

**Minutes**  
**Executive Committee Meeting**  
**Massachusetts Clean Water Trust**

**DATE:** May 16, 2018

**START TIME:** 1:30 p.m.

**PLACE:** State House, Room 327

**NOTICE:** Due public notice given

**MEMBERS OF THE EXECUTIVE COMMITTEE –**

**PRESENT:** Sue Perez, Executive Director, MCWT  
Rachel Madden, Director of Finance & Administration, MCWT  
Steve McCurdy, Director of Program Development, MCWT

**ALSO PRESENT:** Martin Suuberg, Commissioner, MassDEP  
Kristin LaCroix, Budget Director, MassDEP  
Nate Keenan, Deputy Director, MCWT (attending by telephone)  
Bernard Greene, Senior Legal Counsel, MCWT  
Jonathan Maple, Program Associate, MCWT

**SUMMARY OF DISCUSSIONS (INCLUDING DECISIONS MADE/ACTIONS TAKEN/ VOTES):**

1. 2019 Intended Use Plan Solicitations. Ms. Perez asked about the upcoming intended use plan and the language to be used for solicitations, specifically whether DEP has begun soliciting lead service line projects that would benefit from an interest rate subsidy to the borrower. Mr. McCurdy responded that the Board authorized additional subsidy for lead service line replacements at its April 4, 2018 meeting, but that program counsel expressed concern that the regulations, which are more restricted than the statute, do not clearly cover the subsidies in the form approved. DEP does not want to go forward with projects if the regulations do not clearly cover the subsidies. Commissioner Suuberg noted that the regulations could be updated before the intended use plan is finalized and suggested preparing emergency regulations to address this problem.
2. Asset Management Plans. Mr. McCurdy discussed getting the asset management plans up and running. He said DEP assumed that staffing of the program would be run through the Trust. Ms. Perez noted, however, that the Trust is not able to evaluate asset management plans because it does not employ engineers or other persons with relevant training. Commissioner Suuberg said that there are technical aspects of the program, but also grant management. He asked whether the Trust had money for grant management tasks. Ms. Perez said she would have to take such a request to the Board.
3. Staffing of Programs Funded by the Trust. Commissioner Suuberg said that DEP is working on addressing vacancies that have resulted from recent retirements. They

are also having discussions with staff to identify people who may be leaving in the future and developing succession plans for their positions. Commissioner Suuberg said that DEP is close to their full time equivalent cap of 670 under the Governor's FTE caps with 660 filled positions. Ms. Madden offered to work on getting DEP some relief from the cap by arguing that the requested positions are paid by the Trust and shouldn't be subject to the cap.

4. Septic Tank Legislation. Mr. Keenan reported that he, Ms. Perez and staff from the Treasurer's office met with Representative Paul Schmid (8<sup>th</sup> Bristol District). He is one of the sponsors of a bill that is intended to allow for communities to loan to homes in designated nitrogen sensitive areas to upgrade their septic systems even if they are not failing but instead are older and not doing enough to reduce the nitrogen pollution going into the surrounding waters. Mr. Keenan said that the loan process currently works when local boards of health determine whether a septic tank failed in an area, which allows them to make loans to homeowners. Failed systems are usually systems that are not usable, and this legislation would broaden that definition to systems that are not efficient. The Trust does not have a position on this legislation but has asked the Representative to clarify what would qualify as failed and which nitrogen sensitive areas would be designated.
5. Water Infrastructure Advisory Committee. Mr. Keenan reported that the Water Infrastructure Advisory Committee will meet next week on May 23. The Committee will discuss statewide infrastructure needs, among other matters. It was created from the legislation that passed in 2014 to keep a focus on water infrastructure.
6. Cash Defeasance. Ms. Perez reported that the cash defeasance of Refunding' Series 2009A -2010A bonds that was approved at the May 2 Board meeting is expected to be finalized in mid-June. She stated that the Trust's equity fund would be used to fund the defeasances and redemptions of the bonds.
7. Small Municipal Separate Storm Sewer Systems Permits. Mr. Suuberg said that EPA finalized the Phase II storm water regulations related to the use of general permits for small municipal separate storm sewer systems (MS4) in 2016. EPA set an effective date for the general MS4 permit for Massachusetts of July 1, 2017. Following litigation by environmental groups the effective date for the permit was extended to July 1, 2018.

The meeting adjourned at 2:30 p.m.

**Approved:** \_\_\_\_\_