BOARD OF FINANCE
The Metropolitan District
555 Main Street
Telephonic Only Meeting
Wednesday, May 27, 2020

PRESENT: Commissioners Andrew Adil, Donald Currey, Allen Hoffman, Pasquale J. Salemi and District Chairman William A. DiBella; Citizen Members Joan McCarthy Gentile and Linda King-Corbin (7)

ABSENT: Citizen Members Ram Aberasturia and Ronald Angelo (2)

ALSO PRESENT: Commissioner Mary LaChance
Commissioner Dominic Pane
Commissioner Bhupen Patel
Scott W. Jellison, Chief Executive Officer
Christopher Stone, District Counsel
Steven Bonafonte, Assistant District Counsel
John S. Mirtle, District Clerk
Kelly Shane, Chief Administrative Officer
Christopher Martin, Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Sue Negrelli, Director of Engineering
Victoria S. Escoriza, Executive Assistant
David Silverstone, Consumer Advocate

CALL TO ORDER
Chairman Salemi called the meeting to order at 5:03 PM

In accordance with Governor Lamont’s Executive Order #7B, this meeting was telephonic only.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS
No one from the public appeared to be heard.

APPROVAL OF MINUTES
On motion made by District Chairman DiBella and duly seconded, the meeting minutes of the Board of Finance meeting of February 19, 2020 were approved.
APPROVAL FOR STATE OF CONNECTICUT FINANCING
CWF NO. 729-C

To: Board of Finance for consideration on May 27, 2020

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 CWF No. 729-C having a principal amount of $28,551,055.35 and having an interest rate of 2.00%.

The low interest loan and grant will fund the South Hartford Conveyance Storage Tunnel Contract 5: the Arlington, Newington, New Britain conduits and construction of inlet control gate chambers.

The State of Connecticut, through the Clean Water Fund Program, will provide $47,359,471.10 in state funding with approximately $18,808,415.75 in grants and $28,551,055.35 in low interest loans at 2.00% to fund the expenses associated with this agreement.

Bond Counsel prepared the following resolution for your approval.

It is therefore RECOMMENDED that it be

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

RESOLVED:

Section 1. The Chairman, or in his absence, the Vice Chairman, and the District Treasurer, or in his absence, the Deputy Treasurer are authorized to execute and deliver the Project Loan and Project Grant Agreement CWF No. 729-C to be entered into with the State of Connecticut (the “Agreement”) and any and all Interim Funding Obligations and Project Loan Obligations for CWF No. 729-C in the aggregate amount not to exceed $28,551,055.35, to fund the South Hartford Conveyance Storage Tunnel Contract 5: the Arlington, Newington, New Britain conduits and construction of inlet control gate chambers. 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 the 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 the rate of two percent (2.00%) per annum and shall be payable as to principal and interest as provided in the Agreement.
RESPECTFULLY SUBMITTED,

CHIEF EXECUTIVE OFFICER
Scott W. Jellison

ON MOTION MADE BY DISTRICT CHAIRMAN DIBELLA AND DULY SECONDED, THE REPORT WAS RECEIVED AND RESOLUTION ADOPTED BY UNANIMOUS VOTE OF THOSE PRESENT.

APPROVAL FOR STATE OF CONNECTICUT FINANCING
DWSRF NO. 2020-7086

To: Board of Finance for consideration on May 27, 2020

Staff seeks approval from your Board to execute and deliver the Interim Funding Obligation and Project Loan Obligation to the State of Connecticut for DWSRF No. 2020-7086 having a principal amount of $1,799,194.50 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 Madison Avenue in Hartford.

The State of Connecticut, through the Drinking Water State Revolving Fund Program, will provide $2,518,272.30 in state funding with $719,077.80 in grants and $1,799,194.50 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 THEREFORE RECOMMENDED THAT IT BE

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

RESOLVED:

Section 1. The Chairman, or in his absence, the Vice-Chairman, and the District Treasurer, or in his absence, the Deputy Treasurer, are authorized to execute and deliver Project Loan and Subsidy Agreement DWSRF No. 2020-7086 to be entered into with the State of Connecticut (the “Agreement”) and any and all Interim Funding Obligations and Project Loan Obligations for DWSRF No. 2020-7086 in an aggregate amount not to exceed $1,799,194.50 to fund the replacement of water mains in the vicinity of Madison Avenue in Hartford. 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 the 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 the rate of two percent (2.00%) per annum and shall be payable as to principal and interest as provided in the Agreement.

Respectfully Submitted,

Chief Executive Officer
Scott W. Jellison

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

COHN REZNICK UPDATE

Melissa Ferucci of Cohn Reznick provided an update to the Board of Finance.

RFS FOR BOND UNDERWRITERS

Chief Financial Officer Christopher Martin provided an update regarding an RFS for Bond Underwriters.

FIRST QUARTER FINANCIAL AND BUDGET UPDATE

Chief Financial Officer Christopher Martin provided the following update on the first quarter financials and budget:
### Metropolitan District Commission First Quarter 2020 - Water Operating Budget

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<tr>
<td>Sale of Water</td>
<td>93,383,500.00</td>
<td>23,345,875.00</td>
<td>25,212,658.93</td>
<td>1,866,783.93</td>
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<td>Other Operating Revenues</td>
<td>6,672,600.00</td>
<td>1,704,400.00</td>
<td>1,328,607.88</td>
<td>(375,702.12)</td>
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<td>Non-Operating Revenues</td>
<td>2,282,600.00</td>
<td>484,400.00</td>
<td>359,842.69</td>
<td>(124,557.31)</td>
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<td><strong>TOTAL REVENUES</strong></td>
<td>102,138,700.00</td>
<td>25,534,675.00</td>
<td>26,901,190.50</td>
<td>1,366,524.50</td>
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<td>District Board</td>
<td>211,900.00</td>
<td>52,975.00</td>
<td>15,300.00</td>
<td>37,675.00</td>
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<td>Executive Office</td>
<td>1,541,500.00</td>
<td>385,375.00</td>
<td>183,321.82</td>
<td>156,053.18</td>
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<td>Legal</td>
<td>810,800.00</td>
<td>202,700.00</td>
<td>90,090.79</td>
<td>103,600.21</td>
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<td>Finance</td>
<td>5,668,400.00</td>
<td>915,850.00</td>
<td>426,785.77</td>
<td>489,064.23</td>
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<td>Information Systems</td>
<td>5,543,700.00</td>
<td>1,385,925.00</td>
<td>921,284.58</td>
<td>464,630.62</td>
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<td>Engineering &amp; Planning</td>
<td>490,000.00</td>
<td>172,500.00</td>
<td>74,001.73</td>
<td>93,498.27</td>
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<td>Water Treatment &amp; Supply</td>
<td>8,310,200.00</td>
<td>2,077,550.00</td>
<td>1,756,208.76</td>
<td>572,212.24</td>
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<td>Laboratory Services</td>
<td>940,900.00</td>
<td>235,225.00</td>
<td>115,422.57</td>
<td>119,802.43</td>
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<td>Maintenance</td>
<td>5,866,400.00</td>
<td>1,466,600.00</td>
<td>764,850.27</td>
<td>677,249.73</td>
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<td>Chief Operating Office</td>
<td>555,500.00</td>
<td>88,875.00</td>
<td>48,076.90</td>
<td>39,798.10</td>
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<td>Environmental Health &amp; Safety</td>
<td>486,500.00</td>
<td>121,625.00</td>
<td>41,103.51</td>
<td>40,521.49</td>
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<td>Command Center</td>
<td>2,369,800.00</td>
<td>726,200.00</td>
<td>474,304.99</td>
<td>239,180.01</td>
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<td>Operations</td>
<td>6,290,500.00</td>
<td>2,062,625.00</td>
<td>1,196,065.57</td>
<td>554,700.43</td>
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<td>Patrol</td>
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<td>249,240.28</td>
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<td>Debt Service</td>
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<td>40,120.46</td>
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<td>Employee Benefits</td>
<td>17,202,900.00</td>
<td>4,300,725.00</td>
<td>2,298,108.00</td>
<td>2,007,617.00</td>
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<td>General Insurance</td>
<td>3,556,000.00</td>
<td>889,000.00</td>
<td>225,596.19</td>
<td>600,408.81</td>
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<td>Taxes &amp; Fees</td>
<td>3,810,500.00</td>
<td>952,625.00</td>
<td>1,807,049.15</td>
<td>(854,424.15)</td>
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<td>Special Agreements &amp; Programs</td>
<td>2,535,900.00</td>
<td>633,975.00</td>
<td>902,346.36</td>
<td>(268,371.36)</td>
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<td><strong>TOTAL EXPENDITURES</strong></td>
<td>102,138,700.00</td>
<td>25,534,675.00</td>
<td>20,019,159.68</td>
<td>4,947,625.32</td>
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**SURPLUS / (DEFICIT)**        | -                   | -               | 6,882,039.82     | -             | -            | -            |
The meeting was adjourned at 6:36 PM

ATTEST:

John S. Mirtle, Esq.  
District Clerk  Date of Approval