

**THE COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF PUBLIC UTILITIES**

**D.P.U. 18-60**

**MILFORD WATER COMPANY VALUATION**

**DIRECT TESTIMONY OF JAMES J. RIVARD**

**SUBMITTED ON BEHALF OF  
THE TOWN OF MILFORD**

**JANUARY 25, 2019**

1     **I.       INTRODUCTION AND BACKGROUND**

2     **Q:       Please state your name and business address**

3     A:       James J. Rivard, 40 Shattuck Road, #110, Andover, MA 01810.

4     **Q:       By whom are you employed and in what capacity?**

5     A:       I am a Senior Principal at Woodard & Curran, Inc. Woodard & Curran, Inc. is an  
6               environmental engineering firm founded in 1979 and has been providing  
7               professional engineering services to water utilities since its inception. In addition  
8               to providing water and wastewater engineering services, Woodard & Curran has  
9               operated more than 60 water and wastewater treatment facilities. The firm now  
10              has 1000 employees in 29 offices across the country with over 100 engineering  
11              and operation professions with municipal water system experience. Woodard &  
12              Curran is ranked among Engineering News-Record's top 100 environmental firms  
13              since 2000. The following are some of the communities in Massachusetts where  
14              we provide water system professional engineering services: Acushnet, Andover,  
15              Billerica, Dracut Water Supply District, Haverhill, Lawrence Lowell, Mansfield,  
16              Maynard, Plainville, Winthrop and Worcester.

17    **Q:       Please describe your background, experience, and expertise.**

18    A:       I hold a BSCE from Lowell Technological Institute and have been a Registered  
19               Professional Engineer in Massachusetts for 38 years with over 30 years of  
20               engineering experience on public water systems. For five years, I was leader of  
21               the Water System Maintenance Engineering Department at the Massachusetts

1 Water Resource Authority (“MWRA”). For the past 10 years, I have led  
2 Woodard & Curran’s Drinking Water Service line. As the head of our Water  
3 Service line, I work with clients to find and develop new water supply and  
4 evaluate, price, design, and build new treatment and distribution capacity to  
5 improve systems operations. I have a long career history of evaluating, designing,  
6 and operating efficient treatment facilities and distribution systems that are  
7 appropriate for each client’s needs. My professional resume is attached as Exhibit  
8 TOWN-JR-2.

9 **Q: Are you a member of any professional associations?**

10 A: Yes. I am member of the American Society of Civil Engineers, the Boston  
11 Society of Civil Engineers, the American Water Works Association, the New  
12 England Water Works Association, and the Massachusetts Water Works  
13 Associations.

14 **Q: Do you hold any licenses or board certifications?**

15 A: Yes. I am a registered Professional Engineer in Massachusetts. I have held that  
16 licenses since 1981.

17 **Q: Have you presented at any industry conferences?**

18 A: Yes. I have presented several times at the New England Water Works  
19 Association Conferences. My presentation topics have included: Water Meter  
20 Replacement Programs, New Membrane Water Treatment Plant, Walpole, MA  
21 and the Mass Utility Contactors Association - MWRA Water Main Replacement  
22 Program.

1    **Q:    Have you previously provided testimony before the Department of Public**  
2           **Utilities (“Department”)?**

3    A:    No.

4    **Q:    On whose behalf are you testifying?**

5    A:    I am providing testimony on behalf of the Town of Milford.

6    **Q:    What is the purpose of your testimony in this proceeding?**

7    A:    The purpose of my testimony is to present the analysis in my Report which  
8           provides a condition assessment and reproduction cost new (“RCN”) analysis of  
9           the water system assets (‘Report’) which is attached as Exhibit TOWN-JR-3. The  
10          conclusions in my report serve as inputs for the analysis sponsored by Richard  
11          Fedder in Exhibit TOWN-RF-3. My testimony is limited to my Report. I am not  
12          providing an opinion as to the appropriate valuation method to apply to the assets  
13          of the Milford Water Company to determine the compensation to be paid or to the  
14          final valuation to be determined by the Department.

15   **Q:    Was your Report prepared by you or under your direction and control?**

16   A:    Yes. All analyses in my Report were conducted by me or under my direction and  
17          control.

18   **Q:    How is remainder of your testimony organized?**

19   A:    Section II of my testimony discusses the conclusions of Woodard & Curran’s  
20          condition assessment of the vertical assets of the Milford Water Company.  
21          Section III of my testimony discusses my conclusions regarding the RCN of the  
22          Milford Water Company’s water system assets. The Report provides analysis

1 supporting these conclusions.

2 **Q: Are you sponsoring exhibits with your testimony?**

3 A: Yes. I am sponsoring the following exhibits with this testimony:

Exhibit TOWN-JR-1	Testimony of James J. Rivard
Exhibit TOWN-JR-2	Curriculum Vitae of James J. Rivard
Exhibit TOWN-JR-3	Report of James. J. Rivard

4 **II. CONDITION ASSESSMENT**

5 **Q: Did your Firm conduct a visual inspection of the Milford Water Company**  
6 **system?**

7 A: Yes. On November 20, 2018, Woodard & Curran engineer, Ron Hidu, and water  
8 system operators, Joe Geary, each with over 28 years of water system experience  
9 lead our professional team that conducted a site inspection of the Milford Water  
10 Company's vertical assets. The purpose of the visual inspections was to  
11 determine the general condition of the vertical assets: pump stations, treatment  
12 facilities, and storage tanks.

13 **Q: Do you conduct these types of these inspections regularly?**

14 A: Yes. These types of visual inspections are conducted regularly by our engineers  
15 for various reasons, including, assessing a client's assets for replacement or  
16 financing purposes.

17 **Q: What was your role in that visual inspection?**

18 A: The inspections were conducted under my supervision and control. I discussed the  
19 project with Woodard & Curran engineers before the site visit and debriefed with  
20 them immediately following their visit regarding their observations.

1    **Q:    Did you review other materials or data in preparing the condition assessment**  
2           **section of your report?**

3    A:    Yes. I, along with my team, reviewed documentation provided by Milford Water  
4           Company in discovery regarding the vertical assets.

5    **Q:    Please summarize your condition assessment of the Milford Water Company**  
6           **assets?**

7    A:    Overall, the condition of the existing MWC water supply, storage, and treatment  
8           plants appear to be in-line with expectations. Two facilities, the Dilla Street  
9           Water Treatment Plant and Congress Street Tank, were rated as better than  
10          expected given the age of the asset. The Dilla Street Water Treatment Plant was  
11          constructed in 2013 and is relatively new. The Congress Street Tank, while  
12          originally constructed in 1927, has had recent improvements and only requires  
13          recoating and general maintenance. One facility, the Godfrey Brook Water  
14          Treatment Plant, was rated as worse than expected. The treatment plant was off-  
15          line during our inspection, and it appears plans to design and construct  
16          improvements have been delayed. A reproduction cost for one facility, the Cedar  
17          Swamp Wells, could not be determined. The facility is off-line and cannot be  
18          permitted for use due to the lack of ownership/control of the surrounding  
19          watershed. A condition assessment and RCN for the Echo Lake Reservoir Dam  
20          was beyond the scope of this report.

21

1     **III.     REPLACEMENT COST NEW ANALYSIS**

2     **Q:     Please summarize your conclusions for the RCN of the Milford Water**  
3     **Company assets.**

4     A:     Below is a summary of my conclusions regarding the RCN of the Milford Water  
5     Company assets.

RCN	
Horizontal Assets	
Distribution Pipes	\$105,945,539
Transmission Pipes	\$4,516,654
Valves	\$3,174,349
Meters	\$3,240,031
Hydrants	\$2,655,850
Subtotal - Horizontal	\$119,532,423
Vertical Assets	
Treatment Plants	\$30,750,000
Pumping Facilities	\$3,075,000
Tanks/Standpipes	\$5,340,000
Subtotal - Vertical	\$39,165,000
Total	\$158,697,423

6  
7     **IV.     CONCLUSION**

8     **Q:     Does this conclude your testimony?**

9     A:     Yes. The analyses and conclusions in my Report were developed based on of  
10     information obtained in discovery from the Milford Water Company and other  
11     information developed to date. I reserve the right to supplement this testimony  
12     and the Report based on any additional information and analysis that comes into  
13     the record in this proceeding.