

**RHODE ISLAND CLEAN WATER FINANCE AGENCY**

**MEETING OF THE BOARD OF DIRECTORS**

**PUBLIC SESSION**

**SEPTEMBER 28, 2009**

A meeting of the Board of Directors of the Rhode Island Clean Water Finance Agency in Public Session was held on Monday, September 28, 2009 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 Chairman of the Board James M. Hagerty at approximately 3:35 p.m.

Directors present were: Chairman James M. Hagerty, Scott Lajoie, and Frank Caprio, RI General Treasurer.

Directors absent were: Arthur Barton, III and Andrew Bilodeau.

Also present were: Executive Director, Anthony B. Simeone; Michael P. Larocque, Accounting/Office Manager; Robin Hedges, Clean Water SRF Program Manager; Anna Coelho Cortes, Drinking Water SRF Program Manager; Michael Pagliaro, Agency Accountant; Christopher Vitale, Agency Legal Counsel; Steve Maceroni and Maureen Gurhigan First Southwest; Neal Pandozzi, Agency Bond Counsel; Karen Beard, U.S. Bank; Mark Caccia; Agency Independent Auditors; Laurie Brayton, RI Senate Fiscal Office.

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 July 20, 2009 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 July 20, 2009 Board Meeting Minutes.

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

Voting against the foregoing were: None.

Item #2 on the Agenda was the 2009 Audit by Cayer Caccia, LLP. Michael Larocque, Agency Accounting/Office Manager, reviewed the 2009 Audit by Cayer Caccia, LLP 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 accept the Third Quarterly Management Report performed by Cayer Caccia, LLP.

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

Voting against the foregoing were: None.

Item #3 on the Agenda was review and consideration of a loan application from the Warwick Sewer Authority in an amount up to \$150,000 out of the Sewer Tie-In Loan Fund. After discussion, the Executive Director recommends the Agency's Board of Directors accept the loan application from the Warwick Sewer Authority in an amount up to \$150,000 out of the Sewer Tie-In Loan Fund 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.

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

Voted: That the Board of Directors accept the accept the loan application from the Warwick Sewer Authority in an amount up to \$150,000 out of the Sewer Tie-In Loan Fund 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, Scott Lajoie, and Treasurer Caprio.

Voting against the foregoing were: None.

Item #4 on the Agenda was discussion review and consideration of a loan application for the City of Newport in an amount up to \$4,037,000 for a conduit loan. 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 \$4,037,000 for a conduit loan 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 Board of Directors accept the loan from the City of Newport in an amount up to \$4,037,000 for a conduit loan 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, Scott Lajoie, and Treasurer Caprio.

Voting against the foregoing were: None.

Item #5 on the Agenda was review and consideration of a loan application from the Pascoag Utility District in an amount up to \$150,000 out of the Drinking Water SRF. After discussion, the Executive Director recommends the Agency's Board of Directors accept the loan application from Pascoag in an amount up to \$150,000 out of the Drinking Water SRF loan 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 Board of Directors accept the accept the loan from the Pascoag Utility District in an amount up to \$150,000 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, Scott Lajoie, and Treasurer Caprio.

Voting against the foregoing were: None.

Item #6 on the Agenda was review and consideration of 2010 Operating Budget.

Chairman Hagerty discussed with the Board the adoption of the FY 2010 Operating Budget. After a review and discussion of personnel related issues, a motion was made and the following vote taken:

Voted: That the Board of Directors adopt the FY 2010 Operating Budget.

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

Voting against the foregoing were: None.

Item #7 on the Agenda was discussion and consideration of CIFA Legislative Conference held in Seattle, WA. The Executive Director stated that he is requesting permission for himself, the Clean Water SRF Program Manager, Robin Hedges, and the Drinking Water Program Manager, Anna Coelho Cortes to attend the conference from November 1<sup>st</sup> through November 3<sup>rd</sup> in Seattle, WA. With the anticipated expenses for the conference in the amount of \$2,467.00.

Voted: That the Board of Directors approve the Executive Director, the Clean Water SRF Program Manager, Robin Hedges, and the Drinking Water Program Manager, Anna Coelho Cortes to attend the conference from November 1<sup>st</sup> through November 3<sup>rd</sup> in Seattle, WA. With the anticipated expenses for the conference in the amount of \$2,467.00.

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

Voting against the foregoing were: None.

Item #8 on the Agenda was discussion regarding RFQ for auditing services for 2010, 2011, 2012.

Michael Larocque advised the Board of Directors that the Agency that the auditing had expired, and that the Agency has prepared an RFQ for auditing services, which will be forwarded to the Auditor General and Department of Administration for approval.

Item #9 on the Agenda was Expenses. The first expense was the invoice from American Express in the amount of \$2,133.33 for conference held in Chicago. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the invoice from the conference held in Chicago in the amount of \$2,133.33.

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

Voting against the foregoing were: None.

The second expense was the approval of an invoice from American Express in the amount of \$581.94 for office supplies. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from American Express in the amount of \$581.94 for office supplies.

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

Voting against the foregoing were: None

The third expense was the approval of an invoice from Nixon Peabody, LLP in the amount of \$2,737.26 for professional services rendered through June 30, 2009. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from Nixon Peabody, LLP in the amount of \$2,737.26 for professional services rendered through June 30, 2009.

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

The fourth expense was the approval of an invoice from Nixon Peabody, LLP in the amount of \$3,820.00 for professional services rendered through July 31, 2009. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from Nixon Peabody, LLP in the amount of \$3,820.00 for professional services rendered through July 31, 2009.

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

Voting against the foregoing were: None

The fifth expense was the approval of an invoice from Cayer Caccia in the amount of \$2,500.00 for professional services rendered.

Voted: That the Board of Directors approve the invoice from Cayer Caccia in the amount of \$2,500.00 for professional services rendered.

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

Voting against the foregoing were: None

The sixth expense was the approval of an invoice from Dell in the amount of \$1,841.00 for office equipment.

Voted: That the Board of Directors approve the invoice from Dell in the amount of \$1,841.00 for office equipment.

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

Voting against the foregoing were: None

The seventh expense was the approval of an invoice from First Southwest Company in the amount of \$19,524.15 for bidding agent fee relating to the reinvestment of the portfolio for the \$39,740,000 Water Pollution Control Revolving Fund Revenue Bonds, Series 2007 A list fund.

Voted: That the Board of Directors approve the invoice from First Southwest Company in the amount of \$19,524.15 for bidding agent fee relating to the reinvestment of the portfolio for the \$39,740,000 Water Pollution Control Revolving Fund Revenue Bonds, Series 2007 A list fund.

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

Voting against the foregoing were: None

The eighth expense was the approval of an invoice from The Beacon Mutual Insurance Co. in the amount of \$1,289.00 for insurance renewal.

Voted: That the Board of Directors approve the invoice from The Beacon Mutual Insurance Co. in the amount of \$1,289.00 for insurance renewal.

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

The ninth expense was the approval of an invoice from US Bank in the amount of \$1,000.00 for RI Clean Water Custodial & Disbursement Agency Agreement.

Voted: That the Board of Directors approve the invoice from US Bank in the amount of \$1,000.00 for RI Clean Water Custodial & Disbursement Agency Agreement.

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

The tenth expense was the approval of an invoice from Cayer Caccia in the amount of \$6,000.00 for professional services rendered.

Voted: That the Board of Directors approve the invoice from Cayer Caccia in the amount of \$6,000.00 for professional services rendered.

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

The eleventh expense was the approval of an invoice from Cayer Caccia in the amount of \$28,270.00 for computational fee incurred in connection with the arbitrage calculations prepared for the attached detailed bond issue(s).

Voted: That the Board of Directors approve the invoice from Cayer Caccia in the amount of \$28,270.00 for computational fee incurred in connection with the arbitrage calculations prepared for the attached detailed bond issue(s).

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

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

Voted: That the Board of Directors adjourn the meeting at 4:55 p.m.

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

Voting against the foregoing were: None.

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**Secretary**

**MINUTES 80: MJ**