

THE METROPOLITAN DISTRICT COMMISSION

555 Main Street
Hartford, Connecticut 06103
Monday, February 10, 2020

Present: Commissioners Andrew Adil, John Avedisian, Clifford Avery Buell, Donald Currey, William A. DiBella, Peter Gardow, Denise Hall, James Healy, Allen Hoffman, Jean Holloway, Mary LaChance, Gary LeBeau, Byron Lester, Jacqueline Mandyck, Alphonse Marotta, Dominic M. Pane, Bhupen Patel, Pasquale J. Salemi, Raymond Sweezy, Alvin Taylor and Richard W. Vicino (21)

Absent: Commissioner Daniel Camilliere, David Ionno, Maureen Magnan, Michael Maniscalco, Michael Solomonides, and New Britain Special Representative Michael Carrier (6)

Also

Present: Scott W. Jellison, Chief Executive Officer
Christopher Martin, Chief Financial Officer
Christopher Stone, Assistant District Counsel
Brendan Fox, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Jamie Harlow, Manager of Labor Relations
Nick Salemi, Communications Administrator
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria S. Escoriza, Executive Assistant
Wystan Ackerman, Outside Counsel, Robinson & Cole
Kevin Daley, Outside Counsel, Robinson & Cole

CALL TO ORDER

The meeting was called to order by District Chairman DiBella at 5:32 PM

ROLL CALL AND QUORUM

The District Clerk called the roll and informed the Chairman that a quorum of the Commission was present, and the meeting was declared a legal meeting of the District Board of The Metropolitan District of Hartford County, Connecticut.

PLEDGE OF ALLEGIANCE

Those in attendance stood and recited the Pledge of Allegiance.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by Commissioner Taylor and duly seconded, the meeting minutes of January 6, 2020 were approved.

REPORT FROM DISTRICT CHAIRMAN

Chairman DiBella invited Commissioners to tour the Hartford Water Pollution Control Facility on February 18th.

REPORT FROM CHIEF EXECUTIVE OFFICER

Scott Jellison delivered the District Chief Executive Officer report.

REPORT FROM DISTRICT COUNSEL

Christopher Stone, Assistant District Counsel, delivered the District Counsel report.

Commissioner Mandyck entered the meeting by phone at 5:36 PM

EXECUTIVE SESSION

At 6:16 P.M., Chairman DiBella requested an executive session to discuss pending litigation.

On a motion made by Commissioner Sweezy and duly seconded, the District Board entered into executive session to discuss pending litigation.

Those in attendance during the executive session:

Commissioners Andrew Adil, John Avedisian, Clifford Avery Buell, Donald Currey, William A. DiBella, Peter Gardow, Denise Hall, James Healy, Allen Hoffman, Jean Holloway, Mary LaChance, Gary LeBeau,

Byron Lester, Jacqueline Mandyck, Alphonse Marotta, Dominic M. Pane, Bhupen Patel, Pasquale J. Salemi, Raymond Sweezy, Alvin Taylor and Richard W. Vicino; Chief Executive Officer Scott W. Jellison; Chief Administrative Officer Kelly Shane; Chief Operating Officer Christopher Levesque, Director of Engineering Sue Negrelli, Director of Information Technology Robert Schwarm, Director of Facilities Tom Tyler; Attorneys Christopher Stone, Brendan Fox, John S. Mirtle, and Outside Counsel Wylan Ackerman and Kevin Daley.

RECONVENE

At 6:43 P.M., Chairman DiBella requested to come out of executive session and on motion made by Commissioner Sweezy and duly seconded, the District Board came out of executive session and reconvened. No formal action was taken.

SETTLEMENT OF PENDING LITIGATION *WILLIAM PAETZOLD, ET AL V. METROPOLITAN DISTRICT COMMISSION*

To: District Board

February 10, 2020

BE IT HEREBY RESOLVED, that pursuant to Section B2f of the By-Laws of The Metropolitan District, the Board of Commissioners of The Metropolitan District hereby authorizes Assistant District Counsel, or his designee, to settle the pending state class action lawsuit captioned ***WILLIAM PAETZOLD, ET AL V. METROPOLITAN DISTRICT COMMISSION***, pending in the Hartford Superior Court and bearing docket number X07-HHD-CV-18-6090558-S, upon such terms and conditions set forth in the attached and incorporated "Class Action Settlement Agreement and Release", and subject to the approval of the Court.

Respectfully submitted,



John S. Mirtle, Esq.
District Clerk

DOCKET NO.: X07-HHD-CV-18-	:	SUPERIOR COURT
6090558-S	:	
	:	COMPLEX LITIGATION
WILLIAM & LAURIE PAETZOLD	:	
	:	JUDICIAL DISTRICT
v.	:	HARTFORD
	:	AT HARTFORD
METROPOLITAN DISTRICT	:	
COMMISSION	:	

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

This Class Action Settlement Agreement and Release (the “Agreement”) is entered into between the Settlement Class Representatives, on behalf of themselves and the Class, on the one hand, and the MDC” on the other hand (together the “Parties”), subject to preliminary and final Court approval as required by Connecticut Practice Book §§ 9-8 and 9-9.¹

WHEREAS, the Civil Action is currently pending in the Connecticut Superior Court, Complex Litigation Docket of the Judicial District of Hartford, alleging, inter alia, that the MDC wrongfully charged the Surcharges to water customers in East Granby, Farmington, Glastonbury and South Windsor;

WHEREAS, the MDC denies the allegations in the Civil Action, asserts numerous legal and factual defenses to the claims made in the Civil Action, and denies any liability whatsoever;

WHEREAS, the Settlement Class Representatives and Settlement Class Counsel have concluded, after discovery and investigation of the facts and after carefully considering the circumstances of the Civil Action, including the claims asserted in the Complaint, the status of the Civil Action and the possible legal, factual and procedural defenses thereto, that it would be in the best interests of the Settlement Class to enter into this Agreement, which interests include the substantial value to be derived from this Settlement and the interest in avoiding the uncertainties of litigation and assuring that the benefits reflected herein are obtained for the Settlement Class; and, further, that Settlement Class Counsel consider the Settlement set forth herein to be fair, reasonable and adequate and in the best interests of the Settlement Class;

WHEREAS, the MDC, after vigorous, arms-length negotiations, has agreed to payment of certain sums and other relief in settlement for the benefit of the Settlement Class, as provided in this Agreement;

WHEREAS, the MDC, despite its belief that it has valid and complete defenses to the claims asserted against it in the Civil Action, has nevertheless agreed to enter

¹ Capitalized terms used herein are defined in Paragraphs 1-29 below.

into this Agreement to reduce and avoid further expense, inconvenience, and the distraction of burdensome and protracted litigation, and thereby to resolve this controversy;

NOW, THEREFORE, it is agreed by and between the undersigned on behalf of the Parties that any and all claims made or that could have been made against the MDC or the Released Entities (as defined in Paragraph __ of this Agreement) by the Settlement Class and/or the Settlement Class Representatives in the Civil Action be settled and compromised and, except as hereafter provided, without costs as to the Settlement Class, Settlement Class Representatives, or the MDC, subject to the approval of the Court, on the following terms and conditions.

I. DEFINITIONS

In addition to the terms defined at various points within this Agreement, the following Defined Terms apply throughout this Agreement:

1. The term “Civil Action” means the action captioned *Paetzold v. Metropolitan District Commission*, Dkt. No. X07-HHD-CV-18-6090558-S, originally filed on or about March 6, 2018 in the Connecticut Superior Court for the Judicial District of Hartford.

2. The term “Class” or “Class Members” means all persons and entities who were charged a Surcharge by the MDC from March 6, 2012 through October 1, 2014. Specifically excluded from the Class are: Defendant, including any parent, subsidiary, affiliate, or person controlled by Defendant; Defendant’s officers, directors, commissioners, agents, or employees; the judicial officers assigned to this litigation and members of their staffs and immediate families; and any heirs, assigns, and successors of any of the above persons or organizations in their capacity as such.

3. The term “Compensation” means the amount payable to, or credit to be made to the account of, a particular Settlement Class Member, which amount or credit shall be determined using the methodology set forth in Paragraph __ of this Agreement.

4. The term “Complaint” means the Amended Complaint filed on October 17, 2018 [Dkt. No. 116.00] in the Civil Action.

5. The term “Court” means the State of Connecticut Superior Court, Complex Litigation Docket, in the Judicial District of Hartford at Hartford.

6. The term “Current MDC Customer(s)” refers to any Class Member who is receiving water service from the MDC, at any property in any Member Town or Non-Member Town, as of the date of the Preliminary Approval Order.

7. The term “Effective Date” has the meaning ascribed to it in Paragraph __ of this Agreement.

8. The term “Email Notice” refers to the notice to be emailed to Class Members for whom email addresses can reasonably be identified by the MDC without manual searches of its records, as provided for in Paragraph __ below. The content of the Email Notice shall be identical to the Long Form Notice, other than as determined necessary for e-mail formatting purposes by the Settlement Administrator.

9. The Term “Final Approval Hearing” means the final hearing at which the Court determines whether to enter the Order and Final Judgment.

10. The term “Former MDC Customer(s)” refers to any Class Member who is not a Current MDC Customer.

11. The term “Long Form Notice” refers to the notice to be made available to the Class Members on the settlement website maintained by the Settlement Administrator, without material alteration from Exhibit B hereto, except as ordered by the Court (with no Party exercising its termination rights under Paragraph __ below), or as determined necessary for formatting purposes by the Settlement Administrator.

12. The term “MDC” means The Metropolitan District created and existing by virtue of various special acts of the Connecticut General Assembly beginning with Spec. Act 29-511, 1929 Conn. Spec. Acts 1204, and the Metropolitan District Commission, which governs The Metropolitan District.

13. The term “MDC Counsel” means Wystan M. Ackerman, Esq, Kevin P. Daly, Esq., and Robinson & Cole LLP.

14. The term “Member Town” means the towns of Bloomfield, East Hartford, Hartford, Newington, Rocky Hill, West Hartford, Wethersfield, and Windsor.

15. The term “Motion for Final Approval” means the pleading to be filed by the Settlement Class Representatives pursuant to Paragraph __ of this Agreement seeking entry of an Order and Final Judgment pursuant to Connecticut Practice Book § 9-9(c).

16. The term “Motion for Preliminary Approval” means the pleading to be filed by the Settlement Class Representatives pursuant to Paragraph __ of this Agreement, which pleading shall be mutually acceptable to, and may not be modified without the mutual consent of, each of the Parties in their sole and absolute discretion. This Agreement shall be filed with the Motion for Preliminary Approval.

17. The term “Non-Member Towns” means the towns of East Granby, Farmington, Glastonbury and South Windsor.

18. The term “Order and Final Judgment” means an order of the Court granting final approval of the Settlement and the corresponding final judgment.

19. The term “Party” or “Parties” means, collectively, the Settlement Class Representatives, acting on behalf of the Settlement Class, and the MDC.

20. The term “Postcard Notice” refers to the notice to be provided to the Class Members by postcard, without material alteration from Exhibit A hereto, except as ordered by the Court (with no Party exercising its termination rights under Paragraph __ below), or as determined necessary for formatting purposes by the Settlement Administrator.

21. The term “Preliminary Approval Order” means an order issued by the Court preliminarily approving the Settlement. The Parties’ proposed preliminary approval order, to be filed with the Motion for Preliminary Approval, is attached as Exhibit __ hereto.

22. The term “Released Claims” means any and all known and Unknown Claims, rights, demands, actions, causes of action, allegations, or suits of whatever kind or nature, whether *ex contractu* or *ex delicto*, statutory, common law or equitable, including but not limited to any quasi-contractual, contractual, extra-contractual, tort or statutory claims, any claims for punitive or exemplary damages, restitution, disgorgement, attorneys’ fees, costs of suit, injunctive relief, specific performance, reformation, or prejudgment or post judgment interest, arising from or relating in any way to the Settlement Class Members’ payment of Surcharges as customers of the MDC from when they first became customers of the MDC in any Non-Member Town through and including October 1, 2014. The term “Released Claims” further includes, but is not limited to, any claims related to the Surcharges that were alleged or could have been alleged by the Class in the Civil Action. The term “Released Claims” further includes any future claim that the MDC was not permitted to take into account the Compensation applied in this Settlement in setting its future water rates systemwide for all MDC customers (in both Member and Non-Member Towns).

23. The term “Releasers” means any and all Settlement Class Members, as well as their respective present and former heirs, executors, trustees, administrators, assigns, subrogees, agents, attorneys and any of their legal representatives, and any entities or persons on whose behalf the Settlement Class Member is or was authorized to act, and all past and present officers, directors, agents, attorneys, employees, stockholders, successors, assigns, insurers, reinsurers, independent contractors, and legal representatives of any such persons or entities, but only to the extent such other persons or entities listed in this paragraph are acting, or purporting to act, on behalf of, or in the shoes of, a Settlement Class Member.

24. The term “Releasees” or “Released Entities” means (a) the MDC (as defined in Paragraph __ above); (b) all of the past and present divisions, parent entities, affiliates, and subsidiaries of the MDC; (c) all past and present commissioners, officers, directors, agents, attorneys, employees, successors, assigns, insurers, reinsurers, independent contractors, and legal representatives of the MDC; and (d) all of the heirs, estates, successors, assigns, and legal representatives of the MDC.

25. The term “Settlement” means the settlement provided for by this Agreement.

26. The term “Settlement Administrator” means JND Legal Administration Co. (“JND”).

27. The term “Settlement Class” or “Settlement Class Member” means all Class Members (as defined in Paragraph __ above), other than Settlement Class Opt-Outs. The Settlement Class includes the Settlement Class Representatives.

28. The term “Settlement Class Counsel” means Robert A. Izard, Jr., Esq., Mark P. Kindall, Esq., Craig A. Raabe, Esq., and Izard, Kindall & Raabe, LLP.

29. The term “Settlement Class Opt-Out” means any person or entity falling within the definition of the Class set forth in Paragraph __ of this Agreement who timely and validly submits a request for exclusion from the Settlement Class in accordance with the procedures set forth in Paragraph __ of this Agreement and in the Settlement Notice.

30. The term “Settlement Class Period” means March 6, 2012 through October 1, 2014.

31. The term “Settlement Class Representatives” means William Paetzold and Laurie Paetzold and/or any substitute or additional class representatives later named in the Civil Action with approval of the Court.

32. The term “Settlement Notice” means the notice to be provided by the Settlement Administrator to the Class pursuant to Connecticut Practice Book §§ 9-9(a)(2)(B) and 9-9(c)(1)(B), as detailed in ¶ __ below. The parties’ proposed Postcard Notice is attached as Exhibit A. The parties’ proposed Long Form Notice is attached as Exhibit B. The parties’ proposed Email Notice will contain the same text as the Long Form Notice. In addition, the Settlement Notice includes the supplemental digital notice discussed in ¶ __ below.

33. The term “Surcharge” means the water non-member town surcharge charged by the MDC to water service customers in Non-Member Towns from March 6, 2012 through October 1, 2014.

34. The term “Unknown Claims” means any claim and its related relief and/or damages arising out of newly discovered facts and/or facts found hereafter to be other than or different from the facts now believed to be true.

II. IMPLEMENTATION OF SETTLEMENT

35. Reasonable Best Efforts to Effectuate This Settlement. Consistent with the terms of this Agreement and notwithstanding the rights of the Parties to terminate this Agreement at certain times, the Parties and their counsel agree to use their reasonable best efforts, including all steps and efforts contemplated by this Agreement and any other reasonable steps and efforts that may be necessary or appropriate, by order of the Court or otherwise, to carry out the terms of this Agreement.

36. Motion for Preliminary Approval. Following the execution of this Agreement, Settlement Class Counsel shall promptly file the Motion for Preliminary Approval, seeking entry of the Preliminary Approval Order.

37. Notice, Claim Forms, Opt-Outs and Objections.

a. Class Member Notice. In the event the Court enters the Preliminary Approval Order, the MDC shall prepare, using its available searchable electronic data, for the Settlement Administrator within 14 days after entry of the Preliminary Approval Order a list of the names, addresses, and, where available, email addresses, of all Class Members who are Current MDC Customers, as well as a list of last known mailing addresses and, where available, email addresses, of all Class Members who are Former MDC Customers. The Settlement Administrator shall make reasonable efforts to update and correct contact information (other than email addresses) of Class Members who are Former MDC Customers provided by the MDC. The Settlement Administrator shall, in accordance with Connecticut Practice Book § 9-9(a)(2), the Preliminary Approval Order, and the terms set forth below, provide each Class Member with a copy of the Settlement Notice. All costs of the Settlement Notice and fees of the Settlement Administrator shall be paid by the MDC in accord with ¶ __ below.

b. Form of Direct Notice to Class. No later than 60 days after entry of the Preliminary Approval Order, the Settlement Administrator shall provide Notice to Class Members as follows:

- i. For those Class Members who are Current MDC Customers and for whom the MDC has provided an email address to the Settlement Administrator through which the customer receives or received notice of electronically-available bills, the Settlement Administrator will email those Class Members an Email Notice, the body of which will contain the text of the Long Form Notice. If the Settlement Administrator receives an electronic communication indicating that Email Notice was unable to be delivered, the Settlement Administrator shall send the Postcard Notice to that Class Member as provided in subsection (ii) below.
- ii. For those Class Members who are Current MDC Customers and for whom the MDC has provided a current mailing address to the Settlement Administrator but not an email address, the Settlement Administrator will mail a Postcard Notice sent via First Class U.S. Mail notifying the recipient (A) of the nature of the class action; (B) that the class action may affect Class Members' rights; (C) that, if the Class Member desires to opt out, it must do so by a stated date certain; (D) of a link to a webpage from which they can view or download the Long Form Notice; and (E) of a phone number the Class Member can call to request that a Long Form Notice be mailed to them or with any questions. A copy of the proposed Postcard Notice is attached as Exhibit A.

- iii. For those Class Members that are Former MDC Customers, the MDC will provide the Settlement Administrator with the mailing address as it appears in the MDC's records (and email address, if available) for those customers, and the Settlement Administrator will use customary search protocols to obtain current mailing addresses for those Class Members. The Settlement Administrator will send Email Notices to these Class Members when an email address is available, and, to the extent a mailing address for these Class Members can be located, the Settlement Administrator will also mail Postcard Notices to such Class Members via First Class U.S. Mail.

c. Supplemental Digital Notice. In addition to the Direct Notice to Class Members set forth above, the Settlement Administrator shall provide supplemental digital notice through Google and Facebook by placing banners/ads using Google Display Network on various sites; and placing banners/ads on the Facebook Desktop Newsfeed, Facebook Mobile and Right Hand Column. The ads will target Connecticut adults (aged 18+) with 50% of impressions concentrated in the Greater Hartford area; served across all devices (desktop, laptop, tablet and mobile), with an emphasis on mobile. The proposed banners/ads will contain the following text: "MDC Customers in 4 towns from March 6, 2012 to October 1, 2014 may be part of a class action settlement," and will use graphics related to water — for example, a manhole cover, water tower, or running sink. The cost of this supplemental digital notice will not exceed \$6,500.

d. Website. The Settlement Administrator shall maintain a website at the address www.paetzoldsettlement.com, beginning on or before the date on which the Settlement Notice is mailed and ending 30 days after the date of the final disposition of all Compensation payments, that includes copies of the Complaint, this Agreement, the Long Form Notice, the Motion for Preliminary Approval, the Preliminary Approval Order, any motions filed seeking attorneys' fees or costs for Settlement Class Counsel and/or a Service Award for the Settlement Class Representatives, the Motion for Final Approval, and (after it is entered by the Court) the Order and Final Judgment. The website shall also include a "Frequently Asked Questions" page with content drawn from the Settlement Notice and agreed to by the Parties.

e. Telephone Support. The Settlement Administrator will provide automated telephone support to, among other things, answer questions, update mailing lists to the extent any Class Members have moved, or provide paper copies of the Long Form Notice to any Class Member who requests one. There will also be a voicemail box available in which Class Members may request a call-back from a live operator to answer questions related to the Settlement.

f. No Claim Form. All Class Members who do not submit a timely and valid opt-out request will automatically be entitled to receive, and will be provided, Compensation as set forth in ¶__ below. Class Members will not be required to fill out a claim form or take any additional steps to receive the

Compensation to which they are entitled, except that Former MDC Customers may need to provide or update their mailing addresses with the Settlement Administrator where necessary to ensure that any payment is sent to their correct address.

g. Opt-Outs. A Class Member may opt out of the Settlement by submitting an opt-out request as instructed in the Settlement Notice. Any such opt-out request, in order to be timely, must be made in a letter mailed to the Settlement Administrator and postmarked by the deadline set forth in the Settlement Notice, which shall be 120 days after entry of the Preliminary Approval Order. Opt-out requests must be exercised individually by a Class Member, not as or on behalf of a group, class, or subclass, except that such opt-out requests may be submitted by a Class Member's legal representative. A list of Class Members submitting a timely opt-out request shall be submitted to the Court with the Motion for Final Approval. All Class Members who do not timely and properly opt out of the Class shall be bound by this Agreement, and their claims shall be released as provided for herein.

h. Objections. Any Class Member may, as instructed in the Settlement Notice, mail an objection to the Settlement to the Clerk of Court as instructed in the Settlement Notice, or may file a motion to intervene. For an objection to be considered by the Court, the objection must:

- (1) clearly identify the case name and number (*Paetzold v. Metropolitan District Commission*, Dkt. No. X07-HHD-CV-18-6090558-S);
- (2) identify the objector's full name, address, email address, and telephone number;
- (3) provide an explanation of the basis upon which the objector claims to be a Settlement Class Member;
- (4) identify all grounds for the objection, accompanied by any legal support for the objection;
- (5) include the identity of all counsel who represent the objector in relation to the objection (even if not appearing), including any former or current counsel who may seek compensation for any reason related to the objection to the Settlement, the fee application, or the application for Service Awards;
- (6) include a statement confirming whether the objector intends to personally appear and/or testify at the Final Approval Hearing;
- (7) include a list of any persons who will be called to testify at the Final Approval Hearing in support of the objection;
- (8) include all documentary evidence that will be offered at the Final Approval Hearing in support of the objection;

- (9) identify all counsel representing the objector who will appear at the Final Approval Hearing;
- (10) include the objector's signature (an attorney's signature is not sufficient);
- (11) be submitted to the Court either by mailing them to the Clerk of the Hartford Superior Court, by e-filing by an authorized e-filer, or by filing them in person at the Hartford Superior Court, with a copy to MDC Counsel and Settlement Class Counsel; and
- (12) be filed or postmarked on or before the deadline set forth in the Settlement Notice, which shall be 120 days after entry of the Preliminary Approval Order.

Any Class Member who has timely filed an objection in compliance with this paragraph may appear at the Final Approval Hearing to be scheduled by the Court, in person or by counsel, and be heard to the extent allowed by the Court, applying applicable law, in opposition to the fairness, reasonableness, and adequacy of the proposed settlement, and on the applications for awards of attorneys' fees and costs and any enhancement award. The right to object to the Settlement or to intervene in the Civil Action must be exercised individually by a Class Member or his or her attorney, and not as a member of a group, class, or subclass, except that an objection or a motion to intervene may be submitted by a Class Member's legally authorized representative.

Class Members who file objections are still entitled to receive benefits under the Settlement if it is approved.

Class Members have the right to opt out of the Settlement and pursue a separate and independent remedy by submitting an opt-out request as described in ¶__ of this Agreement. Class Members who object to the Settlement shall remain Class Members, and have voluntarily waived their right to pursue an independent remedy. To the extent any Class Member objects to the Settlement, and such objection is overruled in whole or in part, such Class Member will be forever bound by the Order and Final Judgment. Class Members can avoid being bound by any judgment of the Court by opting out as described in ¶__ of this Agreement. A Class Member is not entitled to submit both an opt-out request and an objection. If a Class Member submits both an opt-out request and an objection, the Settlement Administrator will send a letter (and email if email address is available) explaining that the Class Member may not make both of these requests, and asking the Class Member to make a final decision as to whether to opt out or object and inform the Settlement Administrator of that decision within 10 days from when the letter from the Settlement Administrator is postmarked. If the Class Member does not respond to that communication by letter postmarked or email sent within 10 days after the Settlement Administrator's letter was postmarked (or by the objection deadline, whichever is later), the Class Member will be treated as having opted out of the Class, and the objection will not be considered, subject to the Court's discretion.

38. Compensation. The amount to be paid or credit to be provided (as applicable) to each Settlement Class Member (who does not opt-out under the terms of this Agreement) is as follows:

- a. *Current MDC Customers:* Class members who are Current MDC Customers will receive a credit on their MDC water service account equal to 103% of the amount they paid in Surcharges during the Settlement Class Period as reflected in the MDC's records, subject to potential pro rata adjustment as explained in ¶__ below. This credit will be made available in full on the next regular billing cycle that occurs no less than 30 days after July 1, 2020 or the Effective Date of this Settlement, whichever is later. In the event the entire credit cannot be used in the next billing cycle, any remaining credit will continue to be applied to consecutive subsequent billing cycles until depleted. If a Class Member ceases to be a customer of the MDC after the credit is applied to that customer's account, the credit will be transferred to the account of the purchaser of that property (and the credit can be accounted for at the closing of the purchase of the property by the buyer and seller in whatever manner they so choose).
- b. *Former Customers of MDC:* Class Members who are Former MDC Customers will receive a payment by check of 100% of the amount they paid in Surcharges during the Settlement Class Period as reflected in the MDC's records, subject to potential pro rata adjustment as explained in ¶__ below. Within fourteen (14) days of the Effective Date (as set forth in ¶ __ below), the MDC shall provide funds to the Settlement Administrator sufficient to make payments to the Former MDC Customers who have not opted-out of the Settlement, and with respect to whom either: (1) the Former MDC Customer has communicated with the Settlement Administrator and provided a current address; or (2) the Settlement Administrator was able to successfully send the Settlement Notice (i.e., any Postcard Notice was not returned to the Settlement Administrator by the U.S. Postal Service as undeliverable, or if it was returned as undeliverable, the Settlement Administrator was able to identify an updated address and re-mail the Postcard Notice, and the second mailing was not returned as undeliverable). The Settlement Administrator will not send payments to Former MDC Customers if the Postcard Notice was returned as undeliverable and the Settlement Administrator was unable to identify a current address through reasonable efforts. In the event that a Former MDC Customer is deceased, the Settlement Administrator will issue payment only if a representative of the Former MDC Customer's estate or next of kin provides to the Settlement Administrator documentation reasonably acceptable to the Settlement Administrator (such as a death certificate or probate court order) identifying an appropriate payee. In the event of that more than one person claims entitlement to the payment available to a Former MDC Customer under this Settlement, the parties seeking such payment shall present their dispute to the

Court no later than ten (10) days after the Effective Date, and the Court shall decide such dispute without any right of appeal. The Settlement Administrator will issue payment by check to the Former MDC Customers within thirty (30) days of the Effective Date. In the event that a check issued to a Settlement Class Member is returned to the Settlement Administrator as undeliverable, the Settlement Administrator will make customary efforts (including reference to databases ordinarily used for this purpose) to locate the Class Member in question and re-mail a new check. If any check is not cashed within 180 days of being issued, the Settlement Administrator will return such funds to the MDC.

39. Total Settlement Value. The total value of the Compensation, including the dollar value of the credits and cash payments set forth in ¶__ above and any class counsel fees and expenses and class representative awards under ¶__ below, shall not exceed \$7,680,000. The only amount the MDC will pay separately is the administrative costs described in ¶__ below. If the amount awarded for class counsel fees and expenses and class representatives' awards would cause the total settlement value to exceed \$7,680,000, the value of all credits and cash payments to class members will be reduced pro rata. For example, if the Court were to award fees, costs and class representative service awards of \$1,500,000, the credits for current customers of the MDC totaled \$6,000,000 and cash payments to former customers totaled \$1,000,000, for a total potential value of \$8,500,000, all credits and cash payments to Class Members would be reduced by 11.7% (calculated as $\$8,500,000 - \$7,680,000 = \$820,000$, which is 11.7% of \$7,000,000). This determination will be made by the Settlement Administrator, in consultation with Settlement Class Counsel and MDC Counsel, within ten (10) days after the occurrence of items (1) through (4) as set forth in the definition of the Effective Date, and will be posted on the settlement website. In the event that either party disputes the Settlement Administrator's determination under this paragraph, the Parties will notify the Court within three (3) days of the Settlement Administrator's determination, the Court will decide any such dispute, and the Effective Date will occur five (5) days after the Court resolves the dispute. The Parties waive any right of appeal with respect to the Court's resolution of a dispute under this paragraph.

40. Costs of Administration. The MDC will pay the reasonable costs of notice as incurred and administration of the settlement, subject to the terms of an agreement to be negotiated and entered into by the MDC and the Settlement Administrator (such agreement to be reviewed and approved by class counsel, consent for which shall not be unreasonably withheld). This amount will not be included in the Total Settlement Value set forth in ¶__ above.

41. Motion for Final Approval. In accordance with a schedule to be established by the Court, Settlement Class Counsel shall file a Motion for Final Approval seeking entry of an Order and Final Judgment pursuant to Connecticut Practice Book § 9-9(c).

42. Entry of Final Judgment. If, after the Final Approval Hearing scheduled by the Court in the Preliminary Approval Order, the Court approves this Agreement,

then Settlement Class Counsel shall request that the Court enter an Order and Final Judgment pursuant to Connecticut Practice Book § 9-9(c)(1), and that the Court retain jurisdiction to enforce the terms of the Order and Final Judgment.

43. Effective Date of Settlement. The Settlement shall be effective on the first date after all of the following events have occurred: (1) entry of the Preliminary Approval Order substantially in the form submitted by the parties, or entry of a preliminary approval order not substantially in the form submitted by the parties, with respect to which neither the MDC nor Settlement Class Counsel invoke their termination rights within the period prescribed in ¶__ of this Agreement; (2) final approval by the Court of this Agreement, following notice to the Class and a Final Approval Hearing; (3) entry by the Court of an Order and Final Judgment, in a form not materially inconsistent with this Agreement; (4) if any Settlement Class Member files an objection to the Settlement, the expiration of any time for appeal or review (including by writ of certiorari or otherwise) of such Order and Final Judgment, or, if any appeal is filed, after such Order and Final Judgment is upheld on appeal in all material respects and is no longer subject to review on appeal or review by writ of certiorari; (5) neither party disputes the calculation to be made by the Settlement Administrator within the timeframe provided under ¶ __ above, or, if any party has disputed such calculation, five days have elapsed since the Court has resolved any dispute regarding that calculation; and (6) this Agreement is no longer subject to termination by any Party as provided for in Section IV.

44. Attorneys' Fees, Costs and Expenses and Service Award to the Settlement Class Representatives.

The MDC agrees to pay Settlement Class Counsel fees costs, and expenses and Class Representative Service Awards as awarded by the Court, provided that any such awards are included (along with the value provided to Class Members) in the Total Settlement Value capped at \$7,680,000, as per ¶ __ above, and in accord with the following provisions.

- a. The Settlement Class Representatives may receive Compensation in accord with ¶__ of this Agreement.
- b. The MDC also agrees to pay the Settlement Class Representatives each a service award in recognition of their service in bringing the Civil Action on behalf of the Class (the "Service Award"), if such an award is approved by the Court, provided that any Service Award allowed by the Court is included in the Total Settlement Value and are subject to the \$7,680,000 Total Settlement Value cap, as set forth in ¶__ above.
- c. The MDC further agrees to pay Settlement Class Counsel attorneys' fees, costs and expenses as awarded by the Court, provided that the attorneys' fees, costs and expenses allowed by the Court are included in the Total Settlement Value and are subject to the \$7,680,000 Total Settlement Value cap, as set forth in ¶__ above.

- d. The Parties agree that any award of attorneys' fees, costs and expenses and any Service Awards in this action are committed to the sole discretion of the Court within the limitations set forth in this paragraph. Settlement Class Counsel shall file any motion for attorneys' fees, costs and expenses no later than 21 days before the deadline for objections to the Settlement, and a copy of the motion shall be placed on the Settlement Administrator's website. Any motion of the Settlement Class Representatives for Service Awards must be filed with the Court no later than 21 days before the deadline for objections to the Settlement, and posted on the Settlement Administrator's website. The Court shall determine the appropriate amount of any attorneys' fees, costs and expenses to be paid to Settlement Class Counsel and the appropriate amount of any Service Awards in the Court's discretion, except that the combined amount of attorneys' fees, costs and expenses paid to Settlement Class Counsel and the Service Award paid to the Settlement Class representatives, when combined with the Compensation to Class Members, shall not exceed \$7,680,000, as set forth in ¶ __ above. The MDC agrees not to oppose any applications for Service Awards and attorneys' fees, costs and expenses consistent with the terms of this Agreement.
- e. If the Court chooses, in its sole discretion, to award attorneys' fees and costs and Service Awards that are lower than the amounts sought in the motion to be filed by Settlement Class Counsel, this Agreement shall remain fully enforceable, and the MDC shall be obligated to pay only the amounts awarded by the Court. Upon payment of the attorneys' fees, costs and expenses as awarded by the Court in its discretion, Settlement Class Counsel shall release and forever discharge any claims, demands, actions, suits, causes of action, or other liabilities relating to any attorneys' fees, costs or expenses incurred in the Civil Action as to the MDC. Any attorneys' fees, costs and expenses awarded by the Court in accordance with this paragraph shall be paid by wire transfer within 30 days after the Effective Date. In order to receive such payment, no more than 10 business days (not counting Saturdays, Sundays or legal holidays) before the payment is due, Settlement Class Counsel must provide a completed and signed IRS Form W-9 (Request for Taxpayer Identification Number and Certification) to MDC Counsel. The MDC shall pay any Service Award made by the Court in accordance with this paragraph by wire transfer within 30 days of the Effective Date. In order to receive such payment, no more than 10 business days (not counting Saturdays, Sundays or legal holidays) before the payment is due, the Settlement Class Representatives must provide a completed and signed IRS Form W-9 (Request for Taxpayer Identification Number and Certification) to MDC Counsel. Settlement Class Counsel and the Settlement Class Representatives agree that any federal, state, municipal, or other taxes, contributions, or withholdings that may be owed or payable by them, or any tax liens that may be imposed, on the sums paid to them pursuant

to this paragraph are their sole and exclusive responsibility, and any amount required to be withheld for tax purposes (if any) will be deducted from those payments.

45. Responsibility for Certain Potential Costs Incurred by Settlement Class Counsel. The MDC shall not be responsible for any cost that may be incurred by the Class or Settlement Class Counsel in: (a) responding to inquiries about the Agreement, the Settlement, or the Civil Action; (b) defending the Agreement or the Settlement against any challenge to it; or (c) defending against any challenge to any order or judgment entered pursuant to the Agreement, unless otherwise specifically agreed, except that the MDC shall pay the costs incurred by the Settlement Administrator to prepare declarations, affidavits, or status reports at the request of the Parties or the Court for the purpose of obtaining preliminary or final approval of the Settlement or for staying informed of developments in the Settlement.

46. All Claims Satisfied; Covenant Not to Sue. Each Settlement Class Member shall look solely to the relief described in ¶__ of this Agreement for settlement and satisfaction, as provided herein, of all Released Claims. The Settlement Class Representatives, on behalf of themselves and the Settlement Class Members, (1) covenant and agree that neither the Settlement Class Representatives nor any of the Settlement Class Members, nor anyone authorized to act on behalf of any of them, will commence, authorize, or accept any benefit from any judicial or administrative action or proceeding, other than as expressly provided for in this Agreement, against the Released Entities, or any of them, in either their personal or corporate capacity, with respect to any claim, matter, or issue that in any way arises from, is based on, or relates to, any alleged loss, harm, or damages allegedly caused by the Released Entities, or any of them, in connection with the Released Claims; (2) waive and disclaim any right to any form of recovery, compensation, or other remedy in any such action or proceeding brought by, or on behalf of, any of them or any putative class of Current MDC Customers or Former MDC Customers (or any putative class consisting of both Current MDC Customers and Former MDC Customers), regardless of whether the members of such putative class are Settlement Class Members, over the Released Claims; and (3) agree that this Agreement shall be a complete bar to any such action by any Settlement Class Representative or Settlement Class Member. The Settlement Class Members further covenant and agree that they will not make any claim in the future that the MDC was not permitted to take into account the Compensation provided for in this Settlement in setting its future water rates systemwide for all MDC customers (in both Member and Non-Member Towns).

III. RELEASES AND JURISDICTION OF COURT

47. Release of Released Entities. Upon the Effective Date of this Agreement, the Released Entities shall be released and forever discharged from any Released Claims that any Releasor has or may have had. All Releasors covenant and agree that they shall not hereafter seek to establish liability against any Released Entity based, in whole or in part, on any of the Released Claims. Upon the Effective Date, all Releasors will be forever barred and enjoined from commencing, filing, initiating, instituting, prosecuting, maintaining, or consenting to any action against any Released Entity with respect to the Released Claims.

48. Waivers of Provisions of Law Limiting the Release of Unknown or Unsuspected Claims. The Settlement Class Representatives and all Settlement Class Members hereby expressly, knowingly, and voluntarily waive the provisions of any state, federal, municipal, local, or territorial law or statute providing in substance that releases shall not extend to claims, demands, injuries, and/or damages that are unknown or unsuspected to exist at the time a settlement agreement is executed and/or approved by a court. The Settlement Class Representatives and all Settlement Class Members expressly acknowledge and assume all risk, chance, or hazard that the damage allegedly suffered may be different, or may become progressive, greater, or more extensive than is now known, anticipated, or expected. Furthermore, the Settlement Class Representatives and all Settlement Class Members specifically release any right they may now or hereafter have to reform, rescind, modify, or set aside this Release or this Agreement through mutual or unilateral mistake or otherwise; and they assume the risk of such uncertainty and mistake with respect to the consideration herein mentioned and with respect to this being a final settlement.

49. California Civil Code Section 1542 Waiver. Without limiting ¶__ above, as to the Released Claims, all Releasors waive all rights and benefits afforded by Section 1542 of the Civil Code of the State of California, if applicable, and do so understanding the significance of that waiver. Section 1542 provides:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

Notwithstanding the provisions of section 1542, or any other law designed to prevent the waiver of unknown claims, and for the purpose of implementing a full and complete release and discharge of all Released Claims against all Released Entities, Releasors expressly acknowledge that this Agreement is intended to include in its effect, without limitation, all of the Released Claims that Releasors do not know or suspect to exist in their favor against the Released Entities, or any of them, at the time of execution hereof, and that this Agreement extinguishes any such claims.

50. Consent to Jurisdiction. The Parties hereby irrevocably submit to the exclusive jurisdiction of the Court for purposes of any suit, action, proceeding or

dispute arising out of, or relating to, this Agreement or the applicability of this Agreement.

51. Resolution of Disputes; Retention of Jurisdiction. Any disputes between or among the Parties concerning matters contained in this Agreement shall, if they cannot be resolved by negotiation and agreement, be submitted to the Court for resolution. The Court shall retain jurisdiction over the implementation and enforcement of this Agreement.

IV. TERMINATION OF THE AGREEMENT

52. Rejection or Material Alteration of Settlement Terms. The MDC and the Settlement Class Counsel (with the consent of the Settlement Class Representatives) shall each have the right to terminate this Agreement by providing written notice of their election to do so to each other within 14 days of (1) the Court declining to enter the Preliminary Approval Order without material alteration of the form submitted jointly by the parties, or declining to approve the Settlement Notice without material alteration of the form submitted jointly by the parties; (2) the Court declining to enter the Order and Final Judgment in a form not materially inconsistent with this Agreement (other than determining, in the Court's sole discretion, the amount of the attorneys' fee and expenses award and Service Award in accordance with Paragraphs __ above); (3) the date upon which the Order and Final Judgment is modified or reversed in any material respect by any Court of competent jurisdiction (except with respect to the amount of the attorneys' fees and costs or Service Award); or (4) the mutual agreement of the Settlement Class Representatives, Settlement Class Counsel, and the MDC to terminate the Agreement. The MDC shall also have the right to terminate this Agreement by providing written notice of its election to do so to Settlement Class Counsel within 14 days of: (5) the date upon which the deadline for opting out of the Class has expired and more than 5% of Class Members have declined to participate in the Settlement by opting out of the Settlement Class in accord with ¶__ of this Agreement; or (6) any financial obligation is imposed upon the MDC arising out of the Released Claims in addition to and/or greater than those specifically accepted by the MDC in this Agreement. If an option to terminate this Agreement arises under this paragraph, no Party is required for any reason or under any circumstance to exercise that option.

53. Return to Pre-Agreement Status. In the event any of the Parties exercise the right of termination enumerated in ¶ __ of this Agreement, this Agreement shall be null and void (except for provisions explicitly designated as surviving the termination of this Agreement), the Parties shall jointly request that any orders entered by the Court in accordance with this Agreement be vacated, and the rights and obligations of the Parties shall be identical to those prior to the execution of this Agreement (except with respect to provisions explicitly designated as surviving the termination of this Agreement). In the event either Party exercises any right of termination, the Parties agree to jointly request that the Court provide a reasonable opportunity to file motions and engage in such other further proceedings as were contemplated before the Parties entered into this Agreement.

54. No Admission of Liability / Compromise of Disputed Claims. The Parties hereto agree that this Agreement, whether or not the Effective Date occurs, and any and all negotiations, documents and discussions associated with this Agreement shall not be deemed or construed to be an admission or evidence of any violation of any statute or law, of any liability or wrongdoing by the MDC or any Released Entity, or of the truth of any of the claims or allegations contained in the Complaint; and evidence thereof shall not be discoverable or used directly or indirectly by the Class or any third party, in any way for any purpose, except that the provisions of this Agreement may be used by the Parties to enforce its terms, whether in the Civil Action or in any other action or proceeding. This Agreement, all discussions leading thereto, and all of the terms herein constitute compromises and offers to compromise under Connecticut Code of Evidence 4-8 and any similar state court rule or statute precluding admissibility thereof as evidence of the validity or amount of a disputed claim. In the event that this Agreement is terminated pursuant to ¶ __ of this Agreement, nothing in this Agreement or its negotiation may be used as evidence in any action. The Parties expressly waive the potential applicability of any doctrine, case law, statute, or regulation, which, in the absence of this paragraph of this Agreement, could or would otherwise permit the admissibility into evidence of the matters referred to in this paragraph. The Parties expressly reserve all their rights and defenses if this Agreement does not become final and effective substantially in accordance with the terms of this Agreement. The Parties also agree that this Agreement, any orders, pleadings or other documents entered in furtherance of this Agreement, and any acts in the performance of this Agreement are not intended to be, nor shall they in fact be, admissible, discoverable or relevant in any other case or other proceeding against the MDC to establish grounds for certification of any class, to prove either the acceptance by any Party hereto of any particular legal theory, or as evidence of any obligation that any Party hereto has or may have to anyone. This provision shall survive any termination of this Agreement.

V. REPRESENTATIONS AND WARRANTIES

55. Authorization to Enter This Agreement. The undersigned representative of the MDC represents and warrants that he or she is fully authorized to enter into and to execute this Agreement on behalf of the MDC. Settlement Class Counsel represent and warrant that they are fully authorized to conduct settlement negotiations with MDC Counsel on behalf of the Settlement Class Representatives and to enter into, and to execute, this Agreement on behalf of the Settlement Class Representatives and the Settlement Class, subject to Court approval.

56. Assignment. The Settlement Class Representatives represent and warrant that they have not assigned or transferred any interest in the Civil Action which is the subject of this Agreement, in whole or in part.

57. Representation. The Settlement Class Representatives acknowledge that they have been represented by counsel of their own choosing in the Civil Action and the negotiation and execution of this Agreement, that they participated in the settlement negotiations and the decision to enter into this Agreement, that they fully

understand this Agreement, and that they have had a reasonable and sufficient opportunity to consult with counsel before executing this Agreement.

VI. ADDITIONAL PROVISIONS

58. Use of This Agreement. The provisions of this Agreement, and any orders, pleadings or other documents entered in furtherance of this Agreement, may be offered or received in evidence solely (i) to enforce the terms and provisions hereof or thereof, (ii) as may be specifically authorized by a court of competent jurisdiction after hearing upon application of a Party hereto, (iii) in order to establish payment or a defense in a subsequent case, including res judicata, or (iv) to obtain Court approval of this Agreement.

59. Binding Effect. This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties hereto.

60. No Party is the Drafter. This Agreement has been negotiated at arm's length, with the participation of the Parties and their counsel. In the event of a dispute arising out of this Agreement, none of the Parties shall be considered to be the drafter of this Agreement or any provision hereof for the purpose of any statute, case law or rule of construction that would or might cause any provision to be construed against the drafter hereof.

61. Headings. The headings to this Agreement have been inserted for convenience only and are not to be considered when construing the provisions of this Agreement.

62. Construction. This Agreement shall be construed and interpreted to effectuate the intent of the Parties, which is to provide, through this Agreement, for a complete resolution of the Released Claims with respect to the Released Entities.

63. Choice of Law. All terms of this Agreement shall be governed by and interpreted according to the substantive laws of the State of Connecticut, without regard to its choice of law or conflict of laws principles.

64. Amendment or Waiver. This Agreement shall not be modified in any respect except by a writing executed by all the Parties hereto, and the waiver of any rights conferred hereunder shall be effective only if made by written instrument of the waiving Party. The waiver by any Party of any breach of this Agreement shall not be deemed or construed as a waiver of any other breach of this Agreement, whether prior, subsequent or contemporaneous.

65. Modification. Prior to entry of the Order and Final Judgment, this Agreement may, with approval of the Court, be modified by written agreement of the Parties without giving any additional notice to the Settlement Class, provided that such modifications are not materially adverse to the Settlement Class. To the extent that Settlement Class Members desire to be notified regarding any additional changes as described in this paragraph, or otherwise after the initial notice of the settlement, the preliminary approval hearing and the final approval hearing, they must

file with the Clerk of Court in the Civil Action a request for notice, or send such a request in writing to the Settlement Administrator or Settlement Class Counsel, who shall maintain a list of all such requests that are received. Settlement Class Members who have and who provide an e-mail address agree to electronic notification. The provisions of this section advising Settlement Class Members of this requirement shall be included in the Settlement Long-Form Notice.

66. Execution in Counterparts. This Agreement may be executed in counterparts. Facsimile signatures or signatures in PDF format shall be considered valid signatures as of the date thereof, and may be filed with the Court.

67. Integrated Agreement. This Agreement, including the exhibits hereto, contains an entire, complete, and integrated statement of each and every term and provision agreed to by and between the Parties hereto, and supersedes any prior oral or written agreements and contemporaneous oral agreements among the Parties. The exhibits to this Agreement are integral parts of the Settlement and are hereby incorporated and made parts of this Agreement.

68. Notices. All notices and other communications required or permitted under this Agreement, other than requests for exclusion or objections to the Settlement, shall be in writing and delivered in person, by overnight delivery service or by facsimile. Any such notice shall be deemed given as of the date of receipt and shall be delivered to the Parties as follows:

If to the Settlement Class Representative, Settlement Class Counsel and/or the Settlement Class:

Robert A. Izard, Jr., Esq.
Craig A. Raabe, Esq.
Izard, Kindall & Raabe, LLP
29 South Main St., Suite 305
West Hartford, CT 06107

If to the MDC:

District Counsel
The Metropolitan District
555 Main Street
Hartford, CT 06142

with a copy to:

Wystan M. Ackerman, Esq
Kevin P. Daly, Esq.
Robinson & Cole LLP
280 Trumbull St.
Hartford, CT 06103

69. Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision if the Parties mutually elect to proceed as if such invalid, illegal or unenforceable provision had never been included in the Agreement.

70. Confidential Information. All persons involved in the settlement will be required to keep confidential any personal identifying information of MDC customers, and any otherwise nonpublic financial information of the MDC. Any documents or nonpublic information provided by MDC to Settlement Class Counsel or Plaintiffs must be destroyed within 30 days of the Settlement Administrator completing the issuance of all settlement payments, except insofar as Settlement Class Counsel shall have the right to retain any work product and, in the case of pleadings submitted to the Court, any exhibits to such pleadings.

71. Deadlines. In the event any date or deadline set forth in this Agreement falls on a weekend or federal or state legal holiday, such date or deadline shall be on the first business day thereafter.

72. Retention of Records. The MDC, the Settlement Administrator, and Settlement Class Counsel shall retain copies or images of all returned mailed notices, correspondence related thereto and settlement checks in their possession for a period of two (2) years after the Effective Date. After this time, the Settlement Administrator shall provide its records to the MDC if the MDC so desires, the Settlement Administrator and Settlement Class Counsel shall destroy any such documentary records they have in their possession regarding the administration of the Settlement (including all Class Member information), and the MDC will have the option, in its sole discretion, to destroy such records.

73. Contact With Class Members. The MDC may communicate with Settlement Class Members in the ordinary course of its business. The MDC will refer inquiries regarding this Agreement and the administration of the Settlement to the Settlement Administrator or Settlement Class Counsel. Class Counsel may respond to Class Member inquiries.

74. Public Statements. Neither the Settlement Class Representatives nor Settlement Class Counsel will make any publicly-disseminated statements, on the Internet or otherwise, or statements to the media regarding this settlement or Agreement other than to refer inquiries to the public filings made with the Court and/or the Settlement Administrator's website. Notwithstanding the foregoing, Settlement Class Counsel may post information concerning the Settlement on its website in a manner consistent with the case update notices currently and traditionally on that website.

SIGNED AND AGREED

For the Settlement Class Representatives, the Settlement Class and Settlement Class Counsel:

William Paetzold

Dated:

Laurie Paetzold

Dated:

Robert A. Izaard
Craig A. Raabe
Izaard Kindall & Raabe, LLP
29 South Main Street, Suite 305
West Hartford, CT 06107

Dated:

For the MDC:

Print Name: _____

Title: _____

Dated:

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

Without Objection, agenda items #10A "Trail Conservation License Agreement At Reservoir 6", #10B "Water Service Installation Charge For Kimberly Lane/Dayton Road And Raymond Road Projects In Glastonbury" and #10C "Request Of The State Of Ct Dept. Of Transportation For An Easement Over District Property Located At Intersection Of Routes 318 And 219 In Barkhamsted" were consolidated and voted on together.

**WATER BUREAU
TRAIL CONSERVATION LICENSE AGREEMENT
PROPOSED TRAIL – RESERVOIR 6, BLOOMFIELD**

To: District Board

February 10, 2020

From: Water Bureau

In April 2018, the Connecticut Forest and Parks Association (“CFPA”), a Connecticut non-profit conservation organization dedicated to connecting people to land in order to protect, among other things, walking trails in Connecticut, approached the Metropolitan District to initiate discussions regarding CFPA’s desire to enter into an agreement pursuant to which a walking trail would be developed from Auerfarm Scenic Reserve to the 4-H Education Center located off of Simsbury Road in Bloomfield to Reservoir No. 6 in Bloomfield. Such an agreement is not unique between the CFPA and the Metropolitan District since, in 1978, the CFPA and the Metropolitan District entered into a similar agreement whereby the CFPA developed a three-mile walking trail across Metropolitan District-owned land located on the west side of Nepaug Reservoir in Burlington and New Hartford, Connecticut. If developed, the proposed walking trail to be developed in Bloomfield will start at an access point that is currently marked by a Metropolitan District utility gate, traverse across Metropolitan District property and connect with the existing “Red Loop Trail” on Reservoir 6. The Town of Bloomfield has expressed to the Metropolitan District its strong support for the development of this walking trail.

After several months of discussions and negotiations, the CFPA has agreed to certain conditions that will mitigate the District’s concerns regarding protecting the public as well as protecting the District’s interests and assets. In particular, the CFPA has agreed to the following conditions, among others:

1. The CFPA shall assume sole and complete responsibility, fiscal and otherwise, for clearing, constructing and maintaining a footpath, such activities to be subject to the prior review and approval of District inspectors.
2. The term of the agreement is ten (10) years subject to extension; however, the District reserves the right to suspend, terminate and/or revoke any and all rights that may be granted under the proposed agreement in the District’s sole and absolute discretion.
3. The existing gate, which will serve as the proposed access point from the 4-H Center, will be replaced by the CFPA at its expense and shall include a latch and locking mechanism which shall be controlled by the District.
4. Users of the walking trail shall not be charged any fee so as to ensure that the recreational immunity currently enjoyed by the District under State statute is preserved. Nevertheless, the CFPA will indemnify and hold the District harmless from any liability, and furthermore, the CFPA will be required to provide to the District evidence of specified insurance coverage that will

provide additional protection to the District as the District, as well as its member towns, will be named as additional insureds.

5. The District reserves the right to restrict and/or suspend access to its property through this access point for any reason.
6. The District will retain the right to direct that the walking trail be relocated in the event that the District believes that such relocation is in the best interests of the District or the members of the public who may utilize such trail.

Staff has reviewed the proposed agreement and has determined that there will be no negative impact on District property.

At a meeting of the Water Bureau held on January 15, 2020, it was:

VOTED: That the Water Bureau recommends to the District Board passage of the following resolution:

RESOLVED: That the Water Bureau of The Metropolitan District hereby recommends to the Board of Commissioners of The Metropolitan District the approval of a Trail Conservation License Agreement between The Metropolitan District and the Connecticut Forest and Parks Association ("CFPA") pursuant to which the CFPA will clear, construct and maintain a walking trail across certain property owned by the District located in Bloomfield, Connecticut; and

**FURTHER
RESOLVED:** That the Metropolitan District execute and deliver to the CFPA the Trail Conservation License Agreement in the form attached hereto; and

**FURTHER
RESOLVED:** That Scott Jellison, as Chief Executive Officer of the Metropolitan District, is authorized and directed to execute and deliver the Trail Conservation License Agreement on behalf of the Metropolitan District and to do and perform all acts and things which he deems to be necessary or appropriate to carry out the terms of the Trail Conservation License Agreement.

Respectfully submitted,



John S. Mirtle, Esq.
District Clerk

TRAIL CONSERVATION LICENSE AGREEMENT

THIS TRAIL CONSERVATION LICENSE AGREEMENT, made and entered into this ____ day of _____, 2019 by and between THE METROPOLITAN DISTRICT, a specially chartered municipal corporation, having its territorial limits within the County of Hartford in the State of Connecticut (hereinafter, the "Licensor" or the "MDC") and the CONNECTICUT FOREST & PARK ASSOCIATION, INC., a corporation organized and existing under the laws of the State of Connecticut and having an office at 16 Meriden Road, Rockfall, Connecticut 06481 (hereinafter, the "Licensee").

WHEREAS, the Licensor is the owner in fee simple of watershed property which is located in, among other towns, the Town of Bloomfield, Connecticut adjacent to Reservoir No. 6 (the "Property");

WHEREAS, the Licensee desires to construct, maintain and monitor a new pedestrian walking trail or footpath over a certain portion of the Property, and the Licensor is willing to permit such activity and use upon the terms and conditions as set forth within this Agreement;

NOW, THEREFORE, at the request of the Licensee and without any consideration therefore, the Licensor hereby grants to the Licensee, a revocable license to clear, construct, and maintain, for the use of the general public without any charge, rent, fee, or other commercial service, for recreational purposes, a footpath extending for a distance of approximately 1,584 feet across watershed land owned by the Licensor located on the north side of the water treatment facility located at Reservoir No. 6 in the Town of Bloomfield, Connecticut, County of Hartford and as more specifically described on Exhibit A attached hereto and made a part hereof, all upon and subject to the terms, provisions, and conditions hereinafter set forth.

1. Said footpath shall be located solely over a portion of the Property, as shown by a trail line marked on a map which is attached hereto as Exhibit A (hereinafter referred to as the "Footpath").
2. Unless sooner revoked or terminated as provided herein, the license hereby granted shall continue for a period of ten (10) years from and after the date hereof. Such term may be extended by mutual written agreement of the parties as provided herein. The Licensee acknowledges that the Licensor's primary responsibility is to preserve and protect its reservoirs, watershed property and facilities for the health, safety and welfare of the general public; accordingly, notwithstanding anything to the contrary herein, the Licensor reserves the right to suspend, terminate and/or revoke any and all rights granted hereunder for any reason whatsoever, such rights to be exercised in the sole and absolute discretion of the Licensor. In the event that Licensor exercises such right to suspend, revoke and/or terminate, notice shall be provided in accordance with Paragraph 22 hereof.
3. The parties agree and acknowledge that the Licensee shall have the sole responsibility to clear and construct the Footpath contemplated herein, subject to the review and inspection of the Licensor and/or its agents. This includes, but is not limited to, the Licensee providing

the necessary labor, tools, equipment and materials necessary to commence and complete the construction of the Footpath. All work associated with the construction of the Footpath shall conform strictly with the plans and specifications prepared by the Licensee and reviewed and approved by the Licensor, in its sole and absolute discretion, prior to the commencement of any construction or clearing activities. The clearing and construction activities contemplated hereunder should be performed in such a manner to avoid and/or mitigate any negative environmental impact.

4. Any work contemplated hereunder, including maintenance of the Footpath post-construction, shall be performed by the Licensee at its sole expense, and the Licensor shall have no responsibility, fiscal or otherwise, in connection with effecting the clearing, construction or maintenance of the Footpath. Notwithstanding the above, the Licensor reserves the right to perform any such work or modify such work performed by the Licensee related to the Footpath if the Licensor determines, in its sole and absolute discretion, it to be in its best interests or otherwise necessary to protect its property, reservoirs, facilities, pipelines or the health, safety and welfare of the general public. In such event, Licensee shall reimburse the Licensor for any and all reasonable costs associated with such work.
5. Proper maintenance of the Footpath and the area immediately adjacent to the Footpath includes, but is not limited to, keeping the Footpath in a neat and clean condition, tree and branch removal when needed, brush removal, repair of trail erosion resulting from pedestrian use or storms, removal and clean-up of rubbish, trash or other litter and/or graffiti, repairs of damage resulting from vandalism and the replacement of worn, damaged or missing signage. Notwithstanding the broad definition of the term "maintenance," the term shall not include the removal of or clearing of snow.
6. The Licensor shall maintain the Footpath in accordance with the Department of Public Health's Recreational Activity Permit DWS Project 2019-61, Permit No. REC2019-01, as it may be amended or renewed, which is attached hereto as Exhibit B and made a part hereof.
7. The Licensor acknowledges that the property on which the Footpath is to be constructed and the property surrounding such Footpath is watershed property and is subject to a Recreational Activity permit issued by the State of Connecticut Department of Public Health. In addition, it is possible that the clearing and construction activity contemplated hereunder may require the issuance of local permits (i.e., wetlands) from the local authorities. The Licensee shall have sole responsibility for applying for and obtaining such permits, and the Licensor agrees to cooperate with the Licensee in its efforts.
8. The parties acknowledge that, currently, there is a chain-link gate located at the entrance to the Footpath contemplated by this Agreement. The parties agree that this gate will be replaced and that the expense associated with the replacement of this gate will be the sole responsibility of the Licensee. In addition, the replacement gate shall meet all specifications which are defined by the Licensor, which shall include, but not be limited to, a latch and locking mechanism which shall allow the Licensor to lock the access point

at any time it deems it to be in its best interests or the best interests of the public. Prior to the installation of the replacement gate, the Licensee shall receive the approval of the Licensor of any plans or schematics prepared by Licensee's fence contractor.

9. The license hereby granted shall include the right to allow users (non-vehicular, including bicycles), access to Reservoir No. 6 from the property located adjacent to the Licensor's property, but in no event shall the license hereby granted include any vehicle of any kind nor shall it include any privilege of camping or picnicking, or the cutting of trees, shrubs, brush, or any other vegetation, except that which may be reasonably necessary to construct or maintain said Footpath.
10. There is expressly reserved to the Licensor the right to conduct any activities that are incident to the operations of the Licensor in the vicinity of or on the Footpath and there is expressly reserved to the Licensor the right to grant permission to others to use said Footpath for any purpose whatsoever, expressly including for the purpose of driving any motor operated vehicle along and across the same.
11. It is understood and agreed by the parties that the Licensor reserves the right to request of Licensee that said Footpath shall be relocated to divert users from areas, where hazards, if any, may exist or from areas where the Licensor may deem it to be in the best interests that foot-travelers should not be permitted to go.
12. The Licensee agrees that, at all times while this license may be in force and effect, the Licensee will make the rights hereby granted to the Licensee available to the public without charge, rent, fee or other commercial service for recreational purposes.
13. The Licensee agrees that the license hereby granted shall be used in a manner such that the responsibility or liability of the Licensor for any injury to person or property caused by any act or omission of the Licensor shall be limited in accordance with the provisions of Connecticut General Statutes §52-557f *et seq.*, and it is mutually agreed that if said statutes and protections are repealed or amended in any way so as to increase such responsibility or liability on the part of the Licensor, this license shall terminate as of the effective date of such repeal or amendment and the Licensor shall forthwith execute and deliver a suitable instrument evidencing the fact that this license has so terminated.
14. Licensee agrees that it will promptly take any and all necessary steps to guard against any dangerous condition, use, structure or activity on said Footpath or in the vicinity thereof and to warn users and prospective users of said Footpath against the same.
15. The Licensee, at its discretion, may make the existence of the Footpath known to recreational users by means of trail blazes and small signs as it may deem to be in keeping with the purpose of this Agreement. All maps and materials about the Footpath shall be provided to the Licensor for review and comment at least twenty-one (21) days prior to publication.

16. The Licensor and the Licensee each agree that they will cooperate with each other and with public law enforcement agencies, including the Licensor's police force, to restrict the use of said Footpath to the uses and purposes provided herein. In addition, the Licensee acknowledges that the Licensor's facilities are available for recreational use between sunrise and sunset, and the Licensee shall post notices and signs at the fence gate of these times of use.
17. It is further understood and agreed that the license hereby granted may not be assigned or transferred by the Licensee and shall terminate immediately in the event of any such transfer or assignment.
18. Licensee covenants and agrees to indemnify, protect and save harmless the Licensor, and its officers, employees, successors and assigns, from and against any and all losses, damages, detriment, suits, claims, costs, and expenses which Licensor, or its officers, employees, successors or assigns may directly or indirectly suffer, sustain, be liable for or subject to, or for which they may be held liable, growing out of or on account of or incident to the use or enjoyment of the license hereby granted or in any way arising out of or connected with such use or enjoyment as well as the clearing, construction or maintenance of the Footpath.
19. The Licensee shall comply with the following insurance requirements and maintain the following insurance limits during the Term of this Agreement:
 - a. The Licensee shall not commence work under this Agreement and shall not allow use of the Footpath until all insurance required under this section has been obtained by the Licensee and such insurance has been approved by the Licensor. The Licensee's insurance shall be provided by insurers satisfactory to the Licensor and authorized to do business in the State of Connecticut.
 - b. The Licensee shall purchase and maintain insurance coverages set forth below which shall protect the Licensor from claims which may arise out of or result from the Licensee's obligations under this Agreement, whether the obligations are those of the Licensee or any of its subcontractors or by any person or entity for whose acts said Licensee may be liable.
 - c. The Licensee's General and Automobile Insurance policies shall be endorsed to add the Licensor and its member towns as additional insureds as required herein. The insurance afforded the Licensor and its member towns shall be primary insurance and non-contributory. Each insurance policy shall state that the insurance company shall agree to investigate and defend the insured against all claims for damages. If any insurance required herein is to be issued or renewed on a claims-made form as opposed to an occurrence form, the retroactive date for coverage shall be no later than the commencement date of this Agreement.

- d. The following policies with stated limits shall be maintained, in full force and effect, at all times during which the tasks and services are to be performed by the Licensee:
 - i. Commercial General Liability - \$1,000,000 per Occurrence, \$2,000,000 Aggregate
 - ii. Automobile Liability - \$1,000,000 per Accident, Combined Single Limit
 - iii. Workers Compensation – Statutory Limits within the State of Connecticut.
 - e. Failure to Maintain Insurance: In the event the Licensee fails to maintain the minimum required coverage as set forth herein, the Licensor may, at its option, purchase the same and offset the Licensee invoices for the cost of said insurance.
 - f. Cancellation and Certificates of Insurance: Prior to the execution of this Agreement by the Licensor, the Licensee shall deliver to the Licensor the required certificate(s) of insurance verifying compliance with the above-required coverage, including the designation of the Licensor and its member towns as additional insureds with respect to the project's Commercial General Liability and Automobile Liability as follows: "The Metropolitan District and its member towns are listed as additional insureds for General Liability and Automobile Liability." Said certificates shall contain a provision that, in the event of cancellation or reduction of the coverage afforded under the policies for any reason, notice of such cancellation or reduction shall be mailed to the MDC at 555 Main Street, P.O. Box 800, Hartford, Connecticut 06142-0800 no more than ten (10) calendar days following the effective date of such cancellation and/or reduction. In addition, the Licensee shall have the obligation to provide written notice of such cancellation or reduction to the Licensor at the address provided above immediately upon Licensee's receipt of notice of such cancellation or reduction.
 - g. Upon request, the Licensee shall deliver to the Licensor a copy of the Licensee's insurance policies and endorsements and riders.
20. Licensee agrees that it shall not have any interest or estate in the property of the Licensor by virtue hereof and that the Licensee shall not have or claim by any lapse of time by virtue hereof, or otherwise, any right or title adverse to the Licensor.
21. The Licensee acknowledges that there are instances where environmental conditions and circumstances warrant that public access to its facilities and properties, including, but not limited to, the property on which the Footpath will be located, temporarily be restricted or suspended, such decisions made by the Licensor in its sole and absolute discretion. The Licensee agrees that if the Licensor exercises such discretion, it shall similarly restrict or suspend access from the Licensee's property to the Footpath that is contemplated herein.

22. It is understood and agreed, notwithstanding anything to the contrary contained herein, that either party hereto shall have the right to terminate the license granted herein by providing written notice to the other party of such termination at least sixty (60) days in advance of the proposed effective date of the termination. Such notice shall be given via United Postal Service, via first class, postage prepaid mail, return receipt requested, or by overnight delivery addressed to the party to which such notice is to be given. If such notice is to be given to the Licensor, it shall be addressed to the District Clerk, The Metropolitan District, 555 Main Street, P.O. Box 800, Hartford, Connecticut 06142-0800, and if to the Licensee, it shall be addressed to it at its address as first set forth above. Such notice shall not be required of the Licensor in the event Licensor determines that, in its sole discretion, circumstances exist which compel the Licensor to terminate the license granted herein without any notice to Licensee. In such event, the Licensor shall take reasonable measures to notify the Licensee of such termination within five (5) business days thereafter.
23. This Agreement may be subject to the review and approval of the Licensor's Board of Commissioners and/or committees thereof. In the event that such approval(s) is necessary, this Agreement shall not become effective unless and until such approval is obtained.

IN WITNESS WHEREOF, on the day and date first written above, the Licensor and the Licensee have caused this instrument to be signed, sealed and delivered on its respective behalf, each party acting by of its officers, hereunto duly authorized and empowered.

CONNECTICUT FOREST & PARK
ASSOCIATION, INC.

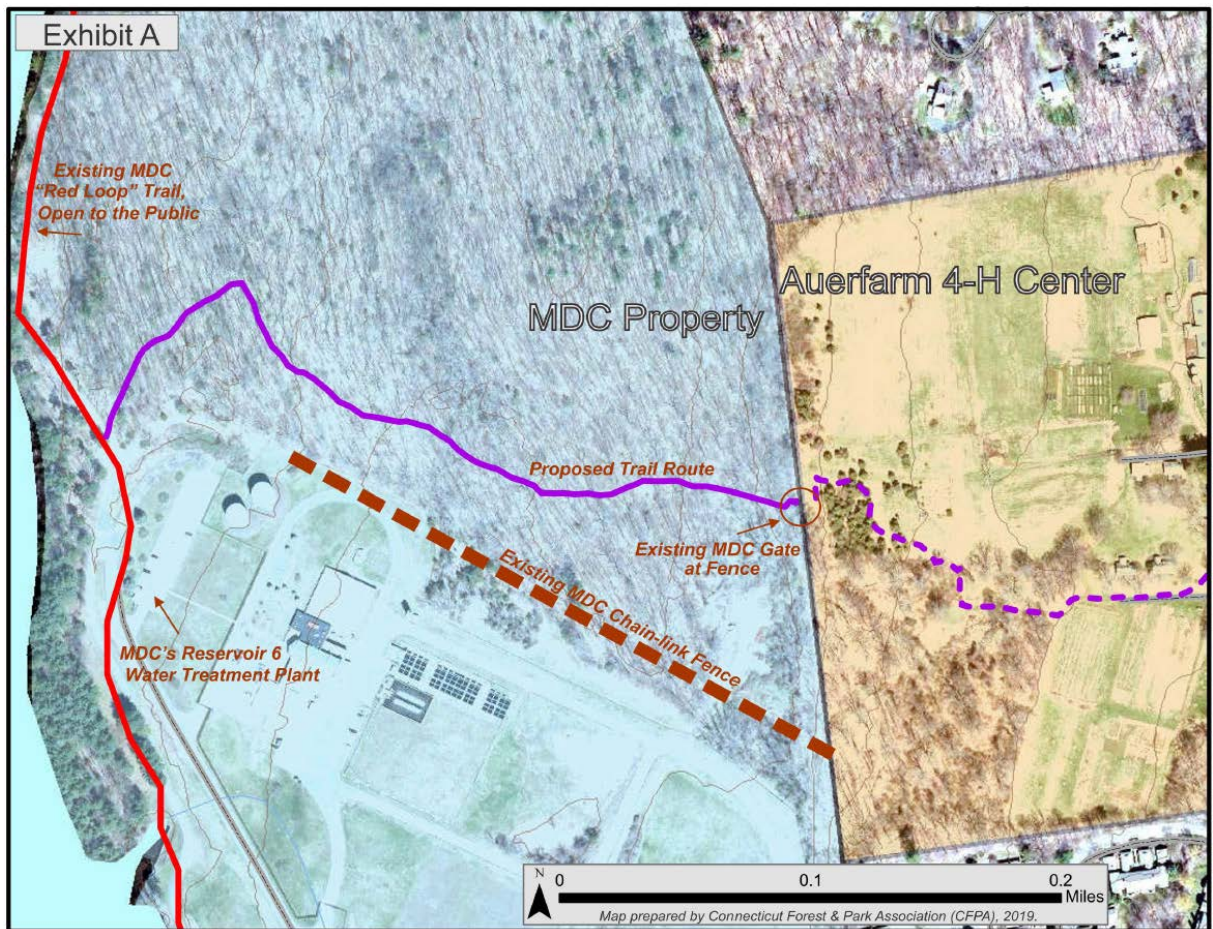
Witnesses:

By: _____
Name: Eric Hammerling
Title: Executive Director
Duly Authorized

THE METROPOLITAN DISTRICT

Witnesses:

By: _____
Name: Scott Jellison
Title: Chief Executive Officer
Duly Authorized



**WATER BUREAU
WATER SERVICE INSTALLATION CHARGE FOR KIMBERLY
LANE/DAYTON ROAD AND RAYMOND ROAD PROJECTS IN
GLASTONBURY**

To: District Board

February 10, 2020

From: Water Bureau

On November 6, 2019, the District Board approved water petitions for layout and assessment for Kimberly Lane/Dayton Road and Raymond Road projects in Glastonbury. Throughout the petition process, including the Water Bureau Public Hearing on June 26, 2019 and the Water Bureau meetings held on August 28, 2019 and October 15, 2019, the Engineering staff of the Metropolitan District presented the layout and assessment plans to residents stating that the Water Service Installation Charge is \$1,800 per property. Subsequent to the approval of said projects, at a meeting of the District Board on December 15, 2019, the Water Service Installation Charge was changed to \$150 per foot, effective January 1, 2020, which will likely lead to most properties incurring a charge in excess of \$1,800.

At a meeting of the Water Bureau held on January 15, 2020, it was:

RESOLVED: That the property owners to be served by the Kimberly Lane/Dayton Road and Raymond Road water main projects will be grandfathered into the \$1,800 Water Service Installation Charge in effect when said projects were approved by the District Board on November 6, 2019 so long as the property owner elects to connect to the water main and executes all necessary documents before July 1, 2020.

Respectfully submitted,



John S. Mirtle, Esq.
District Clerk

**WATER BUREAU
REQUEST OF THE STATE OF CT DEPARTMENT OF TRANSPORTATION FOR
AN EASEMENT OVER DISTRICT PROPERTY LOCATED AT INTERSECTION OF
ROUTES 318 AND 219 IN BARKHAMSTED**

To: District Board

February 10, 2020

From: Water Bureau

After several months of working with the State Department of Transportation (DOT) on the reconfiguration of the intersection of Routes 318 and 219 in Barkhamsted, MDC Water Supply, Real Estate and Engineering staff have reached a tentative agreement with DOT regarding easements over MDC property necessary to complete the reconfiguration. Those easements are set forth in the easement map attached hereto as Exhibit A.

In summary, the easements and associated values are shown below. Please note the valuations assigned by DOT are consistent with MDC valuation for similar easements it acquires for infrastructure improvements on private property.

1. Defined Easement for Highway Purposes - \$2,984.00 for 10,469 sq. ft. equals \$0.29 per sq. ft. or \$12,632.40 per acre (marked in red on attached map)
2. Defined Sightline Easement - \$2,241.00 for 9,958 sq. ft. equals \$0.23 per sq. ft. or \$9,801 per acre (marked in red on attached map)
3. Drainage R-O-W - \$570.00 for 2,532 sq. ft. equals same as sightline (marked in blue on attached map)
4. Easement to Slope \$891.00 for 14,843 sq. ft. equals .06 per sq. ft. or \$2,613.00 per acre (marked in green on attached map)

In addition to the monetary consideration for the easements, DOT has agreed to construct, at its costs, for MDC access to "Bill's Brook", a water overflow area owned and used by the MDC.

At a meeting of the Water Bureau held on February 3, 2020, it was:

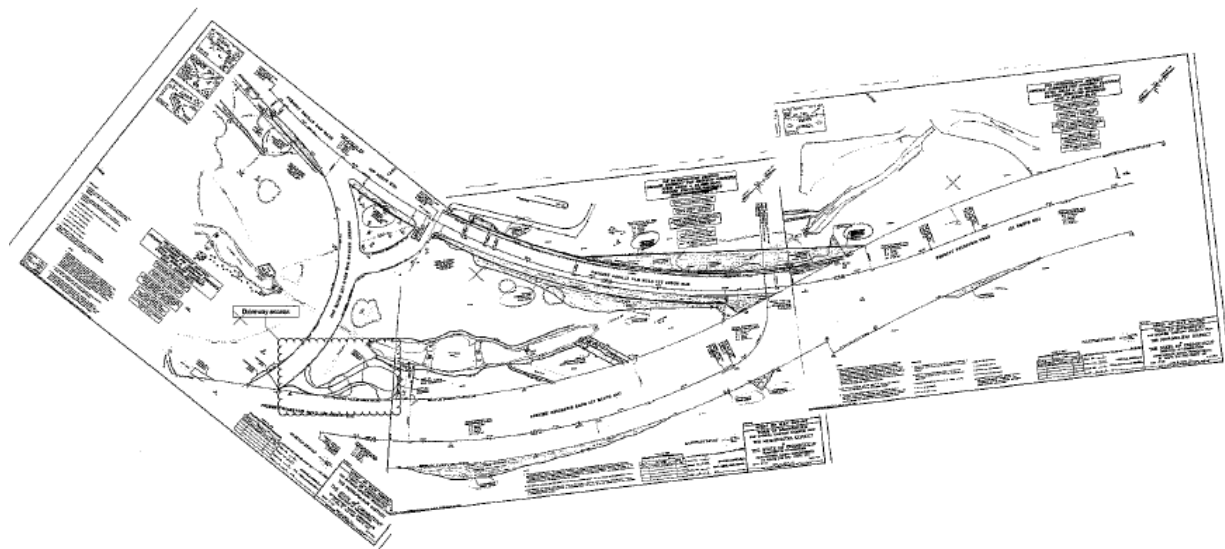
Voted: That the Water Bureau recommends to the District Board the following:

Resolved: That the Metropolitan Water Bureau recommends to the District Board that the Board authorize the Chairman, or his designee, to execute any and all documents, in form and substance approved by District Counsel, reasonable necessary to convey, for the consideration stated above, the described easements to the DOT, and ensure the completion by DOT of those improvements that provide better access for the MDC to its property containing "Bill's Brook", all as shown on the attached map.

Respectfully submitted,



John S. Mirtle, Esq.
District Clerk



On motion made by Commissioner Sweezy and duly seconded, the reports for agenda items #10A "Trail Conservation License Agreement At Reservoir 6", #10B "Water Service Installation Charge For Kimberly Lane/Dayton Road And Raymond Road Projects In Glastonbury" and #10C "Request Of The State Of Ct Dept. Of Transportation For An Easement Over District Property Located At Intersection Of

Routes 318 And 219 In Barkhamsted” were received and resolutions adopted by unanimous vote of those present.

**BOARD OF FINANCE
REALLOCATION OF PROCEEDS OF CERTAIN OF THE
DISTRICT’S GENERAL OBLIGATION BONDS AND BOND PREMIUM**

To: District Board February 10, 2020

From: Board of Finance

Staff is seeking authority for the District to reallocate:

(a) Proceeds from the District’s \$110,770,000 General Obligation Bonds, Issue of 2018, dated July 31, 2018 from the those capital improvement projects set forth on **Exhibit A-1** attached to those capital improvement projects set forth on **Exhibit A-1**;

(b) Proceeds from the Bond Premium from the District’s \$110,770,000 General Obligation Bonds, Issue of 2018, dated July 31, 2018 from the those capital improvement projects set forth on **Exhibit A-2** attached to those capital improvement projects set forth on **Exhibit A-2**;

(c) Proceeds from the District’s \$108,315,000 General Obligation Bonds, Issue of 2016 Series C dated December 1, 2016 from the those capital improvement projects set forth on **Exhibit A-3** attached to those capital improvement projects set forth on **Exhibit A-3**;

(d) Proceeds from the Bond Premium from the District’s \$108,315,000 General Obligation Bonds, Issue of 2016 Series C dated December 1, 2016 from the those capital improvement projects set forth on **Exhibit A-4** attached to those capital improvement projects set forth on **Exhibit A-4**.

At a meeting of the Board of Finance held on February 3, 2020, it was:

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

**RESOLUTION AUTHORIZING THE REALLOCATION OF PROCEEDS OF
CERTAIN GENERAL OBLIGATION BONDS OF THE METROPOLITAN DISTRICT
AND BOND PREMIUM**

Proceeds from certain of the District’s General Obligation Bonds and General Obligation Bond Anticipation Notes are hereby reallocated as follows:

(a) Proceeds from the District’s \$110,770,000 General Obligation Bonds, Issue of 2018, dated July 31, 2018 from the those capital improvement

projects set forth on **Exhibit A-1** attached to those capital improvement projects set forth on **Exhibit A-1**;

(b) Proceeds from the Bond Premium from the District's \$110,770,000 General Obligation Bonds, Issue of 2018, dated July 31, 2018 from the those capital improvement projects set forth on **Exhibit A-2** attached to those capital improvement projects set forth on **Exhibit A-2**;

(c) Proceeds from the District's \$108,315,000 General Obligation Bonds, Issue of 2016 Series C dated December 1, 2016 from the those capital improvement projects set forth on **Exhibit A-3** attached to those capital improvement projects set forth on **Exhibit A-3**;

(d) Proceeds from the Bond Premium from the District's \$108,315,000 General Obligation Bonds, Issue of 2016 Series C dated December 1, 2016 from the those capital improvement projects set forth on **Exhibit A-4** attached to those capital improvement projects set forth on **Exhibit A-4**.

Respectfully submitted,



John S. Mirtle, Esq.
District Clerk

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

**COMMITTEE ON MDC GOVERNMENT
APPOINTMENT OF LEGISLATIVE CONSULTANTS**

To: District Board

February 10, 2020

From: Committee on MDC Government

Over the past year, the firms of Gaffney, Bennett and Associates Inc., SJB Strategies, LLC and Strategic Outreach Solutions, LLC have provided exemplary service in the area of government relations and advocacy within state government on behalf of the District. Based upon their collective past performance, and to maintain the necessary level of continuity within the District's legislative and administrative lobbying activities, District staff recommends the reappointment of each of these firms for the 2020 state legislative consultants. The term of these appointments would be from February 1, 2020 through December 31, 2020.

Furthermore, in the event the Committee on MDC Government forwards the appointments to the District Board, District staff recommends the following annual

fees for state legislative consultants: (1) Gaffney, Bennett and Associates, Inc. receive \$40,000, (2) SJB Strategies, LLC receive \$20,000 and (3) Strategic Outreach Solutions, LLC receive \$50,000, for a total of \$110,000.00. Payments would be prorated over an 11-month period, commencing February 2020.

On the Federal level, District staff recommends the reappointment of Squire Patton Boggs and SJB Strategies LLC as federal legislative consultants. In the event the Committee on MDC Government forwards the appointments to the District Board, District staff recommends the following annual fees for federal legislative consultants: (1) Squire Patton Boggs receive \$150,000 and (2) SJB Strategies, LLC receive \$70,000 for a total of \$220,000.00.

At a meeting of the Committee on MDC Government held on January 15, 2020, it was:

Voted: That the Committee on MDC Government recommends to the District Board passage of the following resolution:

Resolved: That the firms of Gaffney, Bennett and Associates Inc., SJB Strategies, LLC and Strategic Outreach Solutions, LLC be retained to perform state lobbying services for a period commencing on February 1, 2020 and terminating on December 31, 2020. Gaffney, Bennett and Associates, Inc. fee will receive \$40,000, SJB Strategies, LLC will receive \$20,000, and Strategic Outreach Solutions, LLC will receive \$50,000.00, for a total of \$110,000.00, to be prorated over an eleven-month period, subject to the execution of a written agreement prepared and approved by District Counsel as to form and content, reflecting the scope of services, reporting requirements and such other terms and conditions as District Counsel may specify.

Further

Resolved: That the firms of Squire Patton Boggs and SJB Strategies, LLC be retained to perform federal lobbying services for a period commencing on February 1, 2020 and terminating on December 31, 2020. Squire Patton Boggs will receive at \$150,000 and SJB Strategies, LLC will receive \$70,000, for a total of \$220,000.00, to be prorated over an eleven-month period, subject to the execution of a written agreement prepared and approved by District Counsel as to form and content, reflecting the scope of services, reporting requirements and such other terms and conditions as District Counsel may specify.

Respectfully submitted,



John S. Mirtle, Esq.
District Clerk

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

Commissioner LeBeau exited the meeting at 7:10 PM

**COMMITTEE ON MDC GOVERNMENT
REVISIONS TO DISTRICT WATER RATES**

To: District Board

February 10, 2020

From: The Committee on MDC Government

District staff, through the Office of District Counsel, submits the following ordinance revisions to The Metropolitan District Water Ordinances for consideration by the District Board. Pursuant to the authority set forth in Section 1(g) of Special Act 08-9 (Regular Session 2008).

WATER SUPPLY ORDINANCES:

**§ W1f “SURCHARGE OUTSIDE THE METROPOLITAN DISTRICT FOR
CAPITAL IMPROVEMENTS”**

At a meeting of the Committee on MDC Government held on January 15, 2020, it was:

VOTED: That the Committee on MDC Government recommends to the District Board passage of the following resolution:

RESOLVED: That the following Metropolitan District’s Ordinances be revised and adopted as follows:

**SEC. W1f SURCHARGE OUTSIDE THE METROPOLITAN DISTRICT FOR
CAPITAL IMPROVEMENTS**

In towns outside the limits of The Metropolitan District for which capital improvements or layout and assessment projects are constructed, in addition to charges under SEC. W1a, W1b and W1c, there shall be a surcharge on the water rates determined from the size of the meter installed on the premises, as follows:

Farmington

SIZE OF METER	MONTHLY BILLING	MONTHLY BILLING
5/8"	<u>\$1.27</u>	\$1.07
1"	<u>\$2.54</u>	\$2.14
1 1/2"	<u>\$5.09</u>	\$4.27
2"	<u>\$9.54</u>	\$80.13
3"	<u>\$222.54</u>	\$186.97
4"	<u>\$381.50</u>	\$320.53
6"	<u>\$508.67</u>	\$427.37
8"	<u>\$1,271.68</u>	\$1,068.43

Glastonbury

SIZE OF METER	MONTHLY BILLING	MONTHLY BILLING
5/8"	<u>\$2.16</u>	\$1.57
3/4"	<u>\$3.24</u>	\$2.35
1"	<u>\$4.32</u>	\$3.13
1 1/2"	<u>\$8.63</u>	\$6.26
2"	<u>\$16.19</u>	\$117.44
3"	<u>\$377.69</u>	\$274.03
4"	<u>\$647.48</u>	\$469.77

South Windsor

SIZE OF METER	MONTHLY BILLING	MONTHLY BILLING
5/8"	<u>\$.40</u>	\$0.34
3/4"	<u>\$.60</u>	\$0.67
1"	<u>\$.80</u>	\$1.01
1 1/2"	<u>\$1.60</u>	\$1.35
2"	<u>\$3.01</u>	\$25.29
3"	<u>\$70.18</u>	\$59.00
4"	<u>\$120.30</u>	\$101.15
6"	<u>\$160.41</u>	\$134.86

Manchester

SIZE OF METER	MONTHLY BILLING
5/8"	<u>\$2.43</u>
1"	<u>\$7.29</u>
3"	<u>\$425.28</u>
6"	<u>\$972.07</u>

Respectfully submitted,



John S. Mirtle, Esq.
District Clerk

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

**PERSONNEL, PENSION AND INSURANCE COMMITTEE
PENSION PLAN AMENDMENT ONE-TIME RETIREE PAYMENT**

To: District Board

February 10, 2020

From: Personnel, Pension and Insurance Committee

WHEREAS, The Metropolitan District (the "MDC") is the sponsor of the Retirement Plan for Employees of The Metropolitan District (the "Retirement Plan"); and

WHEREAS, the District Board of the MDC has the authority to adopt amendments to the Retirement Plan upon the recommendation of the Personnel, Pension and Insurance Committee of the MDC (the "PPI Committee"); and

WHEREAS, the PPI Committee has recommended to the District Board of the MDC that it adopt an amendment to the Retirement Plan which provides for one-time lump sum cash payments to certain retired participants who are currently receiving annuity payments from the Retirement Plan; and

WHEREAS, it is desirable that the District Board of the MDC adopt the amendment to the Retirement Plan recommended by the PPI Committee.

At a meeting of the Personnel, Pension and Insurance Committee held on January 15, 2020, it was:

RESOLVED: That Amendment No. 11 to the Retirement Plan, as recommended by the PPI Committee and in substantially the form presented to this meeting, be and hereby is approved and adopted, together with any modifications that are determined by counsel for the MDC to be necessary or desirable to effectuate the intention thereof and to comply with the requirements of the Internal Revenue Code of 1986, as amended; and further

RESOLVED: That the chief executive officer of the MDC or any other officer designated by the chief executive officer be, and each of them hereby is, authorized and empowered, for and on behalf of the MDC, to execute Amendment No. 11 to the Retirement Plan and to take any and all other actions which may be necessary or desirable to effectuate the intention of the foregoing resolution.

Respectfully Submitted,



John S. Mirtle, Esq.
District Clerk

**AMENDMENT NO. 11 TO THE
RETIREMENT PLAN FOR EMPLOYEES OF
THE METROPOLITAN DISTRICT**

The Metropolitan District, a governmental entity organized under the laws of the State of Connecticut has adopted this Amendment No. 11 to the Retirement Plan for Employees of The Metropolitan District (the "Plan"), said Amendment No. 11 to be effective, January 1, 2020:

1. The Plan shall be amended by adding thereto the following Appendix D;

"2020 ONE-TIME PAYMENTS - APPENDIX D

Section D.1. A Retired Participant who is receiving annuity payments from the Plan in January 2020 pursuant to which his or her total, monthly gross payments are less than \$1,500 shall receive a one-time lump sum cash payment equal to \$1,000, provided that he or she first became a Retired Participant prior to January 1, 1999.

Section D.2. Each one-time lump sum cash payment that is to be made under this Appendix D shall be distributed to the appropriate Retired Participant no later than March 1, 2020. When determining whether a Retired Participant is receiving annuity payments from the Plan for purposes of this Appendix D, payments under any form of annuity permitted under the Plan shall be recognized. A lump sum payment shall be made to a Retired Participant under this Appendix D irrespective of an annuity form of payment being in effect with respect to his or her Plan benefit."

Witness

THE METROPOLITAN DISTRICT

By _____
Title:
Date:

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

**BUREAU OF PUBLIC WORKS
REQUEST OF CONNECTICUT LIGHT & POWER D/B/A EVERSOURCE FOR AN
EASEMENT OVER DISTRICT PROPERTY LOCATED AT 231-255 BRAINARD RD,
HARTFORD**

To: District Board

February 10, 2020

From: Bureau of Public Works

As you know, the Clean Water Project (CWP) includes extensive improvements at the Hartford Water Pollution Control Facility (HWPCF) on Brainard Road and a deep rock tunnel running from West Hartford to the HWPCF. At the tunnel terminus point, the District is also installing a large pump station designed to pump tunnel flows up from approximately 200 feet below ground to the surface for conveyance to the expanded treatment facility at the HWPCF. As you can expect, the District's electric power needs for the pump station and ancillary facilities are significant.

Staff has been working with The Connecticut Light & Power Co., doing business as Eversource ("Eversource"), to provide the necessary easements to Eversource for the following purposes:

1. Allow Eversource to distribute power to the billboards on MDC property;
2. Memorialize the relocation of their high voltage ductbank across the property; and
3. Provide for the location of their switchgear which feeds the new tunnel pump station.

The affected District properties include those properties commonly referred to as 231-255 Brainard Road, Hartford. The easements in question are for the benefit of the District, and have been located so as to compliment and enable, rather than interfere with, District infrastructure.

The easements are set forth in the attached and incorporated exhibit.

At a meeting of the Bureau of Public Works held on February 3, 2020:

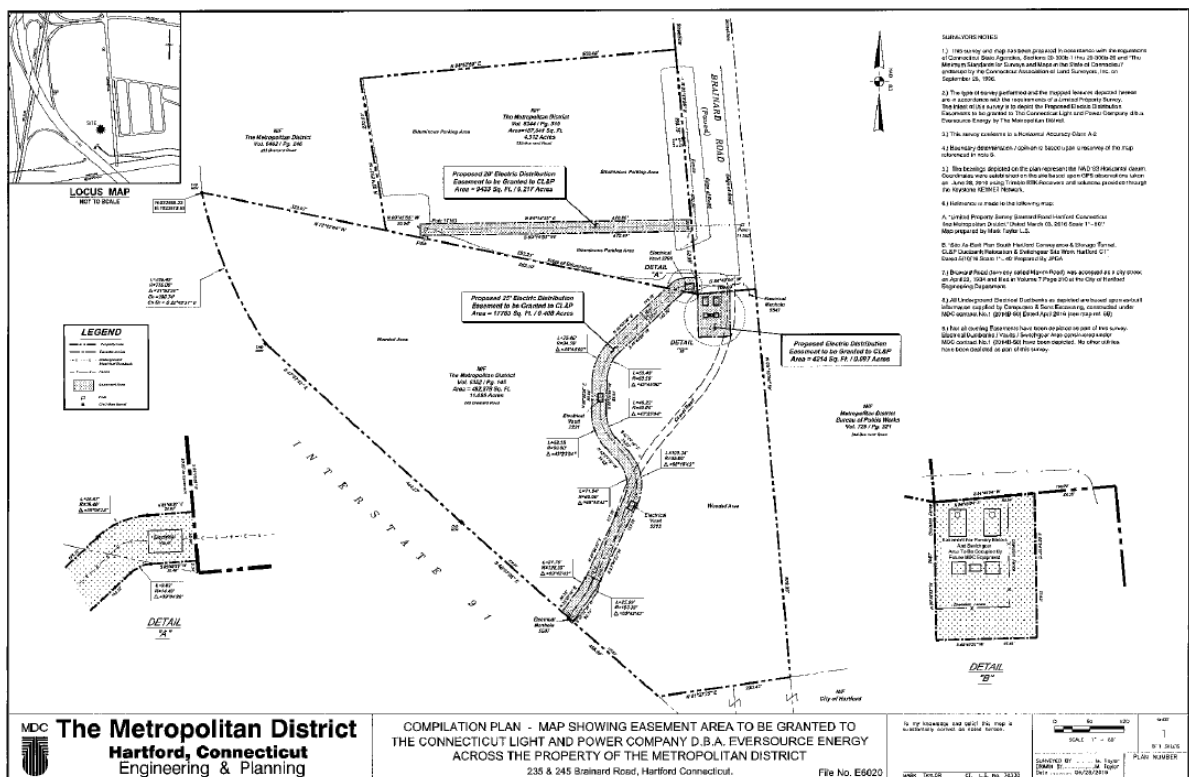
Voted: That the Bureau of Public Works recommends to the District Board the following:

Resolved: That the Metropolitan Bureau of Public Works recommends to the District Board that the Board, in furtherance of the Clean Water Project, authorize the Chairman, or his designee, to execute any and all documents, in form and substance approved by District Counsel, reasonably necessary to convey the described easements as set forth in the attached exhibit, to Eversource.

Respectfully submitted,

John Mirtle

John S. Mirtle, Esq.
District Clerk



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

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Valerie Rossetti of Bloomfield, submitted the following written comments:

2-10-2020 Comments re: "Economic Development Rate" for Water and CWPC:

1. **Reality of Drought Regulations:** Last week, Mr. Jellison tried multiple times to sidestep a question of mandatory reduction in Niagara water use during drought. MDC could TALK with Niagara and could PLAN for shutdowns, but it has **no authority to prioritize water use during drought triggers**. MDC's own Water Supply Plan indicates that **mandatory industrial limits would not occur until its reservoirs are at 10%**! So, while residents will be asked to conserve, lawn watering will be prohibited, and municipal use curtailed, bottles will be leaving the watershed and the state. If the MDC is SO sure that there will NEVER be drought restrictions, why did it furiously lobby against sensible state regulations to require a renewable permit based on safe yield and to limit water bottling once residential restrictions went into effect? Why not limit the declining block rate discounts in periods of drought? While all transfers of more than 250,000 gallons/day of water **out of watersheds** in pipes require permits, those done by trucks escape oversight. Our watershed can be at risk, especially given changes in precipitation constants, precipitation patterns, potential pollutants, and statewide needs.

2. **Realities of the Rate Discounts:** Mr. Jellison represented- at last week's board meeting and in the press -that an increase of Niagara's water use to its max of 1.8M gallons/day would result in a water rate decrease of 10 cents per ccf to all customers & therefore, be a very good deal. **It assumes that Niagara's water usage would increase 1.2M gallons/day or 1604 ccf/day (1 ccf = 748 gallons) for 363 days/yr.** If Niagara were to increase its water use by THAT much (1604 ccf/day for 363 days = 582,354 ccf/yr), here's what MDC revenue would be WITHOUT DISCOUNTS:

- 1,200,000 gallons/day= 1604 ccf/day for 363 days of operation = 582,354 ccf/yr
- Water at \$3.97/ccf + CWPC at \$4.10/ccf= \$8.07/ccf * 582,354ccf/yr = \$4,699,697 or nearly **\$4.7M/yr**

If, however, MDC offers Niagara **BOTH a 20% water rate discounts and a 75% CWPC discount** (based on sending out 75% of its water in bottles and only ~25% into the sewer), here are the figures:

- 1,200,000 gallons/day=1604 ccf/day for 363 days of operation = 582,354 ccf/yr
- Water at \$3.18/ccf + CWPC at \$1.025/ccf = \$4.205/ccf * 582,354ccf/yr = \$2,448,798 or nearly **\$2.5M/yr**

This is a corporate "give=away" to Niagara of almost \$2.25 Million EACH YEAR! This, to a corporation that permitted its 3rd line in Oct. 2018 when no discounts were in place and already runs it profitably. According to the Bloomfield Building Dept., **there has been no application for a 4th bottling line.**

If there is NO increase of water use and discounts are given for water use over 600,000gallons/day, which typically occurs during the drought-prone summer season, **MDC could stand to lose up to \$116,000/year** (\$116,000 - \$23,000 from water, \$93,000 from CWPC if monthly usage stays flat).

The additional income MDC is expecting from ordinance changes for their one super-user are at best speculative and unlikely to occur. These discounts, narrowly constructed for just one industry, are not true economic development rates. The MDC cannot “water bottle” itself out of a scenario of rising rates. Its industrial portfolio, even with more bottling companies, represents a small fraction of its water output. Mr. DiBella is intent on bringing back the discounts to counter the “black eye” (Mr. DiBella’s words, Bloomfield Town Council 11-25-19) MDC gained by “jumping through hoops to attract Niagara” (Mr. Jellison’s words, Bloomfield Town Council 12-14-15) and then rescinding discounts. Tying our state’s economic future to its development as the robotic “water bottling mecca” of the northeast is environmentally and economically unsound. Please re-consider your decision.

Valerie Rossetti, Bloomfield CT

Increase of 1,200,000 gallons/day (748 gallons/ccf) for 363 days that plant operates:

	Daily Water Use Increase	Yearly Water Use Increase	Water Rate/ccf	CWP Rate/ccf	Total \$ Rate/ccf	Additional Revenue/Yr
No Discounts	1604 ccf	582,353 ccf	\$3.97/ccf	\$4.10/ccf	\$8.07/ccf	\$4,699,697
With Discounts	1604 ccf	582,353 ccf	\$3.18/ccf	\$1.025/ccf	\$4.205/ccf	\$2,448,798
SUBSIDY						\$2,250,899

Judy Allen of West Hartford, submitted the following written comments:

GENERAL PUBLIC COMMENTS
DISTRICT BOARD MEETING
2/10/20

I'd like to speak about the proposed economic development rates, the discounts, for Niagara.

So far, Niagara has been using water that can be handled by 2 lines of bottling out of the possible 4 lines they would need to use the maximum of 1.8 mgd. The amount they use varies from month to month, but over all they are slowly using more.

According to building permits in Bloomfield, Niagara built their 3rd line in 2018 without any promises of discounts. There is no evidence that Niagara needs any incentives to use more water. It is just a guess. By giving Niagara a discount on water they intended to use anyway, MDC loses revenue.

Niagara is a successful, profit making business, they do not need discounts to make a profit. They will use whatever water they need to use. They won't build a 4th line just so the MDC can sell more water.

Mr. Jellison repeatedly says if Niagara was using all 1.8 mgp our water rates would decrease by 10 cents. That sounds great. Do you believe him? Niagara uses water seasonally, more in the summer, less in the winter. They will never get to 1.8 million gpd for an entire year. The 10 cent reduction for water rates Mr. Jellison promises will never happen. They don't even have a 4th line built and you have no idea when or if that line will be built. You cannot accurately quote any amount of reduction in rates. If Niagara plans to use more water even without discounts, that's what will significantly bring water rates down.

Discounts haven't flown for the last 4 years. What has changed? Maybe it's the urgency to sell more water? If so, this is a quick fix and you have done no study of what negative implications this might have going forward. Nothing is ever perfect.

Let's look at what Mr. Jellison said in the Bloomfield Messenger article.

"MDC needs to offer high volume discount rates, because it faces a number of problems to attract big consumers to the Hartford area". Note he calls them "discount rates." Mr. Jellison says the only way we can mitigate the reduction/conservation in water use being seen across the country is to sell more water by having more customers. That's just not true. Yet he consistently rejects the idea that there could be a different model for setting rates that could address this problem as has been used successfully by water companies throughout the country.

Then he says "other water companies offer these kind of discounts and nobody says anything about them". Again, notice he says "discounts". It has continuously been pointed out how those are different. They are time limited and for new businesses. And besides Mr. Jellison already told you in a prior meeting that the ones in CT don't work.

Do you know what kind of industry uses over 600,000 gallons a day and discharges significantly more than they consume? Not just a guess, not just a "water intensive industry", facts. What industry uses that kind of water that would also create good full time jobs? For this discount to be significantly attractive they would have to use water greater than what Niagara is using today, and they are your largest consumer. And this certainly would do nothing for small businesses. Without identifying the name of any particular customer, there is no reason why Mr. Jellison can't disclose publically the statistics for water use, just like he has for Niagara. Do you have those statistics? I would think you would need that information before voting.

You've been told that the reason large volume water users don't move here is because of the CWP charge. Have you been told about any other industry that would qualify for this? Do you have factual information about what the water usage is for any other? If Niagara is planning to use more water despite discounts, that is a significant loss in the CWP and who is going to take up that slack?

You've also been told that the CWP keeps your residential customers from using more water. The CWP charge will never go down. It will just keep climbing and last forever. If that's a factor in residential use, nothing changes.

He points out that MDC has lots of water even in a drought. That's not the point. If there ever was a drought (and this is more likely with climate change) or other condition where people had to cut back on water, the MDC doesn't have the authority to make Niagara cut back. Drought triggers in the water supply plan make it clear that all of us would be asked to conserve much more before Niagara would even be asked to cut back. In fact, with discounts the MDC would be incentivizing them to use more.

What is the MDC going to do when Niagara doesn't use the kind of water you're hoping for. What if no business is attracted by these discounts? How is the MDC going to address its problems? Where is there the long term planning, the realistic assessment of the MDC's situation now, not historical information. The future is going to be very different than the past.

Mr. Jellison says, "Build it and they will come, so we are going to create a rate that will encourage them to come." It's not the MDC's job to determine what industry should be encouraged to come to CT.

We've seen in Bloomfield what the traffic of hundreds, heavy water laden trucks, does to the roads. The exhaust from these trucks affects the air quality. While the governor has created a task force to look at how CT can dramatically reduce CO2 emissions from vehicles, do you want to increase those emissions? Do you want CT's roads and air standards to suffer while the MDC creates a Mecca for the water bottling industry?

If you pass this, we are not going away. Do you think this changes opinions about the expansion of the bottled water industry? Are you really going to continue to believe that selling more water is the only way to keep rates down?

You just reduced the water rates by budgeting less for recreation. Are you going to tell the public there is nothing else you can cut from the budget or that projects needed to maintain water service will not affect their water rates? When next year comes around and there isn't a 10 cent reduction in the rise of their water rates, how will you answer them?

In the article in the Bloomfield Register, Mr. Jellison lays the responsibility squarely at your feet. He says it's your responsibility, not his. It's your vote. What are you basing that vote on? How are you going to justify your vote to your constituents?

These proposed discounts just aren't fair.

Judy Allen
West Hartford

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner Sweezy inquired about dates for the upcoming public hearing regarding the economic development rate.

Commissioner Salemi spoke regarding the water rate versus the Clean Water Project Charge.

Commissioner Hall suggested that the upcoming public hearing be held at the West Hartford Town Hall.

Commissioner Hoffman thanked the public for their comments. He stated that our water is not used, but rather bought and sold for a cost.

Commissioner Gardow spoke regarding the money owed to the MDC by the CT DEEP and inquired how much the ad valorem tax would decrease if payment were received.

Commissioner Vicino inquired about employees eligible to retire in the upcoming year.

Commissioner Taylor spoke regarding customer confusion between water charges and Clean Water Project charges, and finding a way to clarify the difference.

ADJOURNMENT

The meeting was adjourned at 7:44 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval