

RHODE ISLAND CLEAN WATER FINANCE AGENCY

MEETING OF THE BOARD OF DIRECTORS

PUBLIC SESSION

DECEMBER 21, 2009

A meeting of the Board of Directors of the Rhode Island Clean Water Finance Agency in Public Session was held on Monday, December 21, 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 3:40 p.m.

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

Directors absent were: Andrew Bilodeau.

Arthur Barton C. III joined the meeting at 3:45 p.m.

Also present were: Executive Director, Anthony B. Simeone; Michael P. Larocque, Accounting/Office Manager; Anna Coelho Cortes, Drinking Water SRF Program Manager; Michael Pagliaro, Agency Accountant; Marcelina Jackson, Administrative Assistant; Gerald Harrington, Agency Legal Counsel; Steve Maceroni, First Southwest; Neal Pandozzi and Peter Johnson, Agency Bond Counsel; Mark and Donna Caccia, Agency Independent Auditors; Karen Beard, U.S. Bank.

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 October 19, 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 October 19, 2009 Board Meeting Minutes.

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 # 2 on the Agenda was presentation of Agency's Single Audit by Cayer Caccia. Donna and Mark Caccia, Agency Independent Auditors reviewed the Agency's Single Audit 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 Agency's Single Audit performed by Cayer Caccia.

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 August, 2009 and September, 2009 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 August, 2009 and September, 2009 Financial Statements.

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 Charlestown in an amount up to \$300,000 out of the Community Septic System Loan Program. After discussion, the Executive Director recommends the Agency's Board of Directors accept the loan application from The Town of Charlestown 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 a 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 loan application from The Town of Charlestown 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.

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 #5 on the Agenda was review and consideration of a loan application from NBC in an amount up to \$10,000,000 out of the Clean Water SRF. After discussion, the Executive Director recommends the Agency's Board of Directors accept the loan application from NBC in an amount up to \$10,000,000 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 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 loan application from NBC in an amount up to \$10,000,000 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 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, Arthur C. Barton, III and Treasurer Caprio.

Voting against the foregoing were: None.

Item #6 on the Agenda was review and consideration of a loan application from the Town of North Kingstown in an amount up to \$900,000 out of the Community Septic System Loan Program. After discussion, the Executive Director recommends the Agency's Board of Directors accept the loan application from the Town of North Kingstown in an amount up to \$900,000 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 availability of funds; and
- 5) that 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 loan application from Town of North Kingstown in an amount up to \$900,000 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 loan a satisfactory loan agreement be signed by all parties to the transaction;
- 4) that the 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, Arthur C. Barton, III and Treasurer Caprio.

Voting against the foregoing were: None.

Item #7 on the Agenda was discussion and consideration of responses to RFP's for auditing services for 2010, 2011, 2012. Mr. Simeone stated that the Agency received 4 responses: Cayer Caccia; Lefkowitz, Garfinkel; Champi & DeRienzo pc., and O'Connor & Drew P.C. and based upon the bid prices the Executive Director recommend Cayer Caccia as the Agency's auditing services for 2010, 2011, 2012. After discussion a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the Executive Directors recommendation that Cayer Caccia be the Agency's auditing services for 2010, 2011, 2012.

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 #8 on the Agenda was discussion and consideration of responses to RFQ's for Investment Bankers. Mr. Simeone stated that the Agency received 10 responses JP Morgan, Roosevelt & Cross, Oppenheimer & Co, Morgan Stanley, Morgan Keegan, Bank of America, Janney Montgomery, Citigroup Global Markets Inc., Barclays Capital, Ramirez & Co. Inc and Jesup & Lamont. The Executive Director recommend that JP Morgan, Roosevelt & Cross, Morgan Stanley, Morgan Keegan, Bank of America, Janney Montgomery, Citigroup Global Markets inc., & Barclays Capital be appointed Senior Managers for a term of three years, and that Jesup & Lamont, Oppenheimer & Co. and Ramirez & Co. Inc as Co-Manager for a term of three yrs.

Voted: That the Board of Directors approve the appointment of JP Morgan, Roosevelt & Cross, Morgan Stanley, Morgan Keegan, Bank of America, Janney Montgomery, Citigroup Global Markets inc., & Barclays Capital be appointed Senior Managers for a term of three years, and that Jesup & Lamont, Oppenheimer & Co. and Ramirez & Co. Inc as Co-Manager for a term of three yrs.

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 #9 on the Agenda was re-appointment of Legal Counsel. After discussion, Mr. Simeone, Executive Director recommends the Agency's Board of Directors re-appoint the Law Offices of Gerald T. Harrington as Legal Counsel for a term of one year. After discussion a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors re-appoints the Law Offices of Gerald T. Harrington as Legal Counsel for a term of one year.

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 #10 on the Agenda was review and consideration of 2010 Regularly Scheduled Board Meetings. Mr. Simeone included a copy of the 2010 Board Meeting Schedule and allowed for comments. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the Agency's 2010 schedule for regularly scheduled monthly Board Meetings.

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 #11 on the Agenda was Expenses. The first expense was the invoice from American Express in the amount of \$2,020.04 for CIFA conference in Seattle, WA. 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 \$2,020.04 for CIFA conference in Seattle, WA.

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.

The second expense was an invoice from American Express in the amount of \$2,778.17 for car rental for CIFA conference in Seattle, WA.

Voted: That the Board of Directors approve the invoice from American Express in the amount of \$2,778.17 for car rental for CIFA conference in Seattle, WA.

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

The third expense was the approval of an invoice from US Bank in the amount of \$7,000.00 for Rhode Island Clean Water Finance Agency 2002 B Pooled Loan. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice form US Bank in the amount of \$7,000.00 for Rhode Island Clean Water Finance Agency 2002 B Pooled Loan.

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

The fourth expense was the approval of an invoice from US Bank in the amount of \$9,925.00 for Rhode Island Clean Water Finance Agency Series 2003B. 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 \$9,925.00 for Rhode Island Clean Water Finance Agency.

The fifth expense was the approval of an invoice from US Bank in the amount of \$3,000.00 for Rhode Island Clean Water Finance Agency Depository 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 \$3,000.00 for Rhode Island Clean Water Finance Agency Depository Agreement.

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

The sixth expense was the approval of an invoice from Shipman & Goodwin, LLP in the amount of \$1,485.00 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 Shipman & Goodwin, LLP in the amount of \$1,485.00 for professional services rendered.

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

The seventh expense was the approval of an invoice from Nixon Peabody, LLP in the amount of \$37,500.00 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 form Nixon Peabody, LLP in the amount of \$37,500.00 for professional services rendered.

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

The eighth expense was the approval of an invoice from Nixon Peabody, LLP in the amount of \$37,500.00 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 form Nixon Peabody, LLP in the amount of \$37,500.00 for professional services rendered.

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

The ninth expense was the approval of an invoice from Nixon Peabody, LLP in the amount of \$2,851.64 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 form Nixon Peabody, LLP in the amount of \$2,851.64 for professional services rendered.

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

The tenth expense was the approval of an invoice from Nixon Peabody, LLP in the amount of \$1,218.80 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 form Nixon Peabody, LLP in the amount of \$1,218.80 for professional services rendered.

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

The eleventh expense was the approval of an invoice from Nixon Peabody, LLP in the amount of \$6,816.20 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 form Nixon Peabody, LLP in the amount of \$6,816.20 for professional services rendered.

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

The twelfth expense was the approval of an invoice from Nixon Peabody, LLP in the amount of \$3,439.94 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 form Nixon Peabody, LLP in the amount of \$3,439.94 for professional services rendered.

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

The thirteenth expense was the approval of an invoice from Nixon Peabody, LLP in the amount of \$603.55 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 form Nixon Peabody, LLP in the amount of \$603.55 for professional services rendered.

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

The fourteenth expense was the approval of an invoice from The Law Offices of Gerald T. Harrington in the amount of \$11,895.00 for professional services rendered.

Voted: That the Board of Directors approve the invoice from The Law Offices of Gerald T. Harrington in the amount of \$11,895.00 for professional services rendered.

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

The fifteenth expense was the approval of an invoice from First Southwest in the amount of \$25,000.00 for professional services rendered. After a discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from Southwest in the amount of \$25,000.00 for professional services rendered.

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

Voting against the foregoing: None

The sixteenth expense was the approval of an invoice from Southwest in the amount of \$45,000.00 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 Southwest in the amount of \$45,000.00 for professional services rendered.

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

Voting against the foregoing: None

The seventeenth expense was the approval of an invoice from Dell in the amount of \$1,864.00 for new computer. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from Dell in the amount of \$1,864.00 for new computer.

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

Voting against the foregoing: None

The eighteenth expense was the approval of an invoice from Lawrence & Brooks in the amount of \$4,063.00 for the Agency's 2009 Annual Report. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from Lawrence & Brooks in the amount of \$4,063.00 for the Agency's 2009 Annual Report.

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

Voting against the foregoing: None

The nineteenth expense was the approval of an invoice from Lexis Nexis in the amount of \$882.25 for annual service subscription. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from Lexis Nexis in the amount of \$882.25 for annual service subscription.

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

Voting against the foregoing: None

The twentieth expense was the approval of an invoice from Staples in the amount of \$794.83 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 in the amount of \$794.83 for office supplies.

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

Voting against the foregoing: None

The twenty-first expense was the approval of an invoice from Cayer Caccia in the amount of \$7,772.00 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 \$7,772.00 for professional services rendered.

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

Voting against the foregoing: None

The twenty-second expense was the approval of an invoice from The Law Offices of Gerald T. Harrington in the amount of \$30,000 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 The Law Offices of Gerald T. Harrington in the amount of \$30,000 for professional services rendered.

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

Voting against the foregoing: None

The twenty-third expense was an invoice The Law Offices of Gerald T. Harrington in the amount of \$30,000 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 The Law Offices of Gerald T. Harrington in the amount of \$30,000 for professional services rendered.

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

Voting against the foregoing: None

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

Voted: That the Board of Directors adjourn the meeting at 4:35 p.m.

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.

Secretary

MINUTES 90: MJ