

**MEETING OF THE MASSACHUSETTS
CLEAN WATER TRUST
BOARD OF TRUSTEES
ANNUAL MEETING**

June 9, 2016

1:00 PM

State House, Room 227

Boston, Massachusetts

MINUTES

Board Members/

Designees

Present:

State Treasurer Deborah Goldberg

Martin Suuberg, Commissioner of the Department of Environmental Protection

Rachel Madden, Undersecretary, Administration and Finance (A&F Designee)

James A. MacDonald, First Deputy Treasurer (Treasurer Designee)

Steven McCurdy, Director of Municipal Services (DEP Commissioner Designee)

Also Present

Maureen Godsey Valente, Deputy Treasurer

Susan E. Perez, Executive Director, MA Clean Water Trust

Nathaniel Keenan, Deputy Director, MA Clean Water Trust

Bernard Greene, Senior Legal Counsel, MA Clean Water Trust

My Tran, Treasurer, MA Clean Water Trust

Sally Peacock, Controller, MA Clean Water Trust

Chandra Allard, Deputy Director of Communications, Office of the State Treasurer

Shawn Collins, Legislative Director, Office of the State Treasurer

Dan Truong, Assistant Communication Director, Office of the State Treasurer

Shawn Warren, KPMG

CALL TO ORDER: The meeting was called to order at 1:30 by Treasurer Goldberg.

Item #1

MOTION – VOTE

The motion was made by Ms. Madden, seconded by Commissioner Suuberg, and voted unanimously in favor of the acceptance and approval of the minutes of the meeting held on May 4, 2016.

Item #2

REPORT OF THE EXECUTIVE COMMITTEE

Ms. Perez asked Commissioner Suuberg to update the Board on the initiative to test public school drinking water for lead contamination.

Commissioner Suuberg reported that the initiative is offering additional technical assistance and sampling of public school water pursuant to the Federal Lead Contamination Control Act. Requests for information were sent to school districts and the response to date has exceeded 1083. The Commissioner expects to receive close to 1780 responses in total. DEP is prioritizing responses and focusing on the worse situations, such as buildings with old plumbing. The initiative has been able to develop good partnerships with the schools and has been well received by the communities.

Mr. Keenan distributed a power point presentation to the Board on EPA's clean water grant allotment report to Congress under the Water Resources Reform and Development Act. That Act directed EPA to review the grant allotment formula and determine whether it adequately addressed the water quality needs of eligible recipients. The Board discussed the three options EPA presented to Congress and each of their possible effects on Massachusetts' Federal clean water grant. Mr. Keenan stated that, depending on the option used, Massachusetts' grant could be reduced from the current 2016 amount by \$13.2 million under the least costly option to as much as \$20 million under the most costly option. Mr. Keenan noted that Congress does not have to act on the report from EPA. Nonetheless, Treasurer Goldberg recommended that the state congressional delegation be informed of the impact on Massachusetts.

Item #3

MOTION – VOTE

Election of Vice Chair

The motion was made by Commissioner Suuberg, seconded by Treasurer Goldberg, and voted unanimously in favor of the election of the following individual as the Vice Chair of the Board of Trustees:

OFFICE	NAME	NOMINATED BY
Vice Chair	Kristen Lepore	State Treasurer

Item #4

MOTION – VOTE

Appointment of Officers and Members of the Executive Committee

The motion was made by Commissioner Suuberg, seconded by Treasurer Goldberg, and voted unanimously in favor of the appointment and confirmation of the following individuals as officers of the Massachusetts Clean Water Trust, and as such officers, as members of the Executive Committee, in accordance with the provisions of the Bylaws, which individuals have been nominated as such officers by the Trustees listed next to their names

OFFICE	NAME	NOMINATED BY
Executive Director	Susan E. Perez	State Treasurer

Director of Finance and
Administration

Rachel Madden

Secretary, Administration
and Finance

Director of Program
Development

Steven J. McCurdy

Commissioner,
Department of
Environmental Protection

Item #5

MOTION – VOTE

Appointment of Deputy Director, Treasurer, and Controller

The motion was made by Commissioner Suuberg, seconded by Treasurer Goldberg, and voted unanimously in favor of the appointment and confirmation of the following individuals as officers of the Massachusetts Clean Water Trust, in accordance with the provisions of the Bylaws, which individuals have been nominated as such officers by the Trustees listed next to their names

OFFICE	NAME	NOMINATED BY
Deputy Director	Nathaniel J. Keenan	State Treasurer
Treasurer	My Tran	State Treasurer
Controller	Sally Peacock	State Treasurer

Audit Committee: At 1:15 p.m., the Board recessed the meeting to convene a meeting of the Audit Committee.

At 1:20 p.m., the Board returned from its recess and resumed the annual meeting.

Item #6

MOTION - VOTE

Interim budgets for the fiscal year beginning July 1, 2016

The motion was made by Ms. Madden, seconded by Commissioner Suuberg, and voted unanimously in favor of acceptance and approval of the following:

1. The Massachusetts Clean Water Trust may expend 1/6 of the amount authorized for the fiscal year 2016 budget from the Administrative Fund for the administration of the programs of the Trust during the interim period between July 1, 2016 and August 31, 2016; and
2. The Massachusetts Clean Water Trust may transfer to the Department of Environmental Protection up to an amount equal to 1/6 of the fiscal year 2016 budget for the Department approved by the Trust, from the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund, for the administration of the State Revolving Fund programs during the interim period between July 1, 2016 and August 31, 2016.

Item #7

MOTION – VOTE

The motion was made by Ms. Madden, seconded by Commissioner Suuberg, and voted unanimously in favor of acceptance and approval of the following:

Clean Water Loan Commitments

Project/PAC No.	Borrower	Loan/LGO Amount	Equivalent Interest Rate
CW-15-16	Greater Lawrence Sanitary District	\$9,029,369¹	2%
CW-16-04	Plymouth	\$200,000	2%

Item #8

MOTION – VOTE

The motion was made by Ms. Madden, seconded by Commissioner Suuberg, and voted unanimously in favor of acceptance and approval of the following:

Drinking Water Commitments

Project/PAC No.	Borrower	Loan/LGO Amount	Equivalent Interest Rate
DW-16-03	Hadley	\$249,971	2%
DW-09-20	Taunton ²	\$4,800,000	2%

Item #9

MOTION – VOTE

The motion was made by Ms. Madden, seconded by Commissioner Suuberg, and voted unanimously in favor of acceptance and approval of the following:

Clean Water Loans/Local Government Obligations and Financing Agreements

Project/PAC No.	Borrower	Loan/LGO Amount	Equivalent Interest Rate
CWP-15-23	Chicopee	\$12,405,179	2%
CWP-15-24	Great Barrington	\$4,731,194	2%
CWP-15-16	Greater Lawrence Sanitary District	\$9,029,369	2%
CWP-14-19-A	New Bedford	\$2,681,930	2%
CWT-16-04	Plymouth	\$200,000	2%

¹ First Revision. Original PAC amount was \$7,999,455.

² This PAC was originally approved as a Lakeville loan on November 12, 2009. The loan will be transferred to Taunton. Subject to final approval by the City of Taunton.

Item #10

MOTION – VOTE

The motion was made by Ms. Madden, seconded by Commissioner Suuberg, and voted unanimously in favor of acceptance and approval of the following:

Drinking Water Loans/Local Government Obligations and Financing Agreements

Project/PAC No.	Borrower	Loan/LGO Amount	Equivalent Interest Rate
DW-16-03	Hadley	\$249,971	2%
DWS-09-20	Taunton ³	\$4,800,000	2%

Item #11

MOTION – VOTE

The motion was made by Ms. Madden, seconded by Commissioner Suuberg, and voted unanimously in favor of acceptance and approval of the following:

Environmental Justice – Principal Forgiveness

That the final amounts of principal forgiveness for Loans or Local Governmental Obligations are hereby approved by the Board for the Water Pollution Abatement Projects and Drinking Water Projects of the Borrowers listed in Schedules 1 and 2 in the listed amounts; subject to the terms and conditions of the Financing Agreements.

OTHER BUSINESS: None

ADJOURN: Seeing no further business, at 1:30 pm a motion to adjourn was made by Ms. Madden, seconded by Commissioner Suuberg and voted unanimously in favor.

³ This PRA was originally approved as a Lakeville loan on January 13, 2010. The loan will be transferred to Taunton. Subject to final approval by the City of Taunton.