

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

NOTICE AND AGENDA

Meeting Date:	Wednesday, October 25, 2023
Time:	1:30 PM
Location:	Remote*
Listing of Topics:	Call to Order
	<ol style="list-style-type: none">1. Review and approval of minutes from the 9/27/2023 meeting of the Executive Committee2. Program Capacity: MassDEP will discuss updates on program capacity in anticipation of the development of the 2024 Draft IUPs.3. Series 25 Bond Deal: The Trust will provide an update on the upcoming bond deal.4. Environmentally Disadvantaged Communities: The Trust will discuss expanding Disadvantaged Community criteria to include Environmentally Disadvantaged Communities.5. Fair Share Objective Update: The Trust will provide an update on submitting fair share objectives to EPA that state percentages of contracts for projects that must comprise of Minority Business Enterprises and Women Business Enterprises due to the reinstatement of negotiation requirements by EPA.6. CWSRF 2% Small Systems Technical Assistance Set Asides: The Trust will present updates from EPA on eligible uses of the CWSRF 2% small systems technical assistance set aside funds.7. AMP Grant Extension Request: The Trust will present an AMP Grant extension request.
	Other Business <i>(Items not reasonably anticipated by the Chair 48 hours in advance of the meeting)</i>

***Location: Remote:** Notice is hereby given that the Wednesday, October 25, 2023 meeting of the Massachusetts Clean Water Trust's Executive Committee 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, c.22 of the Acts of 2022, and c.2 of the Acts of 2023.

Those who would like to attend the meeting, please e-mail masswatertrust@tre.state.ma.us to request meeting information. Information to access the meeting will be available through the duration of the meeting. However, we encourage participants to request the information by 5:00 PM the day before the meeting.

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 masswatertrust@tre.state.ma.us.

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



Item #1: *Draft Minutes of the Meeting Held on 9/27/2023*

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

Meeting Minutes

Meeting Date: Wednesday, September 27, 2023
Time: 1:30 PM
Location: Remote
Notice: Due public notice given
Attendees Sue Perez, Executive Director, Trust
Timur Yontar, Director of Finance & Administration, Trust
Maria Pinaud, Director of Program Development, Trust
Tim Jones, Deputy Director of Program Development, Trust
My Tran, Treasurer, Trust
Also Present Nate Keenan, Deputy Director, Trust
Pam Booker Accountant, Trust
Nicole Munchbach, Accountant, Trust
Sunkarie Konteh, Accountant, Trust
Joshua Derouen, Senior Program Associate, Trust
Kailyn Fellmeth, Program Associate, Trust
Julian Honey, Program Associate, Trust
Jonathan Maple, Senior Policy Analyst, Trust
Kathryn Armour, Data Analyst, Trust
Ashraf Gabour, Program Manager, DEP
Robin McNamara, Deputy Director of Municipal Services, DEP
Jennifer Pederson, Executive Director, Massachusetts Water
Works Association

SUMMARY OF DISCUSSIONS	
	<u>Open the Meeting:</u> Ms. Perez opened the meeting after confirming the attendees present.
1.	<u>Review and approval of minutes from the 6/14/2023, 6/21/2023, 7/19/2023, 8/10/2023, and 8/23/2023 meetings of the Executive Committee:</u> The Committee approved meeting minutes from the 6/14/2023, 6/21/2023, 7/19/2023, 8/10/2023, and 8/23/2023 meetings of the Executive Committee. Mr. Jones abstained from voting on the 6/14/2023 and 6/21/2023 meeting minutes as they precede his appointment to the Executive Committee by the Board of Trustees.
2.	<u>Program Capacity:</u> Ms. Pinaud stated that DEP is close to developing a final project priority list for the 2024 Intended Use Plan (IUP). DEP sent the Trust data on projects that dropped from the 2023 IUP and projects that will have a carryover portion on the 2024 IUP so that the Trust can calculate capacity for the draft 2024 IUPs.

	<p>Ms. Perez stated the Trust still needs to see PRAs issued for some of the 2022 IUP projects that are moving forward. Receiving updates on these projects will help with both capacity and loan forgiveness calculations.</p> <p>PFAS Planning and Design Project Funding Ms. Perez asked Ms. Pinaud about PFAS planning and design projects that are moving forward. The Trust needs to be able to track ARPA funds that are going towards these projects so that the Trust can keep track of funds available from particular grants.</p>
3.	<p>Series 25 Bond Deal: Ms. Perez stated the Trust is preparing for its Series 25 bond deal. The bonds will be priced in early November and is expected to close on November 21st.</p> <p>The Trust is finishing selecting loans that will be financed in Series 25. There are weekly calls that Executive Committee members are welcome to join.</p>
4.	<p>Updates from EPA Training: Mr. Keenan stated that EPA Region 1 held on training on the SRFs with a focus on the Bipartisan Infrastructure Law (BIL) funding.</p> <p>A key takeaway from the training is that the Trust can modify its Drinking Water SRF Disadvantaged Community criteria to include Environmentally Disadvantaged Communities that have identified lead or PFAS in their drinking water.</p> <p>Expanding the Disadvantaged Community criteria will allow the Trust to use loan forgiveness for all loans for lead and PFAS remediation projects and not just those considered disadvantaged communities under the annual affordability calculation.</p> <p>EPA advised that the Disadvantaged Community criteria can be amended on the 2023 IUP and that would then apply to prior projects that appeared on the 2022 IUP as well.</p> <p>Ms. Perez noted that this change will not affect existing affordability criteria. It would just expand the number of loans eligible for loan forgiveness. Draft language on environmentally disadvantaged communities will be brought to the next Executive Committee meeting for members to review.</p> <p>CWSRF 2% Small Systems Technical Assistance Set Asides Mr. Keenan stated the Trust is awaiting clarification from EPA on eligible uses of the CWSRF 2% small systems technical assistance set aside funds. There seems to be some confusion at EPA if their original guidance is accurate and the funding must go to a non-profit or if the funding can be provided to a for profit company to do the work for a community, such as an engineering firm.</p>
5.	<p>Fair Share Objective Update: Mr. Maple presented slides on disadvantaged business enterprises (DBEs) and fair share objectives (FSOs). The FSOs are goals that borrowers must make a good faith effort to achieve when it comes to awarding contracts to DBEs.</p>

	<p>EPA answered the Trust’s question from the August 10, 2023 Executive Committee meeting by confirming that data from the past 10 years can be used to set new FSOs. Accordingly, the FSO data procured in 2019 will be used. The Trust will submit a negotiation letter stating our rationale to EPA.</p> <p>Keen Independent Research (KIR), the firm that conducted the availability assessment in 2019, provided analysis of the current capacity of DBEs to participate in SRF projects. KIR recommended the inclusion of multiple adjustment factors to set the Trust’s new FSOs. However, the 2019 analysis from KIR recommended FSOs that are lower than the Trust’s current DBE engagement.</p> <p>Ms. Pinaud stated that MassDEP will review the current participation to see if the amount of DBE engagement has changed compared to the 2019 analysis. The Trust and DEP will summarize any changes in their negotiation letter to EPA.</p> <p>Further updates will be discussed at the next Executive Committee meeting.</p>
6.	<p><u>SWIG Grant Extensions:</u> Mr. Honey stated that on April 19, 2023, the Executive Committee approved case-by-case considerations for 90-day extensions to SWIG grantees experiencing difficulties completing grant closeouts. Two grantees, Amherst-Pelham Regional School District (APRSD) and Worcester Public Schools (WPS) were given extensions.</p> <p>Both APRSD and WPS requested additional extensions. The districts experienced additional delays related to labor shortages, technical issues, and hazardous material abatement. Now that the school year has begun, these facilities will need to complete work outside of school hours. Both districts submitted letters outlining the steps they are taking to ensure completion prior to the new extension dates, if approved.</p> <p>The Executive Committee unanimously agreed to issuing these extensions.</p>
<p>Other Business (Items not reasonably anticipated by the Chair 48 hours in advance of the meeting)</p> <p>Community Septic Management Program (CSMP) Loan Amounts</p> <p>Mr. Derouen said that a PAC and PRA for a new Nantucket CSMP loan were issued for \$2,000,000 and are scheduled for a Trust’s Board of Trustees vote at the October meeting. This loan amount is high compared to the usual \$200,000 amount issued for CSMP loans. Additionally, Nantucket was issued a \$2 million CSMP loan four years ago that has yet to be fully drawn down.</p> <p>If DEP were to issue a PAC and PRA for a lesser amount during this current 2023 IUP timeline, by the time Nantucket has drawn down the funds completely, they could apply for a new loan during the 2024 IUP cycle.</p> <p>Ms. Pinaud stated one reason for the higher amount is that Nantucket has a bylaw requiring the use of innovative and alternative septic systems which are significantly more expensive than traditional septic systems.</p>	

The Trust and DEP will review homeowner demand information to project anticipated costs before a PAC and PRA are presented to the Board.

Adjourn the Meeting: Ms. Perez requested a motion to adjourn the meeting. Ms. Pinaud moved the motion. A roll call was held, and all members approved the motion.

LIST OF DOCUMENTS AND EXHIBITS USED:

1. Disadvantaged Business Enterprises and Fair Share Objectives Presentation

Minutes Approved:

DRAFT



Items #2 through #7: *(No Reference Documents)*