USDA Conference Call - Discussion Points
(8-20-18)

• (DJ) - Attendees At The New Hartford End Of Con-Call:

Dan Jerram - First Selectman; Mike Crawford - Executive Aquarion; Bud Butler Chairman WPCA - (You Have Present At Our End of the call The Principals For Each Entity That Touches The Water & Sewer Enterprise In New Hartford)

• Set The Record Straight -

New Hartford Is Not Seeking Relief From Its USDA Debt   All USDA Outstanding Loans & Town Note To Be Retired In Full

• Actions Taken & Planned -

New Hartford Utilized A Competitive RFP Process To Accept A High Bid of $ 8M From Aquarion Water For Its Sewer & Water Assets

100% Reinvestment of Proceeds (After Debt Retirement) To Expand Sewer System - Provide Stabilization through Subsidized Rates For Defined Period

• (BB) - Why Take These Steps -

- $100,000 Plus Loss Last Fiscal Year - Never Shown A Profit

- No Capital Improvements Over The Last Five Years (52% water lines Installed Before 1895; Sewer Collection System Is 50 Years Old) - Major Wet Well & Sewer Main In Failure Mode

- Users Burdened With State’s Highest Water/Sewer Rates - $8.08/K-Water; $20.38/K-Sewer - plus meter rates

Consumption Down 25%+ Since 2015; Users Are At The Bottom Of (4) Economic Sectors In Census Quadrants
USDA Conference Call - Discussion Points  
(8-20-18)

- Property Vacancy Rates Range To 6% = ZERO Usage; Another 12% Use 3,000 (or) Less GPQ; Only (2) New Sewer Customers In (17) Years In A Base Of 565 Water Users & 326 Sewer Users

- We Have No Options To Combine With Another Municipal Entity

- (DJ) - Benefits Of New Hartford’s Plan -

  USDA Gets its Money 20+ Years Ahead Of Loan Term - Reinvestment Opportunity To Fulfill USDA Charter

  New Hartford Provides Rate Stabilization & Improves Affordability of Basic Services To Disadvantaged Users

  New Hartford Expands Sewer System Providing Basis For Viable Water/Sewer Entity & Stabilized User Fees

  Action Means - Professional Management; Formation Of A Public Private Partnership To Foster A “Best Practices Outcome”

  Assures Avoidance Of “Dire Straights” Conclusion - Potential Damage To Environment - i.e. Pollution Of Drinking Water Aquifer & Wild & Scenic Farmington River; Marginalizes The Potential For Forfeiture Of Debt; A Takeover By State Of Connecticut DPH & DEEP

####