

FINAL

THIRD TAXING DISTRICT

of the City of Norwalk

Commission Meeting

December 7, 2015

ATTENDANCE: Commissioners: Charles Yost, Chair; David Brown; Debora Goldstein,
Treasurer: Dr. Michael Intrieri

STAFF: Jim Smith, General Manager; Ron Scofield, Assistant General Manager

OTHERS: Justin Connell (CMEEC), Stan Siegel (East Norwalk Library),
Pete Murphy/Liz Lyons (James P. Murphy & Associates)

PUBLIC: Jim Anderson

CALL TO ORDER

Commissioner Yost called the meeting to order at 7:00 p.m. A quorum was present.

PUBLIC COMMENT

There were no comments from the public.

CMEEC PRESENTATION OF WINTER MARKET CONDITIONS

Justin Connell from CMEEC was in attendance to present the winter market conditions for CMEEC. Currently the CMEEC Rate 9 Energy Portfolio, and effectively TTD, is hedged at 92% at a price of \$64.75/MWh. The balance will be realistically filled in, by the end of the year based on updated market and weather conditions, with the overarching objective to maximize regional competitiveness.

Since we are fairly well-hedged, there should not be any significant deviations from the budget that CMEEC is setting in terms of the wholesale cost of power. Based on where we have everything right now, our overall energy price for 2016 should be about \$100/MWh.

It is anticipated that the winter months (December, January, February and March) will be warmer compared to the previous year which will result in a lower demand and bring the cost of power down.

MINUTES OF MEETING

**** COMMISSIONER BROWN MOVED TO APPROVE THE MINUTES OF NOVEMBER 4, 2015 REGULAR MEETING.**

**** COMMISSIONER GOLDSTEIN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

INSURANCE RENEWAL PRESENTATION

Peter Murphy and Liz Lyons were in attendance to present the insurance renewal for calendar year 2016. Mr. Murphy indicated that for the basic insurance some of the items are up and some are down. Losses are down for worker's compensation. The experience mod is still very low at .90, which is really fabulous for this industry. Additional infra-red thermal scanning testing was done in the District this past year, which lowers the General Liability Boiler/Machinery coverage. The net overall premium renewal is down just under \$1,200.

**** COMMISSIONER GOLDSTEIN MOVED TO ACCEPT THE RECOMMENDED 2016 INSURANCE RENEWAL AS PRESENTED BY OUR CONSULTANT, JAMES P. MURPHY & ASSOCIATES, INC., AND THE MANAGEMENT OF THE DEPARTMENT.**

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

Mr. Murphy then presented to the Commission a Cyber Security policy and explained what the policy provides. Two quotes were presented. They are identical except for the limit of liability. One policy is \$1 million limit with a cost of \$5,083 and the other is \$2 million limit with a cost of \$6,350, a difference of approximately \$1,200.

The Commission will review all the information presented and will make a decision at a future meeting whether or not to purchase Cyber Security insurance and at what limits.

mPOWER PRESENTATION

Mike Adams, TTD's General Line Foreman, talked about the company which was hired in the Fall of 2015 to conduct the GIS mapping of the distribution system for TTD. Prior to this, TTD's maps were all on paper. The new mapping system is a tool which will allow TTD to make changes and get various information as needed. It is a browser-based software. The goal was to get a GIS-based mapping tool that TTD could use. Some of the highlights include easier outage response and reporting, real time meter status maps, improved insight for predictive maintenance, AMI meter deployment management, insightful voltage study capabilities, load control (live verification during an event) and an ability to easily analyze meter blink counts.

FINAL

Mr. Adams then explained how you would use the system to locate problems within the District and determine whether or not if it is an isolated incident or an incident that involves a larger problem, or more than one customer/meter. It will pinpoint what equipment is involved with the outage/problem and allow for the linemen to go directly to the problem, know what needs to be done and what replacement equipment they will need to correct the problem.

It will also help assist for reporting problems – how many people being affected by the outage, where the outage is, and how long ratepayers were without power.

The Commissioners thanked Mr. Adams for his presentation and were pleased that we have updated our mapping system.

PRESENTATION OF LIBRARY CAPITAL ITEMS

Mr. Siegel reviewed the top items that the Library would like to see completed. Over recent months, some of the items have been completed, i.e., parking lot striping and signs.

Mr. Siegel reviewed the list with the Commission and indicated approximate costs associated with each item.

- Exterior painting and repair - \$4,500
- HVAC/Central Air (both floors) - \$10,000
- Hardwood Floors - \$4,000
- Toilet Partitions - \$500 each x 4 = \$2,000
- Window Tint – Cost unknown
- Front Entrance Steps (repair/resurface) - \$6,985 (Dahill Co.)
- Van Zilen Hall Kitchen - \$1,500 cabinets; \$1,000 labor

Mr. Siegel also pointed out the difficulty he had in obtaining quotes from different vendors. Some of the vendors did not want to take the time to deal with a tenant because they would not be able to provide the final approval for the work. Mr. Siegel provided a list of vendors that were contacted.

LIBRARY PLANNING COMMITTEE DISCUSSION

Commissioner Yost said that at the last LPC meeting the Final Master Plan was presented to the Committee. The LPC now has to make a formal recommendation to the TTD Commission for consideration. Commissioner Yost has asked Mr. Smith to schedule a meeting in January. Once scheduled, the LPC can move forward.

Dr. Intriери asked whether or not Alex Cohen will be present at the Annual Meeting in March to review the findings from the Master Plan. Commissioner Yost said he will be there.

FINAL

ANNUAL MEETING PROCEDURES REVIEW

Mr. Scofield reviewed with the Commission his findings for the major concerns/changes that need to be made at the Annual Meeting in order to ensure the meeting runs more smoothly and that the Minutes are captured properly.

Mr. Scofield began by saying that:

Transcriptions

- Betsy Bowen (transcriptionist) – Multiple calls were placed to her. After two weeks she returned our calls. Unfortunately, she does not have her own recording equipment, so Mr. Scofield spoke with Performance Audio, who can record the meeting at no extra charge. We were given the impression that she was not interested in taking on this job.
- Since the response was not good from Betsy Bowen, more research was done and two companies in Stamford were contacted. One company, Stamford Court Reporter, provided a quote and will also video tape the meeting for a quote of approximately \$1,650. The second company, Brandon Huseby, came in with a lesser quote, but did not seem very cooperative with what was needed. The Commission would like further research done on this subject to see if we can find someone who is a little less expensive.

Motions

- Motions during Annual Meeting: Cynthia Tenney will handle typing the motions on a laptop projecting on a screen during the meeting, and filling in the votes. The motions and votes can be saved and posted within 24 hours of the meeting. It is essential that the meeting gets slowed down to capture everything.

Set-Up

- Set up of the room should be divided into two sections. In addition to Mr. Scofield, a second staff member will be added to the floor to assist in counting votes and handing off the microphone for ratepayers to speak.

Agenda Questions

- What will be done about the reading and approval of the Minutes from last year? Discussion took place about what should happen. The Commission decided that this topic should be discussed again at the January meeting.
- Do we want to keep the legislative update on the agenda? It was decided to keep it on the agenda for this upcoming year.

- Are there any other items on the agenda the Commission would like to see changed or let it remain as is? Commissioner Goldstein brought up the fact that there is no “Public Comment” listed on the agenda. Discussion took place as to whether or not this should be added and how it would be controlled. “Public Comment” should be related to an agenda item only and have a time limit. The decision was made not to include this, but instead add Q&A after appropriate agenda items.

GENERAL MANAGER’S REPORT

Update on Strategic Planning

Mr. Smith will have, by the end of the week, a third proposal for the Strategic Planning. Once all proposals are received, Mr. Smith will put together a report and recommendation to bring back to the Commission at a future meeting, possibly January 2016.

Status of Non-Performing Assets

Mr. Smith said that TTD currently has two properties that are non-performing assets – 215 East Avenue and 51 Van Zant Street (Library). Mr. Siegel has already outlined some of the issues about the Library with regard to capital items. This building is in a fair amount of disrepair. The building at 215 East Avenue, which had a new roof about three years ago in 2012, is also in disrepair. Mr. Smith had worked with a company called ProCheck at the time who performed a complete analysis of the building, including estimates for all the repairs.

Mr. Smith said additional discussion on these two buildings will tie into the Strategic Planning process which will be conducted early next calendar year.

DISCUSSION/ANALYSIS OF FINANCIAL STATEMENTS/KEY PERFORMANCE

Mr. Smith began the discussion by stating that October was a shoulder month. In shoulder months, TTD doesn’t do very well financially. Even though we experienced a loss, it was not as large as October of 2014. Although, not a great month, it was much closer to breakeven than the previous year.

The PCA has remained at 2.7 cents. This has increased the revenues. Net Income is at \$676,956 vs. last year’s \$345,715. Expenses are fairly well in line. Contributing factors for an increase in expenses are some legal expenses and a major roof repair to the Second Street building which were not budgeted. Net Ordinary Income is consistent vs. last year. Other Income was \$122,402 compared to \$141,435 last year. Other Expense was \$36,797 vs. \$38,349 for 2014. Rate Stabilization contributions are at \$360,361.

FINAL

KPIs – The bad debt ratio is coming down. For the month of October, it is now at 5.4% vs. 5.9% last year. A plan is currently being developed to help reduce the percentage, i.e., writing off small amounts of debt (\$25 to \$50) and removing the liens from the accounts over 180 days old.

PROJECT SUMMARY

Cost of Service: Commissioner Goldstein asked whether or not Dawn Lund was working on this item. Mr. Smith said she has not started as yet, as he was waiting on the audit.

Pole Attachments: Commissioner Goldstein indicated that Frontier (formerly AT&T) has seemed to have disappeared from the sheet. Mr. Smith said there is a meeting next week with Frontier. Frontier is looking to put 5 foot antennas on the top of TTD poles for wireless connections. This is a new program they are currently working on. It's actually Verizon/Frontier looking to pay TTD a fee. They are looking to do this with all the municipalities within the State. The Frontier issue will be back on the Project Summary once activity has taken place on this issue.

Rowan Street Renovation: Mr. Smith said this will begin in the Spring.

Norden Data Center: No change in status.

EXECUTIVE SESSION

**** COMMISSIONER GOLDSTEIN MOVED TO ENTER INTO EXECUTIVE SESSION TO DISCUSS PERSONNEL AND REAL ESTATE ACQUISITION/PURCHASE.**

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Treasurer, Mr. Smith and Mr. Scofield entered into Executive Session at 9:19 p.m.

**** COMMISSIONER GOLDSTEIN MOVED TO EXIT EXECUTIVE SESSION AND RETURN TO PUBLIC SESSION.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Treasurer, Mr. Smith and Mr. Scofield returned to public session at 10:07 p.m.

FINAL

ADJOURNMENT

**** COMMISSIONER GOLDSTEIN MOVED TO ADJOURN.**

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 10:08 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District