

**INTERNAL AUDIT COMMITTEE
SPECIAL MEETING
The Metropolitan District
555 Main Street, Hartford
Thursday, August 25, 2022**

PRESENT: Commissioners Donald Currey, Peter Gardow, Allen Hoffman, Diane Lewis, Jackie Mandyck, Dominic Pane, Raymond Sweezy, and Richard Vicino (8)

REMOTE ATTENDANCE: (0)

ABSENT: Commissioner Alvin Taylor, Richard Vicino, and District Chairman William DiBella (2)

ALSO PRESENT: Commissioner John Avedisian
Commissioner Richard Bush
Commissioner Joan Gentile (Remote Attendance)
Commissioner James Healy
Commissioner Byron Lester (Remote Attendance)
Commissioner Maureen Magnan (Remote Attendance)
Commissioner Bhupen Patel (Remote Attendance)
Scott Jellison, Chief Executive Officer
Christopher Stone, District Counsel
John Mirtle, District Clerk (Remote Attendance)
Kelly Shane, Chief Administrative Officer
Jamie Harlow, Director of Human Resources (Remote Attendance)
David Baker, IT Consultant (Remote Attendance)
Dylan Pecego, IT Consultant (Remote Attendance)
Carrie Blardo, Assistant to the Chief Operating Officer (Remote Attendance)
Victoria Escoriza, Executive Assistant (Remote Attendance)
Julie Price, Executive Assistant (Remote Attendance)
Joseph Szerejko, Independent Consumer Advocate (Remote Attendance)

CALL TO ORDER

Chairperson Mandyck 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 MEETING MINUTES

On motion made by Commissioner Sweezy and duly seconded, the meeting minutes of August 4, 2022 were approved.

SANDLER & MARA P.C. INVOICES

Commissioner Sweezy made a motion, which was duly seconded, to pass the following resolution:

“At the August 1, 2022 Special Meeting of the Board of Commissioners a matter concerning invoices for work by Attorney James Sandler of Sandler & Mara, P.C. was referred to the Internal Audit Committee of the MDC.

In July, 2022 invoices were received from Attorney James Sandler. The bills received were for services purportedly performed from January 2022 - June 2022.

The Internal Audit Committee has determined:

- A contract for services for 2022 did not exist between MDC and Attorney James Sandler of Sandler & Mara;
- The only persons authorized to execute a contract for legal services are the General Counsel and the Chief Executive Officer;
- Neither the MDC General Counsel nor the CEO authorized nor were either in negotiations for a contract with Attorney James Sandler in 2022; and
- The documents submitted on August 25, 2022 by the attorney representing Attorney James Sandler do not contain a contract, purchase order or other form of agreement authorizing Attorney James Sandler to perform for and receive payment from the MDC.

Based upon the foregoing, the Internal Audit Committee recommends to the Board that Attorney James Sandler’s 2022 invoices not be paid.”

Commissioner Pane made a motion to amend the resolution to include that 2021 outstanding invoices for Sandler & Mara P.C. not be paid as well. Commissioner Currey opposed the amendment by Commissioner Pane and suggested that the amendment be made as a separate resolution. Commissioner Pane withdrew his motion to amend the resolution to include 2021 outstanding invoices.

The resolution passed by unanimous vote of those present.

Commissioner Sweezy made a motion, which was duly seconded, to pass the following resolution:

“That the Committee resolves that staff hold payment for the \$14,000 invoice dated October 1, 2021 until the Board approves such payment.”

The resolution passed by unanimous vote of those present.

RECESS

At 5:22 PM, Chairperson Mandyck called for a five minute recess in order for Commissioners to read through resolutions that were distributed by District Counsel Christopher Stone.

RECONVENE

At 5:27PM, without objection, Chairperson Mandyck reconvened the meeting of the Internal Audit Committee.

Commissioner Pane made a motion, which was duly seconded, to pass the following resolution:

“In July, 2022 District Counsel received invoices (“Invoices”) from Attorney James Sandler of Sandler & Mara, P.C., which in turn were distributed to all MDC Commissioners and Citizen Members. The Invoices purportedly relate to services performed from January 2022 - June 2022. Attorney Sandler claims that the Invoices evidence a legal obligation of the MDC and are due and payable. Presently, the MDC disputes that claim. As such, there is a case in controversy between Attorney Sandler and the MDC.

Generally, Commissioners and Citizen Members should refrain from communicating with any outside consultants regarding matters before the MDC and should not take any action in direct contravention to the policy decisions and directives of the District Board. As to this particular claim, Commissioners and Citizen Members were specifically advised to refrain from engaging in such communication by District Counsel.

At the August 1, 2022 Special meeting of the Board of Commissioners the matter concerning the Invoices was referred to the MDC Internal Audit Committee (“Committee”) for investigation of the Invoices and whether or not the work purportedly performed by Attorney Sandler was properly authorized and committed to by Chairman DiBella. The Committee met immediately thereafter (August 4, 2022) to commence the assigned tasks.

At some time thereafter, the Chairwoman of the Committee was informed that MDC Commissioner Alvin Taylor met with a representative of Sandler & Mara in an attempt to negotiate a settlement of the claim and thereby bypass the investigation by the Committee, and thereafter contacted one or more Commissioners to solicit their support.

Based upon the foregoing, the Committee hereby refers the matter described above to the MDC Ethics Advisory Board to determine whether Commissioner Taylor violated any MDC ethics rules and if so, recommend to the District Board what, if any, action should be taken as a result.”

The resolution passed by unanimous vote of those present.

Without objection, discussions on Agenda Item #5 “Committee Process for Independent Examination and Evaluation” and Agenda Item #6 “District Chairman Response to Resolution Passed by Audit Committee at its Meeting of August 4, 2022” were combined as the topics are interrelated.

Commissioner Sweezy made a motion that the Audit Committee has no confidence in District Chairman William DiBella and sends their vote of no confidence to the District Board. The motion was seconded by Commissioner Pane.

At 6:21 P.M., Chairperson Mandyck seceded her Chair to Vice Chairman Hoffman for a brief period.

At 6:27 P.M., Vice Chairman Hoffman returned the Chair seat to Chairperson Mandyck.

Commissioner Currey asked Commissioner Sweezy, who had proposed the motion for a vote of no confidence, what his thoughts were on tabling said motion and giving District Chairman DiBella one week to reply to the written questions.

Commissioner Sweezy tabled the motion for a vote of no confidence in order to afford District Chairman DiBella the opportunity to answer all questions, as long as the Committee sets a meeting date that works with Commissioner Sweezy's availability.

DISTRICT CHAIRMAN RESPONSE TO RESOLUTION PASSED BY AUDIT COMMITTEE AT ITS MEETING OF AUGUST 4, 2022

Commissioner Gardow made a motion, which was duly seconded, to pass the following resolution:

“In July, 2022 District Counsel received invoices (“Invoices”) from Attorney James Sandler of Sandler & Mara, P.C., which in turn were distributed to all MDC Commissioners and Citizen Members. The Invoices purportedly relate to services performed from January 2022 - June 2022. Over the past several weeks, certain MDC Commissioners have submitted questions regarding the Invoices to Chairman DiBella, either directly or through the District Clerk. With the exception of the question posed by the Internal Audit Committee (“Committee”) at its meeting of August 4, 2022, other questions submitted by Commissioners remain unanswered.

At the August 1, 2022 Special Meeting of the Board of Commissioners the matter concerning the Invoices was referred to the Committee.

On August 24, 2022, District Counsel was informed that, because the matter is under consideration by the Committee, Chairman DiBella would only answer questions regarding the Invoices submitted by the Committee, not individual Commissioners.

Based upon the foregoing, the Committee hereby resolves that a list of questions will be submitted to Chairman DiBella on or before the close of business Friday, August 26, 2022, with a written response deadline of close of business Thursday, September 1, 2022.

Based upon input from the members of the Committee considering this matter, the list of questions will be finalized on or before noon Friday, August 26, 2022.

The Committee reserves the right to submit supplemental questions to Chairman DiBella as it deems appropriate.”

The resolution passed by unanimous vote of those present.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

Judy Allen, of West Hartford, requested that when resolutions are not available before the meeting, that they be read in full so that those on the phone can hear the entire resolution as it is voted on. She also requested that there are roll calls so that all Commissioners in the room are identifiable. Lastly, she spoke in support of having an outside, impartial party investigating this issue.

Anne Goshdigian, of Hartford and the Weekly Hartford News, praised the proceedings of the Internal Audit Committee and their handling of this issue.

COMMISSIONER COMMENTS & QUESTIONS

Commissioner Patel spoke in support of having an independent, outside party review this issue.

Commissioner Gardow spoke regarding Agenda Item #5, Committee Process for Independent Examination and Evaluation of Sandler & Mara P.C. Invoices. He would like to make sure that the item is on the next agenda item.

ADJOURNMENT

The meeting was adjourned at 6:55 PM

ATTEST:

John S. Mirtle, Esq.
District Clerk

Date of Approval