

FINAL

THIRD TAXING DISTRICT
of the City of Norwalk
Commission Meeting
August 1, 2016

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

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

PUBLIC: Melanie Master

CALL TO ORDER

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

PUBLIC COMMENT

Mrs. Melanie Master, a former Norwalk resident (now residing in Fairfield) and certified personal fitness trainer, explained to the Commission that she started holding fitness sessions at Ludlow Park the beginning of July and would like to continue to do so with the Commission's permission. She carries liability insurance and the City of Norwalk has been named on the policy. She was informed that Ludlow Park is not owned by TTD, but by the City of Norwalk.

She is looking for a place to hold her training sessions within the District as most of her clientele is in the area. Suggestions were made by Dr. Intrieri to try the Shore & Country Club, but she indicated that she had already tried and was turned down. Commissioner Goldstein suggested she try to partner with The Marvin Senior Center. She took the suggestions and thanked the Commission for their time.

MINUTES OF MEETING

June 6, 2016

**** COMMISSIONER YOST MOVED TO APPROVE THE MINUTES OF JUNE 6, 2016
REGULAR MEETING.**

**** COMMISSIONER BROWN SECONDED.**

**** COMMISSIONER GOLDSTEIN ABSTAINED.**

**** THE MOTION PASSED.**

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June 20, 2016

**** COMMISSIONER GOLDSTEIN MOVED TO APPROVE THE MINUTES OF JUNE 20, 2016 REGULAR MEETING.**

**** COMMISSIONER BROWN SECONDED.**

**** COMMISSIONER YOST ABSTAINED.**

**** THE MOTION PASSED.**

Dr. Intrieri wanted to let it publicly be known that he accepted Commissioner Brown's apology with regard to the issue of input for the selection of the bands for the concert series.

Commissioner Brown went back into the history of how the selection was made and Dr. Intrieri did have input in past years. Dr. Intrieri thanked Commissioner Brown for his apology.

**** COMMISSIONER BROWN MOVED TO SUSPEND THE RULES AND ADD AN AGENDA ITEM TITLED CONCERT RULES.**

**** COMMISSIONER GOLDSTEIN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

CONCERT RULES

Discussion took place about the cancellation policy for the concert series and how it should be handled. It was the consensus of the Commission that the Emcee should not be solely responsible for any cancellation, but should work in conjunction with Mr. Scofield on the decision and split up the duties of making the phone calls to contact all parties involved, i.e., Performance Audio, City of Norwalk, Jumar Marketing, etc.

**** COMMISSIONER YOST MOTIONED TO MAKE IT A POLICY THAT IT BE A JOINT DECISION BETWEEN THE EMCEE AND MR. SCOFIELD OR MR. SMITH TO CANCEL A CONCERT DUE TO INCLEMENT WEATHER.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

**** COMMISSIONER GOLDSTEIN MOVED TO TABLE ITEM #7, BRIEF DISCUSSION OF POSITION ON RENEWABLES, TO THE SEPTEMBER COMMISSION MEETING.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

DISCUSSION/ANALYSIS OF FINANCIAL STATEMENTS/KEY PERFORMANCE

May 2016 - The month of May was up a little from last year. Overall, Revenues were up 6%, Purchase Power Cost is down and Expenses are within 4% year-over-year. Interest Income (Acct. 419-00) was up significantly due to a change in the market. Other Income is down due to the Norden units not running as much. Net Income, on a cash basis, is up significantly.

Commissioner Brown questioned why the % Change on two of the categories (Net Ordinary Income and Net Income Before Rate Stabilization) were showing as negative when, in fact, the numbers increased. Mr. Smith will be contacting Matt Allred for clarification.

May PCA – Now in an over-collection position.

Commissioner Goldstein brought up the subject of the Pension Investment Committee and asked where things stand with it. Mr. Smith was in touch with Atty. Bove about the matter. As a result, Atty. Bove was going to give Mr. Smith a letter clarifying who should be on the Committee. In the meantime, Mr. Smith came across an historical document that talked about who was on the Committee and forwarded the document to Atty. Bove. Mr. Smith will follow-up with Atty. Bove on this matter.

June 2016 – Mr. Smith stated that these are the preliminary year-end numbers for the 12-month period. June was a breakeven month, but Total Expenses (including Purchase Power) are down \$116,000 this year vs. last year, partially due to the Purchase Power Cost being down and expenses being controlled. Revenue is up 5% over last year, partially due to the fuel adjustment of 2.7 cents being held constant.

Expenses are in line with last year. Net Income Before Rate Stabilization is \$413,117 vs. \$96,707 last year. Almost \$1MM was deposited into Rate Stabilization, which is almost double last year's contribution. Net Income is \$1,387,580 vs. \$511,202 from last year. Cash balances are healthy. Cervalis paid off their construction loan and transferred \$1.462 million to TTD on July 25th. CMEEC debt continues to go down. Overall, it's been a solid year from a financial perspective.

DISCUSSION OF DOT COMMUNICATIONS

Commissioner Goldstein gave the Commission some background information about the DOT hearings she has been attending and talked about the various projects that will be taking place over the next 4-6 years in the area. One area of concern is communication throughout the City of Norwalk from the DOT. They are on board and are committed to doing a better job of coordinating the projects and communicating the information.

How can TTD do their part in this? Jumar Marketing could be leveraged to send out email alerts, post on the website and include information in the newsletter (provided it's not outdated).

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Another possibility would be to utilize Stan Siegel and ask him to include information in his bi-weekly article.

Another option would be to purchase an electronic LED streaming sign and place it at Hanford Switch (entrance to East Norwalk) with current information. The cost of this will need to be researched.

DISCUSSION OF NON-PERFORMING ASSETS

Discussion took place about the house at 215 East Avenue and what should be done with it both short-term and long-term. Mr. Smith said he realizes this subject is on the mind of the Commission with regard to Strategic Planning, but would like to know their ideas for the short-term. Commissioner Yost said the only money that should be spent on it right now should be for any work to protect it from the elements. With regard to long-term, Commissioner Yost said there are many alternatives. The best way to start would be to list the alternatives, examine them and determine cost and implementation. The first item would be to create a list and perhaps a budget for someone to do the groundwork to evaluate the alternatives.

Further discussion took place and it was decided that each Commissioner should create a list and submit them to Mr. Smith, who will then compile them for the Commission. From there, a budget can be discussed. This subject will continue to be discussed during Strategic Planning.

Commissioner Goldstein raised a point with regard to the State and Eminent Domain, as the State has already taken out houses/businesses in the area for the upcoming projects. Her thinking was if the State would want to take the house in the future, TTD should take into consideration that they would give fair market value and we would want to get the highest value possible.

DISCUSSION OF NORWALK 2.0

Mr. Smith reviewed the background on Norwalk 2.0's request to put two art containers in Constitution Park. Mr. Smith had sent the Space Agreement to Atty. Bove for legal input. The Space Agreement has been signed, but not returned as Mr. Smith was waiting for Atty. Bove's response on the subject, which has been received and presented to the Commission. Discussion took place about the concerns raised by Atty. Bove in his letter.

**** COMMISSIONER GOLDSTEIN MOVED TO SUSPEND THE RULES TO AMEND THE ITEM TO REFLECT THAT IT IS AN ACTION ITEM.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

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**** COMMISSIONER YOST MOVED TO APPROVE THE AGREEMENT WITH THE FOLLOWING CONDITIONS: 1) NORWALK 2.0 MUST MAINTAIN THE GROUNDS AND KEEP IN THE SAME CONDITION AS FOUND; 2) DURING CONCERTS, THERE MUST BE POLICE PATROL, SECURITY AND TRAFFIC CONTROL; 3) INSURANCE LEVELS MUST BE RAISED TO THE RECOMMENDED LIMITS OF TTD'S INSURANCE BROKER*; AND 4) NORWALK 2.0 MUST NOTIFY THE NEIGHBORS/BUSINESSES OF CONSTITUTION PARK THAT THE CONTAINERS ARE BEING PLACED ON THE PROPERTY.**

**** COMMISSIONER BROWN SECONDED.**

**** COMMISSIONER GOLDSTEIN OPPOSED.**

**** THE MOTION PASSED TWO TO ONE.**

***Coverage that Norwalk 2.0 should have in place at a minimum is as follows:**

- 1M/2M General Liability
- 1M Umbrella Policy
- Property Coverage (i.e., coverage for the trailers, Coverage for the contents inside the trailers)
- Workers Comp Insurance

ANNUAL OYSTER FESTIVAL PARTICIPATION

Mr. Smith told the Commission that the Seaport has once again requested the assistance of TTD for setting up/taking down of the electric for the Annual Oyster Festival. The Festival will only be two days this year (Saturday and Sunday). TTD will invoice the Seaport for the work involved in the approximate amount of \$8,000 to \$10,000.

**** COMMISSIONER GOLDSTEIN MOVED TO APPROVE TTD'S PARTICIPATION IN THE ANNUAL OYSTER FESTIVAL AS PRESENTED.**

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

ENGAGEMENT LETTER – FYE JUNE 30, 2016 AUDIT

Mr. Smith presented the Engagement Letter from Hope & Hernandez for the FYE June 30, 2016 Audit. The cost of this year's audit is \$20,960. The work has already begun and is moving along. The plan is to have the audit completed by October. Mr. Smith has been in touch with Stan Siegel at the East Norwalk Library about turning in the documents requested in a timely fashion in order that the audit can be completed as quickly as possible.

**** COMMISSIONER GOLDSTEIN MOVED TO APPROVE THE ENGAGEMENT LETTER PROPOSAL AS PRESENTED.**

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

GENERAL MANAGER'S REPORT

eReliability Update

Mr. Smith presented the eReliability Update for the past six months, which shows the outages during this time period. The longest outage occurred in February in the Pequot area. The reason for this is due to the fact that a long line was needed to be strung in order to get into the problem (about ¾ mile). Commissioner Goldstein asked that this information be included on the website. Jumar Marketing will be contacted about this.

Update on CyrusOne

Mr. Smith informed the Commission that TTD has collected the full amount due on the construction loan. The funds were wire transferred to TTD on July 25, 2016 in the amount of \$1,429,646.52. This will help alleviate TTD having to use the funds from the Rate Stabilization Fund for any capital projects during the year.

Mr. Smith said the loads are increasing at CyrusOne. The new bank customer is in the process of moving into the facility.

Update on UFS Financial Projections/Rate Study

Mr. Smith has received a preliminary report from Dawn Lund and she will be reviewing it at the September Commission meeting. Currently, TTD is meeting their financial targets, which indicates that rates will not need to increase in the near future.

Otocast (Susan Wallerstein Project)

Discussion took place about TTD's involvement and what they can do for the Otocast project. Suggestions were made as to locations around the District, i.e., Library, Cemetery, Firehouse, Ludlow Monument, and Bloom Bros. Some of the Commissioners are willing to do the narration for the segments. Commissioner Goldstein volunteered to write draft scripts. Commissioner Goldstein will contact Susan Wallerstein about TTD's participation in the project.

PROJECT SUMMARY (June & July)

July 2016 – Economic Development Initiative

Mr. Smith informed the Commission that he has had meetings with the mall developers with regard to TTD being on "standby" for the new mall being built in SNEW's district. During the last meeting, it was decided that TTD will now be bumped up to a "back-up" provider to the mall on a regular basis. Rates are in the process of being created.

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EXECUTIVE SESSION

- Maplewood and Scicchitano Claims
- Personnel

**** COMMISSIONER YOST MOVED TO ENTER INTO EXECUTIVE SESSION TO DISCUSS THE MAPLEWOOD AND SCICCHITANO CLAIMS AND PERSONNEL.
** COMMISSIONER BROWN SECONDED.
** COMMISSIONER GOLDSTEIN ABSTAINED.
** THE MOTION PASSED.**

The Commissioners, Treasurer, and Mr. Smith entered into Executive Session at 8:54 p.m.

**** COMMISSIONER GOLDSTEIN MOVED TO EXIT EXECUTIVE SESSION AND RETURN TO PUBLIC SESSION.
** COMMISSIONER YOST SECONDED.
** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Treasurer, and Mr. Smith returned to public session at 9:19 p.m.

ADJOURNMENT

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

The meeting adjourned at 9:20 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District

Third Taxing District
of the City of Norwalk
August 1, 2016