

**JOURNAL
OF
THE BOARD OF FINANCE
OF
THE METROPOLITAN DISTRICT
COMMISSION**

FOR THE YEAR
2017

Published by authority of the Commission
And compiled by the
Office of the District Clerk

Membership of the District is made up of the City of Hartford and
The Towns of Bloomfield, Newington, Wethersfield, Windsor,
East Hartford, Rocky Hill and West Hartford

CONTENTS

	Page
Membership.....	A

MINUTES OF THE BOARD OF FINANCE

January 9.....	1
March 6.....	5
April 3.....	18
May 1.....	21
June 19.....	23
August 7	29
September 11	31
October 19	34
November 8	38
December 4.....	72

INDEX

Minutes of the Board of Finance	I-1
---------------------------------------	-----

MEMBERSHIP
OF
THE BOARD OF FINANCE
2017

PASQUALE J. SALEMI Chairman, Board of Finance

VACANT Vice Chairman, Board of Finance

LUIS CABAN

RAM ABERASTURIA*

ALLEN HOFFMAN

RONALD ANGELO*

WILLIAM P. HORAN

MARTIN B. COURNEEN*

PASQUALE J. SALEMI

LINDA KING-CORBIN*

*Citizen Member; two-year term expires December 31, 2017

MINUTES

OF

MEETINGS OF THE BOARD OF FINANCE

HELD IN 2017

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, January 9, 2017**

PRESENT: Commissioners Luis Caban, Allen Hoffman, and Pasquale J. Salemi;
Citizen Members Ron Angelo, Martin B. Courneen, Linda King-Corbin and
District Chairman William A. DiBella (7)

ABSENT: Commissioner William P. Horan (1)

ALSO

PRESENT: 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
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Robert Zaik, Interim Director of Human Resources
Mike Curley, Manager of Technical Services
Nick Salemi, Special Services Administrator
Kerry E. Martin, Assistant to the Chief Executive Officer
Cynthia A. Nadolny, Executive Assistant

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:14 P.M.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

***On motion made by Commissioner Caban and duly seconded,
the meeting minutes of the Board of Finance meeting of
November 22, 2016 were approved.***

Commissioner Caban abstained.

**DEBT ISSUANCE RESOLUTION
FOR UP TO \$120,000,000 IN BOND ANTICIPATION NOTES**

To: Board of Finance for consideration on January 9, 2017
Staff is seeking authority for the District to issue up to \$120,000,000 in bond anticipation notes to provide new bond anticipation note proceeds for the CIP projects set forth on Exhibit A attached hereto. This authorization is in lieu of the authorization of \$60,000,000 in bond anticipation notes for CIP projects passed by the Board of Finance and the District Board on November 2, 2016. This authorization also rescinds the authorization of \$113,500,000 in bond anticipation notes from such resolution that was not used.

Bond counsel prepared the following resolution for consideration by the Board of Finance:

It is therefore RECOMMENDED that it be:

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

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT EXCEEDING \$120,000,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES OF THE METROPOLITAN DISTRICT

1. The resolution entitled "**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT EXCEEDING \$173,500,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES OF THE METROPOLITAN DISTRICT**" adopted by the District Board at its meeting held on November 2, 2016 is hereby rescinded and cancelled.
2. The authorization of up to \$173,500,000 general obligation bonds of the District pursuant to that resolution entitled "**AMENDED AND RESTATED RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT EXCEEDING \$173,500,000 GENERAL OBLIGATION BONDS OF THE METROPOLITAN DISTRICT**" adopted by the District Board at its meeting held on November 2, 2016 is hereby reduced by \$65,185,000 to \$108,315,000, the amount actually issued on December 1, 2016.
3. Not exceeding \$120,000,000 Metropolitan District General Obligation Bond Anticipation Notes (the "Notes") are hereby authorized to be issued in anticipation of the issuance of bonds to fund new money for Capital Improvement Projects set forth on Exhibit A hereto attached. The Notes 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 in the years and in the amounts set forth on Exhibit A hereto attached. Proceeds of the Notes shall be used on a first-spent basis to temporarily finance the expenditures for any of the purposes or projects set forth on Exhibit A 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. The Notes shall be dated on or about March 1, 2017, and shall mature on or about August 31, 2017, bear interest payable at maturity and be issued in fully registered form. The Notes shall be payable at and certified by U.S. Bank National Association, which bank shall also serve as registrar and transfer agent for the Notes. The Notes shall be sold by the District Treasurer, or in his absence, the Deputy Treasurer, in a competitive offering or in a negotiated offering, in the discretion of the District Treasurer, or in his absence, the Deputy Treasurer. If sold in a competitive offering the Notes shall be

awarded to the bidder or bidders offering to purchase the Notes at the lowest net interest cost to the District, and in no case for a sum less than par and accrued interest to the date of delivery. The District Treasurer, or in his absence the Deputy Treasurer, is hereby delegated the authority to determine the rate or rates of interest on the Notes, and to deliver the Notes to the purchaser or purchasers thereof in accordance with this resolution. 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 a Tax Regulatory Agreement and, in the case of a negotiated sale, a Note Purchase Agreement for the Notes 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 Regulatory Agreement for the purpose of complying with the requirements of the Internal Revenue Code of 1986, as amended. 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 a Continuing Disclosure Agreement and any and all agreements and documents necessary to effect the issuance and sale of the Notes in accordance with the terms of this resolution.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

2016 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on January 9, 2017

The 2016 Metropolitan District operating budget is currently experiencing deficits in Command Center, Employee Benefits and Taxes budget. The Command Center shows a shortage based on the number of employees retiring. The Employee Benefits budget has a deficit in the Pension based upon final actuary report additional funding is required for 2016. Taxes budget has a deficit due to a slight increase in tax rates.

CERTIFICATIONS:

In accordance with Section 3-8 of the Charter of The Metropolitan District, I hereby certify that there exists free from encumbrances, in the following appropriation, the amounts listed:

	General	Water	Total
Department 701 – Debt Service	<u>\$17,400,100.00</u>	<u>\$19,101,800.00</u>	<u>\$36,501,900.00</u>
Total	<u>\$17,400,100.00</u>	<u>\$19,101,800.00</u>	<u>\$36,501,900.00</u>

John M. Zinzarella
Chief Financial Officer

It is therefore RECOMMENDED that it be:

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

Resolved: That transfers within the 2016 Budget Appropriations be approved as follows:

From:	General	Water	Total
Department 701 – Debt Service	<u>\$174,800.00</u>	<u>\$242,200.00</u>	<u>\$417,000.00</u>
Total	<u>\$174,800.00</u>	<u>\$242,200.00</u>	<u>\$417,000.00</u>
To:	General	Water	Total
Department-212 Command Center	\$11,900.00	\$23,100.00	\$35,000.00
Department-712 Employee Benefits	\$162,900.00	\$199,100.00	\$362,000.00
Department-731 Taxes	-0-	\$20,000.00	\$20,000.00
Total	<u>\$174,800.00</u>	<u>\$242,200.00</u>	<u>\$417,000.00</u>

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

OPPORTUNITY FOR GENERAL PUBLIC COMMENT

No one from the public appeared to be heard.

ADJOURNMENT

The meeting was adjourned at 5:27 P.M.

ATTEST:


John S. Mirtle, Esq.
District Clerk

September 11, 2017

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, March 6, 2017**

PRESENT: Commissioners Luis Caban, Allen Hoffman, and Pasquale J. Salemi;
Citizen Member Linda King-Corbin and District Chairman William A.
DiBella (5)

ABSENT: Commissioner William P. Horan, Citizen Members Ron Angelo and Martin
B. Courneen (3)

ALSO

PRESENT: Scott W. Jellison, Chief Executive Officer
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
R. Bartley Halloran, District Counsel
John S. Mirtle, District Clerk
Robert Constable, Director of Finance
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Christopher Levesque, Assistant Manager of Water Treatment (Water Supply)
Kerry E. Martin, Assistant to the Chief Executive Officer
Cynthia A. Nadolny, Executive Assistant
Vanessa Rossitto, Blum Shapiro

CALL TO ORDER

Chairman Salemi called the meeting to order at 4:10 P.M.

NO QUORUM PRESENT

The District Clerk called the roll and declared that a quorum of the Board of Finance was not present at 4:10 P.M.

The members of the Board of Finance present listened to the Required Auditor Communications for Fiscal Year 2016 Audit from Vanessa Rossitto of Blum Shapiro. A written copy of the Auditor Communications were provided to all members present of the Board of Finance and copies were mailed to all non-present members.

29 South Main Street
P.O. Box 272000
West Hartford, CT 06127-2000

Tel 860.561.4000
Fax 860.521.9241
blumshapiro.com



Accounting | Tax | Business Consulting

MEMO - COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To: Board of Finance, The Metropolitan District
From: Vanessa E. Rossitto, CPA, Audit Partner
Blum Shapiro & Company, P.C.
Date: March 6, 2017
Re: Communication with Those Charged with Governance

We are engaged to audit the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the The Metropolitan District for the year ended December 31, 2016. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our responsibility under Auditing Standards Generally Accepted in the United States of America, Government Auditing Standards, and the Uniform Guidance.

As stated in our engagement letter dated November 7, 2016, our responsibility, as described by professional standards, is to express opinions as to whether your basic financial statements, prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve those charged with governance or management of their responsibilities.

In planning and performing our audit, we will consider the The Metropolitan District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with Uniform Guidance.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform an examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods for which we were not engaged as auditors.

Audit Scope and Materiality

The scope of our audit of the financial statements is designed to provide reasonable assurance that the District's financial statements are free of material misstatements, whether caused by errors or fraud. Our consideration of materiality is a matter of professional judgment and is influenced by our perception of the needs of users of financial statements.

Audit Approach

The nature, timing and extent of our contemplated procedures for significant accounts are based on a risk assessment of the likelihood of material misstatements occurring in those accounts. We contemplate an audit strategy based on reliable effective controls. We plan to execute audit procedures to substantiate account balances primarily as of or near year-end.

In conducting our audit, we maintain an awareness of the possibility that errors, fraud or illegal acts (as defined in authoritative professional literature) may have occurred that could have a material and direct effect on the financial statements. Effective internal controls are designed to prevent or detect errors, fraud or illegal acts; however, it is possible that they may nevertheless occur.

Independence

There are no relationships between any of our representatives and the District that in our professional judgment impair our independence.

Non-Audit Services

In addition to above services, we will also assist in preparing the financial statements, the schedule of expenditures of federal awards, and related notes of the The Metropolitan District in conformity with accounting principles generally accepted in the United States of America, and the Uniform Guidance based on information provided by you.

Management agrees to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities under Auditing Standards Generally Accepted in the United States of America**Management's responsibilities include:**

- The selection and application of accounting principles, the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance, and all accompanying information
- Establishing and maintaining effective internal controls, including internal controls over compliance
- Making all financial records and related information available to us and for the accuracy and completeness of that information
- The design and implementation of programs and controls to prevent and detect fraud and for informing us about all known or suspected fraud affecting the government
- Identifying government award programs and understanding and complying with the compliance requirements

Auditor's responsibilities include:

- Express opinions on the financial statements based on our audit
- Plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement
- Performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements
- Consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

Audit Areas of Focus

- Cash
- Investments
- Receivables and revenues
- Capital Assets
- Payables, expenses, budget
- Debt
- Self- Insurance liability
- Grants – Federal and State

Engagement Timing

- Our initial planning for the year-end audit will be performed during December 2016. Our focus will be on documentation of the internal controls as required by auditing standards, fraud inquiry interviews with management and key personnel, preparation of certain confirmations some overall analytical procedures and audit fieldwork as applicable to the federal and state single audits and procedures performed relevant to the tax collector's and tax assessor's offices.

- Audit Timing:

Commencement of Fieldwork

March 20, 2017

April 3, 2017

Draft of Financial Statement

May 3, 2017

CAFR Workshop

TBD

Post-Audit Communication

TBD

Engagement Team

An engagement team consisting of the following individuals will be responsible for audit, and other services, including contact information to reach us:

- Vanessa Rossitto, Audit Partner
Direct Line: 860-561-6824
Email: vrossitto@blumshapiro.com
- Nikoleta McTigue, Concurring Audit Partner
Direct Line: 860-570-6377
Email: nmctigue@blumshapiro.com
- Jessica Aniskoff, Audit Manager
Direct Line: 860-570-6451
Email: janiskoff@blumshapiro.com

Other Communications

At the completion of our audit we will communicate in writing the following information related to our audit:

- Management judgments and significant sensitive accounting estimates
- Significant accounting policies
- The adoption of new accounting principles or changes in accounting principles
- Significant audit adjustments (recorded and unrecorded)
- Disagreements with management about auditing, accounting or disclosure matters
- Difficulties encountered in performing the audit
- Irregularities and illegal acts
- Consultation by management with other auditors
- Matters affecting independence of auditors
- Material weaknesses, significant deficiencies and control deficiencies

Knowledge of Fraud

- If management or those charged with governance has any knowledge of fraud or potential fraud, this information needs to be communicated to us. As part of the audit process, we will be meeting with management to discuss fraud risks and any further issues.

Fraud Risk Assessment

- It is estimated that U.S. businesses, including municipalities, lose up to 7% of annual revenue to fraud. Municipalities are especially vulnerable due to the large amounts of cash collected in the tax collector's office, in addition to decentralized cash collection points such as transfer stations, golf courses, recreation programs, etc.
- BlumShapiro, and various other accounting firms, provide Fraud Risk Assessment services. The objectives of a Fraud Risk Assessment are to gather perceptions of fraud risk and to promote fraud awareness and prevention across the entity. The Fraud Risk Assessment process starts with the gathering of information on the population of fraud risks that may apply to the entity. This includes consideration of various types of possible fraud schemes, scenarios and opportunities to commit fraud. This information is then used to assess the relative likelihood and potential significance of identified fraud risk based on historical information, known fraud schemes and interviews with staff and management. A report is prepared documenting fraud risk within the entity and setting forth suggested policies and procedures to help prevent and detect fraud.

Anonymous Fraud Tip Hotline

- According to the 2014 Report to the Nations on Occupational Fraud and Abuse by the Association of Certified Fraud Examiners, 42% of corruption cases are detected by tip. In contrast, management review, the second most common detection method for corruption cases, uncovered 16% of these schemes. External audits and reports from law enforcement accounted for far fewer discoveries of corruptions, just 3% and 2%, respectively, of these schemes. Additionally, of the whistleblower tips that led to the investigation of the cases, 49% of those tips came from an employee and another 15% came from an anonymous source. There are various inexpensive services that host the hotline.

Cybersecurity Threats

The frequency, scale and cost of cybersecurity incidents has increased exponentially. Here are some recent trends, facts and stats that illustrate the current cybersecurity climate:

- Cybersecurity incidents have surged 38% since 2014
- 77% of organizations reported an increase in cybersecurity attacks in 2015
- 50% of organizations feel they lack the talent to combat today's cybersecurity threats
- Nearly every state has a data protection law, most include fines for data breaches
- Global cybersecurity spending came in at \$77 billion for 2015
- Ransomware and targeted attacks are on the rise
- Attackers have found ways to monetize many types of personal data, and aren't just targeting SSNs and credit cards
- 80% of board members say that cyber security is discussed at most or all board meetings
- Commonly affected industries include: government, financial services, healthcare, retail and manufacturing

BlumShapiro offers a range of services to assess your company's cybersecurity strategy and develop a plan to mitigate risk. It can start with a short educational session for employees. We also offer a portfolio of Implementation services to help mitigate overall risks.

Industry Developments - Current Year Accounting Standards and Federal Single Audit

- **GASB Statement No. 72 Fair Value Measurement and Application.** This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

Fair value is described as an exit price. Fair value measurements assume a transaction takes place in a government's principal market, or a government's most advantageous market in the absence of a principal market. The fair value also should be measured assuming that general market participants would act in their economic best interest. Fair value should not be adjusted for transaction costs.

This Statement establishes a hierarchy of inputs to valuation techniques used to measure fair value. That hierarchy has three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs—other than quoted prices—included within Level 1 that are observable for the asset or liability, either directly or indirectly. Finally, Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security.

This Statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. Governments should organize these disclosures by type of asset or liability reported at fair value. It also requires additional disclosures regarding investments in certain entities that calculate net asset value per share (or its equivalent).

- **GASB Statement No. 76 The Hierarchy Of Generally Accepted Accounting Principles For State And Local Governments.** The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.

- **GASB Statement 77 - Tax Abatement Disclosures** Financial statement users need information about certain limitations on a government's ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens. Tax abatements are widely used by state and local governments, particularly to encourage economic development. For financial reporting

purposes, this Statement defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens.

This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

- Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients
 - The gross dollar amount of taxes abated during the period
 - Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.
- **GASB Statement 78 - Pensions Provided Through Certain Multiple-Employer DB Pension Plans** This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that 1) is not a state or local governmental pension plan, 2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and 3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above.
- **GASB Statement 79 - External Investment Pools and Pool Participants** This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. Professional judgment is required to determine if instances of noncompliance with the criteria established by this Statement during the reporting period, individually or in the aggregate, were significant.

- **Uniform Guidance.** The federal Office of Management and Budget has released its new Uniform Guidance to overhaul federal single audits and grantee administration entitled *Uniform Administrative requirements, Cost Principles and Audit Requirements for Federal Awards*.

Auditor Changes

Federal single audit changes include:

- Raising the audit threshold from \$500,000 to \$750,000
- Raising the "Type A" program threshold from \$300,000 to \$750,000
- Raising the questioned costs floor from \$10,000 to \$25,000
- Reducing the expenditure coverage requirements from 25% to 20% for low risk auditees and from 50% to 40% for other auditees

These changes generally serve to reduce audit effort required, but the amount of the reduction is highly dependent on the particular organization and its mix of federal funds. Some organizations could see a substantial reduction in audit effort while others may see no change.

Auditee Changes

Auditee changes include:

- Replacing the various cost standards circulars for different entity types with one set of standards for all entities
- Replacing the various grantee administrative standards circulars for different entity types with one set of standards for all entities

Cost standards changes include:

- Allowing grantee to implement a 10% indirect cost rate (modified cost method) without requiring federal approval
- Relaxing the documentation requirements for allocation of compensation

The effective date for grantee organizations to apply the new cost standards and administrative requirements is generally for new awards received after December 26, 2014. Procurement requirements must be adopted by December 26, 2015.

These proposed changes in the federal single audit do not affect the Connecticut Single Audit.

Industry Developments - Future Accounting Standards – December 31, 2017

- **GASB Statement 73 - Pensions Not Within the Scope of Statement 68 and Amendments to Statements 67 and 68** This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes.
- **GASB Statement 74 - Financial Reporting by OPEB Plans (disclosure)** The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.

This Statement requires the net OPEB liability to be measured as the total OPEB liability, less the amount of the OPEB plan's fiduciary net position. The total OPEB liability generally is required to be determined through an actuarial valuation. However, if an OPEB plan has fewer than 100 plan members (active and inactive), use of a specified alternative measurement method in place of an actuarial valuation is permitted. Actuarial valuations, or calculations using the specified alternative measurement method, of the total OPEB liability are required to be performed at least every two years, with more frequent valuations or calculations encouraged. If a valuation or calculation is not performed as of the OPEB plan's fiscal year-end, the total OPEB liability is required to be based on update procedures to roll forward amounts from an earlier actuarial valuation or alternative measurement method calculation (performed as of a date no more than 24 months prior to the OPEB plan's fiscal year-end). Unless otherwise specified by this Statement, all assumptions underlying the determination of the total OPEB liability are required to be made in conformity with the guidance in Actuarial Standards of Practice issued by the Actuarial Standards Board.

- **GASB Statement 80 - Blending Requirements for Certain Component Units - an Amendment of GASB Statement No. 14** This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.
- **GASB Statement 81 - Irrevocable Split-Interest Agreements** This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period.

- **GASB Statement 82 – Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73** This Statement clarifies that a deviation, as the term is used in Actuarial Standards of Practice issued by the Actuarial Standards Board, from the guidance in an Actuarial Standard of Practice is not considered to be in conformity with the requirements of Statement 67, Statement 68, or Statement 73 for the selection of assumptions used in determining the total pension liability and related measures.

This Statement clarifies that payments that are made by an employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements should be classified as plan member contributions for purposes of Statement 67 and as employee contributions for purposes of Statement 68. It also requires that an employer's expense and expenditures for those amounts be recognized in the period for which the contribution is assessed and classified in the same manner as the employer classifies similar compensation other than pensions (for example, as salaries and wages or as fringe benefits).

Industry Developments - Future Accounting Standards – December 31, 2018

- **GASB Statement 75 - OPEB Accounting for Employers and Non-Employer Contributing Entities** The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

Industry Developments - Future Accounting Standards – December 31, 2019

- **GASB Statement 83 – Certain Asset Retirement Obligations** This Statement requires the measurement of an ARO to be based on the best estimate of the current value of outlays expected to be incurred. The best estimate should include probability weighting of all potential outcomes, when such information is available or can be obtained at reasonable cost. If probability weighting is not feasible at reasonable cost, the most likely amount should be used. This Statement requires that a deferred outflow of resources associated with an ARO be measured at the amount of the corresponding liability upon initial measurement.

This Statement requires the current value of a government's AROs to be adjusted for the effects of general inflation or deflation at least annually. In addition, it requires a government to evaluate all relevant factors at least annually to determine whether the effects of one or more of the factors are expected to significantly change the estimated asset retirement outlays. A government should remeasure an ARO only when the result of the evaluation indicates there is a significant change in the estimated outlays. The deferred outflows of resources should be reduced and recognized as outflows of resources (for example, as an expense) in a systematic and rational manner over the estimated useful life of the tangible capital asset.

This Statement also requires disclosure of information about the nature of a government's AROs, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets. If an ARO (or portions thereof) has been incurred by a government but is not yet recognized because it is not reasonably estimable, the government is required to disclose that fact and the reasons therefor. This Statement requires similar disclosures for a government's minority shares of AROs.

- **GASB Statement No. 84 - Fiduciary Activities** This Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less.

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets.

Areas of Concerns

- If you have any concerns that you would like to discuss with Blum Shapiro, we will make ourselves available either by phone or in person to discuss such concerns.

ADJOURNMENT

The meeting was adjourned at 4:20 P.M.

ATTEST:


John S. Mirtle, Esq.
District Clerk

April 3, 2017

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, April 3, 2017**

PRESENT: Commissioners Luis Caban, Allen Hoffman, and Pasquale J. Salemi; Citizen Member Ron Angelo, Linda King-Corbin and District Chairman William A. DiBella (6)

ABSENT: Commissioner William P. Horan, Citizen Member Martin B. Courneen (2)

ALSO

PRESENT: Scott W. Jellison, Chief Executive Officer
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
R. Bartley Halloran, District Counsel
Brendan Fox, Assistant District Counsel
John S. Mirtle, District Clerk
Robert Zaik, Director of Human Resources
Robert Constable, Director of Finance
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Christopher Levesque, Director of Operations
Michael Curley, Manager of Technical Services
Kerry E. Martin, Assistant to the Chief Executive Officer
Cynthia A. Nadolny, Executive Assistant

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:02 P.M.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

***On motion made by Commissioner Caban and duly seconded,
the meeting minutes of the Board of Finance meeting of March
6, 2017 were approved.***

**APPROVAL FOR STATE OF CONNECTICUT FINANCING
DWSRF NO. 2017-7055**

To: Board of Finance for consideration on April 3, 2017

Staff seeks approval from your Board to execute and deliver the Interim Funding Obligation and Project Loan Obligation to the State of Connecticut having a principal amount of \$2,905,408.44 and having an interest rate of 2.00%.

The low interest loan and grant will fund the acquisition and installation of radio based automated meters and reading devices and administrative services.

The State of Connecticut, through the Drinking Water State Revolving Fund Program, will provide \$3,158,052.65 in state funding with approximately \$252,644.21 in grants and \$2,905,408.44 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 and the District Treasurer or Deputy Treasurer are authorized to execute and deliver any and all Interim Funding Obligations and Project Loan Obligations in the aggregate amount not to exceed \$2,905,408.44. Such Interim Funding Obligations shall be dated as of their date of issue, shall mature within six months of the Scheduled Completion Date, 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 Project Loan and Subsidy Agreement DWSRF No. 2017-7055 to be entered into with the State of Connecticut (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,

Scott W. Jellison
Chief Executive Officer

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

OPPORTUNITY FOR GENERAL PUBLIC COMMENT

No one from the public appeared to be heard.

ADJOURNMENT

The meeting was adjourned at 5:12 P.M.

ATTEST:


John S. Mirtle, Esq.
District Clerk

May 1, 2017

Date of Approval

**BOARD OF FINANCE
REGULAR MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, May 1, 2017**

PRESENT: Commissioners Allen Hoffman and Pasquale J. Salemi; Citizen Members Ron Angelo, Martin B. Courneen and Linda King-Corbin and District Chairman William A. DiBella (6)

ABSENT: Commissioners Luis Caban and William P. Horan (2)

ALSO

PRESENT: Scott W. Jellison, Chief Executive Officer
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
R. Bartley Halloran, District Counsel
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Robert Zaik, Director of Human Resources
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Christopher Levesque, Director of Operations
Thomas Tyler, Director of Facilities
Marcy Wright-Bolling, Manager of Human Resources
Kerry E. Martin, Assistant to the Chief Executive Officer
Cynthia A. Nadolny, Executive Assistant

CALL TO ORDER

District Chairman DiBella called the meeting to order at 5:02 P.M.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by Commissioner Hoffman and duly seconded, the meeting minutes of the Board of Finance meeting of April 3, 2017 were approved. Citizen Member Courneen abstained.

ADJUSTMENT TO 2017 AD VALOREM

To: Board of Finance for consideration on May 1, 2017

It is RECOMMENDED that it be:

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

Be it resolved that upon House Bill 6008, as amended by LCO 6254, becoming effective, and notwithstanding any minor, non-substantive amendments thereto, the Contingent Amount adopted by the Board of Commissioners of The Metropolitan District at its meeting of November 22, 2016 as referenced in each of the ad valorem tax warrants issued by the District in accordance with Sections 3-12 and 3-13 of the District Charter and served upon each member town, shall thereupon be rescinded, with no further action necessary by the District Board.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

OPPORTUNITY FOR GENERAL PUBLIC COMMENT

Judy Allen, 25 Fowler Drive West Hartford, spoke regarding the scope of the sewer user fee.

ADJOURNMENT

The meeting was adjourned at 5:41 P.M.

ATTEST:


John S. Mirtle, Esq.
District Clerk

June 19, 2017

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, June 19, 2017**

PRESENT: Commissioners Luis Caban, Allen Hoffman and Pasquale J. Salemi; Citizen Members Ron Angelo and Linda King-Corbin; and District Chairman William A. DiBella (6)

ABSENT: Commissioner William P. Horan and Citizen Member Martin B. Courneen (2)

ALSO

PRESENT: Commissioner John Avedisian
Commissioner Donald Currey
Commissioner Domenic Pane
Commissioner Bhupen Patel
Scott W. Jellison, Chief Executive Officer
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Robert Constable, Director of Finance
Susan Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Thomas Tyler, Director of Facilities
Michael Curley, Manager of Technical Services
Jennifer Ottalagana, Project Manager
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Cynthia A. Nadolny, Executive Assistant

CALL TO ORDER

Chairman Salemi called the meeting to order at 3:52 P.M.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

Judy Allen, 25 Fowler Drive West Hartford, requested that the Minutes of May 1, 2017 be amended to more specifically describe her public comments.

APPROVAL OF MINUTES

***On motion made by Commissioner Caban and duly seconded,
the meeting minutes of the Board of Finance meeting of May 1,
2017 were approved as amended.***

**DEBT ISSUANCE RESOLUTION FOR BANS
ISSUANCE OF UP TO \$135,000,000 IN BOND ANTICIPATION NOTES**

To: Board of Finance for consideration on June 19, 2017.

Staff is seeking authority for the District to issue up to \$135,000,000 in bond anticipation notes to refund \$95,000,000 in bond anticipation notes maturing August 30, 2017 and to provide up to \$40,000,000 in new bond anticipation note proceeds for the CIP projects set forth on Exhibit A attached hereto.

Bond counsel prepared the following resolution for consideration by the Board of Finance:

It is therefore RECOMMENDED that it be:

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

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT EXCEEDING \$135,000,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES OF THE METROPOLITAN DISTRICT

Not exceeding \$135,000,000 Metropolitan District General Obligation Bond Anticipation Notes (the "Notes") are hereby authorized to be issued in anticipation of the issuance of bonds to currently refund up to \$95,000,000 Bond Anticipation Notes of the District maturing August 30, 2017 (the "Outstanding Notes"), 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 in the years and in the amounts set forth on Exhibit A attached hereto, on a first spent basis, and to pay the costs of issuance of the Notes. The Notes shall be dated on or about August 1, 2017, and shall mature on or about August 1, 2018, bear interest payable at maturity and be issued in fully registered form. The Notes shall be payable at and certified by U.S. Bank National Association, which bank shall also serve as registrar and transfer agent for the Notes. The Notes shall be sold by the District Treasurer, or in his absence, the Deputy Treasurer, in a competitive offering or in a negotiated offering, in the discretion of the District Treasurer, or in his absence, the Deputy Treasurer. If sold in a competitive offering the Notes shall be awarded to the bidder or bidders offering to purchase the Notes at the lowest net interest cost to the District, and in no case for a sum less than par and accrued interest to the date of delivery. The District Treasurer, or in his absence the Deputy Treasurer, is hereby delegated the authority to determine the rate or rates of interest on the Notes, and to deliver the Notes to the purchaser or purchasers thereof in accordance with this resolution. 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 a Tax Regulatory Agreement and, in the case of a negotiated sale, a Note Purchase Agreement for the Notes 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 Regulatory Agreement for the purpose of complying with the requirements of the Internal Revenue Code of 1986, as

amended. 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 a Continuing Disclosure Agreement and any and all agreements and documents necessary to effect the issuance and sale of the Notes in accordance with the terms of this resolution.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

CIP Appropriation	Fund Type	Amount Authorized	Bonded/Grants/Contributions	New Money of This Issue	Authorized But Unissued
2008 Water Supply Facility Improvements	Water	2,200,000	1,745,000	63,000	392,000
2009 CSO Related Assets	Water	5,000,000	4,152,000	13,000	835,000
2009 Water Main - Farmington Avenue, Hartford	Water	2,070,000	518,000	355,000	1,197,000
2009 Water Main Gate Valve Replacement	Water	2,300,000	1,091,000	261,000	1,008,000
2009 Water Treatment Facility Improvements	Water	2,783,000	2,202,000	56,000	527,000
2010 CWP Water Main Replacement - Cleveland Ave/Main Street, Hartford	Water	2,033,000	1,914,363	46,000	72,437
2010 CWP Water Main Replacement - Wethersfield Ave # 3	Water	2,692,000	597,000	19,000	2,076,000
2010 CWP Water Main Replacement - Guilford, Piny, Mather, Winter, Brook, and Bedford, Hartford	Water	3,607,000	2,798,314	163,000	645,686
2010 CWP Water Main Replacement - Oxford Street, Hartford	Water	610,000	-	449,000	161,000
2010 Dam Safety - Nepaug, Phelps Brook, East Dike	Water	4,944,000	233,000	31,000	4,680,000
2010 Dam Safety Improvements - Res #2	Water	1,315,000	600,000	194,000	521,000
2010 Dam Safety Improvements - Res #3	Water	1,315,000	520,000	130,000	665,000
2010 General Purpose Water	Water	3,251,000	1,945,320	143,000	1,162,680
2010 Hydraulic Computer Modeling	Water	2,350,000	1,082,000	37,000	1,231,000
2010 Water Facilities Security & Improvement Program	Water	4,492,000	2,943,000	119,000	1,430,000
2010 Water Main Replacement - Wethersfield	Water	600,000	330,000	41,000	229,000
2011 CWP Water Main Replacement - Farmington Ave, Hartford	Water	800,000	217,026	227,000	355,974
2011 CWP - Water Main Replacements	Water	3,750,000	3,383,447	345,000	21,553
2011 CWP Water Main Replacement - Warner Street/Wethersfield Ave/Mannz Street, Hartford	Water	1,632,000	1,505,515	126,000	485
2011 Dam Safety Improvements - Res #6	Water	1,330,000	213,000	35,000	1,082,000
2011 Radio Frequency Automated Meter Reading	Water	1,500,000	1,116,972	367,000	16,028
2011 Water Main Replacement - Hartford	Water	3,600,000	1,239,822	147,000	2,213,178
2011 Water Main Replacement - Longview Drive, Talcottview and Pheasant Lane, Bloomfield	Water	1,700,000	209,489	753,000	737,512
2011 Water Main Replacement - Simmons Road, East Hartford	Water	450,000	155,000	99,000	196,000
2011 Water Pump Station Improvements	Water	1,200,000	701,396	66,000	432,604
2011 Water Supply Facility and Watershed Land Improvements	Water	1,600,000	1,299,000	81,000	220,000
2011 Water Treatment Facility Upgrades	Water	1,000,000	863,000	15,000	122,000
2011 West Hartford Water Treatment Facility North Storage Tank Installation	Water	4,800,000	3,947,379	23,000	829,621
2012 Asset Management Construction Administration	Water	904,000	19,000	23,000	862,000
2012 Paving Program	Water	5,000,000	3,771,000	155,000	1,074,000
2012 Pump Station Upgrades - Newington, Newington and Orchard Street, Glastonbury	Water	4,200,000	2,339,199	154,000	1,706,801
2012 Radio Frequency Automated Meter Reading	Water	5,000,000	1,798,000	827,000	2,375,000
2012 Water Treatment Facilities Upgrades	Water	2,500,000	1,787,000	182,000	531,000
2013 Buckingham Water Pump Station, Glastonbury	Water	1,740,000	1,388,588	20,000	331,412
2013 General Purpose Water	Water	3,860,000	2,679,000	190,000	991,000
2013 Paving Program	Water	4,200,000	2,978,000	43,000	1,179,000
2013 Water Main Replacement Franklin 13	Water	2,100,000	1,906,011	126,000	67,989
2013 Water Treatment Facilities Upgrades	Water	2,160,000	924,000	339,000	897,000
2013 Wickham Hill Basins, East Hartford	Water	4,980,000	3,982,467	97,000	900,533

2014 Collinsville WTP Emergency Generator Replacement	Water	500,000	61,000	20,000	419,000
2014 Kilkenny Water	Water	5,000,000	831,000	469,000	3,700,000
2014 Radio Frequency Automated Meter Reading	Water	5,000,000	890,000	27,000	4,083,000
2014 Renewable Energy Projects – Water Facilities	Water	300,000	235,000	60,000	5,000
2014 Various Transmission Main Design & Construction	Water	2,100,000	531,000	60,000	1,509,000
2014 Water Pump Station Improvements	Water	175,000	79,000	34,000	62,000
2014 Water Treatment Facilities Upgrades	Water	2,300,000	1,306,000	84,000	910,000
2015 General Purpose Water Program	Water	4,000,000	625,000	419,000	2,956,000
2015 Hydrant Replacement Program	Water	1,600,000	1,553,000	37,000	10,000
2015 Radio Frequency Automated Meter Reading Program	Water	3,000,000	1,786,000	180,000	1,034,000
2015 Water Supply Generators	Water	1,100,000	49,000	572,000	479,000
2015 Water Treatment Facilities Upgrades	Water	1,000,000	42,000	87,000	871,000
2015 WMR Bond Street Area, Hartford	Water	4,400,000	38,000	19,000	4,343,000
2015 WMR Buckingham Street Area, Hartford	Water	600,000	102,000	75,000	423,000
2015 WMR Garden Street Area, Wethersfield	Water	2,000,000	-	14,000	1,986,000
2016 Paving Program	Water	3,000,000	2,228,000	553,000	219,000
2016 WMR Simmons Road Area, East Hartford	Water	3,800,000	1,411,000	81,000	2,308,000
2017 Hydrant Replacement Program	Water	1,600,000	-	70,000	1,530,000
2017 Paving Program and Restoration	Water	3,500,000	-	1,274,000	2,226,000
2017 Radio Frequency Automated Meter Reading Program	Water	1,500,000	172,000	4,000	1,324,000
2008 Capacity Management Operation & Maintenance Compliance	Sewer	5,000,000	3,873,000	144,000	983,000
2008 WPC Infrastructure Replacements and Improvements	Sewer	2,000,000	1,281,000	242,000	477,000
2009 Capacity Management Operation & Maintenance Compliance Capital Equipment and Staffing	Sewer	5,000,000	2,071,000	407,000	2,522,000
2009 General Purpose Sewer	Sewer	3,507,000	2,704,000	134,000	669,000
2009 Hartford Odor Control Construction	Sewer	4,888,000	2,180,000	151,000	2,557,000
2009 Water Pollution Control Infrastructure Replacements and Improvements	Sewer	4,455,000	3,945,000	36,000	474,000
2010 General Purpose Sewer	Sewer	2,702,000	2,271,000	53,000	378,000
2010 WPC Electrical Systems Modernization Program	Sewer	4,280,000	1,455,000	447,000	2,378,000
2010 WPC Renewal & Replacements Program	Sewer	2,000,000	1,787,000	78,000	135,000
2011 WPC Electronic Development	Sewer	1,750,000	885,000	14,000	851,000
2012 Backwater Valve Program	Sewer	540,000	100,000	37,000	403,000
2012 East Hartford WPC Waste Water Screening Installation	Sewer	4,750,000	4,178,000	56,000	516,000
2012 General Purpose Sewer	Sewer	5,000,000	3,565,000	555,000	880,000
2012 Hartford WPC Solids Handling & Processing	Sewer	4,800,000	737,000	54,000	4,009,000
2012 Sewer Gate Replacement Program District-wide	Sewer	1,296,000	467,000	8,000	821,000
2012 Sewer Replacement - Woodland Avenue and Peters Road, Bloomfield	Sewer	1,310,000	253,000	34,000	1,023,000
2013 Rocky Hill Interceptor – Relief Sewer/Capacity Improvements	Sewer	770,000	622,000	115,000	33,000
2013 Sewer Replacement/Repairs – 388-390 Farmington Ave. Hartford	Sewer	1,900,000	84,000	28,000	1,788,000
2013 WPC SCADA Upgrades	Sewer	1,260,000	157,000	190,000	913,000
	Fund Type	Amount Authorized	Bonded/Grants/Contributions	New Money of This Issue	Authorized But Unissued
CIP Appropriation					
2014 General Purpose Sewer	Sewer	5,000,000	1,985,000	124,000	2,891,000
2014 Hartford WPCF Sludge Mixing Tank, Sludge Screening, GT & RSRF Upgrades	Sewer	5,000,000	730,000	344,000	3,926,000
2014 Hartford WPCF West Primary Settling Tanks	Sewer	3,100,000	2,917,000	21,000	162,000
2014 Pump Station Upgrades – Burnside Avenue, East Hartford	Sewer	3,300,000	1,461,000	1,107,000	732,000
2014 Renewable Energy Projects – Sewer Facilities	Sewer	300,000	107,000	14,000	179,000
2014 Sewer Rehabilitation Program	Sewer	5,000,000	3,047,000	164,000	1,789,000
2014 Wastewater Pump Station Improvements	Sewer	350,000	122,000	23,000	205,000
2014 WPC Renewal and Replacements	Sewer	2,250,000	2,137,000	48,000	65,000
2015 East Hartford WPCF Compressor, DO Control & SCADA Upgrades	Sewer	5,000,000	396,000	16,000	4,588,000
2015 General Purpose Sewer	Sewer	2,000,000	542,000	46,000	1,412,000
2015 Hartford WPCF SPB Electrical Upgrades (SPB Solids)	Sewer	4,600,000	-	230,000	4,370,000
2015 Paving Program	Sewer	2,500,000	1,489,000	313,000	698,000
2015 Poquonock WPCF Primary & Secondary Tanks	Sewer	3,200,000	2,106,000	738,000	356,000
2015 Sanitary Sewer Easements Acquisitions & Improvements	Sewer	3,600,000	2,375,000	25,000	1,200,000
2015 Various Sewer Pipe Replacement/Rehab – District Wide	Sewer	5,000,000	388,000	3,180,000	1,432,000
2015 WPC Equipment & Facilities Improvements	Sewer	2,600,000	1,114,000	282,000	1,204,000
2016 Hartford WPCF - Air Permit Compliance Upgrades	Sewer	4,500,000	-	28,000	4,472,000
2016 Sewer Rehabilitation Program	Sewer	3,600,000	1,869,000	58,000	1,673,000
2016 Various Sewer Pipe Replacement/Rehab – District Wide	Sewer	1,000,000	-	452,000	548,000
2017 Paving Program and Restoration	Sewer	1,500,000	-	441,000	1,059,000
2017 Sanitary Sewer Rehabilitation Program	Sewer	3,600,000	-	704,000	2,896,000
2017 WPC Equipment & Facilities Improvements	Sewer	2,700,000	-	1,140,000	1,560,000
2017 WPC Plant Infrastructure Renewal & Replacement	Sewer	2,000,000	-	230,000	1,770,000
2017 WPC SCADA Upgrades	Sewer	2,000,000	-	34,000	1,966,000
2011 Facility & Equipment Improvements	Combined	1,400,000	934,000	22,000	444,000
2012 Facility Improvement Program	Combined	2,500,000	2,011,000	64,000	425,000
2012 Headquarters Parking Garage Renovations	Combined	3,095,000	2,676,000	67,000	352,000
2013 Communications Systems Upgrades	Combined	1,000,000	123,000	106,000	771,000
2013 Facilities Improvement Program	Combined	2,000,000	1,729,000	26,000	245,000
2013 Information Technology - Applications	Combined	5,000,000	2,814,000	202,000	1,984,000
2014 Facilities Improvement Program	Combined	3,000,000	2,920,000	18,000	62,000
2014 Facility Roof Replacements	Combined	600,000	-	35,000	565,000
2014 Land Improvements	Combined	1,000,000	612,000	35,000	353,000
2015 Administrative Facilities Improvement Program	Combined	1,000,000	589,000	137,000	274,000
2015 Member Towns New GIS Base Map Development	Combined	1,600,000	440,000	48,000	1,112,000
2016 Construction Services	Combined	3,500,000	2,891,000	85,000	524,000
2016 Engineering Services	Combined	2,500,000	1,543,000	246,000	711,000
2016 Fleet Replacement	Combined	1,300,000	929,000	65,000	306,000
2016 Information Systems I/T Upgrades	Combined	5,000,000	277,000	308,000	4,415,000
2016 Survey & Construction	Combined	5,000,000	4,158,000	108,000	734,000
2016 Technical Services	Combined	3,400,000	2,606,000	93,000	701,000
2017 Fleet Equipment Replacement	Combined	800,000	-	91,000	709,000
		322,648,000	155,625,508	25,000,000	142,022,492

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

**REALLOCATION OF PROCEEDS OF CERTAIN GENERAL OBLIGATION BONDS
AND GENERAL OBLIGATION BOND ANTICIPATION NOTES**

To: Board of Finance for consideration on June 19, 2017.

Staff is seeking authority for the District to reallocate proceeds from: (i) the District's \$36,215,000 General Obligation Bonds, Issue of 2015, Series B from the capital improvement projects set forth on Exhibit A attached to those capital improvement projects set forth on Exhibit A ; (ii) the District's \$66,740,000 General Obligation Bonds, Issue of 2015, Series A from the capital improvement projects set forth on Exhibit A attached to those capital improvement projects set forth on Exhibit A; and (iii) the District's \$95,000,000 General Obligation Bond Anticipation Notes, dated March 1, 2017 from the capital improvement projects set forth on Exhibit A attached to those capital improvement projects set forth on Exhibit A.

Bond counsel prepared the following resolution for consideration by the Board of Finance:

It is therefore RECOMMENDED that it be:

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

**RESOLUTION AUTHORIZING THE REALLOCATION OF PROCEEDS FROM
GENERAL OBLIGATION BONDS AND GENERAL OBLIGATION BOND
ANTICIPATION NOTES OF THE METROPOLITAN DISTRICT**

Proceeds from the District's \$36,215,000 General Obligation Bonds, Issue of 2015, Series B are hereby reallocated from the capital improvement projects set forth on Exhibit A attached to those capital improvement projects set forth on Exhibit A . Proceeds from the District's \$66,740,000 General Obligation Bonds, Issue of 2015, Series A are hereby reallocated from the capital improvement projects set forth on Exhibit A attached to those capital improvement projects set forth on Exhibit A. Proceeds from the District's \$95,000,000 General Obligation Bond Anticipation Notes, dated March 1, 2017 are hereby reallocated from the capital improvement projects set forth on Exhibit A attached to those capital improvement projects set forth on Exhibit A.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

EXHIBIT A**\$36,215,000 General Obligation Bonds, Issue of 2015, Series B**

\$

From :2015 WHWTF Water Storage Improvements	(1,366,000)
To: 2013 Paving Program	201,000
2012 General Purpose Water	1,165,000

\$66,740,000 General Obligation Bonds, Issue of 2015, Series A

From: 2013 Water Main Replacement Center Street, Hartford	(111,000)
To: 2014 Kilkenny Water	111,000
From: 2010 Water Treatment Facility Upgrade Program	(740,000)
To: 2014 Radio Frequency Automated Meter Reading	740,000

\$95,000,000 General Obligation Bond Anticipation Notes, dated March 1, 2017

From: 2011 Water Main Replacement - Cottage Grove Road, Bloomfield	(1,300,000)
To: 2017 Radio Frequency Automated Meter Reading Program	172,000
2014 Phelps Brook Dam and East Dike Rehabilitation Project	1,128,000

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

OPPORTUNITY FOR GENERAL PUBLIC COMMENT

Judy Allen, 25 Fowler Drive West Hartford, requested that copies of resolutions be made public with the agendas.

ADJOURNMENT

The meeting was adjourned at 4:07 P.M.

ATTEST:


John S. Mirtle, Esq.
District Clerk

August 7, 2017

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, August 7, 2017**

PRESENT: Commissioners Luis Caban, Allen Hoffman and Pasquale J. Salemi; Citizen Members Ron Angelo and Linda King-Corbin; and District Chairman William A. DiBella (6)

ABSENT: Commissioner William P. Horan and Citizen Member Martin B. Courneen (2)

ALSO

PRESENT: Commissioner Alvin Taylor
Commissioner Daniel Camilliere
Commissioner Domenic Pane
Scott W. Jellison, Chief Executive Officer
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Robert Constable, Director of Finance
Susan Negrelli, Director of Engineering
Robert Zaik, Director of Human Resources
Thomas Tyler, Director of Facilities
Kerry E. Martin, Assistant to the Chief Executive Officer
Cynthia A. Nadolny, Executive Assistant

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:02 P.M.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by Commissioner Caban and duly seconded, the meeting minutes of the Board of Finance meeting of June 21, 2017 were approved as amended.

DISCUSSION RE: CRRA LITIGATION

Without objection, Chairman Salemi postponed discussion regarding the CRRA litigation.

**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.

OPPORTUNITY FOR GENERAL PUBLIC COMMENT

Judy Allen, 25 Fowler Drive West Hartford, spoke regarding the presentation.

ADJOURNMENT

The meeting was adjourned at 5:27 P.M.

ATTEST:


John S. Mirtle, Esq.
District Clerk

September 11, 2017

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, September 11, 2017**

PRESENT: Commissioners Luis Caban, Allen Hoffman and Pasquale J. Salemi;
Citizen Members Ram Aberasturia, Ron Angelo and Martin Courneen;
and District Chairman William A. DiBella (7)

ABSENT: Commissioner William P. Horan and Citizen Member Linda King-Corbin
(2)

ALSO

PRESENT: Scott W. Jellison, Chief Executive Officer
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
R. Bartley Halloran, District Counsel
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Robert Zaik, Director of Human Resources
Marcy Wright-Bolling, Manager of Human Resources
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Christopher Levesque, Director of Operations
Michael Curley, Manager of Technical Services
Nick Salemi, Special Services Administrator
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Cynthia A. Nadolny, Executive Assistant

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:12 P.M.

SWEARING IN OF CITIZEN MEMBER

The District Clerk swore in Citizen Member Ram Aberasturia.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by Commissioner Hoffman and duly seconded, the meeting minutes of the Board of Finance meeting of January 9, 2017 and August 7, 2017 were approved. Citizen Member Aberasturia abstained.

2017 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on September 11, 2017

The 2017 Metropolitan District operating budget is currently experiencing deficits in Special Agreements & Programs and Taxes. The Special Agreements & Programs budget has a deficit in Postage and Outside Services due to monthly billing. Taxes reflect increases to the Colebrook, Hartland and Glastonbury taxes for 2017.

CERTIFICATIONS:

In accordance with Section 3-8 of the Charter of The Metropolitan District, I hereby certify that there exists free from encumbrances, in the following appropriation, the amounts listed:

	General	Water	Total
Department 701 – Debt Service	<u>\$22,668,800.00</u>	<u>\$26,029,500.00</u>	<u>\$48,698,300.00</u>
Total	<u>\$22,668,800.00</u>	<u>\$26,029,500.00</u>	<u>\$48,698,300.00</u>

John M. Zinzarella
Chief Financial Officer

It is therefore RECOMMENDED that it be:

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

Resolved: That transfers within the 2017 Budget Appropriations be approved as follows:

From:	General	Water	Total
Department 701 – Debt Service	<u>\$0.00</u>	<u>\$897,500.00</u>	<u>\$897,500.00</u>
Total	<u>\$0.00</u>	<u>\$897,500.00</u>	<u>\$897,500.00</u>
To:	General	Water	Total
Department-831 Riverfront	\$0.00	\$312,500.00	\$312,500.00
Department-741 Special Agreements & Programs	0.00	350,000.00	350,000.00
Department-731 Taxes	<u>0.00</u>	<u>235,000.00</u>	<u>235,000.00</u>
Total	<u>\$0.00</u>	<u>\$897,500.00</u>	<u>\$897,500.00</u>

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

REQUIRED AUDITOR COMMUNICATIONS

Vanessa Rossitto of Blum Shapiro delivered the required annual auditor communications.

OPPORTUNITY FOR GENERAL PUBLIC COMMENT

No one from the public appeared to be heard.

ADJOURNMENT

The meeting was adjourned at 5:50 P.M.

ATTEST:


John S. Mirtle, Esq.
District Clerk

October 19, 2017

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Thursday, October 19, 2017**

PRESENT: Commissioners Luis Caban, Allen Hoffman and Pasquale J. Salemi; Citizen Members Ron Angelo and Martin Courneen; and District Chairman William A. DiBella (6)

ABSENT: Citizen Member Ram Aberasturia and Linda King-Corbin (2)

ALSO

PRESENT: Commissioner Denise Hall
Commissioner Georgiana Holloway
Commissioner Whit Osgood
Commissioner Domenic Pane
Scott W. Jellison, Chief Executive Officer
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Robert Constable, Director of Finance
Sue Negrelli, Director of Engineering
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Christopher Levesque, Director of Operations
Lisa Remsen, Financial Analyst
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Cynthia A. Nadolny, Executive Assistant

CALL TO ORDER

Chairman Salemi called the meeting to order at 1:04 P.M.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

Judy Allen, 25 Fowler Drive West Hartford, spoke regarding the following:

Questions for the Special Meeting of the Board of Finance, Oct. 19, 2017

As evidenced by the recent primary in Bloomfield where a brand new slate of Democrats was voted in, running primarily on opposition to Niagara, the public is still very concerned and angry about it. So these questions seem especially important.

1. Last year Chairman DiBella was able to tell how much our water rates would be reduced for 2017 if Niagara had been buying water at their limit of 1.8 million gallons of water a day. Now that Niagara is buying water, how much has that contributed to proposed rates for 2018?
2. Is Niagara being charged the Sewer User Charge or have you verified that the property tax break given by Bloomfield is reflected in the amount of property tax received for the purpose of calculating the 2018 ad valorem tax?
3. Are you going to give discounts on water and/or the Clean Water Project for large volume water users in 2018?
4. Are there plans for any new large volume water users?

Please excuse that I am not a financial expert and so some of my questions may seem naive, but they come from a place of truly wanting to understand the financial challenges the MDC faces. As a consumer of a public water supply I think I have a responsibility to understand what goes into the workings of a utility that delivers such an important resource.

1. In the draft budget published in the agenda for this meeting, the 5 year plan for water, sewer, and combined CIP was not included. When will that be available?
2. Will any projects in the 5 year plan include expansion of capacity for delivering water to Niagara? Last year it was called the Bloomfield Transmission Main Extension. Will money approved for this extension be included in the 5 year plan?
3. In reading the descriptions for Capital Improvements to sewers, I am confused by what looks like overlapping purposes described on pages 11, 12, 15, and 16. All have to do with some aspect of replacing and rehabilitation of the sewer system as a result of aging and deteriorating infrastructure or infrastructure exceeding useful life. Could you explain the differences among the 4. Can funds from one be used for another? Are these funds expected to be used only within 2018?
4. The General Purpose Sewer program in last year's budget was projected to be \$3 million in 2018 but this year the amount is \$5 million. The Sewer Rehabilitation Program was projected to be \$3 million but this year is \$4.6 million. And the Various Sewer Pipe Replacement Program was projected to be \$3 million in 2018 but is now \$4 million. If I'm reading this right, that's \$4.6 million more than was projected. Why so much?
5. What happened to all the sewer projects in last year's budget that were projected for 2018?
6. Where in the budget will the expense of the MDC Consumer Advocate for 2018 be?
7. Where in the Budget time line will public hearings be held? Will there be just one hearing for covering changes to both the water ordinances and the CWP ordinances?

Thank you
Judy Allen
West Hartford

APPROVAL OF MINUTES

On motion made by Citizen Member Courneen and duly seconded, the meeting minutes of the Board of Finance meeting of September 11, 2017 were approved.

APPOINTMENT OF AUDITORS FOR FISCAL YEAR 2017

To: Board of Finance for consideration on October 19, 2017

The financial auditors are appointed annually by the Board of Finance. In 2014, the District solicited competitive proposals from qualified auditing firms on the State of Connecticut Department of Administrative Services contract and awarded a one-year contract, with the option for two one year renewals to the firm of Blum, Shapiro & Company P.C.. Following past practice, annually, the Board of Finance has reappointed the incumbent auditor in the interim years, although this practice is not obligatory. The single-year term has been retained so that performance of the auditor may be evaluated annually; with the option of change should the finding be negative.

Staff plans to solicit competitive proposals for auditing services in the spring of 2018 to execute a new contract. For the Fiscal 2017 audit, District staff recommends that the Board of Finance appoint the firm of Blum, Shapiro & Company, P.C. to conduct the audit.

If, after discussion, it is the consensus of the Board of Finance that the firm of Blum, Shapiro & Company, P.C. be appointed for fiscal year 2017, it may be

Voted: That the Board of Finance appoints the firm of Blum, Shapiro & Company, P.C., to audit the financial statements of the Metropolitan District for the year ending December 31, 2017, based upon the hourly rate fee schedule contained within State of Connecticut Department of Administrative Services Contract, not to exceed \$140,000.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

DISCUSSION RE: 2018 PROPOSED ANNUAL BUDGET

Robert Constable, Director of Finance presented the 2018 Proposed Annual Budget.

The Board of Finance recessed at 2:49PM

The Board of Finance resumed the meeting at 3:02PM

Commissioner Caban exited the meeting at 4:07PM

Commissioner Salemi exited the meeting at 4:46PM

OPPORTUNITY FOR GENERAL PUBLIC COMMENT

Judy Allen, 25 Fowler Drive West Hartford, spoke regarding the integrated plan and the state water plan.

ADJOURNMENT

The meeting was adjourned at 5:02 P.M.

ATTEST:


John S. Mirtle, Esq.
District Clerk

November 8, 2017

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Wednesday, November 9, 2017**

PRESENT: Commissioners Luis Caban, Allen Hoffman and Pasquale J. Salemi; Citizen Members Ram Aberasturia, Ron Angelo and Martin Courneen, Linda King-Corbin; and District Chairman William A. DiBella (8)

ABSENT: (0)

ALSO

PRESENT: Commissioner John Avedisian
Commissioner Denise Hall
Commissioner Whit Osgood
Commissioner Domenic Pane
Commissioner Alvin Taylor
Scott W. Jellison, Chief Executive Officer
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
R. Bartley Halloran, District Counsel
John S. Mirtle, District Clerk
Robert Constable, Director of Finance
Sue Negrelli, Director of Engineering
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Lisa Remsen, Financial Analyst
Shereese Rodgers, Financial Analyst
Kerry E. Martin, Assistant to the Chief Executive Officer
Cynthia A. Nadolny, Executive Assistant

CALL TO ORDER

District Chairman DiBella called the meeting to order at 5:01PM.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by Commissioner Hoffman and duly seconded, the meeting minutes of the Board of Finance meeting of October 19, 2017 were approved.

Citizen Member Aberasturia abstained.

Linda King-Corbin entered the meeting at 5:04 PM

**CLOSEOUT OF WATER, SEWER AND COMBINED PROGRAMS
WATER CAPITAL PROJECT PROGRAMS**

To: Board of Finance for consideration on November 8, 2017

The District has undertaken the task of updating its Capital Improvement Project (CIP) records. The task includes the identification of projects which have been completed, cancelled, or had a change of scope. Based upon the review, District staff now recommends that the following projects be closed.

Proj. Definition	Year	BA	Project Description	Town	Budget	Expended Amount	Remaining Balance
WAT.CW1371.01	2013	2113	2013 CWP-CAPITAL AVE	Hartford	270,000.00	7,869.91	262,130.09
		2113 Total			270,000.00	7,869.91	262,130.09
WAT.CW1233.01	2008	2208	General Purpose Water Program	Various	1,100,000.00	890,000.00	210,000.00
WAT.CW1240.01	2008	2208	2008 Watershed Road Rehabilitation	Barkhamsted	800,000.00	797,537.62	2,462.38
		2208 Total			1,900,000.00	1,687,537.62	212,462.38
WAT.CW1244.02	2010	2209	2010-Broad Street	Hartford	900,000.00	650,097.32	249,902.68
		2209 Total			900,000.00	650,097.32	249,902.68
CWN0001112	2000	2304	2000 DAM SAFETY IMPR	West Hartford	5,000,000.00	4,996,070.74	3,929.26
		2304 Total			5,000,000.00	4,996,070.74	3,929.26
WAT.CW1271.01	2010	2320	2010WatrMain WetherA	Hartford	300,000.00	0	300,000.00
WAT.CW1279.01	2010	2320	2010WaterMain Warner	Hartford	3,420,000.00	3,419,997.00	3.00
WAT.CW1280.01	2010	2320	2010WaterMain Bond S	Hartford	678,000.00	0	678,000.00
WAT.CW1315.01	2011	2320	2011 CWP-WMR	Various	290,798.00	273,739.66	17,058.34
WAT.CW1315.20	2011	2320	2011 CWP-WMR A	Hartford	2,151,473.43	2,151,383.08	90.35
WAT.CW1315.30	2011	2320	2011 CWP-WMR FRA	Hartford	1,307,728.57	1,304,821.27	2,907.30
WAT.CW1316.02	2011	2320	2012 CWP-ENFIELD ST	Hartford	120,000.00	0	120,000.00
WAT.CW1317.01	2011	2320	2011CWP GREENFIELD S	Hartford	240,000.00	0	240,000.00
WAT.CW1318.01	2011	2320	2011 CWP-MAGNOLIA ST	Hartford	575,000.00	0	575,000.00
WAT.CW1319.01	2011	2320	2011 CWP ALBANY AVE	Hartford	150,000.00	0	150,000.00
WAT.CW1325.01	2011	2320	2011 CWP WETHERSFIEL	Hartford	60,000.00	0	60,000.00
WAT.CW1326.01	2011	2320	2011 CWP PARK RIVER	Hartford	117,000.00	0	117,000.00
WAT.CW1327.01	2011	2320	2011 CWP NORTH BEACO	Hartford	1,060,000.00	0	1,060,000.00
WAT.CW1336.01	2012	2320	2012 CWP SMAPLE E HA	Hartford	2,750,000.00	2,747,129.02	2,870.98
WAT.CW1347.01	2012	2320	2012 WPS CANAL WH	West Hartford	1,779,000.00	1,552,524.24	226,475.76
		2320 Total			14,999,000.00	11,449,594.27	3,549,405.73
WAT.CW1199.01	2008	2324	2008 Water Supply Facility Improvements	Barkhamsted	2,200,000.00	1,806,548.66	393,451.34
		2324 Total			2,200,000.00	1,806,548.66	393,451.34
WAT.CW1214.01	2007	2330	2007 Tower Ave Water	Hartford	3,595,000.00	2,976,300.68	618,699.32
WAT.CW1238.01	2007	2330	2007 Cedar St Htfd	Hartford	1,040,000.00	951,363.97	88,636.03
		2330 Total			4,635,000.00	3,927,664.65	707,335.35
		2331 Total			3,560,000.00	698,826.34	2,861,173.66
WAT.CW1207.01	2008	2333	2008 Farmington Ave	Hartford	1,000,000.00	642,624.53	357,375.47
		2333 Total			1,000,000.00	642,624.53	357,375.47
WAT.CW1197.01	2008	2337	2008 WH Security	West Hartford	2,500,000.00	2,488,492.24	11,507.76
		2337 Total			2,500,000.00	2,488,492.24	11,507.76
WAT.CW1357.01	2012	2340	2012 WATER REHAB PRG	Various	1,500,000.00	641,175.25	858,824.75
WAT.CW1313.02	2011	2340	2011 COLLINSVILLE WTPF	Collinsville	24,560.00	23,090.09	1,469.91
		2340 Total			1,524,560.00	664,265.34	860,294.66
WAT.CW1305.01	2011	2341	2011 LAND ACQUISITION	Various	300,000.00	-	300,000.00
		2341 Total			300,000.00	-	300,000.00
		Grand Total			38,788,560.00	29,019,591.62	9,768,968.38

After reviewing the information contained herein

It is **RECOMMENDED** that it be

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

Resolved: That the District Board approves appropriation closeouts for the projects listed above.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

CLOSEOUT OF WATER, SEWER AND COMBINED PROGRAMS SEWER CAPITAL PROJECT PROGRAMS

To: Board of Finance for consideration on November 8, 2017

The District has undertaken the task of updating its Capital Improvement Project (CIP) records. The task includes the identification of projects which have been completed, cancelled, or had a change of scope. Based upon the review, District staff now recommends that the following projects be closed.

Proj. Definition	Year	BA	Project Description	Town	Budget	Expended Amount	Remaining Balance
WWA.CS1144.01	2007	5107	2007 Mansfield St.	Hartford	1,000,000.00	1,000.00	999,000.00
		5107 Total			1,000,000.00	1,000.00	999,000.00
WWA.CS1136.01	2008	5108	2008 GPS Program	Various	521,561.00	181,976.42	339,584.58
WWA.CS1143.01	2008	5108	2008 Cedar St Htfd	Hartford	1,200,000.00	978,811.80	221,188.20
		5108 Total			1,721,561.00	1,160,788.22	560,772.78
WWA.CS1133.01	2009	5109	2009 GPSP	Various	1,322,200.00	1,143,342.87	178,857.13
WWA.CS1145.01	2009	5109	2009 Cedar St. Htfd	Hartford	1,400,000.00	1,140,492.74	259,507.26
WWA.CS1160.01	2009	5109	Erosion Slope Repair	Hartford	284,800.00	129,689.99	155,110.01
WWA.CS1163.01A	2011	5109	2011 General Purpose Sewer	Various	74,422.14	51,186.00	23,236.14
WWA.CS1163.11	2011	5109	2011 General Purpose Sewer	Various	422,707.00	358,106.00	64,601.00
WWA.CS1163.20	2011	5109	2011 GPS EH High St	East Hartford	1,502,870.86	1,377,517.94	125,352.92
		5109 Total			5,007,000.00	4,200,335.54	593,474.40
WWA.CS1218.01	2013	5113	2013 WPC EQPMT REFRB	Various	1,260,000.00	1,199,671.32	60,328.68
WPC.EQ0014.02	2014	5113	2014 WPC Renw&Replac	Various	2,250,000.00	2,185,159.61	64,840.39
		5113 Total			3,510,000.00	3,384,830.93	125,169.07
WWA.CSA445.01	2008	5630	2008 Orchard Road WH	West Hartford	600,000.00	237,263.37	362,736.63
WWA.CSA442.01	2009	5630	2009 Assessable Sew	Various	170,266.60	170,266.60	0.00
WWA.CSA448.01	2009	5630	2009 -1200 Wind. Ave	Hartford	911.34	911.34	0.00
WWA.CSA447.01	2010	5630	2010 -1037 Wind. Ave	Hartford	125,400.00	108,271.32	17,128.68
WWA.CSA446.01	2010	5630	2010Assessable Sewer	Various	128,600.00	0	128,600.00
		5630 Total			1,025,177.94	516,712.63	508,465.31
WWA.CS1166.01	2011	5680	2011 WPC E&F REFURB	Various	1,200,000.00	1,152,780.06	47,219.94
WWA.CS1186.01	2012	5680	2012 WPC EQ & FAC RE	Various	1,200,000.00	1,002,067.42	197,932.58
		5680 Total			2,400,000.00	2,154,847.48	245,152.52
WWA.CS1137.01	2008	5738	2008 SCADA System	Various	2,500,000.00	2,420,666.96	79,333.04
		5738 Total			2,500,000.00	2,420,666.96	79,333.04
WWA.CS1159.01	2008	5741	Goff Brook South Branch	Hartford	1,621,519.61	1,401,196.09	220,323.52
WWA.CS1168.01	2008	5741	Goff Brook - South Branch Phase II	Hartford	3,208,000.00	3,140,994.67	67,005.33
WWA.CS1131.01	2009	5741	2009 CMOM Compli	MDC	1792000	1506261.31	285,738.69
		5741 Total			6621519.61	6048452.07	573,067.54
SSO0000004	2006	5800	2006 SSO - Rocky Hil	Rocky Hill	5,000,000.00	3,847,284.59	1,152,715.41
SSO0000005	2006	5800	2006 SSO - Weth.	Wethersfield	5,000,000.00	4,828,753.86	171,246.14
SSO0000006	2006	5800	2006 SSO - Windsor	Windsor	5,000,000.00	3,762,238.43	1,237,761.57
		5800 Total			15,000,000.00	12,438,276.88	2,561,723.12
WWA.CS1176.01	2012	5803	2012 S 4 MILE RD WH	West Hartford	4,905,000.00	4,904,464.33	535.67
WWA.CS1216.01	2013	5803	2013 SWR REHAB PRGM	Various	2,500,000.00	2,008,743.87	491,256.13
		5803 Total			7,405,000.00	6,913,208.20	491,791.80
		Grand Total			46,190,258.55	39,239,118.91	6,951,139.64

After reviewing the information contained herein

It is **RECOMMENDED** that it be

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

Resolved: That the District Board approves appropriation closeouts for the projects listed above.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

CLOSEOUT OF WATER, SEWER AND COMBINED PROGRAMS COMBINED CAPITAL PROJECT PROGRAMS

To: Board of Finance for consideration on November 8, 2017

The District has undertaken the task of updating its Capital Improvement Project (CIP) records. The task includes the identification of projects which have been completed, cancelled, or had a change of scope. Based upon the review, District staff now recommends that the following projects be closed.

Proj. Definition	Year	BA	Project Description	Town	Budget	Expended Amount	Remaining Balance
COM.CFP180.01	2013	5613	2013 FLEET REPALCMNT	MDC	1,100,000.00	1,046,792.29	53,207.71
		5613 Total			1,100,000.00	1,046,792.29	53,207.71
COM.CFP145.01	2008	5651	ADA Handicapped Access In	MDC	500,000.00	291,556.56	208,443.44
		5651 Total			500,000.00	291,556.56	208,443.44
COM.CFP144.01	2009	5652	2009 Cap.Equip.Rep.	MDC	1,877,000.00	1,546,827.47	330,172.53
		5652 Total			1,877,000.00	1,546,827.47	330,172.53
		Grand Total			3,477,000.00	2,885,176.32	591,823.68

After reviewing the information contained herein

It is **RECOMMENDED** that it be

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

Resolved: That the District Board approves appropriation closeouts for the projects listed above.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

CLOSEOUT OF CLEAN WATER PROGRAMS CLEAN WATER FUND PROJECT PROGRAMS

To: Board of Finance for consideration on November 8, 2017

The District has undertaken the task of updating its Clean Water Fund Program records. The task includes the identification of projects which have been completed,

cancelled, or had a change of scope. Based upon the review, District staff now recommends that the following projects be closed.

Proj. Definition	Year	BA	Project Description	Budget	Expended Amount	Remaining Balance
CW1.FSSFAR.06	2007	5300	Farmington Proj #6	\$ 8,191,515.15	\$ 8,191,515.15	\$ -
CW1.MGMPMC.15	2007	5300	2015 CWP PMC / CDM	6,125,657.96	6,125,657.96	-
CW1.SSOGEN.11	2007	5300	SSO Pilot Study	3,333,591.26	3,333,591.26	-
CW1.SSONWT.01	2007	5300	2012 SSO-Newington	3,409,832.12	3,409,832.12	-
CW1.SSONWT.02	2007	5300	2012 Newinton Lining	6,087,908.08	6,087,908.08	-
CW1.SSOWHA.01	2007	5300	2012 W. Hartford PR	1,577,096.29	1,577,096.29	-
CW1.SSOWHA.02	2007	5300	2012 SSO Pilot E- WH	2,047,087.39	2,047,087.39	-
CW1.SSOWHA.04	2007	5300	2012 Four Mile Rd	2,689,904.58	2,689,904.58	-
CW1.SSOWND.01	2007	5300	2012 SSO-Windsor	2,669,498.47	2,669,498.47	-
CW1.SSOWTH.01	2007	5300	2011 SSO-Wthersfield	4,204,575.71	4,204,575.71	-
CW1.SSOWTH.03	2007	5300	2012 SSO Pilot D-Wet	2,286,152.78	2,286,152.78	-
CW1.SSSPAR.07	2007	5300	Retreat Avenue	9,331,401.93	9,331,401.93	-
CW1.WTFHAR.16	2007	5300	BNR Phase II Upgrade	35,419,750.97	35,419,750.97	-
CW1.WTFHAR.17	2007	5300	2011 Solids Handling	779,406.04	779,406.04	-
		5300 Total		\$ 88,153,378.73	\$ 88,153,378.73	\$ -

After reviewing the information contained herein

It is **RECOMMENDED** that it be

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

Resolved: That the District Board approves appropriation closeouts for the projects listed above.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

FISCAL YEAR 2018 - CAPITAL IMPROVEMENT BUDGET

To: Board of Finance for consideration on November 8, 2017

It is **RECOMMENDED** that it be

Voted: That the Board of Finance accepts and approves a Capital Improvement Budget for 2018 in the total amount of \$72,700,000 in appropriations to be funded from bonds, note proceeds or other sources as follows:

Wastewater

CCTV Generated Sewer Construction Contracts	\$ 7,000,000
General Purpose Sewer	5,000,000
Madison Ave. Area Sewer Rehabilitation/Replacement, Htfd	2,000,000
Paving Program & Restoration	3,000,000
Sewer Rehabilitation Program	4,600,000
Various Sewer Pipe Replacement/Rehabilitations - District-wide	4,000,000
WPC Infrastructure Rehabilitation, Upgrades & Replacements	<u>5,200,000</u>

Total Wastewater **\$ 30,800,000**

Water

Buckingham St. Area WMR, Hartford	\$ 7,000,000
General Purpose Water Program	2,000,000
Madison Ave. Area WMR, Hartford	5,000,000
Paving Program & Restoration	4,000,000
Radio Frequency - Staffing only	1,000,000
Water Main Replacement Program	5,000,000
Water Treatment Facilities Infrastructure Rehabilitation, Upgrades & Replacements	<u>2,200,000</u>

Total Water **\$ 26,200,000**

Combined

Construction Services	\$ 3,500,000
Engineering Services	2,500,000
Fleet Replacement	800,000
Survey & Construction	5,000,000
Technical Services	<u>3,400,000</u>

Total Combined **\$ 15,200,000**

Hydro

Hydro Rehabilitation	\$ 500,000
----------------------	------------

Total Hydro **\$ 500,000**

Wastewater, Water, Combined and Hydro Total **\$ 72,700,000**

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

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

AUTHORIZATION TO ISSUE GENERAL OBLIGATION BONDS NOT TO EXCEED \$72,700,000

WHEREAS, the District Board has resolved today to appropriate and issue Bonds for those capital improvements projects numbered 1- 20, inclusive; and

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

Now THEREFORE BE IT RESOLVED:

Section 1. To meet the appropriations for the projects set forth in the 2018 CIP Resolutions Nos. 1- 20 inclusive (the "Resolutions"), bonds of the District are authorized in the respective amounts set forth in such Resolutions to be issued in one or more series in accordance with applicable General Statutes of Connecticut, Revision of 1958, as amended to date and as amended from time to time in the future, public acts of the Connecticut General Assembly, as amended to date and as amended from time to time in the future, and special acts of the Connecticut General Assembly, as amended to date and as amended from time to time in the future (together, "Connecticut laws"), and the District's Charter. 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 competitive bid, a notice of sale, or summary thereof, shall be published at least five (5) days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If sold by negotiated sale, the form and details of the bond purchase agreement for the sale of the bonds shall be determined by the District Board.

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 therefore 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 under the Resolutions ("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 and interim funding obligations in anticipation of project loan 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-478 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.

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 in the form of the International Swaps and Derivatives Association, Inc. (ISDA) Master Agreement, together with applicable annexes, schedules and confirmations thereto, contracts to manage interest rate risk, including interest rate caps, options, puts, call 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") and to provide notices to the MSRB 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 paid sixty days prior to and any time after the date of passage of this Resolution in connection with the Resolutions 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 date of the expenditure or such later date the Regulations may authorize. The District hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Chairman or Vice Chairman and the Treasurer or Deputy Treasurer 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 and 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 the said obligations and the exclusion of the interest thereon, if applicable, from gross income for federal income tax purposes, (b) make, execute and deliver all such additional and supplemental documents, including, but not limited to any tax compliance agreements, tax certificates, tax forms, investment agreements or assignments, and (c) do and perform such acts and take such actions as may be necessary or required for the consummation of the transactions provided for and contemplated by this Resolution.

2018 CIP PROJECT RESOLUTION NO. 1

RESOLUTION APPROPRIATING \$7,000,000 FOR THE CCTV GENERATED SEWER CONSTRUCTION AND AUTHORIZING THE ISSUANCE OF \$7,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$7,000,000 is hereby appropriated for construction of various repairs to sanitary sewers which were identified as deficient from routine CCTV inspections, including design, construction, and project administration, legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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-478 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Clean Water Fund Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Clean Water Fund Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Clean Water Fund Obligations, Project Loan and Grant Agreements and any other instruments, agreements or certificates under the Clean Water Fund Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Clean Water Fund Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 2

RESOLUTION APPROPRIATING \$5,000,000 FOR THE GENERAL PURPOSE SEWER PROGRAM AND AUTHORIZING THE ISSUANCE OF \$5,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$5,000,000 is hereby appropriated for the General Purpose Sewer Program including planning, design and construction of the replacement and/or rehabilitation of existing sewer mains, pump stations, and any related collection system appurtenances at various locations District wide and for legal, administrative and other financing costs related thereto. Such Projects may also include electrical, mechanical, or renewable energy upgrades at District facilities. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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-478 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Clean Water Fund Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Clean Water Fund Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Clean Water Fund Obligations, Project Loan and Grant Agreements and any other instruments, agreements or certificates under the Clean Water Fund Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Clean Water Fund Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 3

RESOLUTION APPROPRIATING \$2,000,000 FOR THE MADISON AVENUE
AREA SEWER REHABILITATION AND AUTHORIZING THE ISSUANCE OF
\$2,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$2,000,000 is hereby appropriated for the rehabilitation of sewer mains and lateral replacements in the Madison Avenue area of Hartford, for legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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-478 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Clean Water Fund Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Clean Water Fund Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Clean Water Fund Obligations, Project Loan and Grant Agreements and any other instruments, agreements or certificates under the Clean Water Fund Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Clean Water Fund Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 4

RESOLUTION APPROPRIATING \$3,000,000 FOR THE PAVING PROGRAM
AND RESTORATION AUTHORIZING THE ISSUANCE OF \$3,000,000 BONDS
OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$3,000,000 is hereby appropriated for final pavement restoration of roads and other areas as well as unpaved areas disturbed by MDC sewer projects, including material disposal and materials from stock, and for legal, administrative and

other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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-478 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Clean Water Fund Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Clean Water Fund Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Clean Water Fund Obligations, Project Loan and Grant Agreements and any other instruments, agreements or certificates under the Clean Water Fund Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Clean Water Fund Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 5

RESOLUTION APPROPRIATING \$4,600,000 FOR THE SEWER REHABILITATION PROGRAM AND AUTHORIZING THE ISSUANCE OF \$4,600,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$4,600,000 is hereby appropriated for sewer system investigations (using closed circuit TV inspection, sonar or laser methods) to support the design and construction of rehabilitation and replacement of deteriorating segments of the District's sewer infrastructure, including staffing, equipment, legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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-478 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Clean Water Fund Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Clean Water Fund Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Clean Water Fund Obligations, Project Loan and Grant Agreements and any other instruments, agreements or certificates under the Clean Water Fund Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Clean Water Fund Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 6

RESOLUTION APPROPRIATING \$4,000,000 FOR VARIOUS SEWER PIPE REPLACEMENT/REHABILITATION PROGRAM – DISTRICT WIDE AND AUTHORIZING THE ISSUANCE OF \$4,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$4,000,000 is hereby appropriated for the design and construction of sewer system upgrades, replacements and rehabilitation measures District-wide including survey, sewer easement clearing, closed caption TV inspection, the replacement, rehabilitation and or upgrade of District infrastructure, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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-478 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Clean Water Fund Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Clean Water Fund Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Clean Water Fund Obligations, Project Loan and Grant Agreements and any other instruments, agreements or certificates under the Clean Water Fund Program shall be executed in the name and on behalf of the District by the manual or facsimile

signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Clean Water Fund Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 7

RESOLUTION APPROPRIATING \$5,200,000 FOR WPC PLANT INFRASTRUCTURE RENEWAL AND REPLACEMENT AND AUTHORIZING THE ISSUANCE OF \$5,200,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$5,200,000 is hereby appropriated for the design and construction of a variety of renewal and replacements at the four water pollution control facilities to modernize existing systems, and for legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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-478 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Clean Water Fund Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Clean Water Fund Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Clean Water Fund Obligations, Project Loan and Grant Agreements and any other instruments, agreements or certificates under the Clean Water Fund Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 therefore by the District Board in accordance with Connecticut laws and the District's Charter.

Each of the Clean Water Fund Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 8

RESOLUTION APPROPRIATING \$7,000,000 FOR THE BUCKINGHAM STREET
AREA WATER MAIN REPLACEMENT AND AUTHORIZING THE ISSUANCE OF
\$7,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$7,000,000 is hereby appropriated for the construction, of water mains and service replacements in the Buckingham Street area of Hartford, to replace aging or failing water mains, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 and the State of Connecticut Department of Public Health to be eligible for funding under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Drinking Water Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Drinking Water Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Drinking Water Obligations, Project Loan Agreements and any other instruments, agreements or certificates under the Drinking Water Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence the Deputy Treasurer, and bear the District seal or a facsimile thereof. The aggregate principal amount of the Drinking Water Obligations to be issued, the dated date, final maturity, rate or rates of interest, the date, time of issue and sale and all other terms, details and particulars of such Drinking Water Obligations, subject to the provisions of the Drinking Water Program, shall be determined by the District Board, following recommendation of the Board of Finance. Drinking Water Obligations may be secured by the full faith and credit of the District and/or by special revenues of the District pledged therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Drinking Water Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 9

RESOLUTION APPROPRIATING \$2,000,000 FOR THE GENERAL PURPOSE
WATER PROGRAM AND AUTHORIZING THE ISSUANCE OF \$2,000,000
BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$2,000,000 is hereby appropriated for the replacement or rehabilitation of aging water mains and related system-wide equipment/infrastructure improvements, and electrical, mechanical or renewable energy upgrades, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 and the State of Connecticut Department of Public Health to be eligible for funding under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Drinking Water Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Drinking Water Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Drinking Water Obligations, Project Loan Agreements and any other instruments, agreements or certificates under the Drinking Water Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence the Deputy Treasurer, and bear the District seal or a facsimile thereof. The aggregate principal amount of the Drinking Water Obligations to be issued, the dated date, final maturity, rate or rates of interest, the date, time of issue and sale and all other terms, details and particulars of such Drinking Water Obligations, subject to the provisions of the Drinking Water Program, shall be determined by the District Board, following recommendation of the Board of Finance. Drinking Water Obligations may be secured by the full faith and credit of the District and/or by special revenues of the District pledged therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Drinking Water Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 10

RESOLUTION APPROPRIATING \$5,000,000 FOR THE MADISON AVENUE
AREA WATER MAIN REPLACEMENT AND AUTHORIZING THE ISSUANCE OF
\$5,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$5,000,000 is hereby appropriated for the construction of water mains and service replacements in the Madison Avenue area of Hartford, to replace aging or failing water mains, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 and the State of Connecticut Department of Public Health to be eligible for funding under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Drinking Water Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Drinking Water Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Drinking Water Obligations, Project Loan Agreements and any other instruments, agreements or certificates under the Drinking Water Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence the Deputy Treasurer, and bear the District seal or a facsimile thereof. The aggregate principal amount of the Drinking Water Obligations to be issued, the dated date, final maturity, rate or rates of interest, the date, time of issue and sale and all other terms, details and particulars of such Drinking Water Obligations, subject to the provisions of the Drinking Water Program, shall be determined by the District Board, following recommendation of the Board of Finance. Drinking Water Obligations may be secured by the full faith and credit of the District and/or by special revenues of the District pledged therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Drinking Water Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 11

RESOLUTION APPROPRIATING \$4,000,000 FOR THE PAVING PROGRAM AND RESTORATION AUTHORIZING THE ISSUANCE OF \$4,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$4,000,000 is hereby appropriated for final pavement restoration of roads and other areas disturbed by the MDC water projects, including disposal of unsuitable materials and usage of materials from stock, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 and the State of Connecticut Department of Public Health to be eligible for funding under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Drinking Water Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Drinking Water Obligations") as the District Board shall determine, in accordance with

Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Drinking Water Obligations, Project Loan Agreements and any other instruments, agreements or certificates under the Drinking Water Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence the Deputy Treasurer, and bear the District seal or a facsimile thereof. The aggregate principal amount of the Drinking Water Obligations to be issued, the dated date, final maturity, rate or rates of interest, the date, time of issue and sale and all other terms, details and particulars of such Drinking Water Obligations, subject to the provisions of the Drinking Water Program, shall be determined by the District Board, following recommendation of the Board of Finance. Drinking Water Obligations may be secured by the full faith and credit of the District and/or by special revenues of the District pledged therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Drinking Water Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 12

RESOLUTION APPROPRIATING \$1,000,000 FOR THE RADIO FREQUENCY AUTOMATED METER READING PROGRAM AND AUTHORIZING THE ISSUANCE OF \$1,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$1,000,000 is hereby appropriated for the radio frequency meter program, standardizing and replacing radio frequency meters and meter reading devices District-wide, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 and the State of Connecticut Department of Public Health to be eligible for funding under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Drinking Water Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Drinking Water Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Drinking Water Obligations, Project Loan Agreements and any other instruments, agreements or certificates under the Drinking Water Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence the Deputy Treasurer, and bear the District seal or a facsimile thereof. The aggregate principal amount of the Drinking Water Obligations to be issued, the dated date, final maturity, rate or rates of interest, the date, time of issue and sale and all other terms, details and particulars of such Drinking Water Obligations, subject to the provisions of the Drinking Water Program, shall be determined by

the District Board, following recommendation of the Board of Finance. Drinking Water Obligations may be secured by the full faith and credit of the District and/or by special revenues of the District pledged therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Drinking Water Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 13

RESOLUTION APPROPRIATING \$5,000,000 FOR THE WATER MAIN REPLACEMENT PROGRAM AND AUTHORIZING THE ISSUANCE OF \$5,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$5,000,000 is hereby appropriated for the to replace water mains and water services throughout the District that have exceeded their useful lives and/or have experienced numerous breaks, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 and the State of Connecticut Department of Public Health to be eligible for funding under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Drinking Water Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Drinking Water Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Drinking Water Obligations, Project Loan Agreements and any other instruments, agreements or certificates under the Drinking Water Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence the Deputy Treasurer, and bear the District seal or a facsimile thereof. The aggregate principal amount of the Drinking Water Obligations to be issued, the dated date, final maturity, rate or rates of interest, the date, time of issue and sale and all other terms, details and particulars of such Drinking Water Obligations, subject to the provisions of the Drinking Water Program, shall be determined by the District Board, following recommendation of the Board of Finance. Drinking Water Obligations may be secured by the full faith and credit of the District and/or by special revenues of the District pledged therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Drinking Water Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 14

RESOLUTION APPROPRIATING \$2,200,000 FOR WATER TREATMENT FACILITIES INFRASTRUCTURE REHABILITATION, UPGRADES & REPLACEMENTS AND AUTHORIZING THE ISSUANCE OF \$2,200,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$2,200,000 is hereby appropriated to design and construct a variety of renewal and replacements, including electrical improvements at the three water treatment facilities to modernize existing systems, improve treatment processes, operational reliability and safety, and for legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Section 2. The Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence 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 and the State of Connecticut Department of Public Health to be eligible for funding under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended (the "Drinking Water Program"), the District may issue bonds, notes or certificates of indebtedness authorized hereby in the form of interim funding obligations in anticipation of project loan obligations and project loan obligations ("Drinking Water Obligations") as the District Board shall determine, in accordance with Connecticut laws and the District's Charter, following recommendation of the Board of Finance. Drinking Water Obligations, Project Loan Agreements and any other instruments, agreements or certificates under the Drinking Water Program shall be executed in the name and on behalf of the District by the manual or facsimile signatures of the Chairman, or in his absence the Vice-Chairman, and the Treasurer, or in his absence the Deputy Treasurer, and bear the District seal or a facsimile thereof. The aggregate principal amount of the Drinking Water Obligations to be issued, the dated date, final maturity, rate or rates of interest, the date, time of issue and sale and all other terms, details and particulars of such Drinking Water Obligations, subject to the provisions of the Drinking Water Program, shall be determined by the District Board, following recommendation of the Board of Finance. Drinking Water Obligations may be secured by the full faith and credit of the District and/or by special revenues of the District pledged therefore by the District Board in accordance with Connecticut laws and the District's Charter. Each of the Drinking Water Obligations shall recite that every requirement of law relating to its issue has been duly complied with and that such obligation is within every debt and other limit prescribed by law.

2018 CIP PROJECT RESOLUTION NO. 15

RESOLUTION APPROPRIATING \$3,500,000 FOR CONSTRUCTION SERVICES AND AUTHORIZING THE ISSUANCE OF \$3,500,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

The sum of \$3,500,000 is hereby appropriated for the costs of the management of District's capital improvement projects including improvements to and expansion of the District's water distribution and sewer collection systems and related work on water and sewage treatment plants and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

2018 CIP PROJECT RESOLUTION NO. 16

RESOLUTION APPROPRIATING \$2,500,000 FOR ENGINEERING SERVICES AND AUTHORIZING THE ISSUANCE OF \$2,500,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

The sum of \$2,500,000 is hereby appropriated for developing and designing the District's capital improvement projects, including improvements to and expansion of the District's water distribution and sewer collection systems and related work on water and sewage treatment plants and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

2018 CIP PROJECT RESOLUTION NO. 17

RESOLUTION APPROPRIATING \$800,000 FOR FLEET AND EQUIPMENT REPLACEMENT AND AUTHORIZING THE ISSUANCE OF \$800,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

The sum of \$800,000 is hereby appropriated for the replacement of transportation and power operated equipment, the purchase of stationary generators, engines and emergency response equipment and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

2018 CIP PROJECT RESOLUTION NO. 18

RESOLUTION APPROPRIATING \$5,000,000 FOR SURVEY & CONSTRUCTION AND AUTHORIZING THE ISSUANCE OF \$5,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

The sum of \$5,000,000 is hereby appropriated for the survey and construction inspection of all water and sewer projects within the District's service area, including projects installed under District contract and developer permit agreements and legal, administrative other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

2018 CIP PROJECT RESOLUTION NO. 19

RESOLUTION APPROPRIATING \$3,400,000 FOR TECHNICAL SERVICES AND AUTHORIZING THE ISSUANCE OF \$3,400,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

The sum of \$3,400,000 is hereby appropriated for technical support to all of the District's capital improvement projects including improvements to and expansion of the District's water distribution and sewer collection systems and related work on water and sewage treatment plants and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

2018 CIP PROJECT RESOLUTION NO. 20

RESOLUTION APPROPRIATING \$500,000 FOR HYDROELECTRIC REHABILITATION AND AUTHORIZING THE ISSUANCE OF \$500,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

The sum of \$500,000 is hereby appropriated for the purchase, upgrade and/or replacement of power operated equipment, turbines and other hydroelectric equipment/infrastructure improvements, including electrical, mechanical or renewable energy upgrades at the District's hydroelectric facilities, and legal, administrative and other financing costs related thereto. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

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

FISCAL YEAR 2018 - BUDGET EXPENDITURES

To: Board of Finance for consideration on November 8, 2017

It is **RECOMMENDED** that it be:

Voted: That the estimated 2018 budget expenditures in the total amount of ~~\$167,532,900~~ \$167,092,900 be referred to the District Board for acceptance and approval as follows:

Budget Appropriations	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
District Board	191,500.00	184,000.00	375,500.00
Executive Office	460,900.00	442,800.00	903,700.00

Legal	1,084,200.00 859,800.00	1,041,700.00 826,100.00	2,125,900.00 1,685,900.00
Human Resources	786,450.00	755,700.00	1,542,150.00
Information Technology	4,791,650.00	2,360,200.00	7,151,850.00
Finance	3,313,400.00	3,183,600.00	6,497,000.00
Environment, Health and Safety	460,400.00	442,300.00	902,700.00
Engineering and Planning	917,200.00	881,300.00	1,798,500.00
Customer Service	2,680,200.00	1,380,700.00	4,060,900.00
Operating Office	275,300.00	264,600.00	539,900.00
Operations	7,369,000.00	2,456,300.00	9,825,300.00
Laboratory Services	859,700.00	793,600.00	1,653,300.00
Water Pollution Control	-	16,745,100.00	16,745,100.00
Maintenance	5,739,800.00	5,514,800.00	11,254,600.00
Water Treatment & Supply	8,861,500.00	-	8,861,500.00
Patrol	1,674,600.00	-	1,674,600.00
Debt Service	28,221,900.00	28,519,400.00	56,741,300.00
Employee Benefits	11,033,100.00	9,027,000.00	20,060,100.00
General Insurance	2,913,500.00	1,248,700.00	4,162,200.00
Taxes and Fees	3,300,500.00	-	3,300,500.00
Special Agreements and Programs	3,405,300.00	1,401,000.00	4,806,300.00
Contingencies	-	2,550,000.00	2,550,000.00
Total Water and Sewer Budget	88,340,100.00 88,115,700.00	79,192,800.00 78,977,200.00	167,532,900.00 167,092,900.00

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

On motion made by Commissioner Caban and duly seconded, the Fiscal Year 2018 Budget Expenditures resolution was amended to reduce the Legal Budget by \$440,000 as reflected above.

On motion made by Commissioner Hoffman and duly seconded, the amended resolution was approved by unanimous vote of those present.

FISCAL YEAR 2018 - BUDGET REVENUES

To: Board of Finance for consideration on November 08, 2017

It is **RECOMMENDED** that it be

Voted: That the 2018 Budget Revenues in the total amount of \$167,532,900 be referred to the District Board for acceptance and approval as follows:

Revenue	Total
Water Revenues	
Operating Revenues	
Sale of Water	\$80,366,800
Other Operating Revenues	4,272,000
Subtotal Operating Revenues	<u>84,638,800</u>
Non-Operating Revenues	<u>2,430,900</u>
Total Source of Revenues – Water Operations	<u><u>\$88,340,100</u></u>
Sewer Revenues	
Operating Revenues	
Tax on Member Municipalities	\$45,004,000
Revenue from Other Government Agencies	4,530,000
Other Sewer Revenues	14,168,900
Sewer User Charge Revenues	11,038,400
Subtotal Operating Revenues	<u>74,741,300</u>
Other Financing Sources	
Contributions/Transfers from Other Funds	<u>4,451,500</u>
Subtotal Other Financing Sources	<u>4,451,500</u>
Total Source of Revenues and Other Financing Sources – Sewer Operations	<u><u>\$79,192,800</u></u>
Total Source of Revenues and Other Financing Sources – Water and Sewer Operations	<u><u>\$167,532,900</u></u>

Respectfully submitted,

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

Without objection, District Chairman DiBella requested that prior to the December 4, 2017 District Board meeting to consider the annual budget, District staff amend the Fiscal Year 2018 Budget Revenues resolution to reflect the \$440,000 reduction to the Legal Budget as shown in the amended and adopted Fiscal Year 2018 Budget Expenditures resolution above.

On motion made by Citizen Member Courneen and duly seconded, the resolution was approved by unanimous vote of those present.

FISCAL YEAR 2018 - HYDROELECTRIC EXPENDITURES AND REVENUES

To: Board of Finance for consideration on November 8, 2017

It is **RECOMMENDED** that it be

Voted: That the Board of Finance recommends to the District Board for acceptance and approval an appropriation of \$895,300 for the operation of the Hydroelectric Program.

Further Voted: That the Board of Finance recommends to the District Board for acceptance and approval estimated Hydroelectric revenues of \$895,300 in support of operations as follows:

Power Sales	\$ 895,300
Interest Income	0
Designated from Surplus	0
Total Hydroelectric	<u>\$ 895,300</u>

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

REFERRAL OF PROPOSED 2017 BUDGET

To: Board of Finance for consideration on November 9, 2016.

Upon disposition of the preceding votes, it is **RECOMMENDED** that it be:

Voted: That, in compliance with Section 3-7 of the Charter of The Metropolitan District, the accompanying budget of said District for the fiscal year 2018, as set forth in the tabulations entitled "Budget for The Metropolitan District for the Fiscal Year 2018," after publication as required by law, shall be referred to the District Board at its December meeting, for acceptance and approval.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

FISCAL YEAR 2018 - REVISIONS TO DISTRICT SEWER USER CHARGE RATES AND OTHER RELATED CHARGES

To: Board of Finance for consideration on November 8, 2017

In accordance with Section S12j of the District's Ordinances, sewer use unit charge rates shall be determined annually in conjunction with adoption of the District Budget. The 2018 budget in support of sewer operations calls for a sewer user charge rate of \$3.37, which is 10.0% higher than the prior year.

Effective January 1, 2018, a monthly charge of \$3.00 will be billed to the property owner in accordance with S12l of the District's Ordinances.

Following the cost trends for the sewer user charge rate, it is recommended the BOD and COD rate be increased to \$0.40 and \$0.40 per pound respectively. In addition, the suspended solids strength charge will increase to \$0.33 per pound. These unit charges, which apply to high flow users, low flow/high strength users and non-municipal tax-exempt users, are for the following:

1. Liquid flow charge rate based on sewer flow in hundreds of cubic feet (CCF).
2. a. BOD (biochemical oxygen demand) strength charge rate based on pounds of BOD for the concentration of BOD exceeding 300 milligrams per liter (mg/l).
b. COD (chemical oxygen demand) strength charge rate based on pounds of COD for that concentration of COD exceeding 700 mg/l.
3. Suspended solids strength charge rate based on pounds of suspended solids for that concentration exceeding 300 mg/l.

In accordance with Section S12p of the District's Ordinances, sewer user charge Late Filing/Sewage Evaluation Fees will be unchanged for the 2018 budget.

Additionally, in accordance with Section S12x of the District's Ordinances, the clean water project charge primarily for payment of principal and interest on certain bonds and loans which proceeds are used to finance the costs associated with the Clean Water Project. The clean water project charge is set annually in conjunction with adoption of the District Budget. Effective January 1, 2018, said charge shall be \$3.80 per hundred cubic feet (ccf) to be uniformly applied and to be proportional to the quantity of water used by District customers who utilize the District sewer system and are furnished water directly by the Metropolitan District. The clean water project charge shall appear separately on the water bills of the District.

Remediated Groundwater Charges: A maintenance fee is required as part of the approval from MDC for acceptance of the discharge of remediated groundwater to the sanitary sewer. This fee is associated with the review and analysis of the permit application, location of the discharge and operational requirements to manage the groundwater at the wastewater treatment facility.

FOG Charges: Fees are charged to Class III and IV food service establishments to offset the costs of managing the Fats, Oils and Grease (FOG) program. This program is required by the CT Department of Energy and Environmental Protection General Permit for the Discharge of Wastewater Associated with Food Preparation Establishments.

Remediated Groundwater	\$0.13/gal
<u>FOG Fees</u>	
Initial Registration Application	\$80.00
Initial Variance Application	\$80.00
Annual FOG Fee	\$80.00
Failure to submit Registration or Variance Applications	\$100.00
Disallow Inspection	\$100.00
Failure to maintain records in proper order	\$100.00
Failure to maintain outdoor or indoor grease removal devices in properly working order	\$200.00
Failure to clean outdoor or indoor grease removal devices quarterly or when 25% of the depth of the trap is filled with food solids and FOG, whichever comes first.	\$200.00
Failure to properly dispose of brown and/or yellow grease	\$200.00
Source of sanitary sewer overflow (minimum) - Actual costs will be billed to the facility for time and materials related to the overflow	\$1,000.00

It is **RECOMMENDED** that it be

Voted: That the District Board approve the following resolution:

Resolved: That, in accordance with Section S12j of the District Ordinances, Unit Charges For Computing The Sewer User Charge, a sewer user charge rate of three dollars and thirty-seven cents (\$3.37) per hundred cubic feet of sewer flow be

effective for meter readings on and after January 1, 2018 and that, effective January 1, 2018, a sewer customer service charge of three dollars (\$3.00) per month, a BOD strength charge of forty cents (\$0.40) per pound be billed on sewer flow for that concentration of BOD exceeding 300 milligrams per liter; a COD strength charge of forty cents (\$0.40) per pound be billed on sewer flow for that concentration of COD exceeding 700 milligrams per liter; and a suspended solids strength charge of thirty-three cents (\$0.33) per pound be billed on sewer flow for that concentration of suspended solids exceeding 300 milligrams per liter.

Further

Resolved: In accordance with Section S12x of the District's Ordinances, the rate for the clean water project charge shall be \$3.80 per ccf commencing January 1, 2018.

Also Voted: That the District Board approve the following schedule of fees effective January 1, 2018.

Remediated Groundwater	\$0.13/gal
<u>FOG Fees</u>	
Initial Registration Application	\$80.00
Initial Variance Application	\$80.00
Annual FOG Fee	\$80.00
Failure to submit Registration or Variance Applications	\$100.00
Disallow Inspection	\$100.00
Failure to maintain records in proper order	\$100.00
Failure to maintain outdoor or indoor grease removal devices in properly working order	\$200.00
Failure to clean outdoor or indoor grease removal devices quarterly or when 25% of the depth of the trap is filled with food solids and FOG, whichever comes first.	\$200.00
Failure to properly dispose of brown and/or yellow grease	\$200.00
Source of sanitary sewer overflow (minimum) - Actual costs will be billed to the facility for time and materials related to the overflow	\$1,000.00

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

REFERENDUM REQUIREMENT

To: Board of Finance for consideration on November 8, 2017

**RESOLUTION SETTING THE THRESHOLD AMOUNT FOR THE
PURPOSES OF THE DISTRICT'S REFERENDUM
REQUIREMENT**

WHEREAS, the charter of the Metropolitan District of Hartford County, Connecticut (the "District"), and more particularly Section 14 of number 511 of the special acts of 1929, as amended by section 1 of number 332 of the special acts of 1931, number 127 of the special acts of 1947, section 2 of special act 79-102, special act 80-13, section 1 of special act 83-31, section 5 of special act 90-27, and section 2 of public act 15-114 (Section 14, as amended, being referred to as the "Referendum Requirement"), provides as follows:

(a) 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.

(b) (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.

WHEREAS, for purposes of this resolution, the amount referred to in section (b)(2) of the Referendum Requirement is hereinafter referred to as the Threshold Amount, and WHEREAS, the consumer price index for urban consumers, as determined by the United States Department of Labor, Bureau of Labor Statistics ("CPI") as of September 30, 2015 was 237.945 and the CPI as of September 30, 2016 was 241.428, representing a percentage from October 1, 2015 to October 1, 2016 of one and 46/100 percent (1.46%) and the CPI as of September 30, 2016 was 241.428 and the CPI as of September 30, 2017 was 246.819, representing a percentage from October 1, 2016 to October 1, 2017 of two and 23/100 percent (2.23%);

WHEREAS, the District Board did not previously find and determine the Threshold Amount as of October 1, 2016 and now wishes to find and determine the Threshold Amount in effect as of that date and as of the date of this Resolution;

NOW THEREFORE BE IT RESOLVED:

1. Based on the evidence presented to the District Board, the District Board finds and determines, that the Threshold Amount in effect as of October 1, 2016 and thereafter until October 1, 2017 is TWENTY MILLION TWO HUNDRED NINETY-TWO THOUSAND SEVEN HUNDRED FIFTY-SEVEN DOLLARS (\$20,292,757).

2. Based on the evidence presented to the District Board, the District Board finds and determines, that the Threshold Amount in effect as of October 1, 2017 and thereafter is TWENTY MILLION SEVEN HUNDRED FORTY-FIVE THOUSAND EIGHT HUNDRED EIGHTY-SEVEN DOLLARS (\$20,745,887).

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

FISCAL YEAR 2018 - TAX ON MEMBER MUNICIPALITIES

To: Board of Finance for consideration on November 8, 2017

A Fiscal Year 2018 Tax Levy on The Metropolitan District's member municipalities in the amount of \$44,004,000 is recommended in support of the proposed 2018 budget. In accordance with the District Board's policy, taxes may be paid in quarterly installments. To coincide with the fiscal year cycle (July 1 – June 30) adhered to by the member municipalities, the quarterly tax payments are unbalanced. The amount of the tax due in the first half of 2018 will be equivalent to 50% of the total 2017 tax levy. This amount (when paid) will be subtracted from the total 2018 tax levy: the balance is the amount due in the second half of the year.

Apportionment of the Fiscal Year 2018 tax among the member municipalities and the amount due on each installment will be as follows:

Tax History by Town	2014	2015	2016	2017	2018
Hartford	\$10,374,400	\$10,298,600	\$10,174,900	\$10,963,200	\$11,530,900
East Hartford	\$4,213,200	\$4,490,100	\$4,762,000	\$5,059,400	\$5,477,400
Newington	\$3,132,300	\$3,287,300	\$3,508,400	\$3,752,900	\$4,114,000
Wethersfield	\$2,824,400	\$3,022,000	\$3,207,700	\$3,408,200	\$3,701,600
Windsor	\$3,111,900	\$3,222,600	\$3,404,700	\$3,656,900	\$4,070,300
Bloomfield	\$2,612,500	\$2,752,400	\$2,936,000	\$3,067,100	\$3,250,800
Rocky Hill	\$2,089,100	\$2,153,700	\$2,239,700	\$2,475,800	\$2,707,900
West Hartford	\$7,798,800	\$8,219,700	\$8,710,900	\$9,286,900	\$10,151,100
Total	\$36,156,600	\$37,446,400	\$38,944,300	\$41,670,400	\$45,004,000

It is therefore **RECOMMENDED** that it be

Voted: That the District Board approve the following resolution:

Resolved: That, in accordance with Section 3-12 and 3-13 of the District Charter, a tax on the member municipalities comprising The Metropolitan District, in the sum of \$45,004,000, shall be due and payable in favor of The Metropolitan District in four installments on the following due dates: the first installment, totaling \$10,417,600, shall be due and payable on January 17, 2018; the second installment, totaling \$10,417,600, shall be due and payable on April 18, 2018; the third installment, totaling \$12,084,400, shall be due and payable on July 18, 2018; and the fourth installment, totaling \$12,084,400, shall be due and payable October 17, 2018. Apportionment of the Fiscal Year 2018 tax among the member municipalities and the amount due on each installment shall be as follows:

Installment Date	1/17/2018	4/18/2018	7/18/2018	10/17/2018	Total
Hartford	\$2,740,800	\$2,740,800	\$3,024,650	\$3,024,650	\$11,530,900
East Hartford	1,264,850	1,264,850	1,473,850	1,473,850	5,477,400
Newington	938,225	938,225	1,118,775	1,118,775	4,114,000
Wethersfield	852,050	852,050	998,750	998,750	3,701,600
Windsor	914,225	914,225	1,120,925	1,120,925	4,070,300
Bloomfield	766,775	766,775	858,625	858,625	3,250,800
Rocky Hill	618,950	618,950	735,000	735,000	2,707,900
West Hartford	2,321,725	2,321,725	2,753,825	2,753,825	10,151,100
Total	\$10,417,600	\$10,417,600	\$12,084,400	\$12,084,400	\$45,004,000

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

APPROVAL OF SMALL BUSINESS ENERGY ADVANTAGE LOAN AGREEMENT

To: Board of Finance for consideration on November 8, 2017

Staff is seeking authority for the District to execute and deliver to Eversource a loan agreement having a principal amount of \$59,007 and having an interest rate of 0.00%.

The zero interest loan, with a 48 month term, will fund an energy efficient lighting retrofit at the MDC's 50 Murphy Road facility through the Eversource Energy Small Business Energy Advantage Program. It is estimated that the energy efficient lighting retrofit will provide the MDC immediate energy savings in excess of incremental monthly loan cost, upon completion of the installation.

It is therefore RECOMMENDED that it be

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

RESOLVED: The District Treasurer or Deputy Treasurer are authorized to execute and deliver a loan agreement to Eversource in the principal amount of \$59,007 bearing an interest rate of 0.00% for a term of 48 months.

Respectively Submitted,

Scott W. Jellison

Chief Executive Officer

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

OPPORTUNITY FOR GENERAL PUBLIC COMMENT

Judy Allen, 25 Fowler Drive West Hartford, spoke regarding the consumer advocate.

ADJOURNMENT

The meeting was adjourned at 7:15 P.M.

ATTEST:


John S. Mirtle, Esq.
District Clerk

December 4, 2017

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, December 4, 2017**

PRESENT: Commissioners Allen Hoffman and Pasquale J. Salemi; Citizen Members Ram Aberasturia, Ron Angelo and Linda King-Corbin; and District Chairman William A. DiBella (6)

ABSENT: Luis Caban and Citizen Member Martin Courneen (2)

ALSO

PRESENT: Scott W. Jellison, Chief Executive Officer
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
R. Bartley Halloran, District Counsel
Christopher Stone, Assistant District Counsel
Brendan Fox, Assistant District Counsel
John S. Mirtle, District Clerk
Robert Constable, Director of Finance
Sue Negrelli, Director of Engineering
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Lisa Remsen, Financial Analyst
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Cynthia A. Nadolny, Executive Assistant

CALL TO ORDER

Chairman Salemi called the meeting to order at 4:15PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by Commissioner Hoffman and duly seconded, the meeting minutes of the Board of Finance meeting of November 8, 2017 were approved.

OPPORTUNITY FOR GENERAL PUBLIC COMMENT

No one from the public appeared to be heard.

2017 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on December 4, 2017

The 2017 Adopted operating budget is forecasting deficits in the following functional areas: Chief Executive Office, Human Resources, Legal Administration, Command Center, Debt Service, Special Agreements & Programs and Riverfront.

The forecasted deficits in The Chief Executive Office, Human Resources, Legal Administration and the Command Center are the result of the awarding of cost of living increases to exempt and excluded and classified positions, which weren't contemplated in the 2017 Adopted Budget, the District hiring a greater amount of summer interns than was contemplated in the 2017 adopted budget and transfers of positions.

The forecasted deficit in Debt Service is due to the 2017 Adopted budgetary assumption of an advanced refunding of bonds during fiscal 2017 which did not occur due to the current external market conditions.

The forecasted deficit in Special Agreements & Programs' budget is the result of a contractual settlement involving the New Britain sewer agreement.

The forecasted deficit in Riverfront is due to the execution of a contractual agreement that was not fully reflected in the 2017 Adopted Budget.

CERTIFICATIONS:

In accordance with Section 3-8 of the Charter of The Metropolitan District, I hereby certify that there exists free from encumbrances, in the following appropriation, the amounts listed:

From:	General	Water	Total
Department 11 - District Board	13,200.00	13,800.00	27,000.00
Department 13 - Administrative Services	7,400.00	7,600.00	15,000.00
Department 17 - Information Systems	38,800.00	78,800.00	117,600.00
Department 18 - Finance	9,800.00	10,200.00	20,000.00
Department 20 - Engineering Planning	52,800.00	54,900.00	107,700.00
Department 30 - Operations	105,000.00	315,000.00	420,000.00
Department 35 - Laboratory Services	37,000.00	40,000.00	77,000.00
Department 40 - Operating Office	14,700.00	15,300.00	30,000.00
Department 402 - Water Pollution Control	305,300.00	-	305,300.00
Department 404 - Maintenance	134,900.00	140,100.00	275,000.00
Department 712 - Employee Benefits	28,400.00	34,600.00	63,000.00
	<u>747,300.00</u>	<u>710,300.00</u>	<u>1,457,600.00</u>

John M. Zinzarella
Chief Financial Officer

It is therefore RECOMMENDED that it be:

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

Resolved: That transfers within the 2017 Budget Appropriations be approved as follows:

From:	General	Water	Total
Department 11 - District Board	13,200.00	13,800.00	27,000.00
Department 13 - Administrative Services	7,400.00	7,600.00	15,000.00
Department 17 - Information Systems	38,800.00	78,800.00	117,600.00
Department 18 - Finance	9,800.00	10,200.00	20,000.00
Department 20 - Engineering Planning	52,800.00	54,900.00	107,700.00
Department 30 - Operations	105,000.00	315,000.00	420,000.00
Department 35 - Laboratory Services	37,000.00	40,000.00	77,000.00
Department 40 - Operating Office	14,700.00	15,300.00	30,000.00
Department 402 - Water Pollution Control	305,300.00	-	305,300.00
Department 404 - Maintenance	134,900.00	140,100.00	275,000.00
Department 712 - Employee Benefits	28,400.00	34,600.00	63,000.00
	<u>747,300.00</u>	<u>710,300.00</u>	<u>1,457,600.00</u>

To:	General	Water	Total
Department 121 - Chief Executive Office	7,400.00	7,600.00	15,000.00
Department 141 - Legal Administration	13,200.00	13,800.00	27,000.00
Department 151 - Human Resources	64,200.00	66,800.00	131,000.00
Department 212 - Command Center	23,800.00	46,200.00	70,000.00
Department 701 - Debt Service	428,900.00	-	428,900.00
Department 741 - Special Agreements & Programs	209,800.00	287,900.00	497,700.00
Department 831 - Riverfront	-	288,000.00	288,000.00
	<u>747,300.00</u>	<u>710,300.00</u>	<u>1,457,600.00</u>

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

DISCUSSION RE: DPH PRIMACY FEE BILLING OPTIONS

The Board of Finance discussed the Department of Public Health Primacy Fee going into effect in 2018 and directed staff to charge to customers on a monthly basis.

Without objection, Agenda Items #6 "APPROVAL FOR STATE OF CONNECTICUT FINANCING CWF NO. 219-CSL", #7 "APPROVAL FOR STATE OF CONNECTICUT FINANCING CWF NO. 697-DC" and #8 "APPROVAL FOR STATE OF CONNECTICUT FINANCING CWF NO. 657-C1" were consolidated and considered together.

**APPROVAL FOR STATE OF CONNECTICUT FINANCING
CWF NO. 219-CSL**

To: Board of Finance for consideration on December 4, 2017

Staff seeks approval from your Board to execute and deliver the CWF 219-CSL Project Loan and Project Grant Agreement, Interim Funding Obligation and Project Loan Obligation to the State of Connecticut for CWF No. 219-CSL having a principal amount of \$29,910,420.75 and having an interest rate of 2.00%.

The low interest loan will fund the construction of a relief sewer which will convey excess sewage flow to the Rocky Hill water pollution control facility which otherwise may be released from the Goff Brook Overflow Structure to Goff Brook.

The State of Connecticut, through the Clean Water Fund Program, will provide \$29,910,420.75 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 and the District Treasurer or Deputy Treasurer are authorized to execute and deliver the CWF No. 219-CSL Project Loan and Project Grant Agreement 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. 219-CSL in the aggregate amount not to exceed \$29,910,420.75. Such Interim Funding Obligations shall be dated as of their date of issue, shall mature within six months of the Scheduled Completion Date, 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,

Scott W. Jellison
Chief Executive Officer

**APPROVAL FOR STATE OF CONNECTICUT FINANCING
CWF NO. 697-DC**

To: Board of Finance for consideration on December 4, 2017

Staff seeks approval from your Board to execute and deliver the CWF 697-DC Project Loan and Project Grant Agreement, Interim Funding Obligation and Project Loan Obligation to the State of Connecticut for CWF No. 697-DC having a principal amount of \$15,019,749.60 and having an interest rate of 2.00%.

The low interest loan and grant will fund the refurbishing of many aspects of the Hartford wastewater treatment plant, including sludge processing, odor control, regional sludge receiving and a new fats, oils and grease receiving facility.

The State of Connecticut, through the Clean Water Fund Program, will provide \$18,774,687.00 in state funding with approximately \$3,754,937.40 in grants and \$15,019,749.60 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 and the District Treasurer or Deputy Treasurer are authorized to execute and deliver the CWF No. 697-DC Project Loan and Project Grant Agreement 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. 697-DC in the aggregate amount not to exceed \$15,019,749.60. Such Interim Funding Obligations shall be dated as of their date of issue, shall mature within six months of the Scheduled Completion Date, 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,

Scott W. Jellison
Chief Executive Officer

**APPROVAL FOR STATE OF CONNECTICUT FINANCING
CWF NO. 657-C1**

To: Board of Finance for consideration on December 4, 2017

Staff seeks approval from your Board to execute and deliver the First Amendment to Project Loan and Grant Agreement CWF 657-C1, Interim Funding Obligation and Project Loan Obligation to the State of Connecticut for CWF No. 657-C1 having a principal amount of \$153,789,886.83 and having an interest rate of 2.00%. This is an increase of \$5,797,157.39 in principal amount of the loan and an increase of \$1,039,608.97 in the grant under CWF No. 657-C.

The low interest loan and grant will fund the construction of new headworks, dual use primary clarifiers, wet weather treatment disinfectant and odor control at the Hartford wastewater treatment plant and the construction of modifications and upgrades to the Rocky Hill wastewater treatment plant, including modifications to the biological nutrient removal system for effluent nitrogen reduction, modifications to various parts of the plant for increased hydraulic capacity and upgrades to various parts of the plant which are nearing the end of their respective useful lives.

The State of Connecticut, through the Clean Water Fund Program, will now provide \$226,244,832.96 in state funding with approximately \$72,454,946.13 in grants and \$153,789,886.83 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 and the District Treasurer or Deputy Treasurer are authorized to execute and deliver the First Amendment CWF No. 657-C1 to Project Loan and Project Grant Agreement 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. 657-C1 in the aggregate amount not to exceed \$153,789,886.83. Such Interim Funding Obligations shall be dated as of their date of issue, shall mature within six months of the Scheduled Completion Date, 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,

Scott W. Jellison
Chief Executive Officer

MEMORANDUM

TO: Board of Finance
The Metropolitan District

FROM: Ernest M. Lorimer
(Soeder & Associates, L.L.C.)

Joseph A. Vitale
(Hinckley, Allen & Snyder, LLP)

DATE: December 11, 2017

SUBJECT: Revisions to form of Project Loan and Grant Agreements

The Office of the Attorney General recently requested revisions to the form of Clean Water Fund Project Loan and Grant Agreements between the Department of Energy and Environmental Protection ("DEEP") and various municipalities (the "Agreements"), with the intent of making the Agreements conform with the form of agreement used by the Department of Administrative Services in other contexts. Bond counsel requested that certain of the provisions of the old form be restored and that other provisions, particularly those relating to annual Project Loan Obligations, be revised. The requested changes have been made. A copy of the amendment to CWF 657-C1, pertaining to the South Storage Conveyance Tunnel, is attached.

We expect all Program Agreements, including the other agreements being presented at the District's board meetings on December 4 and agreements under the Drinking Water program, to conform to these changes.

Some of the more significant changes are:

- Section 2.1 provides a more accurate description of the Project.
- Section 2.2 increases the loan by \$5,797,157.39 in principal amount of the loan and increases the grant by \$1,009,608.97.
- Section 4.3 clarifies that there may be increases to the principal amount of the loan and that there may be more than one Interim Funding Obligation and more than one Project Loan Obligation, and these may either be general obligation indebtedness, or secured by a dedicated repayment source, for example, the sewer user charge.
- Section 7.3 and 7.12 clarify the ability of the State to make physical inspections and to audit the books and records of the District, its contractors and its subcontractors with respect to the Project.
- Section 7.8 has been updated to conform the nondiscrimination provisions to current law. Similarly, Section 7.9 has been updated to include the incorporation of the appropriate Executive orders of the Governor.

- Section 7.20 adds a section wherein the parties acknowledge that the Agreement and materials related to it are generally subject to the freedom of information act, however, DEEP agrees to consider to keep material the District deems confidential as such, to the extent allowed by law.
- Section 10.14 adds a provision allowing the State to set off any costs or expenses it incurs as a result of any nonperformance BY THE District against amounts otherwise due from the State to the District.
- Section 10.15 adds a notice and cure period.

FIRST AMENDMENT

CWF NO. 657-C1

TO PROJECT LOAN AND PROJECT GRANT AGREEMENT CWF NO. 657-C BETWEEN THE STATE OF CONNECTICUT AND THE METROPOLITAN DISTRICT COMMISSION

UNDER THE CLEAN WATER FUND PROGRAM

TABLE OF CONTENTS

SECTION 1-DEFINITIONS AND AMENDMENTS TO DEFINITIONS.....	1
SECTION 2 -AMENDMENT TO THE PROVISIONS OF THE AGREEMENT.....	2
Section 2.1 Project Description	2
Section 2.2 Eligible Project Costs	2
Section 3.1 The Project Grant	3
Section 4.1(b) The Loan Commitment.....	3
Section 4.3(d) The Interim Funding Obligations and Project Loan.....	4
Section 6.1 Written Documentation	4
Section 6.4 Signature and No Litigation Certificate	5
Section 7.3 Audit and Inspection of Plants, Places of Business and Records.....	5
Section 7.8 Nondiscrimination	6
Section 7.9 Executive Orders of the Governor	9
Section 7.11 Indemnification.....	9
Section 7.12 Audit Requirements for Recipients of State Financial Assistance	10
Section 7.19 Confidential Information	10
Section 7.20 Protection of Confidential Information	Error! Bookmark not defined.
Section 10.3 Sovereign Immunity.....	11
Section 10.4 Forum and Choice of Law	11
Section 10.10 Termination.....	11
Section 10.12 Whistleblowing.....	11
Section 10.13 Disclosure of Records	12
Section 10.14 Setoff	12
Section 10.15 Breach.....	12
SECTION 3 AMENDMENTS TO THE ATTACHMENTS OF THE ORIGINAL AGREEMENT.....	15
Exhibit VI Budget	16
Exhibit VII Form of Request for Advance.....	17
Exhibit VIII Closing Statement.....	18
Exhibit IX Conditions Precedent	20
Exhibit X Insurance Requirements.....	21
Exhibit XI Authorization for ACH Payments.....	22

FIRST AMENDMENT

CWF NO. 657-C1

TO PROJECT LOAN AND PROJECT GRANT AGREEMENT CWF NO. 657-C
BETWEEN THE STATE OF CONNECTICUT AND THE METROPOLITAN DISTRICT
COMMISSION

UNDER THE CLEAN WATER FUND PROGRAM

THIS AGREEMENT, made and concluded at Hartford, Connecticut, this _____ day of _____, 2017, by and between the State of Connecticut (the "State"), acting herein by the Commissioner of the Department of Energy and Environmental Protection (the "DEEP"), duly authorized under the provisions of Connecticut General Statutes, Section 22a-6(a)(2) and The Metropolitan District Commission (the "Municipality"), a municipal corporation.

WITNESSETH, THAT

WHEREAS, the State and the Municipality previously have entered into a Project Loan and Project Grant Agreement, No. CWF 657-C, dated June 30, 2015 ("Agreement") to finance the Project; and

WHEREAS, the Municipality issued an Interim Funding Obligation in the amount of \$147,992,729.44 dated July 10, 2015; and

WHEREAS, the revised Project Grant amount is \$ 72,454,946.13 and the revised Project Loan amount is \$ 153,789,886.83 and the Municipality intends to draw down the revised Project Grant and Project Loan in order to complete the Project; and

NOW THEREFORE, KNOW YE THAT:

WHEREAS, the Municipality is now initiating its Project (as described herein in Section 2.1). The Municipality and the State mutually agree:

SECTION 1-DEFINITIONS AND AMENDMENTS TO DEFINITIONS

Section 1.1. Capitalized terms used herein and not defined are used as defined in the Agreement.

Section 1.2. Section 1 of the Agreement remains unchanged except for the following which are new, amended or inserted in lieu of:

For the purposes of this Agreement, the following words and terms shall have the respective meanings set forth as follows:

"Advance" means each disbursement of Project Loan and Project Grant proceeds as set forth in Section 4.4 hereof, the form of request for which is shown in Exhibit VII.

"DAS" means the Department Administrative Services.

"Facilities Plan" means an engineering document by which the Project has been justified including, but not limited to, a sewer service area map. The Master Plan Rocky Hill WPCF and its supplement are both dated April 2011. The Long Term Combined Sewer Overflow Control Plan 2012 Update is dated December 4, 2012.

“Records” means all working papers and such other information and materials as may have been accumulated by the Municipality or the Municipalities Contractor in performing the Contract, including but not limited to, documents, data, plans, books, computations, drawings, specifications, notes, reports, records, estimates, summaries and correspondence, kept or stored in any form.

“State Act” shall mean Sections 22a-475 to 483, inclusive, of the Connecticut General Statutes, as amended.

SECTION 2 -AMENDMENT TO THE PROVISIONS OF THE AGREEMENT

- 1) Section 2.1 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 2.1 Project Description

The Project the construction of the upgrades at the Rocky Hill WPCF and the Hartford WPCF. The Rocky Hill WPCF upgrades will include modifications to the plant's biological nutrient removal systems for effluent nitrogen reduction, modifications to various parts of the plant for increased hydraulic capacity, and upgrades to various parts of the plant which are nearing the end of their useful life. In addition, the Rocky Hill modifications will includes the outfall and interceptor rehabilitation. The Hartford WPCF upgrades include new headworks, dual use primary clarifiers, wet weather treatment disinfection and odor control. The project includes all modifications or amendments which are approved by the Commissioner. The Project will be owned and operated by the Municipality.

- 2) Section 2.2 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 2.2 Eligible Project Costs

The maximum allowable amount of the estimated Total Project Costs and Eligible Project Costs and sources of payment for such costs are set forth below:

Total Project Costs:	\$ 227,419,963.32
Funds from Other Sources:	\$ 0.00
Local Share:	<u>\$ 1,175,130.36</u>
Eligible Project Costs:	\$ 226,244,832.96
Amount of Project Grant:	\$ 72,454,946.13
Amount of Project Loan	\$ 153,789,886.83

The Amount of Project Grant is calculated per Section 3.1.

A list of the Total Project Costs is set forth in the Project Budget to which the Municipality must adhere in aggregate, attached hereto as Exhibit VI, and incorporated herein by reference.

Before delivery of any Project Loan Obligation, the Municipality shall provide a completed Closing Statement, as required in Section 6.1(b); the form of which is set out as **Exhibit VIII** to this Agreement.

- 3) Section 3.1 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 3.1 The Project Grant

Subject to the terms and conditions of this Agreement, the State agrees to grant to the Municipality an amount not to exceed the Project Grant amount as set forth in Section 2.2 of this Agreement. The grant amount shall be determined in accordance with Connecticut General Statutes Section 22a-478(c) and DEEP regulations by identifying grant eligible costs, categorizing grant eligible costs by grant category (e.g., denitrification, infiltration/inflow, etc.) and applying the percentage of grant applicable to each grant category.

Pursuant to Section 10.10, the State's obligation to make the Project Grant shall terminate unless the conditions precedent to funding the Project Grant set forth in Section 6.1 of this Agreement and in **Exhibit IX** are satisfied.

- 4) Section 4.1(a) of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 4.1(a) The Loan Commitment

(a) Subject to the terms and conditions of this Agreement, the State agrees to lend to the Municipality, and the Municipality agrees to borrow from the State, an amount not to exceed the amount of the Project Loan as set forth in Section 2.2 hereof. The Project Loan shall bear interest at the rate of 2% per annum as more fully described in Section 4.3 hereof. Interest on any Interim Funding Obligation shall be computed on the basis of a year of 360 days and the actual number of days elapsed. Interest on any Project Loan Obligation shall be computed on the basis of a year of 360 days and twelve 30-day months.

- 5) Section 4.1(b) of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 4.1(b) The Loan Commitment

(b) The amount of the Project Loan shall equal the Eligible Project Costs minus the Project Grant. The amount of the Project Loan may be increased by an amount equal to any reduction in the Project Grant required by Section 3.3 hereof, provided that such amount is for an Eligible Project Cost.

- 6) Section 4.3(a) of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 4.3(a) The Interim Funding Obligations and Project Loan

(a) The Municipality shall execute and deliver one or more Project Loan Obligations to evidence its obligation to repay the Project Loan. In anticipation of the issuance of any Project Loan Obligation, however, the Municipality may execute and deliver one or more Interim Funding Obligations, under which the Municipality may draw up to the amount of the Project Loan as set forth in Section 2.2 of this Agreement. Such draws shall be made in accordance with Section 4.4 of this Agreement. Any increase in the amount of the Project Loan as provided in Sections 4.1 and 4.2(a) of this Agreement shall be evidenced by the execution and delivery by the Municipality of an additional Interim Funding Obligation or Project Loan Obligation evidencing such increase. Each Interim Funding Obligation shall mature no later than six (6) months following the Scheduled Completion Date, shall bear interest at the rate of two percent (2.00%) per annum on the unpaid principal balance of each Project Loan Advance from the date of each such Project Loan Advance, shall be payable as to principal and interest on maturity, shall be dated and shall contain such terms and conditions as are required by law. Any existing Interim Funding Obligation may be refinanced when due by the execution and delivery of a new Interim Funding Obligation in an amount sufficient to refund the principal due on the Interim Funding Obligation to be refinanced and to provide that the unpaid interest on all prior Project Loan Advances shall continue to accrue from the date of each such prior Project Loan Advance, unless otherwise required by the State. Each Interim Funding Obligation or Project Loan Obligation shall be a general obligation of the Municipality for which the full faith and credit of the Municipality are pledged for the repayment of the Project Loan, or, to the extent not prohibited by law, shall be secured by a dedicated source for repayment of the Project Loan satisfactory to the State and not inconsistent with the Federal Act or the State Act.

- 7) Section 4.3(d) of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 4.3(d) The Interim Funding Obligations and Project Loan

(d) Any Interim Funding Obligation may be refunded by the execution and delivery of a subsequent Interim Funding Obligation issued if the State approves the inclusion of the design costs funded under this Agreement in a new Project Loan and Grant Agreement for construction costs related to the Project defined in Section 2.2.

- 8) Section 6.1 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 6.1 Written Documentation

(a) Prior to making the Project Loan and the Project Grant, the Municipality shall deliver to the State the following:

- (1) Written assurance satisfactory to the Commissioner that the Municipality will undertake and complete the Project with due diligence;
- (2) All applications and other documents and information required by the Commissioner, including but not limited to (a) plans and specifications prepared for the Project approved by the Commissioner, and (b) Facilities Plans and Sewer Service Area Map of the Project, and (c) written evidence that the Project is consistent with the Conservation and Development Plan;

(3) Written evidence that the Municipality has established an Account, as required by Section 3.4 and Section 4.4, in substantially the form as shown in **Exhibit XI** hereof;

(4) Written evidence that the Municipality has available to it or has made arrangements satisfactory to the Commissioner to obtain the necessary Local Share and Funds from Other Sources to pay that portion of Total Project Costs for which it is legally obligated which are not met by the Project Loan and Project Grant pursuant to Section 2.2;

(5) Written assurance that the Municipality will comply with the Audit requirements of Sections 7.12, 7.15 and 8.4 of this Agreement;

(6) Written assurance from the Municipality that it will require each Contractor who performs services on the Project to submit written proof to the Municipality that each Contractor has complied with the terms of Section 7.8 hereof and has obtained the insurance required by Section 7.10 of this Agreement, and that the Municipality will review the Contractor's written proof of insurance to ensure that it meets all the requirements of Section 7.10 of this Agreement;

(7) Evidence satisfactory to the State that the Municipality has addressed the conditions identified in **Exhibit IX** attached hereto and made a part hereof; and

(8) All properly executed forms and applications prescribed by the Commissioner pursuant to law. The execution and delivery of this Agreement by the Municipality to the State shall constitute the written assurances required by clauses (1), (3), (4), (5) and (6) above.

(b) Before delivery of each Project Loan Obligation, the Municipality shall provide a completed Closing Statement, the form of which is attached hereto as **Exhibit VIII**.

9) Section 6.4 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 6.4 Signature and No Litigation Certificate

Prior to the delivery of this Agreement, each Interim Funding Obligation and each Project Loan Obligation, the State shall have received from the Municipality a Signature and No Litigation Certificate satisfactory to the State.

10) Section 7.3 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 7.3 Audit and Inspection of Plants, Places of Business and Records

(a) The State and its agents, including, but not limited to, the Connecticut Auditors of Public Accounts, Attorney General and State's Attorney and their respective agents, may, at reasonable hours, inspect and examine all of the parts of the Municipality's plants and places of business which, in any way, are related to, or involved in, the performance of this Agreement.

(b) The Municipality shall maintain, and shall require each of the Municipality's contractors and subcontractors to maintain, accurate and complete Records. The Municipality shall make all of its and its contractors' and subcontractors' Records available at all reasonable hours for audit and inspection by the State and its agents.

(c) The State shall make all requests for any audit or inspection in writing and shall provide the Municipality with at least twenty-four (24) hours' notice prior to the requested audit and inspection date. If the State suspects fraud or other abuse, or in the event of an emergency, the State is not obligated to provide any prior notice.

(d) The Municipality will pay for all costs and expenses of any audit or inspection which reveals information that, in the sole determination of the State, is sufficient to constitute a breach by the Municipality under this Agreement. The Municipality will remit full payment to the State for such audit or inspection no later than 30 days after receiving an invoice from the State. If the State does not receive payment within such time, the State may setoff the amount from any moneys which the State would otherwise be obligated to pay the Municipality in accordance with the provisions of Section 10.14 of this Agreement.

(e) The Municipality shall keep and preserve or cause to be kept and preserved all of its Records until three (3) years after the later of (i) final payment under this Agreement, or (ii) the expiration or earlier termination of this Agreement, as the same may be amended for any reason. The State may request an audit or inspection at any time during this period. If any Claim or audit is started before the expiration of this period, the Municipality shall retain or cause to be retained all Records until all Claims or audit findings have been resolved.

(f) The Municipality shall cooperate fully with the State and its agents in connection with an audit or inspection. Following any audit or inspection, the State may conduct and the Municipality shall cooperate with an exit conference.

(g) The Municipality shall incorporate this entire Section verbatim into any contract or other agreement that it enters into with a contractor or subcontractor.

11) Section 7.8 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 7.8 Nondiscrimination

(a) For purposes of this Section, the following terms are defined as follows:

(1) "Commission" means the Commission on Human Rights and Opportunities;

(2) "Contract" and "contract" include any extension or modification of the Contract or contract;

(3) "Contractor" and "contractor" include any successors or assigns of the Contractor or contractor;

(4) "Gender identity or expression" means a person's gender-related identity, appearance or behavior, whether or not that gender-related identity, appearance or behavior is different from that traditionally associated with the person's physiology or assigned sex at birth, which gender-related identity can be shown by providing evidence including, but not limited to, medical history, care or treatment of the gender-related identity, consistent and uniform assertion of the gender-related identity or any other evidence that the gender-related identity is sincerely held, part of a person's core identity or not being asserted for an improper purpose.

(5) "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations;

(6) "good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements;

(7) "marital status" means being single, married as recognized by the state of Connecticut, widowed, separated or divorced;

(8) "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders;

(9) "minority business enterprise" means any small contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise, and (3) who are members of a minority, as such term is defined in subsection (a) of Connecticut General Statutes § 32-9n; and

(10) "public works contract" means any agreement between any individual, firm or corporation and the State or any political subdivision of the State other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the State, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees.

For purposes of this Section, the terms "Contract" and "contract" do not include a contract where each contractor is (1) a political subdivision of the state, including, but not limited to, a municipality, (2) a quasi-public agency, as defined in Conn. Gen. Stat. Section 1-120, (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in Conn. Gen. Stat. Section 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

(b) The Municipality shall cause the following subsections to be included in the contract as set forth here as required by Section 4(a)(60) of the Connecticut General Statutes:

(1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, intellectual disability, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut; and the Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed

without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, intellectual disability, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the work involved; (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action equal opportunity employer" in accordance with regulations adopted by the Commission; (3) the Contractor agrees to provide each labor union or representative of workers with which the Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which the Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union or workers' representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of this Section and Connecticut General Statutes §§ 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes §§ 46a-56, 46a-68e and 46a-68f; and (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this Section and Connecticut General Statutes § 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.

(c) Determination of the Contractor's good faith efforts shall include, but shall not be limited to, the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

(d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.

(e) The Contractor shall include the provisions of subsection (b) of this Section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes §46a-56; provided if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

(f) The Contractor agrees to comply with the regulations referred to in this Section as they exist on the date of this Contract and as they may be adopted or amended from time to time during the term of this Contract and any amendments thereto.

(g) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or the State of Connecticut, and that employees are treated when employed without regard to their

sexual orientation; (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes § 46a-56; and (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this Section and Connecticut General Statutes § 46a-56.

(h) The Contractor shall include the provisions of the foregoing paragraph in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes § 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.).

12) Section 7.9 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 7.9 Executive Orders of the Governor

This Agreement is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices, Executive Order No. Seventeen of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings and Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, concerning violence in the workplace, all of which are incorporated into and are made a part of this Agreement as if they had been fully set forth herein. This Agreement may also be subject to Executive Order No. 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services and to Executive Order No. 49 of Governor Dannel P. Malloy, promulgated May 22, 2015, mandating disclosure of certain gifts to public employees and contributions to certain candidates for office. If Executive Order 14 and/or Executive Order 49 are applicable, they are deemed to be incorporated into and made a part of this Agreement as if they had been fully set forth herein. At the Municipality's request, DEEP or DAS shall provide a copy of such orders to the Municipality.

13) Section 7.11 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 7.11 Indemnification

The Municipality agrees to indemnify and hold the State, its officials, agents and employees harmless from and against any and all claims, suits, actions, costs, and damages

resulting from the negligent performance or non-performance by the Municipality or any of its officials, agents, or employees of the Municipality's obligations under this Agreement, as it may be amended or supplemented from time to time. It is further understood that such indemnity shall not be limited by any insurance coverage which may be required herein.

- 14) Section 7.12 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 7.12 Audit Requirements for Recipients of State Financial Assistance

For purposes of this section 7.12 only, the word "Municipality" shall be deemed to mean "non-state entity," as that term is defined in Section 4-230 of the Connecticut General Statutes. The Municipality shall provide for an annual financial Audit acceptable to DEEP for any expenditure of State-awarded funds made by the Municipality. Such Audit shall include management letters and audit recommendations. The State Auditors of Public Accounts shall have access to all records and accounts for the fiscal year(s) in which the award was made. The Municipality will comply with federal and state single audit standards as applicable.

- 15) A new section 7.19 is added to the Original Agreement to read as follows:

Section 7.19 Confidential Information

DEEP will afford due regard to the Municipality's request for the protection of proprietary or confidential information which DEEP receives. However, all materials associated with the Contractor's bid and this Agreement are subject to the terms of the Connecticut Freedom of Information Act ("FOIA") and all corresponding rules, regulations and interpretations. In making such a request, the Municipality may not merely state generally that the materials are proprietary or confidential in nature and not, therefore, subject to release to third parties. Those particular sentences, paragraphs, pages or sections that the Municipality believes are exempt from disclosure under the FOIA must be specifically identified as such. Convincing explanation and rationale sufficient to justify each exemption consistent with the FOIA must accompany the request. The rationale and explanation must be stated in terms of the prospective harm to the competitive position of the Municipality that would result if the identified material were to be released and the reasons why the materials are legally exempt from release pursuant to the FOIA. To the extent that any other provision or part of this Agreement, especially including the Contractor's bid, the Records and the specifications, conflicts or is in any way inconsistent with this section, this section controls and shall apply and the conflicting provision or part shall not be given effect. If the Municipality indicates that certain documentation is submitted in confidence, by specifically and clearly marking said documentation as "CONFIDENTIAL," DEEP will endeavor to keep said information confidential to the extent permitted by law. DEEP, however, has no obligation to initiate, prosecute or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information that is sought pursuant to a FOIA request. The Municipality shall have the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. In no event shall DEEP or the State have any liability for the disclosure of any documents or information in its possession which DEEP believes are required to be disclosed pursuant to the FOIA or other requirements of law.

- 16) Section 10.3 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 10.3 Sovereign Immunity

The parties acknowledge and agree that nothing in this Agreement shall be construed as a modification, compromise or waiver by the State of any rights or defenses of any immunities provided by Federal law or the laws of the State of Connecticut to the State or any of its officers and employees, which they may have had, now have or will have with respect to all matters arising out of this Agreement. To the extent that this section conflicts with any other section, this section shall govern.

- 17) Section 10.4 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 10.4 Forum and Choice of Law

The parties hereto deem this Agreement to have been made in the City of Hartford, State of Connecticut. The parties hereto further agree that it is fair and reasonable for the validity and construction of this Agreement to be, and it shall be, governed by the laws and court decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that any immunities provided by Federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Municipality waives any objection which it may now have or will have to the laying of venue of any Claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.

- 18) Section 10.10 of the Original Agreement is renamed Section 10.10 Termination

Section 10.10 Termination

- 19) Section 10.12 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 10.12 Whistleblowing

This Agreement may be subject to the provisions of Section 4-61dd of the Connecticut General Statutes. In accordance with such statute, if an officer, employee or appointing authority of the Municipality takes or threatens to take any personnel action against any employee of the Municipality in retaliation for such employee's disclosure of information to any employee of the contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under the provisions of subsection (a) of such statute, the Municipality shall be liable for a civil penalty of not more than five thousand dollars for each offense, up to a maximum of twenty per cent of the value of this Agreement. Each violation shall be a separate and distinct offense and in the case of a continuing violation, each calendar day's continuance of the violation shall be deemed to be a separate and distinct offense. The State may request that the Attorney General

bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection (f) of such statute, the Municipality shall post a notice of the provisions of the statute relating to large state contractors in a conspicuous place which is readily available for viewing by the employees of the Municipality.

20) Section 10.13 of the Original Agreement is deleted in its entirety and the following is substituted in lieu thereof:

Section 10.13 Disclosure of Records

This Agreement may be subject to the provisions of section 1-218 of the Connecticut General Statutes. In accordance with such statute, each contract in excess of two million five hundred thousand dollars between a public agency and a person for the performance of a governmental function shall (a) provide that the public agency is entitled to receive a copy of records and files related to the performance of the governmental function, and (b) indicate that such records and files are subject to FOIA and may be disclosed by the public agency pursuant to FOIA. No request to inspect or copy such records or files shall be valid unless the request is made to the public agency in accordance with FOIA. Any complaint by a person who is denied the right to inspect or copy such records or files shall be brought to the Freedom of Information Commission in accordance with the provisions of sections 1-205 and 1-206 of the Connecticut General Statutes.

21) A new section 10.14 is added to the Original Agreement to read as follows:

Section 10.14 Setoff

In addition to all other remedies available hereunder, the State, in its sole discretion, may setoff (1) any costs or expenses that the State incurs resulting from the Municipality's unexcused nonperformance under this Agreement and under any other agreement or arrangement that the Municipality has with the State and (2) any other amounts that are due or may become due from the State to the Municipality, against amounts otherwise due or that may become due to the Municipality under this Agreement, or under any other agreement or arrangement that the Municipality has with the State. The State's right of setoff shall not be deemed to be the State's exclusive remedy for the Municipality's breach of this Agreement, all of which shall survive any setoffs by the State.

22) A new section 10.15 is added to the Original Agreement to read as follows:

Section 10.15 Breach

If either party breaches this Agreement in any respect, the non-breaching party shall provide written notice of such breach to the breaching party and afford the breaching party an opportunity to cure such breach within ten (10) days (unless a different number of days is stated in such written notice) from the date that the breaching party receives such notice. Such right to a cure period shall be extended if the non-breaching party is satisfied that the breaching party is making a good faith effort to cure but the nature of the breach is such that it cannot be cured within the right to cure period. Such notice may include a date this Agreement will terminate in the event the breach is not cured by the date stated in such notice and, unless otherwise notified by

the non-breaching party in writing prior to the termination date stated therein, no further action shall be required of any party to effect the termination of this Agreement on the termination date set forth in such notice. If the notice does not set forth an effective Agreement termination date, then the non-breaching party may terminate this Agreement by giving the breaching party no less than twenty four (24) hours' prior written notice. If the State believes that the Municipality has not performed according to this Agreement, the State may withhold payment pursuant to this Agreement, in whole or in part, pending resolution of such performance issue, provided that the State notifies the Municipality in writing prior to the date that the payment would have been due.

IN WITNESS WHEREOF, the parties hereto have caused this Project Loan and Project Grant Agreement to be duly executed as of the day and year first above written.

WITNESSES: STATE OF CONNECTICUT DEPARTMENT OF
ENERGY AND ENVIRONMENTAL
PROTECTION

Robert J. Klee
Commissioner

_____ Date

WITNESSES: THE METROPOLITAN DISTRICT

By: _____
William A. Dibella
Chairman

_____ Date

WITNESSES: THE METROPOLITAN DISTRICT

By: _____
~~John M.~~ M. Zinzarella
~~Deputy~~ Deputy Chief Executive Officer of
Business Services/CFO/Treasurer

_____ Date

By: _____
Associate Attorney General

_____ Date

SECTION 3 AMENDMENTS TO THE ATTACHMENTS OF THE ORIGINAL AGREEMENT

- 1) Exhibit VI of the Original Agreement is deleted in its entirety, and the following Exhibit VI is inserted in lieu thereof.
- 2) Exhibit VII of the Original Agreement is deleted in its entirety, and the following Exhibit VII is inserted in lieu thereof.
- 3) Exhibit VIII of the Original Agreement is deleted in its entirety, and the following Exhibit VIII is inserted in lieu thereof.
- 4) Exhibit IX of the Original Agreement is deleted in its entirety, and the following Exhibit IX is inserted in lieu thereof.
- 5) Exhibit X of the Original Agreement is deleted in its entirety, and the following Exhibit X is inserted in lieu thereof.
- 6) Exhibit XI of the Original Agreement is deleted in its entirety, and the following Exhibit XI is inserted in lieu thereof.
- 7) Exhibit XII of the Original Agreement is deleted in its entirety.

Exhibit VI Budget

Budget Report

CWF#: 657-C

THE METROPOLITAN DISTRICT

<i>Category</i>	<i>Contractor</i>	<i>Contract #</i>	<i>Cost</i>	<i>Funds from Other Sources</i>	<i>Grant</i>	<i>Loan</i>	<i>Local Share</i>
CONSTRUCTION	CH Nickerson	2014B-14	44,190,635.36	0.00	9,245,363.34	33,977,466.66	967,805.36
	Carlin	2012-21	153,383,396.26	0.00	55,708,849.52	97,674,546.74	0.00
CONSTRUCTION ADMIN	Hazen and Sawyer	Rocky Hill	4,895,540.00	0.00	1,047,156.01	3,848,383.99	0.00
	Arcadis	Dual Use	7,537,687.00	0.00	2,737,687.92	4,799,999.08	0.00
INTEREST			3,000,000.00	0.00	0.00	3,000,000.00	0.00
CONTINGENCY		2014B-14	2,775,523.81	0.00	593,684.54	2,181,839.27	0.00
		2012-21	7,368,613.34	0.00	2,676,280.37	4,692,332.97	0.00
Engineering Services		2016B-04	317,876.00	0.00	34,902.78	282,973.22	0.00
CONSTRUCTION		2016B-04	3,772,436.00	0.00	391,449.19	3,173,661.81	207,325.00
CONTINGENCY		2016B-04	178,255.55	0.00	19,572.46	158,683.09	0.00
Totals:			227,419,963.32	0.00	72,454,946.13	153,789,886.83	1,175,130.36

Exhibit VII Form of Request for AdvanceUNDER THE INTERIM FUNDING OBLIGATION

The ***** (the "Municipality") hereby requests that an advance be made to the Municipality upon the \$_____ Interim Funding Obligation issued by the Municipality to the State pursuant to the Project Loan and Project Grant Agreement No. _____, entered into between the Municipality and the State, dated_____, (the "Project Loan Agreement") 20____, in the amount of \$_____ to be made by the 13th business day of the month, or such other date as designated by the State. The Municipality requires such advance to pay Total Project Costs as defined in the Project Loan Agreement.

The Municipality hereby represents that (i) no default or any event that, but for the giving of notice or lapse of time or both, would constitute an event of default has occurred or is continuing under the Project Loan Agreement and (ii) the representations contained in the Project Loan Agreement are true and correct as of the date hereof.

By_____

Authorized Officer

Exhibit VIII Closing StatementState of Connecticut Department of Energy and Environmental Protection
Clean Water Fund Project Loan Obligation CWF # ***_**Municipality: *****Execution Date: xx/xx/xxxxLoan Advances received prior to / / \$ - 0 -Loan Advances deposited today* - 0 -Accrued Interest through / / ** - 0 -Amount of Project Loan Obligation \$ - 0 -

* This amount has been deposited today by the State in the Municipality's Account.

** Interest accrued on Interim Funding Obligations through / / is \$ - 0 -, of which \$ - 0 - has been funded by the \$ - 0 - Project Loan Obligation.[The balance of \$ - 0 - has been paid by the Municipality separately today by check or wire.]The Municipality acknowledges that the loan advance identified above, made on / / is for Project Costs due and payable within 30 days of the closing date for the following:

	<u>Grant</u>	<u>Loan</u>
Construction	\$ - 0 -	\$ - 0 -
Legal	\$ - 0 -	\$ - 0 -

The Municipality may not withdraw any funds from the account until invoices for such services have been submitted to DEEP.

The Municipality also acknowledges that any unspent loan advances remaining in the Account as of / / must be returned to OTT by or within days of to be applied to prepayment of the Project Loan Obligation.Grant Advances made prior to / / \$ - 0 -Grant Advances to be deposited* \$ - 0 -

* This amount has been deposited today by the State in the Municipality's Account.

Any unspent grant advanced funds remaining in the account as of / / must be returned to OTT by or within days of and will be reallocated at the discretion of the State.

Funding Summary:

	Item #	Date	\$\$ GRANT	\$\$ LOAN	Local Share/ Other Financing	\$\$ Total
Bond Commission Approval:						
Bond Commission Approval:						
<i>Total approved by Bond Commission</i>						
Contract Totals (IFO):						
Final Costs (PLO):						
Bond Commission totals less PLO values = Amounts to decommit:						

Please note that as of / / the State will de-commit the remaining unused loan amount of \$ - 0 - and unused grant amount of \$ - 0 - .

Dated this / / .

STATE OF CONNECTICUT
DEPARTMENT OF ENERGY AND
ENVIRONMENTAL PROTECTION

By _____ By _____

Title: _____ Title: _____

CC: Susan Hawkins, Department of Energy and Environmental Protection
Pooran Singh, Office of the State Treasurer
Marie Moylan Hoadley, Office of the State Treasurer

Exhibit IX Conditions Precedent

Conditions Precedent

Refer to Section VI of the Agreement for conditions precedent to the obligation of the State to make the Project Loan.

Notwithstanding anything contained in the Agreement to the contrary, the Municipality shall not be entitled to a Project Loan Advance, unless and until the Municipality has delivered satisfactory documentation to the State, evidencing the Municipality's compliance with the requirements of the Act, the Federal Act and all other applicable state and federal laws and regulations pertaining to the Project. Such documentation shall include, but not be limited to, the outstanding submittals below and shall be reviewed and approved by the Commissioner of DEEP in writing.

Required Documentation:

Date to be provided:

No additional conditions precedent at the time of this Agreement.

Acknowledged by: _____

Print Name:

Title:

Date:

Exhibit X Insurance Requirements**INSURANCE AND RISK MANAGEMENT BOARD RECOMMENDATIONS
FOR MINIMUM INSURANCE REQUIREMENTS****Insurance Guidelines (Limits and Scope)**

Before commencing work, the Municipality shall require each Contractor who works on the Project to obtain, at its own cost and for the duration of the contract, the following insurance:

1. Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include Premises and Operations, Independent Contractors, Products and Completed Operations, Contractual Liability and Broad Form Property Damage coverage. If a general aggregate is used, the general aggregate limit shall apply separately to the project or the general aggregate limit shall be twice the occurrence limit.
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the Contractor does not own an automobile, but one is used in the execution of the contract, then only hired and non-owned coverage is required. If a vehicle is not used in the execution of the contract then automobile coverage is not required.
3. Workers' Compensation and Employers Liability: Statutory coverage in compliance with the Compensation laws of the State of Connecticut. Coverage shall include Employer's Liability with minimum of \$100,000 each accident, \$500,000 Disease – Policy limit, \$100,000 each employee.
4. Professional Liability: \$1,000,000 each occurrence.

Insurance Provisions

- A. The Municipality and State of Connecticut, its officers, officials, employees, agents, boards and commissions shall be named and endorsed as an Additional Insured.
- B. Contractor shall assume any and all deductibles in the described insurance policies.
- C. The Contractor's insurer shall have no right of recovery or subrogation against the Municipality or the State of Connecticut and the described insurance shall be primary coverage.
- D. Each required insurance policy shall not be suspended, voided, cancelled or reduced except after 30 days prior written notice by certified mail, has been given to the Municipality.
- E. "Claims Made" coverage is unacceptable, with the exception of Professional Liability.
- F. Insurance is to be placed with insurers with a current AM Best Rating of no less than A-, VII.
- G. Contractor shall include all subcontractors as insured under its policies or shall obtain separate certificate of insurance evidencing insurance requirements herein.
- H. Contractor shall furnish to Municipality a certificate of insurance prior to commencement of work.

Exhibit XI Authorization for ACH Payments**INSTRUCTIONS FOR REQUESTING PAYMENTS ELECTRONICALLY**

Thank you for your interest in the Comptroller's Vendor Direct Deposit (ACH) Program. Attached please find the Vendor Direct Deposit (ACH) Election Form for Clean Water Funds. You should only submit this form when instructed to do so by a representative of either the State Treasurer's Office, Department of Energy and Environmental Protection (DEEP), or Department of Public Health.

Please provide a completed IRS Form W-9 (Request for Taxpayer Identification Number and Certification). This is a federal form that certifies the Taxpayer Identification Number (Federal Employer Identification Number or Social Security Number). This form allows us to make sure the information recorded in our Vendor File is current. You may access a fillable version of the form at www.irs.gov/pub/irs-pdf/fw9.pdf.

If the account type is a checking account, attach a voided check to the Vendor Direct Deposit (ACH) Election Form. For accounts which you do not write checks from please include a letter from your bank which shows the ABA routing number, account number, and the name(s) on the account.

Keep a copy of the Vendor Direct Deposit (ACH) Election Form for your records. You must inform the ACH/VSS Unit of any changes to the information provided in writing to the below address or by email to osc.apdvf@ct.gov. Please return completed forms to:

Office of the State Comptroller
Accounts Payable Division ACH/VSS Unit
55 Elm Street 6th Floor
Hartford, CT 06106-1775

If you choose to participate in this program:

- Altered forms will not be accepted. You must submit a signed copy of this form along with a signed W-9 and one form of account verification (Voided Check, Deposit Slip, Bank Letter).
- Upon approval, all clean water payments from the State of Connecticut issued by the Office of the State Comptroller Accounts Payable Division will be deposited electronically to the bank account you designate.
- Remittance information may be viewed by accessing our accounting system through Vendor Self-Serve (VSS). Please visit our website at www.osc.ct.gov/vendor/ for information on the VSS system. When we receive your completed Vendor Direct Deposit (ACH) Election Form we will contact you regarding a User ID and password for VSS. Additionally, your financial institution may provide you with addenda information at the time of deposit. Contact your financial institution for more information on receiving electronic addenda.
- Your financial institution's ability to receive payments from us and properly credit your account will be verified with the transmission of a test transaction to your account. Further instructions will be sent to the contact email you list in the form's VSS field. They will describe how to validate your ACH (EFT) test transaction. Failure to follow these instructions may delay your participation in this program. Once you have confirmed receipt of all test data, including accessing the remittance information in VSS, please contact the ACH/VSS Unit at (860) 702-3409 or by email at osc.apdvf@ct.gov.
- Changes to your bank account information can only be authorized by the individuals listed on the Vendor Direct Deposit (ACH) Election Form. To request changes to the authorized individuals please contact the ACH/VSS Unit at osc.apdvf@ct.gov.
- To process a change to your destination account number or financial institution you will need to submit another application package with the new information. Changes can take up to a week from the receipt of the form. To stop payment to a closed account immediately contact the ACH/VSS Unit by email at osc.apdvf@ct.gov.
- When contacting us by email, always include the ACH(EFT) in the subject line.

Thank you for your interest in this program.

Vendor Direct Deposit (ACH)
Election Form – WATER
Revised March 2016

STATE OF CONNECTICUT
OFFICE OF THE STATE COMPTROLLER
Accounts Payable Division
55 Elm Street
Hartford, CT 06106-1775

e-mail questions to osc.apdvf@ct.gov

Part 1 Vendor Information

Vendor Name: _____ FEIN/SSN#: _____
Contact Name: _____ Phone: (____) _____ Ext: _____
Title: _____ Fax: (____) _____
Address: _____
City: _____ State: _____ Zip: _____
Contact E-Mail: _____
Vendor Self-Serve (VSS) contact email(s): _____

Please list below the name of the individual(s) who are authorized to make changes to the bank account information.

Name	Phone	Email Address
_____	_____	_____
_____	_____	_____

Part 2 Account Information

Bank Name: _____

Routing & Transit #: (ABA#): _____

Account Type:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

- ☐ Checking ☐ Savings
☐ Money Market Savings Account
☐ DDA Checking ☐ DDA Savings

Account #:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Account Change

If you are already enrolled and are changing accounts, enter the last four digits of the old account below.

--	--	--	--

I hereby authorize the State of Connecticut (hereinafter "State") to electronically deposit any payments made through the Office of the State Comptroller's Accounts Payable Division to the bank account specified above. This authorization is to remain in full force and effect until the State has received written notification from me of its termination in such time and manner as to afford the State and the bank named above a reasonable opportunity to act upon it. In the event that the State notifies the bank that funds have been deposited to the company's account in error, I hereby authorize the State of Connecticut Office of the Treasurer to initiate a reversal of the payment in accordance with National Automated Clearing House Association (NACHA) regulations and direct the bank to return said funds to the State as soon as possible. In the event that for any reason, the bank is unable to return said funds to the State, I hereby authorize the State to recover those funds by any of the following methods: (1) deducting the amount of said funds from any future payments from the State until the amount of erroneous deposit has been recovered in full; (2) making written demand on the company for return of said funds, in which case the company hereby agrees to return said funds in full to the State within two (2) weeks of receipt of such written demand; or (3) any combination of methods (1) and (2) above. The company further agrees that if such funds are not repaid to the State, the company will be liable for all costs of collection, including reasonable attorneys' fees incurred by the State in the collection of such funds, together with the maximum interest permitted by law.

I have read, understand, and agree to the above statement.

Signature: _____ Date: _____

This form along with a completed IRS Form W-9 and a voided check or preprinted deposit slip can be submitted by:

Fax - (860)702-3419 Email - OSC.APDVF@CT.GOV or USPS to the address below.

Office of the State Comptroller, Accounts Payable Division ACH/VSS Unit, 55 Elm St. 6th Floor, Hartford, CT 06106-1775

State of Connecticut Clean Water Fund
Construction GO Amendment Feb 2017

On motion made by Commissioner Hoffman and duly seconded, the reports for resolutions #6 "APPROVAL FOR STATE OF CONNECTICUT FINANCING CWF NO. 219-CSL", #7 "APPROVAL FOR STATE OF CONNECTICUT FINANCING CWF NO. 697-DC" and #8

“APPROVAL FOR STATE OF CONNECTICUT FINANCING CWF NO. 657-C1” were received and the resolutions adopted by unanimous vote of those present.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

MDC employees Gabriele Nyenhuis and Michelle Engelhard spoke regarding the tuition reimbursement being taken out of the budget and requested the Board of Finance to reconsider.

ADJOURNMENT

The meeting was adjourned at 4:59 P.M.

ATTEST:


John S. Mirtle, Esq.

District Clerk

January 8, 2018

Date of Approval

INDEX

To

MINUTES OF THE BOARD OF FINANCE

Board of Finance Index - 2017

	Page
<hr/>	
A	
AD VALOREM ADJUSTMENT	
Rescission of Contingent Amount for 2017	22
AUDITOR COMMUNICATION, REQUIRED	
Fiscal Year 2016	5
Fiscal Year 2016	33
AUDITORS, APPOINTMENT OF	
Fiscal Year 2017	36
B	
BUDGET AND BONDING	
City of Hartford and State of CT Budget Impacts on MDC	30
BUDGET EXPENDITURES	
Fiscal Year 2018	60
BUDGET REVENUES	
Fiscal Year 2018	62
BUDGET, PROPOSED 2018	
Discussion	36
C	
CAPITAL IMPROVEMENT BUDGET	
Fiscal Year 2018	42
CLEAN WATER FUND PROJECT PROGRAMS	
Closeout	41
COMBINED CAPITAL PROJECT PROGRAMS	
Closeout	41
D	
DEBT ISSUANCE RESOLUTION	
Up to \$120,000,000 in Bond Anticipation Notes	1

	Page
Up to \$135,000,000 in Bond Anticipation Notes	24
H	
HYDROELECTRIC EXPENDITURES AND REVENUES	
Fiscal Year 2018	63
O	
OPERATING BUDGET TRANSFER, 2016	
Command Center, Employee Benefits and Taxes	3
OPERATING BUDGET TRANSFER, 2017	
Special Agreements & Programs and Taxes	32
Various Departments	73
P	
PROPOSED 2017 BUDGET	
Referral	64
R	
REALLOCATION OF GENERAL OBLIGATION BONDS	
General Obligation Bond Anticipation Notes	27
REFERENDUM REQUIREMENT	
Setting Threshold Amount	67
S	
SEWER CAPITAL PROJECT PROGRAMS	
Closeout	40
SEWER USER CHARGE RATES AND OTHER RELATED CHARGES	
Fiscal Year 2018	64
SMALL BUSINESS ENERGY ADVANTAGE LOAN	
Approval	70
STATE OF CONNECTICUT FINANCING, APPROVAL FOR	
CWF No. 219-CSL	77
CWF No. 657-C1	79
CWF No. 697-DC	78

	Page
DWSRF No. 2017-7055	19
 T	
TAX ON MEMBER MUNICIPALITIES	
Fiscal Year 2018	69
 W	
WATER CAPITAL PROJECT PROGRAMS	
Closeout	39