

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Tuesday, November 26, 2019**

PRESENT: Commissioners Andrew Adil, Donald Currey, Allen Hoffman and Pasquale J. Salemi and District Chairman William A. DiBella; Citizen Members Ronald Angelo and Joan McCarthy Gentile (7)

ABSENT: Citizen Member Ram Aberasturia and Linda King-Corbin (2)

ALSO

PRESENT: Commissioner Jackie Gorsky Mandyck
Christopher Stone, Assistant District Counsel
R. Bartley Halloran, 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 Zaik, Director of Human Resources
Lisa Remsen, Manager of Budget and Analysis
Shereese Rodgers, Senior Financial Analyst
Biviana Casanova, Financial Analyst
Nefertere Whittingham, Financial Analyst
Carrie Blardo, Assistant to the Chief Operating Officer
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 12:03 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 18, 2019 were approved.

2019 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on November 26, 2019

The 2019 Metropolitan District operating budget is currently experiencing deficits in the Operations budget. The Operations department is anticipating shortfalls due to the volume of water main breaks.

CERTIFICATIONS:

In accordance with Section 3-8 of the Charter of The Metropolitan District, I hereby certify that there exists free from encumbrances, in the following appropriation, the amounts listed:

	General	Water	Total
Department 70 – Debt Service	<u>\$75,000.00</u>	<u>\$225,000.00</u>	<u>\$300,000.00</u>
Total	<u>\$75,000.00</u>	<u>\$225,000.00</u>	<u>\$300,000.00</u>

Christopher Martin
Chief Financial Officer

It is therefore RECOMMENDED that it be:

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

Resolved: That transfers within the 2019 Budget Appropriations be approved as follows:

From:	General	Water	Total
Department 70 – Debt Service	<u>\$75,000.00</u>	<u>\$225,000.00</u>	<u>\$300,000.00</u>
Total	<u>\$75,000.00</u>	<u>\$225,000.00</u>	<u>\$300,000.00</u>
To:	General	Water	Total
Department 30 – Operations	<u>\$75,000.00</u>	<u>\$225,000.00</u>	<u>\$300,000.00</u>
Total	<u>\$75,000.00</u>	<u>\$225,000.00</u>	<u>\$300,000.00</u>

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

Without objection, Agenda item #5 "Cohn Reznick Update" was moved to the end of the meeting.

FISCAL YEAR 2020 - BUDGET EXPENDITURES

To: Board of Finance for consideration on November 26, 2019

It is **RECOMMENDED** that it be

Voted: That the estimated 2020 budget expenditures in the total amount of **\$197,685,300** be referred to the District Board for acceptance and approval as follows:

Budget Appropriations	Water	Sewer	Total
District Board	\$211,900	\$203,600	\$415,500
Executive Office	\$1,531,700	\$1,471,600	\$3,003,300
Legal	\$810,800	\$779,000	\$1,589,800
Information Technology	\$5,543,700	\$2,730,500	\$8,274,200
Finance	\$3,663,400	\$3,519,900	\$7,183,300
Environment, Health and Safety	\$486,500	\$467,500	\$954,000
Engineering and Planning	\$690,000	\$662,900	\$1,352,900
Customer Service	\$2,864,800	\$1,475,800	\$4,340,600
Operating Office	\$448,600	\$431,000	\$879,600
Operations	\$8,250,500	\$2,750,100	\$11,000,600
Laboratory Services	\$940,900	\$868,400	\$1,809,300
Water Pollution Control	-	\$17,616,800	\$17,616,800
Maintenance	\$5,866,400	\$5,636,200	\$11,502,600
Water Treatment & Supply	\$8,426,900	-	\$8,426,900
Patrol	\$1,672,100	-	\$1,672,100
Debt Service	\$33,825,200	\$36,468,600	\$70,293,800

Employee Benefits	\$17,024,700 <u>\$17,202,900</u>	\$13,929,300 <u>\$14,075,100</u>	\$30,954,000 <u>\$31,278,000</u>
General Insurance	\$3,556,000	\$2,370,700	\$5,926,700
Taxes and Fees	\$3,810,500	-	\$3,810,500
Special Agreements and Programs	\$3,201,600 <u>\$3,023,400</u>	\$1,497,200 <u>\$1,351,400</u>	\$4,698,800 <u>\$4,374,800</u>
Contingencies	-	\$1,980,000	\$1,980,000
Total Water and Sewer Budget	\$ 102,826,200	\$94,859,100	\$197,685,300

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

Without objection Chairman DiBella amended the resolution as shown above in redline.

On motion made by District Chairman DiBella and duly seconded, the report was received and resolution, as amended, adopted by unanimous vote of those present.

FISCAL YEAR 2020 - BUDGET REVENUES

To: Board of Finance for consideration on November 26, 2019

It is **RECOMMENDED** that it be

Voted: That the 2020 Budget Revenues in the total amount of **\$197,685,300** be referred to the District Board for acceptance and approval as follows:

<u>Revenue</u>	<u>Total</u>
Water Revenues	
Operating Revenues	
Sale of Water	\$ 94,093,600
Other Operating Revenues	6,450,000
Subtotal Operating Revenues	<u>100,543,600</u>
Non-Operating Revenues	<u>2,282,600</u>
Total Source of Revenues – Water Operations	<u>\$ 102,826,200</u>
Sewer Revenues	
Operating Revenues	
Tax on Member Municipalities	\$ 51,475,700
Revenue from Other Government Agencies	5,566,400
Other Sewer Revenues	17,414,100
Sewer User Charge Revenues	20,402,900
Total Source of Revenues – Sewer Operations	<u>\$ 94,859,100</u>
Total Source of Revenues – Water and Sewer Operations	\$ 197,685,300

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

FISCAL YEAR 2020 - HYDROELECTRIC EXPENDITURES AND REVENUES

To: Board of Finance for consideration on November 26, 2019

It is **RECOMMENDED** that it be

Voted: That the Board of Finance recommends to the District Board for acceptance and approval an appropriation of \$610,300 for the operation of the Hydroelectric Program.

Further Voted: That the Board of Finance recommends to the District Board for acceptance and approval estimated Hydroelectric revenues of \$610,300 in support of operations as follows:

Power Sales	\$ 610,300
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Interest Income	0
Designated from Surplus	0
Total Hydroelectric	<u>\$ 610,300</u>

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

SUPPLEMENTAL RESOLUTION AND DECLARATION OF OFFICIAL INTENT

To: Board of Finance for consideration on November 26, 2019

AUTHORIZATION TO ISSUE GENERAL OBLIGATION BONDS NOT TO EXCEED \$110,800,000

WHEREAS, the District Board has resolved today to appropriate and issue Bonds for those capital improvements projects numbered 1- 21, inclusive; and

WHEREAS, the District Board wishes to determine the form, date or dates, maturities, manner of sale and other details concerning such bonds;

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

Now THEREFORE BE IT RESOLVED:

Section 1. To meet the appropriations for the projects set forth in the 2020 CIP Resolutions Nos. 1- 21 inclusive (the "Resolutions"), bonds of the District are authorized in the respective amounts set forth in such Resolutions to be issued in one or more series in accordance with applicable General Statutes of Connecticut, Revision of 1958, as amended to date and as amended from time to time in the future, public acts of the Connecticut General Assembly, as amended to date and as amended from time to time in the future, and special acts of the Connecticut General Assembly, as amended to date and as amended from time to time in the future (together, "Connecticut laws"), and the District's Charter. Said bonds shall be issued in fully registered form, be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or Vice Chairman and the Treasurer or the Deputy Treasurer, and bear the District seal or a facsimile thereof. The bonds may be secured by the full faith and credit of the District and/or by special revenues of the District pledged thereto by the District Board, in accordance with Connecticut laws and the District's Charter. Each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with and that such bond is within every debt and other limit prescribed by law. The aggregate principal amount of the bonds to be issued, the form of issuance as serial, term or discount bonds, the dated date, final maturity, annual installments of principal, whether interest

on the bonds will be fixed or variable, the rate or rates of interest, or method of determining interest rates thereon, whether such interest shall be excluded or included in gross income for federal income tax purposes, denominations, terms of redemption, if any, the date, time of issue and sale and all other terms, details and particulars of such bonds shall be determined by the District Board, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. It is hereby found and determined that the issuance of any such bonds the interest on which is included in gross income for federal income tax purposes is in the public interest. The bonds may be sold by competitive bid or negotiated sale, as determined by the District Board. If sold by competitive bid, a notice of sale, or summary thereof, shall be published at least five (5) days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If sold by negotiated sale, the form and details of the bond purchase agreement for the sale of the bonds shall be determined by the District Board.

Section 2. The Treasurer and the Deputy Treasurer are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes or certificates of indebtedness evidencing such borrowings may be sold by competitive bid or negotiated sale, as determined by the Treasurer or Deputy Treasurer, in such manner as shall be determined by said Officers. Said notes or certificates of indebtedness shall be issued in fully registered form, be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer, and bear the District seal or a facsimile thereof. The notes or certificates of indebtedness may be secured by the full faith and credit of the District and/ or by special revenues of the District pledged therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the notes shall recite that every requirement of law relating to its issue has been duly complied with and that such note is within every debt and other limit prescribed by law. The net interest cost on such notes or certificates of indebtedness, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the project. Upon the sale of the bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on such notes or certificates of indebtedness then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 3. In connection with the issuance of the bonds, notes or certificates of indebtedness authorized hereunder and under the Resolutions ("Authorized Obligations"), the District Board is hereby authorized to approve the terms and conditions of, including necessary covenants, limitations and restrictions on the District necessary to obtain, standby bond purchase agreements, letters of credit, lines of credit, financial guaranty insurance policies, guarantees of the District or third parties, surety agreements, or any similar agreements ("Credit Facilities") with one or more financial institutions providing Credit Facilities ("Credit Facility Providers") to provide for additional security for and the purchase upon tender of the Authorized Obligations, if any, under circumstances set forth in the Indentures (defined herein). Credit Facilities shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer.

Section 4. In connection with the issuance of Authorized Obligations the District Board is hereby authorized to approve the terms and conditions of indentures of trust or other instruments of trust ("Indentures") with commercial banks or national banking associations with trust powers or trust companies to be appointed by the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer ("Trustees"), which provide for, among other things, the rate of

rates of interest, or method of determining interest rates thereon, procedures for conducting auctions in an auction rate mode, the denominations, the tender rights of holders, if any, the rights of redemption and redemption prices, the payment of certain fees, the imposition of certain covenants, limitations and restrictions on the District necessary to issue the variable rate bonds, and the execution of various other instruments. Indentures shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer.

Section 5. In connection with the issuance of Authorized Obligations bearing interest at variable interest rates, the District Board is hereby authorized to approve the terms and conditions of, including necessary covenants, limitations and restrictions on the District necessary to enter into, remarketing agreements, broker-dealer agreements, auction agency agreements and other agreements (the "Reoffering Agreements") with remarketing agents, investment banking firms or other financial institutions to be appointed by the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer ("Reoffering Agents"), which provide for, among other things, the terms and conditions for reoffering Authorized Obligations bearing interest at variable interest rates, the Reoffering Agents' compensation and the disclosure of the District's financial condition. Reoffering Agreements shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer.

Section 6. In connection with the issuance of Authorized Obligations, if permitted by Connecticut laws and the District's Charter, the District Board is hereby authorized to approve the terms and conditions of, including necessary covenants, limitations and restrictions on the District necessary to obtain, an interest rate swap agreement in the form of the International Swaps and Derivatives Association, Inc. (ISDA) Master Agreement, together with applicable annexes, schedules and confirmations thereto, contracts to manage interest rate risk, including interest rate caps, options, puts, call or similar arrangements, or such other agreements permitted by Connecticut laws and the District's Charter ("Swap Agreements"), with one or more counterparties to be selected by the Chairman or Vice Chairman and Treasurer or Deputy Treasurer, as Swap Provider (the "Swap Providers"), which provides for, among other things, the effective date or dates of the Swap Agreements, the rate of interest to be paid by the District to the Swap Providers on the principal amount of the bonds (which may be a fixed rate or a variable rate based on an index determined by the Chairman or Vice Chairman and Treasurer or Deputy Treasurer), the rate of interest to be received by the District from the Swap Providers (which may be a fixed rate or a variable rate based on an index determined by the Chairman or Vice Chairman and Treasurer or Deputy Treasurer), the payment of certain fees, the imposition of certain covenants, limitations and restrictions on the District and the execution of various other instruments. Swap Agreements shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer. To the extent provided by Connecticut laws, the full faith and credit of the District may be pledged to any and all payments to be made by the District with respect to the Swap Agreements, including, any termination or netting payments to be made by the District.

Section 7. The Chairman or Vice Chairman and Treasurer or Deputy Treasurer are hereby authorized, on behalf of the District, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB of material events as enumerated in the Securities and Exchange Commission Securities Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale

of the bonds, notes and certificates of indebtedness authorized by this resolution. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 8. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence the Deputy Treasurer, are authorized in the name and on behalf of the District to apply for and accept any and all federal and state loans and/or grants-in-aid for eligible projects set forth in the Resolutions and are further authorized to expend said funds in accordance with the terms thereof. To meet any portion of the costs of projects determined by the State of Connecticut Department of Energy and Environmental Protection to be eligible for funding under Section 22a-478 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Clean Water Fund Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Clean Water Fund Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Clean Water Fund Obligations, Project Loan and Grant Agreements and any other instruments, agreements or certificates under the Clean Water Fund Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence the Deputy Treasurer, and bear the District seal or a facsimile thereof. The aggregate principal amount of the Clean Water Fund Obligations to be issued, the dated date, final maturity, rate or rates of interest, the date, time of issue and sale and all other terms, details and particulars of such Clean Water Fund Obligations, subject to the provisions of the Clean Water Fund Program, shall be determined by the District Board, following recommendation of the Board of Finance. Clean Water Fund Obligations may be secured by the full faith and credit of the District and/or by special revenues of the District pledged therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Clean Water Fund Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

Section 9. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence the Deputy Treasurer, are authorized in the name and on behalf of the District to apply for and accept any and all federal and state loans and/or grants-in-aid for eligible projects set forth in the Resolutions and are further authorized to expend said funds in accordance with the terms thereof. To meet any portion of the costs of projects determined by the State of Connecticut Department of Public Health to be eligible for funding under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Drinking Water Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Drinking Water Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Drinking Water Obligations, Project Loan Agreements and any other instruments, agreements or certificates under the Drinking Water Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence the Deputy Treasurer, and bear the District seal or a facsimile thereof. The aggregate principal amount of the Drinking Water Obligations to be issued, the dated date, final maturity, rate or rates of interest, the date, time of issue and sale and all other terms, details and particulars of such Drinking Water Obligations, subject to the provisions of the Drinking Water Program, shall be determined by the District Board, following recommendation of the Board of Finance. Drinking Water Obligations may be secured by the full faith and credit

of the District and/or by special revenues of the District pledged therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Drinking Water Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

Section 10. The District hereby expresses its official intent pursuant to Treasury Regulations Section 1.150-2 to reimburse expenditures paid sixty days prior to and any time after the date of passage of this Resolution in connection with the Resolutions with the proceeds of Authorized Obligations, Drinking Water Obligations or Clean Water Fund Obligations. Said obligations shall be issued to reimburse such expenditures not later than 18 months after the date of the expenditure or such later date the Regulations may authorize. The District hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Chairman or Vice Chairman and the Treasurer or Deputy Treasurer is each individually authorized to pay project expenses in accordance herewith pending the issuance of the Authorized Obligations. This Section is included herein solely for purposes of compliance with Treasury Regulations Section 1.150-2 and may not be used or relied on for any other purpose.

Section 11. In connection with the issuance of Authorized Obligations and Drinking Water Obligations or Clean Water Fund Obligations, the District Board is hereby authorized to, and if any such action shall heretofore have been taken, such action is hereby ratified and confirmed, (a) publish such notices, hold such hearings, make such representations and agreements, and take such other actions as shall be necessary to enable bond counsel to render its opinions as to the validity of the said obligations and the exclusion of the interest thereon, if applicable, from gross income for federal income tax purposes, (b) make, execute and deliver all such additional and supplemental documents, including, but not limited to any tax compliance agreements, tax certificates, tax forms, investment agreements or assignments, and (c) do and perform such acts and take such actions as may be necessary or required for the consummation of the transactions provided for and contemplated by this Resolution.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

FISCAL YEAR 2020 - REVISIONS TO DISTRICT SEWER USER CHARGE RATES AND OTHER SEWER CHARGES

To: Board of Finance for consideration on November 26, 2019

In accordance with Section S12j of the District's Ordinances, sewer use unit charge rates shall be determined annually in conjunction with adoption of the District Budget. The 2020 budget in support of sewer operations calls for a sewer user charge rate of \$5.15, which is 11.0% higher than the prior year.

Additionally, in support of the 2020 budget and in accordance with Section S12l of the District's Ordinances, the monthly sewer customer service charge will increase to \$7.00, effective January 1, 2020.

There will be an Administrative Review Fee for work performed by the Utility Services department, Engineering, Real Estate, Environment, Health & Safety, and others related to customer requests. The Administrative Review Fee includes, but is not limited to, the following individual services: availability and capacity analysis, assessment calculation, permit applications for non-domestic sewage wastewater discharges (including, but not limited to, individual permits, Significant Industrial Users, Categorical Industrial User Wastewater to a POTW, Food Service Establishment Wastewater, Groundwater Remediation Wastewater, Miscellaneous Discharges of Sewer Compatible (MISC) Wastewater, Vehicle Maintenance Wastewater), encroachment permits, abandonment of infrastructure, Engineering/Environmental surveys and documentation requests.

There will be an Annual Wastewater Discharge Compliance Fee for all permitted wastewater discharges categorized as non-domestic sewage discharges, including but limited to, individual permits, Significant Industrial Users, Categorical Industrial User Wastewater to a POTW, Food Service Establishment Wastewater, Groundwater Remediation Wastewater, Miscellaneous Discharges of Sewer Compatible (MISC) Wastewater, Vehicle Maintenance Wastewater. The charge is related costs associated with annual administration and review of discharge monitoring reports, verification of discharges and inventorying and management of customer data.

Following the cost trends for the sewer user charge rate, it is recommended the BOD and COD rate be increased to \$0.61 and \$0.61 per pound respectively. In addition, the suspended solids strength charge will increase to \$0.50 per pound. These unit charges, which apply to high flow users, low flow/high strength users and non-municipal tax-exempt users, are for the following:

1. Liquid flow charge rate based on sewer flow in hundreds of cubic feet (CCF).
2. BOD (biochemical oxygen demand) strength charge rate based on pounds of BOD for the concentration of BOD exceeding 300 milligrams per liter (mg/l); AND/OR COD (chemical oxygen demand) strength charge rate based on pounds of COD for that concentration of COD exceeding 700 mg/l.
3. Suspended solids strength charge rate based on pounds of suspended solids for that concentration exceeding 300 mg/l.

In accordance with Section S12p of the District's Ordinances, sewer user charge Late Filing/Sewage Evaluation Fees will remain at \$250.00 for the 2020 budget.

Additionally, Section S12x of the District's Ordinances provides for the Clean Water Project Charge, primarily for payment of principal and interest on certain bonds and loans which proceeds are used to finance the costs associated with the Clean Water Project. The clean water project charge is set annually in conjunction with adoption of the District Budget. Effective January 1, 2020, said charge shall be \$4.10 per hundred cubic feet (ccf) to be uniformly applied and to be proportional to the quantity of water used by District customers who utilize the District sewer system and are furnished water directly by the Metropolitan District. The clean water project charge shall appear separately on the water bills of the District.

Liquid Waste Discharge Fee (other than Acceptable Septage): A fee is required as part of the approval from MDC for its acceptance, by whatever means, of the discharge of liquid

waste other than Acceptable Septage, as provided by §S13b of the District's Sewer Ordinances. For example, but without limiting the forms of liquid waste subject to this fee, this fee shall apply to the following without limitation: groundwater; remediated groundwater; contaminated stormwater; contaminated groundwater permitted through a CT DEEP Groundwater Remediation General Permit or other CT DEEP Miscellaneous General or Individual Permit; landfill leachate; process equipment condensate; groundwater used for process water including cooling water; discharges granted temporary authorization to discharge by CT DEEP; and stormwater discharged into a separated sanitary sewer system.

Liquid Waste Discharge Fee(other than Acceptable Septage)

Tier 1--	0-500,000 avg. gallons per month	\$0.13/gal
Tier 2--	500,001 to 700,000 avg. gallons per month	\$0.07/gal
Tier 3--	700,000+ avg. gallons per month	\$0.05/gal

FOG Charges: Fees are charged to Class III and IV and FDA class 2, 3, and 4 Food Service Establishments FSE or any other facility that is likely to discharge fats, oils and grease above the effluent limit of 100 mg/l to offset the costs of managing the Fats, Oils and Grease (FOG) program. This program is required by the CT Department of Energy and Environmental Protection General Permit for the Discharge of Wastewater Associated with Food Service Establishments.

It is **RECOMMENDED** that it be

Voted: That the District Board approve the following resolution:

Resolved: That, in accordance with Section S12j of the District Ordinances, Unit Charges For Computing The Sewer User Charge, a sewer user charge rate of five dollars and fifteen cents (\$5.15) per hundred cubic feet of sewer flow be effective for meter readings on and after January 1, 2020 and that, effective January 1, 2020, a sewer user customer service charge of seven dollars (\$7.00) per month, a BOD strength charge of sixty-one cents (\$0.61) per pound be billed on sewer flow for that concentration of BOD exceeding 300 milligrams per liter; a COD strength charge of sixty-one cents (\$0.61) per pound be billed on sewer flow for that concentration of COD exceeding 700 milligrams per liter; and a suspended solids strength charge of fifty cents (\$0.50) per pound be billed on sewer flow for that concentration of suspended solids exceeding 300 milligrams per liter.

Further

Resolved: In accordance with Section S12x of the District's Ordinances, the rate for the Clean Water Project Charge (f/k/a Special Sewer Service Charge) shall be \$4.10 per ccf commencing January 1, 2020.

Also Voted: That the District Board approve the following schedule of fees effective January 1, 2020.

Installation, Repair or Replacement of Company Meters

Fees are charged to wastewater dischargers that require metering of discharges for billing purposes. The charge is for the initial District meter installation and required repair or replacement of District meter as needed during the permitted discharge period.

5/8" meter	\$250.00
3/4" meter	\$260.00
1" meter	\$300.00
1-1/2" meter	\$1,000.00
2" meter	\$1,300.00
3" meter	\$1,430.00
4" meter	\$1,700.00
6" meter	\$2,700.00
8" meter	\$4,100.00
Open Channel Sewer	\$9,500.00
Radio transmitter unit	\$200.00

Liquid Waste Discharge Fee (other than Acceptable Septage)

Tier 1--	0-500,000 avg. gallons per month	\$0.13/gal
Tier 2--	500,001 to 700,000 avg gallons per month	\$0.07
Tier 3--	700,000+ avg gallons per month	\$0.05

Sewer User Charge Late Filing/Sewage Evaluation Fees \$250.00

Administrative Review for Sewer Services Fee \$540.00

Includes, but is not limited to, the following individual services: availability and capacity analysis, assessment calculation, permit applications for non-domestic sewage wastewater discharges (individual permits, Significant Industrial Users, Categorical Industrial User Wastewater to a POTW, Food Service Establishment Wastewater, Groundwater Remediation Wastewater, Miscellaneous Discharges of Sewer Compatible (MISC) Wastewater, Vehicle Maintenance Wastewater), encroachment permits, abandonment of infrastructure, Engineering/Environmental surveys and documentation requests

Annual Wastewater Discharge Compliance Fee \$150.00

For all permitted wastewater discharges categorized as non-domestic sewage discharges, including but limited to, individual permits, Significant Industrial Users, Categorical Industrial User Wastewater to a POTW, Food Service Establishment Wastewater, Groundwater Remediation Wastewater, Miscellaneous Discharges of Sewer Compatible (MISC) Wastewater, Vehicle Maintenance Wastewater. The charge is related costs associated with annual administration and review of discharge monitoring reports, verification of discharges and inventorying and management of customer data.

Wastewater Discharge Compliance Fees

Failure to submit Registration or Variance Applications \$500.00

Disallow Inspection	\$225.00
Failure to maintain discharge records including analytical results and discharge volumes	\$200.00
No FOG management or pre-treatment equipment installed	\$200.00
Non-compliant FOG management or pre-treatment equipment installed	\$200.00
Failure to properly maintain/service FOG and pre-treatment equipment to maintain proper working order and provide inspection and maintenance records as required.	\$100.00
Failure to maintain FOG management equipment in proper working order	\$200.00
Failure to clean FOG management equipment quarterly or when 25% of the depth of the trap is filled with food solids and FOG, whichever comes first.	\$200.00
Failure to properly dispose of brown and/or yellow grease	\$200.00
Source of sewer blockage	\$1,000.00
Source of sanitary sewer overflow - Actual costs will be billed to the facility for time and materials related to the overflow	minimum \$1,000.00 or Actual Cost whichever is greater

Wastewater Discharge Violation Correction Schedule

Discharge and/or Equipment not registered	7 days
No FOG management or pre-treatment equipment installed	30 days
FOG management equipment in need of repair or cleaning	7 days
Failure to maintain written records of FOG management equipment cleaning and inspection	7 days
Disallow an inspection – Inspection must be scheduled within 7 days of initial inspection attempt	7 days
Failure to clean and maintain FOG management equipment as required	7 days
Source of sewer blockage	24 Hours
Source of sanitary sewer overflow (minimum)	24 Hours

\$75 re-inspection fee for not complying with the Notice of Violation within the schedule listed above.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

FISCAL YEAR 2020 - TAX ON MEMBER MUNICIPALITIES

To: Board of Finance for consideration on November 26, 2019

A Fiscal Year 2020 Tax Levy on The Metropolitan District's member municipalities in the amount of \$51,475,700 is recommended in support of the proposed 2020 budget. In accordance with the District Board's policy, taxes may be paid in quarterly installments. To coincide with the fiscal year cycle (July 1 – June 30) adhered to by the member municipalities,

the quarterly tax payments are unbalanced. The amount of the tax due in the first half of 2020 will be equivalent to 50% of the total 2019 tax levy. This amount (when paid) will be subtracted from the total 2020 tax levy: the balance is the amount due in the second half of the year.

Apportionment of the Fiscal Year 2020 tax among the member municipalities and the amount due on each installment will be as follows:

Tax History by Town	2016	2017	2018	2019	2020
Hartford	\$10,174,900	\$10,963,200	\$11,550,400	\$12,372,000	\$13,035,400
East Hartford	\$4,762,000	\$5,059,400	\$5,486,600	\$5,775,200	\$6,089,300
Newington	\$3,508,400	\$3,752,900	\$4,120,900	\$4,318,900	\$4,623,100
Wethersfield	\$3,207,700	\$3,408,200	\$3,707,800	\$3,979,400	\$4,240,800
Windsor	\$3,404,700	\$3,656,900	\$4,001,500	\$4,274,900	\$4,611,600
Bloomfield	\$2,936,000	\$3,067,100	\$3,256,200	\$3,488,600	\$3,879,300
Rocky Hill	\$2,239,700	\$2,475,800	\$2,712,500	\$2,909,600	\$3,144,100
West Hartford	\$8,710,900	\$9,286,900	\$10,168,100	\$11,034,500	\$11,852,100
Total	\$38,944,300	\$41,670,400	\$45,004,000	\$48,153,100	\$51,475,700

It is **RECOMMENDED** that it be

Voted: That the District Board approve the following resolution:

Resolved: That, in accordance with Section 3-12 and 3-13 of the District Charter, a tax on the member municipalities comprising The Metropolitan District, in the sum of \$51,475,700, shall be due and payable in favor of The Metropolitan District in four installments on the following due dates: the first installment, totaling \$12,038,275, shall be due and payable on January 15, 2020; the second installment, totaling \$12,038,275, shall be due and payable on April 15, 2020; the third installment, totaling \$13,699,575, shall be due and payable on July 15, 2020; and the fourth installment, totaling \$13,699,575, shall be due and payable October 21, 2020. Apportionment of the Fiscal Year 2020 tax among the member municipalities and the amount due on each installment shall be as follows:

Installment Date	1/15/2020	4/15/2020	7/15/2020	10/21/2020	Total
Hartford	\$3,093,000	\$3,093,000	\$3,424,700	\$3,424,700	\$13,035,400
East Hartford	1,443,800	1,443,800	1,600,850	1,600,850	6,089,300
Newington	1,079,725	1,079,725	1,231,825	1,231,825	4,623,100
Wethersfield	994,850	994,850	1,125,550	1,125,550	4,240,800
Windsor	1,068,725	1,068,725	1,237,075	1,237,075	4,611,600
Bloomfield	872,150	872,150	1,067,500	1,067,500	3,879,300
Rocky Hill	727,400	727,400	844,650	844,650	3,144,100
West Hartford	2,758,625	2,758,625	3,167,425	3,167,425	11,852,100
Total	\$12,038,275	\$12,038,275	\$13,699,575	\$13,699,575	\$51,475,700

Respectfully Submitted,

Scott W. Jellison

Chief Executive Officer

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

COHN REZNICK UPDATE

Melissa Ferrucci and Lisa Cantone of Cohn Reznick provided an update to the Board of Finance

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen, West Hartford Resident, spoke regarding the DEEP Groundwater Discharge; asked for an explanation of details regarding budget increases; and asked commissioners to speak directly into microphones and announce their names.

ADJOURNMENT

The meeting was adjourned at 2:33 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval