

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

**FOR THE YEAR
2018**

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

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**MEMBERSHIP
OF
THE BOARD OF FINANCE
2018**

PASQUALE J. SALEMI Chairman, Board of Finance
ALLEN HOFFMAN Vice Chairman, Board of Finance

LUIS CABAN	RONALD ANGELO*
ALLEN HOFFMAN	MARTIN B. COURNEEN*
PASQUALE J. SALEMI	LINDA KING-CORBIN*
RAM ABERASTURIA*	

*Citizen Member; two-year term expires December 31, 2019

MINUTES
OF
MEETINGS OF THE BOARD OF FINANCE
HELD IN 2018

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, January 8, 2018**

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

ABSENT: (0)

ALSO

PRESENT: Commissioner Donald Currey
Commissioner Denise Hall
Commissioner David Ionna
Commissioner Whit Osgood
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
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Marcy Wright-Bolling, Manager of Human Resources
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 5:04 PM

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 December 4, 2017 were approved.

2017 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on January 8, 2018

The 2017 Adopted operating budget is forecasting deficits in the following functional areas: Legal Administration and Debt Service. The forecasted deficits in Legal Administration result of continued litigations. 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.

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 13 - Administrative	7,154.00	7,446.00	14,600.00
Department 18 - Finance	7,350.00	7,650.00	15,000.00
Department 19 - Environment Health & Safety	27,440.00	28,560.00	56,000.00
Department 21 - Emergency Command Center	34,000.00	66,000.00	100,000.00
Department 35 - Laboratory Services	19,200.00	20,800.00	40,000.00
Department 40 - Operating Office	30,870.00	32,130.00	63,000.00
Department 402 - Water Pollution Control	422,000.00	-	422,000.00
Department 404 - Maintenance	151,900.00	158,100.00	310,000.00
Department 741 - Special Agreements & Programs	<u>200,086.00</u>	-	<u>200,086.00</u>
	<u>900,000.00</u>	<u>320,686.00</u>	<u>1,220,686.00</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 13 - Administrative	7,154.00	7,446.00	14,600.00
Department 18 - Finance	7,350.00	7,650.00	15,000.00
Department 19 - Environment Health & Safety	27,440.00	28,560.00	56,000.00
Department 21 - Emergency Command Center	34,000.00	66,000.00	100,000.00
Department 35 - Laboratory Services	19,200.00	20,800.00	40,000.00
Department 40 - Operating Office	30,870.00	32,130.00	63,000.00
Department 402 - Water Pollution Control	422,000.00	-	422,000.00
Department 404 - Maintenance	151,900.00	158,100.00	310,000.00
Department 741 - Special Agreements & Programs	200,086.00	-	200,086.00
	<hr/> 900,000.00	<hr/> 320,686.00	<hr/> 1,220,686.00

To:	General	Water	Total
Department 14 - Legal Adminstration	40,000.00	60,000.00	100,000.00
Department 701 - Debt Service	860,000.00	-	860,000.00
Department 801- Contingency	-	260,686.00	260,686.00
	<hr/> 900,000.00	<hr/> 320,686.00	<hr/> 1,220,686.00

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

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

ADJOURNMENT

The meeting was adjourned at 5:14 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

February 5, 2018

Date of Approval

BOARD OF FINANCE
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Wednesday, February 5, 2018

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

ABSENT: Ram Aberasturia and Ron Angelo (2)

ALSO

PRESENT: Commissioner Timothy J. Fitzgerald
Commissioner Denise Hall
Commissioner David Ionna
Commissioner Kathleen J. Kowalyshyn
Commissioner Alphonse Marotta
Commissioner Dominic M. Pane
Commissioner Raymond Sweezy
Commissioner Richard W. Vicino
Commissioner Dominic M. Pane
Commissioner Bhupen Patel
Scott W. Jellison, Chief Executive Officer
R. Bartley Halloran, District Counsel
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Robert Constable, Director of Finance
Christopher Levesque, Director of Operations
Sue Negrelli, Director of Engineering
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Marcy Wright-Bolling, Manager of Human Resources
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Cynthia A. Nadolny, Executive Assistant
Victoria S. Escoriza, Executive Assistant
David Silverstone, Consumer Advocate
Vanessa Rossitto, Blum Shapiro
Brenda Watson, Operational Fuel

CALL TO ORDER

District Counsel R. Bartley Halloran called the meeting to order at 5:28 PM

ELECTION OF CHAIRMAN

District Counsel R. Bartley Halloran called for the election of the Chairman. Commissioner Hoffman placed Commissioner Pasquale J. Salemi's name in nomination, Citizen Member Courneen seconded the nomination.

There being no further nominations, the nominations were closed. Commissioner Pasquale J. Salemi was elected Chairman of the Board of Finance for 2018 and 2019. Chairman Pasquale J. Salemi assumed the Chair and thanked the Board of Finance.

ELECTION OF VICE CHAIRMAN

Chairman Salemi called for the election of the Vice Chairman. Chairman Salemi placed Commissioner Allen Hoffman's name in nomination, and the nomination was duly seconded by Citizen Member Courneen.

There being no further nominations, the nominations were closed. Commissioner Allen Hoffman was elected Vice Chairman of the Board of Finance for 2018 and 2019.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

David Silverstone, Consumer Advocate, spoke regarding Operational Fuel.

APPROVAL OF MINUTES

On motion made by Commissioner Caban and duly seconded, the meeting minutes of the Board of Finance meeting of January 8, 2018 were approved.

REQUIRED AUDITOR COMMUNICATIONS

Vanessa Rossitto of Blum Shapiro presented the Fiscal Year 2017 Auditor Communications.

CUSTOMER ASSISTANCE PROGRAM ADMINISTERED BY OPERATION FUEL

Brenda Watson of Operations Fuel presented on the Customer Assistance Program.

Without objection, Agenda Items 8 "APPROVAL FOR STATE OF CONNECTICUT FINANCING DWSRF NO. 2018-7061" and 9 "APPROVAL FOR STATE OF CONNECTICUT FINANCING DWSRF NO. 2018-7062" were consolidated and considered together.

**APPROVAL FOR STATE OF CONNECTICUT FINANCING
DWSRF NO. 2018-7061**

To: Board of Finance for consideration on February 5, 2018

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 \$2,115,361.50 and having an interest rate of 2.00%.

The low interest loan will fund the replacement of water mains in the vicinity of Montclair Drive and Linbrook Road in West Hartford.

The State of Connecticut, through the Drinking Water State Revolving Fund Program, will provide \$2,115,361.50 in low interest loans at 2.00% to fund the expenses associated with this agreement.

Bond Counsel prepared the following resolution for your approval.

It is therefore RECOMMENDED that it be

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

RESOLVED:

Section 1. The Chairman 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 \$2,115,361.50. 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. 2018-7061 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

**APPROVAL FOR STATE OF CONNECTICUT FINANCING
DWSRF NO. 2018-7062**

To: Board of Finance for consideration on February 5, 2018

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 \$1,461,991.65 and having an interest rate of 2.00%.

The low interest loan will fund the replacement of water mains in the vicinity of Garden Street in Wethersfield.

The State of Connecticut, through the Drinking Water State Revolving Fund Program, will provide \$1,461,991.65 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 \$1,461,991.65. 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. 2018-7062 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 Citizen Member Courneen and duly seconded,
the reports for "APPROVAL FOR STATE OF CONNECTICUT
FINANCING DWSRF NO. 2018-7061" and "APPROVAL FOR STATE
OF CONNECTICUT FINANCING DWSRF NO. 2018-7062" were*

received and the resolutions adopted by unanimous vote of those present.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen of West Hartford spoke in support of the Customer Assistance Program and submitted the following written comments:

Public comments for the Board of Finance Meeting 2/5/18

I would like to support the MDC's willingness to establish a program to assist low income customers who have difficulty paying their water bills. Operation Fuel is a well established program and by joining in partnership with them the MDC will have the experience and expertise needed to make this an excellent program for MDC's low income customers. Brenda Worth has done an excellent job in researching just how this program will benefit MDC and its customers in danger of getting their water service terminated or turned off.

Brenda Worth, the Director of Community Programs at Operation Fuel, Inc. has put together an excellent proposal which I encourage you to include in the minutes of this meeting.

I'd like to highlight some of the benefits to the MDC

1. Reduce collections
2. Promote bill paying among hardship customers
3. Expand public image
4. Reduce call time with hardship customers

This program can be an important part of a customer's safety net when facing financial hardships. Given the escalating water and Clean Water Project rates, the MDC would be helping to mitigate some of that for your most vulnerable customers.

Judy Allen
West Hartford

OTHER BUSINESS

Commissioner Salemi suggested creating a subcommittee consisting of 3 members of the Board of Finance, along with members of the Water Bureau and Bureau of Public Works regarding historical water usage trends and operational costs.

ADJOURNMENT

The meeting was adjourned at 6:14 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

March 12, 2018

Date of Approval

BOARD OF FINANCE
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, March 12, 2018

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

ABSENT: Citizen Members Martin Courneen and Linda King-Corbin (2)

ALSO

PRESENT: Commissioner David Ionna
Commissioner Whit Osgood
Commissioner Domenic M. Pane
Commissioner Alvin Taylor
Commissioner Richard W. Vicino
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
Christopher Levesque, Director of Operations
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:05 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

David Silverstone, Consumer Advocate, spoke in support of approving both agenda item #4 "Consumer Assistance Program Administered by Operation Fuel", as well as agenda item #5 "Approval for State of Connecticut Financing CWF No. 657-C1".

APPROVAL OF MINUTES

***On motion made by Commissioner Caban and duly seconded,
the meeting minutes of the Board of Finance meeting of
February 5, 2018 were approved.***

**CUSTOMER ASSISTANCE PROGRAM
ADMINISTERED BY OPERATION FUEL**

To: Board of Finance for consideration on March 12, 2018

In recent years, the District considered and researched the establishment of a Customer Assistance Program to assist customers with financial hardship to pay their water bills. One obstacle to initiation of such a program was the internal administrative costs. The District also elected to wait until upgrading its electronic billing system to allow customers the ability to voluntarily contribute to a customer assistance fund through their bill payments.

After recommendation by the Consumer Advocate, District Staff is proposing the creation of a Customer Assistance Program administered by Operation Fuel. Operation Fuel already runs energy assistance programs throughout the state. The District's Customer Assistance Program will utilize the towns' social services departments to assist interested customers in completing the Operation Fuel application in order to receive assistance. If a customer meets the eligibility criteria, he/she may receive a grant of up to \$500 per year.

It is therefore RECOMMENDED that it be

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

RESOLVED:

Staff is hereby authorized to enter into an agreement with Operation Fuel to create a Customer Assistance Program administered by Operation Fuel as more fully described in the following proposal. Staff is authorized to allocate \$50,000 for the Customer Assistance Program of which \$44,000 shall be utilized for customer grants to pay customer water bills and \$6,000 to be paid to Operation Fuel for administrative costs and fuel bank fees.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

Operation Fuel, Inc.
Proposed Water Assistance Program
The MDC Operation Fuel Water Assistance Partnership
Background

Operation Fuel has provided energy affordability solutions, education, and support to Connecticut residents for forty years. Our core mission service, to which this request relates, is providing year-round emergency energy assistance grants to low and moderate income households. Last year we provided assistance for over 20,000 individuals from 7,830 households statewide.

With our network of 106 community-based fuel banks, we provide support to people who are not eligible for or have exhausted their government energy assistance benefits, including our state's working poor and people on fixed incomes. But Operation Fuel does more than distribute energy assistance grants. In collaboration with our community partners we work to significantly improve energy assistance distribution systems and find new ways to address Connecticut's energy affordability crisis. For example, in recent years we launched a burner repair program, to help people in need of emergency furnace repairs, and helped hundreds of small businesses make energy efficiency upgrades through our small business grant program.

Operation Fuel has one simple goal: to reduce the home energy and utility burden of low and moderate income Connecticut residents. We work towards this goal in a variety of ways, primarily through the distribution of emergency assistance grants to households in need. Once only a cold weather program, we now take applications 12 months a year.

Program Description

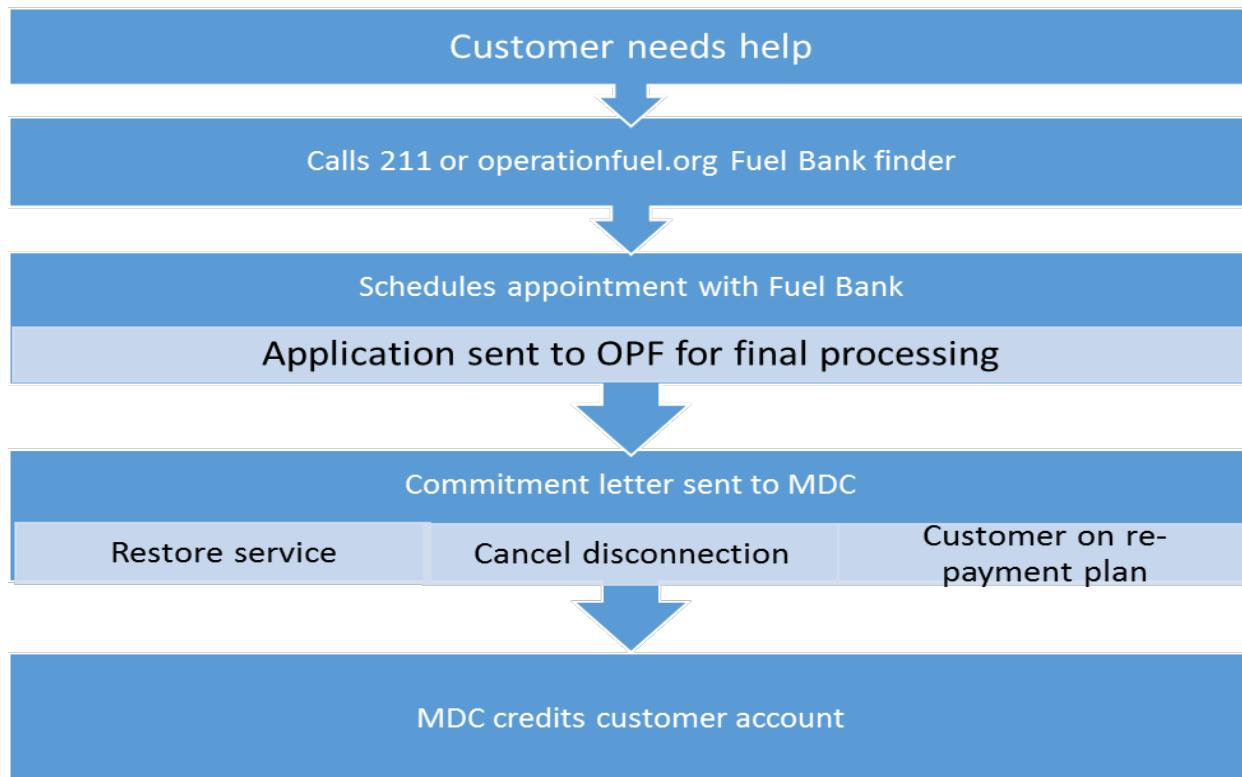
With funding from the Metropolitan District (MDC), Operation Fuel, Inc. (OPF) will provide water utility assistance grants to MDC customers in member and nonmember towns. Operation Fuel partners with over 100 non-profits, municipal governments and community action agencies that serve as our intake sites, also known as Fuel Banks. We have Fuel Banks located in Bloomfield, East Hartford, East Granby, Glastonbury, Hartford, Newington, Rocky Hill, West Hartford, South Windsor, Wethersfield, and Windsor. Farmington residents seeking assistance can apply at HRA in Bristol, New Britain or Gifts of Love in Avon.

Operation Fuel will use the current Fuel Bank model which assists struggling households with energy and utility grants to assist MDC customers with water utility arrearages or customers in danger of termination or shut off. Our experienced Fuel Bank staff will also develop custom approaches for each customer recognizing that many are struggling based on circumstances unique to each applicant (job loss, illness, disability, domestic turmoil or unexpected expenses). Solution oriented strategies include:

- One time grant paid to customer's water bill

- Customer with high arrearage agrees to re-payment schedule in addition to grant paid towards bill
- Customer with poor payment history required to make good faith payment of \$100.00

Using a shared web-based application system, Fuel Banks will enter MDC customer requests for assistance. OPF staff will process the applications for approval and send the MDC an approval letter to credit the customer account, or prevent shut off, or re-connect water service. If for any reason, the customer is denied for assistance, the fuel bank will be notified by OPF staff.



Media

Media and publicity will be coordinated by Operation Fuel, with a clear objective of placing emphasis on The MDC and recognizing that financial constraints, albeit temporary or long term, are a fact of life for many customers. The Water Assistance partnership with Operation Fuel is intended to find a payment solution for customers that are faced with financial hardship. Operation Fuel's media consultant will write a press release and coordinate a press conference at a mutually agreed upon location.

Program Benefits and performance measures

- Reduce collections
- Promote bill paying among hardship customers
- Expand public image
- Reduce call time with hardship customers
- Performance measures
 - # of disconnections per year

- # of arrearages
- Delinquent accounts committed to payment plans
- Success rate of payment plan

Expense Item	Notes	Total Projected Budget	MDC Funds	Operation Fuel Funds
MDC Client Grants		\$ 44,000	\$ 44,000	\$ -
Client Application Processing and Payment	\$33.67 x 3/hr x 52wks	\$ 5,253	\$ 4,900	\$ 353
Fuel Bank Fees	\$25 x 44/grants	\$ 1,100	\$ 1,100	\$ -
Program Oversight	\$33.67 x 1/hr x 52wks	\$ 1,751	\$ -	\$ 1,751
Marketing		\$ 1,800		\$ 1,800
Critical Infrastructure (insurance, rent, utilities, etc.)		\$ 4,513		\$ 4,513
Operating Expenses (accounting, employee benefits, payroll, travel, etc.)		\$ 9,243		\$ 9,243
Total		\$ 67,660	\$ 50,000	\$ 17,660

OPERATION FUEL SAMPLE WATER PROGRAM GUIDELINES 2018

Operation Fuel is a private, nonprofit statewide organization that provides water assistance to lower and moderate-income working families, elderly residents and individuals with disabilities.

GUIDELINES

Beginning April 16, 2018 Operation Fuel will administer a water assistance program for MDC customers in member and nonmember towns who need aid with meeting their water utility needs. This program will be for households living up to 75% of state

median income. There will not be an assets test. The maximum grant amount will be up to \$500.

To qualify for water utility assistance, clients must have a shut-off notice or have no water utility service or must need assistance with making a required payment in order to prevent a shut-off, or have a past due balance of 30 days or more.

Grant Amount

One time grant up to \$500 per household.

*All final approvals will be made by Operation Fuel Staff

Program Dates

The Program will start April 16, 2018 and end May 31, 2019. Closing date is funding dependent.

Eligibility Guidelines

Some emergency examples can include but are not limited to the following:

- Client is suffering from job loss and is collecting un-employment or exhausted un-employment benefits
- Client health or housing is threatened
- Water Utility grants – Client has made a total of 4 payments within the 12month period of which the client is applying. Clients must show a pattern of payments. If client makes all 4 payments within one month or days prior to applying, they will not qualify.

Documentation

- Applicant must provide water utility shut off notice or water utility bill that is 30 days past due and payment history
- Documentation of all household members with income (last 4 weeks of income)
- Application must be signed by client and Operation Fuel staff

Operation Fuel is an emergency energy assistance organization. Operation Fuel energy grants are for households which fall within the income guidelines and are faced with financial crisis.*

*An Operation Fuel energy grant is not an entitlement to all Connecticut residents who fall within the income guidelines. Grants to households are approved at the discretion of Operation Fuel. * Financial crisis is defined as the inability of a family to pay their water utility bill. Financial crisis is considered to be a situation in which a family must choose between paying for their water utility needs, buying food, paying the rent or mortgage, or paying medical bills as a result of unemployment, illness, death, or other emergencies.*

On motion made by District Chairman DiBella and duly seconded, the report was received and resolution adopted by majority vote of those present. Commissioner Hoffman and Citizen Member Angelo opposed.

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

To: Board of Finance for consideration on March 12, 2018

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, previously approved on December 4, 2017 with a principal amount of \$153,789,886.83 and now having a principal amount of \$155,269,638.73 and an interest rate of 2.00%. This is an increase of \$1,479,751.90 in principal amount of the loan and an increase of \$843,979.10 in the grant over the amounts previously approved on December 4, 2017.

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 \$228,568,563.96 in state funding with approximately \$73,298,925.23 in grants and \$155,269,638.73 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 amended and restated resolution from Bond Counsel
RESOLVED:

Section 1. This resolution amends and restates a resolution of the District Board, passed at a meeting of the District Board held on December 4, 2017.

Section 2. 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 \$155,269,638.73. 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. The prior actions by the Chairman and the District Treasurer in furtherance of this resolution are hereby confirmed and ratified in all respects.

Capitalized terms used herein and not defined shall have the meanings ascribed to them in the Agreement.

Section 3. 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 resolution adopted by unanimous vote of those present

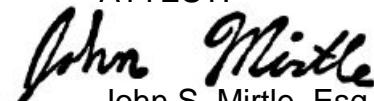
OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

ADJOURNMENT

The meeting was adjourned at 5:50 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

April 2, 2018

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, April 2, 2018**

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

ABSENT: Citizen Members Ron Angelo (1)

ALSO

PRESENT: Commissioner Clifford Avery Buell
Commissioner Donald Currey
Commissioner Whit Osgood
Commissioner Domenic M. Pane
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 Constable, Director of Finance
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Jim Randazzo, Manager of Water Treatment
Ray Baral, Assistant Manager of Water Treatment
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 4:03 PM

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 March 12, 2018 were approved. Citizen member Courneen abstained.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

BUDGET FOR LEGAL DEFENSE OF NON-MEMBER TOWN SURCHARGE CLASS ACTION LAWSUIT

It is RECOMMENDED that it be

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

RESOLVED:

The legal defense costs of the non-member town surcharge class action lawsuit will be exclusively funded by water sales revenues.

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

ADJOURNMENT

The meeting was adjourned at 4:23 PM

ATTEST:



John S. Mirtle, Esq.
District Clerk

May 7, 2018

Date of Approval

BOARD OF FINANCE
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, May 7, 2018

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 Members Ram Aberasturia and Linda King-Corbin (2)

ALSO

PRESENT: Commissioner Clifford Avery Buell
Commissioner Donald Currey
Commissioner Denise Hall
Commissioner David Ionna
Commissioner Whit Osgood
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
Christopher Levesque, Director of Operations
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Consumer Advocate
Joe Vitale, Bond Counsel
Ernie Lorimer, Bond Counsel
Lisa Cantone, CohnReznick
Melissa Ferrucci, CohnReznick

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:17 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by Citizen Member Courneen and duly seconded, the meeting minutes of the Board of Finance meeting of April 2, 2018 were approved.

**DEBT ISSUANCE RESOLUTION
FOR GENERAL OBLIGATION BONDS
ISSUANCE OF UP TO \$120,000,000 IN GENERAL OBLIGATION BONDS**

To: Board of Finance for consideration on May 7, 2018.

Staff is seeking authority for the District to issue up to \$120,000,000 in general obligation bonds on a negotiated basis.

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 IN GENERAL OBLIGATION BONDS OF THE METROPOLITAN
DISTRICT**

Not exceeding \$120,000,000 Metropolitan District General Obligation Bonds (the "Bonds") are hereby authorized to be issued for capital improvement projects, to currently refund up to \$120,000,000 Bond Anticipation Notes of the District maturing August 1, 2018 (the "Outstanding Notes"). The Bonds are authorized to be issued to fund such portion of the authorized and unissued balances of the capital appropriations contained in certain bond resolutions adopted to finance capital budget items enacted by the District Board in the years and in the amounts set forth on Exhibit A hereto attached 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 Bonds shall be dated the date of their delivery, and shall mature on July 1 or July 15 in each of the years 2019 or 2020 through up to 2048, bearing interest semi-annually each year until maturity. The Bonds shall be payable at and certified by U.S. Bank National Association, which bank shall also serve as registrar and transfer agent for the Bonds. The Bonds shall be sold by the District Treasurer, or in his absence, the Deputy Treasurer, in a negotiated offering. The District Treasurer, or in his absence the Deputy Treasurer, is hereby delegated the authority to determine the principal amount to be issued, the principal amount to mature in each year, optional redemption date(s) and redemption premium(s), if any, the rate or rates of interest on the Bonds, and to deliver the Bonds to the purchaser(s) 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 negotiate, execute and deliver a Contract of Purchase setting forth all the terms of sale of the Bonds, including the underwriters' discount for such sale, in such form as they shall deem necessary and

appropriate. 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 for the Bonds on behalf of the District in such form as they shall deem necessary and appropriate, and to rebate to the Federal government such amounts as may be required pursuant to the Tax 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 Bonds 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 resolution adopted by unanimous vote of those present

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

ADJOURNMENT

The meeting was adjourned at 5:30 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

June 4, 2018

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, June 4, 2018**

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: Commissioner Luis Caban, Citizen Member Martin Courneen and District Chairman William A. DiBella (3)

ALSO

PRESENT: Commissioner Donald Currey
Commissioner Denise Hall
Commissioner David Ionno
Commissioner Whit Osgood
Commissioner Domenic M. Pane
Commissioner Raymond Sweezy
Commissioner Alvin Taylor
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
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Levesque, Director of Operations
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Marcy Wright-Bolling, Manager of Human Resources
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria S. Escoriza, Executive Assistant
Joe Vitale, Bond Counsel

CALL TO ORDER

Chairman Salemi called the meeting to order at 4:35 PM

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 May 7, 2018 were approved.

2017 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Vanessa Rossitto and Jessica Aniskoff of Blum Shapiro presented the 2017 Comprehensive Annual Financial Report.

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

To: Board of Finance for consideration on June 4, 2018

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 \$33,025,000 General Obligation Bonds, Issue of 2016, Series A from the capital improvement projects set forth on Exhibit A attached to those capital improvement projects set forth on Exhibit A; (iii) the District's \$108,315,000 General Obligation Bonds, Issue of 2016, Series C from the capital improvement projects set forth on Exhibit A attached to those capital improvement projects set forth on Exhibit A; (iv) the District's \$120,000,000 General Obligation Bond Anticipation Notes, Series B, dated August 2, 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 (i) the District's \$36,215,000 General Obligation Bonds, Issue of 2015, Series B; (ii) the District's \$33,025,000 General Obligation Bonds, Issue of 2016, Series A; (iii) the District's \$108,315,000 General Obligation Bonds, Issue of 2016, Series C; (iv) \$120,000,000 General Obligation Bond Anticipation Notes, Series B, dated August 2, 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:	2014 Orchard Street Water Pump Station, Glastonbury	(94,000)
	2014 Wethersfield Water Pump Station, Wethersfield	(7,000)
To:	2014 Phelps Brook Dam and East Dike Rehabilitation Project	101,000

From:	2014 Orchard Street Water Pump Station, Glastonbury	(85,000)
	2014 Wethersfield Water Pump Station, Wethersfield	(6,000)
To:	2014 Phelps Brook Dam and East Dike Rehabilitation Project	91,000

\$33,025,000 General Obligation Bonds, Issue of 2016, Series A

From:	2014 Water Main Replacement Oakwood Avenue, West Hartford	(45,000)
To:	2014 Phelps Brook Dam and East Dike Rehabilitation Project	45,000

\$108,315,000 General Obligation Bonds, Issue of 2016, Series C

From:	2014 Hartford WPCF DAFT Sludge Equalization Design	(724,000)
To:	2015 WPC Equipment & Facilities Improvements	724,000
From:	2007 Wastewater Treatment Facility Improvements	(135,000)
	2008 WPC Infrastructure Replacements and Improvements	(25,000)
To:	2014 Pump Station Upgrades – Burnside Avenue, East Hartford	160,000
From:	2014 Hartford WPCF Sludge Mixing Tank, Sludge Screening, GT & RSRF Upgrades	(384,000)
To:	2015 General Purpose Sewer	384,000

From:	2010 WPC Electrical Systems Modernization Program	(3,000)
	2012 Hartford WPC Solids Handling & Processing	(17,000)
To:	2011 WPC Electronic Development	20,000
From:	2013 HWPCF Cake Storage & Gravity Thickener System	(181,000)
To:	2014 Wastewater Pump Station Improvements	181,000
From:	2011 Water Main Replacement - Hamilton Street and Park Terrace, Hartford, Phase II	(4,000)
To:	2010 Hydraulic Computer Modeling	4,000
From:	2014 Hartford WPCF DAFT Sludge Equalization Design	(35,000)
To:	2015 WPC Equipment & Facilities Improvements	35,000
\$120,000,000 General Obligation Bond Anticipation Notes, Series B dated August 3, 2017		
From:	2017 Construction Services	(602,000)
To:	2018 Construction Services	602,000
From:	2017 Survey & Construction	(690,000)
To:	2018 Survey & Construction	690,000
From:	2017 Business Transformation	(1,940,000)
To:	2017 Fleet Equipment Replacement	532,000
	2013 Information Technology - Applications	618,000
	2016 Information Systems I/T Upgrades	790,000
From:	2015 Information Systems - Operational Modules	(1,920,000)
To:	2013 Facilities Improvement Program	11,000
	2011 Security and Supervisory Control and Data Acquisition (SCADA) Communications	54,000

2012 Facility Improvement Program	57,000
2011 Headquarter Renovations	76,000
2013 Information Technology- Hardware	80,000
2013 Communications Systems Upgrades	155,000
2018 Fleet and Equipment Replacement	187,000
2016 Fleet Replacement	201,000
2011 Facility & Equipment Improvements	208,000
2017 Engineering Services	215,000
2015 Administrative Facilities Improvement Program	274,000
2016 Administrative Facilities Improvement Program	63,000
2017 Technical Services	339,000
 From: 2017 Computerized Management System	(1,000,000)
2015 Information Systems - Business Transformation SAP Upgrade	(983,000)
2015 Information Systems - Finance Modules	(730,000)
 To: 2018 Technical Services	2,713,000
 From: 2017 Administration Facilities and Equipment Improvements	(578,000)
To: 2018 Engineering Services	578,000
2007 Wastewater Treatment Facility Security and Communication	
From: Improvements	(141,000)
2015 Various Sewer Pipe Replacement/Rehab – District Wide	(141,000)
2014 Various Sewer Pipe Replacement/Rehab – District Wide	(141,000)
2013 General Purpose Sewer	(141,000)
2009 Capacity Management Operation & Maintenance Compliance	
To: Capital Equipment and Staffing	564,000
 From: 2014 Sewer Replacement – Packard Street & Daniel Boulevard,	

Bloomfield	(1,000,000)
2009 Hartford Odor Control Construction	(119,000)
To: 2017 Sanitary Sewer Rehabilitation Program	1,119,000
From: 2013 West Hartford Inflow/Infiltration Removal –Contract I	(4,800,000)
To: 2018 Construction Services	1,198,000
2018 Technical Services	87,000
2018 Engineering Services	1,322,000
2016 Various Sewer Pipe Replacement/Rehab – District Wide	139,000
2012 East Hartford WPC Waste Water Screening Installation	190,000
2017 Paving Program and Restoration	303,000
2017 Various Sewer Segment Replacement/Rehabilitation Program	770,000
2018 Sewer Rehabilitation Program	791,000
From: 2013 Sewer Gate Replacement Program District-wide	(3,600,000)
To: 2018 Survey & Construction	2,530,000
2014 Various Transmission Main Design & Construction	46,000
2014 General Purpose Sewer	352,000
2015 General Purpose Sewer	672,000
From: 2014 Various Sewer Pipe Replacement/Rehab – District Wide	(1,330,000)
To: 2013 Rocky Hill Interceptor – Relief Sewer/Capacity Improvements	33,000
2017 Wastewater Pump Station Upgrades	36,000
2011 Sewer Pump Station Improvement Program	40,000
2016 Hartford WPCF - Air Permit Compliance Upgrades	95,000
2015 WPC Equipment & Facilities Improvements	363,000
2012 Sewer Replacement - Montclair Drive, West Hartford	763,000

From:	2012 Sanitary Sewer Replacements District-Wide	(969,000)
To:	2012 General Purpose Sewer	19,000
	2014 Hartford WPCF West Primary Settling Tanks	24,000
	2011 WPC Renewal & Replacements	53,000
	2013 Water Treatment Facilities Upgrades	54,000
	2014 Renewable Energy Projects – Water Facilities	5,000
	2015 Renewable Energy Projects – Water Facilities	58,000
	2015 WMR Bond Street Area, Hartford	64,000
	2017 Hydrant Replacement Program	67,000
	2015 WPC Plant Infrastructure Renewal and Replacements	70,000
	2009 Water Treatment Facility Improvements	73,000
	2014 Backwater Valve Program	75,000
	2012 Sewer Rehabilitation Program	77,000
	2016 General Purpose Water Program	79,000
	2012 WPC Renewal and Replacements	80,000
	2015 Water Supply Generators	83,000
	2015 Sanitary Sewer Easements Acquisitions & Improvements	88,000
From:	2007 Wastewater Treatment Facility Improvements	(38,000)
To:	2015 Paving Program	18,000
	2010 Water Treatment Facility Upgrade Program	20,000
From:	2015 CCTV Generated Sewer Contracts	(522,000)
To:	2014 Pump Station Replacement – Rainbow Trunk, Windsor	8,000
	2012 Sewer Replacement - Woodland Avenue and Peters Road, Bloomfield	22,000

2015 East Hartford WPCF Compressor, DO Control & SCADA Upgrades	24,000
2011 West Hartford Water Treatment Facility North Storage Tank Installation	25,000
2012 WPC Equipment & Facilities Refurbishment	25,000
2011 WPC Electronic Development	25,000
2012 Backwater Valve Program	26,000
2010 Dam Safety Improvements - Res #2	27,000
2015 WMR Buckingham Street Area, Hartford	27,000
2014 Pump Station Upgrades – Burnside Avenue, East Hartford	35,000
2014 Simsbury Road Water Pump Station, Bloomfield	36,000
2014 WPC Equipment & Facilities Refurbishment	45,000
2012 Information Technology Security Improvements	48,000
2015 Sewer Rehabilitation Program	48,000
2015 Poquonock WPCF Primary & Secondary Tanks	49,000
2014 Levee Protection System Improvements, East Hartford and Hartford	52,000
From: 2010 WPC Electrical Systems Modernization Program	(701,000)
2014 Hartford WPCF Sludge Mixing Tank, Sludge Screening, GT & RSRF Upgrades	(344,000)
2008 WPC Infrastructure Replacements and Improvements	(242,000)
2015 Hartford WPCF SPB Electrical Upgrades (SPB Solids)	(230,000)
2009 Water Pollution Control Infrastructure Replacements and Improvements	(211,000)
2013 WPC SCADA Upgrades	(173,000)
2012 Hartford WPC Solids Handling & Processing	(132,000)
2013 General Purpose Sewer	(193,000)
To: 2018 Water Main Replacement Program	2,226,000
From: 2014 Transmission Main Extension – Newington	(2,633,000)

To:	2013 Paving Program	362,000
	2014 Kilkenny Water	2,271,000
From:	2014 Orchard Street Water Pump Station, Glastonbury	(2,000,000)
To:	2010 Dam Safety - Nepaug, Phelps Brook, East Dike	49,000
	2018 Radio Frequency Automated Meter Reading Program	236,000
	2016 WMR Simmons Road Area, East Hartford	411,000
	2015 Puddletown Booster Water Pump Station, New Hartford	432,000
	2017 Paving Program and Restoration	872,000
From:	2014 Water Main Replacement – Wethersfield	(135,000)
	2011 Dam Safety Improvements - Res #6	(4,000)
	2008 Water Supply Facility Improvements	(2,000)
To:	2014 Kilkenny Water	141,000
From:	2012 Standpipe & Above Grade Storage Tank Projects	(385,000)
To:	2014 Water Treatment Facilities Upgrades	31,000
	2011 Water Supply Facility and Watershed Land Improvements	111,000
	2017 General Purpose Water Program	115,000
	2014 Phelps Brook Dam and East Dike Rehabilitation Project	128,000
From:	2014 General Purpose Water Program	(824,000)
To:	2015 Water Treatment Facilities Upgrades	108,000
	2017 Radio Frequency Automated Meter Reading Program	333,000
	2012 Radio Frequency Automated Meter Reading	383,000
From:	2015 Water Main Replacement - Cottage Grove Road, Bloomfield	(679,000)

To:	2011 Water Main Replacement - Longview Drive, Talcottview and Pheasant Lane, Bloomfield	113,000
	2012 Water Treatment Facilities Upgrades	198,000
	2010 General Purpose Water	368,000

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

Citizen Member Angelo and Commissioner Hoffman opposed.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

ADJOURNMENT

The meeting was adjourned at 5:35 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

July 9, 2018

Date of Approval

BOARD OF FINANCE
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, July 9, 2018

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 Donald Currey; Citizen Member Ram Aberasturia (2)

ALSO

PRESENT: Commissioner Denise Hall
Commissioner Whit Osgood
Commissioner Domenic M. Pane
Commissioner Bhupen Patel
Scott W. Jellison, Chief Executive Officer
John M. Zinarella, Deputy Chief Executive Officer, Business Services
R. Bartley Halloran, District Counsel
Brendan Fox, Assistant District Counsel
Carl R. Nasto, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Levesque, Director of Operations
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:10 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

Judy Allen of West Hartford asked questions regarding the budget appropriation

APPROVAL OF MINUTES

***On motion made by Commissioner Caban and duly seconded,
the meeting minutes of the Board of Finance meeting of June
4, 2018 were approved.***

REQUIRED AUDITOR COMMUNICATIONS FISCAL YEAR 2017 AUDIT

Vanessa Rossitto and Jessica Aniskoff of Blum Shapiro presented the required auditor communications for the fiscal year 2017 audit.

BUSINESS TRANSFORMATION PROJECT MANAGEMENT AND DATA CLEANSING

To: Board of Finance for consideration on July 9, 2018

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

It is therefore RECOMMENDED that it be:

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

RESOLUTION APPROPRIATING \$7,500,000 FOR INFORMATION TECHNOLOGY IN SUPPORT OF THE DISTRICT'S BUSINESS TRANSFORMATION PROGRAM AND AUTHORIZING THE ISSUANCE OF \$7,500,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

RESOLVED:

Section 1. The sum of \$7,500,000 is hereby appropriated for information technology in support of the District's Business Transformation Project. Specifically, this appropriation includes project management costs for the SAP system reimplementation, including legacy SAP data cleansing services in preparation for data migration into the District's new SAP system. Such costs may include those for hardware, software, labor costs for District employees as well as costs for the services of third parties, legal, administrative and other financing costs related thereto.

Section 2. To meet said appropriation \$7,500,000 bonds of the District are authorized 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 3. 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 4. 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 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. 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.

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.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen of West Hartford asked questions to clarify the approval of the resolution: "Approval of Capital Improvement Project - Business Transformation Project Management and Data Cleansing".

ADJOURNMENT

The meeting was adjourned at 6:00 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

August 6, 2018

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, August 6, 2018**

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

ABSENT: Commissioner Donald Currey; Citizen Member Ron Angelo (2)

ALSO

PRESENT: Commissioner Denise Hall
Commissioner Domenic M. Pane
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
Sue Negrelli, Director of Engineering
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:10 PM

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 July 9, 2018 were approved.

2018 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on August 6, 2018

The 2018 Metropolitan District operating budget is currently experiencing deficits in the Taxes budget. The Taxes budget has a deficit due to actual mill rates in the non-member towns being higher than previous mill 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 741 – Special Programs & Agreements	<u>-0-</u>	<u>\$3,405,300.00</u>	<u>\$3,405,300.00</u>
Total	<u>-0-</u>	<u>\$3,405,300.00</u>	<u>\$3,405,300.00</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 2018 Budget Appropriations be approved as follows:

From:	General	Water	Total
Department 741 – Special Programs & Agreements	<u>-0-</u>	<u>\$200,000.00</u>	<u>\$200,000.00</u>
Total	<u>-0-</u>	<u>\$200,000.00</u>	<u>\$200,000.00</u>

To:	General	Water	Total
Department-731 Taxes	<u>-0-</u>	<u>\$200,000.00</u>	<u>\$200,000.00</u>
Total	<u>-0-</u>	<u>\$200,000.00</u>	<u>\$200,000.00</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.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

ADJOURNMENT

The meeting was adjourned at 5:14 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

October 1, 2018

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, October 1, 2018**

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

ABSENT: Citizen Member Ram Aberasturia (1)

ALSO

PRESENT: Commissioner Domenic M. Pane
Scott W. Jellison, Chief Executive Officer
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
Christopher Stone, Assistant District Counsel
Brendan Fox, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Levesque, Director of Operations
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Lisa Remsen, Financial Analyst
Karyn Blaise, Controller
Nick Salemi, Special Services Administrator
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Consumer Advocate

CALL TO ORDER

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

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 August 6, 2018 were approved.

2018 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on October 1, 2018

The 2018 Metropolitan District operating budget is forecasting deficits in the following functional areas: Chief Executive Office, Legal, Command Center and Operations. The forecasted deficit in the Chief Executive office is due to overlapping positions as a result of a retirement. The Legal Department is forecasting a deficit due to increased federal lobbying efforts and the Command Center and Operations departments are forecasting shortfalls in overtime due to the high volume of water main breaks during the winter of 2018.

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 15 - Human Resources	63,000.00	65,600.00	128,600.00
Department 17 - Information Systems	90,700.00	184,300.00	275,000.00
Department 18 - Finance	49,000.00	51,000.00	100,000.00
Department 19 - Environment, Health & Safety	12,300.00	12,700.00	25,000.00
Department 20 - Engineering Planning	29,400.00	30,600.00	60,000.00
Department 40 - Operating Office	22,800.00	23,700.00	46,500.00
Department 404 - Plant Maintenance	49,000.00	51,000.00	100,000.00
Department 50 - Water Treatment & Supply	-	173,000.00	173,000.00
Department 70 - Debt Service	17,700.00	38,200.00	55,900.00
Department 741- Special Agreements & Programs	-	219,600.00	219,600.00
	333,900.00	849,700.00	1,183,600.00

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 2018 Budget Appropriations be approved as follows:

From:	General	Water	Total
Department 15 - Human Resources	63,000.00	65,600.00	128,600.00
Department 17 - Information Systems	90,700.00	184,300.00	275,000.00
Department 18 - Finance	49,000.00	51,000.00	100,000.00
Department 19 - Environment, Health & Safety	12,300.00	12,700.00	25,000.00
Department 20 - Engineering Planning	29,400.00	30,600.00	60,000.00
Department 40 - Operating Office	22,800.00	23,700.00	46,500.00
Department 404 - Plant Maintenance	49,000.00	51,000.00	100,000.00
Department 50 - Water Treatment & Supply	-	173,000.00	173,000.00
Department 70 - Debt Service	17,700.00	38,200.00	55,900.00
Department 741 - Special Agreements & Programs	-	219,600.00	219,600.00
	333,900.00	849,700.00	1,183,600.00

To:	General	Water	Total
Department 12 - Chief Executive Office	22,800.00	23,800.00	46,600.00
Department 14 - Legal	36,800.00	38,200.00	75,000.00
Department 21 - Command Center	33,000.00	64,000.00	97,000.00
Department 30- Operations	241,300.00	723,700.00	965,000.00
	<hr/>	<hr/>	<hr/>
	333,900.00	849,700.00	1,183,600.00

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

QUARTERLY FINANCIAL REPORT

John M. Zinzarella, Deputy Chief Executive Officer, Business Services presented the quarterly financial report.

METROPOLITAN DISTRICT

FINANCIAL SUMMARY

YEAR TO DATE JUNE 2018

(\$ Millions of Dollars)

	2018 Actuals	2018 YTD Budget	2017 Actuals	Variance To Budget	Variance To PY Actuals
Volumetric Sales of Water	25.8	26.3	25.8	(0.5)	0.0
Billed Consumption (CCFS)	8.0	8.4	9.3	(0.4)	(1.3)
YTD Production (CCFS)	11.4	9.0	11.0	2.5	0.4
Customer Service Charge	\$ 10.8	\$ 10.6	\$ 11.9	\$ 0.1	\$ (1.1)
NMT					
NMT Surcharge General	\$ 1.0	\$ 1.0	\$ 1.2	\$ 0.1	\$ (0.2)
NMT Surcharge Capital	\$ 0.1	\$ 0.1	\$ 0.1	\$ (0.0)	\$ (0.0)

SEWER REVENUES

	2018	2018 YTD	2017	Variance	Variance To
	Actuals	Budget	Actuals	To Budget	PY Actuals
Taxation - Member Towns	\$ 20.8	\$ 20.8	\$ 19.5	\$ -	\$ 1.4
Gov't Agency Revenue	\$ 2.5	\$ 2.3	\$ 2.0	\$ 0.3	\$ 0.5
Other Sewer Revenue					
PMU Overhead	\$ 4.6	\$ 3.9	\$ 5.4	\$ 0.8	\$ (0.8)
Other Revenues(1)	\$ 2.1	\$ 2.4	\$ 1.5	\$ (0.3)	\$ 0.7
Sewer User Charge	\$ 3.1	\$ 5.5	\$ 3.9	\$ (2.4)	\$ (0.8)

(1)

Does not include fully reserved Groundwater Remediation

METROPOLITAN DISTRICT**FINANCIAL SUMMARY****YEAR TO DATE JUNE 2018**

(\$ Millions of Dollars)

KEY EXPENSES

	2018	2018 YTD	2017	Variance	Variance
	Actuals	Budget	Actuals	To Budget	To PY Actuals
Debt					
Interest on Bonds	\$ 9.6	\$ 9.6	\$ 9.7	\$ 0.0	\$ (0.1)
Principal on Bonds	\$ 16.6	\$ 16.7	\$ 16.5	\$ (0.1)	\$ 0.1
Interest and Note Issue Expense	\$ 0.7	\$ 1.3	\$ 0.1	\$ (0.6)	\$ 0.5
Legal Services	\$ 0.5	\$ 0.9	\$ 0.8	\$ (0.4)	\$ (0.3)
TOTAL DEBT SERVICE	\$ 27.3	\$ 28.4	\$ 27.1	\$ (1.1)	\$ 0.2
Payroll					
Regular Pay	\$ 18.3	\$ 18.6	\$ 18.4	\$ (0.3)	\$ (0.2)
Overtime Pay	\$ 2.2	\$ 1.8	\$ 2.0	\$ 0.4	\$ 0.2
Temporary Help	\$ 0.2	\$ 0.3	\$ 0.2	\$ (0.1)	\$ (0.0)
Standby	\$ 0.1	\$ 0.1	\$ 0.1	\$ (0.0)	\$ 0.0
Longevity	\$ 0.0	\$ 0.0	\$ 0.0	\$ (0.0)	\$ 0.0
TOTAL PAYROLL	\$ 20.8	\$ 20.8	\$ 20.8	\$ 0.0	\$ 0.0
Employee Benefits					
Medical & Dental Prem. & Claims	\$ 3.7	\$ 3.7	\$ 3.3	\$ 0.0	\$ 0.4
Pension	\$ 5.3	\$ 2.7	\$ 3.9	\$ 2.7	\$ 1.5
OPEB	\$ 2.3	\$ 2.0	\$ 1.7	\$ 0.2	\$ 0.5
Social Security	\$ 1.5	\$ 1.5	\$ 1.5	\$ (0.0)	\$ 0.0
TOTAL EMPLOYEE BENEFITS	\$ 12.8	\$ 10.0	\$ 10.4	\$ 2.9	\$ 2.5
Other Key Expenses (Water & Sewer)					
Electricity	\$ 2.5	\$ 4.0	\$ 2.6	\$ (1.5)	\$ (0.0)

METROPOLITAN DISTRICT**FINANCIAL SUMMARY****YEAR TO DATE JUNE 2018**

(\$ Millions of Dollars)

CONSTRUCTION IN PROGRESS

Capital Project Expenditures	2018 YTD	
Combined	\$	9.8
Sewer	\$	5.7
Water	\$	5.1
CIP TOTAL	\$	20.6

Clean Water Projects	2018 YTD	CUMULATIVE
CWP Referendum 1 (\$800M)	\$ 9.0	\$ 753.8
CWP Referendum 2 (\$800M)*	\$ 76.3	\$ 447.6
TOTAL CLEAN WATER PROJECTS	\$ 85.3	\$ 1,201.4

* Additional Funding Added Supplemental Referendum (\$140M)

Total Grants and Loans**DWSRF and CWSRF**

	2018 YTD	2017 YTD	
	Actuals	Actuals	Actuals
Total Grants	\$ 22.5	\$ 29.9	
Total Loans	\$ 41.9	\$ 54.3	
	\$ 64.4	\$ 84.2	

On Time Payments 2018

2018

Water	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Billing Revenue	6.3	6.9	6.5	6.5	6.5	7.4	8.2	8.5	56.8
Payments	6.1	6.4	6.8	6.9	6.8	6.7	8.5	8.6	56.7
% of Payments Collected	96%	94%	100%	106%	104%	91%	104%	101%	100%

Sewer	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Billing Revenue	1.2	.6	.7	1.2	1.	1.2	1.	1.2	8.1
Payments	9	5	9	8	1.	1.1	1.	1	7.1
% of Payments Collected	72%	86%	133%	65%	91%	89%	97%	87%	90%

CWP	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Billing Revenue	4.3	4.3	4.3	4.2	4.5	5.2	5.6	5.9	38.3
Payments	3.9	4	4.2	4.3	4.5	4.4	5.2	5.5	36.1
% of Payments Collected	91%	93%	100%	101%	100%	85%	93%	94%	95%

*based on the month it was reported/collected

Sludge/Septage	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Billing Revenue	~	.6	.5	.6	.6	.6	6	5	4.1
Payments	~	.3	.3	.6	.6	.5	6	5	3.4
% of Payments Collected	~	62%	56%	89%	89%	77%	101%	95%	81%

Rounded to \$100k

RECOMMENDATION OF AUDITORS FOR FISCAL YEAR 2018

To: Board of Finance for consideration on October 1, 2018

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 additional 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.

In the spring of 2018 Staff solicited competitive proposals from three qualified auditing firms on the State of Connecticut Department of Administrative Services contract for auditing services. After review of the three submitted proposals, it is the recommendation of Staff that the Board of Finance appoint the firm of Blum, Shapiro & Company, P.C. to conduct the 2018 audit. The Blum, Shapiro & Company, P.C. proposal included a one-year contract with the option for four additional one-year renewals.

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 2018, 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, 2018, based upon the hourly rate fee schedule contained within State of Connecticut Department of Administrative Services

Contract, with total fees not to exceed \$160,000. And that the Procurement department will work with the Board of Finance to determine availability of additional potential candidates for the Fiscal Year 2019 Audit.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

District Chairman DiBella moved to amend the resolution, as shown above in redline. On motion made by District Chairman DiBella and duly seconded, the amendment was adopted by majority vote of those present. Commissioner Currey and Chairman Salemi Opposed the amendment.

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

Commissioner Hoffman made a motion to ask Blum, Shapiro & Company, P.C. to provide a summary report of recommendations and responses to address concerns from their yearly management letters, going back three years. District Chairman DiBella duly seconded the motion, and it passed unanimously.

Without objection, Commissioner Caban made a request to add a resolution to the next Board of Finance agenda regarding the auditor selection timeline.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

ADJOURNMENT

The meeting was adjourned at 5:59 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

November 7, 2018

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Wednesday, November 07, 2018**

PRESENT: Commissioners Luis Caban, Donald Currey, Allen Hoffman and Pasquale J. Salemi; Citizen Member Ram Aberasturia; and District Chairman William A. DiBella (6)

ABSENT: Citizen Members Ronald Angelo and Linda King-Corbin (2)

ALSO

PRESENT: Commissioner Bhupan Patel
Commissioner Whit Osgood
Commissioner Domenic Pane
Scott W. Jellison, Chief Executive Officer
John M. Zinarella, Deputy Chief Executive Officer, Business Services
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Levesque, Director of Operations
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Lisa Remsen, Financial Analyst
Karyn Blaise, Controller
Julie McLaughlin, Special Services Administrator
Nick Salemi, Special Services Administrator
Richard Freeman, Treasury Receivables Specialist
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Consumer Advocate
Melissa Ferrucci, Cohn Reznick
Lisa Cantone, Cohn Reznick
Catherine Tran, Cohn Reznick

CALL TO ORDER

Chairman Salemi called the meeting to order at 4:12PM.

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 October 1, 2018 were approved.

REQUIRED AUDITOR COMMUNICATIONS

Vanessa Rossitto of Blum Shapiro presented the required auditor communications, discussing the Whistle Blower internal plan that has been presented to chair and vice chair of the Board of Finance, which will be brought to Board of Finance in the future.

ACCOUNTING POLICY PROCEDURE

Lisa Cantone of Cohn Reznick presented General Accounting Process Optimization.

SEPTEMBER FINANCIAL REPORT

Chief Financial Officer John Zinzarella presented the September Financial Report.

CLOSEOUT OF WATER, SEWER AND COMBINED PROGRAMS

Without objection, Agenda items #7-1, #7-2, #7-3 and #7-4 were consolidated into one motion.

WATER CAPITAL PROJECT PROGRAMS

To: Board of Finance for consideration on November 7, 2018

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
WDS.PS0214.01	2014	2113	2014 Wethersfield Water Pump Station	Wethersfield	4,000,000.00	577.50	3,999,422.50
WDS.PS0514.01	2014	2113	2014 Simsbury Rd Water PS Bloomfield	Bloomfield	300,000.00	36,283.00	263,717.00
WDS.PS1214.02	2014	2113	2014 Uplands Way Water PS Glastonbury	Glastonbury	300,000.00	0.00	300,000.00
WDS.TK1214.01	2014	2113	2014 Eastbury Basin Rehabilitation	Eastbury	3,750,000.00	0.00	3,750,000.00
WDS.EQ0015.01	2015	2113	2015 Hydrant Replacement Program	Various	1,600,000.00	1,590,487.59	9,512.41
2113 Total					9,950,000.00	1,627,348.09	8,322,651.91
WAT.CW1292.01	2011	2209	CLSD -2011 GENERAL PURPOSE WATER	Various	1,000,000.00	337,175.14	662,824.86
WAT.CW1293.01	2011	2209	2011 GROUND WATER DEVELOPMENT	Various	5,000,000.00	305,999.51	4,694,000.49
2209 Total					6,000,000.00	643,174.65	5,356,825.35
WAT.CW1220.01	2009	2318	Radio Frequency Automated Meter Reading	Various	5,000,000.00	4,962,878.99	37,121.01
WAT.CW1262.01	2010	2318	2010 Radio Frequency Auto Metr Reading	Various	4,846,800.00	4,295,795.92	551,004.08
WAT.CW1307.01	2011	2318	2011 RADIO FREQUENCY AUTOMATED METER REA	Various	1,500,000.00	1,484,733.94	15,266.06
2318 Total					11,346,800.00	10,743,408.85	603,391.15
WAT.CW1247.01	2010	2320	2010Water Main Replacement - W. Hartford	West Hartford	400,000.00	126,538.88	273,461.12
WAT.CW1257.01	2010	2320	10Watr Main Replace Farmingtn Av W Hrtfd	West Hartford	1,359,400.00	1,250,709.12	108,690.88
WAT.CW1272.01	2010	2320	2010CWP Water Main Repla Hudson St Htfd	Hartford	1,057,000.00	0.00	1,057,000.00
WAT.CW1283.01	2010	2320	2010CWP Watr Main Wethersfield #3 Hrtfd	Hartford	2,692,000.00	616,387.65	2,075,612.35
WAT.CW1300.01	2011	2320	2011 WMR EAST HARTFORD	East Hartford	2,450,000.00	20,384.83	2,429,615.17
WAT.CW1304.01	2011	2320	2011 DESIGN OF WMR OUTSIDE OF CWP	Various	1,000,000.00	370,612.68	629,387.32
WAT.CW1331.01	2012	2320	2012 Water Storage Tank Safety Upgrade	Various	839,000.00	5,000.00	834,000.00
2320 Total					9,797,400.00	2,389,633.16	7,407,766.84
WAT.CW1294.01	2011	2324	2011 Design Nepaug 3 Pipeline	Barkhamsted	2,200,000.00	0.00	2,200,000.00
2324 Total					2,200,000.00	0.00	2,200,000.00
WAT.CW1218.01	2009	2331	NON-CSO RELATED ASSETS 2009 Adopted Appr	Various	5,000,000.00	1,401,876.68	3,598,123.32
WAT.CW1241.01	2009	2331	Whiting Lane W.H. Water Main Replacement	West Hartford	700,000.00	532,669.45	167,330.55
2331 Total					5,700,000.00	1,934,546.13	3,765,453.87
WAT.CW1213.01	2008	2334	2008 Transmission Valve Replacement	Various	2,000,000.00	312,511.84	1,687,488.16
WAT.CW1219.01	2009	2334	TRANSMISSION VALVE REPLACEMENTS 2009	Barkhamsted	3,500,000.00	487,327.56	3,012,672.44
2334 Total					5,500,000.00	799,839.40	4,700,160.60
WAT.CW1224.01	2009	2338	Mansfield Street Hartford Water Main Rep	Hartford	1,495,000.00	25,540.36	1,469,459.64
WAT.CW1225.01	2009	2338	FARMINGTON WATER MAIN INSTALLATION W.H.	West Hartford	1,380,000.00	1,214,682.52	165,317.48
2338 Total					2,875,000.00	1,240,222.88	1,634,777.12
WAT.CW1311.01	2011	2340	2011 DAM SAFETY IMPROVEMENTS-RES #5	West Hartford	1,330,000.00	0.00	1,330,000.00
WAT.CW1341.01	2012	2340	2012 Structure Abandonment	Various	603,000.00	12,575.00	590,425.00
WAT.CW1355.01	2012	2340	2012 Raw Water Pipeline Improvements	Various	5,000,000.00	0.00	5,000,000.00
WAT.CW1375.01	2013	2340	2013 Water Rehabilitation Program	Various	1,000,000.00	491,228.86	508,771.14
WDS.DM0014.03	2014	2340	2014 Water Rehabilitation Program	Various	1,000,000.00	458,774.55	541,225.45
WDS.DM0015.03	2015	2340	2015 Water Rehabilitation Program	Various	1,000,000.00	502,749.21	497,250.79
2340 Total					9,933,000.00	1,465,327.62	8,467,672.38
Grand Total					63,302,200.00	20,843,500.78	42,458,699.22

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

SEWER CAPITAL PROJECT PROGRAMS

To: Board of Finance for consideration on November 7, 2018

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.CS1158.01	2010	5109	2010 GPS New Park Ave	Hartford	1,900,000.00	1,790,960.15	109,039.85
		5109 Total			1,900,000.00	1,790,960.15	109,039.85
WWA.CS1192.01	2013	5113	2013 Rocky Hill Interceptor	Rocky Hill	770,000.00	770,000.00	0.00
SCS.EQ0014.02	2014	5113	2014 Private Property Inflow Disconnect	Various	150,000.00	0.00	150,000.00
SCS.PS0614.01	2014	5113	2014 Pump Station Upgrades-Island Rd Win	Windsor	500,000.00	0.00	500,000.00
WPC.EQ0314.01	2014	5113	2014 RH WPCF Upgrd-Aeration & Disinfecti	Rocky Hill	3,000,000.00	0.00	3,000,000.00
WPC.EQ0314.02	2014	5113	2014 Rocky Hill WPCF Upgrade-Electrical	Rocky Hill	4,000,000.00	0.00	4,000,000.00
WPC.FA0114.02	2014	5113	2014 Hartford WPCF Final Settling Tank 1	Hartford	3,000,000.00	0.00	3,000,000.00
WPC.FA0114.04	2014	5113	2014 Hartford WPCF West Primary Settling	Hartford	3,100,000.00	2,962,738.27	137,261.73
WPC.FA0615.01	2015	5113	2015 Poquonock WPCF Prmry & Scndry Tanks	Poquonock	3,300,000.00	2,893,615.66	406,384.34
		5113 Total			17,820,000.00	6,626,353.93	10,787,261.73
WWA.CSA449.01	2011	5630	2011 Assessable Sewer	Various	1,600,000.00	0.00	1,600,000.00
WWA.CSA451.01	2012	5630	CLSD-2012 Assessable Sewer Prgrm (2003)	Various	220,000.00	687.50	219,312.50
		5630 Total			1,820,000.00	687.50	1,819,312.50
WWA.CS1156.01	2010	5680	2010 WPC EHWPCF Screen& Grit Replacement	East Hartford	3,823,000.00	2,481,694.39	1,341,305.61
		5680 Total			3,823,000.00	2,481,694.39	1,341,305.61
WWA.CS1125.00	2008	5735	2008 CMOM Equipment & Staffing	MDC	5,000,000.00	3,682,274.29	1,317,725.71
WWA.CS1132.01	2009	5735	2009 CMOM Compliance - Equip & Staffing	MDC	5,000,000.00	3,042,923.95	1,957,076.05
WWA.CS1161.01	2011	5735	CLSD-2011 CMOM Compliance	MDC	2,000,000.00	1,406,452.15	593,547.85
		5735 Total			12,000,000.00	8,131,650.39	3,868,349.61
WWA.CS1139.01	2008	5741	CLSD-CMOM Compliance	Various	5,000,000.00	2,628,057.18	2,371,942.82
		5741 Total			5,000,000.00	2,628,057.18	2,371,942.82
WWA.CS1173.02	2013	5803	2013 Ridge Street WWPS - Windsor	Windsor	630,000.00	441,462.35	188,537.65
		5803 Total			630,000.00	441,462.35	188,537.65
		Grand Total			42,993,000.00	22,100,865.89	20,892,134.11

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

COMBINED CAPITAL PROJECT PROGRAMS

To: Board of Finance for consideration on November 7, 2018

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.OT0015.03	2015	5613	2015 Member Towns New GIS Base Map Dtbse	MDC	1,600,000.00	488,720.07	1,111,279.93
		5613 Total			1,600,000.00	488,720.07	1,111,279.93
COM.CFP143.01	2009	5650	CLSD-Facility & Bldg. Imps. – Hdqrs –	MDC	1,000,000.00	970,015.42	29,984.58
		5650 Total			1,000,000.00	970,015.42	29,984.58
COM.CFP135.01	2008	5651	CLSD-2008 Security System Upgrades	MDC	800,000.00	508,778.29	291,221.71
COM.CFP149.01	2008	5651	CLSD-Pump Station Radio/Antenna Upg	MDC	800,000.00	793,003.42	6,996.58
COM.CFP150.01	2010	5651	CLSD-2010 Facility & Equipment Impr	MDC	444,000.00	441,318.66	2,681.34
COM.CFP158.01	2010	5651	2010 Headquarters Renovation(3rd Floor)	MDC	1,300,000.00	1,255,617.28	44,382.72
COM.CFP166.01	2011	5651	2011 Headquarters Renovation	MDC	1,500,000.00	1,443,979.58	56,020.42
		5651 Total			4,844,000.00	4,442,697.23	401,302.77
COM.CFP151.01	2010	5677	2010 Information System Improvements	MDC	3,600,000.00	3,426,452.66	173,547.34
COM.CFP152.01	2010	5677	2010 Information System Improvements #2	MDC	2,000,000.00	1,644,675.91	355,324.09
COM.CFP154.01	2010	5677	2010 GIS Enterprise System Development	MDC	1,136,000.00	0.00	1,136,000.00
COM.CFP160.01	2011	5677	CLSD-2011 Information System Impr.	MDC	700,000.00	665,457.45	34,542.55
COM.CFP162.01	2011	5677	2011 GIS Enterprise System Development	MDC	450,000.00	300,709.00	149,291.00
		5677 Total			7,886,000.00	6,037,295.02	1,848,704.98
COM.CFP140.01	2009	5728	Risk Management Initiatives	MDC	1,725,000.00	674,065.91	1,050,934.09
		5728 Total			1,725,000.00	674,065.91	1,050,934.09
COM.CFP163.01	2011	5729	2011 Pump Station Generators	MDC	4,800,000.00	3,713,595.14	1,086,404.86
		5729 Total			4,800,000.00	3,713,595.14	1,086,404.86
COM.OT0014.01	2014	5802	CLSD-2014 Survey & Construction	MDC	5,000,000.00	3,923,327.04	1,076,672.96
COM.OT0014.02	2014	5802	CLSD-2014 Engineering Services	MDC	3,300,000.00	2,387,108.72	912,891.28
COM.OT0014.03	2014	5802	CLSD-2014 Construction Services	MDC	3,500,000.00	2,526,369.98	973,630.02
COM.OT0014.04	2014	5802	CLSD-2014 Technical Services	MDC	2,600,000.00	1,998,054.24	601,945.76
COM.OT0015.01	2015	5802	CLSD-2015 Construction Services	MDC	3,500,000.00	2,584,975.73	915,024.27
COM.OT0015.02	2015	5802	CLSD-2015 Engineering Services	MDC	2,500,000.00	1,817,309.28	682,690.72
COM.OT0015.04	2015	5802	CLSD-2015 Survey & Construction	MDC	5,000,000.00	4,464,585.57	535,414.43
COM.OT0015.05	2015	5802	CLSD-2015 Technical Services	MDC	4,000,000.00	3,009,405.64	990,594.36
COM.OT0016.01	2016	5802	CLSD-2016 Construction Services	MDC	3,500,000.00	2,976,769.89	523,230.11
COM.OT0016.02	2016	5802	CLSD-2016 Engineering Services	MDC	2,500,000.00	1,789,374.60	710,625.40
COM.OT0016.03	2016	5802	CLSD-2016 Survey & Construction	MDC	5,000,000.00	4,266,476.36	733,523.64
COM.OT0016.04	2016	5802	CLSD-2016 Technical Services	MDC	3,400,000.00	2,699,784.61	700,215.39
COM.OT0017.01	2017	5802	2017 Construction Services	MDC	3,300,000.00	2,298,674.07	1,001,325.93
COM.OT0017.02	2017	5802	2017 Engineering Services	MDC	2,500,000.00	1,915,365.87	584,634.13
COM.OT0017.03	2017	5802	2017 Survey & Construction	MDC	5,000,000.00	3,410,826.97	1,589,173.03
COM.OT0017.04	2017	5802	2017 Technical Services	MDC	3,900,000.00	2,839,274.56	1,060,725.44
		5802 Total			58,500,000.00	44,907,683.13	13,592,316.87
		Grand Total			80,355,000.00	61,234,071.92	19,120,928.08

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 7, 2018

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.MGMGEO.30	2007	5300	Geotechnical Services - Consulting	\$ 2,066,949.91	\$ 2,066,949.91	\$ -
CW1.MGMPMC.13	2007	5300	2013 CWP PMC	-	-	\$ -
CW1.NSSGRA.02	2007	5300	Granby 2&5 (Cornwall Street Area) Design	32,548,599.93	32,548,599.93	\$ -
CW1.NSSTOW.02	2007	5300	Tower Avenue Area South	12,649,780.63	12,649,780.63	\$ -
CW1.SSOWND.02	2007	5300	2012 CWP WINDSOR SSES COMPLETION	-	-	\$ -
CW1.SSOWTH.04	2007	5300	2012 Folly Brook I/I Rehab	-	-	\$ -
		5300 Total		47,265,330.47	47,265,330.47	\$ -
CW2.MGMCWP.13	2013	5400	CLSD-2013 CWP Administration	505,030.18	505,030.18	\$ -
CW2.MGMPMC.13	2013	5400	2013 CWP PMC	7,895,855.33	7,895,855.33	\$ -
CW2.SSOWTH.10	2014	5400	2014 SSES Rocky Hill - II	-	-	\$ -
CW2.CONFRA.01	2015	5400	2015 Franklin & Maple Conduits	-	-	\$ -
CW2.CONGBR.02	2015	5400	2015 Walnut to Church Dsn	-	-	\$ -
CW2.CONNMD.01	2015	5400	2015 Main Street Dsn	-	-	\$ -
CW2.CONNMD.02	2015	5400	2015 Sanford Street Design	-	-	\$ -
CW2.CONSBR.01	2015	5400	2015 New Britain & Arlington	-	-	\$ -
CW2.SSOWHA.07	2015	5400	2015 WH SSES I (2012-59)	-	-	\$ -
CW2.SSOWHA.08	2015	5400	2015 W.H. SSES Rehab II	-	-	\$ -
CW2.SSSPAR.08	2015	5400	2015 Park Street Dsn	-	-	\$ -
CW2.MGMCWP.16	2016	5400	2016 CWP Admin	10,471,683.85	10,471,683.85	\$ -
CW2.MGMPMC.16	2016	5400	2016 CWP PMC/CDM	3,830,829.76	3,830,829.76	\$ -
CW2.MGMCWP.17	2017	5400	2017 CWP Admin	9,441,000.00	9,441,000.00	\$ -
		5400 Total		32,144,399.12	32,144,399.12	\$ -
		Grand Total		79,409,729.59	79,409,729.59	\$ -

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 Commissioner Hoffman and duly seconded, the reports were received and the resolutions #7-1, #7-2, #7-3 and #7-4 adopted by unanimous vote of those present.

On a motion made by Commissioner Currey and duly seconded, Agenda items #8 "Consideration and Potential Action Re: Approval for State of Connecticut Financing CWF NO. 221-CSL", #9 "Consideration and Potential Action Re: Approval For State of Connecticut Financing DWSRF NO. 2018 – 7062-1" and #10 "Consideration and Potential Action Re: Approval for State of Connecticut Financing DWSRF NO. 2019 -7074" were consolidated.

APPROVAL FOR STATE OF CONNECTICUT FINANCING CWF NO. 221-CSL

To: Board of Finance for consideration on November 7, 2018

Staff seeks approval from your Board to execute and deliver the CWF 221-CSL Project Loan Agreement, Interim Funding Obligation and Project Loan Obligation to the State of Connecticut for CWF No. 221-CSL having a principal amount of \$2,716,617.73 and having an interest rate of 2.00%.

The low interest loan will fund the Cedar Street sanitary sewer and water main improvements to mitigate localized sanitary sewer surcharging consistent with sanitary sewer overflow master plan recommendations.

The State of Connecticut, through the Clean Water Fund Program, will provide \$2,716,617.73 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. 221-CSL Project Loan 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. 221-CSL in the aggregate amount not to exceed \$2,716,617.73. 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
DWSRF NO. 2018-7062-1**

To: Board of Finance for consideration on November 7, 2018

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 \$2,483,746.65 pursuant to the First Amendment Agreement No. 2018-7062-1 to Project Loan Agreement DWSRF No. 2018-7062. This First Amendment Agreement No. 2018-7062-1 increases the maximum principal amount of the existing loan by \$1,021,755.00. The loan bears interest at the rate of 2.00% per annum.

The low interest loan funds the replacement of water mains in the vicinity of Garden Street in Wethersfield.

The State of Connecticut, through the Drinking Water State Revolving Fund Program, will provide \$2,483,746.65, which is an increase of \$1,021,755.00 over the existing maximum principal amount of \$1,461,991.65, 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 \$2,483,746.65. 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 Agreement DWSRF No. 2018-7062, as amended by the First Amendment Agreement No. 2018-7062-1 to Project Loan Agreement DWSRF No. 2018-7062, to be entered into with the State of Connecticut (as amended, 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
DWSRF NO. 2019-7074**

To: Board of Finance for consideration on November 7, 2018

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 \$2,522,972.24 and having an interest rate of 2.00%.

The low interest loan will fund the replacement of water mains in the vicinity of Bond Street in Hartford.

The State of Connecticut, through the Drinking Water State Revolving Fund Program, will provide \$2,522,972.24 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 \$2,522,972.24. 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 Agreement DWSRF No. 2019-7074 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 Currey and seconded by Commissioner Hoffman, the reports for resolutions #8 "Consideration and Potential Action Re: Approval for State of Connecticut Financing CWF NO. 221-CSL", #9 "Consideration and Potential Action Re: Approval for State of Connecticut Financing DWSRF NO. 208 – 7062-1" and #10 "Consideration and Potential Action Re: Approval for State of Connecticut Financing DWSRF NO. 2019-7074" were received and the resolutions adopted by unanimous vote of those present.

CUSTOMER ASSISTANCE PROGRAM ADMINISTERED BY OPERATION FUEL

To: Board of Finance for consideration on November 7, 2018

At the beginning of 2018, the Board of Finance and District Board approved and authorized the establishment of a Customer Assistance Program funded by the District and administered by Operation Fuel. The program ran from April through September and provided need based grants to 111 households.

After completion of the first year of the Customer Assistance Program, District Staff recommends continuing the program for 2019 and funding it at the same level as the prior year. The District's Customer Assistance Program will utilize the towns' social services departments to assist interested customers in completing the Operation Fuel application in order to receive assistance. If a customer meets the eligibility criteria, he/she may receive a grant of up to \$500 per year.

Staff has worked with the District's online bill pay system KUBRA to include an option for customers to donate money towards the Customer Assistance Program. At this time, Staff is able to offer customers that pay their bills online the opportunity to donate money towards the Customer Assistance Program. Due to costs and practical restraints, it is not feasible at this time to offer customers that pay their bill via check or in-person to donate towards the Customer Assistance Program. Expanding the customer donations to check and in-person payments can be revisited at a later date.

It is therefore RECOMMENDED that it be

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

RESOLVED: Staff is hereby authorized to enter into an agreement with Operation Fuel to administer a Customer Assistance Program as more fully described in the attached guidelines. Staff is authorized to allocate \$50,000 for the Customer Assistance Program of which \$44,000 shall be utilized for customer grants to pay customer water bills and \$6,000 to be paid to Operation Fuel for administrative costs and fuel bank fees.

BE IT FURTHER RESOLVED: Staff is hereby authorized to allow online bill pay customers to donate money towards the Customer Assistance Program to be used for customer assistance grants.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

OPERATION FUEL WATER PROGRAM GUIDELINES 2019

Operation Fuel is a private, nonprofit statewide organization that provides water assistance to lower and moderate-income working families, elderly residents and individuals with disabilities.

GUIDELINES

Beginning April 1, 2019 Operation Fuel will administer a water assistance program for MDC customers in member and nonmember towns who need aid with meeting their water utility needs. This program will be for households living up to 75% of state median income. There will not be an assets test. The maximum grant amount will be up to \$500.

To qualify for water utility assistance, customers must have a shut-off notice or have no water utility service or must need assistance with making a required payment in order to prevent a shut-off, or have a past due balance of 30 days or more.

Grant Amount

One time grant up to \$500 per household.

***All final approvals will be made by Operation Fuel Staff**

Program Dates

The Program will start April 1, 2019 and end December 31, 2019. Closing date is funding dependent.

Eligibility Guidelines

Some emergency examples can include but are not limited to the following:

- Customer is suffering from job loss and is collecting un-employment or exhausted un-employment benefits
- Customer health or housing is threatened
- Assistance is not available to customers in collections for current balances

- Customer has made a total of 4 payments within the 12 month period of which the customer is applying. Customer must show a pattern of payments. If customer makes all 4 payments within one month or days prior to applying, they will not qualify. Alternatively, if the customer did not make 4 payments within the preceding 12 month period but made substantial payments that equal at least 35% of the outstanding balance at the time of the grant application, the customer may be deemed eligible for a customer assistance grant. Based on customer payment history, MDC may require customer to pay a percentage of delinquent balance in order to receive grant.

Documentation

- Applicant must provide water utility shut off notice or water utility bill that is 30 days past due and payment history
- Documentation of all household members with income (last 4 weeks of income)
- Application must be signed by customer and fuel bank staff

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

APPROVAL OF SMALL BUSINESS ENERGY ADVANTAGE LOAN AGREEMENT

To: Board of Finance for consideration on November 7, 2018

On December 4, 2017 the Board of Finance and District Board authorized District staff to execute a 0% interest rate loan agreement with Eversource for approximately \$60,000 to participate in the Eversource Small Business Energy Advantage (SBEA) Program. The Eversource SBEA Program offers Loans ranging from \$500 to \$100,000 through the Connecticut Energy Efficiency Fund to help upgrade or replace existing electric and gas equipment with qualifying high-efficiency equipment. Repayment terms are up to 48 months. 0% interest, on-bill payments up to \$100,000

Staff is now seeking authority for the District to execute additional loan agreements under the SBEA Program at the following MDC facilities:

MDC Headquarters	MDC Operations Facility
MDC Customer Service Building	Rossi Building
West Hartford WTF	Reservoir No. 6 WTF
Collinsville WTF	Barkhamsted WS Headquarters
Hartford WPCF	Rocky Hill WPCF
East Hartford WPCF	Poquonock WPCF
West Branch Headquarters	Dams – Gate Houses
Pump Stations	Storage Tanks/Basins

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 loan agreements with 0% interest rates to Eversource under the Small Business Energy Advantage program ~~for up to with each loan not to exceed \$100,000.~~

Respectively Submitted,

Scott W. Jellison
Chief Executive Officer

On a motion made by Citizen Member Aberasturia and duly seconded, the resolution was amended as reflected above in redline.

On a motion made by Commissioner Caban and seconded by Commissioner Currey, the report was received and resolution, as amended, adopted by unanimous vote of those present

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner Salemi asked about the charge for Riverfront Recapture in member towns and how it is billed. Requested more information to be available on Friday, November 9, 2018 at the Board of Finance workshop.

ADJOURNMENT

The meeting was adjourned at 5:42 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

November 9, 2018

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Friday, November 9, 2018**

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

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

ALSO

PRESENT: Commissioner Clifford Avery Buell
Commissioner Georgianna Holloway
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
Christopher Levesque, Director of Operations
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Lisa Remsen, Financial Analyst
Shereese Rodgers, Financial Analyst
Karyn Blaise, Controller
Jeff Davis, Design Manager
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Julie Price, Professional Level Trainee
David Silverstone, Consumer Advocate
Melissa Ferrucci, Cohn Reznick
Lisa Cantone, Cohn Reznick
Catherine Tran, Cohn Reznick

CALL TO ORDER

Chairman Salemi called the meeting to order at 12:12PM.

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 7, 2018 were approved.*

DISCUSSION RE: 2019 PROPOSED ANNUAL BUDGET

John M. Zinzarella, Deputy Chief Executive Officer, Business Services, presented an overview of the 2019 Proposed Budget

Commissioner Currey exited the meeting at 2:27 PM.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen of West Hartford spoke regarding the proposed budget.

COMMISSIONER QUESTIONS AND COMMENTS

No additional comments or questions were presented by Commissioners.

ADJOURNMENT

The meeting was adjourned at 3:05 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

November 19, 2018

Date of Approval

BOARD OF FINANCE
Public Hearing
555 Main Street
Hartford, Connecticut 06103
Monday, November 19, 2018

PRESENT: Commissioners Luis Caban, Donald Currey, Allen Hoffman and Pasquale J. Salemi; Citizen Member Ron Angelo and Linda King-Corbin (6)

ABSENT: Citizen Members Ram Aberasturia (1)

ALSO

PRESENT: Commissioner John Avedisian
Commissioner Avery Buell
Commissioner Gary LeBeau
Commissioner Maureen Magnan
Commissioner Whit Osgood
Commissioner Domenic Pane
Commissioner Bhupen Patel
Commissioner Raymond Sweezy
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
Lisa Remsen, Financial Analyst
Karyn Blaise, Controller
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria Escoriza, Executive Assistant
David Silverstone, Consumer Advocate

Commissioner Pasquale J. Salemi acting as chairman, called the public hearing to order at 5:06 PM

Commissioner Pasquale J. Salemi made the following statement:

“This is a public hearing by The Metropolitan District’s Board of Finance. The Board of Finance will receive public input on the proposed 2019 budget for The Metropolitan District.”

“On November 2, 2018, the 2019 proposed budget was posted on www.themdc.org and distributed to member municipalities’ town clerks. At its November 7th meeting, the District Board referred the proposed budget to the Board of Finance. A final decision on the 2019 proposed budget has yet to be made. The District Board will consider and approve a final budget at its December 10, 2018 public meeting, and will take into account what is said at this hearing.”

John S. Mirtle, District Clerk, read the following into the record:

The following hearing notice was published in the Hartford Courant on November 8, 2018 and again on November 16, 2018; and the notice was filed, for public inspection, in the office of the town clerk in each municipality that is a member town of The Metropolitan District.

**NOTICE OF PUBLIC HEARING
THE METROPOLITAN DISTRICT
BOARD OF FINANCE
PROPOSED 2019 BUDGET AND RATES**

**The Metropolitan District
555 Main Street
Hartford, Connecticut**

The Board of Finance of The Metropolitan District will hold a public hearing on the proposed fiscal year 2019 budget and rates. The hearing will be held in the Board Room at Metropolitan District Headquarters, 555 Main Street, Hartford, Connecticut, on Monday, November 19, 2018 at 5:00p.m.

The proposed fiscal year 2019 budget and rates are available for inspection at the Office of the District Clerk of The Metropolitan District, 555 Main Street, Hartford and www.themdc.org/budget.

All interested parties from The Metropolitan District's member municipalities may appear to be heard.

John S. Mirtle, Esq.
District Clerk

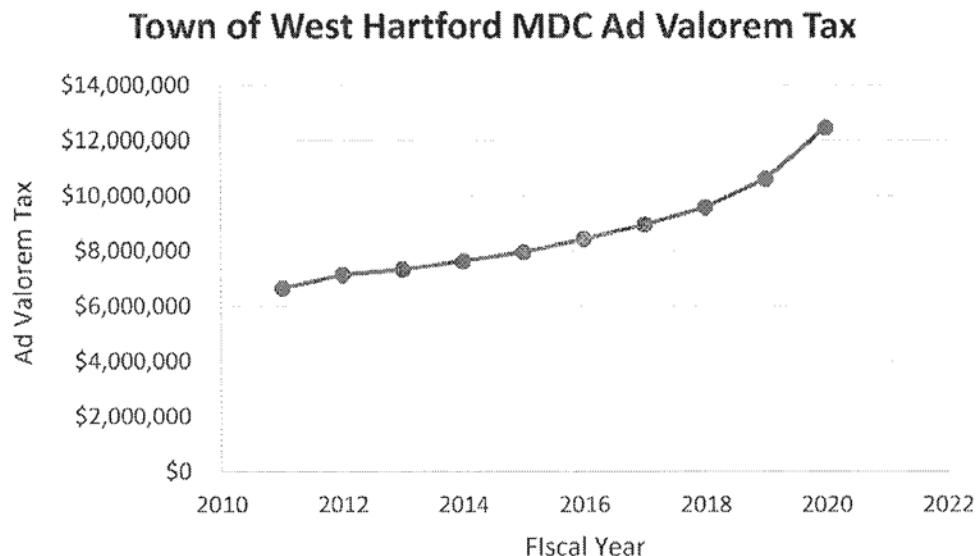
PUBLIC COMMENTS

Mayor Shari Cantor of West Hartford spoke and submitted the following written statement:

I want to start by thanking the MDC for their work in our community, especially in the Linbrook Road area when dozens of homes were affected by a sewer liner failure. Many of our residents experienced significant property damage and a number were even displaced. The MDC has been responsive and committed to serving these residents. For this the Town of West Hartford is very grateful.

I am here this evening to speak to the MDC's proposed annual budget and if approved with no changes, the impact that will have on our community.

The Town of West Hartford is facing an unprecedented \$1.8M or 17.3% increase in the Ad Valorem tax as proposed by the MDC Administration. If approved, this tax would certainly be the highest Ad Valorem increase the Town has ever seen. To put this in perspective, this proposed increase would almost double the Town's Ad Valorem tax that was paid ten years ago and just last year the increase to the Ad Valorem tax was \$1,033,800 or 10.8%. This will likely represent the highest increase in any expenditure category in the Town's operating budget, surpassed only by education spending driven largely by contractual increases.



Based on the fiscal forecast that was provided by the MDC's CFO, this is only the beginning of many more years of similar level of increases; compounding the increases to property taxes unless those increases are offset by very difficult and significant cuts in our Town budget.

West Hartford is primarily a residential community with most property taxes paid by residents. In an effort to keep our property taxes as low as possible, we consistently review every expense, strive to identify and implement efficiencies and examine all services provided to the community.

The majority of our taxes are property taxes; Real Estate and Motor Vehicle. We have very limited options to initiate other revenue streams. As a comparison, the \$1.8M increase is more than the entire budget of the following five departments which are essential for town operations: Town Clerk, Town Manager, Corporation Council, Registrars of Voters and Town Council, which includes an all-volunteer Council.

As with any other public entity, I know the MDC is struggling with the same structural costs as we are such as contractual wage increases and rising pension and medical liabilities. These costs are difficult to contain. However, there are areas of the proposed MDC budget such as use of bond premium, filling vacant positions and Other Post Employment Benefit future liability calculations that could be re-examined and adjusted. The MDC also needs to evaluate its support for regional/state resources. I understand that these adjustments would result in minor reductions to the overall Ad Valorem tax, however, any adjustment that would result in savings are important and appreciated.

I also recognize that a significant portion of the proposed budget increase is related to a robust capital plan to repair and replace the aging sewer system infrastructure. I understand that this approach is necessary in order to prevent future sewer system failures. However, is financing this capital plan through the Ad Valorem tax the most logical method?

To impose this Ad Valorem tax-based on taxes collected by each municipality misses the mark. It inflates all the member towns' property taxes, making community by community comparisons difficult when trying to explain to local taxpayers why MDC member community's property taxes are higher than their close neighbors. In addition, due to the recent changes in Federal tax laws, many residents cannot deduct their share of the Ad Valorem in their tax filings. This is not an equitable distribution of cost, especially to the low-income residents throughout the majority of the member towns.

This antiquated method is no longer used throughout our country. The EPA's moratorium on Ad Valorem systems in the 70's recognized the lack of equitability and proportionality basing charges on grand lists/taxes collected. The accepted and practiced method is to actually charge all users the full cost of water consistently and fairly.

The MDC has proposed an Integrated Plan to member towns focused on the prioritization of funding aging infrastructure. This proposal considers the shift of significant future capital costs from the Ad Valorem tax directly to the MDC customers. While we acknowledge that this approach may reduce and stabilize year over year Town Ad Valorem increases, we still question if this is the only viable option. Over the past year, a working group from member Towns has been meeting with an outside consultant hired by the MDC to examine options to possibly replace the Ad Valorem method of financing sewer operations with a sewer user fee methodology that is used by virtually every other sewer and water authority in the country. So, it is my position that a direct sewer user fee based on water consumption would prove a fair, equitable and proportional method to finance all sewer operations and finally relieve member Towns of the onerous and significant Ad Valorem tax burden.

There has been little or no activity in these discussions regarding sewer user fees since late August and I urge the MDC Administration to accelerate the review and recommendation process so a proposal by the member Towns can be finalized. Residents of all member towns that would qualify for assistance or reduced fees based on income deserve and are entitled to the same treatment.

Please do not interpret my fiscal concerns as a lack of appreciation for the work that you do. I'm sure everyone in this room understands the difficulty in maintaining an aged sewer and water system, so I thank you on behalf of the residents of the Town of West Hartford. I do, however, hope that the near future will include a different approach on how these services are financed and I look forward to upcoming discussions on how that can happen.

Thank you for your time and your service.

Respectfully,



Shari G. Cantor
Mayor, Town of West Hartford

State Representative Derek Slap spoke in support of Mayor Cantor's statement and support for water as a public trust. He also stated concern about the economic development rate that is being proposed.

Bloomfield Town Councilman David Mann spoke in opposition to large volume discounts and stated his agreement with Mayor Cantor's statement.

State Representative Matt Lesser of the 9th District commented that he has heard a lot of opposition to rate increases and ad valorem tax increases from his constituents.

Brad Klein, of Bloomfield, spoke in opposition of an economic development rate. He also expressed concern about the MDC Charter being out of date and supports a statewide coordination of policy regarding water.

Judy Allen, of West Hartford, spoke in opposition to continued increases to water rates and ad valorem tax each year and the proposed economic development rate. She also spoke in opposition to the Park River discharges deadline extension.

Paula Jones, of Bloomfield, spoke in support of the MDC removing the economic development rate from the proposed 2019 Budget. She also spoke in support of Charter revisions. She expressed thanks for the Operation Fuel assistance fund.

Alicea Charmut, of the Connecticut River Conservancy, spoke supporting full communication by the MDC to the public about the LTCP so that they can understand the benefit.

Karen Hatcher, of Windsor, spoke in opposition to the high volume discount.

Val Rossetti, of Bloomfield, and Save Our Water CT spoke in opposition of high volume discounts continually being proposed. She also spoke in support of water conservation due to recent reports that South Central Connecticut may face shortages in the near future.

Tolli Miller, of Bloomfield, read the following statement from Margaret Miner of the Rivers Alliance of Connecticut:

I write on behalf of Rivers Alliance of Connecticut to express dismay that the MDC is contemplating renewing the outdated practice of offering discounts to high-volume water customers and sewage-service customers. The MDC was not closely involved in the development of the State Water Plan, but certainly the utility is aware that conservation of high-quality water is a planning priority. There are various rate structures that reward conservation and/or discourage high-volume use. To sustain the resource, please adopt a conservation approach to your rate structure.

Of course, you also know that Rivers Alliance believes that when a utility is so desperate to move "product" that it is seeking new and large customers far and wide, and offering generous discounts, then here is no reason it should not be honoring its responsibilities to the natural waters of the state. Even if you do not see a responsibility to maintain free-flowing natural waters as far as possible, think of streams as the green infrastructure of water supply in Connecticut. We are not so water rich that we can safely continue to take more water from the environment than is necessary to meet true needs. Thank you for your consideration.

Hannah Roditi, of Bloomfield, spoke in opposition to the proposed high volume user discounts and concern that corporate interests are being considered before citizens.

Mark Saunders, of Bloomfield, spoke in support of water conservation.

Alex Rodriguez, of West Hartford, spoke in opposition to the proposed discounted water rates to high volume users. He also spoke in support of water conservancy and protecting our most valuable resource.

Paul Milne, of Wethersfield, spoke in support of environmental protection and sewage separation that is currently practiced. He also suggested sewage treatment before going into the Connecticut River.

Independent Consumer Advocate David Silverstone submitted the following written statement:

INTRODUCTION

The MDC has proposed an operating budget of \$189 million (water and sewer) or an increase of 13.2% over 2018 budget. The capital improvement budget is proposed at \$73 million. In addition, capital funds will be expended on the Clean Water Project. Customer bills will, on average increase 10.99% in member towns and 5.05% in non-member towns. Ad Valorem taxes will increase 15%.

These increases are daunting. While there are a variety of drivers for them, the biggest single one is the need for capital improvements to both water and sewer facilities. Debt service (principal and interest on bonds used for capital improvements) totals over one-third of the proposed operating budget and the increase in debt service from 2018 to 2019 represents 40% of the budget increase. In addition debt service on Clean Water Project bonds represents another \$49 million in costs.

There are two drivers to these capital costs. First, for a variety of reasons, MDC underinvested in water and sewer capital improvements over the last several decades. While that had the effect of keeping water and sewer rates low, it has resulted in the need to 'catch up' now, resulting in higher increases to rates. Second, the Clean Water Project, undertaken at the behest of federal and state environmental authorities in order to reduce the amount of sewer overflows into streams and rivers, is in full swing and will require substantial investments going forward.

The MDC has designed a Long Range Integrated Plan (LRIP) to manage these two drivers over the coming decades. If that Plan is approved by the relevant federal and state agencies, the effect should be a somewhat reduced need for capital improvements from current projections and therefore a lessening of pressure on increasing debt service and the need for additional revenue. While capital spending will continue, and therefore the need for increased revenue will continue also, the increases should be more modest.

PROPOSED BUDGET REDUCTIONS

The second major budget driver is payroll related (wages and benefits). The proposed budget increases these by \$11 million or one-half of the overall operating budget increase. This increase should be reduced by at least \$750,000. This amount was arrived at as follows. In the presentation to the Finance Committee on November 9, 2018, (p. 11), 411 employees were in the 2018 budget. 418 employees are identified in the 2019 budget. However, the 2018 projected (i.e. actual) employees in 2018 totaled only 399 due to vacancies. On average, then, there were 12 vacancies from authorized levels in 2018. Assuming the same rate of vacancy in 2019 and an average salary of \$50,000 plus benefits of 25% (health insurance, workers comp, unemply comp, social security, medicare, etc..) the amount the budget should be reduced is \$750,000. While not an overwhelming amount in a budget of \$189 million, it should not be ignored.

It should be emphasized that a reduction in headcount is not being suggested here. Rather, this reduction represents a more realistic total cost given the headcount increase and the time it takes to complete the hiring process.

RATE DESIGN ISSUES

After establishing the overall revenue needs of the MDC, the next significant question is how to charge customers to raise that amount of revenue. Somewhat surprising is that there is no effort to link rates to cost causation—a fundamental principle of rate design. That is, those customers who cause a utility to incur a cost ought to bear that cost. For example, all customers need to have meters read, bills prepared, bills sent out (either physically or electronically), and payments collected and posted. Therefore, every customer, regardless of size should pay at least this amount. There is no analysis to demonstrate what this cost is for the MDC or to make sure that all customers are paying at least this amount.

I do commend the MDC for revising some private fire protection rates so that those customers receiving this service are in fact paying something for it. Unfortunately there is no cost analysis to demonstrate whether the level of this charge is correct. The same comments can be made regarding the new backflow prevention inspection charge.

There are two proposed rates which are especially problematic.

Economic Development Rate.

The proposed Economic Development Rate would give a 20% discount on all water consumption over 600,000 gallons per day. There is no cost justification for such a discount. Second and perhaps more importantly, for these largest customers the clean water project charge (also known as the special sewer service charge) would no longer be based on water consumption for water in excess of this 600,000 gallon threshold but rather would be based on sewer flow associated with this excess over 600,000. The fundamental principle of linking the clean water project charge to water consumption would therefore be broken. This approach favors water customers who discharge less into the sewer than water used. This favors customers like water bottling plants, golf courses and the like.

The MDC should not be picking which types of customers get better rates for service. It should be providing service to all customers on an equitable basis. This treatment is simply not equitable. For example, a condominium association approached the MDC in the last several months and argued that it should not have to pay the clean water project charge on water it used for irrigation. It meters this irrigation water separately from domestic consumption and the irrigation water was not discharged to the sewer. The argument was rejected on the grounds that all metered water is subject to the clean water charge, whether it goes into the sewer or not. Under this proposed economic development rate, that principle is clearly violated.

The magnitude of this change in how the clean water charge is calculated will vary depending on the type of customer. It could be substantial and in all likelihood will be far in excess of a 20% discount. For example, if a customer only discharges 30% of purchased water to the sewer, the customer would be getting a discount of 70% off the clean water project charge for water usage in excess of the 600,000 gallons a day.

Sewer User Charge.

The Sewer User charge is being levied in violation of both federal regulations and the MDC's own ordinance. Part 12 of the General Sewer Ordinance established in 1981 a Sewer User Charge for certain high flow (measured by volume or strength) users and for non-municipal tax exempt water and sewer users. It was intended to act in concert with the Ad Valorem tax paid by member municipalities and more equitably spread the burden of the sewer system among all users. Section 12t of the Ordinances requires that "A 'Cost of Service Study' shall be conducted by the District in accordance with applicable Federal Water Pollution Control Regulations not less than every two years."

The budget proposal before the MDC includes a proposed Sewer User Charge of \$4.64, an increase from the current \$3.74 or an increase of 24%. Apparently this was calculated using total water sold in member towns and total sewerage treated at the treatment plant. This calculation assumes all of the sewerage treated at the plant in excess of water sold is attributable to these high users and non-municipal tax exempt users. This is obviously incorrect. Much of this excess flow is attributable to Infiltration and inflow which is produced throughout the sewer system when rainwater finds its way into the sewer system.

In any case this calculation is in no way consistent with Federal Water Pollution Control Regulations as required by Federal Law and the District's own Ordinances. Not only is this charge being levied without authority but it also threatens the District's ability to access federal grants should they be available. While it is recognized that the elimination of the revenues associated with this charge will create a significant shortfall in the District's budget, it has no choice but to reject this charge unless and until there is compliance with federal law and its own Ordinances.

CLEAN WATER PROJECT

The Clean Water Project and its funding was established over ten years ago. That financing model made a variety of assumptions about cost, level of water sales, acceptable rate impacts, size of rate stabilization funds, etc. In light of the fact that it has been ten years and especially if the Long Term Integrated Plan becomes reality, the fundamental assumptions behind this charge should be reviewed to determine if revisions are necessary.

CONCLUSION

The Independent Consumer Advocate has tried to focus on those issues of most relevance to customers of the District. As the above discussion illustrates, the budget should be reduced, the economic development rate rejected, and the Sewer User Charge should be eliminated until there is compliance with law.

ADJOURNMENT

The meeting was adjourned at 6:07 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

November 28, 2018

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, November 19, 2018**

PRESENT: Commissioners Luis Caban, Donald Currey, Allen Hoffman and Pasquale J. Salemi; Citizen Member Ron Angelo and Linda King-Corbin (6)

ABSENT: Citizen Members Ram Aberasturia and District Chairman William A. DiBella (2)

ALSO

PRESENT: Commissioner John Avedisian
Commissioner Avery Buell
Commissioner Gary LeBeau
Commissioner Whit Osgood
Commissioner Domenic Pane
Commissioner Raymond Sweezy
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
Christopher Levesque, Director of Operations
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Lisa Remsen, Financial Analyst
Karyn Blaise, Controller
Kerry E. Martin, Assistant to the Chief Executive Officer
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria Escoriza, Executive Assistant
David Silverstone, Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 6:15 PM

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 9, 2018 were approved.

On Motion made by Commissioner Hoffman and duly seconded, agenda items #4a "Capital Improvement Budget and Funding", #4b "Budget Expenditures", #4C "Budget Revenues", #4D "Hydroelectric Expenditures and Revenues", #4E "Referral of Proposed 2019 Budget to the District Board", #5 "Fiscal Year 2019 Revisions to District Sewer User Charge Rates and Other Related Charges", #6 "Setting the Districts 2019 Referendum Threshold", and #7, "Fiscal Year 2019 Tax on Member Municipalities" were postponed until the next meeting.

GROUNDWATER REMEDIATION REVENUES

John M. Zinzarella, Deputy Chief Executive Officer, Business Services, gave a presentation on groundwater remediation revenues.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen of West Hartford spoke regarding using groundwater revenues to reduce ad valorem taxes.

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner Osgood asked questions regarding OPEB, the customer service charge on fixed and variable bills, and Riverfront Recapture.

Commissioner Caban spoke regarding Riverfront Recapture.

Commissioner Salemi spoke regarding keeping charges down, and collecting groundwater discharge revenues.

Commissioner Currey thanked the public for their input at the hearing, and thanked John Zinzarella for his work on the budget. He spoke regarding the budget, and also encouraged the groundwater discharge revenues be used to reduce ad valorem taxes.

ADJOURNMENT

The meeting was adjourned at 7:46 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

November 28, 2018

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Wednesday, November 28, 2018**

PRESENT: Commissioners Luis Caban, Donald Currey, Allen Hoffman and Pasquale J. Salemi; Citizen Member Ram Aberasturia; and District Chairman William A. DiBella (6)

ABSENT: Citizen Members Ron Angelo and Linda King-Corbin (2)

ALSO

PRESENT: Commissioner Avery Buell
Commissioner Gary LeBeau
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
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Levesque, Director of Operations
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Kelly Shane, Director of Procurement
Tom Tyler, Director of Facilities
Lisa Remsen, Financial Analyst
Shereese Rodgers, Financial Analyst
Karyn Blaise, Controller
Nick Salemi, Special Services Administrator
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 4:08 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

David Silverstone, Independent Consumer Advocate, spoke regarding reducing the ad valorem tax and a cost of service study.

Matt Hart, West Hartford Town Manager, encouraged Board members to use groundwater discharge funds towards reducing the ad valorem tax.

Judy Allen, West Hartford, spoke regarding reducing the budget.

APPROVAL OF MINUTES

On motion made by Commissioner Currey and duly seconded, the public hearing minutes and meeting minutes of the Board of Finance meeting of November 19, 2018 were approved.

FISCAL YEAR 2019-CAPITAL IMPROVEMENT BUDGET

To: Board of Finance for consideration on November 28, 2018

It is **RECOMMENDED** that it be

Voted: That the Board of Finance accepts and approves a Capital Improvement Budget for 2019 in the total amount of \$73,100,000 in appropriations to be funded from bonds, note proceeds or other sources as follows:

Wastewater

General Purpose Sewer	\$	1,000,000
Paving Program and Restoration		3,000,000
Sewer Rehabilitation Program		3,300,000
Various Sewer Pipe Replacement/Rehabilitation Program		5,000,000
Wastewater Pump Stations and Equipment		400,000
Oakwood Avenue Area Sewer Replacement - Phase I		7,000,000
Water Pollution Control Facilities Infrastructure Rehabilitation, Upgrades and Replacements		4,200,000
Total Wastewater	\$	23,900,000

Water

Assessable Water	\$	2,500,000
General Purpose Water Program		1,000,000
Paving Program & Restoration		5,000,000
Water Main Replacement Program		8,000,000
Water Pump Stations and Equipment		300,000
Bloomfield Transmission Main Extension - Phase II		6,000,000
Oakwood Avenue Area Water Main Replacement - Phases I & II		3,000,000
Water Treatment Facilities Infrastructure Rehabilitation, Upgrades & Replacements Including Lab Instrumentation Replacements		1,900,000
Water Supply Infrastructure Rehabilitation, Upgrades & Replacements		2,200,000
Total Water	\$	29,900,000

Combined

Fleet and Equipment Replacement and Upgrade	\$ 1,700,000
Information Systems Upgrade	3,200,000
Survey & Construction	5,000,000
Engineering Services	2,500,000
Construction Services	3,500,000
Technical Services	3,400,000
Total Combined	\$ 19,300,000

Wastewater, Water and Combined Total **\$ 73,100,000**

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 \$73,100,000

WHEREAS, the District Board has resolved today to appropriate and issue Bonds for those capital improvements projects numbered 1- 22, 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 2019 CIP Resolutions Nos. 1- 22 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 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 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 eligible projects set forth in the Resolutions and are further authorized to expend said funds in accordance with the terms thereof. To meet any portion of the costs of projects 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.

Section 9. 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 eligible projects set forth in the Resolutions and are further authorized to expend said funds in accordance with the terms thereof. To meet any portion of the costs of projects determined by 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.

Section 10. 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 11. 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.

2019 CIP PROJECT RESOLUTION NO. 1

RESOLUTION APPROPRIATING \$1,000,000 FOR THE GENERAL PURPOSE SEWER 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 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 as a result of infrastructure exceeding its useful life, 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 2

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, sidewalks, driveways, parking lots and other areas as well as unpaved areas disturbed by MDC sewer projects, including material disposal and usage of 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 3

RESOLUTION APPROPRIATING \$3,300,000 FOR THE SANITARY SEWER REHABILITATION PROGRAM AND AUTHORIZING THE ISSUANCE OF \$3,300,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$3,300,000 is hereby appropriated for the conduct of 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 4

RESOLUTION APPROPRIATING \$5,000,000 FOR VARIOUS SEWER PIPE REPLACEMENT/REHABILITATIONS – DISTRICT WIDE 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 design and construction of sewer system upgrades, replacements and rehabilitation measures as a result of aging and deteriorating infrastructure located District-wide including survey, sewer easement clearing, closed circuit 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 5

RESOLUTION APPROPRIATING \$400,000 FOR WASTEWATER PUMP STATION UPGRADES AND EQUIPMENT AND AUTHORIZING THE ISSUANCE OF \$400,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$400,000 is hereby appropriated for upgrades, replacements and improvements to the District's wastewater pump stations, including motors and pumps, 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 6

RESOLUTION APPROPRIATING \$7,000,000 FOR THE OAKWOOD AVENUE AREA SEWER 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 rehabilitation of sewer mains and lateral replacements in the Oakwood Avenue area of West Hartford from Park Road to Dexter Avenue to restore reliable service and prevent disruptions that occur due to the aging sewer system, 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 7

RESOLUTION APPROPRIATING \$4,200,000 FOR WATER POLLUTION CONTROL FACILITIES INFRASTRUCTURE REHABILITATION, UPGRADES AND REPLACEMENT AND AUTHORIZING THE ISSUANCE OF \$4,200,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$4,200,000 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 8

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

RESOLVED:

Section 1. The sum of \$2,500,000 is hereby appropriated for the extension of various water mains resulting from property owner petitions for public sewer service within the District's service area, including the Coleman Road, Feldspar Ridge, Kinne Road and Raymond Road/Kimberly Lane projects in Glastonbury. This appropriation includes costs for design, construction, 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 9

RESOLUTION APPROPRIATING \$1,000,000 FOR THE GENERAL PURPOSE WATER 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 replacement or rehabilitation of aging water mains and related system-wide equipment/infrastructure improvements, 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 10

RESOLUTION APPROPRIATING \$5,000,000 FOR THE PAVING PROGRAM AND RESTORATION 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 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 11

RESOLUTION APPROPRIATING \$8,000,000 FOR THE WATER MAIN REPLACEMENT PROGRAM AND AUTHORIZING THE ISSUANCE OF \$8,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$8,000,000 is hereby appropriated for the design, construction, inspection and associated work 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 12

RESOLUTION APPROPRIATING \$300,000 FOR WATER PUMP STATION UPGRADES AND EQUIPMENT AND AUTHORIZING THE ISSUANCE OF \$300,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$300,000 is hereby appropriated for upgrades, replacements and improvements to the District's water pump stations, including motors, pumps and associated 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.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 13

RESOLUTION APPROPRIATING \$6,000,000 FOR THE BLOOMFIELD TRANSMISSION MAIN EXTENSION – PHASE II AND AUTHORIZING THE ISSUANCE OF \$6,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$6,000,000 is hereby appropriated for the design, construction, inspection and associated work to extend a transmission main from Brown Street to Woodland Avenue in Bloomfield, 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 14

RESOLUTION APPROPRIATING \$3,000,000 FOR THE OAKWOOD AVENUE, WEST HARTFORD AREA WATER MAIN REPLACEMENT AND 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 the replacement of water mains and service replacements in the Oakwood Avenue area of West Hartford from Park Road to Dexter Avenue to restore reliable service and prevent disruptions that occur due to the aging water system, 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 15

RESOLUTION APPROPRIATING \$1,900,000 FOR WATER TREATMENT FACILITIES INFRASTRUCTURE REHABILITATION, UPGRADES & REPLACEMENTS, INCLUDING LABORATORY INSTRUMENTATION REPLACEMENTS AND AUTHORIZING THE ISSUANCE OF \$1,900,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$1,900,000 is hereby appropriated to design and construct a variety of renewal and replacements, including electrical improvements at the District's three water treatment facilities to modernize existing systems. Multiple water treatment facility assets will be rehabilitated to improve treatment processes, operational reliability, security and safety. Also included is the replacement of various laboratory equipment that have reached the end of their useful life, 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 16

RESOLUTION APPROPRIATING \$2,200,000 FOR WATER SUPPLY INFRASTRUCTURE REHABILITATION, UPGRADES AND REPLACEMENT 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 for the design and construction of a variety of renewal and replacements at the District's water supply facilities and functions to improve raw water quality, operational reliability, security 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 17

RESOLUTION APPROPRIATING \$1,700,000 FOR FLEET AND EQUIPMENT REPLACEMENT AND AUTHORIZING THE ISSUANCE OF \$1,700,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$1,700,000 is hereby appropriated for the replacement of transportation and power operated equipment, the purchase of 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.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 18

RESOLUTION APPROPRIATING \$3,200,000 FOR INFORMATION SYSTEMS
UPGRADES AND AUTHORIZING THE ISSUANCE OF \$3,200,000 BONDS OF
THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$3,200,000 is hereby appropriated for the purchase, upgrade and/or replacement of computer related infrastructure and/or software 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 District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 19

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:

Section 1. 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.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 20

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:

Section 1. 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.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 21

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:

Section 1. 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.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

2019 CIP PROJECT RESOLUTION NO. 22

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:

Section 1. 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.

Section 2. The District Board finds this project a single item of capital expense not regularly recurring.

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

FISCAL YEAR 2019 - BUDGET EXPENDITURES

To: Board of Finance for consideration on November 28, 2018

It is **RECOMMENDED** that it be:

Voted: That the estimated 2019 budget expenditures in the total amount of \$189,468,200 be referred to the District Board for acceptance and approval as follows:

Budget Appropriations	Water	Sewer	Total
District Board	201,700	193,800	395,500
Executive Office	484,700	465,600	950,300
Legal	881,200	846,700	1,727,900
Human Resources	777,300	746,800	1,524,100
Information Technology	4,641,800	2,286,300	6,928,100
Finance	3,512,100	3,374,200	6,886,300
Environment, Health and Safety	492,000	472,800	964,800
Engineering and Planning	982,500	944,100	1,926,600
Customer Service	2,716,800	1,399,500	4,116,300
Operating Office	386,100	370,900	757,000
Operations	8,041,100	2,680,500	10,721,600
Laboratory Services	923,300	852,300	1,775,600
Water Pollution Control	-	17,462,200	17,462,200
Maintenance	5,582,600	5,363,600	10,946,200
Water Treatment & Supply	8,944,700	-	8,944,700
Patrol	1,719,500	-	1,719,500
Debt Service	31,753,300	34,069,500	65,822,800
Employee Benefits	15,679,300	12,828,600	28,507,900
General Insurance	3,323,000	1,424,100	4,747,100
Taxes and Fees	3,610,500	-	3,610,500
Special Agreements and Programs	3,553,900	1,479,300	5,033,200
Contingencies	-	4,000,000	4,000,000
Total Water and Sewer Budget	98,207,400	91,260,800	189,468,200

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

FISCAL YEAR 2019 - BUDGET REVENUES

To: Board of Finance for consideration on November 28, 2018

It is **RECOMMENDED** that it be

Voted: That the 2019 Budget Revenues in the total amount of \$189,468,200 be referred to the District Board for acceptance and approval as follows:

Revenue	Total
Water Revenues	
Operating Revenues	
Sale of Water	\$89,124,600
Other Operating Revenues	6,820,200
Subtotal Operating Revenues	<u>95,944,800</u>
Non-Operating Revenues	2,262,600
Total Source of Revenues – Water Operations	<u>\$98,207,400</u>
Sewer Revenues	
Operating Revenues	
Tax on Member Municipalities	\$48,153,100
Revenue from Other Government Agencies	4,958,400
Other Sewer Revenues	17,108,400
Sewer User Charge Revenues	17,540,900
Subtotal Operating Revenues	<u>\$87,760,800</u>
Other Financing Sources	
Designated from Surplus	<u>3,500,000</u>
Subtotal Other Financing Sources	<u>\$3,500,000</u>
Total Source of Revenues – Sewer Operations	<u>\$91,260,800</u>
Total Source of Revenues – Water and Sewer Operations	\$189,468,200

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

FISCAL YEAR 2019 - HYDROELECTRIC EXPENDITURES AND REVENUES

To: Board of Finance for consideration on November 28, 2018

It is **RECOMMENDED** that it be

Voted: That the Board of Finance recommends to the District Board for acceptance and approval an appropriation of \$895,400 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 \$895,400 in support of operations as follows:

Power Sales	\$ 895,400
Interest Income	0
Designated from Surplus	0
Total Hydroelectric	<u>\$ 895,400</u>

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

REFERRAL OF PROPOSED 2019 BUDGET

To: Board of Finance for consideration on November 28, 2018

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 2019, as set forth in the tabulations entitled "Budget for The Metropolitan District for the Fiscal Year 2019," 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 District Chairman DiBella and duly seconded, the resolution was adopted by unanimous vote of those present.

FISCAL YEAR 2019 - REVISIONS TO DISTRICT SEWER USER CHARGE RATES AND OTHER RELATED CHARGES

To: Board of Finance for consideration on November 28, 2018

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 2019 budget in support of sewer operations calls for a sewer user charge rate of \$4.64, which is 37.6% higher than the prior year.

Additionally, in support of the 2019 budget and in accordance with Section S12l of the District's Ordinances, the monthly sewer customer service charge will increase to \$6.00, effective January 1, 2019.

Following the cost trends for the sewer user charge rate, it is recommended the BOD and COD rate be increased to \$0.55 and \$0.55 per pound respectively. In addition, the suspended solids strength charge will increase to \$0.45 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 2019 budget.

Additionally, Section S12x of the District's Ordinances provides for 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, 2019, said charge shall be \$4.10 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.

Liquid Waste Discharge Fee (other than Acceptable Septage): A fee is required as part of the approval from MDC for its acceptance, by whatever means, of the discharge of liquid waste other than Acceptable Septage, as provided by §S13b of the District's Sewer Ordinances. For example, but without limiting the forms of liquid waste subject to this fee, this fee shall apply to the following without limitation: groundwater; remediated groundwater; contaminated stormwater; contaminated groundwater permitted through a CT DEEP Groundwater Remediation General Permit or other CT DEEP Miscellaneous General or Individual Permit; landfill leachate; process equipment condensate; groundwater used for process water including cooling water; discharges granted temporary authorization to discharge by CT DEEP; and stormwater discharged into a separated sanitary sewer system.

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.

Liquid Waste Discharge Fee (other than Acceptable Septage)

Tier 1--	0-500,000 avg. gallons per month	\$0.13/gal
Tier 2--	500,001 to 700,000 avg. gallons per month	\$0.09 \$0.07/gal
Tier 3--	700,000+ avg. gallons per month	\$0.05 \$0.05/gal

FOG Fees

Annual FOG Fee	\$80.00
Failure to submit Registration or Variance Applications	\$100.00
Disallow Inspection	\$100.00
No FOG management equipment installed	\$200.00
Non-compliant FOG management equipment installed	\$200.00
Failure to maintain grease trap cleaning, inspection and and maintenance records in proper order	\$100.00
Failure to maintain FOG management equipment in proper working order	\$200.00
Failure to clean FOG management equipment 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 sewer blockage	\$500.00
Source of sanitary sewer overflow (minimum) - Actual costs will be billed to the facility for time and materials related to the overflow	\$500.00

Violation Correction Schedule

Equipment not registered	7 days
No grease trap installed or non-compliant grease trap installed	30 days
FOG management equipment in need of repair or cleaning	7 days
Failure to maintain written records of FOG management equipment cleaning and inspection	7 days
Disallow an inspection – Inspection must be scheduled within 7 days of initial inspection attempt	7 days

Failure to clean and maintain FOG management equipment as required	7 days
Source of sewer blockage	24 Hours
Source of sanitary sewer overflow (minimum)	24 Hours

\$75 re-inspection fee for not complying with the NOV within the schedule listed above.

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 four dollars and sixty-four cents (\$4.64) per hundred cubic feet of sewer flow be effective for meter readings on and after January 1, 2019 and that, effective January 1, 2019, a sewer user customer service charge of six dollars (\$6.00) per month, a BOD strength charge of fifty-five cents (\$0.55) per pound be billed on sewer flow for that concentration of BOD exceeding 300 milligrams per liter; a COD strength charge of fifty-five cents (\$0.55) per pound be billed on sewer flow for that concentration of COD exceeding 700 milligrams per liter; and a suspended solids strength charge of forty-five cents (\$0.45) 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 \$4.10 per ccf commencing January 1, 2019.

Also Voted: That the District Board approve the following schedule of fees effective January 1, 2019.

Liquid Waste Discharge Fee

Tier 1--	0-500,000 avg. gallons per month	\$0.13/gal
Tier 2--	500,001 to 700,000 avg gallons per month	\$0.09 \$0.07
Tier 3--	700,000+ avg gallons per month	\$0.06 \$0.05

FOG Fees

Annual FOG Fee	\$80.00
Failure to submit Registration or Variance Applications	\$100.00
Disallow Inspection	\$100.00
No FOG management equipment installed	\$200.00
Non-compliant FOG management equipment installed	\$200.00
Failure to maintain grease trap cleaning, inspection and and maintenance records in proper order	\$100.00
Failure to maintain FOG management equipment in proper working order	\$200.00
Failure to clean FOG management equipment 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 sewer blockage	\$500.00
Source of sanitary sewer overflow (minimum) - Actual costs	

will be billed to the facility for time and materials
related to the overflow \$500.00

Violation Correction Schedule

Equipment not registered	7 days
No grease trap installed or non-compliant grease trap installed	30 days
FOG management equipment in need of repair or cleaning	7 days
Failure to maintain written records of FOG management equipment cleaning and inspection	7 days
Disallow an inspection – Inspection must be scheduled within 7 days of initial inspection attempt	7 days
Failure to clean and maintain FOG management equipment as required	7 days
Source of sewer blockage	24 Hours
Source of sanitary sewer overflow (minimum)	24 Hours

\$75 re-inspection fee for not complying with the NOV within the schedule listed above.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

On motion made by Commissioner Hoffman and duly seconded, the resolution was amended as reflected above.

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

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

To: Board of Finance for consideration on November 28, 2018

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, 2018 was 252.439, representing a percentage from October 1, 2017 to October 1, 2018 of two and 30/100 percent (2.30%);

WHEREAS, the District Board wishes to find and determine the Threshold Amount in effect as of the date of this Resolution;

It is RECOMMENDED that it be

Voted: That the District Board approve the following resolution:

NOW THEREFORE BE IT RESOLVED:

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, 2018 and thereafter is TWENTY-ONE MILLION TWO HUNDRED TWENTY-THREE THOUSAND FORTY-TWO AND 00/100 DOLLARS (\$21,223,042.00).

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

FISCAL YEAR 2019 - TAX ON MEMBER MUNICIPALITIES

To: Board of Finance for consideration on November 28, 2018

A Fiscal Year 2019 Tax Levy on The Metropolitan District's member municipalities in the amount of \$48,153,100 is recommended in support of the proposed 2019 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 2019 will be equivalent to 50% of the total 2018 tax levy. This amount (when paid) will be subtracted from the total 2019 tax levy: the balance is the amount due in the second half of the year.

Apportionment of the Fiscal Year 2019 tax among the member municipalities and the amount due on each installment will be as follows:

Tax History by Town	2015	2016	2017	2018	2019
Hartford	\$10,298,600	\$10,174,900	\$10,963,200	\$11,550,400	\$12,372,000
East Hartford	\$4,490,100	\$4,762,000	\$5,059,400	\$5,486,600	\$5,775,200
Newington	\$3,287,300	\$3,508,400	\$3,752,900	\$4,120,900	\$4,318,900
Wethersfield	\$3,022,000	\$3,207,700	\$3,408,200	\$3,707,800	\$3,979,400
Windsor	\$3,222,600	\$3,404,700	\$3,656,900	\$4,001,500	\$4,274,900
Bloomfield	\$2,752,400	\$2,936,000	\$3,067,100	\$3,256,200	\$3,488,600
Rocky Hill	\$2,153,700	\$2,239,700	\$2,475,800	\$2,712,500	\$2,909,600
West Hartford	\$8,219,700	\$8,710,900	\$9,286,900	\$10,168,100	\$11,034,500
Total	\$37,446,400	\$38,944,300	\$41,670,400	\$45,004,000	\$48,153,100

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 \$48,153,100, shall be due and payable in favor of The Metropolitan District in four installments on the following due dates: the first installment, totaling \$11,251,000, shall be due and payable on January 16, 2019; the second installment, totaling \$11,251,000, shall be due and payable on April 17, 2019; the third installment, totaling \$12,825,550, shall be due and payable on July 17, 2019; and the fourth installment, totaling \$12,825,550, shall be due and payable October 16, 2019. In the event the Department of Energy and Environmental Protection pays the \$4 million included in the District's 2019 budget related to the groundwater discharge at the Hartford Landfill, said money shall be applied to reduce the member municipalities' 2019 ad valorem taxes. Apportionment of the Fiscal Year 2019 tax among the member municipalities and the amount due on each installment shall be as follows:

Installment Date	1/16/2019	4/17/2019	7/17/2019	10/16/2019	Total
Hartford	\$2,887,600	\$2,887,600	\$3,298,400	\$3,298,400	\$12,372,000
East Hartford	1,371,650	1,371,650	1,515,950	1,515,950	5,775,200
Newington	1,030,225	1,030,225	1,129,225	1,129,225	4,318,900
Wethersfield	926,950	926,950	1,062,750	1,062,750	3,979,400
Windsor	1,000,375	1,000,375	1,137,075	1,137,075	4,274,900
Bloomfield	814,050	814,050	930,250	930,250	3,488,600
Rocky Hill	678,125	678,125	776,675	776,675	2,909,600
West Hartford	2,542,025	2,542,025	2,975,225	2,975,225	11,034,500
Total	\$11,251,000	\$11,251,000	\$12,825,550	\$12,825,550	\$48,153,100

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

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

Without objection, Agenda Item #8, "Groundwater Remediation Revenues" was skipped.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

COMMISSIONER QUESTIONS AND COMMENTS

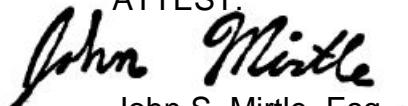
Commissioner Currey asked for a response to be provided in writing to Judy Allen's public comments.

Commissioner Osgood spoke about concerns on water capital improvement projects in Glastonbury and the costs borne to water users.

ADJOURNMENT

The meeting was adjourned at 6:22 PM

ATTEST:



John S. Mirtle, Esq.
District Clerk

February 4, 2019

Date of Approval

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To

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