

FINAL

THIRD TAXING DISTRICT
of the City of Norwalk
Commission Meeting
April 6, 2015

ATTENDANCE: Commissioners: Charles Yost, Chair; David Brown; Debora Goldstein

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

PUBLIC: Stan Siegel, Sarah Mann, James Anderson, Robert Koch, Diane Cece and Pat Van de Kamp

OTHERS: Steve Studer, Atty.

CALL TO ORDER

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

**** COMMISSIONER YOST MOVED TO MOVE AGENDA ITEM #1, PUBLIC COMMENT, TO AGENDA ITEM #4.**

**** COMMISSIONER GOLDSTEIN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

MINUTES OF MEETING

**** COMMISSIONER BROWN MOVED TO APPROVE THE MINUTES OF MARCH 2, 2015 REGULAR MEETING.**

**** COMMISSIONER GOLDSTEIN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

RENEWAL OF JUMAR CONTRACT

Discussion took place about the renewal of the Jumar contract. Mr. Smith indicated that he would like to have some additional website enhancements that were talked about but have not been acted on, i.e., a more elaborate Community Calendar and a Speaker's Bureau. Commissioner Brown asked if any of these enhancements would affect the cost of the contract. Mr. Smith replied, no, the contract cost would remain the same. Commissioner Goldstein wanted to be sure that these enhancements would not slow down the objectives that still have not been met from last year. Mr. Smith indicated that it would not.

FINAL

**** COMMISSIONER GOLDSTEIN MOVED TO ACCEPT THE CONTRACT AS PRESENTED.**

****COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

TTD SIGNAGE FOR PARKS

Mr. Scofield reviewed the current signage with the Commission. He reviewed the four designs that were submitted from Signs by Anthony at the October 2014 which had been tabled to this meeting. Commissioner Yost asked what the plan was with the signs. Mr. Scofield responded that none of the signs within the District were uniform in design. He also stated that we could probably get another 2-3 years use out of them, but after that a decision would need to be made to replace them.

Commissioner Yost asked if any other local companies had been sought out. Commissioner Brown said that he had spoken with a company in the past that he believes was in Stamford by the name of Brett & Morgan. Commissioner Yost indicated that he would like to try and keep it local (within the District) if at all possible.

Commissioner Goldstein stated that she was under the impression that the design of the signs were along the lines of sandblasting/etching and that the examples shown do not meet the objective of the last discussion. Mr. Scofield stated that he could seek out other vendors, but we need to know whether or not the Commission wants to replace all of them now, in the coming months, or wait a couple of years. Commissioner Yost felt that we should get a design in place and then replace the signs as needed. Commissioner Goldstein stated that the decision to replace them one at a time or all at once would be indicative of the price.

Commissioner Yost stated that the decision should be postponed until we have more bids.

**** COMMISSIONER GOLDSTEIN MOVED TO TABLE FURTHER DISCUSSION OF SIGNAGE TO THE AUGUST 2015 MEETING.**

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

PUBLIC COMMENT

Commissioner Yost asked the public to please introduce themselves.

Mr. Anderson stepped forth and read a statement in response to Commissioner Yost's email to him. (Please see Attachment A for the statement.) Commissioner Yost thanked Mr. Anderson.

Mrs. Pat Van de Kamp, President of the Vantage Point Condominiums Association stepped forth. She stated that she had come to TTD in the past with regard to activities and garbage

FINAL

problems at the end of Second Street where it meets the water (between the condos and the TTD office). Mrs. Van de Kamp asked for TTD's help again with regard to the current garbage problem on the end of the street. She has reached out to the City, but they have not responded. She and others from the condos have picked up the garbage and dragged it up to Nat's Garage so the City would pick it up. She is asking if TTD could please see if they can help where the City is concerned. Commissioner Yost said we would look into the problem and to check back with Mr. Smith in a couple of weeks.

Ms. Diane Cece shared her concern about the extraordinary amount of Special Commission meetings that have recently been taking place. She stated that when the Special meetings get scheduled, they typically conflict with other City meetings that are taking place. Since Special meetings can be scheduled 24 hours in advance, it does not give the public enough time to know that there is business to be conducted or to understand what is on the agenda. She is asking unless it is truly an emergency to please limit the number of Special meetings scheduled.

Commissioner Yost responded by stating that due to FOI, the Commission cannot just pick up the phone and discuss items. Therefore, Special meetings need to be scheduled.

GENERAL MANAGER'S REPORT

Norden Generator Update

Mr. Smith revisited the question raised by Commission Goldstein a couple of weeks ago about where we stood with the sale of the three generators. His answer was that the benefits of keeping the generators far outweigh the cost of disposing of them. Unless we need to be rid of them for economic reasons, he does not plan on getting rid of them. The generators have been a real substantial contributor to the bottom line in terms of other income. TTD has recently gone with a new fuel supplier (East River Energy) for the generators, who is more responsive and reliable. The past supplier (Santa Buckley) was not able to meet the needs for the TTD's generators.

Commissioner Goldstein asked for clarification about the third generator. Mr. Smith stated that we could run the entire Norden facility on 1-1/2 generators. The issue about the new customer is that he was going to end up putting additional load on the system and expanding his operation. The expansion would get into the third generator, thus using 2-1/2 generators to run the entire facility.

Update on SCADA System (Fitch Street)

Mr. Smith talked about the past discussions regarding SCADA and why we need to put it in place with the Fitch Street Substation due to NERC/FERC regulations. Our deadline for compliance (fully functional and fully operational) for Fitch Street is June 30, 2016. In order to meet that TTD has spent the better part of the last six months going through an extensive analysis with several different vendors. This will allow TTD to remotely control the entire substation operation from the office or any one of the substation's employees' laptops, thus

FINAL

allowing us to respond to outages quicker, troubleshoot the problem quicker, and allows us to report the outage issues back to CONVEX/NERC, etc.

The cost is \$687,725 to put the SCADA system in place. That includes all of the phases for all the substations including Cervalis. Given the schedule of the recommended vendor, Survalent Technology (they came in with the lowest turnkey bid), the first two phases would cost a little over \$300,000 and would be complete in about 20-24 weeks. All other phases which would be tying in Rowan Street, East Avenue and Cervalis can be completed after the deadline of June 30, 2016. They are not subject to the NERC regulation. If TTD misses the deadline for Fitch Street, we will be heavily fined.

Commissioner Goldstein asked about the funding of this project against the Capital Budget. Mr. Smith provided a Suggested Funding Schedule for the entire project. Commissioner Brown raised the issue as to whether or not any of the monies are reimbursable. Mr. Smith believes it is not reimbursable. He said it is an expense that you carry for being a transmission owner.

Commissioner Yost asked about a timeline for payment. Mr. Smith said it would be about 15-20 weeks. Mr. Smith recommended that TTD go with the bid from Survalent Technology. Survalent Technology can have everything complete in about a year. He reminded the Commission that the only regulation we are under is the first two phases (Fitch Street). Survalent said that it would be about 15-20 weeks (or the end of the year) that TTD would be compliant.

Mr. Smith said that there were a total of six bidders for the project. Four of the six bidders were disqualified because they did not meet the turnkey requirement which is what FERC requires. Survalent is the lowest qualified bidder. Survalent is also the APPA preferred vendor of choice.

**** COMMISSIONER GOLDSTEIN MOVED TO ACCEPT THE RECOMMENDED VENDOR, SURVALENT, TECHNOLOGY, AS DETAILED IN THE PACKET, IN THE AMOUNT OF \$687,725 ± 5%.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

Five-Year Capital/Operating Budgets

Mr. Smith said that the Commission would be receiving these budgets within the next 45 days.

DISCUSSION/ANALYSIS OF FINANCIAL STATEMENTS/KEY PERFORMANCE

Mr. Smith referred to the Financial Highlights on page 20 and indicated that we had a fairly decent month including the contribution to the Rate Stabilization Fund which brings us up to a net income of \$220,980. For the month of February, it was an extremely cold month, sales were up fairly significantly again due to the weather. We ended up with net income of over a little \$3,000 net net net. If you add the rate stabilization back to that, we are about \$37,000 to the

FINAL

good versus a negative month last February of about \$300,000. Bottom line is that it was a fairly good month for February in terms of sales, which translates to a positive net income for the month.

Cash balances are in pretty good shape. There are fairly healthy balances in both the operating and capital improvement accounts. The net other income continues to be strong at \$521,587 year-to-date. We've put almost \$400,000 into the rate stabilization fund for the eight months ending February 28, 2015.

Starting in April, there was an adjustment made to the Fuel Adjustment. It has gone up from .0100 to .0170 which should help to offset the under collection problem (approximately \$400,000). We have been tracking since October 2014.

PROJECT SUMMARY

Radio-Read Meters

Commissioner Goldstein asked if Mr. Smith knew where we were going to purchase the remainder of the meters needed for the project once we deplete the supply that were obtained from Jewett City. Mr. Smith said that we will be purchasing a small supply to hold us over until the end of the fiscal year. He said that Mike Adams, General Foreman, will be putting out a proposal to purchase another large group of meters to continue the process over the next 12 months beginning after the start of the next fiscal year (July 1, 2015).

EXECUTION SESSION

**** COMMISSIONER GOLDSTEIN MADE A MOTION TO ENTER INTO EXECUTIVE SESSION.**

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Mr. Smith, Mr. Scofield and Mr. Studer entered into Executive Session at 7:55 p.m.

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

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Mr. Smith, Mr. Scofield and Mr. Studer exited the Executive Session at 8:17 p.m.

ADJOURNMENT

Third Taxing District
of the City of Norwalk
April 6, 2015

FINAL

**** COMMISSIONER YOST MOVED TO ADJOURN.
** COMMISSIONER GOLDSTEIN SECONDED
** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:18 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District