

BOARD OF FINANCE
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, June 10, 2019

PRESENT: Commissioners Andrew Adil, Donald Currey and Pasquale J. Salemi; Citizen Members Ram Aberasturia and Linda King-Corbin; and District Chairman William A. DiBella (6)

ABSENT: Commissioner Allen Hoffman and Citizen Member Ronald Angelo (2)

ALSO

PRESENT: Commissioner Daniel Camilliere
Commissioner Gary Lebeau
Commissioner Alphonse Marotta
Commissioner Whit Osgood
Commissioner Bhupen Patel
Scott W. Jellison, Chief Executive Officer
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Martin, Interim Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Karyn Blaise, Controller
Lisa Remsen, Manager of Budget
Stephanie Russo, Project Controls Manager
Kerry E. Martin, Assistant to the Chief Executive Officer
Julie Price, Professional Level Trainee
Joe Vitale, Bond Counsel
Ernie Lorimer, Bond Counsel
Vanessa Rossitto, Blum Shapiro
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:10 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

David Silverstone, Independent Consumer Advocate, spoke regarding the bonding agenda item and recommended that the resolution be modified to allow a thirty year term.

APPROVAL OF MINUTES

On motion made by Commissioner Adil and duly seconded, the meeting minutes of the Board of Finance meeting of May 6, 2019 were approved.

2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Vanessa Rossitto of Blum Shapiro presented the draft of the 2018 Comprehensive Annual Financial Report.

AUTHORIZATION FOR ISSUANCE OF GENERAL OBLIGATION BONDS AND GENERAL OBLIGATION BOND ANTICIPATION NOTES**Issuance of Up To \$92,000,000 in General Obligation Refunding Bonds and Up to \$90,000,000 in General Obligation Bonds and/or General Obligation Bond Anticipation Notes**

To: Board of Finance for consideration on June 10, 2019.

Staff is seeking authority for the District to issue up to \$92,000,000 in new general obligation bonds that will refund \$94,985,000 of the District's General Obligation Bonds Series A and Series B, Issues of 2010 which may be optionally redeemed on or after July 15, 2019. The District's financial advisor, Hilltop Securities Inc., has completed a financial analysis of the District's outstanding debt and recommended that the District refund its General Obligation Bonds Series A and Series B, Issues of 2010. Based on current market conditions, Hilltop Securities Inc. is projecting positive net present value savings for the refunding.

Staff is also seeking the Board's approval to issue up to \$90,000,000 in general obligation bonds, general obligation bond anticipation notes, or some combination of the two, for capital improvement projects and to pay certain costs of issuance.

Bond counsel prepared the following resolution for consideration by the Board of Finance:

It is therefore RECOMMENDED that it be:

Voted: That the Board of Finance recommends to the District Board passage of the following resolution:

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT EXCEEDING \$92,000,000 IN GENERAL OBLIGATION REFUNDING BONDS AND NOT EXCEEDING \$90,000,000 IN GENERAL OBLIGATION BONDS AND GENERAL OBLIGATION BOND ANTICIPATION NOTES OF THE METROPOLITAN DISTRICT

Not exceeding \$92,000,000 Metropolitan District General Obligation Bonds (the "Refunding Bonds") are hereby authorized to be issued to refund the District's General Obligation Bonds Series A and Series B, Issues of 2010 which may be optionally redeemed on or after July 15, 2019 and to pay certain costs of issuance. Not exceeding \$90,000,000 Metropolitan District General Obligation Bonds, General Obligation Notes or some combination of the two (the "New Money Obligations" and together with the Refunding Bonds, the "Obligations") are hereby authorized to be issued to fund such portion of the authorized and unissued balances of the capital appropriations contained in certain bond resolutions adopted to finance capital budget items enacted by the District Board in the years and in the amounts set forth on Exhibit A hereto attached, for any supplemental purposes or projects the Board of Finance and the District Board may from the date hereof authorize to be financed by the issuance of bonds and/or notes and to pay certain costs of issuance. The Obligations, if bonds, shall be dated the date of their delivery, and shall mature on or about July 15 in each of the years 2020 through 2040, bearing interest semi-annually each year until maturity. The Obligations shall be payable at and certified by U.S. Bank National Association, which bank shall also serve as registrar and transfer agent for the Obligations. The Obligations shall be sold by the District Treasurer, or in his absence, the Deputy Treasurer, in a competitive offering, or, in the discretion of the District Treasurer or in his absence, the Deputy Treasurer, in a negotiated offering, or, in the discretion of the District Treasurer or in his absence, the Deputy Treasurer, in some combination of one or more competitive offering(s) and negotiated offering(s). If sold in a competitive offering, the Obligations, if bonds, shall be awarded to the bidder or bidders offering to purchase the Obligations at the lowest true interest cost to the District, and if notes, shall be awarded to the bidder or bidders offering to purchase the Obligations at the lowest net interest cost to the District, and in either case for a sum no less than par and accrued interest to the date of delivery. The District Treasurer, or in his absence the Deputy Treasurer, is hereby delegated the authority to determine the principal amount to be issued, the principal amount to mature in each year, optional redemption date(s) and redemption premium(s), if any, the rate or rates of interest on the Obligations, and to deliver the Obligations to the purchaser(s) thereof in accordance with this resolution. If sold in a negotiated offering(s), the

Chairman, or in his absence, the Vice Chairman, and the District Treasurer or in his absence the Deputy Treasurer are authorized to negotiate, execute and deliver one or more Contracts of Purchase setting forth all the terms of sale of the Obligations, including the underwriters' discount for such sale, in such form as they shall deem necessary and appropriate. The Chairman, or in his absence, the Vice Chairman, and the District Treasurer, or in his absence, the Deputy Treasurer, are authorized to execute and deliver one or more Tax Regulatory Agreements for the Obligations on behalf of the District in such form as they shall deem necessary and appropriate, and to rebate to the Federal government such amounts as may be required pursuant to the Tax Regulatory Agreements for the purpose of complying with the requirements of the Internal Revenue Code of 1986, as amended. The Chairman, or in his absence, the Vice Chairman, and the District Treasurer, or in his absence, the Deputy Treasurer, are authorized to execute and deliver one or more Continuing Disclosure Agreements and any and all agreements and documents necessary to effect the issuance and sale of the Obligations in accordance with the terms of this resolution.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

EXHIBIT A

CIP Appropriation Water	Issue Amount
2009 Water Treatment Facility Improvements	128,000
2010 Dam Safety - Nepaug, Phelps Brook, East Dike	35,000
2010 General Purpose Water	360,000
2010 Water Main Replacement - Hartford	112,000
2010 Water Treatment Facility Upgrade Program	61,000
2011 Water Pump Station Improvements	51,000
2011 Water Storage Upgrades-Phase I	92,000
2011 Water Supply Facility and Watershed Land Improvements	24,000
2011 Water Treatment Facility Upgrades	68,000
2012 Dam Safety Improvements-Goodwin and Saville	7,000
2012 Dike Penetration and Correction Installations	95,000
2012 General Purpose Water	246,000
2012 Radio Frequency Automated Meter Reading	487,000
2012 Water Main Replacement - Montclair Drive, West Hartford	5,000
2012 Water Treatment Facilities Upgrades	23,000
2013 General Purpose Water	198,000
2013 Paving Program	459,000
2013 Radio Frequency Automated Meter Reading	297,000
2013 Water Main Replacement Oakwood Avenue, West Hartford	157,000
2014 General Purpose Water Program	376,000
2014 Kilkenny Water	244,000
2014 Phelps Brook Dam and East Dike Rehabilitation Project	19,000

2014 Radio Frequency Automated Meter Reading	14,000
2014 Transmission Main Extension – Newington	832,000
2014 Various Transmission Main Design & Construction	132,000
2014 Vexation Tanks 1-4 Improvements, Rocky Hill	147,000
2014 Water Main Replacement Oakwood Avenue, West Hartford	129,000
2014 General Purpose Water Program	376,000
2014 Kilkenny Water	244,000
2014 Phelps Brook Dam and East Dike Rehabilitation Project	19,000
2014 Radio Frequency Automated Meter Reading	14,000
2014 Transmission Main Extension – Newington	832,000
2014 Various Transmission Main Design & Construction	132,000
2014 Vexation Tanks 1-4 Improvements, Rocky Hill	147,000
2014 Water Main Replacement Oakwood Avenue, West Hartford	129,000
2014 Water Treatment Facilities Upgrades	75,000
2015 General Purpose Water Program	427,000
2015 Puddletown Booster Water Pump Station, New Hartford	19,000
2015 Radio Frequency Automated Meter Reading Program	6,000
2015 Renewable Energy Projects – Water Facilities	15,000
2015 Various Transmission Main Design & Construction	1,300,000
2015 Water Supply Improvements	450,000
2015 Water Treatment Facilities Upgrades	445,000
2015 WMR Bond Street Area, Hartford	75,000
2015 WMR Buckingham Street Area, Hartford	238,000
2015 WMR Garden Street Area, Wethersfield	69,000
2016 Bloomfield Transmission Main Extension	3,890,000
2016 General Purpose Water Program	212,000
2016 WMR Simmons Road Area, East Hartford	38,000
2017 General Purpose Water Program	789,000
2017 Hydrant Replacement Program	36,000
2017 Paving Program and Restoration	7,000
2018 Buckingham St. Area WMR, Hartford	45,000
2018 General Purpose Water Program	133,000
2018 Paving Program & Restoration	1,732,000
2018 Radio Frequency Automated Meter Reading Program	108,000
2018 Water Main Replacement Program	1,840,000
2018 Water Treatment Facilities Infrastructure Rehabilitation, Upgrades & Replacements	1,307,000
2019 Bloomfield Transmission Main Extension - Phase II	1,500,000
2019 Oakwood Avenue Area Water Main Replacement - Phases I & II	1,975,000
2019 Paving Program & Restoration	2,629,000
2019 Water Main Replacement Program	7,616,000
2019 Water Treatment Facilities Infrastructure Rehabilitation, Upgrades & Replacements Including Water Treatment Plant Replacements	500,000
Total Water	32,274,000

CIP Appropriation Sewer	Issue Amount
2010 General Purpose Sewer	17,000
2011 Sewer Pump Station Improvement Program	5,000
2011 Sewer Pump Station Rehabilitation	161,000
2011 WPC Electronic Development	19,000
2011 WPC Renewal & Replacements	46,000
2012 General Purpose Sewer	87,000
2012 Pump Station Upgrades - Fishfry Street, Hartford	65,000
2012 Sanitary Sewer Replacements District-Wide	50,000
2012 Sewer Replacement - Montclair Drive, West Hartford	827,000
2012 Sewer Replacement - Woodland Avenue and Peters Road, Bloomfield	40,000
2013 Pump Station Upgrades – Brookside Street, Newington	6,000
2013 Pump Station Upgrades – Meadow Street, Newington	24,000
2013 Pump Station Upgrades – Mohawk Drive, East Hartford	15,000
2013 Sewer Replacement – Oakwood Ave, West Hartford	232,000
2014 Backwater Valve Program	363,000
2014 General Purpose Sewer	13,000
2014 Levee Protection System Improvements, East Hartford and Hartford	687,000
2014 Pump Station Replacement – Stonehedge - Ochialini, Newington	34,000
2014 Sewer Rehabilitation Program	280,000
2014 Sewer Replacement - Madison Avenue, Hartford	100,000
2014 Sewer Replacement – Oakwood Ave, West Hartford	220,000
2014 Sewer Replacement – Packard Street & Daniel Boulevard, Bloomfield	1,275,000
2014 Various Sewer Pipe Replacement/Rehab – District Wide	1,409,000
2014 Wastewater Pump Station Improvements	19,000
2015 Bond Street Area Sewer Rehabilitation, Hartford	106,000
2015 CCTV Generated Sewer Contracts	20,000
2015 East Hartford WPCF Compressor, DO Control & SCADA Upgrades	183,000
2015 General Purpose Sewer	356,000
2015 Paving Program	314,000
2015 Sanitary Sewer Easements Acquisitions & Improvements	28,000
2015 Sewer Rehabilitation Program	35,000
2015 Various Sewer Pipe Replacement/Rehab – District Wide	1,319,000
2016 General Purpose Sewer	497,000
2016 Hartford WPCF - Air Permit Compliance Upgrades	119,000
2016 Various Sewer Pipe Replacement/Rehab – District Wide	105,000
2017 General Purpose Sewer	30,000
2017 Paving Program and Restoration	6,000
2017 Various Sewer Segment Replacement/Rehabilitation Program	1,054,000
2017 Wastewater Pump Station Upgrades	7,000
2017 WPC Equipment & Facilities Improvements	1,113,000
2017 WPC Plant Infrastructure Renewal & Replacement	431,000
2017 WPC SCADA Upgrades	400,000
2018 CCTV Generated Sewer Construction	2,542,000
2018 Paving Program & Restoration	1,276,000
2018 Sewer Rehabilitation Program	1,131,000
2018 Various Sewer Pipe Replacement/Rehabilitations - District-wide	2,656,000
2018 WPC Infrastructure Rehabilitation, Upgrades & Replacements	686,000
2019 Oakwood Avenue Area Sewer Replacement - Phase I	3,500,000
2019 Paving Program and Restoration	1,430,000
2019 Sewer Rehabilitation Program	3,100,000

2019 Various Sewer Pipe Replacement/Rehabilitation Program	3,970,000
2019 Water Pollution Control Facilities Infrastructure Rehabilitation, Upgrades and Replacements	700,000
Total Sewer	33,108,000
CIP Appropriation Combined	Issue Amount
2011 Facility & Equipment Improvements	17,000
2011 Security and Supervisory Control and Data Acquisition (SCADA) Communications	21,000
2012 Facility Improvement Program	26,000
2013 Communications Systems Upgrades	163,000
2013 Facilities Improvement Program	162,000
2013 Information Technology - Applications	512,000
2013 Land Improvements	24,000
2014 Facility Roof Replacements	13,000
2015 Information Systems - Business Transformation SAP Upgrade	834,000
2015 Information Systems - Finance Modules	581,000
2015 Information Systems - Operational Modules	1,771,000
2016 Administrative Facilities Improvement Program	451,000
2016 Information Systems I/T Upgrades	2,258,000
2016 Underground Storage Tanks - Removal & Replacement	639,000
2017 Administration Facilities and Equipment Improvements	100,000
2017 Business Transformation	1,540,000
2017 Fleet Equipment Replacement	168,000
2018 Business Transformation Project Management and Data Cleansing	5,000,000
2018 Construction Services	105,000
2018 Engineering Services	197,000
2018 Fleet and Equipment Replacement	557,000
2018 Survey & Construction	145,000
2018 Technical Services	374,000
2019 Construction Services	1,620,000
2019 Engineering Services	1,782,000
2019 Survey & Construction	2,860,000
2019 Technical Services	2,698,000
Total Combined	24,618,000
Total Issuance	90,000,000

On a motion made by Citizen Member Aberasturia and duly seconded, the report was received and resolution adopted by unanimous vote of those present.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

COMMISSIONER QUESTIONS AND COMMENTS

Scott Jellison, Chief Executive Officer, recognized Lisa Remsen for her long career with the District and recent promotion to Manager of Budget.

ADJOURNMENT

The meeting was adjourned at 6:02 P.M.

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval