

THE METROPOLITAN DISTRICT COMMISSION

555 Main Street
Hartford, Connecticut 06103
Monday, April 14, 2016

Present: Commissioners Donald M. Currey, Timothy Curtis, William A. DiBella, Janice Flemming, Allen Hoffman, Jean Holloway, Kathleen J. Kowalyshyn, Joseph H. Kronen, Byron Lester, Maureen Magnan, Alphonse Marotta, James S. Needham, Bhupen Patel, Mark A. Pappa, Hector Rivera, Pasquale J. Salemi, Helene Shay, and Richard W. Vicino and Special Representative Michael Carrier (19)

Absent: Commissioners Andrew Adil, Luis Caban, Daniel Camilliere, Mary Anne Charron, Matthew B. Galligan, William P. Horan, Sandra Johnson, Joseph Klett, J. Lawrence Price, Kennard Ray, Michael Solomonides, Raymond Sweezy and Michael A. Toppi (13)

Also

Present: Scott W. Jellison, Chief Executive Officer
John M. Zinzarella, Deputy Chief Executive Officer, Business Services
R. Bartley Halloran, District Counsel
Brendan Fox, Assistant District Counsel
Christopher R. Stone, Assistant District Counsel
John S. Mirtle, District Clerk
Rob Constable, Director of Finance
Sue Negrelli, Director of Engineering
Robert Schwarm, Director of Information Technology
Robert Zaik, Manager of Labor Relations
Kerry E. Martin, Assistant to the Chief Executive Officer
Cynthia A. Nadolny, Executive Assistant

CALL TO ORDER

The meeting was called to order by Chairman DiBella at 5:39 PM

ROLL CALL AND QUORUM

The District Clerk called the roll and informed Chairman DiBella that a quorum of the Commission was present, and the meeting was declared a legal meeting of the District Board of The Metropolitan District of Hartford County, Connecticut.

PLEDGE OF ALLEGIANCE

Those in attendance stood and recited the Pledge of Allegiance.

**INTRODUCTION OF NEW COMMISSIONER AND ADMINISTRATION OF OATH
OF OFFICE**

The District Clerk swore in Commissioner Bhupen Patel of Newington.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

Judy Allen of 25 Fowler Drive, West Hartford, raised concerns about the March 7, 2016 District Board Minutes.

APPROVAL OF MINUTES

On motion made by Commissioner Salemi and duly seconded, the meeting minutes of March 7, 2016 were approved.

Commissioner Patel abstained.

Chairman DiBella asked if there was any objection to take the agenda items out of order. Hearing no objection, Chairman DiBella stated the agenda items would be taken up in the following order: #10A APPROVAL OF STATE OF CONNECTICUT FINANCING - CWF 686C; #10B AMENDED AND RESTATED APPROVAL FOR STATE OF CONNECTICUT FINANCING DWSRF NO. 2014-7033; #10C APPROVAL OF STATE OF CONNECTICUT FINANCING 690PG; #10D 2015 OPERATING BUDGET TRANSFER; #11 REFERRAL OF NAMING 231 BRAINARD ROAD BUILDING AFTER FORMER DISTRICT CHAIRMAN JOHN J. ROSSI TO COMMITTEE; #9B CONSIDERATION OF AND POSSIBLE ACTION RE: AUTHORIZATION FOR DISTRICT CLERK TO EXECUTE A CERTIFICATE OF AUTHORITY FOR WILMINGTON TRUST; #9A CONSIDERATION OF AND POSSIBLE ACTION RE: COST REDUCTION INITIATIVES; #7 REPORT FROM DISTRICT CHAIRMAN; #8 REPORT FROM CHIEF EXECUTIVE OFFICER

BOARD OF FINANCE**APPROVAL FOR STATE OF CONNECTICUT FINANCING - CWF NO. 686-C**

To: District Board

April 14, 2016

From: Board of Finance

Staff seeks approval from your Board to execute and deliver the Interim Funding Obligation and/or Project Loan Obligation to the State of Connecticut for CWF No. 686-C having a principal amount of \$4,657,150.97 and having an interest rate of 2.00%.

The low interest loan and grant will fund the relocation of Eversource ductbanks and installation of geotechnical monitoring points to facilitate the construction of the South Hartford Conveyance Storage Tunnel.

The State of Connecticut, through the Clean Water Fund Program, will provide \$6,429,262.94 in state funding with approximately \$1,772,111.97 in grants and \$4,657,150.97 in low interest loans at 2.00% to fund the expenses associated with this agreement.

Bond Counsel prepared the following resolution for your approval.

At a meeting of the board of finance held on April 14, 2016, it was:

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

RESOLVED:

Section 1. The Chairman and the District Treasurer or Deputy Treasurer are authorized to execute and deliver the Project Loan and Project Grant Agreement CWF No. 686-C to be entered into with the State of Connecticut (the "Agreement") and any and all Interim Funding Obligations and Project Loan Obligations for CWF No. 686-C in the aggregate amount not to exceed \$4,657,150.97. Such Interim Funding Obligations shall be dated as of their date of issue, shall mature within six months of the Scheduled Completion Date, shall bear interest at the rate of two percent (2.00%) per annum, shall be payable as to principal and interest as provided in the Agreement and, to the extent not paid prior to maturity from The Metropolitan District funds, may be renewed by the issuance of Interim Funding Obligations or Project Loan Obligations, all as provided in the Agreement. Capitalized terms used herein and not defined shall have the meanings ascribed to them in the Agreement.

Section 2. The Project Loan Obligations shall be dated as of their date of issue, shall mature no later than twenty years from the Scheduled Completion Date, shall bear interest at the rate of two percent (2.00%) per annum and shall be payable as to principal and interest as provided in the Agreement.

Respectively submitted,

John S. Mirtle, Esq.
District Clerk

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

**BOARD OF FINANCE
AMENDED AND RESTATED APPROVAL FOR STATE OF CONNECTICUT
FINANCING – DWSRF NO. 2014-7033**

To: District Board

April 14, 2016

From: Board of Finance

Staff seeks approval from your Board to amend and restate the resolution of the Board of Finance dated May 7, 2014 concerning the State of Connecticut Financing – DWSRF No. 2014-7033, to execute and deliver the Interim Funding Obligation and Project Loan Obligation to the State of Connecticut now having a principal amount of \$1,501,319.93 and having an interest rate of 2.00%.

The low interest loan and grant will fund pipeline modifications and instrumentation at the West Hartford Water Treatment Facility and the replacement of a water main along Pitkin Street in East Hartford.

The State of Connecticut, through the Drinking Water State Revolving Fund Program, will provide \$1,619,546.87 in state funding with approximately \$118,226.94 in grants and \$1,501,319.93 in low interest loans at 2.00% to fund the expenses associated with this agreement.

Bond Counsel prepared the following resolution for your approval.

At a meeting of the board of finance held on April 14, 2016, it was:

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

RESOLVED:

Section 1. The Chairman and the District Treasurer or Deputy Treasurer are authorized to execute and deliver any and all Interim Funding Obligations and Project Loan Obligations in the aggregate amount not to exceed \$1,501,319.93. Such Interim Funding Obligations shall be dated as of their date of issue, shall mature within six months of the Scheduled Completion Date, shall bear interest at the rate of two percent (2.00%) per annum, shall be payable as to principal and interest as provided in the Project Loan and Subsidy Agreement DWSRF No. 2014-7033 to be entered into with the State of Connecticut (the "Agreement") and, to the extent not paid prior to maturity from The Metropolitan District funds, may be renewed by the issuance of Interim Funding Obligations or Project Loan Obligations, all as provided in the Agreement. Capitalized terms used herein and not defined shall have the meanings ascribed to them in the Agreement.

Section 2. The Project Loan Obligations shall be dated as of their date of issue, shall mature no later than twenty years from the Scheduled Completion Date,

shall bear interest at the rate of two percent (2.00%) per annum and shall be payable as to principal and interest as provided in the Agreement.

Section 3. This resolution amends and restates a resolution of the District Board dated May 7, 2014 concerning the State of Connecticut Financing – DWSRF No. 2014-7033.

Respectively submitted,

John S. Mirtle, Esq.
District Clerk

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

**BOARD OF FINANCE
APPROVAL FOR STATE OF CONNECTICUT FINANCING
CWF NO. 690-PG**

To: District Board

April 14, 2016

From: Board of Finance

Staff seeks approval from your Board to execute and deliver the Project Grant Agreement between the District and the State of Connecticut for CWF No. 690-PG having a grant amount of \$264,282.70.

The grant will fund the development of an asset management program covering water distribution, sanitary and combined sewer infrastructure, water and wastewater facilities in accordance with the Engineering Agreement approved by the Commissioner of Public Health dated October 22, 2015.

Bond Counsel prepared the following resolution for your approval.

At a meeting of the board of finance held on April 14, 2016, it was:

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

RESOLVED:

Section 1. The Chairman and the District Treasurer or Deputy Treasurer are authorized to execute and deliver the Project Grant Agreement CWF No. 690-PG to be entered into with the State of Connecticut (the "Agreement") and

any and all documents and instruments ancillary thereto and to accept the grant thereunder in amount of 264,282.70, or such additional amounts as may be made available thereunder.

Respectively submitted,

John S. Mirtle, Esq.
District Clerk

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

**BOARD OF FINANCE
2015 OPERATING BUDGET TRANSFER**

To: District Board

April 14, 2016

From: Board of Finance

The 2015 Metropolitan District operating budget is experiencing a deficit in the Information Technology and Special Agreements & Programs budgets. The Information Technology deficit is the result of the increased software maintenance services during the year. The Special Agreements & Programs budget deficit is due to the Districts portion of increased construction associated with Mattabassett District.

CERTIFICATIONS:

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

	General	Water	Total
Department 701 – Debt Service	<u>\$16,780,000.00</u>	<u>\$14,787,400.00</u>	<u>\$31,567,400.00</u>
Total	<u>\$16,780,000.00</u>	<u>\$14,787,400.00</u>	<u>\$31,567,400.00</u>

John M. Zinzarella
Chief Financial Officer

It is therefore RECOMMENDED that it be:

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

Resolved: That transfers within the 2015 Budget Appropriations be approved as follows:

From:	General	Water	Total
Department 701 – Debt Service	<u>\$115,500.00</u>	<u>\$234,500.00</u>	<u>\$350,000.00</u>
Total	<u>\$115,500.00</u>	<u>\$234,500.00</u>	<u>\$350,000.00</u>
To:	General	Water	Total
Department-171 Information Systems	\$115,500.00	\$234,500.00	\$350,000.00
Total	<u>\$115,500.00</u>	<u>\$234,500.00</u>	<u>\$350,000.00</u>

Respectfully Submitted,

John S. Mirtle, Esq.
District Clerk

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

REFERRAL OF NAMING 231 BRAINARD ROAD BUILDING AFTER FORMER DISTRICT CHAIRMAN JOHN J. ROSSI TO COMMITTEE

The naming of 231 Brainard Road was referred to the General Policy & Planning Committee.

AUTHORIZATION FOR DISTRICT CLERK TO EXECUTE A CERTIFICATE OF AUTHORITY FOR WILMINGTON TRUST

To: District Board

April 14, 2016

From: Personnel, Pension and Insurance Committee

At a meeting of the Personnel, Pension and Insurance Committee held on April 14, 2016, the Personnel, Pension and Insurance Committee passed the following resolution and recommends passage of the same by the District Board:

Be It Resolved: that the District Clerk be and is authorized to execute the attached Wilmington Trust Certificate of Authority ("Certificate of Authority") on behalf of the District, and that the terms and conditions set for in the Certificate of Authority are incorporated herein and made a part of this resolution which, upon passage, effectively authorizes the Chief Executive Officer, severally, to act on behalf of the District in the manner consistent with the terms and conditions set forth in said Certificate of Authority.

Respectively submitted,

John S. Mirtle, Esq.
District Clerk



CERTIFICATE OF AUTHORITY
for

The Metropolitan District
Employer/Board of Trustees (the "Client")

I, John S. Mirtle, the duly appointed representative of Client (in the capacity indicated below) am authorized to certify the approved actions with respect to the Retirement Plan for Employees of the Metropolitan District (the "Plan") of Client, a corporation general partnership limited partnership limited liability company sole proprietorship municipality organized or operating under the laws of the State of Connecticut, hereby certify that a meeting of Client's Board of Directors or other governing body (the "Board") duly called and held, or by unanimous written consent or other method provided by applicable law or governing document, the following resolutions were duly adopted and remain in full force and effect:

RESOLVED, that _____ shall and hereby is removed as the Custodian Investment Manager Trustee of the Plan and that Manufacturers and Traders Trust Company ("M&T Bank") is hereby appointed in such capacity effective January, 2016; and it is further

RESOLVED, that The Metropolitan District ("Client") hereby authorizes the Chief Executive Officer (title) and the (title) (the "Authorized Individuals"), or any one of them, in the name and on behalf of the Client, to complete, execute and deliver to the Trust and Investment Division of M&T Bank agreements in a form acceptable to such Authorized Individual for the provision of custody, trust, funds transfer, investment management and investment advisory services, including any amendments and agreements or other documents related thereto, as such Authorized Individual deems necessary or appropriate from time to time; and it is further

RESOLVED, that Client hereby ratifies and confirms all actions taken by it prior to the date hereof in connection with such agreements executed and delivered to M&T Bank; and it is further

RESOLVED, that the Authorized Individuals are, and each of them is, hereby authorized to designate from time to time the accounts subject to such agreements, and designate from time to time the individuals who may execute or effect transactions under and give notices, certifications and instructions with respect to such agreements, such individuals designated as "Authorized Representatives;" and it is further

RESOLVED, that M&T Bank be and hereby is authorized to rely on the actual or purported signatures of any of Client's Authorized Individuals and Authorized Representatives until M&T Bank has actually received and had a reasonable time to act on written notice from Client revoking such authority; and it is further

RESOLVED, that Client shall defend, indemnify and hold M&T Bank harmless from and against all liabilities, costs, and expenses (including, but not limited to, attorneys' fees and disbursements) incurred by M&T Bank in connection with the honoring of any signature, instruction or action of any Authorized Individual or Authorized Representative, or the refusal to honor any signature, instruction or action of any person who is not an Authorized Individual or Authorized Representative of Client; and it is further

RESOLVED, that these resolutions supersede all prior resolutions on the subject to which they pertain, and shall remain in full force and effect and binding upon Client until M&T Bank has actually received and had a reasonable time to act on any subsequent Certificate of Authority; provided, that these resolutions are limited in application to services provided by the Trust and Investment Division of M&T Bank and do not supercede or affect in any way the continuing validity of other resolutions provided to M&T Bank in regard to accounts that are serviced or services that are provided by any other division or department of M&T Bank, including but not limited to accounts and services provided by Commercial Deposit Services and Treasury Management Services.

IN WITNESS WHEREOF, I have executed this Certificate of Authority this _____ date of _____, _____.

Secretary or other authorized official of the Employer/Board of Trustees

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

Commissioner Vicino abstained.

RETIREMENT INCENTIVE

EXECUTIVE SESSION

At 5:52 P.M., Chairman DiBella requested an executive session to the retirement incentive.

On motion made by Commissioner Currey and duly seconded, the District Board entered into executive session to discuss a possible retirement incentive and collective bargaining issues.

Those in attendance during the executive session:

Commissioners Commissioners Donald M. Currey, Timothy Curtis, William A. DiBella, Janice Flemming, Allen Hoffman, Jean Holloway, Kathleen J. Kowalyshyn, Joseph H. Kronen, Byron Lester, Maureen Magnan, Alphonse Marotta, James S. Needham, Bhupen Patel, Mark A. Pappa, Hector Rivera, Pasquale J. Salemi, Helene Shay, and Richard W. Vicino and Special Representative Michael Carrier; Managers Robert Zaik, Rob Constable, Sue Negrelli, Attorneys John S. Mirtle and R. Bartley Halloran

RECONVENE

At 6:42 P.M., Chairman DiBella requested to come out of executive session and on motion made by Commissioner Currey and duly seconded, the District Board came out of executive session and reconvened. No formal action was taken.

TO: District Board for consideration on April 14, 2016

Staff has been reviewing directions by which to decrease operating expenses. We are proposing an incentive for early retirement. Presently, there are 38 employees with the combined total of 85 points, or Magic Number (Age + Service with no penalty under early retirement) and 6 employees age 65 years or older.

The Retirement Incentive proposed is as follows:

ELIGIBILITY:

- District full-time employees who have combined Age + Service of 85 points or greater (Magic Number) as of June 1, 2016;
- District full-time employees who have achieved Normal Retirement Age of 65 years as of June 1, 2016;

RETIREMENT INCENTIVE:

Cash incentive of \$ 24,000.00, plus two weeks of salary to those eligible employees, above, who request retirement on July 1, 2016. Said incentive cash distribution shall be applied as a post-retirement pay-out in addition to any qualifying accumulated but unused time bank balance pay-outs.

SPECIAL CONDITIONS:

The retirement incentive above is conditioned upon the following:

- Irrevocable election to participate must be submitted in writing on the prescribed form to the Human Resources Department no later than the close of business Friday, May 13, 2016. Any form received after that date may, at the District's sole discretion and upon demonstration of good cause, be accepted.
- The District reserves the right to cancel this early retirement incentive program if the Chief Executive Officer determines, in his sole discretion, that the number of participants is insufficient to achieve the estimated operational budget savings for Fiscal Years 2016 and 2017.

It is therefore **RECOMMENDED** that it be:

RESOLVED: That the Chief Executive Officer is authorized to offer a retirement incentive to eligible employees as described above.

Respectfully Submitted,

John S. Mirtle, Esq.
District Clerk

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

REPORT FROM DISTRICT CHAIRMAN

The report from District Chairman was passed over.

REPORT FROM CHIEF EXECUTIVE OFFICER

Scott Jellison, Chief Executive Officer presented the monthly CEO Report

ADJOURNMENT

The meeting was adjourned at 7:20 P.M.

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval