

RHODE ISLAND CLEAN WATER FINANCE AGENCY

ANNUAL MEETING OF THE BOARD OF DIRECTORS

PUBLIC SESSION

March 19, 2007

The Annual meeting of the Board of Directors of the Rhode Island Clean Water Finance Agency in Public Session was held on Monday, March 19, 2007 in the conference room of the Rhode Island Clean Water Finance Agency, 235 Promenade Street, Suite 119, Providence, Rhode Island, pursuant to duly posted public notice of the annual meeting and notice given to all the Directors. The meeting was called to order by the Chairman of the Board James M. Hagerty at approximately 3:58 p.m.

Directors present were: Chairman James M. Hagerty, Arthur C. Barton III and Frank T. Caprio, General Treasurer.

Directors absent were: Scott Lajoie, and Andrew Bilodeau.

Also present were: Executive Director, Anthony B. Simeone; Michael P. Larocque, Accounting/Office Manager; Anna Coelho, Drinking Water SRF Program Manager; Michael Pagliaro, Agency Accountant; Marcelina Jackson, Administrative Assistant; Christopher Vitale, Agency Legal Counsel; Steve Maceroni and Maureen Gurghigian, First Southwest; Laurie Brayton, RI Senate Fiscal Advisory Staff; Gerard Ratigan, RI House of Representatives Staff.

Chairman Hagerty opened the meeting by declaring a quorum. The Chairman addressed the first item on the Agenda. The first item on the Agenda was the review and approval of the February 26, 2007 Board Meeting Minutes. After review and discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the February 26, 2007 Board Meeting Minutes.

Voting in favor of the foregoing: Chairman James M. Hagerty, Treasurer Caprio and Arthur C. Barton III.

Voting against the foregoing were: None.

Item #2 on the Agenda was review and approval of the Agency's January, 2007 Financial Statements. Michael Larocque, Agency Accounting/Office Manager, reviewed the Financial Statements for the Board of Directors and allowed for questions and comments.

After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the Agency's January, 2007 Financial Statements.

Voting in favor of the foregoing: Chairman James M. Hagerty, Treasurer Caprio and Arthur C. Barton III.

Voting against the foregoing were: None.

Item #3 on the Agenda was review and consideration of a loan application from the Town of Barrington in an amount up to \$4,000,000 out of the Clean Water SRF. Steve Maceroni, First Southwest, reviewed the credit review for the Board of Directors. After discussion, the Executive Director recommends the Agency's Board of Directors accept the loan application from the Town of Barrington in an amount up to \$4,000,000 out of the Clean Water SRF with the following caveats:

- 1) that all projects to be funded appear on Department of Environmental Management's (DEM's) Project Priority List and have Certificates of Approval issued;
- 2) that the borrower comply with all Federal, State, and Agency laws, rules and regulations;
- 3) that a satisfactory loan agreement be signed by all parties to the transaction;
- 4) that the loan will be made subject to availability of funds; and
- 5) that the loan will be subject to ranking on DEM's Project Priority List;

After Discussion, a motion was made and seconded and the following vote taken:

Voted: That the Agency's Board of Directors accept the loan application from the Town of Barrington in an amount up to \$4,000,000 out of the Clean Water SRF with the following caveats:

- 1) that all projects to be funded appear on Department of Environmental Management's (DEM's) Project Priority List and have Certificates of Approval issued;
- 2) that the borrower comply with all Federal, State, and Agency laws, rules and regulations;
- 3) that a satisfactory loan agreement be signed by all parties to the transaction;

- 4) that the loan will be made subject to availability of funds; and
- 5) that the loan will be made subject to ranking on DEM's Project Priority List.

Voting in favor of the foregoing: Chairman James M. Hagerty, Treasurer Caprio and Arthur C. Barton III.

Voting against the foregoing were: None.

Item #4 on the Agenda was review and consideration of a loan application from the City of Newport in an amount up to \$2,800,000 out of the Drinking Water SRF. Steve Maceroni, First Southwest, reviewed the credit review for the Board of Directors. After discussion, the Executive Director recommends the Agency's Board of Directors accept the loan application from the City of Newport in an amount up to \$2,800,000 out of the Drinking Water SRF with the following caveats:

- 1) that the project appear on Department of Health's Project Priority List;
- 2) that the project receive a DOH Certificate of Approval;
- 3) that loan security be in a form acceptable to the Agency as determined by Agency;
- 4) that the borrower comply with all Federal, State, and Agency laws, rules and regulations; and
- 5) that a loan agreement be signed by all principal parties authorized to sign.

After Discussion, a motion was made and seconded and the following vote taken:

Voted: That the Agency's Board of Directors accept the loan application from the City of Newport in an amount up to \$2,800,000 out of the Drinking Water SRF with the following caveats:

- 1) that the project appear on Department of Health's Project Priority List;
- 2) that the project receive a DOH Certificate of Approval;
- 3) that loan security be in a form acceptable to the Agency as determined by Agency;
- 4) that the borrower comply with all Federal, State, and Agency laws, rules and regulations; and
- 5) that a loan agreement be signed by all principal parties authorized to sign.

Voting in favor of the foregoing: Chairman James M. Hagerty, Treasurer Caprio and Arthur C. Barton III.

Voting against the foregoing were: None.

Item #5 on the Agenda was review and consideration of a loan application from the Town of South Kingstown in an amount up to \$700,000 out of the Drinking Water SRF. Steve Maceroni, First Southwest, reviewed the credit review for the Board of Directors. After discussion, the Executive Director recommends the Agency's Board of Directors accept the loan application from the Town of South Kingstown in an amount up to \$700,000 out of the Drinking Water SRF with the following caveats:

- 1) that the project appear on Department of Health's Project Priority List;
- 2) that the project receive a DOH Certificate of Approval;
- 3) that loan security be in form acceptable to the Agency as determined by Agency;
- 4) that the borrower comply with all Federal, State, and Agency laws, rules and regulations; and
- 5) that a loan agreement be signed by all principal parties authorized to sign.

After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors accept the loan application from the Town of South Kingstown in an amount up to \$700,000 out of the Drinking Water SRF with the following caveats:

- 1) that project appear on Department of Health's Project Priority List;
- 2) that the project receive a DOH Certificate of Approval;
- 3) that a satisfactory loan agreement be signed by all parties to the transaction;
- 4) that the borrower comply with all federal, state, and Agency laws, rules and regulations; and
- 5) that a loan agreement be signed by all principal parties authorized to sign.

Voting in favor of the foregoing: Chairman James M. Hagerty, Treasurer Caprio and Arthur C. Barton III.

Voting against the foregoing were: None.

Item #6 on the agenda was review and approval CIFA Federal Policy Conference expenses from May 2, 2007 – May 4, 2007 in Washington, DC. The Executive Director stated that he is requesting permission for himself and the Accounting/Office Manager, Michael P. Larocque, to attend the conference. The anticipated expenses for the conference are in the amount of \$1,520.00. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Agency Board of Directors approve the Executive, and the Accounting/Office Manager, Michael P. Larocque, to attend the CIFA Legislative Conference from May 2, 2007 – May 4, 2007 in Washington, DC with the anticipated expenses in the amount of \$1,520.00.

Voting in favor of the foregoing: Chairman James M. Hagerty, Treasurer Caprio and Arthur C. Barton III.

Voting against the foregoing were: None

Item #7 on the agenda was discussion and consideration of Financial Advisor RFQ. Mr. Barton, Chair of the RFQ Review Subcommittee, recommended First Southwest Company, be retained for a term of two years commencing with the date of January 1, 2007 through December 31, 2008. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve First Southwest Company be retained for a term of two years commencing with the date of January 1, 2007 through December 31, 2008.

Voting in favor of the foregoing: Chairman James M. Hagerty, Treasurer Caprio and Arthur C. Barton III.

Voting against the foregoing were: None

Chairman Hagerty advised that he would be recusing himself from consideration of Item # 8.

Item # 8 on the agenda was discussion and consideration of Bond Counsel RFQ. Mr. Barton, Chair of the RFQ Review Subcommittee, recommended Ropes & Gray be retained for a term of two years commencing with the date of January 1, 2007 through December 31, 2008. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve Ropes & Gray be retained for a term of two years commencing with the date of January 1, 2007 through December 31, 2008.

Voting in favor of the foregoing: Treasurer Caprio and Arthur C. Barton III.

Voting against the foregoing were: None

Item #9 on the agenda was Election of Officers. The Chairman stated that the slate of Agency officers be nominated as follows:

Arthur C. Barton III - Vice Chairman/Assistant Secretary of the Board;
General Treasurer Caprio -Treasurer of the Board;
Scott D. Lajoie - Secretary of the Board.

After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the slate of Officers as follows.

Arthur C. Barton III - Vice Chairman/Assistant Secretary of the Board;
General Treasurer Caprio - Treasurer of the Board;
Scott D. Lajoie - Secretary of the Board.

Voting in favor of the foregoing: Chairman James M. Hagerty, Treasurer Caprio and Arthur C. Barton III.

Voting against the foregoing were: None.

Item #10 on the agenda was Legislative Update. Christopher Vitale, Agency Legal Counsel, discussed current state and federal legislation of interest to the Agency.

Being that there was no further business, a motion was made and seconded to adjourn the meeting @ 4:35 p.m.

Voted: Chairman James M. Hagerty, Treasurer Caprio and Arthur C. Barton III. that the Board of Directors adjourns the meeting at 4:35 p.m.

Voting in favor of the foregoing: Chairman James Hagerty, Treasurer Caprio and Arthur C. Barton III.

Voting against the foregoing were: None.

Assistant Secretary

MINUTES 123: MJ