

**COMMITTEE ON MDC GOVERNMENT
SPECIAL MEETING**

The Metropolitan District
555 Main Street, Hartford CT
Wednesday, February 26, 2020

Present: Commissioners John Avedisian, Avery Buell, Peter Gardow, Allen Hoffman, Jean Holloway, David Ionno, Gary LeBeau, Maureen Magnan, Alphonse Marotta, Alvin Taylor and District Chairman William A. DiBella (11)

Absent: Commissioner Denise Hall, James Healy (2)

Also

Present: Commissioner Andrew Adil
Commissioner Dominic Pane
Commissioner Pasquale Salemi
Commissioner Raymond Sweezy
Scott W. Jellison, Chief Executive Officer
Christopher Stone, Assistant District Counsel
Steve Bonafonte, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Sue Negrelli, Director of Engineering
Tom Tyler, Director of Facilities
David Banker, Project Manager
Julie McLaughlin, Special Services Administrator
Nick Salemi, Special Services Administrator
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

Chairman Hoffman called the meeting to order at 4:31 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

Val Rossetti of Bloomfield spoke in opposition to the proposed ordinance revisions.

Judy Allen of West Hartford spoke in opposition to the proposed ordinance revisions.

Beth Kerrigan of West Hartford spoke in opposition to the proposed ordinance revisions.

APPROVAL OF MINUTES

On motion made by District Chairman DiBella and duly seconded, the meeting minutes of January 15, 2020 were approved.

**PROPOSED REVISIONS TO THE WATER AND SEWER ORDINANCES
§ W1a and § S12X**

To: Committee on MDC Government for consideration February 26, 2020

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:

<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>
<u>MONTHLY</u>	\$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 Section12x, 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.

Therefore, it is **RECOMMENDED** that it be

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:

BILLS RENDERED
MONTHLY

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

<u>BILLS RENDERED</u>	<u>RATE</u>
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- 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,



Scott W. Jellison
Chief Executive Officer

On a motion made by Commissioner Taylor and duly seconded, the report was received and adopted by majority vote of those present. Commissioner Magnan opposed.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Independent Consumer Advocate David Silverstone supports removing the Clean Water Project Charge from water that does not return to the sewer.

Val Rossetti of Bloomfield spoke in opposition to the ordinance revisions.

Judy Allen of West Hartford spoke in opposition to the ordinance revisions.

Tollie Miller of Bloomfield spoke in opposition to the ordinance revisions.

Deborah Levine of West Hartford spoke in opposition to the ordinance revisions.

Patricia O'Connor of West Hartford spoke in opposition to the ordinance revisions.

Beth Kerrigan of West Hartford spoke in opposition to the ordinance revisions.

The Connecticut River Conservancy submitted the following written comment:



Connecticut River Conservancy

Clean water. Healthy habitat. Thriving communities.

Lower Valley: deKoven House
27 Washington Street, Middletown, CT 06457
860.704.0057 · www.criver.org

John S. Mirtle, Esq
District Clerk
The Metropolitan District
555 Main Street
Hartford, CT 06142

Dear Mr. Mirtle,

The Connecticut River Conservancy (CRC) submits the following comments regarding the District Water Supply and Sewer Ordinances. Thank you for your consideration and attention to this issue.

CRC opposes volume-based discounted water and Clean Water Project rates for large users (those using over 600,000 gallons/day). This measure would provide a 20% water rate discount and a 75% Clean Water Project charge discount for Niagara Bottling, the only user with potential to achieve a consumption rate of 600,000 gallons/day. To approve such a discount blatantly prioritizes the interests of large corporations over Connecticut citizens in MDC member towns.

Due to increased water conservation efforts and a continued need to improve infrastructure, MDC is faced with a drop in revenue unmatched by a drop in cost. So it seems counter-intuitive to be discounting this water sale so precipitously. Funding infrastructure improvements, such as the Clean Water Project, is essential to supporting the health of our water resources, providing special treatment for high volume customers, while substantially shifting the cost of critical infrastructure improvements onto consumers, is not viable. High volume users should pay their share of these infrastructure projects and should not be given special treatment. We strongly support River Alliance Connecticut's comment that MDC must consider alternative economic development rates not based on volume, as demonstrated by both Regional Water Authority and Connecticut Water Company.

While we support MDC being able to sell water from its well-managed water supply sources, bottled water is not environmentally benign. CRC has dedicated years to combating plastic waste in the Connecticut River Watershed and in 2019, volunteers cleared over 5,000 plastic bottles from the river and its tributaries within two days. While allowing for the growth of the bottling industry in Bloomfield may seem like it will boost revenue for MDC and subsequently lower costs for MDC customers, this does not account for the actual costs of the bottling facility.



**Connecticut River
Conservancy**

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CRC calls on the MDC to withdraw this discount for large corporations and instead seek alternative economic development rates.

Thank you for your consideration,

Kelsey Wentling

ADJOURNMENT

The meeting was adjourned at 6:22 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval