

MASSACHUSETTS CLEAN WATER TRUST

ASSET MANAGEMENT PLANNING GRANT AND LOAN
QUESTIONNAIRE

PURPOSE

This questionnaire relates to an Asset Management Project to be partially funded with a Grant and partially financed with a Loan from the Massachusetts Clean Water Trust (the "Trust"). It is intended to provide the Trust with information necessary to disburse grant proceeds and to finance loan proceeds.

Please enter a response for each question.

If a particular question is not applicable, please respond "N/A".

If a particular question requests information that is unavailable, please include an explanation of *why* the information is unavailable.

If you have any questions regarding this form please contact your bond counsel or the Trust at 617-367-9333, Attention: Sue Perez, Executive Director (Extension 816).

GENERAL INFORMATION

A. Borrower (Name of City, Town, District, etc.): City of New Bedford

B. Employer Identification Number: 04-6001402

C. Loan and Project Identification:

<u>Commitment No.</u>	<u>DEP Project No.</u>	<u>Aggregate Loan Obligation</u>
<u>CW-19-17</u>	<u>CWSRF 4542</u>	<u>\$ 260,000</u>

D. Wire Transfer Instructions for Loan Disbursements:

Bank:	Citizens Bank, NA
Account No.	1104139461
ABA No.	011500120

CONTACT INFORMATION

A. *Chief Financial Officer*

Name: Ari Sky
Title: Chief Financial Officer
Address: 133 William Street, New Bedford, MA 02740

E-mail Address: ari.sky@newbedford-ma.gov
Telephone: (508) 979-1441

B. *Treasurer*

Name: R. Renee Fernandes
Address: 133 William Street, New Bedford, MA 02740

E-mail Address: Renee.Fernandes@newbedford-ma.gov
Telephone: (508) 979-1425

C. *Department of Public Works Contact Person*

Name: Molly Gilfeather
Title: Finance & Operations Manager
Address: 1105 Shawmut Ave., New Bedford, MA 02746

E-mail Address: molly.gilfeather@newbedford-ma.gov
Telephone: (508)979-1550 x67316

D. Bond Counsel:

Firm Name: Locke Lord LLP
 Attention: Brenda M. McDonough
 Address: 111 Huntington Avenue
 Boston, MA 02199

E-mail Address: Brenda.McDonough@lockelord.com
 Telephone: (617)239-0684

E. Financial Advisor:

Firm Name: First Southwest a division of Hilltop Securities
 Attention: Cinder McNerney
 Address: 54 Canal Street
 Suite 320
 Boston, MA 02114

E-mail Address: cinder.mcnerney@hilltopsecurities.com
 Telephone: (617) 619-4408

FINANCIAL REVIEW

- A. Current Credit Rating(s) (**Attach** most recent rating report for each rating received):
1. S&P: AA-/Stable
 2. Fitch: _____
 3. Moody's: A1/Stable
 4. Other (specify): _____
- B. Source(s) of Loan repayment (*check all that apply*)
1. Utility Rate Increase
 2. Tax Increase
 3. Betterments
 4. Other (Describe): Current rates
- C. Cash flow sufficiency. **Attach** a cash flow statement showing that the source(s) listed above will provide sufficient funds to make each estimated semiannual debt service payment on the Loan.

THE PROJECT (*your Department of Public Works may be helpful with this information*)

A. Brief description of the Project:

The Asset Management Program is aimed at developing an integrated plan for prioritized inspection, renewal, and/or replacement of critical components in the city's collection system using a risk based approach. It will include water distribution and stormwater data collection and planning, as well as update the City's existing water system hydraulic model and upgrade GIS data.

B. Estimated Total Cost of the Project (*include all eligible and ineligible costs of the Project, regardless of source of financing, and any contingency included in the Project budget*): \$ 410,000

C. Sources of Funding of Estimated Total Project Cost:

Trust Funding:

This Grant:\$ 150,000

This Loan:\$ 260,000

Prior Loans:

Loan No. \$ _____

Loan No. \$ _____

Future Loans:

Approved by DEP \$ _____

Pending DEP Approval \$ _____

Other Long-Term Debt of the Borrower:

Prior Bond Issues \$ _____

Future Bond Issues:

Authorized \$ _____

To be Authorized \$ _____

BANs to be Retired from Revenues \$ _____

Other Grants:

Federal \$ _____

State \$ _____

Cash Contribution: \$ _____

In-Kind Services: \$ _____

Appropriation from (specify) \$ _____

Estimated investment earnings⁽¹⁾ \$ _____

Other (specify): \$ _____

Estimated Total Cost of the Project⁽²⁾:\$ 410,000

(1) Excluding investment earnings on this Loan.

(2) Amount should equal Estimated Total Cost of the Project listed at D(2) above.

D. Design and construction schedule

1. Has design/engineering of the Project commenced?
 - i. Yes; or
 - ii. No, design/engineering is expected to commence on ___/___/___
2. Has construction of the Project commenced?
 - i. Yes; or
 - ii. No, construction is expected to commence on ___/___/___
3. The Project is expected to be completed/placed-in-service on 12 / 31 / 2019

E. Payment Schedule (Loan Eligible Costs Only)

1. Final payment of Project Costs from the Loan is expected to be made on 1 / 30 / 2020
 - i. **Attach** a schedule showing the expected amounts of Project Costs to be paid with this Loan monthly, from the date of this questionnaire until all proceeds of this Loan are spent.
2. Payments to date:
 - i. No Project Costs have yet been paid ; or
 - ii. Project Costs were first paid on ___/___/___ and Project Costs to date have been paid from (*check all that apply*):
 1. BAN proceeds
 2. Revenue cash
 3. Bond proceeds
 4. Other (specify) _____
3. This Loan was authorized on 11 / 23 / 2016 (**Attach** a copy of the borrowing authorization).
4. Were any Project Costs paid *before* the borrowing authorization?
 - i. No; or
 - ii. Yes.

If Yes, describe the amount, timing, and purpose of such payments.

<u>Date(s)</u>	<u>Amount(s)</u>	<u>Purpose(s)</u>
___/___/___	_____	_____
___/___/___	_____	_____

F. **Capitalization of Costs.** Will any Loan proceeds be used to pay (or reimburse the payment of) non-capitalized costs (e.g., supplies, ordinary repairs and maintenance, salaries, utilities, or other operating costs, including interest on debt)?

1. No; or
2. Yes. (If Yes, answer the following two questions):

i. Describe the nature and amount of the non-capitalized costs and the relationship of such costs to capitalized costs of the Project.

ii. Will any non-capitalized costs be incurred *after* the Project is placed in service?

1. Yes; or
2. No.

G. **Private Use.** Will any portion of the Project be owned, leased, managed/operated, or otherwise used (other than as a member of the general public*) by a person or entity other than a state or local governmental unit?

1. No; or
2. Yes. (If Yes, answer questions i through v below):

i. Identify the user: _____

ii. Check the line(s) below which best describe the use:

- Owned (**attach** documents allowing Borrower's use)
- Leased (**attach** lease)
- Managed/operated (**attach** the applicable contract)
- Other (**attach** related documents/agreements)

iii. Check the line(s) below which best describe the user:

- Federal governmental unit
- Private, for profit entity
- 501(c)(3) nonprofit organization
- Other (describe) _____

* The use of a project in the same manner as other members of the general public is not a "private use" for purposes of this question. For example, the provision of sewer service to a private company is not a private use, even if the charges reflect a volume discount, *so long as* the same service is available to other members of the public on the same basis. On the other hand, take or pay contracts or other output contracts with private businesses should be noted.

iv. Will the nongovernmental user pay for use of the Project?

1. No; or
2. Yes. (If Yes, describe such payments, including amounts and period over which payments are to be made).

v. List the Total area or volume of the Project (in square feet or by volume)

vi. List the managed/operated by, leased to, owned by, or otherwise used by the users listed above (if the entire Project is to be managed/operated, leased, owned or otherwise used by the user, simply enter "All" under the appropriate column)

	Area (or volume) used by non-governmental entity	% of total area (or volume) of Project to be used by non-governmental entity(s)
Managed/operated by:		0.00%
Leased to:		0.00%
Owned by:		0.00%
Other use by:		0.00%
Total Percentage		0.00%

REFINANCING OF DEBT

A. **BANs.** Will any proceeds of the Loan be applied to the payment of outstanding BANs (or other temporary debt)?

1. No ; or
2. Yes (*provide the following information separately for each issue of BANs to be repaid in whole or in part from the proceeds of the Loan*):
 - i. Total BAN principal outstanding: \$ _____
 - ii. Amount of BAN used for Project (*dollar amount or "All"*) \$ _____
 - iii. BAN issue date (if BAN refunded another borrowing, list 'new money' issue date): ___/___/_____
 - iv. BAN maturity date: ___/___/_____
 - v. Is BAN prepayable prior to maturity?
 1. No; or
 2. Yes, BAN is prepayable on or after ___/___/_____
 - vi. Estimate total investment earnings on BAN proceeds: \$ _____
 - vii. Such investment earnings were (will be) used to pay:
 1. Debt Service
 2. Project Costs
 3. Other (specify) _____

B. **Bonds.** Will any proceeds of the Loan be applied to the payment of outstanding bonds (or other long-term debt)?

1. No ; or
2. Yes (**attach** a copy of the closing transcript for the bonds, **and** provide the following information separately for each bond issue to be repaid in whole or in part from proceeds of this Loan):
 - i. Unspent proceeds
 1. All proceeds have been spent; or
 2. \$ _____ of unspent bond proceeds remain; they are expected to be spent on or before ___/___/_____
 - ii. Investment earnings
 1. There were (will be) no investment earnings; or
 2. Investment earnings were (will be) used for:

- a. Debt Service
- b. Project Costs
- c. Other (specify) _____

LITIGATION

A. Is any action, suit, proceeding, inquiry or investigation before or by any court, public board or other body presently pending or, to your knowledge, threatened, against or affecting the Borrower seeking to restrain or enjoin the execution and delivery by the Borrower of a Loan Agreement for the Loan or the issuance and delivery of the Borrower's Local Governmental Obligations to evidence and secure the Loan or challenging any proceeding of the Borrower with respect to the Loan or the Project, or contesting or affecting the validity or enforceability of the Loan Commitment, the Loan or any such proceedings?

- 1. No ; or
- 2. Yes*

B. Is any litigation or other proceeding pending or, to your knowledge, threatened against or affecting the Borrower which, if determined adversely to the Borrower, would likely result, either individually or in the aggregate, in final judgments which would materially adversely affect the ability of the Borrower to repay the Loan?

- 1. No ; or
- 2. Yes*

* If you answered Yes to *either* of the questions in this LITIGATION section, **attach** a detailed description of the litigation, inquiry, investigation, claim or other proceeding, **and** list contact information for your counsel for this purpose in the fields below:

Firm:
 Attorney:
 Address:
 Telephone:

LOAN STRUCTURING

A. Please check the preferred loan term:

- 1. 5 Years
- 2. Other: ___ years*

*The maximum loan term for any Asset Management Planning Program Loan is 5 years.

B. Please check the preferred loan amortization:

1. Level principal
2. Level debt service

OTHER INFORMATION. If you have any other relevant information to provide or an additional structuring or other request to make, please include it below.

By signing below, I certify that, to the best of my knowledge and belief, all information set forth in this Loan Questionnaire is correct and complete as of the date below.

Date: 09/26/2019

By: *R. Renee Fernandes*
Authorized Officer Name: *R. Renee Fernandes*
Title: *Treasurer*