

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

NOTICE AND AGENDA

Meeting Date:	Wednesday, February 26, 2025
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 12/11/2024 and 1/2/2025 meetings of the Executive Committee2. Agenda Topics for the March Board Meeting: The Trust will provide an update on topics for discussion at the upcoming Board meeting.3. Federal Capitalization Grants: The Trust will discuss the federal capitalization grants.4. 2025 Intended Use Plans (IUPs) Update: MassDEP will provide an update on the publication of the draft IUPs.
	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, February 26, 2025 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 Meetings
Held on December 11, 2024 and January 2, 2025***

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

Meeting Minutes

Meeting Date: Wednesday, December 11, 2024

Time: 11:00 AM

Location: Remote

Notice: Due public notice given

Attendees Sue Perez, Executive Director, Trust
Maria Pinaud, Director of Program Development, Trust
Timur Yontar, Director of Finance & Administration, Trust
My Tran, Treasurer, Trust
Bridget Munster, Deputy Director of Program Development, Trust

Also Present Nate Keenan, Department Director, Trust
Nicole Munchbach, Assistant Controller, Trust
Sunkarie Konteh, Accountant, Trust
Joshua Derouen, Program Manager, Trust
Kailyn Fellmeth, Senior Program Associate, Trust
Aidan O’Keefe, Program Associate, Trust
Ray Leconte, Program Associate, Trust
Esther Omole, Program Associate, Trust
Jonathan Maple, Senior Policy Analyst, Trust
Kathleen Baskin, Assistant Commissioner, MassDEP
Robin McNamara, Deputy Director of Municipal Services, MassDEP
Michele Higgins, Program Manager, MassDEP
Gregory Devine, Section Chief, MassDEP
Michael Celona, Drinking Water Specialist, MassDEP
Yvette DePeiza, Drinking Water Program Director, MassDEP
Janine Bishop, Regional Planner, MassDEP
Jasmine Strangis, Environmental Analyst, MassDEP
Andrew Durham, Environmental Analyst, MassDEP
Michele White, Special Projects Coordinator, Cape Cod Commission
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 were present.
1.	<u>Review and approval of minutes from the 10/9/2024 and 10/23/2024 meetings of the Executive Committee:</u> The Committee approved meeting minutes from the 10/9/2024 and 10/23/2024 meetings of the Executive Committee.
2.	<u>Clean Water (CW) State Revolving Fund (SRF) Small System Technical Assistance Program Discussion:</u> Ms. Pinaud provided background on the CWSRF Small System Technical Assistance Program, which provides assistance to small, rural and tribal communities with public treatment works, funded through the 2% set-aside under the Bipartisan Infrastructure Law (BIL). The universe of eligible communities is limited and the program has received very limited interest. EPA provides an identical program that includes engineering, which may be hindering applications. Ms. McNamara noted that MassDEP has conducted extensive outreach to all eligible communities and only received 11 inquiries, three of which engaged with the program. There have been no additional inquiries since March of 2024.

	<p>MassDEP recommended that the program be discontinued due to a lack of interest.</p> <p>Ms. Perez recommended documenting outreach efforts and requesting further guidance from EPA on what to do with remaining funds, since the BIL grant cannot be closed out until the funds are expended.</p>
3.	<p><u>Lead Service Line (LSL) Planning Grant Program Update:</u> Ms. Strangis gave a presentation on the LSL Planning Grant Program and non-lead validation. Under the Lead and Copper Rule Revisions, by October 16, 2024, 766 public water systems (PWSs) in Massachusetts were required to submit a complete inventory of all LSLs in their distribution systems. Since then, MassDEP has reviewed and approved 271 inventories, or 35% of these systems. The approved inventories have been uploaded to MassDEP's database.</p> <p>Under the Lead and Copper Rule Improvements (LCRI), PWSs must submit an updated inventory, which builds off the requirements of the initial inventory, by November 1, 2027. PWSs must also develop a validation pool of randomly chosen non-lead service lines to conduct material verification by visual inspection of the pipe exterior at a minimum of two points. Based on MassDEP's initial review, it is expected that the funding necessary to verify non-LSLs is between \$6,124,300-\$21,872,500. Many systems under review are older and larger, so this estimate is expected to increase.</p> <p>Ms. DePeiza stated that the 2-point verification required by the LCRI includes validation on both the private and public sides of the service line. MassDEP recommended that the current LSL Planning Grant Program be expanded to fund public service line verification. This can be done through potholing, a process in which small holes are created on the surface of a water line so it can be visually identified, or other methods that are minimally disruptive.</p> <p>Ms. Perez noted that this may not be possible, as funding for the grant program has already exceeded set-aside amounts from the BIL Drinking Water (DW) LSL Replacement Funding. The discussion will be revisited at a future meeting once additional data has been compiled.</p>
4.	<p><u>2025 Intended Use Plans (IUPs) Update:</u> Ms. Perez reviewed the data points used to determine capacity for the 2025 IUPs. The Trust considers outstanding commitments, the backlog of carryover projects, the project drop rate, increased costs, and funding sources when determining capacity.</p> <p>In previous years, the SRF has funded the full cost of DW projects up to the cap amount of \$15 million per project, per calendar year. Project costs in excess of the cap amount have historically been carried over onto subsequent IUPs. Carryover projects have created challenges in recent years due to surges in project costs, particularly for PFAS projects, often causing projects to be spread over multiple years. Further, the DW project drop rate is low and substantially offset by increased project costs. The total carryover backlog of projects that have been offered financing over multiple IUPs is approximately \$293 million, heavily restricting the amount of new funding the Trust can provide for DW projects on the 2025 IUP.</p> <p>In recent years, the vast majority of DW IUPs have consisted of PFAS projects. Federal funding does not match the level of demand for PFAS projects, which are expensive and rank highly on the IUP scoring criteria due to public health concerns. There is no required state match, further limiting capacity. The SRFs alone will not be able to fund these projects. The Executive Committee will reconsider zero-percent interest loans offered for PFAS mitigation, as the current approach on funding these projects may not be sustainable.</p>

	<p>The increase in Congressionally Directed Spending, or earmarks, has had a negative impact on the funding the Trust receives, as funding is subtracted from the SRF base grant each year. EPA's loan forgiveness requirements have also hurt funding levels, with high loan forgiveness percentages meaning less funding is revolving back into the SRF. Once BIL funding ends, SRF funding will decrease dramatically, effectively hitting a cliff in 2027 if funding is not restored to previous levels.</p> <p>Approximately \$100 million is available for new DW projects on the 2025 IUP. It will not be possible to fund new carryover projects.</p> <p>Mr. Yontar asked whether there are similar concerns for the CW program, to which Ms. Perez responded that the CW base grant is larger and set-asides are not as prescriptive, so the program has been able to develop a more robust, revolving base. Additionally, the DW base grant includes over 30% in set asides, so the program capacity is smaller. The Trust transfers 33% of the DW grants from the CW to DW program to assist with this issue.</p> <p>Ms. Pinaud stated that MassDEP is working to develop the IUPs following capacity calculations. An internal review will be completed and the draft IUPs will be published in early 2025. Once the drafts are published, there will be a 30-day public comment period, concluding with a public hearing.</p>
5.	<p><u>Asset Management Planning (AMP) Grant Extension Request:</u> Mr. O'Keefe stated that AMP Grant extension requests were received for Fall River DWA-22-22, Fitchburg CWA-22-70, Rutland CWA-22-62, and Stow CWA-22-25, all of which are 2022 AMP Grants. The communities have all noted that they have faced various delays to their projects. It was recommended that the communities be granted an extension of 60 days beyond their requested extension deadlines.</p> <p>The Executive Committee voted unanimously to give deadline extensions through 7/21/2025, 7/30/2025, 10/28/2025, and 3/1/2025 respectively to allow the communities ample time to complete the scope of work and project closeout documentation.</p>
Other Business (Items not reasonably anticipated by the Chair 48 hours in advance of the meeting): None.	
<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>	

Minutes Approved:

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

Meeting Minutes

Meeting Date: Thursday, January 2, 2025

Time: 12:00 PM

Location: Remote

Notice: Due public notice given

Attendees Sue Perez, Executive Director, Trust
Maria Pinaud, Director of Program Development, Trust
Timur Yontar, Director of Finance & Administration, Trust
My Tran, Treasurer, Trust
Bridget Munster, Deputy Director of Program Development, Trust

Also Present Nate Keenan, Department Director, Trust
Nicole Munchbach, Assistant Controller, Trust
Sunkarie Konteh, Accountant, Trust
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Kailyn Fellmeth, Senior Program Associate, Trust
Jonathan Maple, Senior Policy Analyst, Trust
Aidan O’Keefe, Program Associate, Trust
Ray Leconte, Program Associate, Trust
Esther Omole, Program Associate, Trust
Rachel Stanton, Investor Relations and Communications Graphic Designer, Trust
Kathleen Baskin, Assistant Commissioner, MassDEP
Robin McNamara, Deputy Director of Municipal Services, MassDEP
Michele Higgins, Program Manager, MassDEP
Michael Celona, Drinking Water Specialist, MassDEP
Janine Bishop, Regional Planner, MassDEP

SUMMARY OF DISCUSSIONS

Open the Meeting: Ms. Perez opened the meeting after confirming the attendees present.

- 1. 2025 Intended Use Plans (IUPs) Update:** Ms. Pinaud stated that over the past week, MassDEP has been working closely with the Trust to confirm available funding for the 2025 IUPs. MassDEP does not yet have the complete figures necessary to determine capacity and finalize the IUPs.
- Available project funding for the 2025 Drinking Water IUP has been reduced to \$100 million for new projects due to constraints from carryover projects from previous IUPs, such as costly PFAS projects. To compound this matter, Congress has not yet voted on the budget, and the EPA is still working on the allotment formula for the Lead Service Line Grant. Presently, there are only allotments for the Supplemental and Emerging Contaminants Grants.
- Available project funding capacity for the 2025 Clean Water IUP is \$835 million. Of this amount, \$450 million will be offered for new projects, while over \$350 million will be allocated to fund carryover projects from previous IUPs.

	<p>Ms. Pinaud suggested that the best path forward is to not offer carryover funds for new projects on future IUPs. Borrowers will have the option to apply for additional funding on subsequent IUPs for any project that cannot be fully funded in one IUP.</p> <p>Ms. Perez stated that the amount committed to a project will be limited to the cost specified in the IUP. It is not possible to guarantee that the Project Approval Certificate will increase if costs increase once a project goes out to bid. Cost increase requests will be evaluated as they come in, considering capacity.</p> <p>Ms. Pinaud stated that MassDEP will conduct an agency review of the draft IUPs. Once the draft IUPs are published, there will be a 30-day review period, concluding with public comment. Oral and written testimonies will be accepted. Factual information presented during the public comment may alter the ranking presented on the draft IUPs.</p> <p>Mr. Yontar asked about the possibility of a project that was just over the line to qualify for funding on the IUP being moved below the line following public comment. Ms. Pinaud replied that this scenario is not likely to occur since the projects are already ranked according to MassDEP's criteria, with MassDEP closely reviewing project information while compiling the IUP. However, she noted that the ranking on the draft IUPs is preliminary and subject to change.</p>
<p>Other Business (Items not reasonably anticipated by the Chair 48 hours in advance of the meeting):</p> <p>Recognition of Service:</p> <p>Ms. Pinaud stated her plans for retiring at the end of January and noted that Ms. McNamara may be contacted for assistance through the transition period. Ms. Perez expressed her appreciation for Ms. Pinaud's dedication and hard work in her time with MassDEP.</p>	
<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>	

Minutes Approved:



Item #2 through 4: *(No Reference Documents)*