

FINAL

**CITY OF NORWALK
THIRD TAXING DISTRICT COMMISSION
REGULAR MEETING
MARCH 4, 2013**

ATTENDANCE: Paul Kokias, Chair; Charles Yost, David Brown

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

OTHERS: Atty. John Bove, District Council; Joseph Cristino, Cristino Associates; Deborah L Olchowski

CALL TO ORDER.

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

PUBLIC COMMENT.

No one present wished to comment at this time.

MINUTES OF MEETING 2/4/13 & SPECIAL MEETING OF 2/21/13 - PAGES 1 THRU 8

February 4, 2013 minutes:

The following corrections were noted:

Page 3, under **Discussion of Roberts Rules (Old/New Business)**, paragraph 5, line 4: please change the following from: “change the procedure for forming the agenda and”
to: “change the Commission’s procedure when adding new items to the agenda.”

Page 4, paragraph 1, line 1: please change “Mr. Smith that all is on” to “Mr. Smith said that all is on”

Page 6, under Cervalis Data Center Update: paragraph 1, line 2: please change the following from: “them into to final” to: “them into final”

Page 6, under Cervalis Data Center Update: paragraph 2, line 5: please change the following from: “they will know further as “ to: “they will know further when it is confirmed that Cervalis will absorb the cost of the trenching.”

Page 6, under Cervalis Data Center Update: paragraph 3, line 4: please change the following from: “July 27 is available pending reservation the date.” To : “July 27 is available pending the Third Taxing District reserving the date.”

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**** COMMISSIONER BROWN MOVED TO ACCEPT THE FEBRUARY 4, 2013 MINUTES AS CORRECTED.**

**** COMMISSIONER KOKIAS SECONDED.**

**** THE MOTION TO ACCEPT THE FEBRUARY 4, 2013 MINUTES AS CORRECTED PASSED UNANIMOUSLY.**

February 21, 2013 Special Meeting

**** COMMISSIONER BROWN MOVED THE MINUTES OF FEBRUARY 4, 2013**

**** COMMISSIONER KOKIAS SECONDED.**

**** THE MOTION TO ACCEPT THE FEBRUARY 4, 2013 MINUTES AS SUBMITTED PASSED UNANIMOUSLY.**

**** COMMISSIONER KOKIAS MOVED TO BRING THE FOLLOWING AGENDA ITEMS TO THE TOP OF THE AGENDA:**

**FITCH STREET SUBSTATION PROJECT/CHANGE ORDERS #1 & 2
PURCHASE OF VACUUM BREAKER FROM EATON CORP.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

FITCH STREET SUBSTATION PROJECT/CHANGE ORDERS #1 & 2

Mr. Joe Cristino came forward and said that the District was right on the timeline. Things are moving along but there have been some small difficulties with CL&P and UI. There was an issue with testing at the substation. Mr. Cristino went on give an overview of the copper grid underneath the substation. Further testing has revealed that the topsoil was not acceptable, but the soil at the deeper depth is acceptable for the process.

Following some meetings with CL&P, it came to light that there were some tie ins with the railroad. Mr. Cristino gave an overview regarding the ground switches that the railroad requested. One additional circuit breaker will be added near East Avenue. The older circuit breaker that is on the site now can be used for the sewage treatment plan after the new circuit breaker is installed.

Commissioner Brown asked about the security at the substation. Mr. Cristino reviewed the details with him. Mr. Cristino then spoke about the lighting for the area, which will have a low wattage and will be pointed straight down.

Commissioner Brown asked where the funding for these changes was coming from. Mr. Smith listed the revenue sources that the changes would be paid from. The total was \$135,833.

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Commissioner Brown asked if Mr. Smith and Mr. Scofield were satisfied. Both Mr. Smith and Mr. Scofield replied that they were.

**** COMMISSIONER KOKIAS MOVED TO ACCEPT THE ADDED COSTS OF THE CHANGE ORDERS # 1 & #2 FOR THE FITCH STREET SUBSTATION PROJECT AS PRESENTED TO THE COMMISSION.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

PURCHASE OF VACUUM BREAKER FROM EATON CORP.

Mr. Smith reviewed the details contained in the February 18, 2013 information memo regarding the Vacuum breaker replacements. Mr. Cristino said that it was a circuit breaker at the Rowan Street substation. There is no asbestos in the breakers. There are no spare parts available for the breaker. As the equipment ages, the insurance companies have a tendency to increase the costs.

Mr. Cristino gave a detailed description of the racking mechanism tool used to install the retrofitted breakers. There are a total of eleven breakers in the substation. After the replacements are completed, the old breakers can be sold off.

Commissioner Yost asked if all the other ten breakers would be replaced. Mr. Cristino said that the only reason the this was being replaced was because this particular breaker was deteriorating. The main focus right now is on the substation.

Commissioner Brown wished to know why this maintenance was not done in the past. Mr. Smith said that there was never a schedule in the past. Commissioner Kokias said that it would be important to have a replacement schedule in place from now on.

**** COMMISSIONER KOKIAS MOVED TO APPROVE THE PURCHASE OF A MEDIUM VOLTAGE VACUUM REPLACEMENTS (MVVR) FOR 50DHP-350-2000A & 50DHP-350-1200A CIRCUIT BREAKERS AND RPR-2 REMOTE POWER RACKING DEVICE AS PRESENTED TO THE COMMISSION.**

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

GENERAL MANAGERS REPORT

Capital Budget Format

Mr. Smith then distributed a 5 year capital budget worksheet document to the Commissioners. Mr. Smith then directed everyone's attention to page 2 where there was a blank template modeled on the City's budget format. This format would be used going forward for all capital budget items excluding the fire house, the library and the cemetery. Mr. Smith stated that he would start using this on July 1, 2013 forward. This form would provide the Commissioners

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with an idea of what was being planned for the coming years in terms of expenditures. The Commissioners will have a total line budget for each Capital year.

Commissioner Yost asked if Mr. Smith had gotten a copy of the Operating Budget forms from the City of Norwalk. Mr. Smith replied that he had and would be looking at them as were.

CMEEC Refinancing Options

Every system with the exception of SNEW had approved the RPSC contacts. Refinancing of the Millstone nuclear plant bonds had been done in April.

Mr. Smith said that the focus was on financing the internal projects that were underway. If the District needs a short term loan, Mr. Smith stated he would provide some information for the Commissioners at the next meeting. He added that the Third Taxing district would not have any financing available for the refinancing of the Millstone project from the rate stabilization fund.

DISCUSSION OF CHRISTMAS LIGHTING CONTEST COST

Commissioner Kokias said that he had concerns about the costs of the Christmas Tree lighting that included the advertising. It cost \$3,130 for the tree lighting advertising in The Hour for the week. He said that while he would like to support The Hour, he felt that the advertising could be handled via emails or other means. Commissioner Brown said that perhaps it could be printed on the bill or inserted. Commissioner Yost said that it would be good to have a database with the customers' emails. Mr. Smith agreed and suggested that the staff would come up with a few alternative ideas to present to the Commission in October or November.

DISCUSSION/ANALYSIS OF FINANCIAL STATEMENTS

Mr. Smith said that January was a good revenue month. He reviewed the figures in the information packet with the Commissioners and pointed out that there was an increase in a number of expense categories because of the storm. Discussion followed about the effect of reimbursements on the budget and which line items could be controlled by efficiencies.

The discussion moved to the Norden generators and whether the generators should remain on the grid. Mr. Smith said that the contract stated that the Norden generators must remain on the grid. If the generators are taken off line, it will incur a certain amount of expense. Atty. Bove pointed out that there would be additional expense in terms of the rent that District pays to Norden for the three generators and the pads they are located on. Mr. Smith said that this was one of the projects that he had been working on. Discussion followed about possible solutions for this.

The final claim information submission to FEMA will be sent out. Mr. Scofield said that he felt that the government turnaround would be fairly rapid.

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Commissioner Brown asked about the Other Income listed on page 9. Mr. Smith said that the break out was on page 10 and the \$116,000 was the net for that category.

DISCUSSION OF 215 EAST AVENUE ROOFING BIDS

Mr. Smith said that he had put the bidders off for 30 days in order to receive some direction from the Commission. Commissioner Brown said that with the snowstorms and the inability to contact certain parties, he had not been able to obtain any information from the state on grant information. Commissioner Kokias said that other than demolishing the building, the District would have to protect the assets. Discussion followed about the four bids that had been submitted.

**** COMMISSIONER KOKIAS MOVED TO APPROVE THE BID FROM RICK'S MAIN ROOFING FOR THE SUM OF \$8,860.**

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION TO APPROVE THE BID FROM RICK'S MAIN ROOFING PASSED WITH TWO IN FAVOR (KOKIAS AND YOST) AND ONE OPPOSED (BROWN).**

Commissioner Brown said that he did not think that the house should be repaired at all that that why he was voting against the motion.

APPROVAL OF LANDSCAPING BIDS

Mr. Scofield said that he was recommending the higher bid because of the per hour rate, which was outlined in the February 28, 2013 memo. Discussion followed about the details of the bids submitted and how Mr. Scofield arrived at the projected number of hours needed.

**** COMMISSIONER KOKIAS MOVED TO APPROVE THE THREE YEAR BID FROM PRESTIGE LANDSCAPING FOR THE SUM OF \$98,205.00.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

Commissioner Brown commented that Mr. Chris Burr frequently works on maintaining the cemetery.

FOLLOW UP ON CREDIT & COLLECTIONS POLICIES

Commissioner Kokias said that he had spoken with Mr. Smith regarding clarification on the collection process. Commissioner Kokias said that Mr. Scofield had the authority for all final shut off decisions.

Commissioner Yost said that he did not see an outline of the shut off process in the packet. Mr. Smith said that Mr. Scofield was familiar with the various repeat offenders. Atty. Bove commented that there was a process that the Third District must follow from the Public Utilities Regulations.

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Mr. Scofield then gave an overview of the billing process and when the shut off notices go out. He spoke about the hardship accounts and how they are removed from the list. Extra Customer service is provided for those customers. Mr. Smith said that the customers receive 43 total days to pay once they receive the bill before they can be shutoff. Commissioner Yost asked if the process was on the website. Mr. Smith said that it was printed on the back of the bill.

Mr. Scofield said that when a commercial customer is in arrears, a representative goes to the business to collect the amount in arrears. This is one of the items that is being proposed for a change.

DISCUSSION OF DISTRICT ANNUAL MEETING

Mr. Smith said that he had send out the details to the Commissioners and asked if there were any concerns or items that had to be changed. He pointed out that the process was a year out of phase. A discussion followed about the Chairman's Report presenting the previous year's information. It was agreed that a single page update would be created and distributed to those present at the meeting updating the voters on events occurring up to the date of the meeting. Mr. Smith said that he was happy that this had been clarified.

100TH ANNIVERSARY CELEBRATION AND BUDGET

Mr. Smith said that there had been discussion about the 100th anniversary, which is being referred to as "Power on the Sound". Mr. Smith said that it would be good to have an overall budget. Commissioner Kokias asked Mr. Smith what figure he had in mind. Mr. Smith replied that it would be between \$30,000 and \$40,000, which would include the pole banners and three musical bands. Mr. Scofield said that he had requested a quote from one vendor. Contracts have been sent to the various bands. Mr. Smith suggested that the funds be taken from the Operating Fund. There will also be an offset revenue from the vendor's booth rentals at the event. Commissioner Yost then read off a list of potential interested parties that would rent a booth.

REPLACEMENT OF 2003 CHEVROLET SILVERADO PICKUP

Mr. Smith then reviewed the details on the current truck and the need for replacement as outlined in the February 20, 2013 memo. The new vehicle would be equipped with the plow set up. Commissioner Brown asked why Fords and others were not considered. Mr. Smith explained that the District had good success with Chevy for the plow set up. The Fords do not have the same reputation. The current vehicle has lasted for 10 years.

**** COMMISSIONER YOST MOVED TO APPROVE REPLACEMENT OF THE CURRENT PICKUP WITH A SIMILAR 2013 MODEL FROM CHEVROLET/BUICK OF WILTON IN THE AMOUNT OF \$28,078.00 AS DISCUSSED.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

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**** COMMISSIONER YOST MOVED TO SUSPEND THE RULES TO ADD A DISCUSSION REGARDING THE THIRD TAXING DISTRICT WEBSITE.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

Commissioner Yost asked about the website. Mr. Smith replied that he has contacted several different firms to upgrade the site and also was considering rebranding the District. Rebanding takes on many different facets. Mr. Smith would like to bring the various vendors in to speak to the Commission. Commissioner Brown asked how the vendors were chosen. Mr. Smith explained that one vendor currently has the contract, another one was based on a recently upgraded dentist's website and a third one was referred by Commissioner Yost. Mr. Smith said that he would like to bring the vendors in to speak to the Commission at the next few meetings.

EXECUTIVE SESSION

**** COMMISSIONER KOKIAS MOVED TO ENTER INTO EXECUTIVE SESSION.**

**** COMMISSIONER YOST SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commission, Atty. Bove, Mr. Smith and Mr. Scofield entered into Executive Session at 9:30 p.m. They returned to public session at 9:50 p.m.

THERE WAS NO ACTION TAKEN

ADJOURNMENT

**** MR. BROWN MOVED TO ADJOURN.**

**** MR. KOKIAS SECONDED.**

**** THE MOTION TO ADJOURN PASSED UNANIMOUSLY.**

The meeting adjourned at 9:50 p.m.

Respectfully submitted,

Sharon L. Soltes
Telesco Secretarial Services

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