

**Minutes**  
**Executive Committee Meeting**  
**Massachusetts Clean Water Trust**

**DATE:** August 24, 2016

**START TIME:** 1:40

**PLACE:** State House Room 372

**NOTICE:** Due public notice given

**MEMBERS OF THE EXECUTIVE COMMITTEE –**

**PRESENT:** Sue Perez, Executive Director of the Trust  
Rachel Madden, Director of Finance & Administration of the Trust  
Steve McCurdy, Director of Program Development of the Trust

**ALSO PRESENT:** Bernard Greene, Senior Legal Counsel of the Trust  
Nate Keenan, Deputy Director of the Trust  
Jane Peirce, Department of Environmental Protection  
Ben Stone, Director of Capital Planning and Long Term  
Obligations, E/O Administration and Finance

**SUMMARY OF DISCUSSIONS (INCLUDING DECISIONS MADE/ACTIONS  
TAKEN/ VOTES):**

1. Contract Assistance. Ms. Perez reported on meetings with bond counsel to revise the contract assistance agreement to cover both debt service and additional subsidization. She expects to receive back documents soon, which she will present to the Committee and later to the Board. The Board is expected to give the executive director authorization to sign the contract assistance documents.
2. Alternative Wastewater Treatments. Mr. Keenan reported that the Trust has asked program counsel to develop a framework for financing alternative wastewater treatment facilities. They will look at both tax and bond issues and decide whether legislation is needed to accommodate these projects. In addition, the Trust will have to develop a policy on what types of systems it wants to finance and how it wants to review proposed projects.
3. Budget. Ms. Perez presented the Trust's draft budget for fiscal year 2017, including DEP operating expenses. It will be presented at the September Board meeting for approval.
4. Intended Use Plan. Mr. McCurdy presented a list of projects for the 2017 IUP. The projects are not ranked, but the form used to list the projects will be used in making the rankings. He noted that MWRA only asked for financing for one project. Mr. Keenan noted that Milford Water Company has a request in for financing of service line connections. They will have to comply with the terms of the Trust's policy on loans to private entities.

5. Cost and Effectiveness Self Certification. Mr. McCurdy presented a template prepared by DEP for the cost and effectiveness certification that is required by new Section 602(b) (13) of the Clean Water Act. Under that new provision, borrowers will have to certify that they have studied and evaluated the cost and effectiveness of the components of SRF financed projects.
6. Worcester Sewer. Ms. Madden reported on information she received from A&F's capital projects person, Ben Stone, on the Worcester sewer extension project. She asked Mr. Stone to speak to the Committee. Mr. Stone stated that it would be possible for the Department of Transportation to make a grant of its funds directly to DEP and for DEP and the Trust to have one interdepartmental service agreement for the project. Mr. Stone will be working out the details of this arrangement, including any issues with MMARS, and expects to have a draft memorandum shortly. Worcester would like to bid-out this project during the winter and begin construction in the spring.
7. Defeasance/Refunding. Ms. Perez reported that the Trust is working with its financial advisor to identify opportunities to cash defease some bonds and refund others. Ms. Perez will outline this strategy once finalized.

**LIST OF DOCUMENTS AND EXHIBITS USED:**

1. Trust Budget Proposal
2. 2017 Clean Water Construction Projects (Project Rating Form)
3. Cost and Effectiveness Self-Certification form

The meeting adjourned at 2:25 p.m.

**Approved:** October 12, 2016