

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, November 18, 2019**

PRESENT: Commissioners Andrew Adil, Donald Currey, Allen Hoffman and Pasquale J. Salemi and District Chairman William A. DiBella; Citizen Members Ram Aberasturia, Ronald Angelo, Joan McCarthy Gentile and Linda King-Corbin (8)

ABSENT: (0)

ALSO

PRESENT: Commissioner Denise Hall
Commissioner Jackie Gorsky Mandyck
Commissioner Dominic Pane
Scott W. Jellison, Chief Executive Officer
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Kelly Shane, Chief Administrative Officer
Christopher Martin, Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Lisa Remsen, Manager of Budget and Analysis
Biviana Casanova, Financial Analyst
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria S. Escoriza, Executive Assistant
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

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by Commissioner Adil and duly seconded, the meeting minutes of the Board of Finance meeting of November 8, 2019 were approved.

FISCAL YEAR 2020 - CAPITAL IMPROVEMENT BUDGET

To: Board of Finance for consideration on November 18, 2019

It is therefore RECOMMENDED that it be

VOTED: That the Board of Finance recommends to the District Board passage of the following resolution from Bond Counsel

2020 CIP PROJECT RESOLUTION NO. 1

RESOLUTION APPROPRIATING \$5,000,000 FOR THE GENERAL PURPOSE SEWER PROGRAM AND AUTHORIZING THE ISSUANCE OF \$5,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$5,000,000 is hereby appropriated for the General Purpose Sewer Program including planning, design and construction of the replacement and/or rehabilitation of existing sewer mains, pump stations, siphons and any related collection system appurtenances at various locations District wide and for legal, administrative and other financing costs related thereto. Such Projects may also include electrical, mechanical, or renewable energy upgrades at District facilities. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 2

RESOLUTION APPROPRIATING \$2,200,000 FOR THE LEVEE PROTECTION SYSTEMS IN EAST HARTFORD AND HARTFORD AND AUTHORIZING THE ISSUANCE OF \$2,200,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$2,200,000 is hereby appropriated for the evaluation, design, repair or pipeline abandonment of penetrations through the levee protection systems in East Hartford and Hartford owned and operated by the District as required by the Army Corps of Engineers and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 3

RESOLUTION APPROPRIATING \$1,500,000 FOR WASTEWATER PUMP STATION UPGRADES AND EQUIPMENT AND AUTHORIZING THE ISSUANCE OF \$1,500,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$1,500,000 is hereby appropriated for the design and/or construction of upgrades, replacements and improvements to the District's wastewater pump stations, including motors and pumps, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 4

RESOLUTION APPROPRIATING \$3,000,000 FOR THE PAVING PROGRAM AND RESTORATION AUTHORIZING THE ISSUANCE OF \$3,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$3,000,000 is hereby appropriated for final pavement restoration of roads, sidewalks, driveways, parking lots and other areas as well as unpaved areas disturbed by MDC sewer projects, including material disposal and usage of materials from stock, and for legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 5

RESOLUTION APPROPRIATING \$3,400,000 FOR THE SEWER REHABILITATION PROGRAM AND AUTHORIZING THE ISSUANCE OF \$3,400,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$3,400,000 is hereby appropriated for the conduct of sewer system investigations (using closed circuit TV inspection, sonar laser or other methods) to support the design and construction of rehabilitation and replacement of segments of the District's sewer infrastructure, including staffing, equipment, legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 6

RESOLUTION APPROPRIATING \$6,000,000 FOR VARIOUS SEWER PIPE REPLACEMENT/REHABILITATIONS – DISTRICT WIDE AND AUTHORIZING THE ISSUANCE OF \$6,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION
RESOLVED:

Section 1. The sum of \$6,000,000 is hereby appropriated for the design and/or construction of sewer system upgrades, replacements and rehabilitation measures District-wide including emergency repairs as identified via on-going inspection and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 7

RESOLUTION APPROPRIATING \$14,600,000 FOR THE HARTFORD SEWERSHED LARGE DIAMETER SEWER REHABILITATION – PHASE I AND AUTHORIZING THE ISSUANCE OF \$14,600,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$14,600,000 is hereby appropriated for the rehabilitation of large diameter sewers (combined and separated) located within the Hartford Water Pollution Control Facility sewershed as identified through on-going inspection, and legal, administrative and other financing costs related thereto. This project will reduce Combined Sewer Overflows in the Hartford WPCF collection system via inflow and infiltration reduction in large diameter Hartford sewers. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 8

RESOLUTION APPROPRIATING \$15,900,000 FOR WATER POLLUTION CONTROL FACILITIES INFRASTRUCTURE REHABILITATION, UPGRADES AND REPLACEMENT AND AUTHORIZING THE ISSUANCE OF \$15,900,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$15,900,000 is hereby appropriated for the design and construction of various infrastructure renewals and replacements at the District's four water pollution control facilities, including site wrap-up work at the Hartford Water Pollution Control Facility and trickling filter and BNR upgrades at the Poquonock facility, and for legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 9

RESOLUTION APPROPRIATING \$1,000,000 FOR THE GENERAL PURPOSE WATER PROGRAM AND AUTHORIZING THE ISSUANCE OF \$1,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$1,000,000 is hereby appropriated for the replacement and/or rehabilitation of aging water mains and related system-wide equipment/infrastructure improvements to the District's water supply, treatment and distribution systems and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 10

RESOLUTION APPROPRIATING \$3,000,000 FOR THE PAVING PROGRAM AND RESTORATION AND AUTHORIZING THE ISSUANCE OF \$3,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$3,000,000 is hereby appropriated for final pavement restoration of roads, sidewalks, driveways, parking lots and other areas disturbed by the MDC water projects, including disposal of unsuitable materials and usage of materials from stock, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 11

RESOLUTION APPROPRIATING \$4,000,000 FOR THE LONG HILL ROAD WATER MAIN IN EAST HARTFORD AND SOUTH WINDSOR AND AUTHORIZING THE ISSUANCE OF \$4,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$4,000,000 is hereby appropriated for construction of, inspection of, and associated work in connection with, new water mains along Long Hill Road and Chapel Road beginning at the East Hartford/South Windsor town line, and for legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 12

RESOLUTION APPROPRIATING \$10,400,000 FOR THE WEBSTER HILL AREA WATER MAIN REPLACEMENT, WEST HARTFORD AND AUTHORIZING THE ISSUANCE OF \$10,400,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$10,400,000 is hereby appropriated for construction, inspection and work associated with the replacement of existing water mains and service reconnections in the Webster Hill area of West Hartford including, but not limited to those on Crestwood Road, Rumford Street, Rockledge Drive, Greystone Road, Carleton Road, Webster Hill Boulevard, Bentwood Road and Ledgewood Road, and for legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 13

RESOLUTION APPROPRIATING \$12,500,000 FOR WATER MAIN REPLACEMENTS, HARTFORD AND WETHERSFIELD AND AUTHORIZING THE ISSUANCE OF \$12,500,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$12,500,000 is hereby appropriated for construction, inspection and work associated with the replacement of existing water mains and service reconnections in Hartford and Wethersfield, including, but not limited to those in the Church Street and Nott Street area of Wethersfield and in the Saybrooke Street and Bonner street area of Hartford, and for legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 14

RESOLUTION APPROPRIATING \$9,000,000 FOR THE WATER MAIN REPLACEMENT PROGRAM AND AUTHORIZING THE ISSUANCE OF \$9,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$9,000,000 is hereby appropriated for the design, construction, inspection and associated work to replace water mains and water services throughout the District that have exceeded their useful lives and/or have experienced numerous breaks, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 15

RESOLUTION APPROPRIATING \$800,000 FOR WATER PUMP STATION UPGRADES AND EQUIPMENT AND WATER TANK AND BASIN REHABILITATION, REPAIR AND IMPROVEMENTS AND AUTHORIZING THE ISSUANCE OF \$800,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$800,000 is hereby appropriated for the design and/or construction of upgrades, rehabilitation, replacements and improvements to the District's water pump stations including motors and pumps and water tanks and basin improvements to address mechanical, piping, process, electrical, instrumentation, water quality, equipment, security and control systems and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 16

RESOLUTION APPROPRIATING \$2,000,000 FOR FLEET AND EQUIPMENT REPLACEMENT AND AUTHORIZING THE ISSUANCE OF \$2,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$2,000,000 is hereby appropriated for the replacement of, and/or upgrades to, transportation and power operated equipment, including the replacement or upgrade of approximately 35 vehicles and individual pieces of equipment including pick-ups, dump trucks, utility vans and mowers, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 17

RESOLUTION APPROPRIATING \$2,000,000 FOR FACILITIES AND EQUIPMENT IMPROVEMENTS AND AUTHORIZING THE ISSUANCE OF \$2,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$2,000,000 is hereby appropriated for the design and construction of a variety of improvements, including renewal and replacements at District administrative, operational, and maintenance facilities, which will address building envelopment, structural, architectural, mechanical, electrical, plumbing, fire protection, HVAC, security and site improvements, environmental abatement, and other relevant work, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 18

RESOLUTION APPROPRIATING \$4,500,000 FOR SURVEY & CONSTRUCTION AND AUTHORIZING THE ISSUANCE OF \$4,500,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$4,500,000 is hereby appropriated for the survey and construction inspection of all water and sewer projects within the District's service area, including projects installed under District contract and developer permit agreements and legal, administrative other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 19

RESOLUTION APPROPRIATING \$4,000,000 FOR ENGINEERING SERVICES AND AUTHORIZING THE ISSUANCE OF \$4,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$4,000,000 is hereby appropriated for developing and designing the District's capital improvement projects, including improvements to and expansion of the District's water distribution and sewer collection systems and related work on water and sewage treatment plants and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 20

RESOLUTION APPROPRIATING \$2,000,000 FOR CONSTRUCTION SERVICES AND AUTHORIZING THE ISSUANCE OF \$2,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$2,000,000 is hereby appropriated for the costs of the management of District's capital improvement projects including improvements to and expansion of the District's water distribution and sewer collection systems and related work on water and sewage treatment plants and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2020 CIP PROJECT RESOLUTION NO. 21

RESOLUTION APPROPRIATING \$4,000,000 FOR TECHNICAL SERVICES AND AUTHORIZING THE ISSUANCE OF \$4,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$4,000,000 is hereby appropriated for technical support to all of the District's capital improvement projects including improvements to and expansion of the District's water distribution and sewer collection systems and related work on water and sewage treatment plants and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

On motion made by Commissioner Adil and duly seconded, the report was received and resolution adopted by unanimous vote of those present.

On motion made by Commissioner Hoffman and duly seconded, agenda items #4B “BUDGET EXPENDITURES”; #4C “BUDGET REVENUES”; #4D “HYDROELECTRIC EXPENDITURES AND REVENUES”; #4E “REFERRAL OF PROPOSED 2020 BUDGET TO THE DISTRICT BOARD”; #5 “SUPPLEMENTAL RESOLUTION AND DECLARATION OF OFFICIAL INTENT”; agenda item #6 “FISCAL YEAR 2020 REVISIONS TO DISTRICT SEWER USER CHARGE RATES AND OTHER RELATED CHARGES” were tabled until the next Board of Finance meeting.

RESOLUTION SETTING THE THRESHOLD AMOUNT FOR THE PURPOSES OF THE DISTRICT’S REFERENDUM REQUIREMENT

To: Board of Finance for consideration on November 18, 2019

WHEREAS, the charter of the Metropolitan District of Hartford County, Connecticut (the “District”), and more particularly Section 14 of number 511 of the special acts of 1929, as amended by section 1 of number 332 of the special acts of 1931, number 127 of the special acts of 1947, section 2 of special act 79-102, special act 80-13, section 1 of special act 83-31, section 5 of special act 90-27, and section 2 of public act 15-114 (Section 14, as amended, being referred to as the “Referendum Requirement”), provides as follows:

(a) Appropriations to be financed by the issuance of bonds, notes or other obligations of the district may be made at any time upon approval of the district board and recommendation of the board of finance in accordance with section 20 of number 511 of the special acts of 1929.

(b) (1) Any appropriation in excess of the amount set forth in subdivision (2) of this subsection for any single item of capital expense not regularly recurring, including, but not limited to, a capital purpose, a public improvement or an extraordinary expenditure which may properly be financed long-term rather than from current revenues, notwithstanding that such appropriation is included in the budget to be met from current revenues, shall be approved by a two-thirds vote of the entire district board and by a majority of the electors of the district at a referendum of the district called by the district board in accordance with the requirements of section 5 of number 511 of the special acts of 1929, as amended by special act 77-54; provided an appropriation for any reason involving not more than twice the amount set forth in subdivision (2) of this subsection in any one year for the purpose of meeting a public emergency threatening the lives, health or property of citizens of the district may be made upon approval by a two-thirds vote of the entire district board without submission to the electors of the district; provided further, appropriations may be made in any amount without submission to the electors of the district for any public improvement all or a portion of which is to be paid for by assessments of benefits or from funds established to pay for waste or water facilities pursuant to section 13 of number 511 of the special acts of 1929, as amended by number 366 of the special acts of 1949, special act 77-54 and special act 83-31; and provided further, submission to the electors of the district shall only be required with respect to such portion, if any, of any appropriation approved by the district board on and after October 1, 2015, as exceeds the amount set forth in subdivision (2) of this subsection. The district board may determine, in the case of appropriations for water, sewer and utility line extensions and improvements, or the installation or replacement of service meters, the definition of what shall constitute a single item of capital expense for purposes of compliance with the referendum requirement of this section. Such determination may be contained in the capital budget or a resolution making

such appropriation or authorizing the issuance of bonds, notes or obligations of the district and any such determination shall be final and conclusive.

(2) On and after October 1, 2015, the threshold amount for purposes of subdivision (1) of this subsection shall be twenty million dollars as adjusted annually thereafter on October first by a percentage equal to the increase, if any, in the consumer price index for urban consumers, as most recently determined by the United States Department of Labor, Bureau of Labor Statistics for the most recent twelve-month period available, provided for any appropriation adopted by the district board on and after October 1, 2015, the aggregate amount of federal and state grants available, committed to be made available or expected to be made available for the appropriation at issue, each as determined by the district board whose determination shall be conclusive, shall be deducted from the amount of the appropriation in determining whether such threshold is met.

WHEREAS, for purposes of this resolution, the amount referred to in section (b)(2) of the Referendum Requirement is hereinafter referred to as the Threshold Amount, and

WHEREAS, the consumer price index for urban consumers, as determined by the United States Department of Labor, Bureau of Labor Statistics ("CPI") as of September 30, 2019 was 256.759, representing a percentage from October 1, 2018 to October 1, 2019 of one and 70/100 percent (1.70%);

WHEREAS, the District Board wishes to find and determine the Threshold Amount in effect as of the date of this Resolution;

NOW THEREFORE BE IT RESOLVED:

1. Based on the evidence presented to the District Board, the District Board finds and determines, that the Threshold Amount in effect as of October 1, 2019 and thereafter is TWENTY-ONE MILLION FIVE HUNDRED EIGHTY-THREE THOUSAND EIGHT HUNDRED THIRTY-THREE 70/100 DOLLARS (\$21,583,833.70).

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

On motion made by Commissioner Adil and duly seconded, agenda item #8 "Fiscal Year 2020 – Tax on Member Municipalities" was tabled until the next Board of Finance meeting.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Peter Privitera, West Hartford Director of Finance, asked questions regarding the budget.

ADJOURNMENT

The meeting was adjourned at 5:55 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval