

**Minutes**  
**Executive Committee Meeting**  
**Massachusetts Clean Water Trust**

**DATE:** January 29, 2016

**START TIME:** 10:05 a.m.

**PLACE:** State House Room 372

**NOTICE:** Due public notice given

**MEMBERS OF THE EXECUTIVE COMMITTEE –**

**PRESENT:** Sue Perez, Executive Director of the Trust  
Rachel Madden, Director of Finance & Administration of the Trust  
Steve McCurdy, Director of Program Development of the Trust

**ALSO PRESENT:** Bernard Greene, Senior Legal Counsel of the Trust  
Nate Keenan, Deputy Director of the Trust

**SUMMARY OF DISCUSSIONS (INCLUDING DECISIONS MADE/ACTIONS TAKEN/ VOTES):**

1. Series 19 Bonds. Ms. Perez reported on the progress of the issuance of the Trust's Series 19 Bonds. She noted that Bank of America – Merrill Lynch submitted the winning bid and that the cost of issuance came in very low, including low underwriter's discount. There was discussion of whether the Series 19 cost of issuance savings should be passed onto borrowers in the form of lower administrative fees. The Committee agreed that the Series 19 costs were an anomaly and that the administrative fee should be kept at its current level for consistency for borrowers as well as for future deals where issuance costs may be higher, which could result in there being insufficient funds in those issues' cost of issuance account.
2. Rating Agency Costs. The Committee discussed the high fees charged by the rating agencies and discussed the possibility of maintaining two rather than three ratings.
3. Cape Cod Commission. The Committee discussed the presentation by the Cape Cod Commission to the Board of Trustees on January 22, 2016. The Commission requested an additional \$3 million from the Trust to fund a Watershed Team Technical Assistance Program. Such a program would assist Cape communities to develop local plans consistent with the updated Section 208 Plan that the Commission prepared. The Commission also proposed the establishment of a Cape Cod Capital Trust Fund and a Septic Trust Fund to provide financing to Cape communities. The Committee discussed the Commission's requests and related matters. Committee members expressed concern about the consequences of a community failing to comply with its obligations under the updated Section 208 Plan by the June 1 deadline. Members also expressed concern that there could be a continuation of litigation against DEP if communities failed to comply. Mr.

McCurdy noted that DEP may have an obligation to compel communities to comply. Ms. Madden suggested that the Commission develop some best practices that can be offered to the communities to assist in compliance. She also noted that there may be grant money that can go directly to the communities. Ms. Madden suggested that the Trust schedule meetings with some of the communities to determine their commitment to comply with their obligations under the updated Section 208 Plan.

The meeting adjourned at 10:50 a.m.

**Approved:** May 18, 2016