

**EXECUTIVE COMMITTEE OF THE  
MASSACHUSETTS CLEAN WATER TRUST**

**Meeting Minutes**

**Meeting Date:** Thursday, February 21, 2019  
**Time:** 12:30 PM  
**Location:** Massachusetts Clean Water Trust  
1 Center Plaza, Suite 430  
Boston, Massachusetts 02108  
**Notice:** Due public notice given  
**Attendees** Sue Perez, Executive Director, Trust  
Steven McCurdy, Director of Program Development, Trust  
Maya Jonas-Silver, Director of Finance & Administration, Trust  
**Also Present** Nate Keenan, Deputy Director, Trust  
Maria Pinaud, Deputy Director, MassDEP  
Jonathan Maple, Policy Analyst, Trust  
**Absent**

**SUMMARY OF DISCUSSIONS**

1. **Minutes Approval.** The Committee approved minutes from the January 4, 2019 and January 17, 2019 meetings of the executive committee.
2. **Lawrence Emergency Request.** Mr. McCurdy informed the committee that City of Lawrence has submitted a letter, after the draft Intended Use Plan (IUP) was issued. The letter was in response to the City's upcoming street and gas line repairs related to recent natural gas explosions. City of Lawrence is requesting an increase in project funds, \$11.25 million from \$9.8 million in the DWSRF IUP and \$12 million from \$5 million in the CWSRF IUP, for 2019 IUP projects for emergency repairs due to damage from the natural gas incident. The project plans to take advantage of open street while they are already opened for gas line repairs.

The committee discussed adding the projects to the current IUP, as the Board supports this project. Ms. Perez stated that the Trust will review the projects and run a capacity analysis based on this new information and provide additional information related to potential subsidy. Additionally, the Trust will propose language for the Board to approve these changes and confirm that this is a one-off emergency project.

The committee noted that the Governor declared an emergency, which would allow the Trust some flexibility in determining subsidy. Finally, the committee discussed that there was a potential that Columbia Gas may be required to pay for portions of these projects. The Trust will monitor the status and not finance with bond proceeds until there a clear resolution.

3. **Asset Management Planning Grant Program Update.** Mr. McCurdy informed the committee that MassDEP did a review of projects that were submitted for the AMP grant

program but were not approved for funding. The review was due to applicants requesting additional information as to why they were not selected and how points were awarded during the process. Mr. McCurdy noted that after a further review more projects were deemed eligible for funding. With the addition of these projects the list on the IUP will still be under the cap of \$2 million that was approved by the Board for the AMP projects.

Mr. McCurdy noted that there were additional inquiries from engineering firms that were not part of the initial prequalification process if they could be included in next years funding round. Mr. McCurdy proposed either removing the prequalified list for the next funding round or expanding the list. The committee discussed the fact that as part of the original RFP process, questions were asked when the next prequalification process would be. At the time, the response of the Procurement Management Team was that firms should be limited to the firms that put in the effort of responding to the prequalification requests.,

Mr. McCurdy stated that MassDEP has invested in asset management training, and that MassDEP engineers reviewing proposed scope of work could mitigate any quality issues that were originally being addressed by prequalifying. It was decided that the list would not be removed and the committee may consider reopening at a later date, as well as review the performance of existing prequalified firms..

Mr. Keenan informed the committee that the grant agreement is currently being drafted and reviewed, and that the Trust will circulate shortly.

4. **DWSRF Disadvantaged Communities Program.** Mr. Maple informed the committee that the public notice document was drafted and just needed final sign off. The Trust will need an updated contact distribution list from the contact list used for the 2015 Affordability Calculation public comment period. The Trust will then place the notice, comments and responses on the Trust website. Mr. Maple will circulate a copy of the public notice for review and feedback.
5. **Lead Service Line Program Policy Discussion.** Mr. Keenan noted that the Trust will focus on getting feedback related to best practices on city and towns that completed similar programs. Ms. Perez noted that the purpose would not be to dictate terms, but to provide additional information or examples to cities and towns on how to deal with liability and contracts between the borrowers and the private homeowners.
6. **Bottle Filling Station Program Update.** Mr. Keenan reported to the committee on the progress of the working group and requested that the committee select a date for launching the program. He noted that it would be easier to organize and push for getting everything in order if there is a target date. The committee tentatively set the date for March 20<sup>th</sup>, but it was noted this may change if the program is to be rolled out with a policy announcement from MassDEP.

Additionally, Mr. Keenan raised several policy questions that had arisen. The first was in regard to the form of grant award as upfront funds as opposed to an award with reimbursement. Additionally, could excess funds from the grant (that is, those left over after

the purchase and installation of the fixtures) be allocated by the recipient for operation and management or additional filters. The Committee discussed these questions and agreed that the Trust could set a de minimis amount and the funds would be reviewed as part of a close out audit.

Mr. McCurdy asked if there was still a cost share associated with funding. Mr. Keenan responded that as currently envisioned this would be a straight grant. The committee discussed whether there would be any issues related max subsidy amount capped in MGL c.29C. Mr. Keenan noted that the Trust will review the law and how line item changes proposed in the Governor's budget may affect the Trust.

The committee discussed the review of applications and awarding of funds, and determined that the Trust will use a fixed one-month open period for the review process and based on the number of applications received, and amounts requested, make the determination. The Trust will use a one-month open period to review all request, and the Trust will reserve the right to review any applicant individually if their award amount would have a disproportionate affect on funding.

Mr. Maple discussed the application flow process that will direct any communities that apply that have not tested their water or have not provided information to MassDEP toward the sampling and testing program. As for the functionality of the application, Mr. Maple will be meeting with the Treasury IT department to explore the Formstack functionality and the best way to move forward with the application process.

7. **Housing Choice Loan Program – Moving Forward.** Mr. Keenan reported that he received an inquiry from the program director of the Housing Choice Initiative regarding the Trust's plans to continue providing the incentive. The committee confirmed that there was no specified end date to the program in the Board vote, and that the program would continue until brought before the Board, or the Housing Choice Initiative is discontinued.

Mr. McCurdy noted that many communities have come forward asking that if they could get a retroactive discount if they are added to the housing choice list. The committee determined that this will not be retroactive, rather the determination is made at the time the IUP is published.

8. **Cape Cod Water Infrastructure Fund Update.** Mr. Keenan updated the committee that the Trust was assisting with technical amendments for the establishment of the Cape Cod and Islands Water Protection Fund Management Board proposed in the "Airbnb" bill (An Act Regulating and Insuring Short-Term Rentals – Chapter 337 of the Acts of 2018).
9. **2019 Intended Use Plan Update.** Mr. McCurdy notified the committee that the updated draft of the 2019 IUP was currently under review, and that scheduling for the announcement is still in process between the agency principals.

**Other Business** (Items not reasonably anticipated by the Chair 48 hours in advance of the meeting)

10. **Springfield Water and Sewer Commission (SWSC).** Mr. Keenan informed the committee the Trust was ready to request a Board vote to consent and approve an amendment of the General Bond Resolution of the SWSC Bonds. The amendment would exclude Trust Bonds from SWSC's debt service reserve fund requirement, saving the Commission from having to drastically increase rates to fund the reserve for upcoming projects. This will be at the March Board meeting.
11. **Disadvantaged Business Enterprise RFR.** Mr. McCurdy asked if the contract information was sent to Keen Independent Research (Keen) after their selection by the Board to complete an availability analysis and calculate fair share objectives for contracting with Disadvantaged Business Enterprises – as required by U.S. EPA grant agreements. Mr. Maple confirmed that the contract had been sent, and that he has spoken with Keen that morning. The executed contract was being sent to the Trust, and the only outstanding item would be the contract agreements with sub-contractors – which Keen believes should be forthcoming next week. Mr. Maple will notify MassDEP once the executed contract is received.
12. **Nantucket BANs.** Mr. Keenan noted that he was going to try to set up a meeting with Nantucket's financial advisor to discuss its recent issuance of Bond Anticipatory Notes. The committee agreed that the Trust should set up a meeting to discuss with the financial advisor to make sure both the advisor and the town had all the necessary information regarding interim financing.
13. **Marketing Materials.** Mr. McCurdy asked if the Trust can provide marketing materials (brochures) to MassDEP. Mr. Keenan said he would provide the materials to MassDEP.

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

The meeting adjourned at 1:45 p.m.

Minutes Approved: \_\_\_\_\_