

**RHODE ISLAND CLEAN WATER FINANCE AGENCY**

**MEETING OF THE BOARD OF DIRECTORS**

**PUBLIC SESSION**

**FEBRUARY 28, 2011**

The meeting of the Board of Directors of the Rhode Island Clean Water Finance Agency in Public Session was held on Monday, February 28, 2011 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 3:30 p.m.

Directors present were: Chairman James M. Hagerty, Scott Lajoie, Arthur C. Barton III, and Christopher Feisthamel, Department of the Treasury.

Directors absent were: Andrew Bilodeau.

Also present were: Executive Director, Anthony B. Simeone; Michael P. Larocque, Accounting/Office Manager; Anna Coelho Cortes, Drinking Water SRF Program; Robin Hedges, Clean Water SRF Program Manager; Michael Pagliaro, Agency Accountant; Marcelina Jackson, Administrative Assistant; Christopher Vitale, Agency Legal Counsel; Maureen Gurchigian and Steve Maceroni, First Southwest; Peter Johnson and Neal Pandozzi, Agency Bond Counsel; Karen Beard, U.S. Bank; Laurie Brayton, RI Senate Fiscal Office; Kimberly Welsh, Janney Montgomery.

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 January 24, 2011 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 January 24, 2011 Board Meeting Minutes.

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

Voting against the foregoing were: None.

Item #2 on the Agenda was review and consideration of the Agency's December 2010, and January 2011, 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 2010, and January 2011, Financial Statements.

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

Voting against the foregoing were: None.

Item #3 on the agenda was distribution of 2<sup>nd</sup> quarter Management Letter prepared by Cayer Caccia. Michael P. Larocque, Accounting/Office Manager reviewed the Agency's 2<sup>nd</sup> quarter Management Letter prepared by Cayer Caccia 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 2<sup>nd</sup> quarter Management Letter prepared by Cayer Caccia.

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

Voting against the foregoing were: None.

Item #4 on the Agenda was review and consideration of a conduit loan from the Warwick Sewer Authority in an amount up to \$1,110,000. 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 \$1,110,000 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 conduit loan from the Warwick Sewer Authority in an amount up to \$1,110,000 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 Christopher Feisthamel, Department of the Treasury.

Voting against the foregoing were: None.

Item #5 on the Agenda was the review and consideration of a loan from the Town of Lincoln in an amount up to \$2,902,500. The Executive Director discussed with the Board providing the Town of Lincoln with an Administrative Loan for this Loan. Funding for this Loan would come from administrative funds available to the Agency, and would be beneficial to the Agency by increasing loan capacity, enhancing the investment of Agency funds, and reducing the bonded indebtedness of the Agency. After discussion by the Board, which included the suggestion of the creation of loan policies and procedures for Administrative Loans, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the funding of an Administrative Loan to the Town of Lincoln in the amount up to \$2,902,500 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 Christopher Feisthamel, Department of the Treasury.

Item #6 on the agenda was review and consideration of a loan from the City of Newport in an amount up to \$3,582,000. The Executive Director discussed with the Board providing the City of Newport with an Administrative Loan for this Loan. Funding for this Loan would come from administrative funds available to the Agency, and would be beneficial to the Agency by increasing loan capacity, enhancing the investment of Agency funds, and reducing the bonded indebtedness of

the Agency. After discussion by the Board, which included the suggestion of the creation of loan policies and procedures for Administrative Loans, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the funding of an Administrative Loan to the City of Newport in the amount up to \$3,582,000 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 Christopher Feisthamel, Department of the Treasury.

Item #7 on the agenda was Review of Agency GIC Investments. The Agency GIC Investment update was reviewed by Maureen Gurghigian of First Southwest and allowed for questions and comments.

Item #8 on the Agenda was Expenses.

The first expense was the invoice from US Bank in the amount of \$5,695.00 for Rhode Island Clean Water Finance Agency Series 1995. 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 \$5,695.00 for Rhode Island Clean Water Finance Agency Series 1995.

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

Voting against the foregoing were: None.

The second expense was the approval of an invoice from US Bank in the amount of \$9,000.00 for Rhode Island Clean Water Finance Agency Dated 12/04. 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 \$9,000.00 for Rhode Island Clean Water Finance Agency Dated 12/04.

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

Voting against the foregoing were: None.

The third expense was the approval of an invoice from US Bank in the amount of \$7,500.00 for Rhode Island Clean Water Finance Agency 2000A Pooled Loan.

Voted: That the Board of Directors approve the invoice from US Bank in the amount of \$7,500.00 for Rhode Island Clean Water Finance Agency 2000A Pooled Loan.

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

Voting against the foregoing were: None.

The fourth expense was the approval of an invoice from Nixon Peabody in an amount of \$766.50 for professional services rendered.

Voted: That the Board of Directors approve the invoice from Nixon Peabody in an amount of \$766.50 for professional services rendered.

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

Voting against the foregoing were: None.

The fifth expense was the approval of an invoice from First Southwest in an amount of \$1,465.00 for arbitrage rebate compliance services.

Voted: That the Board of Directors approve the invoice from First Southwest in an amount of \$1,465.00 for arbitrage rebate compliance services.

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

Voting against the foregoing were: None.

The sixth expense was the approval of an invoice from Cayer Caccia in an amount of \$2,722.00 for professional services rendered.

Voted: That the Board of Directors approve the invoice from Cayer Caccia in an amount of \$2,722.00 for professional services rendered.

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

Voting against the foregoing were: None.

The seventh expense was the approval of an invoice from Chartis in an amount of \$1,911.00 for policy renewal.

Voted: That the Board of Directors approve the invoice from Chartis in an amount of \$1,911.00 for policy renewal.

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

Voting against the foregoing were: None.

The eighth expense was the approval of an invoice from the Wall Street Journal in an amount of \$560.56 for subscription renewal.

Voted: That the Board of Directors approve the invoice from the Wall Street Journal in an amount of \$560.56 for subscription renewal.

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

Voting against the foregoing were: None.

The ninth expense was the approval of an invoice from Council of Infrastructure Financing Authorities, Inc. in an amount of \$1,000.00 for CIFA membership dues.

Voted: That the Board of Directors approve the invoice from Council of Infrastructure Financing Authorities, Inc. in an amount of 1,000.00 for CIFA membership dues.

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

Voting against the foregoing were: None.

The tenth expense was the approval of an invoice from the Law Offices of Gerald T. Harrington, Ltd. in an amount of \$9,223.50 for professional services.

Voted: That the Board of Directors approve the invoice from the Law Offices of Gerald T. Harrington, Ltd. in an amount of \$9,223.50 for professional services.

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

Voting against the foregoing were: None.

The eleventh expense was the approval of an invoice from Core in an amount of \$1,464.00 for annual service.

Voted: That the Board of Directors approve the invoice from Core in an amount of \$1,464.00 for annual service.

Being that there was no further business, a motion was made and seconded to adjourn the meeting @ 4:16 p.m.

Voted: That the Board of Directors adjourn the meeting at 4:16 p.m.

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

Voting against the foregoing were: None.

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**Secretary**

**MINUTES: 87 MJ**