

FINAL

CITY OF NORWALK
THIRD TAXING DISTRICT
JULY 11, 2011

ATTENDANCE: Commissioners: Timothy Plunkett, Chair; David Brown;
Paul Kokias.

STAFF: George Leary, General Manager;
Ron Scofield, Assistant General Manager.

OTHERS: John Bove, District Counsel.

CALL TO ORDER

Mr. Plunkett called the meeting to order at 7:05 p.m.

MINUTES OF MEETINGS

June 13, 2011

Mr. Plunkett requested a change to the minutes on page 2 to add a period after the word "counsel" in paragraph 2 and strike out the remainder of the sentence. Mr. Plunkett moved to accept the minutes with the correction as noted.

- ** MR. PLUNKETT MOVED TO ACCEPT THE MINUTES FROM THE JUNE 13, 2011 MEETING WITH CORRECTION AS NOTED.**
- ** MR. KOKIAS SECONDED.**
- ** MOTION PASSED UNANIMOUSLY.**

June 27, 2011 SPECIAL MEETING

- ** MR. BROWN MOVED TO ACCEPT THE MINUTES FROM THE JUNE 27, 2011 SPECIAL MEETING, SUBMITTED.**
- ** MR. KOKIAS SECONDED**
- ** MOTION PASSED UNANIMOUSLY.**

PUBLIC COMMENT

There were no public comments.

GENERAL MANAGER'S REPORT

Mr. Leary presented his written report and stated that it was self-explanatory, as it represents the standard format with the statement of income and expense. He mentioned that the IRS has been conducting a survey to make sure that we are following all of their regulations properly, and we seem to be doing everything correctly. He highlighted the following:

- 400 Income - The income in every category is up substantially from last year due to the unusually hot summer and cold December, January and February this year.

- 557 Fuel adjustment (Purchased Power Adj.) is up due to higher sales and the increased rate which began October 1st.
- 555 Electrical Power Purchased -The Electrical Power Purchased is up substantially from last year mainly because we used \$200,000 from rate stabilization to reduce the July 2009 power cost in order to assure an adequate profit for: FY 2009. The remaining difference of \$403,476 is due to increased purchases from the hotter summer arid colder winter weather. The cost per unit of power is still running below expectations.

Expense:

- 408 -Taxes are up due to increased power sold and higher transmission costs.
- 540 Other Power Generation Expense continues to be down 58% due to decreased Norden operation.
- Other Income/Expense —
 - 419-420 Interest Income/Gain (Loss) on Investments shows large changes due to the nature of available investment vehicles and can be explained in greater detail at the meeting.
 - 421-422 Norden Income and Load Shed Revenue down due to their reduced payment rates.
 - 424 Energy Conservation Income is a net of income/expense in this account and is up due to the timing of income and expenses and reduced activity in our programs.
 - 425 Misc. Income represents FEMA expense reimbursement from the storm of March 2010.

OFFICE VEHICLE

Mr. Scofield presented an outline as a request for an office vehicle, as follows:

To carry out responsibilities of monitoring the field personnel, as well as dealing with various items in the field such as parks maintenance, Fitch Street maintenance, trips to the bank, Credit Union, City Hall and miscellaneous other items, the need to use a vehicle has increased. Most of the time, there were no vehicles available for me to use. In order to have a vehicle available to use, it has been reassigned the way in which the vehicles were being used to now have the Chevrolet Aveo available for use.

Mr. Scofield added that in doing this, Bill and Mike now use the bucket truck and the rack body truck for everything that they do. The Meter Department (Joe) uses the black pickup truck and Pete uses the yellow meter truck. As a result, we are spending more money on a daily basis than we need to spend and there is also an inconvenience factor.

Mr. Brown asked how many hours it takes to read meters, and a discussion ensued relative to doing a better job of advanced scheduling to avoid the need for another vehicle. Mr. Scofield stated that we are at a point where, for more efficiency and for daily cost savings, we are in need of another vehicle, and again stated that to avoid the practice of using his personal auto, requested the purchase another small car like the Chevrolet Aveo. Mr. Plunkett suggested to get prices for review and to be presented at the next meeting.

Oyster Festival Participation

Mr. Leary presented the following letter from the Seaport Association:

The purpose of this letter is to request the tasks listed below in support Norwalk Seaport Association's 34th Oyster Festival to be held on Friday through Sunday, September 9, 10 & 11, 2011 at Veterans Park in East Norwalk.

As in the past, the following tasks are requested from Third Taxing District again this year. The setup process will begin on Saturday, August 27, 2011 and your crew will be able to begin on Monday, August 29, 2011. The removal process will begin on Monday, September 12 and should be complete on or before September 23, 2011.

1. Connect power lines to temporary services (about 40) prior to event and disconnect them after the event.
2. Relocate transformer banks and individual transformers as needed.
3. Temporary installation, removal and/or adjustment of security lighting.
4. Deliver and install four (4) aluminum and four (4) wood poles from the storage area and, after the festival, remove and transport them back to that property.

The arrangements will be the same as last year and Jerry Toni, Treasurer, Norwalk Seaport Association, is the contact for invoicing. We anticipate no additional work beyond that which was performed last year. If the cost will vary, please communicate that amount to Jerry (203-838-9444 or jerry.toni@seaport.org) and me (703-304-5294 or bill@thehighroadinc.com).

I look forward to working with you and your staff again this year.

Sincerely,



William S. Collins, Jr., CFEE
Oyster Festival Operations Manager

- ** MR. PLUNKETT MOVED TO PROVIDE THE SAME SERVICES AND ARRANGEMENTS TO THE NORWALK SEAPORT ASSOCIATION FOR THE OYSTER FESTIVAL UNDER THE CONDITION THAT THERE IS NO PROFIT OR LOSS FROM THE EVENT.**
- ** MR. KOKIAS SECONDED**
- ** MOTION PASSED UNANIMOUSLY**

SUBSTATION DEVELOPMENT

Mr. Leary presented an update as follows;

A critical part of the Fitch St. Substation development process is the application to the Connecticut Siting Council (CSC.) Approvals from the CSC and from ISO are necessary before construction can begin. Early in the process the Commission selected Murtha Cullina as the legal firm to represent us before the CSC. Because the CSC process may be joint with NU there is a degree of uncertainty as to how to proceed with this effort.

However, since time is of the essence if we are to be on-line by November of 2013 it is prudent that we begin to advance the tasks that are key to achieving this deadline.

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Proposals were requested from three firms, one of which was not worthy of consideration. Responsive proposals for the CSC application engineering were received from TRC and Tighe & Bond. The cost section from each submission is attached and the full proposals are available for your review. Tighe & Bond is proposing a not to exceed cost of \$57,500 but has only limited CSC experience. TRC's not to exceed is \$89,500 and they have extensive experience with CSC.

Mr. Kokias stated that there is still no firm proposal, and Mr. Leary replied that they keep making changes to the scope of the project. Mr. Brown asked if they were over-thinking the issue, and Mr. Leary replied that the scope needs to be pinned down. A discussion ensued relative to the timing this has taken to review the pricing, and Mr.

SUBSTATION ENGINEERING

Mr. Leary submitted a proposal for review and highlighted the following:

TRC proposes to provide environmental consulting, engineering and permitting assistance to

Norwalk TTD to support the construction of a proposed 115 KV substation located at 6 Fitch Street in Norwalk, Connecticut. The scope of work proposed by TRC is comprised of the following three primary tasks:

- Completion of the environmental studies, analyses and reports that are needed for the CSC application;
- Production of the complete CSC application, by incorporating components prepared by other project team members; and
- Project Management and support through the Public Hearing process.

TRC's cost estimates for the three preceding scope of work tasks are provided in Attachment A, along with our cost estimates for the individual environmental study, analysis and report subtasks. Our overall not-to-exceed cost estimate for the proposed scope of work is \$89,500.

TRC's proposes to perform this work on a time and materials basis in accordance with the attached Schedule of Rates and Terms.

Mr. Leary continued to explain that TRC's cost estimate is based on the following assumptions:

- Any additional work performed that is not included within the scope of work in this proposal will be conducted as an out of scope task on a time and materials basis in accordance with our agreed upon rates and terms. TRC will provide monthly task budget status updates and identify anticipated out of scope tasks with cost estimates and not-to-exceed task budgets for Norwalk TTD approval.
- TRC assumes the 0.6 acre site does not contain a significant portion of wetlands or significant wetland permitting or a significant zoning issue. If these constraints are found to be the case with the proposed site, TRC will provide a strategy memorandum and proposed scope change to the Norwalk TTD Project Manager.

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- TRC assumes a visual simulation of the before and after construction of the proposed substation will be necessary for the Local Approval process and CSC Application and that Norwalk TTD and its engineering team will provide relatively detailed substation plans sufficient to develop a 3-D conceptual model or simulation of the facility.
- TRC assumes that the site has no historic or archeological significance.

Leary stated that he recommends that the Commission vote to engage Tighe & Bond to perform the environmental work on the CSC application at a cost not to exceed \$57,500 with the understanding that the scope of this work will change if we agree with NU to make this a joint application.

- ** MR. PLUNKETT MOVED TO ENGAGE TIGHE & BOND TO PERFORM THE ENVIRONMENTAL WORK ON THE CSC APPLICATION AT A COST NOT TO EXCEED \$57,500 WITH THE UNDERSTANDING THAT THE SCOPE OF THIS WORK WILL CHANGE IF WE AGREE WITH NU TO MAKE THIS A JOINT APPLICATION.**
- ** MR. KOKIAS SECONDED**
- ** MOTION PASSED UNANIMOUSLY.**

EXECUTIVE SESSION

A detailed discussion ensued, and Mr. Leary stated that although it was not on the agenda, he would recommend that an executive session be held.

- ** MR. PLUNKETT MOVED TO ENTER INTO EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSION OF NORDEN GENERATORS.**
- ** MR. KOKIAS SECONDED**
- ** MOTION PASSED UNANIMOUSLY.**

The meeting entered into Executive Session at 8:35 p.m. and reconvened back into public session at 8:53 p.m.

There was no action taken.

- ** MR. PLUNKETT MOTIONED TO ADJOURN.**
- ** MR. BROWN SECONDED**
- ** MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 8:53 p.m.

Respectfully submitted,
Marilyn Knox
Telesco Secretarial Services