in
 6 FY 2026 at approximately \$1.37 billion.
 7
 8

Existing and Projected Total Outstanding Debt



9 As shown in the chart below, annual debt service is projected peak in FY 2046 at \$69.9 million.
 10 Annual debt service declines each year thereafter, dropping significantly in FY 2056 to \$27.0
 11 million. Referring to the chart, the dark blue portion represents the WIFIA III loan payments. The
 12 light green portion reflects projected debt service associated with future RIIB borrowings.
 13
 14
 15

Projected Existing and Projected Annual Debt Service



1 **Q. Are NBC's rates sufficient to support this borrowing?**

2 A. Based on NBC's approved revenue requirement from the most recent rate filing (Docket 4890),
3 NBC has sufficient revenue to meet the additional bonds test as set forth in Section 205 (2)(iv) of
4 the Trust Indenture. As indicated above, one of the advantages of WIFIA is that the WIFIA debt
5 can be "wrapped" around NBC's existing debt, such that ratepayer impact is mitigated. As is
6 shown in Exhibit KG-2, the ability to wrap the WIFIA debt around NBC's existing debt means that
7 NBC has sufficient revenue to meet debt service and debt service coverage requirements.

8
9 **Q. Will NBC need future rate increases to service the non-WIFIA borrowings?**

10 A. Yes. The proforma modeling has been completed that incorporates a funding strategy for NBC's
11 share of this project, other WIFIA funded projects, as well as the balance of the CIP. The model
12 reflects the following projected rate increases based on the CIP, certain assumptions for inflation,
13 CIP impacts on operating expense, revenue growth, etc. Projected rate increases from 2023
14 through 2034 are shown in the following table. Please note that these are for modeling purposes
15 only and are subject to change. From 2034 through 2046, rate increases are projected to be 3.25%
16 every other year.

17

PROJECTED RATE INCREASES	
Fiscal Year	Rate Increase
2023	0.56%
2024	6.50%
2025	0.00%
2026	6.00%
2027	0.00%
2028	6.00%
2029	0.00%
2030	3.25%
2031	0.00%
2032	3.25%
2033	0.00%
2034	3.25%

18

19 **Q. Will NBC seek PUC approval for rates to service the debt for these future Open Market and/or**
20 **RIIB borrowings?**

21 A. Yes.

22

23

- 1 **Q. Has NBC’s Board of Commissioners authorized this loan?**
- 2 A. Yes. NBC’s Board of Commissioners approved an authorizing resolution for the borrowing of an original
- 3 principal amount of up to \$60.0 million, plus compounded interest at their March 1, 2022, meeting.
- 4
- 5 **Q. Other than approval from the Division, has the NBC met all the requirements needed to close**
- 6 **on this loan?**
- 7 A. No. NBC must go through the credit review process and a presentation to S&P Global is scheduled for
- 8 April 28, 2022. Unlike prior WIFIA loans, USEPA now only requires one credit rating. A new requirement
- 9 for this loan, however, is a presentation to USEPA regarding the project and NBC financial information
- 10 and other credit related items. The USEPA review is scheduled for April 21, 2022. NBC is also reviewing
- 11 several documents that will be required to ensure compliance with federal requirements. The UESPA is
- 12 also reviewing NBC’s application materials.
- 13
- 14 **Q. Has NBC included the anticipated loan agreement as part of this application?**
- 15 A. NBC and USEPA plan to use a loan agreement similar to the document used to execute the WIFIA I and
- 16 WIFIA II loans. The WIFIA II loan agreement is provided as part of this application as Exhibit KSDG-1.
- 17
- 18 **Q. When does NBC need a decision on this application?**
- 19 A. NBC and USEPA are targeting June to close on this loan. Given that there is a 30-day statutory appeal
- 20 on Division orders of this type, NBC is requesting Division approval of this application, if possible, by the
- 21 end of May 2022.
- 22
- 23 **Q. Do this proposed transaction have any unusual features, which may have significant impact on the**
- 24 **Division's ability to regulate the utility?**
- 25 A. No, they do not.
- 26
- 27 **Q. Does this conclude your pre-filed testimony?**
- 28 A. Yes.
- 29
- 30
- 31

**Narragansett Bay Commission
Debt Service Coverage**

Exhibit KG-1

Fiscal Year	Allowance for Debt Service	Current Debt Service	Debt Service Coverage	WIFIA III	Total Debt Service	Debt Service Coverage
2022	\$ 62,642,390	\$ 41,308,398	1.52	\$ -	\$ 41,308,398	1.52
2023	62,642,390	40,966,265	1.53	-	40,966,265	1.53
2024	62,642,390	43,554,340	1.44	-	43,554,340	1.44
2025	62,642,390	42,942,893	1.46	-	42,942,893	1.46
2026	62,642,390	43,025,508	1.46	-	43,025,508	1.46
2027	62,642,390	42,436,910	1.48	-	42,436,910	1.48
2028	62,642,390	42,212,310	1.48	-	42,212,310	1.48
2029	62,642,390	42,110,283	1.49	-	42,110,283	1.49
2030	62,642,390	43,053,304	1.45	1,554,654	44,607,959	1.40
2031	62,642,390	43,051,258	1.46	1,554,654	44,605,912	1.40
2032	62,642,390	47,356,647	1.32	1,554,654	48,911,301	1.28
2033	62,642,390	45,147,425	1.39	1,554,654	46,702,080	1.34
2034	62,642,390	43,031,051	1.46	1,554,654	44,585,706	1.40
2035	62,642,390	42,847,630	1.46	3,325,539	46,173,169	1.36
2036	62,642,390	31,421,035	1.99	3,325,539	34,746,574	1.80
2037	62,642,390	31,423,182	1.99	3,325,539	34,748,722	1.80
2038	62,642,390	31,281,024	2.00	3,325,539	34,606,564	1.81
2039	62,642,390	30,818,080	2.03	3,325,539	34,143,619	1.83
2040	62,642,390	56,943,247	1.10	2,128,828	59,072,075	1.06
2041	62,642,390	56,079,878	1.12	1,827,377	57,907,255	1.08
2042	62,642,390	56,658,654	1.11	3,325,539	59,984,194	1.04
2043	62,642,390	57,243,877	1.09	2,203,138	59,447,014	1.05
2044	62,642,390	57,872,241	1.08	3,325,539	61,197,780	1.02
2045	62,642,390	58,598,294	1.07	2,428,851	61,027,145	1.03
2046	62,642,390	60,122,905	1.04	3,325,539	63,448,444	0.99
2047	62,642,390	9,817,222	6.38	3,325,539	13,142,761	4.77
2048	62,642,390	3,353,964	18.68	3,325,539	6,679,503	9.38
2049	62,642,390	3,353,964	18.68	3,325,539	6,679,503	9.38
2050	62,642,390	7,174,208	8.73	3,325,539	10,499,747	5.97
2051	62,642,390	22,522,341	2.78	3,325,539	25,847,880	2.42
2052	62,642,390	23,993,530	2.61	3,325,539	27,319,069	2.29
2053	62,642,390	23,912,182	2.62	3,325,539	27,237,721	2.30
2054	62,642,390	23,805,218	2.63	3,325,539	27,130,757	2.31
2055	62,642,390	23,737,370	2.64	3,325,539	27,062,909	2.31
2056	62,642,390	23,643,560	2.65	3,325,539	26,969,099	2.32
2057	62,642,390	23,545,596	2.66	3,325,539	26,871,135	2.33
2058	62,642,390	23,464,940	2.67	3,325,539	26,790,479	2.34
2059	62,642,390	23,315,398	2.69	3,325,539	26,640,937	2.35
2060	\$ 62,642,390	\$ 9,770,077	6.41	\$ 3,325,539	\$ 13,095,617	4.78

1 **NARRAGANSETT BAY COMMISSION**

2 **PRE-FILED DIRECT TESTIMONY**

3 **OF MICHAEL T. COOK**

4

5 **INTRODUCTION**

6 **Q. Please state your name and address.**

7 A. Michael T. Cook. My business address is the Narragansett Bay Commission, One Service Road,
8 Providence, Rhode Island 02905.

9

10 **Q. For whom are you employed and what is your position?**

11 A. I am employed by the Narragansett Bay Commission (NBC) as its Principal Financial Analyst.

12

13 **Q. For how long have you been so employed?**

14 A. I have been employed as NBC's Principal Financial Analyst since February 2022. Prior to that date,
15 I served as NBC's Senior Capital Analyst beginning in August 2019. I began my employment with
16 the NBC in 2017 and have held the position of Rate Analyst. Prior to my employment with the
17 NBC I worked as a Finance Manager for CompuCom.

18

19 **Q. Have you previously testified before the Division of Public Utilities and Carriers (Division)?**

20 A. No.

21

22 **Q. What is the purpose of your testimony?**

23 A. To support NBC's request for Division approval to borrow an original principal amount not to
24 exceed \$60,000,000 from the United States Environmental Protection Agency (USEPA) for the
25 purpose of financing the design and construction of the Field's Point Resiliency Improvements and
26 to issue revenue bonds evidencing the loan.

27

28 **Q. Would you please describe your duties and responsibilities at the NBC?**

29 A. Yes. My primary responsibility is the development and management of NBC's Capital Budget.
30 This includes the Capital Improvement Program and Operating Capital Programs and involves
31 working with the construction and engineering staff. I analyze cash draws, budgets, schedules,
32 and prepare related reports. As part of the capital funding process, I am responsible for

1 submitting applications to USEPA for Water Infrastructure Finance and Innovation Act (WIFIA)
2 loans as well as the requests for new loans through the Rhode Island Infrastructure Bank (RIIB). I
3 am also involved with the analysis of revenue and collections. I have also assisted with rate filing
4 applications with the Rhode Island Public Utilities Commission.

5

6 **Q. Would you please describe your involvement with this WIFIA loan?**

7 A. Yes. I was responsible for coordinating the preparation and submittal of the Letter of Interest as
8 well as the application for this third WIFIA loan for the Field's Point Resiliency Improvements
9 project. This involved working closely with NBC's engineering staff to provide project detail such
10 as costs, schedules, location, environmental impacts, and confirmation of compliance with federal
11 and state law. I have also worked closely with the environmental and technical staff at USEPA to
12 provide them with supplemental information.

13

14 **Q. Would you please describe the Field's Point Resiliency Improvements project that is to be**
15 **funded through this loan?**

16 A. Yes. The NBC has identified seven projects that primarily address resiliency concerns. These
17 projects have been grouped into the Field's Point Resiliency Improvements project. The
18 estimated cost for these projects is \$103.9 million, excluding the WIFIA market condition
19 contingency, and the project descriptions and estimated costs are provided in the following table.

PROJECT NAME	COST (M\$)	PROJECT DESCRIPTION
FPWWTF Maintenance and Storage Buildings	\$26.4	Replacement of the maintenance and storage buildings that are beyond their useful life.
FPWWTF Improvements	\$21.3	Improvements and upgrades to the Field's Point Treatment facility including the disinfection and dechlorination systems, the odor control unit at the Gravity Thickener Building, and construction of three new Variable Frequency Drives (VFDs) for the return activated sludge pumps and other items.
FPWWTF Electrical Improvements	\$10.3	Evaluation of critical electrical and control systems and standby power along with the implementation of the recommended solution.
Lincoln Septage Receiving Station Replacement	\$6.5	Replacement of the existing 30-year-old facility that is beyond its useful life and will employ modern technology.
Cybersecurity Improvements	\$1.2	Addresses cybersecurity risks that may adversely impact NBC's ability to continuously operate and maintain its facilities.
FPWWTF Ernest Street Pump Station Improvements	\$37.2	Improvements to NBC's largest and most critical pump station adjacent to Field's Point. Identified improvements include replacement of large diameter valves, gates, actuators, flow meters, pumps, VFDs, instrumentation and control units, influent screening, motor control centers, motor protectors, electrical power systems and a new standby power generator. In addition, the building requires modifications to the roofing system, air handling units and other infrastructure.
NBC Solar Carport	\$1.1	Installation of a solar carport on the Field's Point campus which will serve as an additional renewable energy source to help NBC achieve its goal of 100% renewable energy resources for the NBC.
Financing Costs	\$2.2	
Market Condition Contingency	\$7.1	Additional contingency added in consideration of inflationary pressures on project costs
	Total Uses	\$113.3

1

2

3 **Q. Does this conclude your testimony?**

4 **A. Yes.**

1 **NARRAGANSETT BAY COMMISSION**

2 **PRE-FILED DIRECT TESTIMONY**

3 **OF KAREN S. D. GRANDE**

4

5 **Q. Please state your name.**

6 A. My name is Karen S. D. Grande, my business address is Locke Lord LLP, 2800 Financial Plaza,
7 Providence, Rhode Island 02903.

8

9 **Q. Could you please describe your education and employment background?**

10 A. I have a bachelor's degree from Syracuse University and a juris doctor from Suffolk University Law
11 School. I am a partner in the law firm of Locke Lord LLP and joined the firm in 2006. I have focused
12 my practice in the area of public finance. When I joined the firm, the name was Edwards Angell
13 Palmer & Dodge LLP. In 2011, the firm merged and became Edwards Wildman Palmer LLP. Finally,
14 in 2015 the firm merged into Lock Lord LLP and that name was assumed. I began my law practice
15 with Tillinghast Licht in 1987 where I became partner in 1994. I have served as bond counsel to
16 23 of Rhode Island's 39 cities and towns, as well as many state and municipal agencies, which
17 finance public projects, including public water supply and wastewater projects.

18

19 **Q. Do you hold any special licenses or certifications?**

20 A. I am licensed to practice law in Rhode Island and Massachusetts. Although I have focused my
21 practice in the area of public finance, neither the State of Rhode Island nor the Commonwealth
22 of Massachusetts has a procedure for certification of specialization. I am a member of the Rhode
23 Island Bar Association, a Rhode Island Bar Foundation Fellow and an associate member of the
24 Rhode Island Government Finance Officers Association. I am also a member of the National
25 Association of Bond Lawyers and the sole Rhode Island fellow of the American College of Bond
26 Counsel.

27

28

1 **Q. What is your relationship with the Narragansett Bay Commission (NBC)?**

2 A. I have served as bond counsel to the NBC for many years. In this capacity, I have assisted the NBC
3 with the issuance of several user fee anticipation notes, revenue notes, loans from the Rhode
4 Island Infrastructure Bank (RIIB) formerly known as the Rhode Island Clean Water Finance Agency,
5 loan from the United States Environmental Protection Agency through the Water Infrastructure
6 Finance and Innovation Act (WIFIA) program and revenue bonds.

7

8 **Q. Have you testified previously before the Division?**

9 A. I have appeared before the Division in connection with filings for the Kent County Water
10 Authority, the Pawtucket Water Supply Board, the Providence Water Supply Board and the NBC.

11

12 **Q. What is the purpose of your testimony?**

13 A. To provide information related to the NBC's request for Division approval to borrow an original
14 principal amount not to exceed \$60,000,000 from the United States Environmental Protection
15 Agency (EPA) for the purpose of financing the design and construction of the Field's Point
16 Resiliency Improvements and to issue revenue bonds evidencing the loan.

17

18 **Q. From a legal framework perspective, how does this loan compare to NBC's other revenue bonds
19 and borrowings through RIIB?**

20 A. The loan will be secured as a revenue pledge as senior debt, with the same security as NBC's other
21 revenue bonds. NBC is working with EPA to finalize the loan agreement as well as the terms and
22 conditions. NBC and EPA plan to use a loan agreement that is similar to the document used to
23 execute NBC's first two loans from EPA for the financing of the CSO Phase III A Facilities in August
24 2019 and the the Bucklin Point Resiliency Improvements in 2020. The 2020 loan agreement is
25 provided as Exhibit KSDG-1. The bond covenants will parallel those set forth in NBC's Indenture.
26 NBC will also execute a supplemental indenture as part of this transaction.

27

28 **Q. Did the NBC's Board of Commissioners (Board) authorize this borrowing from EPA?**

29 A. Yes. The Board approved the Authorizing Resolution at their March 1, 2022 meeting.

1 Q. Does this conclude your testimony?

2 A. Yes.

**UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY**

WIFIA LOAN AGREEMENT

For an Original Principal Amount of Up to \$190,633,824

With

NARRAGANSETT BAY COMMISSION

For the

**BUCKLIN POINT RESILIENCY IMPROVEMENTS PROJECT
(WIFIA – N19120RI)**

Dated as of October 26, 2020

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DEFINITIONS AND INTERPRETATION	2
Section 1. Definitions	2
Section 2. Interpretation.....	14
ARTICLE II THE WIFIA LOAN.....	15
Section 3. WIFIA Loan Amount.....	15
Section 4. Disbursement Conditions.....	15
Section 5. Term.....	16
Section 6. Interest Rate	17
Section 7. Security and Priority; Flow of Funds.....	17
Section 8. Payment of Principal and Interest.....	17
Section 9. Prepayment	20
Section 10. Fees and Expenses	21
ARTICLE III CONDITIONS PRECEDENT	22
Section 11. Conditions Precedent	22
ARTICLE IV REPRESENTATIONS AND WARRANTIES	28
Section 12. Representations and Warranties of Borrower	28
Section 13. Representations and Warranties of WIFIA Lender.....	34
ARTICLE V COVENANTS	34
Section 14. Affirmative Covenants.....	34
Section 15. Negative Covenants	38
Section 16. Reporting Requirements	41
ARTICLE VI EVENTS OF DEFAULT.....	45
Section 17. Events of Default and Remedies.....	45
ARTICLE VII MISCELLANEOUS	49
Section 18. Disclaimer of Warranty.....	49
Section 19. No Personal Recourse.....	49
Section 20. No Third Party Rights.....	49
Section 21. Borrower's Authorized Representative.....	49
Section 22. WIFIA Lender's Authorized Representative	49
Section 23. Servicer	49
Section 24. Amendments and Waivers	50
Section 25. Governing Law	50
Section 26. Severability	50
Section 27. Successors and Assigns	50
Section 28. Remedies Not Exclusive.....	50
Section 29. Delay or Omission Not Waiver.....	50
Section 30. Counterparts.....	50
Section 31. Notices	51
Section 32. Indemnification.....	51
Section 33. Sale of WIFIA Loan	52
Section 34. Effectiveness.....	53
Section 35. Termination.....	53
Section 36. Integration.....	53

SCHEDULE I – Project Definition

SCHEDULE II – Project Budget

SCHEDULE III – Construction Schedule

SCHEDULE IV – Existing Indebtedness

SCHEDULE V – WIFIA Payment Instructions

SCHEDULE VI – Flow of Funds

SCHEDULE VII – Flow of Funds Following Default

SCHEDULE VIII – Rate Covenant

SCHEDULE IX – Additional Bonds Test

SCHEDULE 12(f) – Litigation

SCHEDULE 12(n) – Principal Project Contracts

SCHEDULE 12(r) – Environmental Matters

EXHIBIT A – Form of WIFIA Bond

EXHIBIT B – Anticipated WIFIA Loan Disbursement Schedule

EXHIBIT C – Certification Regarding Debarment, Suspension and other Responsibility Matters

EXHIBIT D – Requisition Procedures

EXHIBIT E – Compliance With Laws

EXHIBIT F – WIFIA Debt Service

EXHIBIT G-1 – Opinions Required from Counsel to Borrower

EXHIBIT G-2 – Opinions Required from Bond Counsel

EXHIBIT H – Form of Certificate of Trustee

EXHIBIT I – Form of Borrower’s Officer’s Certificate

EXHIBIT J – Form of Certificate of Substantial Completion

EXHIBIT K – Form of Quarterly Report

EXHIBIT L – Form of Public Benefits Report

EXHIBIT M – Form of Non-Lobbying Certificate

WIFIA LOAN AGREEMENT

THIS WIFIA LOAN AGREEMENT (this “**Agreement**”), dated as of October 26, 2020, is by and between **NARRAGANSETT BAY COMMISSION**, a public corporation organized and existing under the laws of the State of Rhode Island (the “**State**”), with an address at One Service Road, Providence, RI 02905 (the “**Borrower**” or the “**Commission**”), and the **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “**Administrator**”), with an address at 1200 Pennsylvania Avenue NW, Washington, DC 20460 (the “**WIFIA Lender**”).

RECITALS:

WHEREAS, the Congress of the United States of America enacted the Water Infrastructure Finance and Innovation Act, as amended by Section 1445 of the Fixing America’s Surface Transportation Act of 2015, as further amended by Section 5008 of the Water Infrastructure Improvements For the Nation Act of 2016, as further amended by Section 4201 of America’s Water Infrastructure Act of 2018 (collectively, as the same may be amended from time to time, the “**Act**” or “**WIFIA**”), which is codified as 33 U.S.C. §§ 3901–3914;

WHEREAS, the Act authorizes the WIFIA Lender to enter into agreements to provide financial assistance with one or more eligible entities to make secured loans with appropriate security features to finance a portion of the eligible costs of projects eligible for assistance;

WHEREAS, the Borrower has requested that the WIFIA Lender make the WIFIA Loan (as defined herein) in an original principal amount not to exceed \$190,633,824 (excluding interest that is compounded and capitalized in accordance with the terms hereof) to be used to pay a portion of the Eligible Project Costs (as defined herein) related to the Project (as defined herein) pursuant to the application for WIFIA financial assistance dated May 13, 2020 and amended on August 17, 2020 (as amended, the “**Application**”);

WHEREAS, as of the date hereof, the Administrator has approved WIFIA financial assistance for the Project to be provided in the form of the WIFIA Loan, subject to the terms and conditions contained herein;

WHEREAS, based on the Application and the representations, warranties and covenants set forth herein, the WIFIA Lender proposes to make funding available to the Borrower through the purchase of the WIFIA Bond (as defined herein), upon the terms and conditions set forth herein;

WHEREAS, the Borrower agrees to repay any amount due pursuant to this Agreement and the WIFIA Bond in accordance with the terms and provisions hereof and of the WIFIA Bond; and

WHEREAS, the WIFIA Lender has entered into this Agreement in reliance upon, among other things, the information and representations of the Borrower set forth in the Application and the supporting information provided by the Borrower.

NOW, THEREFORE, the premises being as stated above, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged to be adequate, and intending to be legally bound hereby, it is hereby mutually agreed by and between the Borrower and the WIFIA Lender as follows:

ARTICLE I DEFINITIONS AND INTERPRETATION

Section 1. Definitions.

Unless the context otherwise requires, capitalized terms used in this Agreement shall have the meanings set forth below in this Section 1 (*Definitions*) or as otherwise defined in this Agreement. Any term used in this Agreement that is defined by reference to any other agreement shall continue to have the meaning specified in such agreement (as amended from time to time), whether or not such agreement remains in effect.

“**Act**” means the Act as defined in the recitals hereto.

“**Additional Principal Project Contracts**” means (a) any contract, agreement, letter of intent, understanding or instrument listed in Part B of **Schedule 12(n)** (*Principal Project Contracts*) and (b) any other contract, agreement, letter of intent, understanding or instrument entered into by (or on behalf of) the Borrower after the Effective Date with respect to the Project, in the case of this clause (b), (i) pursuant to which the Borrower has payment obligations in excess of \$50,000,000 in the aggregate or (ii) the termination of which could reasonably be expected to have a Material Adverse Effect, but excluding, in the case of this clause (b), any (A) insurance policies, (B) Governmental Approvals and (C) agreements, documents and instruments (1) providing for, governing or evidencing any Permitted Debt and any related Permitted Lien for such Permitted Debt or (2) entered into to consummate any Permitted Investment.

“**Additional Security**” has the meaning set forth in Section 208 (*Additional Security*) of the Indenture.

“**Additional Senior Obligations**” means any Senior Obligations permitted under Section 15(a) (*Negative Covenants – Indebtedness*) and under the Indenture, which Senior Obligations are issued or incurred after the Effective Date.

“**Additional Subordinated Obligations**” means any Subordinated Obligations permitted under Section 15(a) (*Negative Covenants – Indebtedness*) and under the Indenture, which Subordinated Obligations are issued or incurred after the Effective Date.

“**Administrator**” has the meaning provided in the preamble hereto.

“**Agency Bonds**” has the meaning set forth in the Indenture.

“**Agreement**” has the meaning provided in the preamble hereto.

“Anticipated WIFIA Loan Disbursement Schedule” means the schedule set forth in **Exhibit B** (*Anticipated WIFIA Loan Disbursement Schedule*), reflecting the anticipated disbursement of proceeds of the WIFIA Loan, as such schedule may be amended from time to time pursuant to Section 4(c) (*Disbursement Conditions*).

“Application” has the meaning provided in the recitals hereto.

“Bank Secrecy Act” means the Bank Secrecy Act of 1970, as amended, and the regulations promulgated thereunder.

“Bankruptcy Related Event” means, with respect to the Borrower, (a) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any of its debts, or of a substantial part of the assets thereof, under any Insolvency Laws, or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Borrower or for a substantial part of the assets thereof and, in any case referred to in the foregoing subclauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; (b) the Borrower shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official therefor or for a substantial part of the assets thereof, (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or become unable to pay its debts generally as they become due, (iii) fail to make a payment of WIFIA Debt Service in accordance with the provisions of Section 8 (*Payment of Principal and Interest*) and such failure is not cured within thirty (30) days following notification by the WIFIA Lender of failure to make such payment, (iv) make a general assignment for the benefit of creditors, (v) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (a) of this definition, (vi) commence a voluntary proceeding under any Insolvency Law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief, in each case under any Insolvency Law, (vii) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing subclauses (i) through (v), inclusive, of this clause (b), or (viii) take any action for the purpose of effecting any of the foregoing, including seeking approval or legislative enactment by any Governmental Authority to authorize commencement of a voluntary proceeding under any Insolvency Law; (c) (i) any Person shall commence a process pursuant to which all or a substantial part of the Pledged Collateral may be sold or otherwise disposed of in a public or private sale or disposition pursuant to a foreclosure of the Liens thereon securing the Senior Obligations, or (ii) any Person shall commence a process pursuant to which all or a substantial part of the Pledged Collateral may be sold or otherwise disposed of pursuant to a sale or disposition of such Pledged Collateral in lieu of foreclosure; or (d) any receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official shall transfer, pursuant to directions issued by the Bondholders, funds on deposit in any of the System Accounts upon the occurrence and during the continuation of an Event of Default under this Agreement or an event of default under the Related Documents for application to the prepayment or repayment of any principal amount of the Senior Obligations other than in accordance with the provisions of the Indenture.

“**Base Case Financial Model**” means a financial model prepared by the Borrower forecasting the capital costs of the System (including the Project) and the rates, revenues, operating expenses and major maintenance requirements of the System for time periods through the Final Maturity Date and based upon assumptions and methodology provided by the Borrower and acceptable to the WIFIA Lender as of the Effective Date, which model shall be provided to the WIFIA Lender as a fully functional Microsoft Excel – based financial model or such other format requested by the WIFIA Lender.

“**Bond**” has the meaning set forth in the Indenture.

“**Bondholder**” or “**Holder**” has the meaning set forth in the Indenture.

“**Borrower**” has the meaning provided in the preamble hereto.

“**Borrower Fiscal Year**” means (a) as of the Effective Date, a fiscal year of the Borrower commencing on July 1 of any calendar year and ending on June 30 of the immediately succeeding calendar year or (b) such other fiscal year as the Borrower may hereafter adopt.

“**Borrower’s Authorized Representative**” means any Person who shall be designated as such pursuant to Section 21 (*Borrower’s Authorized Representative*).

“**Business Day**” means any day other than a Saturday, a Sunday or any other day on which offices of the Government are authorized to be closed or on which any Fiduciary (as defined in the Indenture) is authorized or required by law to be closed for business.

“**Capitalized Interest Period**” means the period from (and including) the Effective Date to (but excluding) the first day of the initial Payment Period, subject to earlier termination as set forth in Section 8(b) (*Payment of Principal and Interest – Capitalized Interest Period*).

“**Congress**” means the Congress of the United States of America.

“**Construction Period**” means the period from the Effective Date through the Substantial Completion Date.

“**Construction Period Servicing Fee**” has the meaning provided in Section 10(a)(ii) (*Fees and Expenses – Fees*).

“**Construction Schedule**” means (a) the initial schedule or schedules on which the construction timetables for the Project are set forth, attached as **Schedule III** (*Construction Schedule*), and (b) any updates thereto included in the periodic reports submitted to the WIFIA Lender pursuant to Section 16(d) (*Reporting Requirements – Construction Reporting*) most recently approved by the WIFIA Lender.

“**Control**” means, when used with respect to any particular Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or partnership or other ownership interests, by contract or otherwise, and the terms “**Controlling**” and “**Controlled by**” have meanings correlative to the foregoing.

“**CPI**” means the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84=100 (not seasonally adjusted) or its successor, published by the Bureau of Labor Statistics and located at <https://www.bls.gov/news.release/cpi.t01.htm>.

“**Debt Service Payment Commencement Date**” means the earliest to occur of either (a) September 1, 2031; or (b) if the Capitalized Interest Period ends pursuant to Section 8(b) (*Payment of Principal and Interest – Capitalized Interest Period*) due to the occurrence of an Event of Default, the first Payment Date immediately following the end of the Capitalized Interest Period; or (c) the Payment Date falling closest to, but not later than, the fifth anniversary of the Substantial Completion Date.

“**Debt Service Requirement**” has the meaning set forth in the Indenture.

“**Default**” means any event or condition that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“**Default Rate**” means an interest rate equal to the sum of (a) the WIFIA Interest Rate plus (b) 200 basis points.

“**Development Default**” means (a) the Borrower abandons work or fails, in the reasonable judgment of the WIFIA Lender, to diligently prosecute the work related to the Project or (b) the Borrower fails to achieve Substantial Completion of the Project within twenty-four (24) months following the Projected Substantial Completion Date, unless delayed due to Uncontrollable Force that is not due to the fault of the Borrower (and which the Borrower could not reasonably have avoided or mitigated).

“**Dollars**” and “**\$**” means the lawful currency of the United States of America.

“**DPUC Order**” means order no. 23906 issued by the Rhode Island Division of Public Utilities and Carriers on September 25, 2020 pursuant to Rhode Island General Laws Section 39-3-15 for the approval of the issuance of the WIFIA Bond.

“**Effective Date**” means the date of this Agreement.

“**Eligible Project Costs**” means amounts in the Project Budget approved by the WIFIA Lender, which are paid by or for the account of the Borrower in connection with the Project (including, as applicable, Project expenditures incurred prior to the receipt of WIFIA credit assistance), which shall arise from the following:

- (a) development-phase activities, including planning, feasibility analysis (including any related analysis necessary to carry out an eligible project), revenue forecasting, environmental review, permitting, preliminary engineering and design work and other preconstruction activities;
- (b) construction, reconstruction, rehabilitation, and replacement activities;
- (c) the acquisition of real property or an interest in real property (including water rights, land relating to the Project and improvements to land), environmental

mitigation (including acquisitions pursuant to Section 3905(8) of Title 33 of the United States Code), construction contingencies, and acquisition of equipment; or

(d) capitalized interest (with respect to Obligations other than the WIFIA Loan) necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction;

provided, that Eligible Project Costs must be consistent with all other applicable federal law, including the Act.

“**EMMA**” means the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b) of the Securities Exchange Act of 1934, as amended, and its successors.

“**Eligible Project Costs Documentation**” has the meaning provided in Section 1 of **Exhibit D** (*Requisition Procedures*).

“**Environmental Laws**” has the meaning provided in Section 12(r) (*Representations and Warranties of Borrower – Environmental Matters*).

“**EPA**” means the United States Environmental Protection Agency.

“**Event of Default**” has the meaning provided in Section 17 (*Events of Default and Remedies*).

“**Event of Loss**” means any event or series of events that causes any portion of the System to be damaged, destroyed or rendered unfit for normal use for any reason whatsoever, including through a casualty, a failure of title, or any loss of such property through eminent domain.

“**Existing Indebtedness**” means the indebtedness of the Borrower that has been issued or incurred prior to the Effective Date and remains Outstanding and is listed and described in **Schedule IV** (*Existing Indebtedness*).

“**Existing Principal Project Contract**” means each contract of the Borrower set forth in Part A of **Schedule 12(n)** (*Principal Project Contracts*).

“**Existing WIFIA Documents**” means the WIFIA Loan Agreement (WIFIA – N18132RI) dated October 26, 2020, between the Borrower and the WIFIA Lender, and the WIFIA Bond (2020 Series B Bond) issued in connection therewith.

“**Federal Fiscal Year**” means the fiscal year of the Government, which is the twelve (12) month period that ends on September 30 of the specified calendar year and begins on October 1 of the preceding calendar year.

“**Final Disbursement Date**” means the earliest of (a) the date on which the WIFIA Loan has been disbursed in full; (b) the last anticipated date of disbursement set forth in the then-

current Anticipated WIFIA Loan Disbursement Schedule; (c) the date on which the Borrower has certified to the WIFIA Lender that it will not request any further disbursements under the WIFIA Loan; (d) the date on which the WIFIA Lender terminates its obligations relating to disbursements of any undisbursed amounts of the WIFIA Loan in accordance with Section 17 (*Events of Default and Remedies*); and (e) the date that is one (1) year after the Substantial Completion Date.

“**Final Maturity Date**” means the earlier of (a) September 1, 2059 (or such earlier date as is set forth in an updated **Exhibit F** (*WIFIA Debt Service*) pursuant to Section 8(g) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*)); and (b) the Payment Date immediately preceding the date that is thirty-five (35) years following the Substantial Completion Date.

“**Financial Statements**” has the meaning provided in Section 12(v) (*Representations and Warranties of Borrower – Financial Statements*).

“**GAAP**” means generally accepted accounting principles for governmental entities, as established by GASB, in effect from time to time in the United States of America.

“**GASB**” means the Government Accounting Standards Board, or any successor entity with responsibility for establishing accounting rules for governmental entities.

“**Government**” means the United States of America and its departments and agencies.

“**Governmental Approvals**” means all authorizations, consents, approvals, waivers, exceptions, variances, filings, permits, orders, licenses, exemptions and declarations of or with any Governmental Authority.

“**Governmental Authority**” means any federal, state, provincial, county, city, town, village, municipal or other government or governmental department, commission, council, court, board, bureau, agency, authority or instrumentality (whether executive, legislative, judicial, administrative or regulatory), of or within the United States of America or its territories or possessions, including the State and its counties and municipalities, and their respective courts, agencies, instrumentalities and regulatory bodies, or any entity that acts “on behalf of” any of the foregoing, whether as an agency or authority of such body.

“**Indemnitee**” has the meaning provided in Section 32 (*Indemnification*).

“**Indenture**” means that certain Trust Indenture, dated as of April 15, 2004, between the Borrower and the Trustee, as amended or supplemented.

“**Indenture Documents**” means the Indenture, each Supplemental Indenture (including the WIFIA Supplemental Indenture), documentation related to any Additional Security, Qualified Swap Agreements and each other agreement, instrument and document executed and delivered pursuant to or in connection with any of the foregoing.

“Insolvency Laws” means the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, as from time to time amended and in effect, and any state bankruptcy, insolvency, receivership, conservatorship or similar law now or hereafter in effect.

“Interest Payment Date” means each March 1 and September 1, commencing on the Debt Service Payment Commencement Date.

“Investment Grade Rating” means a public rating no lower than ‘BBB-’, ‘Baa3’, ‘BBB (low)’, or higher, from a Nationally Recognized Rating Agency.

“Lien” means any mortgage, pledge, hypothecation, assignment, mandatory deposit arrangement, encumbrance, attachment, lien (statutory or other), charge or other security interest, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including any sale-leaseback arrangement, any conditional sale or other title retention agreement, any financing lease having substantially the same effect as any of the foregoing, and the filing of any financing statement or similar instrument under the UCC or any other applicable law.

“Loan Amortization Schedule” means the Loan Amortization Schedule reflected in the applicable column of **Exhibit F** (*WIFIA Debt Service*), as amended from time to time in accordance with Section 8(g) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*).

“Material Adverse Effect” means (a) a change in, or effect on (i) the System, the Project or the Revenues or (ii) the business, operations, properties, condition (financial or otherwise) or prospects of the Borrower, which would, in either case, adversely affect the Borrower’s ability to pay its Obligations when due; or (b) a material adverse effect on (i) the legality, validity or enforceability of any material provision of any Indenture Document or WIFIA Loan Document, (ii) the ability of the Borrower to enter into, perform or comply with any of its material obligations under any Related Document, (iii) the validity, enforceability or priority of the Liens provided under the Indenture Documents on the Pledged Collateral in favor of the Secured Parties or (iv) the WIFIA Lender’s rights or remedies available under any WIFIA Loan Document.

“Nationally Recognized Rating Agency” means any nationally recognized statistical rating organization identified as such by the Securities and Exchange Commission.

“NEPA” means the National Environmental Policy Act of 1969, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time.

“NEPA Determination” means the Finding of No Significant Impact for the Project issued by EPA on October 20, 2020 in accordance with NEPA.

“Net Revenues” has the meaning set forth in the Indenture.

“Non-Lobbying Certificate” means a certificate, signed by the Borrower’s Authorized Representative, with respect to the prohibition on the use of appropriated funds for lobbying

pursuant to 49 C.F.R. § 20.100(b), substantially in the form attached hereto as **Exhibit M** (*Form of Non-Lobbying Certificate*).

“**Obligations**” means debt of the Borrower that is secured by a pledge and lien on all or a portion of the Revenues, including the Senior Obligations and Subordinated Obligations.

“**OFAC**” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“**Operating Period Servicing Fee**” has the meaning provided in Section 10(a)(iii) (*Fees and Expenses – Fees*).

“**Operating Expenses**” has the meaning set forth in the Indenture.

“**Organizational Documents**” means: (a) the constitutional and statutory provisions that are the basis for the existence and authority of the Borrower, including any enabling statutes, ordinances or public charters and any other organic laws establishing the Borrower and (b) the resolutions, bylaws, code of regulations, operating procedures or other organizational documents of or adopted by the Borrower by which the Borrower, its powers, operations or procedures or its securities, bonds, notes or other obligations are governed or from which such powers are derived.

“**Outstanding**” has the meaning set forth in the Indenture.

“**Outstanding WIFIA Loan Balance**” means the sum of (i) the aggregate principal amount of the WIFIA Loan drawn by the Borrower plus (ii) compounded and capitalized interest added to the principal balance of the WIFIA Loan minus (iii) the aggregate principal amount of the WIFIA Loan repaid by the Borrower, as determined in accordance with Section 8(g) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*).

“**Patriot Act**” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended, and all regulations promulgated thereunder.

“**Payment Date**” means each Interest Payment Date and each Principal Payment Date.

“**Payment Default**” has the meaning provided in Section 17(a)(i) (*Events of Default and Remedies – Payment Default*).

“**Payment Period**” means the six (6) month period beginning on March 1, 2031 and ending on August 31, 2031, and each succeeding six (6) month period thereafter; provided, however, that if the Debt Service Payment Commencement Date occurs earlier than September 1, 2031, the first Payment Period shall be the six (6) month period ending on the date immediately prior to the Debt Service Payment Commencement Date.

“**Permitted Debt**” means:

- (a) Existing Indebtedness;

- (b) the WIFIA Loan;
- (c) Additional Senior Obligations;
- (d) Additional Subordinated Obligations; and
- (e) any other Obligations permitted by the Indenture.

“**Permitted Investments**” has the meaning set forth in the Indenture.

“**Permitted Liens**” means:

- (a) Liens imposed pursuant to the WIFIA Loan Documents;
- (b) Liens imposed by law, including Liens for taxes that are not yet due or are being contested in compliance with Section 14(i) (*Affirmative Covenants – Material Obligations*);
- (c) carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than thirty (30) days or are being contested in compliance with Section 14(i) (*Affirmative Covenants – Material Obligations*);
- (d) pledges and deposits made in the ordinary course of business in compliance with workers’ compensation, unemployment insurance, and other social security laws or regulations;
- (e) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;
- (f) judgment Liens in respect of judgments that do not constitute an Event of Default under Section 17(a)(vi) (*Events of Default and Remedies – Material Adverse Judgment*); and
- (g) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that, in any case, do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Borrower.

“**Person**” means and includes an individual, a general or limited partnership, a joint venture, a corporation, a limited liability company, a trust, an unincorporated organization and any Governmental Authority.

“**Pledged Collateral**” has the meaning assigned to the term “Trust Estate,” as set forth in the Indenture.

“**Principal Payment Date**” means each September 1, commencing on September 1, 2045.

“**Principal Project Contracts**” means the Existing Principal Project Contracts and the Additional Principal Project Contracts.

“**Principal Project Party**” means any Person (other than the Borrower) party to a Principal Project Contract.

“**Project**” means the Bucklin Point Resiliency Improvements Project, consisting of Element A (Bucklin Point Wastewater Treatment Facility Upgrades) and Element B (CSO Phase III Overflow Project in Bucklin Point Service Area), as further described in **Schedule I** (*Project Definition*).

“**Project Budget**” means the budget for the Project attached to this Agreement as **Schedule II** (*Project Budget*) showing a summary of Total Project Costs with a breakdown of all Eligible Project Costs and the estimated sources and uses of funds for the Project.

“**Projected Substantial Completion Date**” means January 31, 2027, as such date may be adjusted in accordance with Section 16(d) (*Reporting Requirements – Construction Reporting*).

“**Public Benefits Report**” has the meaning provided in Section 16(e) (*Reporting Requirements – Public Benefits Report*).

“**Qualified Swap Agreement**” has the meaning set forth in the Indenture.

“**Qualified Swap Payments**” has the meaning set forth in the Indenture.

“**Rate Covenant**” has the meaning provided in Section 14(a) (*Affirmative Covenants – Rate Covenant*).

“**Reimbursement Obligations**” has the meaning set forth in the Indenture.

“**Related Documents**” means the Indenture Documents, this Agreement, the WIFIA Bond, the Existing WIFIA Documents, and the Principal Project Contracts.

“**Requisition**” has the meaning provided in Section 4(a) (*Disbursement Conditions*).

“**Reserved Revenues**” has the meaning set forth in the Indenture.

“**Revenue Fund**” has the meaning set forth in the Indenture.

“**Revenues**” has the meaning set forth in the Indenture.

“**Secured Obligations**” means the Senior Obligations, Subordinated Obligations, Reimbursement Obligations, Qualified Swap Payments and any payments due from the Borrower or the Trustee on behalf of the Borrower, as a cost, expense or fee under the Qualified Swap Agreement, including, but not limited to, any swap termination payment or indemnification of the counterparty to a Qualified Swap Agreement; provided that (a) in the case

of Qualified Swap Payments or other obligations of the Borrower or Trustee under a Qualified Swap Agreement, only to the extent the Borrower's obligations under the Qualified Swap Agreement are secured by the Pledged Collateral pursuant to the Indenture Documents, and (b) in the case of Reimbursement Obligations, only to the extent the Borrower's Reimbursement Obligations are secured by the Pledged Collateral pursuant to the Indenture Documents.

"Secured Parties" means the Trustee, the WIFIA Lender, other Bondholders, each Counterparty (as defined in the Indenture), and each provider of any Additional Security; provided that (a) in the case of a Counterparty, only to the extent the Borrower's obligations in respect of Qualified Swap Payments to the Counterparty are secured by the Pledged Collateral pursuant to the Indenture Documents, and (b) in the case of a provider of Additional Security, only to the extent the Borrower's Reimbursement Obligations to such provider are secured by the Pledged Collateral pursuant to the Indenture Documents.

"Senior Obligations" means (a) Bonds (as defined in the Indenture) other than Subordinated Obligations and (b) any other obligations secured and permitted to be secured under the Indenture by a senior Lien on the Pledged Collateral.

"Servicer" means such entity or entities as the WIFIA Lender shall designate from time to time to perform, or assist the WIFIA Lender in performing, certain duties hereunder.

"Servicing Fee" means the Servicing Set-Up Fee and any Construction Period Servicing Fee or Operating Period Servicing Fee.

"Servicing Set-Up Fee" has the meaning provided in Section 10(a)(i) (*Fees and Expenses – Fees*).

"State" has the meaning provided in the preamble hereto.

"Subordinated Obligations" means Subordinated Bonds, as defined in the Indenture.

"Substantial Completion" means, with respect to the Project, the stage at which the Project is able to perform the functions for which the Project is designed.

"Substantial Completion Date" means the date on which the Borrower certifies to the WIFIA Lender, with evidence satisfactory to the WIFIA Lender, that Substantial Completion has occurred.

"Supplemental Indenture" has the meaning set forth in the Indenture and includes the WIFIA Supplemental Indenture.

"System" has the meaning set forth in the Indenture.

"System Accounts" means those funds and accounts established pursuant to Section 502 (*Establishment of Funds and Accounts*) of the Indenture.

"Total Project Costs" means (a) the costs paid or incurred or to be paid or incurred by the Borrower in connection with or incidental to the acquisition, design, construction and

equipping of the Project, including legal, administrative, engineering, planning, design, insurance and financing (including costs of issuance); (b) amounts, if any, required by the Indenture Documents or the WIFIA Loan Documents to be paid into any fund or account upon the incurrence of the WIFIA Loan, any Senior Obligations, or any Subordinated Obligations, in each case in respect of the Project; (c) payments when due (whether at the maturity of principal, the due date of interest, or upon optional or mandatory prepayment) during the Construction Period in respect of any indebtedness of the Borrower or any Additional Security maintained by the Borrower, in each case in connection with the Project (other than the WIFIA Loan); and (d) costs of equipment and supplies and initial working capital and reserves required by the Borrower for the commencement of operation of the Project, including general administrative expenses and overhead of the Borrower.

“**Trustee**” has the meaning set forth in the Indenture.

“**Uncontrollable Force**” means any cause beyond the control of the Borrower, including: (a) a hurricane, tornado, flood or similar occurrence, landslide, earthquake, fire or other casualty, strike or labor disturbance, freight embargo, act of a public enemy, explosion, war, blockade, terrorist act, insurrection, riot, general arrest or restraint of government and people, civil disturbance or similar occurrence, sabotage, or act of God (provided, that the Borrower shall not be required to settle any strike or labor disturbance in which it may be involved) or (b) the order or judgment of any federal, state or local court, administrative agency or governmental officer or body, if it is not also the result of willful or negligent action or a lack of reasonable diligence of the Borrower and the Borrower does not control the administrative agency or governmental officer or body; provided, that the diligent contest in good faith of any such order or judgment shall not constitute or be construed as a willful or negligent action or a lack of reasonable diligence of the Borrower.

“**Uniform Commercial Code**” or “**UCC**” means the Uniform Commercial Code, as in effect from time to time in the State.

“**WIFIA**” has the meaning provided in the recitals hereto.

“**WIFIA Bond**” means the 2020 Series C Bond (as defined in the WIFIA Supplemental Indenture) delivered by the Borrower in substantially the form of **Exhibit A** (*Form of WIFIA Bond*).

“**WIFIA Debt Service**” means with respect to any Payment Date occurring on or after the Debt Service Payment Commencement Date, the principal portion of the Outstanding WIFIA Loan Balance and any interest payable thereon (including interest accruing after the date of any filing by the Borrower of any petition in bankruptcy or the commencement of any bankruptcy, insolvency or similar proceeding with respect to the Borrower), in each case, (a) as set forth on **Exhibit F** (*WIFIA Debt Service*) and (b) due and payable on such Payment Date in accordance with the provisions of Section 8(c) (*Payment of Principal and Interest – Payment of WIFIA Debt Service*).

“**WIFIA Debt Service Account**” means the debt service account established for the benefit of the WIFIA Lender in accordance with the terms of the Indenture and the WIFIA Supplemental Indenture.

“**WIFIA Interest Rate**” has the meaning provided in Section 6 (*Interest Rate*).

“**WIFIA Lender**” has the meaning provided in the preamble hereto.

“**WIFIA Lender’s Authorized Representative**” means the Administrator and any other Person who shall be designated as such pursuant to Section 22 (*WIFIA Lender’s Authorized Representative*).

“**WIFIA Loan**” means the secured loan made by the WIFIA Lender to the Borrower on the terms and conditions set forth herein, pursuant to the Act, in an original principal amount not to exceed \$190,633,824 (excluding compounded and capitalized interest), to be used in respect of Eligible Project Costs paid or incurred by the Borrower.

“**WIFIA Loan Documents**” means this Agreement, the WIFIA Bond and the Indenture Documents (excluding documentation related to Additional Security, Qualified Swap Agreements and any Supplemental Indenture other than the WIFIA Supplemental Indenture).

“**WIFIA Supplemental Indenture**” means the Twenty-Ninth Supplemental Indenture, dated October 26, 2020, between the Borrower and the Trustee.

Section 2. Interpretation.

(a) Unless the context shall otherwise require, the words “hereto,” “herein,” “hereof” and other words of similar import refer to this Agreement as a whole.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and vice versa.

(c) Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise require.

(d) The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.”

(e) Whenever the Borrower’s knowledge is implicated in this Agreement or the phrase “to the Borrower’s knowledge” or a similar phrase is used in this Agreement, the Borrower’s knowledge or such phrase(s) shall be interpreted to mean to the best of the Borrower’s actual knowledge. Unless the context shall otherwise require, references to any Person shall be deemed to include such Person’s successors and permitted assigns.

(f) Unless the context shall otherwise require, references to preambles, recitals, Sections, subsections, clauses, schedules, exhibits, appendices and provisions are to the applicable preambles, recitals, Sections, subsections, clauses, schedules, exhibits, appendices and provisions of this Agreement.

(g) The schedules and exhibits to this Agreement, and the appendices and schedules to such exhibits, are hereby incorporated by reference and made an integral part of this Agreement.

(h) The headings or titles of this Agreement and its Sections, schedules or exhibits, as well as any table of contents, are for convenience of reference only and shall not define or limit its provisions.

(i) Unless the context shall otherwise require, all references to any resolution, contract, agreement, lease or other document shall be deemed to include any amendments or supplements to, or modifications or restatements or replacements of, such documents that are approved from time to time in accordance with the terms thereof and hereof.

(j) Every request, order, demand, application, appointment, notice, statement, certificate, consent or similar communication or action hereunder by any party shall, unless otherwise specifically provided, be delivered in writing in accordance with Section 31 (*Notices*) and signed by a duly authorized representative of such party.

(k) References to “disbursements of WIFIA Loan proceeds” or similar phrasing shall be construed as meaning the same thing as “paying the purchase price of the WIFIA Bond”.

(l) Whenever this Agreement requires a change in principal amount, interest rate or amortization schedule of the WIFIA Loan, it is intended that such change be reflected in the WIFIA Bond. Whenever there is a mandatory or optional prepayment of the WIFIA Loan, it is intended that such prepayment be implemented through a prepayment of the WIFIA Bond.

ARTICLE II THE WIFIA LOAN

Section 3. WIFIA Loan Amount. The original principal amount of the WIFIA Loan shall not exceed \$190,633,824 (excluding any interest that is compounded and capitalized in accordance with the terms hereof). WIFIA Loan proceeds available to be drawn shall be disbursed from time to time in accordance with Section 4 (*Disbursement Conditions*) and Section 11(b) (*Conditions Precedent – Conditions Precedent to Disbursements*).

Section 4. Disbursement Conditions.

(a) WIFIA Loan proceeds shall be disbursed solely in respect of Eligible Project Costs paid or incurred and approved for payment by or on behalf of the Borrower in connection with the Project; provided that in respect of Element B (CSO Phase III Overflow Project in Bucklin Point Service Area) of the Project, as such element is described in **Schedule I** (*Project Definition*), (i) the Borrower shall not be entitled to request or receive any disbursement of WIFIA Loan proceeds in respect of Eligible Project Costs for such element until such time as all loan proceeds have been disbursed under the Existing WIFIA Documents and (ii) in no event shall more than \$129,793,462 of WIFIA Loan proceeds in the aggregate be disbursed in respect of Eligible Project Costs for such element. If the Borrower intends to utilize the WIFIA Loan proceeds to make progress payments for Project construction work performed under the Principal

Project Contracts, the Borrower shall demonstrate to the satisfaction of the WIFIA Lender that such progress payments are commensurate with the cost of the work that has been completed. Each disbursement of the WIFIA Loan shall be made pursuant to a requisition and certification (a “**Requisition**”) in the form set forth in **Appendix One** (*Form of Requisition*) to **Exhibit D** (*Requisition Procedures*), along with all documentation and other information required thereby, submitted by the Borrower to, and approved by, the WIFIA Lender, all in accordance with the procedures of **Exhibit D** (*Requisition Procedures*) and subject to the requirements of this Section 4 (*Disbursement Conditions*) and the conditions set forth in Section 11(b) (*Conditions Precedent – Conditions Precedent to Disbursements*); provided, that (x) in no event shall any Eligible Project Costs Documentation submitted in connection with a Requisition include any cost documentation that was submitted in any request for disbursement of loan proceeds under the Existing WIFIA Documents and (y) no disbursements of WIFIA Loan proceeds shall be made after the Final Disbursement Date.

(b) The Borrower shall deliver copies of each Requisition to the WIFIA Lender and the Servicer (if any) on or before the first (1st) Business Day of each month for which a disbursement is requested. If the WIFIA Lender shall expressly approve a Requisition or shall not expressly deny a Requisition, disbursements of funds shall be made on the fifteenth (15th) day of the month for which a disbursement has been requested, or on the next succeeding Business Day if such fifteenth (15th) day is not a Business Day. Express WIFIA Lender approval or denial shall be substantially in the form annexed hereto as **Appendix Two** (*[Approval/Disapproval] of the WIFIA Lender*) to **Exhibit D** (*Requisition Procedures*). In no event shall disbursements be made more than once each month.

(c) At the time of any disbursement, the sum of all prior disbursements of WIFIA Loan proceeds and the disbursement then to be made shall not exceed the cumulative disbursements through the end of the then-current Federal Fiscal Year set forth in the Anticipated WIFIA Loan Disbursement Schedule, as the same may be amended from time to time in accordance with the terms of this Agreement. Subject to this Section 4 (*Disbursement Conditions*), any scheduled disbursement (as reflected in the Anticipated WIFIA Loan Disbursement Schedule) that remains undrawn at the end of any Federal Fiscal Year shall automatically roll forward to be available in the succeeding Federal Fiscal Year up to the last anticipated date of disbursement set forth in the Anticipated WIFIA Loan Disbursement Schedule, having the effect of automatically updating the Anticipated WIFIA Loan Disbursement Schedule without need for the WIFIA Lender’s approval. The Borrower may also amend the Anticipated WIFIA Loan Disbursement Schedule by submitting a revised version thereof to the WIFIA Lender no later than thirty (30) days prior to the proposed effective date of such amendment, together with a detailed explanation of the reasons for such revisions. Such revised Anticipated WIFIA Loan Disbursement Schedule shall become effective upon the WIFIA Lender’s approval thereof, which approval shall be granted or denied in the WIFIA Lender’s sole discretion.

Section 5. Term. The term of the WIFIA Loan shall extend from the Effective Date to the Final Maturity Date or to such earlier date as all amounts due or to become due to the WIFIA Lender hereunder have been irrevocably paid in full in immediately available funds.

Section 6. Interest Rate. The interest rate with respect to the Outstanding WIFIA Loan Balance (the “**WIFIA Interest Rate**”) shall be one and sixty hundredths percent (1.60%) per annum. Interest will accrue and be computed on the Outstanding WIFIA Loan Balance (as well as on any past due interest) from time to time on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months; provided, that, in the event of an Event of Default, the Borrower shall pay interest on the Outstanding WIFIA Loan Balance at the Default Rate, in the case of any Payment Default, from (and including) its due date to (but excluding) the date of actual payment and, in the case of any other Event of Default, from (and including) the date of such occurrence to (but excluding) the earlier of the date on which (x) such Event of Default has been cured (if applicable) in accordance with the terms of this Agreement and (y) the Outstanding WIFIA Loan Balance has been paid in full in cash.

Section 7. Security and Priority; Flow of Funds.

(a) As security for the WIFIA Loan, the Borrower shall pledge, assign and grant to the WIFIA Lender, or shall cause to be pledged, assigned and granted, to the Trustee for the benefit of the WIFIA Lender, Liens on the Pledged Collateral in accordance with the provisions of the Indenture Documents and shall deliver to the WIFIA Lender, as the registered owner or Bondholder, the WIFIA Bond. The WIFIA Loan shall constitute a Bond for purposes of the Indenture, entitled to all of the benefits of a Bond under the Indenture, and shall be secured by the Liens on the Pledged Collateral, which Liens shall at all times be (i) *pari passu* in right of payment and right of security with the Liens on the Pledged Collateral for the benefit of the other Holders of Bonds and (ii) senior in right of payment and right of security to the Liens on the Pledged Collateral for the benefit of the Holders of Subordinated Obligations. Except for Permitted Liens, the Pledged Collateral will be free and clear of any pledge, Lien, charge or encumbrance thereon or with respect thereto, of equal rank with or senior to the pledge of the Borrower created under the Indenture Documents.

(b) The Indenture provides that all Revenues, except for certain exclusions as set forth in Section 504 (*Revenue Fund*) of the Indenture, and certain other moneys shall be deposited in the Revenue Fund and applied in accordance with the requirements specified in Section 504 (*Revenue Fund*) of the Indenture. A copy of such section, as of the Effective Date, is attached hereto as **Schedule VI** (*Flow of Funds*).

(c) The Indenture provides that, during the continuance of an Event of Default (as defined in the Indenture), moneys, Reserve Deposits (as defined in the Indenture), Additional Security, if any, and funds and such Revenues and income therefrom held by and available to the Trustee, including as a result of the exercise of remedies by the Trustee on behalf of the Holders of Obligations, shall be applied as set forth in Section 702 (*Application of Revenues and Other Moneys after Default*) of the Indenture. A copy of such section, as of the Effective Date, is attached hereto as **Schedule VII** (*Flow of Funds Following Default*).

Section 8. Payment of Principal and Interest.

(a) Payment Dates. The Borrower agrees to pay the principal of and interest on the WIFIA Loan by making payments in accordance with the provisions of this Agreement, the WIFIA Bond, and the Indenture Documents, in the case of interest, on each Interest Payment

Date, and in the case of principal, on each Principal Payment Date, and in each case, on each other date on which payment thereof is required to be made hereunder (including the Final Maturity Date and any date on which payment is due by reason of the acceleration of the maturity of the WIFIA Loan or otherwise); provided, that if any such date is not a Business Day, payment shall be made on the next Business Day following such date. Any payment in respect of the WIFIA Bond shall be treated as a payment in respect of the WIFIA Loan and any prepayment of principal in respect of the WIFIA Loan shall be treated as a redemption in respect of the WIFIA Bond. With respect to the WIFIA Loan (and the corresponding WIFIA Bond), interest shall accrue and be payable only on those amounts for which a Requisition has been submitted and funds (or such portion of funds as has been approved by the WIFIA Lender) have been made available to the Borrower for use on the Project in accordance with Section 4 (*Disbursement Conditions*).

(b) Capitalized Interest Period. No payment of the principal of or interest on the WIFIA Loan is required to be made during the Capitalized Interest Period. Interest on amounts compounded and capitalized pursuant to this Section 8(b) (*Payment of Principal and Interest – Capitalized Interest Period*) shall commence on the date such interest is added to the principal balance of the WIFIA Loan (and corresponding WIFIA Bond) during the Capitalized Interest Period. On each March 1 and September 1 occurring during the Capitalized Interest Period and on the day immediately following the end of the Capitalized Interest Period, interest accrued on the WIFIA Loan in the six (6) month period ending immediately prior to such date shall be compounded, capitalized and added to the Outstanding WIFIA Loan Balance. Within thirty (30) days after the end of the Capitalized Interest Period, the WIFIA Lender shall give written notice to the Borrower stating the Outstanding WIFIA Loan Balance as of the close of business on the last day of the Capitalized Interest Period, which statement thereof shall be deemed conclusive absent manifest error; provided, however, that no failure to give or delay in giving such notice shall affect any of the obligations of the Borrower hereunder or under any of the other WIFIA Loan Documents. Notwithstanding the foregoing, the Capitalized Interest Period shall end immediately upon written notification to the Borrower by the WIFIA Lender that an Event of Default has occurred, in which case the provisions of this Section 8(b) (*Payment of Principal and Interest – Capitalized Interest Period*) shall no longer apply and payments of principal and interest shall be currently due and payable in accordance with the terms hereof and interest shall no longer be compounded and capitalized. For purposes of this subsection, an Event of Default under Section 17(a)(v) (*Events of Default and Remedies – Cross Default with Other Financing Documents*) shall be deemed to have occurred upon the occurrence of any nonpayment of principal of, interest on or redemption price of Senior Obligations when due, regardless of whether the holders of the applicable Obligations or the Trustee for the applicable obligations, or any legal order, has waived, permitted deferral of, or forgiven any such payment.

(c) Payment of WIFIA Debt Service. On each Payment Date occurring on or after the Debt Service Payment Commencement Date, the Borrower shall pay WIFIA Debt Service in the amounts set forth in respect of such Payment Date on **Exhibit F** (*WIFIA Debt Service*), as the same may be revised as provided in Section 8(g) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*), which payments shall be made in accordance with Section 8(d) (*Payment of Principal and Interest – Manner of Payment*).

(d) Manner of Payment. Payments under this Agreement (and the WIFIA Bond, which payments shall not be duplicative) shall be made by wire transfer on or before each Payment Date in Dollars and in immediately available funds (without counterclaim, offset or deduction) in accordance with the payment instructions set forth in **Schedule V** (*WIFIA Payment Instructions*), as modified in writing from time to time by the WIFIA Lender. The Borrower may make any such payment or portion thereof (or direct the Trustee to make such payment) with funds then on deposit in the WIFIA Debt Service Account.

(e) Final Maturity Date. Notwithstanding anything herein to the contrary, the Outstanding WIFIA Loan Balance and any accrued interest thereon shall be due and payable in full on the Final Maturity Date (or on any earlier date on which the WIFIA Loan and corresponding WIFIA Bond are subject to prepayment prior to maturity thereof or shall be accelerated pursuant to the terms of the Indenture).

(f) WIFIA Bond. As evidence of the Borrower's obligation to repay the WIFIA Loan, the Borrower shall issue and deliver to the WIFIA Lender, on or prior to the Effective Date, the WIFIA Bond substantially in the form of **Exhibit A** (*Form of WIFIA Bond*), having a maximum original principal amount (excluding compounded and capitalized interest) of \$190,633,824 (subject to increase or decrease as herein provided), bearing interest at the rate set forth in Section 6 (*Interest Rate*) and having principal and interest payable on the same dates set forth herein.

(g) Adjustments to Loan Amortization Schedule.

(i) The Outstanding WIFIA Loan Balance will be (A) increased on each occasion on which the WIFIA Lender disburses loan proceeds hereunder, by the amount of such disbursement of loan proceeds; (B) increased on each occasion on which interest on the WIFIA Loan is compounded and capitalized pursuant to the provisions of Section 8(b) (*Payment of Principal and Interest – Capitalized Interest Period*), by the amount of interest so compounded and capitalized; and (C) decreased upon each payment or prepayment of the Outstanding WIFIA Loan Balance, by the amount of principal so paid. The WIFIA Lender may in its discretion at any time and from time to time, or when so requested by the Borrower, advise the Borrower and the Trustee by written notice of the amount of the Outstanding WIFIA Loan Balance as of the date of such notice, and its determination of such amount in any such notice shall be deemed conclusive absent manifest error.

(ii) The WIFIA Lender is hereby authorized to modify the Loan Amortization Schedule included in **Exhibit F** (*WIFIA Debt Service*) from time to time, in accordance with the principles set forth below in this clause (ii), to reflect (A) any change to the Outstanding WIFIA Loan Balance, (B) any change to the date and amount of any principal or interest due and payable or to become due and payable by the Borrower under this Agreement, and (C) such other information as the WIFIA Lender may determine is necessary for administering the WIFIA Loan and this Agreement. Any calculations described above shall be rounded up to the nearest whole cent. Any partial prepayments of the Outstanding WIFIA Loan Balance pursuant to Section 9 (*Prepayment*) shall be applied in accordance with Section 9(d) (*Prepayment – General Prepayment Instructions*). Any adjustments or revisions to the Loan Amortization

Schedule as a result of changes in the Outstanding WIFIA Loan Balance other than prepayments shall be applied to reduce future payments due on the WIFIA Bond in inverse order of maturity. Absent manifest error, the WIFIA Lender's determination of such matters as set forth on **Exhibit F (WIFIA Debt Service)** shall be conclusive evidence thereof; provided, however, that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower's obligations hereunder or under any other WIFIA Loan Document. The WIFIA Lender shall provide the Borrower and the Trustee with a copy of **Exhibit F (WIFIA Debt Service)** as revised, but no failure to provide or delay in providing the Borrower with such copy shall affect any of the obligations of the Borrower under this Agreement or the other WIFIA Loan Documents.

Section 9. Prepayment.

(a) [RESERVED].

(b) Optional Prepayments. The Borrower may prepay the WIFIA Loan in whole or in part (and, if in part, the amounts thereof to be prepaid shall be determined by the Borrower; provided, however, that such prepayments shall be in principal amounts of \$1,000,000 or any integral multiple of \$1.00 in excess thereof), at any time or from time to time, but not more than annually, without penalty or premium, by paying to the WIFIA Lender such principal amount of the WIFIA Loan to be prepaid, which shall be a Payment Date unless otherwise agreed by the WIFIA Lender, together with the unpaid interest accrued on the amount of principal so prepaid to the date of such prepayment. Each prepayment of the WIFIA Loan shall be made on such Payment Date and in such principal amount as shall be specified by the Borrower in a written notice delivered to the WIFIA Lender not less than ten (10) days or more than thirty (30) days prior to the date set for prepayment, unless otherwise agreed by the WIFIA Lender. At any time between delivery of such written notice and the applicable optional prepayment, the Borrower may, without penalty or premium, rescind its announced optional prepayment by further written notice to the WIFIA Lender. Anything in this Section 9(b) (*Prepayment – Optional Prepayments*) to the contrary notwithstanding, the failure by the Borrower to make any optional prepayment shall not constitute a breach or default under this Agreement.

(c) Borrower's Certificate. Each prepayment pursuant to this Section 9 (*Prepayment*) shall be effected pursuant to the WIFIA Supplemental Indenture and accompanied by a certificate signed by the Borrower's Authorized Representative identifying the provision of this Agreement pursuant to which such prepayment is being made and containing a calculation in reasonable detail of the amount of such prepayment.

(d) General Prepayment Instructions. Upon the WIFIA Lender's receipt of confirmation that payment in full in immediately available funds of the entire Outstanding WIFIA Loan Balance and any unpaid interest, fees and expenses with respect thereto has occurred as a result of a prepayment, the WIFIA Lender shall surrender the WIFIA Bond to the Borrower or its representative at the principal office of the WIFIA Lender. If the Borrower prepays only part of the unpaid balance of principal of the WIFIA Loan, the WIFIA Lender may make a notation on **Exhibit F (WIFIA Debt Service)** indicating the amount of principal of and

interest on the WIFIA Loan then being prepaid. Absent manifest error, the WIFIA Lender's determination of such matters as set forth on **Exhibit F** (*WIFIA Debt Service*) shall be conclusive evidence thereof; provided, however, that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower's obligations hereunder or under any other WIFIA Loan Document. All such partial prepayments of principal shall be applied to reduce future payments due on the WIFIA Loan in inverse order of maturity. If such funds have not been so paid on the prepayment date, such principal amount of the WIFIA Loan shall continue to bear interest until payment thereof at the rate provided for in Section 6 (*Interest Rate*).

Section 10. Fees and Expenses.

(a) Fees. The Borrower shall pay to the WIFIA Lender:

(i) a servicing set-up fee equal to \$15,970 (the "**Servicing Set-Up Fee**"), which shall be due and payable within thirty (30) days after receipt of an invoice from the WIFIA Lender with respect thereto (or, if earlier, the first disbursement date);

(ii) an annual construction period servicing fee equal to \$15,970 (the "**Construction Period Servicing Fee**"), which shall accrue on the first Business Day of the then-current Federal Fiscal Year and shall be due and payable on or prior to each November 15 during the Construction Period (including the Federal Fiscal Year during which the Substantial Completion Date occurs); provided, that the initial Construction Period Servicing Fee shall be due and payable within thirty (30) days after receipt of an invoice from the WIFIA Lender with respect thereto (or, if earlier, the first disbursement date of the WIFIA Loan), in a pro-rated amount equal to \$14,630; and

(iii) an annual operating period servicing fee equal to \$7,990 (the "**Operating Period Servicing Fee**"), which shall accrue on the first Business Day of the then-current Federal Fiscal Year and shall be due and payable on or prior to each November 15, beginning with the first November 15 following the end of the Federal Fiscal Year during which the Substantial Completion Date occurs, until (and including) the Final Maturity Date; provided, that the Operating Period Servicing Fee due and payable with respect to the Federal Fiscal Year during which the Final Maturity Date occurs shall be equal to the pro-rata monthly portion of the then applicable Operating Period Servicing Fee multiplied by the number of partial or whole months remaining between October 1 and the Final Maturity Date.

(b) The amount of each Construction Period Servicing Fee (other than the initial Construction Period Servicing Fee) and each Operating Period Servicing Fee shall be adjusted in proportion to the percentage change in CPI for the calendar year immediately preceding the calendar year during which such fee is due. The WIFIA Lender shall notify the Borrower of the amount of each such fee at least thirty (30) days before payment is due, which determination shall be conclusive absent manifest error.

(c) Expenses. The Borrower agrees, whether or not the transactions hereby contemplated shall be consummated, to reimburse the WIFIA Lender on demand from time to time, within thirty (30) days after receipt of any invoice from the WIFIA Lender, for any and all

fees, costs, charges, and expenses incurred by it (including the fees, costs, and expenses of its legal counsel, financial advisors, auditors and other consultants and advisors) in connection with the negotiation, preparation, execution, delivery, and performance of this Agreement and the other WIFIA Loan Documents and the transactions hereby and thereby contemplated, including attorneys', and engineers' fees and professional costs, including all such fees, costs, and expenses incurred as a result of or in connection with (i) the enforcement of or attempt to enforce, or the protection or preservation of any right or claim under, the Pledged Collateral or any provision of this Agreement or any of the other WIFIA Loan Documents or the rights of the WIFIA Lender thereunder; (ii) any amendment, modification, waiver, or consent with respect to this Agreement or any other Related Document; and (iii) any work-out, restructuring, or similar arrangement of the obligations of the Borrower under this Agreement or the other WIFIA Loan Documents, including during the pendency of any Event of Default.

(d) The obligations of the Borrower under this Section 10 (*Fees and Expenses*) shall survive the payment or prepayment in full or transfer of the WIFIA Bond, the enforcement of any provision of this Agreement or the other WIFIA Loan Documents, any such amendments, waivers or consents, any Event of Default, and any such workout, restructuring, or similar arrangement.

ARTICLE III CONDITIONS PRECEDENT

Section 11. Conditions Precedent.

(a) Conditions Precedent to Effectiveness. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not become effective until each of the following conditions precedent has been satisfied or waived in writing by the WIFIA Lender in its sole discretion:

(i) The Borrower shall have duly executed and delivered to the WIFIA Lender this Agreement and the WIFIA Bond, each in form and substance satisfactory to the WIFIA Lender, and the Authenticating Agent (as defined in the Indenture) shall have authenticated the WIFIA Bond.

(ii) To the extent not previously delivered to the WIFIA Lender, the Borrower shall have delivered to the WIFIA Lender certified, complete, and fully executed copies of each Indenture Document (excluding documentation related to Additional Security and Qualified Swap Agreements), together with any amendments, waivers or modifications thereto, that has been entered into on or prior to the Effective Date, and each such agreement shall be in full force and effect and in form and substance satisfactory to the WIFIA Lender, and all conditions contained in such documents to the closing of the transactions contemplated thereby shall have been fulfilled or effectively waived (provided, that for purposes of this Section 11(a)(ii) (*Conditions Precedent – Conditions Precedent to Effectiveness*), any such waiver shall be subject to the WIFIA Lender's consent in its sole discretion).

(iii) Counsel to the Borrower shall have rendered to the WIFIA Lender legal opinions satisfactory to the WIFIA Lender in its sole discretion (including those opinions set forth

on **Exhibit G-1** (*Opinions Required from Counsel to Borrower*) and bond counsel to the Borrower shall have rendered to the WIFIA Lender legal opinions satisfactory to the WIFIA Lender in its sole discretion (including those opinions set forth on **Exhibit G-2** (*Opinions Required from Bond Counsel*)).

(iv) The Borrower shall have provided a certificate from the Borrower's Authorized Representative as to the absence of debarment, suspension or voluntary exclusion from participation in Government contracts, procurement and non-procurement matters substantially in the form attached hereto as **Exhibit C** (*Certification Regarding Debarment, Suspension and other Responsibility Matters*) with respect to the Borrower and its principals (as defined in 2 C.F.R. § 180.995 and supplemented by 2 C.F.R. § 1532.995). The Borrower shall have delivered to the WIFIA Lender the Non-Lobbying Certificate.

(v) The Borrower shall have provided evidence to the WIFIA Lender's satisfaction of the assignment by at least two (2) Nationally Recognized Rating Agencies of a public Investment Grade Rating on the WIFIA Loan, the Senior Obligations then Outstanding and any Senior Obligations proposed to be issued for the Project and no such rating has been reduced, withdrawn or suspended as of the Effective Date.

(vi) The Borrower shall have delivered to the WIFIA Lender a certificate from the Borrower's Authorized Representative in the form attached hereto as **Exhibit I** (*Form of Borrower's Officer's Certificate*) (A) as to the satisfaction of certain conditions precedent set forth in this Section 11(a) (*Conditions Precedent – Conditions Precedent to Effectiveness*) as required by the WIFIA Lender, (B) designating the Borrower's Authorized Representative, and (C) confirming such person's position and incumbency.

(vii) The Borrower shall have demonstrated to the WIFIA Lender's satisfaction that as of the Effective Date the aggregate of all funds committed to the development and construction of the Project as set forth in the Base Case Financial Model and in the Project Budget are sufficient to carry out the Project, pay all Total Project Costs anticipated for the Project and achieve Substantial Completion by the Projected Substantial Completion Date.

(viii) Each Existing Principal Project Contract shall be in full force and effect and, if requested in writing by the WIFIA Lender, the Borrower shall have provided to the WIFIA Lender certified, complete, and fully executed copies of each, together with any amendments, waivers or modifications thereto.

(ix) The Borrower shall have demonstrated to the WIFIA Lender's satisfaction (A) that it has obtained all Governmental Approvals required (1) as of the Effective Date in connection with the Project and (2) to execute and deliver, and perform its obligations under the WIFIA Loan Agreement, (B) that all such Governmental Approvals are final, non-appealable, and in full force and effect (and are not subject to any notice of violation, breach or revocation) and (C) that the 30-day appeal period pursuant to Rhode Island General Laws Section 42-35-15 for the DPUC Order has expired without the filing of any appeal so that the WIFIA Bond has been fully approved pursuant to all applicable laws of the State.

(x) The Borrower shall have delivered to the WIFIA Lender a certified Base Case Financial Model on or prior to the Effective Date, which Base Case Financial Model shall (A) demonstrate that projected Revenues are sufficient to meet the Loan Amortization Schedule, (B) demonstrate compliance with the Rate Covenant for each Borrower Fiscal Year through the Final Maturity Date; (C) reflect principal amortization and interest payment schedules acceptable to the WIFIA Lender, (D) demonstrate that the Borrower has developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project over the useful life of the Project; and (E) otherwise be in form and substance acceptable to the WIFIA Lender.

(xi) The Borrower shall have (A) provided evidence satisfactory to the WIFIA Lender that the Borrower is authorized, pursuant to Sections 46-25-5, 46-25-58 and 46-25-59 of the Rhode Island General Laws, to pledge, assign, and grant the Liens on the Pledged Collateral purported to be pledged, assigned, and granted pursuant to the Indenture Documents, without the need for notice to any Person, physical delivery, recordation, filing or further act, (B) delivered to the WIFIA Lender time-stamped copies of UCC-1 financing statements covering the Pledged Collateral, in form and substance satisfactory to the WIFIA Lender, that have been filed with the Secretary of State of the State to perfect such Liens, (C) recorded or filed, or caused to be recorded or filed, for record in such manner and in such places as are required all documents and instruments, and taken or caused to be taken all other actions, as are necessary or desirable to establish and enforce the Trustee's Lien on the Pledged Collateral (for the benefit of the Secured Parties) to the extent contemplated by the Indenture Documents or required pursuant to applicable law, and (D) paid, or caused to be paid, all taxes and filing fees that are due and payable in connection with the execution, delivery or recordation of any Related Documents or any instruments, certificates or financing statements in connection with the foregoing.

(xii) The Borrower shall have paid in full all invoices delivered by the WIFIA Lender to the Borrower as of the Effective Date for the fees and expenses of the WIFIA Lender's counsel and financial advisors and any auditors or other consultants retained by the WIFIA Lender for the purposes hereof.

(xiii) The Borrower shall have (A) provided evidence satisfactory to the WIFIA Lender of compliance with NEPA and any applicable federal, state or local environmental review and approval requirements with respect to the Project and (B) complied with all applicable requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4601 *et seq.*) and Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*) and shall have provided evidence satisfactory to the WIFIA Lender of such compliance upon request by the WIFIA Lender.

(xiv) No later than thirty (30) days prior to the Effective Date, the Borrower shall have delivered to the WIFIA Lender the Public Benefits Report.

(xv) The Borrower shall have (A) obtained a Federal Employer Identification Number, (B) obtained a Data Universal Numbering System number, and (C) registered with, and obtained confirmation of active registration status from, the federal System for Award Management (www.SAM.gov).

(xvi) Each of the insurance policies obtained by the Borrower in satisfaction of the conditions in Section 14(f) (*Affirmative Covenants – Insurance and Condemnation*) is in full force and effect, and no notice of termination thereof has been issued by the applicable insurance provider.

(xvii) The Borrower shall have provided to the WIFIA Lender evidence that the Borrower is duly organized and validly existing under the laws of its jurisdiction of formation, with full power, authority and legal right to own its properties and carry on its business and governmental functions as now conducted, including a copy of the Borrower's Organizational Documents, as in effect on the Effective Date (and certified by the Secretary of State of the State, to the extent applicable), which Organizational Documents shall be certified by the Borrower's Authorized Representative to be in full force and effect and shall not have been amended since the date of the last amendment thereto shown on the certificate.

(xviii) The Borrower shall have provided to the WIFIA Lender (A) an executed copy of the WIFIA Supplemental Indenture, (B) all other resolutions, ordinances, or supplements (as the case may be), if any, authorizing the Borrower to execute and deliver, and to perform its respective obligations under, the WIFIA Loan Documents to which it is a party, and (C) all further instruments and documents as are necessary, appropriate or advisable to effectuate the foregoing resolutions and to consummate and implement the transactions contemplated by such resolutions and the WIFIA Loan Documents, and in each case such documents have not been subsequently modified, rescinded or amended, are in full force and effect in the form adopted, and are the only documents required and adopted by the Borrower relating to the matters described therein.

(xix) [RESERVED].

(xx) The Borrower shall have received certified, complete and fully executed copies of each performance security instrument (if any) required to be delivered to the Borrower pursuant to any Principal Project Contract as of the Effective Date, each of which performance security instruments (if any) shall be (A) in compliance with the requirements for such performance security pursuant to the applicable Principal Project Contract and (B) in full force and effect.

(xxi) The representations and warranties of the Borrower set forth in this Agreement (including Section 12 (*Representations and Warranties of Borrower*)) and in each other Related Document shall be true and correct, as of the Effective Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true and correct as of such earlier date).

(xxii) The Borrower shall have provided the WIFIA Lender with evidence satisfactory to the WIFIA Lender that, as of the Effective Date (A) the maximum principal amount of the WIFIA Loan (excluding any interest that is compounded and capitalized in accordance with the terms hereof), together with the amount of any other credit assistance provided under the Act to the Borrower, does not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs and (B) the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is compounded and capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs.

(xxiii) The Borrower shall have delivered to the WIFIA Lender a duly executed certificate from the Trustee in the form attached hereto as **Exhibit H** (*Form of Certificate of Trustee*).

(xxiv) [RESERVED].

(xxv) [RESERVED].

(xxvi) The Borrower shall have delivered such other agreements, documents, instruments, opinions and other items required by the WIFIA Lender, all in form and substance satisfactory to the WIFIA Lender.

(b) Conditions Precedent to Disbursements. Notwithstanding anything in this Agreement to the contrary, the WIFIA Lender shall have no obligation to make any disbursement of loan proceeds to the Borrower (including the initial disbursement hereunder) until each of the following conditions precedent has been satisfied or waived in writing by the WIFIA Lender in its sole discretion:

(i) The Borrower shall have provided to the WIFIA Lender evidence satisfactory to the WIFIA Lender that (A) the aggregate amount of all disbursements of the WIFIA Loan (including the requested disbursement but excluding any interest that is compounded and capitalized in accordance with the terms hereof) shall not exceed the amount of Eligible Project Costs paid or incurred by the Borrower and (B) the Borrower has sufficient available funds committed to the Project, which together with funds that remain available and not yet drawn under the WIFIA Loan, will be sufficient to pay the reasonably anticipated remaining Total Project Costs.

(ii) The Borrower shall have provided all information required as of the relevant disbursement date pursuant to Section 16(a) (*Reporting Requirements – Financial Reporting*) and Section 16(b) (*Reporting Requirements – Annual Financial Statements*).

(iii) To the extent not previously delivered to the WIFIA Lender, the Borrower shall have delivered to the WIFIA Lender certified, complete and fully executed copies of any Indenture Documents entered into after the Effective Date.

(iv) To the extent (A) not previously delivered to the WIFIA Lender and (B) requested in writing by the WIFIA Lender, the Borrower shall have provided certified copies of all Principal Project Contracts (including, in each case, any amendment, modification or supplement thereto) entered into after the Effective Date.

(v) The Borrower shall have demonstrated to the WIFIA Lender's satisfaction that all Governmental Approvals necessary as of the time of the applicable disbursement for the development, construction, operation and maintenance of the Project have been issued and are in full force and effect (including approval from the Rhode Island Coastal Resources Management Council for those construction activities subject to its regulatory authority).

(vi) Each of the insurance policies obtained by the Borrower and by any applicable Principal Project Party in satisfaction of the conditions in Section 14(f) (*Affirmative*

Covenants – Insurance and Condemnation) is in full force and effect, and no notice of termination thereof has been issued by the applicable insurance provider.

(vii) At the time of, and immediately after giving effect to, any disbursement of WIFIA Loan proceeds then currently requested, (A) no Default or Event of Default hereunder shall have occurred and be continuing and (B) no event of default or default that, with the giving of notice or the passage of time or both, would constitute an event of default, in each case, under any other Related Document, shall have occurred and be continuing.

(viii) The representations and warranties of the Borrower set forth in this Agreement (including Section 12 (*Representations and Warranties of Borrower*)) and in each other Related Document shall be true, correct and complete as of each date on which any disbursement of the WIFIA Loan is made, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true and correct as of such earlier date).

(ix) No Material Adverse Effect, or any event or condition that could reasonably be expected to result in a Material Adverse Effect, shall have occurred since May 13, 2020.

(x) The Borrower shall have delivered to the WIFIA Lender a Requisition that complies with the provisions of Section 4 (*Disbursement Conditions*), and the WIFIA Lender shall have approved (or be deemed to have approved in accordance with Section 4(b) (*Disbursement Conditions*)) such Requisition.

(xi) The Borrower shall have paid in full (A) any outstanding Servicing Fees due and payable under Section 10 (*Fees and Expenses*) and (B) all invoices received from the WIFIA Lender as of the date of disbursement of the WIFIA Loan and delivered by the WIFIA Lender to the Borrower, for the fees and expenses of the WIFIA Lender's counsel and financial advisors and any auditors or other consultants retained by the WIFIA Lender for the purposes hereof.

(xii) To the extent not previously received by the Borrower, the Borrower shall have received complete and fully executed copies of each performance security instrument (if any) required to be delivered to the Borrower pursuant to any Principal Project Contract as of the date of disbursement of the WIFIA Loan, each of which performance security instruments shall be (A) in compliance with the requirements for such performance security pursuant to the applicable Principal Project Contract and (B) in full force and effect.

(xiii) The Borrower shall have provided the WIFIA Lender with evidence satisfactory to the WIFIA Lender that, as of the relevant disbursement date, the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is compounded and capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs.

(xiv) For any disbursement in respect of Element B (CSO Phase III Overflow Project in Bucklin Point Service Area) of the Project, as such element is described in **Schedule I** (*Project Definition*), all loan proceeds shall have been disbursed under the Existing WIFIA Documents.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

Section 12. Representations and Warranties of Borrower. The Borrower hereby represents and warrants that, as of the Effective Date and, as to each of the representations and warranties below other than those contained in Section 12(b) (*Representations and Warranties of Borrower – Officers’ Authorization*), the first sentence of Section 12(f) (*Representations and Warranties of Borrower – Litigation*), Section 12(k) (*Representations and Warranties of Borrower – Credit Ratings*), and the first sentence of Section 12(n) (*Representations and Warranties of Borrower – Principal Project Contracts*), as of each date on which any disbursement of the WIFIA Loan is requested or made:

(a) Organization; Power and Authority. The Borrower is a public corporation duly organized and validly existing under its Organizational Documents and the laws of the State, has full legal right, power and authority to do business in the State and to enter into the Related Documents then in existence, to execute and deliver this Agreement and the WIFIA Bond, and to carry out and consummate all transactions contemplated hereby and thereby and has duly authorized the execution, delivery and performance of this Agreement, the WIFIA Bond, and the other Related Documents.

(b) Officers’ Authorization. As of the Effective Date, the officers of the Borrower executing (or that previously executed) the Related Documents, and any certifications or instruments related thereto, to which the Borrower is a party are (or were at the time of such execution) duly and properly in office and fully authorized to execute the same.

(c) Due Execution; Enforceability. Each of the Related Documents in effect as of any date on which this representation and warranty is made, and to which the Borrower is a party has been duly authorized, executed and delivered by the Borrower and constitutes the legal, valid and binding agreement of the Borrower enforceable against the Borrower in accordance with its terms, except as such enforceability (i) may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and (ii) is subject to general principles of equity (regardless of whether enforceability is considered in equity or at law).

(d) Non-Contravention. The execution and delivery of the Related Documents to which the Borrower is a party, the consummation of the transactions contemplated by the Related Documents, and the fulfillment of or compliance with the terms and conditions of all of the Related Documents, will not (i) conflict with the Borrower’s Organizational Documents, (ii) conflict in any material respect with, or constitute a violation, breach or default (whether immediately or after notice or the passage of time or both) by the Borrower of or under, any applicable law, administrative rule or regulation, any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which the Borrower is a party or by which it or its properties or assets are otherwise subject or bound, or (iii) result in the creation or imposition of any prohibited Lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower.

(e) Consents and Approvals. No consent or approval of any trustee, holder of any indebtedness of the Borrower or any other Person, and no consent, permission, authorization, order or license of, or filing or registration with, any Governmental Authority is necessary in connection with (i) the execution and delivery by the Borrower of the Related Documents, except as have been obtained or made and as are in full force and effect, or (ii) (A) the consummation of any transaction contemplated by any of the foregoing documents or (B) the fulfillment of or compliance by the Borrower with the terms and conditions of any of the Related Documents, except as have been obtained or made and as are in full force and effect or as are ministerial in nature and can reasonably be expected to be obtained or made in the ordinary course on commercially reasonable terms and conditions when needed; provided, however, that, in respect of clause (ii) of this Section 12(e) (*Representations and Warranties of Borrower – Consents and Approvals*), the Borrower may require approval of rate increases from the Rhode Island Division of Public Utilities and Carriers.

(f) Litigation. Except as set forth in **Schedule 12(f)** (*Litigation*), as of the Effective Date, there is no action suit, proceeding or, to the knowledge of the Borrower, any inquiry or investigation, in any case before or by any court or other Governmental Authority pending or, to the knowledge of the Borrower, threatened against or affecting the System (including the Project) or the ability of the Borrower to execute, deliver and perform its obligations under the Related Documents. As of the Effective Date and as of each other date on which the representations and warranties herein are made or confirmed, there is no action, suit, proceeding or, to the knowledge of the Borrower, any inquiry or investigation before or by any court or other Governmental Authority pending, or to the knowledge of the Borrower, threatened against or affecting the System (including the Project), the Borrower or the assets, properties or operations of the Borrower, that in any case could reasonably be expected to result in a Material Adverse Effect. To the Borrower's knowledge after reasonable and diligent inquiry, there are no actions of the type described above pending or, threatened against or affecting any of the Principal Project Parties, except for matters arising after the Effective Date that could not reasonably be expected to (i) result in a Material Adverse Effect or (ii) adversely affect the Borrower's ability to receive Revenues in amounts sufficient to meet the Loan Amortization Schedule. The Borrower is not in default (and no event has occurred and is continuing that, with the giving of notice or the passage of time or both, could constitute a default) with respect to any Governmental Approval, which default could reasonably be expected to result in a Material Adverse Effect.

(g) Security Interests. The Indenture Documents and Sections 46-25-5, 46-25-58 and 46-25-59 of the Rhode Island General Laws establish, in favor of the Trustee for the benefit of the WIFIA Lender, the valid and binding Liens on the Pledged Collateral that they purport to create, irrespective of whether any Person has notice of the pledge and without the need for any physical delivery, recordation, filing, or further act. Such Liens are in full force and effect and are not subordinate or junior to any other Liens in respect of the Pledged Collateral except for the Permitted Liens arising by operation of law, and not *pari passu* with any obligations other than the Senior Obligations. The Borrower has duly and lawfully taken all actions required under this Agreement, the Indenture Documents, and applicable laws for the pledge of the Pledged Collateral pursuant to and in accordance with the Indenture Documents, and the security interests created in the Pledged Collateral have been duly perfected under applicable State law. The Borrower is not in breach of any covenants set forth in Section 14

(*Affirmative Covenants*) or in the Indenture Documents with respect to the matters described in such Section. As of the Effective Date and as of each other date this representation and warranty is made, (i) all documents (including UCC-1 financing statements) and instruments have been recorded or filed for record in such manner and in such places as are required and all other action as is necessary or desirable has been taken to establish a legal, valid, binding, and enforceable and perfected Lien on the Pledged Collateral in favor of the Trustee (for the benefit of the Secured Parties) to the extent contemplated by the Indenture Documents, and (ii) all taxes and filing fees that are due and payable in connection with the execution, delivery or recordation of any Indenture Documents or any instruments, certificates or financing statements in connection with the foregoing, have been paid.

(h) No Debarment. The Borrower has fully complied with its verification obligations under 2 C.F.R. § 180.320 and confirms, based on such verification, that, to its knowledge, neither the Borrower nor any of its principals (as defined in 2 C.F.R. § 180.995 and supplemented by 2 C.F.R. § 1532.995) is debarred, suspended or voluntarily excluded from participation in Government contracts, procurement or non-procurement matters or delinquent on a Government debt as more fully set forth in the certificate delivered pursuant to Section 11(a)(iv) (*Conditions Precedent – Conditions Precedent to Effectiveness*).

(i) Accuracy of Representations and Warranties. The representations, warranties and certifications of the Borrower set forth in this Agreement and the other Related Documents are true, correct, and complete, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true, correct, and complete as of such earlier date).

(j) Compliance with Federal Requirements. The Borrower, and each of its contractors and subcontractors at all tiers with respect to the Project, has complied with all applicable federal laws, rules, regulations and requirements, including (i) 40 U.S.C. §§ 3141-3144, 3146, and 3147 and regulations relating thereto (Davis-Bacon Act Requirements), (ii) 33 U.S.C. § 3914 (relating to American iron and steel products), and (iii) those set forth in **Exhibit E** (*Compliance With Laws*). To ensure such compliance, the Borrower has included in all contracts with respect to the Project requirements that its contractor(s) shall comply with applicable federal laws, rules, regulations, and requirements set forth in this Section 12(j) (*Representations and Warranties of Borrower – Compliance with Federal Requirements*) and follow applicable federal guidance, and has required that the contractor(s) incorporate in all subcontracts (and cause all subcontractors to include in lower tier subcontracts) such terms and conditions as are required to be incorporated therein by applicable federal laws, rules, regulations and requirements set forth in this Section 12(j) (*Representations and Warranties of Borrower – Compliance with Federal Requirements*). With respect to the Davis-Bacon Act Requirements, the Borrower has inserted in full in all contracts relating to the Project the contract clauses set forth in the Code of Federal Regulations, Title 29 Part 5.5, and required and ensured that its contractor(s) have inserted such clauses in all subcontracts and also a clause requiring all subcontractors to include these clauses in any lower tier subcontracts.

(k) Credit Ratings. The WIFIA Loan and the Senior Obligations then Outstanding have received a public Investment Grade Rating from at least two (2) Nationally Recognized Rating Agencies, written evidence of such ratings has been provided to the WIFIA

Lender prior to the Effective Date, and no such rating has been reduced, withdrawn or suspended as of the Effective Date.

(l) No Defaults. No Default or Event of Default, and no default or event of default by the Borrower under any other Related Document, has occurred and is continuing.

(m) Governmental Approvals. All Governmental Approvals required as of the Effective Date and any subsequent date on which this representation is made (or deemed made) for the undertaking and completion by the Borrower of the Project, and for the operation and management thereof, have been obtained or effected and are in full force and effect and there is no basis for, nor proceeding that is pending or threatened that could reasonably be expected to result in, the revocation of any such Governmental Approval.

(n) Principal Project Contracts. Attached as **Schedule 12(n)** (*Principal Project Contracts*) is a list of the Existing Principal Project Contracts and all Additional Principal Project Contracts that are expected to be entered into, in each case including (i) the name of the contract, (ii) the parties thereto, (iii) the effective date or expected effective date, as applicable, and (iv) a brief description of each contract. With respect to each Principal Project Contract executed as of any date on which this representation and warranty is made, (x) it is in full force and effect, (y) all conditions precedent to the obligations of the respective parties under each such Principal Project Contract have been satisfied and (z) the Borrower has delivered to the WIFIA Lender a fully executed, complete and correct copy of each such Principal Project Contract (including in each case all exhibits, schedules and other attachments), including any amendments or modifications thereto and any related credit support instruments or side letters. No event has occurred that gives the Borrower or, to the Borrower's knowledge, any Principal Project Party, the right to terminate any such Principal Project Contract. The Borrower is not in breach of any material term in or in default under any of such Principal Project Contracts, and, to the knowledge of the Borrower, no party to any of such agreements or contracts is in breach of any material term therein or in default thereunder.

(o) Information. The information furnished by or on behalf of the Borrower to the WIFIA Lender, when taken as a whole, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements contained therein not misleading as of the date made or furnished; provided, that no representation or warranty is made with regard to projections or other forward-looking statements provided by or on behalf of the Borrower (including the Base Case Financial Model and the assumptions therein) except that the Base Case Financial Model (i) is based on assumptions that were reasonable in all material respects when made, (ii) was prepared in good faith and (iii) represents, in the opinion of the Borrower, reasonable projections at the time made of the future performance of the System and the Project (it being understood that projections are not to be considered or regarded as facts and contain significant uncertainties and contingencies, many of which are beyond the control of the Borrower, that actual results may differ significantly from projections and that no representation is made with respect to the accuracy of such projections).

(p) OFAC; Anti-Corruption Laws. The Borrower (i) is not in violation of nor, since the date that is five (5) years prior to the Effective Date, has violated: (A) any applicable anti-money laundering laws, including those contained in the Bank Secrecy Act and the Patriot

Act; (B) any applicable economic sanction laws administered by OFAC or by the United States Department of State; or (C) any applicable anti-drug trafficking, anti-terrorism, or anti-corruption laws, civil or criminal; and (ii) is not a Person (A) that is charged with, or has received notice from a Governmental Authority that it is under investigation for, any violation of any such laws; or (B) that has been, since the date that is five (5) years prior to the Effective Date, convicted of any violation of, has been subject to criminal or civil penalties pursuant to, had any of its property seized or forfeited under, or has entered into any agreement with the Government or a state or local government related to violations of any such laws. Neither the Borrower nor, to the knowledge of the Borrower after reasonable and diligent inquiry, any Principal Project Party, is a Person (i) that is named on the list of “Specially Designated Nationals and Blocked Persons” maintained by OFAC (or any successor Government office or list), or any similar list maintained by the United States Department of State (or any successor Government office or list); or (ii) with whom any U.S. Person (as defined by the applicable OFAC regulations) is prohibited from transacting business of the type contemplated by this Agreement and the other Related Documents under any other applicable law.

(q) Compliance with Law. The Borrower has complied in all material respects with, and has conducted (or caused to be conducted) its management and operation of the System (including the Project) in compliance in all material respects with, all applicable laws (other than Environmental Laws, which are addressed in Section 12(r) (*Representations and Warranties of Borrower – Environmental Matters*)), including those set forth on **Exhibit E** (*Compliance With Laws*), to the extent applicable. To the Borrower’s knowledge, each of the Borrower’s contractors and subcontractors at all tiers, has complied in all material respects with all applicable laws (other than such Environmental Laws) with respect to the Project, including those set forth on **Exhibit E** (*Compliance With Laws*), to the extent applicable. To the Borrower’s knowledge after reasonable and diligent inquiry, each Principal Project Party is, and has caused its respective contractors and subcontractors to be, in compliance in all material respects with all applicable laws as they relate to the Project, including those set forth on **Exhibit E** (*Compliance With Laws*), to the extent applicable. No notices of violation of any applicable law have been issued, entered or received by the Borrower or, to the Borrower’s knowledge after reasonable and diligent inquiry and solely in respect of the Project or any Principal Project Contract, any Principal Project Party, other than, in each case, notices of violations that are immaterial.

(r) Environmental Matters. Except as set forth in **Schedule 12(r)** (*Environmental Matters*), each of the Borrower and, to the Borrower’s knowledge, each Principal Project Party, is in compliance with all laws applicable to the System (including the Project) relating to (i) air emissions, (ii) discharges to surface water or ground water, (iii) noise emissions, (iv) solid or liquid waste disposal, (v) the use, generation, storage, transportation or disposal of toxic or hazardous substances or wastes, (vi) biological resources (such as threatened and endangered species), and (vii) other environmental, health or safety matters, including all laws applicable to the System (including the Project) (collectively, the “**Environmental Laws**”). All Governmental Approvals for the Project relating to Environmental Laws have been, or, when required, will be, obtained and are (or, as applicable, will be) in full force and effect. The Borrower has not received any written communication or notice, whether from a Governmental Authority, employee, citizens group, or any other Person, that alleges that the Borrower is not in full compliance with all Environmental Laws and Governmental Approvals relating thereto in

connection with the Project and, to the Borrower's knowledge, there are no circumstances that may prevent or interfere with full compliance in the future by the Borrower with any such Environmental Law or Governmental Approval. The Borrower has provided to the WIFIA Lender all material assessments, reports, results of investigations or audits, and other material information in the possession of or reasonably available to the Borrower regarding the Borrower's or the Project's compliance with (A) Environmental Laws and (B) Governmental Approvals that are required for the Project and relate to Environmental Laws.

(s) Sufficient Rights. The Borrower possesses either valid legal and beneficial title to, leasehold title in, or other valid legal rights with respect to the real property relating to the System (including the Project), in each case as is necessary and sufficient as of the date this representation is made for the construction, operation, maintenance and repair of the System (including the Project). As of any date on which this representation and warranty is made, the Principal Project Contracts then in effect and the Governmental Approvals that have been obtained and are then in full force and effect create rights in the Borrower sufficient to enable the Borrower to own, construct, operate, maintain and repair the Project and to perform its obligations under the Principal Project Contracts to which it is a party.

(t) Insurance. The Borrower is in compliance with all insurance obligations required under each Principal Project Contract and the other Related Documents as of the date on which this representation and warranty is made. To the extent the Borrower self-insures, the Borrower's self-insurance program is actuarially sound and the Borrower has received an opinion from an accredited actuary within the last twelve (12) months, which opinion confirms that the Borrower's self-insurance program is actuarially sound.

(u) No Liens. Except for Permitted Liens, the Borrower has not created, and is not under any obligation to create, and has not entered into any transaction or agreement that would result in the imposition of, any Lien on the Pledged Collateral, the System, the Project, or the Revenues, properties or assets in relation to the Project.

(v) Financial Statements. Each income statement, balance sheet and statement of operations and cash flows (collectively, "**Financial Statements**") delivered to the WIFIA Lender pursuant to Section 16(b) (*Reporting Requirements – Annual Financial Statements*) has been prepared in accordance with GAAP and presents fairly, in all material respects, the financial condition of the Borrower as of the respective dates of the balance sheets included therein and the results of operations of the Borrower for the respective periods covered by the statements of income included therein. Except as reflected in such Financial Statements, there are no liabilities or obligations of the Borrower of any nature whatsoever for the period to which such Financial Statements relate that are required to be disclosed in accordance with GAAP.

(w) Securities Laws. Under existing law, the WIFIA Bond may be issued and sold without registration under the Securities Act of 1933, as amended, and any state blue sky laws, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(x) Taxes. The Borrower is not required to file tax returns in respect of income tax with any Governmental Authority.

(y) Sufficient Funds. The amount of the WIFIA Loan, when combined with all other funds committed for the development and construction of the Project as set forth under the various sources of funds in the Base Case Financial Model and the Project Budget will be sufficient to carry out the Project, pay all Total Project Costs anticipated for the development and construction of the Project and achieve Substantial Completion by the Projected Substantial Completion Date.

(z) Sovereign Immunity. The Borrower has no immunity from the jurisdiction of any court of competent jurisdiction or from any legal process therein which could be asserted in any action to enforce the obligations of the Borrower under any of the Related Documents to which it is a party or the transactions contemplated hereby or thereby, including the obligations of the Borrower hereunder and thereunder.

(aa) Patriot Act. The Borrower is not required to establish an anti-money laundering compliance program pursuant to the Patriot Act.

(bb) Federal Debt. The Borrower has no delinquent federal debt (including tax liabilities but excluding any delinquencies that have been resolved with the appropriate federal agency in accordance with the standards of the Debt Collection Improvement Act of 1996).

Section 13. Representations and Warranties of WIFIA Lender. The WIFIA Lender represents and warrants that:

(a) Power and Authority. The WIFIA Lender has all requisite power and authority to make the WIFIA Loan and to perform all transactions contemplated by the Related Documents to which it is a party.

(b) Due Execution; Enforceability. The Related Documents to which it is a party have been duly authorized, executed and delivered by the WIFIA Lender, and are legally valid and binding agreements of the WIFIA Lender, enforceable in accordance with their terms.

(c) Officers' Authorization. The officers of the WIFIA Lender executing each of the Related Documents to which the WIFIA Lender is a party are duly and properly in office and fully authorized to execute the same on behalf of the WIFIA Lender.

ARTICLE V COVENANTS

Section 14. Affirmative Covenants. The Borrower covenants and agrees as follows until the date the WIFIA Bond and the Obligations of the Borrower under this Agreement (other than contingent indemnity obligations) are irrevocably paid in full in cash, unless the WIFIA Lender waives compliance in writing:

(a) Rate Covenant. The Borrower shall fix, charge and collect rates, fees and charges for the System during each Borrower Fiscal Year which:

(i) comply with the requirements specified in Section 603 (*Covenant as to Rates and Charges*) of the Indenture, which requirements are hereby incorporated herein and a copy of such section, as of the Effective Date, is attached hereto as **Schedule VIII** (*Rate Covenant*); and

(ii) will be at least sufficient to yield, in each Borrower Fiscal Year, Net Revenues equal to at least one hundred twenty-five percent (125%) of the Debt Service Requirement during such Borrower Fiscal Year with respect to all Outstanding Obligations (including Agency Bonds based on debt service net of any interest rate subsidy), as of the first day of such fiscal year (together with clause (i), the “**Rate Covenant**”).

(b) Securing Liens. The Borrower shall at any and all times, to the extent permitted by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable in connection with assuring, conveying, granting, assigning, securing and confirming the Liens on the Pledged Collateral (whether now existing or hereafter arising) granted to the WIFIA Lender for its benefit pursuant to the Indenture Documents, or intended so to be granted pursuant to the Indenture Documents, or which the Borrower may become bound to grant, and the Borrower shall at all times maintain the Pledged Collateral free and clear of any pledge, Lien, charge or encumbrance thereon or with respect thereto that has priority over, or equal rank with, the Liens created by the Indenture Documents, other than as permitted by this Agreement, and all organizational, regulatory or other necessary action on the part of the Borrower to that end shall be duly and validly taken at all times. The Borrower shall at all times, to the extent permitted by law, defend, preserve and protect the Liens on the Pledged Collateral granted pursuant to the Indenture Documents and for the benefit of the WIFIA Lender under the Indenture Documents against all claims and demands of all Persons whomsoever, subject to Permitted Liens.

(c) Use of Proceeds. The Borrower shall use the proceeds of the WIFIA Loan for purposes permitted by applicable law and as otherwise permitted under this Agreement and the other Related Documents.

(d) Prosecution of Work; Verification Requirements.

(i) The Borrower shall diligently prosecute the work relating to the Project and complete the Project in accordance with the Construction Schedule, and in accordance with the highest standards of the Borrower’s industry.

(ii) The Borrower shall ensure that each Principal Project Party complies with all applicable laws and legal or contractual requirements with respect to any performance security instrument delivered by such Principal Project Party to the Borrower and shall ensure that any letter of credit provided pursuant to any Principal Project Contract meets the requirements therefor set forth in such Principal Project Contract.

(iii) The Borrower shall comply with Subpart C of 2 C.F.R. Part 180, as supplemented by Subpart C of 2 C.F.R. Part 1532 (relating to debarment), including the

verification requirements set forth in 2 C.F.R. §§ 180.300 and 180.320, and shall include in its contracts with respect to the Project similar terms or requirements for compliance.

(e) Operations and Maintenance. The Borrower shall (i) operate and maintain the System (including, but not limited to, the Project) (A) in a reasonable and prudent manner and (B) substantially in accordance with the information submitted by the Borrower pursuant to Section 16(a) (*Reporting Requirements – Financial Reporting*) (except as necessary to prevent or mitigate immediate threats to human health and safety or to prevent or mitigate physical damage to material portions of the System (including the Project)) and (ii) maintain the System (including the Project) in good repair, working order and condition and in accordance with the requirements of all applicable laws and each applicable Related Document. The Borrower shall at all times do or cause to be done all things necessary to obtain, preserve, renew, extend and keep in full force and effect the Governmental Approvals and any other rights, licenses, franchises, and authorizations material to the conduct of its business.

(f) Insurance and Condemnation. The Borrower shall comply with the requirements specified in Section 606 (*Insurance and Condemnation*) of the Indenture, which requirements are hereby incorporated herein. The Borrower shall cause all liability insurance policies (if any) that it maintains (and, during the Construction Period, that are maintained by any Principal Project Party), other than workers' compensation insurance, to reflect the WIFIA Lender as an additional insured. All such policies shall be available at all reasonable times for inspection by the WIFIA Lender, its agents and representatives.

(g) Permitted Investments. The Borrower shall comply with the requirements specified in Section 514 (*Investments*) of the Indenture, which requirements are hereby incorporated herein.

(h) Compliance With Laws. The Borrower shall, and shall require its contractors and subcontractors at all tiers with respect to the Project to, comply in all material respects with all applicable federal, State and local laws, rules, regulations and requirements, including without limitation (i) 40 U.S.C. §§ 3141-3144, 3146, and 3147 (Davis-Bacon Act requirements), (ii) 33 U.S.C. § 3914 (relating to American iron and steel products), and (iii) all items set forth in **Exhibit E** (*Compliance With Laws*). To ensure such compliance, the Borrower shall include in all contracts with respect to the Project requirements that its contractor(s) shall comply with applicable federal laws, rules, regulations, and requirements set forth in this Section 14(h) (*Affirmative Covenants – Compliance With Laws*) and follow applicable federal guidance, and shall require that the contractor(s) incorporate in all subcontracts (and cause all subcontractors to include in all lower tier subcontracts) such terms and conditions as are required to be incorporated therein by applicable federal laws, rules, regulations and requirements set forth in this Section 14(h) (*Affirmative Covenants – Compliance With Laws*). With respect to the Davis-Bacon Act Requirements, the Borrower shall insert in full in all contracts relating to the Project the contract clauses set forth in the Code of Federal Regulations, Title 29 Part 5.5, and require and ensure that its contractor(s) insert such clauses in all subcontracts with respect to the Project and also a clause requiring all subcontractors to include these clauses in any lower tier subcontracts.

(i) Material Obligations. The Borrower shall pay its material obligations promptly and in accordance with their terms and pay and discharge promptly all taxes, assessments and governmental charges or levies imposed upon it or upon the Revenues or other assets of the System, before the same shall become delinquent or in default, as well as all lawful and material claims for labor, materials and supplies or other claims which, if unpaid, might give rise to a Lien upon such properties or any part thereof or on the Revenues or the Pledged Collateral; provided, however, that such payment and discharge shall not be required with respect to any such tax, assessment, charge, levy, claim or Lien so long as the validity or amount thereof shall be contested by the Borrower in good faith by appropriate proceedings and so long as the Borrower shall have set aside adequate reserves with respect thereto in accordance with and to the extent required by GAAP, applied on a consistent basis.

(j) [RESERVED].

(k) SAM Registration. The Borrower shall obtain and maintain through the Final Disbursement Date an active registration status with the federal System for Award Management (www.SAM.gov) (or any successor system or registry).

(l) DUNS Number. The Borrower shall obtain and maintain from Dun & Bradstreet (or a successor entity) a Data Universal Numbering System Number (a “**DUNS Number**”).

(m) Events of Loss; Loss Proceeds. If an Event of Loss shall occur with respect to the System (including the Project) or any part thereof, the Borrower shall comply with the requirements specified in Section 605 (*Operation, Maintenance and Reconstruction*) of the Indenture and Section 606 (*Insurance and Condemnation*) of the Indenture.

(n) Immunity. To the fullest extent permitted by applicable law, the Borrower agrees that it will not assert any immunity (and hereby waives any such immunity) it may have as a governmental entity from lawsuits, other actions and claims, and any judgments with respect to the enforcement of any of the obligations of the Borrower under this Agreement or any other WIFIA Loan Document.

(o) Accounting and Audit Procedures.

(i) The Borrower shall establish fiscal controls and accounting procedures sufficient to assure proper accounting for all (i) Revenues, operating expenses, capital expenses, depreciation, reserves, debt issued and outstanding and debt payments and (ii) Project-related costs, WIFIA Loan requisitions submitted, WIFIA Loan proceeds received, payments made by the Borrower with regard to the Project, other sources of funding for the Project (including amounts paid from such sources for Project costs so that audits may be performed to ensure compliance with and enforcement of this Agreement). The Borrower shall use accounting, audit and fiscal procedures conforming to GAAP, including, with respect to the WIFIA Loan, accounting of principal and interest payments, disbursements, prepayments and calculation of interest and principal amounts Outstanding.

(ii) The Borrower shall have a single or program-specific audit conducted in accordance with 2 C.F.R. Part 200 Subpart F and 31 U.S.C. § 7502 in year 2020 and annually

thereafter, except to the extent biennial audits are permitted for the Borrower pursuant to 2 C.F.R. § 200.504 and 31 U.S.C. § 7502(b). Upon reasonable notice, the Borrower shall cooperate fully in the conduct of any periodic or compliance audits conducted by the WIFIA Lender, or designees thereof, pursuant to 40 C.F.R. Part 35, 31 U.S.C. § 7503(b), or 31 U.S.C. § 6503(h) and shall provide full access to any books, documents, papers or other records that are pertinent to the Project or the WIFIA Loan, to the WIFIA Lender, or the designee thereof, for any such project or programmatic audit.

(p) Access; Records.

(i) So long as the WIFIA Loan or any portion thereof shall remain outstanding and until five (5) years after the WIFIA Loan shall have been paid in full, the WIFIA Lender shall have the right, upon reasonable prior notice, to visit and inspect any portion of the Project, to examine books of account and records of the Borrower relating to the Project, to make copies and extracts therefrom at the Borrower's expense, and to discuss the Borrower's affairs, finances and accounts relating to the Project with, and to be advised as to the same by, its officers and employees and its independent public accountants (and by this provision the Borrower irrevocably authorizes its independent public accountants to discuss with the WIFIA Lender the affairs, finances and accounts of the Borrower, whether or not any representative of the Borrower is present, it being understood that nothing contained in this Section 14(p) (*Affirmative Covenants – Access; Records*) is intended to confer any right to exclude any such representative from such discussions), all at such reasonable times and intervals as the WIFIA Lender may request. The Borrower agrees to pay all out-of-pocket expenses incurred by the WIFIA Lender in connection with the WIFIA Lender's exercise of its rights under this Section 14(p) (*Affirmative Covenants – Access; Records*) at any time when an Event of Default shall have occurred and be continuing.

(ii) The Borrower shall maintain and retain all files relating to the Project and the WIFIA Loan until five (5) years after the later of the date on which (i) all rights and duties under this Agreement and under the WIFIA Bond (including payments) have been fulfilled and any required audits have been performed and (ii) any litigation relating to the Project, the WIFIA Loan or this Agreement is finally resolved or, if the WIFIA Lender has reasonable cause to extend such date, a date to be mutually agreed upon by the WIFIA Lender and the Borrower. The Borrower shall provide to the WIFIA Lender in a timely manner all records and documentation relating to the Project that the WIFIA Lender may reasonably request from time to time.

Section 15. Negative Covenants. The Borrower covenants and agrees as follows until the date the WIFIA Bond and the obligations of the Borrower under this Agreement (other than contingent indemnity obligations) are irrevocably paid in full in cash, unless the WIFIA Lender waives compliance in writing:

(a) Indebtedness. The Borrower shall not issue any Obligations, unless the conditions described in this Section 15(a) (*Negative Covenants – Indebtedness*) are satisfied:

(i) The Borrower shall comply with the requirements specified in Section 205 (*General Provisions for Issuance of Bonds*) of the Indenture and Section 607 (*Creation of Liens, Other Indebtedness*) of the Indenture, which requirements are hereby incorporated herein and a

copy of each such section, as of the Effective Date, is attached hereto as **Schedule IX** (*Additional Bonds Test*); and

(ii) The Borrower has demonstrated that, for the three (3) full Borrower Fiscal Years following issuance of the Obligations (including the Borrower Fiscal Year in which such Obligations are issued), the estimated annual Net Revenues for each such Borrower Fiscal Year together with the amounts of Reserved Revenues, if any, available in such fiscal year (as calculated by an Authorized Officer (as defined in the Indenture) at the time of the issuance of such Obligations but without double-counting the amount of Reserved Revenues included in the estimated Net Revenues) will be at least equal to one hundred twenty-five percent (125%) of (A) the Debt Service Requirement for all Outstanding Obligations (including Agency Bonds based on debt service net of any interest rate subsidy) for such fiscal year less (B) the amount, if any, of Bond proceeds available or projected to be available to pay Principal Installments (as defined in the Indenture) and interest becoming due in such fiscal year on Outstanding Obligations or projected to be Outstanding as of the first day of such fiscal year.

(iii) Upon the incurrence of Additional Senior Obligations, the Borrower shall provide to the WIFIA Lender a certificate signed by the Borrower's Authorized Representative, (A) specifying the closing date with respect to such Additional Senior Obligations and (B) confirming that the incurrence of such Additional Senior Obligations satisfies the requirements set forth in this Section 15(a) (*Negative Covenants – Indebtedness*).

(b) No Lien Extinguishment or Adverse Amendments. The Borrower shall not, and shall not permit any Person to, without the prior written consent of the WIFIA Lender: (i) release all or substantially all the Pledged Collateral from the Lien of the Indenture or otherwise extinguish or materially impair (as to the WIFIA Loan or any other Secured Obligations the proceeds of which are applied to fund Total Project Costs) the pledged source of repayment granted pursuant to the Indenture; (ii) extinguish the Rate Covenant; (iii) amend, modify or supplement any Indenture Document in a manner that could reasonably be expected to disproportionately affect the WIFIA Lender in connection with the WIFIA Loan compared to other holders of Obligations; (iv) amend, modify or supplement any Indenture Document in a manner that would affect the order of priority in which funds are to be applied to the Operation and Maintenance Account and the Debt Service Fund (as defined in the Indenture) for the Bonds as set forth in Section 504 (*Revenue Fund*) of the Indenture as of the Effective Date; (v) assign any Related Document; or (vi) terminate, replace, amend, modify or supplement any Principal Project Contract in a manner that could reasonably be expected to have a Material Adverse Effect.

(c) No Prohibited Liens. Except for Permitted Liens, the Borrower shall not create, incur, assume or permit to exist any Lien on the Project, the Pledged Collateral, the Revenues, or the Borrower's respective rights therein. The Borrower shall not collaterally assign any of its rights under or pursuant to any Principal Project Contract and shall not permit a Lien to encumber the Borrower's rights or privileges under any Principal Project Contract, unless pursuant to the Indenture Documents in favor of the Trustee on behalf of the Secured Parties.

(d) Restricted Payments and Transfers. The Borrower shall not permit Revenues or other assets of the System, or any funds in any accounts held under the Indenture or

in any other fund or account held by or on behalf of the Borrower in respect of the System, to be paid or transferred or otherwise applied for purposes other than ownership, operation or maintenance of the System, except with the consent of the WIFIA Lender, which consent shall be in the WIFIA Lender's sole discretion.

(e) No Prohibited Sale, Lease or Assignment. The Borrower shall comply with requirements specified in Section 604 (*Sale, Lease or Encumbrance of System*) of the Indenture, which requirements are hereby incorporated herein. The Borrower reasonably expects that no portion of the Project will be sold prior to the Final Maturity Date of the WIFIA Loan.

(f) Fiscal Year. The Borrower shall not at any time adopt any fiscal year other than the Borrower Fiscal Year, except with thirty (30) days' prior written notice to the WIFIA Lender.

(g) Mergers and Acquisitions. The Borrower shall not, and shall not agree to, reorganize, consolidate with or merge into another Person except in accordance with Section 604 (*Sale, Lease or Encumbrance of System*) of the Indenture.

(h) No Defeasance. Notwithstanding anything to the contrary in any Indenture Document or document related thereto, the WIFIA Loan shall not be subject to defeasance and no amounts in respect of the WIFIA Loan shall be considered or deemed to have been paid until the WIFIA Lender shall have received irrevocable payment in immediately available funds in accordance with the requirements for payment set forth in this Agreement.

(i) OFAC Compliance. The Borrower shall not: (i) violate (A) any applicable anti-money laundering laws, including those contained in the Bank Secrecy Act and the Patriot Act, (B) any applicable economic sanction laws administered by OFAC or by the United States Department of State, or (C) any applicable anti-drug trafficking, anti-terrorism, or anti-corruption laws, civil or criminal; or (ii) be a Person (A) that is charged with, or that has received notice from a Governmental Authority that it is under investigation for, any violation of any such laws, (B) that is convicted of any violation of, is subject to civil or criminal penalties pursuant to, has any of its property seized or forfeited under, or enters into any agreement with the Government or a state or local government related to violations of, any such laws, (C) that is named on the list of "Specially Designated Nationals and Blocked Persons" maintained by OFAC (or any successor Government office or list), or any similar list maintained by the United States Department of State (or any successor Government office or list), (D) with whom any U.S. Person (as defined in the applicable OFAC regulations) is prohibited from transacting business of the type contemplated by this Agreement and the other Related Documents under any other applicable law, (E) that is owned, Controlled by, or affiliated with any Person identified in clause (A), (B), (C) or (D) of this clause (ii), or (F) that is in violation of any obligation to maintain appropriate internal controls as required by the governing laws of the jurisdiction of such Person as are necessary to ensure compliance with the economic sanctions, anti-money laundering and anti-corruption laws of the United States of America and the jurisdiction where the Person resides, is domiciled or has its principal place of business. The Borrower shall not knowingly make a payment to any Principal Project Party that is a Person (A) that is named on the list of "Specially Designated Nationals and Blocked Persons" maintained by OFAC (or any successor Government office or list), or any similar list maintained by the United States Department of

State (or any successor Government office or list) or (B) with whom any U.S. Person (as defined in the applicable OFAC regulations) is prohibited from transacting business of the type contemplated by this Agreement and the other Related Documents under any other applicable law.

(j) Hedging. Other than Qualified Swap Agreements expressly permitted under the Indenture, the Borrower shall not enter into any swap or hedging transaction, including inflation indexed swap transactions, “cap” or “collar” transactions, futures, or any other hedging transaction, in each case, payable from the Pledged Collateral.

Section 16. Reporting Requirements.

(a) Financial Reporting. The Borrower shall provide the WIFIA Lender with the following: unless included as part of the annual budget pursuant to clause (ii) of this Section 16(a) (*Reporting Requirements – Financial Reporting*) or the annual financial statements pursuant to Section 16(b) (*Reporting Requirements – Annual Financial Statements*), an analysis of operating revenues and expenses, including a description of the status of all revenues securing the WIFIA Bond and of any operating expenses in excess of budget, not later than one hundred eighty (180) days after the end of each Borrower Fiscal Year;

(ii) a copy of the annual budget of the Borrower, not later than fifteen (15) days after its adoption;

(iii) unless included as part of the annual budget pursuant to clause (ii) of this Section 16(a) (*Reporting Requirements – Financial Reporting*) or the annual financial statements pursuant to Section 16(b) (*Reporting Requirements – Annual Financial Statements*), a schedule of current and projected short-term and long-term debt service, concurrently with each annual budget provided pursuant to clause (ii) of this Section 16(a) (*Reporting Requirements – Financial Reporting*); and

(iv) unless included as part of the annual budget pursuant to clause (ii) of this Section 16(a) (*Reporting Requirements – Financial Reporting*) or the annual financial statements pursuant to Section 16(b) (*Reporting Requirements – Annual Financial Statements*), a schedule of capital replacement reserves, concurrently with each annual budget provided pursuant to clause (ii) of this Section 16(a) (*Reporting Requirements – Financial Reporting*).

(b) Annual Financial Statements. The Borrower shall post to EMMA, no later than one hundred eighty (180) days after the end of each Borrower Fiscal Year:

(i) a copy of the audited income statement and balance sheet of the Borrower as of the end of such Borrower Fiscal Year and the related audited statements of operations and of cash flow of the Borrower for such Borrower Fiscal Year, (A) setting forth in each case in comparative form the figures for the previous fiscal year, (B) certified without qualification or exception, or qualification as to the scope of the audit, by an independent public accounting firm selected by the Borrower and (C) which shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein (except, with respect to the annual financial statements, for

changes approved or required by the independent public accountants certifying such statements and disclosed therein); and

(ii) together with each delivery of such annual audited financial statements, a certificate signed by the chief executive officer or chief financial officer of the Borrower or the Borrower's Authorized Representative, stating whether or not, to the Borrower's knowledge, during the annual period covered by such financial statements, there occurred any Default or Event of Default and, if any such Default or Event of Default shall have occurred during such period, the nature of such Default or Event of Default and the actions that the Borrower has taken or intends to take in respect thereof.

(c) Final Design Specifications; RIDEM Approvals. The Borrower shall deliver, upon the request of the WIFIA Lender (i) the final designs, plans and specifications relating to the development and construction of the Project and (ii) evidence of receipt of the Orders of Approval and Certificates of Approval from the Rhode Island Department of Environmental Management.

(d) Construction Reporting. The WIFIA Lender shall have the right in its sole discretion to monitor (or direct its agents to monitor) the development of the Project, including environmental compliance, design, and construction of the Project. The Borrower shall be responsible for administering construction oversight of the Project in accordance with applicable federal, state and local governmental requirements. The Borrower agrees to cooperate in good faith with the WIFIA Lender in the conduct of such monitoring by promptly providing the WIFIA Lender with such reports, documentation or other information as shall be requested by the WIFIA Lender or its agents, including any independent engineer reports, documentation or information and, if requested by the WIFIA Lender, copies of any Principal Project Contracts and related documentation. During the period through Substantial Completion of the Project, the Borrower shall furnish to the WIFIA Lender, on a quarterly basis, a report on the status of the Project, substantially in the form of **Exhibit K** (*Form of Quarterly Report*). The report shall be executed by the Borrower's Authorized Representative and, for any quarter, shall be delivered to the WIFIA Lender not later than the fifteenth (15th) day of the following quarter (or if such day is not a Business Day, on the next following Business Day). If the then-current projection for the Substantial Completion Date is a date later than the Projected Substantial Completion Date, the Borrower shall provide in such report a description in reasonable detail to the reasonable satisfaction of the WIFIA Lender of the reasons for such projected delay, an estimate of the impact of such delay on the capital and operating costs of the System (if any), and that the new date could not reasonably be expected to result in a Material Adverse Effect or a material and adverse effect on the Project or the System. The Projected Substantial Completion Date shall automatically be adjusted to the date specified by the Borrower in its report unless the WIFIA Lender objects to the adjustment in writing to the Borrower within sixty (60) days following receipt of the Borrower's report on the basis that the Borrower's report does not demonstrate the matters specified in this Section 16(d) (*Reporting Requirements – Construction Reporting*).

(e) Public Benefits Report. The Borrower shall deliver to the WIFIA Lender a report, in the form of **Exhibit L** (*Form of Public Benefits Report*) (the "**Public Benefits Report**"), (i) no later than thirty (30) days prior to the Effective Date, (ii) within ninety (90) days following the Substantial Completion Date and (iii) within ninety (90) days following the fifth

(5th) anniversary of the Substantial Completion Date. The Borrower agrees that information described under this Section 16(e) (*Reporting Requirements – Public Benefits Report*) may be made publicly available by the WIFIA Lender at its discretion.

(f) Modifications to Total Project Costs. For the period through the Substantial Completion Date, the Borrower shall provide the WIFIA Lender with written notification at least thirty (30) days prior to instituting any increase or decrease to the aggregate Total Project Costs in an amount equal to or greater than ten percent (10%), which notification shall set forth the nature of the proposed increase or decrease and an estimate of the impact of such increase or decrease on the capital costs and operating costs of the System. The Borrower's notice shall demonstrate that the proposed increase or decrease is consistent with the provisions of this Agreement, is necessary or beneficial to the Project, does not materially impair the WIFIA Lender's security or the Borrower's ability to comply with its obligations under the Related Documents (including any financial ratios or covenants included therein), and could not reasonably be expected to result in a Material Adverse Effect.

(g) Operations and Maintenance. The WIFIA Lender shall have the right, in its sole discretion, to monitor (or direct its agents to monitor) the Project's operations and, as the WIFIA Lender may request from time to time, to receive reporting on the operation and management of the Project, and copies of any contracts relating to the operation and maintenance of the Project. The Borrower agrees to cooperate in good faith with the WIFIA Lender in the conduct of such monitoring by promptly providing the WIFIA Lender with such reports, documentation, or other information requested by the WIFIA Lender. The WIFIA Lender has the right, in its sole discretion, to retain such consultants or advisors, to carry out the provisions of this Section 16(g) (*Reporting Requirements – Operations and Maintenance*). On or prior to the Substantial Completion Date, the Borrower shall deliver to the WIFIA Lender an operations and maintenance manual with respect to the Project, in form and substance reasonably acceptable to the WIFIA Lender.

(h) Notices.

(i) [RESERVED].

(ii) The Borrower shall, within ten (10) Business Days after the Borrower learns of the occurrence, give the WIFIA Lender notice of any of the following events or receipt of any of the following notices, as applicable, setting forth details of such event:

(A) Substantial Completion: the occurrence of Substantial Completion, such notice to be provided in the form set forth in **Exhibit J** (*Form of Certificate of Substantial Completion*);

(B) Defaults; Events of Default; any Default or Event of Default;

(C) Litigation; (1) the filing of any litigation, suit or action, or the commencement of any proceeding, against the Borrower before any arbitrator, Governmental Authority, alternative dispute resolution body, or other neutral third-party, or the receipt by the Borrower in writing of any threat of litigation, suit, action, or

proceeding, or of any written claim against the Borrower that, in each case, could reasonably be expected to have a Material Adverse Effect, and any material changes in the status of such litigation, suit, action or claim, and (2) any judgments against the Borrower with award amounts in excess of \$50,000,000, either individually or in the aggregate;

(D) Environmental Notices: any material notice of violation or material change in finding under any Environmental Law related to the Project or any material changes to the NEPA Determination;

(E) 2 C.F.R. § 180.350 Notices: any notification required pursuant to 2 C.F.R. § 180.350, whether attributable to a failure by the Borrower to disclose information previously required to have been disclosed or due to the Borrower or any of its principals meeting any of the criteria set forth in 2 C.F.R. § 180.335;

(F) Amendments: any material amendment of any Related Document; provided that (1) if applicable, such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant document on EMMA and (2) a Supplemental Indenture executed solely for the purpose of issuing Additional Senior Obligations, without any modification to the Indenture, shall not be considered a material amendment for purposes of this clause (F);

(G) Ratings Changes: any change in the rating assigned to the Senior Obligations or any Subordinated Obligations, in each case by any Nationally Recognized Rating Agency that has provided a public rating on such indebtedness, and any notices, reports or other written materials (other than those that are ministerial in nature) received from any such rating agencies; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA;

(H) Postings on EMMA: the posting of any document on EMMA in accordance with the requirements of any continuing disclosure agreement with respect to any Outstanding Obligations relating to annual financial information and operating data and the reporting of significant events; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant document on EMMA;

(I) Mergers and Acquisitions: the consummation of a merger, consolidation, or acquisition of the Borrower or the sale of all or substantially all of the assets of the Borrower, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA;

(J) Change in Trustee: the appointment of a successor or additional trustee, or the change of name of a trustee, if material;

(K) Other Significant Financial Matters: any (1) unscheduled draws on debt service reserves reflecting financial difficulties, (2) unscheduled draws on credit enhancements reflecting financial difficulties, (3) substitution of credit or liquidity providers, or their failure to perform, (4) Bond calls, if material, and tender offers, (5) defeasances, (6) release, substitution or sale of property securing repayment of the WIFIA Bond, if material, or (7) incurrence of a financial obligation of the Borrower, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Borrower, any of which affect the WIFIA Lender, if material; provided that any such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA; and

(L) Other Adverse Events; the occurrence of any other event or condition, including any notice of breach from a contract counterparty or any Holder of any Obligations, that could reasonably be expected to result in a Material Adverse Effect or have a material and adverse effect on the Project.

(iii) The Borrower and the WIFIA Lender agree and confirm that no provision of this Section 16(h) (*Reporting Requirements – Notices*) constitutes a continuing disclosure undertaking pursuant to SEC Rule 15c2-12 adopted by the Securities Exchange Commission under the Securities Exchange Act of 1934.

(i) Requested Information. The Borrower shall, at any time while the WIFIA Loan remains outstanding, promptly deliver to the WIFIA Lender such additional information regarding the business, financial, legal or organizational affairs of the Borrower or regarding the Project, the System or the Revenues as the WIFIA Lender may from time to time reasonably request. Such additional information may include, if requested by the WIFIA Lender, a written statement from the Borrower's Authorized Representative setting forth the actions the Borrower proposes to take with respect to the occurrence of any event specified in Section 16(h)(ii) (*Reporting Requirements – Notices*), excluding the events specified in sub-clauses (A) (*Substantial Completion*), (F) (*Amendments*) or, in the case of a ratings upgrade, (G) (*Ratings Changes*) thereto.

(j) Annual Officer's Certificate. The Borrower shall furnish to the WIFIA Lender, concurrently with the delivery of the same to the Trustee, a copy of the certificate required to be delivered to the Trustee pursuant to Section 603(4) (*Covenant as to Rates and Charges*) of the Indenture; provided that the failure of the Borrower to deliver such certificate to the WIFIA Lender concurrently with the delivery to the Trustee shall not constitute a Default or Event of Default unless (i) the WIFIA Lender shall have provided the Borrower with written notice of such failure, and (ii) the Borrower shall have failed to deliver such certificate to the WIFIA Lender within thirty (30) days after the date of delivery of such notice.

ARTICLE VI EVENTS OF DEFAULT

Section 17. Events of Default and Remedies.

(a) An “**Event of Default**” shall exist under this Agreement if any of the following occurs:

(i) Payment Default. The Borrower shall fail to pay any of the principal amount of or interest on the WIFIA Loan (including WIFIA Debt Service required to have been paid pursuant to the provisions of Section 8 (*Payment of Principal and Interest*) when and as the payment thereof shall be required under this Agreement or the WIFIA Bond or on the Final Maturity Date (each such failure, a “**Payment Default**”).

(ii) Covenant Default. The Borrower shall fail to observe or perform any covenant, agreement or obligation of the Borrower under this Agreement, the WIFIA Bond or any other WIFIA Loan Document (other than in the case of any Payment Default or any Development Default), and such failure shall not be cured within thirty (30) days after the earlier to occur of (A) receipt by the Borrower from the WIFIA Lender of written notice thereof or (B) the Borrower’s knowledge of such failure; provided, however, that if such failure is capable of cure but cannot reasonably be cured within such thirty (30) day cure period, then no Event of Default shall be deemed to have occurred or be continuing under this clause (ii), and such thirty (30) day cure period shall be extended by up to one hundred fifty (150) additional days, if and so long as (x) within such thirty (30) day cure period the Borrower shall commence actions reasonably designed to cure such failure and shall diligently pursue such actions until such failure is cured and (y) such failure is cured within one hundred eighty (180) days of the date specified in either (A) or (B) above, as applicable.

(iii) Misrepresentation Default. Any of the representations, warranties or certifications of the Borrower made in or delivered pursuant to the WIFIA Loan Documents (or in any certificates delivered by the Borrower in connection with the WIFIA Loan Documents) shall prove to have been false or misleading in any material respect when made or deemed made (or any representation and warranty that is subject to a materiality qualifier shall prove to have been false or misleading in any respect); provided, that no Event of Default shall be deemed to have occurred under this clause (iii) if and so long as (A) such misrepresentation is not intentional, (B) such misrepresentation is not a misrepresentation in respect of Section 12(h) (*Representations and Warranties of Borrower – No Debarment*), Section 12(j) (*Representations and Warranties of Borrower – Compliance with Federal Requirements*), Section 12(p) (*Representations and Warranties of Borrower – OFAC; Anti-Corruption Laws*), or Section 12(aa) (*Representations and Warranties of Borrower – Patriot Act*), (C) in the reasonable determination of the WIFIA Lender, such misrepresentation has not had, and would not reasonably be expected to result in, a Material Adverse Effect, (D) in the reasonable determination of the WIFIA Lender, the underlying issue giving rise to the misrepresentation is capable of being cured, (E) the underlying issue giving rise to the misrepresentation is cured by the Borrower within thirty (30) days from the date on which the Borrower first became aware (or reasonably should have become aware) of such misrepresentation, and (F) the Borrower diligently pursues such cure during such thirty (30) day period.

(iv) Acceleration of Senior Obligations. Any acceleration shall occur of the maturity of any Senior Obligation, or any such Senior Obligation shall not be paid in full upon the final maturity thereof.

(v) Cross Default with Other Financing Documents. Any default shall occur in respect of the performance of any covenant, agreement or obligation of the Borrower under the Related Documents (except for the Principal Project Contracts), and such default shall be continuing after the giving of any applicable notice and the expiration of any applicable grace period specified in the Related Documents (except for the Principal Project Contracts) with respect to such default, and the Borrower shall have failed to cure such default or to obtain an effective written waiver thereof in accordance with the terms of the applicable Senior Obligations.

(vi) Material Adverse Judgment. Any final, non-appealable judgment related to the Revenues, the System or the Project shall be entered against the Borrower which has a Material Adverse Effect.

(vii) Occurrence of a Bankruptcy Related Event. A Bankruptcy Related Event shall occur with respect to the Borrower.

(viii) Invalidity of WIFIA Loan Documents and Indenture Documents. (A) Any WIFIA Loan Document ceases to be in full force and effect (other than as a result of the termination thereof in accordance with its terms) or becomes void, voidable, illegal or unenforceable, or the Borrower contests in any manner the validity or enforceability of any WIFIA Loan Document to which it is a party or denies it has any further liability under any WIFIA Loan Document to which it is a party, or purports to revoke, terminate or rescind any WIFIA Loan Document to which it is a party; (B) any Indenture Document ceases (other than as expressly permitted thereunder) to be effective or to grant a valid and binding security interest on any material portion of the Pledged Collateral other than as a result of actions or a failure to act by, and within the control of, the Trustee or any Secured Party, and with the priority purported to be created thereby; or (C) any event occurs that results in the material impairment in the perfection or priority of the WIFIA Lender's security interest in the Pledged Collateral or in the value of such Pledged Collateral.

(ix) [RESERVED].

(x) Development Default. A Development Default shall occur.

(xi) Default Under Principal Project Contracts. The Borrower shall default in the timely performance of any covenant, agreement or obligation under any Principal Project Contract or any Principal Project Contract shall be terminated prior to its scheduled expiration (unless in any case such default or termination could not reasonably be expected to have a Material Adverse Effect), and the Borrower shall have failed to cure such default or to obtain an effective written waiver or revocation thereof prior to the expiration of the applicable grace period specified in any such Principal Project Contract, or to obtain an effective revocation of such termination (as the case may be); provided, however, that no Event of Default shall be deemed to have occurred or be continuing under this clause if, in the case of any termination of a Principal Project Contract, the Borrower replaces such Principal Project Contract with a replacement agreement (1) entered into with another counterparty that (I) is of similar or greater creditworthiness and experience as the counterparty being replaced was at the time the applicable Principal Project Contract was originally executed (or otherwise reasonably acceptable to the WIFIA Lender) and (II) is not, at the time of such replacement, suspended or debarred or subject to a proceeding to suspend or debar

from bidding, proposing or contracting with any federal or state department or agency, (2) on substantially the same terms and conditions as the Principal Project Contract being replaced (or otherwise reasonably acceptable to the WIFIA Lender) and (3) effective as of the date of termination of the Principal Project Contract being replaced.

(xii) Cessation of System Operations. Following the Substantial Completion Date, operation of the System shall cease for a continuous period of not less than one hundred eighty (180) days unless such cessation of operations shall occur by reason of an Uncontrollable Force that is not due to the fault of the Borrower (and which the Borrower could not reasonably have avoided or mitigated).

(xiii) Failure to Maintain Legal Structure. The Borrower shall fail to maintain its existence as a public corporation organized and existing under its Organizational Documents and the laws of the State.

(b) Upon the occurrence of any Bankruptcy Related Event, all obligations of the WIFIA Lender hereunder with respect to the disbursement of any undisbursed amounts of the WIFIA Loan shall automatically be deemed terminated.

(c) Upon the occurrence of any Event of Default, the WIFIA Lender, by written notice to the Borrower, may exercise any or all of the following remedies:

(i) the WIFIA Lender may suspend or terminate all of its obligations hereunder with respect to the disbursement of any undisbursed amounts of the WIFIA Loan;

(ii) the WIFIA Lender may cease permitting interest on the WIFIA Loan to be compounded and capitalized;

(iii) the WIFIA Lender may apply the Default Rate provisions of Section 6 (*Interest Rate*);

(iv) the WIFIA Lender may suspend or debar the Borrower from further participation in any Government program administered by the WIFIA Lender and to notify other departments and agencies of such default; and/or

(v) subject to the provisions of the Indenture, the WIFIA Lender shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of any sums due and unpaid hereunder or under the WIFIA Bond or the other WIFIA Loan Documents, and may prosecute any such judgment or final decree against the Borrower and collect in the manner provided by law out of the property of the Borrower the moneys adjudged or decreed to be payable, and the WIFIA Lender shall have all of the rights and remedies of a creditor, including all rights and remedies of a secured creditor under the Uniform Commercial Code, and may take such other actions at law or in equity as may appear necessary or desirable to collect all amounts payable by Borrower under this Agreement, the WIFIA Bond or the other WIFIA Loan Documents then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under this Agreement, the WIFIA Bond or the other WIFIA Loan Documents. The WIFIA Lender acknowledges that it has

no right to accelerate the Outstanding amount of the WIFIA Loan except as permitted under the Indenture.

(d) No action taken pursuant to this Section 17 (*Events of Default and Remedies*) shall relieve Borrower from its obligations pursuant to this Agreement, the WIFIA Bond or the other WIFIA Loan Documents, all of which shall survive any such action.

ARTICLE VII MISCELLANEOUS

Section 18. Disclaimer of Warranty. The WIFIA Lender makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for a particular purpose or fitness for use of the Project or any portion thereof or any other warranty with respect thereto. In no event shall the WIFIA Lender be liable for any incidental, indirect, special or consequential damages incidental to or arising out of this Agreement or the Project or the existence, furnishing, functioning or use of the Project or any item or products or services provided for in this Agreement.

Section 19. No Personal Recourse. No official, employee or agent of the WIFIA Lender or the Borrower or any Person executing this Agreement or any of the other WIFIA Loan Documents shall be personally liable on this Agreement or such other WIFIA Loan Documents by reason of the issuance, delivery or execution hereof or thereof.

Section 20. No Third Party Rights. The parties hereby agree that this Agreement creates no third party rights against the Borrower, the Government, or the WIFIA Lender, solely by virtue of the WIFIA Loan, and the Borrower agrees to indemnify and hold the WIFIA Lender, the Servicer (if any), the Administrator, and the Government harmless, to the extent permitted by law and in accordance with Section 32 (*Indemnification*), from any lawsuit or claim arising in law or equity solely by reason of the WIFIA Loan, and that no third party creditor or creditors of the Borrower shall have any right against the WIFIA Lender with respect to the WIFIA Loan made pursuant to this Agreement.

Section 21. Borrower's Authorized Representative. The Borrower shall at all times have appointed a Borrower's Authorized Representative by designating such Person or Persons from time to time to act on the Borrower's behalf pursuant to a written certificate furnished to the WIFIA Lender and the Servicer, if any, containing the specimen signature or signatures of such Person or Persons and signed by the Borrower.

Section 22. WIFIA Lender's Authorized Representative. The WIFIA Lender hereby appoints the Director of the WIFIA Program, whose notice details are set forth below in Section 31 (*Notices*), to serve as the WIFIA Lender's Authorized Representative under this Agreement until such time as a successor or successors shall have been appointed. Thereafter, the successor in office shall serve as the WIFIA Lender's Authorized Representative. The WIFIA Lender shall provide notice to the Borrower within a reasonable time period following the succession.

Section 23. Servicer. The WIFIA Lender may from time to time designate another entity or entities to perform, or assist the WIFIA Lender in performing, the duties of the Servicer

or specified duties of the WIFIA Lender under this Agreement and the WIFIA Bond. The WIFIA Lender shall give the Borrower written notice of the appointment of any successor or additional Servicer and shall enumerate the duties or any change in duties to be performed by any Servicer. Any references in this Agreement to the WIFIA Lender shall be deemed to be a reference to the Servicer with respect to any duties which the WIFIA Lender shall have delegated to such Servicer. The WIFIA Lender may at any time assume the duties of any Servicer under this Agreement and the WIFIA Bond. The Borrower shall cooperate and respond to any reasonable request of the Servicer for information, documentation or other items reasonably necessary for the performance by the Servicer of its duties hereunder.

Section 24. Amendments and Waivers. No amendment, modification, termination, or waiver of any provision of this Agreement shall in any event be effective without the written consent of each of the parties hereto.

Section 25. Governing Law. This Agreement shall be governed by the federal laws of the United States of America if and to the extent such federal laws are applicable and the internal laws of the State, if and to the extent such federal laws are not applicable.

Section 26. Severability. In case any provision in or obligation under this Agreement shall be invalid, illegal, or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

Section 27. Successors and Assigns. This Agreement shall be binding upon the parties hereto and their respective permitted successors and assigns and shall inure to the benefit of the parties hereto and their permitted successors and assigns. Neither the Borrower's rights or obligations hereunder nor any interest therein may be assigned or delegated by the Borrower without the prior written consent of the WIFIA Lender.

Section 28. Remedies Not Exclusive. No remedy conferred herein or reserved to the WIFIA Lender is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 29. Delay or Omission Not Waiver. No delay or omission of the WIFIA Lender to exercise any right or remedy provided hereunder upon a default of the Borrower (except a delay or omission pursuant to a written waiver) shall impair any such right or remedy or constitute a waiver of any such default or acquiescence therein. Every right and remedy given by this Agreement or by law to the WIFIA Lender may be exercised from time to time, and as often as may be deemed expedient by the WIFIA Lender.

Section 30. Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same

document. Electronic delivery of an executed counterpart of a signature page of this Agreement or of any document or instrument delivered in connection herewith in accordance with Section 31 (*Notices*) shall be effective as delivery of an original executed counterpart of this Agreement or such other document or instrument, as applicable.

Section 31. Notices. Notices hereunder shall be (a) in writing, (b) effective as provided below and (c) given by (i) nationally recognized courier service, (ii) hand delivery, or (iii) email, in each case to:

If to WIFIA Lender: Environmental Protection Agency
WJC-W 6201A
1200 Pennsylvania Avenue NW
Washington, D.C. 20460
Attention: WIFIA Director
Email: WIFIA_Portfolio@epa.gov

If to Borrower: Narragansett Bay Commission
One Service Road
Providence, RI 02905
Attention: Chief Financial Officer
Email: Karen.Giebink@narrabay.com

If to Trustee: U.S. Bank National Association
One Federal Street
Boston, MA 02110
Attention: Karen Beard
Email: Karen.Beard@usbank.com

Unless otherwise instructed by the WIFIA Lender's Authorized Representative, all notices to the WIFIA Lender should be made by email to the email address noted above for the WIFIA Lender. Notices required to be provided herein shall be provided to such different addresses or to such further parties as may be designated from time to time by a Borrower's Authorized Representative, with respect to notices to the Borrower, or by the WIFIA Lender's Authorized Representative, with respect to notices to the WIFIA Lender or the Servicer. Each such notice, request or communication shall be effective (x) if delivered by hand or by nationally recognized courier service, when delivered at the address specified in this Section 31 (*Notices*) (or in accordance with the latest unrevoked written direction from the receiving party) and (y) if given by email, when such email is delivered to the address specified in this Section 31 (*Notices*) (or in accordance with the latest unrevoked written direction from the receiving party); provided, that notices received on a day that is not a Business Day or after 5:00 p.m. Eastern Time on a Business Day will be deemed to be effective on the next Business Day.

Section 32. Indemnification. The Borrower shall, to the extent permitted by law, indemnify the WIFIA Lender and any official, employee, agent or representative of the WIFIA Lender (each such Person being herein referred to as an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities, fines, penalties, costs

and expenses (including the fees, charges and disbursements of any counsel for any Indemnitee and the costs of environmental remediation), whether known, unknown, contingent or otherwise, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (a) the execution, delivery and performance of this Agreement or any of the other Related Documents, (b) the WIFIA Loan or the use of the proceeds thereof, or (c) the violation of any law, rule, regulation, order, decree, judgment or administrative decision relating to the environment, the preservation or reclamation of natural resources, the management, release or threatened release of any hazardous material or to health and safety matters; in each case arising out of or in direct relation to the Project; provided, that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities, fines, penalties, costs or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee. In case any action or proceeding is brought against an Indemnitee by reason of any claim with respect to which such Indemnitee is entitled to indemnification hereunder, the Borrower shall be entitled, at its expense, to participate in the defense thereof; provided, that such Indemnitee has the right to retain its own counsel, at the Borrower's expense, and such participation by the Borrower in the defense thereof shall not release the Borrower of any liability that it may have to such Indemnitee. Any Indemnitee against whom any indemnity claim contemplated in this Section 32 (*Indemnification*) is made shall be entitled, after consultation with the Borrower and upon consultation with legal counsel wherein such Indemnitee is advised that such indemnity claim is meritorious, to compromise or settle any such indemnity claim. Any such compromise or settlement shall be binding upon the Borrower for purposes of this Section 32 (*Indemnification*). Nothing herein shall be construed as a waiver of any legal immunity that may be available to any Indemnitee. To the extent permitted by applicable law, neither the Borrower nor the WIFIA Lender shall assert, and each of the Borrower and the WIFIA Lender hereby waives, any claim against any Indemnitee or the Borrower, respectively, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any of the other Related Documents, the other transactions contemplated hereby and thereby, the WIFIA Loan or the use of the proceeds thereof, provided, that nothing in this sentence shall limit the Borrower's indemnity obligations to the extent such damages are included in any third party claim in connection with which an Indemnitee is entitled to indemnification hereunder. All amounts due to any Indemnitee under this Section 32 (*Indemnification*) shall be payable promptly upon demand therefor. The obligations of the Borrower under this Section 32 (*Indemnification*) shall survive the payment or prepayment in full or transfer of the WIFIA Bond, the enforcement of any provision of this Agreement or the other Related Documents, any amendments, waivers (other than amendments or waivers in writing with respect to this Section 32 (*Indemnification*)) or consents in respect hereof or thereof, any Event of Default, and any workout, restructuring or similar arrangement of the obligations of the Borrower hereunder or thereunder.

Section 33. Sale of WIFIA Loan. The WIFIA Lender shall not sell the WIFIA Loan at any time prior to the Substantial Completion Date. After such date, the WIFIA Lender may sell the WIFIA Loan to another entity or reoffer the WIFIA Loan into the capital markets only in accordance with the provisions of this Section 33 (*Sale of WIFIA Loan*). Such sale or reoffering shall be on such terms as the WIFIA Lender shall deem advisable. However, in making such sale or reoffering the WIFIA Lender shall not change the terms and conditions of the WIFIA Loan without the prior written consent of the Borrower in accordance with Section 24 (*Amendments*

and Waivers). The WIFIA Lender shall provide, at least sixty (60) days prior to any sale or reoffering of the WIFIA Loan, written notice to the Borrower of the WIFIA Lender's intention to consummate such a sale or reoffering; provided, however, that no such notice shall be required during the continuation of any Event of Default. The provision of any notice pursuant to this Section 33 (*Sale of WIFIA Loan*) shall not (x) obligate the WIFIA Lender to sell nor (y) provide the Borrower with any rights or remedies in the event the WIFIA Lender, for any reason, does not sell the WIFIA Loan.

Section 34. Effectiveness. This Agreement shall be effective on the Effective Date.

Section 35. Termination. This Agreement shall terminate upon the irrevocable payment in full in cash by the Borrower of the Outstanding WIFIA Loan Balance, together with all accrued interest, fees and expenses with respect thereto; provided, however, that the indemnification requirements of Section 32 (*Indemnification*), the reporting and record keeping requirements of Section 14(p) (*Affirmative Covenants – Access; Records*) and the payment requirements of Section 10 (*Fees and Expenses*) shall survive the termination of this Agreement as provided in such Sections.

Section 36. Integration. This Agreement constitutes the entire contract between the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

NARRAGANSETT BAY COMMISSION

By: 
Name: Vincent J. Mesolella
Title: Chairman

By: 
Name: Laurie Horridge
Title: Executive Director

**UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY**, acting by and
through the Administrator of the
Environmental Protection Agency

By: 
Name: Andrew R. Wheeler
Title: Administrator

SCHEDULE I

PROJECT DEFINITION

The Bucklin Point Resiliency Improvements Project. This project is comprised of two elements:

Element A (Bucklin Point Facilities) – this portion of the project will provide upgrades to the Bucklin Point facilities to improve operational efficiency and reliability, and address aging infrastructure. The scope of work includes:

- Bucklin Point Wastewater Treatment Facility Ultraviolet (UV) Disinfection Improvements
- New Operations Building and Maintenance Storage Facility
- New Standby Power Generator and Related Improvements

Element B (CSO Phase III Overflow Project in Bucklin Point service area) – this portion of the project will complete work required for system resiliency related to combined stormwater overflows in the Bucklin Point service area and enable NBC to comply with a Consent Agreement with the Rhode Island Department of Environmental Management (RIDEM). The scope of work includes:

- Contract 30800 - CSO Phase III Facilities Design and Land Acquisition and Construction
- Contract 30801 - CSO Phase III Facilities Pawtucket Tunnel and Pump station
- Contract 30802 - CSO Phase III Facilities Tunnel Pump Station Fit-Out
- Contract 30803 - CSO Phase III Facilities of 205
- Contract 30804 - CSO Phase III Facilities of 210, 213, 214
- Contract 30805 - CSO Phase III Facilities of 217
- Contract 30806 - CSO Phase III Facilities of 218
- Contract 30807 - CSO Phase III Facilities Regulator Modifications
- Contract 30809 - CSO Phase III Facilities Green Stormwater Infrastructure Projects
- Contract 30810 - Bucklin Point Wastewater Treatment Facility Clarifiers and Flow Splitters
- Contract 30812 - CSO Phase III Facilities Dexter Street Stormwater Infrastructure; and
- Contract 30813 - CSO Phase III Facilities – Site Demolition

SCHEDULE II
PROJECT BUDGET

SOURCES OF FUNDS	AMOUNT (\$ USD)	PERCENTAGE (%)
WIFIA Loan (Federal)	190,633,824	49%
NBC Revenue Bonds	138,022,830	35%
SRF	33,966,899	9%
Paygo Cash	26,425,068	7%
Total Sources of Funds	389,048,620	100%
USES OF FUNDS	AMOUNT (\$ USD)	PERCENTAGE (%)
Element A:		
Design	1,175,748	0%
Construction	60,265,106	15%
Construction Management	2,948,491	1%
Previously Incurred Costs	26,136,286	7%
Element B:		
Design	54,873,347	14%
Construction	200,142,088	51%
Construction Management	9,869,181	3%
Financing Costs	33,638,373	9%
Total Uses of Funds	389,048,620	100%
Total Eligible Project Costs	389,048,620	100%
Total Project Costs	389,048,620	100%

SCHEDULE III**CONSTRUCTION SCHEDULE****ELEMENT A (BUCKLIN POINT WASTEWATER TREATMENT FACILITY
UPGRADES)**

Schedule						
Project Name	Planning Start	Planning End	Design Start	Design End	Construction Start	Construction End Date
81000 UV Disinfection Improvements	N/A	N/A	Apr-17	Dec-20	Dec-20	Jul-23
81600 BPWWTF Improvements	N/A	N/A	Jul-19	Apr-22	Jul-20	Dec-22
81700 New Operations Maintenance Buildings	N/A	N/A	May-19	Sep-20	Sep-20	Sep-22

ELEMENT B (CSO PHASE III OVERFLOW PROJECT IN BUCKLIN POINT SERVICE AREA)

Project Name		Design/Architectural Engineering Services	Construction
Design & Land Acquisition	Start	Jan-20	N/A
	End	Dec-22	N/A
Pawtucket Tunnel & Pump Station	Start	Dec-20	Dec-20
	End	Feb-25	Feb-25
Tunnel Pump Station Fit-out	Start	Feb-23	Dec-22
	End	Jan-27	Jan-27
OF 205	Start	Jan-24	Jan-24
	End	Sep-25	Sep-25
OF 210,213,214	Start	Sep-22	Sep-22
	End	Jan-24	Jan-24
OF 217	Start	Dec-21	Dec-21
	End	Oct-23	Oct-23
OF 218	Start	Mar-24	Mar-24
	End	Dec-25	Dec-25
Regulator Modifications	Start	Apr-21	Apr-21
	End	Sep-22	Sep-22
GSI Demonstration	Start	N/A	Apr-19
	End	N/A	Sep-21
GSI Projects	Start	Jul-21	Dec-19
	End	Apr-22	Apr-22
BPWWTF Clarifiers & Flow Splitters	Start	Aug-21	Aug-21
	End	Dec-23	Dec-23
Dexter St. Stormwater Infrastructure	Start	N/A	Oct-20
	End	N/A	Jun-21
Site Demolition	Start	Jun-20	Jan-20
	End	Nov-20	Jun-21

SCHEDULE IV
EXISTING INDEBTEDNESS

Existing Senior Obligations

	Agreement/Series	Issued in the Amount of
1.	Narragansett Bay Commission Clean Water Revenue Bonds, 2002 Series	\$57,000,000
2.	Narragansett Bay Commission Clean Water Revenue Bonds, 2003 Series	\$40,000,000
3.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2004 Series B	\$40,000,000
4.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2005 Series B	\$30,000,000
5.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2006 Series A	\$30,000,000
6.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2007 Series B	\$25,000,000
7.	Narragansett Bay Commission Wastewater System Revenue Refunding Bonds, 2008 Series A	\$66,360,000
8.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2009 Series A	\$55,000,000
9.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2010 Series A	\$2,000,000
10.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2010 Series B	\$20,000,000
11.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2011 Series A	\$30,000,000
12.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2012 Series A	\$25,750,000
13.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2013 Series A	\$71,480,000
14.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2013 Series B	\$25,000,000
15.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2013 Series C (partially refunded)	\$34,970,000
16.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2014 Series A	\$45,000,000
17.	Narragansett Bay Commission Wastewater System Refunding Revenue Bonds, 2014 Series B	\$39,820,000
18.	Narragansett Bay Commission Wastewater System Refunding Revenue Bonds, 2015 Series A (partially refunded)	\$40,085,000

19.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2015 Series B	\$41,753,500
20.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2016 Series A	\$23,000,000
21.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2019 Series A	\$35,000,000
22.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2019 Series B	\$10,000,000
23.	Narragansett Bay Commission Wastewater System Refunding Revenue Bonds, 2020 Series A	\$196,360,000
24.	Narragansett Bay Commission Wastewater System Revenue Bonds, 2020 Series B, Taxable Compound Interest Bonds	\$268,710,610

SCHEDULE V

WIFIA PAYMENT INSTRUCTIONS

HOW TO MAKE A PAYMENT TO EPA WIFIA PROGRAM

Please select one of the acceptable payment methods and follow the instructions provided below for sending WIFIA payments to EPA.

For questions about payments to EPA please contact EPA's Office of the Controller:

Phone: 202-564-7593. Voicemails can be left when calling outside business hours

Email: OCFO-OC-ACAD-WIFIA@epa.gov

For questions about the WIFIA program:

Email: wifia@epa.gov

ACCEPTABLE METHODS FOR WIFIA PAYMENTS TO EPA

OPTION 1 PAY.GOV

Use of Pay.gov to make payments to EPA is the preferred electronic payment method. In Pay.gov, users can track their payments to EPA and schedule recurring or automatic payments. Although it is not mandatory to register for a user id to access and use Pay.Gov, registration is recommended to have access to all Pay.gov system functionality.

1. Remove Debit Block - Before submitting payments through Pay.gov, users should contact their financial institution to remove any debit blocks and add EPA to the list of payees. In addition, the financial institution will need to add EPA's company ID (6801123303) for WIFIA fees. Once the financial institution removes the debit block and sets up the company ID, users can set up Pay.gov to submit payments.
2. Access the Pay.gov system by going to <https://www.pay.gov> and search for WIFIA or click on the following hyperlink to directly launch the [WIFIA Loan Collection & Fees Form](#).
3. Provide the following information on your payment to ensure proper credit:
 - Remitter's contact phone number
 - Company/Organization Name as it appears on EPA document
 - Complete address, including city, state, zip code
 - Project Name
 - Loan Number: this is EPA WIFIA Loan number, NOT the remitter's number
 - From the "Payment Type" drop down menu select the type from the Fee Notice letter
 - Other Description: please note the reference number from the Fee Notice letter
4. Follow the remaining on-screen instructions to successfully process the payment to EPA.



5. Send an email to OCFO-OC-ACAD-WIFIA@epa.gov and wifia_portfolio@epa.gov informing that a payment has been made.

OPTION 2 CREDIT GATEWAY: FEDWIRE AND ACH

Depending on preferences, Credit Gateway allows users to submit payment either via FedWire (electronic interbank transfers) or ACH (direct deposit). The primary differences are:

	FedWire	ACH (Automated Clearing House)
Fees	Charges fees	Less expensive than FedWire
Transaction Speed	Faster transfers	May take up to a few days
Security	Less secure	More secure
International Capabilities	Can be sent internationally	U.S.-only network
Processing time	Within 24 hours	A few hours to several days

Users must work within the processing guidelines established by their bank, which may include processing cutoffs, transaction fees, and other bank requirements. Banks that do not maintain an account at the Federal Reserve Bank (FRB) must use the services of correspondent banks that do have an FRB account.

FEDWIRE

To process a payment using FedWire please:

1. Send FedWire deposits as early as possible and no later than 5PM ET on the desired EPA receipt date.
2. Review the FedWire form Instructions provided in Attachment 1 and complete the form. It is very important that all relevant details identified in the instructions are accurate.
3. Send an email to OCFO-OC-ACAD-WIFIA@epa.gov and wifia_portfolio@epa.gov informing that a payment has been made.

AUTOMATED CLEARING HOUSE (ACH)

To process payments using ACH please:

1. Send ACH payments as early as possible and no later than 3 business days before the desired EPA receipt date.
2. Review the ACH form Instructions provided in Attachment 2 and complete the form. It is important that all relevant details identified in the instructions are accurate.
3. Send an email to OCFO-OC-ACAD-WIFIA@epa.gov and wifia_portfolio@epa.gov informing that the payment has been made.

OPTION 3 CHECK PAYMENTS

UNAVAILABLE DUE TO COVID19 PANDEMIC. EPA CANNOT PROCESS CHECKS AT THIS TIME.



Attachment 1 – FedWire Payment Form and Instructions

U.S. Environmental Protection Agency FUNDS TRANSFER DEPOSIT					
PC		INSTRUCTIONS: Explicit completion and routing instructions are located on the reverse this form. It is requested that prudent care be taken to ensure that all information is provided in the requested format. Failure to provide the information in the requested format may cause a delay in the notification of the funds transfer to EPA.			of
TO	TYPE				
021030004	10				
FROM	CL	REF	AMOUNT		
			\$		
SENDER					
RECEIVER					
TREAS NYC/(68010099)EPA					
THIRD PARTY INFORMATION					

The above FedWire form presented to your bank (*who will initiate and transmit the FedWire payment*) **MUST** contain all details below: *

TO (ABA)	021030004
TYPE	10
RECEIVER	TREAS NYC/(68010099)EPA
THIRD PARTY INFORMATION	To ensure proper credit please include the following information on your payment: <ul style="list-style-type: none"> • Company/remitter's name (borrower name as it appears on EPA document) • Complete address, including city, state, zip code • Remitter's point of contact person and phone number • EPA WIFIA Loan # (NOT the remitter's number) • Payment Type/Reason for payment from the Fee Notice letter • Reference number from the Fee Notice letter
Shaded Areas	Those items that are shaded on the Form are to be entered by the bank on the funds transfer message. (Depending on the Federal Reserve District, some items may not be required.)
<i>*Important: Failure to initiate the FedWire electronic wire transaction properly with the above fields included, will result in untimely or non-receipt of funds at EPA.</i>	

Attachment 2 – ACH Credit Gateway Form and Instructions

Please provide the following instructions to your Financial Institution for the remittance of Automated Clearing House (ACH) credits to the United States Environmental Protection Agency.

NACHA Record Type Code	NACHA Field	NACHA Data Element Name	Required Information
5	3	Company Name	
5	6	Standard Entry Class Code	CCD
5	9	Effective Entry Date	
6	2	Transaction Code*	22
6	3 & 4	Receiving DFI Identification (ABA routing #) @	051036706
6	5	DFI Account Number	868010099000
6	6	Amount	<i>(enter payment amount)</i>
6	8	Receiving Company Name	US EPA FEE TYPE – WIFIA (Loan Number-Fee Type)

@ Bank Name: Credit Gateway – ACH Receiver 33 Livingston Ave. St. Paul, MN 55107 1-877-815-1206

Agency Contact:

Laura Collier, Lead Accountant
 US Environmental Protection Agency
 Office of the Controller
 Fees and Collections Branch
 202-564-7593
collier.laura@epa.gov

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

**Request for Taxpayer
Identification Number and Certification**

Give Form to the requester. Do not send to the IRS.

Go to www.irs.gov/FormW9 for instructions and the latest information.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
United States Environmental Protection Agency

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

Individual/sole proprietor or single-member LLC

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Other (see instructions) ▶ **Federal Agency**

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3).
Exempt payee code (if any) _____
Exemption from FATCA reporting code (if any) _____
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
1300 Pennsylvania Ave NW, Mail Code 2733R

6 City, state, and ZIP code
Washington, DC 20004-3002

7 List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			-				
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or

Employer identification number

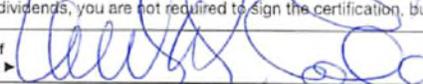
5	2	-	0	8	5	2	6	9	5
---	---	---	---	---	---	---	---	---	---

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here Signature of U.S. person ▶  Date ▶ **12/17/19**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

SCHEDULE VI
FLOW OF FUNDS

All terms used in this Schedule VI shall have the meaning assigned to such terms as provided in the Indenture. All section references used in this Schedule VI shall be references to the appropriate section in the Indenture.

Section 504. Revenue Fund.

(1) All Revenues, except (i) proceeds of insurance and condemnation to the extent provided in Section 606, (ii) proceeds of any sale or other disposition of any part of the System to the extent provided in Section 604, (iii) earnings on investment of the funds and accounts hereunder to the extent provided in Section 514 hereof and (iv) Debt Service Assistance deposited in the Debt Service Assistance Account as provided in Section 506, shall be collected by or for the account of the Commission and deposited by or on behalf of the Commission as promptly as practicable in the Revenue Fund. There shall also be deposited in the Revenue Fund any other moneys so directed by the Indenture and any other moneys of the Commission which the Commission may in its discretion determine to so apply unless required to be otherwise applied by the Indenture.

There shall be established in the Revenue Fund, a Narragansett Bay Environmental Enforcement Fund. There shall be deposited in the Narragansett Bay Environmental Enforcement Fund such sums as the Commission may, from time to time, deposit, or sums recovered by any administrative or civil enforcement action brought under the authority of the Act. All sums shall be expended for emergency response activities, enforcement activities, additional activities and the retirement of Bonds as provided in Rhode Island General Laws Section 46-25-38.1, as amended.

(2) On the third day prior to the last Business Day of each calendar month, the Commission (or during such times as the Trustee shall hold the Revenue Fund, the Trustee) shall apply amounts available in the Revenue Fund to the following purposes and in the following order:

- (i) To the Commission for deposit in the Operation and Maintenance Account of the Operation and Maintenance Fund, the amount specified by an Authorized Officer in accordance with Section 608; provided that if no amount has been specified by such Authorized Officer, the Operating Expenses for such month shall be deemed to be 125% of the Operating Expenses expended in the same calendar month in the preceding year or such lesser amount as an Authorized Officer shall certify in writing to the Trustee, but in no event less than 100% of such amount;
- (ii) To the Debt Service Fund, an amount, which together with other amounts on deposit in such Fund, will equal the Debt Service Fund Requirement as of the first day of the next ensuing month and;

- (iii) To the Rebate Fund, the amount which together with the amounts on deposit therein, will equal the Rebate Requirement as of such day;
- (iv) Subject to Section 508, to the Debt Service Reserve Fund, an amount which, together with the amounts on deposit therein, will equal the Debt Service Reserve Fund Requirement as of the first day of the next ensuing month;
- (v) To the Debt Service Assistance Account in the Debt Service Fund an amount specified by an Authorized Officer in a certificate delivered to the Trustee, as amended from time to time;
- (vi) To the Stabilization Account of the Debt Service Fund the amount, if any, designated by the Commission as further provided in Section 504(4);
- (vii) To make deposits and payments with respect to obligations secured by the Revenues junior and subordinate to the Bonds as required pursuant to this Indenture, including but not limited to, swap termination payments provided that following any swap termination payment the Commission shall have funds as necessary to make the next succeeding Debt Service Payment for each Series of Bonds, or any indenture or instrument pursuant to which such obligations are issued;
- (viii) Subject to Section 608, to the Operation and Maintenance Reserve Fund, an amount necessary for such Fund to equal the Operation and Maintenance Reserve Fund Requirement as of such day;
- (ix) To the Commission for deposit in the Insurance Reserve Fund, the amount, if any, determined by the Commission pursuant to Section 606(3) as necessary to maintain such Fund at the Insurance Reserve Fund Requirement;
- (x) Subject to Section 609, to the Renewal and Replacement Reserve Fund, an amount, which together with the amounts on deposit therein, will equal the Renewal and Replacement Reserve Fund Requirement as of such day;
- (xi) To the one or more Operating Capital Accounts of the Project Fund, such amount as requested by the Commission but only upon receipt by the Trustee of (a) a copy of the resolution of the Commission approving the Capital Improvements to be funded in whole or in part from such Accounts, certified by an Authorizing Officer and (b) a certificate of an Authorized Officer stating that such deposit will not impair the ability of the Commission to either (A) meet the requirements of the Revenue Fund in the succeeding months of such Fiscal Year based on the then current Annual Budget prepared in accordance with Section 608 or (B) satisfy the requirements of Section 603 in the current or next succeeding Fiscal Year;

- (xii) To such other funds or accounts as shall be required by any Supplemental Indenture; and
- (xiii) To such other funds or accounts established by the Commission in compliance with applicable law or as required by any order of the PUC, including, but not limited to, transfers to an Operating Capital Account in accordance with Section 503(5) hereof.

(3) On the last Business Day of each Fiscal Year, the Commission shall, after making the deposits required by Sections 504(2), apply amounts available in the Revenue Fund to the Unrestricted Fund, the amount, if any, directed to be deposited therein in writing by an Authorized Officer.

Any balance remaining in the Revenue Fund following the above payments shall be retained in the Revenue Fund to be available for payments therefrom in the succeeding months, provided that if the Commission shall have issued Notes in accordance with Section 607(2)(i) or (iii), amounts in the Revenue Fund remaining after the above payments have been made may be used by the Commission to pay the principal of such notes at maturity or upon earlier redemption.

(4) Notwithstanding the foregoing, in the event that any order of the PUC requires that Revenues be held in a restricted account, the Commission shall request the Trustee to make such transfers as may be required to comply with any rate order. In the event that Revenues must be restricted in an account for debt service, such monies shall be deposited by the Trustee into the Stabilization Account of the Debt Service Fund.

(5) If, on the last Business Day of any month, the amounts deposited pursuant to Section 504(2)(ii) are, as of such date of calculation, less than the amounts required to be deposited therein, the Trustee shall promptly notify the Agency of any such deficit.

SCHEDULE VII

FLOW OF FUNDS FOLLOWING DEFAULT

All terms used in this Schedule VII shall have the meaning assigned to such terms as provided in the Indenture. All section references used in this Schedule VII shall be references to the appropriate section in the Indenture.

Section 702. Application of Revenues and Other Moneys after Default.

(1) The Commission covenants that if an Event of Default shall happen and shall not have been remedied, the Commission, upon demand of the Trustee, shall pay over and assign to the Trustee (i) forthwith, all moneys, securities, Reserve Deposits, Additional Security, if any, and funds then held by the Commission in any fund or account pledged under the Indenture including, without limitation, funds then held by it in the Revenue Fund, and (ii) as promptly as practicable after receipt thereof the Revenues.

(2) During the continuance of an Event of Default, the Trustee shall apply the moneys, Reserve Deposits, Additional Security, if any, and funds held by the Trustee and such Revenues and the income therefrom as follows and in the following order:

- (i) to the payment of the reasonable and proper charges and expenses of the Fiduciaries and of its agents, representatives, advisors and legal counsel, and of any engineer or firm of engineers selected by the Trustee pursuant to this Article and to the payment of any fees and expenses required to keep any Reserve Deposits or Additional Security in full force and effect;
- (ii) to the payment of the amounts required for reasonable and necessary Operating Expenses, including reasonable and necessary reserves and working capital therefor, and for the reasonable repair and replacement of the System necessary to prevent loss of Revenues or to provide for the continued operation of the System, as certified to the Trustee by an independent engineer or firm of engineers of recognized standing (who may be an engineer or firm of engineers retained by the Commission for other purposes) selected by the Trustee;
- (iii) to the payment of the interest and Principal Amount or Redemption Price then due on the State Obligations and the Bonds, as follows:
 - (a) unless the Principal Amount of all of the Bonds shall have become or have been declared due and payable,

First: To the payment to the persons entitled thereto of all installments of interest or Qualified Swap Payments then due in the order of the maturity of such installments maturing (or payments due), and, if the amount available shall not be sufficient to pay in full all installments maturing (or payments due) on the same date, then to the payment

thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid Principal Amount or Redemption Price of any State Obligations and Bonds which shall become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the State Obligations and Bonds due on any date, then to the payment thereof ratably, according to the amounts of Principal Amount or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference; and

(b) if the Principal Amount of all of the Bonds shall have become or have been declared due and payable, to the payment of the Principal Amount and interest or Qualified Swap Payments then due and unpaid upon the State Obligations and Bonds without preference or priority of Principal Amount over interest or Qualified Swap Payments or of interest over Principal Amount or Qualified Swap Payments, or of any installment of interest (or payment due) over any other installment of interest (or payment due), or of any Bond over any other Bond, ratably, according to the amounts due respectively for Principal Amount and interest and Qualified Swap Payments, to the persons entitled thereto without any discrimination or preference;

(3) If and whenever all overdue installments of interest on all Bonds together with the reasonable and proper charges and expenses of the Fiduciaries including without limitation the fees and disbursements of its legal counsel, and all other sums payable by the Commission under the Indenture, including the Principal Installments and Redemption Price of and accrued unpaid interest on all Bonds which shall then be payable by declaration or otherwise, shall either be paid by or for the account of the Commission, or provision satisfactory to the Trustee shall be made for such payment and all defaults under the Indenture or the Bonds shall have been cured, the Trustee shall pay over to the Commission all moneys, securities and funds remaining unexpended in all funds and accounts provided by the Indenture to be held by the Commission, and thereupon the Commission and the Trustee shall be restored, respectively, to their former positions and rights under the Indenture and all Revenues shall thereafter be applied as provided in Article V. No such payment over to the Commission by the Trustee or resumption of the application of Revenues as provided in Article V shall extend to or affect any subsequent default under the Indenture or impair any right consequent thereon.

(4) The proceeds of any Reserve Deposits and Additional Security shall be applied by the Trustee in the manner provided in the applicable Supplemental Indenture authorizing such Reserve Deposits and Additional Security.

SCHEDULE VIII

RATE COVENANT

All terms used in this Schedule VIII shall have the meaning assigned to such terms as provided in the Indenture. All section references used in this Schedule VIII shall be references to the appropriate section in the Indenture.

Section 603. Covenant as to Rates and Charges.

(1) To the extent not otherwise provided by a Supplemental Indenture, so long as any Bonds are Outstanding, the Commission shall take all actions within its power to establish and maintain Rates and Charges adequate at all times, with other available funds, to provide Revenues and other moneys, including Reserved Revenues from the Stabilization Account of the Debt Service Fund at least sufficient to pay or provide for, as the same become due or are payable (i) all Operating Expenses, (ii) all payments of Principal Installments and Redemption Price of and interest on the Bonds and all other bonds, notes or other evidences of indebtedness of or assumed by the Commission which are payable from Revenues of the System, (iii) all amounts, if any, payable to the Operation and Maintenance Reserve Fund, Debt Service Reserve Fund, the Renewal and Replacement Reserve Fund and, if any, the Insurance Reserve Fund, (iv) all repairs, replacements, and renewals of the System deemed necessary by the Commission which are payable from Revenues of the System and (v) all other amounts which the Commission may by law or contract be obligated to pay from Revenues of the System including amounts payable under Qualified Swap Agreements. Provided the Commission complies with Section 504(4) and has complied or is diligently proceeding to comply with the requirements of subsection (3) and (4) of this Section 603, the Trustee shall take no action pursuant to Section 701 or Section 703 on account of any failure by the Commission to comply with the requirements of this subsection; provided that the setting of the Rates and Charges shall, to the extent required by law, be subject to the approval of the PUC.

(2) Without limiting the generality of the foregoing, the Commission shall take all actions within its power to establish and maintain Rates and Charges at levels sufficient so that total Net Revenues in each Fiscal Year during which Bonds are Outstanding, shall equal at least one hundred twenty-five percent (125%) of the Debt Service Requirement during such Fiscal Year with respect to all Bonds Outstanding, other than Agency Bonds, as of the first day of such Fiscal Year and one hundred thirty-five percent (135%) of the Required Debt Service Fund Deposits for Agency Bonds (based on debt service net of any interest rate subsidy) for such Fiscal Year. Failure by the Commission to comply with the requirements of this subsection (2) shall not be considered an Event of Default under the Indenture so long as the Commission has complied or is diligently proceeding to comply with the requirements of subsection (3) and (4) of this Section 603.

(3) On or before the day which is six months prior to the last Business Day of each Fiscal Year the Commission shall review the adequacy of its Rates and Charges to satisfy the requirements of this Section for the next succeeding Fiscal Year. If such review indicates that the Rates and Charges are, or are likely to be, insufficient to meet the requirements of this Section for the next succeeding Fiscal Year, or if it otherwise appears at any time during such Fiscal Year that Rates and Charges are or are likely to be insufficient to meet such requirements, the

Commission shall promptly take such steps as are permitted by law and as are necessary to cure or avoid the deficiency, including but not limited to, making an emergency request to the Public Utilities Commission to raise its Rates and Charges.

(4) Within one hundred and eighty days of the close of each Fiscal Year while Bonds are Outstanding, the Commission shall deliver to the Trustee a certificate of an Authorized Officer (which may be based on unaudited financial statements) stating, if such was the case, that the Commission satisfied the requirements of subsections (1) and (2) of this Section 603 in such Fiscal Year or, if such was not the case, specifying in reasonable detail the corrective steps taken by the Commission so that it will comply with such requirements in the then current Fiscal Year. If such certificate is based on unaudited financial statements, then within 270 days of the close of each Fiscal Year while the Bonds are Outstanding, the Commission shall deliver to the Trustee an additional certificate based on audited financial statements. Any certificate based on audited financial statements shall be accompanied by a certificate of the independent public accountant or firm of accountants regularly auditing the books of the Commission in accordance with Section 610 setting forth the Net Revenues for the preceding Fiscal Year.

SCHEDULE IX

ADDITIONAL BONDS TEST

All terms used in this Schedule IX shall have the meaning assigned to such terms as provided in the Indenture. All section references used in this Schedule IX shall be references to the appropriate section in the Indenture.

Section 205. General Provisions for Issuance of Bonds.

- (1) Bonds of any Series shall be authorized by a Supplemental Indenture which shall specify:
- (i) the authorized Principal Amount, designation, manner of numbering and lettering and Series of such Bonds;
 - (ii) the date of such Bonds and the date or dates of maturity thereof;
 - (iii) the Redemption Price or Prices and the time or times and other terms of redemption, if any, of any of such Bonds;
 - (iv) the amount and date of each Sinking Fund Payment, if any, required to be paid for the retirement of any of such Bonds of like maturity;
 - (v) the manner in which the proceeds, if any, of such Bonds are to be applied;
 - (vi) the Project or Projects, if any, to be financed by such Bonds and the designation of a Project Account, if any, for the Bonds of such Series;
 - (vii) the form or forms of the Bonds of such Series;
 - (viii) the Series Debt Service Reserve Fund Requirement, if any, applicable to the Bonds of such Series;
 - (ix) if the Bonds are Agency Bonds, the Required Debt Service Fund Deposits to be made to the Debt Service Fund in compliance with the applicable Agency Loan Agreement, taking into account any principal or interest subsidies available to the Commission in connection with such Agency Loan Agreement;
 - (x) the minimum denomination, if any, applicable to the Bonds of such Series; and
 - (xi) any other provisions deemed advisable by the Commission not in conflict with the Indenture.

(2) The Bonds of each Series shall be executed by the Commission and delivered to the Authenticating Agent for such Series of Bonds and by it authenticated and delivered to or upon the order of the Commission, but only upon receipt by the Trustee of:

- (i) written order signed by an Authorized Officer of the Commission as to the authentication and delivery of such Bonds;
- (ii) a copy of the applicable Supplemental Indenture executed by an Authorized Officer;
- (iii) an amount of moneys or Reserve Deposits in a stated amount such that following the issuance of such Bonds and application of their proceeds, the amounts on deposit in and the aggregate stated and unpaid amount of all Reserve Deposits held as part of the Debt Service Reserve Fund shall equal the Debt Service Reserve Fund Requirement, if any; provided, however, that the applicable Supplemental Indenture may provide that the Series Debt Service Reserve Fund Requirement, if any, attributable to any Series of Agency Bonds may be funded in substantially equal monthly installments over a period of time after issuance as specified in the applicable Supplemental Indenture (which period shall not exceed 24 months);
- (iv) a certificate of a Consulting Engineer or Certified Public Accountant (a) setting forth the estimated annual Net Revenues for each of the three full Fiscal Years following the issuance of such Bonds (including the Fiscal Year in which such Bonds are issued), after giving effect to any increases or decreases in Rates and Charges projected to be in effect for such period, and to the Series Debt Service Reserve Fund Requirement attributable to such Bonds and to any additional Revenues projected to be available during such period, and (b) showing for each of such Fiscal Years that the estimated annual Net Revenues for such Fiscal Year together with the amounts of Reserved Revenues, if any, available in such Fiscal Year (as calculated by an Authorized Officer at the time of the issuance of such Bonds) will be, except with respect to Agency Bonds, at least equal to one hundred twenty-five percent (125%) and with respect to Agency Bonds, at least equal to one hundred thirty-five percent (135%) of the Required Debt Service Fund Deposits for Agency Bonds (based on debt service net of any interest rate subsidy) for such Fiscal Year (or such higher amount as may be set forth in the Supplemental Indenture authorizing the issuance of such Series of Bonds) of (A) the Debt Service Requirement for such Fiscal Year less (B) the amount, if any, of Bond proceeds available or projected to be available to pay Principal Installments and interest becoming due in such Fiscal Year on Bonds Outstanding or projected to be Outstanding as of the first day of such Fiscal Year; provided that the Consulting Engineer's or Certified Public Accountant's certificate shall not project any increase in Rates and Charges during the first full Fiscal Year of the projection period which has

not been adopted by the Commission for such Fiscal Year on or before the date of such certificate;

- (v) if on the date of issuance of such Series of Bonds the Commission has any outstanding obligation to replenish the Debt Service Reserve Fund under Section 508(4), evidence that the Commission has made at least one monthly payment with respect to such obligation on or before the date required thereunder;
- (vi) a certificate of an Authorized Officer stating that, as of the date of delivery of such Bonds, no Event of Default, as described in Section 701, has occurred and is continuing; and
- (vii) to the extent required by law, an order of the Division of Public Utilities approving the issuance of the Bonds.

Section 607. Creation of Liens, Other Indebtedness.

(1) The Commission shall not issue any bonds, notes or other evidences of indebtedness, other than the Bonds and Subordinated Bonds, secured by a pledge of or other lien on the Revenues of the System and other moneys, securities, Reserve Deposits, if any, and funds held or set aside by the Commission or by the Fiduciaries under the Indenture, and shall not otherwise create or cause to be created any lien or charge on the Revenues of the System, moneys, securities, Reserve Deposits, if any, and funds, except to the extent provided in this Section 607.

(2) Notwithstanding anything herein to the contrary the Commission may at any time or from to time issue notes or other evidences of indebtedness (and renewals thereof);

- (i) in anticipation of Bonds to the extent and in the manner provided in Section 207, which Bond Anticipation Notes, if so determined by the Commission, may be secured by a pledge of Revenues, provided that such pledge shall in all respects be subordinate to the provisions of the Indenture and the pledge created by the Indenture;
- (ii) in anticipation of the receipt by the Commission of any grant-in-aid from the United States of America or the State or any agency, instrumentality or political subdivision of either of them, for or on account of Capital Improvements and payable solely out of, or secured by a pledge of, the amounts to be received (which amounts shall not be deemed Revenues hereunder while any such notes are outstanding); provided that no such notes shall be issued unless (a) the Commission shall have received and accepted an agreement, whether conditional or unconditional, providing for the grant-in-aid anticipated by such notes executed by authorized officers of the grantor, (b) the aggregate principal amount of such notes (excluding renewals thereof issued by the Commission) shall not exceed the aggregate amount of the grant-in-aid provided for in such agreement and not yet received by the Commission and (c) all such notes or renewals thereof shall be issued to mature not later than four (4) years after the date

of issuance and (d) the Commission shall have received the approval of the Governor of the State as required by the Act; or

- (iii) in anticipation of the Revenues to be received in any Fiscal Year, which notes may be payable out of, or secured by a pledge of, Revenues; provided that (a) any such pledge shall in all respects be subordinate to the provisions of the Indenture and the pledge created by the Indenture, (b) any such notes shall be payable no later than one year from date of issue (or, in the case of notes issued to renew such notes, no later than one year from the date of issue of the original issue of notes), (c) the aggregate amount of such notes outstanding at any one time in a Fiscal Year shall not exceed eighty percent (80%) of the Revenues for the immediately preceding Fiscal Year and (d) the proceeds of such notes (other than the proceeds of renewal notes require to pay notes) shall be deposited in the Revenue Fund.

(3) Notwithstanding anything herein to the contrary, the Commission may issue bonds, notes or other evidences of indebtedness secured solely by the revenues, receipts or other moneys derived by the Commission from the lease, license, operation, sale or other disposition of any facility or equipment constituting part of the System hereafter constructed or acquired by or on behalf of the Commission with the proceeds of such bonds, notes or evidences of indebtedness. Such revenues, receipts and other moneys shall not be considered Revenues or Rates and Charges hereunder provided that (i) neither the debt service on such bonds, notes, or other evidences of indebtedness nor any cost of the acquisition, construction, operation, maintenance or repair of any such facility or equipment nor provision for reserves for any of the foregoing shall be paid from the proceeds of Bonds or from Revenues (other than Revenues deposited in the Unrestricted Fund pursuant to Section 504) or shall be included in Operating Expenses, and (ii) any such receipts and moneys in excess of such debt service cost of acquisition, construction operation, maintenance, repair and reserves shall be deposited in the Revenue Fund (and upon such deposit shall be deemed Revenues); and (iii) prior to the issue of any such bonds, notes or other evidences of indebtedness, the Commission shall deliver to the Trustee a certificate of a Consulting Engineer or Certified Public Accountant stating that the lease, license, operation, sale or other disposition of such facility or equipment and the application of the revenues, receipts and other moneys derived therefrom to the operation, maintenance and repair thereof and the payment of the debt service on the bonds, notes or other evidences of indebtedness issued therefor and the provision of reserves for the foregoing, will not result in any decrease in the Net Revenues projected by such Consulting Engineer or Certified Public Accountant to be received by the Commission during the succeeding five Fiscal Years (including the Fiscal Year in which such bonds, notes or other evidences of indebtedness are issued).

(4) The Commission hereby reserves the right, and nothing herein shall be construed to impair such right, to finance improvements to the System by the State's issuance of its general obligation bonds for the benefit of the Commission, provided that nothing herein shall be construed as requiring the issuance of any such bonds and that no such bonds shall be deemed to be Bonds for any purpose hereunder.

(5) Nothing in this Section or in this Indenture shall prevent the Commission from issuing Notes or otherwise incurring contractual obligations which are payable solely out of, or

solely secured by a pledge of amounts which may be deposited in the Unrestricted Fund pursuant to Section 504, provided that the pledge of such amounts shall in all respects be subordinate to the provisions of this Indenture.

(6) Notwithstanding anything herein to the contrary, the Commission may provide for the payment of swap termination payments from Revenues, provided that such payment obligations are junior and subordinate to the Bonds and any payments due to the Bond Insurer as required by this Indenture and provided that following any swap termination payment, the Commission shall have funds as necessary to make the necessary Debt Service Fund Requirement for each Series of Bonds.

SCHEDULE 12(f)**LITIGATION**

- On or about October 13, 2020, the Borrower was notified that the unsuccessful proposer on the Borrower's CSO Phase III tunnel project filed a "bid protest" in accordance with Rhode Island General Laws 37-2 et seq. and the Borrower's Purchasing Regulations. The Borrower is currently exploring its legal options and responses to the "bid protest" while simultaneously continuing negotiations with the awarded joint venture. The Borrower does not expect the matter to impact the Construction Schedule of the Project or result in a Material Adverse Effect under the Agreement.

SCHEDULE 12(n)

PRINCIPAL PROJECT CONTRACTS

A. Effective Principal Project Contracts (effective as of the date of this Agreement)

Contract	Date	Parties	Description
Bucklin Point Wastewater Treatment Facility New Standby Power System Construction	August 2020	Biszko Building Systems Inc.	Construction of redundant standby generator.
CSO Phase III A - GSI Projects	July 2019; October 2019	Cardi Corporation; J.H. Lynch & Sons. Inc	Construction of green stormwater infrastructure in the Bucklin Point service area including Central Falls and Pawtucket.
CSO Phase III A Facilities - Site Demolition	March 2020	J.R. Vinagro Corporation	Demolition of existing buildings to prepare sites for construction of the tunnel launch shaft, pump station shaft and drop shafts.

B. Additional Principal Project Contracts

Contract	Expected Effective Date	Parties	Description
CSO Tunnel Construction	November 2020	CBNA Barletta	Construction of a deep rock storage tunnel, launch and drop shafts, drop shafts, and adits.
CSO Tunnel Pump Station Fit-out	November 2022	TBD	Construction of a tunnel pump station on a site in Pawtucket near the Bucklin Point Wastewater Treatment Facility and includes 3 variable frequency drive pumps, a stand-by generator, masonry

			building, odor control facilities and screenings facility.
CSO Phase III Facilities OF 205	December 2023	TBD	Construction of near-surface facilities to direct flow to the tunnel via Drop Shaft 205 from CSO 205.
CSO Phase III A Facilities - OF 210, 213, 214	September 2022	TBD	Construction of consolidation conduits to direct flow to the tunnel via Drop Shaft 213 from CSO outfalls 210, 211, 213, and 214.
CSO Phase III A Facilities - OF 217	December 2021	TBD	Construction of a consolidation conduit to direct flow to the tunnel via Drop Shaft 213 from CSO outfalls 217.
CSO Phase III A Facilities - OF 218	November 2022	TBD	Construction of a consolidation conduit to direct flow to the tunnel via Drop Shaft 218 from CSO outfall 218.
CSO Phase III A Facilities - Regulator Modifications	July 2021	TBD	Modifications at regulators for CSOs 203, 204, 207, 208, 209, 212, 215, and 216.
CSO Phase III A Facilities - BPWWTF Clarifiers and Flow Splitters	August 2021	TBD	Construction of two new final clarifiers, modifications to the flow splitting operation, construction of a new RAS pump station for the new final clarifiers, and improvements to the RAS piping system and influent pump station.
Bucklin Point Wastewater Treatment Facility Operations & Maintenance Buildings Design/Build	February 2021	TBD	Design/Construct new Operations and Maintenance buildings.
Bucklin Point	August 2021	TBD	Construction of UV

Wastewater Treatment Facility UV Construction			building and disinfection system.
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SCHEDULE 12(r)
ENVIRONMENTAL MATTERS

The Narragansett Bay Commission (NBC) has Rhode Island Pollutant Discharge Elimination System (RIPDES) permits for two wastewater treatment plants, Field's Point and Bucklin Point, that are operated by NBC. In 2017 and 2018 NBC had exceedances of water quality standards as set forth in the respective RIPDES permits.

2017

Field's Point had one violation of effluent limitations.

Bucklin Point had six violations of effluent limitations.

2018

Field's Point had one violation of effluent limitations.

Bucklin point had five violations of effluent limitations.

2019

Field's Point had three violations of effluent limitations.

Bucklin point did not have any violations of effluent limitations.

2020

As of August, 2020 Field's Point had one violation of effluent limitations.

As of August, 2020 Bucklin point did not have any violations of effluent limitations.

EXHIBIT A

UNITED STATES OF AMERICA
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
NARRAGANSETT BAY COMMISSION
WASTEWATER SYSTEM REVENUE BONDS
(BUCKLIN POINT RESILIENCY IMPROVEMENTS PROJECT),
2020 SERIES C (TAXABLE COMPOUND INTEREST BONDS)

(WIFIA – N19120RI)
WIFIA BOND

Maximum Original Principal Amount: \$190,633,824
(excluding the maximum amount of compounded and capitalized interest that has been authorized)

Effective Date: October 26, 2020

Due: September 1, 2059

NARRAGANSETT BAY COMMISSION, a public corporation organized and existing under the laws of the State of Rhode Island (the “**Borrower**” or the “**Commission**”), for value received, hereby promises to pay to the order of the **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**, acting by and through the Administrator of the United States Environmental Protection Agency, or its assigns (the “**WIFIA Lender**” or the “**Holder**”), the lesser of (x) the Maximum Original Principal Amount set forth above and (y) the aggregate unpaid principal amount of all disbursements (the “**Disbursements**”) made by the WIFIA Lender (such lesser amount, together with any interest that is compounded and capitalized and added to principal in accordance with the provisions of the WIFIA Loan Agreement (as defined below), being hereinafter referred to as the “**Outstanding Principal Sum**”), together with accrued and unpaid interest (including, if applicable, interest at the Default Rate, as defined in the WIFIA Loan Agreement) on the Outstanding Principal Sum and all fees, costs and other amounts payable in connection therewith, all as more fully described in the WIFIA Loan Agreement. The principal hereof shall be payable in the manner and at the place provided in the WIFIA Loan Agreement in accordance with **Exhibit F** (*WIFIA Debt Service*) to the WIFIA Loan Agreement, as revised from time to time in accordance with the WIFIA Loan Agreement, until paid in full (which **Exhibit F**, as modified from time to time in accordance with the terms of the WIFIA Loan Agreement, is incorporated in and is a part of this WIFIA Bond).

The interest rate on this WIFIA Bond shall be one and sixty hundredths percent (1.60%) per annum. Interest will accrue and be computed on the Outstanding Principal Sum (as well as on any past due interest) from time to time on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months; provided, that, in the event of an Event of Default (as defined in the WIFIA Loan Agreement), the Borrower shall pay interest on the Outstanding Principal Sum at the Default Rate (as defined in the WIFIA Loan Agreement) in accordance with Section 6 (*Interest Rate*) of the WIFIA Loan Agreement.

No payment of the principal of or interest on this WIFIA Bond is required to be made during the Capitalized Interest Period, as defined in the WIFIA Loan Agreement. Interest on amounts compounded and capitalized pursuant to the WIFIA Loan Agreement shall commence on the date such interest is added to the principal balance of this WIFIA Bond during the Capitalized Interest Period. On each March 1 and September 1 occurring during the Capitalized Interest Period and on the day immediately following the end of the Capitalized Interest Period, interest accrued on this WIFIA Bond in the six (6) month period ending immediately prior to such date shall be compounded, capitalized and added to the Outstanding Principal Sum of this WIFIA Bond. Within thirty (30) days after the end of the Capitalized Interest Period, the Holder shall give written notice to the Borrower stating the Outstanding Principal Sum as of the close of business on the last day of the Capitalized Interest Period, which statement thereof shall be deemed conclusive absent manifest error; provided, however, that no failure to give or delay in giving such notice shall affect any of the obligations of the Borrower. Notwithstanding the foregoing, the Capitalized Interest Period shall end immediately upon written notification to the Borrower by the WIFIA Lender that an Event of Default under the WIFIA Loan Agreement has occurred, in which case, principal and interest shall be currently due and payable and interest shall no longer be compounded and capitalized, all in accordance with the terms of the WIFIA Loan Agreement.

The WIFIA Lender is hereby authorized to modify the Loan Amortization Schedule included in **Exhibit F** to the WIFIA Loan Agreement from time to time in accordance with the terms of the WIFIA Loan Agreement to reflect the amount of each disbursement made thereunder and the date and amount of principal or interest paid by the Borrower thereunder. Absent manifest error, the WIFIA Lender's determination of such matters as set forth on **Exhibit F** to the WIFIA Loan Agreement shall be conclusive evidence thereof; provided, however, that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower's obligations hereunder or under any other WIFIA Loan Document.

Payments hereon are to be made in accordance with Section 8(d) (*Payment of Principal and Interest – Manner of Payment*) of the WIFIA Loan Agreement as the same become due. Principal of and interest on this WIFIA Bond shall be paid in funds available on or before the due date and in any lawful coin or currency of the United States of America that at the date of payment is legal tender for the payment of public and private debts. If the Final Maturity Date is amended in connection with an update to **Exhibit F** pursuant to the terms of the WIFIA Loan Agreement, the due date of this WIFIA Bond shall be deemed to be amended to change the due date to such revised Final Maturity Date without any further action required on the part of the Borrower or the WIFIA Lender and such amendment shall in no way amend, modify or affect the other provisions of this WIFIA Bond without the prior written agreement of the WIFIA Lender.

This WIFIA Bond has been executed under and pursuant to that certain WIFIA Loan Agreement, dated as of the date hereof, between the WIFIA Lender and the Borrower (the "**WIFIA Loan Agreement**") and is issued to evidence the obligation of the Borrower under the WIFIA Loan Agreement to repay the loan made by the WIFIA Lender and any other payments of any kind required to be paid by the Borrower under the WIFIA Loan Agreement or the other WIFIA Loan Documents referred to therein. Reference is made to the WIFIA Loan Agreement for all details relating to the Borrower's obligations hereunder. All capitalized terms used in this

WIFIA Bond and not defined herein shall have the meanings set forth in the WIFIA Loan Agreement.

This WIFIA Bond may be prepaid at the option of the Borrower in whole or in part (and, if in part, the principal installments and amounts thereof to be prepaid are to be determined in accordance with the WIFIA Loan Agreement; provided, however, such prepayments shall be in principal amounts of at least \$1,000,000 or any integral multiple of \$1 in excess thereof), from time to time on a Payment Date, but not more than annually, without penalty or premium, by paying to the WIFIA Lender all or part of the principal amount of this WIFIA Bond in accordance with the WIFIA Loan Agreement.

This WIFIA Bond shall be subject to acceleration in accordance with the Indenture.

Payment of the obligations of the Borrower under this WIFIA Bond is secured pursuant to the Indenture referred to in the WIFIA Loan Agreement.

THE PRINCIPAL OF OR REDEMPTION PRICE AND INTEREST ON THIS WIFIA BOND ARE PAYABLE ONLY FROM THE REVENUES OR ASSETS OF THE COMMISSION PLEDGED THEREFOR AND NEITHER THE STATE NOR ANY POLITICAL SUBDIVISION OF THE STATE SHALL BE OBLIGATED TO PAY THIS WIFIA BOND. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THIS WIFIA BOND.

This WIFIA Bond is one of a duly authorized issue of bonds of the Commission (herein called the “**Bonds**”), issued and to be issued pursuant to Chapter 25 of Title 46 of the General Laws of the State of Rhode Island, 1956 (2007 Reenactment) as amended (the “Act”) and under and pursuant to a Trust Indenture by and between the Commission and the Trustee dated as of April 15, 2004, as amended and supplemented by a First Supplemental Indenture dated as of April 15, 2004, a Second Supplemental Indenture dated as of December 30, 2004, a Third Supplemental Indenture dated August 4, 2005, a Fourth Supplemental Indenture dated as of December 15, 2005, a Fifth Supplemental Indenture dated as of December 21, 2006, a Sixth Supplemental Indenture dated as of February 8, 2007, a Seventh Supplemental Indenture dated as of October 15, 2007, an Eighth Supplemental Indenture dated as of December 12, 2007, a Ninth Supplemental Indenture dated as of July 1, 2008, a Tenth Supplemental Indenture dated as of November 1, 2008, an Eleventh Supplemental Indenture dated as of October 6, 2009, a Twelfth Supplemental Indenture dated as of February 12, 2010, a Thirteenth Supplemental Indenture dated as of June 24, 2010, a Fourteenth Supplemental Indenture dated as of March 29, 2011, a Fifteenth Supplemental Indenture dated as of June 28, 2012, a Sixteenth Supplemental Indenture dated November 28, 2012, a Seventeenth Supplemental Indenture dated March 21, 2013, an Eighteenth Supplemental Indenture dated as of June 6, 2013, a Nineteenth Supplemental Indenture dated December 12, 2013, a Twentieth Supplemental Indenture dated March 6, 2014, a Twenty-First Supplemental Indenture dated October 28, 2014, a Twenty-Second Supplemental Indenture dated May 5, 2016, a Twenty-Third Supplemental Indenture dated July 30, 2016, a Twenty-Fourth Supplemental Indenture dated June 2, 2016, a Twenty-Fifth Supplemental Indenture dated April 4, 2019, a Twenty-Sixth Supplemental Indenture dated

August 27, 2019, a Twenty-Seventh Supplemental Indenture dated March 19, 2020, a Twenty-Eighth Supplemental Indenture dated October 26, 2020, and a Twenty-Ninth Supplemental Indenture dated October 26, 2020 (the Trust Indenture, as amended and supplemented including by the Twenty-Ninth Supplemental Indenture are collectively referred to herein as the “**Indenture**”), each by and between the Commission and U.S. Bank National Association, as successor trustee (the “**Trustee**”). As provided in the Indenture, Bonds may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates, and may otherwise vary as provided in the Indenture. Except as provided in the Indenture, the aggregate principal amount of Bonds which may be issued thereunder is not limited and all Bonds issued and to be issued under said Indenture are and will be equally secured by the pledge and covenants provided therein.

This WIFIA Bond is a general obligation of the Commission, to which its full faith and credit are pledged. The Commission has also pledged to the payment of the principal and redemption price of and interest on this WIFIA Bond, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture, all Revenues of the Commission (as defined in the Indenture), and all moneys, securities and other amounts in all funds and accounts established by or pursuant to the Indenture, except the Operation and Maintenance Fund, the Rebate Fund, the Purchase Fund, if any, and the Unrestricted Fund of the Commission.

This WIFIA Bond is one of a series of Bonds designated as “Wastewater System Revenue Bonds (Bucklin Point Resiliency Improvements Project), 2020 Series C (Taxable Compound Interest Bonds)” (herein called the “**WIFIA Bond**”), issued under the Indenture, and limited to the maximum original principal amount of \$190,633,824 (excluding interest that is compounded and capitalized in accordance with the terms of the WIFIA Loan Agreement). Copies of the Indenture are on file at the office of the Commission and at the principal corporate trust office of the Trustee and reference to the Indenture and any supplements thereto and to the Act is made for a description of the pledge securing the Bonds and covenants relating thereto, the manner of enforcement of the pledge, the rights and remedies of the Holders of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued and may be issued thereunder, the conditions upon which the Indenture may be amended with or without the consent of the Holders of the Bonds, and the terms upon which Bonds may no longer be secured by the Indenture.

Any delay on the part of the WIFIA Lender in exercising any right hereunder shall not operate as a waiver of any such right, and any waiver granted with respect to one default shall not operate as a waiver in the event of any subsequent default.

The Holder of this WIFIA Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein to take any action with respect to an Event of Default under the Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture and the WIFIA Loan Agreement.

This WIFIA Bond is transferable, as provided in the Indenture and in Section 33 of the WIFIA Loan Agreement, only upon the books of the Commission at the Principal Office of the

Trustee by the Holder hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the Holder or his duly authorized attorney, and thereupon the Commission shall issue in the name of the transferee a new registered Bond or Bonds of the same aggregate principal amount, interest rate and maturity as the surrendered Bond, as provided in the Indenture, and upon the payment of the charges therein prescribed. This WIFIA Bond may also be exchanged, alone or with other Bonds of the same series, interest rate and maturity, at the Principal Office of the Trustee, for a new Bond or Bonds of the same aggregate principal amount, interest rate and maturity, without transfer to a new Holder, as provided in the Indenture and upon the payment of the charges therein prescribed.

The Commission shall not be obligated to make any transfer or exchange of this WIFIA Bond sixty (60) days prior to an Interest Payment Date.

No recourse shall be had for the payment of the principal or redemption price of or the interest on the Bonds or for any claim based thereon or on the Indenture against any member, officer or employee of the Commission or any person executing the Bonds.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State and by the Indenture to exist, to have happened or to have been performed precedent to or in the issuance of this WIFIA Bond, exist, have happened and have been performed and that the issue of this WIFIA Bond, together with all other indebtedness of the Commission, is within every debt and other limit prescribed by law. This WIFIA Bond is issued with the intent that the federal laws of the United States of America shall govern its construction to the extent such federal laws are applicable and the internal laws of the State shall govern its construction to the extent such federal laws are not applicable.

This WIFIA Bond shall not be entitled to any security, right or benefit under the Indenture or be valid or obligatory for any purpose, unless the certificate of authentication hereon has been duly executed by the Trustee.

IN WITNESS WHEREOF, the Narragansett Bay Commission has caused this WIFIA Bond to be executed in its name by the manual or facsimile signature of an authorized officer of the Commission and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and countersigned by the manual or facsimile signature of another authorized officer of the Commission, all as of the Effective Date set forth above.

(Seal)

NARRAGANSETT BAY COMMISSION

By: _____
Authorized Officer

Attested:

By: _____
Authorized Officer

CERTIFICATE OF AUTHENTICATION

This WIFIA Bond is the 2020 Series C Bond described in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION, as
Trustee (as successor to Wells Fargo Bank, N.A., as
successor trustee to The Bank of New York Trust
Company, N.A., as successor trustee in interest to
J.P. Morgan Trust Company, National Association)

By: _____

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the Undersigned hereby unconditionally sells, assigns
and transfers unto _____

(Please insert Social Security or other identifying number of Assignee(s)):

the within bond and all rights thereunder.

Dated: _____

NOTICE: The signature to this assignment
must correspond with the name as it appears
upon the face of the within note in every
particular, without alteration or enlargement or
any change whatever.

EXHIBIT B**ANTICIPATED WIFIA LOAN DISBURSEMENT SCHEDULE**

<u>Federal Fiscal Year</u>	<u>Element A Amount – Bucklin Point Wastewater Treatment Facility Upgrades</u>	<u>Element B Amount – CSO Phase III Overflow Project in Bucklin Point Service Area</u>
2021	\$34,565,711	\$ 0
2022	\$13,990,140	\$ 0
2023	\$12,284,511	\$129,793,462
Total Element A:	\$60,840,362	
Total Element B:	\$129,793,462	
Total:	\$190,633,824	

EXHIBIT C

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,
AND OTHER RESPONSIBILITY MATTERS**

The undersigned, on behalf of Narragansett Bay Commission, hereby certifies that Narragansett Bay Commission has fully complied with its verification obligations under 2 C.F.R. § 180.320 and hereby further confirms, based on such verification, that, to its knowledge, the Borrower and its principals (as defined in 2 C.F.R. § 180.995 and supplemented by 2 C.F.R. 1532.995):

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;

(b) Have not within a three (3) year period preceding the Effective Date been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and

(d) Have not within a three (3) year period preceding the Effective Date had one or more public transactions (federal, state or local) terminated for cause or default.

This certificate may be delivered by the delivery of signed signature pages by electronic means, facsimile transmission, or by e-mail with a PDF copy attached, and any printed or copied versions of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page. Signatures of this certificate made by electronic means shall be accompanied by an email, contemporaneous or otherwise, confirming the use of such means.

Dated: _____

NARRAGANSETT BAY COMMISSION¹

By: _____
Name:
Title:

¹ To be executed by Borrower’s Authorized Representative.

EXHIBIT D

REQUISITION PROCEDURES

This **Exhibit D** sets out the procedures which the Borrower agrees to follow in submitting Requisitions for the disbursement of WIFIA Loan proceeds in respect of the Eligible Project Costs incurred in connection with the Project. Section 1 sets out the manner in which Requisitions are to be submitted and reviewed. Sections 2 through 4 set out the circumstances in which the WIFIA Lender may reject or correct Requisitions submitted by the Borrower or withhold a disbursement. The Borrower expressly agrees to the terms hereof, and further agrees that (i) the rights of the WIFIA Lender contained herein are in addition to (and not in lieu of) any other rights or remedies available to the WIFIA Lender under the WIFIA Loan Agreement, and (ii) nothing contained herein shall be construed to limit the rights of the WIFIA Lender to take actions including administrative enforcement action and actions for breach of contract against the Borrower if it fails to carry out its obligations under the WIFIA Loan Agreement during the term thereof.

Section 1. General Requirements. All requests by the Borrower for the disbursement of WIFIA Loan proceeds shall be made by electronic mail or overnight delivery service by submission to the WIFIA Lender, in accordance with Section 31 (*Notices*) of the WIFIA Loan Agreement, of a Requisition, in form and substance satisfactory to the WIFIA Lender and completed and executed by the Borrower's Authorized Representative. The form of Requisition is attached as **Appendix One** (*Form of Requisition*) to this **Exhibit D**.

Supporting documentation should be submitted with the requisition. If the Borrower anticipates that it will draw down all or a portion of the proceeds of the WIFIA Loan to reimburse the Borrower for Eligible Project Costs paid by or on behalf of the Borrower prior to such disbursement of WIFIA Loan proceeds, whether paid from funds of the Borrower or proceeds of Obligations issued by the Borrower, including for the purpose of paying or redeeming such Obligations, the Borrower shall deliver appropriate documentation, including invoices and records, evidencing such incurred or paid Eligible Project Costs (the "Eligible Project Costs Documentation"). The Eligible Project Costs Documentation must provide sufficient detail to enable the WIFIA Lender to verify that such costs are Eligible Project Costs paid by the Borrower, in connection with the reimbursement of such Eligible Project Costs or for the purpose of paying or redeeming, in whole or part, the portion of any such short-term interim financing in respect of which the proceeds were used to pay such documented Eligible Project Costs. The WIFIA Lender shall review the Eligible Project Costs Documentation for compliance with WIFIA disbursement requirements, and any amounts approved by the WIFIA Lender as Eligible Project Costs will be disbursed at such time as the Borrower submits a Requisition in respect of such approved amounts.

The WIFIA Lender agrees to promptly send to the Borrower in accordance with Section 31 (*Notices*) of the WIFIA Loan Agreement, an acknowledgement of receipt of each Requisition in the form attached as **Appendix Two** (*[Approval/Disapproval] of the WIFIA Lender*) to this **Exhibit D** setting forth the date of receipt by the WIFIA Lender of such Requisition and setting forth the Business Day on which disbursement will be made absent denial by the WIFIA Lender. All disbursement requests must be received by the WIFIA Lender at or before 5:00 P.M. (EST)

on the first (1st) Business Day of a calendar month in order to obtain disbursement by the fifteenth (15th) day of such calendar month or, if either such day is not a Business Day, the next succeeding Business Day. If a Requisition is approved by the WIFIA Lender, the WIFIA Lender will notify the Borrower of such approval and of the amount so approved.

Section 2. Rejection. A Requisition may be rejected in whole or in part by the WIFIA Lender if it is:

- (a) submitted without signature;
- (b) submitted under signature of a Person other than a Borrower's Authorized Representative;
- (c) submitted after prior disbursement of all proceeds of the WIFIA Loan; or
- (d) submitted without adequate Eligible Project Costs Documentation, including (i) copies of invoices and records evidencing the Eligible Project Costs, (ii) a summary of the progress of construction of the Project and a general description of the work done for which the funds being requisitioned are being applied (or a certification that no change has occurred since the date of the latest quarterly report provided pursuant to Section 16(d) (*Reporting Requirements – Construction Reporting*)), and (iii) a copy of the most recent update to the Borrower's risk register, if requested by the WIFIA Lender.

The WIFIA Lender will notify the Borrower of any Requisition so rejected, and the reasons therefor. Any Requisition rejected for the reasons specified above (other than Section 2(c)) must be resubmitted in proper form in order to be considered for approval. If a Requisition exceeds the balance of the WIFIA Loan proceeds remaining to be disbursed, the request will be treated as if submitted in the amount of the balance so remaining, and the WIFIA Lender will so notify the Borrower.

Section 3. Correction. A Requisition containing an apparent mathematical error will be corrected by the WIFIA Lender, after telephonic or email notification to the Borrower, and will thereafter be treated as if submitted in the corrected amount.

Section 4. Withholding. The WIFIA Lender shall be entitled to withhold approval (in whole or in part) of any pending or subsequent requests for the disbursement of WIFIA Loan proceeds if:

- (a) a Default or an Event of Default shall have occurred and be continuing; or
- (b) the Borrower:
 - (i) knowingly takes any action, or omits to take any action, amounting to fraud or violation of any applicable federal or local criminal law, in connection with the transactions contemplated hereby; or
 - (ii) fails to construct the Project in a manner consistent with the Governmental Approvals with respect to the Project, or with good engineering

practices, where such failure prevents or materially impairs the Project from fulfilling its intended purpose, or prevents or materially impairs the ability of the WIFIA Lender to monitor compliance by the Borrower with applicable federal or local law pertaining to the Project or with the terms and conditions of the WIFIA Loan Agreement; or

(iii) fails to observe or comply with any applicable federal or local law, or any term or condition of the WIFIA Loan Agreement; or

(iv) fails to satisfy the conditions set forth in Section 4 (*Disbursement Conditions*) of the WIFIA Loan Agreement and Section 11(b) (*Conditions Precedent – Conditions Precedent to Disbursements*) of the WIFIA Loan Agreement; or

(v) fails to deliver Eligible Project Costs Documentation satisfactory to the WIFIA Lender at the times and in the manner specified by the WIFIA Loan Agreement; provided, that in such case the WIFIA Lender may, in its sole discretion, partially approve a disbursement request in respect of any amounts for which adequate documentation evidencing Eligible Project Costs has been provided and may, in its sole discretion, disburse in respect of such properly documented amounts.

APPENDIX ONE TO EXHIBIT D
FORM OF REQUISITION

United States Environmental Protection Agency
1200 Pennsylvania Avenue NW
WJC-W 6201A
Washington, D.C. 20460

[Loan Servicer]
[Address]
[Attention: WIFIA Director]

Re: BUCKLIN POINT RESILIENCY IMPROVEMENTS PROJECT (WIFIA # 19120RI)

Ladies and Gentlemen:

Pursuant to Section 4 (*Disbursement Conditions*) of the WIFIA Loan Agreement, dated as of October 26, 2020 (the “**WIFIA Loan Agreement**”), by and between NARRAGANSETT BAY COMMISSION (the “**Borrower**”) and the UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, acting by and through the Administrator (the “**WIFIA Lender**”), the Borrower hereby requests disbursement in the amount set forth below in respect of Eligible Project Costs paid or incurred by the Borrower. Capitalized terms used but not defined herein have the meaning set forth in the WIFIA Loan Agreement.

In connection with this Requisition the undersigned, as the Borrower’s Authorized Representative, hereby represents and certifies the following:

1.	Project name	Bucklin Point Resiliency Improvements Project
2.	Borrower name	Narragansett Bay Commission
3.	WIFIA reference number	N19120RI
4.	Requisition number	[__]
5.	Requested disbursement amount	\$[__]

5a.	Element A – requested amount	\$[___]
5b.	Element B – requested amount	\$[___]
6.	Requested disbursement date (the “Disbursement Date”)	[___]
7.	Total amounts previously disbursed under the WIFIA Loan Agreement	\$[___]
7a.	Element A – previously disbursed amount	\$[___]
7b.	Element B – previously disbursed amount	\$[___]
8.	Wire instructions	[___]

9. The amounts hereby requisitioned have been paid or incurred and approved for payment by or on behalf of the Borrower for Eligible Project Costs and have not been paid for or reimbursed by any previous disbursement from WIFIA Loan proceeds.
10. The amount of this Requisition, together with all prior Requisitions, does not exceed the amount of the WIFIA Loan, and the amount of this Requisition together with the sum of all disbursements of WIFIA Loan proceeds made and to be made for the current Federal Fiscal Year will not exceed the cumulative disbursements through the end of the current Federal Fiscal Year as set forth in the Anticipated WIFIA Loan Disbursement Schedule.
11. In respect of Element B (CSO Phase III Overflow Project in Bucklin Point Service Area) of the Project, as such element is described in Schedule I (*Project Definition*), (i) the amounts hereby requisitioned in respect of Eligible Project Costs for such element have only been requisitioned following the disbursement of all loan proceeds under the Existing WIFIA Documents and (ii) the aggregate amount of all disbursements of the WIFIA Loan (including the amount requested under this Requisition but excluding any interest that is capitalized in accordance with the WIFIA Loan Agreement) in respect of Eligible Project Costs for such element does not exceed the maximum aggregate amount specified in Section 4(a) (*Conditions to Disbursement*).
12. All documentation evidencing the Eligible Project Costs to be reimbursed to the Borrower by the above-requested disbursement has been delivered by the Borrower at the times and in the manner specified by the WIFIA Loan Agreement,

including the details set forth [in the attachment hereto, which is in form satisfactory to the WIFIA Lender][below], and no such documentation has been submitted in any request for disbursement of loan proceeds under the Existing WIFIA Documents:

								WIFIA USE ONLY	
Vendor or Contractor Name ²	Invoice Number ³	Invoice Date	Payment Date	Invoice Amount	WIFIA Requested Amount ⁴	Activity Type ⁵	Description of Activity ⁶	Approved Amount	Notes

13. The Borrower has sufficient available funds committed to the Project, which together with funds that remain available and not yet drawn under the WIFIA Loan, will be sufficient to pay the reasonably anticipated remaining Total Project Costs.
14. The total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan, does not exceed eighty percent (80%) of Total Project Costs.
15. The Borrower has all Governmental Approvals necessary as of the date hereof and as of the Disbursement Date (immediately after giving effect to the above-requested disbursement of WIFIA Loan proceeds) for the development, construction, operation and maintenance of the Project and each such Governmental Approval is in full force and effect (including approval from the Rhode Island Coastal Resources Management Council for those construction activities subject to its regulatory authority) (and is not subject to any notice of violation, breach or revocation).

² If seeking reimbursement for internal costs, enter “Internally financed activities.”

³ Vendor’s number indicated on the invoice sent to the Borrower.

⁴ If the amount requested for reimbursement by WIFIA is less than the total amount of the invoice, include an explanation for the difference.

⁵ Specify whether activity is: (a) Development phase activity, which includes planning, preliminary engineering, design, environmental review, revenue forecasting and other pre-construction activities; (b) Construction, which includes construction, reconstruction, rehabilitation and replacement activities; (c) Acquisition of real property, which includes acquiring an interest in real property, environmental mitigation, construction contingencies and acquisition of equipment; (d) Carrying costs, including capitalized interest, as necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses and other carrying costs during construction; (e) WIFIA fees, including for application and credit processing; or (f) Other, with an explanation in column H.

⁶ Provide a brief description of the activities included in the invoice for which WIFIA funds are being requested and any other notes that will aid in the review of the disbursement request.

16. Each of the insurance policies obtained by the Borrower in satisfaction of the condition in Section 11(a)(xvi) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement is in full force and effect, and no notice of termination thereof has been issued by the applicable insurance provider.
17. The Project has been, and is being, constructed in a manner consistent with all plans, specifications, engineering reports and facilities plans previously submitted to and approved by the WIFIA Lender and with good engineering practices in accordance with the highest standards of the Borrower's industry.
18. The representations and warranties of the Borrower set forth in the WIFIA Loan Agreement and in each other Related Document are true and correct as of the date hereof and as of the Disbursement Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true and correct as of such earlier date).
19. As of the date hereof and on the Disbursement Date (immediately after giving effect to the above-requested disbursement of WIFIA Loan proceeds), (i) no Default or Event of Default and (ii) no event of default under any other Related Document and no event that, with the giving of notice or the passage of time or both, would constitute an event of default under any Related Document, in each case, has occurred and is continuing.
20. No Material Adverse Effect, or any event or condition that could reasonably be expected to have a Material Adverse Effect, has occurred or arisen since May 13, 2020.
21. The total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is compounded and capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs.
22. The undersigned acknowledges that if the Borrower makes a false, fictitious, or fraudulent claim, statement, submission, or certification to the Government in connection with the Project, the Government reserves the right to impose on the Borrower the penalties of 18 U.S.C. § 1001, to the extent the Government deems appropriate.
23. A copy of this requisition has been delivered to each of the above named addressees.
24. The undersigned is duly authorized to execute and deliver this requisition on behalf of the Borrower.

[Add wire instructions for Borrower/Trustee.]

Date: _____

NARRAGANSETT BAY COMMISSION,
by its authorized representative

By: _____

Name: _____

Title:

APPENDIX TWO TO EXHIBIT D

**[APPROVAL/DISAPPROVAL] OF THE WIFIA LENDER
(To be delivered to the Borrower)**

Requisition Number [_____] is [approved in the amount of \$[_____] [approved in part in the amount of \$[_____] [not approved, for the reasons set forth in Annex A attached hereto,]⁷ by the WIFIA Lender (as defined herein) pursuant to Section 4 (*Disbursement Conditions*) of the WIFIA Loan Agreement, dated as of October 26, 2020, by and between Narragansett Bay Commission (the “**Borrower**”) and the United States Environmental Protection Agency, acting by and through the Administrator (the “**WIFIA Lender**”).

Any determination, action or failure to act by the WIFIA Lender with respect to the Requisition set forth above, including any withholding of a disbursement, shall be at the WIFIA Lender’s sole discretion, and in no event shall the WIFIA Lender be responsible for or liable to the Borrower for any and/or all consequence(s) which are the result thereof.

**UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY**, acting by and
through the Administrator

By: _____
WIFIA Lender’s Authorized Representative
Name:
Title:
Dated:

⁷ If there is any partial or full denial of approval, the WIFIA Lender shall provide a separate attachment setting forth the reasons for such partial or full denial of approval.

EXHIBIT A TO APPENDIX TWO TO EXHIBIT D

[Insert reasons for any partial or full denial of approval.]

EXHIBIT E

COMPLIANCE WITH LAWS

The Borrower shall, and shall require its contractors and subcontractors at all tiers for the Project to, comply in all material respects with any and all applicable federal and state laws. The following list of federal laws is illustrative of the type of requirements generally applicable to water and wastewater projects. It is not intended to be exhaustive.

Environmental Authorities

- Archeological and Historic Preservation Act, Pub. L. 93-291, as amended
- Archaeological Resources Protection Act, 16 U.S.C. §§ 470aa-mm
- Bald and Golden Eagle Protection Act, 16 U.S.C. §§ 668-668c
- Clean Air Act, Pub. L. 95-95, as amended
- Clean Water Act, Titles III, IV and V, Pub. L. 92-500, as amended
- Coastal Barrier Resources Act, Pub. L. 97-348
- Coastal Zone Management Act, Pub. L. 92-583, as amended
- Endangered Species Act, Pub. L. 93-205, as amended
- Farmland Protection Policy Act, Pub. L. 97-98
- Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations Environmental Justice, Executive Order 12898
- Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended
- Floodplain Management, Executive Order 11988, 42 FR 26951, May 24, 1977, as amended by Executive Order 13690, 80 FR 6425, February 4, 2015
- Magnuson-Stevens Fishery Conservation and Management Act, Pub. L. 94-265
- Marine Mammal Protection Act, 16 U.S.C. §§ 1361-1407
- Migratory Bird Treaty Act, 16 U.S.C. §§ 703-712
- National Historic Preservation Act, Pub. L. 89-655, as amended
- National Environmental Policy Act of 1969, 42 U.S.C. 4321 et seq.
- Native American Graves Protection and Repatriation Act, 25 U.S.C. § 3001 et seq.
- Protection of Wetlands, Executive Order 11990 as amended by Executive Order 12608
- Rivers and Harbors Act, 33 U.S.C. 403

- Safe Drinking Water Act, Pub L. 93-523, as amended
- Wild and Scenic Rivers Act, Pub. L. 90-54, as amended
- Wilderness Act, 16 U.S.C. § 1131 et seq.

Economic and Miscellaneous Authorities

- Debarment and Suspension, Executive Order 12549
- Demonstration Cities and Metropolitan Development Act, Pub. L. 89 -754, as amended, and Executive Order 12372
- Drug-Free Workplace Act, Pub. L. 100-690
- Labor Standards, 33 U.S.C. § 1372 and 40 U.S.C. 3141-3144, 3146 and 3147
- New Restrictions on Lobbying, Section 319 of Pub. L. 101-121
- Prohibitions relating to violations of the Clean Water Act or Clean Air Act with respect to federal contracts, grants, or loans under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, and Executive Order 11738
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4601 et seq.)

Civil Rights, Nondiscrimination, Equal Employment Opportunity Authorities

- Age Discrimination Act, Pub. L. 94-135
- Equal Employment Opportunity, Executive Order 11246
- Section 13 of the Clean Water Act, Pub. L. 92-500
- Section 504 of the Rehabilitation Act, Pub. L 93-112 supplemented by Executive Orders 11914 and 11250
- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.)
- Participation by Disadvantaged Business Enterprises in Procurement under EPA Financial Assistance Agreements

EXHIBIT F

WIFIA DEBT SERVICE

Narragansett Bay Commission - Bucklin Point Resiliency - 19120RI

WIFIA Loan Amortization Schedule

Closing Date 10/26/2020
 Loan Amount \$ 190,633,824.00
 Interest rate 1.60%
 Weight Average Life (years-months) 33-0
 Maturity 9/1/2059

Period Start Date	Period End Date	Period Payment Date	Capitalized Interest	Interest Payment	Principal Repayment	% of Maximum Principal Outstanding	Semi-annual Debt Service Payment	Ending Balance
10/26/2020	2/28/2021	3/1/2021	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00
3/1/2021	8/31/2021	9/1/2021	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00
9/1/2021	2/28/2022	3/1/2022	\$276,525.69	\$0.00	\$0.00	0.00%	\$0.00	\$34,842,236.69
3/1/2022	8/31/2022	9/1/2022	\$278,737.90	\$0.00	\$0.00	0.00%	\$0.00	\$35,120,974.59
9/1/2022	2/28/2023	3/1/2023	\$392,888.92	\$0.00	\$0.00	0.00%	\$0.00	\$49,504,003.51
3/1/2023	8/31/2023	9/1/2023	\$396,032.03	\$0.00	\$0.00	0.00%	\$0.00	\$49,900,035.54
9/1/2023	2/29/2024	3/1/2024	\$1,535,824.08	\$0.00	\$0.00	0.00%	\$0.00	\$193,513,832.62
3/1/2024	8/31/2024	9/1/2024	\$1,548,110.67	\$0.00	\$0.00	0.00%	\$0.00	\$195,061,943.29
9/1/2024	2/28/2025	3/1/2025	\$1,560,495.55	\$0.00	\$0.00	0.00%	\$0.00	\$196,622,438.84
3/1/2025	8/31/2025	9/1/2025	\$1,572,979.52	\$0.00	\$0.00	0.00%	\$0.00	\$198,195,418.36
9/1/2025	2/28/2026	3/1/2026	\$1,585,563.35	\$0.00	\$0.00	0.00%	\$0.00	\$199,780,981.71
3/1/2026	8/31/2026	9/1/2026	\$1,598,247.86	\$0.00	\$0.00	0.00%	\$0.00	\$201,379,229.57
9/1/2026	2/28/2027	3/1/2027	\$1,611,033.84	\$0.00	\$0.00	0.00%	\$0.00	\$202,990,263.41
3/1/2027	8/31/2027	9/1/2027	\$1,623,922.11	\$0.00	\$0.00	0.00%	\$0.00	\$204,614,185.52
9/1/2027	2/29/2028	3/1/2028	\$1,636,913.49	\$0.00	\$0.00	0.00%	\$0.00	\$206,251,099.01
3/1/2028	8/31/2028	9/1/2028	\$1,650,008.80	\$0.00	\$0.00	0.00%	\$0.00	\$207,901,107.81
9/1/2028	2/28/2029	3/1/2029	\$1,663,208.87	\$0.00	\$0.00	0.00%	\$0.00	\$209,564,316.68
3/1/2029	8/31/2029	9/1/2029	\$1,676,514.54	\$0.00	\$0.00	0.00%	\$0.00	\$211,240,831.22
9/1/2029	2/28/2030	3/1/2030	\$1,689,926.65	\$0.00	\$0.00	0.00%	\$0.00	\$212,930,757.87
3/1/2030	8/31/2030	9/1/2030	\$1,703,446.07	\$0.00	\$0.00	0.00%	\$0.00	\$214,634,203.94
9/1/2030	2/28/2031	3/1/2031	\$1,717,073.64	\$0.00	\$0.00	0.00%	\$0.00	\$216,351,277.58
3/1/2031	8/31/2031	9/1/2031	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2031	2/29/2032	3/1/2032	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2032	8/31/2032	9/1/2032	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2032	2/28/2033	3/1/2033	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2033	8/31/2033	9/1/2033	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2033	2/28/2034	3/1/2034	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2034	8/31/2034	9/1/2034	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2034	2/28/2035	3/1/2035	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2035	8/31/2035	9/1/2035	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2035	2/29/2036	3/1/2036	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2036	8/31/2036	9/1/2036	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2036	2/28/2037	3/1/2037	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2037	8/31/2037	9/1/2037	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2037	2/28/2038	3/1/2038	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2038	8/31/2038	9/1/2038	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2038	2/28/2039	3/1/2039	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2039	8/31/2039	9/1/2039	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2039	2/29/2040	3/1/2040	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2040	8/31/2040	9/1/2040	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2040	2/28/2041	3/1/2041	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2041	8/31/2041	9/1/2041	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2041	2/28/2042	3/1/2042	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2042	8/31/2042	9/1/2042	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2042	2/28/2043	3/1/2043	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2043	8/31/2043	9/1/2043	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2043	2/29/2044	3/1/2044	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2044	8/31/2044	9/1/2044	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
9/1/2044	2/28/2045	3/1/2045	\$0.00	\$1,730,810.23	\$0.00	0.00%	\$1,730,810.23	\$216,351,277.58
3/1/2045	8/31/2045	9/1/2045	\$0.00	\$1,730,810.23	\$1,016,851.01	0.47%	\$2,747,661.24	\$215,334,426.57
9/1/2045	2/28/2046	3/1/2046	\$0.00	\$1,722,675.42	\$0.00	0.00%	\$1,722,675.42	\$215,334,426.57
3/1/2046	8/31/2046	9/1/2046	\$0.00	\$1,722,675.42	\$5,711,673.73	2.64%	\$7,434,349.15	\$209,622,752.84
9/1/2046	2/28/2047	3/1/2047	\$0.00	\$1,676,982.03	\$0.00	0.00%	\$1,676,982.03	\$209,622,752.84
3/1/2047	8/31/2047	9/1/2047	\$0.00	\$1,676,982.03	\$0.00	0.00%	\$1,676,982.03	\$209,622,752.84
9/1/2047	2/29/2048	3/1/2048	\$0.00	\$1,676,982.03	\$0.00	0.00%	\$1,676,982.03	\$209,622,752.84
3/1/2048	8/31/2048	9/1/2048	\$0.00	\$1,676,982.03	\$0.00	0.00%	\$1,676,982.03	\$209,622,752.84
9/1/2048	2/28/2049	3/1/2049	\$0.00	\$1,676,982.03	\$0.00	0.00%	\$1,676,982.03	\$209,622,752.84
3/1/2049	8/31/2049	9/1/2049	\$0.00	\$1,676,982.03	\$3,851,052.75	1.78%	\$5,528,034.78	\$205,771,700.09

Period Start Date	Period End Date	Period Payment Date	Capitalized Interest	Interest Payment	Principal Repayment	% of Maximum Principal Outstanding	Semi-annual Debt Service Payment	Ending Balance
9/1/2049	2/28/2050	3/1/2050	\$0.00	\$1,646,173.61	\$0.00	0.00%	\$1,646,173.61	\$205,771,700.09
3/1/2050	8/31/2050	9/1/2050	\$0.00	\$1,646,173.61	\$19,385,074.48	8.96%	\$21,031,248.09	\$186,386,625.61
9/1/2050	2/28/2051	3/1/2051	\$0.00	\$1,491,093.01	\$0.00	0.00%	\$1,491,093.01	\$186,386,625.61
3/1/2051	8/31/2051	9/1/2051	\$0.00	\$1,491,093.01	\$21,180,790.08	9.79%	\$22,671,883.09	\$165,205,835.53
9/1/2051	2/29/2052	3/1/2052	\$0.00	\$1,321,646.69	\$0.00	0.00%	\$1,321,646.69	\$165,205,835.53
3/1/2052	8/31/2052	9/1/2052	\$0.00	\$1,321,646.69	\$21,440,411.61	9.91%	\$22,762,058.30	\$143,765,423.92
9/1/2052	2/28/2053	3/1/2053	\$0.00	\$1,150,123.40	\$0.00	0.00%	\$1,150,123.40	\$143,765,423.92
3/1/2053	8/31/2053	9/1/2053	\$0.00	\$1,150,123.40	\$21,678,398.02	10.02%	\$22,828,521.42	\$122,087,025.90
9/1/2053	2/28/2054	3/1/2054	\$0.00	\$976,696.21	\$0.00	0.00%	\$976,696.21	\$122,087,025.90
3/1/2054	8/31/2054	9/1/2054	\$0.00	\$976,696.21	\$21,959,654.68	10.15%	\$22,936,350.89	\$100,127,371.22
9/1/2054	2/28/2055	3/1/2055	\$0.00	\$801,018.97	\$0.00	0.00%	\$801,018.97	\$100,127,371.22
3/1/2055	8/31/2055	9/1/2055	\$0.00	\$801,018.97	\$22,219,276.21	10.27%	\$23,020,295.18	\$77,908,095.01
9/1/2055	2/29/2056	3/1/2056	\$0.00	\$623,264.77	\$0.00	0.00%	\$623,264.77	\$77,908,095.01
3/1/2056	8/31/2056	9/1/2056	\$0.00	\$623,264.77	\$22,478,897.75	10.39%	\$23,102,162.52	\$55,429,197.26
9/1/2056	2/28/2057	3/1/2057	\$0.00	\$443,433.58	\$0.00	0.00%	\$443,433.58	\$55,429,197.26
3/1/2057	8/31/2057	9/1/2057	\$0.00	\$443,433.58	\$22,760,154.41	10.52%	\$23,203,587.99	\$32,669,042.85
9/1/2057	2/28/2058	3/1/2058	\$0.00	\$261,352.35	\$0.00	0.00%	\$261,352.35	\$32,669,042.85
3/1/2058	8/31/2058	9/1/2058	\$0.00	\$261,352.35	\$22,976,505.68	10.62%	\$23,237,858.03	\$9,692,537.17
9/1/2058	2/28/2059	3/1/2059	\$0.00	\$77,540.30	\$0.00	0.00%	\$77,540.30	\$9,692,537.17
3/1/2059	8/31/2059	9/1/2059	\$0.00	\$77,540.30	\$9,692,537.17	4.48%	\$9,770,077.47	\$0.00
Total			\$25,717,453.58	\$81,285,425.47	\$216,351,277.58		\$297,636,703.05	

EXHIBIT G-1**OPINIONS REQUIRED FROM COUNSEL TO BORROWER**

An opinion of the counsel of the Borrower, dated as of the Effective Date, to the effect that:

(a) insofar as the laws of the State are applicable, and limited in all respects to said laws, the Borrower is a public corporation of the State having a distinct legal existence from the State, duly formed, validly existing, and in good standing under the laws of the State;

(b) the Borrower is duly authorized and empowered, under the laws of the State, including Title 46, Chapter 25 of the Rhode Island General Laws, to conduct its business, to enter into the transactions contemplated by the Related Documents, including the Indenture, the WIFIA Loan Agreement and the WIFIA Bond, to authorize the WIFIA Bond, to adopt the Resolution of the Narragansett Bay Commission No. 2020:32 adopted on September 29, 2020, and to execute and deliver, and perform its obligations under, the WIFIA Bond, the Indenture, the WIFIA Loan Agreement, and the Principal Project Contracts;

(c) the Indenture, the WIFIA Bond, the WIFIA Loan Agreement and, to the extent entered into as of the date of this opinion, the Principal Project Contracts, have been executed and delivered by the Borrower, each of the Related Documents to which the Borrower is a party constitutes the legal, valid and binding obligation of the Borrower, enforceable in accordance with their respective terms, and the performance of the Borrower's respective obligations under the Related Documents to which it is a party, have been duly authorized by all necessary organizational or regulatory action;

(d) no authorization, consent, or other approval of, or registration, declaration or other filing with any governmental authority of the United States of America or of the State is required on the part of the Borrower for the execution and delivery by such party of, and the performance of such party under, any Related Document to which it is a party other than authorizations, consents, approvals, registrations, declarations and filings that have already been timely obtained or made by the Borrower;

(e) the Borrower is not entitled to claim governmental immunity in any breach of contract action under the WIFIA Loan Agreement or the WIFIA Bond or by the Trustee under the Indenture Documents;

(f) The execution and delivery by the Borrower of, and the performance of its respective obligations under, the WIFIA Loan Agreement, the Indenture and the WIFIA Bond and the other documents contemplated by the WIFIA Loan Agreement, including the Principal Project Contracts, do not and will not (i) violate the Organizational Documents, (ii) violate existing law, court or administrative regulations, decrees, orders, state statutes or the law of the United States of America, or (iii) conflict with or constitute a breach of or default under any material contract, agreement or other instrument to which the Borrower is a party or by which it or its properties are bound; and

(g) to the best of my knowledge, and except as indicated in the WIFIA Loan Agreement, there is no action, suit, proceeding, or investigation at law or in equity before or by any court, public board, or body, pending or threatened, against or affecting the Borrower wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated by the WIFIA Loan Agreement, or the validity of the WIFIA Bond or the Indenture and there is no pending or threatened litigation or other proceedings which in any way questions or affects the validity of the WIFIA Bond or the documents relating thereto or any proceedings or transactions relating to the issuance, sale, and delivery of the WIFIA Bond, or which in any way contests the existence or the powers of the Borrower, or the title of any of its officers to their respective offices, and there is no litigation or proceedings pending against the Borrower which in the aggregate could have a material adverse effect on the Borrower's ability to repay its loan from the WIFIA Lender from revenue of the Borrower's wastewater system.

EXHIBIT G-2**OPINIONS REQUIRED FROM BOND COUNSEL**

An opinion of bond counsel, dated as of the Effective Date, to the effect that:

(a) The Borrower is a public corporation of the State having a distinct legal existence from the State and not constituting a department of State government and has full legal right and power under the laws of the State (i) to enter into the Indenture, (ii) to enter into the WIFIA Loan Agreement, (iii) to execute and deliver to WIFIA Bond and (iv) to carry out and consummate the transactions contemplated by the Indenture, the WIFIA Loan Agreement and the WIFIA Bond.

(b) The Borrower has the right and power under Title 46, Chapter 25 of the Rhode Island General Laws (the "Borrower Act") to adopt the Resolution of the Narragansett Bay Commission No. 2020:32 adopted on September 29, 2020 (the "Resolution"). The Resolution has been duly and lawfully adopted by the Borrower, is in full force and effect, and is valid and binding and enforceable upon the Borrower, and no other authorization or action for the Resolution is required.

(c) The WIFIA Loan Documents have been duly authorized, executed and delivered by the Borrower. The WIFIA Loan Documents constitute the valid and binding obligations of the Borrower, enforceable in accordance with their terms.

(d) The WIFIA Bond is a valid special obligation of the Borrower payable solely from the revenues pledged therefor pursuant to the Resolution and the Indenture, and is equally and ratably secured with the other Bonds issued under the Indenture.

(e) No other authorization, approval, consent or other order of any governmental authority or agency is required for the authorization, execution and delivery of the WIFIA Loan Documents, and any and all statutes, ordinances, resolutions, regulations or other requirements applicable to the execution and delivery of the WIFIA Loan Documents have been complied with.

(f) To secure the payment of the principal of, interest on, and other amounts payable in respect of, the WIFIA Bond, the provisions of the Indenture create a valid security interest, in favor of the Trustee for the benefit of the Bondholders, in the Trust Estate in which a security interest can be created under the UCC. The financing statement is in appropriate form and has been filed and recorded with the Rhode Island Secretary of State, which is the only office in the State in which financing statements are required to be filed in order to perfect by filing the security interests granted to the Trustee (on behalf of the Bondholders) in the Trust Estate in which a security interest may be perfected by the filing of UCC-1 financing statements under Article 9 of the UCC. The Trustee (on behalf of the Bondholders) has a perfected security interest in the Trust Estate, to the extent that a security interest may be perfected by the filing of UCC-1 financing statements under Article 9 of the UCC, and no further action is required by the Borrower or any other person for such purposes.

(g) The Borrower is not eligible to be a debtor in either a voluntary or involuntary case under the United States Bankruptcy Code.

EXHIBIT H

FORM OF CERTIFICATE OF TRUSTEE

NARRAGANSETT BAY COMMISSION

WIFIA Bond,
Bucklin Point Resiliency Improvements Project
(WIFIA – N19120RI)

The undersigned, U.S. BANK NATIONAL ASSOCIATION, as Trustee (as successor to Wells Fargo Bank, N.A., as successor trustee to The Bank of New York Trust Company, N.A., as successor trustee in interest to J.P. Morgan Trust Company, National Association) (the “*Trustee*”), pursuant to the Trust Indenture by and between the Narragansett Bay Commission (the “*Borrower*”) and the Trustee dated as of April 15, 2004, as amended and supplemented, including by the Twenty-Ninth Supplemental Indenture dated October 26, 2020 (the “*Indenture*”), by its duly appointed, qualified and acting [_____], certifies with respect to the above referenced bond (the “*WIFIA Bond*”) dated October 26, 2020, as follows (capitalized terms used in this Certificate which are not otherwise defined shall have the meanings given to such terms in the Indenture):

1. That the Trustee is a national association duly organized and validly existing under the laws of the United States of America.

2. That the documents pertaining to the issuance of the WIFIA Bond to which the Trustee is a party were executed and the WIFIA Bond was authenticated on behalf of the Trustee by one or more of the persons whose names and offices appear on Annex One attached hereto and made part hereof, that each person was at the time of the execution of such documents and the authentication of the WIFIA Bond and now is duly appointed, qualified and acting incumbent of his or her respective office, that each such person was authorized to execute such documents and to authenticate the WIFIA Bond, and that the signature appearing after the name of each such person is a true and correct specimen of that person’s genuine signature.

3. That the undersigned is authorized to act as Trustee and accept the trusts conveyed to it under the Indenture (“*Trusts*”), has accepted the Trusts so conveyed and in so accepting the Trusts and so acting is in violation of no provision of its articles of association or bylaws, any law, regulation or court or administrative order or any agreement or other instrument to which it is a party or by which it may be bound.

4. That attached to this Certificate as Annex Two is a full, true and correct copy of excerpts from resolutions of the board of directors of the Trustee and other applicable documents that evidence the Trustee’s trust powers and the authority of the officers referred to above to act on behalf of the Trustee; and that these excerpts and other applicable documents were in effect on the date or dates such officers acted and remain in full force and effect today, and such excerpts and documents have not been amended since the date of the last amendment thereto shown on any such copy, as applicable.

5. That receipt is acknowledged of all instruments, certifications and other documents or confirmations required to be received by the Trustee pursuant to Section 205 (*General Provisions for Issuance of Bonds*) of the Indenture.

6. That receipt is also acknowledged of that certain WIFIA Loan Agreement, dated as of October 26, 2020 (the “**WIFIA Loan Agreement**”), between the Borrower and the United States Environmental Protection Agency, acting by and through the Administrator (the “**WIFIA Bondholder**”).

7. That the Trustee also accepts its appointment and agrees to perform the duties and responsibilities of Trustee and Paying Agent for and in respect of the WIFIA Bond as set forth in the Indenture and the WIFIA Loan Agreement, including from time to time redeeming all or a portion of the WIFIA Bond as provided in Article IV (*Redemption of Bonds*) of the Indenture. In accepting such duties and responsibilities, the Trustee shall be entitled to all of the privileges, immunities, rights and protections set forth in Article VIII (*The Fiduciaries*) of the Indenture.

8. That all funds and accounts for the payment of the WIFIA Bond pursuant to the Indenture (including, but not limited to, the WIFIA Debt Service Account) have been established as provided in the Indenture.

This certificate may be delivered by the delivery of signed signature pages by electronic means, facsimile transmission, or by e-mail with a PDF copy attached, and any printed or copied versions of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page. Signatures of this certificate made by electronic means shall be accompanied by an email, contemporaneous or otherwise, confirming the use of such means.

Dated: October 26, 2020

[TRUSTEE]

By: _____
Its:

ANNEX ONE TO EXHIBIT H
OFFICERS OF TRUSTEE

ANNEX TWO TO EXHIBIT H
RESOLUTIONS OF BOARD OF DIRECTORS OF TRUSTEE

EXHIBIT I**FORM OF BORROWER'S OFFICER'S CERTIFICATE**

Reference is made to that certain WIFIA Loan Agreement, dated as of October 26, 2020 (the “**WIFIA Loan Agreement**”), by and among Narragansett Bay Commission (the “**Borrower**”) and the United States Environmental Protection Agency, acting by and through the Administrator (the “**WIFIA Lender**”). Capitalized terms used in this certificate and not defined shall have the respective meanings ascribed to such terms in the WIFIA Loan Agreement.

In connection with Section 11(a) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, the undersigned, [____], as Borrower's Authorized Representative, does hereby certify on behalf of the Borrower and not in his/her personal capacity, as of the date hereof:

- (a) pursuant to Section 11(a)(ii) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, to the extent not previously delivered to the WIFIA Lender, attached hereto as Exhibit A are complete and fully executed copies of each Indenture Document (excluding documentation related to Additional Security and Qualified Swap Agreements), together with any amendments, waivers or modifications thereto, in each case that has been entered into on or prior to the Effective Date, and each such agreement is in full force and effect, and all conditions contained in such documents to the closing of the transactions contemplated thereby have been fulfilled or effectively waived by the WIFIA Lender in its sole discretion;
- (b) pursuant to Section 11(a)(iv) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, (i) attached hereto as Exhibit B is a certificate to the absence of debarment, suspension or voluntary exclusion from participation in Government contracts, procurement and non-procurement matters with respect to the Borrower and its principals (as defined in 2 C.F.R. § 180.995 and supplemented by 2 C.F.R. § 1532.995) and (ii) attached as Exhibit C is the Non-Lobbying Certificate;
- (c) pursuant to Section 11(a)(vi) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, attached hereto as Exhibit D is an incumbency certificate that lists all persons, together with their positions and specimen signatures, who are duly authorized by the Borrower to execute the Related Documents to which the Borrower is or will be a party, and who have been appointed a Borrower's Authorized Representative in accordance with Section 21 (*Borrower's Authorized Representative*) of the WIFIA Loan Agreement;
- (d) the aggregate of all funds committed to the development and construction of the Project as set forth in the Base Case Financial Model and in the Project Budget to pay Total Project Costs are sufficient to carry out the Project, pay all Total Project

Costs anticipated for the Project and achieve Substantial Completion by the Projected Substantial Completion Date;

- (e) pursuant to Section 11(a)(viii) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, each Existing Principal Project Contract (as listed in Part A of Schedule 12(n) (*Principal Project Contracts*) to the WIFIA Loan Agreement), is in full force and effect;
- (f) the Borrower has obtained all Governmental Approvals needed (i) as of the Effective Date in connection with the Project and (ii) to execute and deliver, and perform its obligations under the WIFIA Loan Agreement, and all such Governmental Approvals are final, non-appealable, and in full force and effect (and are not subject to any notice of violation, breach or revocation);
- (g) the 30-day appeal period pursuant to Rhode Island General Laws Section 42-35-15 for the DPUC Order has expired without the filing of any appeal so that the WIFIA Bond has been fully approved pursuant to all applicable laws of the State;
- (h) pursuant to Section 11(a)(x) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, attached hereto as Exhibit E is the Base Case Financial Model, which Base Case Financial Model (i) demonstrates that projected Revenues are sufficient to meet the Loan Amortization Schedule, (ii) demonstrates compliance with the Rate Covenant for each Borrower Fiscal Year through the Final Maturity Date, (iii) reflects principal amortization and interest payment schedules acceptable to the WIFIA Lender, (iv) demonstrates that the Borrower has developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project over its useful life and (v) otherwise meets the requirements of Section 11(a)(x) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement;
- (i) the Borrower (i) is authorized, pursuant to Sections 46-25-5, 46-25-58 and 46-25-59 of the Rhode Island General Laws and its Organizational Documents, to pledge, assign, and grant the Liens on the Pledged Collateral purported to be pledged, assigned, and granted pursuant to the Indenture Documents without the need for notice to any Person, physical delivery, recordation, filing or further act; (ii) has delivered to the WIFIA Lender time-stamped copies of UCC-1 financing statements covering the Pledged Collateral, in form and substance satisfactory to the WIFIA Lender, that have been filed with the Secretary of State of the State to perfect such Liens; (iii) has recorded or filed, or caused to be recorded or filed, for record in such manner and in such places as are required all other documents and instruments, and taken or caused to be taken all other actions, as are necessary or desirable to establish and enforce the Lien on the Pledged Collateral (for the benefit of the WIFIA Lender and the other Secured Parties) to the extent contemplated by the Indenture Documents and this Agreement; and (iv) has paid, or caused to be paid, all taxes and filing fees that are due and payable in connection with the execution, delivery or recordation of any Indenture

Documents and this Agreement or any instruments, certificates or financing statements in connection with the foregoing;

- (j) pursuant to Section 11(a)(xiii) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, (i) attached hereto as Exhibit F is a true, correct and complete copy of the final NEPA Determination, which document has not been revoked or amended on or prior to the date hereof, (ii) the Borrower has complied with all other applicable federal, state or local environmental review and approval requirements with respect to the Project, and (iii) the Borrower has complied with all applicable requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4601 *et seq.*) and Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*);
- (k) pursuant to Section 11(a)(xv) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, (i) the Borrower's Federal Employer Identification Number is 06-1471715, (ii) the Borrower's Data Universal Numbering System number is 14-477-5335, and (iii) the Borrower has registered with, and obtained confirmation of active registration status from, the federal System for Award Management (www.SAM.gov), and attached hereto as Exhibit G is evidence of each of (ii) and (iii);
- (l) pursuant to Section 11(a)(xvi) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, each of the insurance policies obtained by the Borrower in satisfaction of the conditions in Section 14(f) (*Affirmative Covenants – Insurance and Condemnation*) of the WIFIA Loan Agreement is in full force and effect, and no notice of termination thereof has been issued by the applicable insurance provider;
- (m) pursuant to Section 11(a)(xvii) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, attached hereto as Exhibit H is a copy of the Borrower's Organizational Documents, as in effect on the Effective Date (and certified by the Secretary of State of the State, to the extent applicable), which Organizational Documents are in full force and effect and have not been amended since the date of the last amendment thereto shown on the certificate of the Secretary of State of the State;
- (n) pursuant to Section 11(a)(xviii) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, attached hereto as Exhibit I is a copy of (i) the WIFIA Supplemental Indenture, (ii) all other resolutions, ordinances, or supplements (as the case may be), if any, authorizing the Borrower to execute and deliver, and to perform its respective obligations under, the WIFIA Loan Documents to which it is a party, and (iii) all further instruments and documents as are necessary, appropriate or advisable to effectuate the foregoing resolutions and to consummate and implement the transactions contemplated by such resolutions and the WIFIA Loan Documents, and in each case such documents have not been subsequently modified, rescinded or amended, are in

full force and effect in the form adopted, and are the only documents required and adopted by the Borrower relating to the matters described therein;

- (o) pursuant to Section 11(a)(xx) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, the Borrower certifies that no performance security instrument is required to be delivered to the Borrower pursuant to any Principal Project Contract as of the Effective Date;
- (p) the representations and warranties of the Borrower set forth in the WIFIA Loan Agreement and in each other Related Document to which the Borrower is a party are true and correct on and as of the date hereof, except to the extent that such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct as of such earlier date; and
- (q) (i) the maximum principal amount of the WIFIA Loan (excluding any interest that is compounded and capitalized in accordance with the terms hereof), together with the amount of any other credit assistance provided under the Act to the Borrower, does not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs and (ii) as required pursuant to § 3908(b)(9) of the Act, the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is compounded and capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs.

This certificate may be delivered by the delivery of signed signature pages by electronic means, facsimile transmission, or by e-mail with a PDF copy attached, and any printed or copied versions of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page. Signatures of this certificate made by electronic means shall be accompanied by an email, contemporaneous or otherwise, confirming the use of such means.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date first mentioned above.

NARRAGANSETT BAY COMMISSION,
by its authorized representative

By: _____

Name:

Title: Authorized Person

EXHIBIT D TO EXHIBIT I

INCUMBENCY CERTIFICATE

The undersigned certifies that he/she is the [Secretary] of Narragansett Bay Commission, a public corporation organized and existing under the laws of the State of Rhode Island, (the “**Borrower**”), and as such he/she is authorized to execute this certificate and further certifies that the following persons have been elected or appointed, are qualified, and are now acting as officers or authorized persons of the Borrower in the capacity or capacities indicated below, and that the signatures set forth opposite their respective names are their true and genuine signatures. He/She further certifies that any of the officers listed below is authorized to sign agreements and give written instructions with regard to any matters pertaining to the WIFIA Loan Documents as the Borrower’s Authorized Representative (each as defined in that certain WIFIA Loan Agreement, dated as of the date hereof, between the Borrower and the United States Environmental Protection Agency, acting by and through the Administrator):

<u>Name</u>	<u>Title</u>	<u>Signature</u>
[_____]	[_____]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____

This certificate may be delivered by the delivery of signed signature pages by electronic means, facsimile transmission, or by e-mail with a PDF copy attached, and any printed or copied versions of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page. Signatures of this certificate made by electronic means shall be accompanied by an email, contemporaneous or otherwise, confirming the use of such means.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of this 26th day of October, 2020.

NARRAGANSETT BAY COMMISSION,
by its authorized representative

By: _____
Name:
Title:

EXHIBIT J**FORM OF CERTIFICATE OF SUBSTANTIAL COMPLETION**

[Letterhead of Borrower]

[Date]

United States Environmental Protection Agency
c/o WIFIA Director
1200 Pennsylvania Avenue NW
Washington, D.C. 20460

Project: BUCKLIN POINT RESILIENCY IMPROVEMENTS PROJECT (WIFIA – N19120RI)

Dear Director:

This Notice is provided pursuant to Section 16(h)(ii) (*Reporting Requirements – Notices*) of that certain WIFIA Loan Agreement (the “**WIFIA Loan Agreement**”), dated as of October 26, 2020, by and between Narragansett Bay Commission (the “**Borrower**”) and the United States Environmental Protection Agency, acting by and through its Administrator (the “**WIFIA Lender**”).

Unless otherwise defined herein, all capitalized terms in this Notice have the meanings assigned to those terms in the WIFIA Loan Agreement.

I, the undersigned, in my capacity as the Borrower’s Authorized Representative and not in my individual capacity, do hereby certify to the WIFIA Lender that:

- (a) on *[insert date Substantial Completion requirements were satisfied]*, the Project satisfied each of the requirements for Substantial Completion set forth in the *[Insert reference to the concession agreement, design-build or similar agreement for the Project]*;
- (b) Substantial Completion has been declared under each of the above-referenced agreements and copies of the notices of Substantial Completion under such agreements are attached to this certification; and
- (c) Substantial Completion, as defined in the WIFIA Loan Agreement, has been achieved.

This certificate may be delivered by the delivery of signed signature pages by electronic means, facsimile transmission, or by e-mail with a PDF copy attached, and any printed or copied versions of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page. Signatures of this certificate made by electronic means shall be accompanied by an email, contemporaneous or otherwise, confirming the use of such means.

NARRAGANSETT BAY COMMISSION,
by its authorized representative

By: _____

Name:

Title:

EXHIBIT K
FORM OF QUARTERLY REPORT

Set forth below is an example monthly report of the Borrower. Each quarterly report shall combine the Borrower's monthly reports regarding the implementation of the Project for the applicable quarter, providing Project status and information concerning the procurement, engineering, construction, permitting and implementation of the Project, including information of the nature reflected in the example monthly report.

September 1, 2020



TO: Laurie A. Horridge
Executive Director

FROM: Richard Bernier, P.E.
Director of Construction and Engineering

SUBJECT: Monthly Report for the Month of August 2020

ENGINEERING SECTION

Contract 114.0600- RIPDES Climate Improvements for NBC Facilities:

In accordance with Part I.E.4 of our RIPDES Permit, we submitted a draft Resiliency Report to RIDEM on November 25, 2019 and the Report was approved by the department on April 20, 2020.

All assets at risk of flooding were assessed using RIDEM's approved method of FEMA Firm Base Flood Elevations (+2-ft. of freeboard for non-critical assets and +3-ft. of freeboard for critical assets).

The Resiliency Report presents a tiered approach schedule for when the NBC may wish to consider implementing various corrective actions over a 30-year planning period. Potential facility modifications are presented in timeline "buckets" based on near-, medium- and long-term improvements. Using this approach, the NBC can revisit assessed climate change projections and adjust the report's suggested remediation strategies accordingly over the 30-year planning period.

Due to confidentiality related concerns with the Resiliency Report's details, we developed an abridged version of the Report that is appropriate for public viewing. Upon request, this abridged version of the report can be forward to RIDEM for distribution to others.

During the month of August 2020 we (Tom Uva and Dave Bowen) received several calls from Pam Rubinoff at the Coastal Resilience and Extension, Coastal Resources Center & Sea Grant section of the URI Graduate School of Oceanography. Pam was interested in discussing our Resiliency Report findings and NBC's assessment of potential infrastructure vulnerabilities associated with climate change, specifically storm surge in Narragansett Bay. During separate discussions, Tom and Dave each acknowledge our completed Resilience Report and emphasized its confidential status. Pam is reportedly conducting an independent evaluation on behalf various stakeholders in the state (i.e. Brown University, URI, several politicians, etc.) to develop a concise summary of potential vulnerability concerns in and around the Port of Providence. Reportedly her research is associated with a pilot program to model the combined coastal and inland impacts of an extreme regional storm event. Due to our proximity to

the port she was interested in our known vulnerabilities and what implementation measures are considering to harden our facilities. Due to confidentiality concerns Dave kept our response very general and vague, however did indicate the NBC would be interested in hearing more about future grant and funding programs if they become available. Pam did ask for a copy of our Resiliency Report and Dave forwarded the abridged report version for her internal use. Pam also inquired about the potential impacts on stormwater and NBC's approach to mitigating related concerns. Dave clarified that the NBC is not responsible for separate storm drainage systems as they are owned, operated and maintained by other agencies (i.e. cities, towns, RIDOT, etc.). Due to confidentiality concerns Pam agreed to send us a draft copy of her assessment report for review and comment prior to distributing it to others. In response to these conversations we are now invited to participate on a steering committees conference call on September 10, 2020 (10:00AM – 11:30AM) to discuss their ongoing works associated with the Providence Pilot Study – Modelling Coastal and Inland Impacts from Extreme Storms in the study area.

Contract 202.00 FY19 WWTF Improvements:

The project's amended work scope consists of eighteen (18) tasks associated with various capital improvements at our Field's Point facilities.

In an attempt to expedite work and minimize project costs the work associated with replacing the Gravity Thickener Building's Air Handling Unit (AHU) was removed from Wright-Pierce's detailed design scope. Utilizing Wright-Pierce's basis-of-design documents staff was able to procure the needed improvement works through NBC's GSA Multiple Award Schedule/Agreement. In accordance with approved procurement methods, staff selected Johnson Controls, Inc. from the GSA Vendor Listing, who submitted a proposal for \$244,000. The Board approved Resolution 2020:18 in June, which authorized a PO to be issued. Staff conducted a Kick-Off meeting in July. The project's HUR and ductwork Shop drawings were received and sent to Wright-Pierce for review.

Staff conducted several virtual meetings and calls with Wright-Pierce in August to advance various work activities:

- Work associated with evaluating the Task 8 – CSO Tunnel Odor Control System was completed in June 2020. WP retained the specialty technical services of VNA Consultants to complete detailed air modelling of our Phase 1 and 2 CSO tunnel system. Wright-Pierce and VNA's completed modelling efforts recommend a phased improvement approach, starting with the replacement of damaged air louvers to improve the overall efficiency and effectiveness of our existing odor control system. On Friday August 29th, Wright-Pierce inspected various Gate and Screening Structure louvers to obtain necessary design information and the project's detailed design effort remains ongoing.
- The detailed design work associated with the Task 10 – Campus-wide Fire Alarm System Improvements remains ongoing. Wright-Pierce submitted the tasks 60% preliminary design documents to the State Fire Marshall and Providence Fire Department in July and their review remains ongoing. Wright-Pierce submitted the task's 90% design documents on August 14th and our

internal review is ongoing. A meeting is scheduled for September 9, 2020 with the State Fire Marshall (Robert Couture), Providence Fire Marshall (Andrew Wentz), and Providence Fire Alarm Inspector (Joe Schindler) to review the project's preliminary design documents. Due to unforeseen scheduling delays with the local and state officials, Wright-Pierce now intends to complete the project's detailed design effort in the next few weeks with the expectation that the project will be publicly advertised and bid in September. At present, the project is scheduled to be presented for award during the October Board Meeting.

- Following staff recommendations, the Board approved Resolution 2020:15 in June authorizing Wright-Pierce to complete detailed design services associated with four work tasks (Task 7 - Screw Lift Pumping Station Corrosion Control Work; Task 8 – Odor Control System Improvements; Task 9 - Storm Water Compliance Improvements at the Sludge Dewatering Building and a new Task 19 – Resurfacing of the COB Parking Lot to address needed drainage and cracking concerns). On August 29, 2020 Wright-Pierce inspected the FP Stormwater Pumping Station to obtain necessary design information. Design of the COB parking lot restorations remains ongoing. Wright-Pierce has estimated the cost of repairs will be approximately \$185,000.
- Wright-Pierce is scheduled to complete the project's detailed design services for all tasks later this fall and we intend to advertise the project and solicit bids in early January 2021.

CSO Phase II Facilities:

303.04 – Awaiting OK from legal counsel on whether we can make payment for several easements that have not yet been paid.

303.15C WCSOI OF046:

IM has scheduled installation of a meter at the surcharging manhole next month.

Contract 308.00 CSO Phase III Facilities

General CSO

- NBC submitted a Master Permit application to CRMC in March, which included proposed Phase 3A facilities. CRMC sent comments to NBC which included a requirement that NBC provide the disposal plan for tunnel muck. We provided a response to their comments and updated the Master Plan to include the operations and maintenance buildings, BP generator, and UV building. CRMC seemed to accept NBC's responses as they published a public notice for the Master Plan Amendment. *The public notice period ended on August 16, 2020. The Master Plan will be submitted for Council approval in October at the earliest. If the Council approves the Master Plan, NBC should expect to receive approval 2-3 weeks if approved at the Council meeting.*

- A presentation about the Macomber Field and 1304 High Street GSI projects was provided to attendees of a Zoom meeting sponsored by the Narragansett Bay Estuary Program on August 26.
- The draft memo for the tunnel ventilation design was submitted.

DB Procurement

- Interviews with the teams were held on August 4 and 5.
- Both DB teams presented their technical proposals to the CEO Committee on August 12.

308.03-CSO 205 Facilities

Consultant: Wright Pierce

Monthly Progress Meeting: 8/20/20

Progress Update: Wright Pierce submitted the 60% plans to Stantec. The updated OPCC has increased to \$5 million which reflects the inclusion of a retaining wall and bike path into the design. Wright Pierce was directed to develop a bid form that incorporates as much of the work as possible into the lump sum and establishes unit prices for items that cannot be quantified.

308.04 & 308.05- CSO 210/211/213/214/217 Facilities

Consultant: Beta

Monthly Progress Meeting: 8/6/20 and 8/20/20

Progress Update:

Beta had previously submitted an OPCC estimate of \$21 million for their 30% design submittal. This was a significant increase over the 10% OPCC of \$8.4 million. Stantec and MWH Constructors reviewed the 30% plans and developed a list of value engineering concepts. A workshop was held on August 6 to discuss these concepts. This discussion continued during the monthly progress meeting on August 20. Beta is reviewing these concepts and will respond in writing about the feasibility of these concepts.

One notable item of concern for Contract IIIA-5 is the presence of a 16-inch high-pressure cast iron gas main. This gas main is thought to be very old and is approximately 60 feet from the proposed 48-inch CSO interceptor pipe on the Tidewater property. In June, Stantec sent an email to National Grid that asked whether this gas main was scheduled to be replaced and if not, asked if they could specify a safe distance from which to conduct NBC's work. National Grid stated that the cast iron gas main is not scheduled for replacement. National Grid provided their encroachment guidelines. Based on these guidelines, Beta determined that the edge of the sheeting must be at least 25 feet from the gas main for the open cut section of pipe and that the sheeting for the jacking pit for the microtunneled section of pipe must be at least 10 feet from the gas main. National Grid also recommended that the sheets be vibrated rather than driven into the ground. There are also stubs from the cast iron gas main that extend into our alignment. They will have to be abandoned. National Grid is working

on an estimate for this work. **We may also request an estimate for the replacement of the high-pressure gas main.**

308.06-CSO 218 Facilities

Consultant: Kleinfelder

Monthly Progress Meeting: 8/19/20

Progress Update: Kleinfelder has resumed progress towards the 60% design stage. Kleinfelder is modifying the design of the gate and screening structure so that screening of the flow is accomplished at the Lower BVI Interceptor Relief Structure and Floatables Control Diversion Structure. The bar screens will also act to serve as safety screens at both facilities. Both the Diversion Structure and the Lower BVI Interceptor Relief will also have hydraulic gates to stop flow from discharging to the tunnel. The former gate and screening structure is now a gate and junction structure. During the monthly progress meeting, we discussed the design of the gate and screening structure. Kleinfelder proposed a “two-level” junction structure that would reduce the amount of materials required to construct the facility. They were asked whether the labor to form the structure might eliminate any savings associated with reduction of materials. Kleinfelder will investigate this request. *During the August meeting, Kleinfelder had not yet confirmed whether the two-level structure was more cost effective than a single level structure. They had incorporated the VE concepts into the civil drawings but not the structural drawings. They also inquired whether NBC would want to break out the work proposed for the floatables control project since the CSO 218 project is not expected to be completed for many years. They were told that this work will not be broken out as a separate project.*

308.07/Phase IIIB-1-Regulator Modifications

Consultant: Tighe and Bond

Monthly Progress Meeting: N/A

Progress Update: Tighe and Bond was given approval to move forward with the field work needed for regulator modification design work for CSOs 212,

308.10C- Bucklin Point Final Clarifiers and Flow Splitters

Consultant: CDM

Monthly Progress Meeting: N/A

The monthly progress meeting was cancelled for the month of August as there were no outstanding action items. CDM has been instructed to stop design on the

The change order for the EM and the Lab agreed to sample for parameters necessary to calibrate the Bucklin Point biological model. EM will collect 14 continuous days of composite samples and the lab will sample for the following parameters:

- Primary effluent tested for BOD, TSS, VSS and TKN, COD; soluble (filtered) COD; filtered, flocculated COD; soluble (filtered) BOD; and ammonia N
- Final effluent tested for BOD, TSS, total N, ammonia-N, NO₂NO₃-N, (filtered) COD, soluble (filtered) TKN, and TKN

Phase IIIB-4 Upper BVI Facilities

Gordon Archibald had previously submitted a \$55K request for out of scope work. They were asked to submit additional information related to this request, which has not yet been done yet.

Contract 401.01P- Field's Point WWTF Electrical Improvements: Engineering will reassess the draft RFQ/P and coordinate the project's future advertisement and procurement.

Contract 401.02-WWTF Electrical Improvements:

1. Add PLC system for the Omega and Saylesville Pump Stations. Work is being performed by Dittman and Greer and our in-house staff. The project's PLC is installed, and the contractor is waiting for confirmation from NBC staff that Dittman and Greer can be called in to install new hardware and begin wiring changes for testing. The Omega Street Pump Station work is currently scheduled to be completed by October 2020.
2. Arc Flash Study for Bucklin Point and Fields Point. Bids were opened in February 2019 and the project was awarded to Hallam ICS for \$97,880.

Hallam initiated field investigations at the BP and FPWWTFs in April and work remains ongoing.

Staff worked with National Grid to address various technical questions raised by Hallman ICS. All the Hallman ICS questions to National Grid have been answered and related coordination works remain ongoing.

Hallman is scheduled to deliver the project's written report by September 7, 2020 and the project's ARC Flash equipment labelling services are scheduled to be completed in September 2020.

Contract 810.00D - BPWWTF UV Disinfection Improvements (and Bucklin Point WWTF Standby Power Reliability Improvements Project):

In accordance with the terms of Resolution 2020:01, which was approved by the Board in January 2020, CDM-Smith (CDM) continues to work on the project's detailed design phase services for the proposed new UV facilities. In addition, the Resolution also authorized CDM to evaluate and design an additional standby power generator for the BPWWTF per the terms of our RIDEM Consent Agreement.

Based on CDM's recommendations staff agreed to implement a formal Pre-Selection process to identify the preferred UV technology for use at Bucklin Point.

A UV Equipment Pre-Selection RFP was publicly advertised on April 6, 2020 and technical proposals were received on April 27, 2020. We received proposals from three reputable UV system manufacturers (e.g. TrojanUV, Ozonia, and Xylem-Wedeco). The proposals were reviewed by CDM and internal staff in June and a recommendation for

pre-selection award was presented at the June 2020 Board Meeting. Resolution No. 2020:22 was approved by the Board in June and authorizes staff to preselect Trojan Technologies to supply disinfection equipment for \$929,510 to the successful bidder for the future construction project. Staff prepared and issued a Pre-Selection Agreement Letter to Trojan, who executed the Agreement on August 20, 2020.

CDM submitted the project's Basis-of-Design Report and 30% plans on August 3, 2020 and the documents remain under review by staff. Engineering and Operations conducted a conference call on August 14th to discuss CDM's proposed approach to fully disinfect and discharge the plant's secondary effluent flow by gravity against an approximate 62-year flood level in the Seekonk River, which exceeds the requirements of TR-16 to maintain full treatment up to and including the 25-year flood level. Our internal review remains ongoing.

CDM will be inspecting the Dry Weather Pumping Station on Wednesday September 2nd to enhance their understanding of the design capabilities of our existing pumping system.

Standby Power Generator:

Staff continues to work on the project's various permit applications. Staff submitted the project's Freshwater Wetlands Permit application to CRMC/RIDEM on Tuesday, July 2, 2020 with the expectation that the department would issue an Insignificant Wetlands Permit for the proposed work activities. CDM received review comments from both CRMC and RIDEM. Following discussion with NBC staff, CDM modified their proposed stormwater mitigation/ treatment design and submitted a revised more simplistic design approach for regulatory review and approval.

In accordance with CRMC recommendations, the Phase 3 CSO Project's CRMC Application was amended in June/ July to include the proposed Standby Power Generator improvements and the UV Disinfection System Improvements (*the amended application also included our proposed Project 817.00 Operations Building Improvements*). The revised CRMC application remains under review, however staff has heard that the revised application may receive a favorable review.

The project's IFC documents were submitted to the State Building Commissioner's Office and State Fire Marshall in June. We recently responded to several electrical comments from the state electrical plan reviewer and the review process remains ongoing.

Contract 816.00D - BPWWTF Improvements:

Screening and Grit Building Boiler Replacement. One of the building's primary heating boilers failed due to excessive corrosion. The boiler was replaced with a small model Weil-McLain stainless steel heat exchanger boiler.

The boiler replacement works started in November 2019 and are complete. As part of this work, we also replaced two damaged heating coils in Air Handling Unit (AHU) Nos. 1 and 2.

We bid another project to replace the second boiler system at the Screening and Grit Building. Work was approved and is being performed by NexGen. This project is approximately 90 % complete and is scheduled to be finished in September 2020.

Digester Complex AHU System Improvements. The existing Air Handling Unit (AHU) and ventilation system within the Digester Complex dates back to the facility's original construction and does not provide adequate ventilation for the building complex. The aging ventilation system is problematic, undersized and needs to be replaced. A PO was issued to Wilkinson for \$18,500 to evaluate the facility's existing system and complete detailed design services associated with an improved and updated ventilation system.

Wilkinson submitted draft design drawings for the proposed new AHU and energy recovery unit in December. The assignment's updated preliminary design documents (plans and technical specification) were submitted in March.

Due to many technical challenges and the complexities associated with the multi-disciplined aspects of the project, we intend to include this work as part of the future Contract No. 816 Bucklin Point improvement project.

Contract 817.00D - BPWWTF Operations Building:

Over the past several months, Vision 3 completed their contractual work scope. They presented various conceptual siting options, interior space layout concepts and draft 3D renderings for the proposed Operations and Maintenance/ Storage buildings. Based on an internal meeting with NBC's Management Team Vision 3 refined the project's computerized 3D renderings model.

Vision 3 completed the project's Basis-of-Design Report in July 2020. The completed deliverable documents will be used to formulate the basis of the project's future design-build procurement documents. The Engineering and Construction staff are actively developing an appropriately detailed Request for Qualifications and Proposals document necessary to publicly advertise and solicit competitive bids from qualified Design-Build Teams. Associated work activities remain ongoing and staff anticipates bidding the design-build project in September 2020.

To supplement the quality of the project's design-build procurement documents, we retained Pare Corporation to perform environmental and hazardous materials assessment study of the existing Administration Building which will be demolished as part of the future design-build project. On August 11, 2020, Pare's subconsultant, Smith & Wessel conducted a building survey, obtained core samples of the building's roofing system for subsequent laboratory analysis. Pare also conducted additional soil test pits on August 21, 2020 to screen for environmental soil contamination at the proposed work site. The report is scheduled to be completed in late September.

Asset Management/Hansen:

- Manhole rim elevations provided for all surveyed assets in the pitman street area for OF 023 and the collections system in the immediate area including part of

CSO phase II facilities in the area. Engineering has decided to use this information and compile all information already acquired for the pitman street regulators to develop a conclusive and comprehensive analysis of the flow capacity and flow conditions.

- ID creation and GIS oversight provided for CCTV of Branch Avenue junction chamber and the incoming interceptor, from Canada pond, upstream. Construction repair contract for the junction chamber pending additional inspection results.
- Engineering and technical support provided to IM. Newly scanned and updated plans placed into the database.
- Primary GIS server license transfer on Hold as per IT due to COVID 19. This will result in limited functionality for advanced users but will not interfere with daily operations of all NBC users at this point. Update meeting held with IT. This is ongoing.
- GIS coverage for all NBC regulators has been created and is now under modification for further development. This is ongoing.
- Hansen Pipe Ratings project resumes for all pipes in the NBC District
- Work continues modifications to the collection system
- Work continues record plans and wastewater treatment plant updates

CONSTRUCTION SECTION

Contract 120.00C – Biogas Cogeneration System Bucklin Point WWTF

NGrid has given us the approval to proceed with the witness test. Biospark finished their work in mid-February 2020 and the NGrid witness test was performed Feb. 25 and 26, 2020.

Some issues were identified (wiring, programming and operational). Once these issues are resolved the witness test will be redone. This is not unusual. All issues were resolved that could be resolved without the treatment plant putting all power on one bus bar, then switching to the other bus bar. This was scheduled for March 17, 2020 but due to COVID 19 the NBC has not been able to accommodate the contractor request. This work will be on hold until the State of Emergency as declared by the Governor is lifted. The contractor has been asked to submit a schedule to finish all necessary testing now that the COVID 19 restriction is being relaxed. Daniel O’Connell’s Sons (DOC), Audet and Square D were on site on July 1, 2020 to update programming for the relays. Independent testing was completed on August 18 through 20, 2020 and the NGrid witness test is scheduled for September 1, 2020.

As of August 31, 2020, this project is approximately 97% complete and approx. 40 months behind schedule due to delay in obtaining DEM permit and NGRID interconnect agreement.

Contract 202C – FY 2019 Fields Point WWTF Improvements

The Board approved the award of this contract to Daniel O’Connell’s Sons (DOC) at the June 23, 2020 meeting. The Notice to Proceed will be issued on September 8, 2020 setting the Substantial Completion Date at March 5, 2021. The preconstruction meeting was held on August 25, 2020.

Contract 304.44 - MVI Central Falls Branch Replacement

John Rocchio Corp. has completed all original contract work.

Work began on February 25, 2020 replacing the twin 48” drains and has been completed. Work is ongoing on the field restoration.

This project was declared substantially complete on October 11, 2019.

Contract 304.67C – Improvements to Interceptors FY 2019

All lining has been completed except for one stretch near Amtrak property. We are waiting for Amtrak permission. Rehabilitation of manholes is also complete.

As of August 31, 2020, this project is 85% complete and on schedule.

Contract 308.08C – Phase III CSO Program GSI Demonstration Project

Grass sod installation began on August 26, 2020

As of August 31, 2020, this project is 77% complete and on schedule.

Contract 308.09C – GSI – Macomber Stadium

Turf installation was completed in June of 2020. Work on the drainage structures in High Street is complete. Finish work is ongoing in arears around the turf field, loam and seed, plantings, etc.

As of August 31, 2020, this project is 90% complete and on schedule.

Contract 308.13C – Building Demolition and Site Preparation – 250 Front Street and Nassau Street

Three of the houses on Nassau Street and 250 Front Street have been demolished. Asbestos abatement was ongoing during August of 2020 at the Masonic Temple. Asbestos was also abated at 672 Roosevelt Street.

As of August 31, 2020, this project is 46% complete and on schedule.

Contract 810 – Bucklin Point WWTF Standby Power Reliability Improvements

The Board approved the award of this contract to Biszko Building Systems (Biszko) at the June 23, 2020 meeting. The Notice to Proceed was issued on August 31, 2020 setting the Substantial Completion Date at October 3, 2021. The preconstruction meeting was held on August 6, 2020.

Contract 909.00C – Office Renovations

COB –Mill City has completed renovation of the second floor. Window replacement is 95% complete. Work is ongoing on the third floor. Demolition is almost complete, and drywall has been installed for the new office and conference room in the Legal section. Ceiling tile has been installed.

As of August 31, 2020, this project is 52% complete and on schedule.

Contract 909.00R – COB Roof/Building Leak Repair

The Board approved the award of this contract to The RD Preservation Co. (RDP). The Notice to Proceed will be issued on September 3, 2020 setting the Substantial Completion Date at February 28, 2021. The preconstruction meeting was held on July 30, 2020.

Attachments: Schedules: 120.00C, 202.00C, 304.44C, 304.67C, 308.08C, 308.09C, 308.13C, 810.00C, 909.00C and 909.00R
COR logs: 120.00C, 304.44C, 304.67C, 308.08C, 308.09C, 308.13C and 909.00C
Construction Budgets

cc: M. Goulet; T. Uva; K. Giebink; J. McCaughey

**CONTRACT 120.00C
BIOGAS COGENERATION SYSTEM BPWWTF
PROJECT SCHEDULE**

YEAR	2015						2017		
	MONTH	JAN	FEB	MARCH	APRIL	MAY	JUNE	MARCH	MAY
Advertise for Bids		14							
Pre-bid Conference		27 29							
Open Bids			10 24						
Issue Notice to Proceed					15 18				
Initiate Construction						30			
Substantial Completion									14

Staff Contact -- Richard Bernier or Greg Waugh
 Engineer -- Brown and Caldwell
 Contractor-- Daniel O'Connell's Sons
 Construction Cost -- \$7,021,937
 Amount Paid to Date -- \$6,570,349

SCHEDULED 
 ACTUAL 

**CONTRACT 202.00C
FY 2019 WWTF IMPROVEMENTS
PROJECT SCHEDULE**

	2020												2021		
	YEAR	MONTH	MAY	JUN	JUL	AUG	SEPT	OCT	JAN	FEB	MARCH				
Advertise for Bids			5												
Pre-bid Conference			13												
Open Bids				4											
Issue Notice to Proceed						1		8							
Initiate Construction							1								
Substantial Completion													5		

Staff Contact -- Rich Bernier
 Engineer -- Wright Pierce
 Contractor--Daniel O'Connell's Sons
 Construction Cost -- \$1,553,000
 Amount Paid to Date -- \$0

SCHEDULED 
 ACTUAL 

**CONTRACT 304.44C
MVI CENTRAL FALLS BRANCH REPLACEMENT
PROJECT SCHEDULE**

YEAR	2018										2019	
	MONTH	MAY	JUNE	JULY	AUG	SEPT	OCT	SEPT	OCT			
Advertise for Bids		7										
Pre-bid Conference		21										
Open Bids			11	14								
Issue Notice to Proceed					1							
Initiate Construction						15		1				
Substantial Completion										19		11

Staff Contact -- Rich Bernier
 Engineer -- Louis Berger Group
 Contractor-- John Rocchio Corp.
 Construction Cost -- \$11,760,239.28
 Amount Paid to Date -- \$11,494,003

SCHEDULED 
 ACTUAL 

**CONTRACT 304.57C
78" INTERCEPTOR REPLACEMENT
PROJECT SCHEDULE**

YEAR	2018										2019	
MONTH	APRIL	MAY	JUNE	JULY	AUG	OCT	AUG	OCT				
Advertise for Bids	16											
Pre-bid Conference		3										
Open Bids			12	15								
Issue Notice to Proceed					1	10						
Initiate Construction					15	9						
Substantial Completion							9				11	

Staff Contact -- Rich Bernier
 Engineer -- Stantec
 Contractor-- Cardi Corp.
 Construction Cost -- \$7,152,353
 Amount Paid to Date -- \$7,056,091

SCHEDULED
 ACTUAL

**CONTRACT 304.67C
IMPROVEMENTS TO INTERCEPTORS FY 2019
PROJECT SCHEDULE**

YEAR	2019												2020	
MONTH	MARCH	APRIL	MAY	JUNE	JULY	OCT	NOV	APRIL						
Advertise for Bids	5													
Pre-bid Conference	12													
Open Bids	26													
Issue Notice to Proceed			20											
Initiate Construction				17					9	28				
Substantial Completion													6	

Staff Contact -- Rich Bernier
 Engineer -- None
 Contractor-- Insituform
 Construction Cost -- \$2,980,712.55
 Amount Paid to Date -- \$2,395,921.28

SCHEDULED 
 ACTUAL 

**CONTRACT 308.08C
CSO PHASE III - 1304 HIGH STREET DEMONSTRATION
PROJECT SCHEDULE**

YEAR	2019					2020		
	MAY	JUNE	JULY	AUG	SEPT	JAN	FEB	MARCH
Advertise for Bids	1							
Pre-bid Conference	16							
Open Bids	30							
Issue Notice to Proceed			1	12				
Initiate Construction				1	9			
Substantial Completion							28	

Staff Contact -- Rich Bernier
 Engineer -- Stantec
 Contractor-- Cardi Corp.
 Construction Cost -- \$1,729,305
 Amount Paid to Date -- \$1,269,806.71

SCHEDULED 
 ACTUAL 

**CONTRACT 308.09C
CSO PHASE III GSI PROJECT - MACCOMBER STADIUM
PROJECT SCHEDULE**

	2019					2020			
	MONTH	AUG	SEPT	OCT	NOV	DEC	JUN	JULY	AUG
Advertise for Bids		14							
Pre-bid Conference		27							
Open Bids			10						
Issue Notice to Proceed				15		6			
Initiate Construction				28	1				
Substantial Completion									2

Staff Contact -- Rich Bernier
 Engineer -- Stantec
 Contractor-- J. H. Lynch & Sons
 Construction Cost -- \$5,572,237.80
 Amount Paid to Date -- \$4,769,383.58

SCHEDULED 
 ACTUAL 

**CONTRACT 308.13C
CSO PHASE III - BUILDING DEMOLITION AND SITE PREPARATION - 250 FRONT
STREET AND NASSAU STREET
PROJECT SCHEDULE**

YEAR	2020													
MONTH	JAN	FEB	MARCH	APR	SEPT	OCT	NOV	DEC						
Advertise for Bids	13													
Pre-bid Conference	28													
Open Bids		11												
Issue Notice to Proceed			24											
Initiate Construction			26											
Substantial Completion						6								

Staff Contact -- Greg Waugh
 Engineer -- None
 Contractor-- J. R. Vinagro Corp
 Construction Cost -- \$1,022,065
 Amount Paid to Date -- \$433,438.45

SCHEDULED 
 ACTUAL 

CONTRACT 810.00C BPWWTF STANDBY POWER RELIABILITY IMPROVEMENTS PROJECT SCHEDULE

YEAR	2020						2021		
	MONTH	MAY	JUN	JUL	AUG	SEP	SEP	OCT	DEC
Advertise for Bids		5							
Pre-bid Conference		12							
Open Bids			2						
Issue Notice to Proceed					1	13			
Initiate Construction						1			
Substantial Completion								3	

Staff Contact -- Richard Bernier
 Engineer -- CDM Smith
 Contractor-- Biszko Building Systems
 Construction Cost -- \$4,725,000
 Amount Paid to Date -- \$0

SCHEDULED 
 ACTUAL 

**CONTRACT 909C
COB RENOVATIONS
PROJECT SCHEDULE**

YEAR	MONTH	MAY	JUNE	JULY	AUG	SEPT	OCT	DEC	AUG
	Advertise for Bids	14							
	Pre-bid Conference	20							
	Open Bids		4	11					
	Issue Notice to Proceed				1	2			
	Initiate Construction						15	9	
	Substantial Completion								10

Staff Contact -- Rich Bernier
 Engineer -- RGB
 Contractor-- Mill City Corp
 Construction Cost -- \$3,901,835
 Amount Paid to Date -- \$1,945,948.93

SCHEDULED 
 ACTUAL 

**CONTRACT 909R
COB EXTERIOR ENVELOPE LEAK REPAIRS
PROJECT SCHEDULE**

YEAR	2020												2021		
	MONTH	MAY	JUNE	JULY	AUG	SEPT	OCT	JAN	FEB						
Advertise for Bids		8													
Pre-bid Conference		19													
Open Bids			9												
Issue Notice to Proceed					1		3								
Initiate Construction						1									
Substantial Completion															28

Staff Contact -- Rich Bernier
 Engineer -- RGB
 Contractor-- R. D. Preservation Company, Inc.
 Construction Cost -- \$1,348,309
 Amount Paid to Date -- \$0

SCHEDULED 
 ACTUAL 

COR LOG
BIOGAS COGENERATION SYSTEM BUCKLIN POINT
CONTRACT 120.00C

COR	DESCRIPTION	Date	Reason	Status (Awaiting)	Last Action		Original Estimate	Negotiated Cost	Denied/ Withdrawn	Appvd	CO
					Date	Action					
01	Change Generator Model	08/05/15	CR	XX	XX	XX	XX	XX	02/17/17	XX	XX
02	Upgrade Power Transformers to Meet DOE 2016 Efficiency Standards	09/03/15	Code/Reg	XX	XX	XX	\$ 19,430.00	\$ 19,352.00	XX	10/09/15	1-1
03	ESS Additional Costs	10/01/15	Code/Reg	XX	XX	XX	\$ 15,505.00	\$ 15,323.00	XX	01/12/17	1-2
04	Reduced Cost for Application Generator Fees	10/01/15	CR	XX	XX	XX	XX	XX	12/27/16	XX	XX
05	Deletion of Spaces in MCC 2 (Combined with COR 05)	10/15/15	CR	XX	XX	XX	XX	XX	01/24/15	XX	XX
06	Change Switchgear From Arc Resistant, Remove Starter for EF-1, Remove PM-550 in MCC-2	10/15/15	CR	XX	XX	XX	\$ (28,332.00)	\$ (28,332.00)	XX	03/31/16	1-3
07	Revised Conduit / Wire / Control to 3 Way Control Valve	11/10/15	C	XX	XX	XX	XX	XX	09/26/17	XX	XX
08	Changes to Methane Gas Piping	12/28/15	EE	XX	XX	XX	\$ 36,953.00	\$ 39,964.00	XX	02/22/17	1-4
09	Eliminate Canopy	01/07/16	CR	XX	XX	XX	\$ (78,541.00)	\$ (78,541.00)	XX	03/31/16	1-5
10	Add Two VFDs to Gas Blowers	01/12/16	EW	XX	XX	XX	XX	XX	02/02/16	XX	XX
11	Biospark Provide Blower Control System	01/12/16	EW	XX	XX	XX	XX	XX	11/01/17	XX	XX
12	Modeling Associated Costs	02/02/16	CODE/REG	XX	XX	XX	XX	XX	12/27/16	XX	XX
13	Catalytic Reduction System	02/29/16	EW	XX	XX	XX	\$ 59,642.00	\$ 59,642.00	XX	05/19/16	1-6
14	Miscellaneous Concrete Repairs	04/01/16	EW-OPS	XX	XX	XX	XX	XX	08/03/16	XX	XX
15	Changes in Protective Relaying RFI 14	05/03/16	CR	XX	XX	XX	XX	XX	10/26/17	XX	XX
16	Construct Golf Cart Storage Area	05/24/16	EW-OPS	XX	XX	XX	\$ 14,934.00	\$ 16,126.00	XX	03/20/17	1-7
17	Provide Gas Supply Pipe and Meter to New Facility	08/17/16	EW	XX	XX	XX	XX	XX	10/10/17	XX	XX
18	PLC Upgrades	04/04/17	EW-OPS	XX	XX	XX	\$ 66,437.00	XX	07/24/17	XX	XX
19	Cost Increases Related to Time Delay	02/15/17	C	XX	XX	XX	\$ 24,199.14	XX	05/16/18	XX	XX
20	Reinburse Travel Expenses to Containment and Retaining Wall	04/14/17	CR	XX	XX	XX	XX	XX	05/16/18	XX	XX
21	Generator Grounding Issue	05/08/17	CR	XX	XX	XX	\$ (2,024.00)	XX	07/11/17	XX	XX
22	Insulation on H2S Tanks	05/23/17	C	XX	XX	XX	\$ 19,802.00	\$ 21,016.00	XX	09/28/17	2-1
23	Gravel for Backfilling	05/25/17	EW	XX	XX	XX	\$ 19,379.00	\$ 19,379.00	XX	07/11/18	3-1
24	Fiber In Lieu of Copper	06/09/17	C	XX	XX	XX	\$ 22,292.00	\$ 11,123.00	XX	06/27/18	3-2
25	Additional Elect Duct Reinforcing Bars	06/13/17	EW-OPS	XX	XX	XX	\$ 23,005.00	\$ 23,005.00	XX	09/28/17	2-2
26	Costs Related to UL Listing	07/25/17	C	XX	XX	XX	XX	XX	05/16/18	XX	XX
27	Glycol Feeds	08/23/17	EW-OPS	XX	XX	XX	XX	XX	08/30/17	XX	XX
28	Reduce Generator Output	09/06/17	EW	XX	XX	XX	XX	XX	11/01/17	XX	XX
29	Add BTU Meter and Associated Flow Meter	09/20/17	EW	XX	XX	XX	XX	XX	10/10/17	XX	XX
30	Power Meter	10/10/17	EW/CR	XX	XX	XX	\$ 26,607.00	\$ 26,301.00	XX	11/21/17	2-3
31	Additional Paving	10/11/17	EW	XX	XX	XX	\$ 10,907.00	\$ 10,662.00	XX	11/21/17	2-4
32	Add PRV in Heat Exchanger Building	10/16/17	C	XX	XX	XX	\$ 10,521.45	\$ 10,961.00	XX	12/07/17	2-5
33	Addition of Six Butterfly Valves	10/11/17	EW	XX	XX	XX	\$ 1,374.00	\$ 1,365.00	XX	11/07/17	2-6
34	Reduced Grounding Costs	10/16/17	CR	XX	XX	XX	\$ 3,568.00	\$ 3,547.00	XX	11/21/17	2-7
35	Balancing COR for Bid Items 4 - 10	10/16/17	CR	XX	XX	XX	XX	XX	09/19/18	XX	XX
36	Provide Stone/Riprap Slope	11/06/17	EW	XX	XX	XX	\$ (285,893.00)	\$ (285,893.00)	XX	11/21/17	2-8
37				XX	XX	XX	\$ 26,010.91	\$ 17,500.00	XX	12/07/17	2-9

COR LOG
BIOGAS COGENERATION SYSTEM BUCKLIN POINT
CONTRACT 120.00C

COR	DESCRIPTION	Date	Reason	Status (Awaiting)	Last Action		Original Estimate	Negotiated Cost	Denied/ Withdrawn	Appvd	CO
					Date	Action					
38	Add Temperature Sensor(s) at Radiator	11/16/17	EW	XX	XX	XX	\$ 7,986.00	\$ 4,215.00	XX	03/29/18	3-3
39	VFD for Hot Water Pump	11/16/17	EW	XX	XX	XX	\$ 16,905.00	\$ 16,312.00	XX	01/19/18	3-4
40	Add Valve on Natural Gas Line	11/29/17	EW	XX	XX	XX	\$ 1,073.00	\$ 1,066.00	XX	02/13/18	3-5
41	Add Generator E-Stop	11/29/17	EW	XX	XX	XX	XX	XX	12/29/17	XX	XX
42	Increased Costs for Spare Parts	01/31/18	EW	XX	XX	XX	\$ 23,151.00	\$ 23,011.00	XX	02/13/18	3-6
43	Wireless Phone and Witness Test for NGRID	02/01/18	EW-OPS	XX	XX	XX	\$ 5,545.00	\$ 5,545.00	XX	04/11/18	3-7
44	Oxygen Sensor and process Automation	02/09/18	EW	XX	XX	XX	\$ 24,095.00	\$ 24,089.00	XX	09/25/18	4-01
45	Repair Leak on Existing RAS Line	02/12/18	EW-OPS	XX	XX	XX	\$ 16,394.00	\$ 16,287.00	XX	06/27/18	3-8
46	Hard Wire Trip to Breaker	04/03/18	EW	XX	XX	XX	\$ 1,072.00	\$ 1,062.00	XX	04/10/18	3-9
47	2 Year Fuel Conditioning Service Contract	02/21/18	EW-OPS	XX	XX	XX	\$ 207,990.00	XX	06/26/18	XX	XX
48	Remove/Disable Under Voltage Trips/Program New Protective Relays	05/29/18	EE	XX	XX	XX	\$ 4,600.00	\$ 4,600.00	XX	09/20/18	4-02
49	Install UPS in LCP-COGEN/Modify the Profibus	06/04/18	EW	XX	XX	XX	\$ 4,973.00	\$ 4,973.00	XX	08/07/18	4-03
50	Change Boiler Regulators	06/08/18	EE	XX	XX	XX	\$ 9,118.00	\$ 9,117.00	XX	08/31/18	4-04
51	Add a Methane Gas Meier	07/18/18	EW	XX	XX	XX	\$ 17,529.00	\$ 17,491.00	XX	09/03/18	4-05
52	Update Instrumentation on Floating Cover Height	08/01/18	EW-OPS	XX	XX	XX	\$ 21,773.00	\$ 21,699.00	XX	08/29/18	4-06
53	Auto Start for the Flare	08/29/18	EW-OPS	Change Order 5	12/14/18	Approved by NBC	\$ 28,928.00	\$ 28,920.00	XX	12/14/18	
54	Consulting Services for Startup & Emissions Testing	01/09/19	EW	NBC to Provide Scope	04/10/19	Meeting					
55	1 YR Service Contract for Gas Conditioning System	01/09/19	EW	Awaiting Vendor Proposal	01/09/19	Meeting					
56	PLC Programming for NGRID Interlocks	06/11/19	EW	Cost Proposal from DOC	06/11/19	RFQ to DOC					
LEGEND											
C Claim											
CODE/REG Code/Regulation Change											
CR Credit											
EE Engineer Error/ Omission											
EW Extra Work											
EW-OPS Extra Work - NBC - Operations											
EW-NBC Extra Work - NBC - Other											
NC No Cost											
CONTRACT SUMMARY DATA											
Original Contract Amount \$ 6,970,000.00											
Executed Change Orders \$ 51,937.00											
Current Contract Amount \$ 7,021,937.00											
Approved CORs, Excluding Approved COs \$ 28,920.00											
Total Pending Contract Amount \$ 7,050,857.00											
Current Contract Authorized Limit \$ 7,318,500.00											
Remaining in Authorization \$ 267,643.00											

COR LOG
MOSHUSSACK VALLEY INTERCEPTOR
CONTRACT 304.44C

COR	Description	Date	Reason	Status (Awaiting)	Date	Last Action		Original Estimate	Negotiated Cost	Denied/ Withdrawn	Appvd	CO
						Action	Cost					
1	Credit for Sheeting Changes (not including costs for sealing sheets)	08/15/18	CR	XX	XX	XX	XX	\$ (144,888.87)	\$ (291,227.07)	XX	09/25/18	1-1
2	Cost for Sealing Sheets (Related to Credit in COR 1)	08/30/18	EW	XX	XX	XX	XX	\$ 50,730.00	\$ 50,730.00	XX	10/26/2018	1-2
3	Cost for Pipe Support System (Rigid Inclusions)	08/30/18	CR	XX	XX	XX	XX	\$ (461,575.00)	XX	10/09/18	XX	XX
4	Athletic Track Reconstruction	10/12/18	EW	XX	XX	XX	XX	XX	XX	XX	XX	XX
5	Revised Sewer Alignment - See LB sketch SK-3B	10/12/18	EW	XX	XX	XX	XX	\$ 136,071.62	\$ 132,500.00	XX	05/22/20	3-1
6	Test Pits	10/19/18	EW	XX	XX	XX	XX	\$ 10,000.00	\$ 10,000.00	XX	10/25/18	1-3
7	Revise SOE at MH-3 / Add SMH-3A	11/09/18	EW	XX	XX	XX	XX	\$ 61,652.67	\$ 54,148.00	XX	7/31/2019	1-4
8	Pipe Pile Length Revisions	12/03/18	TBD	XX	XX	XX	XX	XX	XX	XX	XX	XX
9	Repair Broken Drain Line	12/20/18	C	XX	XX	XX	XX	XX	XX	XX	XX	XX
10	DSC @ STA 4+63 to 5+91	12/27/18	EW	XX	XX	XX	XX	\$ 307,648.00	\$ 307,648.00	XX	04/24/19	1-5
11	Delete SMH-2 and demo of existing metering station	03/14/19	CR	XX	XX	XX	XX	XX	XX	XX	XX	XX
12	MW Metering Equipment	03/21/19	EW	XX	XX	XX	XX	\$ 55,713.96	\$ 51,435.00	XX	09/17/19	2-1
13	Delete Well Points	03/21/19	CR	XX	XX	XX	XX	XX	XX	XX	XX	XX
14	Isolate / Relocate Drain Line at Parking Lot Entrance	05/02/19	EW	XX	XX	XX	XX	\$ 27,385.34	\$ 26,896.00	XX	07/16/19	1-6
15	Review / Relocate Water or Sewer Services	05/23/19	EW	XX	XX	XX	XX	\$ 162,881.19	\$ 160,000.00	XX	05/22/20	3-2
16	Correct Drain Line Plich - RFI #19	07/16/19	EW	XX	XX	XX	XX	\$ 25,056.06	\$ 24,702.00	XX	12/24/19	2-2
17	Hilgerson Ave Paving Revisions	09/05/19	EW	XX	XX	XX	XX	\$ 124,886.03	\$ 120,000.00	XX	05/22/20	3-3
18	Replace Twin 48" Drains	01/07/20	EW	XX	XX	XX	XX	\$ 2,756,000.00	\$ 2,498,250.00	XX	03/18/20	2-3
19	Short Liners	10/10/19	EW	XX	XX	XX	XX	\$ 19,914.60	\$ 16,787.00	XX	01/30/20	2-4
20	Balancing Change Order	01/16/20	Other	XX	XX	XX	XX	\$ (333,429.65)	\$ (333,429.65)	XX	05/22/20	3-4
21	Field Drainage Improvements	07/05/20	EW	XX	XX	XX	XX	\$ 79,262.24	XX	XX	XX	XX
22	Adjustments to COR 18	08/28/20	EW	XX	XX	XX	XX	\$ 84,572.56	XX	XX	XX	XX
LEGEND												
C Claim												
CODE/REG CODE/Regulation Change												
CR Credit												
EE Engineer Error/ Omission												
EW Extra Work												
EW-NBC Extra Work - NBC - Operations												
EW-NBC Extra Work - NBC - Other												
Current Contract Authorized Limit \$ 12,409,988.95												
Amount Remaining to the Authorized Limit \$ 649,749.67												

COR LOG
PROVIDENCE RIVER SIPHON
CONTRACT 304.57C

COR	Reason	Date	Status (Awaiting)	Last Action		Original Estimate	Negotiated Cost	Denied/ Withdrawn	Appvd	CO
				Date	Action					
01	Changes to SOE	09/26/18	Closed	10/24/18	No Cost Change Accepted by NBC	XX	XX	XX	XX	XX
02	Changes to Drilled Piles - See Addendum #5 and Submittal #31	10/03/18	Closed	12/30/19	No Cost Change Accepted by NBC	XX	XX	XX	XX	XX
03	Demolish Underground Concrete Obstructions (T&M)	10/25/18	XX	XX	XX	\$ 50,000.00	\$ 50,000.00	XX	11/13/18	1-1
04	Increase Size of Bearing Pads (see RFI#4)	10/29/18	EE	XX	XX	\$ 2,124.00	\$ 2,124.00	XX	11/13/18	1-2
05	Delete H Piles at End Wall	11/21/18	CR	12/19/18	No Cost Change Accepted by NBC	XX	XX	XX	XX	XX
06	Revise Aluminum Hatch	12/19/18	EW-NBC	03/18/19	No added cost per CARDI	XX	XX	XX	XX	XX
07	Increase Size of Steel Pipe Cradle (see RFI#4)	01/21/19	EE	XX	XX	\$ 5,678.20	\$ 3,828.00	XX	02/04/19	1-3
08	Additional Bypass Pump	02/27/19	EW	XX	XX	\$ 65,236.05	\$ 61,995.00	XX	12/05/19	2-1
09	Pneumatic Hoist	05/21/19	EW	XX	XX	\$ 11,913.00	\$ 11,066.00	XX	09/11/19	1-4
10	Siphon Crack Repairs - Proceeding T&M	07/19/19	UC	XX	XX	\$ 302,252.78	\$ 292,386.00	XX	12/30/19	3-1
11	Additional 78" liner	08/23/19	EW	XX	XX	\$ 33,863.00	\$ 33,863.00	XX	09/17/19	2-2
12	Delete Protective Ring at Com MH & Revise Concrete Work at Siphon	09/11/19	CR	XX	XX	\$ (6,200.00)	\$ (7,500.00)	XX	12/30/19	3-2
13	Revise Siphon Connection Details	09/11/19	EW	Included with COR 10 Per Cardi	11/18/19	XX	XX	XX	XX	XX
14	Extra Pump Man	11/18/19	EW	XX	XX	\$ 74,026.56	\$ 70,408.00	XX	12/17/19	2-3
15	Balancing CO	11/18/19	CR	XX	XX	\$ (256,934.78)	\$ (256,934.78)	XX	11/25/19	2-4
16	Additional Pipe Cleaning Costs	11/22/19	C	XX	XX	\$ 48,022.76	\$ 21,818.00	XX	12/10/19	2-5
17	Contract Time Extension	01/08/20	EW	XX	XX	\$ -	\$ -	XX		3-3
LEGEND										
C Claim										
CODE/REG Code/Regulation Change										
CR Credit										
EE Engineer Error/ Omission										
EW Extra Work										
EW-NBC Extra Work - NBC - Operations										
EW-NBC Extra Work - NBC - Other										
UC Unforeseen Condition										
NC No Cost										
CONTRACT SUMMARY DATA										
Original Contract Amount			\$	6,869,300.00						
Executed Change Orders			\$	283,053.22						
Current Contract Amount			\$	7,152,353.22						
Approved CORs, Excluding Executed COs			\$	-						
Total Pending Contract Amount			\$	7,152,353.22						
Current Contract Authorized Limit			\$	7,212,765.00						

COR LOG
IMPROVEMENTS TO INTERCEPTORS FY 2019
CONTRACT 304.67C

COR	Date	Reason	Status (Awaiting)	Date	Last Action Action	Original Estimate	Negotiated Cost	Denied/ Withdrawn	Appvd	CO	
01	11/05/19	UC	XX	XX	XX	\$ 20,956.08	\$ 15,453.55	XX	03/19/20	1-1	
02	01/06/20	EW	Change Order 2	08/13/20	Exec. Dir. Approved	\$ 12,008.00	\$ 12,008.00	XX	8/13		
03	01/28/20	EW	XX	XX	XX	\$ 15,586.00	\$ 15,586.00	XX	05/21/20	1-2	
04	05/14/20	EW	Contractor's Costs	06/29/20	2nd request for costs						
05	08/06/20	EW	Change Order 2	08/25/20	Exec. Dir. Approved	\$ 28,935.00	\$ 25,039.00				
06	07/01/20	Other	NBC to prepare								
LEGEND											
C Claim											
CODE/REG Code/Regulation Change											
CR Credit											
EE Engineer Error/Omission											
EW Extra Work											
EW-NBC Extra Work - NBC - Operations											
EW-NBC Extra Work - NBC - Other											
UC Unterscen Condition											
NC No Cost											
CONTRACT SUMMARY DATA											
Original Contract Amount						\$	2,949,673.00				
Executed Change Orders						\$	31,039.55				
Current Contract Amount						\$	2,980,712.55				
Approved CORs, Excluding Approved COs						\$	37,047.00				
Total Pending Contract Amount						\$	3,017,759.55				
Current Contract Authorized Limit						\$	3,097,156.65				

COR LOG
NBC Contract 308.09C
CSO Phase IIIA - GSI Project
Macomber Stadium

COR	Date	Reason	Status (Awaiting)	Last Action		Original Estimate	Negotiated Cost	Withdrawn	Appvd	CO
				Date	Action					
01	11/12/19	EW	XX	XX	XX	\$ 5,780.98	\$ 5,781.00	XX		1-1
02	11/14/19	EE	NBC Review	03/20/20	JHL Submitted Cost Proposal	\$ 1,179.76				
03	12/02/19	UC	XX	XX	XX	\$ 514,894.80	\$ 514,894.80			1-2
04	12/17/19	UC	XX	XX	XX	\$ 9,092.85	\$ 7,477.00			1-3
05	01/21/20	EW	Change Order 2	07/29/20	Exec. Director Approved	\$ 10,726.85	\$ 14,257.00	XX	07/29/20	XX
06	XX	XX	CLOSED - NOT PURSUING	XX	XX	XX	XX	XX	XX	XX
07	02/04/20	UC	Approved	02/19/20	Paid on Req # 5 under Bid Item #3	\$ 5,088.87	\$ 5,088.87	XX	XX	XX
08	03/04/20	EW	XX	XX	XX	\$ 14,096.18	\$ 14,203.00			1-4
09	03/18/20	EW	NBC Review	03/20/20	JHL Submitted Cost Proposal	\$ 5,275.97				
10	XX	XX	CLOSED - NOT PURSUING	XX	XX	XX	XX	XX	XX	XX
11	05/26/20	EW	XX	XX	XX	\$ 4,638.58	\$ 4,634.00			1-5
12	06/01/20	UC	XX	XX	XX	\$ 4,040.00	\$ 4,040.00			1-6
13	05/13/20	EE	XX	XX	XX	\$ 3,078.53	\$ 3,079.00			1-7
14	02/27/20	EE / UC	Change Order 2	07/29/20	Exec. Director Approved	\$ 4,622.18	\$ 4,622.00	XX	07/29/20	XX
15	05/13/20	UC	XX	XX	XX	\$ 3,555.21	\$ 3,060.00			1-8
16	XX	XX	CLOSED - NOT PURSUING	XX	XX	XX	XX	XX	XX	XX
17	05/19/20	EW	Change Order 2	07/29/20	Exec. Director Approved	\$ 15,889.86	\$ 14,514.00	XX	07/29/20	XX
18	06/02/20	EW	Approved	08/07/20	Paid on Req #10 under Bid Item #10	\$ 794.12	\$ 794.12	XX	XX	XX
19	04/28/20	EW	Change Order 2	07/29/20	Exec. Director Approved	\$ 59,815.82	\$ 57,954.00	XX	07/29/20	XX
20	06/03/20	EW	XX	XX	XX	\$ 1,640.00	\$ 1,640.00			1-9
21	06/29/20	EW	Final Costs from JHL	08/12/20	JHL processing T&M	\$ 21,250.00				
22	06/18/20	EW	XX	XX	XX	\$ 14,708.00	\$ 14,708.00			1-10
23	05/12/20	EW	XX	XX	XX	\$ 3,321.00	\$ 3,321.00			1-11
24	07/13/20	EW	Change Order 2	07/29/20	Exec. Director Approved	\$ 26,347.50	\$ 24,560.00	XX	07/23/20	XX
25	07/14/20	other	XX	XX	XX	\$ -	\$ -	XX	N/A	1-12
26	08/11/20	EE	JHL Proposal	08/12/20	NBC requested a cost proposal					
27	08/14/20	CR	JHL Proposal	08/14/20	Sent revised list to JHL					
28	08/18/20	EW	JHL Proposal	08/18/20	Discussed at 8/18/20 progress meeting					
LEGEND										
				C		Claim				
CONTRACT SUMMARY DATA				CODE/REG		Code/Regulation Change				
Original Contract Amount				CR		Credit				
Executed Change Orders				EE		Engineer Error/Omission				
Current Contract Amount				EW		Extra Work				
Approved CORs - Excluding Approved COs				EW-NBC		Extra Work - NBC - Operations				
Total Pending Contract Amount				EW-NBC		Extra Work - NBC - Other				
Current Contract Authorized Limit				UC		Unforeseen Condition				
				NC		No Cost				

**COR LOG
COR LOG
COR FACILITY IMPROVEMENTS
CONTRACT 909.00C**

COR	Description	Date	Reason	Status (Awaiting)	Date	Last Action Action	Original Estimate	Negotiated Cost	Denied/ Withdrawn	Apprv	CO
1	Request for Time Extension - Furniture Delays	09/02/19	NC	Furniture Delivery Date	09/02/19	MC Letter	\$ -	\$ -		03/05/20	1
2	Add work in Customer Service	09/12/19	EM-NBC	Final Plans	11/25/19	MC Letter	\$ -	\$ -		03/05/20	1
3	Privacy Film in Lab	09/24/19	EM-NBC	Scope Revised 1/15/20	03/13/20	COR Approved	\$ 4,228.00	\$ 4,896.00		03/19/20	2
4	COB Window Replacement	09/30/19	EM-NBC	Approved	03/05/20	COR Approved	\$ 1,100,000.00	\$ 849,296.00		03/05/20	1
5	Paint Walls in Stairwells in Old Side of COB	09/30/19	EO	Approved	10/09/19	COR Approved	\$ 4,937.00	\$ 4,730.00		11/25/19	2
6	Window Investigation	11/19/19	EM-NBC	Approved	11/20/19	COR Approved	\$ 4,177.00	\$ 4,177.00		11/20/19	2
7	Board Room Kitchenette	11/21/19	EM-NBC	Approved	02/24/20	COR Approved	\$ 8,895.00	\$ 8,547.00		06/02/20	3
8	Stairwell Revisions	12/23/19	EM-NBC	RFA	03/19/20	COR Approved	\$ 10,321.00	\$ 10,799.00		03/19/20	2
9	Hardwood Flooring in Chairman's Office	12/27/19	EM-NBC	MCC Confirm Price	01/17/20	COR Approved	\$ 11,176.00	\$ 8,752.00		03/19/20	2
10	Third Floor Kitchenette Improvements	01/21/20	EM-NBC	MCC Confirm Price	01/21/20	MC request Detailed SOW					
11	Paint Sprinkler Piping Red	02/04/20	EO	MCC Confirm Price	03/19/20	COR Approved	\$ 1,526.00	\$ 1,517.00		03/19/20	2
12	Lab Furniture Additions	02/04/20	NA	Void - Allowance Item	02/06/20	Void - Allowance Item	\$ 1,319.00			XX	XX
13	Toilet Room Added Grab Bars	02/07/20	CODE	Approved	07/21/20	COR Approved	\$ 816.00	\$ 816.00		07/30/20	3
14	Conference Room 215 Carpet Resealation										
15	Pre-treatment Education Center	05/11/20	EM-NBC	Void - Allowance Item	05/11/20	Void - Allowance Item	XX			XX	XX
16	Replace Toilet Fixtures			RFA	03/14/20	COR Approved	\$ 11,290.00	\$ 11,290.00		03/19/20	2
17	Casework & Countertop Revisions										
18	Drawings Revision Package	04/28/20	Various								
19	Lavette Room 212 Trough Sink	05/01/20	EW	Withdrawn	05/28/20	MCC Withdrawn	\$ 1,762.00			XX	XX
20	Breakroom Sink Changes										
21	IT Shelving and Workstations										
22	Pre-treatment 2nd Floor Painting	02/25/20	EM-NBC	RFA	03/19/20	COR Approved	\$ 6,699.00	\$ 8,826.00		03/19/20	2
23	Aluminum Sill Flashing	03/23/20	ALL	Void - Allowance Item	02/26/20	Void Allowance Item	\$ 29,444.00			XX	XX
24	Release Ceiling grid & Lighting 1st and 2nd Floor	05/25/20	EM-NBC	No Cost	03/23/20	No Cost	\$ -	\$ -		XX	XX
25	Revisions to Office 216	06/11/20	EW	NBC RFA	08/15/20	COR Approved	\$ 24,219.00	\$ 24,130.00		05/16/20	3
26	Revises to Lab Floor	06/10/20	EM-NBC	T & M	07/01/20	Revised Plan to MCC	\$ 7,500.00			XX	XX
27	2nd Floor HVAC Revisions	06/10/20	EM-NBC	NBC RFA	08/19/20	COR Approved	\$ 17,396.00	\$ 18,096.00		08/30/20	3
28	Kitchenette 209A Revised Cabinet Layout	06/12/20	EW	MCC small	05/25/20	Void - Allowance Item					
29	Additional storage Cabinets	06/26/20	ALL	Furniture Allowance	06/26/20	Void - Allowance Item					
30	2nd Floor Above Ceiling Support Existing Wires	06/30/20	ALL	AV Allowance	06/30/20	Void - Allowance Item					
31	Rear Door Window Modifications	07/02/20	EW	Hard Glass Fabricate							
32	COVID Additional Costs	05/14/20	C	MCC	08/13/20	RFA	\$ 26,896.00	\$ 23,281.00			XX
33	MEP Work Associated with Ceiling Replacement - 2nd Floor	07/13/20	EW	T&M	08/04/20	MCC Cost Prop	\$ 14,662.00				XX
34	VAV Replacement - 2nd Floor	07/09/20	EW	Approved	07/14/20	COR Approved	\$ 2,916.00	\$ 1,319.00		07/30/20	3
35	Credit for Utility Allowance	07/14/20	CR	Approved	07/14/20	COR Approved	\$ (15,000.00)	\$ (15,000.00)		07/30/20	3
36											
37	Copy Room 208-A Flooring Revisions	08/04/20	EM-NBC	RFA	09/14/20	RFA	\$ 2,159.00	\$ 2,159.00			
38											
39											
40	Fire Alarm Revisions										
LEGEND											
C Claim											
CODE/REG CODE/REG											
CR Credit											
EE Engineer Error/Omission											
EW Extra Work											
EM-NBC Extra Work - NBC - Operations											
EM-NBC Extra Work - NBC - Other											
NC No Cost											

CONTRACT SUMMARY DATA

Original Contract Amount	2,999,750.00
Executed Change Orders	945,483.00
Current Contract Amount	3,945,243.00
Approved CORs - Excluding Approved COs	-
Total Pending Contract Amount	3,945,243.00
Current Contract Authorized Limit	4,049,748.00

Construction Budgets as of August 2020

Ongoing Projects

CONTRACT NO.	DESCRIPTION	CONTRACTOR	PERCENT COMPLETE	LOW BID	CONTRACT AMOUNT TO DATE	CONTRACT AMOUNT INCREASE	PERCENT INCREASE	APPROVED CHANGES NOT IN CONTRACT
CSO Phase III								
308.08C	GSI Demonstration - 1304 High Street	Cardi Corp.	77%	\$1,714,250	\$1,729,305	\$15,055	0.88%	\$0
308.09C	GSI - Macomber Stadium	J. H. Lynch & Sons	90%	\$4,995,400	\$5,572,238	\$576,838	11.55%	\$115,907
308.11C	1304 High Street Demolition	J. R. Vinagro Corp	100%	\$222,185	\$154,067	(\$68,118)	-30.66%	\$0
308.13C	250 Central Ave and Nassau St. Demolition	J. R. Vinagro Corp	46%	\$730,167	\$1,022,065	\$291,898	39.98%	\$0
			SUBTOTAL	\$7,662,002	\$8,477,675	\$523,775	10.65%	\$115,907
Other Capital Projects								
109.08C	FPWWTF Blower Improvements Phase II	Hart Engineering Corp.	97%	\$7,828,500	\$7,576,567	(\$251,933)	-3.22%	\$0
120.00C	Biogas Cogeneration System Bucklin Point	Daniel O'Connell's Sons	97%	\$6,970,000	\$7,021,937	\$51,937	0.75%	\$28,920
304.44C	MVI Central Falls Branch Replacement	John Rocchio Corp.	96%	\$8,931,799	\$11,760,239	\$2,828,440	31.67%	\$0
304.57C	78" Interceptor Replacement	Cardi Corp.	97%	\$6,869,300	\$7,152,353	\$283,053	4.12%	\$0
304.66C	Improvements to Interceptors FY 18	Insituform	95%	\$1,455,194	\$1,455,194	\$0	0.00%	\$30,278
304.67C	Improvements to Interceptors FY 19	Insituform	85%	\$2,949,673	\$2,980,713	\$31,040	1.05%	\$37,047
305.03C	BVI Easement Restoration - Wetlands	Cardi Corp.	99%	\$539,500	\$485,393	(\$54,107)	-10.03%	\$0
909.00C	Corporate Office Building Renovation	Mill City Corp	52%	\$2,999,760	\$3,945,343	\$945,583	31.52%	\$0
			SUBTOTAL	\$38,543,726	\$42,377,739	\$3,834,013	9.95%	\$96,245
			TOTAL ONGOING PROJECTS	\$46,205,728	\$50,855,414	\$4,357,788	10.06%	\$212,152
			TOTAL COMPLETED PROJECTS	\$620,359,538	\$659,906,368	\$39,289,449	6.33%	\$0
			GRAND TOTAL	\$666,565,266	\$710,761,782	\$43,647,237	6.63%	\$212,152

Construction Budgets as of August 2020

Completed Projects

CONTRACT NO.	DESCRIPTION	CONTRACTOR	PERCENT COMPLETE	LOW BID	FINAL AMOUNT	CONTRACT AMOUNT INCREASE	PERCENT INCREASE	APPROVED CHANGES NOT IN CONTRACT	
CSO Phase I									
01:302.04	MRI	John Rocchio Corp.	100%	\$4,536,201	\$5,071,428	\$535,227	11.80%	\$0	
01:302.05	Floatables Demonstration Facility	PCM	100%	\$746,414	\$724,480	-\$21,934	-2.94%	\$0	
01:302.06	Main Spine Tunnel	Shank/Balfour Beatty	100%	\$163,527,245	\$173,423,650	\$9,896,405	6.05%	\$0	
01:302.07	Foundry shaft Site Demo	Fleet Environmental	100%	\$438,600	\$409,994	(\$28,606)	-6.52%	\$0	
01:302.08	OF 004 & 061	R. P. Iannucchio & Sons	100%	\$7,396,000	\$8,324,692	\$928,692	12.56%	\$0	
01:302.09	OF 009 & 010 Emergency Overflow	Barietta Heavy Div.	100%	\$4,544,000	\$4,430,585	(\$113,415)	-2.50%	\$0	
01:302.10	OF 032 - Charles Street	Modern Continental	100%	\$8,977,000	\$10,356,289	\$1,379,289	15.36%	\$0	
01:302.11	Woon. River Int.	Walsh Const. Of Illinois	100%	\$4,868,377	\$6,927,107	\$2,058,730	42.29%	\$0	
01:302.13	Regulators	Roscoli Construction	100%	\$2,016,766	\$1,923,481	(\$93,285)	-4.63%	\$0	
01:302.14	Tunnel Pump Station & OF 067	Hart Engineering Corp.	100%	\$54,185,000	\$56,368,437	\$2,183,437	4.03%	\$0	
302.14 OC	Tunnel Odor Control	Hart Engineering Corp.	100%	\$1,389,795	\$1,376,007	(\$13,788)	-0.99%	\$0	
01:302.15	OF 006 & 007	Barietta Heavy Div.	100%	\$8,894,444	\$8,860,913	(\$33,531)	-0.15%	\$0	
01:302.20	CSO Land Acquisition	E. W. Burman	100%	\$6,698,916	\$6,687,451	(\$11,465)	-0.17%	\$0	
				SUBTOTAL	\$268,218,758	\$284,904,513	\$16,685,755	6.22%	\$0
CSO Phase II									
303.02C	OF 106 Facilities	J. H. Lynch & Sons	100%	\$3,688,936	\$5,270,108	\$1,581,172	42.86%	\$0	
303.03C	WCSOI - Main	Barietta Heavy/Shank/Balfour	100%	\$59,995,000	\$72,401,395	\$12,406,395	20.68%	\$0	
303.04C	SCSOI - Main	Northeast Remesco Constr	100%	\$18,657,000	\$19,584,445	\$927,445	4.97%	\$0	
303.05C	OF 027	John Rocchio Corp.	100%	\$6,580,587	\$9,333,759	\$2,753,172	41.84%	\$0	
303.06C	OF 037 - West	C. B. Utility	100%	\$7,429,700	\$8,366,925	\$937,225	12.61%	\$0	
303.07C	OF 037 - South	John Rocchio Corp.	100%	\$7,766,822	\$6,946,363	(\$820,459)	-10.56%	\$0	
303.08C	OF 037 - North	DiGregorio Inc.	100%	\$7,367,301	\$6,333,048	(\$1,034,253)	-14.04%	\$0	
303.09C	WCSOI - Regulator	Grove Construction	100%	\$894,000	\$853,678	(\$40,322)	-4.51%	\$0	
303.10C	WCSOI - North	Cardi Corp	100%	\$5,368,000	\$5,487,194	\$119,194	0.00%	\$0	
303.11C	WCSOI - West	DiGregorio Inc.	100%	\$6,848,518	\$10,151,689	\$3,303,171	48.23%	\$0	
303.12C	SCSOI - Regulator	R. P. Iannucchio & Sons	100%	\$598,000	\$621,253	\$23,253	3.89%	\$0	
303.13C	WCSOI - Demolition	A. A. Asbestos Abatement	100%	\$194,850	\$108,112	(\$86,738)	-44.52%	\$0	
303.14C	WCSOI - OF 054	DiGregorio Inc.	100%	\$2,368,683	\$2,404,870	\$36,187	1.53%	\$0	
306.00C	Floatables Control Facility OF 205, 219 & 220	John Rocchio Corp	100%	\$4,202,036	\$4,420,068	\$218,032	5.19%	\$0	
				SUBTOTAL	\$128,270,497	\$147,012,799	\$18,742,302	14.61%	\$0

Construction Budgets as of August 2020
Completed Projects continued
Other Capital Projects

CONTRACT NO.	DESCRIPTION	CONTRACTOR	PERCENT COMPLETE	LOW BID	FINAL AMOUNT	CONTRACT AMOUNT INCREASE	PERCENT INCREASE	APPROVED CHANGES NOT IN CONTRACT
103.02C	Demo. of FP Inclin. and Filter Bldgs.	Costello Dismantling	100%	\$810,000	\$787,430	\$177,430	29.09%	\$0
116.00C	Misc. Improvements to FP & BP	Hart Engineering Corp.	100%	\$1,246,000	\$1,246,877	\$6,877	0.55%	\$0
117.00BP	FP/PS Roof Replacement	Hart Engineering Corp.	100%	\$802,000	\$785,282	(\$16,718)	-2.09%	\$0
118.00DB	BP Facility Renovations	JJ Cardosi, Inc.	100%	\$3,384,800	\$2,464,774	\$3,924	3.35%	\$0
118.00DEMO	Regulatory Compliance Bldg Land Acq	Alhambra	100%	\$1,173,100	\$1,315,078	\$141,978	12.10%	\$0
119.00C	Demolition of Providence Animal Control Facility	A.A. Wrecking Co., Inc.	100%	\$24,750	\$16,886	(\$7,864)	-31.77%	\$0
109.01C	Regulatory Compliance Building	Calsen Corp.	100%	\$17,995,000	\$18,501,707	\$506,707	2.82%	\$0
121.00C	FP BNR	Daniel O'Connell's Sons	100%	\$55,177,000	\$56,060,172	\$883,172	1.60%	\$0
122.00C	FP/WWTf Wind Turbines	Galbrae Building Co.	100%	\$12,168,511	\$13,613,052	\$1,444,541	11.87%	\$0
123.00C	Flow Control Efficiencies	EW Audel	100%	\$1,097,000	\$1,129,545	\$32,545	2.97%	\$0
125.00C	Utility Reliability Enhancement FP Campus	R. P. Iannucello & Sons	100%	\$226,252	\$208,235	(\$18,017)	-7.96%	\$0
126.00C	FP/WWTf Land Acquisition/ Site Demolition	J. R. Vignaro, Inc.	100%	\$221,335	\$120,854	(\$100,481)	-45.40%	\$0
128.00DB	FP/WWTf Land Acq/City Transfer Station	Digraopio Corp.	100%	\$750,000	\$724,631	(\$25,369)	-3.40%	\$0
127.00C	FP/WWTf Electrical Substation #1 Upgrade	E. W. Audel & Sons	100%	\$1,375,000	\$1,341,881	(\$33,119)	-2.41%	\$0
130.00C	FP Final Clarifier and Misc. Improvements	Hart Engineering Corp.	98%	\$3,726,977	\$3,827,010	\$92,652	2.68%	\$0
201.00C	FP FY2017 WWTf Improvements	Hart Engineering Corp.	98%	\$799,000	\$618,141	(\$180,859)	-22.64%	\$0
02-304.07C	Concord St. Sewer Repairs	South Shore Utility	100%	\$606,376	\$789,849	\$183,473	30.26%	\$0
304.09C	Burnham St. & Groto Brook	Roscliff Construction	100%	\$2,899,000	\$2,929,210	\$30,210	1.04%	\$0
03-304.14C	Harold St. Regulator Modifications	R. P. Iannucello & Sons	100%	\$223,000	\$205,152	(\$17,848)	-8.00%	\$0
304.17C	Gate House India Street	Roscliff Construction	100%	\$759,332	\$797,286	\$37,954	5.00%	\$0
304.38C	Interceptor Assessment Restoration AVI	Manafort Brothers	100%	\$574,745	\$540,681	(\$34,064)	-5.93%	\$0
304.42C	CIP Lining of Misc. Sewers *	Insituform	100%	\$507,666	\$729,057	\$221,390	43.61%	\$0
304.46C	CIP Lining of Dudley Street	Insituform	100%	\$198,547	\$182,483	(\$16,064)	-8.05%	\$0
304.48C	NBC Sewer Projects No. 1	R. Zoppo Corp.	100%	\$658,050	\$485,239	(\$172,811)	-26.41%	\$0
304.51C	Improve to NBC Inter. FY 08	Roscliff Construction	100%	\$1,640,129	\$1,728,265	\$88,136	5.37%	\$0
304.52C	Improve to NBC Inter. FY 09	Insituform	100%	\$1,868,120	\$1,875,197	(\$10,923)	-0.59%	\$0
304.53C	Improve to NBC Inter. FY 10	R. P. Iannucello	100%	\$414,933	\$399,744	(\$15,189)	-3.66%	\$0
304.54C	Branch Avenue Interceptor Improvements	Insituform	100%	\$1,544,777	\$1,598,032	\$53,255	3.45%	\$0
304.55C	NBC Interceptors FY13	John Rocchio Corp.	100%	\$1,597,914	\$1,558,615	(\$39,299)	-2.46%	\$0
304.56C	Butler-Hospital Sewer Lining	Insituform	100%	\$289,275	\$248,503	(\$20,772)	-7.17%	\$0
304.59C	Improvements to Interceptors FY 15	Insituform	100%	\$811,289	\$727,071	(\$84,218)	-10.38%	\$0
304.60C	Greenville Ave. Sewer Extension	DIGraopio	100%	\$6,570,875	\$8,102,655	\$1,531,780	23.20%	\$0
304.63C	Interceptor Improvements FY 2017	Zoppo	100%	\$541,000	\$438,085	(\$102,915)	-19.02%	\$0
304.64C	East Providence Interceptor Improvements	Insituform	100%	\$1,374,117	\$1,304,073	(\$70,044)	-5.10%	\$0
304.65C	Harford Ave. Sewer Extension	D'Amora Construction	100%	\$1,649,915	\$2,133,989	\$484,074	29.34%	\$0
304.71M	Fields Point Drive Interceptor Improvements	J. Rocchio Corp.	100%	\$1,124,830	\$1,098,001	(\$26,829)	-2.39%	\$0
305.07C	78" Interceptor Cleaning and Inspection	Pipe & Plant Solutions	100%	\$349,490	\$308,809	(\$40,681)	-11.64%	\$0
305.08C	BVI Assessment Restoration	D'Amora Construction	100%	\$689,575	\$634,661	(\$54,914)	-7.96%	\$0
305.09C	Central Avenue Pump Station Improv.	John Rocchio Corp.	100%	\$499,500	\$599,091	\$99,591	19.94%	\$0
708.00C	Lincoln Sealare Equipment	Hart Engineering Corp.	100%	\$356,000	\$362,116	\$6,116	1.72%	\$0
01-807C	Omega Rack Room Demolition	Tower Construction	100%	\$113,400	\$114,918	\$1,518	1.34%	\$0
809.00C	Bucklin Point Improvements	JL Marshall & Son	100%	\$56,949,001	\$58,752,080	\$1,803,079	3.16%	\$0
809.00C	BP Siding Paving, Roofing	E. W. Burman, Inc.	100%	\$1,154,700	\$1,226,945	\$72,245	6.26%	\$0
813.00C	Bucklin Point WWTf Improvements	Daniel O'Connell's Sons	100%	\$34,626,000	\$35,367,666	\$741,666	2.14%	\$0
814.00C	Bucklin Point Flood Protection	D'Amora Construction	100%	\$525,000	\$353,000	(\$172,000)	-32.76%	\$0
	BP Digester Pile and Misc. Improvements	Hart Engineering Corp.	100%	\$1,200,000	\$1,168,552	(\$31,448)	-2.62%	\$0
	SUBTOTAL OTHER PROJECTS			\$223,870,263	\$227,989,056	\$4,118,792	1.84%	\$0
	* We received a \$250,000 reimbursement from Twin River on this contract							
	TOTAL COMPLETED PROJECTS, CSO AND NON-CSO			\$620,359,538	\$659,906,368	\$39,289,449	6.33%	\$0

EXHIBIT L**FORM OF PUBLIC BENEFITS REPORT****Date:** _____

Pursuant to Section 11(a)(xiv) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement and Section 16(e) (*Reporting Requirements – Public Benefits Report*) of the WIFIA Loan Agreement, Narragansett Bay Commission (the “**Borrower**”) is providing this Public Benefits Report in connection with the Bucklin Point Resiliency Improvements Project (WIFIA – N19120RI):

- (i) **The estimated interest savings the Borrower is realizing through the use of the WIFIA Loan compared to comparable market rate financing:**

The estimated interest savings from use of the WIFIA Loan is \$[86 million] over the life of the WIFIA Loan when compared to a bond issuance of similar structure.

- (ii) **With respect to the report delivered [prior to the Effective Date][within ninety (90) days following the Substantial Completion Date][within ninety (90) following the fifth anniversary of the Substantial Completion Date], the number of jobs projected to be created by the Project during each period described below:**

The Borrower projects [1,245] jobs to be created by the Project during the period between [[(1)] the Effective Date and the Substantial Completion Date]⁸ [and] [[(2)] the Substantial Completion Date and the fifth anniversary of the Substantial Completion Date]⁹.

- (iii) **Whether the Project will assist the Borrower in complying with applicable regulatory requirements, and if so, a narrative description describing such enhancements:**

[____].

- (iv) **The amount by which the Project will provide standby power:**

Will provide [2,500] kilovolt amps (kVa) in standby power.

The preceding identified public benefits are separate and distinct from any public benefits realized in connection with the Existing WIFIA Documents.

⁸ Include for both the reports delivered (i) prior to the Effective Date and (ii) 90 days following the Substantial Completion Date.

⁹ Include for both the reports delivered (i) prior to the Effective Date and (ii) 90 days following the fifth anniversary of the Substantial Completion Date.

NARRAGANSETT BAY COMMISSION¹⁰

By: _____

Name:

Title:

¹⁰ To be executed by Borrower's Authorized Representative.

EXHIBIT M**FORM OF NON-LOBBYING CERTIFICATE**

The undersigned, on behalf of Narragansett Bay Commission, hereby certifies, to the best of his or her knowledge and belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Borrower, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of the WIFIA Loan.

(b) If any funds other than proceeds of the WIFIA Loan have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the WIFIA Loan, the Borrower shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(c) The Borrower shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Capitalized terms used in the certificate and not defined shall have the respective meanings ascribed to such terms in the WIFIA Loan Agreement, dated as of [____ __,] 2020 (the "**WIFIA Loan Agreement**"), by and between the United States Environmental Protection Agency, acting by and through the Administrator (the "**WIFIA Lender**"), and the Borrower, as the same may be amended from time to time.

This certification is a material representation of fact upon which reliance was placed when the WIFIA Lender entered into the WIFIA Loan Agreement. Submission of this certification is a prerequisite to the effectiveness of the WIFIA Loan Agreement imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

This certificate may be delivered by the delivery of signed signature pages by electronic means, facsimile transmission, or by e-mail with a PDF copy attached, and any printed or copied versions of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page. Signatures of this certificate made by electronic means shall be accompanied by an email, contemporaneous or otherwise, confirming the use of such means.

Dated: October 26, 2020

NARRAGANSETT BAY COMMISSION,
by its authorized representative
EXHIBIT M-1

By: _____
Name:
Title:

1 **NARRAGANSETT BAY COMMISSION**

2
3 **PRE-FILED DIRECT TESTIMONY**

4 **OF STEPHEN MACERONI**

5
6 **Q. Please state your name and title.**

7 A. My name is Stephen Maceroni, Director with PFM Financial Advisors LLC (PFM).

8
9 **Q. Could you please describe your educational and employment background?**

10 A. I hold a Master of Business Administration degree from the University of Rhode Island and a
11 Bachelor of Science in Management degree from Rhode Island College. With over 25 years of
12 public finance experience, I have served as financial advisor to governmental issuers in Rhode
13 Island and throughout New England. Issuers that I have served during my career as a financial
14 advisor include over 21 cities and towns in Rhode Island as well the Rhode Island Commerce
15 Corporation and the Rhode Island Convention Center Authority. In addition, I have extensive
16 experience assisting borrowers through the Rhode Island Infrastructure Bank State (RIIB)
17 Revolving Fund Loan Program.

18
19 **Q. Can you describe the organization of PFM Financial Advisors LLC (PFM) and the types of
20 services that it provides?**

21 A. Over the past 46 years, PFM has provided independent financial advisory services to public
22 entities. PFM has grown into a national firm with over 350 employees in 31 offices across the
23 United States. For the 24th consecutive year, PFM has maintained its position as the number one
24 financial advisor in the industry, providing financial advisory services on more than 935
25 transactions for a total par amount in excess of \$69.7 billion in 2021. In terms of wastewater
26 issuers, PFM has been the top ranked financial advisor in this sector for several years as well while
27 representing other large wastewater operators including the Massachusetts Water Resources
28 Authority and the DC Water and Sewer District. in 2021, PFM maintained its position as the
29 number one financial advisor for wastewater transactions, providing financial advisory services
30 on 85 transactions for a total par amount in excess of \$6.9 billion.

1 **Q. What is your relationship with the Narragansett Bay Commission (NBC)?**

2 A. PFM was appointed in 2012 to serve as Financial Advisor to the NBC by its Board of
3 Commissioners. I have experience working with the NBC and am familiar with NBC's borrowing
4 history and capital needs. I worked closely with NBC on their first two loans through the Water
5 Infrastructure Finance and Innovation Act (WIFIA) program administered by the United States
6 Environmental Protection Agency (USEPA). Most recently I worked with NBC on the \$45.0 million
7 loan through RIIB, the 2021 Series A bonds.

8

9 **Q. Have you testified previously before the Rhode Island Division of Public Utilities and Carriers
10 (Division)?**

11 A. Yes. During the past three years I provided testimony in support of NBC's application for Division
12 approval to issue long-term debt in connection with the Commission's WIFIA I and WIFIA II Loans,
13 2020 Series A Refunding Revenue Bonds, and 2021 Series A RIIB Loan (Dockets D-19-33, D-20-06
14 and D-21-13).

15

16 **Q. What is the purpose of your supplemental testimony?**

17 A. To provide testimony in support of NBC's application to seek Division approval for a loan through
18 the WIFIA program for an original principal of up to \$60.0 million, plus compounded interest
19 through 2029 ("WIFIA III" loan) to finance the Field's Point Resiliency Improvements Project.

20

21 **Q. Would you please discuss how PFM modeled the proposed funding of the Field's Point
22 Resiliency Improvements and developed the WIFIA loan structure?**

23 A. PFM used the same model that was used as part of NBC's WIFIA first two loans. This debt
24 optimization model which incorporates the "What'sBest!" linear optimization tool to structure
25 the capital financing plan. With What'sBest!, the user places constraints on the model (i.e.,
26 coverage cannot go below 1.25x in any year, RIIB State Revolving Fund loans have certain
27 structuring limitations, etc.) that cannot be violated when What'sBest! is determining the
28 solution. Outside of these constraints that are placed on the model, What'sBest! is given the
29 ability to modify the funding source mix between WIFIA, RIIB State Revolving Fund loans, and NBC
30 open market revenue bonds along with the ideal amortization length for each to determine the
31 most inexpensive path of financing. With this approach, we are able to place a high degree of

1 confidence on the final structure of the financing sources since every possible funding mix and
2 amortization length for each source was contemplated by What'sBest!

3
4 The model prepared for NBC incorporated NBC's projected cash flows for the Field's Point
5 Resiliency Improvements along with NBC's other programmed capital improvement expenditures.
6 Other modeling considerations included limiting the loan amount to 49% of the project cost, as
7 this is the maximum amount of project funding under the WIFIA guidelines. The resulting draws
8 and amortization schedule are reflected in the testimony of Karen Giebink. The balance of the
9 funding for NBC's share of the project will come from pay-as-you-go capital, RIIB loans and publicly
10 offered Open Market bonds. The model also took into consideration NBC's desire to mitigate
11 ratepayer impact. The model incorporated constraints of revenue increases for debt service and
12 debt service coverage for Open Market and/or RIIB loans every other year. As a result of the
13 modeling, relatively modest rate increases are required to support the program, given the
14 magnitude of the debt issuance. Please see the table below for the projected rate increases from
15 2023 to 2034. Thereafter, from 2034 through 2046, rates are projected to increase by 3.25% every
16 other year. Please note that these projections are preliminary and subject to change:

PROJECTED RATE INCREASES	
Fiscal Year	Rate Increase
2023	0.56%
2024	6.50%
2025	0.00%
2026	6.00%
2027	0.00%
2028	6.00%
2029	0.00%
2030	3.25%
2031	0.00%
2032	3.25%
2033	0.00%
2034	3.25%

18
19

1 **Q. What makes the WIFIA loan the preferred funding source for the Field's Point Resiliency**
2 **Improvements Project?**

3 A. In addition to low fees and an attractive interest rate, the flexibility of the loan amortization and
4 repayment term offer significant benefits to NBC. The modeling maximized the benefits of the
5 amortization flexibility by compounding interest and structuring the loan repayment around
6 existing and planned future debt issuance.

7
8 **Q. What is the projected interest rate of the WIFIA III loan?**

9 A. The interest rate is determined at loan closing and is based on the State and Local Governments
10 Series (SLGS) rate for the weighted average maturity of the loan. SLGS are securities that the
11 Department of the Treasury may issue to state and local government entities to assist with
12 complying with tax-exempt bond regulations. The daily SLGS rate is found on the Treasury Direct
13 website. Based on the amortization of the loan as structured for modeling purposes that was
14 updated in March 2022, the interest rate was 2.45%. The SLGS rate will ultimately be determined
15 at closing and may be slightly higher or lower.

16
17 **Q. How does the interest rate compare to the projected RIIB or open market interest rates?**

18 A. As noted above, based on current market conditions, the projected WIFIA III loan rate is 2.45%
19 for a 40-year loan. For a 30-year RIIB loan, based on current market rates, NBC could expect a
20 subsidized interest rate of approximately 2.85% which includes the agency's service fee of 30 basis
21 points and 1.0% origination fee, which on a loan this size would be \$600,000. For a comparable
22 open market bond, based on current market rates, the estimated rate would be approximately
23 3.31%.

24
25 NBC has significant near-term capital needs including the 51% match on projects being funded by
26 the WIFIA III loan. In order to manage the impact on ratepayers, NBC should continue to borrow
27 as much as possible from low-cost sources such as USEPA and RIIB to the extent these agencies
28 have capacity.

29

1 **Q. What are the applicable schedules and deadlines for this financing?**

2 A. NBC and USEPA are targeting June 2022 to close on this new money loan. Given that there is a
3 30-day statutory appeal on Division orders of this type, NBC is requesting Division approval of this
4 application, if at all possible, by the end of May 2022.

5

6 **Q. Does this conclude your pre-filed testimony?**

7 A. Yes.

NARRAGANSETT BAY COMMISSION
STATEMENT OF NET POSITION
MARCH 31, 2022

ASSETS**CURRENT ASSETS**

Accounts receivable sewer use (net of allowance)	\$ 13,014,669.47
Accounts receivable sewer use unbilled	7,420,326.00
Accounts receivable RIIB	14,815,437.55
Accounts receivable WIFIA	324,973,975.10
Receivables, other	126,088.97
Prepaid expense	117,858.32
Total Current Assets	<u>360,468,355.41</u>

NON-CURRENT ASSETS**Restricted Assets**

Cash and cash equivalents, restricted	84,265,531.80
Total Restricted Assets	<u>84,265,531.80</u>

Capital Assets

Land	2,754,407.48
Plant and equipment	110,263,818.87
Capital projects completed	1,004,403,844.01
Construction in progress	381,235,686.80
	<u>1,498,657,757.16</u>
Less accumulated depreciation	(287,325,894.16)
Right to use asset - wind turbines	2,344,136.84
Less accumulated amortization	(87,905.16)
Total Net Capital Assets	<u>1,213,588,094.68</u>

Other assets

Net pension asset - Non-Union Defined Benefit Plan	6,797,195.00
Total Non-current Assets	<u>1,304,650,821.48</u>

TOTAL ASSETS

1,665,119,176.89

DEFERRED OUTFLOWS OF RESOURCES

Loss on refunding of debt	5,101,965.78
Pension related outflows	4,161,139.58
OPEB related outflows	497,025.00
Asset retirement obligation	433,125.00
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>10,193,255.36</u>

NARRAGANSETT BAY COMMISSION
STATEMENT OF NET POSITION
MARCH 31, 2022

LIABILITIES**CURRENT LIABILITIES**

Accounts and contracts payable	\$ 9,706,753.80
Accrued interest payable	1,080,662.41
Accrued expenses	786,743.17
Total Current Liabilities	<u>11,574,159.38</u>

NON-CURRENT LIABILITIES

Net pension liability - ERSRI Pension Plan	17,701,248.00
Long-term net OPEB liability	2,802,007.00
Long-term other accrued expenses	3,645,395.40
Long-term loans payable	296,878,972.97
Long-term loan, WIFIA	460,668,937.53
Long-term revenue bond	258,446,907.58
Lease Liability	2,265,022.50
Asset retirement obligation	450,000.00
Total Non-current Liabilities	<u>1,042,858,490.98</u>

TOTAL LIABILITIES

1,054,432,650.36

DEFERRED INFLOWS OF RESOURCES

Pension related inflows	6,042,959.00
OPEB related inflows	1,079,816.00

TOTAL DEFERRED INFLOWS OF RESOURCES

7,122,775.00

NET POSITION

Net Investment in capital assets	533,230,861.14
Restricted - environmental enforcement	70,000.13
Restricted - bond covenants	54,364,728.92
Restricted - debt service reserve	2,963,000.00
Restricted - operating reserve for revenue stability	4,500,189.84
Restricted - operating capital	14,033,553.83
Unrestricted	4,594,673.03
TOTAL NET POSITION	<u>\$ 613,757,006.89</u>

NARRAGANSETT BAY COMMISSION
STATEMENT OF REVENUE, EXPENSE, AND CHANGES IN NET POSITION
FOR THE PERIOD ENDING MARCH 31, 2022

OPERATING REVENUE	
User fees, residential	\$ 46,362,435.76
User fees, commercial and industrial	32,938,905.11
Sewer connection fees	190,800.00
Pretreatment fees	46,200.00
Septage income	266,416.36
Renewable energy credits	509,175.00
Miscellaneous	144,933.00
Late charge penalties	148,360.81
Total Operating Revenues	<u>80,607,226.04</u>
OPERATING EXPENSES	
Personnel	19,054,594.39
Operations and maintenance	1,001,975.00
Maintenance contracts and service agreements	1,470,961.28
Biosolid disposal expense	3,352,098.21
Insurance expense	1,398,994.56
Electricity expense	2,133,850.35
Other utilities	585,665.85
Chemicals expense	777,264.42
Supplies	1,179,037.46
Professional services	1,359,477.64
Depreciation/Amortization	16,577,945.10
Miscellaneous	591,788.28
Total Operating Expenses	<u>49,483,652.54</u>
OPERATING INCOME	<u>31,123,573.50</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest income	9,577.52
Interest expense	(10,785,954.34)
Gain (loss) on disposal of asset	10,241.00
Miscellaneous non-operating revenue	112,163.29
Bond and note fees	(588,835.00)
Total Non-operating Revenue (Expenses)	<u>(11,242,807.53)</u>
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	19,880,765.97
Capital Contribution	3,609,937.84
CHANGE IN NET POSITION	<u>23,490,703.81</u>
TOTAL NET POSITION, BEGINNING	<u>590,266,303.08</u>
TOTAL NET POSITION, ENDING	<u>\$ 613,757,006.89</u>