

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

NOTICE AND AGENDA

Meeting Date:	Wednesday, November 15, 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 10/25/2023 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. Fair Share Objectives Update: MassDEP will provide an update on the Fair Share Objectives review of DEP Legal Counsel.
	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, November 15, 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 10/25/2023***

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

Meeting Minutes

Meeting Date: Wednesday, October 25, 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
Sally Peacock, Controller, Trust
Nicole Munchbach, Accountant, Trust
Sunkarie Konteh, Accountant, Trust
Joshua Derouen, Senior Program Associate, Trust
Julian Honey, Program Associate, Trust
Jonathan Maple, Senior Policy Analyst, Trust
Kathryn Armour, Data Analyst, Trust
Ashraf Gabour, Program Manager, DEP
Michele Higgins, Section Chief, DEP
Robin McNamara, Deputy Director of Municipal Services, DEP

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 9/27/2023 meeting of the Executive Committee:</u> The Committee approved meeting minutes from the 9/27/2023 meeting of the Executive Committee.
2.	<u>2023 Intended Use Plan Project Ranking and Capacity:</u> Ms. Pinaud stated that DEP reviewed and ranked all 2024 Project Evaluation Forms received during the 2024 Intended Use Plan (IUP) solicitation to develop the 2024 Project Priority Lists (PPL). DEP would like to publish the draft 2024 IUPs soon. DEP would like to offer financing to all Tier 5 Drinking Water (DW) projects as well as all Tier 4 and Tier 5 Clean Water (CW) projects with the 2024 IUPs. In this scenario, the total 2024 CW IUP cost would be approximately \$900 million. The total 2024 DW IUP cost would be approximately \$400 million without considering the lead service line (LSL) replacement projects. These estimates assume cost caps of \$50 million for CW projects and \$15 million for DW projects just like the 2023 IUPs.

	<p>DEP will send final 2023 IUP project amounts, now that the October 13th deadline for applying for financial assistance has passed, to the Trust to finalize capacity calculations.</p> <p>Ms. Perez said that the Trust is still working to obtain information for the capacity calculation. There have been regular meetings to help finalize the calculation. We need to be mindful that because fewer DW projects dropped from the 2023 DW IUP and the projects advancing are coming in at costs higher than expected, it could impact capacity for the 2024 DW IUP.</p>
3.	<p><u>Series 25 Bond Deal:</u> Ms. Perez stated the Trust will be pricing its Series 25 bonds the week of November 7th. The Trust is issuing approximately \$400 million in new money and refunding bonds.</p> <p>The Trust will be receiving its credit ratings later this week.</p> <p>The retail order period will be on November 7th. The institutional order period will be on November 8th. The Trust will be meeting with Commissioner Heiple to discuss the information and documents needed from DEP for this deal.</p>
4.	<p><u>Environmentally Disadvantaged Communities:</u> Mr. Keenan stated that EPA Region 1 approved the Trust's request to expand the Disadvantaged Community criteria to include any community that has detectable lead or PFAS in its drinking water. Projects that meet these criteria and are not currently designated under the current Disadvantaged Community criteria will be considered Environmentally Disadvantaged Communities for the project.</p> <p>This will help the Trust put more of its Bipartisan Infrastructure Law (BIL) funds towards loan forgiveness for Disadvantaged Community projects. It will help further incentivize communities to finance their projects through the SRF because 0% interest loans will continue to be available for PFAS mitigation and LSL replacement projects.</p> <p>The Trust's Board of Trustees will be presented with a vote at its next meeting to approve these expanded criteria. Upon approval, the new definition of Environmentally Disadvantaged Community will be added to the 2024 IUP for public comment. Additional loan forgiveness can then be awarded to Environmentally Disadvantaged Communities retroactive to 2022 and through the 2024 DW IUP.</p> <p>The amended IUPs will continue to make it clear that projects with the highest rankings on the DW PPL will remain the highest priority for financing.</p>
5.	<p><u>Fair Share Objective Update:</u> Mr. Maple reviewed average disbursement data made to disadvantaged business enterprises (DBEs) between 2019 and 2022. After applying an upwards adjustment as recommended by Keen Independent Research (KIR), the FSOs would be 4% for minority business enterprises (MBEs) and 4.4% for women's business enterprises (WBE).</p> <p>Mr. Maple recommends using KIR's methodology and analysis but using the data and updated capacity from 2019 through 2022. This is an increase from the previous EPA FSOs suggested</p>

	<p>by KIR of 3.4% for MBEs and 3.2% for WBEs. However, this is lower than the current objectives of 4.2% for MBEs and 4.6% for WBEs.</p> <p>The Executive Committee determined that the 2019 through 2022 annual disbursement averages of 5.8% for MBEs and 6.4% for WBEs suggest that the SRF programs have the capacity to meet higher objectives.</p> <p>Ms. Pinaud said that because the numbers are so similar, it may be simpler to retain the existing objectives and not create new, lower objectives. The Committee agreed that retaining the existing FSOs would further the purpose of the EPA FSO program.</p> <p>Mr. Maple noted that recommendations will need to be submitted by DEP's legal counsel due to the terms of the SRF operating agreement. Once DEP's legal counsel signs off on the analysis, a recommendation will be presented to the Committee. Upon the Committee's approval, the Board will vote to approve changes to the objectives.</p>
6.	<p><u>CWSRF 2% Small Systems Technical Assistance Set Asides:</u> Mr. Keenan stated that EPA Headquarters clarified their guidance to allow state agencies to provide small system technical assistance. This updated guidance will allow communities to have more options than the one non-profit respondent to the Trust's request for responses (RFR) for small system technical assistance providers. However, that current technical assistance provider will be retained.</p> <p>The Trust and DEP should consider having a process where DEP has an application process for communities looking for technical assistance grants where communities will get to choose their own technical assistance provider. This is similar to the process for the Asset Management Planning (AMP) Grant Program which involves a manageable level of oversight.</p> <p>There are so few communities that qualify for CWSRF small system technical assistance that this additional solicitation should still be manageable.</p> <p>Ms. Pinaud noted DEP will need to review the work being completed by the technical service providers to ensure it is compliant with SRF requirements.</p>
7.	<p><u>AMP Grant Extension Request:</u> Mr. Honey stated that DEP received an AMP grant extension request for a 2021 IUP Project, Dudley DWA-21-08. The original closeout deadline was November 1, 2023. Due to staffing issues and the number of projects the Town of Dudley is undergoing, including two SRF-financed projects, an extension was requested through February 29, 2024. DEP previously stated that they agree with the need for an extension.</p> <p>Mr. Maple state that upon approval of this extension, the extension letter would state a closeout deadline of April 29, 2024. This will give DEP two additional months to process paperwork. The Executive Committee unanimously agreed to issue the extension.</p>
Other Business (Items not reasonably anticipated by the Chair 48 hours in advance of the meeting)	
<p><u>Adjourn the Meeting:</u> 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.</p>	



Items #2 through #3: *(No Reference Documents)*