

THE METROPOLITAN DISTRICT COMMISSION

555 Main Street

Hartford, Connecticut 06103

Monday, August 7, 2017

Present: Commissioners Andrew Adil, John Avedisian, Clifford Avery Buell, Luis Caban, Daniel Camilliere, Donald M. Currey, William A. DiBella, Timothy J. Fitzgerald, Peter Gardow, Allen Hoffman, David Ionno, Kathleen J. Kowalyshyn, Byron Lester, Maureen Magnan, Alphonse Marotta, Whit Osgood, Dominic M. Pane, Pasquale J. Salemi, Michael Solomonides, Alvin Taylor and Richard W. Vicino (21)

Absent: Commissioners Mary Anne Charron, Janice Flemming-Butler, Matthew B. Galligan, Jean Holloway, William P. Horan, Sandra Johnson, Bhupen Patel, J. Lawrence Price, Raymond Sweezy and Special Representative Michael Carrier (10)

Also

Present: Citizen Member Ron Angelo
Scott W. Jellison, Chief Executive Officer
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
R. Bartley Halloran, District Counsel
Christopher R. Stone, Assistant District Counsel
Brendan Fox, Assistant District Counsel
John S. Mirtle, District Clerk
Susan Negrelli, Director of Engineering
Robert Zaik, Interim Director of Human Resources
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Nick Salemi, Special Services Administrator
Kerry E. Martin, Assistant to the Chief Executive Officer
Cynthia A. Nadolny, Executive Assistant

CALL TO ORDER

The meeting was called to order by Chairman DiBella at 5:39 PM

ROLL CALL AND QUORUM

The District Clerk called the roll and informed Chairman DiBella 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.

PLEDGE OF ALLEGIANCE

Those in attendance stood and recited the Pledge of Allegiance.

SWEARING IN NEW COMMISSIONER

The District Clerk swore in Commissioners Clifford Avery Buell and Timothy Fitzgerald.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by Commissioner Camilliere and duly seconded, the meeting minutes of June 19, 2017 were approved. Commissioners Magnan, Adil, Fitzgerald and Buell abstained.

REPORT FROM DISTRICT CHAIRMAN

No report delivered by the District Chairman

REPORT FROM CHIEF EXECUTIVE OFFICER

Scott W. Jellison presented the Chief Executive Officer's Report.

At 5:52pm, Commissioner Avedisian entered the meeting.

REPORT FROM DISTRICT COUNSEL

R. Bartley Halloran delivered the District Counsel report.

BOARD OF FINANCE**DISCUSSION RE: CITY OF HARTFORD AND STATE OF CT BUDGET IMPACTS
ON MDC BUDGET AND BONDING**

John Zinzarella, Chief Financial Officer, Ernest Lorimer, bond counsel, and Adam Krea of First Southwest presented to the Board of Finance regarding the impacts of the City of Hartford and State of Connecticut budget impacts on the District's bonding capability and budget.

**BOARD OF FINANCE
DISCUSSION RE: CRRA LITIGATION**

EXECUTIVE SESSION

At 6:50 P.M., Chairman DiBella requested an executive session to discuss Agenda Items #10B "CRRA Litigation."

On motion made by Commissioner Marotta and duly seconded, the District Board entered into executive session to discuss Agenda Items #10B "CRRA Litigation" due to pending litigation.

Those in attendance during the executive session:

Commissioners Andrew Adil, John Avedisian, Clifford Avery Buell, Luis Caban, Daniel Camilliere, Donald M. Currey, William A. DiBella, Timothy J. Fitzgerald, Peter Gardow, Allen Hoffman, David Ionno, Kathleen J. Kowalyshyn, Byron Lester, Maureen Magnan, Alphonse Marotta, Whit Osgood, Dominic M. Pane, Pasquale J. Salemi, Michael Solomonides, Alvin Taylor, Richard W. Vicino and Citizen Member Ron Angelo; Chief Executive Officer Scott W. Jellison, District Counsel R. Bartley Halloran, Attorneys Christopher Stone, Brendan Fox and John Mirtle. Rocky Hill Mayor Claudia Baio, Wethersfield Town Manager Jeff Bridges, West Hartford Town Manager Matthew Hart, Hartford City Councilman James Sanchez.

RECONVENE

At 7:45 P.M., Chairman DiBella requested to come out of executive session and on motion made by Commissioner Adil and duly seconded, the District Board came out of executive session and reconvened. No formal action was taken.

**BUREAU OF PUBLIC WORKS
REVISIONS TO SCHEDULE OF FLAT FRONT FOOTAGE RATES
OF SEWER ASSESSMENT**

To: District Board

August 7, 2017

From: Bureau of Public Works

On November 16, 2016 and December 5, 2016, the Bureau of Public Works and the District Board, respectively, voted to establish a new Schedule of Flat Rates of Sewer Assessment, Connection Charges and Outlet Charges, effective on and after January 1, 2017. The new schedule increased the front foot, or adjusted front

foot, rate from \$53.40 to \$111.50. Since January 1, 2017, the new front foot rate has been charged to property owners who connected to already existing District sewers.

Because the rate had not changed in over 20 years, the increase last year was significant, effectively doubling the old rate. While the increase in the front footage rate is substantial, it was calculated to more accurately reflect the benefit conferred on the property, offset the rising costs of sewer projects while maintaining the self-sufficiency of the Assessable Sewer Fund and prevent the increased use of ad valorem taxes to support the Fund.

The front foot rate is a component of a property owner's assessment in two circumstances: (1) there is a deferred assessment on the property and the property owner elects to connect to the sewer or (2) if the District completes a layout and assessment for a newly constructed sewer requested by petition. The front foot rate is not paid by developers constructing sewers under a developer permit agreement unless there are properties within the proposed development that have frontage along an existing sewer. In these instances where a property is already served by the District sewer, the developer is required to pay the assessment at the prevailing rates at the time of connection. Staff received a complaint from a developer who is developing a total of nine (9) properties with six (6) properties already served by an existing sewer with a significant amount of frontage and three (3) properties to be served by a sewer constructed by the developer under a developer permit agreement. Connection charges for the six properties doubled from approximately \$50k in 2015 based on the old rate when the developer started the project to more than \$100k in 2017 when the new rate went into effect. The developer has requested some form of relief from the substantial increase in the connection charges due for the six properties and therefore staff has proposed for consideration by the Bureau of Public Works an incremental increase of the front foot rate over a period of three years and retroactively reduce the rate in effect during 2017.

If the Bureau elects to reduce the front foot rate, staff recommends incrementally increasing the rate over the next three years, at one-third the increase per year, to help alleviate the impact of the substantial increase. The front footage rate would increase by \$19.37 per year, at the following schedule:

October 1, 2017	\$72.77 per front foot or adjusted front foot
January 1, 2018	\$92.14 per front foot or adjusted front foot
January 1, 2019	\$111.50 per front foot or adjusted front foot

There are five (5) properties that connected to District sewers since January 1, 2017 and paid sewer connection charges at the new 2017 rate. The affected property owners will be notified and refunded the difference between the \$111.50 per foot rate and the prior \$53.40 per foot rate.

At a meeting of the Bureau of Public Works on August 7, 2017, it was:

Voted:

That the Bureau of Public Works recommends to the District Board passage of the following resolution:

Be It Hereby Resolved:

That the enclosed Schedule of Flat Rates of Sewer Assessment, Connection Charges and Outlet Charges is hereby approved and effective October 1, 2017. The District Clerk is hereby directed to publish timely public notice of the front foot rate change effective October 1, 2017.

Be it Further Resolved:

That any property owner that paid an assessment or connection charge calculated based on the front foot rate of \$111.50 be refunded the difference between the amount paid and the total amount due if the front foot rate had been \$53.40.

Be it Further Resolved:

That the Bureau of Public Works recommends the following subsequent increases in the front foot or adjusted front foot rate:

January 1, 2018	\$92.14 per front foot or adjusted front foot
January 1, 2019	\$111.50 per front foot or adjusted front foot

Respectively submitted,

John S. Mirtle, Esq.
District Clerk

THE METROPOLITAN DISTRICT SCHEDULE OF FLAT RATES OF SEWER ASSESSMENT, CONNECTION CHARGES AND OUTLET CHARGES ADOPTED AUGUST 7, 2017 - EFFECTIVE OCTOBER 1, 2017					
PROPERTY CATEGORY <small>(For each property the rates for only one category shall be applied)</small>	(A) Rate per Lateral or Inlet	(B) Rate per Front Foot or Adjusted Front Foot	(C) Rate Per Acre	AREA CHARGES	
				OTHER RELEVANT FACTORS	
				(D) Rate per Dwelling Unit or Dwelling Unit Allowed by zoning on a Buildable Lot	(E) Rate per Room or Convalescent Unit
SINGLE RESIDENTIAL DWELLING UNITS, INCLUDING A TRAILER*	4,420.00	72.77		1,655.00	
TWO OR MORE DWELLING UNITS, INCLUDING TRAILER PARKS*	4,420.00	72.77		1,655.00	
MOTELS, HOTELS, ROOMING HOUSES, CONVALESCENT HOMES AND HOSPITALS	4,420.00	72.77			765.00
SCHOOLS, CHURCHES AND THE MUNICIPAL FACILITIES OF DISTRICT TOWNS	4,420.00	72.77	1,655.00 <small>Minimum Acreage Assessment</small> 1,655.00 <small>Developed area including but not limited to areas of parking, open space and streets.</small>		
BUSINESS, COMMERCIAL INDUSTRIAL OR OTHERS*	4,420.00	72.77	8,270.00 <small>Minimum Acreage Assessment</small> 4,135.00 <small>Developed area including but not limited to areas of parking, open space and streets.</small>		
* For these categories of assessments, where the actual use of the property differs from the underlying zone (i.e. residentially-zoned property used commercially), the higher assessment category shall apply.					
OUTLET CHARGES					
For Developers of Property, (A) and (B) Actual Cost Paid by Developer. (C), (D) and (E) would continue to be charged in accordance with above schedule.					
In assessing benefits, the Bureau of Public Works may give consideration to frontage, area, or other relevant factors to measure the extent to which properties are specially benefited.					

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

**WATER BUREAU
REVISIONS TO MAIN PIPE WATER ASSESSMENT RATE**

To: District Board

August 7, 2017

From: Water Bureau

On November 16, 2016 and November 22, 2016, the Water Bureau and the District Board, respectively, voted to establish a new Main Pipe Assessment rate, effective on and after January 1, 2017. The new rate increased the front foot, or adjusted front foot, rate from \$41.00 to \$95.00. Since January 1, 2017, the new front foot rate has been charged to property owners who connected to already existing District water mains.

Because the rate had not changed in over 20 years, the increase last year was significant, effectively doubling the old rate. While the increase in the front footage rate is substantial, it was calculated to more accurately reflect the benefit conferred on the property and offset the rising costs of water petition projects, while decreasing the effect on the water fund and ultimately the rate payers.

The front foot rate is a component of a property owner's water assessment in two circumstances: (1) there is a deferred assessment on the property (Class 1 water main) and the property owner elects to connect to the water main or (2) if the District completes a layout and assessment for a newly constructed water main requested by petition. The front foot rate is not paid by developers constructing water mains under a developer permit agreement unless there are properties within the proposed development that have frontage along an existing main. In these instances where a property is already served by District water, the developer is required to pay the assessment at the prevailing rates at the time of connection.

Staff received complaints on the new water and sewer frontage rates from both property owners and from a developer whose property is already served by an existing sewer with a significant amount of frontage. Connection charges doubled from approximately \$50k in 2015 based on the old rate when the developer started the project to more than \$100k in 2017 when the new rate went into effect. The developer has requested some form of relief from the substantial increase in the connection charges due. Therefore, staff has proposed for consideration by both the Bureau of Public Works and the Water Bureau an incremental increase of the front foot rate over a period of three years and to retroactively reduce the rate in effect during 2017.

If the Water Bureau elects to reduce the front foot rate, staff recommends incrementally increasing the rate over the next three years, at one-third the increase per year, to help alleviate the impact of the substantial increase. The front footage rate would increase by \$18.00 per year, at the following schedule:

October 1, 2017	\$59.00 per front foot or adjusted front foot
January 1, 2018	\$77.00 per front foot or adjusted front foot
January 1, 2019	\$95.00 per front foot or adjusted front foot

There are six (6) properties that connected to District water mains since January 1, 2017 and paid water connection charges at the new 2017 rate. The affected property owners will be notified and refunded the difference between the \$95.00 per foot rate and the prior \$41.00 per foot rate.

At a meeting of the Water Bureau held on August 7, 2017, it was:

Voted:

That the Water Bureau recommends to the District Board passage of the following resolution:

Be It Hereby Resolved:

That the Main Pipe Assessment Rate of \$59.00 per front foot or adjusted front foot is hereby approved and effective October 1, 2017. The District Clerk is hereby directed to publish timely public notice of the front foot rate change effective October 1, 2017.

Be it Further Resolved:

That any property owner that paid an assessment or connection charge calculated based on the front foot rate of \$95.00 be refunded the difference between the amount paid and the total amount due if the front foot rate had been \$41.00.

Be it Further Resolved:

That the Water Bureau recommends the following subsequent increases in the front foot or adjusted front foot rate:

January 1, 2018	\$77.00 per front foot or adjusted front foot
January 1, 2019	\$95.00 per front foot or adjusted front foot

Respectively submitted,

John S. Mirtle, Esq.
District Clerk

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

**COMMITTEE ON ORGANIZATION
APPOINTMENT OF COMMISSIONERS
TO COMMITTEES**

To: District Board August 7, 2017

From: Committee on Organization

At a meeting of the Committee on Organization held on August 7, 2017, it was:

Voted: That pursuant to the Charter of the Metropolitan District, the Committee on Organization recommends to the District Board the following to serve as Citizen Members to serve until December 31, 2017;

Ram Aberasturia – Board of Finance

Hector Rivera – Strategic Planning Committee

Further

Voted: That the Committee on Organization recommend to the District Board the appointment of the following Commissioners to the following Committees:

Water Bureau

Clifford Avery Buell
Peter Gardow
David Ionno

Audit

Peter Gardow

Organization

Clifford Avery Buell

Committee on MDC Government

Clifford Avery Buell
Peter Gardow
David Ionno

Community Affairs

Clifford Avery Buell
David Ionno

Respectively submitted,

John S. Mirtle, Esq.
District Clerk

Chairman DiBella amended the motion, without objection, to include former Commissioner Hector Rivera as a Citizen Member to serve on the Strategic Planning Committee. On motion made by Commissioner Hoffman and duly seconded, the report was received and resolution, as amended, adopted by unanimous vote of those present.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen of West Hartford provided the following written comments:

Monday August 7, 2017
For Inclusion in the General Public Comments
MDC District Board Meeting.

When you consider how much conservation affects consumption and the resulting water rates, also consider how much the drinking of bottled water affects your customers consumption of water.

I'm not talking about Niagara specifically, but about the whole bottled water industry. In grocery stores there are whole aisles devoted to water. In just 10 minutes at Whole Foods I watched 8 people drinking bottled water just a few feet away from a free water fountain with cups provided.

The bottled water industry spends millions in advertising and they are very successful. They promote their water as purer, safer, and more convenient than tap water. They claim it tastes better. Look at all the brand names in the water aisle. Some say spring water, some have added flavors, minerals, vitamins and bubbles. Some have mountains on the label, pictures of springs. I think the polar bear is to imply it tastes good cold, although you are buying warm off the shelf. Containers come in different shapes, large and small, even patterned after wine bottles. They all must list the source of their water, much of it from public water supply, far from mountain springs, Italy or France. The majority of brands are Nestle products, catering to our every whim and wants. When one product starts to loose popularity, another is created. The MDC has just one product.

Some in the water bottling industry promote their part in stamping out world wide childhood obesity and diabetes. I've heard them claim that kids just won't drink water that comes from the tap, only bottled with Disney characters will do. Really? Are you willing to give up all childhood use of municipal tap water?

I know the MDC water is not inferior. It's safe, clean, pure, low cost and available to everyone. I spend a lot more time learning about water than most. Like it or not, the MDC is in competition with bottled water who are converting ever more people from tap to bottle. What the MDC lacks is promotion. As a young man said to me recently "you need a gimmick". He suggested a tap app related to the amount of tap water consumed, a competition.

How about an MDC reusable water bottle with a slogan, I'd stay away from your logo. You need something new. My water bottle, double wall insulated, hot and cold, with a message cost \$8.00 per bottle when buying 2 cases. You could probably get it for less with greater volume and your negotiating skills. You could sell them at cost. Use some of that "community outreach" money and put it where it could really do some good in increasing consumption of tap water. Good will is great, but it doesn't keep water rates down.

Does it really matter if your customers know they are drinking MDC water? I talk to many who have no idea what company supplies their water. Make things bright, creative, kid friendly. I met a family who uses just one kind of refillable bottle, each has their own for their exclusive use. The challenge is to tell them apart. The solution; stickers! You don't need brand recognition (something you have over industrial bottlers), you have an Exclusive Service Area. You need more water drinkers. As we are telling people how to conserve water it is also important that they learn to drink more water for human health.

Consumers want something that is convenient. The one thing refillable bottles have against them is the lack of good places to refill. Either restrooms have only one temp; warm, (such as here at the MDC) or water fountains whose arc is so low a bottle can't fit under it. So, sponsor hydration stations. Instead of planting trees, provide a hydration station. They aren't cheap - but you are winning back more preference for tap. Help put them in schools, public buildings, parks.

This is not to say there is no place for bottled water in public health emergencies. My point is, you need an ad campaign so you aren't continuing to loose consumption to the bottling industry. It's hard to change human behavior, there needs to be a really good reason for people to change. Usually the reason is monetary. Bottled water is not the solution to a high water bills. You need to help people understand that. Include a bill insert (one that doesn't look like every other bill insert you do which, frankly, are very boring) that helps people compare the low cost of MDC water with the outrageous cost of buying bottled water. Ex: what does 1 ccf of tap cost compared to one gallon of bottled. They may come to understand just how cheap our drinking water is.

Now I will mention Niagara. They may not be real thrilled with an MDC decision to launch an all out ad campaign, even though they say they aren't in competition. Consider it a challenge!

Judy Allen
West Hartford CT

ADJOURNMENT

The meeting was adjourned at 7:54 PM

ATTEST:
John S. Mirtle, Esq.
District Clerk

Date of Approval