

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

Meeting Minutes

Meeting Date: Thursday, August 10, 2023
Time: 3:00 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
Nicole Munchbach, 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
Robin McNamara, Deputy Director of Municipal Services, DEP

SUMMARY OF DISCUSSIONS

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

- 1. Fair Share Objectives (FSO) Update:** Mr. Maple said that the EPA notified the Trust about updates to the FSOs.

FSOs are goals to ensure that percentages of contracts entered into by borrowers through the Financing Agreement with the State Revolving Funds are qualified Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).

In 2019, the Trust procured an availability analysis to comply with the EPA's FSO requirements. The Trust then began working to renegotiate and reissue its own FSOs.

However, on October 1, 2019, the EPA issued RAIN-2019-G10, waiving the FSO requirements set forth under 40 CFR Part 33, Subpart D. Because the EPA waived the objectives, a December 2019 meeting of the Executive Committee affirmed that the Trust would maintain its existing goals.

	<p>Recently, the EPA issued RAIN-2023-GO2, which partially rescinds RAIN-2019-G10 and reinstates the requirements for recipients to negotiate FSOs. These changes must be implemented no more than 120 days after acceptance of a financial assistance award received on or after October 1, 2023.</p> <p>Mr. Maple asked EPA if the Trust can use its 2019 analysis in negotiating new goals. We are waiting on EPA's determination if the 2019 data is still acceptable.</p> <p>Ms. Perez said that the Trust would prefer to use the 2019 analysis as it was time consuming and costly to contract out the work. Ideally, we will use the 2019 data then collect new data three years from now when we are required to do so.</p> <p>Ms. Pinaud said that it has been increasingly difficult to find MBE and DBE participation in procurements as it has continued to include MBE and WBE participation as part of procurement requirements. Meeting these goals is especially challenging for planning projects because of a lack of available eligible contractors.</p> <p>MassDEP will present detailed participation data at a future Executive Committee meeting.</p>
2.	<p><u>Project Reporting Discussion:</u> Mr. Keenan said that additional identifiers should be included in loan and grant agreement numbers to enhance project tracking.</p> <p>Current identifiers include "L" in grant numbers for lead service line (LSL) inventory projects as well as "P" in loan numbers for disadvantaged communities issued loans eligible for loan forgiveness.</p> <p>Using "DWLC" at the beginning of loan numbers for LSL construction projects and "DWEC" at the beginning of loan numbers for drinking water emerging contaminants projects will help track the use of funds from the respective grants for Federal Funding Accountability and Transparency Act (FFATA), National Information Management System (NIMS).</p> <p>Ms. Pinaud said that going forward, DEP will issue agreements using these additional identifiers.</p> <p>Ms. Perez said that the Trust would also like to have a working group on other data for reports such as set-aside contracts so that we can be proactive for reports.</p>
3.	<p><u>LSL Project Solicitation:</u> Mr. Keenan stated the Trust wants to provide incentives to borrowers to complete LSL construction projects. The LSL grant program has been very popular, but the demand for LSL construction projects is not as high as expected.</p> <p>Many MWRA communities are using MWRA for LSL construction project financing because MWRA offers 0% interest loans for LSL construction projects and has a simpler loan process.</p> <p>If the Trust were to issue 0% interest loans for LSL construction projects, communities will have more of an incentive to move forward with Trust financing for such projects, including</p>

MWRA communities because the Trust can offer loan forgiveness on top of the 0% interest loans.

Ms. Perez proposed recommending to the Board that the Trust provide 0% interest loans, to LSL construction projects approved on the 2022 and 2023 IUPs.

The Executive Committee unanimously agreed to offer 0% interest rate loans for LSL construction.

The Trust's Board of Trustees will be presented with a vote to approve this new 0% interest loan program at its next meeting.

Other Business (Items not reasonably anticipated by the Chair 48 hours in advance of the meeting)

SWIG Grant Extensions:

Mr. Honey stated that on April 19, 2023, the Executive Committee approved case-by-case considerations for 90-day extensions to SWIG grantees experiencing difficulties completing grant closeouts. The Giving Tree School was one of the grantees given an extension.

The Giving Tree School contacted the Trust stating that they will need an additional extension to November 4, 2023 to complete grant activities. There have been difficulties meeting the written plumbing work estimate requirement for ESWIG. The building will also need to be closed for this plumbing work which will need to occur in mid-August.

The Executive Committee unanimously agreed to issuing this extension.

Asset Management Planning (AMP) Grant Extensions:

Ms. Fellmeth stated that MassDEP received two AMP Grant extension requests for 2021 IUP projects. Greater Lawrence Sanitary District CWA-21-12, which had a closeout deadline of September 1, 2023, requested an extension through October 13, 2023, as they finalize their report.

Swampscott CWA-21-05, which had a closeout deadline of July 7, 2023, requested an extension through December 30, 2023, to implement the original project scope of work and gather stakeholder feedback.

The Executive Committee unanimously agreed to issue these extensions.

LSL Planning Grant Compliance Assistance Program

Ms. Fellmeth said that West Warren Water District (WWWD) is an LSL Planning Grant recipient that submitted a Grant Questionnaire indicating that they have not undergone an audit completed by an independent auditor or accountant. WWWD is a very small system and needs a full audit for FY 2023 in order to comply with LSL Planning Grant Program requirements. WWWD submitted an engagement letter to the Trust from Marcum LLP stating that a full audit will cost \$25,000.

This is the second of 89 grantees to request this assistance. If approved, \$55,000 in compliance assistance funds will remain available for other grantees.

The Executive Committee unanimously agreed to fund the FY 2023 audit for WWWD.

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.

Minutes Approved: September 27, 2023