

**EXECUTIVE COMMITTEE OF THE
MASSACHUSETTS CLEAN WATER TRUST**

Meeting Minutes

Meeting Date: Thursday, January 2, 2020
Time: 12:30 PM
Location: Massachusetts Clean Water Trust
1 Center Plaza, Suite 430
Boston, Massachusetts 02108
Notice: Due public notice given
Attendees Sue Perez, Executive Director, Trust
Maya Jonas-Silver, Director of Finance & Administration, Trust
Maria Pinaud, Director of Program Development, Trust
Also Present Nate Keenan, Deputy Director, Trust
Jonathan Maple, Policy Analyst, Trust
Michael Celona, Drinking Water Specialist, MassDEP
Sally Peacock, Controller, MassDEP
Kathleen Baskin, Assistant Commissioner, MassDEP
Absent

SUMMARY OF DISCUSSIONS

1. **Minutes.** The Committee approved minutes from the October 24, 2019, October 31, 2019, November 15, 2019 and the November 26, 2019 meetings of the Executive Committee.
2. **School Water Improvement Grant Update.** Mr. Maple provided an update to the Committee on the SWIG program and the results of a previously held working group meeting. The committee reviewed a roll out calendar and confirmed that the tentative program announcement date would be Monday, January 13. The program will be on the agenda for the Board to vote at the meeting on Wednesday, January 8th. The Committee discussed each designee inviting the ex-officio board members.

Mr. Maple explained the roll out process and how the award process will be handled based on the timeline. Ms. Perez asked, why not make all funding available? Mr. Maple noted that the purpose of the first-round cap is to make sure all program parameters and processes are working efficiently and are sufficient to meet the program need. The Committee agreed to proceed with the pilot round.

The Committee discussed the merits of announcing a specific review period timeframe currently listed as 90 days. There was concern that 90 days may be too long and that a second round could be pushing into the summer – when school officials’ attention and public interest would be low. Mr. Celona added that the new third round of MassDEP lead testing assistance program should be providing results to newly tested schools within a roughly 90-day window from the close of the application period. The Committee agreed that the program will reexamine the length of the policy review period and program parameters at the end of the pilot round.

Finally, the Committee discussed the process of complying with the legislative language in Chapter 142 of the Acts of 2019 that requires the Trust consult with the advisory committee for the lead poisoning prevention program established under section 190 of chapter 111 of the General Laws. The Committee agreed that the Trust will provide a program summary to the agency at the Department of Public Health's Bureau of Environmental Health that works with the advisory committee once Trust management receives approval from outside counsel.

3. **2019 Capacity Questions.** Ms. Perez presented the Committee with a listing of 2019 IUP Capacity information for both Clean and Drinking Water Intended Use Plans (IUP), in response to questions received by the Trust from MassDEP regarding the addition of new PACs. She noted the extremely high rate of projects drops on the Clean Water side and suggested having Mr. Maple review the projects and possibly use a survey or take a deeper dive on what may be causing this high drop rate.

Ms. Perez noted that one of the Clean Water projects by the Town of Orleans was split between the 2019 and 2020 IUPs. With the percentage of project drops the Trust has no issue with recommending to the Board that the full project be funded through the 2019 IUP.

Ms. Perez also brought to the Committee's attention the cost of the newly implemented fixed tier loan forgiveness. It was noted that the costs for the 2019 Drinking Water were coming in significantly higher than Project Approval Certificates (PACs). Ms. Perez noted that the 2019 Drinking Water IUP is possibly overcommitted loan forgiveness by \$2 million. The Committee discussed the possibility of inserting language that loan forgiveness will be based on the initial PAC amount. The Committee agreed to updating the language in the 2020 IUP to protect loan forgiveness from fluctuating with extremely large swings in cost.

4. **PFAS Subsidy – Capacity Discussion.** Ms. Perez presented the Trust's analysis for the \$10.65 million authorized in the Governor's FY 2019 closeout supplemental budget for PFAS remediation, and the \$9.05 million authorized increased project capacity. Ms. Perez presented the financial and project capacity alternatives for different methods of subsidy pilot programs related to PFAS remediation. The alternatives analyzed were project loans with 0% interest and projects receiving loan forgiveness. Ms. Perez noted that the total project capacity of PFAS projects for 2020 could range between \$53.25 million and \$71 million dependent on the subsidy method. Additionally, to reach these numbers, assumes a certain percentage of dropped projects with those funds being transferred to the PFAS emergency projects.

The committee discussed the scope of a pilot project and what mechanism would be used to support these emergency projects. Utilizing an emergency framework for 2020 will provide the program with flexibility to address projects as needed. Ms. Baskins noted that once new PFAS regulations are announced, there will likely be an increased in demand for PFAS projects. Additionally, the Committee committed to no retroactive reimbursement of subsidy.

Ms. Jonas-Silver asked that the Trust provide a proposal related to the pilot program with the assumption that there would be no additional extra funding. The Committee will wait for a revised proposal from the Trust. Additionally, members will review the proposed pilot program and discuss further at the next meeting.

LIST OF DOCUMENTS AND EXHIBITS USED:

1. 2019 IUP Clean Water and Drinking Water SRF Capacity Sheets
2. SWIG Program Roll Out Calendar - Detailed

The meeting adjourned at 1:31 p.m.

Minutes Approved: _____