

NOTICE OF MEETING

MASSACHUSETTS CLEAN WATER TRUST BOARD OF TRUSTEES

In accordance with Massachusetts General Laws Chapter 30A, §§18-25, and Chapter 2 of the Acts of 2025, notice is hereby given of a meeting of the Massachusetts Clean Water Trust Board of Trustees to be held remotely at the following time:

July 8, 2026
1:30 PM ET

This meeting is open to the public. To access, please contact the Board at masswatertrust@tre.state.ma.us and you will be provided with a meeting link. If you do not have access to email, please call 617-367-9333 ext. 515 to request the meeting's conference call dial-in number.

The Massachusetts Open Meeting Law requires anyone wishing to record a meeting to first notify the Chair so that the Chair can inform other attendees, so when contacting the Massachusetts Clean Water Trust Board of Trustees please indicate if you intend to record the meeting.

Minutes

Attendees	State Treasurer Deborah Goldberg, Chair Bonnie Heiple, Commissioner, MassDEP Timur Yontar, Capital Budget Director, Executive Office for Administration & Finance, Designee
Also Present	James MacDonald, First Deputy Treasurer, Office of the State Treasurer Kaitlyn Connors, Director of Water Investment, MassDEP Susan Perez, Executive Director, MCWT Nate Keenan, Department Director, MCWT My Tran, Treasurer, MCWT William Kalivas, Treasury Specialist, MCWT Nicole Munchbach, Assistant Controller, MCWT Sunkarie Konteh, Accountant, MCWT Iden Abdulrahman, Accountant, MCWT Rachel Stanton, Investor Relations and Communications Graphic Designer, MCWT Joshua Derouen, Program Manager, MCWT Kailyn Fellmeth, Senior Program Associate, MCWT Aidan O'Keefe, Program Associate, MCWT Esther Omole, Program Associate, MCWT Ray Leconte, Program Associate, MCWT Bridget Munster, Deputy Director of Program Development, MassDEP Gregory Devine, Section Chief, MassDEP Andrew Napolitano, Director of Communications, Office of the State Treasurer Jennifer Pederson, Executive Director, Massachusetts Water Works Association Emily Kowtoniuk, Legislative Director, Office of the State Treasurer Josie Ahlberg, Massachusetts Municipal Association Violet Gehr, Massachusetts Municipal Association Alexa Petruccelli, Intern, Office of the State Treasurer

CALL TO ORDER: The meeting was called to order by Treasurer Goldberg at 1:32 p.m.

Item #1 **MOTION- VOTING ITEM**

Acceptance and approval of minutes of the meeting held on June 3, 2026.

The motion was made by Mr. Yontar and seconded by Commissioner Heiple and voted unanimously in favor of acceptance and approval of the minutes of the board meeting held on June 3, 2026.

Item #2 **REPORT OF THE EXECUTIVE COMMITTEE**

Intended Use Plan (IUP) Updates

Ms. Perez reported that the 2027 IUP solicitation is underway. Borrower training for the 2026 IUP has been completed. The Trust and MassDEP's efforts are appreciated as we improve borrower processes and communications.

Merrimack River Wastewater Infrastructure Update

Commissioner Heiple reported that wastewater infrastructure failure in Haverhill, which began on June 26th, affected several communities and raised public health and water-safety concerns.

MassDEP remained in close communication with Haverhill officials. Haverhill installed a temporary bypass system to stop untreated wastewater discharges and began a root cause analysis to determine appropriate repair or replacement options.

MassDEP continues to work with Haverhill to help identify resources to support a long-term permanent capital solution, including use of the State Revolving Fund.

The Trust and MassDEP's help so far is appreciated.

Item #3

MOTION- VOTING ITEM

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

Ms. Perez presented the Fiscal Year 2027 Administrative Budget requesting \$9.76 million from the Administrative Fund and \$13.73 million from its federal grant funds for the costs of administering its programs.

Revenue through administrative fees, charged on outstanding loans, is growing through the increased number of loans financed by the Trust. Projected revenue from administrative fees is \$7.13 million for Fiscal Year 2027 compared to \$6.06 million in Fiscal Year 2026.

Most of the costs of administering the Trust's programs are payroll costs associated with 61 MassDEP FTEs and 13 Trust FTEs. Total FTEs have decreased by 7 from Fiscal Year 2026; however, payroll costs are projected to increase due to the increased fringe benefit rate from 35.60% in Fiscal Year 2026 to 43.99% for Fiscal Year 2027. Contract costs are also projected to increase due to the preparation of both the Clean Water Needs Survey and the Drinking Water Needs Survey that are scheduled for Fiscal Year 2027.

This year's budget projects a \$2.62 million deficit, as has been the case in recent years. The administrative fund has more than \$51 million available to help cover expenses, if necessary.

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

Approval of the Fiscal Year 2027 Budget

1. That the Board of Trustees approves the Trust's fiscal year 2027 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 2027 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- VOTING ITEM

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

Ms. Perez explained that this program which was established in 2020 following the revisions to the Commonwealth's PFAS drinking water regulations. These revisions significantly increased the number of PFAS remediation projects financed through the Drinking Water State Revolving Fund.

The Trust committed a total of approximately \$970 million to PFAS remediation projects, of which \$417 million is committed to future financings.

The subsidy that allows the Trust to issue below market interest rates comes from contract assistance which also funds loan forgiveness and other community support.

Ending zero percent interest financing for PFAS remediation projects will preserve the long-term affordability and financial flexibility of the State Revolving Fund, particularly as federal funding declines.

Commissioner Heiple acknowledged the decision was based on funding constraints and recognized public concerns expressed during the 2026 Intended Use Plan update. She noted that PFAS remediation will remain a priority. PFAS remediation projects are still eligible for below-market financing and loan forgiveness, for eligible communities.

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

Approval of Ending Zero Percent Loan Program for PFAS Remediation for Projects on the 2026 Intended Use Plan and After

1. The Trust previously approved the establishment of a program (the "PFAS Program") to provide assistance in the form of loans at an interest rate of zero percent, as provided in Section 6(c) of the Enabling Act, to eligible Borrowers to fund drinking water projects to remediate per- and polyfluoroalkyl substances (PFAS) contamination (as determined by the Department of Environmental Protection).
2. The Trust hereby authorizes the termination of such zero-percent interest PFAS Program and authorizes and directs the Executive Director, and such other officers of the Trust as the Executive Director may delegate, to take any such other actions, including without limitation, making changes to Trust loan agreements or other documentation and to cooperate with the Department of Environmental Protection, as may be necessary or advisable to reflect the termination of the PFAS Program. Effective beginning with 2026 Intended Use Plan Costs.

Item #5

MOTION- VOTING ITEM

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

Approval of Cybersecurity Improvement Program Grant Commitment and Grant Agreement

<u>PRA No.</u>	<u>Recipient</u>	<u>Amount</u>
DWC-26-37	Upton	\$30,000

Item #6

MOTION- VOTING ITEM

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

Approval of the Clean Water Loans and Financing Agreements

<u>PRA No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Interest Rate</u>
CWP-24-46	Barnstable	\$9,000,000	0%¹
CWP-24-46-A	Barnstable	\$1,000,000	0%¹
CWP-24-64	Barnstable	\$30,000,000	0%²
CWP-25-75	Barnstable	\$9,000,000	0%¹
CWP-25-75-A	Barnstable	\$1,000,000	0%¹
CWP-25-77	Barnstable	\$10,000,000	0%³
CWP-25-82	Barnstable	\$10,000,000	0%³
CWP-25-83	Barnstable	\$20,000,000	0%¹
CW-25-65	Chatham	\$16,849,585	0%³
CWP-25-67	Fitchburg	\$29,926,400	2%
CWP-25-76	Haverhill	\$14,667,000	2%
CWP-25-58	Hull	\$8,330,000	2%
CWP-25-78	Hull	\$9,630,000	2%
CWP-25-81	New Bedford	\$10,875,000	2%
CW-25-49	Orleans	\$26,358,846	0%³
CWP-25-79	Revere	\$3,678,156	1.5%⁴
CW-25-80	Swampscott	\$2,559,660	1.5%⁴

¹ First Revision. Previous interest rate was 1.5%. Nutrient Enrichment Reduction Loan

² Second Revision. Previous interest rate was 1.5%. Nutrient Enrichment Reduction Loan

³ Nutrient Enrichment Reduction Loan

⁴ Housing Choice Loan

Item #7

MOTION- VOTING ITEM

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

Approval of the Drinking Water Loans and Financing Agreements

<u>PRA No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Interest Rate</u>
DWPEC-25-34	Dracut Water Supply District	\$15,000,000	0% ⁵
DWPEC-25-17	Pepperell	\$13,000,000	0% ⁵
DWPEC-25-20	Yarmouth	\$3,688,157	0% ⁵

Item #8

MOTION- VOTING ITEM

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

Approval of School Water Improvement Grants

<u>Grant No.</u>	<u>Grantee</u>	<u>Grant Amount</u>
SWIG-26-04	In the Beginning Preschool	\$3,000
SWIG-26-05	East End House	\$3,000

OTHER BUSINESS: None

ADJOURN: The motion was made by Commissioner Heiple and seconded by Mr. Yontar and voted unanimously in favor of adjourning the meeting at 1:56 p.m.

LIST OF DOCUMENTS AND EXHIBITS USED:

1. Minutes, June 3, 2026
2. Fiscal Year 2027 Budget
3. Fiscal Year 2027 DEP Contract Expense Details
4. Fiscal Year 2027 DEP Contract Descriptions
5. PFAS 0% Loan Contract Assistance Discussion
6. Project Descriptions

⁵ PFAS Remediation Loan