

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

DATE: March 21, 2018

START TIME: 1:35

PLACE: State House, Room 327

NOTICE: Due public notice given

MEMBERS OF THE EXECUTIVE COMMITTEE –

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

ALSO PRESENT: Bernard Greene, Senior Legal Counsel, MCWT
Nate Keenan, Deputy Director, MCWT
Jonathan Maple, Program Associate, MCWT

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

1. Useful Life Certification. Mr. McCurdy said that in reviewing the EPA's Program Evaluation Report (PER) he noticed that they cited the Trust for a lack of useful life certificates for all its projects. The Trust obtains such certificates only for its 30-year loans, to ensure that the useful life of the facility being financed is longer than the term of the loan. Mr. Keenan observed that the Water Resources Reform and Development Act permits CW loans for a term that is the lesser of 30 years or the useful life of the project. EPA appears to be interpreting this language as requiring useful life certificates for all projects. Ms. Perez noted that this issue was not discussed at the closing of the annual review and she is surprised that it appeared in the PER.
2. Federal Cross Cutters. The Committee discussed the federal cross cutters requirements to be included in the Trust's loan documents. The EPA says that certain cross cutter statutes must be included. Program counsel is working on preparing documentation to do it in compliance with what EPA is requiring.
3. Tri-Town Water Board. The Committee discussed a proposed new water district between Braintree, Randolph, and Holbrook that appears to be moving forward. It is not clear, however, whether they have enabling legislation. The background is that the Tri-Town Water Board is looking to construct a new plant in Braintree and take Braintree's existing plant and the Randolph-Holbrook plant off-line. This proposal has been on the IUP for many years but was never ready to go. If the water board decides to establish a district, the Committee discussed using some of the documents from the Mansfield, Foxborough, Norton district as models.

4. Cape Cod Water Protection Trust/Short Term Rental Excise Tax. Mr. Keenan reported that Representative Sarah Peake (Barnstable) has inserted funding for the Cape Cod Trust Fund into the legislation placing an excise tax on short term rentals. The committee will continue to monitor the progression of this legislation.
5. Set-Asides and Administrative Fund. Ms. Perez reported on a proposal to use the admin fund rather than Drinking Water (DW) set asides available under the DW federal grant. The proposed approach would allow the Trust to use more of the DW grant funds for projects which will add capacity to the DW program.
6. Springfield Water and Sewer. The Committee continued discussions on how to work with the Springfield Water and Sewer Commission (SWSC) to reduce the burden of their over-funded debt service reserve fund that is required by their general bond resolution. Discussions are ongoing with SWSC and its bond counsel to determine what could be changed under their bond resolution. Such reserve funds will be one of the topics at the upcoming conference of the Council of Infrastructure Financing Authorities.
7. Working Group. The Committee discussed having further discussions between the Trust and DEP staff and others on ideas for implementing a program to replace lead service lines and a program to get municipalities to apply for asset management plan grants. For the lead service line program, decisions will have to be made as to when to start, how it will operate, including it on the IUP, and developing a public vetting process. For the asset management plans, the discussions between the Trust and DEP will focus on the details of how the program will be operated.
8. Staffing. There was discussion by the Committee of whether there will be sufficient staff resources to carry out the initiatives planned by the Trust. The concern was focused on recent retirements that have not been filled by DEP, including the deputy director of municipal services. A discussion with the Commissioner was considered to address these issues and to identify options to ensure that the programs the Trust is funding will have the staffing to ensure success.

The meeting adjourned at 2:35 p.m.

Approved: 09/12/2018