

RHODE ISLAND CLEAN WATER FINANCE AGENCY

MEETING OF THE BOARD OF DIRECTORS

PUBLIC SESSION

June 22, 2015

The meeting of the Board of Directors of the Rhode Island Clean Water Finance Agency in Public Session was held on Monday, June 22, 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 Chair of the Board Merrill Sherman at approximately 3:35 p.m.

Directors present were: Chair Merrill Sherman, Lisa Ferrara and Treasurer Seth Magaziner.

Directors absent were: Scott Lajoie and Josh Celeste

Also present were: William Sequino, Jr., Executive Director; Michael P. Larocque, Deputy Director; Robin Hedges, Clean Water SRF Program Manager; Helen Terra, Road and Bridge Program/Compliance Manager; Marcelina Jackson, Administrative Assistant; 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; Kelly Rogers, Treasurer's Policy Director.

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 May 11, 2015 Board Meeting Minutes. Lisa Ferrara found two typographical corrections. After review and discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the May 11, 2015 Board Meeting Minutes as so corrected.

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

Item #2 on the agenda was review and consideration of the Agency's April, 2015 and May, 2015 Financial Statements. Michael Larocque summarized the Revenue and Expense Report and Balance Sheet for the month of April, 2015 and May, 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 months of April, 2015 and May, 2015 as reported by the Deputy Director.

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

Voting against the foregoing were: None.

Item #3 on the agenda was review and consideration of a loan to the Providence Water Supply Board in an amount up to \$30,000,000 out of the Drinking Water SRF. Adam Krea, First Southwest summarized the Providence Water Supply Board'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 Providence Water Supply Board in an amount up to \$30,000,000 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 General Counsel;
- 4) that the Borrower obtain the necessary approvals from the Public Utilities Commission and the Division of Public Utilities and Carriers;
- 5) that the borrower comply with all federal, state, and Agency laws, rules and regulations; and
- 6) 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 Providence Water Supply Board in an amount up to \$30,000,000 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 General Counsel;
- 4) that the Borrower obtain the necessary approvals from the Public Utilities Commission and the Division of Public Utilities and Carriers;
- 5) that the borrower comply with all federal, state, and Agency laws, rules and regulations; and
- 6) that a loan agreement be signed by all principal parties authorized to sign.

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

Voting against the foregoing were: None.

Item #4 on the agenda was review and consideration of the engagement of a consultant to assist the Agency in the development of an RFP for a consultant or firm to advise the Agency on: (a) the creation of improved management and board reports; (b) the establishment of automated and streamlined administrative processes; and (c) the identification, purchase and installation of a new information technology system. The Chair recommended the engagement of the initial consultant shall be under an agreement not to exceed \$5,000. After a discussion, a motion was made and seconded and the following vote was taken:

Voted: That the Board of Directors authorize the Executive Director to enter into a contract not to exceed \$5,000 with an initial consultant to assist in the development of an RFP for (a) the creation of improved management and board reports; (b) the establishment of automated and streamlined administrative processes; and (c) the identification, purchase and installation of a new information technology system..

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

Voting against the foregoing were: None.

Item #5 on the agenda was review and consideration of the Agency's FY16 Operating Budget. This item was deferred until the next meeting.

Item #6 on the Agenda was legislative update. Christopher Vitale updated the Board that the State's FY15 Supplemental Budget included an allotment of \$3,500,000 for the Municipal Road and Bridge Revolving Fund. The funds will be transferred to the Agency prior to June 30, 2015. The legislature also restored the proposed transfer of \$11,000,000 in Agency funds contemplated by the original budget. The budget did not amend the Water Quality Protection Charge (WQPC) statutes, leaving a portion of the WQPC being remitted to the Agency. The water suppliers began to remit a portion of the WQPC in April of 2015. The Agency will be working with water suppliers to develop a new program utilizing the WQPCs. The budget also adopted the new programs proposed to be administered by the Agency, including the PACE program, the Efficient Buildings Fund, and the Brownfields Revolving Loan Fund. The name change of the agency to the Rhode Island Infrastructure Bank will go into effect on September 1, 2015. He allowed for questions and comments.

Item #7 on the agenda was expenses. Invoices from, US Bank, Bank of America, Cayer Caccia, First Southwest, Source Media, Staples, RI League of Cities and Towns, Harrington & Vitale, LTD., and Nixon Peabody were presented in the aggregate amount of \$105,151.06. 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 \$105,151.06.

Voting against the foregoing were: None.

Voting in favor of the foregoing were: Chair Merrill Sherman, Lisa Ferrara 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 Treasurer Seth Magaziner to adjourn the meeting @ 4:50p.m.

Voted: That the Board of Directors adjourn the meeting at 4:50p.m.

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

Voting against the foregoing were: None.

Secretary

MINUTES: 116