

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

DATE: October 18, 2017

START TIME: 1:45 p.m.

PLACE: State House Room 327

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
Jonathan Maple, Program Associate, the Trust

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

1. Charlton. Mr. Keenan reported that the Town of Charlton received a settlement payment from Exxon/Mobil related to that company's pollution of the town's water supply. The Town wants to use those funds to prepay its outstanding Drinking Water Loans. Although this is not something the Trust does on a regular basis as loans are pledged to its bonds, the Trust feels this is a prudent use of the one-time settlement funds. Mr. Keenan circulated a spreadsheet that showed a present value calculation of the Town's debt service payments through 2030 compared to the outstanding balance of the Charlton loans in Series 8, 15, and 16. The Committee agreed to the payoff of the Charlton loan in this manner. Board approval will be sought at the November Board meeting.
2. Best Management Practices. Mr. McCurdy began a discussion of how borrowers can demonstrate compliance with the best management practices provisions of §55 of Chapter 259, Acts of 2014. He noted that the legislation states that borrowers must demonstrate adoption of best management practices in order to be considered for additional subsidies. Program counsel will be asked to provide guidance as to the meaning of the legislation and whether we should require borrowers' certification that best management practices were adopted and the timing of such certification.
3. New Trust Projects. Mr. Keenan reported that new Trust staff member Jonathan Maple will be assisting Trust, DEP, and A&F staff in researching how best to implement Commissioner Suuberg's proposal, made at the June 2017 Board meeting, to provide funding for (1) the replacement of lead service lines, (2) planning grants to supplement current grant programs run by DEP, and (3) storm

water permitting assistance. The Trust will schedule meetings with relevant staff to identify those projects on which the Trust can focus.

4. DEP Staffing. The Committee discussed the impact of staff retirements at DEP on the operations of the State Revolving Fund programs. There was consideration of whether there are steps that the Trust can take to make sure there are no gaps in the program.
5. DW Grant Set-Asides. Mr. McCurdy asked whether the Trust should consider reducing the amount of the 2% set-aside moneys taken from the drinking water grant for small systems technical assistance and funding those projects with administration fund moneys. The grant funds could then go to the program to increase lending capacity.

The meeting adjourned at 2:30 p.m.

Approved: December 13, 2017