

**RHODE ISLAND CLEAN WATER FINANCE AGENCY**

**MEETING OF THE BOARD OF DIRECTORS**

**PUBLIC SESSION**

**JUNE 20, 2011**

A meeting of the Board of Directors of the Rhode Island Clean Water Finance Agency in Public Session was held on Monday, June 20, 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, and Christopher Feisthamel, Department of the Treasury.

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

Also present were: Executive Director, Anthony B. Simeone; Michael P. Larocque, Accounting/Office Manager; Michael Pagliaro, Agency Accountant; Marcelina Jackson, Administrative Assistant; Keith Campagnone, Agency Intern; Gerald Harrington and Christopher Vitale, Agency Legal Counsel; Maureen Gurghigian, Steve Maceroni and Jennifer Arndt, First Southwest; Peter Johnson and Neal Pandozzi, Agency Bond Counsel; 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 April 18, 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 April 18, 2011 Board Meeting Minutes.

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

Voting against the foregoing were: None.

Item #3 on the Agenda was review and consideration of the Agency's April, 2011 and May, 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 April, 2011 and May, 2011 Financial Statements.

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

Voting against the foregoing were: None.

Item #4 Review and consideration of the Agency's Clean Water, Drinking Water, R.I. Water Pollution Control Revolving Fund and Operating Account Budgets. Michael Larocque reviewed the Agency's Clean Water, Drinking Water, R.I. Water Pollution Control Revolving Fund and Operating Account Budgets for the Board, and members discussed the budget and allowed for questions. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of directors approve the Agency's Clean Water, Drinking Water, R.I. Water Pollution Control Revolving Fund and Operating Account Budgets.

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

Voting against the foregoing were: None.

Item #5 on the agenda was First Southwest discussion of borrower's financial status and credit analysis. The discussion of borrower's financial factors was reviewed by Maureen Gurghigian of First Southwest and allowed for questions and comments.

Item #6 on the agenda was review and consideration of a loan application from the Town of Tiverton in an amount up to \$150,000 out of the Sewer Tie-In Loan Fund (STILF) 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) the loan will be made subject to availability of funds; and
- 5) that loan will be made subject to ranking 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 Town of Tiverton in an amount up to \$150,000 out of the Sewer Tie-In Loan Fund (STILF) 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 for the foregoing: Chairman James M. Hagerty, Scott Lajoie and Christopher Feisthamel, Department of the Treasury.

Voting against the foregoing were: None.

Item #7 on the Agenda was review and consideration of a loan application from the Town of Warren in an amount up to \$300,000 out of the Community Septic System Loan Program (CSSLP) 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 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 a loan application from the Town of Warren in an amount up to \$300,000 out of the Community Septic System Loan Program (CSSLP) 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 Certificate 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 will be made subject to ranking on DEM's Project Priority List.

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

Voting against the foregoing were: None.

Item #8 on the agenda was review and consideration of a loan application from the City of Woonsocket for a bridge loan to be funded by the Agency in the amount up to \$4 million 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 Certificate 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 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 a loan application from the City of Woonsocket for a bridge loan to be funded by the Agency in the amount up to \$4 million with the following caveats:

- 1) that all projects to be funded appear on Department of Environmental Management's (DEM's) Project Priority List have Certificate 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 will be subject to ranking on DEM's Project Priority List.

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

Voting against the foregoing were: None.

Item #9 on the agenda was review and consideration of a loan application from the Kingston Water District in an amount up to \$1,500,000 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.

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

Voted: That the Board of Directors accept a loan application from the Kingston Water District in an amount up to \$1,500,000 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 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 for the foregoing: Chairman James M. Hagerty, Scott Lajoie, and Christopher Feisthamel, Department of the Treasury.

Voting against the foregoing were: None.

Item #10 on the agenda was review and consideration of a loan application for the Pawtucket Water Supply Board in an amount up to \$7,485,000 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 DOH Certificate of Approval;
- 3) that loan security be in a form acceptable to the Agency as determined by Agency;
- 4) that 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 a loan application for the Pawtucket Water Supply Board in an amount up to \$7,485,000 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 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 for the foregoing: Chairman James M. Hagerty, Scott Lajoie, and Christopher Feisthamel, Department of the Treasury.

Voting against the foregoing were: None.

Item #11 on the agenda was review and consideration of a loan application from the Portsmouth Water and Fire District in an amount up to \$1,810,000 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 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.

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

Voted: That the Board of Directors accept a loan application from the Portsmouth Water and Fire District in an amount up to \$1,810,000 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 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 for the foregoing: Chairman James M. Hagerty, Scott Lajoie, and Christopher Feisthamel, Department of the Treasury.

Voting against the foregoing were: None.

Item #12 on the agenda is review and consideration of a loan application from the Smithfield Water Supply Board in an amount up to \$227,000 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 DOH Certificate of Approval;
- 3) that the loan security be in a form acceptable to 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 loan application for the Smithfield Water Supply Board in an amount up to \$227,000 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 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, and Christopher Feisthamel, Department of the Treasury.

Voting against the foregoing were: None.

Item #13 on the agenda was discussion of RFQ for FY2011 Annual Report. The Executive Director stated the Agency wanted to make the Board of Directors aware the Agency would be issuing an RFQ for FY2011 Annual Report. After discussion, the next item on the agenda was discussed.

Item #14 on the agenda was discussion and selection of Insurance policy for D&O Insurance. The Executive Director stated that the Agency had placed a Request for Quotes (RFQ) in the Providence journal seeking quotes for D&O Liability Insurance. The Agency Executive Director stated that the Agency received two proposals, A.N. Nunes and A.R. Bucci and based upon the bid priced and the terms of the policies offered, the Executive Director recommended A. R. Bucci as the Agency's D&O Insurance. After discussion a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors accept the proposal from A. R. Bucci for D&O Liability Insurance coverage.

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

Voting against the foregoing: None.

Item #15 on the Agenda was Legislative update. The Legislative update was provided by Christopher Vitale, Agency Legal Counsel and allowed for questions and comments.

Item #16 on the Agenda was Expenses. The first expense was the invoice from US Bank in the amount of \$3,000.00 for services Rhode Island Clean Water Pollution Control Subordinated Refunding Revenue Bonds 2010A. 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 services Rhode Island Clean Water Pollution Control Subordinated Refunding Revenue Bonds 2010A.

Voting in favor of the foregoing: Chairman James M. Hagerty, Scott Lajoie, 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 \$7,900.00 for Rhode Island Clean Water Finance Agency Series 2002A. 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 \$7,900.00 for Rhode Island Clean Water Finance Agency Series 2002A.

Voting in favor of the foregoing: Chairman James M. Hagerty, Scott Lajoie, 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 \$9,000.00 for Rhode Island Clean Water Finance Agency 2004A Drinking Water Iss. Rev Acct. 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 2004A Drinking Water Iss. Rev Acct.

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

Voting against the foregoing were: None.

The fourth expense was the approval of an invoice from US Bank in the amount of \$750.00 for Rhode Island Clean Water 08A Warwick Bonds Fund. 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 \$750.00 for Rhode Island Clean Water 08A Warwick Bonds Fund.

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

Voting against the foregoing: None

The fifth expense was the approval of an invoice from the Law Offices of Gerald T. Harrington, Ltd. in the amount of \$14,171.62 for professional services. 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 \$14,171.62 for professional services.

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

Voting against the foregoing: None.

The sixth expense was the approval of an invoice from the Law Offices of Gerald T. Harrington, Ltd. in the amount of \$12,750.00 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 the Law Offices of Gerald T. Harrington, Ltd. in the amount of \$12,750.00 for professional services rendered.

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

Voting against the foregoing: None.

The Seventh expense was the approval of an invoice from American Express in the amount of \$768.62 for conference expenses. 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 \$768.62 for conference expenses.

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

Voting against the foregoing: None.

The eighth expense was the approval of an invoice from staples in an amount of \$590.19 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 staples in the amount of \$590.19 for office supplies.

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

Voting against the foregoing: None.

Item #17 on the agenda was closed session-Executive Director's Evaluation. The Agency Chairman stated that upon the affirmative vote of the majority of the members of the Agency Board, the meeting shall be closed to the public pursuant to R.I. General Laws § 42-46-5(a)(1) with respect to this portion of the meeting which relates to discussions of the job performance of the Executive Director of the Agency. After discussion a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors goes into Closed Session @ approximately 5:54 p.m.

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

Voting against the foregoing were: None.

The Board Meeting reconvened @ 6:09 p.m.

Being that there was no further business, a motion was made and seconded to adjourn the meeting @ 6:10 p.m.

Voted: That the Board of Directors adjourn the meeting at 6:10 p.m.

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

Voting against the foregoing were: None.

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**Secretary**

**MINUTES: 280 MJ**