

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

May 8, 2019

1:30 PM

1 Center Plaza, Suite 430  
Boston, Massachusetts

**Minutes**

**Attendees:** State Treasurer Deborah Goldberg  
Martin Suuberg, Commissioner of MassDEP  
Maya Jonas-Silver, Director of Capital Planning and Long-Term Obligations,  
Executive Office of Administration and Finance, Designee

**Also Present:** James MacDonald, First Deputy Treasurer, Office of the State Treasurer  
Susan Perez, Executive Director, MCWT  
Nate Keenan, Deputy Director, MCWT  
My Tran, Treasurer, MCWT  
Sally Peacock, Controller, MCWT  
Jonathan Maple, Policy Analyst, MCWT  
Joshua Derouen, Program Associate, MCWT  
Steve McCurdy, Acting Chief Financial Officer, MassDEP  
Maria Pinaud, Director of Municipal Services, MassDEP  
Emily Kowtoniuk, Deputy Legislative Director, Office of the State Treasurer  
Karen Guida, Internal Auditor, Office of the State Treasurer

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

Item #1

**MOTION- VOTE**

**Acceptance and Approval of April 11, 2019 Minutes**

The motion was made by Ms. Jonas-Silver 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 April 11, 2019.

Item #2

**REPORT OF THE EXECUTIVE COMMITTEE**

Ms. Perez announced that the Commonwealth of Massachusetts' Fiscal Year 2020 budget, as currently drafted does not include the line item language changes needed for the Trust to move forward on the school assistance program to provide grants for bottle filling stations.

Commissioner Suuberg, informed that Board that the release of new school drinking water guidance was scheduled for the third week of May. The new guidance is based on EPA's new 3T's recommendations for lead in school drinking water. The updated 3Ts programs suggests reducing lead contaminants in school drinking water to "the lowest extent possible" (i.e. there is no safe level of lead) as opposed to the previous standard of 15 parts per billion. He also noted that MassDEP will receive funds from Water Infrastructure Improvements for the Nation Act (WIIN) grant program for school water testing, and that the MassDEP Drinking Water Program will continue to provide technical assistance for schools and education facilities.

Ms. Perez said that during the next Board meeting, she will request authorization to execute a cash defeasance of a series of bonds and informed the Board that the termination of the Portigon Guaranteed Investment Contract (GIC) is expected to close within the next two weeks and will free up an estimated \$24 million.

Ms. Perez concluded by mentioning how there was a meeting the morning of May 8, 2019 with the Dam and Seawall Repair or Removal Program, which is managed by the Executive Office for Energy and Environmental Affairs, requesting that the Trust service the 18 loans the program has issued. The Dam and Seawall program lacks the administrative infrastructure to efficiently perform this function. The Trust will continue the discussion with the Dam and Seawalls group and will report back to the Executive Committee and bring any final recommendations to the Board for approval.

Item #3

**MOTION- VOTE**

The motion was made by Ms. Jonas-Silver and seconded by Commissioner Suuberg and voted unanimously in favor of acceptance and approval of the following:

**Recess for Audit Committee Meeting**

That the Board meeting temporarily recess to allow for the attendance by the Trustees at the meeting of the Audit Committee for the purpose of receiving a report from the Trust's Audit Procurement Management Team.

**The Board recessed at 1:32 p.m. for a meeting of the Audit Committee**

**Upon reconvening at 1:35 p.m. following the meeting of the Audit Committee, the Board took up the following matters:**

Item #4

**MOTION- VOTE**

The motion was made by Ms. Jonas-Silver and seconded by Commissioner Suuberg and voted unanimously in favor of acceptance and approval of the following:

**Engagement of Annual Audit Services**

1. That the Board adopt and approve the recommendation of the Audit Committee as to the selection of the Trust's auditor pursuant to the Trust's Request for Responses: Annual Audit Services (For Fiscal Years ending June 30, 2019, 2020 and 2021) dated January 22, 2019 (the "RFR"), distributed to the Board.
2. That the Board delegate to the Executive Director all necessary power and authority to negotiate and to take any such further action as necessary to finalize, execute and deliver a contract or contracts as necessary or desirable to finalize the engagement of such auditor in accordance with the RFR.

Item #5

**MOTION- VOTE**

The motion was made by Ms. Jonas-Silver and seconded by Commissioner Suuberg and voted unanimously in favor of acceptance and approval of the following:

***Clean Water Loan Commitments***

<b><u>PAC No.</u></b>	<b><u>Borrower</u></b>	<b><u>Amount</u></b>	<b><u>Equivalent Interest Rate</u></b>
<b>CW-17-14</b>	<b>Haverhill</b>	<b>\$7,408,631<sup>1</sup></b>	<b>2%</b>
<b>CW-19-04</b>	<b>Holyoke</b>	<b>\$8,906,000</b>	<b>2%</b>
<b>CW-17-10</b>	<b>New Bedford</b>	<b>\$4,646,600<sup>2</sup></b>	<b>2%</b>
<b>CW-19-03</b>	<b>Tyngsborough</b>	<b>\$500,000</b>	<b>2%</b>

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<sup>1</sup> Second Revision: Previous PAC amount was \$6,177,681

<sup>2</sup> First Revision: Previous PAC amount was \$2,996,600

Item #6

**MOTION- VOTE**

The motion was made by Ms. Jonas-Silver and seconded by Commissioner Suuberg.

Ms. Jonas-Silver asked if the Lawrence loans in this motion were to address an area of the city that was affected by the Columbia gas line emergency.

Mr. Keenan stated that it is the loan in Item #7 would be addressing an area of the city affected by the gas line emergency.

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

***Clean Water Loans/Local Government Obligations and Financing Agreements***

<b><u>PRA No.</u></b>	<b><u>Borrower</u></b>	<b><u>Amount</u></b>	<b><u>Equivalent Interest Rate</u></b>
CW-18-25	Easton	\$12,364,853	2%
CWP-18-35	Fall River	\$1,198,845	2%
CW-17-14	Haverhill	\$7,408,631	2%
CW-18-20	Hull	\$478,890	2%
CW-18-21	Hull	\$390,500	2%
CW-14-16-A	Lawrence	\$990,463	2%
CWP-18-09	Lawrence	\$9,137,974	2%
CW-17-10	New Bedford	\$4,646,600 <sup>3</sup>	2%
CW-19-03	Tyngsborough	\$500,000	1.5% <sup>4</sup>

Item #7

**MOTION- VOTE**

The motion was made by Ms. Jonas-Silver and seconded by Commissioner Suuberg and voted unanimously in favor of acceptance and approval of the following:

***Lawrence Emergency Clean Water Loans/Local Government Obligations and Financing Agreement***

The project is a direct result of a disaster affecting the service area that is the subject of a declaration of emergency by the governor.

<b><u>PRA No.</u></b>	<b><u>Borrower</u></b>	<b><u>Amount</u></b>	<b><u>Equivalent Interest Rate</u></b>
CWP-18-09-A	Lawrence	\$4,315,202	0%

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<sup>3</sup> First Revision: Previous PRA amount was \$2,996,600

<sup>4</sup> Housing Choice Loan

## OTHER BUSINESS:

Item #8

### **MOTION- VOTE**

The motion was made by Commissioner Suuberg and Seconded by Ms. Jonas-Silver.

Treasurer Goldberg stated that this item was on the agenda because Mr. McCurdy has resigned as Director of Municipal Services and is now working as the Acting Chief Financial Office of MassDEP.

Treasurer Goldberg thanked Mr. McCurdy for his work as Director of Municipal Services and welcomed Ms. Pinaud as the new Director of Municipal Services.

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

### ***Appointment of Officer and member of the Executive Committee***

That the Board of Trustees appoints and confirms the following individual as an officer of the Massachusetts Clean Water Trust and, as such officer, as member of the Executive Committee, in accordance with the provisions of the By-Laws, which the individual has been nominated as such officer by the Trustees listed next to their name:

<b><u>OFFICE</u></b>	<b><u>NAME</u></b>	<b><u>NOMINATED BY</u></b>
Director of Program Development	Maria Pinaud	Commissioner, Department of Environmental Protection

**ADJOURN:** The motion was made by Ms. Jonas-Silver and seconded by Commissioner Suuberg and voted unanimously in favor of adjourning the meeting at 1:46 p.m.

## **LIST OF DOCUMENTS AND EXHIBITS USED:**

1. Agenda
2. Minutes, April 11, 2019
3. Memorandum for Annual Financial and Audit Services (For the Fiscal Year Ending June 30, 2019, 2020 and 2021)
4. Project Descriptions
5. Resignation Letter of Steven McCurdy
6. Nomination Letter for Maria Pinaud