

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

February 7, 2018
1:30 PM

3 Center Plaza, Suite 430
Boston, Massachusetts

MINUTES

Attendees: Nicola Favorito, Executive Director Retirement Board, Designee
Martin Suuberg, Commissioner of MassDEP

Also Present: Steve McCurdy, Director of Municipal Services of MassDEP
Susan Perez, Executive Director, MCWT
Nate Keenan, Deputy Director, MCWT
Bernard Greene, Senior Legal Counsel, MCWT
My Tran, Treasurer, MCWT
William Kalivas, Treasury Specialist, MCWT
Pamela Booker, Accountant, MCWT
Sunkarie Konteh, Accountant, MCWT
Joshua Derouen, Program Associate, MCWT
Dan Truong, Assistant Communications Director, Office of the State Treasurer

CALL TO ORDER: The meeting was called to order by Mr. Favorito at 1:37 p.m.

Item #1

MOTION- VOTE
Minutes Deferred

The Motion was made by Mr. Favorito and Seconded by Commissioner Suuberg and voted unanimously in favor of deferring the approval of the minutes from the meeting of the Board held on January 3, 2018.

Item #2

REPORT OF THE EXECUTIVE COMMITTEE

Mr. Keenan reviewed the Massachusetts Clean Water Trust's Calendar Year 2017 Investment Report. The Trust's investment approach was described as fiscally conservative with \$1.5 billion in total assets. These assets are invested in guaranteed investment contracts (GICs), Treasury and agency securities, and cash equivalents. Mr. Keenan went on to say that the Trust has experienced decreasing investments in GICs and Treasury and agency securities due to the scheduled deallocation of debt service reserve funds as bonds mature. This increases the amount of funds that revolved back to the equity fund. Cash equivalents, which includes program equity funds, are invested in the MMDT cash portfolio and the Commonwealth's Short Term Bond Fund, which was described as a way for the Trust to expand upon its investment opportunities. Ms. Perez added that the Commonwealth's Short Term Bond Fund allows the Trust to invest in instruments it would not be able to invest in on its own.

Mr. Keenan mentioned that there were 13 responses from engineering firms to a Request for Responses (RFR) for consulting engineering services. The responses to the RFR will be used to produce a list of prequalified engineering firms that municipalities can use to assist them to develop asset management plans. Mr. Keenan stated that the Trust's recommendation of the prequalified engineering firms is scheduled to be ready for the next Board of Trustees meeting.

Item #3

MOTION- VOTE

Test Water Samples for Lead and Copper in Head Start and Special Education Programs

The motion was made by Commissioner Suuberg and Seconded by Mr. Favorito and voted unanimously in favor of using available funds, previously reserved in the Administrative Expense Fund for the restricted use by the Massachusetts Department of Environmental Protection for testing of public school water samples, to test drinking water for lead and copper in Head Start programs and in special education programs that are approved by the Massachusetts Department of Elementary and Secondary Education.

Item #4

MOTION – VOTE

Engagement of Bond Counsel

The motion was made by Commissioner Suuberg and Seconded by Mr. Favorito and voted unanimously in favor of the following:

1. That the recommendation of the Procurement Management Team, established pursuant to the Trust's *Request for Responses to Serve as Bond Counsel*, dated January 8, 2018 (the "BC-RFR"), distributed to the Board and recommending Hinckley Allen, is hereby approved.
2. That the Board hereby delegates to the Executive Director all necessary power and authority to negotiate and reach agreement with the selected bond counsel and to execute and deliver such contracts or agreements supplementing the Contract Documents of the BC-RFR, and to take all such further steps and actions necessary to finalize the engagement of said bond counsel.

Item #5

MOTION- VOTE

Clean Water Loan Commitments

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

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Equivalent Interest Rate</u>
CW-18-01	Hanson	\$500,000	2%
CW-18-02	Norton	\$500,000	2%

Item #6

MOTION- VOTE

Clean Water Loans/ Local Government Obligations and Financing Agreements

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

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Equivalent Interest Rate</u>
CWT-18-01	Hanson	\$500,000	2%
CWT-18-02	Norton	\$500,000	2%
CWP-15-29-A	Revere	\$754,103	2%
CWP-16-18	Revere	\$4,463,311	2%

Item #7

MOTION- VOTE

Drinking Water Loans/ Local Government Obligations and Financing Agreements

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

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Equivalent Interest Rate</u>
DWP-17-08	Fall River	\$1,301,610	2%

OTHER BUSINESS: None

ADJOURN: The motion was made by Commissioner Suuberg and Seconded by Mr. Favorito and voted unanimously in favor of adjourning the meeting at 1:57 p.m.

LIST OF DOCUMENTS AND EXHIBITS USED:

1. Agenda
2. Minutes, January 3, 2018
3. Massachusetts Clean Water Trust's Calendar Year 2017 Investment Report
4. Memorandum of Bond Counsel Recommendations
5. Request for Responses to serve as Bond Counsel
6. Project Descriptions