



Notice of Meeting
Rhode Island Infrastructure Bank
Board of Directors – April 24, 2023
12:00 P.M.

Meeting Agenda

PLACE: 235 Promenade Street, Suite 119
Providence, RI 02908

TIME: 12:00 P.M.

OLD BUSINESS:

1. *Review and consideration of the minutes from the March 20, 2023, meeting of the Board.
2. *Review and consideration of the minutes from the March 20, 2023, meeting of the Board – Executive Session.

NEW BUSINESS:

3. Board Chair remarks.
4. Executive Director's Report.
5. *Review and consideration of a loan for the Warwick Sewer Authority in an amount up to \$22,000,000 from the Clean Water State Revolving Fund.
6. *Review and consideration of a loan for the Tiverton Wastewater District in an amount up to \$960,697.50 from the Stormwater Project Accelerator.
7. *Review and consideration for the Sewer Overflow & Stormwater Reuse (OSG) Grant.
8. Legislative/regulatory update.
9. Next regularly scheduled meeting date, May 22, at 3:00 P.M.
10. *Executive Session: Pursuant to RIGL 42-46-5(a)(2) (potential litigation – personnel matter).

**Vote may be taken on this item.*

235 Promenade Street is accessible to the handicapped. Persons requesting interpreter services for the hearing impaired must notify the RI Infrastructure Bank at (401) 453-4430 at least 48 hours in advance of the meeting date. The Telecommunication Device for the Deaf (TDD) number VIA TTY Relay is 800-745-5555.

A portion of this meeting may be held in Executive Session pursuant to and in compliance with the Rhode Island Open Meetings Law, specifically Section 42-46-5(a) of the General Laws of Rhode Island 1956 as amended.

Any questions regarding this meeting may be directed to Suh Walker, Executive Assistant (401) 453-4430 x119

**Rhode Island Infrastructure Bank
Meeting of The Board of Directors
Public Session
March 20, 2023**

A meeting of the Board of Directors (Board) of Rhode Island Infrastructure Bank (Bank) in public session was held on Monday March 20, 2023. The meeting was held in the conference room of the Bank, at 235 Promenade Street, Suite 119, Providence, Rhode Island, pursuant to a duly posted public notice of the meeting and notice given to all Directors. The meeting was called to order by the Board Chair at approximately 3:01 p.m.

Directors present: Chair Vahid Ownjazayeri, Treasurer James Diossa, Joshua Celeste, and Robert Donovan.

Directors absent: Vice Chair Scott Lajoie.

Also present: Jeffrey Diehl, Executive Director and Chief Executive Officer; Eileen Rose, Chief Financial Officer and Chief Operating Officer; William Fazioli, Managing Director of Program and Business Development; Chris Vitale and Ryan Holt, Harrington & Vitale, Legal Counsel; Kris Moussette, Hinckley Allen, Bond Counsel; Stephen Maceroni, PFM, Financial Advisor; Matthew Blais, Hilltop Securities, Inc., Financial Advisor.

The Chair opened the meeting and declared a quorum.

The Chair addressed **Item #1** on the Agenda: Executive Session: Pursuant to RIGL 42-46-5(a)(2) relating to potential litigation – personnel matter.

The Chair stated that pursuant to RIGL § 42-46-5(a)(2) that the Board would go into Executive Session for this item.

After a brief discussion with the Board:

Voted: A motion was made by Robert Donovan, seconded by Treasurer Diossa to enter into Executive Session pursuant to RIGL § 42-46-5(a)(2) relating to potential litigation – personnel matter.

- Voting in favor of the foregoing after a roll-call vote: Vahid Ownjazayeri, Treasurer Diossa, Robert Donovan, Joshua Celeste.
- Voting against the foregoing: None

The Board entered Executive Session at 3:03 p.m.

The Board came back into Open Session at 3:36 p.m.

The Board reported that it had voted on and unanimously approved two items in the Executive Session:

- Seal the Minutes of the Executive Session
- Adjourn Executive Session

The Chair addressed **Items #2-4** on the Agenda: Review and consideration of the minutes from the January 23, 2023, meeting of the Board, the minutes from the January 23, 2023 meeting of the Board – Executive Session, and the minutes from the January 31, 2023 meeting of the Board; and after a brief discussion of the Board:

Voted: A motion was made by Robert Donovan, seconded by Treasurer Diossa that the meeting minutes from the January 23, 2023, meeting of the Board, the January 23, 2023 meeting of the Board – Executive Session, and the January 31, 2023 meeting of the Board be approved.

- Voting in favor of the foregoing: Vahid Ownjazayeri, Treasurer Diossa, Joshua Celeste, Robert Donovan.
- Voting against the foregoing: None.

The Chair moved to **Item #5** of the Agenda: Board Chair remarks.

The Chair gave a brief welcome to those attending the meeting.

No vote was necessary for this agenda item.

The Chair then moved to **Item #6** on the Agenda: Executive Director's report.

The Executive Director presented the following updates:

- Bill Fazioli is now the Managing Director of Program and Business Development.
- The Bank also hired Cameron Miller as a new accountant/financial analyst, he will start on March 27.
- The Bank is still looking to fill open positions in Business Development, transaction management/compliance and for an administrative assistant.
- The Bank is accepting applications for its summer internship program.
- The Bank is still on course for over \$200mm in lending this fiscal year.
- The Drinking Water SRF Bond issue on hold due to delayed regulatory filings by some borrowers, but should move forward sometime this spring or summer.
- The Environmental Defense Fund has filed a public comment with RIDOH requesting a public hearing on the proposed categorical waiver of environmental reviews for a number of projects (Stone Bridge, EP water meters, Woonsocket water meters, Pawtucket meters & mains and Newport mains) as there might be LSLs that are impacted by these projects. This could delay a number of projects by months, increase costs and potentially discourage use of the SRF funding.
- The Bank is in discussions with Newport about possibility of utilizing our energy asset management program.
- The Bank's Legislative Day was successful. Attendance was strong and the Bank presented 10 checks to mayors and city managers in a ceremony during the event.
- The Bank has decided to postpone its Infrastructure Summit.

- The Bank will participate in the annual League of Cities and Towns summit on March 23 by sponsoring a table and participating in panels relating to C-PACE and resilience.
- Applications for the Clean Water, Drinking Water and Municipal Road & Bridge programs and the Project Priority Lists are now open for FY24.
- The Bank is applying with OER for \$746,000 Clean Energy Revolving Loan Fund capitalization grant from US Department of Energy under the IJA.
- The Bank continues to position for significant amounts of GHGRF capital both directly and through National Green Bank

No vote was necessary for this agenda item.

The Chair then moved to **Item #7** on the Agenda: Election of Officers.

The Chair proposed re-electing the following slate of officers:

Scott Lajoie	Board Vice Chair
Joshua Celeste	Board Secretary
Robert Donovan	Board Assistant Secretary
Treasurer James Diossa	Board Treasurer

No alternate nominations were presented. After a brief discussion on the it was:

After a brief discussion it was:

Voted: A motion was made by Treasurer Diossa, seconded by Robert Donovan to approve the approve the above slate of officers.

- Voting in favor of the foregoing: Vahid Ownjazayeri, Treasurer Diossa, Joshua Celeste, Robert Donovan.
- Voting against the foregoing: None

The Chair then moved to **Item #8** on the Agenda: Review and consideration of a loan to the Providence Water Supply Board in an amount up to \$27,500,000 from the Drinking Water State Revolving Fund.

The Executive Director reported that the Providence Water Supply Board (PWSB) has requested \$27.5mm to be financed through the DWSRF. The loan would be used to finance the replacement of lead service lines. It would be a fixed rate loan with up to 20-year amortization.

Stephen Maceroni from PFM discussed the following:

- The PWSB is rated AA- by S&P.
- The PWSB's strengths are:
 - Fully funded debt service reserve fund.

- Strong debt service coverage of 3.2x in FY 2022.
- Manageable debt burden with a debt-to-revenue of 1.6x in FY 2022.
- Large and diverse service area.
- Considerable annual pay-go spending of \$27.4mm in 2022 which helps manage its debt burden.
- Mitigating factors are:
 - Limited liquidity: 54 days' cash on hand as of June 30, 2022. However, it has a \$5mm credit line with no funds drawn as of June 30, 2022 and additional funds that can be accessed with PUC approval.
 - Large capital improvement plan of \$270mm over the next five years.
 - Ability to raise revenue is limited due to regulated rates.
 - The City of Providence and PWSB have large unfunded pension and OPEB obligations.

PFM recommended approval of the loan subject to completion of all legal requirements including Division approval and with the understanding that the Bank will review the request in connection with the Project Priority List and Bank capacity.

The Chair asked for confirmation that this was not a line of credit. The Executive Director confirmed and noted that the Bank would approve of and disburse funds as projects are done. The Executive Director further noted that the Bank ensures compliance with legal requirements including EPA guidelines, project completeness, etc. prior to any distribution of funds. Mr. Vitale added that the Bank, in its normal practice, holds the loan proceeds and reviews requests for loan disbursements with RIDOH, and only disburses funds following the approval of both agencies.

After a brief discussion it was:

Voted: A motion was made by Treasurer Diossa, seconded by Robert Donovan to approve the application of the Providence Water Supply Board in an amount up to \$27,500,000 from the Drinking Water State Revolving Fund.

- Voting in favor of the foregoing: Treasurer Diossa, Joshua Celeste, Robert Donovan.
- Voting against the foregoing: None
- Abstained: Vahid Ownjazayeri

The Chair then moved to **Item #9** on the Agenda: Review and consideration of a loan for the Town of Narragansett in an amount up to \$625,000 from the Clean Water State Revolving Fund.

The Executive Director reported that the Town of Narragansett has requested \$625k to be financed through the CWSRF. The loan would be used to provide the required matching grant

received under the Wastewater Treatment Facility Resilience Fund and would finance the Scarborough WWTF Groin Restoration Project. The Grant Agreement with RIDEM was signed on January 11, 2023.

Matthew Blais from Hilltop discussed the following:

- The Town is rated Aa2/AA+ by Moody's and S&P respectively.
- The Town's strengths are:
 - Strong debt liability profile with only \$30mm in direct general obligation debt (0.49% of Full Value).
 - Five year trend of operating surplus in the General Fund.
 - Formal policies are in place for issuing debt as well as for maintaining unassigned fund balance at a minimum of 10% of expenditures.
- Mitigating factors are:
 - Large pension and OPEB liabilities with high assumed rates of return, but has shown a history of fully funding annual required costs.

Hilltop recommended approval of the loan subject to completion of all legal requirements and with the understanding that the Bank will review the request in connection with the Project Priority List, the funding requirements of Bank borrowers, and Bank capacity.

After a brief discussion it was:

Voted: A motion was made by Joshua Celeste, seconded by Treasurer Diossa to approve the loan for the Town of Narragansett in an amount up to \$625,000 from the Clean Water State Revolving Fund.

- Voting in favor of the foregoing: Vahid Ownjazayeri, Treasurer Diossa, Joshua Celeste, Robert Donovan.
- Voting against the foregoing: None

The Chair then moved to **Item #10** on the Agenda: Review and consideration of a loan for the Town of Charlestown in an amount up to \$300,000 from the Community Septic System Loan Program.

The Executive Director reported that the Town of Charlestown has requested \$300k to be financed through the CSSLP. The loan would be used to assist homeowners with financing the repair or replacement of failed or failing septic systems.

Stephen Maceroni from PFM discussed the following:

- The Town is rated Aa2 by Moody's.

- The Town's strengths are:
 - Healthy reserves of \$5.5mm or approximately 20% of FY 2022 revenues.
 - Low debt burden with debt as a percentage of full value of 0.10% as of FY 2022.
 - Strong tax collections with average collections exceeding 98% annually.
 - Fully funded OPEB liability.
 - Above-average income levels.
- Mitigating factors are:
 - Heavy reliance on residential property taxes. Coastal properties could be impacted by acute weather events.

PFM recommended approval of the loan subject to completion of all legal requirements and with the understanding that the Bank will review the request in connection with the Project Priority List and Bank capacity.

After a brief discussion it was:

Voted: A motion was made by Treasurer Diossa, seconded by Joshua Celeste to approve the loan to the Town of Charlestown for \$300k through the CSSLP.

- Voting in favor of the foregoing: Vahid Ownjazayeri, Treasurer Diossa, Joshua Celeste, Robert Donovan.
- Voting against the foregoing: None

The Chair then moved to **Item #11** on the Agenda: Review and consideration of the continuation of engagement of Independent Auditors CliftonLarsonAllen for fiscal year 2024.

The Executive Director reported that the current agreement with CliftonLarsonAllen includes an option to extend the agreement for one additional year and that the Bank's intent is to issue an RFP for the following year and that he recommended the Board approve this extension. Mr. Donovan inquired as to whether this engagement would be for FY 2023 or 2024. Mr. Vitale responded that the audit would be for FY 2023 and delivered in FY 2024. Ms. Rose reiterated the Bank's intention to issue an RFP for the next year.

After a brief discussion it was:

Voted: A motion was made by Treasurer Diossa seconded by Joshua Celeste to approve the continuation of engagement of Independent Auditors CliftonLarsonAllen for fiscal year 2024.

- Voting in favor of the foregoing: Vahid Ownjazayeri, Treasurer Diossa, Joshua Celeste, Robert Donovan.
- Voting against the foregoing: None

The Chair then moved to **Item #12** on the Agenda: Consideration of extension of engagement of Executive Search Firm.

The Executive Director reported that the Board had previously approved an engagement with Boyden for search services for openings for the CFO/COO and Managing Director positions. During the course of the search processes, Boyden presented candidates for the CFO/COO or Managing Director positions who were not offered those positions, but remained interested in potential hiring for other open positions with the Bank. Pursuant to the agreement with Boyden, the Bank would be obligated to pay a fee to Boyden if it hired one of those candidates. He recommended that the Board approve up to \$75k to pay Boyden under the terms of the Bank's agreement with them for fees related to two candidates identified should the Bank wish to extend offers to them.

Mr. Donovan asked to confirm that this was a payment in an already authorized contract and that there was no need to amend the budget. Ms. Rose confirmed.

After a brief discussion it was:

Voted: A motion was made by Robert Donovan, seconded by Treasurer Diossa to approve the use of the current executive search firm agreement with Boyden for potential new hires and payment of related fees.

- Voting in favor of the foregoing: Vahid Ownjazayeri, Treasurer Diossa, Joshua Celeste, Robert Donovan.
- Voting against the foregoing: None

The Chair then moved to **Item #13** on the Agenda: Legislative and Regulatory Update.

Mr. Vitale reported that the regulations for the MRP and OSCAR programs are still on track for approval in the weeks ahead. He noted that this will allow the Bank to advance RFPs and grant awards in both programs. He added that the Bank is currently tracking over 130 bills under consideration at the General Assembly that may impact Bank operations and that the Bank is in regular communication with legislators, the administration, and key staff on legislation of interest. He added that the Bank intends to ask for the introduction of a bill that would expand the types of eligible projects under the Clean Energy Fund in an effort to secure additional federal funds under the IIJA and IRA.

The Chair closed the meeting and indicated that the next meeting will be on Tuesday, April 18, 2023 (**Item #14**). Hearing no other questions or comments, The Chair then requested a motion to adjourn the meeting.

Voted: A motion was made by Treasurer Diossa, seconded by Joshua Celeste to adjourn the meeting.

- Voting in favor of the foregoing: Vahid Ownjazayeri, Treasurer Diossa, Joshua Celeste, Robert Donovan.
- Voting against the foregoing: None.

The meeting adjourned at approximately 4:14 p.m.

Board of Directors

Business Development Dashboard



RHODE ISLAND
INFRASTRUCTURE BANK

April 24, 2023

Business Development April Updates

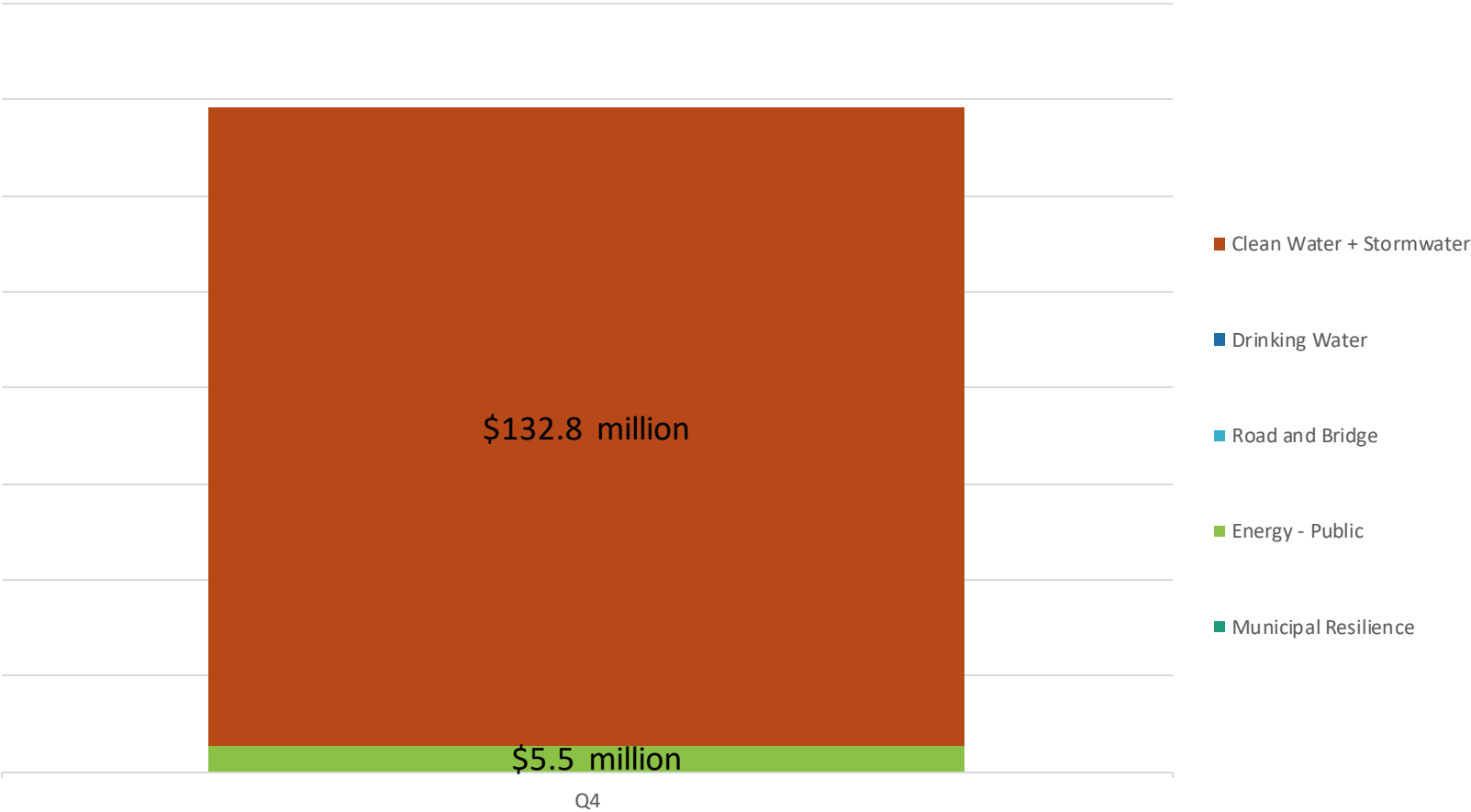
- Timeline for **May CWSRF Bond Issue** in place with Closing Date of June 9, 2023
 - Borrowers include NBC, Prov Water, East Providence, Warwick Sewer, East Greenwich, Woonsocket
- **C-PACE:**
 - Town of Exeter has formally enrolled into C-PACE
 - Lincoln Town Council expected to approve at April Council meeting
- **MRP**
 - West Warwick accepted to the MRP
 - Action Grant RFP tentatively planned for May 2023
 - Annual MRP Project Identification Meetings with municipalities ongoing (currently completed 19/27 municipalities) in preparation of Action Grant RFP release
 - Regional Leadership Exchange meetings begin with Aquidneck Island municipalities in April, May, and June
 - Middletown – Stormwater & Water Resources
 - Portsmouth – Emergency Management & Preparedness
 - Newport – Transportation

Project Updates

- Three projects closed:
 - Town of Narragansett - Wastewater Treatment Facility Resiliency Fund grant - \$625,000
 - Narragansett applied to borrow the match through the Clean Water SRF
 - Stone Bridge Fire District - Drinking Water SRF loan - \$228,350
 - City of Newport - Municipal Resilience Program grant - \$58,982
- Two upcoming closings:
 - City of Providence - \$1,000,000 CWSRF
 - Providence Water - \$5,500,000 EBF Program
- New applications received:
 - Quonochontaug Central Beach Fire District \$1,555,000 DWSRF
 - Town of Scituate/School Department \$1,000,000 DWSRF
 - Scituate Housing Authority (Rockland Oaks) \$700,000 DWSRF

Projected Loan Closings – FY23 Q4

Projected Loan Closings by Program - FY23 Q4



Credit Memorandum

To: Members of Board of Directors

From: Jeffrey R. Diehl
Executive Director and CEO

Date: April 24, 2023

Re: Warwick Sewer Authority

The following summarizes a loan application from the Warwick Sewer Authority (“The Authority”) and management’s analysis of the request.

Request

Amount: Up to \$22,000.000

Program: Clean Water State Revolving Fund.

Purpose: The loan will finance the rehabilitation of the Cedar Swamp Force main and the completion of sewer installation of the Bayside project.

Overview: The loan will finance project costs, 1% origination fee, debt service reserve fund, and pay certain costs of issuance.

Credit Summary

Rating: The Wastewater System does not have a public rating.

Security: Revenue Pledge.

Credit: The table below shows selected credit metrics for the borrower compared to others that the Bank has extended credit to:

<i>Metric</i>	<i>Borrower</i>	<i>Average</i>	<i>Scorecard</i>
Debt Service Coverage Ratio	2.28x	2.9x	Strong

Note: Contemplates revenue pledge debt only. The average reflects all revenue pledge borrowers of the Bank (FY2021). Scorecard is based on the rating methodology developed by Moody’s.

Structure

Rate: Fixed rate at a level to be determined.

Maturity: Level debt service with up to 30-year final maturity.

Estimated Close: Anticipated to close by Summer 2023.

Construction Proceeds Fund – Remaining After Original Draw Schedule

1. Clean Water 2017	\$ 1,105,082.31
2. Clean Water 2022.....	\$7,982,504.18

Climate Resiliency

The City of Warwick has a FEMA-approved hazard mitigation plan. 6.6% of dwellings are in the 100-year floodplain for the City.

The Authority’s Climate Resiliency Plan was submitted to RIDEM in February, 2021. Based on the report, the Authority created a Capital Improvement Plan including plans for improvements to several pump stations, including Oakland Beach, Cedar Swamp and Cove Ave.

COVID Impacts

None.

Audit Opinion

The City received an unmodified opinion in their FY2021 financial statements.

The FY2022 financial statements have not been completed yet.

Staff Tenure

The current Treasurer has been with the City since 2018.

Recommendation

Based on the full Credit Review Memo prepared by PFM and information provided by the Authority, I recommend that the Board of Directors approve the loan request.

Conditions

- 1) Project(s) to be funded must on the applicable agencies Project Priority List.
- 2) Borrower must agree to comply with all Federal, State, and Bank laws, rules, and applicable regulations.
- 3) A loan agreement be executed by all parties to the transaction.
- 4) Loan(s) is(are) subject to availability of funds.

Attachment – Credit Review Memo

RHODE ISLAND INFRASTRUCTURE BANK
Credit Review Memo
April 24, 2023

LOAN SUMMARY:

Borrower:	Warwick Sewer Authority, Rhode Island (the “WSA” or the Authority”)
Loan Request:	\$22,000,000
Program:	Clean Water State Revolving Fund Loan Program
Use of Proceeds:	Projects include the rehabilitation of the Cedar Swamp Force main and the completion of sewer installation of the Bayside project. The Cedar Swamp Force Main Rehabilitation Project includes the complete, structural relining of 8,800 linear feet of force main pipe. It also includes the installation of new air release valves and force main cleanout manholes. The Bayside Sewer Construction Project will bring sewer availability to the Bayside section of the City. Proceeds will also fund a debt service reserve and pay cost of issuance.
Security:	Revenue Pledge
Credit Rating:	The Wastewater System does not have a public rating
Structure:	Fixed Rate loan with up to 30-year amortization.

BORROWER FINANCIAL SUMMARY:

Strengths:

- Legal structure – Security provided by the Trust Indenture.
- Fully funded debt service reserve fund.
- Healthy debt service coverage of 2.28x during in fiscal year 2022.
- Trend of stable rates with no increases required during the past several years.

Mitigating Factors/Challenges:

- The WSA capital plan includes approximately \$113 million of sewer projects during the next 10 years.
- Slightly above average debt position with pro-forma debt-to-revenue of 3.47x.
- While not directly impacting the Sewer Fund, the City has large unfunded pension and OPEB obligations.

AUDITED FINANCIAL SUMMARY (SEWER FUND):

Audited Financial Report:	June 30, 2022
Auditing Firm:	CliftonLarsonAllen LLP
Fiscal Year 2022 Net Position – Unrestricted:	\$27,105,489
Fiscal Year 2022 Revenue:	\$19,756,246
RIIB Debt Outstanding as of 9/1/2023:	
Sewer:	\$ 45,462,527

I. INTRODUCTION

The City of Warwick (the "City") was established in 1642 and incorporated in 1931. The City has the second largest population in the State of Rhode Island (the "State") and has total land area of approximately 35 square miles with another 14 square miles of inland water. Located 10 miles south of Providence, in Kent County, the City is centrally located within the State and connected to the northeast corridor by a network of interstate highways, including I-95 and I-295.

The City operates under a legislative charter providing for a nine-member council elected for two-year terms. All legislative powers of the City are vested in the City Council. Members of the City Council are elected from each of the City's nine wards. In addition, a Mayor is elected for a two-year term and is the chief executive and administrative officer of the City. The Mayor is responsible for the administration and management of all offices, departments and agencies except as otherwise provided by the City Charter. Duties of the Mayor include appointment of officers and employees of the City, preparation and presentation of the budget to the City Council and performance of such other duties as may be required by ordinance or resolution. The Mayor has veto power over ordinances passed by the City Council, subject to being overridden by vote of two-thirds of the City Council.

The City's wastewater system consists presently of approximately 300 miles of sewer collection pipe, 48 pumping stations, and an advanced wastewater treatment facility designed to treat 7.7 million gallons per day of wastewater. The WWTF currently treats an average of 4.5mgd, removing conventional, toxic and nutrient pollutants to low levels in accordance with Rhode Island Pollutant Discharge Elimination System Permit No. RI0100234. Approximately 70% of the City has sewer service while the remainder is serviced by On-Site Wastewater Treatment systems.

The Warwick Sewer Authority was created in 1962 by Rhode Island Public Law 1962, Chapter 254, which authorized the City to plan, layout, construct, finance, operate and maintain sewage works for the City.

A. Litigation:

The following is an excerpt from the City's FY2022 Continuing Disclosure Report Dated 3/27/2023. *"The City, its officers and employees are defendants in several lawsuits. In the opinion of City officials, none of such litigation is likely to result either individually or in the aggregate in final judgments against the City which would materially affect its ability to meet its debt service obligations as they become due and payable."*

B. Climate Change Risk:

According to the NYU Furman Center's FloodzoneData.US project, which overlays U.S. Census Data with Federal Emergency Management Agency 100-year and 500-year floodplain maps, 6.6% of dwellings in the City of Warwick are located within the 100-year floodplain. This data was last updated November 2017.

WSA Climate Resiliency Plan was submitted to DEM in February, 2021. Based on the report, the WSA created a Capital Improvement Plan including plans for improvements to several pump stations, including Oakland Beach, Cedar Swamp, and Cove Ave. In May, 2018 work was completed on the WSA levee which will now protect the facility from flooding of the Pawtuxet River up to the 500 year flood elevation.

II. EMPLOYEE RETIREMENT PLANS AND OPEB

The City's plan summaries can be found in the Appendix B.

III. DEBT ANALYSIS

A. Outstanding Debt and Debt Service Schedule

The outstanding Sewer debt of the City from June 30, 2018 through June 30, 2022 was as follows:

		2018	2019	2020	2021	2022
General Obligation:	Date of Issue					
Sewer - RIIB Loan	6/26/1998	1,273,722	646,522	-	-	-
Sewer - RIIB Loan	8/25/1999	2,028,583	1,028,473	-	-	-
Sewer - RIIB Loan	12/19/2000	3,818,990	2,582,225	1,309,575	-	-
Sewer - RIIB Loan	4/25/2002	3,692,051	2,996,524	2,280,188	1,542,420	782,577
Sewer - RIIB Loan	10/24/2002	6,205,459	5,025,031	3,815,022	2,574,690	1,303,275
Sewer - RIIB Loan	11/13/2003	7,870,000	6,814,000	5,737,000	4,637,000	3,514,000
Sewer Refunding	5/26/2011	900,958	640,266	387,490	85,395	-
Sewer Refunding	8/12/2015	7,650,843	6,625,792	5,570,761	4,501,690	3,402,565
Total General Obligation		\$ 33,440,606	\$ 26,358,833	\$ 19,100,036	\$ 13,341,195	\$ 9,002,417
Revenue:						
Sewer - RIIB Loan	12/30/2004	\$ 8,873,000	\$ 7,838,000	\$ 6,783,000	\$ 5,707,000	\$ 4,610,000
Sewer - RIIB Loan	12/15/2005	2,250,000	2,000,000	1,750,000	1,500,000	1,250,000
Sewer - RIIB Loan	12/21/2006	4,750,000	4,275,000	3,800,000	3,325,000	2,850,000
Sewer - RIIB Loan	12/12/2007	3,819,000	3,472,000	3,125,000	2,778,000	2,461,000
Sewer - RIIB Loan	10/6/2009	704,063	645,943	587,822	529,702	471,582
Sewer - RIIB Loan	3/6/2014	6,148,000	5,858,000	5,564,000	5,264,000	4,957,000
Sewer - RIIB Loan	7/30/2015	9,654,900	9,186,900	8,712,900	8,230,900	7,739,900
Sewer - RIIB Loan	6/2/2016	7,644,000	7,284,000	6,920,000	6,551,000	6,176,000
Sewer - RIIB Loan	4/13/2017	3,730,000	3,569,000	3,406,000	3,241,000	3,073,000
Sewer conduit	4/30/2008	2,455,000	2,255,000	2,050,000	1,835,000	1,610,000
Sewer conduit	6/26/2012	1,294,000	1,051,000	800,000	542,000	275,000
Sewer conduit/admin	3/31/2015	3,192,000	3,036,000	2,877,000	2,716,000	2,552,000
Sewer - RIIB Loan	12/29/2021	-	-	-	-	11,000,000
Total Revenue		\$ 54,513,963	\$ 50,470,843	\$ 46,375,722	\$ 42,219,602	\$ 49,025,482
Outstanding Balance		\$ 87,954,569	\$ 76,829,676	\$ 65,475,758	\$ 55,560,797	\$ 58,027,899

B. Security for Borrowing/Financing Plan

The security for the loan is a revenue pledge from the City of Warwick Sewer Fund. Based on the revenue nature of this proposed RIIB loan, only these funds have the obligation to repay the Bank. The City's trust indenture with the Bank has covenants typical of a revenue pledge such as a debt service coverage test, a debt service reserve fund and an additional bonds test. The City is required to raise rates to meet debt service on any Bank sewer loans.

IV. SOURCES OF REVENUE

The Sewer Fund accounts for sewer use fees and the expenses associated with providing sewer services to City residents. The Sewer Assessment Fund accounts for special assessments related to the construction of the City's sewer system, which are currently payable over 20 years. However, if this proposed loan has a term of 30 years, the new assessments are expected to be payable over 30 years. Revenue from both the Sewer Fund are pledged under the City's Trust Indenture with the Bank.

A. Rate Structure

Below is a summary of WSA historic rates. The Authority conducted a full rate study in July 2021*. The 2021 rate study recommended (for the fiscal years 2022 through 2027) no changes to the current rate structure.

**Approved
FY2022 - FY2027**

<u>Retail Use Rate</u>	<u>Rates</u>	<u>Meter Size</u>	
Residential	\$ 47.80	Commercial per Unit	
Commercial	\$ 73.24	5/8	\$ 65.16
		3/4	89.43
Renewal & Replacement Rate		1	108.97
Residential & Commercial	\$ 6.00	1 1/2	195.77
		2	271.76
Customer Charge Per Quarter		3	371.45
Residential per Unit	\$ 31.72	4	560.77
		6	984.03
		8	1,715.66
		10	2,417.81

* B.E. Consulting Rate Study/Rates based on per \$/1,000 CF.

B. The following table compares the City's income levels to the State and national averages.

	<u>Median Household Income</u>	<u>Per Capita Income</u>
Warwick	\$ 77,110	\$ 41,476
Rhode Island	74,489	39,603
United States	69,021	37,638

2017-2021 American Community Survey

C. The following are the City's assessed valuations:

	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2021</u>
Assessed Valuations:					
Real Estate	\$ 8,322,264,850	\$ 9,791,577,300	\$ 9,815,111,786	\$ 9,857,578,716	\$ 9,908,623,898
Personal Property	544,128,554	558,028,331	583,869,964	572,025,589	592,655,770
Motor Vehicle*	771,695,891	758,002,820	751,998,947	759,596,694	-
Total Assessed Valuations	<u>\$ 9,638,089,295</u>	<u>\$ 11,107,608,451</u>	<u>\$ 11,150,980,697</u>	<u>\$ 11,189,200,999</u>	<u>\$ 10,501,279,668</u>
Less Exemptions	\$ 356,634,828	\$ 435,784,398	\$ 493,427,082	\$ 533,039,583	\$ 217,131,936
Net Taxable Real & Tangible Personal Property	<u>\$ 9,281,454,467</u>	<u>\$ 10,671,824,053</u>	<u>\$ 10,657,553,615</u>	<u>\$ 10,656,161,416</u>	<u>\$ 10,284,147,732</u>

*MV Tax Eliminated in FY2023

V. OPERATING PERFORMANCE – Sewer Fund Balance Sheet /Income Statement Trends

The City's Sewer Fund Balance Sheet and Statement of Revenue and Expenditures can be found in the Appendix A.

VI. HISTORIC AND PRO-FORMA DEBT RATIOS

Historic and pro-forma debt service ratios of the City's Sewer Fund for the fiscal years ended June 30, 2018 through 2022 was as follows:

<i>Sewer Debt</i>						
	2018	2019	2020	2021	2022	Proforma*
Total Operating Revenues [+]	21,174,495	21,416,077	25,182,751	17,267,103	19,981,595	19,981,595
Total Operating Expenses [-]	13,938,576	14,073,888	13,148,982	14,445,827	13,540,241	13,540,241
Depreciation and Amortization [+]	6,171,092	6,497,693	6,564,766	6,624,166	6,624,166	6,624,166
Available for Debt Service	13,407,011	13,839,882	18,598,535	9,445,442	13,065,520	13,065,520
Revenue Bond Debt Service	6,066,244	6,092,362	5,691,473	5,692,176	5,740,286	7,500,000
Coverage Revenue Bond Debt	2.21	2.27	3.27	1.66	2.28	1.74
Revenue Debt to Operating Revenue	2.57	2.36	1.84	2.45	2.45	3.47

*Assumes 2022 Revenue and Expenditures.

VII. CREDIT SUMMARY

Despite fluctuations in revenue during the past two years, the City's Sewer Fund has a history of stable operating performance. The City ended the past five fiscal years with increases to its net position. The City has a history of strong debt service coverage. Pro-forma coverage with this new proposed loan remains adequate at 1.74x. Debt service coverage was 2.28x as of June 30, 2022. The City's income levels are above both the State and National averages.

Offsetting these positive credit factors is WSA's sizable capital plan which includes approximately \$113 million of sewer projects during the next 10 years and slightly above average debt ratio. While not directly impacting the operations of the Sewer Fund, the City has large unfunded pension and OPEB obligations.

VIII. RECOMMENDATION

PFM recommends approval of the loan application subject to completion of all legal requirements by the City and the Authority and with the understanding that the Bank will review the request in connection with the Project Priority List and Bank capacity.

**Prepared by PFM Financial Advisors LLC
April 24, 2023**

Appendix A

Balance Sheet Sewer Fund					
Year Ended June 30,					
ASSETS	2018	2019	2020	2021	2022
Current Assets					
Cash and cash equivalents	\$ 17,634,461	\$ 31,200,128	\$ 27,154,916	\$ 14,327,074	\$ 17,065,172
Restricted cash	5,516,046	5,612,405	5,671,795	5,636,299	6,142,879
Water and sewer use fees	5,250,767	5,197,346	7,811,004	7,523,701	6,987,161
Sewer assessments	4,248,637	4,414,601	3,476,451	3,389,201	2,847,822
Due from federal & state government	11,936,334	7,313,202	3,803,806	3,387,519	12,862,474
Other receivables	-	-	6,455	6,455	52,095
Due from other funds	8,318,746	2,266,112	-	275,420	686,257
Total current assets	\$ 52,904,991	\$ 56,003,794	\$ 47,924,427	\$ 34,545,669	\$ 46,643,860
Non-Current Assets					
Sewer Assessments receivable	\$ 20,992,003	\$ 17,882,207	\$ 16,189,959	\$ 12,030,782	\$ 10,690,198
Construction in progress	2,962,797	7,760,136	2,714,846	2,917,616	-
Leases	-	-	-	-	159,382
Nondepreciable Assets	-	-	-	-	7,700,529
Depreciable capital assets, net	172,303,613	167,696,718	169,778,200	164,087,833	161,862,643
Total non-current assets	\$ 196,258,413	\$ 193,339,061	\$ 188,683,005	\$ 179,036,231	\$ 180,412,752
TOTAL ASSETS	\$ 249,163,404	\$ 249,342,855	\$ 236,607,432	\$ 213,581,900	\$ 227,056,612
Deferred outflows of resources					
Deferred charge on refunding	\$ 89,885	\$ 77,744	\$ 65,604	\$ 53,464	\$ 41,469
Pension and OPEB related outflows	642,246	682,371	939,014	900,360	2,997,631
	\$ 732,131	\$ 760,115	\$ 1,004,618	\$ 953,824	\$ 3,039,100
LIABILITIES					
Current Liabilities					
Accounts payable and accrued expenses	\$ 725,445	\$ 1,196,960	\$ 690,767	\$ 1,254,756	\$ 3,892,672
Accrued interest payable	761,444	660,920	569,685	496,042	459,515
Accrued compensated absences	-	-	18,444	62,812	73,785
Due to other funds	18,830,625	26,282,374	15,182,082	-	-
Other liabilities	-	-	-	182,541	182,541
Unearned revenue	-	-	-	-	-
Total OPEB Liability, Due Within One Year	-	-	256,804	278,125	232,182
Current portion of long-term debt	11,124,892	11,367,552	9,960,028	8,621,440	9,108,773
Total current liabilities	\$ 31,442,406	\$ 39,507,806	\$ 26,677,810	\$ 10,895,716	\$ 13,949,468
Non-current liabilities					
Accrued Compensated absences	\$ 195,772	\$ 202,224	\$ 173,328	\$ 147,613	\$ 171,192
Unearned revenue	107,565	107,565	107,565	80,926	72,047
Net OPEB obligation	6,997,368	7,193,053	6,885,894	8,171,202	6,294,330
Net pension liability	2,813,544	3,213,584	3,538,958	1,509,189	4,261,384
Bonds and loans Payable	77,119,982	65,706,761	55,938,360	47,316,919	49,209,143
Total non-current liabilities	\$ 87,234,231	\$ 76,423,187	\$ 66,644,105	\$ 57,225,849	\$ 60,008,096
TOTAL LIABILITIES	\$ 118,676,637	\$ 115,930,993	\$ 93,321,915	\$ 68,121,565	\$ 73,957,564
Deferred inflows of resources					
Deferred revenue inflows	\$ 20,992,003	\$ 17,882,207	\$ -	\$ -	\$ 238,355
Advanced collections	-	574,757	-	-	-
Pension and OPEB related inflows	412,415	271,065	217,900	1,839,043	1,683,723
	\$ 21,404,418	\$ 18,728,029	\$ 217,900	\$ 1,839,043	\$ 1,922,078
NET POSITION					
Net investment in capital assets	\$ 99,083,356	\$ 105,809,163	\$ 110,080,648	\$ 114,473,146	\$ 120,967,702
Restricted for debt service payments	5,516,046	5,612,405	5,671,795	5,636,299	6,142,879
Unrestricted	4,339,244	4,022,380	28,319,882	24,465,671	27,105,489
TOTAL NET POSITION	\$ 108,938,646	\$ 115,443,948	\$ 144,072,325	\$ 144,575,116	\$ 154,216,070

Prepared from audited financial statements

Statement of Revenues, Expenditures and Changes in Fund Balances

Sewer Fund

Year Ended June 30,

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Operating Revenues:					
User fees	\$ 15,710,104	\$ 15,932,442	\$ 17,241,362	\$ 16,869,274	\$ 17,851,313
Special Assessments and Abatements	4,818,055	4,677,346	7,329,604	(230,084)	988,175
Other revenues	574,625	662,890	282,835	350,780	916,758
Total Operating Revenues	<u>\$ 21,102,784</u>	<u>\$ 21,272,678</u>	<u>\$ 24,853,801</u>	<u>\$ 16,989,970</u>	<u>\$ 19,756,246</u>
Operating Expenses					
Contract services	\$ 298,074	\$ 227,949	\$ 174,554	\$ 174,083	\$ 184,775
Salaries and benefits	3,801,182	3,498,797	3,054,290	4,035,427	2,188,501
Materials and supplies	884,977	935,742	790,669	775,060	936,132
Depreciation and amortization	6,171,092	6,497,693	6,564,766	6,624,166	6,665,448
Operations	2,783,251	2,913,707	2,564,703	2,837,091	3,565,385
Total Operating Expenses	<u>\$ 13,938,576</u>	<u>\$ 14,073,888</u>	<u>\$ 13,148,982</u>	<u>\$ 14,445,827</u>	<u>\$ 13,540,241</u>
Operating Income (Loss)	<u>\$ 7,164,208</u>	<u>\$ 7,198,790</u>	<u>\$ 11,704,819</u>	<u>\$ 2,544,143</u>	<u>\$ 6,216,005</u>
Nonoperating Revenues (Expenses)					
Interest income	71,711	143,399	328,950	277,133	225,349
Interest expense	(2,209,745)	(1,960,859)	(1,596,352)	(1,409,485)	(1,264,098)
Capital contributions	8,880	-	-	-	-
Loan issuance costs	(2,500)	-	-	-	-
Loss on disposal of assets	-	(21,887)	(1,421)	-	-
Total nonoperating revenues (expenses)	<u>(2,131,654)</u>	<u>(1,839,347)</u>	<u>(1,268,823)</u>	<u>(1,132,352)</u>	<u>(1,038,749)</u>
Income (Loss) Before Contributions and Transfers	5,032,554	5,359,443	10,435,996	1,411,791	5,177,256
Transfers In	15,729,768	15,728,103	-	-	-
Transfers Out	(15,225,129)	(14,582,244)	-	(909,000)	4,463,698
	<u>504,639</u>	<u>1,145,859</u>	<u>-</u>	<u>(909,000)</u>	<u>4,463,698</u>
Change in Net Position	5,537,193	6,505,302	10,435,996	502,791	9,640,954
Net position at beginning of Year	103,401,453 *	108,938,646	133,636,329 *	144,072,325	144,575,116
Net Position at End of Year	<u>\$ 108,938,646</u>	<u>\$ 115,443,948</u>	<u>\$ 144,072,325</u>	<u>\$ 144,575,116</u>	<u>\$ 154,216,070</u>

*Restated

Prepared from audited financial statements

The City provides pension benefits to general municipal employees through participation in the Municipal Employee's Retirement System of the State of Rhode Island and locally administered plans to police, fire and school employees.

MERS - Municipal Employees

Municipal Employees Pension Plan

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Percent Contributed	Net Pension Liability	Funded Ratio
2022	\$ 7,814,937	\$ 7,814,937	100 %	\$ 58,228,611	71.5 %
2021	7,390,390	7,390,390	100	20,640,373	89.5
2020	7,458,317	7,458,317	100	54,585,741	71.3
2019	6,728,459	6,728,459	100	48,985,440	73.6
2018	6,194,245	6,194,245	100	42,799,968	75.8

Police I and Fire I Employees' Pension Plan

Police I and Fire I Pension Plan

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Percent Contributed	Net Pension Liability	Funded Ratio
2022	\$ 19,990,062	\$ 19,990,062	100 %	\$ 235,483,298	22.0 %
2021	19,455,048	19,455,048	100	217,088,286	27.5
2020	18,935,407	18,935,407	100	229,134,140	22.7
2019	18,427,881	18,427,881	100	226,282,447	24.0
2018	17,934,399	17,934,399	100	223,123,331	24.8

Police II Pension Plan

Police II Pension Plan

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Percent Contributed	Net Pension Liability	Funded Ratio
2022	\$ 5,003,559	\$ 5,003,559	100 %	\$ 80,102,932	73.4 %
2021	4,920,611	4,920,611	100	18,599,484	93.5
2020	4,610,514	4,610,514	100	56,744,410	78.6
2019	4,483,039	4,483,039	100	43,831,524	82.7
2018	4,179,364	4,179,364	100	37,118,594	84.7

Fire II Pension Plan

Fire II Pension Plan					
Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Percent Contributed	Net Pension Liability	Funded Ratio
2022	\$ 4,906,175	\$ 4,906,175	100 %	\$ 33,905,414	75.9 %
2021	4,584,284	4,584,284	100	4,974,512	96.0
2020	4,282,728	4,282,728	100	24,095,223	78.3
2019	3,646,246	3,646,246	100	15,696,281	84.0
2018	3,561,858	3,561,858	100	11,982,685	86.0

School Employees Pension Plan

School Employees Pension Plan					
Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Percent Contributed	Net Pension Liability	Funded Ratio
2022	na	\$ 406,900	na	\$ 16,238,567	78.0 %
2021	996,492	559,592	56.2	(823,193)	101.2
2020	1,130,306	50,050	4.43	8,243,241	87.4
2019	1,000,253	2,286,208	228.6	5,296,992	91.5
2018	1,109,882	1,152,310	103.8	4,018,819	93.0

School Teacher's Pension Plan

At June 30, 2022, the Warwick School Department reported a liability of \$101,879,992 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state.

Other Post-Employment Benefits

Other Post Employment Benefits (OPEB) - City, Police, Fire					
Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Percent Contributed	Total OPEB Liability	Funded Ratio
2022	\$ 35,959,018	\$ 13,398,953	37.0 %	\$ 397,162,560	0 %
2021	35,676,543	13,972,245	39.0	405,646,666	0
2020	34,563,861	12,908,231	37.3	383,266,713	0
2019	37,801,747	12,129,308	32.1	363,203,570	0
2018	34,574,848	11,482,709	33.2	352,383,048	0

Other Post Employment Benefits (OPEB) - School

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Percent Contributed	Total OPEB Liability	Funded Ratio
2022	\$ 3,574,118	\$ 638,092	18.0 %	\$ 26,301,210	0 %
2021	2,572,387	632,191	25.0	26,301,211	0
2020	2,659,252	765,203	28.8	26,301,212	0
2019	2,587,517	782,810	30.3	27,083,414	0
2018	5,638,795	812,604	14.4	53,446,538	0

Memorandum

To: Members of the Board of Directors

From: Jeffrey R. Diehl
Executive Director and CEO

Date: April 24, 2023

Re: Clean Water and Stormwater Infrastructure Fund – Tiverton Wastewater District

The Tiverton Wastewater District (“TWWD”) has requested a non-restoring line of credit of up to \$960,697.50 from the Bank’s Clean Water and Stormwater Infrastructure Fund, for the “Installation of sewer service connections to properties along the Riverside Drive corridor and elimination of existing cesspools and septic systems”.

This Bridge Loan will assist in the larger sewer Expansion project initiated by TWWD several years ago, to bring sewer service into the Robert Gray and Riverside Drive neighborhoods in Tiverton, RI.

Background

The Tiverton Wastewater District was incorporated by the Rhode Island General Assembly at its January session in 2014 and signed into law by the Governor of Rhode Island on July 3, 2014 (date of inception). TWWD has authority to provide wastewater collection and disposal service for all residential and commercial purposes within a designated area in Tiverton, Rhode Island (Town) that has a population of approximately 11,000 and currently services approximately 550 connections. TWWD processes all of its wastewater through a public utility treatment facility located in the City of Fall River, Massachusetts.

Overview

The Department of Environmental Management (“DEM”) awarded TWWD a grant in March 1, 2023, in the amount of \$960,697.50. As described in the executed grant agreement, the project would complete a larger Phase 1 Sewer Expansion project TWWD initiated several years ago, with USDA Rural Development Waste and Water Disposal loan and grant funding, to bring sewer service into the Robert Gray and Riverside Drive neighborhoods.

This request for a non-restoring line of credit from the Bank will provide the needed upfront capital to accelerate RIDEM approved projects. All invoices received by the Bank from TWDD for the approved project will be reviewed and approved by RIDEM before the Bank processes the disbursements. RIDEM will review all project elements upon completion before the reimbursement is made.

Structure

- Maturity:* Level debt service with a 1-year final maturity.
- Funding:* Clean Water and Stormwater Infrastructure Fund.
- Collateral:* Grant reimbursement from DEM.
- Closing:* Anticipated to close in Spring 2023.

Recommendation

I recommend that the Board of Directors approve the non-restoring line of credit from TWWD for up to \$960,697.50 for the project identified in the TWWD grant agreement, subject to the conditions below:

Conditions

- 1) Borrower must agree to comply with all State, and Bank laws, rules, and applicable regulations.
- 2) Executed grant agreements between TWWD and any other funder contributing to project implementation.
- 3) A loan agreement be executed by all parties to the transaction.
- 4) Loan(s) is(are) subject to availability of funds.

Memorandum

To: Members of Board of Directors

From: Jeffrey R. Diehl, RIIB Executive Director and CEO

Date: April 24, 2023

Re: 2023 Sewer Overflow & Stormwater Reuse (OSG) Grants - \$632,100

Rhode Island Infrastructure Bank (“the Bank”) is proposing to commit up to \$632,100 of Sewer Overflow & Stormwater Reuse (“OSG”) Grant funds to actionable, impactful projects identified by RIIB Stormwater Consultant Fuss & O’Neill. This includes increasing the \$598,576 in funds dedicated to RI OSG Grants, allocated to RIIB by EPA in 2022, by up to \$33,524 through funds available to the Bank.

In 2018, the Environmental Protection Agency (“EPA”) was authorized to administer the Sewer Overflow and Stormwater Reuse Municipal Grants Program (also known as “Overflow Sewer Grant” or “OSG”). This program supports sub-awards to municipal entities to complete combined sewer overflow (“CSO”), sanitary sewer overflow (“SSO”) and stormwater management projects.

The Bank applied to EPA to facilitate the allocation of RI’s OSG funding to sub-awardees statewide. The proposal the Bank submitted to EPA combined Bank Stormwater Consultant technical assistance resources for project identification and conceptual design with OSG grant funding for final design development and construction of these projects. The Bank was allocated \$605k by EPA for Rhode Island stormwater management grants (\$598,576 for grant awards, the remainder for administrative costs).

The Bank’s Stormwater Consultant, Fuss and O’Neill, utilized OSG criteria and additional criteria including but not limited to engagement of environmental justice (EJ) communities; expected direct water quality benefits; co-benefits (e.g. green infrastructure, community benefits); project cost and timeline feasibility; need for funding; benefit to rural and/or financially distressed communities; and community/project commitment to climate resilience to evaluate stormwater management projects statewide. Nearly 200 stormwater management projects were identified and ranked using this criteria, and top projects were selected to receive conceptual design services and cost estimates provided by Fuss and O’Neill.

Following this ranking, conceptual designs and cost estimates were prepared by Fuss & O’Neill for top projects. Per the Bank’s OSG Workplan with EPA, these selected projects (upon successful completion of conceptual design and cost estimates) were to be non-competitively awarded OSG grant funds by the Bank for final design and construction, pending approval by RIIB Executive Director and CEO as well as approval by RIIB Board members.

To recognize the strengths of the project selected for conceptual design, management recommends supplementing the \$598,576 allocated by EPA to OSG grant awards with \$33,524 to fully support \$632,100 in top ranking projects. All awarded funds would support design development and construction of these projects, and funding awards would be subject to an executed grant agreement and successful project completion.

Proposed Projects for OSG Grant Funding:

Municipality	Project Name	Recommended Grant Award
East Providence	<i>Agnes B Hennessey Elementary School Phase 1</i>	\$150,200
Pawtucket	<i>Slater Park North Parking Lot</i>	\$234,800
Little Compton	<i>Taylor's Lane</i>	\$247,100
	Total	\$632,100.00

Descriptions of Proposed Projects:

Agnes B Hennessey Elementary School Phase 1 – East Providence, RI

Recommended Grant Award: \$150,200

The Agnes Hennessey Elementary School is surrounded by impervious surface with no stormwater management or shading from street trees. The school has an asphalt playground and staff parking area, which drains to Mercer and 7th Streets. An additional play area at the northeast corner of the school was previously a parking lot and is not shaded. Existing stormwater flows from city streets, the school playground and parking lot, entering the City's storm drain system on 5th Street and at the intersection of Fort Street and Lyon Avenue. The City is currently refurbishing sidewalks around the school, many of which are wider than necessary. The school is located in a 2022 Environmental Justice planning area, and discharges to the impaired Providence River, which is currently undergoing development of a RIDOT Stormwater Control Plan. The proposed Phase 1 retrofits at this location would include installation of curb inlet planters along the playground and Mercer Street. Curb inlet planters along Mercer Street will provide needed stormwater treatment while also providing green space and tree canopy to an otherwise all asphalt play area. A curb inlet leading to a sediment forebay of grouted stone will improve ease of maintenance for City staff. Ornamental trees, shrubs, and grasses will provide shade and reduce the urban heat island effects.

Slater Park North Parking Lot – Pawtucket, RI

Recommended Grant Award: \$234,800

Stormwater regularly floods the picnic areas along Sally Road at Slater Park. Two parking lots serve the picnic areas, but are in poor condition. The parking lots, separated from Sally Road by 6-foot medians with five approximately 12- inch maple trees in each median, drain toward their respective centers, discharging to the impaired Ten Mile River. The drive aisle of the north parking lot is 30 feet wide, larger than needed. Runoff from Sally Road currently flows off the roadway to the picnic areas. The northern picnic area is mapped by RIDEM as a deciduous freshwater wetland but has an existing catch basin. The proposed concept for the North Parking Lot area includes installation of bioretention planters along the southern edge of the lot and across the street, connected by trench drains, and installation of a bituminous curb or earthen berm that will direct flow from Sally Road into the proposed practices.



Taylor's Lane – Little Compton, RI
Recommended Grant Award: \$247,100

Taylor's Lane runs generally downhill from West Main Road to a parking area and coastal access point on the Sakonnet River. Land use along the road is low density residential. Stormwater infrastructure consists of drainage ditches along both sides of the road, which travel through cross drains under driveways. Near 51 Taylor's Lane, a culvert conveys stormwater from the north drainage ditch to the south side of the road. Both ditches discharge overland to the Sakonnet River. The compacted gravel parking lot at the bottom of the hill has space for approximately six vehicles. The coastal access is used for recreational access to Narragansett Bay, such as kayaking. The proposed concept for this location includes retrofitting the drainage swales on either side of the road to bioretention swales with check dams as necessary; installing a bioretention basin between the parking area and the coastal resource; and installing a pervious paver system in the parking area and removing pavement to pull back parking from the coastal feature as much as possible.