

**BOARD OF FINANCE
REGULAR MEETING
The Metropolitan District
555 Main Street, Hartford
Monday, September 30, 2024**

PRESENT: Commissioners Andrew Adil, Allen Hoffman, Pasquale Salemi, Citizen Members Linda Russo and Awet Tsegai, and District Chairman Donald Currey (6)

REMOTE ATTENDANCE: (0)

ABSENT: Citizen Members Drew Iacovazzi and Linda King-Corbin (2)

ALSO PRESENT: Commissioner Esther Clarke (Remote Attendance)
Commissioner Jean Holloway
Commissioner Dominic Pane
Scott W. Jellison, Chief Executive Officer
Christopher Stone, District Counsel (Remote Attendance)
John S. Mirtle, District Clerk
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Robert Barron, Chief Financial Officer
Susan Negrelli, Director of Engineering
David Rutty, Director of Operations
Robert Schwarm, Director of Information Systems
Thomas Tyler, Director of Facilities
Michael Mohr, Controller
Shereese Rodgers, Assistant Budget Manager (Remote Attendance)
JP Avenoso, Financial Analyst (Remote Attendance)
Kim Cummings, Financial Analyst (Remote Attendance)
Kimberly Haynes, Manager of Customer Service
Matt Skehan, Senior Utility Maintenance Supervisor
Julian Tinsley, Senior Utility Maintenance Supervisor
Carrie Blardo, Assistant to the Chief Executive Officer
Victoria Escoriza, Executive Assistant
Amanda Litvak, IT Professional Level Associate (Remote Attendance)
Jacob Aviles, IT Consultant (Remote Attendance)

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:39 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

Judy Allen, of West Hartford, spoke regarding item #6 "Overview of 2025 District Budget" and the water rates of the various water companies shown on the

“Supplemental information” slide at the end of the presentation. She said she would appreciate making budget information as customer friendly as possible and more detail for budget items.

APPROVAL OF MEETING MINUTES

On motion made by Commissioner Adil and duly seconded, the meeting minutes of the Board of Finance meeting of August 26, 2024 were approved.

BOARD OF FINANCE APPROPRIATION INCREASE OF \$2,100,000 FOR 2024 CAPITAL IMPROVEMENT PROGRAM – SEWER AND AUTHORIZATION INCREASE FOR ISSUANCE OF BONDS OR NOTES NOT TO EXCEED \$2,100,000

To: Board of Finance for consideration on September 30, 2024

The following is a request to increase the 2024 Capital Improvement Program by \$2,100,000. This supplemental appropriation will add **\$2,100,000** to Capital Improvement Program - Sewer project **C-24S05**, Hartford Water Pollution Control Facility (WPCF) Continuous Emission Monitoring System (CEMS) Room/Incinerator Upgrades, for a total project appropriation of **\$6,900,000**, as follows:

Original Appropriation

<u>Capital Improvement Program – Sewer</u>		
<i>Approved December 4, 2023</i>	<i>Appropriation</i>	<i>Fund</i>
Hartford Water Pollution Control Facility (WPCF) Continuous Emission Monitoring System (CEMS) Room/Incinerator Upgrades	\$4,800,000	2110

Supplemental Appropriation

<u>Capital Improvement Program – Sewer</u>		
<i>Supplemental Appropriation</i>	<i>Request</i>	<i>Fund</i>
Hartford Water Pollution Control Facility (WPCF) Continuous Emission Monitoring System (CEMS) Room/Incinerator Upgrades	\$2,100,000	2110

Description

Additional funding is needed for engineering, professional fees, inspection services, mechanical, electrical, structural and architectural improvements, material testing and construction costs, instrumentation, materials, equipment, legal fees, financing costs, interest expense on temporary borrowings, and other cost related to the project.

Purpose

To rehabilitate aging infrastructure at the District’s Hartford Water Pollution Control Facility. This project allows the HWPCF to comply with EPA and DEEP air quality regulations.

Future Appropriations

No additional appropriation requests are anticipated over the next year.

Bond Language

The sum of \$2,100,000 is hereby appropriated for upgrades to the Hartford Water Pollution Control facility, including the construction of various improvements at the Sludge Processing Building, improvements to the continuous emissions monitoring system (CEMS) room, upgrades to the overall Incinerator Building HVAC system, including, but not limited to, engineering, professional fees, inspection services, mechanical, electrical, structural and architectural improvements, material testing and construction costs, instrumentation, materials, equipment, legal fees, financing costs, interest expense on temporary borrowings, and other cost related to the project. District resources may be utilized for the project. District costs may include salary, benefits and overhead.

It is **RECOMMENDED** that it be

Voted: That the Board of Finance recommends to the District Board passage of the following resolutions from Bond Counsel:

RESOLUTION MAKING A SUPPLEMENTAL APPROPRIATION OF \$2,100,000 FOR THE DISTRICT'S 2024 CAPITAL IMPROVEMENT PROGRAM – SEWER AND AUTHORIZING THE ISSUANCE OF BONDS OR NOTES OF THE DISTRICT IN AN AMOUNT NOT TO EXCEED \$2,100,000 TO FINANCE SAID APPROPRIATION

WHEREAS, the District Board has resolved to make a supplemental appropriation and issue bonds or notes of the District for the Capital Improvement Program – Sewer project described in the resolution herein; and

WHEREAS, the District Board wishes to determine the form, date or dates, maturities, manner of sale and other details concerning such bonds or notes.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. \$2,100,000 is hereby appropriated for the District's Capital Improvement Program project set forth herein in the 2024 Capital Improvement Program - Sewer Project Supplemental Resolution (the "Resolution"), and bonds or notes of the District in an amount not to exceed \$2,100,000 are authorized to be issued to finance said appropriation. This appropriation is in addition to the appropriation of \$153,517,000 approved on December 4, 2023 by the District's Board of Directors. The bonds are authorized to be issued in one or more series in accordance with the 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 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 2. 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 3. In connection with the issuance of the bonds, notes or certificates of indebtedness authorized hereunder and pursuant to the Resolution ("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 4. In connection with the issuance of Authorized Obligations, interim funding 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”) or under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended, the so-called “Clean Water Fund Program” (“Clean Water Fund 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 and/or project loan and subsidy agreement under the State’s Clean Water Fund Program and 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 5. 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 6. 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, 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 7. 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 8. The District hereby expresses its official intent pursuant to Treasury Regulations Section 1.150-2 to reimburse expenditures of not more than \$2,100,000 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, Drinking Water Obligations or Clean Water Fund 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 as such 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 9. In connection with the issuance of Authorized Obligations, Drinking Water Obligations or Clean Water Fund 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 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 10. The provisions contained in Sections 1 through 9 of this Resolution shall apply to the 2024 Capital Improvement Program - Sewer Project Supplemental Resolution herein; and the District Board hereby finds and determines that the project described in the Resolution is a single item of capital expense not regularly recurring.

2024 CAPITAL IMPROVEMENT PROGRAM – SEWER PROJECT SUPPLEMENTAL RESOLUTION

RESOLUTION APPROPRIATING AN ADDITIONAL \$2,100,000 FOR THE HARTFORD WATER POLLUTION CONTROL FACILITY CONTINUOUS EMISSION MONITORING SYSTEM ROOM AND INCINERATOR UPGRADES AND AUTHORIZING THE ISSUANCE OF BONDS OR NOTES OF THE DISTRICT IN AN AMOUNT NOT TO EXCEED \$2,100,000 TO FINANCE SAID APPROPRIATION

Section 1. The sum of \$2,100,000 is hereby appropriated for upgrades to the Hartford Water Pollution Control (WPCF) facility, including the construction of various improvements at the Sludge Processing Building, improvements to the continuous emissions monitoring system (CEMS) room, upgrades to the overall Incinerator Building HVAC system, including, but not limited to, engineering, professional fees, inspection services, mechanical, electrical, structural and architectural improvements, material testing and construction costs, instrumentation, materials, equipment, legal fees, financing costs, interest expense on temporary borrowings, and other costs related to the project. District resources may be utilized for the project. District costs may include salary, benefits and overhead.

Section 2. To finance said appropriation, \$2,100,000 of bonds or notes of the District are authorized to be issued 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 or notes shall be hereafter determined by the District Board acting in accordance with the District’s Charter.

Section 3. 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 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. 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-475 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 (“Clean Water Fund Obligations”) as the District Board shall determine, in accordance with Connecticut laws and the District’s Charter, following recommendation of the Board of Finance. Clean Water Fund Obligations, project loan and project 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 the 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 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 thereto 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.

Respectfully submitted,



John S. Mirtle, Esq.
District Clerk

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

**BOARD OF FINANCE
APPROPRIATION INCREASE OF \$2,400,000 FOR 2022 CAPITAL IMPROVEMENT
PROGRAM – WATER AND AUTHORIZATION INCREASE FOR ISSUANCE OF BONDS OR
NOTES NOT TO EXCEED \$2,400,000**

To: Board of Finance for consideration on September 30, 2024

The following is a request to increase the 2022 Capital Improvement Program by \$2,400,000. This supplemental appropriation will add **\$2,400,000** to the Water Capital Improvement Program Project **C-22004**, Hartford Hospital Area Water Main Replacement, for a total project appropriation of **\$9,500,000**, as follows:

Original Appropriation

Capital Improvement Program – Water		
<i>Approved December 6, 2021</i>	<i>Appropriation</i>	<i>Fund</i>
Hartford Hospital Area Water Main Replacement	\$7,100,000	2120

Supplemental Appropriation

Capital Improvement Program – Water		
<i>Supplemental Appropriation</i>	<i>Request</i>	<i>Fund</i>
Hartford Hospital Area Water Main Replacement	\$ 2,400,000	2120

Description

Additional funding is needed for engineering, professional fees, inspection services, mechanical, electrical, structural and architectural improvements, material testing and construction costs, instrumentation, materials, equipment, legal fees, financing costs, interest expense on temporary borrowings, and other cost related to the project.

Purpose

To replace aging and undersized water mains with multiple break history.

Future Appropriations

No additional appropriation requests are anticipated over the next year.

Bond Language

The sum of \$2,400,000 is hereby appropriated to update the Hartford Hospital Area Water Main Replacement, including but not limited to engineering professional fees, inspection services, mechanical, electrical, structural and architectural improvements, material testing and construction costs, instrumentation, materials, equipment, legal fees, financing costs, interest expense on temporary borrowings, and other cost related to the project. District resources may be utilized for the project. District costs may include salary, benefits and overhead.

Funding Sources

Project is eligible for a loan under the State of Connecticut DWSRF. However, funding is a condition of priority ranking and fund availability.

It is **RECOMMENDED** that it be

Voted: That the Board of Finance recommends to the District Board passage of the following resolutions from Bond Counsel:

RESOLUTION MAKING A SUPPLEMENTAL APPROPRIATION OF \$2,400,000 FOR THE DISTRICT’S 2022 CAPITAL IMPROVEMENT PROGRAM – WATER AND AUTHORIZING THE ISSUANCE OF BONDS OR NOTES OF THE DISTRICT IN AN AMOUNT NOT TO EXCEED \$2,400,000 TO FINANCE SAID APPROPRIATION

WHEREAS, the District Board has resolved to make a supplemental appropriation and issue bonds or notes of the District for the Capital Improvement Program – Water project described in the resolution herein; and

WHEREAS, the District Board wishes to determine the form, date or dates, maturities, manner of sale and other details concerning such bonds or notes.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. \$2,400,000 is hereby appropriated for the District’s Capital Improvement Program project set forth herein in the 2022 Capital Improvement Program - Water Project Supplemental Resolution (the “Resolution”), and bonds or notes of the District in an amount not to exceed \$2,400,000 are authorized to be issued to finance said appropriation. This appropriation is in addition to the appropriation of \$94,600,000 approved on December 6, 2021 by the District’s Board of Directors. The bonds are authorized to be issued in one or more series in accordance with the 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 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 2. 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 3. In connection with the issuance of the bonds, notes or certificates of indebtedness authorized hereunder and pursuant to the Resolution ("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 4. In connection with the issuance of Authorized Obligations, interim funding 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”) or under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended, the so-called “Clean Water Fund Program” (“Clean Water Fund 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 and/or project loan and subsidy agreement under the State’s Clean Water Fund Program and 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 5. 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 6. 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, 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 7. 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 8. The District hereby expresses its official intent pursuant to Treasury Regulations Section 1.150-2 to reimburse expenditures of not more than \$2,400,000 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, Drinking Water Obligations or Clean Water Fund 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 as such 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 9. In connection with the issuance of Authorized Obligations, Drinking Water Obligations or Clean Water Fund 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 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 10. The provisions contained in Sections 1 through 9 of this Resolution shall apply to the 2022 Capital Improvement Program - Water Project Supplemental Resolution herein; and the District Board hereby finds and determines that the project described in the Resolution is a single item of capital expense not regularly recurring.

2022 CAPITAL IMPROVEMENT PROGRAM - WATER PROJECT SUPPLEMENTAL RESOLUTION

RESOLUTION APPROPRIATING AN ADDITIONAL \$2,400,000 FOR THE HARTFORD HOSPITAL AREA WATER MAIN REPLACEMENT PROJECT AND AUTHORIZING THE ISSUANCE OF BONDS OR NOTES OF THE DISTRICT IN AN AMOUNT NOT TO EXCEED \$2,400,000 TO FINANCE SAID APPROPRIATION

Section 1. The sum of \$2,400,000 is hereby appropriated for the Hartford Hospital Area Water Main Replacement, including but not limited to engineering, professional fees, inspection services, mechanical, electrical, structural and architectural improvements, material testing and construction costs, instrumentation, materials, equipment, legal fees, financing costs, interest expense on temporary borrowings, and other costs related to the project. District resources may be utilized for the project. District costs may include salary, benefits and overhead.

Section 2. To finance said appropriation, \$2,400,000 of bonds or notes of the District are authorized to be issued 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 or notes shall be hereafter determined by the District Board acting in accordance with the District's Charter.

Section 3. 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 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. 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-475 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 ("Clean Water Fund Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Clean Water Fund Obligations, project loan and project 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 the 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 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 thereto 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.

Respectfully submitted,



John S. Mirtle, Esq.
District Clerk

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

OVERVIEW OF 2025 DISTRICT BUDGET

Robert Barron, Chief Financial Officer, presented an overview of the proposed budget for 2025.

At 6:46 PM, Chairman Salemi relinquished the Chair to Vice-Chairman Hoffman and stepped out of the meeting.

At 6:48 PM, Chairman Salemi returned to the meeting and assumed Chair.

METER PITS

Chris Levesque, Chief Operating Office, discussed meter pits, including associated costs.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen, of West Hartford, appreciated CEO Scott Jellison's explanations regarding the rates but reinforced her concern about the charts and tables over simplifying the budget information.

ADJOURNMENT

The meeting was adjourned at 7:51 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval