



TESTIMONY BY MAYOR MARCIA LECLERC, TOWN OF EAST HARTFORD

Planning and Development Committee

March 14, 2014

Senate Bill 332: An Act Amending the Charter of the Metropolitan District in Hartford County

Thank you for the opportunity to provide written testimony regarding Senate Bill 332. My name is Marcia Leclerc and I serve as the Mayor of East Hartford, a member town of the Metropolitan District. I am before you today, to speak on Senate Bill 332, related to the MDC.

My comments will be brief but will underscore the complexity of the issues not addressed by the bill that will have a negative effect on my community.

Non-member town surcharge has been in existence for over 70 years and for the most part, mirrored the amount of the customer service charge applied to all MDC customers, regardless of whether or not they reside in a member town.

The surcharge simply reflects the MDC's effort to recapture a contribution from nonmember town customers for the financing costs associated with capital investments as in infrastructure capital improvement projects that, in effect, created the water transmission, treatment and distribution system, which, in its absence, would make serving these nonmember towns impossible.

Passage of this bill will provide membership rights to nonmember towns, which is of great concern to my community.

Changes in the current rate structure that place additional burdens on the poorest towns in the region will also adversely affect MDC's credit rating.

It should be noted that per the attached, for 2014 and beyond, the average nonmember town customer will pay LESS for water than the member town customer, even if the NMT remained at \$105.

There have been significant front-end costs, ongoing liabilities and financial commitments and risks borne by our eight towns to the exclusion of nonmember towns. This must be recognized. To provide water at the same cost to nonmember town customers extends the benefits of regional cooperation to towns that have decided, for whatever reason, not to join this regional entity.

Simply put, nonmember towns enjoy all the benefits of MDC, without the responsibilities of ownership. There **should** be an additional cost to nonmember town customers for enjoying the benefits, while avoiding the burden, of the creation of a water infrastructure and delivery system that they decided not to contribute to. Without this infrastructure, it would be impossible for them to access MDC water.

If they want to avoid the NMT, the solution is a petition to become member town in the MDC. They have chosen not to, but just as membership has its costs, so does the decision to remain a nonmember town.

As noted, what started as a financial issue has morphed into a claim that nonmember towns deserve a seat on the MDC board, albeit as ex-officio members with voting rights solely on water issue affecting them, i.e., rates? This is unacceptable. Without repeating the argument above, there are benefits and burdens to MDC membership. Our towns assume certain liabilities, extend their full faith and credit for borrowing purposes, and accept the financial responsibility to make sure our water and sewer systems are regulatory compliant and deliver these public services efficiently without interruption. To allow nonmember towns to set MDC policy and dilute the authority of our existing town membership again provides a benefit without any corresponding burden the investment by member towns upon joining and remaining a part of the MDC confers on those towns voting rights to the exclusion of nonmember towns.

In regards to the issue of Riverfront recapture I draw upon the 1997 actions of the General Assembly which modified MDC's charter to take on responsibilities on the riverfront, it did so in recognition that MDC was playing a significant role in improving the river and could help the riverfront parks achieve their full potential as catalysts for regional revitalization.

Through MDC's efforts to improve water quality in the river, a healthy fish population and wildlife – including bald eagles – have returned to the river. Through MDC's regular maintenance of the riverfront park system, people have discovered the unique variety of water-based recreational activity that isn't possible in most local parks. As a result, the parks are making a significant contribution to improving the region's quality of life for people who live and work here, making the region a more attractive destination for visitors, and creating a stronger environment for economic investment.

MDC's involvement with the riverfront parks is having a profound, positive effect on the region. That historic agreement has guided this success for over 15 years. In recognition of that success I ask that this continue.

Thank you for your time today.