

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

Meeting Minutes

Meeting Date: Wednesday, February 21, 2024
Time: 10:30 AM
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
My Tran, Treasurer, Trust
Also Present Nate Keenan, Deputy Director, Trust
Sally Peacock, Controller, 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
Rachel Stanton, Investor Relations and Communications Graphic Designer, Trust
Robin McNamara, Deputy Director of Municipal Services, DEP
Ashraf Gabour, Program Manager, DEP
Michele Higgins, Program Manager, MassDEP
Jennifer Pederson, Executive Director, Massachusetts Water Works Association
Andrew Gottlieb, Executive Director, Association to Preserve Cape Cod
Kristy Senatori, Executive Director, Cape Cod Commission
Michele White, Special Projects Coordinator, Cape Cod Commission
Gary Moran, Deputy Commissioner, DEP
Tim Jones, Deputy Director of Program Development, Trust

Absent

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 1/10/2024 meeting of the Executive Committee:</u> The Committee approved meeting minutes from the 1/10/2024 meeting of the Executive Committee.

2.	<p><u>Discussion on the Cape Cod and Islands Water Protection Fund (CCIWPF):</u> Ms. Perez stated that the CCIWPF was established by the Massachusetts State Legislature in 2018 to assist Cape Cod and island communities with paying for necessary water infrastructure improvements. The CCIWPF is funded by a 2.75% excise tax on traditional lodging and short-term rentals. This tax generates approximately \$20 million in revenue per year. The Trust acts as the trustee for the CCIWPF. The CCIWPF Management Board is comprised of officials from 15 Cape Cod and island communities. The CCIWPF currently provides 25% in subsidy for qualifying wastewater projects.</p> <p>The CCIWPF Executive Committee sent a letter to the Board members requesting supplemental funding to be able to continue providing the 25% subsidy. Between the 2018 to 2023 Clean Water Intended Use Plans (IUPs), Cape Cod community project costs were just over \$500 million. The cumulative amount of subsidy awarded to those projects was approximately \$150 million. Additionally, most projects receiving CCIWPF subsidy qualify for 0% interest loans under the Nutrient Enrichment Reduction Loan program.</p> <p>Alternative Subsidy Approach Proposal</p> <p>Ms. Perez said that beginning with qualifying 2023 IUP projects, the Trust would like to put the full loan amounts into repayment then CCIWPF subsidy will be provided as a reduction in debt service assistance. This will allow the subsidy to be disbursed over the life of the loans instead of four years. This will allow the CCIWPF to continue to provide subsidy.</p> <p>The Trust is working with its legal counsel, the CCIWPF's financial advisors, and Cape Cod Commission staff to work on a plan to revise the trustee agreement.</p> <p>The changes being discussed will not affect protocols for DEP nor incur additional financial risk for the Trust.</p> <p>A final recommendation detailing fund stability and amounts will be presented at a future Executive Committee meeting.</p> <p>The Trust's Board of Trustees will need to grant approval to enter into a trustee agreement.</p>
3.	<p><u>Discussion on Build America Buy America Act (BABAA) Implementation:</u> Ms. Pinaud stated that during the annual review, EPA Region 1 staff said that BABAA requirements are only applicable to projects entered on the Trust's Federal Funding Accountability and Transparency Act (FFATA) reports. This is because EPA will not issue BABAA waivers for non-FFATA projects.</p> <p>Prior to the passage of BABAA and the Bipartisan Infrastructure Law (BIL), Massachusetts made the policy decision to require all projects to adhere to federal SRF requirements, making one set of rules for all borrowers.</p>

	<p>Mr. Keenan said that officials from the Council of Infrastructure Financing Authorities (CIFA) contacted EPA officials regarding BABAA implementation. CIFA staff communicated to the Trust that they were told there is no further guidance from EPA at this time.</p> <p>With this uncertainty, a working group of Trust and MassDEP SRF program staff will be formed to coordinate implementation of BABAA with the limited guidance available.</p>
<p>Other Business:</p> <p>Recognition of Service The Executive Committee congratulated Mr. Gabour on his retirement after 36 years of serving the Commonwealth and its residents.</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: March 20, 2024