

**MEETING OF THE MASSACHUSETTS
CLEAN WATER TRUST
BOARD OF TRUSTEES**

November 6, 2019
1:30 PM

1 Center Plaza, Suite 430
Boston, Massachusetts

Minutes

Attendees: Nicola Favorito, Executive Director of the Massachusetts State Retirement Board,
Office of the State Treasurer, Designee
Maria Pinaud, Director of Municipal Services of MassDEP, Designee

Also Present: Susan Perez, Executive Director, MCWT
Nate Keenan, Deputy Director, MCWT
My Tran, Treasurer, MCWT
Sunkarie Konteh, Accountant, MCWT
Pam Booker, Accountant, MCWT
William Kalivas, Treasury Specialist, MCWT
Jonathan Maple, Policy Analyst, MCWT
Nicole Munchbach, Program Coordinator, MCWT
Joshua Derouen, Program Associate, MCWT
Rachel Stanton, Communications Specialist and Graphic Designer, MCWT
Emily Kowtoniuk, Deputy Legislative Director, Office of the State Treasurer

CALL TO ORDER: The meeting was called to order by Mr. Favorito at 1:30 p.m.

Item #1

MOTION- VOTE

Acceptance and Approval of October 2, 2019 Minutes

The motion was made by Ms. Pinaud and seconded by Mr. Favorito and voted unanimously in favor of tabling.

REPORT OF THE EXECUTIVE COMMITTEE

Ms. Perez reported that the Governor's Fiscal Year 2019 Supplemental Budget has not been passed by the Legislature. Due to the delay, the Executive Committee is waiting to finalize the school drinking water bottle filling station program, since renamed School Water Improvement Grants (SWIG), and the Polyfluoroalkyl Substances (PFAS) financing program. There are sufficient funds for the SWIG program to proceed without the Supplemental Budget being passed but the Commissioner of MassDEP had previously wanted to get legislative approval before moving forward.

Ms. Pinaud said that it is best to coordinate the roll out of the SWIG program and the Water Infrastructure Improvements for the Nation Act (WIIN) grant program since both involve addressing lead in drinking water in schools and should be announced at the same time to incentivize participation.

Ms. Kowtoniuk said that an announcement on the final Supplemental Budget is expected to be made the week of November 10th.

The Trust will continue to monitor the legislation and will report to Board if anything changes.

Ms. Perez said that the Trust's Series 22 bond deal closed on October 24th and the final par amount was \$192 million. The sale had strong retail participation from inside and outside the state, with 148 individual retail orders being placed. The interest rate for this deal was approximately 100 basis points lower than the Series 21 bond deal that closed in 2018.

Ms. Pinaud said that 2020 Intended Use Plan (IUP) projects have been ranked. There was a large number of proposals submitted during the solicitation period for Drinking Water and Clean Water projects, and for the second round of the Asset Management Planning grants. The next step is for MassDEP and the Trust to review program capacity to decide how many projects can be offered financing on the 2020 list.

Item #3

MOTION – VOTE REQUESTED

The motion was made by Mr. Favorito and seconded by Ms. Pinaud.

Ms. Perez explained how the Trust is allowed to transfer up to 33.3% of that year's Clean Water federal grant to the Drinking Water Program each year. The transfer has been done for the past five years.

The motion was voted unanimously in favor of acceptance and approval of the following:

Authorization of a Permanent Funds Transfer from Clean Water to Drinking Water Equity in the amount of \$8,425,890

1. That, pursuant to and as further implementation of the Funds Transfer Program approved by the Board on January 8, 2014, the Board hereby re-affirms and approves the Executive Director's authority to make such transfers between the Clean Water SRF and the Drinking Water SRF as she determines to be necessary, including a permanent transfer of \$8,425,890 from the Clean Water SRF to the Drinking Water SRF.
2. That the Executive Director is further authorized to take all necessary steps to effectuate such transfer, including executing and delivering all letters, certificates, and other instruments and documents necessary or desirable in connection therewith and obtaining any necessary opinions of counsel.

Item #4

MOTION- VOTE

The motion was made by Mr. Favorito and seconded by Ms. Pinaud and voted unanimously in favor of acceptance and approval of the following:

Approval of the Asset Management Program Grant Commitments

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>
CW-19-25	Brockton	\$150,000
CW-19-20	East Longmeadow	\$84,000
CW-19-24	Gloucester	\$150,000

Item #5

MOTION- VOTE

The motion was made by Mr. Favorito and seconded by Ms. Pinaud and voted unanimously in favor of acceptance and approval of the following:

Approval of the Clean Water Loan Commitments

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Interest Rate</u>
CW-19-09	Billerica	\$9,004,760	2%
CW-19-06	Lawrence	\$4,970,000	2%
CW-19-26	Leominster	\$11,294,000	2%
CW-18-37	Marion	\$7,663,309 ¹	2%

¹ First Revision: Previous PAC amount was \$2,500,000.

Item #6

MOTION- VOTE

The motion was made by Mr. Favorito and seconded by Ms. Pinaud and voted unanimously in favor of acceptance and approval of the following:

Approval of the Drinking Water Loan Commitment

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Interest Rate</u>
DW-19-04	Billerica	\$10,025,400	2%

Item #7

MOTION- VOTE

The motion was made by Mr. Favorito and seconded by Ms. Pinaud and voted unanimously in favor of acceptance and approval of the following:

Approval of the Asset Management Program Grants and Grant Agreements

<u>PRA No.</u>	<u>Borrower</u>	<u>Amount</u>
CWA-19-25	Brockton	\$150,000
CWA-19-24	Gloucester	\$150,000
CWA-19-08	Ipswich	\$150,000
CWA-19-19	Medford	\$141,445

Item #8

MOTION- VOTE

The motion was made by Mr. Favorito and seconded by Ms. Pinaud and voted unanimously in favor of acceptance and approval of the following:

Approval of the Clean Water Loans/Local Government Obligations and Financing Agreements

<u>PRA No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Interest Rate</u>
CWP-19-07	Bourne	\$4,660,410	2%
CWP-18-36	Fall River	\$4,117,500 ²	2%
CWP-19-26	Leominster	\$11,294,000	0% ³
CW-18-37	Marion	\$7,663,309	2%
CWP-19-05	Winthrop	\$7,786,451	2%

Item #9

MOTION- VOTE

The motion was made by Mr. Favorito and seconded by Ms. Pinaud and voted unanimously in favor of acceptance and approval of the following:

Approval of the Drinking Water Loan/Local Government Obligation and Financing Agreement

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Interest Rate</u>
DW-19-05	Dunstable	\$2,640,000 ⁴	2%

OTHER BUSINESS: None

ADJOURN: The motion was made by Mr. Favorito and seconded by Ms. Pinaud and voted unanimously in favor of adjourning the meeting at 1:40 p.m.

² First Revision: Previous PRA amount was \$3,087,068

³ Leominster CWP-19-26 qualifies for a 0% interest rate loan due to the project increasing nutrient removal.

⁴ First Revision: Previous PRA amount was \$1,133,800.

LIST OF DOCUMENTS AND EXHIBITS USED:

1. Agenda
2. Minutes, October 2, 2019
3. Project Descriptions