

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

June 29, 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, Capital Budget Director, Executive Office for Administration & Finance, Designee

Also Present: Susan Perez, Executive Director, MCWT
Nate Keenan, Deputy Director, MCWT
My Tran, Treasurer, MCWT
Sally Peacock, Controller, MCWT
Pam Booker, Accountant, MCWT
Sunkarie Konteh, Accountant, MCWT
Nicole Munchbach, Accountant, MCWT
William Kalivas, Treasury Specialist, MCWT
Rachel Stanton, Investor Relations and Communications Graphic Designer, MCWT
Josh Derouen, Senior Program Associate, MCWT
Kailyn Fellmeth, Program Associate, MCWT
Julian Honey, Program Associate, MCWT
Giovanna Eichner, Summer Intern, MCWT
Kathryn Armour, Data Analyst, MCWT
Maria Pinaud, Director of Municipal Services, MassDEP
Robin McNamara, Deputy Director of Municipal Services, MassDEP
Greg Devine, Section Chief, MassDEP
Mary Wilkins, Communications Executive Assistant, Office of the State Treasurer
Andrew Napolitano, Deputy Director of Communications, Office of the State Treasurer

CALL TO ORDER: The meeting was called to order by Mr. MacDonald at 1:31 p.m.

Item #1

MOTION- VOTE

Acceptance and Approval of June 1, 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 June 1, 2022.

Item #2

REPORT OF THE EXECUTIVE COMMITTEE

Ms. Perez reported that eight grant applications have been submitted to the EPA.

The state match funds have been drawn by the Trust.

The Trust and MassDEP have active working groups to discuss programs to utilize these grant funds.

The Trust is working with the Governor's Office to submit the application and Interdepartmental Service Agreement (ISA) for American Rescue Plan Act (ARPA) funds. The compliance plan has been submitted and is pending approval. The funds should be transferred and available to the Trust by the end of July.

Ms. Perez said that the Clean Watershed Needs Survey (CWNS) is now underway.

Ms. Pinaud added that data collection is being done for the CWNS with the help of seven consulting firms. Communities must provide their data to MassDEP by the end of October. Following review by DEP, the data will be submitted to EPA by the end of the 2022.

Item #3

MOTION- VOTE

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

Ms. Perez said that the FY2023 budget primarily funds payroll and contracts with administrative fee revenues used, grant administrative funds, and grant set-asides.

Payroll expenses have increased since last year because additional staff members were hired, a new bargaining unit contract for DEP, and increased fringe costs. There were also contracts included in last year's budget that were not actually spent and are carried over to this year.

Although the budget currently shows a deficit, the Trust has ample administrative funds to fund the deficit. At the September Board meeting, we will present the Board with the final budget to the actual results for FY2022.

There was not a bond deal during Fiscal Year 2022 so the administrative fee revenue is down slightly but will increase when loans are put into repayment status with the closing of the bond deal later this year.

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

Approval of the Fiscal Year 2023 Budget

1. That the Board of Trustees approves the Trust's fiscal year 2023 budget request, distributed to the Board, for funds from the Administrative Fund for the costs of administering its programs paid through the MCWT's Expendable Trust and the Department of Environmental Protection's Expendable Trust.
2. That the Board of Trustees approves the Trust's fiscal year 2023 budget request of the Department of Environmental Protection, distributed to the Board, for funds from the Clean Water and Drinking Water administrative grant funds and set-aside funds for the administration of the state revolving fund.

Item #4

MOTION- VOTE

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

Approval of Asset Management Program Commitment

<u>PAC No.</u>	<u>Recipient</u>	<u>Amount</u>
CW-22-10	Billerica	\$139,000

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 Clean Water Commitments

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Interest Rate</u>
CW-21-24	Adams	\$7,426,620 ¹	2%
CW-21-53	Great Barrington	\$4,508,962 ²	2%
CW-21-40	Haverhill	\$8,994,873 ³	1.5% ⁴
CW-20-35	South Essex	\$16,650,000 ⁵	2%
	Sewerage District		
CW-21-39	Springfield Water & Sewer Commission	\$30,245,375 ⁶	2%

Item #6

MOTION- VOTE

The motion was made by Commissioner Suuberg and seconded by Mr. Yontar 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-21-15	Haverhill	\$7,362,750 ⁷	1.5% ⁸
DW-21-14	Lowell	\$6,344,000 ⁹	1.5% ¹⁰

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 Asset Management Program Agreement

<u>PRA No.</u>	<u>Recipient</u>	<u>Amount</u>
CWA-22-10	Billerica	\$139,000

¹ First Revision. Previous PAC amount was \$5,049,500.

² First Revision. Previous PAC amount was \$4,004,000.

³ First Revision. Previous PAC amount was \$7,037,000.

⁴ Housing Choice Loan

⁵ Second Revision. Previous PAC amount was \$12,383,265.

⁶ First Revision. Previous PAC amount was \$23,689,897.

⁷ First Revision. Previous PAC amount was \$6,848,675.

⁸ Housing Choice Loan

⁹ First Revision. Previous PAC amount \$5,075,500

¹⁰ Housing Choice Loan

MOTION- VOTE

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

Mr. MacDonald asked why there were so many projects up for vote at this meeting.

Ms. Perez said that many of these projects are ones from 2021 that entered contracts after having a loan commitment approved earlier in the process.

Ms. Pinaud said that many of these communities were looking to enter into contracts by the June 30th deadline to be eligible for loan forgiveness.

Mr. Yontar asked why the loan agreement amount for the Orleans project was so high.

Ms. Pinaud answered that the Orleans is constructing a wastewater treatment facility which are very costly.

Commissioner Suuberg added that under the 208 Plan, many Cape Cod communities are addressing nitrogen pollution from septic systems by moving over to sewer systems with wastewater treatment facilities. This is one of several such projects we can expect to see on Cape Cod.

The motion was 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-21-24	Adams	\$6,829,620	2%
CWP-21-24-A	Adams	\$597,000	2%
CWP-21-49	Barnstable	\$18,814,176	1.5% ¹¹
CWP-21-49-A	Barnstable	\$1,112,000	1.5% ¹²
CWP-21-53	Great Barrington	\$4,508,962	2%
CWP-21-40	Haverhill	\$8,240,908	1.5% ¹³
CWP-21-40-A	Haverhill	\$753,965	1.5% ¹⁴
CWP-21-52	Orange	\$1,405,855	2%
CW-19-33	Orleans	\$59,409,200	0% ¹⁵
CWP-21-37	Quincy	\$3,747,482	1.5% ¹⁶
CWP-21-37-A	Quincy	\$375,450	1.5% ¹⁷

¹¹ Housing Choice Loan

¹² Housing Choice Loan

¹³ Housing Choice Loan

¹⁴ Housing Choice Loan

¹⁵ Orleans CW-19-53 qualifies for a 0% interest rate loan due to the project remediating nutrient loading in surrounding water bodies.

¹⁶ Housing Choice Loan

¹⁷ Housing Choice Loan

CWP-20-35	South Essex Sewerage District	\$16,650,000 ¹⁸	2%
CWP-21-39	Springfield Water & Sewer Commission	\$27,620,000	2%
CWP-21-39-A	Springfield Water & Sewer Commission	\$2,625,375	2%

Item #9

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-21-17	Dighton Water District	\$3,850,000	2%
DWP-21-16	Dudley	\$11,288,220	0% ¹⁹
DWP-21-10	Eastham	\$9,886,625	2%
DWP-21-15	Haverhill	\$7,362,750	1.5% ²⁰
DWP-21-14	Lowell	\$6,344,000	1.5% ²¹
DWP-22-04	Orange	\$1,120,955	2%

¹⁸ First Revision. Previous PRA amount was \$12,383,265.

¹⁹ PFAS Remediation Loan

²⁰ Housing Choice Loan

²¹ Housing Choice Loan

Item #10

MOTION- VOTE

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

Ms. Perez said that one of the grants listed is a revision of one previously approved. The rest are new.

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

School Water Improvement Grant (SWIG) Program

On January 8, 2020, the Board approved the establishment of a School Water Improvement Grant (SWIG) program to provide assistance in the form of grants (including, without limitation, an additional subsidy equivalent to a loan at an interest rate of zero percent and principal forgiveness, as provided in Section 6(c) of the Enabling Act) to eligible borrowers for the procurement and installation of point-of-use filtered water bottle-filling stations in eligible educational facilities where there are known lead exceedances (as determined by the Department of Environmental Protection).

The following vote approves the awarding of grants to recipients and in the amounts as specified in such vote, subject to the terms of the applicable grant agreement.

Approval of SWIG Program Grants

That School Water Improvement Grants, numbered, to the grantees and in the amounts as follows are hereby approved, subject to the terms of the applicable grant agreement:

<u>Grant No.</u>	<u>Grantee</u>	<u>Grant Amount</u>
SWIG-22-14	Maynard Public Schools	\$24,000
SWIG-22-06	Nashoba Regional School District	\$42,000²²
SWIG-22-13	New Bedford Public Schools	\$96,000
SWIG-22-15	Worcester Public Schools	\$150,000

OTHER BUSINESS: Ms. Pinaud said that the 2023 Intended Use Plan (IUP) project solicitation will begin on July 1, 2022 and end on August 12, 2022.

Additionally, applications for the new Lead Service Line Planning Program with 100% loan forgiveness will open on July 1, 2022.

ADJOURN: The motion was made by Mr. Yontar and seconded by Commissioner Suuberg and voted unanimously in favor of adjourning the meeting at 1:45 p.m.

²² First Revision. Previous award amount was \$15,000.

LIST OF DOCUMENTS AND EXHIBITS USED:

1. Minutes, June 1, 2022
2. Project Descriptions
3. FY2023 MCWT Budget
4. FY2023 Contract Descriptions DEP

***Location: Remote:** Notice is hereby given that the Wednesday, June 29, 2022 meeting of the Massachusetts Clean Water Trust's Board of Trustees will be held through remote participation in accordance with M.G.L.c.30A, §20, as modified by c.20 of the Acts of 2021 and c.22 of the Acts of 2022.

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

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