

Meeting
of
THE METROPOLITAN DISTRICT COMMISSION
555 Main Street
Hartford, Connecticut 06103
Monday, January 8, 2007

Present: Commissioners D. Anwar Al-Ghani, Steven J. Bonafonte, Adam Cloud, Martin B. Courneen, Timothy Curtis, William A. DiBella, Henry J. Genga, John M. Grottole, Allen Hoffman, Joseph H. Kronen, Maureen Magnan, Alphonse Marotta, Lisa MacDonald, John J. McAuliffe, Trude H. Mero, Jr., Albert F. Reichin, Hector M. Rivera, Dale A. Ryan, Pasquale J. Salemi, Raymond Sweezy, Alvin E. Taylor, Joseph Verrengia, Richard W. Vicino and Jeffrey A. Wright. (24)

Absent: Commissioners Kevin M. Deneen, Joseph Klett, Daniel E. Lilly, Mark A. Pappa and Lawrence Price. (5)

Also

Present: Charles P. Sheehan, Chief Executive Officer
Robert E. Moore, Chief Administrative Officer
Robert Weimar, Chief of Program Management
Scott W. Jellison, Chief Operating Officer
R. Bartley Halloran, District Counsel
James Sandler, District Legal Counsel
Christopher R. Stone, Assistant District Counsel
Brendan M. Fox, Assistant District Counsel
Luz Amaro-Otero, Assistant District Clerk
Rick Gomez, PMU Diversity Officer
Michael Mancini, Design Manager
Kerry E. Martin, Assistant to Chief Executive Officer
Cynthia A. Nadolny, Executive Assistant
Matthew A. Nozzolio, Public Affairs Specialist
Stephanie M. Russo, Manager of Treasury
Dr. David Beam, Beam & Associates
Paul Nonnemacher, Connecticut Resources Recover Authority

CALL TO ORDER

P.M. The meeting was called to order by Honorable William A. DiBella at 6:15

ROLL CALL AND QUORUM

Assistant District Clerk called the roll and informed the Chairman 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.

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

CHIEF EXECUTIVE OFFICER'S MONTHLY REPORT

Charles P. Sheehan, Chief Executive Officer, reported on the following matters:

- **Water Main Breaks**

From Dec 11, 2006 through today:

We had 21 Water Main leaks and 13 Water Service leaks, none were major.

There were 14 sewer lateral repairs.

Ward Place in Hartford had 275' of sewer main replaced by Trumbull Construction after four sewer main collapses and several properties affected in November.

On December 27, 2006 we had a sewer backup on Newfield St. in Hartford and during the investigation discovered a partial main sewer collapse in a right of way between Clermont and Natick in a 24" trunk sewer named the "Old South Branch Interceptor" installed in 1909. Our emergency on-call contractor under contract 2006-89 will be completing a replacement section during the next two weeks.

- **CFO Hiring**

With approval of the updated Job Description from PPI and the District Board we are prepared to launch a new search campaign. That will begin with an ad campaign which will include the Wall Street Journal. We will keep you apprised of developments as the process moves forward. I hope to have positive news to report in the near term.

- **CRRA**

Together with District Counsel Bart Halloran we have successfully worked through a mediation process that has closed out all remaining legal disputes with CRRA. These agreements reflect the terms discussed between the Board and District Counsel at our meeting on December 18th 2006.

- **EPA/DOJ/DEP - Consent Order Action Items**

In accordance with the approved state and federal CSO and SSO abatement agreements MDC has compiled required agreement milestones. A detailed report of these actions will be included in Mr. Weimar's Program Management report.

- **Strategic Planning RFP:**

RFP Closed on November 30th -- Seven (7) responses received.

Committee consisting of 3 voting members, CAO, COO and District Counsel Chris Stone, (Selection Panel) and non-voting members Comm Reichin (advisor) and Asst to CEO(administration).

Met 21 Dec 06 – reviewed Selection Panel duties and schedule.

Met 4 Jan 07 – Determined all responses met the minimum requirements specified in the RFP and were minimally qualified for further review, requested additional information (an actual Strategic Plan) from each respondent.

Next meeting Thursday, 11 Jan 07 – review additional information and provide shortlist ratings which will determine finalists for interview. The committee will also determine interview questions, interview format and timing of final selection interviews.

The current plan calls for interviews for week of Jan 15th – backup week of Jan 22 if needed.

The selection committee's goal is to meet no later than week of Jan 29th to choose three finalists, open the related fee proposals and make a recommendation.

We will keep you advised of our progress.

- **Financial Issues:**

Regarding upcoming financial matters, at the January 22nd Board of Finance meeting we will be recommending the approval of refunding of the \$50.8 million Short Term Notes sold in June 2006. District Board approval will be sought thereafter.

The initial borrowing has not been expended at the rate anticipated; therefore, it is not necessary to issue long term bonds at this time. Additionally, the proposed refunding or 'extending' of the Notes will take advantage of the current favorable short term market rates and stable market. We anticipate an interest rate in the range of 3.25% (below the true interest cost of 3.67% on the current notes).

Also, and perhaps more importantly, a bond sale later in 2007 allows the MDC time to develop a more precise financial strategy with a new financial advisor which would include a further refined cash flow analysis to support the \$800M clean water project and any enhancements to grant/loan proceeds which may flow from the 2007 fed/state legislative initiatives. This in-turn should enhance the rating agencies review of the project and the ultimately the financial rating of the MDC. To present a more defined status of grants and loans; to allow for discussion of the 2007 legislative initiatives

District Clerk

SERVICE OF TAX WARRANTS FOR FISCAL YEAR 2007

From: Assistant District Clerk

To: The District Board

January 8, 2007

The District Clerk reports that Tax Warrants for the Fiscal Year 2007 drawn by the Chairman of The Metropolitan District in favor of the Treasurer, have been served on the following:

Town Clerk Marguerite Phillips, Bloomfield
Town Clerk Sharon A. Miller, East Hartford
Town and City Clerk Daniel M. Carey, Hartford
Town Clerk Tanya D. Lane, Newington
Town Clerk Ronald K. McNamara, Rocky Hill
Town Clerk Norma W. Cronin, West Hartford
Town Clerk Dolores G. Sassano, Wethersfield
Town Clerk Agnes Pier, Windsor

Receipts for these tax warrants have been received and are on file in the Office of the District Clerk.

Respectfully Submitted,

Kerry E. Martin
Assistant to Chief Executive Officer

Report received by unanimous vote of those present.

**Personnel, Pension and Insurance Committee
CFO JOB DESCRIPTION**

From: Personnel, Pension and Insurance Committee

To: The District Board

January 8, 2007

Based on a thorough evaluation of the job duties required, or projected to be required, staff recommends that the job description for the Chief Financial Officer be amended, per attached position description, at the salary allocation previously approved at the December 18, 2006 District Board meeting.

At a meeting of the Personnel, Pension and Insurance Committee held January 8, 2007, it was

Voted: That the Personnel, Pension and Insurance Committee recommends to the District Board passage of the following resolution:

Resolved: Adoption of the amended job description for the Chief Financial Officer at the previously approved salary allocation.

Respectfully Submitted,

Kerry E. Martin
Assistant to the Chief Executive Officer

***Following a brief discussion, on motion made and duly seconded,
the report was received and the resolution was adopted by
unanimous vote of those present.***

CODE: 12085

**METROPOLITAN DISTRICT COMMISSION
CLASSIFICATION DESCRIPTION**

CLASSIFICATION TITLE: CHIEF FINANCIAL OFFICER

PURPOSE OF CLASSIFICATION

This is a highly responsible executive position responsible for the overall direction of the District's financial functions. Focus on detail is essential, but equally important is an ability to see the big picture and to think strategically. This position will be critically involved in District's current \$2 billion dollar capital project and its strategic planning for other large scale projects. Reports directly to the Chief Executive Officer.

ESSENTIAL FUNCTIONS

The following duties are normal for this position. The omission of specific statements of the duties does not exclude them from the classification if the work is similar, related, or a logical assignment for this classification. Other duties may be required and assigned.

Strategic Vision

- Work with Senior Management Team to create a strategic plan document that outlines and defines strategic options/projects for the MDC. Perform the requisite financial analyses such as ROI that facilitates the evaluation of such projects by the management team and the Board. Prepares debt management plans and long-term financial forecasts.
- Represents District finance-related activities and analyses to the Board, relevant government agencies, investment bankers, contractors, and other interested parties.

Financial Management

- Create a business plan for financial operations area that clearly defines goals and objectives for all financial operations of the organization including budgeting, accounting, auditing, investing, treasury and debt management in order to ensure that all financial areas work together efficiently and any opportunities for rationalization and enhanced efficiencies are realized. Identify any financial deficiencies in the operation and identify an approach to remedy such deficiencies in a timely manner.
- Prepares/reviews/presents monthly, quarterly and annual reports on financial operations including, but not limited to, monthly variance reports. Oversees the control of District expenditures within fund allocations and approves fund transfers. Directs pension, insurance and miscellaneous medical benefit programs and investments.
- Oversees District operating and capital budget development, and presents District budgets to the Commission.

- Evaluates financial aspect of contract bids and prepares evaluations and recommendations for Senior Management and the Board regarding such bids.
- Responsible for the training of financial staff in use of SAP for financial reporting.

Treasury Function

- Oversees District Treasurer Function and accounts for all District funds.
- Manages and oversees annual financial audit.
- Oversees operating revenues, investments and debt management.

Leadership/Talent Development

- Create a culture in the financial area that nurtures a team of top talent that recognizes and rewards performance.
- Administers employee performance evaluations and gives clear guidance to employees regarding job expectations and career paths.
- Assures safe work practices.
- Administers terms of union contract.

Other

- Performs special assignments on an ad hoc basis.

KNOWLEDGE, SKILLS AND ABILITIES:

Knowledge of governmental financial management principles and practices.

Strategic and Operational Planning experience.

Experience with Finance, Accounting, Treasury, and Audit functions.

Experience in capital management, risk management.

Excellent IT skills, familiarity with SAP desirable.

Excellent written and oral communications skills.

Leadership experience in setting new direction for an organization and leading an organization through significant change.

Ability to be a team player and to establish and maintain effective working relationships with Board members, coworkers, vendors, contractors, consultants, other governmental agencies, and customers.

QUALIFICATIONS:

- A bachelor's degree in accounting, business or public administration with Master's level course work preferably in accounting, business or public administration; and a minimum of ten years of progressively responsible financial management experience including at least four years at the senior management level.
- MBA, CPA and/or CFA certification desirable.

PERFORMANCE APTITUDES

Data Utilization: Requires the ability to synthesize, hypothesize, and/or theorize concerning data and/or information involving modification of existing policies, strategies and/or methods to meet unique or unusual conditions. Requires the ability to do so within the context of existing organizational theories and management principles.

Human Interaction: Requires the ability to function in a director capacity for a major organizational unit requiring significant internal and external interaction.

Equipment, Machinery, Tools, and Materials Utilization: Requires the ability to operate, maneuver and/or control the actions of equipment, machinery, tools, and/or materials used in performing essential functions.

Verbal Aptitude: Requires the ability to utilize synthesis data and information, as well as reference, descriptive, design, advisory, and consulting data and information as applicable.

Mathematical Aptitude: Requires the ability to perform addition, subtraction, multiplication and division; ability to calculate decimals and percentages; may include ability to perform mathematical operations involving basic algebraic principles and formulas, and basic geometric principles and calculations.

Functional Reasoning: Requires the ability to apply principles of logical or scientific thinking to implement both intellectual and practical relationships. Involves responsibility for consideration and analysis of complex organization problems of major functions.

Situational Reasoning: Requires the ability to exercise the judgment, decisiveness and creativity required in critical and/or unexpected situations involving moderate risk to the organization.

ADA COMPLIANCE

Physical Ability: Tasks involve the ability to exert light physical effort in sedentary to light work, but which may involve some lifting, carrying, pushing and/or pulling of objects and materials of light weight (5-10 pounds). Tasks may involve extended periods of time at a keyboard or work station.

Sensory Requirements: Some tasks require the ability to perceive and discriminate sounds, and visual cues or signals. Some tasks require the ability to communicate orally.

Environmental Factors: Requires the ability to work under conditions where exposure to environmental factors is not likely to present a risk of injury or illness.

The Metropolitan District Commission is an Equal Opportunity Employer. In compliance with the Americans with Disabilities Act, the Commission will provide reasonable accommodations to qualified individuals with disabilities and encourages both prospective and current employees to discuss potential accommodations with the employer.

EXECUTIVE SESSION

At 6:30 P.M., District Chairman DiBella requested an executive session for the purpose of discussing Executive Compensation.

Chairman DiBella requested that in addition to the Commissioners present at the meeting, Dr. Beam and all District Counsel and Mr. Sheehan be present during the executive session.

On motion made and duly seconded, it was unanimously voted that the District Board enter into an executive session for the purpose of discussing Executive Compensation.

7:27 P.M. No formal action was taken, and the executive session was adjourned at

RECONVENE

7:27 PM. District Chairman DiBella reconvened the meeting of the District Board at

Personnel, Pension and Insurance Committee
EXECUTIVE COMPENSATION

From: Personnel, Pension and Insurance Committee

To: The District Board

January 8, 2007

The District Board, at a meeting held on December 18, 2006, approved a salary range of \$189,000 to \$225,000 for the Chief Administrative Officer, Chief Operating Officer and Chief of Program Management.

Based on a thorough evaluation of the job duties required, or projected to be required, the Chief Executive Officer recommends that the compensation for the Chief Administrative Officer, Chief Operating Officer and Chief of Program Management be increased to \$189,000.00. Contingent upon approval of the Personnel, Pension and Insurance Committee, it is recommended that this increase become effective with the pay period beginning January 14, 2007.

At a meeting of the Personnel, Pension and Insurance Committee to be held on January 8, 2007, it may be

Voted: That the Personnel, Pension and Insurance Committee recommends to the District Board passage of the following resolution:

Resolved: That the level of compensation for the Chief Administrative Officer, Chief Operating Officer and Chief of Program Management be increased to \$189,000, effective with the pay period beginning on January 14, 2007.

Respectfully submitted,

Kerry E. Martin
Assistant District Clerk

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

Commissioner Wright voted no on this matter.

**PROGRAM MANAGEMENT UNIT – RE:
UPDATES ON CLEAN WATER PROJECT**

Robert Weimar, Chief of Program Management, presented the attached handout and updated the District Board regarding the status of the Clean Water Project.

****The presentation has been omitted because it is large but can be requested to the District Clerk's office.***

ADJOURNMENT

The meeting was adjourned at 7:43 P.M.

ATTEST:

Kerry E. Martin
Assistant to Chief Executive Officer