

THIRD TAXING DISTRICT
of the City of Norwalk
February 4, 2013

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

STAFF: James Smith, General Manager; Ron Scofield, Assist. General Mgr.

OTHER: Attorney John Bove, District Counsel

CALL TO ORDER

Mr. Kokias called the meeting to order at 7:00 p.m. and stated that the Commissioners as listed above were in attendance and that there was a quorum present.

PUBLIC COMMENT

None

MINUTES OF MEETING: January 7, 2013

- ** **MR. BROWN MOVED TO APPROVE THE MINUTES FROM THE MEETING OF JANUARY 7, 2013 AS SUBMITTED.**
- ** **MR. YOST SECONDED THE MOTION.**
- ** **MOTION PASSED UNANIMOUSLY.**

General Manager's Report

Norden Generator Sale Update

Mr. Smith stated that he is putting together a package of materials from Quinnipiac College and Legg Mason who have expressed an interest in buying one of the generators. He explained that he is compiling data on details of when purchased, price, wattage, etc. Mr. Brown asked about the wattage and price range and Mr. Smith explained that they are both 2 megawatts and the going rate is approximately \$300,000-\$400,000 each.

Attorney Bove added that as part of the lease have to sufficient presence to provide a supply of power. He added that there is a discussion above the terms of the renewal lease and property transfers from the extension of the 2009 lease. He stated that they re examining the language and definition of terms of sufficient power source. A discussion ensued over Mr. Leary's negotiation position of payment in lieu of rent and other options. Mr. Smith summarized that they will look at the lease again and come back with a recommendation of how this obligation sits and will purse this as discussed pending lease clarification.

CMEEC Refinancing Option.

Mr. Smith referred to the 15-page CMEEC presentation as contained in the agenda packet and reviewed the RPSC Summary. Mr. Kokias asked about the Wallingford negotiations with CEMEEC and Mr. Smith explained that it will be a choice of which energy company versus Northeast Utilities. He noted that he will bring the negotiated package to the Commission in thirty days.

Christmas Lighting Contest Plaques

Mr. Smith stated he has contacted the winners by letter and asked about plaques. He asked the Commissioners to provide him with a date next week when they would be available for a photograph and award presentation. It was added that the Marvin Beach tree would also be awarded a plaque as an honorable mention.

Analysis of Financials

Mr. Smith referred to the summary report and reviewed the financial highlights for the month of December. He referred to the detailed comparisons versus prior year, Profit & Loss Statement, reviewed the footnote explanations of major variances as provided on page 23, and fielded questions and comments.

Mr. Brown asked about Other Income items and Mr. Smith explained that there is a difference in month-in versus month out. He added that resulting numbers are relative to outages that result in down income, along with weather and warmer temperatures, but a cold January should predict a rebound.

Mr. Kokias asked about a break even, and Mr. Smith replied that \$200,000 is needed to balance the monthly operation of the district or 3-5% of plant value. Mr. Brown clarified that this number is actually 5-8% based on history and other districts. Mr. Smith added that there are funds remaining that have not been spent on energy conservation.

Approval of APPA Trip –

Mr. Kokias asked that this be moved from the agenda to be discussed during the Executive Session.

A discussion ensued on whether an Executive Session can be held without posted on the agenda, and Attorney Bove clarified that this can be added with a motion and 2/3rd majority vote.

Results of 215 East Avenue Roofing Bids/Inspection Results

Mr. Smith referred to the bids contained in the packet and stated that as a follow up to the discussions of prior meetings, it was agreed to begin with the necessary repair bids on a 2-3 year plan of improvement.

A discussion ensued on the future plans for the house, and Mr. Brown stated that he feels that there is value of land use rather than retaining the property as a house. Attorney Bove noted that the property is non-conforming zoning and there are use restrictions. Mr. Kokias stated that the house blocks the unsightly construction behind it.

Mr. Brown noted that while he would like to make a presentation on his ideas for future use of the property, he has not yet gone to Hartford to research options. He agreed to bring his ideas and recommendation to the Commission next month.

**** MR. KOKIAS MOVED TO TABLE THE ACTION OF APPROVAL OF BIDS UNTIL THE NEXT MEETING.**

**** MR. YOST SECONDED THE MOTION.**

**** MOTION PASSED UNANIMOUSLY.**

Discussion of Roberts Rules (Old/New Business)

Mr. Smith stated that as discussed last month he researched into the meeting procedure rules of operation, and referred to the letter from Attorney Bove.

Attorney Bove explained that prior to discussing the substantive issue of whether it is proper and permissible to add these categories to the District's meetings. He added that the term old business is not recognized, the proper term of the category is "unfinished business". He reported that he reviewed the matter with Attorney Thomas Hennick, counsel for the State of Connecticut's Freedom of Information Commission, who confirmed the discussion between regular and special meetings.

Mr. Kokias asked about the definition of the term "brief", and Attorney Bove explained if items in the above categories are anticipated to be lengthy, they should be formally and specifically noticed in the meeting agenda. He further explained that the Commission would move to consider items of business, if any, carried over from the previous meeting, and the chair should bring these matters up automatically.

Discussion ensued over the need to change procedure in compliance with rules of order for meeting content. Mr. Brown stated that Mr. Kokias was out of order last month for not allowing the motion to add items for discussion. It was agreed that there was no need to change the Commission's procedure when adding new items to the agenda.

Substation Development Update

Mr. Smith said that all is on track, and the timing should remain on target. He stated that layouts and drawings have been issued to Mr. Christino for review and approval leading up construction. He asked about preferences for ground-breaking ceremony and stated he would come back with recommended plans and attendees and will discuss this next month.

District Annual Meeting – Budget Approval

Mr. Smith went through the order of agenda for the annual meeting and it was agreed that the Chairman's report will now be presented as the General Manager's Report.

The budget was presented and reviewed and it was agreed to move the Newsletter Funding and Legal/Accounting Services items from District Funds.

Mr. Scofield reported that approved items in the Capital Improvement budget remain due the Fire House delay in completing the HVAC improvements. It was agreed to keep amounts in contingency as listed. The following budget was presented for approval:

2013-2014 Third Taxing District Budget - Proposed to Commission on 2-4-13

	Column L	Column M	Column N	Column O	Column P
	2011-2012 Approved 3/2/11	2011-2012 Actual	2012-2013 Approved 3/7/12	2012-2013 Projected Actual	2013-2014 Proposed
Sources of District Funds					
Fund Balance - Carryover from prior years	\$37,224	\$39,633	\$49,770	\$41,058	\$2,323
Rental Income from Firehouse Building	\$38,000	\$38,000	\$38,000	\$38,000	\$38,000
Interest Income	\$300	\$33	\$100	\$30	\$30
Transfer from Electric Department (from available funds)	\$224,097	\$224,097	\$207,930	\$207,930	\$290,647
Total of Funds Available to District	\$299,621	\$301,763	\$295,800	\$287,018	\$331,000
Uses of District Funds					
Cash Expenditures & Appropriations for District Operating & Capital Needs					
Stipends (3 Commissioners @ \$3500 ea.)	\$10,500	\$10,500	\$11,303	\$10,500	\$10,500
Stipend (Treasurer)	\$1,800	\$1,800	\$1,938	\$1,800	\$1,800
Stipend (District Clerk)	\$1,800	\$1,800	\$1,938	\$1,800	\$1,800
Payroll Tax Expense		\$270		\$1,079	\$1,079
Parks Groundskeeping & Maintenance	\$19,000	\$21,157	\$22,000	\$21,000	\$24,050
Holiday Events (Christmas Tree & Menorah Lighting)	\$5,800	\$7,321	\$6,500	\$8,650	\$8,650
Summer Concert Series	\$12,500	\$11,345	\$14,000	\$13,575	\$14,850
District Newsletter Allowance	\$1,800	\$0	\$1,800	\$0	\$0
Annual Electors Meeting	\$3,400	\$3,319	\$4,000	\$3,450	\$3,950
Legal and Accounting Services for the District	\$2,500	\$0	\$2,500	\$0	\$0
Firehouse Building Expense/Maintenance	\$900	\$0	\$900	\$0	\$0
Firehouse Building Major/Capital	\$1,800	\$3,572	\$3,700	\$0	\$20,000
Library Building Expenses/Maintenance	\$6,000	\$11,768	\$8,100	\$10,000	\$10,000
Library Building Major/Capital	\$3,000	\$0	\$0	\$24,220	\$5,000
East Norwalk Historical Cemetery Expense/Maintenance	\$21,700	\$20,042	\$20,000	\$21,500	\$22,200
East Norwalk Historical Cemetery Major/Capital	\$0	\$0	\$0	\$0	\$0
Contingencies	\$10,000	\$690	\$10,000	\$0	\$25,000
Sub-Total for District General Items	\$102,500	\$93,584	\$108,679	\$117,574	\$148,879
Appropriations on Behalf of Other Organizations					
East Norwalk Improvement Association (for library operations)	\$167,121	\$167,121	\$167,121	\$167,121	\$167,121
Total District Expenditures and Appropriations for Future Work	\$269,621	\$260,705	\$275,800	\$284,695	\$316,000
Fund Balance at Year End	\$30,000	\$41,058	\$20,000	\$2,323	\$15,000

**** MR. KOKIAS MOVED TO APPROVE THE 2013-14 DISTRICT BUDGET FOR PRESENTATION AND APPROVAL AT THE TTD ANNUAL MEETING.**

**** MR. BROWN SECONDED.**

**** MOTION PASSED UNANIMOUSLY.**

Review of Credit & Collections Policies

Mr. Smith stated that the last meeting, the Commission tabled any action on the proposed revisions to our current credit and collections policy until this month's meeting. He referred to information provided from last month and recommended that we move forward with the suggestions.

- ** MR. KOKIAS MOVED TO TABLE REVIEW OF CREDIT & COLLECTION POLICIES UNTIL THE NEXT MEETING.**
- ** MR. BROWN SECONDED.**
- ** MOTION PASSED UNANIMOUSLY.**

Cervalis Data Center Update

Mr. Smith stated that they had met and felt that after thorough examination of all the documents from a technical standpoint all was done to bring them into final form. However, he stated that they met with Joe Christino and there is now another change in the layout that requires an easement due to power line location changes.

He explained that this was done with Cervalis Engineers and it is a change that saves in trenching and conduit with a simplified configuration, but changes the easement. Mr. Kokias asked if there is an amount of the bill, and Mr. Smith explained that it depends on the usage and energy conservation, gross receipts tax, variable charges, etc. Attorney Bove explained that this could amount to over \$250,000 and they will know further when it is confirmed that Cervalis will absorb the cost of the trenching.

- ** MR. YOST MOVED TO SUSPEND THE RULES TO ADD THE FOLLOWING ITEM TO THE AGENDA:
TTD 100th Year Anniversary Celebration**
- ** MR. BROWN SECONDED THE MOTION.**
- ** MOTION PASSED UNANIMOUSLY.**

Mr. Yost suggested that there be an event at Calf Pasture Beach with booths on district related services as a celebration of the 100 year anniversary for the district. He added that he would like to plan for music and give-aways and to include a sign to promote the event and that July 27 is available pending Third Taxing District reserving the date. Mr. Smith noted that he would contact Recreation & Parks and book the date of July 27, and would put this on next month's agenda and establish a committee for further planning.

FINAL

Executive Session

- ** MR. KOKIAS MOVED TO ENTER INTO EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSION OF CONTRACT MATTERS AND REVIEW OF APPA TRIP.
- ** MR. BROWN SECONDED.
- ** MOTION PASSED UNANIMOUSLY.

The meeting went into Executive Session at 9:25 p.m., and in attendance were David Brown, Paul Kokias, Charlie Yost, Jim Smith, Ron Scofield and Attorney John Bove.

- ** MR. KOKIAS MOVED TO COME OUT EXECUTIVE SESSION AND RECONVENE INTO PUBLIC SESSION.
- ** MR. BROWN SECONDED.
- ** MOTION PASSED UNANIMOUSLY.

The meeting was reconvened back into public session at 9:45 p.m.

- ** MR. BROWN MOVED TO APPROVE THE GENERAL MANAGER'S ATTENDANCE AT THE AMERICAN PUBLIC POWER ASSOCIATION CONFERENCE.
- ** MR. YOST SECONDED.
- ** MOTION PASSED WITH TWO VOTES IN FAVOR AND ONE OPPOSED (KOKIAS).

Adjournment

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

The meeting was adjourned at 9:50 p.m.

Respectfully submitted,

Marilyn Knox
Telesco Secretarial Services