

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

**Meeting Minutes**

**Meeting Date:** Wednesday, July 19, 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  
Sally Peacock Controller, Trust  
Pam Booker Accountant, Trust  
Nicole Munchbach, Accountant, Trust  
Sunkarie Konteh, Accountant, Trust  
Joshua Derouen, Senior Program Associate, Trust  
Rachel Stanton, Investor Relations and Communications Graphic Designer, Trust  
Kailyn Fellmeth, Program Associate, Trust  
Julian Honey, Program Associate, Trust  
Ashraf Gabour, Program Manager, DEP  
Sophia Lindstrom, Summer Intern, Trust  
Robin McNamara, Deputy Director of Municipal Services, DEP

SUMMARY OF DISCUSSIONS	
	<b><u>Open the Meeting:</u></b> Ms. Perez opened the meeting after confirming the attendees present.
1.	<b><u>Review and approval of minutes from the 5/31/2023 meeting of the Executive Committee:</u></b> The Committee approved meeting minutes from the 5/31/2023 meeting of the Executive Committee with Mr. Jones abstaining.
2.	<b><u>Discussion on Lead Service Line (LSL) Grants:</u></b> Mr. Keenan stated that the Trust and MassDEP raised the issue of the reduced 2023 Bipartisan Infrastructure Law (BIL) LSL Replacement Grant amount to the Executive Office for Administration and Finance's Federal Funds Office and the federal government.  The EPA confirmed that the 2023 BIL LSL Replacement Grant amount is final.  The Trust and MassDEP will wait for a new allocation formula or build an argument as to why the Trust should be awarded higher BIL LSL Replacement Grant amounts in future years.

	<p>The Trust will look to apply for unused funds from other state's allotments with the EPA.</p> <p>The Trust is also seeking additional information needed from the EPA on how allotments will be determined in future years.</p> <p>Ms. Pinaud stated that MassDEP's Drinking Water program will help compile the information needed to estimate the amount of funding needed for LSL inventory in future years.</p>
3.	<p><b><u>Discussion on Base Grant Federal Funding:</u></b> Mr. Keenan stated that the House Appropriations Committee recently approved the 2024 appropriations for the State Revolving Fund (SRF).</p> <p>In Federal Fiscal Year (FFY) 2023, \$775 million was allotted for the Clean Water (CW) SRF and \$516 million was allotted for the Drinking Water (DW) SRF.</p> <p>For FFY 2024, \$535 million was allotted for the CWSRF and \$464 million was allotted for the DWSRF. \$464 million of the CWSRF funds have been earmarked. \$410 million of the DWSRF funds have been earmarked.</p> <p>This is a significant change from FFY 2021 when \$1.61 billion was allotted for the CWSRF and \$1.21 billion was allotted for the DWSRF before earmarks.</p> <p>It seems that Congress is cutting the appropriation and adding earmarks because of the increased supplemental funding coming from the Bipartisan Infrastructure Law. However, the earmarks undermine the fundamental work and capacity of the SRFs in the long term after BIL funding has ended.</p> <p>Additionally, EPA is not capable of handling the earmark funds or directing the funding to communities as they lack the capacity. The EPA relies heavily on the states to administer the funding allocated to the SRFs.</p> <p>The Council of Infrastructure Financing Authorities is making a strong push against the proposed budget.</p> <p>Ms. Pinaud and Ms. Perez said that MassDEP and the Trust will work together to make more funding available outside of earmarks.</p>
4.	<p><b><u>2023 IUP Projects:</u></b> Ms. Pinaud stated that the June 30<sup>th</sup> deadline for local authorization for 2023 IUP projects has passed.</p> <p>Based on past trends, approximately 30 to 40% of CW projects drop by the end of each IUP year. This year, approximately 50% of the 2023 CW IUP projects have already dropped with 33 of the 59 projects moving forward. The 33 projects moving forward total approximately \$420 million. More projects could drop after the October 13<sup>th</sup> loan application deadline. This drop rate is even more alarming because more projects are bound to drop after the loan application deadline passes.</p>

	<p>The 2023 IUP projects that are proceeding are receiving higher bid amounts than expected so having additional funds after dropped projects will ensure capacity for projects moving forward.</p> <p>CW projects are not always ready to be implemented as additional planning is needed for design and permitting compared to DW projects.</p> <p>Only eight of the 59 2023 IUP Drinking Water projects have dropped. The 51 projects moving forward total approximately \$241 million.</p> <p>Most Asset Management Grant Program (AMP) projects are proceeding.</p> <p>Projects, whether they are CW and DW, may not move forward because communities do not pass the local authorization to issue debt. Local authorization often requires communities to increase service rates. There is usually more public support for DW projects compared to CW projects.</p>
<p><b>Other Business</b> (Items not reasonably anticipated by the Chair 48 hours in advance of the meeting) None.</p>	
<p><b><u>Adjourn the Meeting:</u></b> 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: September 27, 2023