

Draft

THIRD TAXING DISTRICT
Of the city Norwalk
July 9, 2012

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

STAFF: George Leary, Former General Manager, Ron Scofield, Asst. Manager; James Smith, General Manager

CALL TO ORDER

Mr. Kokias called the meeting to order at 7:00 p.m. and requested to move the order of the agenda to have the Executive Session following approval of the minutes.

PUBLIC COMMENT

None

MINUTES OF MEETING: June 4, 2012

Mr. Brown requested the following changes:

Page 1: In the last sentence under Public Comment, add the word “if” after “asked”.

Page 2: Paragraph 1, in the second sentence Pete Johnson’s last name should be added.

Under General Mgrs. Report, paragraph 4, first sentence, delete the word “but”.

Page 4: Paragraph 3, correct CEMAC to CMEEEC.

Mr. Brown stated that under Office Replacement the word “minions” does not apply. Mr. Leary suggested deleting the sentences, and Mr. Brown stated that this would have no comments under the item. Atty. Bove suggested to keep the first sentence and to delete the second sentence in the first paragraph.

Mr. Brown questioned the first paragraph on page 5, and Mr. Yost replied that the comments were accurate.

Mr. Brown stated that last month there were several corrections, and he finds it troubling when sentences are stricken when the context of the comments can't be recalled, as it appears that the district is trying to hide something. He added that he is not happy with the minutes and the amount of corrections, he has contacted Mrs. Cheryl Telesco and he will allow her to comment. He asked the Commissioners if they had any suggestions on how to handle this, and Mr. Kokias replied that we should just see how things go from this point.

**** MR. KOKIAS MOVED TO APPROVE THE MINUTES FROM THE MEETING OF JUNE 4, 2012 AS AMENDED WITH CORRECTIONS NOTED.**

**** MR. YOST SECONDED.**

**** MOTION PASSED UNANIMOUSLY.**

EXECUTIVE SESSION

**** MR. BROWN MOTIONED TO ENTER INTO EXECUTIVE SESSION FOR PURPOSE OF DISCUSSION OF LITIGATION STRATEGY.**

**** MR. KOKIAS SECONDED.**

**** MOTION PASSED UNANIMOUSLY.**

The meeting went into Executive Session at 7:10 p.m.

**** MR. BROWN MOTIONED TO COME OUT OF EXECUTIVE SESSION AND RETURNED TO PUBLIC SESSION.**

**** MR. KOKIAS SECONDED**

**** MOTION PASSED UNANIMOUSLY.**

The meeting was reconvened back into public session at 7:55 p.m. There was no action taken.

GENERAL MANAGER'S REPORT

Mr. Leary stated that there was no formal report, as the financial data was not available. He added that fiscal year ended June 30, next month there would be final closing numbers, and this would be included in the packet for the next meeting. He added that everything seems to be on track with the Financial Statements.

Solar Demonstration Project

Mr. Leary provided background information regarding interest in doing a solar Photovoltaic LPV demonstration project. He explained that they had arranged for a partner who could help take advantage of the tax breaks to help pay for the system, but has determined that these types of arrangements are only available for large systems. He added that they have a quote from Elektron Solar of Westport for a 9360 W system installed on the office roof at a cost of \$40,154.00.

Mr. Leary highlighted that the advantages of the solar project include good public relations, staff training and education. It was also determined that renewable energy funding is available. Disadvantages of the project include increased cost, lack of ability to use tax credits, limitations on depreciation and a ten year payback period.

Mr. Kokias stated that under better economic times, he would love to have this as it is a good project for the district, but is not sure that this is the best financial decision. Mr. Yost asked if Mr. Leary feels that this is something that should be pursued. Mr. Leary stated that it would appear to be a good deal as we would “net meter” the energy produced and buy back the difference from the customer. Mr. Smith shared his experiences with the solar project promotes good will for the utility and illustrates the principle that “we practice what we preach”.

A discussion followed relative to the merits of the project and Mr. Leary explained that if the commission decides to pursue the project, they would get competitive bids and pay for the installation with renewable energy credits on deposit at CMEEC, which are intended for such projects.

Mr. Yost stated that it seems to make sense and suggested that the former General Manager prepare a draft proposal and send it to customers to solicit interest. He added that this should include the specific details on how the tax credits work and state incentives that are available. This offer should be presented in the form of a letter suggested that CMEEC could also assist the department with finding a potential customer to sponsor or endorse this project.

**** MR. YOST MOVED THAT THE FORMER GENERAL MANAGER PREPARE A DRAFT PROPOSAL DOCUMENT ON THE SOLAR PROJECT AS AN OFFER TO CUSTOMERS TO DETERMINE THEIR INTEREST.**

**** MR. BROWN SECONDED.**

**** MOTION PASSED UNANIMOUSLY.**

Update on Substation Project, Siting Council Proceedings, Status of Construction Contract Draft

Mr. Leary stated that the Siting Council review was conducted at a Public hearing held on June 14, 2012. The Public comment period will close on July 14, 2012. Mr. Yost asked what the significance of this was, and Mr. Leary explained that there is a six month period, after the application was originally filed, which is October 14, 2012, for the Siting Council to act.

Attorney Bove stated that he has been working on the draft of the sub station contract. He has incorporated internal comments and expects to produce a final version next week. Mr. Leary stated that Eaton Corp. was anxious for a response to their contract proposal.

CMECC Board of Directors Appointments

Mr. Leary referred to his memo to the Commission and stated that periodically the Commission makes appointments to the CMEEC and TRANSCO Boards of Directors. He explained that since there has been a change in the GM position, it is appropriate to update appointments at this time.

- ** MR. KOKIAS MOVED TO APPROVE THAT DAVID BROWN AND JAMES SMITH BE APPOINTED THE PRIMARY DIRECTOR ON THE CMEEC AND TRANSCO BOARDS AND THAT PAUL KOKIAS, CHARLES YOST, AND RONALD SCOFIELD BE APPOINTED AS ALTERNATE DIRECTORS ON THESE BOARDS.**
- ** MR. YOST SECONDED THE MOTION.**
- ** MOTION PASSED UNANIMOUSLY.**

Pension Committee

Mr. Leary referred to his memo to the Commission and stated that with the employment of James Smith as General Manager, it is recommended that the Commission vote to appoint James Smith to replace George Leary as a member of the Pension Committee. Mr. Scofield added that since the retirement of Ray Mitchell, a vacancy was created on the Pension Committee. He suggested that the Commission vote to approve Tricia Densson to fill the vacancy on the Pension Committee.

Mr. Brown asked if there should be a Commissioner on the Committee and if the pension system should be changed from a “defined benefit plan” verses “defined contribution plan”. Atty. Bove pointed out that this would only be changed in future labor agreements following negotiations with the union. He added that the Committee acts in an advisory role to review pension plans and to make recommendations to the Commission. Mr. Kokias asked why Tricia Densson s/b recommended to the Pension Committee? Mr. Leary replied that she is familiar with the details of the pension plan and it makes sense to have her included.

Mr. Kokias stated that pension benefits for new union employees would be controlled through future contract negotiations. Pension benefits for non-union employees would be negotiated on an individual contract basis.

- ** MR. KOKIAS MOVED TO APPROVE THAT THE COMMISSION APPOINT JAMES SMITH TO REPLACE GEORGE LEARY AS A MEMEBR OF THE PENSION COMMITTEE, AND TRICIA DENNSION TO REPLACE RAY MITCHELL.**
- ** MR. YOST SECONDED THE MOTION.**
- ** MOTION PASSED UNANIMOUSLY.**

It was noted that the Pension Committee members will now be James Smith, Ronald Scofield and Tricia Dennsion.

Employment Agreements for General Manager and Assistant GM

Mr. Leary referred to his memo to the Commission and stated that there is a slight change to the recommended action on the vote to ratify and confirm the employment agreement with James Smith for the position of General Manager.

Mr. Smith stated that he has found an omission in his contract, as there is no mention of sick days. He stated that the language for sick days be the same as the holidays in section 46 of his contract.

Mr. Kokias asked if the sick days are carried forward and Mr. Leary replied that they accumulate per the union contract.

Atty. Bove suggested that they hold off on approval until the corrections are made by Atty. Chris Hodgson and that the final revised contract is re-examined and submitted to the commission.

- ** MR. KOKIAS MOVED TO TABLE APPROVAL OF THE VOTE TO RATIFY AND CONFIRM THE ACTIONS TAKEN TO ENTER INTO AGREEMENTS WITH JAMES SMITH FOR THE POSITION OF GENERAL MANAGER AND RONALD SCOFIELD FOR THE POSITION OF ASSISTANT GENERAL MANAGER**
- ** MR. YOST SECONDED.**
- ** MOTION PASSED UNANIMOUSLY.**

Library Gas Conversion

Mr. Yost stated that as discussed the last few months, he has now received more information form the East Norwalk Library regarding replacing the boiler/ water heater with a conversation to gas unit. He stated that he following discussions with Mr. Siegel, they realized that the amount of gallons was not accurate provided. He added that after further analysis there is a 50% savings in fuel consumption with Yankee Gas at \$5,000 verses Standard Oil of \$10,000. Mr. Yost stated that with a rough installation estimate of \$15,000 plus 3,000 to extend the gas line, the total cost would be \$18,000 which means the payback is calculated at 3.5 years to have annual \$5,000 savings achieved.

Mr. Leary stated that one problem is that there is no money in the budget following the transfer of \$20,000 from contingency to the Fire Department. Mr. Yost suggested that the Former General Manager examine the reallocation of line items to find the money to do this. Mr. Kokias requested that Pete Johnson get alternate prices on the installation.

Mr. Smith suggested that long term rates be locked in and negotiated for optimal savings in the contract. It was agreed to keep the item on the agenda until further information was received.

TTD 100th Anniversary Observance

Mr. Leary stated that he had no new information on this item. Mr. Brown suggested that we go back to the previous vendor to look into banners with a new message. Mr. Kokias stated that it would be nice to have new banners on the poles.

Mr. Smith recommended that he go to APPA to see what is available from other parts of the country with similar anniversary observances. It was agreed that the new General Manager would provide further information for the next meeting.

Cervalis Date Center

Mr. Yost asked if we have heard from Fortis, and Atty. Bove replied that a draft contract was sent to Fortis and we are waiting for a reply.

WWTP Special Contract

Mr. Leary stated that there is nothing new on the Waste Water Treatment Project as he is waiting for cost numbers and updated information from CMEEC. He stated that there was no action required by the Commission at this time.

Other Items

Mr. Yost stated that on the subject of the Newsletter, he would like to pursue an electronic type of newsletter through Constant Contact that would save printing and postage and would be sent by e-mail to customers.

Mr. Brown questioned the limitations of downloading a PDF format, and Mr. Yost replied that he would send a sample to him by e-mail for review. Mr. Kokias assed that with the addition of e-billing, he recommends that e-mail addresses be obtained. Atty. Bove suggested that a response card requesting e-mail information and permission be included in the bills as the first step to gathering the e-mail addresses.

Thank You cards were presented from Marvin Elementary School for funds received from the Energy Conservation Fund. Mr. Leary stated that Mr. Bonenfant was waiting for direction on the photo selection for framing for the lobby and conference room. It was agreed that photos would be brought to the next meeting for selection for framing.

ADJOURNMENT

- ** MR. BROWN MOVED TO ADJOURN.**
- ** MR. KOKIAS SECONDED.**
- ** MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 8.56 p.m.

Respectfully submitted,

Ronald Scofield
District Clerk

