

**RHODE ISLAND CLEAN WATER FINANCE AGENCY**

**MEETING OF THE BOARD OF DIRECTORS**

**PUBLIC SESSION**

**October 22, 2007**

A meeting of the Board of Directors of the Rhode Island Clean Water Finance Agency in Public Session was held on Monday, October 22, 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 meeting and notice given to all the Directors. The meeting was called to order by the Vice-Chairman of the Board Arthur C. Barton, III at approximately 3:55 p.m.

Directors present were: Scott Lajoie, Frank Caprio, RI General Treasurer and Arthur C. Barton, III.

Directors absent were: Andrew Bilodeau.

Chairman James M. Hagerty joined the meeting at 4:10pm.

Also present were: Executive Director, Anthony B. Simeone; Michael P. Larocque, Anna Coelho, Drinking Water SRF Program Manager; Accounting/Office Manager; Michael Pagliaro, Agency Accountant; Marcelina Jackson, Administrative Assistant; Chris Vitale, Gerry Harrington, Agency Legal Counsel; Steve Maceroni, First Southwest; Laurie Brayton, RI Senate Fiscal Advisory Staff; Neal Pandozzi; Agency Bond Counsel, Mark and Donna Caccia; Agency Independent Auditors

Vice-Chairman Barton opened the meeting by declaring a quorum. The Vice-Chairman addressed the first item on the Agenda. The first item on the Agenda was the review and approval of the August 20, 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 August 20, 2007 Board Meeting Minutes.

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

Voting against the foregoing were: None.

Item # 2 on the Agenda was presentation of Agency's Annual Audit. Donna Caccia of Cayer Caccia reviewed the Agency's Annual Audit. After discussion a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the Agency's Annual Audit.

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

Voting against the foregoing were: None.

Item #3 on the Agenda was review and consideration of the Agency's July 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 Annual Audit.

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

Voting against the foregoing were: None.

Item #4 on the Agenda was review and consideration of a loan application from the Town of Coventry.

This item was deferred as the Town has further information to provide to the Agency for review.

Item #5 on the Agenda was review and consideration of a loan application from the Town of Johnston in an amount up to \$250,000 out of the Community Septic System Loan Program. 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 Johnston in an amount up to \$250,000 out of the Community Septic System Loan Program 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 loan will be made subject to ranking on DEM's Project Priority List.

Voted: That the Board of Directors accept the loan application from the Town of Johnston in an amount up to \$250,000 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 loan will be made subject to ranking on DEM's Project Priority List.

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

Voting against the foregoing were: None.

Item #6 on the Agenda was review and consideration of a loan application from the Town of New Shoreham in an amount up to \$300,000 out of the Community Septic System Loan Program. 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 New Shoreham in an amount up to \$300,000 out of the Community Septic System Loan Program 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 loan will be made subject to ranking on DEM's Project Priority List.

Voted: That the Board of Directors accept the loan application from the Town of New Shoreham in an amount up to \$300,000 out of the Community Septic Loan Program 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 loan will be made subject to ranking on DEM's Project Priority List.

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

Voting against the foregoing were: None.

Item #7 on the Agenda was review and consideration of a loan application from the Town of Middletown in an amount up to \$1,503,284 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 Middletown in an amount up to \$1,503,284 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 loan will be made subject to ranking on DEM's Project Priority List.

Voted: That the Board of Directors accept the loan application from the Town of Middletown in an amount up to \$1,503,284 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 loan will be made subject ranking on DEM's project Priority List.

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

Voting against the foregoing were: None.

Item #8 on the Agenda was review and consideration of a loan application from the Town of Narragansett in an amount up to \$600,000 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 City of Narragansett in an amount up to \$600,000 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 loan be made subject to ranking on DEM's Project Priority List.

Voted: That the Board of Directors accept the loan application from the Town of Narragansett in an amount up to \$600,000 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 loan will be made subject availability of funds; and
- 5) that loan will be made subject to ranking on DEM's Project Priority List.

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

Voting against the foregoing were: None.

Item #9 on the Agenda was the review and consideration of Issuance Resolution 2007A Clean Water Revenue Bond. Neal Pandozzi, Agency Bond Counsel reviewed the Issuance Resolution authorizing the issuance of up to \$48,000,000 for Series 2007A Clean Water Revenue Bond Issue for the Board of Directors and stated that the Resolution authorized the Executive Director and the Chairman of the Board to determine the terms of the Bond Issue and authorizes the Executive Director, the Chairman, and any other Agency authorized signers to sign the necessary documents to close the 2007A Bond Issue. After discussion, a motion was made and the following vote taken:

Voted: That the Board of Directors approve the Resolution for the Issuance of the Series 2007A Clean Water Revenue Bond Issue up to \$48,000,000 and authorize the Board Chairman and/or the Executive Director to sign and execute all required documents related to Series 2007A Bond Issue.

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

Voting against the foregoing were: None.

Item #10 on the Agenda was review and review and approval of the CIFA conference from November 4, 2007 through November 6, 2007 in Denver, Colorado. The Executive Director stated that he is requesting permission for himself and the Accounting/Office Manager, Michael Larocque to attend the conference. The anticipated expenses for the conference are in the amount of \$3,374.00. After discussion, a motion was made and seconded and the following vote was taken:

Voted: That the Board of Directors approve the Executive Director and the Accounting/Office Manager, Michael Larocque to attend the conference from November 4, 2007 through November 6, 2007 in Denver, Colorado with the anticipated expenses in the amount of \$3,374.00

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

Voting against the foregoing were: None.

Item #11 on the Agenda was the update regarding City of Warwick CWSRF Loan. The Executive Director and legal counsel discussed the current status of the pending CWSRF loan to the City of Warwick with the Board. The Executive Director and legal counsel indicated that the Agency is working with the City and its bond counsel to ensure that the City is able to borrow from the Agency in the Series 2007A pooled loan, and that according to the City's bond counsel, Edwards Angell Palmer & Dodge, the City of Warwick required additional action from the Warwick City Council to authorize the issuance of the City's bonds.

Item #12 on the Agenda was Expenses. The first expense was the invoice from The Beacon Mutual Insurance Co. in the amount of \$1,342.00 for insurance renewal. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the invoice from The Beacon Mutual Insurance Co. in the amount of \$1,342.00 for insurance renewal. After discussion, a motion was made and seconded and the following vote taken;

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

Voting against the foregoing were: None.

The second expense was the approval of an invoice from Cayer Caccia in the amount of \$2,655.00 for professional services rendered. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from Cayer Caccia in the amount of \$2,655.00 for professional services rendered.

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

Voting against the foregoing were: None

The third expense was the approval of an invoice from Cayer Caccia in the amount of \$3,670.00 for professional services rendered. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve an invoice from Cayer Caccia in the amount of \$3,670.00 for professional services rendered.

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

Voting against the foregoing were: None

The fourth expense was the approval of an invoice from Core Business Technologies in the amount of \$15,789.00 for a copy machine. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from Core Business Technologies in the amount of \$15,789.00 for a copy machine.

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

Voting against the foregoing were: None

The fifth expense was the approval of an invoice from the Providence Journal in the amount of \$663.92 for the notice of proposed Loan Policies and Procedures for the Sewer Tie – In Loan Fund. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the invoice from the Providence Journal in the amount of \$663.92 for the notice of proposed Loan Policies and Procedures for the Sewer Tie – In Loan Fund.

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

Voting against the foregoing were: None.

The sixth expense was the approval of an invoice from US Bank in the amount of \$1,000.00 for RICW custodial & disbursement agency agreement. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the invoice from US Bank in the amount of \$1,000.00 for RICW custodial & disbursement agency agreement.

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

Voting against the foregoing were: None.

The seventh expense was the approval of an invoice from US Bank in the amount of \$7,500.00 for RI Clean Water Finance Agency Revenue Bonds 99 Series C. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the invoice from US Bank in the amount of \$7,500.00 for RI Clean Water Finance Agency Revenue Bonds 99 Series C.

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

Voting against the foregoing were: None.

The eighth expense was the approval of an invoice from WB Mason in the amount of \$1,294.42 for screening for new copy machine. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the invoice from WB Mason in the amount of \$1,294.42 for screening for new copy machine.

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

Voting against the foregoing were: None.

The ninth expense was the approval of an invoice from Law Offices of Gerald T. Harrington, Ltd. in the amount of \$15,858.00 for professional services from 6/01/07 through 9/30/07. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the invoice from the Law Offices of Gerald T. Harrington Ltd. in the amount of \$15,858.00 for professional services from 6/01/07 through 9/30/07.

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

Being that there was no further business, a motion was made and seconded to adjourn the meeting @ 4:55 p.m.

Voted: To adjourn the meeting at 4:55 p.m.

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

Voting against the foregoing were: None.

---

**Secretary**

**MINUTES 100: MJ**