

RHODE ISLAND CLEAN WATER FINANCE AGENCY

ANNUAL MEETING OF THE BOARD OF DIRECTORS

PUBLIC SESSION

MARCH 15, 2010

The annual meeting of the Board of Directors of the Rhode Island Clean Water Finance Agency in Public Session was held on Monday, March 15, 2010 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 3:31 p.m.

Directors present were: Chairman James M. Hagerty, Scott Lajoie, and Arthur C. Barton III.

Directors absent were: Andrew Bilodeau.

Frank Caprio, RI General Treasurer joined the meeting at 3:36 p.m.

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; Marcelina Jackson, Administrative Assistant; Christopher Vitale and Gerald Harrington, Agency Legal Counsel; Maureen Gurhigan, and Steve Maceroni, First Southwest; Neal Pandozzi and Peter Johnson Agency Bond Counsel; Karen Beard, U.S. Bank; Linda George, RI Senate Fiscal Office.

Chairman Hagerty opened the annual 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 8, 2010 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 8, 2010 Board Meeting Minutes.

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

Voting against the foregoing were: None.

Item #2 on the Agenda was review and consideration of the Agency's December, 2009 and January, 2010 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 December, 2009 and January, 2010 Financial Statements.

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

Voting against the foregoing were: None.

Item #3 on the agenda was 1st quarter review by Cayer Caccia, LLP. Michael Larocque, Agency Accounting/Office Manager, reviewed the 1st quarter review 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 approve the 1st quarter review 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 #4 on the Agenda was review and consideration of a loan application from the Town of Bristol in an amount up to \$3,970,000 out of the Clean Water SRF. After discussion, the Executive Director recommends the Agency's Board of Directors accept the loan application from the Town of Bristol in an amount up to \$3,970,000 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 loan 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 the Town of Bristol in an amount up to \$3,970,000 out of the Clean Water SRF with the following caveats:

- 1) that all projects to be funded appear on Department of Environmental Managements (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 be made subject to availability of funds; and
- 5) that loan agreement will be made subject 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 the Town of East Greenwich in an amount up to \$3,000,000 out of the Clean Water SRF. After discussion, the Executive Director recommends the Agency's Board of Directors accept the loan application from the Town of East Greenwich in an amount up to \$3,000,000 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 loan security be in a form acceptable to the Agency as determined by Agency;
- 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 the Town of East Greenwich in an amount up to \$3,000,000 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 loan security be in a form acceptable to the Agency as determined by Agency;
- 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 #6 on the Agenda was review and consideration of a loan application from NBC in an amount up to \$25,000,000 out of the Clean Water SRF Program. After discussion, the Executive Director recommends the Agency's Board of Directors accept the loan application from NBC in an amount up to \$25,000,000 out of the Clean Water SRF 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; 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 \$25,000,000 out of the Clean Water SRF 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 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 agreement 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 review and consideration of a loan application from the City of Newport in an amount up to \$12,650,000 out of the Clean Water SRF Program. 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 \$12,650,000 out of the Clean Water SRF Program with the following caveats:

- 1) that all project 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 the City of Newport in an amount up to \$12,650,000 out of the Clean Water SRF 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 #8 on the Agenda was review and consideration of a short term loan to North Tiverton Fire District in an amount up to \$357,500 out of the Drinking Water SRF Program. After discussion, the Executive Director recommends the Agency's Board of Directors accept a short term loan to North Tiverton Fire District in an amount up to \$357,500 out of the Drinking Water SRF Program 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 the 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 parties authorized to sign.

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

Voted: That the Board of Directors accept a short term loan to North Tiverton Fire District in an amount up to \$357,500 out of the Drinking Water SRF Program with the following caveats:

- 1) that the project appear on Department of Health's Project Priority List;
- 2) that the project receive 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 parties authorized to sign.

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 discussion and consideration of appointment of Bond Counsel. The Agency Executive Director stated that after publication of the RFP for bond counsel in the Providence Journal and mailing of the RFP to interested firms, the Agency received one proposal for bond counsel services from Nixon Peabody. The Executive Director recommends that the Board of Directors appoint Nixon Peabody for Agency Bond Counsel for the term of two years. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors appoint Nixon Peabody as Agency Bond Counsel for a term of two years.

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 discussion and consideration of the appointment of Financial Advisor. The Agency Executive Director states that the Agency received two responses from Public Financial Management and First Southwest. The Executive Director recommends that the Board of Directors appoint First Southwest for Financial Advisor for a term of two years. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors appoint First Southwest for Financial Advisor for a term of two years.

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 discussion and consideration of appointment of Financial Printer. The Agency Executive Director states the Agency received two responses from Image Master and George H. Dean Co. The Executive Director recommends that the Board of Directors appoint Image Master for Financial Printer for the term of two years. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors appoint Image Master for Financial Printer for the Term of two years.

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 #12 on the Agenda was the status of GIC investments update by First Southwest. The status of the Agency GICs was reviewed by Maureen Gurghigian of First Southwest and allowed for questions and comments.

Item #13 on the Agenda was Discussion of Municipal Defaults by Maureen Gurghigian, First Southwest and Peter Johnson, Agency Bond Counsel. Discussion of the Municipal Defaults was reviewed by Maureen Gurghigian and Peter Johnson and allowed for questions and comments.

Item #14 was resolution for Agency Refunding Bond Issuance. The Executive Director turned the meeting over to Neal Pandozzi, Agency Bond Counsel. Mr. Pandozzi reviewed the issuance resolution authorizing the issuance of up to \$80,000,000 for the refunding 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 Bond Issue. After discussion, a motion was made and the following vote taken.

Voted: That the Board of Directors approve the issuance resolution for the Refunding Bond Issuance up to \$80,000,000, and authorizes the Board Chairman and/or Executive Director to sign and execute all required documents related to the Bond Issue.

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 #15 on the Agenda was discussion State ARRA Reporting. The updates on State ARRA Reporting was discussed by Executive Director and allowed for questions and comments.

Item #16 on the Agenda was discussion and consideration of CIFA Legislation Conference held in Washington, DC April 25, 2010 – April 27, 2010. The Executive Director stated he is requesting permission to send himself, Robin Hedges, Clean Water Program Manager, Anna Coelho Cortes, Drinking Water Program Manager and Marcelina Jackson, Administrative Assistant, to attend the conference from April 25, 2010 – April 27, 2010 in Washington, with the anticipated expenses for the conference are in the amount of \$3578.00. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the Executive Director, Robin Hedges, Clean Water Program Manager, Anna Coelho Cortes, Drinking Water Program Manager and Marcelina Jackson, Administrative Assistant, to attend the conference from April 25, 2010 – April 27, 2010 in Washington, with the anticipated expenses for the conference are in the amount of \$3578.00.

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 #17 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;
General Treasurer Caprio – Treasurer of the Board;
Scott D. Lajoie – Secretary of the Board.

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

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

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 #18 on the Agenda was Expenses. The first expense was the invoice from US Bank in the amount of \$11,000.00 for RICWFA Water Pollution Control Series 2005A pooled loan issue. 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 \$11,000.00 for RICWFA Water Pollution Control Series 2005A pooled loan issue.

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 the approval of an invoice from US Bank in the amount of \$11,550.00 for Rhode Island Clean Water 07A Clean Water debt service interest account. 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 \$11,550.00 for Rhode Island Clean Water 07A Clean Water debt service interest account.

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 third expense was the approval of an invoice from US Bank in the amount of \$12,300.00 for Rhode Island Clean Water 06A Clean Water debt service interest account. 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 \$12,300.00 for Rhode Island Clean Water 06A Clean Water debt service interest account.

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 \$9,645.00 for Rhode Island Clean Water Finance Agency Series 2000A 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 \$9,645.00 for Rhode Island Clean Water Finance Agency Series 2000A 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 fifth expense was the approval of an invoice from US Bank in the amount of \$5,695.00 for Rhode Island Clean Water Series 1995. 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 \$5,695.00 for Rhode Island Clean Water Series 1995.

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 US Bank in the amount of \$9,025.00 for Rhode Island Clean Water Finance Agency Series 2004. 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 \$9,025.00 for Rhode Island Clean Water Finance Agency Series 2004

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 seventh expense was the approval of an invoice from Advocacy Solutions in an amount of \$4,500.00 for communications services. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from Advocacy Solutions in an amount of \$4,500.00 for communications services.

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 Pitney Bowes in an amount of \$1,100.00 for postage purchase. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from Pitney Bowes in an amount of \$1,100.00 for postage purchase.

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 Core Business Technologies in an amount of \$1,464.00 for annual service and supply contract. 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 an amount of \$1,464.00 for postage purchase.

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 Council of Infrastructure Financing Authorities, Inc. in an amount of \$1,000.00 for 2010 CIFA Membership dues for the period of January 1, 2010 - December 31, 2010. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from Council of Infrastructure Financing Authorities, Inc. in an amount of \$1,000.00 for 2010 CIFA Membership dues for the period of January 1, 2010 - December 31, 2010.

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 an invoice from Teltech Business Systems in an amount of \$3,200.00 for new telephone system. After discussion, a motion was made and seconded and the following vote taken;

Voted: That the Board of Directors approve the invoice from Teltech Business Systems in an amount of \$3,200.00 for new telephone system.

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 an invoice from Cayer Caccia in an amount of \$5,197.00 for professional services rendered from October 2, 2009 through November 6, 2009. 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 an amount of \$5,197.00 for professional services rendered from October 2, 2009 through November 6, 2009.

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 an invoice from Cayer Caccia in an amount of \$1,935.00 for professional services rendered from November 6, 2009 through December 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 Cayer Caccia in an amount of \$1,935.00 for professional services rendered from November 6, 2009 through December 31, 2009.

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

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 96: MJ