

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

Meeting Minutes

Meeting Date: Thursday, October 15, 2020
Time: 12:30 PM
Location: By Telephone
Notice: Due public notice given
Attendees Sue Perez, Executive Director, Trust
Maria Pinaud, Director of Program Development, Trust
Maya Jonas-Silver, Director of Finance & Administration, Trust
Also Present Nate Keenan, Deputy Director, Trust
Sally Peacock, Controller, Trust
Jonathan Maple, Policy Analyst, Trust
Joshua Derouen, Program Associate, Trust

SUMMARY OF DISCUSSIONS

	<u>Open the Meeting:</u> Ms. Perez opened the meeting after confirming all attendees were present.
1.	<u>Minutes.</u> The Committee approved meeting minutes from the 08/27/2020 and 9/10/2020 meetings of the Executive Committee.
2.	<p><u>Implementing the Water Infrastructure Transfer Act (WIFTA) Transfer for Lead Projects.</u> Mr. Keenan delivered a presentation on the next steps to implement the additional subsidy program created by WIFTA to provide additional subsidy for loans addressing lead in the drinking water.</p> <p>The transfer was made before the October 4th deadline and the Committee must decide how the additional subsidy will be distributed to eligible projects by the beginning of November to be included in the 2021 Intendent Use Plan (IUP). It has been decided that the 2021 IUP will be the beginning of eligibility, since there are no eligible projects on the 2020 IUP. Applications have already been submitted to MassDEP for the 2021 IUP.</p> <p>The eligible projects will be the following:</p> <ol style="list-style-type: none">1. Planning projects for identifying lead for removal from the drinking water systems, which is different than the Trust's normal loan forgiveness that is only available for construction projects,2. Corrosion control projects, and;3. Water main and lead service line replacement construction projects. <p>The Committee has to decide how to proceed with the following issues:</p> <ol style="list-style-type: none">1. How will the funding be provided?2. How will the projects be internally tracked?3. What communities will be eligible?

	<p>How Funding will be Provided</p> <p>The Committee discussed whether to award the additional subsidy as a set percentage for eligible loans, like loan forgiveness is currently, or to award a defined dollar amount for the IUP to be split among eligible projects based on the tiers. It was determined that the Trust and MassDEP will need to review eligible projects from the 2021 IUP and see what the dollar amount of projects would be eligible for the additional subsidy. Ms. Perez noted that subsidy percentages or defined dollar amounts should be sustainable because we have a defined amount of funds and want to offer the same or similar amount of subsidy for multiple years. Disadvantaged Communities would receive their standard loan forgiveness and the enhanced additional subsidy available through WIFTA. The working group will discuss these ideas further then present the Committee with recommendations.</p> <p>How Projects will be Internally Tracked</p> <p>Ms. Pinaud said that MassDEP will determine the projects eligible for this additional subsidy by reviewing the loan application, identifying the portion of the project eligible for the subsidy, and note the information in the Project Regulatory Agreements for loans and in letters sent to the borrowing communities. This is the same process for issuing 0% interest loans for nutrient enrichment reduction projects as well as those for PFAS mitigation. Ms. Perez agreed and noted that there needs to be a simple way of tracking the projects, similar to how it is done for loan forgiveness where there is a designation on the loan number that identifies what type of subsidy the loan is receiving. The working group will discuss the specifics of this idea further then present the Committee with recommendations.</p> <p>Communities that will be Eligible</p> <p>Mr. Keenan said that the Committee needs to decide what communities would be eligible for the additional subsidy. The Committee reviewed options for prioritizing communities. It was ultimately decided that all projects dealing with lead abatement will be allowed to qualify for the enhanced additional subsidy.</p>
3.	<p><u>Reviewing the Asset Management Planning (AMP) Grant Program</u> Mr. Keenan discussed how the AMP Grant Program was intended to have recipients draw down their proceeds and complete their projects within one year of their Project Regulatory Agreement being approved by the Trust’s Board of Trustees. There are some communities that have not drawn down all their grant proceeds after a year. The Committee needs to review the program to make sure it is helping communities as anticipated since the program is entering its third year.</p> <p>Ms. Pinaud said that many of the AMP projects are proceeding. MassDEP staff members are also checking in with communities on their progress. Although the AMP Grant Program is well-received by communities, there is potential for change. MassDEP staff and interns could work to develop new measures to better evaluate the success of such projects.</p> <p>Ms. Perez noted that the current program was perceived as a pilot program and suggested that a working group between the Trust and MassDEP could help revise requirements for this program and ensure that the program and products being produced are useful and being implemented. Ms. Pinaud agreed and said she would follow up with the committee with information on the status of the projects.</p>
<p>Other Business (Items not reasonably anticipated by the Chair 48 hours in advance of the meeting)</p> <p><u>2020 Intendent Use Plan (IUP) Loan Application Deadline.</u> Ms. Pinaud said that loan applications for 2020 IUP projects are due to MassDEP by tomorrow, October 16th. MassDEP will then review the applications and</p>	

determine which projects are moving forward. A capacity analysis will then be done to determine how much funding will be available for 2021 IUP projects.

Surveying communities not using or not moving forward with the SRF for their projects. Mr. Derouen said that a survey was sent out on Tuesday to get feedback from municipalities and water utilities that have never applied for SRF financing or have not done so in 10 or more years. This survey was sent out to over 500 e-mail addresses between clerks, treasurers, and public works officials in over 70 municipalities and over 200 water utilities. 79 responses have been received as of today, October 15th. 23 respondents wrote contact information in their responses because they want to meet with the Trust and DEP to discuss SRF financing. This survey will provide us with valuable information and hopefully generate more participation in the SRF.

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. Implementing the Water Infrastructure Transfer Act Presentation
2. 2019 IUP Asset Management Planning Grant Program Update

The meeting adjourned at 1:17 p.m.

Minutes Approved: November 12, 2020