

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street, Hartford
Wednesday, February 1, 2023**

PRESENT: Commissioners Andrew Adil, Donald Currey, Allen Hoffman, Pasquale J. Salemi and District Chairman William DiBella; Citizen Member Awet Tsegai (6)

REMOTE ATTENDANCE: Citizen Member Linda Russo (1)

ABSENT: Citizen Members Drew Iacovazzi, Linda King-Corbin and Nick Lebron (3)

ALSO PRESENT: Commissioner Jean Holloway
Commissioner Byron Lester
Commissioner Jacqueline Mandyck
Commissioner Alvin Taylor
Commissioner Joan Gentile (Remote Attendance)
Commissioner Dominic Pane (Remote Attendance)
Scott W. Jellison, Chief Executive Officer
Christopher Stone, District Counsel
John S. Mirtle, District Clerk
Chris Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Robert Barron, Chief Financial Officer
Jamie Harlow, Director of Human Resources
Susan Negrelli, Director of Engineering
Robert Schwarm, Director of Information Services (Remote Attendance)
Thomas Tyler, Director of Facilities
Dave Rutty, Director of Operations
Tra Phan, Controller (Remote Attendance)
David Baker, IT Consultant (Remote Attendance)
Carrie Blardo, Assistant to the Chief Executive Officer
Julie Price, Executive Assistant
Joseph Szerejko, Independent Consumer Advocate

CALL TO ORDER

Chairperson Salemi called the meeting to order at 5:21 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by Commissioner Adil and duly seconded, the meeting minutes of the Board of Finance meeting of November 9, 2022 were approved.

Without objection, Commissioner Salemi took up agenda item #5 “State of CT Financing – DWSRF 2023-7110” prior to agenda item #4 “Amended Meeting Minutes of February 9, 2022”

**APPROVAL FOR STATE OF CONNECTICUT FINANCING
DWSRF 2023-7110**

To: Board of Finance for consideration on February 1, 2023

Staff seeks approval from your Board to execute and deliver the Interim Funding Obligation and/or Project Loan Obligation to the State of Connecticut for DWSRF 2023-7110 having a principal amount of \$1,934,303.55 and having an interest rate of 2.00%.

The low interest loan and accompanying grant will fund the replacement of water mains in the Boulevard & Garfield Road Area in West Hartford.

The State of Connecticut, through the Drinking Water State Revolving Fund Program, will provide \$2,084,303.55 in state funding with \$150,000.00 in grants and \$1,934,303.55 in low interest loans at 2.00% to fund the expenses associated with this agreement.

Bond Counsel prepared the following resolution for your approval.

It is therefore RECOMMENDED that it be

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

RESOLVED:

Section 1. 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 the Project Loan and Subsidy Agreement DWSRF 2023-7110 to be entered into with the State of Connecticut (the “Agreement”) and any and all Interim Funding Obligations and Project Loan Obligations for DWSRF 2023-7110 in the aggregate amount not to exceed \$1,934,303.55, to fund the replacement of water mains and associated appurtenances in the vicinity of Boulevard and Garfield Road in West Hartford, Connecticut. All previous actions taken by the District, including the actions of the Chairman, or in his absence, the Vice-Chairman, and the District Treasurer, or in his absence, the Deputy Treasurer, related to the Agreement and any and all related

documents, shall hereby be ratified and confirmed. Such Interim Funding Obligations shall be dated as of their date of issue, shall mature within six months of the Scheduled Completion Date, as defined in the Agreement, shall bear interest at a 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. Capitalized terms used herein and not defined shall have the meanings ascribed to them in the Agreement.

Section 2. 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 a rate of two percent (2.00%) per annum and shall be payable as to principal and interest as provided in the Agreement.

Respectfully Submitted,



Scott W. Jellison
Chief Executive Officer

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

Without objection, Commissioner Salemi took up agenda item #6 "Banking Services Update" prior to agenda item #4 "Amended Meeting Minutes of February 9, 2022"

BANKING SERVICES UPDATE

Robert Barron, Chief Financial Officer, provided an update on banking services. He stated that a banking services RFP has been awarded to JP Morgan. The current banking contract with Webster Bank was extended to allow for the transition to JP Morgan.

APPROVAL OF AMENDED MEETING MINUTES OF FEBRUARY 9, 2022

To: Board of Finance for consideration on February 1, 2023

VOTED: That the Board of Finance hereby approve the following resolution

RESOLVED: The meeting minutes of February 9, 2022 be amended as shown below in redline to include a memorandum read into the record by Chairperson Salemi:

*****Amendment to the February 9, 2022 Board of Finance meeting minutes starting on page 7 of the 2022 Board of Finance minutes.*****

DISPOSITION OF SURPLUS LAND

Commissioner Salemi made the following statement:

To; Members of the MDC Board of Finance

On Wednesday October 27th, 2021, the MDC's Board of Finance approved a resolution which establishes a Program to "identify Surplus Lands of the Metropolitan District eligible for sale ..." This Program represents a continuation of a program begun many years ago which eventually led to the sale of some of the Glastonbury property, (formerly lands of the East Hartford Water Company), the Tolland Street property in East Hartford, (also formerly of the East Hartford Water Company) and currently the possible sale or transfer of the Manchester property, (remaining acreage from the Glastonbury sale).

Inasmuch as this work continued after the Glastonbury sale as previously authorized, in September of this year, a new authorization to utilize District staff as in the past and external services as well, was required to continue. As noted above the Board has authorized District staff to proceed and I hereby request the establishment of a Budget item to continue the use of external services as before. The Memorandum below describes the services provided. Currently this work is suspended until such time as a budget item is established in order to proceed with work as planned.

Resolution offered by: Commissioner Pasquale Salemi

Continuation of Program for Disposition of MDC "Surplus Lands"

With the objective of identifying District land holdings which are deemed "unneeded non-watershed land" and determining the most efficient and profitable means of both relieving the District of the cost of maintaining the parcels and realizing the highest value from sale, an initial undertaking identified the prospective properties eligible for disposition.

1. Two parcels within the City of Hartford were considered; 45 Granby Street and 101 Walnut Street both were found to be currently inappropriate for sale by reason of use restriction or future District need.
2. Parcels selected after review of the holdings eligible for disposition: the following properties were chosen after review with staff:
 - a) Parcel number 22 Ratland Road, New Hartford = 4 acres
 - b) Parcels 23 and 23A, Barkhamsted = 93 acres
 - c) Parcel 3, Burlington = 75 acres
 - d) Parcel 32, Burlington = 4 acres
3. Together with District Staff each property will be analyzed to include:

- a) mapping to identify abutting owner property characteristics, encumbrances, access limitations and property conditions, wetlands, slope, etc) as well as any biological or archeological claims;
- b) The requirements of District Charter and Ordinances, as well as State regulations or conditions for required offerees and procedures for sale will be established;
- c) The "tax" consequences of the sale or transfer of lands currently owned by a Public entity (i.e.; the MDC), quasi-Public or non-profit and taxed as such, to private ownership and whether P.A. 490 could be utilized by private ownership to reduce or otherwise discount local property tax on lands not planned for "development".
- d) The most efficient, least costly and most profitable method for offering the parcels for the highest and best use for the District to realize the maximum value including offer to the municipality, private sale or proffer for open space or other reservation for public land use or land trust acquisition; and
- e) Together with mapping, land use and limitations study, market value determination, District and State approvals requirement determination and means of offering to prospective purchaser will be set to timelines to assure a committed and responsible project progress.

Based on recent work efforts and estimates of possible values in private sales we identified what we believe could be \$2,000,000.00 in proceeds from future sales.

The resolution of October 27th allows District Staff to provide services in pursuit of the goals of the resolution and hereby request an authorization to create a budget item for use in assigning and paying for external services.

We believe the work effort for external services (legal, appraisals and surveying/mapping) would be less than for recent sales and could collect sufficient information to turn over to the Committee of Cognizance or the District Board for creation of and/or publication of an RFP for said surplus lands with a reasonable effort.

We suggest here an amount of \$75,000.00 which represents about 3.5% of the estimated sales of six properties. The amount would be added to the 2022 Budget and no invoices will be submitted against it until the Budget is approved.

Now therefore, I move to establish a budget item for external services to be used in conjunction with staff services to pursue the "Program" as described throughout 2022.

District Chairman DiBella made the following motion:

Now therefore resolved to establish a budget item for external services to be used in conjunction with staff services to pursue the "program" as described in the October 27, 2021 Board of Finance Resolution herein for 2022 and transfer the sum of \$50,000 from the "Legal-Collection" budget to a new line item within the legal budget for this purpose.

The motion was duly seconded and adopted by unanimous vote of those present.

******End of February 9, 2022 Board of Finance amended minutes******

On motion made by District Chairman DiBella, the meeting minutes of February 9, 2022 were amended as shown above in redline by unanimous vote

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

Commissioner Tsegai exited the meeting at 6:38 PM

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner Currey suggested that the minutes to be approved be sent out as part of the agenda packet.

Commissioner Taylor spoke about an article in the Hartford Courant regarding EPA and various meetings about flooding and sewer backups. He remembers an incident in West Hartford where residents were compensated for flooding and wants to ensure everyone is treated equitably.

District Chairman DiBella inquired if insurance paid for residents' damage from the West Hartford sewer lining failure.

Commissioner Salemi noticed that the Charter specifies Hartford is allowed to have combined sewers, but other towns are not. Other member towns have separated storm sewers. The recent Journal Inquirer article states that there is a lot of Federal, State and local money available to do sewer separation.

Commissioner Currey stated that a troubling aspect regarding the Hartford Courant Article is that CT DEEP took the position that the MDC should pay for a situation in which the MDC is not responsible.

Commissioner Hoffman recalled a flooding situation many years ago at the Maple Avenue MEWs in Hartford, but did not recall the outcome.

ADJOURNMENT

The meeting was adjourned at 6:41 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval