

RHODE ISLAND CLEAN WATER FINANCE AGENCY

MEETING OF THE BOARD OF DIRECTORS

PUBLIC SESSION

JUNE 16, 2014

A meeting of the Board of Directors of the Rhode Island Clean Water Finance Agency in Public Session was held on Monday, June 16, 2014 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, Joshua Celeste, Lisa Ferrara, Scott Lajoie and Rebecca Webber.

Scott Lajoie joined the meeting at 3:39 pm

Also present were: William Sequino, Jr., Executive Director; Michael P. Larocque, Deputy Director; Helen Terra, Road and Bridge Program/Compliance Manager; Michael Pagliaro, Agency Accountant; Marcelina Jackson, Administrative Assistant; Gerald Harrington and Katie Nee, Harrington & Vitale, Agency Legal Counsel; Maureen Gurghigian and Adam Krea, First Southwest Company, Agency Financial Advisor; Neal Pandozzi, Nixon Peabody, Agency Bond Counsel; Steven Pitassi, Janney Montgomery; 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 21, 2014 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 21, 2014 Board Meeting Minutes.

Voting in favor of the foregoing: Chairman James M. Hagerty, Joshua Celeste, Lisa Ferrara, and Rebecca Webber.

Voting against the foregoing were: None.

Item #2 on the agenda was 3rd quarter review, performed by Cayer Caccia. Michael Larocque summarized the 3rd quarter review and stated that there were no findings and allowed for questions and comments.

Item #3 on the agenda was review and consideration of the Agency's March, 2014 and April, 2014 Financial Statements. Michael Larocque summarized the Revenue and Expense Report and Balance Sheet for the months of March, 2014 and April, 2014. After a brief discussion, a motion was made and seconded and the following vote was taken:

Voted: That the Board of Directors approve the Agency financial statements for the months of March, 2014 and April, 2014 as reported by the Deputy Director.

Voting in favor of the foregoing: Chairman James M. Hagerty, Joshua Celeste, Lisa Ferrara, Scott Lajoie and Rebecca Webber.

Voting against the foregoing were: None.

Item #4 on the agenda was review and consideration of a proposal from Lincoln Financial Company for Life and Long Term Disability Insurance. Judy Bessi of Paradigm Employee Benefits group solicited quotes for life and long term disability insurance for Agency employees and recommended the proposal from Lincoln Financial Company. After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the proposal from Lincoln Financial Company for life and long term disability insurance for employees of the Agency.

Voting in favor of the foregoing: Chairman James M. Hagerty, Joshua Celeste, Lisa Ferrara, Scott Lajoie and Rebecca Webber.

Item #5 on the agenda was review and consideration of the Agency's FY15 state water pollution control budget. Michael Larocque reviewed the state water pollution control budget for the Board and allowed for questions and comments. After discussion, a motion was made and seconded and the following vote was taken:

Voted: That the Board of Directors approve the Agency's FY15 state water pollution control budget.

Voting in favor of the foregoing: Chairman James M. Hagerty, Joshua Celeste, Lisa Ferrara, Scott Lajoie and Rebecca Webber.

Voting against the foregoing were: None.

Item #6 on the agenda was review and consideration of the Agency's FY15 Clean Water Budget. Michael Larocque reviewed the clean water budget for the Board 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 FY15 Clean Water Budget.

Voting in favor of the foregoing: Chairman James Hagerty, Joshua Celeste, Lisa Ferrara, Scott Lajoie and Rebecca Webber.

Voting against the foregoing were: None.

Item #7 on the agenda was review and consideration of the Agency's FY15 Drinking Water Budget. Michael Larocque reviewed the drinking water budget for the Board 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 FY15 Drinking Water Budget.

Voting in favor of the foregoing: Chairman James Hagerty, Joshua Celeste, Lisa Ferrara, Scott Lajoie and Rebecca Webber.

Voting against the foregoing were: None.

Item # 8 on the agenda was review and consideration of the Agency's FY15 Municipal Road and Bridge budget. Michael Larocque reviewed the municipal road and bridge budget for the Board 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 FY15 Municipal Road and Bridge budget.

Voting in favor of the foregoing: Chairman James Hagerty, Joshua Celeste, Lisa Ferrara, Scott Lajoie and Rebecca Webber.

Item #9 on the agenda was review and consideration of the Agency's FY15 Operating Budget. Michael Larocque reviewed the operating budget for the Board 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 FY15 Operating Budget.

Voting in favor of the foregoing: Chairman James Hagerty, Joshua Celeste, Lisa Ferrara, Scott Lajoie and Rebecca Webber.

Item #10 on the agenda was review and consideration of a loan to the Town of North Kingstown in an amount up to \$300,000 out of the Community Septic System Loan Program. Adam Krea summarized the Town of North Kingstown's credit review for the Board of Directors. After discussion, Mr. Krea recommends the Agency's Board of Directors accept the loan application from the Town of North Kingstown in an amount up to \$300,000 out of the Community Septic System Loan Program with the following caveats:

- 1) that the 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 loan will be made subject to availability of funds;
- 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 for the Town of North Kingstown in an amount up to \$300,000 out of the Community Septic System Loan Program with the following caveats:

- 1) that the 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 loan will be made subject to availability of funds;
- 5) that loan will be made subject to ranking on DEM's Project Priority List.

Voting in favor of the foregoing: Chairman James Hagerty, Joshua Celeste, Scott Lajoie and Rebecca Webber.

Lisa Ferrara recused from discussion or voting on the application from the Town of North Kingstown.

Item #11 on the agenda was review and update of the Agency proposal for new accounting and data storage. Michael Larocque gave an over review of the proposal of new accounting and data storage systems. The Chairman recommended that Mr. Larocque gather some additional information, including determining where the solution would be hosted, and customer/reference checks. The Chairman recommended that this item be held until the next Board Meeting.

Item #12 on the agenda was review of GIC investment update by First Southwest. Adam Krea indicated there have not been any changes from the last update provided to the Board.

Item # 13 on the agenda was expenses. Invoices from Source Media, US Bank, American Express, First Southwest, Bank of America, reimbursement to employee (Michael Larocque) for hotel and parking for CIFA conference in Washington, DC, Staples, and Harrington & Vitale, LTD. were presented in the aggregate amount of \$71,442.73 After discussion, a motion was made and seconded and the following vote taken:

Voted: that the Board of Directors approve the invoices from the expenses listed above in the amount of \$71,442.73.

Voting in favor of the foregoing were: Chairman James Hagerty, Joshua Celeste, Lisa Ferrara, Scott Lajoie and Rebecca Webber.

Item #14 on the agenda was review and consideration of an MOU between the Agency and the Narragansett Bay Commission. The Executive Director explained that the Agreement establishes that the Agency agrees to loan the NBC 50% of its CWSRF lending capacity for each of the next eight years and that the agency will work together with the NBC and EPA regarding a possible 30 year loan term, among other issues. The MOU also resolves several outstanding issues between the Agency and the NBC. After discussion, a motion was made and seconded and the following vote taken:

Voted: that the Board of Directors approve the execution of the MOU between the Agency and the Narragansett Bay Commission.

Voting in favor of the foregoing were: Chairman James Hagerty, Joshua Celeste, Lisa Ferrara, Scott Lajoie and Rebecca Webber.

Item # 15 This item may go into Executive Session, pursuant to RI General Laws section 42-46-5(A)(2) – Review for litigation. This item was deferred.

Item # 16 on the agenda was Legislative update. The legislative update was provided by Gerald Harrington, who updated the Board on the legislation of interest to the Agency and allowed for questions and comments.

Being that there was no further business, a motion was made and seconded to adjourn the meeting @ 4:42 p.m.

Voted: that the Board of Directors adjourn the meeting at 4:42 p.m.

Voting in favor of the foregoing: Chairman James M. Hagerty, Joshua Celeste, Lisa Ferrara, Scott Lajoie and Rebecca Webber.

Voting against the foregoing were: None.

Secretary

MINUTES: 104