

THE METROPOLITAN DISTRICT COMMISSION

555 Main Street
Hartford, Connecticut 06103
Monday, March 2, 2020

Present: Commissioners Andrew Adil, John Avedisian, Clifford Avery Buell, Daniel Camilliere, Donald Currey, William A. DiBella, Peter Gardow, Denise Hall, Allen Hoffman, Jean Holloway, David Ionno, Mary LaChance, Gary LeBeau, Byron Lester, Maureen Magnan, Jacqueline Mandyck, Alphonse Marotta, Dominic M. Pane, Bhupen Patel, Pasquale J. Salemi, Raymond Sweezy and Alvin Taylor (22)

Absent: Commissioner James Healy, Michael Maniscalco, Michael Solomonides, Richard W. Vicino and New Britain Special Representative Michael Carrier (5)

Also

Present: Scott W. Jellison, Chief Executive Officer
Kelly Shane, Chief Administrative Officer
Christopher Martin, Chief Financial Officer
Christopher Stone, Assistant District Counsel
Steve Bonafonte, Assistant District Counsel
John S. Mirtle, District Clerk
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Nick Salemi, Communications Administrator
Julie McLaughlin, Communications Administrator
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria S. Escoriza, Executive Assistant

CALL TO ORDER

The meeting was called to order by District Chairman DiBella at 5:29 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.

Commissioner Mandyck entered the meeting at 5:36 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

The following Member Town Residents, and Non-Member Town Residents spoke in opposition of the proposed Sewer and Water Ordinance Revisions.

Saud Andwar, State Senator of the 3rd District
Deborah Levine of Bloomfield
Mark Mitchell of Hartford
Judy Allen of West Hartford
Alicea Charamut, Newington Resident and Executive Director of the Rivers Alliance of Connecticut
Karen Hatcher of Windsor
Patrick Hatcher of Windsor
Valerie Rossetti of Bloomfield on behalf of Save Our Water CT
Tollie Miller of Bloomfield
Kenneth McClearly of Bloomfield
Jon Capadona of Bloomfield

Don Hope inquired about the South Hartford Conveyance and Storage Tunnel

The following comment was submitted in writing for the record:

Dear Mr. Mirtle,

As an MDC customer and a Ph.D. biologist, I strongly urge you not to sell off our water to an out of state bottling company at a discount! In fact, I would prefer that the MDC not sell off our water to a private bottling company, at all. Not only do MDC customers depend on this water, but the entire Farmington River ecosystem depends on the water we do not drink. Given the climate change we are experiencing, precipitation is unpredictable and likely to fluctuate from year to year. The Farmington River is an important public, commercial and recreational resource, increasing the quality of life for residents of all the towns it passes through, and for visitors from farther away who are attracted to riverfront natural areas, recreational areas, and restaurants and stores. A significant portion of the river has received federal Wild and Scenic designation. This water does not belong to the MDC, to dispose of as they choose. A significant threat to adequate flow is posed by selling off water in bulk to a bottling company in these uncertain times. Niagara Bottling Company is doing quite well financially, and only poised to do better as the demand for bottled water increases: there is no need to give them a discount that they do not need. Meanwhile, I understand the need for water system maintenance and pipe replacement to make sure our water stays safe and clean. Residential customers of MDC have seen large increases in our water bills to maintain the system. At the very least, Niagara needs to pay their fair share of these maintenance costs.

Thank you, your customer,
Sylvia L. Halkin, Ph.D.
125 Arundel Ave.
West Hartford, CT 06107

APPROVAL OF MINUTES

On motion made by Commissioner Camilliere and duly seconded, the meeting minutes of February 10, 2020 were approved.

REPORT FROM DISTRICT CHAIRMAN

No report was provided.

REPORT FROM CHIEF EXECUTIVE OFFICER

Scott Jellison delivered the District Chief Executive Officer report.

REPORT FROM DISTRICT COUNSEL

No report was provided.

**BOARD OF FINANCE
APPROVAL FOR STATE OF CONNECTICUT FINANCING
CWF NO. 692-C1**

To: District Board

March 2, 2020

From: Board of Finance

Staff seeks approval from your Board to execute and deliver the Amendment Agreement CWF No. 692-C1 (the "Amendment") to the Project Loan and Project Grant Agreement CWF No. 692-C dated June 21, 2016 (the "Original Agreement"). The Original Agreement included a project grant amount of \$140,925,166.50, a project loan in the amount of \$172,230,202.95, and a Scheduled Completion Date of February 28, 2022. The Amendment will amend the project grant amount to \$143,919,257.25, the project loan amount to \$175,889,647.75, and the Scheduled Completion Date to November 30, 2022. This would be an increase of \$3,659,444.80 in the amount of the project loan portion and an increase of \$2,994,090.75 in the project grant portion over the amounts authorized in the Original Agreement.

The low interest loan and grant will fund the construction of the South Hartford conveyance and storage tunnel and shaft (the "Project").

The State of Connecticut, through the Clean Water Fund Program, will now provide \$319,808,905.00 in state funding, which is comprised of \$143,919,257.25 in grants and \$175,889,647.75 in 2.00% loans to fund the expenses associated with the Project.

Bond Counsel prepared the following resolution for your approval.

At a meeting of the Board of Finance held on February 19, 2020, it was:

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

RESOLVED:

Section 1. This resolution amends and restates a resolution of the District Board, passed at a meeting of the District Board held on June 6, 2016.

Section 2. The Chairman and the District Treasurer or Deputy Treasurer are authorized to execute and deliver the Project Loan and Project Grant Agreement No. CWF 692-C and the Amendment Agreement CWF No. 692-C1 to be entered into with the State of Connecticut (collectively, the "Agreement") and any and all Interim Funding Obligations and Project Loan Obligations for CWF No. 692-C and CWF No. 692-C1 in the aggregate amount not to exceed \$175,889,647.75. Such Interim Funding Obligations shall be dated as of their date of issue, shall mature within six months of the Scheduled Completion Date, shall bear interest at the rate of two percent (2.00%) per annum, shall be payable as to principal and interest as provided in the Agreement and, to the extent not paid prior to maturity from The Metropolitan District funds, may be renewed by the issuance of Interim Funding Obligations or Project Loan Obligations, all as provided in the Agreement. The prior actions by the Chairman and the District Treasurer in furtherance of this resolution are hereby confirmed and ratified in all respects. Capitalized terms used herein and not defined shall have the meanings ascribed to them in the Agreement.

Section 3. The Project Loan Obligations shall be dated as of their date of issue, shall mature no later than twenty years from the Scheduled Completion Date, shall bear interest at the rate of two percent (2.00%) per annum and shall be payable as to principal and interest as provided in the Agreement.

Respectfully Submitted,



John S. Mirtle, Esq.
District Clerk

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

**COMMITTEE ON MDC GOVERNMENT
PROPOSED REVISIONS TO THE WATER AND SEWER ORDINANCES
§ W1a and § S12X**

To: District Board

March 2, 2020

From: Committee on MDC Government

District staff, through the Office of District Counsel, submits the revisions of Section W1a, "WATER USED CHARGE (TREATED WATER)", to The Metropolitan District Water Ordinances and Section S12x, "SPECIAL SEWER SERVICE CHARGE FOR CAPITAL IMPROVEMENTS TO THE SEWERAGE SYSTEM", to The Metropolitan District Sewer Ordinances for consideration by the Committee on MDC Government. Pursuant to the authority set forth in Section 1(g) of Special Act 08-9 (Regular Session 2008).

SEC. W1a WATER USED CHARGE (TREATED WATER)

For customers which do not resell treated water, the WATER USED CHARGE is the quantity of water used as read at the meter, as follows:

BILLS RENDERED
MONTHLY

RATE
\$3.97 per 100 Cubic Feet

The WATER USED CHARGE for such customers subject to § S12x of The Metropolitan District Sewer Ordinances who purchase more than 802ccf of water per day, as averaged over a monthly billing period, as follows:

For each of the first 802ccf of water used per day:

BILLS RENDERED
MONTHLY

RATE
\$3.97 per 100 Cubic Feet

For each ccf of water used per day in excess of 802ccf:

BILLS RENDERED
MONTHLY

RATE
\$3.18 per 100 Cubic Feet

For customers which, by agreement with the District or otherwise, resell treated water, the WATER USED CHARGE is the quantity of water used as read at the meter, as follows:

BILLS RENDERED
MONTHLY

RATE
\$3.97 per 100 Cubic Feet

SEC. S12x SPECIAL SEWER SERVICE CHARGE FOR CAPITAL IMPROVEMENTS TO THE SEWERAGE SYSTEM

- a.) For customers of The Metropolitan District who utilize the District sewer system and are furnished water directly by The Metropolitan District there shall be a special sewer service charge at rates established annually through the budget approval process as set forth in Chapter 3 of the Charter of The Metropolitan District. Except as provided in subsection S12x(b), S12x(c) and S12(d) said rates shall be uniformly applied to, and be proportional to the quantity of water used by, the affected customers.
- b.) Notwithstanding the foregoing, The Metropolitan District may, through its annual budget, allow for a reduction in the special sewer service charge otherwise payable by owners of commercial or industrial properties in the event said properties, and the commercial or industrial operations located thereon, are serviced, in whole or in part, by an on-site wastewater collection, treatment, and disposal system that does not discharge into the sanitary sewage system of The Metropolitan District. The amount of said reduction shall be based upon the sewer usage metered and reported pursuant to Section S12e and determined by the Board of Commissioners of The Metropolitan District during its annual budget approval process for any ensuing year.
- c.) Customers subject to the provisions of this Section 12x, other than customers subject to Subsection S12x(b) above, shall be subject to the special sewer service charge as follows: 1) for the first 24,060 hundred cubic feet of water consumed from a single water meter per month, the special sewer service charge shall be assessed at the rate established by The Metropolitan District against each one hundred cubic feet of water consumed; and 2) for all water consumed in excess of 24,060 hundred cubic feet per month from a single water meter, the special sewer service charge shall be assessed at such rate against each one hundred cubic feet of sewer flow generated by the water used in excess of 24,060 hundred cubic feet per month metered at a location approved by the Metropolitan District. This excess sewer flow shall be calculated via the proportion of sewage discharged to water consumed for the month, with this proportion applied to the volume of water consumed in excess of 24,060 hundred cubic feet per month and billed pursuant to Section S12f. The special sewer service charge assessed pursuant to this subsection shall be billed monthly.
- d.) The proceeds from the special sewer service charge, as aforesaid, shall be used exclusively for capital costs associated with any and all measures necessary to comply with a certain consent decree executed by and between The Metropolitan District and the United States Environmental Protection Agency in a case filed on August 15, 2006 in the United States District court for the District of Connecticut captioned United States of America and State of Connecticut vs. The Metropolitan District of Hartford, Connecticut and a certain consent order executed by and between The Metropolitan District and the State of Connecticut relating to the reduction of nitrogen discharged from District Wastewater Treatment Facilities as required by State of Connecticut Department of Environmental Protection

Nitrogen General Permit issued December 21, 2005, as such decree and order may be amended from time to time, and specifically for payment of capital expenditures in connection with compliance with the decree or order, or payment of debt service on indebtedness of The District incurred for purposes of funding expenditures in connection with compliance with such decree and order. For this purpose “indebtedness” shall mean bonds, notes and other loans and obligations, including, without limitation, State of Connecticut Clean Water Fund loans and “Debt service” shall mean any obligation that would constitute “debt service” if incurred with respect to bonds issued under the special obligation indenture of trust, dated June 1, 2013, between The District and U.S. Bank National Association, as trustee, as amended and supplemented from time to time, as the term “debt service” is used in such indenture, whether or not such obligation is incurred with respect to indebtedness under such indenture.

e.) The special sewer service charge shall appear separately on the water bills of the District and shall be due and payable at the same time as the water bills are due and payable. Collection and payment of such charge shall be subject to and in accordance with sections S12m, S12n, and S12o of this part.

At a meeting of the Committee on MDC Government held on February 26, 2020, it was:

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

RESOLVED: That the revisions to The Metropolitan District’s Water Ordinances and Sewer Ordinances be adopted as follows:

SEC. W1a WATER USED CHARGE (TREATED WATER)

For customers which do not resell treated water, the WATER USED CHARGE is the quantity of water used as read at the meter, as follows:

<u>BILLS RENDERED</u>	<u>RATE</u>
<u>MONTHLY</u>	\$3.97 per 100 Cubic Feet

The WATER USED CHARGE for such customers subject to § S12x of The Metropolitan District Sewer Ordinances who purchase more than 802ccf of water per day, as averaged over a monthly billing period, as follows:

For each of the first 802ccf of water used per day:

<u>BILLS RENDERED</u>	<u>RATE</u>
<u>MONTHLY</u>	\$3.97 per 100 Cubic Feet

For each ccf of water used per day in excess of 802ccf:

<u>BILLS RENDERED</u>	<u>RATE</u>
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MONTHLY

\$3.18 per 100 Cubic Feet

For customers which, by agreement with the District or otherwise, resell treated water, the WATER USED CHARGE is the quantity of water used as read at the meter, as follows:

BILLS RENDERED
MONTHLYRATE
\$3.97 per 100 Cubic Feet**SEC. S12x SPECIAL SEWER SERVICE CHARGE FOR CAPITAL IMPROVEMENTS TO THE SEWERAGE SYSTEM**

- a.) For customers of The Metropolitan District who utilize the District sewer system and are furnished water directly by The Metropolitan District there shall be a special sewer service charge at rates established annually through the budget approval process as set forth in Chapter 3 of the Charter of The Metropolitan District. Except as provided in subsection S12x(b), S12x(c) and S12(d) said rates shall be uniformly applied to, and be proportional to the quantity of water used by, the affected customers.
- b.) Notwithstanding the foregoing, The Metropolitan District may, through its annual budget, allow for a reduction in the special sewer service charge otherwise payable by owners of commercial or industrial properties in the event said properties, and the commercial or industrial operations located thereon, are serviced, in whole or in part, by an on-site wastewater collection, treatment, and disposal system that does not discharge into the sanitary sewage system of The Metropolitan District. The amount of said reduction shall be based upon the sewer usage metered and reported pursuant to Section S12e and determined by the Board of Commissioners of The Metropolitan District during its annual budget approval process for any ensuing year.
- c.) Customers subject to the provisions of this Section 12x, other than customers subject to Subsection S12x(b) above, shall be subject to the special sewer service charge as follows: 1) for the first 24,060 hundred cubic feet of water consumed from a single water meter per month, the special sewer service charge shall be assessed at the rate established by The Metropolitan District against each one hundred cubic feet of water consumed; and 2) for all water consumed in excess of 24,060 hundred cubic feet per month from a single water meter, the special sewer service charge shall be assessed at such rate against each one hundred cubic feet of sewer flow generated by the water used in excess of 24,060 hundred cubic feet per month metered at a location approved by the Metropolitan District. This excess sewer flow shall be calculated via the proportion of sewage discharged to water consumed for the month, with this proportion applied to the volume of water consumed in excess of 24,060 hundred cubic feet per month and billed pursuant to Section S12f. The special sewer service charge assessed pursuant to this subsection shall be billed monthly.

- d.) The proceeds from the special sewer service charge, as aforesaid, shall be used exclusively for capital costs associated with any and all measures necessary to comply with a certain consent decree executed by and between The Metropolitan District and the United States Environmental Protection Agency in a case filed on August 15, 2006 in the United States District court for the District of Connecticut captioned United States of America and State of Connecticut vs. The Metropolitan District of Hartford, Connecticut and a certain consent order executed by and between The Metropolitan District and the State of Connecticut relating to the reduction of nitrogen discharged from District Wastewater Treatment Facilities as required by State of Connecticut Department of Environmental Protection Nitrogen General Permit issued December 21, 2005, as such decree and order may be amended from time to time, and specifically for payment of capital expenditures in connection with compliance with the decree or order, or payment of debt service on indebtedness of The District incurred for purposes of funding expenditures in connection with compliance with such decree and order. For this purpose "indebtedness" shall mean bonds, notes and other loans and obligations, including, without limitation, State of Connecticut Clean Water Fund loans and "Debt service" shall mean any obligation that would constitute "debt service" if incurred with respect to bonds issued under the special obligation indenture of trust, dated June 1, 2013, between The District and U.S. Bank National Association, as trustee, as amended and supplemented from time to time, as the term "debt service" is used in such indenture, whether or not such obligation is incurred with respect to indebtedness under such indenture.
- e.) The special sewer service charge shall appear separately on the water bills of the District and shall be due and payable at the same time as the water bills are due and payable. Collection and payment of such charge shall be subject to and in accordance with sections S12m, S12n, and S12o of this part.

Respectfully submitted,



John S. Mirtle, Esq.
District Clerk

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

Commissioners Avedisian, Ionno, Lester and Magnan opposed.

APPOINTMENT OF DISTRICT COUNSEL

EXECUTIVE SESSION

At 7:10 PM, Chairman DiBella requested an executive session to discuss the appointment of District Counsel.

On a motion made by Commissioner Taylor and duly seconded, the District Board entered into executive session to discuss the appointment of District Counsel.

Those in attendance during the executive session:

Commissioners Andrew Adil, John Avedisian, Clifford Avery Buell, Daniel Camilliere, Donald Currey, William A. DiBella, Peter Gardow, Denise Hall, Allen Hoffman, Jean Holloway, David Ionno, Mary LaChance, Gary LeBeau, Byron Lester, Maureen Magnan, Jacqueline Mandyck, Alphonse Marotta, Dominic M. Pane, Bhupen Patel, Pasquale J. Salemi, Raymond Sweezy and Alvin Taylor; Assistant District Counsel Steve Bonafonte.

RECONVENE

At 7:23 PM, Chairman DiBella requested to come out of executive session and on motion made by Commissioner Taylor and duly seconded, the District Board came out of executive session and reconvened. No formal action was taken.

BE IT HEREBY RESOLVED that the Board of Commissioners of the Metropolitan District ("Board"), upon recommendation of the Personnel, Pension and Insurance Committee of the Metropolitan District, hereby appoints Christopher R. Stone, Esq., of East Hartford as District Counsel and approves the contract terms and conditions for the District Counsel attached in a term sheet hereto and incorporated herein by reference;

And be it further resolved that the Chairman of the Board is hereby authorized to execute an employment agreement by and between the Metropolitan District and Christopher R. Stone, Esq., as the District Counsel, containing the terms and conditions so approved, and as prepared by Assistant District Counsel or his designee.

DISTRICT COUNSEL – PROPOSED CONTRACT TERMS SUMMARY

Annual Salary:	\$322,000.00 – Future increases must be approved by the District Board (Other than COLA which will be added annually as authorized by the District Board for E&E Employees) (equivalent \$178 / working hour)
General Requirements/Benefits:	Existing Standard Benefits Package for all Executive Level Staff:
Standard Health Benefits	Anthem – Blue Cross // PPO
Dental Vision	Century Preferred / Full Dental and Vision Coverage
Sick Time	8 Days per calendar year (Loaded in January)
Holiday Time	Per District's Published Holiday Calendar
Vacation	4 Weeks
Inclement Weather Days	3 Days
Personal Leave	10 Days
Life Insurance	\$500,000 policy paid by MDC
Car Allowance	\$750 Month (net of taxes) Lump Sum (Declined by CRS in lieu of salary)
Working Hours	Standard Working Hours
Retirement Vesting:	10 Year Vesting w/ Standard Benefits and full participation in IRS Section 457 Plan
Miscellaneous:	MDC will provide Cell Phone, Laptop/Notebook/I-Pad and other ordinary and necessary business equipment
Start Date:	March 2, 2020
Term of Contract:	12 Months; may be terminated by District without just cause, but triggers payment of balance of salary remaining in calendar year.

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

Chairman DiBella exited the meeting and joined by conference call at 7:23 PM. Vice Chairperson Magnan assumed the chair.

Commissioner Mandyck exited the meeting conference call 7:39 PM

LITIGATION UPDATE MDC v ZINZARELLA

EXECUTIVE SESSION

At 7:24 PM, 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, Daniel Camilliere, Donald Currey, William A. DiBella, Peter Gardow, Denise Hall, Allen Hoffman, Jean Holloway, David Ionno, Mary LaChance, Gary LeBeau, Byron Lester, Maureen

Magnan, Jacqueline Mandyck, Alphonse Marotta, Dominic M. Pane, Bhupen Patel, Pasquale J. Salemi, Raymond Sweezy and Alvin Taylor; Chief Executive Officer Scott W. Jellison; Chief Administrative Officer Kelly Shane; Director of Finance / Chief Financial Officer Christopher Martin; Attorneys Christopher Stone, John S. Mirtle and Steve Bonafonte.

RECONVENE

At 7:52 PM, Chairman DiBella requested to come out of executive session and on motion made by Commissioner Currey and duly seconded, the District Board came out of executive session and reconvened. No formal action was taken.

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner Sweezy spoke regarding a recent Hartford Courant article and the familiarity of Commissioners within their towns. Commissioners Pane and Patel also spoke regarding this topic.

Commissioner LeBeau spoke regarding the coronavirus and its potential impact on the MDC and water supply.

Commissioner Salemi spoke about the new Water Service and Sewer Lateral Installation Programs.

Commissioner Taylor suggested that the MDC examine other alternatives for rate structures.

ADJOURNMENT

The meeting was adjourned at 8:03 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval