

RHODE ISLAND CLEAN WATER FINANCE AGENCY

MEETING OF THE BOARD OF DIRECTORS

PUBLIC SESSION

January 26, 2015

A meeting of the Board of Directors of the Rhode Island Clean Water Finance Agency in Public Session was held on Monday, January 26, 2015 in the conference room of the Rhode Island Clean Water Finance Agency, 235 Promenade Street, Suite 119, Providence, Rhode Island pursuant to a 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 3:38 p.m.

Directors present were: Chairman James M. Hagerty, Lisa Ferrara, and Scott Lajoie.

Directors absent were: Joshua Celeste and Treasurer Seth Magaziner.

Also present were: William Sequino, Jr., Executive Director; Michael P. Larocque, Deputy Director; Marcelina Jackson, Administrative Assistant; Gerald Harrington, Christopher Vitale 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 & Vivian Altman, Janney Montgomery; Mark Caccia, Cayer Caccia.

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 December 15, 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 December 15, 2014 Board Meeting Minutes.

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

Voting against the foregoing were: None.

Item #2 on the agenda was review and consideration of the Agency's 1st quarterly review by Cayer Caccia LLP. Mark Caccia presented the report and distributed a handout which he summarized.

Treasurer Seth Magaziner and Amy Crane, Treasury deputy legal counsel, joined the meeting at this time. After discussion on Agency's 1st quarterly review by Cayer Caccia LLP, a motion was made and seconded and the following vote was taken:

Voted: That the Board of Directors approve the Agency's 1st quarterly review by Cayer Caccia.

Voting in favor of the foregoing: Chairman James M. Hagerty, Lisa Ferrara, Scott Lajoie, and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #3 on the agenda was review and consideration of the Agency's October, 2014 and November, 2014 Financial Statements. Michael Larocque summarized the Revenue and Expense Report and Balance Sheet for the month of October, 2014 and November, 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's financial statements for the months October, 2014 and November, 2014 as reported by the Deputy Director.

Voting in favor of the foregoing: Chairman James M. Hagerty, Lisa Ferrara, Scott Lajoie, and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #4 on the agenda was review and consideration of a loan to the City of Warwick in an amount up to \$3,500,000 out of the Agency's Administrative Loan Program. Adam Krea, First Southwest summarized the City of Warwick's credit review for the Board of Directors. After discussion, Mr. Krea recommends the Agency's Board of Directors accept the loan application for the City of Warwick in an amount up to \$3,500,000 out of the Agency's Administrative 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.

Voted: That the Board of Directors accept the loan application for the City of Warwick in an amount up to \$3,500,000 out of the Agency's Administrative 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, Lisa Ferrara, Scott Lajoie, and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #5 on the agenda was review and consideration of a Bond Resolution for the 2015 CW Bond Issue in an amount up to \$70 million. The Executive Director turned the meeting over to Neal Pandozzi, Agency Bond Counsel. Mr. Pandozzi reviewed the Bond Resolution for the 2015 CW Bond Issue which authorized the issuance up to \$70 million and stated that the Resolution authorized 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 of a Bond Resolution for the 2015 CW Bond Issue authorizing an amount up to \$70 million, and authorizes the Executive Director, the Chairman and any other Agency authorized signers to sign the necessary documents to close the Bond Issue.

Voting in favor of the foregoing: Chairman James M. Hagerty, Lisa Ferrara, Scott Lajoie, and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #6 on the agenda was review and consideration of an IT Consultant. The Agency Executive Director stated that this item on the agenda would be postponed.

Item #7 on the agenda was selection of underwriters for 2015-2016. The Executive Director recommended that Bank of America Merrill Lynch, Barclays, Janney Montgomery Scott, JP Morgan, Morgan Stanley, Oppenheimer & Co. Inc., Raymond James, and TD Securities be selected as senior underwriters. The Executive Director also recommended that Citigroup Global Market Inc., Ramirez & Co. Inc., Roosevelt & Cross, US Bancorp, Fidelity Investments, Robert W. Baird & Co., and Rockfleet Financial Services be selected as co-managing underwriters. The Executive Director noted that each of the firms would be qualified to provide services to the Agency for a two-year term, and the Agency would select from the list of qualified firms for each issuance of Agency bonds over the two-year term. After discussion a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors qualify Bank of America Merrill Lynch, Barclays, Janney Montgomery Scott, JP Morgan, Morgan Stanley, Oppenheimer & Co. Inc., Raymond James, TD Securities, be selected to provide senior underwriting services to the Agency for a two year term and that Citigroup Global Market Inc., Ramirez & Co. Inc., Roosevelt & Cross, US Bancorp, Fidelity Investments, Robert W. Baird & Co., and Rockfleet Financial Services be selected to provide co-managing underwriting services to the Agency for a two year term.

Voting in favor of the foregoing were: Chairman James M. Hagerty, Lisa Ferrara, Scott Lajoie, and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #8 on the agenda was discussion and consideration of 30 year loans for Clean Water projects. Maureen Gurghigian, First Southwest Company, distributed a handout and discussed the impacts to the Clean Water SRF if the Agency entered into 30 year loans.

Item #9 on the agenda was legislative update. Christopher Vitale provided the Board with a legislative update. He informed the Board that the Road & Bridge money for 2015 the fund will not be available for a few months due to the timing of refinancing of State Tobacco Bonds. In addition, he advised the board that on March 1, 2015, the Water Resources Board Corporate will dissolve and its duties will be assumed by RI Clean Water Finance Agency. This is a result of legislation enacted in 2009. He allowed for questions and comments.

Item #10 on the agenda was expenses. Invoices from, US Bank, Nixon Peabody, LLP., Cayer Caccia, Bank of America, Council of Infrastructure, Financing Authorities, Inc., Providence Journal, Horizon Concepts, Staples, and Harrington & Vitale, LTD., were presented in the aggregate amount of \$52,615.95 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 \$52,615.95.

Voting in favor of the foregoing were: Chairman James M. Hagerty, Lisa Ferrara, Scott Lajoie, and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Being that there was no further business, a motion was made by Scott Lajoie and seconded by Joshua Celeste to adjourn the meeting @ 4:48 p.m.

Voted: That the Board of Directors adjourn the meeting at 4:48 p.m.

Voting in favor of the foregoing: Chairman James M. Hagerty, Lisa Ferrara, Scott Lajoie, and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Secretary

MINUTES: 1:10