

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

January 6, 2016

1:30 PM

Conference Room
3 Center Plaza, Suite 430
Boston, Massachusetts

Minutes

Attendees: James A. MacDonald, First Deputy Treasurer
Steven McCurdy, Director of Municipal Services, MassDEP

Also Present: Sue Perez, Executive Director, MCWT
My Tran, Treasurer, MCWT
Bernard Greene, Senior Legal Counsel, MCWT
William Kalivas, Treasury Specialist, MCWT
Pam Booker, Accountant, MCWT
Heather Saxelby O'Donnell, Program Specialist, MCWT

CALL TO ORDER: The meeting was called to order by Mr. MacDonald at 1:28 PM.

Item #1

MOTION- VOTE

The motion was made by Steven McCurdy, seconded by James MacDonald and voted unanimously in favor of acceptance and approval of the minutes of the meeting held on December 2, 2015.

Item #2

REPORT OF THE EXECUTIVE COMMITTEE

Ms. Perez reported on the following:

1. Board members have copies of the Comprehensive Annual Report (CAFR) for Fiscal Year 2015 in their packets. The CAFR was completed by the due date of December 31, 2016.
2. The Single Audit should be completed by February.
3. The Trust held rating agency telephone calls for Series 19 on January 5, 2016. The telephone calls went well. There have not been many changes since the Series 18 ratings were done. The agencies did ask about contract assistance and the local aid intercept in order to refresh their understanding. The Trust has requested that the ratings be completed by January 15, which should be feasible. Series 19 is a competitively bid issue that will be priced on January 26, when the winning bid is awarded, and will close on February 11, 2016.

Mr. McCurdy reported on the following:

1. There has been discussion about a public event to announce the final 2015 Intended Use Plan. The Trust, MassDEP and the Treasurer would be invited to the event. However, no date has been set.
2. The 2016 Intended Use Plan does not have any further changes at this point. Letters will be sent to legislators for certain projects in which they are interested.
3. Updated Regulations are pending. They are currently at the Executive Office of Energy and Environmental Affairs.

Ms. Perez also reported:

1. As a result of the 2012 Refunding, 50% of the payments from the Trinity GICs will be deposited in a contract assistance trust account. While the Clean Water Trust hopes not to see a change in the contract assistance line item in the Commonwealth's budget, there may be a decrease in the line item at some point. By moving funds that are not immediately needed into the contract assistance trust account, the Clean Water Trust will be better able to preserve and manage the funds for their intended purposes. An explanation of the restriction of these trust funds to contract assistance purposes should be included in the regulations. In the future, any excess contract assistance will be rolled over into the contract assistance trust account. Last year there was \$1 million unused funds remaining that is now in the contract assistance trust account.
2. The Trust is hoping to combine the Annual Meeting with the annual Audit Committee Meeting, either in February or March.
3. The Trust has received a letter from the Town of Falmouth regarding their wind turbine project. The town wants to better understand what the next steps will be for the project.

Mr. McCurdy noted:

1. Joe Delaney has reviewed all paper files relating to the Town of Falmouth's project to ascertain what has been sent to the town to date. He currently is

reviewing electronic files in order to identify if anything has been sent electronically as relates to the wind turbine project.

2. The Best Management Practices that are listed on the agenda has been completed, as required by the amendments to the Clean Water Act. The Massachusetts Department of Revenue assisted in the process. A public comment period was held as part of the development of the Best Management Practices and the final documents reflect that. Once the Best Management Practices are approved, they will be posted on the Trust's website.

Item #3

MOTION- VOTE

The motion was made by Steven McCurdy, seconded by James MacDonald and **voted unanimously in favor** of acceptance of the following:

Approval of the Best Management Practices

1. That the following Best Management Practices drafted in accordance with Section 55 of Chapter 259 of the Acts of 2014, distributed to the Board, are hereby approved:
 - i. Full Cost Pricing
 - ii. Leak Mitigation
 - iii. Asset Management
 - iv. Inter-municipal Agreements
 - v. Enterprise Fund

Item #4

MOTION- VOTE

The motion was made by Steven McCurdy, seconded by James MacDonald and **voted unanimously in favor** of acceptance of the following:

Clean Water Loan Commitments

<u>Project/PAC No.</u>	<u>Borrower</u>	<u>Loan/LGO Amount</u>	<u>Equivalent Interest Rate</u>
CW-15-15	Greater Lawrence Sanitary District	\$24,704,400	2%

Item #5

MOTION- VOTE

The motion was made by Steven McCurdy, seconded by James MacDonald and **voted unanimously in favor** of acceptance of the following:

Clean Water Loan Commitments

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Equivalent Interest Rate</u>
CW-15-17	Boston Water & Sewer Commission	\$16,991,000	2%
CW-15-22	Brockton	\$1,840,000	2%
CW-15-23	Chicopee	\$12,250,000	2%

CW-15-21	Gardner	\$14,000,000	2%
CW-15-24	Great Barrington	\$4,900,000	2%
CW-15-16	Greater Lawrence Sanitary District	\$7,999,455	2%
CW-15-27	Massachusetts Water Resources Authority	\$26,200,000	2%
CW-15-28	Massachusetts Water Resources Authority	\$1,700,000	2%
CW-15-30	Massachusetts Water Resources Authority	\$1,000,000	2%
CW-15-31	Massachusetts Water Resources Authority	\$1,000,000	2%
CW-15-32	Massachusetts Water Resources Authority	\$1,000,000	2%
CW-15-25	MFN Regional Wastewater District	\$40,410,000	2%
CW-15-26	Nantucket	\$8,800,000	2%
CW-15-18	Revere	\$1,700,000	2%
CW-15-19	Revere	\$800,000	2%
CW-15-20	Revere	\$2,900,000	2%
CW-15-29	Revere	\$13,450,000	2%

Item #6

MOTION- VOTE

The motion was made by Steven McCurdy, seconded by James MacDonald and voted **unanimously in favor** of acceptance of the following:

Drinking Water Loan Commitments

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Equivalent Interest Rate</u>
DW-15-06	Brockton	\$3,810,000	2%
DW-15-07	Chicopee	\$10,495,000	2%
DW-15-10	Fall River	\$3,533,000	2%
DW-15-11	Fall River	\$569,700	2%
DW-15-05	Hillcrest Water District	\$548,000	2%
DW-15-04	Massachusetts Water Resources Authority	\$1,000,000	2%
DW-15-12	Massachusetts Water Resources Authority	\$4,900,000	2%
DW-15-13	Massachusetts Water Resources Authority	\$4,900,000	2%
DW-15-14	Massachusetts Water Resources Authority	\$1,000,000	2%
DW-15-15	Massachusetts Water	\$1,000,000	2%

	Resources Authority		
DW-15-09	Plainville	\$1,017,000	2%
DW-15-08	Stockbridge	\$1,800,000	2%

Item #7

MOTION- VOTE

The motion was made by Steven McCurdy, seconded by James MacDonald and **voted unanimously in favor** of acceptance of the following:

Clean Water Loans/Local Government Obligations and Financing Agreements

<u>Project/PAC No.</u>	<u>Borrower</u>	<u>Loan/LGO Amount</u>	<u>Equivalent Interest Rate</u>
CW-15-14	Grafton	\$14,613,300	2%
CW-15-14-A	Grafton	\$22,555,800	0%
CW-13-16-A¹	Revere	\$1,161,117	2%
CW-15-19	Revere	\$800,000	2%
CWP-15-02	Worcester	\$2,670,821	2%

OTHER BUSINESS: None.

ADJOURN: Seeing no other business, at 1:42 PM the motion to adjourn was made by Steven McCurdy, seconded by James MacDonald and voted unanimously in favor.

¹This loan was listed on the agenda as CWP-13-16-A. However, it should not have had a "P". The correct agreement number is CW-13-16-A.