



**BOARD OF FINANCE
REGULAR MEETING
MONDAY, JULY 29, 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: 2303 353 4043# Meeting Video Link	Quorum: 5	

1. CALL TO ORDER
2. PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS
3. APPROVAL OF MEETING MINUTES OF JUNE 24, 2024
4. REPORT RE: 2023 BUDGET SURPLUS AND COMPLIANCE WITH CHARTER REQUIREMENTS
5. CONSIDERATION AND POTENTIAL ACTION RE: APPROVAL FOR STATE OF CT FINANCING DWSRF 2024-7131
6. DISCUSSION RE: COMMISSIONER REQUESTS FOR 2025 BUDGET
7. OPPORTUNITY FOR GENERAL PUBLIC COMMENTS
8. COMMISSIONER REQUESTS FOR FUTURE AGENDA ITEMS
9. ADJOURNMENT

CHAPTER 3

FINANCES, BUDGET AND TAX

Chap.	Sec.	Section Title
3	1	Board of Finance, Composition, Powers, etc.
3	2	Budget Estimates Referred to Board of Finance
3	3	Board of Finance Reviews Budget
3	4	Part I of Budget, Tax-Financed
3	5	Part II of Budget, Water Functions
3	6	Part III of Budget, Enterprise Funds
3	7	Publication and Adoption of Budget
3	8	Limitations on Expenditures; Supplemental Appropriations; Transfers
3	9	Emergency Expenditures
3	10	Appropriations to be Approved by District Board
3	11	Appropriations Exceeding \$5,000,000
3	12	Tax: Power to Levy
3	13	Tax: Amount, Apportionment and Collection
3	14	Appropriations Filed with Treasurer
3	15	Fiscal Year
3	16	Report to Office of Fiscal Analysis

SEC. 3-1 BOARD OF FINANCE, COMPOSITION, POWERS, ETC.

There shall be in said metropolitan district a board of finance, consisting of four members of the district board and five taxpayers and electors of said district appointed by the district board who shall hold office each for the term of two years from his appointment and shall not be removed by the district board. Five members shall constitute a quorum. All vacancies shall be filled for the unexpired portion of the term by said district board. The chairman of said metropolitan district shall be an ex-officio member with voting rights on the board of finance. The district clerk shall be the clerk of the board of finance and shall keep a record of its doings. The board of finance may call for information including books and papers in the possession of any bureau, commission, committee or officer of said district and each such bureau, commission or committee or any member thereof and each such officer shall appear before said board of finance when summoned and furnish all facts and data in written, printed or other form concerning the respective departments.

SEC. 3-2 BUDGET ESTIMATES REFERRED TO BOARD OF FINANCE

The district manager shall furnish to the district board at or before its regular meeting in November of each year a proposed budget of the estimated expenditures and revenues required for the business of the district for the ensuing year. Such estimated expenditures and revenues shall be referred by the district board to the board of finance.

SEC. 3-3 BOARD OF FINANCE REVIEWS BUDGET

The board of finance shall review and amend if necessary and furnish to the district board at its December meeting an itemized budget of the estimated expenditures and revenues of The Metropolitan District for the ensuing year. This budget shall be in three parts and parts one and two shall be in two sections and part three shall be in one section as follows:

SEC. 3-4 PART I OF BUDGET, TAX-FINANCED

Part I, expenditures to be financed by taxation: First section, the estimated expenditures showing the total amount of money required to pay all fixed charges and running expenses, including a contingency fund, as determined by the board of finance by estimate based on such facts as are obtainable; and, per contra, an estimate of the receipts for the forthcoming year from which these expenses will be met; second section, the permanent and temporary improvements and extraordinary expenditures which in the judgment of the board of finance should be made in the ensuing year, or to provide a fund which may be allowed to accumulate from year to year for the purpose of financing wastewater facilities construction;

SEC. 3-5 PART II OF BUDGET, WATER FUNCTIONS

Part II, functions and operations of the water department, customarily financed from water revenues: First section, the amount of money required to pay all the fixed charges and running expenses including a contingency fund as determined by the board of finance by estimate based on such facts as are obtainable; and, per contra, an estimate of the receipts for the forthcoming year from which these expenses will be met; second section, the permanent and temporary improvements and extraordinary expenditures which in

the judgment of the board of finance should be made in the ensuing year, with an estimate of the sources from which these expenditures are to be financed, or to provide a fund or funds which may be allowed to accumulate from year to year for the purpose of financing water facilities construction;

SEC. 3-6 PART III OF BUDGET, ENTERPRISE FUNDS

Part III, enterprise funds to be established in connection with the issuance of revenue bonds or other facility, system or program specific obligations of the district issued pursuant to Section 4 of Special Act 90-27, and Sections 5 to 7, inclusive, of public act 93-380, and funded from user charges, fees, rates and rentals: from the commencement of operation of any facility, system or program, the estimated expenditures of each facility, system or program showing all fixed charges and running expenses, permanent and temporary improvements, debt service payments becoming due and payable for the ensuing year and extraordinary expenditures as determined by the board of finance by estimate based on such facts as are obtainable and an estimate of the revenues of such facility, system or program for the forthcoming year from which these expenses and costs will be met.

SEC. 3-7 PUBLICATION AND ADOPTION OF BUDGET

Upon the completion of the proposed budget by the board of finance it shall be published for three consecutive days, except Sundays or holidays, in one or more newspapers published within said district. After such proposed budget or estimate has been so published it shall be referred to the district board for adoption and, when such budget or estimate has been so adopted, the estimates of expenses therein for each function or department shall constitute the appropriations for the district for the ensuing year.

SEC. 3-8 LIMITATIONS ON EXPENDITURES; SUPPLEMENTAL APPROPRIATIONS; TRANSFERS

No expenditure for any function or department designated in the budget shall exceed the appropriation therefor, provided the district board may, upon approval of the board of finance or, in the absence of such approval by a vote of the district board, make additional or supplemental appropriations in any part of the budget from the undesignated fund balance or retained earnings applying to any part or transfer any unexpended balance of any appropriation included in any part of the budget to any other appropriation in the same part thereof provided there shall be attached to the resolution making such additional or supplemental appropriation or transfer a certificate from the chief financial officer that a balance actually exists free from encumbrance, or funds are available from the undesignated fund balance or retained earnings within section one of any part of the budget.

SEC. 3-9 EMERGENCY EXPENDITURES

If an emergency condition in the services or functions of The Metropolitan District shall be declared to exist by formal vote of the district board and if such condition shall require additional expenditures or receipt of additional revenues which cannot be met by the established budget for the year or, in the case of revenues, will not be timely received, the board of finance shall be requested by the district board to prepare and submit a special emergency budget, with a stipulation as to how the funds therefor shall be provided. Such emergency budget shall be submitted to the district board for approval in the same manner as the annual budget, but publication thereof shall not be required. For purposes of this section, in addition to emergency conditions determined by formal vote of the district board, an emergency condition shall exist in the event one or more of the member municipalities of the district fail to timely pay, in full, the tax due under section 15 of number 511 of the special acts of 1929.

SEC. 3-10 APPROPRIATIONS TO BE APPROVED BY DISTRICT BOARD

Appropriations to be financed by the issuance of bonds, notes or other obligations of the District may be made at any time upon approval of the district board and recommendation of the board of finance in accordance with section 20 of number 511 of the special acts of 1929.

SEC. 3-11 APPROPRIATIONS EXCEEDING \$20,000,000

(1) Any appropriation in excess of the amount set forth in subdivision (2) of this subsection for any single item of capital expense not regularly recurring, including, but not limited to, a capital purpose, a public improvement or an extraordinary expenditure which may properly be financed long-term rather than from current revenues, notwithstanding that such appropriation is included in the budget to be met from current revenues, shall be approved by a two-thirds vote of the entire district board and by a majority of the electors of the district at a referendum of the district called by the district board in accordance with the requirements of section 5 of number 511 of the special acts of 1929, as amended by special act 77-54; provided an appropriation for any reason involving not more than twice the amount set forth in subdivision (2) of this subsection in any one year for the purpose of meeting a public emergency threatening the lives, health or property of citizens of the district may be made upon approval by a two-thirds vote of the entire district board without submission to the electors of the district; provided further, appropriations may be made in any amount without submission to the electors of the district for any public improvement all or a portion of which is to be paid for by assessments of benefits or from funds established to pay for waste or water facilities pursuant to section 13 of number 511 of the special acts of 1929, as amended by number 366 of the special acts of 1949, special act 77-54 and special act 83-31; and provided further, submission to the electors of the district shall only be required with respect to such portion, if any, of any appropriation approved by the district board on and after October 1, 2015, as exceeds the amount set forth in subdivision (2) of this subsection. The district board may determine, in the case of appropriations for water, sewer and utility line extensions and improvements, or the installation or replacement of service meters, the definition of what shall constitute a single item of capital expense for purposes of compliance with the referendum requirement of this section. Such determination may be contained in the capital budget or a resolution making such appropriation or authorizing

the issuance of bonds, notes or obligations of the district and any such determination shall be final and conclusive.

(2) On and after October 1, 2015, the threshold amount for purposes of subdivision (1) of this subsection shall be twenty million dollars as adjusted annually thereafter on October first by a percentage equal to the increase, if any, in the consumer price index for urban consumers, as most recently determined by the United States Department of Labor, Bureau of Labor Statistics for the most recent twelve-month period available, provided for any appropriation adopted by the district board on and after October 1, 2015, the aggregate amount of federal and state grants available, committed to be made available or expected to be made available for the appropriation at issue, each as determined by the district board whose determination shall be conclusive, shall be deducted from the amount of the appropriation in determining whether such threshold is met.

SEC. 3-12 TAX: POWER TO LEVY

Upon the acceptance and approval of such budget and upon the completion of the grand lists, the district board, acting on the recommendation of the board of finance, may lay a tax upon the towns composing the district in a manner similar to that provided for by section 1224 of the general statutes, revision of 1918.

SEC. 3-13 TAX: AMOUNT, APPORTIONMENT AND COLLECTION

The total amount of such tax shall be at least sufficient to pay the net estimated expenses and current charges of the district for the ensuing year and the same shall be divided among the towns in the proportion provided for which the total revenue received yearly from direct taxation in each town, including that received by all taxing districts therein, and including also that which would have been received from all property exempted from taxation under the provisions of any special act, or by town vote as provided by sections 1161 and 1162 of the general statutes, revision of 1918, as averaged for the three fiscal years next preceding is to the total revenue so determined at such time as averaged in all the towns in the district. Such tax shall be payable at such time as the district board may prescribe and the chairman shall draw and sign an order upon each town for its tax so imposed in favor of the district treasurer, notice of which shall forthwith be given by the district clerk to each town or city clerk and if any town shall neglect to pay its tax by the time prescribed, said treasurer shall report such neglect to the clerk of the superior court for Hartford county, who shall record it and issue an execution against the goods and estate of the inhabitants of such town in the name of the district treasurer, returnable in sixty days, directed to the sheriff of said county or his deputy, for the amount of the tax remaining unpaid to be proceeded with as executions in civil actions. The towns and cities composing said metropolitan district are empowered in any such case to include in the tax collections for the current year an amount sufficient to pay such district tax.

SEC. 3-14 APPROPRIATIONS FILED WITH TREASURER

Upon the completion of the budget and final laying of the tax, the board of finance shall deliver to the district treasurer a detailed list of the accounts for which appropriations shall have been made and the amount of each such appropriation. If transfers of funds be made from one account to another as hereinbefore provided, the board of finance shall

file with the treasurer a copy of the authorization for such transfers, the account from which the transfer was made, the account to which the transfer was made and the amount transferred.

SEC. 3-15 FISCAL YEAR

The first fiscal year of said district shall begin and end on days to be fixed by the district board, and thereafter the fiscal year of said district and of all departments of said district shall begin and end as said district board shall prescribe.

SEC. 3-16 REPORT TO OFFICE OF FISCAL ANALYSIS

The Metropolitan District Commission shall annually prepare a report that includes the following: (1) A list of all bond issues for the preceding fiscal year, including, for each such issue, the financial advisor and underwriters, whether the issue was competitive, negotiated or privately placed, and the issue's face value and net proceeds; (2) a list of all projects receiving financial assistance during the preceding fiscal year, including each project's purpose, location, and the amount of funds provided by the district; (3) the cumulative value of all bonds issued, the value of outstanding bonds and capital projects associated with such bonds; (4) as of February 15th of each fiscal year, an accounting showing all water revenue and expenditures by source, category and type; and (5) the affirmative action policy statement, a description of the composition of the district's work force by race, sex, and occupation and a description of the district's affirmative action efforts. The district shall, not later than January first, submit one copy of such report to the Governor, to the Auditors of Public Accounts, to the Office of Fiscal Analysis and to the joint standing committee of the General Assembly having cognizance of matters relating to municipalities.

For the fiscal year commencing January 1, 2015, and for each fiscal year thereafter, the Metropolitan District Commission shall submit a personnel status report to the Office of Fiscal Analysis. Such report shall include: (1) The total number of employees at the end of each quarter, (2) the positions vacated and the positions filled during each quarter; and (3) the positions estimated to be vacant and the positions estimated to be filled at the end of the fiscal year. The Metropolitan District shall, annually, submit a copy of the audit prepared pursuant to chapter 111 of the general statutes to the Office of Fiscal Analysis.

BOARD OF FINANCE
APPROVAL FOR STATE OF CONNECTICUT FINANCING DWSRF 2024-7131

To: Board of Finance

July 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 2024-7131 having a principal amount of \$2,643,321.00 and having an interest rate of 2.00%.

The low interest loan and accompanying grant will fund the replacement of water mains and associated appurtenances in several streets in the vicinity of East Hartford, CT.

The State of Connecticut, through the Drinking Water State Revolving Fund Program, will provide \$4,143,321.00 in state funding with \$1,500,000.00 in grants and \$2,643,321.00 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 2024-7131 to be entered into with the State of Connecticut (the "Agreement") and any and all Interim Funding Obligations and Project Loan Obligations for DWSRF 2024-7131 in the aggregate amount not to exceed \$2,643,321.00 to fund the project entitled Water Main Replacement East Hartford consisting of the replacement of water mains and associated appurtenances in several streets in the vicinity of East 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,

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

John S. Mirtle
District Clerk

**BOARD OF FINANCE
REGULAR MEETING
The Metropolitan District
555 Main Street, Hartford
Monday, June 24, 2024**

PRESENT: Commissioners Andrew Adil, Allen Hoffman, Pasquale Salemi, Citizen Member Linda Russo and District Chairman Donald Currey (5)

REMOTE ATTENDANCE: Citizen Member Awet Tsegai (1)

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

ALSO PRESENT: Commissioner Georgiana Holloway (Remote Attendance)
Commissioner Jacqueline Mandyck (Remote Attendance)
Scott W. Jellison, Chief Executive Officer
Christopher Stone, District Counsel
John S. Mirtle, District Clerk
Kelly Shane, Chief Administrative Officer
Robert Barron, Chief Financial Officer
Susan Negrelli, Director of Engineering
Robert Schwarm, Director of Information Systems
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
Julie Price, Executive Assistant
Jessica Aniskoff, Clifton Larson Allen LLP
Brandon Cathcart, Clifton Larson Allen LLP

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:32 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MEETING MINUTES

On motion made by Commissioner Hoffman and duly seconded, the meeting minutes of the Board of Finance meeting of May 20, 2024 were approved.

REPORT FROM CLIFTON LARSON ALLEN LLP RE: AUDIT 2023

Jessica Aniskoff, of Clifton Larson Allen LLP, presented on the 2023 Audit including the Governance Communication, Federal Single Audit Report, and Annual Comprehensive Financial Report.

Chairman Salemi inquired about Section 3-8 of the MDC Charter and the referenced certificate from the Chief Financial Officer. Chief Financial Officer Robert Barron stated he will review the Charter section and its requirements.

District Chairman Currey made a motion to combine and approve agenda items #5 “Authorization for Issuance & Sale of General Obligation Bonds in an Amount Not to Exceed \$85,000,000,” #6 “Authorization for Issuance & Sale general Obligation Refunding Bonds in an Amount Not to Exceed \$25,000,000,” #7 “Reallocation of Bond Proceeds in the Amount of \$14,757,000” and #8 “Authorization for Issuance & Sale of Revenue Bonds for the Integrated Plan in an Amount Not to Exceed \$40,000,000.” The motion to combine and approve was duly seconded, the reports were received and resolutions adopted by unanimous vote of those present.

**BOARD OF FINANCE
RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION
BONDS OF THE METROPOLITAN DISTRICT IN AN AMOUNT NOT TO EXCEED
\$85,000,000**

To: Board of Finance for consideration on June 24, 2024

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 adoption of the following resolution from Bond Counsel.

BE IT RESOLVED:

SECTION 1. The Metropolitan District (the “**District**”) General Obligation Bonds (the “**Bonds**”) in an amount not to exceed \$85,000,000, are hereby authorized to be issued to: (a) fund Capital Improvement Projects (the “**Projects**”) and (b) pay certain costs of issuance for the Bonds. The Bonds are authorized to be issued to fund such portion of the authorized and unissued balances of the capital appropriations contained in certain bond resolutions adopted to finance capital budget items enacted by the District Board, and for such Projects as determined by the Chairman, or in his absence, the Vice Chairman, and the District Treasurer, or in his absence the Deputy Treasurer (the “**Authorized Officers**”). Proceeds of the Bonds shall be used to finance the expenditures for any of the purposes or Projects and for any supplemental purposes or projects the Board of Finance and the District Board may from the

date hereof authorize to be financed by the issuance of bonds.

SECTION 2. The Bonds shall have maturity dates in accordance with the Connecticut General Statutes, as amended, and shall bear interest payable semiannually each year until maturity and be issued in fully registered form. The Bonds shall be payable at and certified by U.S. Bank Trust Company, National Association, which bank shall also serve as certifying, registrar, paying and transfer agent for the Bonds. The Bonds may be sold as a single issue or consolidated with any other authorized issues of bonds of the District. The Bonds shall be sold by the District Treasurer, or in his absence, the Deputy Treasurer, in one or more competitive offerings or negotiated offerings, in the discretion of the District Treasurer, or in his absence, the Deputy Treasurer. If sold in one or more competitive offerings, the Bonds shall be awarded to the bidder or bidders offering to purchase the Bonds at the lowest true interest cost to the District, and in no case for a sum less than par and accrued interest to the date of delivery, and the District Treasurer, or in his absence the Deputy Treasurer, is hereby authorized to determine the principal amount to be issued, the principal amount to mature in each year, the optional redemption date(s) and redemption premium(s), if any, and the rate or rates of interest on the Bonds, and deliver the Bonds to the purchaser(s) thereof in accordance with this resolution. If sold in one or more negotiated offerings, the Authorized Officers are authorized to negotiate, execute and deliver one or more bond purchase agreements for the Bonds setting forth all the terms and conditions of the sale in such form as they shall deem necessary and appropriate, and deliver the Bonds to the purchaser(s) thereof in accordance with this resolution.

SECTION 3. The Authorized Officers are authorized to prepare and distribute a Preliminary Official Statement and a final Official Statement of the District for use in connection with the offering and sale of the Bonds and are further authorized to execute and deliver a Continuing Disclosure Agreement in connection with the issuance and sale of the Bonds on behalf of the District in such form as they shall deem necessary and appropriate.

SECTION 4. The Bonds shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Authorized Officers, bear the District seal or a facsimile thereof, and be approved as to their legality by Shipman & Goodwin LLP, Bond Counsel to the District. The Authorized Officers are authorized to execute and deliver a Tax Certificate and Tax Compliance Agreement on behalf of the District in such forms as they shall deem necessary and appropriate, and to rebate to the federal government such amounts as may be required pursuant to the Tax Certificate for the purpose of complying with the requirements of the Internal Revenue Code of 1986, as amended. The Authorized Officers are authorized to execute and deliver any and all agreements and documents necessary to effect the issuance and sale of the Bonds in accordance with the terms of this resolution. The Authorized Officers are authorized to execute and deliver on behalf of the District any documents or instruments necessary or desirable for the issuance of the Bonds.

SECTION 5. That the District hereby declares its official intent under Treasury Regulation Section 1.150-2 of the Internal Revenue Code of 1986, as amended, that project costs may be paid from temporary advances of available funds and that the District reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing authorized for the Projects.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John Mittle". The signature is written in a cursive, slightly slanted style.

John S. Mirtle
District Clerk

**BOARD OF FINANCE
RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION
REFUNDING BONDS OF THE METROPOLITAN DISTRICT IN AN AMOUNT NOT TO
EXCEED \$25,000,000**

To: Board of Finance for consideration on June 24, 2024

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 adoption of the following resolution from Bond Counsel.

BE IT RESOLVED:

SECTION 1. General Obligation Refunding Bonds of The Metropolitan District (the “**District**”) in a principal amount not exceeding \$25,000,000 (the “**Bonds**”) are hereby authorized to be issued, and the proceeds thereof appropriated, in such amount or in such lesser amount as shall be necessary to refund all or any portion of the District’s outstanding general obligation bonds, including, but not limited to, the District’s outstanding General Obligation Bonds, Series 2014A, dated and issued July 16, 2014 (the “**Refunded Bonds**”) as determined by the Chairman, or in his absence, the Vice Chairman, and the District Treasurer, or in his absence the Deputy Treasurer (the “**Authorized Officers**”). The Bond proceeds may be expended to fund the escrow account provided for in Section 3 hereof, to pay an underwriter’s discount on the Bonds and to pay all costs of issuance related to the Bonds.

SECTION 2. The Bonds shall have maturity dates in accordance with the Connecticut General Statutes, as amended, and shall bear interest payable semiannually each year until maturity and be issued in fully registered form. The Bonds shall be payable at and certified by U.S. Bank Trust Company, National Association, which bank shall also serve as registrar, certifying, paying, escrow and transfer agent for the Bonds. The Bonds may be sold as a single issue or consolidated with any other authorized issues of bonds of the District. The Bonds shall be sold by the District Treasurer, or in his absence, the Deputy Treasurer, in one or more competitive offerings or negotiated offerings, in the discretion of the District Treasurer, or in his absence, the Deputy Treasurer. If sold in one or more competitive offerings, the Bonds shall be awarded to the bidder or bidders offering to purchase the Bonds at the lowest true interest cost to the District, and in no case for a sum less than par and accrued interest to the date of delivery, and the District Treasurer, or in his absence the Deputy Treasurer, is hereby authorized to determine the principal amount to be issued, the principal amount to mature in each year, the optional redemption date(s) and redemption premium(s), if any, and the rate or rates of interest on the Bonds, and deliver the Bonds to the purchaser(s) thereof in accordance with this resolution. If sold in one or more negotiated offerings, the Authorized Officers are authorized to

negotiate, execute and deliver one or more bond purchase agreements for the Bonds setting forth all the terms and conditions of the sale in such form as they shall deem necessary and appropriate, and deliver the Bonds to the purchaser(s) thereof in accordance with this resolution.

SECTION 3. The net proceeds from the sale of the Bonds, after payment of underwriter's discount and other costs of issuance, may be deposited in an irrevocable escrow account and invested in a portfolio of non-callable direct obligations of, or obligations guaranteed by, the United States of America, including United States Treasury State and Local Government Series ("**SLGS**") securities, Federal National Mortgage Association ("**FNMA**") securities and any other securities permitted by Section 7-400 of the Connecticut General Statutes, all of which shall not be callable or prepayable at the option of the issuer thereof (the "**Government Obligations**") in an amount sufficient to pay at maturity, or to redeem at the redemption price prior to maturity, the Refunded Bonds. The District Treasurer, or in his absence, the Deputy Treasurer, are authorized to appoint a verification agent to verify the sufficiency of the Government Obligations and to execute and deliver any and all escrow and related agreements necessary to provide for the payment when due of the principal of and interest on and the redemption premium, if any, on the Refunded Bonds.

SECTION 4. The Authorized Officers are authorized to prepare and distribute a Preliminary Official Statement and a final Official Statement of the District for use in connection with the offering and sale of the Bonds and are further authorized to execute and deliver a Continuing Disclosure Agreement in connection with the issuance and sale of the Bonds on behalf of the District in such form as they shall deem necessary and appropriate.

SECTION 5. The Bonds shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Authorized Officers, bear the District seal or a facsimile thereof, and be approved as to their legality by Shipman & Goodwin LLP, Bond Counsel to the District. The Authorized Officers are authorized to execute and deliver a Tax Certificate and Tax Compliance Agreement on behalf of the District in such forms as they shall deem necessary and appropriate, and to rebate to the federal government such amounts as may be required pursuant to the Tax Certificate for the purpose of complying with the requirements of the Internal Revenue Code of 1986, as amended. The Authorized Officers are authorized to execute and deliver on behalf of the District any documents or instruments necessary or desirable for the issuance of the Bonds and the refunding of the Refunded Bonds.

SECTION 6. The Bonds, or any portion thereof, may bear interest which is includable in the gross income of holders thereof for Federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended, as the issuance of such taxable bonds is hereby determined to be in the public interest.

Respectfully submitted,



John S. Mirtle
District Clerk

REALLOCATION OF PROCEEDS OF CERTAIN GENERAL OBLIGATION BONDS OF THE METROPOLITAN DISTRICT

To: Board of Finance for consideration on June 24, 2024

Staff is seeking authority for the District to reallocate \$14,757,000 of proceeds originally secured from the below three debt issues:

1. A total of \$236,000 of the District's \$110,770,000 General Obligation Bonds, Issue of 2018, dated July 31, 2018 from the capital improvement projects set forth on Exhibit A-1 (attached hereto) to the capital improvement projects set forth on Exhibit A-1;
2. A total of \$12,849,000 of the District's \$130,810,000 General Obligation Bonds, Issue of 2021, Series A, dated August 31, 2021 from the capital improvement projects set forth on Exhibit A-2 (attached hereto) to the capital improvement projects set forth on Exhibit A-2; and
3. A total of \$1,672,000 of the District's \$75,730,000 General Obligation Bonds, Issue of 2023, dated August 10, 2023 from the capital improvement projects set forth on Exhibit A-3 (attached hereto) to the capital improvement projects set forth on Exhibit A-3.

It is therefore RECOMMENDED that it be:

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

BE IT RESOLVED:

RESOLUTION AUTHORIZING THE REALLOCATION OF PROCEEDS OF CERTAIN GENERAL OBLIGATION BONDS OF THE METROPOLITAN DISTRICT

Proceeds from certain of the District's General Obligation Bonds are hereby reallocated as follows:

1. Proceeds from the District's \$110,770,000 General Obligation Bonds, Issue of 2018, dated July 31, 2018 from the capital improvement projects set forth on Exhibit A-1 (attached hereto) to the capital improvement projects set forth on Exhibit A-1;
2. Proceeds from the District's \$130,810,000 General Obligation Bonds, Issue of 2021, Series A, dated August 31, 2021 from the capital improvement projects set forth on Exhibit A-2 (attached hereto) to the capital improvement projects set forth on Exhibit A-2; and
3. Proceeds from the District's \$75,730,000 General Obligation Bonds, Issue of 2023, dated August 10, 2023 from the capital improvement projects set forth on Exhibit A-3 (attached hereto) to the capital improvement projects set forth on Exhibit A-3.

Respectfully submitted,



John S. Mirtle
District Clerk

EXHIBIT A-1

District's \$110,770,000 General Obligation Bonds, Issue of 2018,
dated July 31, 2018

BOND	TYPE	FROM	DESCRIPTION	AMOUNT	TO	DESCRIPTION	AMOUNT
I. Reallocated from the 2018 GO Bond Sewer							
	Sewer	C-17008	2017 Hartford WPCF DAFT	(236,000)	C-15012	2015 Hartford WPCF DAFT 1 & 2 (SPB Solids)	236,000
			Total 2018 GO Bond Reallocations	(236,000)			236,000
						Restoration	
					C-99P21	2021 Paving Program and Restoration	236,000
					C-20044	2020 General Purpose Sewer Program	2,036,000
					C-20012	2020 Hartford Large Diameter Sewer Rehabilitation – Phase I	2,058,000
					C-15012	2015 Hartford WPCF DAFT 1 & 2 (SPB Solids)	142,000
					C-12007	2012 Hartford WPC Solids Handling & Processing	1,071,000
					C-22012	2022 Easement Sewer Lining Program - Phase 1	8,000
	Sewer	C-20001	2020 Levee Protection System, East Hartford and Hartford	(1,488,000)	C-20005	2020 Water Pollution Control Facilities Infrastructure Rehabilitation, Upgrades and Replacements	1,963,000

	C-21001	2021 Northern Interceptor Sewer Rehabilitation/Replacement, East Hfd	(283,000)		
	C-15025	2015 Sewer Rehabilitation Program	(192,000)		
Sewer	C-21003	2021 Large Diameter Sewer Cleaning Program	(1,244,000)	C-21005	2021 Various Sewer Pipe Replacement/Rehabilitation Program 5,000
				C-14019	2014 Levee Protection System Improvements, East Hartford and Hartford 98,000
				C-15024	2015 Sanitary Sewer Easements Acquisitions & Improvements 141,000
				C-99P20	2020 Paving Program and Restoration 1,000,000
Sewer	C-20037	2020 Water Pollution Control Facilities Infrastructure Rehabilitation, Upgrades and Replacements	(1,102,000)	C-22012	2022 Easement Sewer Lining Program - Phase 1 2,977,000
	C-19014	2019 Oakwood Avenue Area Sewer Replacement - Phase I	(928,000)		
	C-21004	2021 Sanitary Sewer Repair and Rehabilitation Program	(624,000)		
	C-17007	2017 WPC SCADA Upgrades	(213,000)		
	C-17012	2017 Sewer System Gate Replacement - Collection System	(110,000)		
Sewer	C-18005	2018 WPC Infrastructure Rehabilitation, Upgrades & Replacements	(844,000)	C-99P18	2018 Paving Program & Restoration 56,000
				C-20046	2020 Sewer Rehabilitation Program 247,000
				C-10007	2010 WPC Electrical Systems Modernization Program 541,000
	C-11004	2011 WPC Renewal & Replacements	(21,000)	C-13008	2013 WPC Plant Infrastructure Renewal and Replacements 9,000
				C-99P24	2024 Paving Program & Restoration 12,000
		Total 2021 GO Bond	(12,849,000)		12,849,000

EXHIBIT A-3
 District’s \$75,730,000 General Obligation Bonds, Issue of 2023,
 dated August 10, 2023

BOND	TYPE	FROM	DESCRIPTION	AMOUNT	TO	DESCRIPTION	AMOUNT
III. Reallocated from the 2023 GO Bond Combined							
	Combined	C1H05	2023 Technical Services Staffing	(829,000)	C1H03	2024 Engineering Services	1,544,000
		C1H03	2023 Engineering Services Staffing	(715,000)			
	Combined	C1H04	2023 Construction/Inspection Services Staffing	(128,000)	C1H04	2024 Construction Services	128,000
			Total 2023 GO Bond Reallocations	(1,672,000)			1,672,000
			Grand Total Reallocations	(14,757,000)			14,757,000

**BOARD OF FINANCE
 RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS FOR NEW MONEY
 FOR INTEGRATED PLAN PROJECTS**

To: Board of Finance for consideration on June 24, 2024

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 adoption of the following resolution from Bond Counsel.

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT EXCEEDING
 \$40,000,000 REVENUE BONDS FOR INTEGRATED PLAN PROJECTS OF THE
 METROPOLITAN DISTRICT, THE EXECUTION AND DELIVERY OF A SUPPLEMENT TO
 THE SPECIAL OBLIGATION INDENTURE OF TRUST, AND RELATED AGREEMENTS**

WHEREAS, the Metropolitan District (the “District”) has entered into a consent decree of the United States District Court of the District of Connecticut, by and between the District, the United States Department of Justice, the U.S. Attorney’s Office, the United States Environmental Protection Agency and the State of Connecticut Attorney General (the “U.S. Consent Decree”), and a consent order and a general permit for nitrogen discharges, and existing municipal national pollutant discharge elimination system permits of the State of Connecticut Department of Energy and Environmental Protection, formerly the State of Connecticut Department of Environmental Protection (“CDEP”) entered into by and between the District and the Commissioner of the CDEP

(the “Connecticut Consent Order” and together with the U.S. Consent Decree, the “Governmental Orders”), including, but not limited to the obligation to provide for (i) the rehabilitation and reconstruction of portions of the District’s sanitary sewer systems, (ii) the renovation of the combined sewer system, (iii) improvements to water pollution control facilities, (iv) development of a nitrogen removal program, (v) the separation of sewerage and storm water drainage collection systems, (vi) the construction of additional storage, conveyance and treatment facilities (herein referred to as the “Project”);

WHEREAS, the District has by ordinance adopted October 1, 2007 adopted Section S12x of its Ordinances Relating to Sewers, which provides for a Special Sewer Service Charge for customers of the District who utilize the District’s sewer system and are furnished water directly by the District (the “**Special Sewer Surcharge**”), which Special Sewer Surcharge shall be established annually through the District’s budget approval process, shall be uniformly applied to, and be proportional to the quantity of water used by, such customers, and shall be used exclusively for the payment of principal and interest on certain bonds issued or which may be issued and other loans, to finance all costs associated with any and all measures necessary to comply with the Governmental Orders, including the costs of the Project;

WHEREAS, Chapter 103 of the General Statutes, the Municipal Sewerage Act (the “Municipal Act”) provides for the issuance of bonds, notes and other obligations by a municipality, including the District, which may be secured as to both principal and interest by a pledge of revenues to be derived from sewerage system use charges, including the Special Sewer Surcharge;

WHEREAS, the District’s Charter, as amended by Special Act 90-27, and as it may be amended from time to time (the “Charter,” and together with the Municipal Act, the “Authorizing Acts”), provides for the issuance of bonds, notes and other obligations by the District, and in connection therewith to enter into reimbursement agreements or similar agreements in connection with credit facilities, including, but not limited to, letters of credit or policies of bond insurance, remarketing agreements and agreements for the purpose of moderating interest rate fluctuations;

WHEREAS, the District proposes to issue special obligation bonds to be secured by a pledge of the Special Sewer Surcharge pursuant to the Authorizing Acts;

WHEREAS, special obligation bonds issued pursuant to the Municipal Act are not subject to the limit on indebtedness of the District provided for in the Charter;

WHEREAS, the District proposes to issue bonds pursuant to the Special Obligation Indenture of Trust dated as of June 1, 2013 (the “**Special Obligation Indenture**”) and a Fifth Supplemental Indenture thereto (the “**Fifth Supplemental Indenture**” and together with the Special Obligation Indenture, the “**Indenture**”) with U.S. Bank Trust Company, National Association, to finance the costs of the Project;

WHEREAS, the Indenture provides for the issuance of the Special Obligation Bonds (the “**Bonds**”) of the District, payable solely from the Special Sewer Surcharge, and other receipts, funds or moneys pledged under the Indenture, if any, and that such Bonds shall be special obligations of the District, payable solely from Pledged Revenues, and other receipts, funds or moneys pledged under the Indenture, and respective supplemental indentures thereto for each series of Bonds;

WHEREAS, the District proposes to issue up to \$40,000,000 of its revenue bonds (the “**2024 New Money Obligations**”) to fund costs of the Project;

WHEREAS, the District intends to prepare a preliminary official statement and final official statement for the purpose of presenting information in connection with the offering and sale of the 2024 New Money Obligations;

WHEREAS, the District proposes to issue and sell the 2024 New Money Obligations to an underwriter or underwriters pursuant to a bond purchase agreement (the “**Contract for Purchase**”), to be negotiated between the District and the underwriters;

WHEREAS, the 2024 New Money Obligations are expected to be issued on terms such that the interest thereon shall be excludable from gross income for federal income tax purposes, and for the purpose of establishing such terms and giving assurance as to future compliance with the Internal Revenue Code of 1986, the District proposes to enter into a Tax Certificate and Tax Compliance Agreement;

WHEREAS, pursuant to Rule 15c2-12 promulgated by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, as part of the offering of the 2024 New Money Obligations the District proposes to enter into a Continuing Disclosure Agreement; and

WHEREAS, capitalized terms not defined herein shall have the meaning ascribed to such terms in the Indenture.

NOW THEREFORE, BE IT RESOLVED, by the District Board as follows:

Section 1. Not exceeding \$40,000,000 revenue bonds of the Metropolitan District, (the “**2024 New Money Obligations**”) are hereby authorized to be issued to fund such portion of the authorized and unissued balances of the capital appropriations for the Project, plus the costs of issuing the 2024 New Money Obligations. The 2024 New Money Obligations shall be dated the date of their delivery, shall mature in annual installments of principal and bear interest semi-annually each year until maturity. The 2024 New Money Obligations shall be payable at and certified by U.S. Bank Trust Company, National Association, which bank shall also serve as registrar and transfer agent for the 2024 New Money Obligations. The Chairman, or in his absence, the Vice Chairman, and the District Treasurer, or in his absence the Deputy Treasurer (the “**Authorized Officers**”) are authorized to execute and deliver one or more Tax Certificates and Tax Compliance Agreements for the 2024 New Money Obligations on behalf of the District in such form as they shall deem necessary and appropriate, and to rebate to the federal government such amounts as may be required pursuant to the Tax Certificate for the purpose of complying with the requirements of the Internal Revenue Code of 1986, as amended.

Section 2. The District Board determines it is advisable and in the best interest of the District to authorize, and does hereby authorize, the District to enter into the Fifth Supplemental Indenture to the Special Obligation Indenture and to effect the pledge of the Special Sewer Surcharge as provided for therein, such Fifth Supplemental Indenture to be in the form, or substantially the form, as has been or shall be distributed to the District Board, and authorizes the Authorized Officers to execute and deliver such Fifth Supplemental Indenture in such form, with such further changes and additions as they shall approve, such approval to be conclusively evidenced by the execution and delivery of such Fifth Supplemental Indenture by such Authorized Officers.

Section 3. The District Board also determines to deposit into the Rate Stabilization Fund established under the Indenture and subject to the pledge of the Indenture, all Special Sewer Surcharge revenues of the District which have not heretofore been used by the District to pay indebtedness of the District.

Section 4. The District Board authorizes the use of such preliminary official statement in connection with the public offering of the 2024 New Money Obligations as the Authorized Officers shall deem advisable, and authorizes the Authorized Officers, in the name of the District, to deem the preliminary official statement and such supplements final when appropriate and execute a final official statement and such supplements, and any further amendment or supplement thereto, in connection with and after the sale of the 2024 New Money Obligations.

Section 5. The Authorized Officers are hereby authorized to determine the principal amount, maturities, rate or rates of interest, redemption terms, and the other particulars of the 2024 New Money Obligations, and to deliver the 2024 New Money Obligations to the purchaser thereof in accordance with this resolution. The Authorized Officers are authorized to negotiate, execute and deliver one or more Contracts of Purchase setting forth all the terms of sale of the 2024 New Money Obligations, including the underwriters' discount for such sale, in such form as they shall deem necessary and appropriate. The 2024 New Money Obligations shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Authorized Officers, bear the District seal or a facsimile thereof, and be approved as to their legality by Shipman & Goodwin LLP, Bond Counsel to the District. The Authorized Officers are authorized to execute and deliver a Tax Certificate and Tax Compliance Agreement for the 2024 New Money Obligations issued on a tax-exempt basis on behalf of the District in such form as they shall deem necessary and appropriate, and to rebate to the federal government such amounts as may be required pursuant to the Tax Certificate for the purpose of complying with the requirements of the Internal Revenue Code of 1986, as amended. The Authorized Officers are authorized to execute and deliver a Continuing Disclosure Agreement and any and all agreements and documents necessary to effect the issuance and sale of the 2024 New Money Obligations in accordance with the terms of this resolution. The Authorized Officers and other proper officers of the District are hereby authorized to do and perform such acts, and execute and deliver, in the name of the District, such additional instruments, agreements and certificates as they deem necessary or appropriate to carry into effect the intent of the foregoing resolutions, and as shall not be inconsistent with the foregoing resolutions.

Section 6. The District hereby determines and declares, for purposes of Section 7-263 of the Connecticut General Statutes, that the 2024 New Money Obligations are part of a single plan of finance for the purpose of financing the Project, and all prior general obligation bonds of the District (but not any bond anticipation notes issued in anticipation of the issuance of such general obligation bonds) issued for purposes of financing the Project.

Section 7. The District hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations (the "Regulations"), to reimburse expenditures paid sixty days prior to and any time after the date of passage of this resolution, or otherwise as may be allowed under the Regulations, in the maximum amount and for the Project with the proceeds of the 2024 New Money Obligations authorized to be issued by the District. The 2024 New Money Obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, 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 Authorized Officers are authorized to amend such expression of official intent to bind the District pursuant

to such changes he deems necessary or advisable to maintain the continued exemption from federal income taxation of interest on the 2024 New Money Obligations.

Section 8. This resolution will take effect immediately.

Respectfully submitted,



John S. Mirtle
District Clerk

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

COMMISSIONER REQUEST FOR FUTURE AGENDA ITEMS

District Chairman Currey requested a discussion of the history cost of living adjustment studies for retiree pensions.

ADJOURNMENT

The meeting was adjourned at 6:40 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval