

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

February 2, 2022  
1:30 PM

Location: Remote\*

**Minutes**

**Attendees:** James MacDonald, First Deputy Treasurer, Office of the State Treasurer, Designee  
Martin Suuberg, Commissioner of MassDEP  
Timur Yontar, Assistant Budget Director for Capital, Executive Office for  
Administration & Finance, Designee

**Also Present:** Susan Perez, Executive Director, MCWT  
My Tran, Treasurer, MCWT  
Sally Peacock, Controller, MCWT  
William Kalivas, Treasury Specialist, MCWT  
Sunkarie Konteh, Accountant, MCWT  
Nicole Munchbach, Accountant, MCWT  
Rachel Stanton, Investor Relations and Communications Graphic Designer,  
MCWT  
Joshua Derouen, Senior Program Associate, MCWT  
Maria Pinaud, Director of Municipal Services, MassDEP  
Paul Locke, Assistant Commissioner, MassDEP  
Kathleen Baskin, Assistant Commissioner of Bureau of Water Resources,  
MassDEP  
Andrew Napolitano, Deputy Communications Director, Office of the State  
Treasurer  
Emily Kowtoniuk, Director of Policy and Legislative Affairs, Office of the State  
Treasurer

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

Item #1

**MOTION- VOTE**

**Acceptance and Approval of January 5, 2022 Minutes**

The motion was made by Mr. Yontar and seconded by Commissioner Suuberg and voted unanimously in favor of acceptance and approval of the minutes of the meeting of the Board held on January 5, 2022.

## **REPORT OF THE EXECUTIVE COMMITTEE**

Ms. Perez gave a presentation on how the Trust plans to commit funds from the American Rescue Plan Act (ARPA) and the Bipartisan Infrastructure Law (BIL).

### **Planned Uses for ARPA Funds**

There is approximately \$87.1 million in unearmarked funds from ARPA that the Trust is looking to commit to projects as additional subsidy. There are 32 Clean Water State Revolving Fund (CWSRF) projects from 2021 already moving forward for which these funds can be committed. There are also 20 Drinking Water State Revolving Fund (DWSRF) projects moving forward.

There are DWSRF projects for focus areas such as PFAS remediations and small systems for which funds can be committed. Subsidy for PFAS remediation projects will be in addition to the zero-percent interest rate that is already being offered.

Combined sewer overflow (CSO) remediation is the main CWSRF project focus are but only one of these projects from 2021 is moving forward. Funds can carry over so that they can be committed to 2022 CSO remediation projects.

There are projects in communities all across the state that are to receive these funds, several of which are “Disadvantaged Communities.”

### **Planned Uses for BIL Funds**

Ms. Perez said that funds from the BIL will be in the form of grants issued to the Trust in 2022 through 2026 in addition to the annual CWSRF and DWSRF capitalization grants that it receives from the EPA.

Funds from the CWSRF and DWSRF supplemental grants are available to go towards all eligible projects. Exactly 49% of the grant amounts is to go towards loan forgiveness subsidies. However, the entire CWSRF and DWSRF emerging contaminant grant amounts must go towards loan forgiveness.

The DWSRF Lead Service Line Replacement Grant requires exactly 49% of the amount to go towards loan forgiveness. A new program and separate solicitation will be developed to help put these funds to use.

The Trust has all the required state-match funds it needs for these additional grant funds through its capital authorization for 2022 and 2023. More state-match funds will be requested for the subsequent years.

**MOTION- VOTE**

The motion was made by Mr. Yontar and seconded by Commissioner Suuberg.

Ms. Perez said that a request for responses (RFR) was issued to develop a new list of prequalified firms to perform legal services as general counsel, bond counsel, or underwriters' counsel. The procurement management team (PMT) for reviewing the responses consisted of Ms. Perez, Mr. Keenan, Mr. Derouen, and Mr. Durgin.

Six firms responded to the RFR. All firms could submit responses for all three types of counsel. Three firms submitted responses for general counsel, three firms submitted responses for bond counsel, and five firms submitted responses for underwriters' counsel.

These firms submitted cost proposals that the PMT reviewed. The PMT then requested best and final offers from the firms that resulted in overall lower costs.

All firms met the necessary requirements to perform these respective services for the Trust, thus the PMT is recommending that the Board prequalify all the respondent firms for the respective categories of services.

Having multiple firms prequalified to perform these services will be beneficial especially as the Trust is working on new developments such as using ARPA and BIL funds.

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

***Establishment of a Prequalified List of Firms for Legal Services***

1. That the recommendation of the Procurement Management Team, established pursuant to the Trust's Request for Responses for Pre-Qualification for Legal Services, dated November 29, 2021 (the "PreQual-RFR"), distributed to the Board, to prequalify firms for legal services, is hereby approved.
2. That the Board hereby delegates to the Executive Director all necessary power and authority to negotiate and to take any such further action as necessary to finalize the prequalification of the selected firms for three years with an option of a one-year extension, and to execute and deliver such contracts or agreements supplementing the Contract Documents of the PreQual-RFR, and to take all such further steps and actions necessary to finalize the prequalified list of firms.
3. That the Board hereby further delegates to the Executive Director all necessary power and authority to engage prequalified firms, as needed, as outside counsel on an ad-hoc basis for the services listed below:
  - a. Outside General Counsel
  - b. Bond Counsel
  - c. Underwriters' Counsel

**MOTION- VOTE**

The motion was made by Mr. Yontar and seconded by Commissioner Suuberg.

Ms. Perez said that with the approval of this vote, the Trust can submit the letter it has addressed to the Executive Office for Administration and Finance, Senate Ways and Means Committee, House Ways and Means Committee, and Joint Committee on Environment, Natural Resources and Agriculture.

The presentation given earlier during the Executive Committee report summarizes the content of the letter regarding the percentages of funds from ARPA and BIL that the Trust looks to commit.

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

***Use of ARPA Funds to Provide Additional Subsidies in the Form of Principal Forgiveness***

1. That the Board approves the submission of a report, in substantially the form presented at this meeting (the "Report"), to the Executive Office for Administration and Finance, the Joint Committee on Environment, Natural Resources and Agriculture and the House and Senate Committees on Ways and Means, as required by Chapter 102 of the Acts of 2021 ("Chapter 102"), on proposed allocations and spending plans for programs to be funded with American Rescue Plan Act ("ARPA") funds appropriated by Chapter 102, including program criteria and guidelines for the distribution of such funds.
2. That the Board approves the use of ARPA funds appropriated under Chapter 102 to provide additional subsidies in the form of principal forgiveness for certain Drinking Water projects based on the eligible costs presented in the Report, including: for per- and poly-fluoroalkyl substances (PFAS) remediation projects, 20% principal forgiveness; for small systems, 15% principal forgiveness; and for other Drinking Water projects, 10% principal forgiveness.
3. That the Board approves the use of ARPA funds appropriated under Chapter 102 to provide additional subsidies in the form of principal forgiveness for certain Clean Water projects based on the eligible costs presented in the Report, including: for combined sewer overflow (CSO) projects, 15% principal forgiveness; and for other Clean Water projects, 7.5% principal forgiveness.
4. That the Executive Director and such other officers of the Trust as the Executive Director may delegate are hereby authorized to execute and deliver such certifications, reports and notices and perform all such further steps and actions as necessary or convenient under Chapter 102, MGL c.29C and otherwise with respect to the ARPA funds appropriated under Chapter 102 and to provide the additional subsidies referenced in this vote.

Item #5

**MOTION- VOTE**

The motion was made by Mr. Yontar and seconded by Commissioner Suuberg and voted unanimously in favor of acceptance and approval of the following:

***Approval of Drinking Water Commitments***

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Interest Rate</u>
DW-22-01	North Attleborough	\$4,541,545	0% <sup>1</sup>
DW-21-06	Westfield	\$15,548,617 <sup>2</sup>	2%

Item #6

**MOTION- VOTE**

The motion was made by Mr. Yontar and seconded by Commissioner Suuberg and voted unanimously in favor of acceptance and approval of the following:

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

<u>PRA No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Interest Rate</u>
CW-21-28	Weymouth	\$591,000	1.5% <sup>3</sup>

Item #7

**MOTION- VOTE**

The motion was made by Mr. Yontar and seconded by Commissioner Suuberg and voted unanimously in favor of acceptance and approval of the following:

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

<u>PRA No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Interest Rate</u>
DWP-22-01	North Attleborough	\$4,541,545	0% <sup>4</sup>
DWP-21-06	Westfield	\$15,548,617	0% <sup>5</sup>

**OTHER BUSINESS:** Commissioner Suuberg said that the draft 2022 Intended Use Plans will be published soon. The review process is close to completion.

**ADJOURN:** The motion was made by Mr. Yontar and seconded by Commissioner Suuberg and voted unanimously in favor of adjourning the meeting at 1:43 p.m.

**LIST OF DOCUMENTS AND EXHIBITS USED:**

1. Minutes, January 5, 2022
2. Executive Director's Report on ARPA and BIL
3. Prequalification for Legal Services Request for Responses Memo
4. Prequalification for Legal Services Request for Responses
5. Massachusetts Clean Water Trust Report for Ch. 102 of the Acts of 2021
6. Project Descriptions

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<sup>1</sup> PFAS Remediation Loan

<sup>2</sup> First Revision. Original PAC amount was \$14,827,450.

<sup>3</sup> Housing Choice Loan

<sup>4</sup> PFAS Remediation Loan

<sup>5</sup> PFAS Remediation Loan

**\*Location: Remote:** Pursuant to Chapter 20 of the Acts of 2021: Notice is hereby given in accordance with M.G.L.c.30A, § 20, that the Wednesday, February 2, 2022 meeting of the Massachusetts Clean Water Trust's Board of Trustees will be held through remote participation.

Those interested in attending the online meeting can do so by visiting <https://zoom.us/j/93515986199?pwd=Qm9TWElPR3VMTUlkeUxVZlBaalA0dz09>. The Meeting ID is 935 1598 6199 and the password is 143459.

Alternatively, if you wish to participate just by telephone, call (646)558-8656 and then enter the attendee Access Code 935-1598-6199 followed by the pound (#) sign.

To ensure that the audio is clear to all attendees, unless you are actively participating in the meeting, please mute your audio. If you have technical difficulties joining the meeting, please email Joshua Derouen at [jderouen@tre.state.ma.us](mailto:jderouen@tre.state.ma.us)

**Please Note:** There will be no physical meeting at the offices of the Massachusetts Clean Water Trust.