



**BOARD OF FINANCE
REGULAR MEETING
MONDAY, MAY 20, 2024
5:30 PM**

<u>Location</u>	<u>Commissioners</u>	<u>Citizen Members</u>
Board Room District Headquarters 555 Main Street, Hartford	Adil Currey (Ex-Officio) Hoffman (VC) Salemi (C)	Iacovazzi King-Corbin Russo Tsegai
Dial in #: (415)-655-0001 Access Code: 2304 520 9188# Meeting Video Link	Quorum: 5	

1. CALL TO ORDER
2. PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS
3. APPROVAL OF MEETING MINUTES OF APRIL 29, 2024
4. CONSIDERATION AND POTENTIAL ACTION RE: \$2,600,000 APPROPRIATION FOR THE INSTALLATION OF STORM SEWERS FOR PUBLIC STORM SEWER SERVICE WITHIN THE DISTRICT'S COMBINED SEWER SERVICE AREA IN THE VICINITY OF THE ARROWHEAD AND FLATIRON DEVELOPMENTS IN HARTFORD AND AUTHORIZING THE ISSUANCE OF \$2,600,000 OF BONDS OR NOTES OF THE DISTRICT TO MEET SAID APPROPRIATION
5. OPPORTUNITY FOR GENERAL PUBLIC COMMENTS
6. COMMISSIONER REQUESTS FOR FUTURE AGENDA ITEMS
7. ADJOURNMENT

**BOARD OF FINANCE
APPROPRIATION OF \$2,600,000 FOR 2024 ASSESSABLE SEWER PROGRAM
AUTHORIZATION FOR ISSUANCE OF BONDS OR NOTES NOT TO EXCEED
\$2,600,000**

To: Board of Finance

May 20, 2024

Program – Assessable Sewer Program – Arrowhead/Flatiron Development

<u>Amount</u>	<u>Project #</u>	<u>Fund</u>
\$2,600,000		3110

Description

Installation of storm sewers resulting from property owner requests for public storm sewer service within the District's combined sewer service area in the vicinity of the Arrowhead and Flatiron developments in Hartford. This project includes design, construction and project administration. District forces may be utilized for this program. District costs may include salary, benefits and overhead.

Purpose

To provide public storm sewer service to property owners within the District's service area in the vicinity of the Arrowhead and Flatiron developments in Hartford by extending local storm sewers.

Future Appropriations

Additional appropriation requests for similar requests may be anticipated over the next four years.

Bond Language

Project is appropriated for installation of storm sewers resulting from property owner requests for public storm sewer service within the District's combined sewer service area in the vicinity of the Arrowhead and Flatiron developments in Hartford. This project includes design, construction, project administration, legal, administrative and other financing costs related thereto. District forces may be utilized for this program. District costs may include salary, benefits and overhead.

Funding Sources

Assessable Sewer Fund will be used to the fund the project. Bonds or notes of the District are authorized to be issued in accordance with applicable General Statutes of Connecticut. This project may also be eligible for CT DEEP CWF Financing.

Bond Counsel prepared the following resolution.

It is **RECOMMENDED** that it be

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

following resolution:

RESOLUTION APPROPRIATING \$2,600,000 FOR THE INSTALLATION OF STORM SEWERS FOR PUBLIC STORM SEWER SERVICE WITHIN THE DISTRICT'S COMBINED SEWER SERVICE AREA IN THE VICINITY OF THE ARROWHEAD AND FLATIRON DEVELOPMENTS IN HARTFORD AND AUTHORIZING THE ISSUANCE OF \$2,600,000 OF BONDS OR NOTES OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$2,600,000 is hereby appropriated for design, construction and inspection costs, engineering and professional fees, materials, equipment, project administration, legal fees, administrative and financing costs, interest expense on temporary borrowings, and other costs related to the installation of storm sewers for public storm sewer service within the District's combined sewer service area in the vicinity of the Arrowhead and Flatiron developments in Hartford (collectively, the "Project"). District resources may be utilized for the Project. The District costs may include salary, benefits and overhead. The District's Assessable Sewer Fund may be utilized as the funding source for the Project and for the payment of debt service on bonds or notes issued to pay for the Project.

Section 2. To meet said appropriation \$2,600,000 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 the 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 negotiated sale, the Chairman or Vice Chairman and Treasurer or Deputy Treasurer are hereby authorized, on behalf of the District, to enter into a bond purchase agreement for the sale of the bonds.

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. The Chairman or the Vice Chairman and the Treasurer or the Deputy Treasurer are authorized in the name and on behalf of the District to apply for and accept or reject any and all federal and state loans and/or grants-in-aid for the Project and are further authorized to expend said funds in accordance with the terms thereof and to execute and deliver to the State of Connecticut one or more project loan and project grant agreements ("Project Loan and Grant Agreements") under the State's Clean Water Fund Program (as defined below). To meet any portion of the costs of the Project determined by the State of Connecticut Department of Energy and Environmental Protection to be eligible for funding under Section 22a-478 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Clean Water Fund Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Clean Water Fund Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following the recommendation of the Board of Finance. Clean Water Fund Obligations, Project Loan and Grant Agreements and any other instruments, agreements or certificates under the Clean Water Fund Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or the Vice Chairman and the Treasurer or Deputy Treasurer, and bear the District seal or a

facsimile thereof. The aggregate principal amount of the Clean Water Fund Obligations to be issued, the dated date, final maturity, rate or rates of interest, the date, time of issue and sale and all other terms, details and particulars of such Clean Water Fund Obligations, subject to the provisions of the Clean Water Fund Program, shall be determined by the District Board, following the recommendation of the Board of Finance. Clean Water Fund Obligations may be secured by the full faith and credit of the District and/or by special revenues of the District pledged therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Clean Water Fund Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

Section 5. The Chairman or the Vice Chairman and the Treasurer or the Deputy Treasurer are authorized in the name and on behalf of the District to apply for and accept or reject any and all federal and state loans and/or subsidies for the Project and are further authorized to expend said funds in accordance with the terms thereof and to execute and deliver to the State of Connecticut one or more project loan and subsidy agreements ("Project Loan and Subsidy Agreements") under the State's Drinking Water Program (as defined below). To meet any portion of the costs of the Project determined by the State of Connecticut Department of Public Health to be eligible for funding under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Drinking Water Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Drinking Water Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following the recommendation of the Board of Finance. Drinking Water Obligations, Project Loan and Subsidy Agreements and any other instruments, agreements or certificates under the Drinking Water Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman or the Vice Chairman and the Treasurer or Deputy Treasurer, and bear the District seal or a facsimile thereof. The aggregate principal amount of the Drinking Water Obligations to be issued, the dated date, final maturity, rate or rates of interest, the date, time of issue and sale and all other terms, details and particulars of such Drinking Water Obligations, subject to the provisions of the Drinking Water Program, shall be determined by the District Board, following the recommendation of the Board of Finance. Drinking Water Obligations may be secured by the full faith and credit of the District and/or by special revenues of the District pledged therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Drinking Water Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

Section 6. In connection with the issuance of the bonds, notes or certificates of indebtedness authorized hereunder, including Clean Water Fund Obligations and Drinking Water Obligations (collectively, the "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 7. In connection with the issuance of the Authorized 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.

Section 8. In connection with the issuance of the 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 the 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 9. In connection with the issuance of the 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, together with applicable annexes, schedules and confirmations thereto, contracts to manage interest rate risk, including interest rate caps, options, puts, calls 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 10. 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") or any other information depository, and to provide notices to the MSRB or such depository 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 11. The District hereby expresses its official intent pursuant to Treasury Regulations Section 1.150-2 to reimburse expenditures of not more than \$2,600,000 paid up to sixty (60) days prior to the date of passage of this Resolution in connection with the Project with the proceeds of the Authorized Obligations. Said obligations shall be issued to reimburse such expenditures not later than eighteen (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 are 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 12. In connection with the issuance of the Authorized 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 13. The District Board finds this Project a single item of capital expense not regularly recurring.

Respectfully submitted,

A handwritten signature in black ink that reads "John Mirtle". The signature is written in a cursive style with a large, prominent initial "J".

John S. Mirtle
District Clerk

**BOARD OF FINANCE
REGULAR MEETING
The Metropolitan District
555 Main Street, Hartford
Monday, April 29, 2024**

PRESENT: Commissioners Allen Hoffman and Pasquale J. Salemi; Citizen Members Linda Russo (3)

REMOTE

ATTENDANCE: Commissioner Andrew Adil; District Chairman Donald Currey and Citizen Members Linda King-Corbin and Awet Tsegai (4)

ABSENT: Citizen Member Drew Iacovazzi (1)

ALSO

PRESENT:

Commissioner William DiBella
Commissioner Georgiana Holloway
Commissioner Dominic Pane
Commissioner Alvin Taylor
Scott W. Jellison, Chief Executive Officer
Christopher Stone, District Counsel (Remote Attendance)
John S. Mirtle, District Clerk
Kelly Shane, Chief Administrative Officer
Chris Levesque, Chief Operating Officer
Robert Barron, Chief Financial Officer
Tom Tyler, Director of Facilities
Dylan Pecego, IT Consultant (Remote Attendance)
Jacob Aviles, IT Consultant (Remote Attendance)
Carrie Blardo, Assistant to the Chief Executive Officer
Victoria Escoriza, Executive Assistant

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:31 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MEETING MINUTES OF MARCH 25, 2024

On motion made by Commissioner Hoffman and duly seconded, the meeting minutes of the Board of Finance meeting of March 25, 2024 were approved.

Citizen Member Tsegai entered the meeting virtually at 5:40 PM

BOARD OF FINANCE
APPROVAL OF STATE OF CONNECTICUT FINANCING DWSRF 2023-7120

To: Board of Finance

April 29, 2024

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 2023-7120 having a principal amount of \$4,173,475.50 and having an interest rate of 2.00%.

The low interest loan and accompanying grant will fund the replacement of water mains in the vicinity of Capitol Avenue and surrounding streets in Hartford, CT.

The State of Connecticut, through the Drinking Water State Revolving Fund Program, will provide \$5,673,475.50 in state funding with \$1,500,000 in grants and \$4,173,475.50 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 **RECOMMENDED** that it be

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

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 2023-7120 to be entered into with the State of Connecticut (the "Agreement") and any and all Interim Funding Obligations and Project Loan Obligations for DWSRF 2023-7120 in the aggregate amount not to exceed \$4,173,475.50, to fund the replacement of water mains in the vicinity of Capitol Avenue and surrounding streets in 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, in furtherance of this resolution or otherwise related to the Agreement and any and all related documents, shall hereby be ratified and confirmed in all respects. 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,



John S. Mirtle
District Clerk

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

AUDITOR GOVERNANCE COMMUNICATION

Jessica Aniskoff of Clifton Larsen Allen LLP provided a report on the Auditor Governance Communication.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen of West Hartford stated that she understands the audit is based on accounting standards not the District's Charter, but it might be interesting at some point to compare whether the Charter lives up to the kind of accounting standards being followed.

ADJOURNMENT

The meeting was adjourned at 5:55 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval