

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

September 7, 2016
1:30 PM

Conference Room
3 Center Plaza, Suite 430
Boston, Massachusetts

Minutes

Attendees: Commissioner Suuberg, Massachusetts Department of Environmental Protection
James A. MacDonald, First Deputy Treasurer
Rachel Madden, Executive Office for Administration and Finance Designee

Also Present: Sue Perez, Executive Director, MCWT
Steven McCurdy, Director of Municipal Services, MassDEP
Nathaniel Keenan, Deputy Director, MCWT
Jane Peirce, Deputy Director of Municipal Services, MassDEP
Bernard Greene, Senior Legal Counsel, MCWT
My Tran, Treasurer, MCWT
Sally Peacock, Controller, MCWT
William Kalivas, Treasury Specialist, MCWT
Heather Saxelby O'Donnell, Program Specialist, MCWT
Shahrima Hussain, Senior Accountant, MCWT
Pamela Booker, Accountant, MCWT

CALL TO ORDER: The meeting was called to order at 1:32 PM by Mr. MacDonald.

Item #1

MOTION- VOTE

The motion was made by Commissioner Suuberg, seconded by Ms. Madden and voted unanimously in favor of acceptance and approval of the minutes of the meeting held on August 8, 2016.

Item #2

REPORT OF THE EXECUTIVE COMMITTEE

Ms. Perez reported on the following:

1. At the August Board of Trustees meeting, it was expected that the Trust's loan with Sheffield Water Company would be transferred due to the sale of the assets of the company. After the Board meeting, the Trust learned that the buyer was able to negotiate a loan on favorable terms with a bank. As a result, the buyer will pay off the Trust's loan once the sale is completed. The loan is a direct loan, so this will have no effect on bond repayments.
2. KPMG has begun the annual audit of the Trust's Financial Statements and has begun the Trust's annual Single Audit.
3. The Trust's staff has been investigating refunding and cash defeasance options. Telephone calls are scheduled for this week to further explore options.
4. Contract Assistance documents have been updated with new language. Revised documents will be circulated soon.
5. Commissioner Suuberg provided an update on the lead testing initiative. He said that MassDEP has made good progress and that sampling will continue to increase in September as more schools are in session. The majority of the testing should be done by October. Commissioner Suuberg mentioned that Fox 25 News will be doing a story on the lead testing and plans to discuss the process with MassDEP on September 8. Commissioner Suuberg said that he hopes for a good result. Fox 25 will accompany MassDEP to a school to observe the testing procedures and will describe the outcome of the test once they become available. Currently MassDEP does not have funds for any repairs at schools where problems have been identified. Ms. Madden inquired whether the Massachusetts School Building Authority would have any interest in funding repairs. Mr. MacDonald noted that the authority's use of funds are extremely limited by statute so they would not be able to assist.

Item #3

MOTION- VOTE

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

Approval of the Fiscal Year 2017 Budgets

1. That the Board of Trustees approves the Trust's fiscal year 2017 budget request, as distributed to the Board, for funds from the Administrative Fund for the costs of administering its programs paid through the MCWT Expendable Trust and the DEP Expendable Trust.
2. That the Board of Trustees approves the Trust's fiscal year 2017 budget request of the Department of Environmental Protection, as distributed to the Board, for funds from the Clean Water and Drinking Water administrative grant funds and set-aside funds for the administration of the state revolving fund.

Item #4

MOTION- VOTE

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

Clean Water Loan Commitments

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Equivalent Interest Rate</u>
CW-16-10	Fitchburg	\$27,536,300	2%
CW-16-11	Nantucket	\$1,000,000	2%
CW-16-09	Saugus	\$6,044,521	2%

Item #5

MOTION- VOTE

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

Drinking Water Loan Commitments

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Equivalent Interest Rate</u>
DW-16-04	Chicopee	\$12,106,400	2%
DW-12-11	Merrimac	\$1,676,460 ¹	2%
DW-13-09	Revere	\$6,570,943 ²	2%

Item #6

MOTION- VOTE

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

Clean Water Loans/Local Government Obligations and Financing Agreements

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Equivalent Interest Rate</u>
CWT-16-11	Nantucket	\$1,000,000	2%
CWP-14-27	Springfield Water & Sewer Commission	\$23,475,000 ³	2%

¹First Revision. Original PAC amount was \$1,600,000.

²First Revision. Original PAC amount was \$6,420,000.

³First Revision. Original PRA amount was \$20,148,628.

Item #7

MOTION- VOTE

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

Drinking Water Loans/Local Government Obligations and Financing Agreements

<u>PAC No.</u>	<u>Borrower</u>	<u>Amount</u>	<u>Equivalent Interest Rate</u>
DW-12-11	Merrimac	\$1,676,460	2%
DWP-13-09	Revere	\$6,570,943 ⁴	2%

OTHER BUSINESS: None.

ADJOURN: Seeing no other business, at 1:43 PM, the motion to adjourn was made by Ms. Madden, seconded by Commissioner Suuberg and voted unanimously in favor.

⁴First Revision. Original PRA amount was \$4,807,743.