

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

**FOR THE YEAR
2019**

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

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

CONTENTS

	Page
Membership.....	A

MINUTES OF THE BOARD OF FINANCE

January 7.....	1
February 4.....	3
May 6.....	6
June 10.....	13
August 28	21
September 4.....	25
September 19	31
October 7	33
October 21	44
November 6	46
November 8	52
November 18	57
November 26	69

INDEX

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

**MEMBERSHIP
OF
THE BOARD OF FINANCE
2019**

PASQUALE J. SALEMI Chairman, Board of Finance

ALLEN HOFFMAN Vice Chairman, Board of Finance

LUIS CABAN

RAM ABERASTURIA*

ALLEN HOFFMAN

RONALD ANGELO*

PASQUALE J. SALEMI

LINDA KING-CORBIN*

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

MINUTES
OF
MEETINGS OF THE BOARD OF FINANCE
HELD IN 2019

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, January 7, 2019**

PRESENT: Commissioners Allen Hoffman and Pasquale J. Salemi; Citizen Members Ram Aberasturia and Linda King-Corbin; and District Chairman William A. DiBella (5)

ABSENT: Commissioner Luis Caban and Citizen Members Ron Angelo (2)

ALSO

PRESENT: Commissioner David Ionna
Commissioner Whit Osgood
Commissioner Domenic 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
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
Karyn Blaise, Controller
Carrie Blardo, Assistant to the Chief Operating Officer
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Consumer Advocate
Ernie Lorimer, Bond Counsel
Joe Vitale, Bond Counsel
Adam Krea, Hilltop Securities

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:04 PM

NO QUORUM PRESENT

The District Clerk called the roll and declared that a quorum of the Board of Finance was not present at 5:04 PM

The members of the Board of Finance present listened to a presentation from John M. Zinzarella, Deputy Chief Executive Officer, Business Services, Adam Krea of Hilltop Securities, and Ernie Lorimer, Bond Counsel regarding a possible 2013 revenue bond refunding.

ADJOURNMENT

The meeting was adjourned at 5:15 P.M.

ATTEST:


John S. Mirtle,
Esq. District Clerk

February 4, 2019

Date of Approval

BOARD OF FINANCE
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, February 4, 2019

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

ABSENT: (0)

ALSO

PRESENT: Commissioner David Ionna
Commissioner Whit Osgood
Scott W. Jellison, Chief Executive Officer
R. Bartley Halloran, District Counsel
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
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
Michael Curley, Manager of Technical Services
Craig Mason, Manager of Labor Relations
Marcy Wright-Bolling, Manager of Human Resources
Karyn Blaise, Controller
Nick Salemi, Special Services Administrator
Carrie Blardo, Assistant to the Chief Operating Officer
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
Melissa Ferrucci, Cohn Reznick
Lisa Cantone, Cohn Reznick
Catherine Tran, Cohn Reznick

CALL TO ORDER

Chairman Salemi called the meeting to order at 5:02 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 Aberasturia and duly seconded, the meeting minutes of the Board of Finance meeting of November 28, 2018 and January 7, 2019 were approved.

2019 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on February 4, 2019

The 2019 Metropolitan District adopted operating budget contained funding for the Independent Consumer Advocate for the MDC (ICAMDC) in the amount of \$50,000 for Fiscal 2019, which is consistent with P.A. 17-1. However, due to an anticipated increase in projected workload associated with the MDC's submission of the 2018 Long Term Control Plan (LTCP) for the Clean Water Project, both the MDC and the ICAMDC agreed that funding in the amount of \$70,000 would be required to adequately review the LTCP and provide support to the MDC customer base. Accordingly, it is forecasted that the Outside Services budget will have a deficit as a result of the increased funding for the ICAMDC in the amount of \$20,000.

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 70—			
Debt	<u>\$9,800.00</u>	<u>\$10,200.00</u>	<u>\$20,000.00</u>
Total	<u>\$9,800.00</u>	<u>\$10,200.00</u>	<u>\$20,000.00</u>

Karyn Blaise
Controller

Richard Freeman
Manager of Treasury

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 2019 Budget Appropriations be approved as follows:

From:	General	Water	Total
Department 70 –			
Debt	<u>\$9,800.00</u>	<u>\$10,200.00</u>	<u>\$20,000.00</u>
Total	<u>\$9,800.00</u>	<u>\$10,200.00</u>	<u>\$20,000.00</u>
To:	General	Water	Total
Department-11			
District Board	<u>\$9,800.00</u>	<u>\$10,200.00</u>	<u>\$20,000.00</u>
Total	<u>\$9,800.00</u>	<u>\$10,200.00</u>	<u>\$20,000.00</u>

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

***Citizen Member Aberasturia made a motion to receive the resolution.
The motion was not seconded and no action was taken.***

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen of West Hartford spoke in favor of increasing the Independent Consumer Advocate Budget.

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner Salemi requested a future presentation regarding Riverfront Recapture.

ADJOURNMENT

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

ATTEST:


John S. Mirtle, Esq.
District Clerk

May 6, 2019

Date of Approval

BOARD OF FINANCE
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, May 6, 2019

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: (0)

ALSO

PRESENT: Commissioner Andrew Adil
Commissioner Whit Osgood
Commissioner Dominic Pane
Commissioner Bhupen Patel
Scott W. Jellison, Chief Executive Officer
R. Bartley Halloran, District Counsel
Christopher Stone, Assistant District Counsel
Brendan Fox, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Martin, Interim Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Karyn Blaise, Controller
Kerry E. Martin, Assistant to the Chief Executive Officer
Julie Price, Professional Level Trainee
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 4:33 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 February 4, 2019 were approved.

AMENDED RESOLUTION FOR WATER MAIN REPLACEMENT AND ISSUANCE OF BONDS

To: Board of Finance for consideration on May 6, 2019

The District recently received bids for the replacement of approximately 6,000 lf of water main in the Pilgrim Road, Brainard Road and Sequin Drive area in West Hartford. These mains have exceeded their useful life and have experienced numerous leaks/breaks. In order to award the construction contract an increase in the 2019 Capital Improvement Program / Water Main Replacement Program is needed.

Therefore, staff recommends the following:

That the 2019 CIP Water Main Replacement Program appropriation be increased by \$3,300,000 to provide funding for Pilgrim Road, Brainard Road and Sequin Drive Water Main Replacement, West Hartford which includes construction and related costs.

Program – Pilgrim Road, Brainard Road and Sequin Drive Area Water Main Replacement, West Hartford

<u>Amount</u>	<u>Project #</u>	<u>Fund</u>
\$ 3,300,000	WDS.DM0019.04	2113

Description

Replacement of existing water mains and service replacements in the Pilgrim Road, Brainard Road and Sequin Drive area of West Hartford. The water mains in the project area have a history of breakage and have been recommended by the Asset Management Program to be replaced to ensure the serviceability of the delivery system. District forces may be utilized for this program. The District costs may include salary, benefits and overhead.

Purpose

To replace aging water mains.

Prior Appropriation

This appropriation is an increase to the 2019 CIP Water Main Replacement Program. Total appropriation for this program will now be \$11,300,000.

Asset Classification

Transmission & Distribution Mains

Based on the foregoing, bond counsel prepared the following resolution for consideration by the Board of Finance:

At this time it is **RECOMMENDED** that it be:

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

AMENDED AND RESTATED RESOLUTION APPROPRIATING \$11,300,000 FOR THE WATER MAIN REPLACEMENT PROGRAM AND AUTHORIZING THE ISSUANCE OF \$11,300,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. This resolution (the "Amended and Restated Resolution") amends and restates, in its entirety, that resolution of the District Board entitled "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" which was passed by a vote of the District Board at its meeting held on December 10, 2018 (the "Original Resolution").

Section 2. The sum of \$11,300,000 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 3. To meet said appropriation \$11,300,000 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. The form, date, maturities and other details of such authorized but unissued bonds shall be hereafter determined by the District Board acting in accordance with 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 4. 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 5. 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 6. In connection with the issuance of Authorized Obligations and interim funding obligations in anticipation of project loan obligations and project loan obligations under Section 22a-475 et seq. of the General Statutes of Connecticut, Revision of 1958, as amended, the so-called "Drinking Water Program" ("Drinking Water Obligations"), 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 7. 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 8. 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 9. 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 10. The District hereby expresses its official intent pursuant to Treasury Regulations Section 1.150-2 to reimburse expenditures of (i)not more than \$8,000,000 paid up to sixty days prior December 10, 2018, the date of the passage of the Original Resolution, and (ii) not more than an additional \$3,300,000 paid up to 60 days prior to May 6, 2019, the date of passage of this Amended and Restated Resolution, in connection with the Resolutions with the proceeds of Authorized Obligations or Drinking Water Obligations. Said obligations shall be issued to reimburse such expenditures not later than 18 months after the later of 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, 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.

Section 12. The District Board finds this project a single item of capital expense not regularly recurring.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Independent Consumer Advocate David Silverstone requested the Board of Finance consider a resolution to increase his budget at the next Board of Finance meeting. He also discussed his attendance of the Sewer User Charge Study meeting with member towns and Raftelis.

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner Salemi requested updates regarding the Glastonbury land sale, Contracts 3, 4, & 5, Sewer User Charge Study, DEEP landfill, and Colebrook at all future Board of Finance meetings until each issue is resolved.

ADJOURNMENT

The meeting was adjourned at 5:44 P.M.

ATTEST:


John S. Mirtle, Esq.
District Clerk

June 10, 2019

Date of Approval

BOARD OF FINANCE
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, June 10, 2019

PRESENT: Commissioners Andrew Adil, Donald Currey and Pasquale J. Salemi; Citizen Members Ram Aberasturia and Linda King-Corbin; and District Chairman William A. DiBella (6)

ABSENT: Commissioner Allen Hoffman and Citizen Member Ronald Angelo (2)

ALSO

PRESENT: Commissioner Daniel Camilliere
Commissioner Gary Lebeau
Commissioner Alphonse Marotta
Commissioner Whit Osgood
Commissioner Bhupen Patel
Scott W. Jellison, Chief Executive Officer
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Martin, Interim Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Karyn Blaise, Controller
Lisa Remsen, Manager of Budget
Stephanie Russo, Project Controls Manager
Kerry E. Martin, Assistant to the Chief Executive Officer
Julie Price, Professional Level Trainee
Joe Vitale, Bond Counsel
Ernie Lorimer, Bond Counsel
Vanessa Rossitto, Blum Shapiro
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

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

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

David Silverstone, Independent Consumer Advocate, spoke regarding the bonding agenda item and recommended that the resolution be modified to allow a thirty year term.

APPROVAL OF MINUTES

On motion made by Commissioner Adil and duly seconded, the meeting minutes of the Board of Finance meeting of May 6, 2019 were approved.

2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Vanessa Rossitto of Blum Shapiro presented the draft of the 2018 Comprehensive Annual Financial Report.

AUTHORIZATION FOR ISSUANCE OF GENERAL OBLIGATION BONDS AND GENERAL OBLIGATION BOND ANTICIPATION NOTES**Issuance of Up To \$92,000,000 in General Obligation Refunding Bonds and Up to \$90,000,000 in General Obligation Bonds and/or General Obligation Bond Anticipation Notes**

To: Board of Finance for consideration on June 10, 2019.

Staff is seeking authority for the District to issue up to \$92,000,000 in new general obligation bonds that will refund \$94,985,000 of the District's General Obligation Bonds Series A and Series B, Issues of 2010 which may be optionally redeemed on or after July 15, 2019. The District's financial advisor, Hilltop Securities Inc., has completed a financial analysis of the District's outstanding debt and recommended that the District refund its General Obligation Bonds Series A and Series B, Issues of 2010. Based on current market conditions, Hilltop Securities Inc. is projecting positive net present value savings for the refunding.

Staff is also seeking the Board's approval to issue up to \$90,000,000 in general obligation bonds, general obligation bond anticipation notes, or some combination of the two, for capital improvement projects and to pay certain costs of issuance.

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 \$92,000,000 IN GENERAL OBLIGATION REFUNDING BONDS AND NOT EXCEEDING \$90,000,000 IN GENERAL OBLIGATION BONDS AND GENERAL OBLIGATION BOND ANTICIPATION NOTES OF THE METROPOLITAN DISTRICT

Not exceeding \$92,000,000 Metropolitan District General Obligation Bonds (the "Refunding Bonds") are hereby authorized to be issued to refund the District's General Obligation Bonds Series A and Series B, Issues of 2010 which may be optionally redeemed on or after July 15, 2019 and to pay certain costs of issuance. Not exceeding \$90,000,000 Metropolitan District General Obligation Bonds, General Obligation Notes or some combination of the two (the "New Money Obligations" and together with the Refunding Bonds, the "Obligations") are hereby 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, 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 and/or notes and to pay certain costs of issuance. The Obligations, if bonds, shall be dated the date of their delivery, and shall mature on or about July 15 in each of the years 2020 through 2040, bearing interest semi-annually each year until maturity. The Obligations shall be payable at and certified by U.S. Bank National Association, which bank shall also serve as registrar and transfer agent for the Obligations. The Obligations shall be sold by the District Treasurer, or in his absence, the Deputy Treasurer, in a competitive offering, or, in the discretion of the District Treasurer or in his absence, the Deputy Treasurer, in a negotiated offering, or, in the discretion of the District Treasurer or in his absence, the Deputy Treasurer, in some combination of one or more competitive offering(s) and negotiated offering(s). If sold in a competitive offering, the Obligations, if bonds, shall be awarded to the bidder or bidders offering to purchase the Obligations at the lowest true interest cost to the District, and if notes, shall be awarded to the bidder or bidders offering to purchase the Obligations at the lowest net interest cost to the District, and in either case for a sum no less than par and accrued interest to the date of delivery. The District Treasurer, or in his absence the Deputy Treasurer, is hereby delegated the authority to determine the 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 Obligations, and to deliver the Obligations to the purchaser(s) thereof in accordance with this resolution. If sold in a negotiated offering(s), 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 one or more Contracts of Purchase setting forth all the terms of sale of the Obligations, 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 one or more Tax Regulatory Agreements for the Obligations on behalf of the District in such form as they shall deem necessary and appropriate, and to rebate to the Federal government such amounts as may be required pursuant to the Tax Regulatory Agreements 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 one or more Continuing Disclosure Agreements and any and all agreements and documents necessary to effect the issuance and sale of the Obligations in accordance with the terms of this resolution.

Respectfully submitted,

Scott W. Jellison
Chief Executive Officer

EXHIBIT A

CIP Appropriation Water	Issue Amount
2009 Water Treatment Facility Improvements	128,000
2010 Dam Safety - Nepaug, Phelps Brook, East Dike	35,000
2010 General Purpose Water	360,000
2010 Water Main Replacement - Hartford	112,000
2010 Water Treatment Facility Upgrade Program	61,000
2011 Water Pump Station Improvements	51,000
2011 Water Storage Upgrades-Phase I	92,000
2011 Water Supply Facility and Watershed Land Improvements	24,000
2011 Water Treatment Facility Upgrades	68,000
2012 Dam Safety Improvements-Goodwin and Saville	7,000
2012 Dike Penetration and Correction Installations	95,000
2012 General Purpose Water	246,000
2012 Radio Frequency Automated Meter Reading	487,000
2012 Water Main Replacement - Montclair Drive, West Hartford	5,000
2012 Water Treatment Facilities Upgrades	23,000
2013 General Purpose Water	198,000
2013 Paving Program	459,000
2013 Radio Frequency Automated Meter Reading	297,000
2013 Water Main Replacement Oakwood Avenue, West Hartford	157,000
2014 General Purpose Water Program	376,000
2014 Kilkenny Water	244,000
2014 Phelps Brook Dam and East Dike Rehabilitation Project	19,000

2014 Radio Frequency Automated Meter Reading	14,000
2014 Transmission Main Extension – Newington	832,000
2014 Various Transmission Main Design & Construction	132,000
2014 Vexation Tanks 1-4 Improvements, Rocky Hill	147,000
2014 Water Main Replacement Oakwood Avenue, West Hartford	129,000
2014 General Purpose Water Program	376,000
2014 Kilkenny Water	244,000
2014 Phelps Brook Dam and East Dike Rehabilitation Project	19,000
2014 Radio Frequency Automated Meter Reading	14,000
2014 Transmission Main Extension – Newington	832,000
2014 Various Transmission Main Design & Construction	132,000
2014 Vexation Tanks 1-4 Improvements, Rocky Hill	147,000
2014 Water Main Replacement Oakwood Avenue, West Hartford	129,000
2014 Water Treatment Facilities Upgrades	75,000
2015 General Purpose Water Program	427,000
2015 Puddletown Booster Water Pump Station, New Hartford	19,000
2015 Radio Frequency Automated Meter Reading Program	6,000
2015 Renewable Energy Projects – Water Facilities	15,000
2015 Various Transmission Main Design & Construction	1,300,000
2015 Water Supply Improvements	450,000
2015 Water Treatment Facilities Upgrades	445,000
2015 WMR Bond Street Area, Hartford	75,000
2015 WMR Buckingham Street Area, Hartford	238,000
2015 WMR Garden Street Area, Wethersfield	69,000
2016 Bloomfield Transmission Main Extension	3,890,000
2016 General Purpose Water Program	212,000
2016 WMR Simmons Road Area, East Hartford	38,000
2017 General Purpose Water Program	789,000
2017 Hydrant Replacement Program	36,000
2017 Paving Program and Restoration	7,000
2018 Buckingham St. Area WMR, Hartford	45,000
2018 General Purpose Water Program	133,000
2018 Paving Program & Restoration	1,732,000
2018 Radio Frequency Automated Meter Reading Program	108,000
2018 Water Main Replacement Program	1,840,000
2018 Water Treatment Facilities Infrastructure Rehabilitation, Upgrades & Replacements	1,307,000
2019 Bloomfield Transmission Main Extension - Phase II	1,500,000
2019 Oakwood Avenue Area Water Main Replacement - Phases I & II	1,975,000
2019 Paving Program & Restoration	2,629,000
2019 Water Main Replacement Program	7,616,000
2019 Water Treatment Facilities Infrastructure Rehabilitation, Upgrades & Replacements	
Total Water	32,274,000

CIP Appropriation Sewer	Issue Amount
2010 General Purpose Sewer	17,000
2011 Sewer Pump Station Improvement Program	5,000
2011 Sewer Pump Station Rehabilitation	161,000
2011 WPC Electronic Development	19,000
2011 WPC Renewal & Replacements	46,000
2012 General Purpose Sewer	87,000
2012 Pump Station Upgrades - Fishfry Street, Hartford	65,000
2012 Sanitary Sewer Replacements District-Wide	50,000
2012 Sewer Replacement - Montclair Drive, West Hartford	827,000
2012 Sewer Replacement - Woodland Avenue and Peters Road, Bloomfield	40,000
2013 Pump Station Upgrades – Brookside Street, Newington	6,000
2013 Pump Station Upgrades – Meadow Street, Newington	24,000
2013 Pump Station Upgrades – Mohawk Drive, East Hartford	15,000
2013 Sewer Replacement – Oakwood Ave, West Hartford	232,000
2014 Backwater Valve Program	363,000
2014 General Purpose Sewer	13,000
2014 Levee Protection System Improvements, East Hartford and Hartford	687,000
2014 Pump Station Replacement – Stonehedge - Ochialini, Newington	34,000
2014 Sewer Rehabilitation Program	280,000
2014 Sewer Replacement - Madison Avenue, Hartford	100,000
2014 Sewer Replacement – Oakwood Ave, West Hartford	220,000
2014 Sewer Replacement – Packard Street & Daniel Boulevard, Bloomfield	1,275,000
2014 Various Sewer Pipe Replacement/Rehab – District Wide	1,409,000
2014 Wastewater Pump Station Improvements	19,000
2015 Bond Street Area Sewer Rehabilitation, Hartford	106,000
2015 CCTV Generated Sewer Contracts	20,000
2015 East Hartford WPCF Compressor, DO Control & SCADA Upgrades	183,000
2015 General Purpose Sewer	356,000
2015 Paving Program	314,000
2015 Sanitary Sewer Easements Acquisitions & Improvements	28,000
2015 Sewer Rehabilitation Program	35,000
2015 Various Sewer Pipe Replacement/Rehab – District Wide	1,319,000
2016 General Purpose Sewer	497,000
2016 Hartford WPCF - Air Permit Compliance Upgrades	119,000
2016 Various Sewer Pipe Replacement/Rehab – District Wide	105,000
2017 General Purpose Sewer	30,000
2017 Paving Program and Restoration	6,000
2017 Various Sewer Segment Replacement/Rehabilitation Program	1,054,000
2017 Wastewater Pump Station Upgrades	7,000
2017 WPC Equipment & Facilities Improvements	1,113,000
2017 WPC Plant Infrastructure Renewal & Replacement	431,000
2017 WPC SCADA Upgrades	400,000
2018 CCTV Generated Sewer Construction	2,542,000
2018 Paving Program & Restoration	1,276,000
2018 Sewer Rehabilitation Program	1,131,000
2018 Various Sewer Pipe Replacement/Rehabilitations - District-wide	2,656,000
2018 WPC Infrastructure Rehabilitation, Upgrades & Replacements	686,000
2019 Oakwood Avenue Area Sewer Replacement - Phase I	3,500,000
2019 Paving Program and Restoration	1,430,000
2019 Sewer Rehabilitation Program	3,100,000

2019 Various Sewer Pipe Replacement/Rehabilitation Program	3,970,000
2019 Water Pollution Control Facilities Infrastructure Rehabilitation, Upgrades and Replacements	700,000
Total Sewer	33,108,000
 CIP Appropriation Combined	 Issue Amount
2011 Facility & Equipment Improvements	17,000
2011 Security and Supervisory Control and Data Acquisition (SCADA) Communications	21,000
2012 Facility Improvement Program	26,000
2013 Communications Systems Upgrades	163,000
2013 Facilities Improvement Program	162,000
2013 Information Technology - Applications	512,000
2013 Land Improvements	24,000
2014 Facility Roof Replacements	13,000
2015 Information Systems - Business Transformation SAP Upgrade	834,000
2015 Information Systems - Finance Modules	581,000
2015 Information Systems - Operational Modules	1,771,000
2016 Administrative Facilities Improvement Program	451,000
2016 Information Systems I/T Upgrades	2,258,000
2016 Underground Storage Tanks - Removal & Replacement	639,000
2017 Administration Facilities and Equipment Improvements	100,000
2017 Business Transformation	1,540,000
2017 Fleet Equipment Replacement	168,000
2018 Business Transformation Project Management and Data Cleansing	5,000,000
2018 Construction Services	105,000
2018 Engineering Services	197,000
2018 Fleet and Equipment Replacement	557,000
2018 Survey & Construction	145,000
2018 Technical Services	374,000
2019 Construction Services	1,620,000
2019 Engineering Services	1,782,000
2019 Survey & Construction	2,860,000
2019 Technical Services	2,698,000
Total Combined	24,618,000
 Total Issuance	 90,000,000

On a motion made by Citizen Member Aberasturia 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.

COMMISSIONER QUESTIONS AND COMMENTS

Scott Jellison, Chief Executive Officer, recognized Lisa Remsen for her long career with the District and recent promotion to Manager of Budget.

ADJOURNMENT

The meeting was adjourned at 6:02 P.M.

ATTEST:



John S. Mirtle, Esq.
District Clerk

August 28, 2019

Date of Approval

BOARD OF FINANCE
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Wednesday, August 28, 2019

PRESENT: Commissioners Andrew Adil, Donald Currey, Allen Hoffman and Pasquale J. Salemi; Citizen Members Ram Aberasturia and Linda King-Corbin (6)

ABSENT: District Chairman William A. DiBella and Citizen Member Ronald Angelo (2)

ALSO

PRESENT: Commissioner Gary LeBeau
Commissioner Whit Osgood
Commissioner Dominic Pane
Commissioner Raymond Sweezy
Scott W. Jellison, Chief Executive Officer
R. Bartley Halloran, District Counsel
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Martin, Interim Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Susan Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Karyn Blaise, Controller
Nick Salemi, Special Services Administrator
Carrie Blardo, Assistant to the Chief Operating Officer
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
Julie Price, Professional Level Trainee
Vanessa Rossitto, Blum Shapiro
David Silverstone, Independent Consumer Advocate
Adam Krea, Hilltop Securities

CALL TO ORDER

Chairman Salemi called the meeting to order at 4:01 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

David Silverstone, Independent Consumer Advocate, spoke in support of a fund balance policy but had further inquiries about the agenda item being presented.

At 4:05 PM, Chairman Salemi relinquished the chair to Vice Chairman Hoffman for the remainder of the meeting.

APPROVAL OF MINUTES

On motion made by Commissioner Adil and duly seconded, the meeting minutes of the Board of Finance meeting of June 10, 2019 were approved.

REQUIRED AUDITOR COMMUNICATIONS – RE: FISCAL YEAR 2018 AUDIT

Vanessa Rossitto of Blum Shapiro presented the Fiscal Year 2018 Audit.

At 4:15 PM, Chairman Salemi exited the meeting and joined via teleconference.

DISCUSSION RE: RECENT BOND ISSUANCE

Adam Krea of Hilltop Securities presented on the recent bond issuance.

CONSIDERATION AND POTENTIAL ACTION RE: FUND BALANCE POLICY

On a motion made by Commissioner Currey and duly seconded, a vote on the resolution was postponed until the board of finance meeting on September 4, 2019.

2019 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on August 28, 2019

The 2019 Metropolitan District operating budget is currently experiencing a deficit in the taxes budget. The taxes budget has a deficit due to actual mill rates in the non-member towns being higher than the budgeted assumption for 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 503 – Water Treatment & Supply	<u>-0-</u>	<u>\$2,509,500.00</u>	<u>\$2,509,500.00</u>
Total	<u>-0-</u>	<u>\$2,509,500.00</u>	<u>\$2,509,500.00</u>

Christopher Martin
Interim-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 2019 Budget Appropriations be approved as follows:

From:	General	Water	Total
Department 503 – Water Treatment & Supply	<u>-0-</u>	<u>\$20,000.00</u>	<u>\$20,000.00</u>
Total	<u>-0-</u>	<u>\$20,000.00</u>	<u>\$20,000.00</u>

To:	General	Water	Total
Department-731 Taxes	<u>-0-</u>	<u>\$20,000.00</u>	<u>\$20,000.00</u>
Total	<u>-0-</u>	<u>\$20,000.00</u>	<u>\$20,000.00</u>

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Independent Consumer Advocate David Silverstone requested that the Board of Finance bring a resolution to increase the Independent Consumer Advocate budget for the remainder of the year.

ADJOURNMENT

The meeting was adjourned at 5:31 P.M.

ATTEST:



John S. Mirtle, Esq.
District Clerk

September 4, 2019

Date of Approval

BOARD OF FINANCE
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Wednesday, September 4, 2019

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

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

ALSO

PRESENT: Commissioner James Healy
Commissioner Gary Lebeau
Commissioner Dominic Pane
Commissioner Bhupen Patel
Commissioner Alvin Taylor
Scott W. Jellison, Chief Executive Officer
R. Bartley Halloran, District Counsel
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Martin, Interim Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Susan Negrelli, Director of Engineering
Tom Tyler, Director of Facilities
Karyn Blaise, Controller
Nick Salemi, Special Services Administrator
Carrie Blardo, Assistant to the Chief Operating Officer
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 4:21 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

David Silverstone, Independent Consumer Advocate, spoke in support of a fund balance policy as long as it is properly funded. He also spoke in support of agenda item #8, 2019 Operating Budget Transfer – Independent Consumer Advocate Budget Increase.

Judy Allen of West Hartford spoke regarding agenda item #7 Fund Balance Policy.

Peter Privitera, Town Manager of West Hartford, spoke in support of a fund balance policy but expressed concerned about a 30% funding level being too high.

APPROVAL OF MINUTES

On motion made by Commissioner Adil and duly seconded, the meeting minutes of the Board of Finance meeting of August 28, 2019 were approved.

PRESENTATION FROM COHN REZNICK

Lisa Cantone and Melissa Ferucci presented an update from Cohn Reznick.

FRINGE BENEFIT VEHICLE TAX

To: Board of Finance for consideration on September 4, 2019

For 2016 and 2017, the District inadvertently did not report taxable compensation under the IRS rules for Taxation of Fringe Benefits. In order to correct this, staff recommends the following:

At this time it is **RECOMMENDED** that it be:

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

RESOLVED: The District shall issue amended Form W-2's for the affected employees. The District will pay both the employer and employee portions of FICA and Medicare taxes, as applicable. To the extent the employer pays the employee's portion of any payroll taxes, this amount is considered income to the individual in the tax year paid. Therefore, the employee's portion of these taxes (social security and medicare) paid by the District will be considered income to the employee and reported on the employee's 2019 Form W-2.

The District shall reimburse affected employees for the cost of preparing 2016 and/or 2017 amended individual tax return(s) to reflect the taxable fringe benefit adjustment. This reimbursement will be made only upon the District's review and approval of the invoice supporting such expenses, and the District's determination that these costs are reasonable. The employee will be required to submit an invoice from his/her individual tax return preparer after completion of the amended tax returns. In addition, the employee will be required to submit a signed statement from his/her tax preparer certifying they have received, read and understand this notification.

The District shall also reimburse affected employees for the penalties and interest incurred on the additional income reflected in the 2016 and/or 2017 individual tax return(s) calculated through December 31, 2019 or earlier date. Any penalties and/or interest incurred subsequent to December 31, 2019 will be the responsibility of the employee.

To receive reimbursement from the District for interest and/or penalties through December 31, 2019 or earlier date, affected employees will be required to provide the District with a written letter from his/her tax preparer stating the amount of interest and penalties paid associated with the fringe benefit adjustment on his/her amended tax returns for each tax year.

The District will not reimburse employees for the additional income tax liability associated with the additional taxable income triggered by the amended W-2 and/or MDC's reimbursement of tax return preparation fees and/or income tax interest and/or penalties.

Upon receipt and approval of the supporting documentation for the tax preparation fees and interest and penalties assessed, the District will pay the employee directly for the reimbursement of the costs. The employee is responsible for paying the tax preparer and the taxes, interest and penalties associated with this matter. The District will not pay the tax preparer, Internal Revenue Service or any State or local taxing authorities directly.

To the extent that the MDC pays and reimburses employees for the cost of preparing amended tax returns and/or for penalties and/or interest, these amounts will constitute additional taxable compensation to you in the year of payment and/or reimbursement and will be reported as such on Form W-2 in the tax year of payment.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

USAGE OF BOND SAVINGS FROM RECENT ISSUANCE

Chief Operating Officer Scott Jellison discussed the usage of bond savings from the recent bond issuance.

RESOLUTION ESTABLISHING A MINIMUM AVAILABLE GENERAL FUND BALANCE POLICY

To: Board of Finance for consideration on September 4, 2019

Whereas, the Metropolitan District, Hartford County, Connecticut (the "District" or the "MDC") has issued General Obligation Bonds and such General Obligation Bonds carry ratings by one or more of the rating agencies; and

Whereas, Available General Fund Balance is a metric used in assigning bond ratings and is important to the financial stability of the District; and

Whereas, the District Board has determined that the District should establish an Available General Fund Balance requirement for its General Fund for budgetary flexibility in the event the District has unexpected revenue shortfalls or expenditure needs;

It is therefore RECOMMENDED that it be:

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

1. It shall be the policy of the MDC to maintain, to the extent possible, an adequate available general fund balance equal to between 30% and 35% of general fund revenues for the most recent completed fiscal year.
2. Any expenditure of all or part of the available general fund balance must be authorized ~~as provided in Chapter 3 of the Compiled Charter of the District~~ by the District Board.
3. If the available general fund balance established under Section 1 above falls below the minimum target of 30% of general fund revenues for the most recent completed fiscal year, the District's Chief Financial Officer shall present a plan to restore the available general fund balance to the target within no more than three fiscal years to the District Board for its consideration.
4. If the available general fund balance realized in any given fiscal year exceeds the target set forth in Section 1 above, the District Board may authorize, pursuant to Chapter 3 of the Compiled Charter of the District, the expenditure of any excess available funds as it deems appropriate.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

Commissioner Currey moved to amend the resolution, as shown above in redline. On a motion made by Commissioner Currey and duly seconded, the amendment was adopted by unanimous vote.

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

2019 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on September 4, 2019

The 2019 Metropolitan District adopted operating budget contained funding for the Independent Consumer Advocate for the MDC (ICA) in the amount of \$50,000 for Fiscal 2019, which is consistent with P.A. 17-1. For services provided through the end of August, the ICA has billed and been paid \$32,147. Due to an increased workload at the beginning of the year associated with the MDC's submission of the 2018 Long Term Control Plan (LTCP) for the Clean Water Project and expected necessary time commitment related to the upcoming MDC budget process, it is expected that funding in the total amount of \$70,000 for 2019 will be required to adequately provide support to the MDC customer base.

Accordingly, it is forecasted that the Outside Services budget will have a deficit as a result of the increased funding for the ICAMDC in the amount of \$20,000.

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 74— Special Agreements & Programs	<u>\$9,800.00</u>	<u>\$10,200.00</u>	<u>\$20,000.00</u>
Total	<u>\$9,800.00</u>	<u>\$10,200.00</u>	<u>\$20,000.00</u>

Christopher Martin
Interim-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 2019 Budget Appropriations be approved as follows:

From:	General	Water	Total
Department 74 – Special Agreements & Programs	<u>\$9,800.00</u>	<u>\$10,200.00</u>	<u>\$20,000.00</u>
Total	<u>\$9,800.00</u>	<u>\$10,200.00</u>	<u>\$20,000.00</u>
To:	General	Water	Total
Department-11 District Board	<u>\$9,800.00</u>	<u>\$10,200.00</u>	<u>\$20,000.00</u>
Total	<u>\$9,800.00</u>	<u>\$10,200.00</u>	<u>\$20,000.00</u>

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

On a motion made by Chairman DiBella and duly seconded, the report was received and resolution put to vote. The resolution failed by a vote of 3-3. Commissioner Salemi, District Chairman DiBella, and Citizen Member King-Corbin voted in favor. Commissioners Adil, Currey, and Hoffman opposed.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen of West Hartford spoke regarding her frustration of the Independent Consumer Advocate budget, agenda item #8, not being supported in the Board of Finance Vote.

ADJOURNMENT

The meeting was adjourned at 6:05 P.M.

ATTEST:



John S. Mirtle, Esq.
District Clerk

October 7, 2019

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Thursday, September 19, 2019**

PRESENT: Commissioners Andrew Adil, Donald Currey, Allen Hoffman and Pasquale J. Salemi and District Chairman William A. DiBella (5)

ABSENT: Citizen Members Ronald Angelo, Ram Aberasturia and Linda King-Corbin (3)

ALSO

PRESENT: Commissioner Peter Gardow
Commissioner Jean Holloway
Commissioner Gary Lebeau
Commissioner Bhupen Patel
Scott W. Jellison, Chief Executive Officer
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Martin, Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Susan Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Lisa Remsen, Manager of Budget and Analysis
Shereese Rodgers, Senior Financial Analyst
Biviana Casanova, Financial Analyst
Nefertere Whittingham, Financial Analyst
Nick Salemi, Special Services Administrator
Carrie Blardo, Assistant to the Chief Operating Officer
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 11:43 AM

QUORUM

The District Clerk called the roll and declared that a quorum of the Board of Finance was not present at 11:43 AM

ADJOURNMENT

The meeting was adjourned at 11:44 AM

ATTEST:


John S. Mirtle, Esq.
District Clerk

October 7, 2019

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, October 07, 2019**

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

ABSENT: Citizen Member Ram Aberasturia (1)

ALSO

PRESENT: Commissioner Peter Gardow
Commissioner David Ionno
Commissioner White Osgood
Commissioner Bhupen Patel
Commissioner Raymond Sweezy
Scott W. Jellison, Chief Executive Officer
R. Bartley Halloran, District Counsel
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Martin, Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Kelly Shane, Chief Administrative Officer
Susan Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Lisa Remsen, Manager of Budget and Analysis
Nick Salemi, Special Services Administrator
Carrie Blardo, Assistant to the Chief Operating Officer
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
Becky Sielman, Milliman
David Silverstone, Independent Consumer Advocate

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.

APPROVAL OF MINUTES

On motion made by Commissioner Adil and duly seconded, the meeting minutes of the Board of Finance meetings of September 4, 2019 and September 19, 2019 were approved.

Citizen Member King-Corbin joined the meeting via teleconference at 4:37 PM.

Without objection, Agenda item #8, OPEB Trust, was taken up after Agenda item #3, Approval of Minutes.

OPEB TRUST

To: Board of Finance for Consideration on October 7, 2019

BE IT HEREBY

RESOLVED: The District shall fund the OPEB Trust in the 2020 budget in the amount of \$486,000.00 and commence an 8 year prefunding phase-in.

FURTHER
RESOLVED: The OPEB Trust asset allocation be designed to support 6.75% discount rate.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

On motion made by Commissioner Hoffman and duly seconded, report was received and the resolution adopted by majority vote. Citizen Member Angelo voted no.

APPROVAL FOR STATE OF CONNECTICUT FINANCING – CWF 691-C

To: Board of Finance for consideration on October 7, 2019

Staff seeks approval from your Board to execute and deliver the Agreement CWF No. 691-C Project Loan and Project Grant Agreement between the State of Connecticut and The Metropolitan District and Interim Funding Obligations and a Project Loan Obligation to the State of Connecticut for CWF 691-C.

The low interest loan and grant will fund the installation of green infrastructure solutions that mimic the natural water cycle.

The State of Connecticut, through the Clean Water Program, will provide the state funding under CWF No. 691-C Project Loan and Project Grant Agreement of \$450,174.90 with

approximately \$225,087.45 in grants and \$225,087.45 in low interest loans at 2 % 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

RESOLUTION WITH RESPECT TO THE ISSUANCE OF INTERIM FUNDING OBLIGATIONS AND PROJECT LOAN OBLIGATIONS PURSUANT TO AGREEMENT NO. 691-C PROJECT LOAN AND PROJECT GRANT AGREEMENT BETWEEN THE STATE OF CONNECTICUT AND THE METROPOLITAN DISTRICT UNDER THE CLEAN WATER FUND PROGRAM

RESOLVED:

Section 1. The Chairman and the District Treasurer or Deputy Treasurer are authorized to execute and deliver the Agreement No. CWF 691-C Project Loan and Grant Agreement, and any and all Interim Funding Obligations and Project Loan Obligations under the Agreement No. CWF 691-C Project Loan and Grant Agreement, in the aggregate amount not to exceed \$225,087.45. 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%) per annum, shall be payable as to principal and interest as provided in the Project Loan and Project Grant Agreement entered into with the State of Connecticut CWF No. 691-C (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%) per annum and shall be payable as to principal and interest as provided in the Agreement.

Respectfully Submitted,

Chief Executive Officer
Scott W. Jellison

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

APPROVAL FOR STATE OF CONNECTICUT FINANCING – CWF 657-CD1

To: Board of Finance for consideration on October 7, 2019

Staff seeks approval from your Board to execute and deliver the Agreement CWF No. 657-CD1 Project Loan and Project Grant Agreement between the State of Connecticut and The Metropolitan District and Interim Funding Obligations and a Project Loan Obligation to the State of Connecticut for CWF 657-CD1.

The low interest loan and grant will fund 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 Program, will provide through this agreement the state funding remaining under CWF No. 657-C Project Loan and Project Grant Agreement of \$16,425,131.85 with approximately \$5,383,402.65 in grants and \$11,041,729.20 in low interest loans at 2 % 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

RESOLUTION WITH RESPECT TO THE ISSUANCE OF INTERIM FUNDING OBLIGATIONS AND PROJECT LOAN OBLIGATIONS PURSUANT TO PROJECT LOAN AND PROJECT GRANT AGREEMENT NO. CWF 657-CD1 BETWEEN THE STATE OF CONNECTICUT AND THE METROPOLITAN DISTRICT UNDER THE CLEAN WATER FUND PROGRAM

RESOLVED:

Section 1. The Chairman and the District Treasurer or Deputy Treasurer are authorized to execute and deliver the Agreement No. CWF 657-CD1 Project Loan and Grant Agreement, and any and all Interim Funding Obligations and Project Loan Obligations under the Agreement No. CWF 657-CD1 Project Loan and Grant Agreement, in the aggregate amount not to exceed \$11,041,729.20. 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%) per annum, shall be payable as to principal and interest as provided in the Project Loan and Project Grant Agreement entered into with the State of Connecticut CWF No. 657-CD1 (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%) 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.

SEWER USER CHARGE STUDY

To: Board of Finance for consideration on October 7, 2019

In 2017, the District's member towns requested that the District commission a sewer user charge study (the "SUC Study") as an update of a similar study from 1998. The District consented to the request, and the member towns developed a Request for Proposals to conduct the SUC Study. In 2018, Raftelis Financial Consultants was awarded the contract. In early 2019, the first version of the SUC Study was completed and a meeting was held in June with the member towns to review and discuss the SUC study. During that meeting, the member towns identified several scenarios within the report that warranted further analysis, specifically focusing on affordability. These scenarios were as follows:

1. Option B- an ad valorem system based on water consumption;
2. Option C- a sewer user charge based on water consumption; and
3. Option D- a hybrid system with general sewer capital and debt service costs funded by ad valorem and operational costs funded by a sewer user charge.

In addition to the abovementioned three scenarios, Option E from the SUC Study analyzed a hybrid scenario where all capital and debt service costs, including the Clean Water Project debt service, would be funded by ad valorem tax on the member towns and operational costs would be funded by a sewer user charge on customer water bills. It is the request of the Chair of the Board of Finance that Option E be further analyzed along with the options identified by the member towns.

It is therefore RECOMMENDED that it be

VOTED: That the Board of Finance approve the following resolution:

RESOLVED: That staff direct Raftelis Financial Consultants to further analyze Options B, C, D & E from the SUC Study in the manner described in its proposal letter dated June 19, 2019 and attached hereto.

Respectfully Submitted,

Chief Executive Officer
Scott W. Jellison

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

CLOSEOUT OF CAPITAL IMPROVEMENT PROJECTS

WATER CAPITAL PROJECT PROGRAMS

To: Board of Finance for consideration on October 7, 2019

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

Proj. Definition	Year	BA	Project Description	Town	Budget	Expended Amount	Remaining Balance
WAT.CWA349.01	2011	2709	Assessable Water Program	Various	1,500,000.00	718,602.15	781,397.85
WAT.CWA350.01	2012	2709	Assessable Water Program	Various	2,319,000.00	57,388.74	2,261,611.26
WAT.CWA344.01	2009	2709	AW - Goodrich & South Rds. Farmington	Farmington	1,500,000.00	691,967.73	808,032.27
			<i>Subtotal BA 2709</i>		<i>5,319,000.00</i>	<i>1,467,958.62</i>	<i>3,851,041.38</i>
WAT.CW1360.01	2013	2113	2013 BL WTR Filtered Water Basin Improv.	Bloomfield	5,000,000.00	714,213.49	4,285,786.51
WAT.CW1361.01	2013	2113	2013 WHWTP Filtered Water Basin Improv.	West Hartford	4,620,000.00	-	4,620,000.00
WAT.CW1363.01	2013	2113	2013 Water Supply Generators	Various	4,250,000.00	3,854,642.41	395,357.59
WAT.CW1364.01	2013	2113	2013 Buckingham WPS - Glastonbury	Glastonbury	1,740,000.00	290,430.01	1,449,569.99
WAT.CW1365.01	2013	2113	2013 Newington PRV Service Area Upgrade	Newington	2,330,000.00	197,392.27	2,132,607.73
WAT.CW1368.01	2013	2113	2013 Pitkin St. Water Main Replace, EH	East Hartford	460,000.00	48,985.48	411,014.52
WAT.CW1369.01	2013	2113	2013 Jerome Ave Wtr Main Replace, Bloomf	Bloomfield	1,400,000.00	30,960.36	1,369,039.64
WAT.CW1374.01	2013	2113	2013 CWP-Church St-WM / Myrtle to High	Hartford	370,000.00	112,187.99	257,812.01
WAT.CW1379.01	2013	2113	2013 Center St Wtr Main Replace, Hrtfrd	Hartford	330,000.00	9,392.51	320,607.49
WDS.BL0014.01	2014	2113	2014 Water Renewable Energy Projects	Various	550,000.00	374,124.19	175,875.81
WDS.DM0014.02	2014	2113	2014 Paving Program	Various	3,000,000.00	2,914,643.55	85,356.45
WDS.DM0015.02	2015	2113	2015 Paving Program	Various	2,500,000.00	2,456,632.35	43,367.65
WDS.DM0016.02	2016	2113	2016 Paving Program	Various	3,000,000.00	2,791,226.05	208,773.95
WDS.DM1014.01	2014	2113	2014 Water Main Replacements W. Hartford	West Hartford	1,500,000.00	14,661.24	1,485,338.76
WDS.EQ0014.01	2014	2113	2014 DW Wtr Asset Management Program	Various	250,000.00	-	250,000.00
WDS.PS0014.01	2014	2113	2014 Water Pump Station Improvements	Various	175,000.00	122,110.96	52,889.04
WSH.BN2814.01	2014	2113	2014 Saville Dam Embankment Improvements	Barkhamsted	2,000,000.00	-	2,000,000.00
WSH.DA1014.01	2014	2113	2014 Res #1 Dam Spillway Channel Modific	West Hartford	5,000,000.00	-	5,000,000.00
WSH.DA2514.01	2014	2113	2014 Phelps Brook Dam/ East Dike Rehab	Burlington	3,000,000.00	1,742,417.77	1,257,582.23
WSH.DA3214.01	2014	2113	2014 Goodwin Dam Brdg Rehab/Spillway Imp	Goodwin	2,800,000.00	-	2,800,000.00
WTF.BN1014.01	2014	2113	2014 WH WTF 6 MG Filtered Wtr Basin Impr	West Hartford	3,000,000.00	755.64	2,999,244.36
WTF.EQ3114.01	2014	2113	2014 Collingsville WTP Emergency Gen Repl	Collingsville	700,000.00	97,421.42	602,578.58
			<i>Subtotal BA 2113</i>		<i>47,975,000.00</i>	<i>15,772,197.69</i>	<i>32,202,802.31</i>
WAT.CW1216.01	2009	2209	CLSD-General Purpose Water	Various	3,515,000.00	2,553,572.44	961,427.56
WAT.CW1292.02	2011	2209	2011 Linden Place Water Main Replacement	Hartford	586,500.00	467,818.16	118,681.84
			<i>Subtotal BA 2209</i>		<i>4,101,500.00</i>	<i>3,021,390.60</i>	<i>1,080,109.40</i>
WAT.CW1245.01	2010	2320	2010 Hydraulic Computer Modeling	Various	2,350,000.00	1,128,180.17	1,221,819.83
WAT.CW1248.01	2010	2320	2010 Water Main Replacement-East Hartford	East Hartford	1,000,000.00	47,829.91	952,170.09
WAT.CW1251.01	2010	2320	2010 Water Main Replacement-Wethersfield	Wethersfield	600,000.00	386,984.47	213,015.53
WAT.CW1253.01	2010	2320	2010 Water Main Replacement - Bloomfield	Bloomfield	400,000.00	344,775.50	55,224.50
WAT.CW1255.01	2010	2320	2010 Water Main Replacement - Windsor	Windsor	400,000.00	37,981.27	362,018.73
WAT.CW1257.02	2012	2320	2012 Frmgtn Ave W/M Install TB to WH Ln	Hartford	1,868,000.00	1,415,754.91	452,245.09
WAT.CW1264.01	2010	2320	2010 Water Pump Station Replace/Upgrade	Various	4,800,000.00	758,983.72	4,041,016.28
WAT.CW1270.01	2010	2320	2010 Water Dist Facility Security	Various	4,492,000.00	3,067,067.47	1,424,932.53
WAT.CW1276.01	2010	2320	2010CWP Water Main Guilford Pliny Htfd	Hartford	3,607,000.00	1,472,885.77	2,134,114.23
WAT.CW1279.10	2013	2320	2013 WMR-FRANKLIN #13, FRANKLIN AVE, HTF	Hartford	2,100,000.00	445,069.55	1,654,930.45
WAT.CW1281.01	2010	2320	2010CWP Wtr Main Repl Farmington A Htfd	Hartford	3,130,000.00	602,763.56	2,527,236.44
WAT.CW1282.01	2010	2320	2010CWP Wtr Main Cleveland/Main Htfd	Hartford	2,033,000.00	348,618.00	1,684,382.00

WAT.CW1285.01	2010	2320	2010CWP Watr Main Repl Oxford St Htfd	Hartford	610,000.00	449,721.90	160,278.10
WAT.CW1295.01	2011	2320	2011 WMR-LONGVIEW DR,TALCOTT AND PHEAS.	West Hartford	1,700,000.00	955,325.35	744,674.65
WAT.CW1296.01	2011	2320	2011 WMR-COTTAGE GROVE RD, BLOOMFIELD	Bloomfield	2,772,000.00	1,097,000.89	1,674,999.11
WAT.CW1297.01	2011	2320	2011 WMR MOUNTAIN RD& CLIFFORD DR, WH	West Hartford	400,000.00	19,576.21	380,423.79
WAT.CW1298.01	2011	2320	2011 WMR-COLONY ROAD, WEST HARTFORD	West Hartford	700,000.00	427,679.01	272,320.99
WAT.CW1299.01	2011	2320	2011 WMR-PINE ST & AUBURN RD, WH	West Hartford	700,000.00	298,245.35	401,754.65
WAT.CW1301.01	2011	2320	2011 WMR SIMMONS RD., EAST HARTFORD	East Hartford	450,000.00	257,028.58	192,971.42
WAT.CW1302.01	2011	2320	2011 WMR HARTFORD	Hartford	3,600,000.00	430,638.50	3,169,361.50
WAT.CW1303.01	2011	2320	2011 TMR HAMILTON ST&PARK TERR,HTFD,PHII	Hartford	4,750,000.00	2,862,599.32	1,887,400.68
WAT.CW1310.01	2011	2320	2011 WATER STORAGE UPGRADES-PHASE I	Various	2,500,000.00	147,191.32	2,352,808.68
WAT.CW1328.01	2011	2320	2011 CWP WMR-FENWAY ST., HARTFORD	Hartford	593,000.00	84,374.55	508,625.45
WAT.CW1332.01	2012	2320	2012 Water Storage Basin Upgrades	Various	3,515,000.00	86,919.17	3,428,080.83
WAT.CW1333.01	2012	2320	2012 Newington Pump Station	Newington	4,200,000.00	444,429.61	3,755,570.39
WAT.CW1335.01	2012	2320	2012 CWP W/M Replace-South Maple West	Hartford	4,000,000.00	1,013,754.36	2,986,245.64
WAT.CW1340.01	2012	2320	2012 WTR Infrstrct Design-District Wide	Various	480,000.00	338,282.56	141,717.44
WAT.CW1343.01	2012	2320	2012 Asset Management Construct. Admin.	Various	904,000.00	42,055.46	861,944.54
WAT.CW1345.01	2012	2320	2012 Wtr Main Replacement - Retreat Ave	Hartford	4,094,000.00	1,490,858.23	2,603,141.77
WAT.CW1348.01	2012	2320	2012 Wtr Main Replacement - Four Mile Rd	West Hartford	1,189,000.00	62,611.52	1,126,388.48
WAT.CW1350.01	2012	2320	2012 W/M Replacement-Montclair Dr. WH	West Hartford	457,000.00	344,020.01	112,979.99
WAT.CW1356.01	2012	2320	2012 Wtr Main Replacement-Farmington Ave	Hartford	3,500,000.00	858,251.43	2,641,748.57
			Subtotal BA 2320		67,894,000.00	21,767,457.63	46,126,542.37
WAT.CW1349.01	2012	2323	2012 Paving Program	MDC	5,000,000.00	3,915,140.95	1,084,859.05
			Subtotal BA 2323		5,000,000.00	3,915,140.95	1,084,859.05
WAT.CW1263.01	2010	2324	2010 Water Supply Facility Improvements	Barkhamsted	2,500,000.00	2,394,818.05	105,181.95
WAT.CW1265.01	2010	2324	2010 Dam Safety - Nepaug, Phelps, E Dike	Barkhamsted	4,944,000.00	348,914.13	4,595,085.87
			Subtotal BA 2324		7,444,000.00	2,743,732.18	4,700,267.82
WAT.CW1290.01	2009	2330	2009CSOFarmington1A Water Main Repl	Hartford	5,000,000.00	4,194,056.38	805,943.62
			Subtotal BA 2330		5,000,000.00	4,194,056.38	805,943.62
WAT.CW1221.01	2009	2334	WATER MAIN GATE VALVE REPLACEMENTS	Various	2,300,000.00	1,295,952.59	1,004,047.41
			Subtotal BA 2334		2,300,000.00	1,295,952.59	1,004,047.41
WAT.CW1222.01	2009	2338	Oak Street East Hartford Water	East Hartford	1,150,000.00	19,872.23	1,130,127.77
			Subtotal BA 2338		1,150,000.00	19,872.23	1,130,127.77
WAT.CW1267.01	2010	2340	2010 Dam Safety Reservoir #2	Barkhamsted	1,315,000.00	821,064.80	493,935.20
WAT.CW1268.01	2010	2340	2010 Dam Safety Res #3	Barkhamsted	1,315,000.00	650,378.60	664,621.40
WAT.CW1269.01	2010	2340	2010 Water Treatment Facility Upgrade	Various	4,953,350.00	460,709.47	4,492,640.53
WAT.CW1312.01	2011	2340	2011 DAM SAFETY IMPROVEMENTS-RES #6	Bloomfield	1,330,000.00	244,639.90	1,085,360.10
WAT.CW1313.01	2011	2340	2011 WATER TREATMENT FACILITY UPGRADES	Various	975,440.00	930,650.79	44,789.21
WAT.CW1314.01	2011	2340	2011 WHTWTF-North Storage Tank Inst.	West Hartford	4,800,000.00	60,875.70	4,739,124.30
WAT.CW1352.01	2012	2340	2012 Dam Safety Improv-Goodwin & Saville	Barkhamsted	2,040,000.00	1,979,055.76	60,944.24
WAT.CW1354.01	2012	2340	2012 Water Treatment Facilities Upgrades	Various	2,500,000.00	2,193,237.16	306,762.84
			Subtotal BA 2340		19,228,790.00	7,340,612.18	11,888,177.82
			Total Water Program		165,412,290.00	61,538,371.05	103,873,919.95

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 October 7, 2019

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.CS1142.02	2008	5108	2013 Curcombe Street WWPS - Hartford	Hartford	101,825.00	95,339.26	6,485.74
			<i>Subtotal BA 5108</i>		101,825.00	95,339.26	6,485.74
WWA.CS1151.01	2010	5109	CLSD-2010 General Purpose Sewer	Various	802,000.00	390,487.61	411,512.39
WWA.CS1170.01	2012	5109	2012 General Purpose Sewer	Various	5,000,000.00	1,321,667.09	3,678,332.91
			<i>Subtotal BA 5109</i>		5,802,000.00	1,712,154.70	4,089,845.30
WPC.EQ0014.01	2014	5113	2014 Equipment & Facilities Refurbishmnt	Various	1,400,000.00	1,210,143.27	189,856.73
SCS.BL0014.01	2014	5113	2014 Sewer Renewable Energy Projects	Various	550,000.00	100,409.67	449,590.33
SCS.EQ0014.03	2014	5113	2014 Backwater Valve Program	Various	1,000,000.00	-	1,000,000.00
SCS.OT0014.01	2014	5113	2014 Lever Protect System Imprv EH & Har	Various	3,100,000.00	442,647.45	2,657,352.55
SCS.PS0014.01	2014	5113	2014 WW Pump Station Improvement	Various	350,000.00	77,363.96	272,636.04
SCS.PS0214.01	2014	5113	2014 PS Upgrades-Howard Wether	Wethersfield	370,000.00	-	370,000.00
SCS.PS0414.01	2014	5113	2014 Pump Station Rplc-Stonehedge/Ochial	Newington	575,000.00	34,132.49	540,867.51
SCS.PS0614.02	2014	5113	2014 Pump Station Rainbow Trunk, Windsor	Windsor	5,000,000.00	474,114.86	4,525,885.14
SCS.PS0714.01	2014	5113	2014 PS Upgrade-Burnside E. Hartford	East Hartford	3,900,000.00	200,707.41	3,699,292.59
SCS.SR0014.04	2014	5113	2014 Various Sewer Pipe Replace/Rehab DW	Various	5,000,000.00	1,913,497.26	3,086,502.74
SCS.SR0114.01	2014	5113	2014 Rehab/Repl NM-14 Overflow Hartford	Hartford	1,050,000.00	24,410.40	1,025,589.60
SCS.SR0214.01	2014	5113	2014 Sewer Ext. - Marsh St, Wethersfield	Wethersfield	3,600,000.00	47,343.89	3,552,656.11
WPC.FA0114.01	2014	5113	2014 Hartford WPCF DAFT Sludge Equl Dsgn	Hartford	800,000.00	759,064.85	40,935.15
WWA.CS1190.01	2013	5113	2013 Folly Brook I/I Removal - Cntrct 1	Wethersfield	4,850,000.00	324,195.11	4,525,804.89
WWA.CS1198.01	2013	5113	2013 Windsor I/I Removal Contract	Windsor	4,850,000.00	241,815.13	4,608,184.87
WWA.CS1202.01	2013	5113	2013 Chateau Woods/High Path Rd WWPS	Windsor	500,000.00	487,568.53	12,431.47
WWA.CS1204.01	2013	5113	2013 Harvest Lane WWPS - Windsor	Windsor	500,000.00	309,437.64	190,562.36
WWA.CS1207.01	2013	5113	2013 Motts WWPS - Wethersfield	Wethersfield	510,000.00	65,736.00	444,264.00
WWA.CS1208.01	2013	5113	2013 Brookside Street WWPS - Newington	Newington	3,240,000.00	55,713.53	3,184,286.47
WWA.CS1212.01	2013	5113	2013 Pheasant Lane Swr Main Construction	Bloomfield	550,000.00	507,507.99	42,492.01
WWA.CS1213.01	2013	5113	2013 Various Sewer Pipe Replacement/Rehab	Various	4,940,000.00	2,140,143.39	2,799,856.61
WWA.CS1215.01	2013	5113	2013 388-390 Farmington Ave, Swr Repairs	Hartford	1,900,000.00	28,071.18	1,871,928.82
WWA.CS1217.01	2013	5113	2013 WPC HWPCF Cake Stg & Gravity Sys	Hartford	740,000.00	196,738.71	543,261.29
			<i>Subtotal BA 5113</i>		49,275,000.00	9,640,762.72	39,634,237.28
SCS.SR0014.01	2014	5630	2014 Assessable Sewer Program	Various	800,000.00	110,993.93	689,006.07
WWA.CSA443.01	2009	5630	2009 Assessable SWR - Mountain Road, W.H.	West Hartford	5,000,000.00	3,088,553.68	1,911,446.32
WWA.CSA453.01	2009	5630	2009 Woodpond North Pump Station	West Harfford	1,600,000.00	993,955.57	606,044.43
			<i>Subtotal BA 5630</i>		7,400,000.00	4,193,503.18	3,206,496.82
WWA.CS1157.01	2010	5680	2010 WPC Renewal & Replacements Program	Various	2,000,000.00	1,551,927.49	448,072.51
WWA.CS1185.01	2012	5680	2012 EH WPC Wastewater Screening Install	East Hartford	4,750,000.00	581,810.15	4,168,189.85
			<i>Subtotal BA 5680</i>		6,750,000.00	2,133,737.64	4,616,262.36
WPC.FA0007.01	2007	5733	2007 Wastewater Treatment Fac Imp.	Various	4,600,000.00	3,928,601.94	671,398.06
			<i>Subtotal BA 5733</i>		4,600,000.00	3,928,601.94	671,398.06
WWA.CS1152.01	2010	5803	2010 Sewer Pump Station Improvement Prog	Various	523,000.00	416,652.26	106,347.74
WWA.CS1155.01	2010	5803	2010 Huyshope Street Sewer Rehab, Hartfd	Hartford	2,956,000.00	220,673.55	2,735,326.45
WWA.CS1169.01	2012	5803	2012 Sewer Infrastructure Design	Various	480,000.00	313,200.56	166,799.44
WWA.CS1171.01	2012	5803	2012 Sanitary Sewer Retreat Ave Htfd	Hartford	5,000,000.00	234,361.42	4,765,638.58
WWA.CS1172.01	2012	5803	2012 Mohawk WWPS - East Hartford	East Hartford	654,000.00	484,300.78	169,699.22
WWA.CS1172.02	2013	5803	2013 Mohawk WWPS - East Hartford	East Hartford	2,640,000.00	307,427.58	2,332,572.42
WWA.CS1173.01	2012	5803	2012 Ridge Street WWPS - Windsor	Windsor	585,000.00	344,307.76	240,692.24
WWA.CS1174.01	2012	5803	2012 Sewer Gate Replacement Program	Various	1,296,000.00	474,129.46	821,870.54
WWA.CS1178.01	2012	5803	2012 Sewer Woodland Ave Peters Rd BL	Bloomfield	1,310,000.00	241,776.79	1,068,223.21
WWA.CS1181.01	2012	5803	2012 Sanitary Sewer Replacement Prg	Various	3,939,000.00	2,622,003.70	1,316,996.30
WWA.CS1183.01	2012	5803	2012 Backwater Valve Program	Various	540,000.00	76,213.62	463,786.38
WWA.CS1184.01	2012	5803	2012 Sewer Rehabilitation Program	Various	2,500,000.00	965,213.81	1,534,786.19
			<i>Subtotal BA 5803</i>		22,423,000.00	6,700,261.29	15,722,738.71
			<i>Total Sewer Program</i>		96,351,825.00	28,404,360.73	67,947,464.27

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 October 7, 2019

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.BL0014.01	2014	5613	2014 Facility Roof Replacements	Various	600,000.00	18,100.75	581,899.25
COM.CFP182.01	2013	5613	2013 INFORMATION TECHNOLOGY-SAP/ORACLE	MDC	5,000,000.00	4,597,405.08	402,594.92
COM.EQ0014.01	2014	5613	2014 Information Technology	Various	5,000,000.00	4,829,622.58	170,377.42
COM.LA0014.01	2014	5613	2014 Land Improvement	Various	1,000,000.00	616,834.93	383,165.07
			<i>Subtotal BA 5613</i>			11,600,000.00	10,061,963.34
							1,538,036.66
COM.BL0014.02	2014	5651	2014 Facilities Improvement Program	Various	3,000,000.00	2,885,736.40	114,263.60
COM.CFP159.01	2011	5651	2011 Facility & Equipment Improvements	MDC	1,400,000.00	624,888.83	775,111.17
COM.CFP168.01	2012	5651	2012 Hgtrs Parking Garage Renovations	Hartford	3,595,000.00	2,622,550.26	972,449.74
COM.CFP172.01	2012	5651	2012 Facility Improvement Program	MDC	2,500,000.00	813,343.66	1,686,656.34
COM.CFP181.01	2013	5651	2013 Facilities Improvement Program	MDC	2,000,000.00	1,595,462.11	404,537.89
			<i>Subtotal BA 5651</i>			12,495,000.00	8,541,981.26
							3,953,018.74
COM.CFP153.01	2010	5677	2010 CMMS Phase II	MDC	2,640,000.00	221,761.50	2,418,238.50
COM.CFP170.01	2012	5677	2012 Information Technology	MDC	3,000,000.00	353,553.02	2,646,446.98
COM.CFP171.01	2012	5677	2012 Information Technology Security Imp	MDC	5,000,000.00	4,664,318.56	335,681.44
			<i>Subtotal BA 5677</i>			10,640,000.00	5,239,633.08
							5,400,366.92
COM.OT0018.01	2018	5802	2018 CONSTRUCTION SERVICES	Various	3,500,000.00	105,700.83	3,394,299.17
COM.OT0018.02	2018	5802	2018 ENGINEERING SERVICES	Various	2,500,000.00	197,370.28	2,302,629.72
COM.OT0018.03	2018	5802	2018 SURVEY & CONSTRUCTION	Various	5,000,000.00	145,444.35	4,854,555.65
COM.OT0018.04	2018	5802	2018 TECHNICAL SERVICES	Various	3,400,000.00	374,859.14	3,025,140.86
			<i>Subtotal BA 5802</i>			14,400,000.00	823,374.60
							13,576,625.40
			<i>Total Combined Program</i>			49,135,000.00	24,666,952.28
							24,468,047.72

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

CLEAN WATER FUND PROJECT PROGRAMS

To: Board of Finance for consideration on October 7, 2019

The District has undertaken the task of updating its Clean Water Program (CWF) 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
CW1.NSSUAL.01	2007	5300	Upper Albany Project #1	Hartford	15,101,176.68	15,101,176.68	-
CW1.SSOGEN.09	2007	5300	2009 Clean Water SSO General Repair	Various	224,714.01	224,714.01	-
CW1.SSOGEN.10	2007	5300	2010 Clean Water SSO General Repair	Various	1,822,142.90	1,822,142.90	-
CW1.SSOWND.03	2007	5300	2015 NM-1 Gate Structure	Hartford	3,385,661.62	3,385,661.62	-
CW1.SSOWTH.02	2007	5300	2012 RH/Weth, SSES Lining	Wethersfield	1,822,142.90	1,822,142.90	-
CW1.SSOWTH.10	2007	5300	2014 SSES Rocky Hill - II	Rocky Hill	3,385,661.62	3,385,661.62	-
CW1.SSSFRA.13	2007	5300	Franklin Proj #13-Package B Upper Frankl	Hartford	22,295,803.90	22,295,803.90	-
CW1.SSSFRA.15	2007	5300	Airport Rd Htd Pump Station Forced Main	Hartford	5,044,260.37	5,044,260.37	-
CW1.SSSFRA.4D	2007	5300	Franklin Proj #5-Package D W. Preston St	Hartford	13,564,535.20	13,564,535.20	-
CW1.SSSWTH.01	2007	5300	2012 SSO Pilot-Wethersfield 2011-11	Wethersfield	1,558,366.05	1,558,366.05	-
CW1.WTFHAR.14	2007	5300	ASH HANDLING & MERCURY CONTRO	Hartford	1,297,094.60	1,297,094.60	-
			Subtotal 5300		69,501,559.85	69,501,559.85	-
CW2.CSOGEN.16	2016	5400	2016 LTCP Flow Metering	Hartford	1,531,681.76	1,531,681.76	-
CW2.MGMCWP.15	2013	5400	2015 CWP Admin	Various	11,269,060.17	11,269,060.17	-
CW2.MGMPMC.14	2013	5400	2014 CWP PMC / CDM SMITH	Various	6,914,745.94	6,914,745.94	-
CW2.NSSUAL.09	2013	5400	2014 Gully Brook Conduit Connections	Hartford	425,239.63	425,239.63	-
CW2.SSOWHA.06	2015	5400	2015 Greenhurst Road	Hartford	5,285,027.58	5,285,027.58	-
CW2.TUNSTH.01	2013	5400	2015 SHCST Utility Relocation	Hartford	35,512.34	35,512.34	-
			Subtotal 5400		25,461,267.42	25,461,267.42	-
			Total Clean Water Program		94,962,827.27	94,962,827.27	-

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 Adil 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, spoke on the sewer user charge versus a sewer user fee.

ADJOURNMENT

The meeting was adjourned at 5:32 PM.

ATTEST:


John S. Mirtle, Esq.
District Clerk

October 21, 2019

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, October 21, 2019**

PRESENT: Commissioners Andrew Adil, Donald Currey, Allen Hoffman and Pasquale J. Salemi and District Chairman William A. DiBella; Citizen Members Ronald Angelo, Joan McCarthy Gentile and Linda King-Corbin (8)

ABSENT: Citizen Member Ram Aberasturria (1)

ALSO

PRESENT: Commissioner Denise Hall
Commissioner Jean Holloway
Commissioner Gary Lebeau
Commissioner Jackie Gorsky Mandyck
Commissioner Bhupen Patel
Scott W. Jellison, Chief Executive Officer
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Christopher Martin, Chief Financial Officer
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Lisa Remsen, Manager of Budget and Analysis
Shereese Rodgers, Senior Financial Analyst
Biviana Casanova, Financial Analyst
Nefertere Whittingham, Financial Analyst
Jeff Davis, Design Manager
Lisa Madison, Contract Specialist
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 12:07 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared.

**INTRODUCTION OF NEW CITIZEN MEMBER AND
ADMINISTRATION OF OATH OF OFFICE**

The District Clerk swore in Citizen Member Joan McCarthy Gentile of East Hartford.

APPROVAL OF MINUTES

On motion made by Commissioner Adil and duly seconded, the meeting minutes of the Board of Finance meeting of October 7, 2019 were approved.

FISCAL YEAR 2020 BUDGET

Chief Financial Officer Christopher Martin and Manager of Budget and Analysis Lisa Remsen presented on the 2020 Budget.

RIVERFRONT RECAPTURE

Chairman Salemi led a discussion regarding Riverfront Recapture.

CLEAN WATER PROJECT CHARGE

Chief Executive Officer Scott W. Jellison presented on the Clean Water Project Charge.

2020 WATER RATES

Chief Executive Officer Scott W. Jellison presented on the 2020 water rates.

AUDITOR SELECTION

Chief Financial Officer Christopher Martin presented on the auditor selection.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Peter Privitera, West Hartford Director of Financial services, spoke regarding the OPEB Plan, and suggested reconsidering the prefunding phase-in from 8 years to 10 years.

Judy Allen, of West Hartford, spoke regarding the impact of the Long Term Control Plan on the budget, the settlement charge and Riverfront Recapture.

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner Donald Currey spoke regarding Riverfront Recapture.

ADJOURNMENT

The meeting was adjourned at 2:50 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

November 6, 2019

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Wednesday, November 6, 2019**

PRESENT: Commissioners Andrew Adil, Donald Currey, Allen Hoffman and Pasquale J. Salemi and District Chairman William A. DiBella; Citizen Members Ram Aberasturria, Ronald Angelo and Linda King-Corbin (8)

ABSENT: Citizen Member Joan McCarthy Gentile (1)

ALSO

PRESENT: Commissioner Jackie Gorsky Mandyck
Commissioner Maureen Magnan
Commissioner Alphonse Marotta
Commissioner Whit Osgood
Commissioner Dominic Pane
Commissioner Bhupen Patel
Commissioner Raymond Sweezy
Scott W. Jellison, Chief Executive Officer
R. Bartley Halloran, District Counsel
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Kelly Shane, Chief Administrative Officer
Christopher Martin, Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Lisa Remsen, Manager of Budget and Analysis
Carrie Blardo, Assistant to the Chief Operating Officer
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 4:43 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared.

APPROVAL OF MINUTES

On motion made by Commissioner Hoffman and duly seconded, the meeting minutes of the Board of Finance meeting of October 21, 2019 were approved.

OPEB TRUST FUNDING

The following resolution amends and replaces the Board of Finance's prior resolution of October 7, 2019 establishing an OPEB Trust prefunding phase-in of 8 years supporting a discount rate of 6.75% with a fiscal year 2020 contribution of \$486,000.00.

To: Board of Finance for Consideration on November 6, 2019

BE IT HEREBY

RESOLVED: The District shall fund the OPEB Trust in the 2020 budget in the amount of \$389,000.00 and commence a 10 year prefunding phase-in.

**FURTHER
RESOLVED:** The OPEB Trust asset allocation be designed to support 6.75% discount rate.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

Without objection, Commissioner Hoffman requested a roll call vote.

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

The results of the roll call vote:

Yea to All: Commissioners Andrew Adil, Allen Hoffman; District Chairman William A. DiBella; Citizen Members Ram Aberasturria, Ronald Angelo and Linda King-Corbin (6)

Nays: Commissioner Donald Currey and Pasquale J. Salemi (2)

Abstentions: (0)

CLEAN WATER PROJECT CHARGE

No action was taken.

FUNDING OF RIVERFRONT RECAPTURE

To: Board of Finance for consideration on November 6, 2019

The Metropolitan District's FY20 contribution to Riverfront Recapture, Inc. shall remain as proposed in the draft budget at \$1,087,500.00, and be funded as follows: a) the sum of \$625,000.00 from water revenues; and b) the sum of \$462,500.00 from sewer revenues. The 2020 water usage rate and member town ad valorem payments shall be adjusted accordingly.

District Chairman DiBella moved to amend the above resolution and submitted the following in lieu of the above resolution:

Be it resolved that the Board of Finance recommends to the District Board of Commissioners that the District's FY20 contribution to Riverfront Recapture, Inc. be revised to \$1,120,000.00, and funded as provided in the draft FY20 budget submitted to the Board of Finance; and

Be it further resolved that there shall be a subcommittee of the Board of Finance comprised of a total of five (5) members, with three such members determined by the Chairperson of the Board of Finance, and one member each from the Bureau of Public Works and Water Bureau, as determined by the Chairperson of each bureau, charged with developing recommendations to the Board of Finance and the District Board on future financial support for Riverfront Recapture, Inc., whether such support is in lieu of or in conjunction with further financial support from The Metropolitan District; and

Be It further resolved that said subcommittee, which shall be referred to the Board of Finance Subcommittee on Funding of Riverfront Recapture, Inc., may, at its discretion, request the participation of and input from other stakeholders, including but not limited to representatives from Riverfront Recapture, Inc., State agencies of cognizance, and District member and non-member in its deliberations and final recommendations to the Board of Finance.

On motion made by District Chairman DiBella and duly seconded, the amendment was adopted by majority vote of those present. Commissioner Hoffman opposed the amendment.

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

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen submitted the following written comments and discussed the Long Term Control Plan.

11/5/2019

To the District Board of Finance

It would be helpful to have a response to the questions and comments below before the upcoming public hearing so my comments can be as informed as possible.

WATER RATES

Since the increase in the water rate for treated water is so high, please explain why the rate for untreated water remains the same. In the chart for water revenues, is raw water included in the "Sale of Water – Variable" section? If so, what percentage of that is included in this section?

GENERAL INSURANCE

Please explain the item under General Insurance called Liability – Claims which is described as contributions to a self-insurance fund that is to pay for claims not covered by insurance. Is this a fund to which contributions are made and if not used by the end of the year stays in the fund, and accumulates from year to year? That is, if the \$3 million budgeted for last year is not used by year's end, will that carry over and the \$4 million proposed for 2020 would result in a fund containing \$7 million? If not, and if expected \$3 million budgeted for in 2019 will be spent by year's end, can you explain what kinds of things that money was used for.

COLEBROOK

If responsibilities have ended at Colebrook, please explain why it still has a budget of \$183,200.

EMPLOYEE PAYROLL

Why aren't the employees and their titles included in all departments as they have been in previous years?

How many employee qualify for the 3% COLA? What is the total amount budgeted for the COLA for non-union employees?

CLEAN WATER PROJECT

Where in the budget is the rate for the CWP charge documented? Is there a separate budget kept for the CWP? If so, where can customers read that?

If the CWP charge is included in the proposed 2020 budget and since on customer bills it is identified as the CWP charge, could the same wording be used in the proposed budget so it's clear how those charges are accounted for?

MISC

Please explain what part of the levee the MDC actually owns and what part is the responsibility of Hartford and East Hartford? Will any of the \$2,200,000 in the CIP go toward what is the responsibility of Hartford and East Hartford? Or is this money exclusively to be used on the pipeline?

Is the CT DPH allotment actually increasing? The charge for 2020 is \$.15 which is less than the \$.33 in 2019 budget.

Does the proposed budget available on the website include any recent changes? Will updates be made available so comments at the public hearing will be informed by the actual proposed 2020 budget?

If the proposed budget is based on a water rate of \$4.01, and the claims and liability item is taken out of Special Agreements and programs in the amount of \$4,792,800 million, will the water rate decrease as a result? If not, why not?

Could the public hearing be video taped?

Thank you for any information you can provide.
Judy Allen
West Hartford

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner Sweezy asked the Board of Finance to consider sending the budget back to staff, in order to look for \$1 Million worth of budget cuts for Fiscal Year 2020.

ADJOURNMENT

The meeting was adjourned at 6:18 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

November 8, 2019

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Friday, November 8, 2019**

PRESENT: Commissioners Andrew Adil, Donald Currey, Allen Hoffman and Pasquale J. Salemi and District Chairman William A. DiBella; Citizen Members Ronald Angelo, Joan McCarthy Gentile and Linda King-Corbin (8)

ABSENT: Citizen Member Ram Aberasturria (1)

ALSO

PRESENT: Commissioner Denise Hall
Commissioner Jean Holloway
Commissioner Gary LeBeau
Commissioner Jackie Gorsky Mandyck
Commissioner Whit Osgood
Commissioner Dominic Pane
Commissioner Bhupen Patel
Commissioner Raymond Sweezy
Commissioner Alvin Taylor
Scott W. Jellison, Chief Executive Officer
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Kelly Shane, Chief Administrative Officer
Christopher Martin, Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Lisa Remsen, Manager of Budget and Analysis
Carrie Blardo, Assistant to the Chief Operating Officer
Kerry E. Martin, Assistant to the Chief Executive Officer
Julie Price, Professional Level Trainee
Victoria S. Escoriza, Executive Assistant
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 12:03 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

David Silverstone, Independent Consumer Advocate discussed payroll and also gave a preview of his statement that he will provide at the upcoming public hearing.

APPROVAL OF MINUTES

On motion made by Commissioner Adil and duly seconded, the meeting minutes of the Board of Finance meeting of November 6, 2019 were approved.

DISCUSSION RE: FISCAL YEAR 2020 BUDGET

The Board of Finance discussed the Fiscal Year 2020 Proposed Budget.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

David Silverstone, Independent Consumer Advocate, spoke regarding the Pension Assumptions, and wants to ensure we accurately capture data such as the mortality table.

Judy Allen, West Hartford Resident, submitted the following written comments and asked for clarification regarding the Clean Water Project Charge.

11/5/2019

To the District Board of Finance

It would be helpful to have a response to the questions and comments below before the upcoming public hearing so my comments can be as informed as possible.

WATER RATES

Since the increase in the water rate for treated water is so high, please explain why the rate for untreated water remains the same. In the chart for water revenues, is raw water included in the "Sale of Water – Variable" section? If so, what percentage of that is included in this section?

GENERAL INSURANCE

Please explain the item under General Insurance called Liability – Claims which is described as contributions to a self-insurance fund that is to pay for claims not covered by insurance. Is this a fund to which contributions are made and if not used by the end of the year stays in the fund, and accumulates from year to year? That is, if the \$3 million budgeted for last year is not used by year's end, will that carry over and the \$4 million proposed for 2020 would result in a fund containing \$7 million? If not, and if expected \$3 million budgeted for in 2019 will be spent by year's end, can you explain what kinds of things that money was used for.

COLEBROOK

If responsibilities have ended at Colebrook, please explain why it still has a budget of \$183,200.

EMPLOYEE PAYROLL

Why aren't the employees and their titles included in all departments as they have been in previous years?

How many employee qualify for the 3% COLA? What is the total amount budgeted for the COLA for non-union employees?

CLEAN WATER PROJECT

Where in the budget is the rate for the CWP charge documented? Is there a separate budget kept for the CWP? If so, where can customers read that?

If the CWP charge is included in the proposed 2020 budget and since on customer bills it is identified as the CWP charge, could the same wording be used in the proposed budget so it's clear how those charges are accounted for?

MISC

Please explain what part of the levee the MDC actually owns and what part is the responsibility of Hartford and East Hartford? Will any of the \$2,200,000 in the CIP go toward what is the responsibility of Hartford and East Hartford? Or is this money exclusively to be used on the pipeline?

Is the CT DPH allotment actually increasing? The charge for 2020 is \$.15 which is less than the \$.33 in 2019 budget.

Does the proposed budget available on the website include any recent changes? Will updates be made available so comments at the public hearing will be informed by the actual proposed 2020 budget?

If the proposed budget is based on a water rate of \$4.01, and the claims and liability item is taken out of Special Agreements and programs in the amount of \$4,792,800 million, will the water rate decrease as a result? If not, why not?

Could the public hearing be video taped?

Thank you for any information you can provide.

Judy Allen
West Hartford

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner LeBeau discussed public relations strategies in relation to the budget and fees.

Commissioner Currey requested that we provide responses to Judy Allen's Public Comments in writing and also discussed OPEB Trust Policies.

Commissioner Hoffman discussed budget priorities.

ADJOURNMENT

The meeting was adjourned at 3:20 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

November 18, 2019

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Monday, November 18, 2019**

PRESENT: Commissioners Andrew Adil, Donald Currey, Allen Hoffman and Pasquale J. Salemi and District Chairman William A. DiBella; Citizen Members Ram Aberasturia, Ronald Angelo, Joan McCarthy Gentile and Linda King-Corbin (8)

ABSENT: (0)

ALSO

PRESENT: Commissioner Denise Hall
Commissioner Jackie Gorsky Mandyck
Commissioner Dominic Pane
Scott W. Jellison, Chief Executive Officer
Christopher Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Kelly Shane, Chief Administrative Officer
Christopher Martin, Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Tom Tyler, Director of Facilities
Robert Zaik, Director of Human Resources
Lisa Remsen, Manager of Budget and Analysis
Biviana Casanova, Financial Analyst
Carrie Blardo, Assistant to the Chief Operating Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Independent 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 Adil and duly seconded, the meeting minutes of the Board of Finance meeting of November 8, 2019 were approved.

FISCAL YEAR 2020 - CAPITAL IMPROVEMENT BUDGET

To: Board of Finance for consideration on November 18, 2019

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

2020 CIP PROJECT RESOLUTION NO. 1

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

RESOLVED:

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

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

2020 CIP PROJECT RESOLUTION NO. 2

RESOLUTION APPROPRIATING \$2,200,000 FOR THE LEVEE PROTECTION SYSTEMS IN EAST HARTFORD AND HARTFORD 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 evaluation, design, repair or pipeline abandonment of penetrations through the levee protection systems in East Hartford and Hartford owned and operated by the District as required by the Army Corps of Engineers 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.

2020 CIP PROJECT RESOLUTION NO. 3

RESOLUTION APPROPRIATING \$1,500,000 FOR WASTEWATER PUMP STATION UPGRADES AND EQUIPMENT AND AUTHORIZING THE ISSUANCE OF \$1,500,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$1,500,000 is hereby appropriated for the design and/or construction of 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.

2020 CIP PROJECT RESOLUTION NO. 4

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

RESOLVED:

Section 1. The sum of \$3,000,000 is hereby appropriated for final pavement restoration of roads, 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.

2020 CIP PROJECT RESOLUTION NO. 5

RESOLUTION APPROPRIATING \$3,400,000 FOR THE SEWER REHABILITATION PROGRAM 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 the conduct of sewer system investigations (using closed circuit TV inspection, sonar laser or other methods) to support the design and construction of rehabilitation and replacement of 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.

2020 CIP PROJECT RESOLUTION NO. 6

RESOLUTION APPROPRIATING \$6,000,000 FOR VARIOUS SEWER PIPE REPLACEMENT/REHABILITATIONS – DISTRICT WIDE 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 and/or construction of sewer system upgrades, replacements and rehabilitation measures District-wide including emergency repairs as identified via on-going inspection 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.

2020 CIP PROJECT RESOLUTION NO. 7

RESOLUTION APPROPRIATING \$14,600,000 FOR THE HARTFORD SEWERSHED LARGE DIAMETER SEWER REHABILITATION – PHASE I AND AUTHORIZING THE ISSUANCE OF \$14,600,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$14,600,000 is hereby appropriated for the rehabilitation of large diameter sewers (combined and separated) located within the Hartford Water Pollution Control Facility sewershed as identified through on-going inspection, and legal, administrative and other financing costs related thereto. This project will reduce Combined Sewer Overflows in the Hartford WPCF collection system via inflow and infiltration reduction in large diameter Hartford sewers. 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.

2020 CIP PROJECT RESOLUTION NO. 8

RESOLUTION APPROPRIATING \$15,900,000 FOR WATER POLLUTION CONTROL FACILITIES INFRASTRUCTURE REHABILITATION, UPGRADES AND REPLACEMENT AND AUTHORIZING THE ISSUANCE OF \$15,900,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$15,900,000 is hereby appropriated for the design and construction of various infrastructure renewals and replacements at the District's four water pollution control facilities, including site wrap-up work at the Harford Water Pollution Control Facility and trickling filter and BNR upgrades at the Poquonock facility, 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.

2020 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 and/or rehabilitation of aging water mains and related system-wide equipment/infrastructure improvements to the District's water supply, treatment and distribution systems 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.

2020 CIP PROJECT RESOLUTION NO. 10

RESOLUTION APPROPRIATING \$3,000,000 FOR THE PAVING PROGRAM AND RESTORATION 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 final pavement restoration of roads, sidewalks, driveways, parking lots 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.

2020 CIP PROJECT RESOLUTION NO. 11

RESOLUTION APPROPRIATING \$4,000,000 FOR THE LONG HILL ROAD WATER MAIN IN EAST HARTFORD AND SOUTH WINDSOR AND AUTHORIZING THE ISSUANCE OF \$4,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$4,000,000 is hereby appropriated for construction of, inspection of, and associated work in connection with, new water mains along Long Hill Road and Chapel Road beginning at the East Hartford/South Windsor town line, 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.

2020 CIP PROJECT RESOLUTION NO. 12

RESOLUTION APPROPRIATING \$10,400,000 FOR THE WEBSTER HILL AREA WATER MAIN REPLACEMENT, WEST HARTFORD AND AUTHORIZING THE ISSUANCE OF \$10,400,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$10,400,000 is hereby appropriated for construction, inspection and work associated with the replacement of existing water mains and service reconnections in the Webster Hill area of West Hartford including, but not limited to those on Crestwood Road, Rumford Street, Rockledge Drive, Greystone Road, Carleton Road, Webster Hill Boulevard, Bentwood Rood and Ledgewood Road, 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.

2020 CIP PROJECT RESOLUTION NO. 13

RESOLUTION APPROPRIATING \$12,500,000 FOR WATER MAIN REPLACEMENTS, HARTFORD AND WETHERSFIELD AND AUTHORIZING THE ISSUANCE OF \$12,500,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$12,500,000 is hereby appropriated for construction, inspection and work associated with the replacement of existing water mains and service reconnections in Hartford and Wethersfield, including, but not limited to those in the Church Street and Nott Street area of Wethersfield and in the Saybrooke Street and Bonner street area of Hartford, 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.

2020 CIP PROJECT RESOLUTION NO. 14

RESOLUTION APPROPRIATING \$9,000,000 FOR THE WATER MAIN REPLACEMENT PROGRAM AND AUTHORIZING THE ISSUANCE OF \$9,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$9,000,000 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.

2020 CIP PROJECT RESOLUTION NO. 15

RESOLUTION APPROPRIATING \$800,000 FOR WATER PUMP STATION UPGRADES AND EQUIPMENT AND WATER TANK AND BASIN REHABILITATION, REPAIR AND IMPROVEMENTS AND AUTHORIZING THE ISSUANCE OF \$800,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$800,000 is hereby appropriated for the design and/or construction of upgrades, rehabilitation, replacements and improvements to the District's water pump stations including motors and pumps and water tanks and basin improvements to address mechanical, piping, process, electrical, instrumentation, water quality, equipment, security and control systems 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.

2020 CIP PROJECT RESOLUTION NO. 16

RESOLUTION APPROPRIATING \$2,000,000 FOR FLEET AND EQUIPMENT REPLACEMENT AND AUTHORIZING THE ISSUANCE OF \$2,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$2,000,000 is hereby appropriated for the replacement of, and/or upgrades to, transportation and power operated equipment, including the replacement or upgrade of approximately 35 vehicles and individual pieces of equipment including pick-ups, dump trucks, utility vans and mowers, 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.

2020 CIP PROJECT RESOLUTION NO. 17

RESOLUTION APPROPRIATING \$2,000,000 FOR FACILITIES AND EQUIPMENT IMPROVEMENTS AND AUTHORIZING THE ISSUANCE OF \$2,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$2,000,000 is hereby appropriated for the design and construction of a variety of improvements, including renewal and replacements at District administrative, operational, and maintenance facilities, which will address building envelopment, structural, architectural, mechanical, electrical, plumbing, fire protection, HVAC, security and site improvements, environmental abatement, and other relevant work, 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.

2020 CIP PROJECT RESOLUTION NO. 18

RESOLUTION APPROPRIATING \$4,500,000 FOR SURVEY & CONSTRUCTION AND AUTHORIZING THE ISSUANCE OF \$4,500,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$4,500,000 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.

2020 CIP PROJECT RESOLUTION NO. 19

RESOLUTION APPROPRIATING \$4,000,000 FOR ENGINEERING SERVICES AND AUTHORIZING THE ISSUANCE OF \$4,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$4,000,000 is hereby appropriated for 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.

2020 CIP PROJECT RESOLUTION NO. 20

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

RESOLVED:

Section 1. The sum of \$2,000,000 is hereby appropriated for the 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.

2020 CIP PROJECT RESOLUTION NO. 21

RESOLUTION APPROPRIATING \$4,000,000 FOR TECHNICAL SERVICES AND AUTHORIZING THE ISSUANCE OF \$4,000,000 BONDS OF THE DISTRICT TO MEET SAID APPROPRIATION

RESOLVED:

Section 1. The sum of \$4,000,000 is hereby appropriated for 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.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

On motion made my Commissioner Hoffman and duly seconded, agenda items #4B "BUDGET EXPENDITURES"; #4C "BUDGET REVENUES"; #4D "HYDROELECTRIC EXPENDITURES AND REVENUES"; #4E "REFERRAL OF PROPOSED 2020 BUDGET TO THE DISTRICT BOARD"; #5 "SUPPLEMENTAL RESOLUTION AND DECLARATION OF OFFICIAL INTENT"; agenda item #6 "FISCAL YEAR 2020 REVISIONS TO DISTRICT SEWER USER CHARGE RATES AND OTHER RELATED CHARGES" were tabled until the next Board of Finance meeting.

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

To: Board of Finance for consideration on November 18, 2019

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, 2019 was 256.759, representing a percentage from October 1, 2018 to October 1, 2019 of one and 70/100 percent (1.70%);

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

NOW THEREFORE BE IT RESOLVED:

1. Based on the evidence presented to the District Board, the District Board finds and determines, that the Threshold Amount in effect as of October 1, 2019 and thereafter is TWENTY-ONE MILLION FIVE HUNDRED EIGHTY-THREE THOUSAND EIGHT HUNDRED THIRTY-THREE 70/100 DOLLARS (\$21,583,833.70).

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

***On motion made my Commissioner Adil and duly seconded, agenda
item #8 "Fiscal Year 2020 – Tax on Member Municipalities" was
tabled until the next Board of Finance meeting.***

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Peter Privitera, West Hartford Director of Finance, asked questions regarding the budget.

ADJOURNMENT

The meeting was adjourned at 5:55 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

November 26, 2019

Date of Approval

**BOARD OF FINANCE
SPECIAL MEETING
The Metropolitan District
555 Main Street
Hartford, Connecticut 06103
Tuesday, November 26, 2019**

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

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

ALSO

PRESENT: Commissioner Jackie Gorsky Mandyck
Christopher Stone, Assistant District Counsel
R. Bartley Halloran, District Counsel
John S. Mirtle, District Clerk
Kelly Shane, Chief Administrative Officer
Christopher Martin, Chief Financial Officer
Christopher Levesque, Chief Operating Officer
Sue Negrelli, Director of Engineering
Robert Zaik, Director of Human Resources
Lisa Remsen, Manager of Budget and Analysis
Shereese Rodgers, Senior Financial Analyst
Biviana Casanova, Financial Analyst
Nefertere Whittingham, Financial Analyst
Carrie Blardo, Assistant to the Chief Operating Officer
Kerry E. Martin, Assistant to the Chief Executive Officer
Victoria S. Escoriza, Executive Assistant
David Silverstone, Independent Consumer Advocate

CALL TO ORDER

Chairman Salemi called the meeting to order at 12:03 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

APPROVAL OF MINUTES

On motion made by Commissioner Adil and duly seconded, the meeting minutes of the Board of Finance meeting of November 18, 2019 were approved.

2019 OPERATING BUDGET TRANSFER

To: Board of Finance for consideration on November 26, 2019

The 2019 Metropolitan District operating budget is currently experiencing deficits in the Operations budget. The Operations department is anticipating shortfalls due to the volume of water main breaks.

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 70 – Debt Service	<u>\$75,000.00</u>	<u>\$225,000.00</u>	<u>\$300,000.00</u>
Total	<u>\$75,000.00</u>	<u>\$225,000.00</u>	<u>\$300,000.00</u>

Christopher Martin
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 2019 Budget Appropriations be approved as follows:

From:	General	Water	Total
Department 70 – Debt Service	<u>\$75,000.00</u>	<u>\$225,000.00</u>	<u>\$300,000.00</u>
Total	<u>\$75,000.00</u>	<u>\$225,000.00</u>	<u>\$300,000.00</u>
To:	General	Water	Total
Department 30 – Operations	<u>\$75,000.00</u>	<u>\$225,000.00</u>	<u>\$300,000.00</u>
Total	<u>\$75,000.00</u>	<u>\$225,000.00</u>	<u>\$300,000.00</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.

Without objection, Agenda item #5 “Cohn Reznick Update” was moved to the end of the meeting.

FISCAL YEAR 2020 - BUDGET EXPENDITURES

To: Board of Finance for consideration on November 26, 2019

It is **RECOMMENDED** that it be

Voted: That the estimated 2020 budget expenditures in the total amount of **\$197,685,300** be referred to the District Board for acceptance and approval as follows:

Budget Appropriations	Water	Sewer	Total
District Board	\$211,900	\$203,600	\$415,500
Executive Office	\$1,531,700	\$1,471,600	\$3,003,300
Legal	\$810,800	\$779,000	\$1,589,800
Information Technology	\$5,543,700	\$2,730,500	\$8,274,200
Finance	\$3,663,400	\$3,519,900	\$7,183,300
Environment, Health and Safety	\$486,500	\$467,500	\$954,000
Engineering and Planning	\$690,000	\$662,900	\$1,352,900
Customer Service	\$2,864,800	\$1,475,800	\$4,340,600
Operating Office	\$448,600	\$431,000	\$879,600
Operations	\$8,250,500	\$2,750,100	\$11,000,600
Laboratory Services	\$940,900	\$868,400	\$1,809,300
Water Pollution Control	-	\$17,616,800	\$17,616,800
Maintenance	\$5,866,400	\$5,636,200	\$11,502,600
Water Treatment & Supply	\$8,426,900	-	\$8,426,900
Patrol	\$1,672,100	-	\$1,672,100
Debt Service	\$33,825,200 \$17,024,700	\$36,468,600 \$13,929,300	\$70,293,800
Employee Benefits	<u>\$17,202,900</u>	<u>\$14,075,100</u>	<u>\$30,954,000</u>

			\$31,278,000
General Insurance	\$3,556,000	\$2,370,700	\$5,926,700
Taxes and Fees	\$3,810,500	-	\$3,810,500
Special Agreements and Programs	\$3,201,600 <u>\$3,023,400</u>	\$1,497,200 <u>\$1,351,400</u>	\$4,698,800 <u>\$4,374,800</u>
Contingencies	-	\$1,980,000	\$1,980,000
Total Water and Sewer Budget	\$ 102,826,200	\$94,859,100	\$197,685,300

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

Without objection Chairman DiBella amended the resolution as shown above in redline.

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

FISCAL YEAR 2020 - BUDGET REVENUES

To: Board of Finance for consideration on November 26, 2019

It is **RECOMMENDED** that it be

Voted: That the 2020 Budget Revenues in the total amount of **\$197,685,300** be referred to the District Board for acceptance and approval as follows:

Revenue	Total
Water Revenues	
Operating Revenues	
Sale of Water	\$ 94,093,600
Other Operating Revenues	6,450,000
Subtotal Operating Revenues	<u>100,543,600</u>
Non-Operating Revenues	2,282,600
Total Source of Revenues – Water Operations	<u>\$ 102,826,200</u>
Sewer Revenues	
Operating Revenues	
Tax on Member Municipalities	\$ 51,475,700
Revenue from Other Government Agencies	5,566,400
Other Sewer Revenues	17,414,100
Sewer User Charge Revenues	20,402,900
Total Source of Revenues – Sewer Operations	<u>\$ 94,859,100</u>
Total Source of Revenues – Water and Sewer Operations	\$ 197,685,300

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

FISCAL YEAR 2020 - HYDROELECTRIC EXPENDITURES AND REVENUES

To: Board of Finance for consideration on November 26, 2019

It is **RECOMMENDED** that it be

Voted: That the Board of Finance recommends to the District Board for acceptance and approval an appropriation of \$610,300 for the operation of the Hydroelectric Program.

Further Voted: That the Board of Finance recommends to the District Board for acceptance and approval estimated Hydroelectric revenues of \$610,300 in support of operations as follows:

Power Sales	\$ 610,300
-------------	------------

Interest Income	0
Designated from Surplus	0
Total Hydroelectric	<u>\$ 610,300</u>

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

SUPPLEMENTAL RESOLUTION AND DECLARATION OF OFFICIAL INTENT

To: Board of Finance for consideration on November 26, 2019

AUTHORIZATION TO ISSUE GENERAL OBLIGATION BONDS NOT TO EXCEED \$110,800,000

WHEREAS, the District Board has resolved today to appropriate and issue Bonds for those capital improvements projects numbered 1- 21, inclusive; and

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

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

Now THEREFORE BE IT RESOLVED:

Section 1. To meet the appropriations for the projects set forth in the 2020 CIP Resolutions Nos. 1- 21 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.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

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

FISCAL YEAR 2020 - REVISIONS TO DISTRICT SEWER USER CHARGE RATES AND OTHER SEWER CHARGES

To: Board of Finance for consideration on November 26, 2019

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 2020 budget in support of sewer operations calls for a sewer user charge rate of \$5.15, which is 11.0% higher than the prior year.

Additionally, in support of the 2020 budget and in accordance with Section S12l of the District's Ordinances, the monthly sewer customer service charge will increase to \$7.00, effective January 1, 2020.

There will be an Administrative Review Fee for work performed by the Utility Services department, Engineering, Real Estate, Environment, Health & Safety, and others related to customer requests. The Administrative Review Fee includes, but is not limited to, the following individual services: availability and capacity analysis, assessment calculation, permit applications for non-domestic sewage wastewater discharges (including, but not limited to, individual permits, Significant Industrial Users, Categorical Industrial User Wastewater to a POTW, Food Service Establishment Wastewater, Groundwater Remediation Wastewater, Miscellaneous Discharges of Sewer Compatible (MISC) Wastewater, Vehicle Maintenance Wastewater), encroachment permits, abandonment of infrastructure, Engineering/Environmental surveys and documentation requests.

There will be an Annual Wastewater Discharge Compliance Fee for all permitted wastewater discharges categorized as non-domestic sewage discharges, including but limited to, individual permits, Significant Industrial Users, Categorical Industrial User Wastewater to a POTW, Food Service Establishment Wastewater, Groundwater Remediation Wastewater, Miscellaneous Discharges of Sewer Compatible (MISC) Wastewater, Vehicle Maintenance Wastewater. The charge is related costs associated with annual administration and review of discharge monitoring reports, verification of discharges and inventorying and management of customer data.

Following the cost trends for the sewer user charge rate, it is recommended the BOD and COD rate be increased to \$0.61 and \$0.61 per pound respectively. In addition, the suspended solids strength charge will increase to \$0.50 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. BOD (biochemical oxygen demand) strength charge rate based on pounds of BOD for the concentration of BOD exceeding 300 milligrams per liter (mg/l); AND/OR 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 remain at \$250.00 for the 2020 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, 2020, 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.

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	\$0.07/gal
Tier 3--	700,000+ avg. gallons per month	\$0.05/gal

FOG Charges: Fees are charged to Class III and IV and FDA class 2, 3, and 4 Food Service Establishments FSE or any other facility that is likely to discharge fats, oils and grease above the effluent limit of 100 mg/l 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 Service Establishments.

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 five dollars and fifteen cents (\$5.15) per hundred cubic feet of sewer flow be effective for meter readings on and after January 1, 2020 and that, effective January 1, 2020, a sewer user customer service charge of seven dollars (\$7.00) per month, a BOD strength charge of sixty-one cents (\$0.61) per pound be billed on sewer flow for that concentration of BOD exceeding 300 milligrams per liter; a COD strength charge of sixty-one cents (\$0.61) per pound be billed on sewer flow for that concentration of COD exceeding 700 milligrams per liter; and a suspended solids strength charge of fifty cents (\$0.50) 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 (f/k/a Special Sewer Service Charge) shall be \$4.10 per ccf commencing January 1, 2020.

Also Voted: That the District Board approve the following schedule of fees effective January 1, 2020.

Installation, Repair or Replacement of Company Meters

Fees are charged to wastewater dischargers that require metering of discharges for billing purposes. The charge is for the initial District meter installation and required repair or replacement of District meter as needed during the permitted discharge period.

5/8" meter	\$250.00
3/4" meter	\$260.00
1" meter	\$300.00
1-1/2" meter	\$1,000.00
2" meter	\$1,300.00
3" meter	\$1,430.00
4" meter	\$1,700.00
6" meter	\$2,700.00
8" meter	\$4,100.00
Open Channel Sewer	\$9,500.00
Radio transmitter unit	\$200.00

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	\$0.07
Tier 3--	700,000+ avg gallons per month	\$0.05

Sewer User Charge Late Filing/Sewage Evaluation Fees \$250.00**Administrative Review for Sewer Services Fee** \$540.00

Includes, but is not limited to, the following individual services: availability and capacity analysis, assessment calculation, permit applications for non-domestic sewage wastewater discharges (individual permits, Significant Industrial Users, Categorical Industrial User Wastewater to a POTW, Food Service Establishment Wastewater, Groundwater Remediation Wastewater, Miscellaneous Discharges of Sewer Compatible (MISC) Wastewater, Vehicle Maintenance Wastewater), encroachment permits, abandonment of infrastructure, Engineering/Environmental surveys and documentation requests

Annual Wastewater Discharge Compliance Fee \$150.00

For all permitted wastewater discharges categorized as non-domestic sewage discharges, including but limited to, individual permits, Significant Industrial Users, Categorical Industrial User Wastewater to a POTW, Food Service Establishment Wastewater, Groundwater Remediation Wastewater, Miscellaneous Discharges of Sewer Compatible (MISC) Wastewater, Vehicle Maintenance Wastewater. The charge is related costs associated with annual administration and review of discharge monitoring reports, verification of discharges and inventorying and management of customer data.

Wastewater Discharge Compliance Fees

Failure to submit Registration or Variance Applications	\$500.00
---------------------------------------------------------	----------

Disallow Inspection	\$225.00
Failure to maintain discharge records including analytical results and discharge volumes	\$200.00
No FOG management or pre-treatment equipment installed	\$200.00
Non-compliant FOG management or pre-treatment equipment installed	\$200.00
Failure to properly maintain/service FOG and pre-treatment equipment to maintain proper working order and provide inspection and maintenance records as required.	\$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	\$1,000.00
Source of sanitary sewer overflow - Actual costs will be billed to the facility for time and materials related to the overflow	minimum \$1,000.00 or Actual Cost whichever is greater

Wastewater Discharge Violation Correction Schedule

Discharge and/or Equipment not registered	7 days
No FOG management or pre-treatment equipment 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 Notice of Violation within the schedule listed above.

Respectfully Submitted,

Scott W. Jellison
Chief Executive Officer

FISCAL YEAR 2020 - TAX ON MEMBER MUNICIPALITIES

To: Board of Finance for consideration on November 26, 2019

A Fiscal Year 2020 Tax Levy on The Metropolitan District's member municipalities in the amount of \$51,475,700 is recommended in support of the proposed 2020 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 2020 will be equivalent to 50% of the total 2019 tax levy. This amount (when paid) will be subtracted from the total 2020 tax levy: the balance is the amount due in the second half of the year.

Apportionment of the Fiscal Year 2020 tax among the member municipalities and the amount due on each installment will be as follows:

Tax History by Town	2016	2017	2018	2019	2020
Hartford	\$10,174,900	\$10,963,200	\$11,550,400	\$12,372,000	\$13,035,400
East Hartford	\$4,762,000	\$5,059,400	\$5,486,600	\$5,775,200	\$6,089,300
Newington	\$3,508,400	\$3,752,900	\$4,120,900	\$4,318,900	\$4,623,100
Wethersfield	\$3,207,700	\$3,408,200	\$3,707,800	\$3,979,400	\$4,240,800
Windsor	\$3,404,700	\$3,656,900	\$4,001,500	\$4,274,900	\$4,611,600
Bloomfield	\$2,936,000	\$3,067,100	\$3,256,200	\$3,488,600	\$3,879,300
Rocky Hill	\$2,239,700	\$2,475,800	\$2,712,500	\$2,909,600	\$3,144,100
West Hartford	\$8,710,900	\$9,286,900	\$10,168,100	\$11,034,500	\$11,852,100
Total	\$38,944,300	\$41,670,400	\$45,004,000	\$48,153,100	\$51,475,700

It is **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 \$51,475,700, shall be due and payable in favor of The Metropolitan District in four installments on the following due dates: the first installment, totaling \$12,038,275, shall be due and payable on January 15, 2020; the second installment, totaling \$12,038,275, shall be due and payable on April 15, 2020; the third installment, totaling \$13,699,575, shall be due and payable on July 15, 2020; and the fourth installment, totaling \$13,699,575, shall be due and payable October 21, 2020. Apportionment of the Fiscal Year 2020 tax among the member municipalities and the amount due on each installment shall be as follows:

Installment Date	1/15/2020	4/15/2020	7/15/2020	10/21/2020	Total
Hartford	\$3,093,000	\$3,093,000	\$3,424,700	\$3,424,700	\$13,035,400
East Hartford	1,443,800	1,443,800	1,600,850	1,600,850	6,089,300
Newington	1,079,725	1,079,725	1,231,825	1,231,825	4,623,100
Wethersfield	994,850	994,850	1,125,550	1,125,550	4,240,800
Windsor	1,068,725	1,068,725	1,237,075	1,237,075	4,611,600
Bloomfield	872,150	872,150	1,067,500	1,067,500	3,879,300
Rocky Hill	727,400	727,400	844,650	844,650	3,144,100
West Hartford	2,758,625	2,758,625	3,167,425	3,167,425	11,852,100
Total	\$12,038,275	\$12,038,275	\$13,699,575	\$13,699,575	\$51,475,700

Respectfully Submitted,

Scott W. Jellison

Chief Executive Officer

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

COHN REZNICK UPDATE

Melissa Ferrucci and Lisa Cantone of Cohn Reznick provided an update to the Board of Finance

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen, West Hartford Resident, spoke regarding the DEEP Groundwater Discharge; asked for an explanation of details regarding budget increases; and asked commissioners to speak directly into microphones and announce their names.

ADJOURNMENT

The meeting was adjourned at 2:33 PM

ATTEST:


John S. Mirtle, Esq.
District Clerk

February 3, 2020

Date of Approval

INDEX

To

MINUTES OF THE BOARD OF FINANCE

Board of Finance Index - 2019

	Page
A	
AUDITOR	
Required Auditor Communications	22
B	
BUDGET	
2020 Budget Expenditures	71
2020 Budget Revenues	72
2020 Capital Improvement Budget	58
2020 Hydroelectric Expenditures & Revenues	73
2020 Sewer User Charge Rates	78
Supplemental Resolution & Official Intent	74
BUDGET TRANSFER	
2019 Operating Budget	70
2019 Operating Budget	22
Independent Consumer Advocate	28
Independent Consumer Advocate	4
C	
CAPITAL IMPROVEMENT PROJECT BUDGET	
Increase to 2019 CIP Water Main Replacement Program	7
CLOSEOUT OF CAPITAL IMPROVEMENT PROJECTS	
Water, Sewer, Combined, & CWP	38
COMPREHENSIVE ANNUAL FINANCIAL REPORT	
2018 CAFR	14
F	
STATE OF CT FINANCING	
CWF 657-CD1	36

	Page
CWF 691-C	34
G	
GENERAL FUND BALANCE POLICY	
Establishment of Policy	27
Postponed	22
GENERAL OBLIGATION BONDS & GENERAL OBLIGATION BANS	
\$92M GO Refunding Bonds & \$90M GO BANS	14
GENTILE, JOAN McCARTHY	
Introduction of & Swearing in New Citizen Member	44
O	
OPEB TRUST	
Funding & Discount Rate	34
Funding & Discount Rate	47
R	
REFERENDUM THRESHOLD	
Setting Referendum Threshold	66
RIVERFRONT RECAPTURE	
Funding	48
S	
SEWER USER CHARGE STUDY	
Raftelis Financial Consultants	37
T	
TAX	
2020 Ad Valorem Tax	82
Fringe Benefit Vehicle Tax	26