

RHODE ISLAND CLEAN WATER FINANCE AGENCY

ANNUAL MEETING OF THE BOARD OF DIRECTORS

PUBLIC SESSION

May 11, 2015

The annual meeting of the Board of Directors of the Rhode Island Clean Water Finance Agency in Public Session was held on Monday, May 11, 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 Board Chair Merrill Sherman at approximately 3:30 p.m.

Directors present were: Board Chair Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Also present were: William Sequino, Jr., Executive Director; Michael P. Larocque, Deputy Director; Helen Terra, Road and Bridge Program/Compliance Manager; Marcelina Jackson, Administrative Assistant; Gerald Harrington and Christopher Vitale, 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; Kelly Rogers, Treasurer's Policy Director; Mark and Donna Caccia, Cayer Caccia, Agency's Independent Auditors .

Chair Sherman opened the meeting by declaring a quorum. The Chair addressed the first item on the Agenda. The first item on the Agenda was the review and approval of the March 23, 2015 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 March 23, 2015 Board Meeting Minutes.

Voting in favor of the foregoing: Chair Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Item # 2 on the agenda was Chair's comments. Chair Merrill Sherman introduced herself to the Board as the new Chair and expressed that she couldn't say enough of the good things that she has heard about the Agency, on how everything gets done efficiently and that the agency has a great reputation. She stated that she has no experience in being a Board Member of a public agency but is looking forward to working with the staff on continuing the great work already being done. She also wanted to make an announcement in giving recognition to Michael Larocque, Michael Pagliaro and Cayer Caccia for the great work they have done for the Agency in assisting the Agency's receiving the Certificate for Achievement in Financial Reporting.

Item #3 on the agenda was 3rd quarter review, by Cayer Caccia. Mark and Donna Caccia presented the report, distributed a handout and summarized it for the Board. After discussion on the Agency's 3rd quarter review by Cayer Caccia LLP, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the Agency's 3rd quarter review by Cayer Caccia LLP.

Voting in favor of the foregoing: Chair Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #4 on the agenda was review and consideration of the Agency's March, 2015 Financial Statements. Michael Larocque summarized the Revenue and Expense Report and Balance Sheet for the month of March, 2015. 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 month of March, 2015 as reported by the Deputy Director.

Voting in favor of the foregoing: Chair Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #5 on the agenda was review and consideration of a loan to the Town of Coventry in an amount up to \$900,000 out of the Municipal Road and Bridge Revolving Fund. Adam Krea, First Southwest summarized the Town of Coventry'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 Town of Coventry in an amount up to \$900,000 out of the Municipal Road and Bridge Revolving Fund with the following caveats:

- 1) that the project appear on Department of Transportation's Project Priority List;
- 2) that loan security be in a form acceptable to the Agency as determined by Agency;
- 3) that the borrower comply with all federal, state, and Agency laws, rules and regulations;
and

- 4) that a loan agreement be signed by all principal parties authorized to sign.

After review and 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 Coventry in an amount up to \$900,000 out of the Municipal Road and Bridge Revolving Fund with the following caveats:

- 1) that the project appear on Department of Transportation's Project Priority List;
- 2) that loan security be in a form acceptable to the Agency as determined by Agency;
- 3) that the borrower comply with all federal, state, and Agency laws, rules and regulations;
and
- 4) that a loan agreement be signed by all principal parties authorized to sign.

Voting in favor of the foregoing: Chair Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #6 on the agenda was review and consideration of a loan to the Town of Lincoln in an amount up to \$849,000 out of the Administrative Loan Program. Adam Krea, First Southwest summarized the Town of Lincoln'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 Town of Lincoln in an amount up to \$849,000 out of the 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.

After review and 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 Lincoln in an amount up to \$849,000 out of the 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: Chair Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #7 on the agenda was review and consideration of a loan to the Town of Bristol in an amount up to \$2,500,000 out of the Administrative Loan Program. Adam Krea, First Southwest summarized the Town of Bristol'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 Town of Bristol in an amount up to \$2,500,000 out of the Administrative Loan Program 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 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 review and 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 Bristol in an amount up to \$2,500,000 out of the Administrative Loan Program 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 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: Chair Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #8 on the agenda was review and consideration of a loan to the Town of West Warwick in an amount up to \$7,000,000 out of the Clean Water SRF. Adam Krea, First Southwest summarized the Town of West 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 Town of West Warwick in an amount up to \$7,000,000 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 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 review and 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 West Warwick in an amount up to \$7,000,000 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 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: Chair Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #9 on the agenda was review and consideration of a loan to the Narragansett Bay Commission in an amount up to \$41,753,500 out of the Clean Water SRF. Adam Krea, First Southwest summarized the Narragansett Bay Commission'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 Narragansett Bay Commission in an amount up to \$41,753,500 out of the Clean Water SRF with the following caveats: It was noted by the Executive Director that this loan would be for a 30 year term, the first the Agency has done in the Clean Water Program. Mr. Sequino also noted that NBC's concentration in the Clean Water Pool was just under 50%.

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

Voted: that the Board of Directors accept the loan application for the Narragansett Bay Commission in an amount up to \$41,753,500 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 a satisfactory loan agreement be signed by all parties to the transaction;
- 4) that a 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: Chair Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #10 on the agenda was the election of officers. The Chair stated that she would entertain a motion for the nomination of slate of Officers of the Agency. A motion was made and seconded that the slate of Officers be as follows:

Scott Lajoie – Vice Chairman of the Board
Joshua Celeste – Secretary of the Board
Lisa Ferrara – Assistant Secretary of the Board
Treasurer Seth Magaziner – Treasurer of the Board

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

Scott Lajoie – Vice Chairman of the Board
Joshua Celeste – Secretary of the Board
Lisa Ferrara – Assistant Secretary of the Board
Treasurer Seth Magaziner – Treasurer of the Board

Voting in favor of the foregoing: Chair Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #11 on the agenda was an update on the ratings assigned to the Agency's investments by First Southwest. Maureen Gurghigian, First Southwest Company supplied a hand out and gave an overview of the current status of the investments, and indicated that going forward, this update would be provided to the Board if there are changes to the ratings.

Item #12 on the agenda was approval for travel and expenses for the Executive Director and the Deputy Director for the CIFA conference. The Chairman stated there was a request to send the Executive Director and the Deputy Director to attend the conference from May 17th 2015 – May 20th 2015 in Washington, DC, with the anticipated expenses for the conference in the amount of \$2,436.40. After review and discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the Executive Director and the Deputy Director to attend the conference from May 17th 2015 – May 20th 2015 in Washington, DC, with the anticipated expenses for the conference in the amount of \$2,436.40.

Voting in favor of the foregoing: Chair Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Item #13 on the agenda was legislative update. Treasurer Seth Magaziner updated the Board on the status Article 24 – Rhode Island Infrastructure Bank. The current version of Article 24 would keep the Agency with 5 Board members, and the Agency name change would go into effect August 1, 2015. He allowed for questions and comments. Christopher Vitale discussed other budget provisions with the Board, including the proposed transfer of \$11,000,000 of Agency funds to the State.

Item #14 on the agenda was expenses. Invoices from, US Bank, Nixon Peabody, Bank of America, First Southwest, Cox, Staples and Harrington & Vitale, LTD., were presented in the aggregate amount of \$107,401.62 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 \$107,401.62.

Voting against the foregoing were: None.

Voting in favor of the foregoing were: Chair Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Being that there was no further business, a motion was made by Lisa Ferrara and seconded by Scott Lajoie to adjourn the meeting @ 4:45 p.m.

Voted: That the Board of Directors adjourn the meeting at 4:45 p.m.

Voting in favor of the foregoing: Chairman Merrill Sherman, Scott Lajoie, Lisa Ferrara, Josh Celeste and Treasurer Seth Magaziner.

Voting against the foregoing were: None.

Secretary

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