

THE METROPOLITAN DISTRICT COMMISSION

Telephonic Only Meeting
Hartford, Connecticut 06103
Wednesday, November 4, 2020

Present: Commissioners Andrew Adil, John Avedisian, Richard Bush, Donald Currey, William A. DiBella, Peter Gardow, Allen Hoffman, Jean Holloway, Gary LeBeau, Byron Lester, Diane Lewis, Maureen Magnan, Jacqueline Mandyck, Alphonse Marotta, Dominic M. Pane, Bhupen Patel, Pasquale J. Salemi, Raymond Sweezy, Alvin Taylor, Calixto Torres, Richard W. Vicino and James Woulfe (22)

Absent: Commissioner Avery Buell, Daniel Camilliere, James Healy, David Ionno, Mary LaChance, Michael Maniscalco, Jon Petoskey, Michael Solomonides and New Britain Special Representative Michael Carrier (9)

Also

Present: Scott W. Jellison, Chief Executive Officer
Christopher Stone, District Counsel
John S. Mirtle, District Clerk
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Christopher Martin, Chief Financial Officer
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

The meeting was called to order by District Chairman DiBella at 5:35 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.

APPROVAL OF MINUTES

On motion made by Commissioner Sweezy and duly seconded, the meeting minutes of October 5, 2020 were approved.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

Judy Allen of West Hartford spoke regarding the upcoming public hearing

REPORT FROM DISTRICT CHAIRMAN

No report was provided.

REPORT FROM CHIEF EXECUTIVE OFFICER

Scott Jellison, Chief Executive Officer, gave his monthly update and spoke regarding the upcoming public hearing.

REPORT FROM DISTRICT COUNSEL

No report was provided.

BOARD OF FINANCE**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BOND ANTICIPATION NOTES OF THE METROPOLITAN DISTRICT IN AN AMOUNT NOT TO EXCEED \$95,000,000**

To: District Board

November 4, 2020

From: Board of Finance

At a meeting of Board of Finance held on October 28, 2020, it was:

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

BE IT RESOLVED:

SECTION 1. The Metropolitan District (the "District") General Obligation Bond Anticipation Notes (the "Notes"), in an amount not to exceed \$95,000,000, are hereby authorized to be issued in anticipation of the issuance of bonds to fund new money for Capital Improvement Projects (the "Projects") set forth on Exhibit A hereto attached. The Notes are authorized to be issued to fund such portion of the authorized and unissued balances of the capital appropriations contained in certain bond resolutions adopted to finance capital budget items enacted by the District Board in the years and in the amounts set forth on Exhibit A hereto attached. Proceeds of the Notes shall be used on a first-spent basis to temporarily finance the expenditures for any of the purposes or Projects set forth on Exhibit A and for any supplemental purposes or projects the Board of Finance and the District Board may from the date hereof authorize to be financed by the issuance of bonds.

SECTION 2. The Notes shall be dated on or about December 1, 2020 with maturity dates in accordance with the Connecticut General Statutes, as amended, and shall bear interest payable at maturity and be issued in fully registered form. The Notes shall be payable at and certified by U.S. Bank National Association, which bank shall also serve as registrar and transfer agent for the Notes. The Notes may be sold as a single issue or consolidated with any other authorized issues of bonds or notes of the District. The Notes shall be sold by the District Treasurer, or in his absence, the Deputy Treasurer, in a competitive offering or in a negotiated offering, in the discretion of the District Treasurer, or in his absence, the Deputy Treasurer. If sold in a competitive offering, the Notes shall be awarded to the bidder or bidders offering to purchase the Notes at the lowest net interest cost to the District, and in no case for a sum less than par and accrued interest to the date of delivery. The District Treasurer, or in his absence the Deputy Treasurer, is hereby delegated the authority to determine the rate or rates of interest on the Notes, and to deliver the Notes to the purchaser or purchasers thereof in accordance with this resolution.

SECTION 3. The Chairman, or in his absence, the Vice Chairman, and the District Treasurer, or in his absence, the Deputy Treasurer, are authorized to execute and deliver a Tax Certificate and Tax Compliance Agreement and, in the case of a negotiated sale, a Note Purchase Agreement, or similar agreement, for the Notes on behalf of the District in such forms as they shall deem necessary and appropriate, and to rebate to the Federal government such amounts as may be required pursuant to the Tax Certificate for the purpose of complying with the requirements of the Internal Revenue Code of 1986, as amended. The Chairman, or in his absence, the Vice Chairman, and the District Treasurer, or in his absence, the Deputy Treasurer, are authorized to execute and deliver a Continuing Disclosure Agreement and any and all agreements and documents necessary to effect the issuance and sale of the Notes in accordance with the terms of this resolution.

Respectfully Submitted,



John S. Mirtle
District Clerk

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

**BOARD OF FINANCE
AUTHORIZATION FOR CAPITAL IMPROVEMENT PROJECT**

To: District Board

November 4, 2020

From: Board of Finance

Bond Counsel prepared the following resolution for your approval.
At a meeting of the Board of Finance held on October 28, 2020, it was:

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

RESOLUTION APPROPRIATING ~~\$4,300,000~~ **\$5,300,000** FOR THE FARMINGTON AVENUE/WEST HARTFORD CENTER WATER MAIN REPLACEMENT PROJECT AND AUTHORIZING THE ISSUANCE OF ~~\$4,300,000~~ **\$5,300,000** OF BONDS OR NOTES OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of ~~\$4,300,000~~ **\$5,300,000** is hereby appropriated for design, construction and inspection costs, engineering and professional fees, materials, equipment, legal fees, financing costs, interest expense on temporary borrowings, and other costs related to the replacement of water mains on Farmington Avenue in West Hartford between Walden Street and Trout Brook Drive. District resources may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. To meet said appropriation ~~\$4,300,000~~ **\$5,300,000** of bonds of the District are authorized to be issued in one or more series in accordance with applicable General Statutes of Connecticut, Revision of 1958, as amended to date and as amended from time to time in the future, public acts of the Connecticut General Assembly, as amended to date and as amended from time to time in the future, and special acts of the Connecticut General Assembly, as amended to date and as amended from time to time in the future (together, "Connecticut laws"), and the District's Charter. The form, date, maturities and other details of such authorized but unissued bonds shall be hereafter determined by the District Board acting in accordance with the District's Charter. Said bonds shall be issued in fully registered form, be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or Vice Chairman and the Treasurer or the Deputy Treasurer, and bear the District seal or a facsimile thereof. The bonds may be secured by the full faith and credit of the District and/or by special revenues of the District pledged thereto by the District Board, in accordance with Connecticut laws and the District's Charter. Each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with and that such bond is within every debt and other limit prescribed by law. The aggregate principal amount of the bonds to be issued, the form of issuance as serial, term or discount bonds, the dated date, final maturity, annual installments of principal, whether interest on the bonds will be fixed or variable, the rate or rates of interest, or method of determining interest rates thereon, whether such interest shall be excluded or included in gross

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

Section 3. The Treasurer and the Deputy Treasurer are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes or certificates of indebtedness evidencing such borrowings may be sold by competitive bid or negotiated sale, as determined by the Treasurer or Deputy Treasurer, in such manner as shall be determined by said officers. Said notes or certificates of indebtedness shall be issued in fully registered form, be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer, and bear the District seal or a facsimile thereof. The notes or certificates of indebtedness may be secured by the full faith and credit of the District and/ or by special revenues of the District pledged thereto by the District Board, in accordance with Connecticut laws and the District's Charter. Each of the notes shall recite that every requirement of law relating to its issue has been duly complied with and that such note is within every debt and other limit prescribed by law. The net interest cost on such notes or certificates of indebtedness, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the project. Upon the sale of the bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on such notes or certificates of indebtedness then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 4. In connection with the issuance of the bonds, notes or certificates of indebtedness authorized hereunder ("Authorized Obligations"), the District Board is hereby authorized to approve the terms and conditions of, including necessary covenants, limitations and restrictions on the District necessary to obtain, standby bond purchase agreements, letters of credit, lines of credit, financial guaranty insurance policies, guarantees of the District or third parties, surety agreements, or any similar agreements ("Credit Facilities") with one or more financial institutions providing Credit Facilities ("Credit Facility Providers") to provide for additional security for and the purchase upon tender of the Authorized Obligations, if any, under circumstances set forth in the Indentures (defined herein). Credit Facilities shall

be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer.

Section 5. In connection with the issuance of Authorized Obligations and interim funding obligations in anticipation of project loan obligations and project loan obligations under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended, the so-called "Drinking Water Program" ("Drinking Water Obligations"), the District Board is hereby authorized to approve the terms and conditions of indentures of trust or other instruments of trust ("Indentures") with commercial banks or national banking associations with trust powers or trust companies to be appointed by the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer ("Trustees"), which provide for, among other things, the rate of rates of interest, or method of determining interest rates thereon, procedures for conducting auctions in an auction rate mode, the denominations, the tender rights of holders, if any, the rights of redemption and redemption prices, the payment of certain fees, the imposition of certain covenants, limitations and restrictions on the District necessary to issue the variable rate bonds, and the execution of various other instruments. Indentures shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer. The Chairman or Vice Chairman and the Treasurer or Deputy Treasurer are authorized to execute and deliver to the State of Connecticut a project loan and project grant agreement under the State's Drinking Water Program and apply for and accept or reject any federal, state or other grants-in-aid for the project.

Section 6. In connection with the issuance of Authorized Obligations bearing interest at variable interest rates, the District Board is hereby authorized to approve the terms and conditions of, including necessary covenants, limitations and restrictions on the District necessary to enter into, remarketing agreements, broker-dealer agreements, auction agency agreements and other agreements (the "Reoffering Agreements") with remarketing agents, investment banking firms or other financial institutions to be appointed by the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer ("Reoffering Agents"), which provide for, among other things, the terms and conditions for reoffering Authorized Obligations bearing interest at variable interest rates, the Reoffering Agents' compensation and the disclosure of the District's financial condition. Reoffering Agreements shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer.

Section 7. In connection with the issuance of Authorized Obligations, if permitted by Connecticut laws and the District's Charter, the District Board is hereby authorized to approve the terms and conditions of, including necessary covenants, limitations and restrictions on the District necessary to obtain, an interest rate swap agreement in the form of the International Swaps and Derivatives Association, Inc. (ISDA) Master Agreement, together with applicable annexes, schedules and

confirmations thereto, contracts to manage interest rate risk, including interest rate caps, options, puts, call or similar arrangements, or such other agreements permitted by Connecticut laws and the District's Charter ("Swap Agreements"), with one or more counterparties to be selected by the Chairman or Vice Chairman and Treasurer or Deputy Treasurer, as Swap Provider (the "Swap Providers"), which provides for, among other things, the effective date or dates of the Swap Agreements, the rate of interest to be paid by the District to the Swap Providers on the principal amount of the bonds (which may be a fixed rate or a variable rate based on an index determined by the Chairman or Vice Chairman and Treasurer or Deputy Treasurer), the rate of interest to be received by the District from the Swap Providers (which may be a fixed rate or a variable rate based on an index determined by the Chairman or Vice Chairman and Treasurer or Deputy Treasurer), the payment of certain fees, the imposition of certain covenants, limitations and restrictions on the District and the execution of various other instruments. Swap Agreements shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or Vice Chairman and the Treasurer or Deputy Treasurer. To the extent provided by Connecticut laws, the full faith and credit of the District may be pledged to any and all payments to be made by the District with respect to the Swap Agreements, including, any termination or netting payments to be made by the District.

Section 8. The Chairman or Vice Chairman and Treasurer or Deputy Treasurer are hereby authorized, on behalf of the District, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB of material events as enumerated in the Securities and Exchange Commission Securities Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds, notes and certificates of indebtedness authorized by this resolution. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 9. The District hereby expresses its official intent pursuant to Treasury Regulations Section 1.150-2 to reimburse expenditures of not more than \$4,300,000 paid up to 60 days prior to the date of passage of this Resolution in connection with the Resolution with the proceeds of Authorized Obligations or Drinking Water Obligations. Said obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or such later date the Regulations may authorize. The District hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Chairman or Vice Chairman and the Treasurer or Deputy Treasurer is each individually authorized to pay project expenses in accordance herewith pending the issuance of the Authorized Obligations. This Section is included herein solely for purposes of compliance with Treasury Regulations Section 1.150-2 and may not be used or relied on for any other purpose.

Section 10. In connection with the issuance of Authorized Obligations and Drinking Water Obligations, the District Board is hereby authorized to, and if any such action shall heretofore have been taken, such action is hereby ratified and confirmed, (a) publish such notices, hold such hearings, make such representations and agreements, and take such other actions as shall be necessary to enable bond counsel to render its opinions as to the validity of the said obligations and the exclusion of the interest thereon, if applicable, from gross income for federal income tax purposes, (b) make, execute and deliver all such additional and supplemental documents, including, but not limited to any tax compliance agreements, tax certificates, tax forms, investment agreements or assignments, and (c) do and perform such acts and take such actions as may be necessary or required for the consummation of the transactions provided for and contemplated by this Resolution.

Section 11. The District Board finds this project a single item of capital expense not regularly recurring.

Respectfully Submitted,



John S. Mirtle
District Clerk

Chairman Salemi moved to amend the resolution, as shown above in redline. The amendment was duly seconded and adopted by unanimous vote.

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

**PERSONNEL, PENSION AND INSURANCE COMMITTEE
PENSION DISCOUNT RATE & ADOPTION OF PUB 2010 MORTALITY
TABLES**

To: District Board

November 4, 2020

From: Personnel, Pension and Insurance Committee

At a meeting of the Personnel, Pension and Insurance Committee held on October 20, 2020, it was:

RESOLVED that the pension discount rate be decreased from 7% to 6.875% and to adopt the revised mortality tables PUB 2010 effective for the January 1, 2020 valuation.

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.

**PERSONNEL, PENSION AND INSURANCE COMMITTEE
OPEB DISCOUNT RATE & ADOPTION OF PUB 2010 MORTALITY TABLES**

To: District Board

November 4, 2020

From: Personnel, Pension and Insurance Committee

At a meeting of the Personnel, Pension and Insurance Committee held on October 20, 2020, it was:

RESOLVED that the OPEB discount rate be increased from 4% to 6.875% and to adopt the revised mortality tables PUB 2010 effective for the January 1, 2020 valuation.

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.

Without objection, Chairman DiBella added General Public Comments to the agendas.

GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner Salemi spoke regarding the Independent Consumer Advocates question on budgeting \$1.3 million for the Colebrook River Dam Operations and Maintenance. This topic will be further addressed at the upcoming Board of Finance meeting.

Commissioner Pane spoke regarding funds reimbursed to the MDC for the Clean Water Project and if the MDC can use any funds to keep the budget increase at 0%.

Commissioner Sweezy asked about the date of the upcoming Board of Finance meeting.

Commissioner Currey thanked Chairman DiBella for his work during these difficult times.

ADJOURNMENT

The meeting was adjourned at 6:24 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval